

Orange County, Virginia

Economic Development Authority

Meeting Minutes June 11, 2020

A meeting of the Orange County Economic Development Authority was held on Thursday, June 11, 2020, beginning at 5:30 p.m., and conducted electronically via Zoom video conference. Present: Doug Rogers, Robert McConnell, Bill Hager, Beth Ross, Ronnie Rankin, and Sharon Hujik. Absent: Rickett (connection error). Also present: Susan Turner, Deputy Clerk, and Theodore L. Voorhees, County Administrator.

I. PARTICIPATION VIA ELECTRONIC MEANS

Pursuant to the ordinance adopted on April 28, 2020, this meeting was held electronically via Zoom video conference and livestreamed to YouTube for the public to view. As such, the minutes are required to reflect the physical location of each Authority member during their participation.

Chairman Rogers participated from the Administration Conference Room, located at 112 West Main Street, Orange, Virginia.

Vice Chairman Hager participated from his residence, located at 104 Mimosa Lane, Orange, Virginia.

Mr. McConnell participated from his residence, located at 14186 Madison Run Road, Gordonsville, Virginia.

Ms. Hujik participated from her residence, located at 410 North Main Street, Gordonsville, Virginia.

Ms. Ross participated from her residence, located at 31825 Zoar Road, Locust Grove, Virginia.

Mr. Rankin participated from his residence, located at 148 Red Hill Road, Orange, Virginia.

II. CHAIRMAN'S COMMENTS

The Chairman had no comments at this time.

III. APPROVAL OF MARCH 12, 2020 MEETING MINUTES

Chairman Rogers called for a motion to approve the minutes of the March 12, 2020 meeting.

Mr. McConnell moved, seconded by Mr. Hager and carried unanimously, to approve the March 12, 2020 minutes, as presented.

IV. FY21 BUDGET APPROVAL

Mr. McConnell moved, seconded by Ms. Rankin and carried unanimously, to adopt the following resolution as presented:

WHEREAS, the Fiscal Year 2021 budget has been duly prepared and presented to the Economic Development Authority, and

WHEREAS, the estimated contribution from Orange County (Transfer from General Fund) was approved by the Board of Supervisors as part of the County's adopted budget resolution on April 28, 2020,

NOW, THEREFORE, BE IT RESOLVED, this 11th day of June, 2020 by the Economic Development Authority of Orange County, Virginia, that the Fiscal Year 2021 Budget is established, adopted, and all funds appropriated.

BE IT FURTHER RESOLVED as follows:

1. Estimates of revenues are approved in total and appropriations are hereby authorized at the functional level.

2. Appropriations designated for Capital Projects within the EDA Fund will not lapse at the end of the fiscal year, but shall remain appropriated until the completion of the project or until the Orange County Economic Development Authority, by appropriate resolution, changes or eliminates the appropriation.

Expenditures:

		<u>FY21 Approved</u>
48155002-43100	Professional Services	\$34,000.00
48155002-43120	Professional Services-Audit	\$5,550.00
48155002-43305	Bank Fees	\$600.00
48155002-43370	Property Maintenance	\$1,800.00
48155002-43600	Advertising	\$500.00
48155002-45340	Public Officials Liability Ins.	\$600.00
48155002-45350	Gen. Liability Ins. - Industrial	\$800.00
48155002-45900	Prospect Incentives	\$81,386.00
48155002-46002	Meeting Supplies	\$1,800.00
48155002-46805	Utilities	\$17,300.00
48155002-48320	Site Improvements	\$0.00
48155002-48290	Property Acquisition	\$0.00
		<hr/> <hr/> \$144,336.00

Revenues:

		<u>FY21 Approved</u>
30021005-31115	Interest on Investments	\$6,000.00
30027004-32610	EDA Bond Fees	\$9,979.00
30051009-39100	Transfer from General Fund	\$128,357.00
		<hr/> <hr/> \$144,336.00

Ayes: Rogers, Hager, McConnell, Ross, Rankin and Hujik. Nays: None. Absent from vote: Rickett.

V. LEASE BOND FINANCING

Theodore L. Voorhees, County Administrator presented a resolution for consideration by the Economic Development Authority. He explained that the resolution was for proposed issuance of the Authority's Lease Revenue Bonds to fund major capital projects, included in the Orange County FY21 adopted budget. Mr. Voorhees then introduced Mr. Ted Cole, a representative of Davenport & Company, LLC, the County's financial advisor, and Mr. T. W. Bruno, bond counsel with McGuire Woods. Mr. Bruno provided a brief overview of the proposed financing, then called for a motion and roll call vote to adopt the proposed resolution.

Mr. Hager moved, seconded by Mr. McConnell and carried unanimously, to adopt the following resolution as presented:

RESOLUTION OF THE ECONOMIC DEVELOPMENT
AUTHORITY OF THE COUNTY OF ORANGE, VIRGINIA,
AUTHORIZING THE ISSUANCE OF ITS LEASE REVENUE
BONDS, SERIES 2020

A. The Economic Development Authority of the County of Orange, Virginia (the "Authority"), proposes to issue its lease revenue bonds (the "Bonds"), in one or more series, to finance all or a portion of the costs (or to reimburse the County of Orange, Virginia (the "County") for payment of costs) of various capital improvements, including, but not limited to, the costs of a landfill expansion cell, broadband project, renovation of the Blue Bell Building into a Career/Technical Education Center, renovations to Gordon-Barbour Elementary School and such other capital projects that may be included in the County's Capital Improvement Plan, as it may be amended from time to time (collectively, the "Project").

