

AT A MEETING OF THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF JAMES CITY, VIRGINIA, HELD ON MARCH 27, 2002, AT 4:00 P.M. IN THE BUILDING C CONFERENCE ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

1. CALL TO ORDER

The meeting was called to order by Chairman Nichols at 4:01 p.m.

2. ROLL CALL

A roll call identified the following members present:

Mr. John Berkenkamp
Mr. Vincent Campana, Jr.
Ms. Virginia Hartmann
Mr. Sterling Nichols
Mr. Jon Nystrom
Mr. Mark Rinaldi

Mr. Gilbert Bartlett arrived at 4:10 p.m.

ALSO PRESENT

Keith A. Taylor, Secretary, IDA
Sanford B. Wanner, County Administrator
Bruce Goodson, Board of Supervisors IDA Liaison
Kelly See, Recording Secretary, IDA
Sandra Barner, OED Project Coordinator
Leo Rogers, Assistant IDA General Counsel
Barbara Miller, County Assistant Treasurer
Tara Moore, County Accounting Supervisor
Steve Johnson, James City County IDA Bond Counsel, Troutman Sanders LLP
William W. Harrison, Jr., Williamsburg–Oxford Retirement Community Bond Counsel, Willcox & Savage, P.C.

3. PERSONNEL MATTERS

a. Standing Committee Chair/Project Liaison/Board Appointments

Mr. Nichols presented his 2002 committee chair, project liaison and Board appointments to the Directors. He asked Mr. Nystrom if he was willing to continue as the Peninsula Alliance for Economic Development Liaison. Mr. Nystrom stated that he was willing to continue.

4. APPROVAL OF MINUTES

On a motion by Mr. Nystrom and a second by Mr. Berkenkamp, the minutes from the January 17, 2002 meeting were approved by unanimous voice vote.

5. FINANCIAL REPORTS

a. Treasurer's and Financial Reports

Ms. Moore presented the Treasurer's and Financial Reports. On a motion by Mr. Berkenkamp, and a second by Ms. Hartmann, the Treasurer's and Financial Reports were accepted as presented by unanimous voice vote.

6. PRESENTATIONS

a. Proposed modifications to \$25,000,000 Industrial Development Authority of the County of James City, Virginia Rental Housing Revenue Refunding Bonds (Williamsburg-Oxford Retirement Community) 1996 Series A and 1996 Series B

Mr. William H. Harrison, Jr. explained the request for Authority authorization of modifications to the Williamsburg-Oxford Retirement Community bonds. Mr. Harrison and Mr. Steve Johnson answered questions from the Directors. Mr. Johnson noted that one hundred percent of the bond holders have approved the transaction.

7. ACTION ITEMS

a. Resolution authorizing modifications to \$25,000,000 Industrial Development Authority of the County of James City, Virginia Rental Housing Revenue Refunding Bonds (Williamsburg-Oxford Retirement Community) 1996 Series A and 1996 Series B

On a motion by Mr. Bartlett, and a second by Mr. Nystrom, the resolution authorizing modifications to the \$25,000,000 Industrial Development Authority of the County of James City, Virginia Rental Housing Revenue Refunding Bonds (Williamsburg-Oxford Retirement Community) was approved by unanimous voice vote.

b. Approval of James River Enterprise Zone Grant Request

Mr. Taylor presented a request from Mr. Doug Powell, Enterprise Zone Administrator, that the IDA approve the application submitted by Ball Metal for its third year Enterprise Zone grant. The grant amounts to \$14,040.00, .27% of Ball Metal's assessed value. Mr. Taylor answered questions from the Directors about the grant. On a motion by Mr. Nystrom and a second by Mr. Berkenkamp, the IDA approved the application submitted by Ball Metal for its third year Enterprise Zone grant by unanimous voice vote.

8. REPORTS

a. BOS Liaison to IDA

Mr. Goodson reported that the Board of Supervisors had, at the previous night's meeting, approved the resolution to apply for Bonded Industrial Access Road Funds for a 1200 foot road extension into James River Commerce Center.

b. Planning Commission Liaison

Ms. Hartmann reported that she had watched the most recent Planning Commission meeting on TV. She reported that the subject of the IDA's funding had come up during the Planning Commission's discussion of the Capital Improvement Program requests. Mr. Taylor stated that the Planning Commission has a role in prioritizing the Capital Improvement requests before they go to the Board of Supervisors.

