

Habersham County Development Authority
Thursday, December 12, 2024 @ 3:30 pm
Executive Conference Room
130 Jacob's Way, Clarkesville, GA 30523

The Habersham County Development Authority held a regular meeting on Thursday, December 12, 2024, at 3:30 p.m. in the Executive conference room in the Habersham County Administration Building located at 130 Jacob's Way, Clarkesville, GA, 30523.

Members Present: Jim Butterworth (via telephone), Allen Whitener, Jeff Bruns, Sidney Roland, Gail Thaxton, Bryan Ferguson

Members Not Present: Mike Franklin

Others Present: Charlie Fiveash, Rope Roberts, Mike Beecham, Alicia Vaughn, Tim Sims, Bruce Palmer, Wade Rhodes, Brian Wellmeier (Now Habersham), Jimmy Dean, Patti McLarty

Call to Order

The meeting was called to order at 3:30 p.m. by Bryan Ferguson.

Invocation and Pledge of Allegiance

The invocation was given by Gail Thaxton and the Pledge of Allegiance was led by Bryan Ferguson.

Approval of Agenda

A MOTION was made by Jeff Bruns, seconded by Sidney Roland, and voted 6-0 to AMEND the agenda to add Executive Session and to approve the agenda as amended.

Approval of Minutes

A MOTION was made by Sidney Roland, seconded by Allen Whitener, and voted 6-0 to approve the minutes of the November 14, 2024 Regular Meeting.

Old Business

1. Airport Business Park/Phase II Business Park Update – Charlie Fiveash gave the update. Our one land contract, Project Hill, (15 acres on the Duncan Bridge side of Phase II) is still under the due diligence period, which will expire January 6th, 2025. It is under contract for \$55k per acre, as-is. This prospect is planning to build a building with concrete tilt wall construction. We will need to discuss the road that would be cut in for the benefit of this prospect and other prospects. We previously received a bid to make a cul-de-sac road, including utility work in Phase II for a cost of over \$500,000. We also have some activity on another site,

in Phase II on the Pyratech side, for a 6 ½ acre site next to Magnolia Windows & Doors. This prospect will be discussed during Executive Session.

2. Administrative Update – Patti McLarty gave the update.
 - a. Landscape and Streetlight Billing – Patti will bill 4th quarter expenses in January 2025. Patti stated that every company that we have billed, except one, GTS Customs, is now paying their bill. Patti is waiting for Windstream to get their payments set up. She hasn't heard back from anyone regarding forming an association, but for the most part the expenses are being covered. Charlie asked about the Coker brothers, one of whom had called last month to say they didn't feel like they received any benefit from the streetlights or landscaping. Patti replied that yes, Mr. Coker had called, but he did not say they were going to stop paying the bills. Charlie added there are a few more entities we may be able to get to join the group such as the airport, the new Baldwin Public Works building, and Rev Solutions. Adding these entities would lower the bill for everyone. Patti said she feels like the most difficult part of the billing process has been done, and now that most of the owners are paying, she would rather continue doing the billing every quarter than see the lights be turned off. She also is concerned that if the lights were turned off, it would be unfair to the companies that have been paying from the beginning. She did suggest taking GTS Customs off the billing list, therefore spreading the expenses to the companies who will actually pay.
3. Courthouse Update – Jim Butterworth approached the Board of Commissioners to present the authority's urging resolution to demolish the courthouse at their November 18th meeting. At a special called meeting in December, the Board of Commissioners voted against tearing down the courthouse. The issue will hopefully be brought back before the board in 2025. Jim and Charlie met with Commission Vice Chair Bruce Harkness yesterday and had a good discussion concerning Commissioner Harkness' reasons for voting against the demolition. Gail asked, "is it probable the issue will be addressed at the January meeting now that there will be a new board member?" Charlie said the Chairman sets the agenda, and the new Chairman will be voted in at the beginning of the January meeting, so it is more likely to be addressed after January in his opinion. Jim Butterworth added that yes, the chairman can set the agenda, but a vote of three can also amend the agenda at the meeting. Either way, Jim feels like the issue will work itself out. He added that in retrospect, he wishes he had engaged with a couple of the commissioners prior to their vote, to help them understand where we are, and he apologized to the Development Authority for not doing that in a more timely manner. But he also said "I don't think we've lost the war; we've just lost the battle. We are on the right page. I think we are right where we should be. Our message is right, and I think we just need to wait for the new board to perhaps make a different decision, and we will be ready to support that new decision when the time comes."
4. Strategic Economic Development Planning Update – Charlie Fiveash gave the update. We received a \$50,000 grant from Georgia specifically earmarked for a

