

MINUTES
JAMES CITY COUNTY ECONOMIC DEVELOPMENT AUTHORITY
REGULAR MEETING

November 14, 2023
4:00 PM

A. CALL TO ORDER

Ms. Gajda called the meeting to order at 4:03 p.m.

B. ROLL CALL

Ellen Smith Gajda, Chair
Vince Campana
Rebecca Mulvain
Joe Stanko
William Turner

Absent:

Lynn Meredith, Vice Chair
Brandon Nice

Also Attending:

Christopher Johnson, Economic Development Authority (EDA) Secretary
Jeff Wiggins, EDA Fiscal Agent
Cameron Boone, Assistant Treasurer
Chris Kulp, EDA Bond Counsel, Hunton Andrews Kurth, LLP
Anne Curtis Saunders, Associate, McGuireWoods, LLP
Greg Storer, President and CEO, Williamsburg Landing, Inc.

Mr. Johnson requested that the Agenda order be amended to move New Business in front of the Closed Session to allow the attendees present for the Williamsburg Landing Bond Issuance to be able to also attend the Board of Supervisors Meeting which begins at 5:00 p.m.

Hearing no objections, Ms. Gajda amended the Agenda.

C. APPROVAL OF MINUTES

1. Minutes Adoption - October 17, 2023

A motion to Approve was made by William Turner; motion Passed.
AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 2
Ayes: Campana, Gajda, Mulvain, Stanko, Turner
Absent: Meredith, Nice

D. FINANCIAL REPORTS

1. October Financial Reports

A motion to Approve was made by Vince Campana; motion Passed.
AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 2
Ayes: Campana, Gajda, Mulvain, Stanko, Turner
Absent: Meredith, Nice

Mr. Wiggins presented the revenue and expense reports and informed the EDA the cash balance was \$1,510,163 including a month of Local Government Investment Pool interest revenue. There were no expenses for the month of October.

E. NEW BUSINESS

1. Williamsburg Landing, Inc. Bond Resolution

A motion to Approve the Bond Resolution was made by Joe Stanko; motion Passed.
AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 2

Ayes: Campana, Gajda, Mulvain, Stanko, Turner

Absent: Meredith, Nice

Mr. Johnson introduced Mr. Chris Kulp of Hunton Andrews Kurth, LLP, acting as Special Counsel to the EDA, Ms. Anne Curtis Saunders of McGuireWoods, LLP, representing the applicant, and Mr. Greg Storer, President and CEO of Williamsburg Landing, Inc.

Mr. Kulp stated that the EDA held a Public Hearing at its October meeting and adopted a Bond Inducement Resolution, which states that the EDA agrees to serve as the conduit bond issuer using its authority under the Code of Virginia. The Bond Resolution before the EDA outlines the basic parameters of the bond issuance and authorizes the EDA Officers to act following the Board of Supervisors approval of the Inducement Resolution. He stated that he has reviewed the Bond Resolution as to form on behalf of the EDA as Special Counsel appointed by EDA Counsel, Mr. Adam Kinsman.

Mr. Kulp reminded the EDA that action was not to be construed as a guarantee of success for the project, but rather the EDA was providing access to a financing mechanism per state statute. He noted the applicant has selected the one-time up-front fee option for the administration fee to the EDA and introduced Ms. Saunders to describe the proposed project.

Ms. Saunders explained the revenue bonds would be used to finance the costs of designing, construction, and equipping an expansion of the existing senior living community of up to 39 independent living units, in the form of triplexes and apartment buildings, as well as the designing, construction, and equipping of a community center that is expected to include an art studio, theater, dining space, and multipurpose rooms.

Mr. Johnson reminded the EDA that under state law the bonds are not deemed to constitute a debt of the EDA or constitute a pledge of faith and credit or taxing power of the EDA or the County. Mr. Johnson stated that all Directors had confirmed prior to the meeting that they meet the residency requirements of the IDA Act.

Ms. Mulvain asked how many of the new residential dwelling units have been sold.