Mr. Rinaldi reported the Board of Supervisors discussed the Comprehensive Plan at its most recent worksession. He stated that the IDA needs to have good representation on the Steering Committee and any Citizen Input/Advisory Committee for the Comprehensive Plan update.

c. Peninsula Alliance for Economic Development

Mr. Nystrom reported that the Alliance is getting a much smaller volume of leads from the State. Mr. Nystrom also reported that due to the State's budget problems, PAED's funding from the Hampton Roads Partnership is now at zero. He stated that the Alliance may join forces with the Southside on workforce development. He reported that the Southside organization is funded 60% by the private sector and the Peninsula Alliance is funded 40% or less by the private sector. Mr. Nystrom additionally reported that the upcoming bond referendum on transportation in this area is an important issue to the Alliance.

d. Crossroads Project Liaison

Mr. Wanner stated he had no report at this time and the next committee meeting will be next month.

e. Technology Initiatives

Mr. Campana reported that a budget request for a consultant study to evaluate the feasibility of proactively recruiting research and technology industry clusters to the County was submitted to the Board of Supervisors on behalf of the IDA by OED staff.

f. Shell Building #2

Mr. Campana reported that the Shell Building project is still in the due diligence period. He stated we are close to a contract. Mr. Rogers reported that the contract has been finalized but not yet signed. He stated we are waiting for final word on some environmental issues. Mr. Taylor reported that Bernie Farmer, the County Capital Projects Administrator, had been authorized to obtain a 30% road design study from LandMark Design as a required part of the VDOT bonded industrial access road application, and that a meeting regarding the Truswood waterline was coming up in April.

9. REPORTS OF THE ECONOMIC DEVELOPMENT STAFF

Mr. Taylor reported that on April 1st, James City County will make a presentation to Virginia Economic Development Partnership marketing staff. He stated that Mr. Nichols and Mr. Wanner would also attend and that the Peninsula Alliance was sponsoring the effort. He stated he would

discuss the shell building initiative and would introduce Jim Golden from the College of William & Mary to make a presentation.

Mr. Taylor stated that he would like to have the IDA's concurrence to go ahead with hosting a skybox at the last year of the Michelob Championship tournament. All the Directors concurred.

Mr. Taylor stated that the IDA currently does not derive any fees from modifications to IRBs. He reported that he had asked Ms. See to do a survey of other IDA's in the state to determine if they charged fees for modifications. He stated that he would probably be coming to the IDA in the future with a proposal for adding such a fee.

Mr. Taylor reported on some upcoming marketing missions. He stated that he would be going in May with a Peninsula team to a conference for the new organization CoreNet, created from the merger of IDRC and NACORE. He stated he would be sending Ms. Barner on a marketing mission to Northern Virginia in June and that he would be attending the BIOInternational Conference Marketing Mission in Toronto in June.

Mr. Taylor reported that the ballots for the May 15th Celebration of Industry event award would be sent out in a few days. He also stated that he may be advocating a special award this year.

Ms. Barner reported that the Small Business Appreciation Event was successful and there was good attendance. She also reported that OED is working on a program for the next Business Leaders' Breakfast, tentatively scheduled for May 2nd.

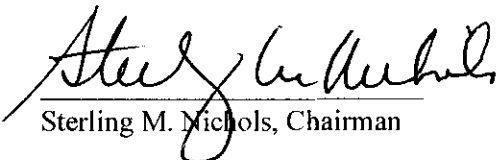
10. OTHER BUSINESS

a. Utility Easement Concept for James City Energy Park

Mr. Rinaldi gave the Directors an update on the progress of the James City Energy Park project. He stated that the project is potentially one of the largest revenue sources to the County. He reported that the project is on schedule so far. He stated that he would like to get the sense of the IDA as to whether they would grant an easement to extend a high-pressure natural gas line across the IDA's property to the Energy Park. Mr. Rinaldi answered questions from the Directors. It was concluded that the general sense of the Authority members was that they would be willing to grant the proposed easement.

11. ADJOURNMENT

There being no further business Chairman Nichols entertained a motion from Mr. Berkenkamp to adjourn. The motion was seconded by Mr. Campana and approved by unanimous voice vote. The meeting was adjourned at 5:28 p.m.


