



SAVANNAH

Economic Development Authority

**SEDA Board of Directors Meeting
Agenda
Tuesday, March 8, 2022
10:30 AM**

- | | |
|--|-----------------|
| I. Call to Order | Hinchey |
| II. Action Items | Hinchey |
| A. Approval of Minutes from February 8, 2022 Board Meeting | |
| B. Approval of January 2022 Financials | |
| C. Approval of Bond Resolution for Igneo Technologies | |
| III. President's Report | Tollison |
| IV. Executive Session | Hinchey |
| V. Action Items from Executive Session | Hinchey |
| VI. Comments for the Good of the Order | Hinchey |
| VI. Adjourn | Hinchey |

**** Next scheduled board meeting is April 12, 2022.**

PROPOSED MINUTES
Savannah Economic Development Authority
Board Meeting
February 8, 2022
10:30 AM

PRESENT

Board of Directors: Audrey King, Cheri Dean, Greg Parker, John Coleman, Joyce Rocheø, Kal Patel, Kay Ford, Nina Gompels, Paul Hinchey, Reed Dulany, Bob James, Ruel Joyner, Scott Center, Steve Green

Board of Directors on Zoom: Karen Bogans, Trey Thompson

SEDA Employees: Trip Tollison, Angela Hendrix, Antwone Smoak, Leigh Ryan, Beth Nelson, Liz Ely, Jen Bonnett, Jennifer Collins, Jessie Jenkins, Jesse Dillon, Leia Dedic, Leigh Acevedo, Mark Sprosty, Yvonne Wilemon

Guests: Greg Marini, Chris Raiford, Chris Curtis, Brian Jackson, Gena Taylor, Caleb Kitchings, Josh Lind, Michelle Gavin

Counsel: Jon Pannell

CALL TO ORDER

Chairman Paul Hinchey called the meeting to order at 10:30 a.m. with a good morning and thanking everyone for being here today. He asked Angela Hendrix if the meeting was posted, and the media notified in accordance with the Georgia Open Meetings Law. Ms. Hendrix responded yes. He then asked Mark Sprosty if there was a quorum present to which Mr. Sprosty responded yes.

ACTION ITEMS

A) Approval of Minutes from December 14, 2021

Mr. Hinchey asked if there were any comments or corrections to the proposed minutes from the December 14, 2021 Board Meeting that were uploaded to BoardEffect, and email notification was sent to board members on Wednesday, February 2, 2022. There were no comments or corrections.

MOTION was made by Steve Green to approve the minutes of the December 14, 2021 Board Meeting. The motion was seconded by Kay Ford. The board approved the minutes by unanimous vote.

B) Approval of November and December 2021 Financials

Mr. Hinchey stated that the SEDA financial statements for November and December 2021 were uploaded to BoardEffect, and email notification was sent to board members on Wednesday, February 2, 2022. He then called on Mark Sprosty for comments.

Mark Sprosty shared the following: The Financial Statements presented are for November and December 2021 and subject to change based on guidance from our independent auditors. The Statement of Assets, Liabilities & Net Assets (Balance Sheet) show increased Cash balances in both November and December. The December increase is due to some prepaid 2022 Infrastructure Fees. This also is reflected in Deferred Income. Investments were down in November but rebounded in

December, and for the year, were up 7.5% over last year. The Statements of Revenues & Expenses show both months had Net Ordinary Losses and Total Net Losses that were expected due to year end accruals. Net Ordinary Income for the year (2021) is the second highest in the organization's history, second only to 2020. Income was higher than budget. Total Expenses were 7% less than budget. And Non-Operating Income is nearly 4 times the annual budget. Sprosty stated we had a very strong financial year.

MOTION was made by Greg Parker to approve the November and December 2021 financial statements. The motion was seconded by Kay Ford. The board approved the financials by unanimous vote.

C) Approval of REBA Inducement Resolution for Project Igneo

Mr. Hinchey called on Jon Pannell to tell the board about the REBA Inducement Resolution for Project Igneo.

Mr. Pannell stated that the project closed last year and is applying for State funding through the Regional Economic Business Assistance (REBA) Grant program. The application must include a recommendation from a state agency whose statutory powers and duties include community and economic development, that the proposed project will significantly develop, promote and or retain trade, commerce, industry, and employment opportunities within the State of Georgia and promote the general welfare of the State.