B. The Bonds will be issued under the following documents: (i) Lease Agreement (the "Lease") from the County and the Orange County School Board (the "School Board") to the Authority; (ii) Financing Lease (the "Financing Lease") between the Authority, the School Board and the County; (iii) Leasehold Deed of Trust and Security Agreement from the Authority to the deed of trust trustees named therein; and (iv) Assignment of Rents and Leases between the Authority and

the holder of the Bonds (the "Lender"). All of the documents listed above, except the Bonds, are referred to in this Resolution as the "Basic Documents."

NOW, THEREFORE, BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT AUTHORITY OF THE COUNTY OF ORANGE, VIRGINIA:

1. The issuance of the Bonds, in one or more series, is hereby authorized for the purpose of financing the Project and financing costs of issuing the Bonds. The Authority hereby determines that the issuance of the Bonds for the purposes described above is advisable and will benefit the inhabitants of the County through the promotion of their safety, health, welfare and prosperity. The Bonds shall be dated the date of their issuance and delivery and shall, except as otherwise agreed to by the Lender and the County. The final terms and details of the Bonds and the Lender shall be approved by the Chairman as directed by the County's Chairman of the Board of Supervisors, the County Administrator or the Assistant County Administrator for Finance and Management Services), such approval to be evidenced by the execution and delivery of the Bonds; provided that (1) the aggregate principal amount of the Bonds shall not exceed \$15,500,000, (2) the Bonds shall not mature later than June 30, 2041, and (3) the interest rate (exclusive of default interest and other penalties) shall not exceed 4.0%.
2. The execution and delivery of the Bonds and the Basic Documents and the performance by the Authority of its obligations thereunder are hereby authorized. The Bonds and the Basic Documents shall be in such forms and contain such provisions as the Chairman shall approve and such approval shall be evidenced conclusively by the execution and delivery of the Bonds and the Basic Documents.
3. The Chairman is hereby authorized and directed to execute and deliver simultaneously with the issuance of the Bonds the interest on which is intended to be excludable from gross income for federal income tax purposes a tax certificate or agreement, or both (collectively, the "Tax Agreement") setting forth the expected use and investment of the proceeds of the applicable Bonds and containing such covenants as may be necessary in order to comply with the provisions of the Internal Revenue Code of 1986, as amended (the "Code"), including the provisions of Section 148 of the Code and applicable regulations relating to "arbitrage bonds." The proceeds from the issuance and sale of the Bonds (the interest on which is intended to be excludable from gross income for federal income tax purposes) will be invested and expended as set forth in the Tax Agreement and that the County will comply with the other covenants and representations contained in it. The Authorized Representatives are hereby authorized and directed to determine which series of Bonds, if any, are to be issued on a taxable basis.
4. The Chairman is hereby authorized to execute on behalf of the Authority the Bonds and the Basic Documents, and, if required, the Secretary of the Authority is hereby authorized and directed to affix or to cause to be affixed the seal of the Authority to the Bonds and the Basic Documents and to attest such seal. Such officers or their designees are hereby authorized to execute and deliver on behalf of the Authority such instruments, documents or certificates, and to do and perform such things and acts, as they shall deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Basic Documents; and all of the foregoing, previously done or performed by such officers or agents of the Authority, are in all respects hereby approved, ratified and confirmed.
5. All costs and expenses in connection with the undertaking of the Project and the issuance of the Bonds, including the Authority's fees and expenses and the fees and expenses of bond counsel and counsel for the Authority, shall be paid from the proceeds of the Bonds, or other legally available funds of the County. If for any reason the Bonds are not issued, it is understood that all such expenses shall be paid by the County from its legally available funds and that the Authority shall have no responsibility therefor.
6. Nothing in this Resolution, the Bonds or the Basic Documents shall constitute a debt of the County, and the Authority shall not be obligated to make any payments under the Bonds or the Basic Documents except from payments made by or on behalf of the County under the Lease.

7. Any authorization of an officer of the Authority under this Resolution entitles such officer to exercise his or her discretion in taking action on behalf of the Authority, unless expressly provided otherwise. The authorizations granted in this Resolution to the Chairman may be carried out by the Vice Chairman in the unavailability of the Chairman, and the authorizations granted in this Resolution to the Secretary may be carried out by any Assistant or Acting Secretary in the unavailability of the Secretary.
8. This Resolution shall be effective upon its adoption.

Adopted at a duly called and held meeting of the Economic Development Authority of the County of Orange, Virginia, on June 11, 2020.

Ayes: Rogers, Hager, McConnell, Ross, Rankin and Hujik. Nays: None. Absent from vote: Rickett.

VI. SECRETARY'S REPORT

Susan Turner, Interim Secretary provided a brief update on the recent annual inspection of the Thomas E. Lee Industrial Park Detention Pond; and potential grant funding to local businesses through CARES Act funds.

Theodore L. Voorhees, County Administrator provided more information on CARES Act funds received by the County of Orange and possible Economic Development related uses.

Discussion ensued among the Authority regarding: potential funding amounts for the CARES Act grants and consideration for types of businesses; July meeting logistics; and success of the 2020 OCHS scholarship and plans to continue the program next year.

VII. ADJOURNMENT

There being no further business to discuss, Chairman Rogers called for a motion to adjourn the meeting. By consensus the meeting was adjourned at 5:57 p.m.

Doug Rogers, Chairman

Attest:

Susan Turner, Interim Secretary