

March 5, 2007

At a reconvened meeting of the Board of Supervisors of Prince Edward County, held in the Third Floor Conference Room of the Court House, on Monday the 5<sup>th</sup> day of March, 2007; at 5:00 p.m., there were present:

William G. Fore, Jr., Chairman

Howard F. Simpson, Vice-Chairman

Pattie Cooper-Jones

Robert M. Jones

Charles W. McKay

James C. Moore

Lacy B. Ward

Also Present: Sarah Puckett, Acting County Administrator; Jonathan L. Pickett, Director of Planning and Community Development; Alecia Daves-Johnson, Planning and Community Development; Sharon Carney, Director of Economic Development and Tourism; James R. Ennis, Interim County Attorney.

Chairman William G. Fore, Jr., called the meeting to order.

In Re: Approval of Architectural Contract

The Supervisors reviewed a contract from The Design Collaborative for architectural services for the new library. The contract, which had been negotiated by the Library Committee, totaled \$90,295.00. Chairman Fore reminded the Board that the County had agreed to pay two-thirds of the costs of the new library, and indicated this was the first phase of the project.

Mrs. Gilfillan asked if the Committee was satisfied with the contract and the progress made; Mr. Fore stated that he was. He added that the next step would be to construct a Letter of Agreement between the County and the Town of Farmville. The Town would act as fiscal agent.

On motion of Mr. McKay and seconded by Mr. Moore and adopted by the following vote:

Aye:	Pattie Cooper-Jones	Nay:	None
	William G. Fore, Jr.		
	Sally W. Gilfillan		
	Robert M. Jones		
	Charles W. McKay		
	James C. Moore		
	Howard F. Simpson		
	Lacy B. Ward		

the Prince Edward County Board of Supervisors approved 1) the contract with The Design Collaborative in the amount of \$90,295.00 and 2) the appropriation of \$60,200.00 to Expenditure Account #4-100-94000-0021 for the County's portion of the Architectural contract.

In Re: Park Properties Designation of Revitalization Area and Tax Incentive

After discussion on the Park Properties request, Mr. Moore asked if the Interim County Attorney had determined if there would be any legal ramifications from entering into this agreement. Mr. Ennis stated he reviewed the summary of the Low Income Tax Credit Program that Mr. Park provided him, with special attention concerning duration and ownership interest. He added the program would provide a minimum of 15 years low-income housing through the tax program and he didn't see a down-side in declaring the area as a revitalization area. This project would fill the need for low- and moderate-income, elderly residents, and would provide a benefit to the community. This would also potentially facilitate Mr. Park's application for funding, but is not a guarantee of the score or if funds would be available from the funding pool.

Mr. Moore asked Mr. William Park, of Park Properties, if he was correct that this action would raise the score for the application. Mr. Park stated that it will raise the point ranking and that any additional points would help. He added if the points are not high enough to be funded this year, he would have to wait until the next funding cycle, next year. Mr. Park stated VHDA is looking for community support for the project. In order to get the credits, VHDA states that 40% of tenants applying for the low income housing must be at 60% or less of the area's median income level. Mr. Park stated that 100% of the tenants would be at that level, and must be recertified annually. VHDA requires a report to ensure compliance within the program. Mr. Park explained the VHDA qualified contract, stating the compliance period would be 15 plus three years, and after that time, someone could purchase the housing development at fair market value to keep it low-income housing as part of the tax-credit program. The project is monitored by the IRS. Mr. Ennis stated the tax credit would be recaptured if Park Properties were not in compliance.

To ensure the State views the project as being in a legitimate revitalization area, Mr. Park also requested the Board approve a real estate investment grant for the project. This would show the State that Prince Edward County was willing to provide a financial incentive for the project. Mr. Park requested the grant be for 100% of the real estate taxes on improvements the first year after the Certificate of Occupancy was issued and 50% the second year.

