

**DEVELOPMENT AUTHORITY OF CLAYTON COUNTY,
REDEVELOPMENT AUTHORITY OF CLAYTON COUNTY,
AND
URBAN REDEVELOPMENT AGENCY OF CLAYTON COUNTY**

**MINUTES OF REGULAR MEETING
MONDAY, FEBRUARY 8, 2016**

The regular monthly meeting of the Development Authority of Clayton County, Redevelopment Authority of Clayton County, and Urban Redevelopment Agency of Clayton County was held on Monday, February 8, 2016, at 4:20 p.m., in the Clayton County Office of Economic Development Conference Room, 1588 Westwood Way, Morrow, Georgia.

Members present at the meeting were Larry W. Vincent, Chairman; Helen McSwain, Assistant Secretary/Treasurer; Eldrin Bell; Shar'ron Russell; and Tameka West. Also present were Authority Counsel, G. Robert Oliver and M. Michelle Youngblood; Courtney Pogue, Director, and Bill Keir, Deputy Director, Clayton County Office of Economic Development; Melissa Preston, CPA; and Geoff Fulton, Fulton & Kozak. Also present were Melanie Turner and Veronica Lindsey, RAM Partners.

Call to Order and Welcome of Guests

Chairman Vincent called the meeting to order at 4:20 p.m. and welcomed the guests.

Approval of Agenda

Chairman Vincent presented the agenda and inquired as to whether there were any additions, changes, or deletions. Authority counsel Michelle Youngblood noted that there was a need for an Executive Session to discuss acquisition of real estate.

Upon motion by Eldrin Bell, seconded by Helen McSwain, it was unanimously:

RESOLVED: That the agenda be approved as amended.

Approval of the Minutes of January 11, 2016 Regular Session Meeting

Chairman Vincent presented the minutes of the January 11, 2016, meeting and inquired as to whether there were any additions, changes, or deletions. There being none, upon motion by Eldrin Bell, seconded by Tameka West, it was unanimously:

RESOLVED: That the minutes be approved as presented. A copy is available in the Authority office.

Approval of the Minutes of January 11, 2016 Executive Session Meeting

Chairman Vincent presented the minutes of the January 11, 2016, Executive Session meeting and inquired as to whether there were any additions, changes, or deletions. There being none, upon motion by Eldrin Bell, seconded by Helen McSwain, it was unanimously:

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RESOLVED: That the minutes be approved as presented.

OLD BUSINESS

1. Monthly Activity Report

Chairman Vincent called on Courtney Pogue for a report. Mr. Pogue reported that the County is continuing to work on establishing an Enterprise Zone. He reported that his office is working with Community Development to develop a grant project for small businesses. He reported that they expect to have it up and running by the end of March. The project will make available approximately \$250,000 to \$400,000 to small businesses, based on job creation and economic impact of the business.

Mr. Pogue also reported that on March 3, 2016, at the Clayton County Water Authority, his office will host an industrial broker breakfast, to meet with industrial brokers in the area. He reported that BRE visits are continuing. He reported that his office expects to complete approximately 100 visits this year, in a combination of in-person visits, and telephone and e-mail contact. These visits are made in conjunction with the Development Authority, Georgia Power Company, Clayton State University, the Chamber of Commerce, and Clayton County Public Schools. He also reported that they had established a survey to assist them in evaluating the needs of businesses in the area.

Mr. Pogue reported that his office had met with all of the municipalities in the County to discuss ways that they can work together. He also reported that the Publix in Lovejoy Station closed as expected at the end of 2015, but Food Depot is opening in the space, bringing approximately ninety (90) new jobs and preserving approximately \$10 million dollars in retail sales. (Mr. Pogue clarified that 103 employees of Publix had been transferred to other stores, so the jobs provided by Food Depot are in fact new jobs in the County).

Mr. Pogue reported that he is presenting the Economic Development update at the Chamber of Commerce breakfast on February 26, 2016. He reported that Mountain View Alliance is moving forward, with a broker meeting upcoming.

