

Development Authority of Cobb County

Minutes of Meeting

November 20, 2012

Pursuant of notice, The Development Authority of Cobb County met at the Cobb Chamber of Commerce, 240 Interstate North Prkwy, Atlanta, Cobb, GA on October 16, 2012 at 11:00 am.

MEMBERS PRESENT

Clark Hungerford
Robert Morgan
Al Searcy
Thea Powell
Richard Moore
Don Wix

AWTREY and PARKER

George Dozier

GUESTS

Heidi Isom, Marietta Power & Water
Richard Corhen, KSU
Cindy Miller, Cobb Chamber of Commerce
Joel Blockton, Cobb Chamber of Commerce
Earl Taylor, McKenna, Long, Aldridge
Michael Hughes, Cobb County Government
Michelle Barnett, Seyfarth Shaw
Bruce McCall, Miller & Martin PLLC
Wesley Fulbright, Novelis Corporation
Phil Dockery, RayPaul Coating
Joe Zorzoli, UCB

DEVELOPMENT AUTHORITY

Nelson Geter
Amanda Blanton

Chairman, Don Wix, called the meeting to order.

MINUTES:

The minutes of the October 16, 2012 meeting were received by members. Mr. Searcy made a motion to approve the minutes and Mr. Morgan seconded the motion. In discussion, Ms. Powell stated that there were some corrections that needed to be made. A motion was then made to approve the amended minutes by Chairman Wix and the motion was unanimously approved. (6 yes – 0 no).

FINANCIAL REPORT:

The financial report was reviewed. Mr. Morgan made a motion to approve the financial report, Mr. Hungerford seconded the motion and the motion was approved. (5 yes – 1 no (Powell Opposed))

Novelis Corporation: Bruce McCall, Miller & Martin PLLC, spoke on behalf of Novelis Corporation. The company is seeking approval for a final bond resolution in the amount not to exceed \$25 million to fund lease improvements and personal property. The 196,000 SF building in Kennesaw will house the research and development center and approximately 110 new jobs will be created with this project. Mr. Morgan made a motion to approve the final bond resolution for Novelis Corporation not to exceed \$25M.

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Chairman Wix seconded the motion and the motion was unanimously approved. (6 yes – 0 no)

KSU: Earl Taylor, McKenna, Long, Aldridge, spoke on behalf of Kennesaw State University Foundation. He explained that the KSU Foundation has set up an LLC called KSU SRAC Real Estate Foundation to finance the expansion of the student recreation center on campus. He requested the Board approve the Series 2012 bond resolution set not to exceed \$50 million. This resolution allows legal counsel to begin the validation process with the Superior Court of Cobb County and approves the contracts that serve as security for the bonds. Mr. Searcy made a motion to approve a bond resolution for KSU SRAC Real Estate Foundation, LLC in the amount not to exceed \$50 million. Mr. Hungerford seconded the motion and the motion was unanimously approved. (6 yes – 0 no)

UCB: Michelle Barnett, Seyfarth Shaw, spoke on behalf of UCB. She requested the Board adopt a bond resolution for the expansion of the existing North American headquarters located in Smyrna. The company expects to create 75-125 jobs over the next five years as a result of the expansion. Additionally, they plan to invest up to \$20 million which is comprised of \$10 million in personal property and up to an additional \$10 million in real property. She asked that the Board adopt the bond resolution with the abatement schedule being left blank at this time. She would return for the Development Authority meeting in December and provide the Board with an estimate of the property tax savings and the final schedule.

Joe Zorzolli, Public Policy and Government Affairs for UCB, further explained that UCB is a global biopharma company out of Belgium. The company currently produces products to treat severe diseases such as Crohn's disease, Parkinson's disease, rheumatoid arthritis and have several more products in the pipeline. Their job growth over the next five years will yield up to 125 high-paying positions for Cobb. Mr. Morgan made a motion to approve a final bond resolution for UCB in the amount not to exceed \$53 million. Mr. Hungerford seconded the motion and the motion was unanimously approved. (6 yes – 0 no)

Grants Committee: Mr. Morgan spoke on behalf of the Grants Committee. He discussed that the committee established a formal system where members will be informed of all activity and all applicants will be required to complete an application as well as a memorandum of understanding (MOU). This system will allow the committee to approve up to \$100,000 without the approval of the full Board. Anything above \$100,000 will be presented to the full Board for a vote. The Executive Director will be responsible for monitoring the progress of the company, making sure they are in compliance with the (MOU). Should the company not meet the set requirements, the Development Authority reserves the right to request the funds be repaid. After much discussion amongst the Board, Mr. Morgan made a motion to approve the formal system as presented. Ms. Powell seconded the motion. Following continued discussion, Mr. Hungerford amended the motion allowing the Executive Director to grant up to \$50,000 without approval of the committee with the understanding that they will report back to the full Board at the monthly meetings with figures from the latest deals. An application will be completed at that

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time and sent to each Board member. Requests between \$50,000 and \$100,000 will be approved by the grants committee, and any amount exceeding that would require approval of the full Board. Any new activity and status of outstanding activity will be a part of the monthly report. Mr. Moore seconded the amended motion and the motion was unanimously approved. (6 yes – 0 no) Mr. Morgan made a motion to approve the motion as amended. Ms. Powell seconded the motion and the motion was unanimously approved. (6 yes – 0 no) Mr. Morgan discussed the additional \$25,000 given to the Novelis Corporation in 2007. Chairman Wix made a motion to approval the additional \$25,000 grant for Novelis Corporation. Mr. Hungerford seconded the motion and the motion was approved. (5 yes – 1 no (Powell opposed))

2013 Legal Counsel Update: Mr. Hungerford spoke on behalf of the Legal Counsel Committee. He discussed the request for proposal the committee sent out seeking candidates for future counsel. Seven applications were received from the request and the committee met to discuss which candidate would best fit the Development Authority using the criteria set forth earlier in the process. After much deliberation, the committee recommended that Dan McRae of Seyfarth Shaw be nominated for issuer's counsel come the January meeting. A letter will go out formally notifying all candidates of their recommendation and Nelson Geter sent out an email prior to the meeting to notify the applicants as well.

Bylaws Committee: The Bylaws Committee had nothing to report at this time.

Executive Director Updates: Nelson Geter informed the Board that Talenti Gelato began production at their Marietta facility in November with 50 employees. They plan to have 100 employees by 2013. He mentioned that Osmotica Pharmaceuticals is also in full production with 75 employees.

Should any Board member have suggestions for the Annual Report, the deadline is December 13. Nelson will have a draft for Board approval in February.

He also discussed what an active year it has been for the Authority with nearly \$175M in bonds closed in 2012.

The Board discussed the date/time for the next meeting and agreed it would be held on December 5 at 2pm.

There being no further business, the meeting was adjourned.