

The Board of Commissioners of Fayette County, Georgia met in Official Session on November 6, 2002, at 7:00 p.m. in the public meeting room of the Fayette County Administrative Complex, 140 Stonewall Avenue, Fayetteville, Georgia.

COMMISSIONERS PRESENT: Greg Dunn, Chairman
 Linda Wells, Vice Chair
 Herb Frady
 Peter Pfeifer
 A.G. VanLandingham

STAFF MEMBERS PRESENT: Chris W. Cofty, County Administrator
 William R. McNally, County Attorney
 Linda Rizzotto, Chief Deputy Clerk

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Chairman Dunn called the meeting to order, offered an invocation and led the pledge to the Flag.

DEBBIE VERSTRAETE GIVEN AN AWARD FOR EMPLOYEE SUGGESTION: On behalf of the Incentive Committee, Human Resources' Director Connie Boehnke presented Debbie Verstraete with a certificate for her suggestion to consolidate several forms into one, thus reducing paperwork. Her reward was one half day off from work with pay.

The Board congratulated Ms. Verstraete for her suggestion.

REAPPOINTMENT OF DOUG POWELL TO THE PLANNING COMMISSION: Chairman Dunn remarked that this matter concerned the reappointment of Doug Powell to the Planning Commission for the District 5 At-large post.

On motion made by Vice Chair Wells, seconded by Commissioner VanLandingham to reappoint Doug Powell to serve on the Planning Commission for the District 5, At-Large Post with his term commencing on January, 2003 and expiring on December 31, 2005. The motion carried 5-0.

REAPPOINT OF DAVID BARTOSH TO THE ZONING BOARD OF APPEALS: Chairman Dunn remarked that this matter concerned the reappointment of David Bartosh to serve on the Zoning Board of Appeals for the At-large post.

On motion made by Commissioner Pfeifer, seconded by Vice Chair Wells to reappoint David Bartosh to serve on the Zoning Board of Appeals with his term commencing on January 1, 2003 and expiring on December 31, 2005. The motion carried 5-0.

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Chairman Dunn remarked on both of the above appointments. He said that both of these individuals had served the community for several years in these positions. He said these gentlemen were willing to serve another term and had both acted admirably in these roles and contributed an enormous amount to the county. He said the Board certainly appreciated their efforts.

FAYETTE COUNTY DEVELOPMENT AUTHORITY: Chris Clark, President/CEO of the Fayette County Development Authority presented the Board with detailed information on the quarterly update. He said one of the things that the Commissioners wanted the Authority to do this year was to develop a tracking system so that the Board could be better informed. He remarked the Authority was keeping a comprehensive database online of all of the available buildings and industrial properties in Fayette County. He said economic development by-in-large was usually how many projects you had by years end and that was all they measured, but they were measuring over thirty different daily activity lists so they could have a better handle on what they were doing in the office.

Mr. Clark advised that the major company layoffs for fiscal year 2000 were 305 and for fiscal year 2003 to date, there has been 125. He added that 25 of those employees with Equistar Chemical were really not laid off because the people were transferred. He said, however, these were no longer jobs in Fayette County so they reported them. He stated that Photocircuits laid off 100 temporary workers a few weeks ago as reported in the newspapers.

Mr. Clark commented that as a priority with existing industry, you could see the list of programs that the Authority has implemented over the last year and a half. He pointed out that last year there were 405 industry contacts and most of those were plant tours or existing industry council meeting attendances. He said their goal for this year was 426 and already in the first quarter they were at 422. He said the Authority, especially with the industrial directory, kind of hit a nerve with local businesses, and they have been very responsive. He said they have over 150 businesses listed in the directory. He noted that they sent out letters and had probably a third of those respond, telling the Authority they appreciated the efforts that the county was doing to help them in their business in light of what was going on with the economy right now. He said for the first time they were doing outreach to the workers to tell them that we are thankful for them being in Fayette County. He said last year they had not done this at all, but right now they had a program where once a month they visited two to three businesses and left something as a thank you to the employees. He added they had made contact with over 1,300 local employees in the industrial park.

Mr. Clark stated as far as small business assistance and entrepreneur small businesses, most of their work here was based in two areas, the web sites and the Small Business Success Academy. He commented the Academy is a small group of business classes which are offered by Clayton College and the State University at the new university center. He said that

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last year they had about 187 local small businesses take advantage or call them for on-site consultations. He noted that this year they had 26 because they didn't do any of their classes in the first couple of quarters. He mentioned as the new university center gets up and running the Academy will offer a full slate of small business courses which will continue to address issues and help those folks. He said the Authority has a goal this year of helping 200 small businesses locally. He stated entrepreneurs were handled pretty much the same way, they have classes that Clayton State offers for them as well as consultations that the Authority does.

