

Habersham County Development Authority
Thursday, March 13, 2025 @ 3:30 pm
Executive Conference Room
130 Jacob's Way, Clarkesville, GA 30523

The Habersham County Development Authority held a regular meeting on Thursday, March 13, 2025, 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, Bryan Ferguson, Sidney Roland, Jeff Bruns

Members Not Present: Mike Franklin, Allen Whitener

Others Present: Charlie Fiveash, Tim Sims, Kiani Holden, Patti McLarty, Matt Skilling, Rope Roberts, Jim Woodward (via Teams), Media

Call to Order

The meeting was called to order at 3:30 p.m. by Jim Butterworth.

Invocation and Pledge of Allegiance

The invocation was given by Sidney Roland and the Pledge of Allegiance was led by Jim Butterworth.

Approval of Agenda

A MOTION was made by Bryan Ferguson, seconded by Jeff Bruns, and voted 4-0 to approve the agenda as presented.

Approval of Minutes

A MOTION was made by Sidney Roland, seconded by Bryan Ferguson, and voted 4-0 to approve the minutes of the February 13, 2025 Regular meeting.

Old Business

1. Airport Business Park/Phase II Business Park Update – Jim Butterworth attended the closing of the Pyratich property and signed the closing documents. We have received the proceeds of \$214,049.25. There will be a quarterly financial update at next month's meeting. Tim Sims advised we have just short of \$1.4 million in the bank, including the aforementioned proceeds. Charlie Fiveash gave the remainder of the update. Charlie reminded the board that the Development Authority previously voted to use Rochester & Associates for engineering services for our business parks and any other future engineering needs. Charlie then gave an update on the Wilson Hutchinson lots 5 and 7. Last month, the board commissioned Janney Sanders to send a letter to Wilson Hutchinson on behalf of the Development Authority. There was a copy of the letter provided in the meeting packet. Charlie said he recently spoke with Scott Hutchinson. Scott told Charlie there were plans to build a smaller building than they originally planned to build. Charlie said now we wait to see how Wilson Hutchinson responds to the letter, and the Development Authority will proceed accordingly, since our end game

is not to sell sites, but to develop property for economic development in the county, which includes job creation, capital investment, and balancing our tax base. Jeff Bruns asked what we got when we sold pads 5 and 7. Charlie said the lots were sold for \$45,000 per acre. Jeff then asked what the total cost would be to buy back the properties. Charlie estimated it would be somewhere around \$500,000. Jeff said that's like a bank giving a loan at 0%. Jim said he would take that thought one step further. It's his understanding that the property has been offered for sale by the owner at a higher price, and that's not legal or appropriate. Bryan Ferguson said there should have been a clawback provision in the contract, and we should have specific covenants for Phase II. Jim agreed. We still have 35 acres to sell so we should have covenants for that property. Charlie said the biggest difference between our situation with the Higgins Building versus the Wilson Hutchinson lots is that Wilson Hutchinson has speculative developers in their timeline where they actually purchased a significant amount of steel for the proposed building before their client backed out. The Higgins property has had no prospects or activity. Jim and Charlie believe Wilson Hutchinson is here to do business.

2. Administrative Update – Patti McLarty gave the update, beginning with the deadline spreadsheet. We have passed the deadline for the ARC grant pre-application which was March 11th. The next deadline will be June 11th. The pre-application is basically complete, except for a few changes Patrick Larson with GMRC suggested. Rope spoke with Patrick last week and told him he doesn't see us beginning a strategic plan until 2026. Patti reminded the board that Patrick told us that once the pre-application was approved, final approval would take approximately six months. Jim added that he is the one who slowed the process down for now, after seeing a scramble to get everything completed at the last minute. The strategic plan must have buy-in from our municipalities and the county, and we have time to approach each municipality before putting the wheels in motion. There are also some questions regarding what grants the Federal government is accepting at this time. Rope said we have plenty of time. Rope will provide us with a copy of another county's strategic plan as an example of what it could look like. Patti continued with an update on the streetlight billing. 4th Quarter 2024 has been invoiced. We only have two companies who have not paid anything toward the streetlights. Patti said Windstream has stopped responding to her emails, and GTS Customs has never paid. However, Southern Concrete has now paid in full, despite calling a couple of months ago to say they did not benefit from the lights and didn't want to continue paying. Patti said she has contacted Wade Rhodes about his past due balance, which is from the quarter he sold his building. Wade said he would get it paid. Patti reminded the group that we had sent a letter to the business owners a few months ago stating that 4th quarter expenses would be their last invoice from us. She said she needs direction on what to do going forward. The board needs to decide are we going to continue to bill the expenses, absorb the costs, or turn the lights off. Patti said since most of the owners are now paying, she didn't see why we wouldn't continue billing. Jim said a large portion of the expense is gone due to cancelling the landscaping, and we will know more after meeting with Baldwin. Jeff Bruns said it's a binary outcome – we either keep billing or we walk away. Patti said there is a third option which is the Development Authority continues paying the bill. Jeff said that shouldn't be an option since we no longer own any property in there. If we buy back the two lots, that's a different story. Jim said he isn't taking issue with Jeff's statement at all, but that he wants everyone to remember that we are talking about the park that says, "Habersham County Industrial Park". Bryan Ferguson said that he will

