

**Board of County Commissioners/Gadsden
County Industrial Development Board
Joint Workshop - Minutes
April 5, 2016
4:30 p.m.**

Present: Brenda A. Holt, Chair, District 4
Eric Hinson, Vice Chair, District 1
Dr. Anthony "Dr. V" Viegbesie, District 2
Gene Morgan, District 3
Sherrie Taylor, District 5
Jack Harnett, Attorney for GCIDA
Robert Presnell, County Administrator
David Weiss, County Attorney
Marcella Blocker, Deputy Clerk

CALL TO ORDER

Chair Holt welcomed everyone to the workshop. She explained the reason for the workshop was to find out who served on which Board and what the different Boards were doing. She asked how we get businesses we like into the County. She said they are setting meetings with the Cities and School Boards, so they all can be on one accord and have a good relationship with them all.

CITIZENS REQUESTING TO BE HEARD ON NON-AGENDA ITEMS

There were no citizen requests to be heard.

GENERAL BUSINESS

1. Background of the Gadsden County Industrial Development Authority (GCIDA)

Mr. Presnell gave brief background of the GCIDA. He said several items were attached that he felt would be helpful including the Ordinance from October 5, 1973 creating the Ordinance and the minutes where it was discussed and adopted. He said the Board has been meeting since that time with the Chamber. He then introduced their attorney, Mr. Jack Harnett.

Commissioner Dr. Viegbesie said he went through packet earlier and saw only 1 set of regular meeting minutes from sometime in the 1980's. He asked if Advisory Board minutes are submitted for record in the Clerk's Office or made accessible to the BOCC or the public, so they would know what they are discussing and what direction they may be going.

Mr. Presnell said the Authority does take minutes and they are required to have one meeting per year; "It is my understanding from talking with them they are very brief, not having any business to discuss." He said he had seen a couple sets of minutes, which was requested last year, when the Board discussed this same item.

Jack Harnett, GCIDA Attorney, appeared before the Board and explained the BOCC had no

authority over the GCIDA, he was there as a courtesy to the Board. He gave history of the GCIDA. He said they were created by act of statute in 1969 when it was created by the Board. He said that he had been attorney for the Authority since September of 1981. He said Alton Towles was the prior attorney and he retired. He said he created all the documents necessary when creating the Development in October of 1973. He said using the statute that was actually adopted in 1969 it was created through a tax-exempt ordinance, for certain corporate entities for the purpose of attempting to help in the State of Florida, it was all over the Counties. It started for the Counties, then the statute provides special acts, create industrial authority. He said what has happened, there has been no money. He said from his understanding, before his time, there was money available from Congress that allowed the Authority to build an Industrial Plant, which they did build and people were hired. The purpose was to assist certain areas that were created by Statute; the Florida Industrial Financing Act was FS §159.25-159.31 and the Industrial Development Authority section which is FS§159.44-159.63. He said the various Authorities were activated for the purpose of allowing various industries, to do certain things that were authorized by the statute. He gave for example; the Floridian Company asked for and was granted to issue Bonds that were tax-free. He said one of the purposes it generated for was to assist industries in getting money for renovation.

Commissioner Morgan appeared at this juncture of the meeting.

He said members of the Authority were appointed by districts and was set up with a series of five commissioners. He said the first appointment, was one for one year, one for two years, one for three years and two for four years and was to rotate and now we should have today one with one year left, one with two years left, one with three years and two just starting. He said Attorney Weiss could advise them on all the Authority could do and could not do. He said the Federal Government Tax Laws allowed Bond Issues that were tax-free, until they changed the Federal Law; the Authority itself was the final. It was created as an independent body in politics, which is connected to, but independent of the BOCC. He said they work closely with the Chamber who has graciously afforded them to have a place to stay to meet, use clerical help and the other things necessary to have. He mentioned the Tallahassee Authority and the Chamber of Tallahassee were recently in a disagreement and they ended their ties, they were divided up. He said there was a provision in the Statute for a tax assessment of one bill. He said one of the last businesses to seek funds was the David Grocery Company. He said what happen was when they were getting the bonding set up; they were approached by another corporation that already had more bonding than they were allowed to have under federal law. He said they then changed the system where each County was allowed so much bonding money. The County could pick the industry and they would let the BOCC know what industry, what bond they were asking for. Also that the Authority had done its due diligence in determining and recommending to the BOCC that they were able to pay back the bond issue, it was for a good purpose, and that it was an Industry that would increase the employment of workable people in the County. He said that was the main purpose in creating the Authority, to assist or bring new industry into the County. He said the last business to come in was through the Authority of Gretna, they have their own. In the past the process for the minutes was they were taken and passed on to the Clerk's Office. He stated he wasn't sure if that was still the process. He voiced they have been audited by the IRS several times, audited by the County several times and they always had what was needed available.