MOTION was made by Steve Green to approve the REBA Inducement Resolution for Project Igneo. The motion was seconded by Kal Patel. The board approved the resolution by unanimous vote.

D) Approval of Second Harvest IGA Amendment

Mr. Hinchey called on Trip Tollison to explain the Second Harvest IGA Amendment.

Mr. Tollison reminded the board that an Inter-Governmental Agreement (IGA) was entered into in 2021 between Chatham County and SEDA for the purpose of administering a grant from the Georgia Department of Community Affairs (DCA) for the project know as "America's Second Harvest Food Bank of Savannah." The amendment proposed today is to document that SEDA will facilitate and manage the contract procurement and construction phases of the project; list additional reporting requirements; and provide further detailed guidance regarding specific undertakings detailed within the original IGA.

MOTION was made by Scott Center to approve the Second Harvest IGA Amendment. The motion was seconded by Greg Parker. The board approved the resolution by unanimous vote.

PRESIDENT'S REPORT

At this time, Mr. Hinchey turned the meeting over to Trip Tollison for the president's report.

A) Comments on Projects

Mr. Tollison reported that staff may agree with him that it feels as if we have been drinking from a fire hose. The project pipeline is robust. The top ten (10) project companies are manufactures.

B) Congratulations to Joyce Roche'

Mr. Tollison congratulated Joyce Roche for being a 2022 Honoree of SCAD's Savannah Women of Vision and invited the board to the celebration on Friday.

C) Liz Ely Promotion

Mr. Tollison congratulated Liz Ely on her promotion to Marketing and Public Relations Manager.

D) Parkers Headquarters

Mr. Tollison announced that Parker Companies relocated their headquarters to a former Gulfstream building in Crossroads Business Park. They will create 53 net-new jobs and retain 135 positions. South Carolina was very competitive with incentives, but we rescued them from moving to S.C. Jesse Dillon worked the project while on her Christmas vacation. Greg Parker commented that Jesse did a great job and appreciated her hard work during her vacation to get the project completed prior to yearend.

E) Conflict of Interest & Confidentiality Agreement

Mr. Tollison asked each of the board members to sign both the Conflict of Interest Policy and the Confidentiality Agreement. The documents were previously sent to board as well as physical copies provided to be sign before leaving today. He stressed how important these documents are and that every non-disclosure agreement that SEDA signs applies to all board members.

F) East Savannah United

Mr. Tollison introduced Jeff Cole, board chair of East Savannah United (ESU) who was joining the meeting via Zoom due to COVID exposure. Mr. Cole thanked the board for the opportunity to share about ESU. ESU's vision is to revitalize and transform Hitch Village/Fred Wessels Homes, Blackshear, and adjacent neighborhoods. Modeled after Purpose Built Communities like East Lake in Atlanta that has been around for 30-35 years, with the goal to turn back multigenerational poverty by providing cradle to college education and mixed-use development including health and wellness opportunities. The nine-acre Wheaton Street Campus will include an early learning center, small library, YMCA fitness and community center, and a Goodwill adult education center. Approximately \$6 million in SPLOST funds are earmarked for the Early Learning Center with half coming from the City and half from the County SPLOST allocations. The goal is to have the learning center Quality Rated. The YMCA and Goodwill will hold capital campaigns for their portions of the project. Mr. Cole stated that ESU obtained its 501c3 status last year and the 13-member board has been all-volunteer so far. ESU plans to hire a full time Executive Director to do fundraising, community engagement and building design. ESU will be asking SEDA to help with seed money to begin work.

G) SCAD

Mr. Tollison introduced Michelle Gavin to give an update from SCAD.

1. SCAD currently has 12,000 students just in Savannah, as well as having campuses in Atlanta, France and online.
2. SCAD has recently made a significant investment to transform the 22-unit Pulaski House into workforce housing. SCAD worked with the City of Savannah to make sure it was in line with the City's affordable housing efforts. Rent is under \$1,000 including utilities and parking. Tenants include a nurse, police officer, teacher and firefighter. It is managed by a private management company.
3. Ms. Gavin showed a video that highlighted the recently announced School of Business Innovation.

