



Minutes of Meeting

April 18, 2023

Pursuant of notice, The Development Authority of Cobb County met on April 18, 2023 at 11:00 am.

MEMBERS	SEYFARTH SHAW	GUESTS
Clark Hungerford	Dan McRae	Taylor Croft, AJC
Donna Rowe	Mike Diamond	Jake Busch, MDJ
Courtney Knight		Andrew Egan, Kutak Rock
Jamala McFadden	DEVELOPMENT AUTHORITY STAFF	Zac Marquess, Goldenrod Companies
Jason Shepherd	Nelson Geter	Zac Wiegert, Goldenrod Companies
Smith Peck	Amanda Blanton	Sabrina Wright, Cobb County Gov't
Karen Hallacy*	Randy Hyde	Dana Johnson, SelectCobb
		Amy Selby, SelectCobb
		Matthew Kirby, Liberty Classic Schools

Chairman Hungerford called the meeting to order and welcomed new board member, Mr. Jason Shepherd with Kaiser Permanente, appointed by Commissioner Keli Gambrill. Mr. Shepherd shared that he has served as Kaiser Permanente’s Regulatory Compliance Strategist and General Counsel for over 7 years. He is also an Assistant Professor of Political Science at KSU.

MINUTES: Members reviewed the minutes from the February 21 meeting. There being no revisions, Ms. Rowe made the motion to approve the minutes as presented. Mr. Knight seconded the motion, and the motion was unanimously approved. (7 yes – 0 no)

FINANCIAL REPORT: Board members reviewed the financials for March and April. Mr. Peck made a motion to approve the financial reports as presented. Mr. Shepherd seconded the motion, and the motion was unanimously approved. (7 yes – 0 no)

Project Henry: Andrew Egan, Kutak Rock, represented the project. He explained that the bond resolution is for 2 separate projects, one specific to the retail component of Tower 1 and the hotel component of Tower 2. The retail involves approx. \$15,600,000 investment and 115 jobs. The hotel component involves \$143,900,000 investment and 235 jobs. The entities have been condominiumized to separate the ownership, creating the need for 2 bond resolutions.

Mr. Marquess and Mr. Wiegert continued to share information on the project. They shared that the proceeds of the bonds will go toward acquisitions, development, redevelopment, construction, parking, and equipment for the 185,000SF of hotel space with approximately 250 hotel rooms and approximately 16,000SF of retail space to be constructed as part of the development. Mr. Wiegert shared how challenging the current site is and all the necessary prep work that must be done to begin construction. The site serves as the retention pond for the Battery and all stormwater drains from the Red Deck at the Battery to this site. Goldenrod has plans to build a vault that will hold the stormwater and drain into the sewer system under I-285. Additionally, the 1000 building will be demolished along with 250 parking stalls in the parking deck at the 1100 building to make way for the new development. He estimates there will be 600-700 employees being used during the construction period, and the hotel and retail components will employ roughly 350 individuals on a full-time basis. Demolition will begin this summer with hopes of being fully operational in 2025.

After much discussion and questions for the development team, Ms. Rowe made a motion to approve both bond resolutions in the amount not to exceed \$159.5M for retail and hotel components of the project. Mr. Peck seconded the motion, and the motion was approved. (4 yes - 3 no (Hallacy, Knight, and McFadden))

Liberty Classic Schools: Andrew Egan spoke on behalf of the project. He was seeking approval of tax-exempt revenue bonds in a principal amount not to exceed \$30,000,000. Proceeds of the bonds will go to acquire and renovate/improve the building located along Cobb Parkway in the city limits of Kennesaw. The new facility will house Northwest Classical Academy, a state charter school. Due to the nature of the project, the bonds are tax exempt. HJ Sims is the proposed underwriter. Mr. Matthew Kirby, Liberty Classic Schools, further explained that in 2014 they opened the Atlanta Classical Academy for grades K-6 and expanded to 7th and 8th grades. They are currently fully enrolled and have 1,200 students on a waitlist. They have created 75 jobs so far, and at full configuration will reach 130 teachers and staff with over 900 students. The school is open to anyone that lives within the state of GA. The school places an emphasis on virtuous learning, liberal arts, and classical education. They are currently growing the fine arts and sports programs. Proceeds will be used for the purchase of the property, renovations, funding reserves, and various costs. Mr. Shepherd made a motion to approve the inducement resolution in the amount not to exceed \$30M. Mr. Knight seconded the motion, and the motion was approved. (6 yes – 0 no - 1 abstain (Hallacy))

SelectCobb Update and 2023 Marketing Report: Mr. Shepherd abstained from voting on this matter due to a conflict of interest as a member on the SelectCobb board.

