

**CLAY COUNTY DEVELOPMENT AUTHORITY**  
**IRB, PROJECT, & ORGANIZATION FINANCING COMMITTEE**

**MINUTES**

**September 21, 2016**

**Present:** Rev. Bill Randall, Russell Buck, Matt Carlton, Greg Clary, Mike Davidson, Paz Patel

**Staff:** Grady Williams, April Scott, Josh Cockrell, Taylor Mejia

**Call to Order:** **Rev. Bill Randall** called the Clay County Development Authority ("CCDA") IRB, Project, Organization Financing Committee Meeting to order at 3:05 PM.

**Grady Williams** introduced April Scott as the new CCDA Counsel.

**Comments from the Public:** None.

**Approval of August 17, 2016 Minutes:** **Russell Buck** made a motion to approve the minutes. Motion was seconded and passed unanimously.

**Updates Since Last Meeting :**

**Alan Bock Presentation – Josh Cockrell** gave a brief update on the status of the project since the last meeting. He stated that since the CCDA is in the process of purchasing the DEVCOM building, there are a lot of unknowns related to the CCDA's finances and moving forward with the project would not be prudent at this time. **Matt Carlton** stated that one of the biggest concerns with this project was that the only collateral Alan Bock was willing to provide was the machinery that was exclusively used to create pavers. He believes that at this moment this is not a sound project for the CCDA to be involved in. **Josh Cockrell** said that the Board is less flexible in the amount of projects that it can finance at this time because the CCDA does not have a dedicated or reliable revenue stream. He stated that Alan Bock was informed that any assistance from the CCDA for his project would be put on hold indefinitely.

**Auto Finance Program – Rev. Bill Randall** provided a brief overview of the auto finance program. He stated that the program has sold 15 cars so far. He asked the CCDA to use its CD's to finance the program. **Josh Cockrell** suggested tabling this program until the CCDA's finances are situated. **Russell Buck** suggested offering \$25K for the pilot program with the possibility of offering another \$25K after the DEVCOM building transaction is finalized. He suggested a program that would incrementally give money to the auto finance program. **Josh Cockrell** informed the committee that due to the lengthy agenda there may not be time available to discuss this program at the Board meeting. **Russell Buck** stated that there needed to be action taken at the October Board meeting. The committee continued to discuss the different banks/credit unions that could be used for this program. **Josh Cockrell** asked Counsel to investigate if there would be any conflict with between Rev. Bill Randall being on the CCDA Board and this auto finance program being offered by his

organization. **Rev. Bill Randall** stated that he would prefer to get started as soon as possible, meaning that if \$50K was all the Board could commit to (instead of the \$300K or \$150K previously discussed) then he would accept that. **Josh Cockrell** said he would draft a recommendation for the Board next month.

#### **Investment Opportunities:**

**Industrial Revenue Bonds – Josh Cockrell** stated that he would provide the Board with more information of how to seek out and find IRB opportunities in the community. He informed the committee that he is currently speaking with Penney Farms about an IRB opportunity. **Matt Carlton** asked if \$10M was the CCDA's maximum capacity for IRB's. **Grady Williams** replied yes. He explained that a good goal would be to issue one \$10M IRB per year and that would equal an estimate of \$1.5M returning to the CCDA. He suggested that April Scott work on the guidelines for IRB's that need to be updated in 2016. **Josh Cockrell** stated that he would reach out to committee members individually to brainstorm about potential IRB recipients, both commercial and non-profit.

**Options for DEVCOM Building – Josh Cockrell** provided the committee with a DEVCOM building pro forma including different options of leasing out building space. He stated that DEVCOM would dissolve on September 30<sup>th</sup>. **Mike Davidson** asked what the professional opinion for the best use of the building was. **Josh Cockrell** stated that the market study identified that the best use would be a medical office. **Matt Carlton** stated he believed that the best option would be to sell the building as soon as possible. He stated that even if improvements were made to the building it would not guarantee a buyer. **Josh Cockrell** informed the committee of the current lease terms and prices. He added that the CCDA did offer the Chamber the option of leasing their current space for six months. **Paz Patel** suggested selling the building as is. The committee continued to discuss comparable sales of buildings recently in the nearby area. **Russell Buck** stated that leasing would provide a steady stream of revenue.

**Committee Comments:** **Rev. Bill Randall** stated that the committee would forgo comments from the members due to time constraints.

**Adjourned: 4:03 PM.**