

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

**MINUTES OF REGULAR MEETING
MONDAY, JULY 10, 2017**

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, July 10, 2017, at 4:00 p.m., in the Clayton County Office of Economic Development Conference Room, 1588 Westwood Way, Morrow, Georgia.

Members present at the meeting were Michael Edmondson, Chairman; Eldrin Bell, Vice Chair; Ricky L. Clark, Jr., Secretary/Treasurer; and Dr. Don McMillian, Jr., Assistant Secretary/Treasurer. Also present were Authority counsel, M. Michelle Youngblood; Courtney Pogue, Director, and Tamara Patridge, Clayton County Office of Economic Development; and Wade Starr, Clayton County economic development consultant. Also present were guests Alex Cohilas, Clayton County Deputy COO; Dan Soles, Fulton & Kozak, Authority Auditor; Ed Wall, Piper Jaffray; and Clayton County Commissioner Felicia Franklin-Warner. Also present were guests Sylvia Redic, City of Morrow; Chantell Glenn, Economic Development Director for Riverdale, Brenda Harrison, Jerry Garber, Ricky Garber and other guests.

Call to Order and Welcome of Guests

Chairman Edmondson called the meeting to order at 4:00 p.m.

Approval of Agenda

Chairman Edmondson presented the Agenda and inquired as to whether there were any additions, changes, or deletions. Mr. Edmondson asked to amend the agenda to add an item under Discussion Items #5 SPLOST construction of small business incubator, moving to #6 Lake Spivey Parkway CID feasibility study. Vice Chair Bell asked to add Discussion Items for Museum Center Hotel at the airport and the value of the Rainwood Apartments. After a general discussion, upon motion by Don McMillian, seconded by Eldrin Bell, it was unanimously:

RESOLVED: That the Agenda be approved as amended.

Approval of the Minutes of June 12, 2017 Meeting

Chairman Edmondson presented the minutes of the June 12, 2017 meeting, and inquired as to whether there were any additions, changes, or deletions. There being none, upon motion by Ricky Clark, seconded by Eldrin Bell, it was unanimously:

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

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1. Approval of the Treasurer's Report

Chairman Edmondson called on Treasurer Ricky Clark for a report. Authority counsel noted that the accountant has not provided monthly reporting in recent memory, and also was late in providing information to the auditors. Vice Chair Bell and Treasurer Clark were appointed to present recommendations at the next meeting for new processes and procedures relating to accounting, financial information, bank statements, etc.

OLD BUSINESS

1. Presentation: Annual Audit Report – FY 2016

Chairman Edmondson called on Dan Soles, Fulton & Kozak, for a report. Mr. Soles reviewed the audit report, noting that it was a clean opinion. A question arose about a line item for \$187,781.00 due to other funds from the admin fund. Mr. Soles agreed to investigate that line item and report back to Chairman Edmondson. He noted that it was a carry-over from last year, with no change from the previous year. After a general discussion, upon motion by Eldrin Bell, seconded by Don McMillian, it was unanimously:

RESOLVED: That the Audit Report be approved as presented.

2. Invoices

Chairman Edmondson called on Michelle Youngblood to discuss outstanding invoices. Ms. Youngblood noted that there were outstanding invoices from Melissa Preston for June and July 2017 in the amount of \$750.00 per month. There was an invoice from the Chamber of Commerce for the annual gala in the amount of \$1,500.00. There was an invoice from the Atlanta Business Chronicle for the Clayton County market report in the amount of \$4,650.00. There was an invoice from Fulton & Kozak in the aggregate amount of \$22,000.00, \$9,500.00 of which is payable directly from the Authority (\$11,000.00 is allocable to the Rainwood Apartments, and \$750.00 each to Public Purpose Corporations I and II). There were also invoices from Freeman Mathis & Gary for May in the amount of \$3,690.00 and June in the amount of \$8,640.00. After a general discussion, upon motion by Ricky Clark, seconded by Eldrin Bell, it was unanimously:

RESOLVED: That the invoices be approved as presented and the Officers hereby are authorized to pay the invoices as outlined above.

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3. Consider Renewal of EPIC broker's proposed 2017 D&O Liability Insurance

Chairman Edmondson reported that he had received the proposal, which he had distributed to the Authority Members. Mr. Clark noted that the current policy expires at the end of July 2017. After a general discussion, upon motion by Ricky Clark, seconded by Eldrin Bell, it was unanimously:

RESOLVED: That the proposal be accepted and coverage be renewed as proposed.