Mr. Clark said in light of the Delta layoffs and the Northwest layoffs, they have asked Clayton State to offer the entrepreneur series that we offered last year after Delta had their announcements. He stated they found they had a lot of early retirees with a lot of experience that wanted to start their own business. He added they had about twelve that went through the entrepreneur program that would probably be offered again in January and February, 2003.

Mr. Clark said something that almost everyone knew about was the fact that Fayette County had two movie locations. He noted there was one last year and so far one this year. He pointed out that the movie industry had a tremendous impact locally. He said the Authority was looking to see how they could attract more of this industry. He stated the good thing about movies and videos was that they impact local businesses because people eat and shop here. He said the State had given the Authority the estimated impact for Sweet Home Alabama which was a little over \$1 million dollars. He said the State estimates the impact of the movie Fighting Temptations, which filmed here for just a couple of days, at approximately \$500,000.

Mr. Clark stated most people initially thought of the Development Authority as new business recruitment. He noted when the Authority received a call from a new industry they had a checklist that they go through with the State Project Managers and that was what was in the bottom right hand quarter of the page titled "Projects/Prospects Activity". He said if any issues on the Authority's checklist came up as a negative, they probably would not entertain them. He remarked that as the county had directed the Authority many times to serve as a watchdog for Fayette County, they did this every day. He informed them of the prospect activity for last year, just what had been done to date and their goals for 2003. He mentioned that in the last 20 days, prospect activity had really dropped off in Georgia but they still felt strongly about where they were. He said for the first time what they were doing locally, generated prospect leads, by working with existing industry and also through research. He remarked they already had quite a few leads which they had generated themselves. He said they were trying to create leads themselves so they did not have to rely on the State of Georgia all of the time.

Chairman Dunn asked if the Authority was still looking for an average salary of \$35,000.

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Mr. Clark said they would see an average salary of around \$45,000 annually. He added that locally it was about \$35,000 but they like to target \$45,000 and up and that was what they seemed to be getting at this time.

Mr. Clark remarked that the in house generated prospects were at approximately 28 currently and there were 9 last year. He said they felt strongly about what they would be able to generate in house.

Commissioner Frady asked if any of the surrounding counties had any type of incentive packages for trying to locate businesses.

Mr. Clark replied that all of the surrounding counties had incentive packages. He said the Development Authority was very up front in telling prospect companies and telling them that a very highly rated bond deal was offered. He said they also had a foreign trade zone and offer 100% freeport. He said beyond that they did not get into the free land game or the free building game or the free taxes game. He said last month a German automotive prospect had said that South Carolina had offered them a \$15 million incentive package for a 40,000 square feet building. He said the Authority told the prospect that they would be glad to offer them the bond but they could not do the giveaways. He said the companies that the Development Authority really wanted were usually fine with that. He said if it ever came down to a really good company and it was one that the county might really want then the Authority would come to the County and talk about it.

Mr. Clark said the Authority had been fortunate in that private industry had been willing to step forward and build the spec building that would soon be going up in Peachtree City. He said there might come a time in the future when Fayette County would run out of industrial land and then the Authority might need to be involved. He commented on project managers. He said the Authority regularly hosted project managers in Fayette County. He said there was 166,500 square footage that was absorbed or built last year that the Development Authority played some role in. He said the Authority had six major announcements last year. He said Cooper Lighting was the bulk of that with 80,000 square feet. He said the economy and September 11th did severely hurt Fayette County. He said the only other large announcement in that group from last year was the Department of Defense headquarters consisting of 30,000 square feet in the Seaman's building.

Mr. Clark said the Authority's goal for this year was 100,000 square feet. He said the reason they had that goal was basically because of the two large empty buildings. He said the Authority really felt like with the trends in the economy at the end of the last fiscal year, the Authority would be doing good to fill up 100,000 square feet. He said to date already in the first quarter there had been some wonderful announcements. He said Spruce Aircraft was building their East coast headquarters in Peachtree City and it was 50,000 square feet. He said the other one was Best Buy. He said the Authority did not normally do retail but this had

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been a request from the City of Fayetteville. He said the Authority made the contact and recruited Best Buy. He said Jasper Tire and Engine was going in South Park International in Peachtree City and they had approximately 30,000 square feet. He said there were some really good announcements that were coming up and the Authority felt really good about continuing that trend for the next few quarters.

