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Governor Perdue Announces OneGeorgia Awards

ATLANTA, GA – Governor Sonny Perdue announced today more than \$6.3 million in grant and loan awards from the OneGeorgia Authority's Equity and EDGE programs to spur economic development in Georgia's most economically distressed communities. These funds will assist with a variety of economic development projects in rural Georgia aimed at creating jobs, stimulating new private investment, supporting the retention of existing jobs and enhancing regional competitiveness through capacity building projects.

"We are preparing rural Georgia to compete in a global economy with a comprehensive and integrated strategy. These financial resources will serve as a catalyst to stimulate private investment and economic growth," said Governor Sonny Perdue.

In keeping with his focus on small business, Governor Perdue also announced the creation of the Small Business Loan Fund to encourage rural banks to invest in new companies. This fund will target the gap between the maximum that micro lenders will loan (\$50,000) and the minimum the U.S. Small Business Administration will loan (\$250,000). This gap is often a hindrance for starting new small businesses. The authority voted to transfer \$3 million from the Local Development Fund to support the Small Business Loan Fund.

"The Small Business Loan Fund will help provide greater access to loans for small business entrepreneurs in rural Georgia," said Governor Sonny Perdue.

The Equity and EDGE projects, and their respective local leadership representatives, were recognized today at the regularly scheduled OneGeorgia board meeting at East Central Technical College in Fitzgerald. The OneGeorgia Authority was created using one-third of the state's tobacco settlement to assist the state's most economically challenged areas. The OneGeorgia Authority is expected to receive about \$1.6 billion over the 25-year term of the settlement.

The Equity awards, Round 1 of FY 2005 funding, are designed to assist communities and regions in building the necessary infrastructure to support economic development. The program's flexibility provides financial assistance to enhance publicly-owned tourism initiatives, workforce development opportunities, and downtown revitalization projects. In addition, loan funds are available through the Equity Revolving Loan Fund to assist small business owners with business growth and expansion opportunities. Project awards have historically been announced through three competitive rounds annually and are capped at \$500,000. Beginning in 2005, Equity will be more responsive to the needs of the rural, economically depressed counties it serves by accepting applications at any time.

Twelve Equity awards totaling \$4,752,440 included seven grants of \$2,398,782 and five loans totaling \$2,353,658. These awards include:

Americus-Sumter Payroll Development Authority

A loan of \$353,659 to finance a packaging system and commercial cooling equipment required to expand Americus Bean Company (ABC), a start-up company begun in 2002, creating 37 new jobs and protecting 28 existing jobs. The owners of ABC include a team

of 11 successful produce growers whose families have made a living from agriculture for generations in Macon, Marion, Sumter and Schley Counties. ABC is a young business with an innovative and creative product offering that is gaining the attention of the fruit and vegetable industry. ABC is a value-added produce processing company that supplies washed, cut and packaged pod-type produce to wholesale food distributors and marketers serving the retail supermarket industry including green beans, yellow squash, zucchini squash and okra. They have developed an exclusive patent-pending process that extends the shelf life of green beans and are continuing R&D to apply this process to other vegetables as well. ABC is currently packaging produce under national trademarked brand labels.

- \$353,659 Loan
- \$973,219 Total Project Cost
- 37 new jobs; 28 jobs retained

Appling County

A grant of \$207,731 to support Phase II of the Fallen Rocks Park located at Deen's Landing adjacent to the Altamaha River in Appling County. When fully developed and operational, Fallen Rocks Park will be the only publicly owned and operated campground facility in Appling County. It will provide for 15 RV sites with hook-ups for electricity and water as well as 4 camp sites in a beautiful, natural setting along the River. The park and campground are expected to enhance and promote nature-based tourism development.