4. Ms. Gavin showed another video about Savannah Film Studios emphasizing the mixed-reality (XR) stage, Savannah streetscape backlot, suburban town square and city hospital. The board was invited to contact Ms. Gavin for a tour of the Studios.
5. Ms. Gavin then introduced Josh Lind and Caleb Kitchings to talk about SCADpro. SCADpro is a collaborative design studio that connects current and future art and design professionals with business leaders to find creative and inventive solutions to real-world challenges. They have worked with Gulfstream and 40% of the top 100 largest corporations.

EXECUTIVE SESSION

Mr. Hinchey stated there was a need to go into Executive Session (to discuss real estate matters).

MOTION was made by Scott Center to move into Executive Session to discuss real estate matters. The motion was seconded by John Coleman. The board approved the motion by unanimous vote.

MOTION was made by Bob James to move out of Executive Session. The motion was seconded by Greg Parker. The board approved the motion by unanimous vote.

FOR THE GOOD OF THE ORDER

There being no further business, the meeting was adjourned.

Respectfully submitted,



Mark A. Sprosty
Assistant Secretary



**Management Analysis for Board of Directors
January 2022**

The January 2022 Statement of Assets, Liabilities & Net Assets records \$25.5m in cash, excluding funds held for Veterans Parkway Interchange and funds associated with the GEFA Loan / Bloomingdale infrastructure. There was an increase of \$220k from December and \$3.8m from January 2021. Funds held for Veterans Parkway Interchange decreased by \$453k for the month and Funds held for the West Chatham Water and Sewer in Bloomingdale decreased by \$1.7m.

Accounts Receivable increased \$3.4m in the month of January to \$4.1m. A/R is down \$5.3m from last year due to the billing and collection of \$5m of 2022 Infrastructure Fees in December. A total of \$4m was billed during the month and \$670k was collected.

The market value of investments decreased by \$1.2m and ended the month at \$25m. The account is up \$762k over January 2021.

Deferred Income increased to \$7.3m, representing the amount of billing that has been invoiced but not yet recognized.

The January 2022 Statement of Revenues & Expenses records \$173k Net Ordinary Income for the month. Net Loss of was \$770k is due to the loss on investments.

SAVANNAH ECONOMIC DEVELOPMENT AUTHORITY
Statement of Assets, Liabilities & Net Assets
As of January 31, 2022

	Jan 31, 22	Dec 31, 21	\$ Change	Jan 31, 21	\$ Change
ASSETS					
Current Assets					
Checking/Savings					
CHECKING & MONEY MARKET ACC...	25,575,613.47	25,355,183.09	220,430.38	21,727,535.93	3,848,077.54
SOUTH STATE VETERANS PKWY C...	20,113,806.65	20,566,517.91	-452,711.26	27,785,276.80	-7,671,470.15
UNITED COMMUNITY BANK GEFA	484,499.61	2,164,355.22	-1,679,855.61	0.00	484,499.61
Total Checking/Savings	46,173,919.73	48,086,056.22	-1,912,136.49	49,512,812.73	-3,338,893.00
Accounts Receivable					
ACCOUNTS RECEIVABLE	4,150,847.02	768,014.42	3,382,832.60	9,538,507.07	-5,387,660.05
Total Accounts Receivable	4,150,847.02	768,014.42	3,382,832.60	9,538,507.07	-5,387,660.05
Other Current Assets					
A/R-MISCELLANEOUS	837,171.64	752,562.64	84,609.00	438,885.85	398,285.79
INVESTMENTS @ MKT VALUE	25,139,319.16	26,333,695.42	-1,194,376.26	24,376,650.06	762,669.10
PREPAID EXPENSES	125,552.00	138,217.00	-12,665.00	25,974.75	99,577.25
Total Other Current Assets	26,102,042.80	27,224,475.06	-1,122,432.26	24,841,510.66	1,260,532.14
Total Current Assets	76,426,809.55	76,078,545.70	348,263.85	83,892,830.46	-7,466,020.91
Fixed Assets					
ACCUMULATED DEPRECIATION	-363,824.18	-336,618.62	-27,205.56	-625,435.35	261,611.17
AMORTIZATION OF DEFERRED COST	-825,102.33	-817,782.75	-7,319.58	-737,482.75	-87,619.58
BUILDINGS	8,468,211.67	8,468,211.67	0.00	6,465,239.47	2,002,972.20
FURNITURE & EQUIPMENT	697,719.16	694,069.92	3,649.24	658,679.98	39,039.18
GULFSTREAM DEFERRED COST	1,752,391.58	1,752,391.58	0.00	1,752,391.58	0.00
VEHICLES	86,091.45	86,091.45	0.00	86,091.45	0.00
Total Fixed Assets	9,815,487.35	9,846,363.25	-30,875.90	7,599,484.38	2,216,002.97
Other Assets					
INVESTMENT IN SEDA I, LLC	649,316.46	401,200.28	248,116.18	342,456.15	306,860.31
OTHER RECEIVABLE	215,538.00	445,460.00	-229,922.00	445,460.00	-229,922.00
REAL PROP.HELD-SALE/DEVELOPME...	11,230,171.65	11,230,171.65	0.00	11,259,272.33	-29,100.68
Total Other Assets	12,095,026.11	12,076,831.93	18,194.18	12,047,188.48	47,837.63
TOTAL ASSETS	98,337,323.01	98,001,740.88	335,582.13	103,539,503.32	-5,202,180.31

