

Economic Development Authority of Chesterfield County

May 27, 2022

Minutes

**Members Attending:**

Terri Cofer Beirne

John V. Cogbill, III

Steve Micas

Faizan Habib

Danielle Fitz-Hugh

Jesse Calloway

**Members Absent:**

John Hughes

**Others Attending:**

Tim Davey, Timmons Group

John O'Neill, Hunton Andrews Kurth, LLP

Jake Elder, Chesterfield County Economic Development

Garrett Hart, Chesterfield County Economic Development

Samantha Furnish, Chesterfield County Economic Development

Richard L. Hurlbert, Jr., Haneberg Hurlbert PLC

Felicia Hatfield, Fairfield Residential

Brenden Staley, Hunton Andrews Kurth, LLP

John V. Cogbill, III called the meeting to order at 1:04 p.m. and noted quorum was present.

**Approval of the Minutes:**

John V. Cogbill, III requested the Authority approve the April meeting minutes. Danielle Fitz-Hugh motioned to approve the April 21, 2022 meeting minutes as written. Terri Cofer Beirne seconded, and all members present voted in the affirmative.

**Financial Statements Update:**

Financial statements were emailed to Authority members for review prior to the meeting, questions or concerns can be addressed by Debbie Baicy.

**Grand Oaks Multi-Family Housing Bond Resolution:**

Richard Hurlbert presented a resolution for the Authority to adopt for the Fairfield Grand Oaks, LLC, multifamily housing project known as Grand Oaks Apartments. This project is a 216-unit facility to be constructed at 5301 Grand Oaks Forest Circle in Chester and was the subject of inducement resolution action (and accompanying public hearings) by the Authority last fall. As the resolution provides, the Authority

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will authorize the issuance of its multifamily housing revenue note in an amount not to exceed \$32,000,000. The note will be issued under a Project Loan Agreement between Fairfield Grand Oaks, LLC, as owner and borrower, U.S. Bank Trust Company, as fiscal agent, and the Authority.

Faizan Habib motioned to approve the Resolution Approving the Issuance of Multifamily Housing Revenue Bonds of Fairfield Grand Oaks, LLC located in Chesterfield County attached hereto as Exhibit A. Steve Micas seconded, and all members present voted in the affirmative.

Mr. Hurlbert reported Lambert Landing financing successfully closed earlier in May.

### **Upper Magnolia Update**

Garrett Hart reported the Board of Supervisors approved the rezoning of Upper Magnolia with a 3-2 vote during the May 26, 2022 meeting.

Tim Davey presented a change order in the amount of \$80,000 for approval of work in Upper Magnolia that was not covered by the original agreement. The additional work done by Timmons that was not anticipated turned out to be a significant amount of field work that included environmental inventory work.

Terri Cofer Beirne motioned to approve the Change Order in the amount of \$80,000 for environmental inventory work on Upper Magnolia. Danielle Fitz-Hugh seconded, and all members present voted in the affirmative.

### **Powwhite Extension Update:**

Faizan Habib reported CDOT has reached out to Nick Donohue to ask for his assistance to help formulate a plan to find a financing source and funding options for the Powwhite Extension project.

Faizan participated in a call with Dr. Casey, Garrett, Jesse and others to discuss a strategy to help understand exactly what the options are for the extension of Powwhite. He said Mr. Donohue has solid relationships with the current state transportation administration, the governor's office and has a wealth of knowledge regarding funding sources and grants that could help offset some of the costs with the extension. It is the request of the County that the EDA contract with Mr. Donohue for assistance on funding for the Powwhite Extension to Hull Street.

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## **Spring Rock Green Update:**

Jake Elder reported rezoning of Spring Rock Green was approved by the Board of Supervisors in April. The site plan process has begun with the infrastructure plan submittal, which is scheduled to be approved within the next couple of weeks.

Parcel five is the first mixed use building that will incorporate 300 multifamily units and about 27,000 square feet of commercial space on the bottom floor. It should be approved just after the infrastructure plan by the end of June.

Garrett Hart stated agreements with all the tenants have been received except for one at this time. The process for condemnation of the lease hold with the remaining tenant has been initiated through the county attorney's office.

The sewer line from Spring Rock Green will be connected into Stonebridge under Midlothian Turnpike with improvements on the Stonebridge side. It is anticipated to bring a negotiated development agreement to the Authority for the entire project very soon. The plan is to get the infrastructure in place during the Fall, then construction on the buildings can begin in the Spring. First occupancy is expected by 2025.

## **Stonebridge Update**

Garrett Hart reported Neil Shamin has increased the hotel and conference center project at Stonebridge. It has gone from a \$32 million hotel and conference center to \$90 million hotel and conference center with 210 rooms and 25,000 square feet of conference facility. In accordance with that, the Board was asked to increase the incentive package associated with the project since it has gone up three times in value. The Board of Supervisors approved the amendment to the agreement during the April meeting.

