

Development Authority of Cobb County

Minutes of Meeting

June 19, 2012

Pursuant of notice, The Development Authority of Cobb County met at the Cobb Chamber of Commerce, 240 Interstate North Prkwy, Atlanta, Cobb, Georgia on June 19, 2012 at 11:00 a.m.

Members Present:

Don Wix
Clark Hungerford
Robert Morgan
Robert Moore
Thea Powell

Awtrey and Parker
Dianne Perimeter
Bob Silliman

Development Authority

Nelson Geter

Guests:

Mike Winters, Cobb Chamber of Commerce
John Gillooly, Marietta Daily Journal
Janel Davis, Atlanta Journal Constitution
Michael Hughes, Cobb County Government
Andrew Egan, Kutak Rock
Larry Ramsey, Smyrna Charter Schools
Mike Kasamias, Kutak Rock
Dan Mcrae, Seyfarth Shaw, LLP
Brooks Mathis, Cobb Chamber of Commerce
Ryan Campbell, Cobb Chamber of Commerce
Melissa Crook, Cobb Chamber of Commerce

Chairman Don Wix called the meeting to order.

MINUTES:

The minutes of the May 23, 2012 meeting were received by the members after a correction was made indicating that Bob Morgan presided over the meeting during The Springtime House final Bond Resolution. Chairman Don Wix made a motion to approve the minutes, Robert Morgan seconded the motion and the motion was unanimously approved. (5 yes- 0 no).

FINANCIAL REPORT:

The financial report was reviewed. Clark Hungerford made a motion to approve the financial report, Robert Morgan seconded the motion and the motion was unanimously approved. (5 yes- 0 no)

Smyrna Charter School: The final supplemental bond resolution for the Smyrna Charter School was discussed. Representatives from the school and their law firm explained that grants are not to be dedicated to the payment of debt service, but for programs. Debt service for the total schools project is \$1.3 million per year and will be covered by allocation per student from the local school district and programs revenue. Smyrna Charter Schools has the necessary

number of students to pay the debt service. Pre-enrollment is above the number needed. Cash flow will be sufficient with margin that the Smyrna Charter Schools can be comfortable with. The final supplemental bond terms are not to exceed \$15,405,000. Clark Hungerford made a motion to approve a supplemental bond resolution in amount no to exceed \$15,405,000. Robert Morgan seconded the motion and the motion was unanimously approved (5 yes-0 no).

Home Depot: Dan McRae of Seyfarth Shaw, LLC spoke to the board in regards to The Home Depot customer service center in Kennesaw. There are two bond deals; one for the purchase of furniture and equipment in the amount of \$8,500,000, and the second for real estate in the amount of \$15,000,000. The land and building bond issue for Cole Realty of Kennesaw and an equipment bond issue for Home Depot. There will be two separate proceedings and two separate validations. Structure will be for the authority to acquire the land and building then lease back to Cole Realty. Cole Realty will then sublease to The Home Depot. The Home Depot's equipment will be acquired by the authority and leased back to Home Depot.

Bob Morgan made a motion to approve The Home Depot bond resolution in an amount not to exceed \$23.5 million. Clark Hungerford seconded the motion and the motion was unanimously approved. (5 yes- 0 no)

Executive Director Update

Reba Grants: Nelson Geter gave an update on the outstanding REBA grants that were being processed by The Development Authority. We currently have three REBA grants that are being processed at this time. Novelis in the amount of \$500,000, Osmotica in the amount of \$300,000, and Home Depot in the amount of \$500,000. The three projects will create 1,006 new jobs with a total capital investment of \$73,379,000.

Relocation and Retention Grants: The Development Authority of Cobb County currently has three outstanding Relocation Grants that have not yet been processed. The grants are Fabric.com in the amount of \$50,000, Novelis in the amount of \$100,000 and Osmotica in the amount of \$100,000. These three projects will create and retain a total of 531 jobs new jobs with a total capital investment of \$51,600,000.

Chairman Wix appointed a Relocation and Retention Grants Committee for the purpose of developing some policies and procedures relating to the grants process. The committee members are Bob Morgan, Thea Powell, and Donna Rowe. Nelson Geter, Michael Hughes, and Brooks Mathis were asked to develop some guidelines for the committee to consider.

RFP for 2013 Legal Counsel: Nelson suggested that it was time for the Authority to start the process of searching a new legal counsel for the authority since Awtrey & Parker indicated that they would not be offering their services to the authority after this year. Chair Wix appointed a Legal Counsel Search Committee. The members are: Clarke Hungerford, Thea Powell, and Richard Moore. The committee will report back to the Authority at the next meeting.

Economic development Website: Nelson discussed the restrictions of the domain name “Select Cobb” and it has been determined that this name may be changed. The site costs \$15,000 and is comparable to sites ranging in cost from \$35,000-\$50,000. The Cobb Chamber marketing department is working to finish website design which was based on recommendations from the Market Street Study conducted in 2011. The website is designed to represent all the economic efforts of the county. All documents, meeting minutes, financial information, links to other sites of interest and other DACC information will be on the website on the Development Authority page.

Adjournment: The meeting was adjourned by Chairman Wix at 1:06 p.m.