

THIS APPLICATION AND ATTACHMENTS WILL BECOME A PART OF THE PUBLIC
RECORDS OF THE WILLIAMSBURG ECONOMIC DEVELOPMENT AUTHORITY

WILLIAMSBURG ECONOMIC DEVELOPMENT AUTHORITY

Application for Issuance of Tax-Exempt Industrial Revenue Bond
by the City of Williamsburg Economic Development Authority

Date Submitted:

APPLICATION STATEMENT

Has an application for this same project been submitted to any other bonding authority? _____
If so, what is the status of that submission?

- Approved Disapproved Pending

A. APPLICANT:

1. Legal name of Applicant:

2. Applicant is:
 - Sole Proprietorship
 - General Partnership
Date and Place of Formation of Partnership _____

 - Limited Partnership
Date and Place of Formation of Partnership _____

 - Stock Corporation
Date and State of Incorporation _____

 - Other _____

3. If Applicant is a General or Limited Partnership, do written Articles of Partnership now exist? _____. If so, attach copy. If written Articles of Partnership do not yet exist, when will they be drawn? _____

4. Address, location, and telephone number of principal office:

5. If Applicant is a Partnership, provide names and addresses of partners, both general

and limited (if any). If partnership has limited partners, designate them as such.

6. If Applicant is a Corporation, provide names and addresses of officers and directors.

7. All correspondence should be directed to:

8. Name, address and telephone number of Applicant's attorney:

9. Name, address and telephone number of Applicant's bond counsel:

10. Indicate name, state of incorporation and relationship of all direct or indirect parent companies or subsidiaries of Applicant:

B. BENEFITS TO COMMUNITY:

1. State what new employment opportunities will be created as a result of this project including number, type of jobs and estimated annual payroll.

2. Estimate all local taxes by type and amount projected to be paid to local government as a result of this project.

3. State other potential economic, social or non-monetary benefits that will accrue to the citizens of the City of Williamsburg and the State of Virginia.

4. Explain how financial assistance from the Williamsburg Economic Development Authority enables applicant to locate or remain in the City of Williamsburg, Virginia.

C. IDENTIFICATION AND DESCRIPTION OF PROPOSED PROJECT:

1. General location of proposed project:

2. What manufacturing or other processes or activities will be conducted at the project?

3. Will the project introduce a new service or product not now available in the immediate vicinity?
If so, what is it?

4. Brief description of existing facilities:

- a. Describe the location and type of existing facilities (including, if applicable, pollution abatement equipment now provided, its design, capacity and year constructed). Indicate if the existing facilities are to be abandoned or will continue in use as part of the proposed new facility.

- b. The operation and maintenance cost of any existing facility should be itemized to show amount per year for labor, utilities and supplies. Also the estimated costs of operating the proposed facility should be itemized.

- c. Indicate the age and condition of existing buildings, if any improvements included within this project are to be made thereto, and whether owned in fee

or leased.

5. State proposed use of bond proceeds.

<u>Description of Cost:</u>	<u>Amount</u>
Land	\$ _____
Buildings	_____
Equipment	_____
Engineering	_____
Architecture	_____
Interest during construction	_____
Bond discount	_____
Costs of financing	_____
Other (please explain below)	_____

Have any of the above expenditures already been made by the applicant? If yes, indicate particulars.

Have any of the above expenditures been incurred but not paid by the applicant? If yes, indicate particulars.

Are costs of working capital, moving expenses, work in progress, or stock in trade included in the proposed uses of the bond proceeds?

6. If bond will finance construction of a building, attach the following information if available:

- a. Plat of real property, showing location, dimensions, compass points, approximate total square footage, placement of building(s) erected or to be erected, names of adjoining property owners.

- b. Architectural drawing of the building and floor plan, including dimensions, or preliminary plans (including elevations).
- c. Outline specifications of the building, commenting on construction of floor, walls, ceilings and roof; ceiling heights under beam and to roof; column spacing; windows; office facilities; air-conditioning; sprinkling; sewage disposal; effluent disposal; electric service; gas service; water supply; truck loading facilities; railroad siding; crane(s); and any other distinctive features.

7. Describe the proposed arrangement to finance the cost of construction or acquisition of the project, including a projected time schedule.

