

**Economic Development Authority
Of
Lancaster County, Virginia**

**Chesapeake Bank
Minutes – October 10, 2013**

Members Attending: Chairman Szyperski, Mr. Pennell, Mr. Kyzer, Mr. Barrack, Mr. Fleet and Mr. Pittman. Mr. Curry was absent.

Others Present: Mr. Frank Pleva, Executive Director, Mr. Dan Siegel and Mr. Kevin White.

Mr. Szyperski called the meeting to order at 11:00 a.m.

Public Hearing

Proposed Issuance of a Refunding Revenue Bond by the Economic Development Authority of the County of Lancaster, Virginia – The James Barry-Robinson Home for Boys Trust

Mr. Szyperski opened the public hearing.

Mr. Szyperski stated that he would like for Mr. Dan Siegel, attorney from Sands Anderson, PC, to present the issue.

Mr. Siegel stated that the bond benefits the St. Patrick's Catholic School in Norfolk, Virginia. He stated that there is no liability for Lancaster County. He stated that there would be two public hearings, one in Lancaster County and one in the City of Norfolk. He stated that the reason that the Trust is coming to Lancaster County is that the City of Norfolk does not have the bank qualified bonds available because they have over ten million in bonds already. He stated that every January, another ten million becomes available to each locality.

Mr. Pleva stated that the unallocated bond proceeds do not roll over to the next year.

Mr. Siegel stated that was correct.

Mr. Kyzer asked if the County would need the money for any purpose before the end of the year.

Mr. Pleva replied no.

Mr. Kevin White, the bond counsel for the James Barry-Robinson Home for Boys Trust, stated that their next step would be to go in front of the Norfolk City Council. He stated

that the school is planning on rolling three different loans into one with the monies, to save on debt services.

Mr. Kyzer asked if the facilities mentioned had been built since the bond began being financed in 2004.

Mr. White replied yes.

Mr. Kyzer asked how many students were involved.

Mr. White replied that he did not know.

Mr. Pittman asked if the EDA bond was the sole source of funding.

Mr. White replied that they also had revenue from tuition as well.

Mr. Szyperski closed the public hearing.

Mr. Pennell moved to Approve the Issuance of a Refunding Revenue Bond by the Economic Development Authority of Lancaster County, Virginia for The James Barry-Robinson Home for Boys Trust.

VOTE:

ROLL CALL:

Mr. Szyperski	Aye
Mr. Pennell	Aye
Mr. Barrack	Aye
Mr. Kyzer	Aye
Mr. Pittman	Aye
Mr. Fleet	Aye

Mr. Siegel stated that the closing would take place in November.

New Business

Proposed Post-Issuance Compliance Procedure for Tax Exempt Governmental Bonds

Mr. Siegel stated that the proposed procedure had been adopted in other jurisdictions. He stated that the Internal Revenue Service randomly audits localities. He stated that the IRS has recommended that there be a compliance monitoring procedure put in place for the administration of governmental bonds. He stated that it is a recommendation and not a requirement at this point. He stated that the new form from the IRS asks if the entity has a

post-issuance compliance procedure in place. He stated that his firm is suggesting that the EDA adopt such a procedure.

Mr. Siegel suggested that part of the procedure could be obtaining more information from the borrower, such as updates on how the monies are being spent.

Mr. Pleva asked if the borrower was required to spend the money in a certain time period.

Mr. Siegel replied yes and if the borrower does not follow the time requirement, the funds may become taxable.

Mr. Szyperski asked if the post-issuance compliance document would be completed at issuance or done annually.

Mr. Siegel replied that they could adopt the document at issuance.

Mr. Pennell asked if the County's auditors should audit these documents as well.

Mr. Siegel replied yes.

Mr. Siegel stated that his recommendation would be to adopt the procedure and then make modifications as needed.

Mr. Pittman moved and Mr. Barrack seconded the motion to Adopt the Post-Issuance Compliance Procedure for Tax Exempt Governmental Bonds. VOTE: 6-0.

Minutes

Mr. Pennell moved to approve the June 20, 2013 minutes. Mr. Fleet seconded the motion. VOTE: 6-0.

Financial Report

Mr. Pleva stated that the bank statements have become paperless so there is no recent hard copy. He stated that he has completed a form, needs some signatures and they will start receiving the statements on line.

Other Business

Mr. Szyperski stated that the Rural Virginia Annual Summit went elsewhere, so the \$2500 was never expended for that purpose. There was some discussion about trying to get the federal per diem rate changed to be competitive with other localities.

Mr. Pennell stated that the exposure for the area would have been nice. He stated that there have been discussions about "branding" for the area. He stated that something

similar to Maryland having the crab as its brand is being considered for Virginia, using the oyster.

Mr. Pennell stated that there are some exciting things happening to promote branding, including an oyster and wine festival in Irvington on the first weekend in November. He invited everyone to attend the Visions Economic Development meeting that is held the third Thursday of each month at 8:00 a.m. in the Chesapeake Bank Training Center in Kilmarnock.

Mr. Szyperski stated that at the bank's training center, there have been some oyster presentations in the last few months. He stated that the production and sales are important, but also the possible promotion of an "oyster trail", similar to existing wine trails. He stated that there have been discussions with the Virginia Tourism Council concerning the subject.

Mr. Pleva stated that the County has seen an increased interest in aquaculture, particularly individuals who want to do something at their homes.

Mr. Pleva stated that he may include some of his staff on the January agenda to go over the update on the new stormwater regulations.

Mr. Pennell suggested that the EDA should be more involved with the Comprehensive Plan during the next review.

Mr. Szyperski stated that they would meet again on Thursday, January 16, 2014 at 10:00 a.m.

Mr. Pennell stated that would be after the Visions Economic Development meeting and all members were invited to attend.

Adjournment

Mr. Pennell moved and Mr. Fleet seconded the motion to adjourn the meeting at 11:45 a.m.

Attest: _____
Frank A. Pleva,
Executive Director