Commissioner Hinson stepped out at this juncture of the meeting.

Commissioner Taylor appeared at this juncture of the meeting.

Commissioner Dr. Viegbesie thanked Attorney Harnett for the information provided. He felt it was very helpful. He asked how they could change the frequency of the meetings because only meeting once a year, he felt; they were losing an influx of business.

Attorney Harnett said the GCIDA doesn't meet, unless there is a reason to meet. He said they are there 365 days a year and meet at the Office of the Chamber of Commerce and people constantly come by. He said they are in the act of industrial assistance to people every day. He said members from the Chamber donate money to help the Authority get Industry into the County and keep the Industry that is in the County.

Commissioner Hinson returned at this juncture of the meeting.

Mr. Harnett said they have mostly connected with the Chamber and as industries approaches.

Commissioner Dr. Viegbesie said listening to what he heard if the GCIDA was created to attract and retain and do industry development and job creation in the County. He asked why and how did the BOCC create the Gadsden County Development Authority (GCDA) to do the same thing the GCIDA was created to do for the County.

Attorney Harnett said another statute that allowed County to be active in water, sewer and other things. It is the Industrial Development Authority that is not authorized to do that. He said the real purpose of the GCIDA was to help with tax free financing, bonds. We helped assist them receive tax free bonding through financial institutes. In doing that it was to help the industrial industry so they can increase employment. He said they don't have general authority overall the industry.

Chair Holt said the purpose was to gain clarity. When she came on Board, she knew nothing of the Industrial Authority. She asked how other boards fit into what they are trying to accomplish for getting businesses they want in the County.

Chair Holt said they tried to rotate meetings to different townships to have a meeting and people would ask "why do you want to meet with us, what is going on?" She said they want a reason for the meetings, or how we can improve.

Attorney Harnett said the industry would be responsible. He said it was created to assist the industry and be able to borrow money; it was advantageous for the person lending the money because it was tax free. They would be more inclined to lend money at a lower rate.

Chair Holt asked Attorney Weiss his take on the bond issue. "If they bond funds, which is responsible for the paying back of those funds." She asked if they appoint to the Board are they required to follow the same sunshine law that the BOCC follows. She asked if this Authority is not under any jurisdiction by law from the BOCC. She also asked is it in state statute that they must appoint.

Attorney Weiss said the Industrial Authority has bonding authority and that is the main purpose. He said the BOCC is not responsible for that. He stated they have to follow sunshine law and yes they need to make sure the public minutes get to the BOCC. He said the BOCC does appoint, fill vacancies and remove members that these are the only things you have control over the GCIDA

with. Otherwise, they operate independently separately, they are legislatively created and they have powers that are derived from the statutes.

Chair Holt stated if they have no authority over this Authority, maybe they should look at a different method of the appointments if needed.

Commissioner Dr. Viegbesie asked if this Board selected members of GCIDA, are they acting as representative of BOCC. He asked who is responsible for bond if lender defaults, could it fall back on the County.

Attorney Weiss replied the Authority is responsible for the bond issue. He said by statute the County doesn't have any responsibility. He said there is always the prospect of a default, which is why you would pledge security, which is why banks require security to be pledged. He said the likely hood of a bond issue happening without any security in the event of a default is pretty unlikely.

Attorney Harnett said the statute is clear, there is no public liability of bonds, and it is all private liability for the bonds. The Authority assists banks, lending institutions; County has no liability in this matter.