strategic plan for our community, so that was a big win. It was not requested or expected, so it was a nice surprise. That puts us in a good position to move forward with a strategic plan. Charlie said "At a meeting earlier today, I saw Patrick Larson with GMRC, who has agreed to work with us on another grant to complement the \$50,000 from Georgia Power. Partnership Habersham could possibly make a contribution to get us to a point where we can have adequate funds to implement a strategic plan when the time is right." Bryan Ferguson asked Charlie if the strategic plan would be for Partnership Habersham, or the Development Authority, or both? Charlie said it would be the Development Authority to drive that bus. Rope Roberts said the strategic plan would be for the county, the municipalities, the Development Authority, and the Board of Education. The Development Authority will be the applicant for the grant. Bryan asked who would facilitate the strategic plan? Rope said there is a process we have to follow that was explained by Patrick from GMRC. We cannot approach any of the companies, but Rope is compiling a list of all the consultants who could send in an RFP once we get approval. Bryan asked, "So I'm assuming all the municipalities, the Development Authority, everyone will be dumping information into this?" Rope said from a Partnership update, he is asking all the parties, what is your outlook and vision, so that when the time comes for the consultant to contact everyone, they've had time to think it through and develop their own internal plan. Charlie and Rope made a presentation to Demorest council members in the last two weeks and asked them what they want to do going forward as a city, and they said they need commercial development.

5. Partnership Habersham Update – Charlie said they have had some good meetings in the last month, in terms of new developments, and not only in the business park. We often talk about the business park, and people in this room understand it because they know what drives economic activity, community investment, capital investment, and jobs creation in a business park. But there is also quite a bit of activity on the housing level, new developments which will be more mixed-use including housing, retail, and medical. There are a lot of "tire kickers" out there interested in investing in Habersham County. They see the county as a gateway to the mountains with tourism, and economic activity happening in the south end of the county. The sewer capabilities for additional housing in a moderate increase of what we have now. The positive momentum is there, a lot of it is just navigating through the political waters in terms of where this takes us. "But Rope and I were in a meeting this morning with a group who couldn't say enough good things about this community, from a geographical standpoint and that we have a good balance between housing and retail activity, but industrial is something we definitely need to boost." Rope added – "I shared with Chairman Butterworth my thoughts from the viewpoint of what a Development Authority typically would do, and that is, you are working on behalf of the Board of Commissioners. And when someone comes to you and wants to purchase some land that you own, what is the reason for selling it? There is a philosophical reason there and many different philosophies among Development Authorities

across the state of Georgia, so you can take your pick. But what I think that this Development Authority has been interested in, in the 30 years I've been following it, is diversifying your tax base. That's what I've kept hearing – we don't want to overload the residential percentage. We are pretty high. When you get to the high 80's, you are a bedroom community. But even from 60 to 70%, we are in a good zone there because we can make a difference with commercial and industrial capital investment. Of course, industrial, that's where the capital investment really comes into play. You have a building, improvement to the land you own, and you're not paying any taxes, so putting it back in the private sector increases property tax revenue stream. Also, the building improvements (building more expensive structures) and the equipment that goes inside. So, all three of those components make up the capital investment. But also, some higher end commercial projects. I know of one or two that are looking at the county right now, that have the capital investment from the commercial standpoint, but also 1% return of sale from their sales volume, which we would get from SPLOST. I look at that potentially as we move toward having that FLEX LOST, if we can move in that direction collectively as a county and make that decision, then we have that additional penny, which really helps our cities tremendously. We want the entire county to do well, from the county to every municipality, and the Board of Education, because we want them to produce a product that we can employ.” Charlie said, “As you well know, the Higgins building has been up for the better part of two years. Very little activity. Mr. Higgins is doing little to nothing to try and market that building. I've made my best efforts to put it into some of the listing services, everything short of putting a sign up. I met with a realtor this week and said you should contact Mr. Higgins about potentially listing his building. That was a building that we thought would get a lot more activity than it has. Rope and I discussed that 40,000 square feet seemed to be in the “sweet spot” as far as the demand of this region. But Mr. Higgins doesn't seem to be interested in either leasing or selling the building. Also, I'll parlay into the discussion about Wilson Hutchinson, and the questions about the timeline they have for a building. As you recall, they purchased two lots from us, and they had a pretty solid pre-lease until the company pulled the plug on it. So, Wilson Hutchinson has sort of taken the mindset that they would prefer to find another pre-lease, but that's not the way the agreement was written, so they are well past their timeline of when they should have kicked off building. Wade spoke with them today, and they are planning to start constructing a building sometime during 1st quarter of 2025. We are convinced that a building of the right size, with the right marketing efforts, should yield some prospects.” Rope added that most Development Authorities have a clause that when they sell a piece of property that within a certain period of time, if improvements have not been made, the Development Authority can buy the property back for the same price it was sold. “The whole reason for doing that is, you're selling it to get the capital investment. Otherwise, investors can purchase properties and sit on them.”