Danielle Fitz Hugh motioned to ratify the action of the Board of Supervisors to extend the hospitality tax rebate period from 20 to 40 years. Terri Cofer Beirne seconded, and all members present voted in the affirmative.

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### **Tomahawk Sewer Update:**

Tim Davey had a bell section of 36-inch sewer line delivered to office so the Authority members could get a perspective on the size of the pipes being installed for the Tomahawk Sewer project. He said about a half mile of this pipe in the ground already. Tim said they start at the lower end of the watershed and work up. As the work is done the pipes get smaller toward the upper end of the watershed.

He said they are almost done with all of the clearing work on the current section they are working in.

### **Meadowville Technology Park Update:**

Update provided during executive session.

### **Other Updates:**

Garrett Hart reported during the April Board of Supervisors meeting the Board approved an amendment to the grant agreement for Courthouse Landing. The amendment states VCU will purchase their portion of the development versus being a long-term lessee which resulted in a recalibration of the grant agreement.

Terri Cofer Beirne motioned to ratify the action of the Board of Supervisors related to Courthouse Landing project as VCU will purchase their portion of the development versus being a long-term lessee. Danielle Fitz Hugh seconded, and all members present voted in the affirmative.

### **Closed Session:**

Danielle Fitz Hugh moved that the Authority's meeting be closed pursuant to the exemption set forth in VA Code § 2.2-3711 (A)(3) for discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body, (2) Pursuant to § 2.2-3711 (A)(5) for discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the County and (3) Pursuant to § 2.2-3711 (A)(8) Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to permit the closure of a meeting

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merely because an attorney representing the public body is in attendance or is consulted on a matter. Terri Cofer Beirne seconded, and all members present voted in the affirmative.

Danielle Fitz Hugh moved that the Authority exit the closed session the Authority held pursuant to the exemption set forth in VA Code § 2.2-3711 (A)(3) for discussion or consideration of the acquisition of real property for a public purpose, or of the disposition of publicly held real property, where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the public body, (2) Pursuant to § 2.2-3711 (A)(5) for discussion concerning a prospective business or industry or the expansion of an existing business or industry where no previous announcement has been made of the business' or industry's interest in locating or expanding its facilities in the County, and (3) Pursuant to § 2.2-3711 (A)(8) Consultation with legal counsel employed or retained by a public body regarding specific legal matters requiring the provision of legal advice by such counsel. Nothing in this subdivision shall be construed to permit the closure of a meeting merely because an attorney representing the public body is in attendance or is consulted on a matter. Terri Cofer Beirne seconded the motion.

John Cogbill called for a vote certifying that to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements under Va. Code § 2.2-3711 (A)(3), (A)(5), and (A)(8) and (ii) only such public business matters as were identified in the motion by which the closed meeting was convened were heard, discussed, or considered. All members present voted in the affirmative.

Terri Cofer Beirne	Aye
Jesse Calloway	Aye
Danielle Fitz-Hugh	Aye
Faizan Habib	Aye
John V. Cogbill, III	Aye
Steve Micas	Aye
John Hughes	Absent

Danielle Fitz Hugh motioned the Authority to (1) approve the sale of certain property in Meadowville Technology Park for Project Discovery and Project Juniper, (2) approve a purchase and sale agreement and performance agreement for the sale of Project Discovery and Project Juniper property, in such form as counsel for

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the Authority shall advise is appropriate for execution and delivery, (3) authorize the Chair and Vice-Chair, or either of them, to execute and deliver such agreements other documents as are necessary or desirable to carry out the sale of such property and (4) authorize the Chair, Vice-Chair and other officers of the Authority to take all other actions as are necessary or desirable to implement the provisions of this motion and such sale and performance agreements. Terri Cofer Beirne seconded, and all members present voted in the affirmative.

There being no further business, John V. Cogbill, III concluded the meeting at 2:57 p.m.

Respectfully submitted,



Samantha Furnish

Recording Secretary

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**Exhibit A**

**RESOLUTION**

**APPROVING THE ISSUANCE OF A MULTIFAMILY HOUSING REVENUE NOTE FOR  
THE ACQUISITION, REHABILITATION AND EQUIPPING  
OF GRAND OAKS APARTMENTS  
LOCATED IN THE COUNTY OF CHESTERFIELD, VIRGINIA**