- \$207,731 Grant
- \$312,539 Total Project Cost

Ben Hill-Irwin Area Joint Development Authority

A loan of \$500,000 to support construction of a 23,000 SF Innovation Services Facility. This center will serve as an incubation center within the 218-acre Millennium Technology Pointe Business Park, which is strategically located adjacent to East Central Technical College in

Fitzgerald. The park and proposed center are targeted to companies that will remotely provide technical solutions for business continuity, risk mitigation, business processing, technical operations and other technical-related activities. The park will provide redundant fiber and has already received a firm commitment from Aelera, a Georgia-based software and Internet Technology firm, to create 50 jobs and a private investment of \$500,000 in machinery & equipment. Since the announcement of Aelera, the community has received inquiries from other technology-related companies and is currently working with a number of prospects.

- \$500,000 Loan
- \$3,493,000 Total Project Cost
- 50 new jobs

City of Calhoun

A grant of \$500,000 to assist with public infrastructure to serve the 240-acre Raymond King Industrial Park including 1,500 feet of water line and 24,000 feet of sewer line. Infrastructure will serve LG Chem as well as build-out of remaining acreage to support future development. Calhoun and Gordon County, as the only county located along I-75 between Atlanta and Chattanooga that is not within an MSA, have developed an aggressive marketing plan to accentuate their low cost-of-living, quality-of-life and access to a quality work force. This strategy is expected to develop a strong industrial tax base for the area.

- \$500,000 Grant
- \$4,710,460 Total Project Cost

Development Authority of Emanuel County and the City of Swainsboro

A grant of \$500,000 to support publicly-owned infrastructure improvements to assist with healthcare expansions located in the Swainsboro Medical District which serves a five county region. These improvements include the 45,000 SF expansion of the Emanuel Medical Center, a publicly-owned hospital located on Hwy 57 that will include a new 8-bed Intensive Care Unit, 2 new operatory suites, recovery room, additional emergency treatment areas and 18 additional hospital rooms. The Hospital, which currently employs 420 is expected to add 38 new employees with the expansion. In addition, two additional specialized healthcare facilities are planned over the next five years that will bring additional physicians and support staff to the area to expand health care services in the region. These additions are planned to reduce the 1.5 to 2 hour drive to cities of Macon, Savannah and Augusta where medical specialists are now located.

- \$500,000 Grant
- \$14,515,000 Total Project Cost
- 38 new jobs

Development Authority of the City of Jeffersonville and Twiggs County

A grant of \$186,632 to assist with site development costs (to threshold of \$500K). The applicant seeks to diversify the local economy through the development of a 115-acre industrial park adjacent to I-16 that was acquired in 2003 with an Equity grant. While the economy of the area has been tied to the kaolin and timber industry, more than 550 Twiggs County kaolin jobs have

been lost over the last 3 years due to global competition. In addition, the timber industry has struggled, resulting in the loss of 65 jobs with one prominent company in the area. The county has been successful in passing SPLOST which will be used for construction of infrastructure in the park.

- \$186,632 Grant
- \$1,267,780 Total Project Cost

Jenkins County Development Authority

A grant of \$201,630 is requested to assist with the acquisition of land to expand the Industrial Park. The existing park, strategically located on the Augusta-Savannah River Parkway is near capacity (only 5 acres remain). The expansion will be accessible from

the Hwy 21 Bypass, a four-lane highway linking both Augusta and the Savannah Port. The site is served with rail, natural gas and fiber. The park will be aggressively marketed using the results of a recent 5-county regional study which identified six industry clusters: value-added agriculture, metal working, electronic and computer peripherals, food processing, distribution and web/graphic design.

- \$201,630 Grant
- \$463,405 Total Project Cost

City of Louisville

A grant of \$499,954 to assist with the construction of a 3,612 SF terminal building at the Louisville Regional Airport, a Level III airport as designated by DOT. The current facility was built in 1975 and is in very poor condition. A new terminal will serve as the "gateway" to the region, providing a positive first impression for arriving industrial prospects, corporate management and visitors for the annual Masters golf tournament, area Fox Hunts and other tourism activities. The airport serves a number of nearby cities including Wrens, Waynesboro, Millen, Sandersville and Swainsboro. The airport, with two fixed based operators, is on the US 1 corridor in Jefferson County and is strategically located adjacent to the 320-acre Louisville Airport Industrial Park. It is anticipated that the airport improvements will have a positive impact on economic development efforts in the region.