8. If bond is for the purchase of machinery and equipment, attach list showing as much of the following information as is available for each piece of machinery or equipment:

- Description
- Manufacturer
- Model
- Size
- New or used
- Year manufactured
- Purchase price
- Freight
- Installation cost

Has any of the above equipment been ordered or purchased? If yes, indicate:

Item	Date Ordered	Delivery Date	Price

9. If the Applicant currently owns the project site, indicate:

- a. Date of purchase: _____
- b. Purchase price: _____
- c. Balance of existing mortgage: _____
- d. Holder of mortgage: _____

If the Applicant is not currently the owner of the project site, does the applicant have an option to purchase the site and any buildings on the site? If yes, indicate:

- a. Present owner of the project site: _____
- b. Relationship between legal owner and Applicant: _____
- c. Date option agreement signed with owner: _____
- d. Purchase price under option: _____

e. Expiration date of option: _____

Has the Applicant entered into a contract to purchase the site? If yes, indicate:

a. Date signed: _____

b. Purchase price: _____

c. Settlement date: _____

10. Will the construction, occupation, operation or use of the project involve the creation of any pollutants or other emissions, or the use of manufacture of any toxic or hazardous substances? Will operation of the project involve consumption or use of large amounts of electricity, water, gas or other services as projects customarily furnished by utilities? Will construction or operation of the project have any impact upon local businesses or residents, such as emission or odors, traffic in and out of project, or storage or large amounts of materials at the project site? Please provide particulars.

11. Are you applying for pollution control bonds? If so, state the types of pollution generated by your facility and described the type of equipment that you propose to meet your pollution problems.

If pollution control bonds are to be issued, indicate:

a. Whether the total project is designed for any significant purpose other than the control of pollution. (i.e., does the project result in an increase of production or capacity, or in a material extension of the useful life of a manufacturing or production facility or a part thereof.)

b. Estimated incremental cost of the project if the project is for the purpose of controlling pollution and for a significant purpose other than controlling pollution.

12. What is the status of the project plans? Indicate names and addresses of architect, engineer, general contractor and major subcontractors.

13. Has construction work on this project begun? If yes, complete the following:
- | | | |
|-------------------|------------------------------|--|
| a. Site clearance | <input type="checkbox"/> yes | <input type="checkbox"/> no ____percent complete |
| b. Foundation | <input type="checkbox"/> yes | <input type="checkbox"/> no ____percent complete |
| c. Footings | <input type="checkbox"/> yes | <input type="checkbox"/> no ____percent complete |
| d. Steel | <input type="checkbox"/> yes | <input type="checkbox"/> no ____percent complete |
| e. Masonry work | <input type="checkbox"/> yes | <input type="checkbox"/> no ____percent complete |
| f. Other | <input type="checkbox"/> yes | <input type="checkbox"/> no ____percent complete |
- (Describe below)

14. If any space in the project is to be leased to third parties, indicate total square footage of the project, amount to be leased to each tenant, and proposed use by each tenant.

15. State the type and amount of outstanding bonds or other obligations, if any, on the present facilities or any other facilities of the applicant. Include the amount of annual payments required and the year when the bonds will be paid off.

16. Will any of the funds to be borrowed through Williamsburg Economic Development Authority be used to repay or refinance an existing mortgage or outstanding loan?

D. FINANCIAL:

1. Future financing plans other than this project:

2. Description of present debt, guaranty, long term contracts, prior liens and other contingent liabilities:

3. Proposed immediate and long term capital expenditures:

4. Commercial banking connections and for how long a period:

5. What is the last year in which the Internal Revenue Service audited Federal Income tax returns? _____

6. Are any assessments for additional taxes outstanding or under discussion?

7. Please describe the extent, if any, to which the proceeds of the requested bond will be utilized to acquire property which will qualify for any investment tax credit, pursuant to the provisions of the Energy Tax Act of 1978.

8. Attach to Application a letter of intent from the lending institution that intends to finance the project. The Williamsburg Economic Development Authority reserves the right to request additional financial information if it deems it necessary for a fair and complete evaluation of the Application.

9. Has the Applicant, any proposed guarantor, or any of their principal partners or shareholders ever declared bankruptcy or been involved in any bankruptcy or insolvency proceeding, whether voluntary or involuntary? If so, describe particulars.

10. Has any underwriter, broker or investment banker been retained by Applicant in connection with this proposed bond issue? If so, who?

11. Please indicate the person or institution to whom the bonds will be sold or any persons or institution which have indicated an interest in purchasing the bonds. If a commitment has been issued, please attach a copy.