New Business

None

Other Reports

None

Public Comment

Commissioner Bruce Palmer spoke. We talk about industrial/commercial with the Development Authority, but our residential part of the digest is about 80%, which is a lot higher than what it should be. The Commission wants to stay away from developing housing, but we have to have a balancing act. We must have a certain amount of workers. You can build all the commercial, industrial, and retail you want to. But if you don't have people to work those jobs or fill those positions, you may have people coming from other areas, but I think the ideal situation is to have a community where people can live, work, and play, which brings in the social and quality of life issues as well. I've tried to get the commission to understand that, but obviously I'm doing something wrong because they don't understand that. There are 3 pieces to that puzzle. We have a lot of people coming here, but a lot of them are retired people, and that doesn't help our workforce. So, I say all this to challenge the Development Authority to help the county find that balancing act between workforce and housing. Probably everybody in this room when they were younger, their ideal place was to have a house with an acre or a few acres but that's not today. Most of these kids graduating high school or college don't want to be tied down to a house where they have to do maintenance or yard work. They'd rather live in an apartment or a townhouse that's being maintained by someone else, so they can go to work, come home, relax, go play or go to the park, quality of life things. And I think we have to do a better job of that in Habersham County. Everybody complains about apartments and townhouses. Across from Yonah Coffee there are about 156 apartments in there. If that had been out in the county in a subdivision, by the time you built roads and setbacks and infrastructure, you're probably looking at 200 acres, rather than 16 acres. So, if you're saying you really want to preserve farmland and open land, that's how you preserve it, not by building subdivisions. So, then people say, we'll make each home have a two-acre lot. OK, I'm not a genius, but you just took twice the amount of property to build the same amount of rooftops. However, a lot of people think that's the answer. You just took more property and made the house more expensive. The developers are still going to build those houses, and people are still going to buy those houses. What used to be a \$175,000 to \$250,000 starter home is \$450,000 now. All you do by increasing lot size is increase the cost of the house. Anyway, as ya'll know, this is my last "hoorah" so to speak. I go off the board on December 31st, but I'll still be around and I'll probably still be coming to Development Authority meetings. But this is something that ya'll as a group can help with. Thank you for all you do. Bryan Ferguson thanked Commissioner Palmer for his service and for his comments.

Rope Roberts said he wanted to add to what Bruce said. "He is on the Board of Commissioners and he has one meeting left. But I know if the Board of Commissioners, all

the board members, supported the Development Authority to do what you just said, they would fund the Development Authority at an appropriate level to allow you to do what he just suggested.” Commissioner Palmer said “One mil. \$1.9 million. If we could do that for two years, then stop for a couple of years, then do it again, industrial parks, buying land, putting in infrastructure, instead of rolling the millage rate back, I mean, here’s the thing. Nobody likes taxes. A \$400,000 house pays \$160 a year per mil. It’s not breaking the bank. The citizens will act like it is, don’t get me wrong. The worst thing that ever happened is when they put the estimated tax on the assessment notices. They look down there and their assessment went up \$5,000, and they think their taxes went up \$5,000.”

Rope added that one thing to consider is real estate commission. “If you pay a commission, that should be rolled into the price per acre. That’s something to be considered if you are going to sell property. I know in Phase I you had a different kind of agreement set up, and in Phase II you don’t, so whoever the real estate agent is there is typically a 5% commission. I think that’s something the Development Authority should definitely include. I definitely would let it be known to any real estate agent that you do pay, because not all Development Authorities agree to pay a commission.”

County Manager Alicia Vaughn said “I just wanted to thank all of you. I won’t be here. I’ll be gone by the next meeting. But I think this board is doing a fantastic job, so I really appreciate all of you, and I think you are moving the county in a really good direction. Gail Thaxton thanked Alicia for her involvement and her engagement, and said Alicia really helped push this board to higher levels.

Motion by Gail Thaxton, seconded by Jeff Bruns, and voted 6-0 to enter executive session at 4:10 p.m.

Executive Session - Property Acquisition & Disposal, pursuant to O.C.G.A §50-14-3 (b)(1)

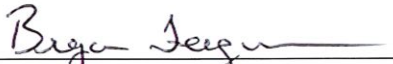
Motion by Jeff Bruns, seconded by Sidney Roland, and voted 6-0 to exit executive session at 4:31 p.m.

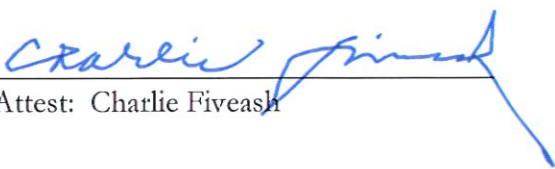
Next Meeting

The next regular meeting is Thursday, January 9, 2025, at 3:30 p.m.

Adjourn

A MOTION was made by Jeff Bruns, seconded by Sidney Roland, and voted 6-0 to adjourn the meeting at 4:34 p.m.


Bryan Ferguson, Vice Chair


Attest: Charlie Fiveash