SAVANNAH ECONOMIC DEVELOPMENT AUTHORITY
Statement of Assets, Liabilities & Net Assets
As of January 31, 2022

	Jan 31, 22	Dec 31, 21	\$ Change	Jan 31, 21	\$ Change
LIABILITIES & EQUITY					
Liabilities					
Current Liabilities					
Accounts Payable					
ACCOUNTS PAYABLE	984,259.06	1,326,227.18	-341,968.12	2,851,763.02	-1,867,503.96
Total Accounts Payable	984,259.06	1,326,227.18	-341,968.12	2,851,763.02	-1,867,503.96
Credit Cards	63,331.15	57,597.48	5,733.67	19,431.31	43,899.84
Other Current Liabilities					
A/P-MISCELLANEOUS	0.00	1,089,493.47	-1,089,493.47	0.00	0.00
ACCRUED EXPENSES	2,511,248.13	2,481,748.13	29,500.00	721,881.50	1,789,366.63
DEFERRED INCOME	7,389,131.05	5,487,040.00	1,902,091.05	7,284,392.27	104,738.78
PILOT/VPILT PAYABLE	1,116,687.60	0.00	1,116,687.60	1,729,828.60	-613,141.00
TENANT DEPOSITS-SEDA OFC B...	1,500.00	1,500.00	0.00	1,500.00	0.00
UNITED WAY PAYABLE	820.00	608.26	211.74	708.34	111.66
Total Other Current Liabilities	11,019,386.78	9,060,389.86	1,958,996.92	9,738,310.71	1,281,076.07
Total Current Liabilities	12,066,976.99	10,444,214.52	1,622,762.47	12,609,505.04	-542,528.05
Long Term Liabilities					
DEFERRED INTERCHANGE COSTS	19,871,593.49	20,388,218.41	-516,624.92	27,510,030.16	-7,638,436.67
Total Long Term Liabilities	19,871,593.49	20,388,218.41	-516,624.92	27,510,030.16	-7,638,436.67
Total Liabilities	31,938,570.48	30,832,432.93	1,106,137.55	40,119,535.20	-8,180,964.72
Equity					
NET ASSETS-INVSTD IN CAP ASSETS	6,210,611.09	6,210,611.09	0.00	6,210,611.09	0.00
NET ASSETS-UNRESTRICTED	60,958,696.86	56,927,359.71	4,031,337.15	56,927,359.71	4,031,337.15
Net Income	-770,555.42	4,031,337.15	-4,801,892.57	281,997.32	-1,052,552.74
Total Equity	66,398,752.53	67,169,307.95	-770,555.42	63,419,968.12	2,978,784.41
TOTAL LIABILITIES & EQUITY	98,337,323.01	98,001,740.88	335,582.13	103,539,503.32	-5,202,180.31