On motion of Mr. Moore, seconded by Mr. Ward and adopted by the following vote:

Aye:	Pattie Cooper-Jones	Nay:	None
	William G. Fore, Jr.		
	Sally W. Gilfillan		
	Robert M. Jones		
	Charles W. McKay		
	James C. Moore		
	Howard F. Simpson		
	Lacy B. Ward		

the motion carried to 1) approve the designation of approximately 17 acres owned by Park Properties and located near the intersection of Zion Hill Road and McClendon Drive a revitalization area, and 2) approve the real estate investment grant for 100% of the value of improvements the first year following completion of the project and 50% for the second year.

In Re: Schedule of Work Sessions and Special Meetings

Chairman Fore led a review of the tentative schedule for the upcoming meetings. After some discussion, Sarah Elam Puckett stated that she would advise the Prince Edward School Board of changes in the meeting times. Chairman Fore added that the schedule for hiring of the County Attorney and the County Administrator would be discussed over the coming week after review of the applications received. Sarah Puckett stated that there will be an on-site opportunity for FOIA (Freedom of Information Act) Training in May, and that she will inform the Board of possible dates.

In Re: Closed Session

Supervisor Gilfillan made a motion that the Board convene in Closed Session for consultation with legal counsel pertaining to probable litigation, pursuant to the exemptions provided for in Section 2.2-3711(A)(7) of the *Code of Virginia* and for discussion of a business prospect, where no previous announcement has been made, pursuant to the exemptions provided for in Section 2.2-3711(A)(5) of the *Code of Virginia*. The motion carried:

Aye:	Pattie Cooper-Jones	Nay:	None
	William G. Fore, Jr.		
	Sally W. Gilfillan		
	Robert M. Jones		
	Charles W. McKay		
	James C. Moore		
	Howard F. Simpson		
	Lacy B. Ward		

The Board returned to regular session by motion of Mr. McKay and adopted as follows:

Aye:	Pattie Cooper-Jones William G. Fore, Jr. Sally W. Gilfillan Robert M. Jones Charles W. McKay James C. Moore Howard F. Simpson Lacy B. Ward	Nay:	None
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On motion of Mr. Moore, seconded by Mr. Jones, and carried by the following roll call vote:

Aye:	Pattie Cooper-Jones William G. Fore, Jr. Sally W. Gilfillan Robert M. Jones Charles W. McKay James C. Moore Howard F. Simpson Lacy B. Ward	Nay:	None
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the following Certification of Closed Meeting was adopted in accordance with the Virginia Freedom of Information Act:

WHEREAS, the Prince Edward County Board of Supervisors convened a closed meeting on this date pursuant to an affirmative recorded vote and in accordance with the provisions of The Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712 of the Code of Virginia requires a certification by this Board of Supervisors that such closed meeting was conducted in conformity with Virginia law;

NOW, THEREFORE, BE IT RESOLVED that the Prince Edward County Board of Supervisors hereby certifies that to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed meeting to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed, or considered by the Prince Edward County Board of Supervisors.

In Re: Poplar Hill Inn & Conference Center Resolution and Transient Occupancy Tax Ordinance

Supervisor Gilfillan requested clarification on the process of approval, asking if the hearing must be first and then the vote on the transient tax, prior to a decision on giving a tax benefit on the transient tax. Mr. Ward stated it had no meaning until the transient tax would be voted upon.

Mr. McKay stated the vote could be dependent upon pending approval.

Mr. Jones made a motion to approve the resolution subject to the approval of the occupancy tax, authorizing the Chair and the Acting County Administrator to sign the appropriate documents.