Mr. Pogue also reported that Bisnow, which is a multi-platform digital media company with a subscriber base of over 600,000, and one of the largest producers of commercial real estate news and events, is hosting a breakfast focusing on Aerotropolis Alliance in April 2016. Mr. Pogue reported that there is an opportunity to sponsor the name tags for the event, which will get the Authority's logo on the name tag for each attendee. He reported that the cost for the sponsorship is \$3,000, and the expected attendance is 300 to 500 people.

After a general discussion, upon motion by Eldrin Bell, seconded by Tameka West, it was unanimously:

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RESOLVED: That the Authority grant the sponsorship requested by Mr. Pogue.

2. University Station Bond Update

Chairman Vincent called on Michelle Youngblood for a report. Ms. Youngblood reported that, when the refunding bonds were issued at the end of August 2015, there was no procedure in place for RAM Partners to distribute the monthly net revenue, as they had been doing under the 2005 bond. She reported that the new procedure is to have the net revenue distributed monthly to Clayton County, which will then make the semi-annual bond payment required under the new bond documents. She also reported that RAM Partners still had the net revenue for November and December, which they were submitting to the County, but the net revenues for September and October had been remitted to the Authority. Therefore, the Authority needs to issue a check to the County for the amount of net revenue for September and October 2015.

3. Project Silver Update

Chairman Vincent called on Michelle Youngblood for a report. Ms. Youngblood reported that the Chairman had executed the Purchase and Sale Agreement, and she was waiting for the executed Agreement back from the Escrow Agent. She also reported due diligence on project needs to begin immediately, in order to meet the closing date of the end of March. She reported that she has not received written proposals but has spoken with various companies about a Phase I Environmental Study, and has received verbal quotes in the \$2,000 to \$3,000 range. She also reported that there is a need for title examination and a survey. In order not to delay the process, she recommended the Authority consider authorizing the Chairman to engage the services of company to perform a Phase I Environmental Study, conduct a survey of the property, and do a title search, at a total cost not to exceed \$5,000. Where upon, upon motion by Tameka West, seconded by Shar'ron Russell, it was unanimously:

RESOLVED: That the Chairman be and hereby is authorized to retain the services of professional companies to perform a Phase I Environmental Study, a survey, and title examination of the subject property, the companies to be selected with the advice of Authority counsel, at a total cost not to exceed \$5,000.

4. REBA Grant Update

Chairman Vincent called upon Michelle Youngblood for a report. Ms. Youngblood reported that she is still waiting on proof of payment for Castellini, as that documentation had been requested by the State. Courtney Pogue reported that the stoplight at the intersection should be operational at this time, with the understanding that Castellini was waiting on the stoplight to be installed before proceeding.

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5. Aerotropolis Alliance Update

Chairman Vincent reported that the blue print was 99% completed. He reported that the progress has produced a lot of discussion, which has been favorable towards the County and the Authority due to the leadership position taken by the Authority in the Alliance.

6. Update of Action Items from January 11, 2016 Meeting

Chairman Vincent reported that there were two outstanding items: the ad in Georgia Trend Magazine, and the New Market Tax Credit Proposal. Chairman Vincent called on Michelle Youngblood for a report regarding the New Market Tax Credit Proposal. Ms. Youngblood reported that, although Authority counsel is capable of forming the CDE for the New Market Tax Credit Program, the proposal submitted by Mr. Pogue calls for the Authority to serve as an advisory Board to the CDE. She reported that the CDE must be a for-profit entity, in order to receive New Market Tax Credit allocations. If it is formed as a non-profit, then there must be a second level of CDE, which is a for-profit entity. She reported that she did not believe having this dual level structure was necessary or beneficial for the Authority. However, since the for-profit CDE would not be controlled by the Development Authority, as is the case with the other public purpose corporations, there is potential for conflict between the CDE and the Development Authority. Therefore, she recommended that the Authority would be better served by having outside counsel form the CDE to allow Authority counsel to advise the Authority on the overall program and process.

Chairman Vincent called on Courtney Pogue to report about advertising in Georgia Trend Magazine. Mr. Pogue reported that the greatest advertising and marketing need is for a revamped website. He reported that the City of Savannah, which is considered a model for an outstanding website, spent \$100,000 to \$150,000. Chairman Vincent asked the Board for their thoughts on allocating the \$11,000 previously spent on advertising in Georgia Trend Magazine, as well as the \$50,000 request from Mr. Pogue for the New Market Tax Credit Program, towards the website instead.