Mr. Storer said that 23 of the dwelling units have been pre-sold.

Mr. Stanko asked how much funding the applicant was seeking to raise.

Mr. Storer stated that \$15 million would be acquired from Chesapeake Bank and the remainder would be raised through public sale, for a total of approximately \$74 million.

Mr. Stanko asked why the applicant would acquire funding through a bond issuance.

Mr. Kulp stated that the only way for an applicant to access tax-exempt bonds was through a public entity such as the EDA.

Mr. Turner asked what the tax-exempt rate for the bonds would be versus the market rate.

Ms. Saunders stated that the tax-exempt rate was 6.5% from Chesapeake Bank and the market rate would be determined in mid-December when the bonds are priced and sold.

Mr. Campana asked what the administration fee would be if \$80 million in bonds were sold.

Mr. Wiggins responded that the one-time, up-front administration fee option payable to the EDA would be approximately \$100,000 with the final amount to be determined when the bonds are priced and sold.

Mr. Turner asked if the applicant would need to return to the EDA for any additional approvals if the amount of the bonds were to change.

Mr. Johnson asked Mr. Kulp to explain the insubstantial deviation language included in the Resolution.

Mr. Kulp stated that the Internal Revenue Service and federal tax law allow for a 10% insubstantial deviation from the original requested amount without having to go back through the public hearing process. The Bond Resolution under consideration requests up to \$80 million in revenue bonds. Minor changes had been made to the resolution to address insubstantial deviation allowed under tax law.

Mr. Turner asked who would be serving as underwriter of the bonds.

Ms. Saunders stated that Ziegler would serve in that capacity.

Hearing no further questions, Ms. Gajda requested a motion.

F. CLOSED SESSION

Enter Closed Session

A motion to enter Closed Session was made by Ellen Smith Gajda; motion Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 2

Ayes: Campana, Gajda, Mulvain, Stanko, Turner

Absent: Meredith, Nice

Ms. Gajda led the EDA into Closed Session in accordance with the Code of Virginia for the purposes of: 1) discussion or consideration of the disposition of publicly held real property located at 8915 and 8925 Columbia Drive, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the Authority pursuant to Virginia Code Section 2.23711(A)(3); and 2) consultation with legal counsel regarding specific legal matters related to agreements and property owned by the Authority requiring the provision of legal advice by such counsel pertaining to real property located at 8915 and 8925 Columbia Drive pursuant to Virginia Code Section 2.23711(A)(8).

The EDA returned to Open Session.

Certification of Closed Session

A motion to Certify the Closed Session was made by Rebecca Mulvain; motion Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 2

Ayes: Campana, Gajda, Mulvain, Stanko, Turner

Absent: Meredith, Nice

Resolution for Sale of Real Property

A motion to approve a resolution to sell real property located at 8925 and 8915 Columbia Drive, further identified as James City County Real Estate Tax Map Parcel No. 5920100045 and James City County Real Estate Tax Map Parcel No. 5920100061. The resolution authorizes and grants the Secretary of the EDA the power to execute any and all documents necessary to execute such sale.

A motion to Approve the Authorization was made by Vince Campana; motion Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 2

Ayes: Campana, Gajda, Mulvain, Stanko, Turner

Absent: Meredith, Nice

G. OLD BUSINESS

There was no old business.

H. LIAISON REPORTS

There were no liaison reports.

I. DIRECTOR'S REPORT

Mr. Johnson referred to the report in the Agenda Packet.

J. UPCOMING DATES OF INTEREST

There were no dates of interest.

K. ADJOURNMENT

A motion to Adjourn was made by Rebecca Mulvain; motion Passed.

AYES: 5 NAYS: 0 ABSTAIN: 0 ABSENT: 2

Ayes: Campana, Gajda, Mulvain, Stanko, Turner

Absent: Meredith, Nice

1. Adjourn until December 19, 2023

At approximately 4:58 p.m., Ms. Gajda adjourned the Authority.


Christopher Johnson, Secretary
Economic Development Authority


Ellen Smith Gajda, Chair
Economic Development Authority