NEW BUSINESS

1. Consider date and time change for DACC monthly meetings

There ensued a general discussion about a different meeting date and time that would be more convenient for all Authority Members. It was the consensus of the Authority that the regular monthly meeting date be changed to the second Tuesday of each month at 5:00 p.m.

2. Consider date and time of DACC Board retreat

Chairman Edmondson called on Wade Starr for a report. Mr. Starr reported that Dr. Keith Miller at the Clayton State University School of Business was available to facilitate the retreat. Mr. Clark reported that the Magnolia House in Jonesboro was available for a half day retreat on August 1 or 2, 8 or 9. After a general discussion, upon motion by Eldrin Bell, seconded by Don McMillian, it was unanimously:

RESOLVED: That the Authority retreat be scheduled for August 9, beginning at 8:00 (or later if Magnolia House does not open until after 8:00); and

FURTHER RESOLVED: That a total cost of \$2,000.00 for Dr. Miller's facilitation and \$1,000.00 for Magnolia House be and hereby is approved for the retreat.

3. Presentation: 1999 DACC Revenue Bond default

Chairman Edmondson called on Ed Wall for a report. Mr. Wall reported that the Authority had issued Bonds in 1999 for the Bayberry Trace Project, which was a nursing home project underwritten by Lawson Financial Corporation. He reported that the Bonds were sold in \$5,000 denominations, which made them available to retail investors. He reported that the interest on the Bonds due in June 2017 had not been paid, and Ramona Bivins, County CFO, had received a call from an individual investor in Arizona about the Bonds. Mr. Wall recommended that, for Bond issues that are non-conduit financing, the Authority consider adopting a policy that

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such bonds may only be issued in denominations of \$100,000.00, and sold to institutional or other sophisticated investors under Regulation D of the Securities Act of 1933. After a general discussion, upon motion by Ricky Clark, seconded by Don McMillian, it was unanimously:

RESOLVED: That the Policy recommended by Mr. Wall be and hereby is approved, and henceforth, it shall be the Policy of the Development Authority that all Bond issues for non-conduit financing shall be required to be issued in denominations of not less than \$100,000.00, and so sold only to institutional or other sophisticated investors, with a traveling investment letter (requiring any subsequent purchaser of said Bond to meet the same criteria).

4. Consider proposal for Financial Advisor to DACC

Chairman Edmondson noted that Mr. Wall is a Financial Advisor to Clayton County, as well as a number of other local government entities. He recommended that the Authority consider retaining the services of a Financial Advisor. Mr. Wall stated that his fees, if retained, are \$225.00 an hour for hourly work. For bond issues, he charges 1% of the principal amount up to \$10 million, plus ½ of 1% for the principal amount above \$10 million. For tax abatement bond issues, his fees are negotiable per deal. Mr. Wall noted that for all bond transactions, the applicant pays those fees at closing. After a general discussion, there was a motion by Eldrin Bell to retain the services of Piper Jaffray as Financial Advisor to the Authority. After further discussion, Don McMillian moved to set a cap of \$20,000.00 for hourly work by Mr. Wall. Upon motion as amended by Don McMillian, seconded by Eldrin Bell, it was unanimously:

RESOLVED: Piper Jaffray be retained as the Authority's Financial Advisor, upon the fee schedule as explained by Mr. Wall. The Officers be and hereby are authorized to execute an agreement reflecting the same.

DISCUSSION ITEMS:

5. Small Business Incubator

Chairman Edmondson called on County Deputy COO Alex Cohilas for a presentation. Mr. Cohilas reported that the 2009 SPLOST included funding for a new IT Building, a new County Archive Building, and a Small Business Incubator. There had been some discussion about including all three projects in the same building, but further review has found that it makes more sense for the IT Building to be located near the Justice Center on Tara Blvd. However, there are some reasons to locate the Archives and the Small Business Incubator together. Currently, the County is evaluating a location owned by the Development Authority adjacent to Clayton State University. He described the proposed facility as a three-story building for the

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Archives, with a single story with a roof top café for the Small Business Incubator. He noted that the property is also adjacent to property owned by the City of Morrow, with proximity to the existing parking deck. Mr. Cohilas reported that he has just initiated discussions with the City of Morrow about this location.

Chairman Edmondson inquired as to whether there was any further business to come before the Board. There being none, it was the consensus of the Authority that the meeting adjourn.

Whereupon, the meeting adjourned at 5:56 p.m.



Ricky L. Clark, Jr., Secretary/Treasurer