Sterling M. Nichols, Chairman


Keith A. Taylor, Secretary

**INDUSTRIAL DEVELOPMENT AUTHORITY
COMMITTEE CHAIR/LIASION/BOARD POSITIONS**

2002 POSITIONS

Board of Supervisors Liaison

Budget Liaison

Comprehensive Plan/Planning Commission
Liaisons

Crossroads Project Liaison

James River Commerce Center Architectural
Review Board Member

James River Enterprise Zone Advisory
Board Member

Nominating Committee Chair

Peninsula Alliance for Economic
Development Liaison

Public Schools Liaison

Shell Building #2 Advisory Liaison

Strategic Plan Liaison

Technology Initiatives Liaison

2002 IDA APPOINTEES

Sterling Nichols (historically IDA Chair)

Gil Bartlett

Virginia Hartmann/Mark Rinaldi

Sandy Wanner

Skip Campana

Skip Campana

Gil Bartlett

Jon Nystrom

Sterling Nichols

Skip Campana

John Berkenkamp

Skip Campana

**RESOLUTION OF INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY
OF JAMES CITY, VIRGINIA**

A RESOLUTION CONSENTING TO THE ASSIGNMENT AND ASSUMPTION IN FULL OF ALL THE DUTIES AND OBLIGATIONS OF WILLIAMSBURG-OXFORD LIMITED PARTNERSHIP UNDER THE BOND DOCUMENTS EVIDENCING AND SECURING THE \$13,707,550 INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF JAMES CITY, VIRGINIA RENTAL HOUSING REVENUE REFUNDING BONDS (WILLIAMSBURG-OXFORD RETIREMENT COMMUNITY PROJECT) 1996 SERIES A (THE "SERIES A BONDS") AND \$11,292,450 INDUSTRIAL DEVELOPMENT AUTHORITY OF THE COUNTY OF JAMES CITY, VIRGINIA RENTAL HOUSING REVENUE REFUNDING BONDS (WILLIAMSBURG-OXFORD RETIREMENT COMMUNITY PROJECT) 1996 SERIES B (THE "SERIES B BONDS", AND TOGETHER WITH THE SERIES A BONDS, THE "1996 BONDS") AND THE ASSUMPTION BY CMCP-WILLIAMSBURG, LLC OF SUCH DUTIES AND OBLIGATIONS

WHEREAS, the Industrial Development Authority of the County of James City, Virginia (the "Authority") is a political subdivision of the Commonwealth of Virginia (the "Commonwealth") and is authorized and empowered by the provisions of the Virginia Industrial Development and Revenue Bond Act (Chapter 49, Title 15.2 of the Code of Virginia of 1950, as amended) (the "Act") to issue its bonds to finance the acquisition, construction and equipping of elderly residential rental facilities such as the 256 unit elderly residential rental project commonly known as Chambrel at Williamsburg and located at 3800 Treyburn Drive, Williamsburg, Virginia (the "Project") and to refinance such Project through the issuance of refunding bonds; and

WHEREAS, the Authority issued the 1996 Bonds to refund the Authority's \$25,000,000 Elderly Residential Mortgage Revenue Bonds (Williamsburg-Oxford Project) issued in 1995, the proceeds of which were used to finance the acquisition, construction and equipping of the Project; and

WHEREAS, Williamsburg-Oxford Limited Partnership, Maryland limited partnership (the "Developer") has entered into a Purchase and Sale Agreement with BLC Acquisitions, Inc. ("Brookdale") with respect to the Project; and

WHEREAS, Brookdale will assign its rights under the Purchase and Sale Agreement to CMCP-Williamsburg, LLC, a Delaware limited liability company (the "Assignee") and Assignee will purchase the Project (the "Transfer"); and

WHEREAS, in connection with the Transfer, the Developer desires to assign and the Assignee desires to assume, in full, all of the duties and obligations of the Developer under the documents evidencing or securing the 1996 Bonds (the "Bond Documents"); and

WHEREAS, the Developer is a party to a Series A Bond Pooling Agreement and an Excess Revenue Agreement, each entered into as of November 1, 1996 (collectively the "Original Pooling Agreements") which provide for the pooling of certain collateral and resources to support various bonds, including the 1996 Bonds; and

WHEREAS, in connection with the sale of the Project to Assignee, the Developer, various other project owners which are signatories thereto, Merrill Lynch, Pierce, Fenner & Smith Inc., a Delaware corporation ("MLPFS"), as registered nominee for Merrill Lynch Portfolio Management Inc., a Delaware corporation ("Bond Owner"), and the Servicer thereunder desire to release the Developer from the Original Pooling Agreements; and