After a general discussion, it was the consensus of the Board that development of a new website would be the best use of those funds. Mr. Pogue will develop a request for proposals for website development.

NEW BUSINESS

1. FY 2015 Audit

Chairman Vincent called on Geoff Fulton for a report. Mr. Fulton reported that his firm, Fulton & Kozak, proposes to complete the fiscal year 2015 audit at a cost not to exceed \$21,000. Ms. Youngblood noted that a copy of the engagement letter was provided to all Board members. She also noted that the not-to-exceed the fee of \$21,000 has been the same fee for the last several years. She also noted for the benefit of the new Board members that the Authority does not pay

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the entire fee directly. Rather, certain portions of the fee are allocated to the cost centers to which they relate. She reported that in 2015, DACC Public Purpose Corporation I and DACC Public Purpose Corporation II each paid \$750 of the audit fee, and Rainwood Apartments paid approximately \$10,000 of the audit fee. Therefore, the total amount paid by the Authority directly was less than \$10,000. She also noted that the Authority is required to complete and upload its audit information in connection with certain bond issues no later than June 30 of each year. Therefore, the audit report needs to be completed and presented to the Board for approval no later than the June meeting.

After a general discussion, upon motion by Tameka West, seconded by Eldrin Bell, it was unanimously:

RESOLVED: That the engagement of Fulton & Kozak to perform the Fiscal Year 2015 Audit at a cost not to exceed \$21,000 be and hereby is approved, the Chairman is authorized to execute the engagement letter, and all the documents necessary to effectuate this Resolution.

2. Rainwood Apartments Roof Replacement

Chairman Vincent called on Melanie Turner for a report. Ms. Turner reported that six apartment buildings, the leasing office, gazebo, pool house, and two mail sheds need to have the roofs replaced. She reported that the only quote received to date is from Reliable Roofing. However, she reported that she expects to have one or two other quotes later this week. She noted that the roofs on other buildings in the complex have been replaced in the past, and Reliable Roofing did that work. She noted that the quote from Reliable Roofing, \$269,800.00, includes the cost to remove the existing air conditioning units and reinstalling them after the new roof is in place. She also noted that the quote includes a fifteen year warranty. Ms. Turner reported that they have had to call Reliable back for a few minor repairs on other roofs, but have had no problem with them. She also noted that there is some value in continuity with the vendor, and having all roofs in the complex under warranty with the same company. She also noted that Reliable Roofing is a reputable company, used by RAM Partners at several other properties as well. Ms. Turner also pointed out that, in the past, Reliable Roofing was the only company who was willing to do the work at a rate of one building per month. She reported that she did not anticipate any extra charge to do it that way, rather than all at once, but she would verify with Reliable Roofing.

3. Villas by the Lake

Chairman Vincent called on Michelle Youngblood for a report. Ms. Youngblood explained that the project was a brown field reclamation project located on Highway 85 near the border between Clayton County and Fayette County. She reported that the current lessee has notified the Authority of its intent to redeem the bonds. She noted that the effect of redemption will be to place property back on the tax rolls at full fair market value. She noted that no action

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was needed on the part of the Authority at this time, but that the bond documents allow the lessee to purchase the property for a nominal amount at the end of the lease, so there would be a Quit Claim Deed to be executed once the bonds are redeemed.

OTHER BUSINESS

Approval of the Treasurer's Report

Chairman Vincent presented the Treasurer's Report. The operating account began the month with an opening balance of \$925,318.26. There were deposits totaling \$38,380.60, including \$19.13 for interest and \$38,361.47 for Rainwood's September 2015 net revenue distribution. There were checks written in the amount of \$29,595.00, leaving a closing balance of \$934,103.86. Chairman Vincent reported that the opening balance for the Redevelopment Authority's account was \$943.69, with interest added in the amount of \$0.02, leaving an ending balance of \$943.71. Chairman Vincent also reviewed the outstanding invoices.