Mr. Clark said the Authority had a direct impact with 290 jobs that were created last year. He said the goal this year was to create 300 new jobs. He said to date based upon those five announcements, the Authority was looking at approximately 243 new jobs that had been created so far in the first fiscal quarter of the year.

Mr. Clark commented on the average salary for last year on the new projects that he had mentioned was \$47,500 per job. He said the Authority's goal was \$50,000 per job. He said currently it was \$46,250 and the reason for this was Best Buy.

Chairman Dunn asked if the salaries of business executives nationwide was going down right now.

Mr. Clark replied yes a little bit.

Chairman Dunn asked Mr. Clark if the Authority would have trouble meeting their goal of \$50,000 per job.

Mr. Clark responded no, that he did not think so. He said the individuals that the Authority would bring in even if these were line workers would be paying employees \$40,000 to \$45,000 per year. He said the management personnel would probably be making \$65,000 to \$75,000. He pointed out that this would also be affected by what was going to happen with Delta Airlines. He said if Delta Airline pilots chose to take a pay cut just like the American Airline pilots had done last week, then that might really have an impact on the local economy.

Mr. Clark pointed out that all but two of their locations were in Peachtree City. He said this year already there had been an announcement in Tyrone, Fayetteville and the movie shoot that was done in the unincorporated part of Fayette County. He said the Authority was really working hard to try and find what Fayetteville and other areas needed. He said the Authority was also working with some of the businesses located in the unincorporated county up in Kenwood. He said this was a nice industrial park that the Authority had never really had any activity with and now they were really starting to push that as an alternative for some smaller companies. He said they were seeing some good activity there too.

Mr. Clark remarked that last year approximately three quarters of the office headquarters activities were white collar headquarters and 80,000 square feet of that was Cooper Lighting.

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He said this year there had been a lot of industrial or retail. He commented on new construction versus redeveloped or vacant space. He said last year there was 96,000 square feet of new construction for the county. He said 70,000 square feet of vacant space had been filled so far this year. He said that coming out of the ground right now there was 98,000 square feet of new space and then 71,000 that was being filled that was vacated.

Chairman Dunn asked how much vacated space there was currently in the county.

Mr. Clark replied if all of the retail and that type of thing was added up there might be 30% total as vacated. He said if one was looking at class A office that was marketable or industrial that was marketable it would probably be 15%. He said Equistar added a lot to that because it was 43,000 square feet. He said now that they had filled up the top floor on the Seaman's building, it had helped out the class A numbers a little bit. He said last year local expansions were almost 50/50. He said this year they had some really good expansion which was approximately 25% of the total. He said in using a formula from the International Economic Development Council, last year for every dollar that the county had given the Authority for its budget it was leveraged to an employee impact of \$83 per new employee and direct corporate investment of \$137 per dollar that was invested and a corporate investment impact based on a multiplier effect of approximately \$320 per dollar. He said this year they were still using the same budget figures but he felt hopeful if they met their goals by the end of the year they would look very closely at the same leverage that they saw last year. He remarked that in FY 2002 every job that the Authority participated in last year cost approximately \$827 based upon their budget. He said Georgia estimated anywhere from \$5,000 to \$15,000 per job created in the State. He said the current Governor of Georgia had put in \$96,000 per job to be created for the Mercedes plant that might go into Savannah. He said last year Alabama had spent over \$125,000 per new job created at their Hyundai plant. He said for the Authority to keep this under \$1,000 was a very good return on investment.

Mr. Clark remarked that the Board of Commissioners had been very supportive both financially and also supporting the University Center. He said so far this year 22 classes had been offered and there were 130 students who had registered and would take classes. He said the Center had only been open since October 5th. He said there were six students that the Center ran out of room for where there was not enough room in the classes. He said there had been 38 students to take a health care class, 41 take a small business class, 16 local industries have participated in the International Business Class that was offered and 38 others had taken some type of personal development course such as photography.

Mr. Clark remarked that as of today at noon the Development Authority had launched its website a little bit easier. He said the Authority had won an award two years ago nationally but the Authority really wanted something that local business could use. He said it concerned three areas. He said they were how an individual could start their own business, information on how to locate to Fayette County and add value to a business or existing industry. He said

Fayette County was the first community in Georgia to have a cyber business incubator where an entrepreneur who was interested in starting a business could go. He said that person could go on line and find every piece of information that was necessary to accomplish this. He said staff had been working on that for the last three months. He asked the Board if there were any questions that he could answer.

