

## DEVELOPMENT AUTHORITY OF COBB COUNTY

### Minutes of Meeting September 16, 2014

Pursuant to notice, The Development Authority of Cobb County met at the Cobb Chamber of Commerce, 240 Interstate North Prkwy, Atlanta, GA 30339, on September 16, 2014 at 2:00 pm.

#### MEMBERS PRESENT

Clark Hungerford  
Blake Kenya  
Karen Hallacy  
Richard Moore  
Donna Rowe  
Bob Morgan

#### DEVELOPMENT AUTHORITY STAFF

Nelson Geter  
Amanda Blanton

#### SEYFARTH SHAW

Mike Diamond  
Dan McRae

#### GUESTS

Michael Hughes, Cobb County  
Mike Winters, Cobb Chamber  
Holly Bass, Cobb Travel & Tourism  
Jackie Turner, Cobb Travel & Tourism  
Hilary Butschek, MDJ  
Lindsey Burrus, Cobb Travel & Tourism  
Joe Krolkowski, McKenna Long Aldridge  
Valerie Hartman, Culhane Meadows  
Andy Zgutowicz, High Street Realty Co.

Chairman Hungerford called the meeting to order.

#### MINUTES:

Members reviewed the minutes of August 19, 2014 meeting. Mr. Morgan made a motion to approve the minutes as presented. Ms. Rowe seconded the motion and the motion was unanimously approved. (6 yes - 0 no)

#### FINANCIAL REPORT:

The financial report was presented to the members and Ms. Rowe made a motion to approve the report. The motion was seconded by Mr. Moore and the motion was unanimously approved. (6 yes - 0 no)

#### Revised Policy Statement for Transactions Involving the Valuation of Leasehold Interests:

Mr. McRae presented the board with a revised version of the January policy with revisions to include: a) a required expression of approval which would translate into a letter of approval from the Board of County Commissioners, b) the Authority requiring a cost benefit analysis be done for each project. The results will be considered when voting to approve the application, c) the Authority will provide the school board with a copy of the application prior to any action being taken, and d) the prospect is required to pay pilot payments in lieu of taxes during construction period. Ms. Hallacy made a motion to approve the adoption of the policy as revised. Mr. Morgan seconded the motion and the motion was unanimously approved. (6 yes – 0 no)

**7800 Third Flag** – Joe Krolkowski, McKenna Long Aldridge, and Andy Zgutowicz, High Street Realty Company, spoke on behalf of 7800 Third Flag project. This request is for a transfer of commercial real estate. In 2007, a \$12M bond transaction was done, and a buyer has been found to purchase the leasehold interest representing the project. The current owner is responsible for liabilities up to the point of sale, and the new owner will assume responsibility thereafter. Andy

**DACC Minutes**

September 16, 2014

Page 2 of 2

Zgutowicz explained that the building is a 350,000 SF facility located in Austell. The company distributes Staples products and has created 220 jobs running 3 shifts 24 hours per day. They are prepared to close on the transaction at the end of September. Ms. Rowe made a motion to approve the transfer of \$12M by approving the documents attached to the resolution. Mr. Morgan seconded the motion and the motion was unanimously approved. (6 yes – 0 no)

**Riverwood 200 Project:** Woody Vaughn, Holland & Knight, and Bob Voyles, Seven Oaks Co., spoke on behalf of the project. The board is being asked to approve an inducement resolution in the amount not to exceed \$75M to be used for Class A office building development on Cumberland Blvd. The bonds issued will be taxable bonds. Mr. Voyles explained that the office building will facilitate 360 jobs between the two companies interested in the new building, and at the time of delivery, there is a potential for 500 jobs. Mr. Voyles would like to accommodate their needs in order to retain these companies in Cobb and not lose them to our competing counties of Fulton and DeKalb. Mr. Morgan made a motion to approve the inducement resolution in the amount not to exceed \$75M to construct the office building. Ms. Rowe seconded the motion and the motion was unanimously approved. (6 yes – 0 no)

**Bake One:** Adam Holzhauer spoke on behalf of the company. He asked that the Authority approve an amendment to the loan agreement payment table to extend the interest-only period. Ms. Rowe made a motion to approve the amendment to the loan agreement. Mr. Moore seconded the motion and the motion was unanimously approved. (5 yes – 0 no – 1 abstain (Hungerford))

**Cobb Travel & Tourism Marketing Update:** Holly Bass, Cobb Travel & Tourism, spoke on behalf of the organization. She mentioned the Authority gave a grant last year and wanted to give a brief update on their progress. She discussed the new arenas in which they are marketing to include Braves radio for regional and local broadcasting which reaches more than 3.5M listeners each week. She also showed the ad marketed on Channel 4 news geared towards Birmingham, Chattanooga, and Greenville. Additionally, she showed their digital billboard advertising which reaches a large number of viewers on a daily basis. Ms. Bass also showed their sports video which is distributed to all hotels in the area.

**Legal Counsel Updates:** There are no updates at this time.

**Executive Director Updates:** Mr. Geter mentioned that he has visited 95 companies this year. He also mentioned that he and Amanda would be visiting Savannah for the Annual Conference of GEDA.

There being no further business, the meeting was adjourned.