**WHEREAS**, there has been described to the Economic Development Authority of the County of Chesterfield (the “Authority”) the plans of Fairfield Grand Oaks, LLC, a Delaware limited liability company (the “Borrower”), to acquire, rehabilitate and equip Grand Oaks Family and Senior Affordable Apartments (“Grand Oaks Apartments”), a multifamily apartment complex located at 5301 Grand Oaks Forest Circle, Chester, Virginia 23831, consisting of 216 apartment units in 25 two-story residential buildings, plus a business center, a clubhouse, a fitness center, a playground and an in-ground swimming pool, and related parking lots and administrative offices, all situated on approximately 27.79 acres of land (collectively, all such facilities are referred to as the “Project”), located in the County of Chesterfield, Virginia (the “County”) through the issuance by the Authority of its multifamily housing revenue note in the form of its Multifamily Note in an aggregate principal amount not to exceed \$32,000,000 (the “Note”); and

**WHEREAS**, the Project shall be established and maintained as a “qualified residential rental project” within the meaning of Section 142(d) of the Internal Revenue Code of 1986, as amended (the “Code”); and

**WHEREAS**, the Authority is empowered under the Industrial Development and Revenue Bond Act, Chapter 49, Title 15.2, of the Code of Virginia of 1950, as amended (the “Act”), to, among other things, issue its revenue notes to pay the cost of “authority facilities” as defined under the Act; and

**WHEREAS**, the Project, being a facility used primarily for multi-family residences, constitutes an “authority facility” under the Act, inasmuch as the County has not activated a housing authority under Title 36, Chapter 1 of the Code of Virginia of 1950, as amended (the “Housing Authorities Law”); and

**WHEREAS**, on May 20, 2021, the Authority adopted an Inducement Resolution by which the Authority granted its conditional approval of the issuance of the Note, subject to compliance with applicable legal requirements and receipt of certain further approvals; and

**WHEREAS**, on June 17, 2021, a properly noticed public hearing with respect to the Authority’s issuance of the Note was held by the Authority as required by the Act and the Code, after which the Authority adopted a Supplemental Inducement Resolution, supplementing the initial Inducement Resolution previously adopted by the Authority on May 20, 2021 (collectively, the “Inducement Resolution”) approving, among other things, the Borrower’s application for the financing of the Project and by which the Authority gave its conditional approval of the issuance of the Note; and



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**WHEREAS**, on July 28, 2021, the Board of Supervisors (the “Board”) of the County approved the issuance of the Note by the Authority as requested in the Inducement Resolution and as required by Section 147(f) of the Code and Section 15.2-4906 of the Act; and

**WHEREAS**, the Project will be of the character and will accomplish the purposes of the Act; and

**WHEREAS**, all other conditions to the Authority’s approval of the Project and the issuance of the Note have been or will be satisfied prior to the issuance of the Note, and the Authority has agreed to the issuance of the Note on behalf of the Borrower; and

**WHEREAS**, there have been described to counsel to the Authority or presented to this meeting the forms of the following documents and instruments, some of which the Authority proposes to execute to carry out the transactions described above, copies of which instruments shall be filed among the records of the Authority (collectively, all such instruments and documents shall be referred to as the “Documents”) (capitalized terms used and not otherwise defined herein shall have the meanings given such terms in the hereinafter defined Funding Loan Agreement):

- (a) The form of the Funding Loan Agreement dated as of July 1, 2022 (the “Funding Loan Agreement”) by and between the Authority, Capital One, National Association (the “Lender”) and U.S. Bank Trust Company, National Association, as fiscal agent (the “Fiscal Agent”);
- (b) The form of the Note to be issued under the Funding Loan Agreement;
- (c) The form of the Project Loan Agreement dated as of July 1 2022 (the “Project Loan Agreement”) by and between the Authority, the Fiscal Agent and the Borrower;
- (d) The form of the Project Note to be issued by the Borrower to the Authority thereunder, and to be assigned by the Authority to the Fiscal Agent;
- (e) The form of the Regulatory and Land Use Restriction Agreement dated as of July 1, 2022 (the “Regulatory Agreement”) by and between the Authority and the Borrower;
- (f) The form of the Security Instrument, and the form of Assignment related thereto; and
- (g) Such other documents, instruments, closing certificates, financing statements and agreements as may be required in connection with the issuance of the Note.

**NOW, THEREFORE, BE IT RESOLVED BY THE ECONOMIC DEVELOPMENT AUTHORITY OF THE COUNTY OF CHESTERFIELD:**

1. Each of the Chair and Vice-Chair of the Authority, either of whom may act, is hereby authorized and directed to execute the Note in the principal amount not to exceed \$32,000,000, which shall bear interest and be issued as a single term note on the terms established



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by the Lender, provided that the initial interest rate borne by the Note shall not exceed 6.0% per annum upon issuance of the Note, and the final maturity of the Note shall be on the Maturity Date, which shall not be later than July 1, 2043. The Secretary or Assistant Secretary of the Authority is further authorized and directed to affix the seal of the Authority on the Note and to attest the same and directed to deliver the Note to the Lender or otherwise to the order of the Lender or the agreed upon purchase price therefor.