Commissioner VanLandingham asked for clarification regarding a business not meeting the criteria that had been set forth by the Development Authority if it was felt it would be a good fit that it might be pursued through a joint effort with the Commission and the Development Authority. He said Chairman Dunn had asked about the vacancy rate in Fayette County. He asked if Fayette County was pretty much in line with other locations or was this county above or below other areas.

Mr. Clark replied that Fayette County was much better off than Henry County. He said Henry County had over 4 million square feet of empty industrial space right now and one could just imagine what this would do to the tax digest. He said compared to Fayette County's metro Atlanta neighbors, this county was a little bit below. He said in looking South of Fayette County, it was a whole different world. He said he felt good about where Fayette County was. He said for the first six months that he was with the Authority, there was very little to show. He said if they had a prospect that wanted a building, the Authority had nothing to show them. He stated there was some new construction that had filled up fairly quickly. He said the Authority had some trouble in getting rid of the bottom two floors of the Seaman's building and the deal on the Sealed Air building had fallen through. He said that Southwire was an unusual deal that made it difficult. He said the Authority had enough to show and he felt comfortable with things right now. He said he talked with Tax Commissioner George Wingo last week and found that the empty buildings had really not hurt the county tremendously thus far. He admitted if the buildings were to go empty another year and they were not filled, then there might be a hit on the tax rolls.

Commissioner VanLandingham said he would like to express his thanks to Mr. Clark and the Fayette County Development Authority Board for its efforts through economic development to give Fayette County a better tax base. He said they were doing an outstanding job and he thanked each person for what they had done.

Commissioner Frady asked Mr. Clark what kind of incentive package did Cooper Lighting have.

Mr. Clark responded that Cooper Lighting had a bond deal but the thing that benefitted Cooper was the fact that they were able to buy their own bond back so that they received tax savings twice. He said other than that Cooper Lighting took a State package and advantage of the Freeport exemption. He said they had not taken advantage of the foreign trade zone because they did not do a lot of exporting.

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Commissioner Frady asked if there had been any tax incentives and Mr. Clark replied none.

Commissioner Frady asked what kind of taxes was Cooper Lighting paying the county now.

Mr. Clark responded that he thought it was \$93,000 but Cooper had appealed. He said the first year Cooper would pay 10% of their total property tax, the second year it would be 20%, the third year it would be 30% and so on.

Commissioner Frady asked if the Department of Industry and Trade directed anyone to Fayette County during the last year.

Mr. Clark replied yes. He said the Authority had a really good relationship with the Department of Industry and Trade. He said he had gotten a new prospect from them today.

Chairman Dunn remarked that there was one more incentive that Cooper had received or was supposed to have received and that was the widening of the highway. He said the State of Georgia had offered Cooper Lighting that incentive, but Cooper had not gotten that yet. He said this was being worked on and he felt this was owed to Cooper. He said he and Senator Seabaugh had talked at length about how to get this done in the next few years. He said this was now starting to happen and it did not cost Fayette County a penny to build that road.

Mr. Clark said he appreciated Chairman Dunn's effort with existing industry because they had really noticed a business friendly atmosphere and were aware that the county appreciated them.

Chairman Dunn said he currently spends a lot of time in Atlanta with this job. He said he continues to get very positive comments about the Fayette County Development Authority. He said he had a lot of people in Atlanta tell him that they would like to take Fayette County's Development Authority lock, stock and barrel to their own counties.

Commissioner Frady felt the county needed to give the Authority a little more support in some kind of a way to get industry here. He said the county had a problem with that over the last several years because there had been comments made by members of the Commission who disagreed with economic development and he felt that was a bad thing to do. He felt a message needed to go out that the county would work with industry to try and get them to Fayette County.

Chairman Dunn also pointed out that the unseen job that the Authority does was probably one of the things that he appreciated the most and that was that the Authority does discourage inappropriate industry from trying to come to Fayette County. He said this assists the county

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in trying to keep the quality of life across the county. He said he was aware that these were tough times for the business world and industry in this Country.

