

Development Authority of Cobb County

Minutes of Meeting

April 16, 2013

Pursuant to notice, The Development Authority of Cobb County met at the Cobb Chamber of Commerce, 240 Interstate North Prkwy, Atlanta, Cobb, GA on April 16, 2013 at 11:00 am.

MEMBERS PRESENT

Clark Hungerford
Robert Morgan
Al Searcy
Donna Rowe
Richard Moore

SEYFARTH SHAW

Dan McRae
Michelle Barnett

DEVELOPMENT AUTHORITY

Nelson Geter
Amanda Blanton

GUESTS

Andrew Egan, Kutak Rock, LLP
Julie Ray, Mount Paran Christian School
Mike Winters, Cobb Chamber
Heidi Isom, Marietta Power & Water
Dan Styf, Cobb's Competitive EDGE
Laura Searcy

COBB COUNTY

Michael Hughes, Cobb County Economic Development

Chairman Clark Hungerford called the meeting to order.

MINUTES:

The minutes of the February 22, 2013 meeting were reviewed by members. Mr. Searcy made a motion to approve the minutes and Ms. Rowe seconded the motion. The motion was unanimously approved. (5 yes – 0 no)

FINANCIAL REPORT:

The financial report was reviewed. Mr. Morgan made a motion to approve the financial report, Mr. Moore seconded the motion and the motion was approved. (5 yes – 0 no)

The Board also reviewed a resource plan which detailed projected fees and the use of those funds for this calendar year. Mr. Searcy made a motion to approve the resource plan as presented. Ms. Rowe seconded the motion and the motion was unanimously approved. (5 yes – 0 no)

Election Of Secretary-Treasurer: Chairman Hungerford entertained a motion for nomination.

Mr. Moore nominated Ms. Rowe for the position of Secretary-Treasurer. Mr. Morgan seconded the motion and the motion was unanimously approved. (5 yes – 0 no)

To replace Ms. Rowe's position of Assistant Secretary-Treasurer, Chairman Hungerford opened the floor for nominations. Ms. Rowe nominated Mr. Searcy who graciously declined. Ms. Rowe nominated Mr. Moore. Mr. Searcy seconded the motion and the motion was unanimously approved. (5 yes – 0 no)

Mount Paran Christian School: Andrew Egan, Kutak Rock, LLP, spoke on behalf of Mount Paran Christian School. Their purpose before the Authority is to approve an inducement resolution for \$12M to refinance the amount of outstanding debt on bonds the Authority issued in 2002. These bonds financed the original construction of the campus. The new bonds will be directly placed with Wells Fargo to their maturity date. Julie Ray, Mount Paran, explained that the school has future plans for expansion and is currently undergoing a capital campaign with hope to add a stadium to the main athletic field. There are also plans for an expansion of the high school to accommodate the increase in enrollment. Mr. Morgan made a motion to approve the inducement resolution in the amount of \$12M. Mr. Searcy seconded the motion and the motion was unanimously approved. (5 yes – 0 no)

Bylaws Committee: Chair Donna Rowe reported that the committee is scheduled to meet on April 22nd to discuss revisions made by legal counsel. She feels the committee will be able to produce a final draft for full Board approval at the May meeting. She announced that Mr. Moore will replace Ms. Powell on the committee.

Cobb's Competitive EDGE Update: Dan Styf, Cobb's Competitive EDGE Co-Chair, presented an update on EDGE to the Board. He opened with discussion of the EDGE Kickoff event that took place at the WellStar Development Center. The event brought together Cobb business leaders and potential investors encouraging them to do their part to take the strategy to the next level. He asked the group to turn their attention to the EDGE folder while he explained the goal of the EDGE initiative. Mr. Styf said he would like to broaden the general definition of economic development to include the creation of jobs and improving the economic marketplace. EDGE is the first community-wide and economic development partnership in Cobb County. He described the strategy as a 501c3 non-profit organization that is currently in the fundraising phase of the process. The first phase, lead by Market Street, developed the framework and plan for the activity needed to improve the economic growth of the community. This first phase rendered a blueprint outlined in the EDGE folder shared with the Board. The blueprint included "7 Seeds for Success" which are the target areas that need the most improvement and attention. He outlined the seven goals of the strategy which would improve graduation rates, job creation, annual income earnings, unemployment rates, college-bound student rates, existing industry visits, and quality of life. The EDGE Board has been tasked with identifying the chairs for each of the seeds and spearheading the fundraising efforts. Currently, \$1.4M of a \$4M goal has been raised. Some contributions will be monetary and others will be of an in-kind nature. As an example, KSU announced they will form the small business incubator in collaboration with other community leaders as part of the EDGE initiative. He mentioned that Kaiser and WellStar have both committed \$275,000 to the strategy. Chairman Hungerford offered that he feels the Board should play a more active role in EDGE and effectively utilize dollars targeted to economic development.

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Legal Counsel Updates: Mr. McRae mentioned that he is seeing more transactions where banks are removing letters of credit from bonds. Direct bank placement is the new approach for these types of transactions.

He discussed the investment letter and his suggestion to develop 'soft policies'. He asked the Board what type of post issuance distribution constraints they would like to place on bonds. He also discussed the Memorandum of Understanding (MOU) used with the bond transactions. Those MOUs have clawbacks; if the company does not perform, then the funds are to be repaid. He asked the Board for guidance when preparing an MOU and if they wanted to see each individual MOU, or did approval of the grant include approval for the Chair to execute the MOU. Ms. Rowe made a motion stating that Board approval of a grant would also include approval of the Chair executing the MOU. Mr. Searcy seconded the motion and the motion was unanimously approved. (5 yes – 0 no)

Executive Director Updates: Nelson Geter updated the Board on recent activity. He mentioned that he had two recent speaking engagements; one at the South Cobb Business Association and the other at Mr. Searcy's CEO Roundtable group. He discussed how the Development Authority works and how it plays a role in the overall economic development strategy of the county.

He discussed grants that are outstanding at this time. The grant for NCR, promised back in 2011, has not yet been drawn. Mr. McRae and his team prepared an MOU for Fabric.com and sent to the company for review. Home Depot has already opened their center with 100 employees and should add another 50 by the end of the year. An offer has been made to Project Rivers, but has not been accepted yet.

Nelson dispersed a copy of the Development Authority Manual to each member which included all information encompassing the member's role while serving on the Board as well as the history and significance of the Authority.

He also discussed the Board Retreat and possible dates available at the Marietta Conference Center to include: May 24 or 31 at 8am. The purpose will be to discuss strategic and business plans, goal setting, and training. Steve Foster, GA Power, has agreed to facilitate the retreat and Mr. McRae will offer training during this time.

The annual audit will be ready for review and approval at the May meeting.

Chairman Hungerford updated the Board on the status of McCollum Field tower. He discussed its importance as an economic development tool for Cobb County, and said it would take approximately \$750,000 to keep the tower operational.

There being no further business, the meeting was adjourned.