WHEREAS, the Assignee as well as various other project owners, MLPFS, as registered nominee for Bond Owner, and a servicer named thereunder, desire to enter into a new Series A Bond Pooling Agreement and a new Excess Revenue Agreement (together the "Current Pooling Agreements") to provide for substantially the same rights and duties, as amongst such parties, as contained in the Original Pooling Agreements; and

WHEREAS, the Developer and Assignee now seek the acknowledgment of the Authority to the release of the Developer from the Original Pooling Agreements and the execution by the Assignee of the Current Pooling Agreements; and

WHEREAS, the Developer and the Assignee also now seek the consent of the Authority to the Transfer and the assignment and assumption of the duties and obligations under the Bond Documents; and

WHEREAS, in connection with the Transfer there has been prepared and presented to this meeting an Assignment and Assumption Agreement to be dated as of the date of its execution and delivery, by and between the Developer and the Assignee and consented to by the Trustee and the Owners of 100% of the outstanding 1996 Bonds, in which the Authority will be asked to join to acknowledge the Transfer and to provide its consent.

NOW, THEREFORE, be it resolved by the Industrial Development Authority of the County of James City, Virginia as follows:

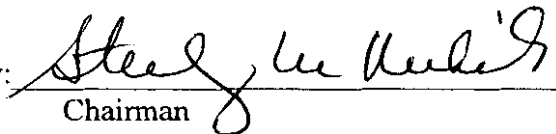
1. The Assignment and Assumption Agreement is hereby approved in substantially the form presented to this meeting and the Chairman and the Vice Chairman, either of whom may act, are hereby authorized and directed to execute the Assignment and Assumption Agreement on behalf of the Authority, with such changes, insertions and omissions therein as shall be approved by such person

executing such document, such execution constituting conclusive evidence of such approval and the approval of this body.

2. The Authority hereby consents to the Transfer as contemplated by the Assignment and Assumption Agreement and the assumption of the Developer's obligations by the Assignee.
3. The Authority hereby acknowledges release of the Developer from the Original Pooling Agreements and entry into the Current Pooling Agreements by Assignee.
4. All costs and expenses of the Authority, including Authority counsel fees and expenses, incurred in connection with the matters contemplated in this Resolution will be paid by the Developer or the Assignee.
5. Each officer of the Authority is authorized and directed to execute and deliver on behalf of the Authority such instruments, documents or certificates and to do and perform such other things and acts, as he or she shall deem necessary or appropriate to carry out the transactions authorized by this Resolution. All actions heretofore or hereafter taken by the officers of the Authority that are in conformity with the purposes and intent of this Resolution are hereby ratified, approved and confirmed.
6. This Resolution shall be in full force and effect upon its adoption and approval.

The foregoing Resolution duly adopted by the Authority on March 27, 2002.

INDUSTRIAL DEVELOPMENT AUTHORITY
OF THE COUNTY OF JAMES CITY, VIRGINIA

By: 
Chairman

**Treasurer's Report-FY 02
Industrial Development Authority
Jan-Feb 2002**

Rev Code	Revenue Source	Prior Collections	Collected this period	Collected to Date
021-325-0100	Lease Income	\$7,362.50		\$7,362.50
021-325-0200	Interest on Available Cash	\$1,003.08	\$214.43	\$1,217.51
021-325-0600	General Fund Contribution	\$129,446.00	\$6.98	\$129,452.98
021-325-0400	Bond Fee Revenue	\$0.00	\$14,537.99	\$14,537.99
021-325-0500	Land Contract Payment Revenue	\$0.00		\$0.00
021-325-0250	Misc Revenue	\$0.00		\$0.00
	Expense Reimbursement	\$0.00		\$0.00
	Total receipts this period		\$14,759.40	
	Fiscal Year Receipts			\$152,570.98
	Bank balance June 30, 2001			\$96,855.51
	Total Receipts			\$249,426.49
	Disbursements this Period	\$2,943.10		
	Previous disbursements	\$138,982.50		
	Total disbursements to Date			\$141,925.60
	Bank balance Feb 28, 2002			<u>\$107,500.89</u>

INDUSTRIAL DEVELOPMENT AUTHORITY
EXPENDITURES

James City County

15-Mar-02

IDA: Year (2002) Period (8)