Therefore, the payments pending for approval are as follows:

Freeman Mathis & Gary, for services rendered through January 2016 Invoice Nos. 177481, 177483, 177484, 177485, 177487, 177488, 177489, 177490, 177491	\$4,060.00
Freeman Mathis & Gary to be paid by OA Development as property manager for DACC Public Purpose Corp I - \$75.00 Invoice No. 177480	
Freeman Mathis & Gary, to be paid by Richard Buckley as property manager for DACC Public Purpose Corp II - \$735.00 Invoice No.177482	
Melissa Preston, CPA Invoice # 2986 for Write Up Services	\$750.00
Clayton County (2015 University Station Refunding Bonds) Net Revenue September and October 2015	\$81,342.89
Bisnow Breakfast Sponsorship	\$3,000.00
Total	<u>\$89,152.89</u>

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After a general discussion, upon motion by Helen McSwain, seconded by Eldrin Bell, it was unanimously:

RESOLVED: That the Treasurer's Report be and hereby is approved, and that the officers be and hereby are authorized to pay all invoices as outlined above.

University Station f/k/a Gateway

Chairman Vincent reported that the University Station Account began the month with an opening balance of \$87,308.94. There was a deposit in the amount of \$1.81 for interest, and checks written in the amount of \$1,940.00, leaving a closing balance of \$85,370.75. He reported that there were two invoices from:

Freeman Mathis & Gary, for services rendered through January 2016 Invoice No. 177486	\$2,860.00
Atlas Title (earnest money for USPS acquisition)	\$10,000.00

After a general discussion, upon motion by Eldrin Bell, seconded by Tameka West, it was unanimously:

RESOLVED: That the University Station Report be and hereby is approved, and that the officers be and hereby are authorized to pay all invoices as outlined above.

Rainwood

Chairman Vincent reported that occupancy for the month of January was 97%, with an economic occupancy of 83%. He reported that Mr. Bell is serving as liaison between the Authority and Rainwood. Mr. Bell reported that he is reviewing information that he received from Rainwood upon his request, and will have a more detailed report next month.

After a general discussion, upon motion by Eldrin Bell, seconded by Shar'ron Russell, it was unanimously:

RESOLVED: That the Rainwood Report be approved as presented.

Accounting Package:

There was no accounting package.

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Report from Legal Counsel

Chairman Vincent called on Michelle Youngblood for a report. Ms. Youngblood reported that the County Finance Department had published the routing and account information for the University Station account. She reported that Chairman Vincent had placed a freeze on the account, but her recommendation was to close the existing account, and open a new account. She reported that SunTrust requires a corporate resolution before opening a new account.

After a general discussion, upon motion by Eldrin Bell, seconded by Tameka West, it was unanimously:

RESOLVED: That the existing University Station account be closed, and a new account be opened, and that the Chairman and officers be authorized to execute all documents necessary to effectuate the same.

Chairman Vincent noted that there was a need for executive session, to discuss acquisition of real estate. Upon motion by Eldrin Bell, seconded by Shar'ron Russell, it was unanimously:

RESOLVED: That the meeting adjourn into executive session for the purpose of considering acquisition of real estate.

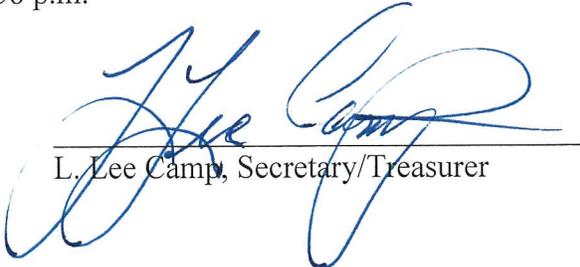
Whereupon, the open meeting adjourned into executive session at 5:28 p.m.

The open meeting reconvened at 5:57 p.m.

Chairman Vincent inquired as to whether there was any further business to come before the Board. There being none, upon motion by Shar'ron Russell, seconded by Tameka West, it was unanimously:

RESOLVED: That the meeting be adjourned.

Whereupon, the meeting adjourned at 5:58 p.m.



L. Lee Camp, Secretary/Treasurer