12. Attach to Application the following financial statements for each of the preceding three (3) years (does not include personal financial statement).
- a. Statement of financial condition
 - b. Profit and Loss Statement
 - c. Statement of surplus

E. MISCELLANEOUS:

1. Is the Applicant or any major shareholder or partner presently involved in any litigation, investigation or proceeding? If so, please describe.

2. Is the Applicant or any major shareholder or partner of the applicant, or any other person working for the Applicant in this proposed financing, subject to any order, decree or judgment of any court or administrative or other governmental agency or body? If so, please describe.

3. Is the Applicant or any of its shareholders or partners, or any guarantor, or any person representing applicant in connection with this proposed financing, involved in any investigation, litigation or proceeding relating to the issuance or sale of securities or any applicable banking laws involved in any such investigation, litigation or proceeding? If so, please describe.

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4. Is the Applicant subject to regulation (other than in the ordinary course of business) by any Federal or State administrative agencies or bodies? If so, please provide details.

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5. Applicant furnishes as Exhibit A attached hereto the information regulated by §15.2-4907 of the Code of Virginia (1950) as amended (see attached).

F. AGREEMENT TO PAY AUTHORITY'S COSTS AND EXPENSES:

To induce the Economic Development Authority of the City of Williamsburg to consider this Application and to adopt an inducement resolution agreeing to assist Applicant in the financing of the project, Applicant, by submitting this Application to the Authority, agrees:

1. To pay all costs in connection with this Application either from the proceeds of Industrial Revenue Bonds that might be approved by the Authority for the project, or in the event such assistance is not approved or forthcoming, to pay all costs from its own resources. Such costs, in addition to the costs of the application, shall include, but not be limited to, the expenses of the Authority in connection with the study and processing of this Application, and the cost of an independent financial analysis, and the cost of an independent legal counsel, if any, to protect the Authority. A non-refundable good faith deposit in the sum of \$500.00 payable to the Authority shall be forwarded with the Application; and
2. If the requested bonds are authorized, to pay to the Authority fees in accordance with options and applicable rates as set forth on Attachment 1 (see attached); and
3. To comply with the Authority's Rules and Procedures, a copy of which has been received by the Applicant; and
4. To advise the Authority, in writing, of any material changes to the information contained in this Application.

The Applicant further represents that it understands the conditions of this Application, that there is no guarantee of approval and that all statements and information furnished with this Application or on supporting papers are true and correct to its best knowledge and belief.

This Application is approved by the _____
(Authorized Agent)

of the _____
(Official Name of Applicant)

This ____ day of _____, _____.

WITNESS: _____ By: _____
(SEAL)

TITLE:

DATE:

Exhibit A

§ 15.2-4907. Fiscal impact statement. - Every request for industrial development (facility) financing when submitted to the governing body of the locality for approval shall be accompanied by a statement in the following form:

	Date
(Name of Applicant)	
.....	
(Facility)	
1. Maximum amount of financing sought	\$.....
2. Estimated taxable value of the facility's real property to be constructed in the locality	\$.....
3. Estimated real property tax per year using present tax rates	\$.....
4. Estimated personal property tax per year using present tax rates	\$.....
5. Estimated merchants' capital tax per year using present tax rates	\$.....
6.	
a. Estimated dollar value per year of goods that will be purchased from Virginia companies within the locality	\$.....
b. Estimated dollar value per year of goods that will be purchased from non-Virginia companies within the locality	\$.....
c. Estimated dollar value per year of services that will be purchased from Virginia companies within the locality	\$.....
d. Estimated dollar value per year of services that will be purchased from non-Virginia companies within the locality	\$.....
7. Estimated number of regular employees on year round basis
8. Average annual salary per employee	\$.....

Signature

.....

Authority Chairman

.....

Name of Authority

.....

If one or more of the above questions do not apply to the facility indicate by writing "N/A" (not applicable) on the appropriate line.

The provisions of this section shall not apply to bonds, notes or other obligations issued

pursuant to hearings held and governmental approvals obtained prior to the effective date of this act in compliance with federal law or regulation. (1983, c.514, § 15.1-1378.2; 1997, c. 587; 1998, c. 728.)

The 1998 amendments. - The 1998 amendment by c. 728, in subdivision 6, added the subdivision 6 a designation, in subdivision 6 a, deleted “and services” following “year of goods,” and substituted “from Virginia companies within the locality” for “locally,” and added subdivisions 6 b, 6 c, and 6 d.