Chair Holt said this was an asset that not everybody knew was here in the County and asked how they could assist with getting the information out with marketing.

Attorney Harnett said the type of financing this Authority does, it doesn't have anything to do with taxation, doesn't have anything to do with public financing or public guarantees. You are only authorizing the statute which allows tax free bonds to be issued. The public will then be more informed as to what the Authority is doing.

Commissioner Morgan thanked Attorney Harnett for coming and said it was important to recognize that when the GCIDA was created, things were so much different and as they move forward it's important to recognize the limited function of each of the different parts and pieces that are so very important when we are trying to promote industry for Gadsden County. He said he appreciated the people who through the years have served voluntarily as members of the Industrial Authority. He asked due to the publicizing of meetings, were they limited to discussions they have with the Authority.

Attorney Weiss stated that it was a little different with the GCIDA. The Planning Commission is an Advisory Board to this Board. The GCIDA is a separate entity apart from. He said they have to be careful about items that may ultimately come before the Board; it's a different type scenario as if they weren't an Advisory Commission.

Chair Holt said the primary goal is they were looking for ways to work with everyone to get businesses into the County. She said she was open to meeting again with the entire Board along with the Chamber and other Boards to sit down and discuss issues to bring businesses, to work together, to get out one message.

2. Update of GCIDA Activities – There was no new business.

3. Discussion of New Industry: Medical Marijuana

Chair Holt said a lot was cleared up with bonding funds and she felt the medical marijuana will be major industry in Florida. She asked how they could help any industry that would like to come here to Gadsden County.

Commissioner Dr. Viegbesie mentioned FL Chapter 159 Part 3- 4.6 – Purpose of the Industrial Development Board. He asked what role would the GCIDA working with collaboration with GCDC and other entities.

Beth Kirkland, GCDC, appeared before the Board to address questions. She said for a resource they would reference the Enterprise Florida Website under the Florida Development Finance Corporation. It is a very good primer on how to use industrial development authorities. She said that was the State's version of what they were talking about here at the local level. She said it related to sites, to would look at FL Statute §159.46 under purposes: In carrying out this purpose, industrial development authorities were encouraged to cooperate and work with industrial development agencies, chambers of commerce, and other local, state, and federal agencies having responsibilities in the field of industrial development. She said typically what a development authority would do is make sure all public hearings and all the process is followed, so whoever is seeking to use this type of financing can make use of it. The couple has to find the lender and be credit worthy. The lender has to willing to use this type of financing to back the company and what it is they are trying to do. The County also has to go to the State to see if they qualify and if there is a capacity and market this program. With regards to sites with what's allowed with industrial revenue bond financing is mostly for light or heavy industrial purpose, which would mean manufactures or distributors.

Chair Holt said they need something to go after industries. She said the County wanted and needed all engines to work together to provide jobs.

Commissioner Taylor stepped out at this juncture.

Commissioner Dr. Viegbesie said from his understanding the bonds have to come to the Board for approval.

Attorney Weiss said that was correct it must come before the Board for approval. It doesn't mean the Board has any liability for the bond issue, it just means the Board is approving the bond issue. If the Board doesn't approve the bond issue, he felt it couldn't be issued.

Commissioner Dr. Viegbesie said when he was first on the Board he wanted to know and asked what each committee was responsible for and now getting educated on what the Authority does has given him some clarity.

4. Discussion of New Industry: Gaming

Chair Holt said if they win lawsuit on gaming, there would be jobs and an increase in traffic and law enforcement, etc. She asked what type of impact it has on your budget.

Commissioner Taylor returned at this juncture at the meeting.

She said with increase, it always results in an increase in jobs and taxes. It is an Industry and who do we have in place to look at this. She asked what could be done among the Chamber and the GCDCA and the GCIDA to work together on these issues.

5. General Discussion

No further discussion was held.

MOTION TO ADJOURN

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, THE CHAIR DECLARED THE MEETING ADJOURNED AT 5:48 P.M.

GADSDEN COUNTY, FLORIDA

BRENDA A. HOLT, Chair
Board of County Commissioners

ATTEST:

NICHOLAS THOMAS, Clerk of Court
Gadsden County, Florida