SAVANNAH ECONOMIC DEVELOPMENT AUTHORITY
Statement of Revenues & Expenses - Actual vs. Budget
January 2022

	Jan 22	Budget	\$ Over Bud...	Jan 22	YTD Budget	\$ Over Bud...	Annual Bud...
Ordinary Income/Expense							
Income							
BOND FEES	22,405.12	21,000.00	1,405.12	22,405.12	21,000.00	1,405.12	252,000.00
FOREIGN TRADE ZONE REVENUE	18,560.00	18,750.00	-190.00	18,560.00	18,750.00	-190.00	225,000.00
INFRASTRUCTURE FEES	643,955.17	651,600.00	-7,644.83	643,955.17	651,600.00	-7,644.83	7,820,000.00
MISCELLANEOUS INCOME	1,250.00	1,250.00	0.00	1,250.00	1,250.00	0.00	15,000.00
RENTAL INCOME - OTHER	1,500.00	0.00	1,500.00	1,500.00	0.00	1,500.00	3,000.00
TRADE SERVICES INCOME	13,226.00	19,100.00	-5,874.00	13,226.00	19,100.00	-5,874.00	230,000.00
Total Income	700,896.29	711,700.00	-10,803.71	700,896.29	711,700.00	-10,803.71	8,545,000.00
Gross Profit	700,896.29	711,700.00	-10,803.71	700,896.29	711,700.00	-10,803.71	8,545,000.00
Expense							
ADMIN. OPERATING EXPENSES	314,962.98	314,357.00	605.98	314,962.98	314,357.00	605.98	3,809,000.00
ASSESSMENTS-CROSSROADS OW...	0.00	0.00	0.00	0.00	0.00	0.00	21,000.00
DEPRECIATION & AMORTIZATION	34,525.14	42,330.00	-7,804.86	34,525.14	42,330.00	-7,804.86	518,000.00
ENG,ENV,MITIGATION,SURVEY,LEG...	2,148.57	54,170.00	-52,021.43	2,148.57	54,170.00	-52,021.43	650,000.00
PROPERTY MAINTENANCE	8,154.00	3,420.00	4,734.00	8,154.00	3,420.00	4,734.00	41,000.00
SALES,MKT,PR,RES,PROJ MGT EXP.	168,153.85	174,275.00	-6,121.15	168,153.85	174,275.00	-6,121.15	3,114,400.00
Total Expense	527,944.54	588,552.00	-60,607.46	527,944.54	588,552.00	-60,607.46	8,153,400.00
Net Ordinary Income	172,951.75	123,148.00	49,803.75	172,951.75	123,148.00	49,803.75	391,600.00
Other Income/Expense							
Other Income							
NON-OPERATING REVENUE(EXPENSE)	-943,507.17	11,600.00	-955,107.17	-943,507.17	11,600.00	-955,107.17	500,000.00
Total Other Income	-943,507.17	11,600.00	-955,107.17	-943,507.17	11,600.00	-955,107.17	500,000.00
Net Other Income	-943,507.17	11,600.00	-955,107.17	-943,507.17	11,600.00	-955,107.17	500,000.00
Net Income	-770,555.42	134,748.00	-905,303.42	-770,555.42	134,748.00	-905,303.42	891,600.00

REIMBURSEMENT RESOLUTION
SAVANNAH ECONOMIC DEVELOPMENT AUTHORITY
(Igneo Technologies, LLC)

WHEREAS, the Savannah Economic Development Authority (the **Authority**) has been requested by Igneo Technologies, LLC, a Delaware limited liability company (together with its affiliates, the **Company**), to issue up to \$150,000,000 of industrial development revenue bonds (the **Bonds**), in one or more series of tax-exempt bonds and/or taxable bonds, on behalf of the Company for the purpose of financing or refinancing, including through reimbursement, a portion of the costs to (i) acquire, develop, construct and/or equip facilities used in connection with the disposal, conversion, and/or reclamation of solid waste, including, without limitation: (A) the construction and equipping of new electronic waste recycling and material recovery facilities including related engineering, land acquisition, site preparation, and building construction and/or other infrastructure improvements; (B) the acquisition and installation of certain electronic waste recycling sorting and processing equipment including (1) material separation, shredding, and sorting equipment, (2) multi-hearth furnaces, (3) gas collection and treatment systems, and (4) related laboratory and testing equipment; and (C) additional capital expenditures for the development, design, engineering, replacements, demolition, construction, and renovation that were, or will be, undertaken or incurred to accomplish the foregoing (collectively, **Project**), to be operated by the Company or an affiliate of the Company, on land leased to the Company by the Authority located at Lot C of the Savannah Chatham Manufacturing Center, 760 Old River Road, Savannah, GA 31302, in Chatham County, Georgia; and