2. Each of the Documents described above in paragraphs (a) through (g) of this Resolution shall either be in substantially the form submitted to this meeting or in form acceptable to counsel to the Authority. Each such Document, whether presented to the Authority prior to the date of this Resolution or not, is hereby approved, with such completions, omissions, insertions and changes, including but not limited to changing the dates thereof, as may be approved by the Chair or Vice-Chair of the Authority, either of whom may act, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes.

3. Each of the Chair and Vice-Chair of the Authority, either of whom may act, is hereby authorized and directed to execute, deliver and file, as necessary, all Documents, and to take all such further action as they may consider necessary or desirable in connection with the issuance and sale of the Note and the undertaking of the Project, all of which shall be in forms approved by the Chair or Vice-Chair of the Authority, as the case may be, in consultation with the Authority's counsel and bond counsel.

4. Any authorization herein to execute a Document shall include authorizations to date each Document as necessary in light of the date of issuance of the Note, and to record such Document where appropriate and to deliver it to the other parties thereto.

5. All other acts of the officers, commissioners, employees and agents of the Authority that are in conformity with the purposes and intent of this Resolution and in furtherance of the issuance and sale of the Note and the undertaking of the Project are hereby ratified, approved and confirmed.

6. All costs and expenses in connection with the Project, including the fees and expenses of the Authority related to the issuance and sale of the Note, including without limitation the fees and expenses of bond counsel, the Lender, the Lender's counsel, and the Authority's counsel, shall be paid from the proceeds of the Note or from moneys provided by the Borrower. If for any reason the Note is not issued, it is understood that the Authority shall have no responsibility for any fees, costs or expenses related to the Note or the Project.

7. The Borrower will agree in the Project Loan Agreement to indemnify and save harmless the Authority, its officers, directors, commissioners, employees and agents from and against all liabilities, obligations, claims, damages, penalties, losses, costs and expenses in any way connected with the issuance and sale of the Note or otherwise related to the Project.

8. The Note shall be a limited obligation of the Authority and shall be payable solely out of revenues, receipts and payments specifically pledged therefor. Neither the officers, directors, commissioners, employees or agents of the Authority, past, present and future, nor any

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person executing the Note, shall be liable personally on the Note by reason of the issuance thereof. The Note shall not be deemed to constitute a general obligation debt or a pledge of the faith and credit of the Commonwealth of Virginia or any political subdivision thereof, including the Authority and the County, and neither the Commonwealth of Virginia nor any such political subdivision thereof shall be personally liable thereon, nor in any event shall the Note be payable out of any funds or properties other than the special funds and sources provided therefor. Neither the faith and credit nor the taxing power of the Commonwealth of Virginia, or any political subdivision thereof, including the Authority and the County, shall be pledged to the payment of the principal of the Note or the interest thereon or other costs incidental thereto. The Note shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

9. The Note shall contain on the face thereof a statement to the effect that neither the Commonwealth, nor any political subdivision thereof, nor the Authority shall be obligated to pay the same or the interest thereon or other costs incident thereto except from the revenues and moneys pledged therefore and that neither the faith and credit nor the taxing power of the Commonwealth or any political subdivision thereof is pledged to the payment of the principal of such Note or the interest thereon or other costs incident thereto.

10. The Note is not hereby designated, and shall not be designated, as a “qualified tax-exempt obligation” under Section 265(b)(3)(B) of the Code.

11. This Resolution shall take effect immediately upon its adoption.

Adopted: May 27, 2022.

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**CERTIFICATE**

The undersigned Secretary and Chair or Vice-Chair of the Economic Development Authority of the County of Chesterfield, hereby certify that the foregoing constitutes a true and correct copy of a resolution entitled **“RESOLUTION APPROVING THE ISSUANCE OF A MULTIFAMILY HOUSING REVENUE NOTE FOR THE ACQUISITION, REHABILITATION AND EQUIPPING OF GRAND OAKS APARTMENTS LOCATED IN THE COUNTY OF CHESTERFIELD, VIRGINIA”** adopted by the Board of the Authority at a meeting duly held on May 27, 2022, for which proper notice was provided. A record of the roll-call vote by the Board of the Authority is as follows:

NAME	AYE	NAY	ABSTAIN	ABSENT
Jesse Calloway				
Terri Cofer Beirne				
John V. Cogbill, III				
Danielle Fitz-Hugh				
Faizan Habib				
John Hughes				
Steven Micas				

Date: May 27, 2022

[SEAL]

ATTEST: \_\_\_\_\_  
Secretary

\_\_\_\_\_  
Chair or Vice-Chair