Randy Hayes of the Fayette County Development Authority said he wanted to commend Mr. Clark and the staff at the Authority for the outstanding job that they have done in getting the job done. He said he appreciated the county's support in the past and looked forward to it in the future. A copy of the information from the power point presentation, identified as "Attachment No. 1", follows these minutes and is made an official part of this record.

CONSENT AGENDA:

On motion made by Commissioner VanLandingham, seconded by Commissioner Pfeifer to approve the consent agenda as presented. The motion carried 5-0.

TRAFFIC SIGNAL - INTERSECTION OF S.R.85 AND CORINTH ROAD: Approve authorization to sign the application and approve the request for a traffic signal at the intersection of SR 85 and Corinth Road. A copy of the application, identified as "Attachment No. 2", follows these minutes and is made an official part hereof.

MINUTES: Approve minutes for Board of Commissioners meeting held on October 24, 2002.

PUBLIC COMMENT:

Members of the public are allowed up to five minutes each to address the Board on issues of concern other than those items which are on this evening's agenda.

There was no public comment.

STAFF REPORTS:

ISSUANCE OF REVENUE BONDS BY THE CATHOLIC EDUCATION OF NORTH AMERICA, INC. AUTHORIZED: County Attorney McNally informed the Board that the Development Authority had received an application from the Catholic Education of North American, Inc., which was a Georgia non-profit organization, for the financing of Our Lady of Victory Elementary School in Tyrone. He stated that this was a 325 student elementary school. He said the TEFRA hearing was held today, and there was no objection filed by anyone. He said as the Board knows, the bonds are tax exempt from Federal taxation and the Board also needs to authorize the Chairman to sign a certificate. He said there was no risk to Fayette County, nor to the Development Authority on this issue.

On motion made by Commissioner Frady, seconded by Vice Chair Wells to have the Chairman to authorize the issuance of the revenue bonds by the Authority on this school. The

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motion carried 5-0. A copy of the Certificate, identified as "Attachment No. 3", follows these minutes and is made an official part hereof.

APPROVAL OF REQUEST FROM CLAYTON COUNTY TO CONSTRUCT A ROAD THROUGH PART OF FAYETTE COUNTY: County Attorney McNally informed the Board that Clayton County was requesting that the Board permit them to construct a road through part of Fayette County. He stated the road was a short distance and would be owned by Clayton County. He said they would build the road to the County's specifications and they asked that they be allowed to make it a 50-foot right-of-way from one end to the other. He said the road would be bordered on one side by Clayton County and on the Fayette County side, it would be bordered by space which would be donated to the Clayton County Greenspace Program. He clarified that Clayton County would maintain the right-of-way for the length of the road.

On motion made by Commissioner Frady, seconded by Commissioner Pfeifer to approve the request from Clayton County with the following conditions: (1) the greenspace has to be donated first; (2) that Clayton County keep the utilities on their side of the roadway; and (3) that Clayton County maintain the road. The motion carried 5-0.

EXECUTIVE SESSION: Attorney McNally requested Executive Session to discuss 3 legal items and one item of real estate acquisition.

Commissioner VanLandingham asked to discuss one item of potential litigation in Executive Session.

EXECUTIVE SESSION:

On motion made by Vice Chair Wells, seconded by Commissioner Pfeifer to adjourn to executive session to discuss four legal items and one real estate item after a five minute recess. The motion carried 5-0.

LEGAL:

The County Attorney briefed the Board on a legal matter.

The Board took no action on this matter.

LEGAL:

The County Attorney briefed the Board on a legal matter.

The Board took no action on this matter.

LEGAL:

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The County Attorney briefed the Board on a legal matter.

The Board took no action on this matter.

REAL ESTATE:

The County Attorney briefed the Board on a real estate matter.

It was the consensus of the Board to have the County Attorney proceed in this matter.

EXECUTIVE SESSION AFFIDAVIT:

On motion made by Vice Chair Wells, seconded by Commissioner Pfeifer to authorize the Chairman to sign the Executive Session Affidavit affirming that three legal items and one real estate item was discussed in executive session. The motion carried 5-0. A copy of the Affidavit, identified as "Attachment No. 4", follows these minutes and is made an official part hereof.

There being no further business to come before the Board, Chairman Dunn adjourned the meeting at 5:15 P.M.

Linda Rizzotto, Chief Deputy Clerk

Gregory M. Dunn, Chairman

The foregoing minutes were duly approved at an official meeting of the Board of Commissioners of Fayette County, Georgia, held on the 4th day of December, 2002.

Linda Rizzotto, Chief Deputy Clerk