



**City of East Point
Monthly Meeting Summary
Business and Industrial Development Authority**

Thursday, November 5, 2020

Zoom Webinar

East Point, GA 30344

6:30 pm

I. Call to Order

Joseph Johnson, Vice Chairperson, established a Call to Order of the East Point Business and Industrial Development Authority (BIDA) meeting at 6:38 pm.

Board Members Present: Kristen Jackson, Joseph Johnson (Vice Chair), Jackie-Slaughter-Gibbons, and Margaret McClure, and Gloria Speed.

Others Present:

Maceo Rodgers (Director of Economic Development), Regina Carter (Secretary/Treasurer), Nyomi Haynes (Recording Secretary), and Kirby Glaze (Legal Counsel)

II. Adoption of Agenda

Mr. Joseph Johnson motioned to approve the adoption of the agenda with the amendments stated.. Mrs. McClure seconded the motion. **Approved unanimously, the motion carried.**

III. Approval of the Meeting Summary from the following meeting:

August 6, 2020 summary

Ms. McClure motioned to approve the summary. Mr. Johnson seconded the motion. **Approved unanimously, the motion carried.**

IV. Chairperson's Report

None

V. Secretary/Treasurer's Report

The bank reconciliation entered into the record.

Mrs. Carter shared information

VI. Legal Report

The second transaction that is being brought before the board for consideration is a follow up to the Ardens Garden project. This transaction pertains to their first bond deal when they purchased and rehabbed their current building on Sylvan Road as well as the equipment obtained for that expansion. Thus, they are coming back to the Authority with their bond holder, Iberia Bank, to expand their current operation. However, they are not asking to go through a bond process because Iberia Bank is willing to finance the loan needed to purchase additional equipment for this particular expansion.

Please note Ardens Garden consist of two business entities: Zinn & Sylvan, LLC and Arden Juice Market, Inc. BIDA issued the bond to Zinn & Sylvan, LLC for ownership of the Sylvan Road building and the first equipment. This loan with Iberia Bank will be made to Arden Juice Market, Inc. which operates the juicing process of the business. Since Iberia Bank will hold financing on both debts, they would like to cross collateralize the funding. The bank would like to make sure they are secure in the event there is a default on either of the funds. Therefore, Iberia Bank is asking the Authority to agree to what is called a "Hypothecation Agreement". This agreement means that although the property is titled in the Authority's name and then leased to Zinn & Sylvan, LLC under the agreement the Authority is consenting to allow Iberia Bank be added as a lein holder to the bond for property and first set of equipment as well as to the loan for the second set of equipment.

We have run this past bond counsel for this transaction and they have agreed that this does not impact the outstanding bonds. Additionally, we do not have to do anything to change the bond transaction. We just simply need to adopt the "Hypothecation Agreement", agree to the second loan interest and execute a borrowers affidavit that states for the Authority's standpoint the borrower have not put any other debt on this property.

Mr. Glaze then stated the Authority does not have a policy to his knowledge of a fee schedule for doing subsequent amendments of follow ups on bond transactions as such. Therefore, Kirby recommended and has advised the lender and Ardens Garden that the Authority set a fee of five hundred dollars (\$500.00) as an administrative fee for simply processing this transaction. It is Kriby's recommendation to the Authority that they approve this fee, the hypothecation agreement, the leasehold interest and the borrowers affidavit.

Mr. Joseph Johnson motioned to approve Mr. Glaze's recommendation in his entirety. Ms. Kristen Pritz seconded the motion. **Approved unanimously, the motion carried.**

The next item to come before the board is the awarding of the Regional Economic Business Grant (REBA Grant) to Home Depot from the State of Georgia in the amount of three hundred forty eight thousand dollars (\$348,000). Kirby informed the board that these grants are awarded base upon new employment created by private businesses. Th estate however, do not award these grants directly to the private businesses but instead they are awarded to an entity such as BIDA who in turn pass the funds onto the private employer. Thus, we have a resolution to authorize BIDA to apply for and receive this grant from the State of Georgia for the purpose of passing it onto Home Depot for their project.

Mr. Joseph Johnson motioned to approve the REBA Grant from the State of Georgia for the Home Depot project not to exceed three houndred fifty thousand dollars (\$350,000). Mr. DeAndre Hopewell seconded the motion. **Approved unanimously, the motion carried.**

VII. Old Business

None

VIII. New Business

Mr. Maceo Rogers stated Economic Development Department is working on a couple of projects that may come to BIDA for a project within the Downtown corridor area. However, ther may be a chance that they may receive funding from the Downtown Development Authority. Once we get a little closer to the project in terms of their funding wishes then Maceo will let the board know for sure.

Following the mentioning of the DDA, Mr. Joseph Johnson asked Mr. Rogers to provide the BIDA board with a listing of the Board members names on the DDA by the December BIDA Board meeting.

Mr. Rogers then thanked The members of Ernst and Young for their work and steadiness on the HomeDepot project and assistance in getting the project through. Maceo and Kirby also stated they hope Ernst and Young will continue to bring more projects to the City of East Point.

Ernst and Young representative Rose Burden addressed the board by saying it was a joy working with the City of East Point, their staff and the Business Authority. She thank the board for their enormous support and that she and Trevor will share with their clients how much East Point is a great place to do business.

IX. Adjournment

Having no further business, the meeting properly adjourned at 6:55 pm following a unanimous adoption of a motion made by Mr. Joseph Johnson and seconded by Ms. Kristen Pritz . **Approved unanimously, the motion carried.**