Attachment 1

Policies of the Williamsburg Economic Development Authority

The Williamsburg Economic Development Authority was chartered pursuant to the provisions of Chapter 33, Title 15.1 of the 1950 Code of Virginia, as amended. Pursuant to the provisions of the Virginia Code, the Authority exists to encourage location and expansion of qualifying commercial and industrial enterprises in the City of Williamsburg.

In order to carry out its purposes, the Authority has adopted an application form, (a copy of which is attached), and the following policies which govern the consideration of all applications submitted in proper form:

1. Each applicant shall submit a written application on the form provided by the Authority and pay a non-refundable application fee of \$500.00. In addition to the application fee, if the requested bonds are authorized the following additional fees shall be paid:
 - A one-time fee payable at closing, equal to 1/2 of 1 percent of bond amount up to \$5,000,000.00 plus 1/10th of 1 percent of bond amount over \$5,000,000.00 with a total minimum fee \$1,250.00; or
 - A recurrent fee of 1/8th of 1 percent of the declining principal bond balance, payable annually at the end of each calendar year for the life of the bond issue, said fee to be evidenced by a promissory note given to the Authority at closing.
 - In addition to the above fees the Applicant will pay all costs and the Authority's entire Attorney's fees relating to the bond issue.
2. For Amendments of bond documents subsequent to original issuance and for refinancings of existing bonds issued by the EDA the following fees apply:
 - Amendment fee: A fee of \$250.00 for an amendment to an existing Williamsburg Economic Development Authority issue. This may include, but is not limited to, interest rate change, name change, term change, or waiver.
 - Refinancing/refunding fee of an existing Williamsburg Economic Development Authority issue: This may include change in amount of issue, bondholder or bond beneficiary. Because this is similar to a new issue and may require a public hearing, advertising, Authority approval and subsequent Council approval, the Williamsburg Economic Development Authority will charge a non-refundable fee of \$500.00 prior to the public hearing and a refinancing fee of .375percent on the first \$5,000,000.00 of reissue, and .050percent on amounts above \$5,000,000.00.
 - Extension fee: A fee of \$250.00 for Inducement Resolutions extended beyond the normal one-year approval period
 - Any action by the Authority that requires a special meeting to accommodate the needs of a bond recipient or bond applicant shall require an additional fee of \$700.00.
 - In addition to the above fees the Applicant will pay all costs and attorneys fees relating to such amendments and refinancings.
3. The Authority reserves the right to deny assistance to any Applicant although such Applicant might be deemed eligible under the State Industrial Development and Revenue Bond Act.
4. Authority adoption of any Inducement Resolution does not constitute approval of the Applicant, its policies, or its management.
5. When real and personal property taxes are not applicable, Applicant shall make

payments in lieu of property taxes to the locality, which shall be remitted on a semi-annual basis to the City of Williamsburg.

6. The Authority shall not assist in the issuing of revenue bonds for the purpose of providing working capital to the applicant.
7. If machinery or equipment is to be financed as a part of the requested bond issue, the Authority or the financing institution may require shorter payout terms on that portion of the issue used for machinery or equipment.

Applications shall be handled insofar as possible in the following manner:

1. All contacts for information regarding the operation of the Authority shall be referred to the Secretary of the Authority.
2. Applicants wishing to make a presentation to the Authority shall submit ten (10) copies of the Application and the proposed resolution of inducement to the Secretary; Directors of the Authority will be given at least two weeks in which to review the materials prior the Authority's meeting at which the Application is to be considered.
3. The Authority may require a report from the City Planner addressing potential economic and environmental impacts of the project and its comparability with the City's comprehensive plan.
4. The Authority, at its discretion, may require further review of that Application by independent financial and legal counsel.
5. After approval of the Inducement Resolution, the Applicant's attorney shall develop the proposed lease agreement, indenture, form of bonds and coupons, and all other matters required to complete the bond issue. Such documents shall be submitted in triplicate to the Secretary for consideration and for action by the Authority.
6. The Authority reserves the right to have the above documents reviewed and modified by independent counsel at the expense of the Applicant.
7. When bonds are printed, the Applicant, Chairman and Secretary of the Authority and attorneys required (including bond counsel engaged by Applicant and Authority to close the loan) will meet at a mutually acceptable time to formally close the loan and sign the necessary papers and agreements.
8. The Applicant's and Authority's bond counsel, if any, who closed the loan shall prepare a full bond transcript for the Authority and forward same to the Chairman of the Authority for the Authority's files.
9. Any inducement resolution adopted by the Authority shall expire 24 months from date of approval if project construction has not started by that time.