

## **HENRY COUNTY DEVELOPMENT AUTHORITY**

### **MEETING MINUTES**

**MARCH 7, 2013**

#### **I. ATTENDANCE – CALL TO ORDER/MOMENT OF SILENCE**

A meeting of the Henry County Development Authority was held on March 7, 2013 at the Development Authority offices located at 140 Henry Parkway, McDonough, Georgia. Board members present were Bill Herndon, Charles Smith, Geoffrey Cauble and Charles Mobley. Board member John Bozeman participated by conference call. Also in attendance were Rod Meadows, Meadows and Macie, Bob White, Executive Director, Leah Brown, Manager, Business Retention and Expansion and Terry Collins, Recording Secretary. Guests in attendance were Tommy Smith, Chairman, Henry County Board of Commissioners; Bo Moss, Henry County Commissioner District 1; Bruce Holmes, Henry County Commissioner District 5; and LaTonya Wiley, Henry County Attorney. At 9:08 a.m., Chairman Herndon called the meeting to order and a moment of silence was observed.

#### **II. APPROVAL OF MINUTES**

Chairman Herndon noted for the record that a quorum was present and noted the agenda would need to be amended to move Legal Matters forward in the order of discussion. He then asked if everyone had reviewed the minutes from February 7, 2013 and if there were any comments or questions. Hearing none, Chairman Herndon then asked for a motion to approve the minutes. Mr. Charles Smith made a motion to approve the minutes as presented and Mr. Mobley seconded. The motion passed unanimously.

At 9:10 a.m. Commissioner Holmes joined the meeting.

Chairman Herndon then asked for a motion to amend the agenda to reflect moving Legal Matters up to item # III. Mr. Cauble made a motion to amend the agenda and Mr. Charles Smith seconded. The motion passed unanimously.

#### **III. LEGAL MATTERS**

Chairman Tommy Smith opened the discussion noting the upcoming FY 2014 budget will have the same challenges as FY 2013. He also noted that in recent years, the Authority's legal fees had exceeded the allotted budget and, based on comments made during the Authority's FY2014 Departmental Budget meeting, it appeared that a major cause of the legal budget overruns was costs incurred in responding to multiple issues raised by the County Attorney largely concerning implementation of the Incentives Policy and which, he noted, meant that taxpayers were paying for both County Attorney and Henry County Development Authority Legal Counsel. Mr. White clarified that the Incentives Policy was not the only reason for exceeding the legal fees budget but everyone agreed it was a significant contributor.

Discussion continued regarding the Henry County Economic Incentives Policy (HCEIP) as related to Project Gemini and Project Jeep. In the case of Project Jeep, the only incentive that had only been offered was reduced permit fees, and Ms. Wiley noted that a Memorandum of Agreement (MOA) regarding incentive “clawbacks” had not been executed as was anticipated by the HCEIP. Ms. Wiley further noted that - after the building was built and a Certificate of Occupancy requested that – HC Building Department officials were concerned with not having adequate documentation in the file to support the reduction in permitting fees, and that every attempt should be made to follow the resolution guidelines. Also discussed was the Authority creating a project incentives checklist to ensure compliance with the HCEIP.

Chairman Herndon acknowledged that there were errors in applying the incentives policy in this case, and that steps would be taken to correct the problem. Mr. Meadows suggested that – although a MOA was not executed for this project – that staff should work with the company to verify that the job creation and investment goals – which were the justification for the incentives – were being met., and Mr. White confirmed that the company had already met or exceeded the job creation and investment thresholds for the project. Also discussed was the methodology for the BOC-approved schedule used by the Building Department to calculate building permit fees and the possibility of amending that schedule. In closing discussions, Mr. Charles Smith inquired about the status of the fiber optic contract. Mr. Holmes noted that the contract under review had been received by County Attorney’s office yesterday.

At 9:50 a.m., Commissioners Tommy Smith, Bo Moss and Bruce Holmes left the meeting as did Ms. Wiley. Chairman Herndon called a 10 minute recess.

At 10:00 a.m. Chairman Herndon returned the meeting to order.

Chairman Herndon noted that the agenda also needed to be amended to reflect that Rod Meadows was present as legal counsel instead of Stephen Morris, as reflected on the agenda, and he called for a motion. Mr. Cauble made a motion to amend the agenda and Mr. Mobley seconded. The motion passed unanimously.

Mr. Meadows commented that the discussion of the previous hour had been very useful and he acknowledged that the Authority has resolved outstanding procedural questions and the County Attorney is now satisfied that – pursuant to the Authority’s enabling legislation - that the incentives outlined in the HCEIP did not violate the “gratuities clause” of the Georgia Constitution. Mr. Meadows then shared as helpful information, copies of a document entitled The Basis of Offering Incentives to Spur Economic Growth.