recuse himself from any voting regarding the streetlights. Bryan added that information regarding common area billing needs to be addressed in the covenants.

3. Courthouse Update – None
4. Strategic Economic Development Planning Update – Covered under Administrative Update.
5. Partnership Habersham Update – Rope Roberts gave the update. Last Tuesday, Rope and Wade Rhodes visited Mike Smith at Steelcell, one of Partnership Habersham's major investors. Mr. Smith gave Rope and Wade an update on what's going on with his company. Steelcell is adding a new weekend shift, which will add 80 jobs. Rope said, "When you stop and think about it in the context of what Steelcell does, 80 jobs is like a brand-new company coming in here." Steelcell has also been buying out other companies around the country. Rope added that the next expansion at this location needs to be on property that is in close proximity to Steelcell's existing plant. The Development Authority has property in Phase II behind Steelcell's existing property, and there could potentially be a road put in between the properties. Wade suggested to Rope that the Development Authority needs to put that land in front of him and offer it to him. Rope has asked Charlie for some updated materials and said that once the Development Authority gets the covenants together for Phase II, we should present the property to Mr. Smith. "So, there is an opportunity to reward a company who has been here, and is expanding, and has already invested in this community. Those are the ones you want to help out," said Rope. Charlie added that Partnership Habersham is a Public Private Partnership, which means they are partially funded by entities such as the Development Authority, which they are grateful for. Charlie said, "The county has chosen to cut Partnership Habersham funding by about 97%, and we hope to get that back. Rope has made a plea with the Board of Commissioners to restore funding for the Partnership. Jim Butterworth will be going before the Board of Commissioners for our budget review on the 27th of this month, potentially for additional funding for what we as a staff do on behalf of this authority." Charlie added that it's a little confusing and probably worth mentioning again that Partnership Habersham is a third-party entity, but Charlie is also the director, so there gets to be some blurry lines between what the partnership does and that staff work that Patti and Charlie do for the Development Authority, so it's worth mentioning that it's a collaborative effort of private donors and government entities. It's important to pull those resources together. We are uniquely structured in this county as opposed to our counterparts across the state. We are going through some evaluation of how we are 1) funded; and 2) how the staff interfaces with the Development Authority. I'm sort of "on loan" to the authority with the \$15k the Development Authority pledges to Partnership Habersham, and that basically keeps our enterprise and entity in business, and that is appreciated. We are always evaluating and looking at what is the most efficient way to operate our business, and making sure full resources are allocated. With that, I will close by saying that we are grateful that Patti does a fantastic job of keeping us in line and taking good minutes, and she's paying a lot of attention to what's going on here with this authority. Rope said, "We appreciate Charlie and Patti, and we would like the county manager to convey to the commission that we understand that everything that's done from the standpoint of economic development is to reduce the tax burden to the residents. We need to remind them occasionally of what the Development Authority is doing on behalf of the commissioners and why we exist, and why Partnership Habersham exists, and what each

entity is responsible for. Commercial and industrial development in the community to lighten the load on the residential.”

New Business

None

Other Reports

None

Public Comment

None

Motion by Jeff Bruns, seconded by Bryan Ferguson, and voted 4-0 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)

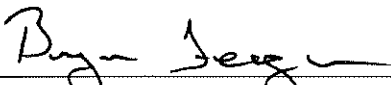
Motion by Jeff Bruns, seconded by Sidney Roland, and voted 4-0 to exit executive session at 4:57 p.m.

Next Meeting

The next regular meeting is Thursday, April 17, 2025, at 3:30 p.m.

Adjourn

A MOTION was made by Jeff Bruns, seconded by Sidney Roland, and voted 4-0 to adjourn the meeting at 5:00 p.m.


Bryan Ferguson, Vice Chair

Attest: Charlie Fiveash