- \$499,954 Grant
- \$2,944,254 Total Project Cost

Miller County Development Authority

A loan of \$499,999 to assist with construction of a 22,000 SF facility for lease to a private film/video/television production company. The company, under the guidance of Ralph Wilcox, a 30-year veteran in the television and film industry, seeks to build on the community's success as a tourism and cultural arts destination, including "Swamp Gravy" with over 17,000 tourists annually. The community has established relationships with area schools and colleges including Bainbridge, LaGrange, Darton Colleges and FSU. Bainbridge College has implemented a 1-year film, video and stage technology program, and FSU Film School has confirmed its interest in developing a similar relationship. A commitment is established with The Boys' Choir of

Tallahassee, providing the choir an opportunity for exposure to the arts while promoting economic development in SW Georgia. The facility will seek to create opportunities for film and video production in a low-overhead environment while also expanding quality of life and cultural arts educational opportunities.

- \$499,999 Loan
- \$812,361 Total Project Cost

Development Authority of Richmond County

A grant of \$302,835 to support the construction of a publicly-owned rail spur to serve Castleberry's Food Company, a processor of canned meats and seafood, with 380 employees that has operated in Augusta since 1926. Augusta is the corporate HQ and

the largest production location for the company. The company has committed to a \$9.2 million expansion and 66 new jobs. The rail spur is needed to access the new meat manufacturing addition which will be constructed to meet its commitment of manufacturing 8-10 million pounds of meat products for Kellogg, a fortune 500 international food company.

- \$302,835 Grant
- \$9,511,035 Total Project Cost
- 66 new jobs

Tift County Development Authority

A loan of \$500,000 to assist with acquisition of M/E to support a regional peanut shelling facility operating as Tifton Quality Peanuts, LLC that is owned by 106 peanut growers from 11-south-central Georgia counties. With elimination of the quota system in the Farm Security and Rural Investment Act of 2002 (the Farm Bill), the US Dept of Agriculture will now pay for storage and handling of peanuts. The facility, with a 60,000 ton capacity, is expected to create a minimum of 50 new jobs and provides an opportunity to expand and diversify the regional agricultural economy.

- \$500,000 Loan
- \$21,487,000 Total Project Cost
- 50 new jobs

Toombs County Development Authority

A loan of \$500,000 to assist with construction of a 100,000 SF expandable speculative building in the 160-acre Toombs Corporate Center located north of Lyons on US Highway 1. GDEcD provided guidance on the construction of the building which is located on an 18-acre site in the park with exterior walls of pre-stressed concrete 8 inches thick with 2 inches of insulation. The roof will be Duralast vinyl roofing with a 30-foot ceiling height. The applicant commits to maintain the facility while marketing through GDEcD, Georgia Power and Oglethorpe Power. The strategic location of the industrial park, complete with public infrastructure and a spec building, is expected to enhance the overall marketability of the region.

- \$500,000 Loan
- \$1,816,881 Total Project Cost

“Today we are leveraging \$4.7 million in Equity grants and loans against more than \$63 million in total project costs. We are protecting over 825 existing jobs and creating another 246 jobs for Georgians,” said Governor Perdue. “It is also important to note that three of these awards will support planned expansions by existing employers in Georgia – ABC Bean

Company in Americus, Castleberry’s in Augusta and Emanuel Medical Center in Swainsboro. We look forward to their continued growth and prosperity.”

Governor Perdue also recognized the four recipients of EDGE awards made since the last OneGeorgia Authority Board meeting in September 2004. The purpose of the EDGE Fund is to provide financial assistance to eligible applicants that are being considered as

a relocation or expansion site and are competing with another state for location of a project. EDGE fund projects are generally time-sensitive in nature and are accepted on a first-come-first-serve basis.