Chairman Herndon thanked Mr. White, Mr. Meadows and specifically Mr. Stephen Morris who spent a lot of time researching in preparation for this meeting. Chairman Herndon also thanked Mr. Charles Smith for bringing up the subject of the fiber optic network. He also noted that the Board still has a work to do in preparing a checklist to streamline the HCEIP implementation process.

#### **IV. INVOICES/FINANCIALS/CORPUS**

Chairman Herndon asked if there were any comments or questions on the Summary of Invoices. Mr. Mobley stated that it is important to note what percentage of funds is spent from corpus funds and what percent is spent from EMC Funds. Mr. Mobley inquired about expense categories and creating sub-categories to increase transparency and allow all Board members to better review the budget. He also suggested that after reviewing and adding/changing expense categories to correct financial reports for 2013 to reflect new or changed categories. Chairman Herndon noted he would work closely with staff to provide Authority budget information at the next meeting. Mr. Mobley suggested having it within two weeks to allow review time before the next Board meeting. Mr. Mobley discussed the Targeted Industry (TI) Study and the need for more marketing funds. He suggested each Board member meet with their respective Commissioner and make cases to support the TI Study needs. Board members and staff further discussed this matter as well as the Hotel/Motel tax and marketing partnerships in other counties.

After further review of the March 2013 Summary of Invoices, Chairman Herndon asked if there was a motion to approve the Gold Level Sponsorship opportunity of the Georgia Economic Development Foundation Go Global event on March 25 and 26, 2013, at a cost of \$2500. Mr. Smith made a motion to approve and Mr. Bozeman seconded. The motion passed unanimously. Board members and staff discussed details of the Go Global event such as the materials being provided by the Authority, guests to be invited, and Board member availability for attendance. Chairman Herndon asked if there were any further questions regarding the financial reports and hearing none, asked for a motion to approve. Mr. Cauble made a motion to approve the financial reports and Mr. Smith seconded. The motion passed unanimously.

#### **V. OLD BUSINESS**

Mr. White shared a sample illustration and reviewed information regarding a retractable banner to be used at the Go Global event, the upcoming charity golf tournament, and future events. He shared the total estimate of \$440 for a retractable banner base for two banners and two printed banners installed on the retractable base. After reviewing the sample copy of the banner, Board members came to a consensus on copy changes to the banner to make it more effective in communicating core messaging. At 11:05, Mr. Bozeman, via conference call, left the meeting. Mr. White agreed to continue working with the graphic artist to make the suggested changes and share more samples with Board members for a final selection. Mr. Mobley then made a motion to approve funds not to exceed \$500 for the retractable banners and bases after Board approval of electronic copy. Mr. Cauble seconded and the motion passed unanimously among those present.

Mr. White reviewed that he and Mr. Smith had been working closely with District 5 Commissioner Bruce Holmes to encourage small businesses and create a sense of community in Fairview. Mr. Charles Smith and Mr. White commented on a meeting hosted by the Authority for the Fairview Business Association

at the Fairview Library, and this meeting and other meetings with Commissioner Holmes lead to Mr. Smith's proposal regarding district funding. Mr. Smith then made a motion that he would like to table his presentation on Special Initiatives Funding until the April Board meeting when Mr. Bozeman could be present. Mr. Cauble seconded and the motion passed unanimously among those present. Mr. Smith also suggested future discussion of raising the Executive Director's allowable level of expenditure approval.

Ms. Brown updated Board members on the continued planning for the Industry Appreciation Week celebration and luncheon. Chairman Herndon suggested the list of invitees be provided to all Board members. Ms. Brown and Mr. White updated Board members on the Needs Assessment surveys and plans for completion within the next two weeks. Mr. White noted that Henry County Day at the Capital had been very successful. He also noted that he had received Board member/staff photo proofs and would share with everyone for final selection. Mr. White and Chairman Herndon briefly discussed an upcoming news release and Mr. White noted that the Authority would leverage the Henry County Communications department for help in distributing news to the media.

Noting April 4, 2013 as the next scheduled Board meeting date, Mr. White suggested holding a brief business meeting at the Georgia Resource Center to be followed by a Georgia Resource Center presentation to include inviting Henry County Commissioners, a working lunch, and an afternoon Board planning session. Board members agreed they would like to hold the meeting at the Georgia Resource Center but would prefer more time for the Authority Board planning session. After much discussion, Board members agreed to meet at the Georgia Resource Center on April 4, 2013 for a Georgia Resource Center presentation from 9:00 – 11:00, followed by a working lunch and regular Board meeting. They also agreed to meet on Saturday, April 6, 2013 from 8:00 – 4:00 for a Henry County Development Authority (HCDA) Board Planning Session at Meadows & Macie Law Offices. Mr. White will plan to secure a moderator for this planning session and Board members will plan to offer items for the agenda.