Mr. Ward made a substitute motion to delay the original motion until a hearing on the transient occupancy tax could be conducted. The vote was:

Aye:	Pattie Cooper-Jones	Nay:	William G. Fore, Jr.
	Sally W. Gilfillan		Robert M. Jones
	Lacy B. Ward		Charles W. McKay
			James C. Moore
			Howard F. Simpson

The Board then returned to the original motion. This motion carried:

Aye:	William G. Fore, Jr.	Nay:	Pattie Cooper-Jones
	Sally W. Gilfillan		Lacy B. Ward
	Robert M. Jones		
	Charles W. McKay		
	James C. Moore		
	Howard F. Simpson		

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE  
COUNTY OF PRINCE EDWARD, VIRGINIA AGREEING TO  
APPROPRIATE CERTAIN INCREMENTAL TAX REVENUES  
TO THE INDUSTRIAL DEVELOPMENT AUTHORITY FOR  
THE DEVELOPMENT OF THE POPLAR HILL INN &  
CONFERENCE CENTER

WHEREAS, the Board of Supervisors (the “Board of Supervisors”) of the County of Prince Edward, Virginia (the “County”) has been presented with a proposal to develop Poplar Hill as a residential, recreational and hospitality complex, including the development of the Poplar Hill Inn & Conference Center (the “Project”); and

WHEREAS, the Board of Supervisors has determined that it is advisable to assist in the development of the Project; and

WHEREAS, the Board of Supervisors has determined that the construction, development and operation of the Project will benefit the County and its residents by providing recreational facilities and additional residential options, increasing the tax base of the County, providing additional employment opportunities, enhancing the economic strength of the County and preserving the character of the historic Poplar Hill site; and

WHEREAS, in consideration of the benefits to the County and its residents, the Board of Supervisors proposes to grant certain incremental tax revenues to the Industrial Development Authority of Prince Edward County, Virginia (the “Authority”) pursuant to Section 15.2-953 of the Code of Virginia of 1950, as amended, to be applied to certain costs of developing the Project; and

WHEREAS, the Board of Supervisors proposes to enter into an Economic Development Grant Agreement with the Authority and the developer of the Project (the “Grant Agreement”);

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF PRINCE EDWARD, VIRGINIA:

1. Grant of Incremental Tax Revenues. The Board of Supervisors agrees to pay to the Authority, subject to annual appropriation, certain incremental tax revenues generated with respect to the Project as set forth in the Grant Agreement.
2. Authorization of Grant Agreement. The Grant Agreement is approved in substantially the form on file with the County Administrator, with such changes as do not materially adversely

affect the County's interests as the County Administrator and the Chairman of the Board of Supervisors, or either of them, shall approve, such approval to be evidenced conclusively by the execution and delivery of the Grant Agreement. The Chairman of the Board of Supervisors and the County Administrator, or either of them, are authorized to execute the Grant Agreement on behalf of the County. Such officers or their designees are authorized to execute and deliver on behalf of the County 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 Grant Agreement.

- 3. Nature of Obligations. Nothing in this Resolution or the Grant Agreement shall constitute a debt of the County. The County's obligations to make payments pursuant to the Grant Agreement shall be subject to and dependent upon annual appropriations being made from time to time by the Board of Supervisors for such purpose. Nothing in this Resolution or the Grant Agreement shall constitute a pledge of the full faith and credit of the County beyond the constitutionally permitted annual appropriations.
  
- 4. Effective Date. This Resolution shall take effect immediately.

Mr. Fore stated that this is the first step of what could be tremendous growth, and a hearing must be held on the transient occupancy tax ordinance, and needs to be approved. He requested that the information be given to the press through Sharon Carney, as she has the full scope of information.

Mrs. Carney said the clients have to put together \$72 million in financing, adding that the County offering the \$4.5 million tax incentive indicates the County's willingness to be a participant in the project to the Governor of Virginia and the investors.

On motion of Mr. Moore and adopted by the following vote:

Aye:	Pattie Cooper-Jones William G. Fore, Jr. Sally W. Gilfillan Robert M. Jones Charles W. McKay James C. Moore Howard F. Simpson Lacy B. Ward	Nay:	None
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the meeting was recessed at 7:30 p.m., and will reconvene at 4:30 p.m., March 13, 2007.