Ledger ID	Ledger Description	Beg Budget	January	February	Encumb	Total YTD Exp	Balance
OPERATING EXPENSES							

021-010-0205	PROMOTION	\$26,000.00	\$0.00	\$0.00	\$0.00	\$960.00	\$25,040.00
021-010-0210	INSURANCE	\$650.00	\$0.00	\$0.00	\$0.00	\$0.00	\$650.00
021-010-0219	TELEPHONE	\$200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200.00
021-010-0220	TRAVEL & TRAINING	\$3,000.00	\$0.00	\$0.00	\$0.00	\$825.73	\$2,174.27
021-010-0222	LOCAL TRAVEL	\$200.00	\$0.00	\$0.00	\$0.00	\$123.54	\$76.46
021-010-0232	JAMES RIVER COMMERCE CTR - OPS	\$3,500.00	\$2,889.12	\$0.00	\$0.00	\$2,889.12	\$610.88
021-010-0233	SHELL BUILDING - OPS	\$1,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,500.00
021-010-0234	STRAWBERRY PLAINS - OPS	\$1,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00
021-010-0235	ANNUAL AUDIT	\$5,000.00	\$0.00	\$0.00	\$0.00	\$4,225.00	\$775.00
021-010-0245	MAINLAND FARM - OPER EXPENSES	\$100.00	\$5.50	\$5.50	\$0.00	\$44.00	\$56.00
021-010-0300	ADVERTISING	\$1,000.00	\$36.00	\$0.00	\$0.00	\$36.00	\$964.00
021-010-0319	OFFICE SUPPLIES & EQUIPMENT	\$200.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200.00
021-010-0370	HISTORICAL MARKERS	\$0.00	\$0.00	\$0.00	\$1,200.00	\$0.00	(\$1,200.00)
021-010-0398	OED DISCRETIONARY EXPENDITURE	\$1,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,500.00
021-010-0600	SMALL BUSINESS ASSISTANCE	\$600.00	\$0.00	\$0.00	\$0.00	\$0.00	\$600.00
	Total Operating Expenses	\$44,450.00	\$2,930.62	\$5.50	\$1,200.00	\$9,103.39	\$34,146.61
CAPITAL EXPENSES							

021-010-0405	CAPITAL EXPENDITURES	\$0.00	\$0.00	\$0.00	\$0.00	\$127,146.00	(\$127,146.00)
	Total Capital Expenses	\$0.00	\$0.00	\$0.00	\$0.00	\$127,146.00	(\$127,146.00)

INDUSTRIAL DEVELOPMENT AUTHORITY
EXPENDITURES

James City County

15-Mar-02

IDACIP: Year (2002) Period (8)

Ledger ID	Ledger Description	Begin Budget	January	February	Project to Date	Encumbrances	Ending Balance
	CAPITAL PROJECTS FUND						

	(PROJECT TO DATE)						

021-011-0200	JRCC	\$168,626.00	\$0.00	\$0.00	\$152.80	\$0.00	\$168,473.20
021-011-0300	ECONOMIC DEVELOPMENT	\$3,625,000.00	\$0.00	\$0.00	\$1,798,120.86	\$0.00	\$1,826,879.14
021-011-0350	INDUSTRIAL PROP/INFRASTRUCTUR	\$2,496,535.00	\$0.00	\$6.98	\$23,006.98	\$0.00	\$2,473,528.02
021-011-0400	SHELL INDUSTRIAL BLDG FUND	\$92,760.80	\$0.00	\$0.00	\$5,271.87	\$21,850.00	\$65,638.93
	Total Capital Projects Fund	\$6,382,921.80	\$0.00	\$6.98	\$1,826,552.51	\$21,850.00	\$4,534,519.29

INDUSTRIAL DEVELOPMENT AUTHORITY
BRIDGE BETWEEN TREASURER'S REPORT AND ACCOUNTING REPORTS
February 28, 2002

Total disbursements per treasurer's report		\$141,925.60
Total operating expenses	\$9,103.39	
Total capital expenses	\$127,146.00	
Total capital projects expenses	\$2,306.98	
Accounts payable:		
Keith Taylor, reimbursement	\$377.48	
Stonehouse, Inc. - shell building expenses	\$2,991.75	
Total expenses		\$141,925.60
Net difference		\$0.00