## **VI. NEW BUSINESS**

Board members discussed the appointment of HCDA Records Custodian. Mr. Cauble then made a motion to appoint the Executive Director as the HCDA Records Custodian with the Authority Legal Counsel as back-up Records Custodian. Mr. Smith seconded and the motion passed unanimously among those present.

Board members discussed the appointment of HCDA Official Spokesperson. Mr. Smith made a motion to appoint the Executive Director as HCDA Official Spokesperson and Mr. Mobley seconded. Mr. Mobley then amended the motion to table this item until further review of the Executive Director's job description, noting that this title could be added to the job description. Board members agreed to table this discussion until the next meeting where all staff job descriptions will be reviewed.

## **VII. STAFF REPORTS**

Mr. White shared copies of the February/March Staff Reports, a copy of which is attached to these minutes. He updated Board members on Project Snow and others, and noted that the location for Atlas

Roofing will be between Henry County and Alabama with a summary expected by next week. Mr. Meadows made a disclosure to the Board that since that bond was issued, Atlas Roofing has used Meadows and Macie, P.C. as local legal counsel. Chairman Herndon asked for a motion to note Mr. Meadows' disclosure to record. Mr. Mobley made a motion to note this to record and Mr. Cauble seconded. The motion passed unanimously among those present.

Board members and staff discussed ALPLA's expansions in other parts of the country, Mercer University's interest in expanding relative to the Cotton Fields Golf Course, and discussions with Dr. Tim Hynes of Clayton State University regarding the addition of college facilities in Henry County.

#### **VIII. DISTRICT REPORTS**

District 1: Mr. Cauble reported that he and District 1 Commissioner Bo Moss are currently making plans to hold a Town Hall meeting. At 12:30, Mr. Cauble left the meeting due to previously-scheduled business conflict.

District 3: Mr. Mobley reported meeting frequently with District 3 Commissioner Gary Barham and their plans to meet with constituents.

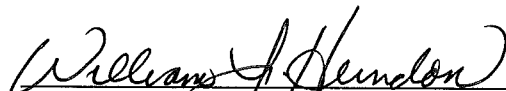
District 4: Chairman Herndon reported that he is still working on bringing a Clayton State University campus to Henry County and the Symphony at Eagles Landing project.

District 5: Mr. Smith reported that he is continuing his work on the urgent care facility project and that there is a Town Hall meeting scheduled for March 23, 2013 at the City of Stockbridge to discuss Opportunity Zones.

#### **IX. ADJOURN**

At 12:40 p.m. Chairman Herndon adjourned the meeting.

  
\_\_\_\_\_  
Terry Collins, Recording Secretary

  
\_\_\_\_\_  
William L. Herndon, Chairman

**Staff Reports**  
**Henry County Development Authority**  
**February 2013**

**BUSINESS ATTRACTION**

**Project Activity**

- **Project Snow:** On January 10<sup>th</sup>, the Georgia Department of Economic Development (GDEcD) sent an incentives letter to the client outlining the State and local incentives. As is customary with these project incentives offers, the prospective company is given a 30-day time period in which to accept or decline the incentives before the incentives offer is rescinded, however HCDA and GDEcD were notified in early February that the company was seeking an extension of the initial response period in order to complete a transportation study comparing the various sites (in Henry County and the two competing sites in other states). On February 14<sup>th</sup>, the company was given a 30-day extension to complete their due diligence. As of March 6<sup>th</sup>, the company had not provided a response to GDEcD.
- **Home Depot Fulfillment Center (Project Gemini)** – Construction continues on the project with a target date of June 1 to receive a Certificate of Occupancy. On March 4<sup>th</sup>, the Henry County BOC approved a GDOT Right-of-Way Agreement for improvements on SR155 in conjunction with the project.
- **Project Sea Change:** Sea Change is an aviation Maintenance and Repair Operation (MRO) that is in the preliminary stage of identifying potential buildings and sites in Georgia for a 200,000-400,000 SF facility that would employ 400. Staff provided building and site information to statewide economic developers working with the prospect, and facilitated discussions with the Henry County Water & Sewerage Authority on water and sewer usage for the proposed facility.
- **Project Mort:** Mort is a distribution center project evaluating existing buildings in the Atlanta area for a consumer products distribution center that would employ 100-200 associates. The prospect toured five buildings in Henry County, and HCDA staff met with prospect and the real estate representatives conducting the site search for their client to provide additional information on Henry County.
- **Project North Bay:** North Bay is an apparel distribution center project evaluating sites in the Atlanta area for a project that would initially employ 60-80 associates. HCDA staff met with representatives of the 3<sup>rd</sup> party logistics firm (3PL) for the prospective company at the building under consideration in Henry County. Also present was Julie Brown, President of the Georgia Foreign Trade Zone (FTZ), to discuss the process for achieving an FTZ designation for the subject building.
- **Project Blossom:** Blossom is a food products manufacturing operation beginning an evaluation of existing buildings in Georgia. Information on several potential buildings in Henry County was provided to the statewide economic developers assisting the client. No further details on the project parameters are available at this time.
- **Atlas Roofing:** Staff met with the Vice President of Manufacturing for Atlas Roofing to discuss a possible expansion of the Hampton facility to incorporate a new product line. The company is evaluating expansion possibilities at Atlas facilities in three southeastern state, and staff is preparing an overview of potential state and local incentives for the project.