WHEREAS, the Company has indicated that the Bonds which are to be issued as tax-exempt bonds will be issued as exempt facility bonds for a solid waste disposal facility pursuant to Section 142(a)(6) of the Internal Revenue Code of 1986, as amended; and

WHEREAS, the Company has indicated that the availability of tax-exempt revenue bond financing by the Authority for the purpose of financing or refinancing, including through reimbursement, a part of the costs of the Project, including costs of a reserve fund or funds for the Bonds, if necessary, certain capitalized interest on the Bonds, if necessary, and costs of issuance of the Bonds, is an important factor for consideration by the Company in connection with the feasibility of the Project; and

WHEREAS, in assisting with the financing of the Project, the Authority will be acting in furtherance of the public purposes for which it was created and will promote the development of industry and commerce in Chatham County; and

WHEREAS, prior to the issuance of the Bonds, the Company reasonably expects to expend funds on the Project and wishes to be reimbursed for such expenditures with Bond proceeds; and

WHEREAS, upon issuance of the Bonds, the Authority will enter into a loan agreement or similar contractual arrangement with the Company whereby the Company will agree to make contract payments sufficient to pay the principal of, premium, if any, and interest on the Bonds; and

WHEREAS, the Company has requested that the Authority make a declaration of official intent for the purpose of allowing the Company to be reimbursed from Bond proceeds for the above-described expenditures of the Company in compliance with Treasury Regulations § 1.150-2;

NOW, THEREFORE, BE IT RESOLVED, the Savannah Economic Development Authority hereby declares as follows:

1. The official intent of the Authority to issue the Bonds in the maximum amount of \$150,000,000.

2. The reasonable expectation and intent of the Authority is to reimburse the Company for the above-described expenditures from Bond proceeds.

3. The terms of the Bonds will be determined by the documentation contained in the above-described contractual arrangements to be entered into between the Company and the Authority.

4. The terms and provisions of the contractual arrangements between the Authority and the Company shall be mutually satisfactory to the Company and the Authority, but in any event shall provide for payment to the Authority, or directly to the bondholders or to a corporate trustee to be designated in a trust instrument, of funds sufficient to make debt service payments on the Bonds and to pay all other expenses and charges of the Authority in connection with the Project.

5. All Bonds will be limited special obligations of the Authority, payable solely, except to the extent paid out of Bond proceeds and any income from the temporary investment thereof, from the revenues and receipts to be derived from or on behalf of the Company pursuant to the foresaid arrangements or trust instrument.

6. Pursuant to the above-described contractual arrangements, the Company will agree to indemnify, defend and hold the Authority harmless against any claims, demands, and causes of action of any nature whatsoever in connection with the Project, and the transaction contemplated by this resolution, and all reasonable fees and expenses incident to the defense thereof, including, but not limited to, all claims or liability resulting from any loss or damage to property or any injury or death of any person or persons occurring in connection with the Project.

Dated this 8th day of March, 2022.

**SAVANNAH ECONOMIC
DEVELOPMENT AUTHORITY**

By: _____
Hugh K. Tollison,
President

ASSISTANT SECRETARY'S CERTIFICATE

The undersigned Assistant Secretary of the Savannah Economic Development Authority hereby certifies that the foregoing is a true and correct copy of a resolution duly adopted by the Authority at a meeting called and held on March 8, 2022, at which meeting majority of the Authority members were present and voted in favor of said resolution; said resolution was lawfully adopted, has been spread upon the corporate records of the Authority, has not been modified or amended, and is in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the seal of the Savannah Economic Development Authority, this March 8, 2022.

Assistant Secretary