“We are extremely proud to welcome each of these companies to Georgia. It is crucial that we continue to grow and diversify our economy by attracting large, medium and small-sized businesses to our state,” said Governor Perdue.

The companies and awards recognized today include:

Development Authority of Gordon County

\$490,000 to purchase land needed for LG Chem Industrial Materials, Inc. (LGCIM) to locate a manufacturing facility on approximately 35 acres in Gordon County. LGCIM is a multi billion dollar subsidiary that makes a wide variety of products for the automotive, commercial and residential markets. This facility will produce solid surface kitchen countertop material for residential and commercial markets in the U.S. In addition, the Calhoun site will be the company's first North American manufacturing operation. The property will be owned by the Gordon County DA and will be leased to the company. This project will create 70 new jobs with private investment of \$40 million. Calhoun, Gordon County is in competition with Tennessee and Texas. The total cost of the project is approximately \$45.2 million.

- EDGE Award \$490,000
- Total Project Cost \$45,183,671 (Private Investment = \$40,000,000)
- 70 new jobs
- Interstate competition: Tennessee and Texas
- Date of Award: 9-22-2004

Fitzgerald-Ben Hill County Development Authority

\$200,000 to purchase equipment needed for the location of U.S. Paper Converters (USPC), a manufacturer of converted paper and paper products, to Ben Hill County. Fitzgerald Paper

Converting, LLC, will serve the southeastern market and represents the second manufacturing facility for this 25 year old company. The other facility is located in Appleton, Wisconsin. This project will create 40 new jobs within two years with private investment of \$2.8 million. The total cost of the project is approximately \$3 million.

- EDGE award \$200,000
- Total Project Cost \$3,000,000 (Private Investment = \$2,800,000)
- 40 new jobs
- Interstate competition: South Carolina
- Date of Award: 10-28-2004

Development Authority of Richmond County

\$250,000 to assist with land acquisition for the location of a distribution center for FedEx Ground, North America's second-largest ground carrier, to Richmond County. The company intends to locate a 38,000 SF FedEx Corporation Ground Division distribution

center on a 7.26-acre site at Riverwatch Parkway in Augusta. This project will create 40 new full-time jobs and 40 part-time jobs within two years.

- EDGE award \$250,000
- Total Project Cost \$3,650,000 (Private Investment = \$3,315,000)
- 80 new jobs (40 full-time and 40 part-time)
- Interstate competition: South Carolina
- Date of Award: 11-10-2004

Development Authority of Columbus

\$610,000 to assist with land and building acquisition for the establishment of a regional headquarters for Waggoners Trucking Company (WTC), the largest non-union trucking company in the U.S. The Waggoners Trucking Company is a family-owned business that specializes in auto transport and transportation services to the oil field industry. WTC, established in 1951 and headquartered in Billings, Montana, employs over 1,500 and has a nationwide fleet of 1,000 auto transporters. As a result of increased automotive industries and their suppliers moving to the Southeast, WTC realized the importance of being in close proximity to its customers. The facility will be located on the former Lummus property on 43 acres, and will house WTC's Southeastern Regional Headquarters and southeast terminal, recruitment/training center, refurbishing/remanufacturing operations and the national parts distribution center. The project will create at least 150 new jobs and up to 300 auto transport jobs within four years.

- EDGE award \$610,000
- Total Project Cost \$5,810,000 (Private Investment = \$4,500,000)
- 150 new jobs
- Interstate competition: Birmingham, Alabama
- Date of Award: - 12-17-2004

The authority also adopted regulations for the Strategic Industries Loan Fund (SILF) with a budget of \$10 million. The loan funds are intended to be used only when needed to fill a financing gap unmet in the private sector and are targeted to science and technology based industries in which development-stage companies are creating commercially promising technologies and the opportunity for higher quality jobs in rural Georgia.

Since the authority was created in October 2000, more than \$123 million has been awarded in grants and loans. These projects support the creation and/or retention of over 22,000 jobs in 107 of Georgia's most economically depressed counties. For additional information, please refer to the authority's website: www.onegeorgia.org.