### Other Activities

- **South Metro Development Outlook:** Bob White attended the annual South Metro Development Outlook held at the Georgia International Convention Center. At the event, Mr. White and Henry Chamber President, Kay Pippin, met with Joseph Folz, General Counsel for Porsche. Porsche is relocating their North American Headquarters from Sandy Springs to the Aerotropolis project to be located on the former Ford Motors plant site in Hapeville, and Mr. White and Ms. Pippin will be working to assist Porsche employees seeking to relocate in Henry County.
- **Atlanta Business Chronicle “Best in Atlanta Real Estate Awards”:** Bob White attended the annual real estate awards program as the guest of Panattoni Development Company, the developers of a 900,600 SF distribution center for Georgia Pacific Corporation in Henry County. The Georgia Pacific building, which was completed in August 2012, was a finalist for the “Industrial Deal of the Year” and in the nomination, Henry County was cited for our assistance in facilitating an aggressive build-to-suit schedule. The project represents a \$30 million investment, and the facility currently employs 60 associates.

### BUSINESS RETENTION & EXPANSION/ENTREPRENEUR DEVELOPMENT

- Staff has conducted 15 industry visits during February as part of our local industry Needs Assessment survey process, and we are still receiving responses from additional companies. The visited companies included *Behr Paints, Southern States, Goodyear Aviation, Xerox Services, Genco (Levi Strauss), Atlas Roofing, Summit Racing Equipment, Phillips Van Heusen, Sims Superior Seating, Encompass, Smead, Briggs & Stratton, Ecolab and Bennett International.*
- Planning continues for the Industry Appreciation Week celebration including the Luncheon scheduled for April 2<sup>nd</sup>. Invitations have been sent to local industries and government and business leaders, and Industry Appreciation Week proclamations are being issued by Henry County, the cities of Hampton, Locust Grove, McDonough and Stockbrid, and the Henry County Chamber of Commerce. GDOT Deputy Commissioner, Todd Long, will be the featured speaker.
- Leah Brown participated in the Ola High School Career Expo on February 1<sup>st</sup>, and she prepared a display for the event depicting Development Authority activities. During February, Ms. Brown also participated in a number of networking events including the Business Boosters Luncheon, Henry County SHRM Chapter Meeting, and the monthly GEDA meeting.

**PUBLIC POLICY**

- Authority Board and staff participated in the “Henry County Day at the Capitol” activities held on February 13<sup>th</sup> and met with members of the Georgia General Assembly. A highlight of the activities was a presentation by Lt. Governor, Casey Cagle, of a check representing a \$3.4 million GCAP Grant to the Henry County Academy for Advanced Studies. At the award ceremony, the Development Authority also presented a ceremonial check for \$18,100 representing contributions in 2012 by the Authority to the Academy. At the ceremony, HCDA Chair, Bill Herndon, Academy for Advanced Studies CEO, John Uessler, and Lt. Governor Cagle executed documents acknowledging the Authority becoming a “Partner in Education” for the Academy.

**ORGANIZATIONAL STRUCTURE AND ADVANCEMENT**

- Bob White and Leah Brown attended the Georgia Economic Developers Association (GEDA) monthly meeting in Atlanta. Mr. White previously served as Secretary-Treasurer, 2<sup>nd</sup> Vice Chair, 1<sup>st</sup> Vice Chair, and was GEDA Chair in 2011.
- HCDA hosted a meeting of the executive directors of the Butts, Lamar and Spalding County Development Authorities to discuss the Butts-Henry-Lamar-Spalding Joint Development Authority. Henry County will host the next quarterly meeting of the Joint Authority in July.
- Henry County will host the April quarterly meeting of the Joint Development Authority of Metro Atlanta (JDAMA). Jonathan Sangster, General Manager of Georgia Power Company’s Economic Development Division, will be the featured speaker. A planning session for the Joint Authority will be held following the luncheon meeting, and will be facilitated by Odessa Archibald of Georgia Power.



- Mr. White and Ms. Brown coordinated the 2012 Leadership Henry Economic Development Program on December 19<sup>th</sup>. The program included a visit to the Georgia Resource Center and Georgia Center for Site Selection with briefings by representatives from GDEcD, Georgia Power Company and Georgia EMC. The program concluded with a tour of the Behr Paints manufacturing plant in McDonough.