Mr. Johnson explained the economic development team worked 85 projects in 2022. There were 50 active projects at the end of the year. Project wins total 22 with 13 recruitment and 9 retention projects. Project wins included 5,911 jobs created and \$2.25B in investment over the next decade. He shared that the team will be focused on international, small business, retention, and workforce development programming to ensure they are catering to the needs of the business community.

Ms. Selby offered insight on website traffic and analytics. She revealed the new SelectCobb website to board members, highlighting the Development Authority's homepage, our target industries, and the new Property Search feature, Resimplifi. She also shared that the website page views have increased by 4% from 2021 with 16.7K unique impressions and 223 unique new followers. She continues to promote SelectCobb across the state and southeast region as well as on a national platform with ads in Area Development Magazine, Chicago, San Jose, and Silicon Valley Business Journals. This campaign will evolve in 2023 to include a social media campaign on LinkedIn with testimonials and activity.

Mr. Johnson said that all 2022 allocated funds have been used. The 2023 funding for \$150K will be allocated towards sponsorships, trade shows, marketing and promotions, partnerships, technology, and trade missions.

They are asking the board to consider \$150,000, paid in two installments and retroactive to April 1. Ms. McFadden made a motion to approve the \$150,000 to be distributed in 2 installments and retroactive to April 1. Ms. Rowe seconded the motion, and the motion was approved. (5 yes – 0 no - 2 abstain (Hungerford, Shepherd))

Executive Session: At this time, Chairman Hungerford made a motion to enter into Executive Session to discuss personnel matters. Ms. Rowe seconded the motion, and the motion was unanimously approved. (7 yes – 0 no)

Following discussion, Chairman Hungerford made a motion to exit the executive session. Ms. Rowe seconded the motion, and the motion was unanimously approved. (7 yes – 0 no)

As a result of Executive Session, Chair Hungerford made a motion to approve salary supplements for the administrative staff - \$27,500 for Mr. Geter, \$3,500 for Ms. Blanton, \$1,500 to Mr. Hyde. Ms. Rowe seconded the motion, and the motion was unanimously approved. (7 yes – 0 no) Additionally, Chairman Hungerford

proposed a 5% salary increase for Mr. Geter, bringing his annual salary to \$86,200. Ms. Rowe seconded the motion, and the motion was unanimously approved. (7 yes – 0 no)

Legal Counsel Update: Mr. McRae shared that SB 26 regarding virtual meetings had passed House and Senate. This bill authorized virtual meetings of authorities without emergency and also applies to CIDs. Additionally, it suggested if a quorum is met in person, then no virtual option is necessary for the public, but if quorum is not met in person, then the public must be given a virtual option to attend the meeting.

Executive Director Updates: Mr. Geter began by sharing that one of the issues that we discussed at the last meeting was being able to take advantage of improved interest rates on CDs. He has been talking to banks and other institutions about converting the Authority's current CDs and has been able to negotiate new rates for the money market account to 3.5%. After discussing with Chairman Hungerford, he will be converting \$200K of the \$950K into a CD with Synovus Bank. These new conversions will net roughly \$30,000 in interest, as opposed to the \$2,000 currently received.

He also shared that training is required for Mr. Shepherd. The next basic training is available May 7 and June 27. Advanced training is required after reappointments and dates will be available soon. Sidebars with Seyfarth Shaw are available May 3-4, June 28-29, August 30-31.

Finally, he shared a listing of all accounts under the tax savings schedule. All accounts are currently in compliance and reports have been passed onto the BOTA.

Chairman asked for May meeting to be moved from the 16th to the 23rd if necessary.
There being no other business, the meeting was adjourned.

*These attendees participated virtually under COVID emergency conditions.