

Wednesday, June 15, 2005

Contact: Office of Communications 404-651-7774

Governor Perdue Announces OneGeorgia Awards

Authority Approves ESBD Loan Guarantee Program

CORDELE, GA – Governor Sonny Perdue announced today more than \$13.6 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 awards support the creation of nearly 4,500 new and retained jobs for Georgians in a variety of industry sectors including manufacturing, food processing, distribution centers, and tourism," said Governor Sonny Perdue. "Stimulating new job growth and private investment is one of the top priorities of my administration."

At its meeting on the Crisp County campus of the South Georgia Technical College in Cordele, Georgia, the Authority also adopted regulations for the Entrepreneur and Small Business Development Loan Guarantee Program (ESBD). The regulations create a public-private partnership between the OneGeorgia Authority, entrepreneurs, start-up companies and small businesses located in any of Georgia's 112 designated rural counties and state and federally chartered lending institutions located in Georgia.

Through the ESBD program, the OneGeorgia Authority will guarantee in the form of a certificate up to \$112,500 of a \$250,000 loan. The program is expected to be rolled out over the next several weeks. This new program is in response to Governor Perdue's Executive Order dated February 5, 2004, establishing the Georgia Entrepreneur and Small Business Coordinating Network and charging the OneGeorgia Authority with seeking innovative ways to spur and support entrepreneurial enterprises in Georgia's rural communities.

The \$13.6 million in funds distributed today will create jobs, stimulate new private investment, support the retention of existing jobs and enhance regional competitiveness through capacity building projects. Each project along with its respective local leadership were recognized at the board meeting.

The Equity awards are designed to assist communities and regions build 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 are aimed at being responsive to the needs of the rural, economically depressed counties it serves by accepting applications at any time.

Three Equity awards totaling \$1,262,671 included two grants of \$987,671 and one loan of \$250,000. These awards include:

Development Authority of Richmond County/Partridge Inn

Equity loan funds will be used to assist with building improvements for the renovation of a historic hotel known as the Partridge Inn located on Walton Way in Augusta. Walton Holdings, LLC, will purchase and renovate the hotel that was built in 1861. The renovated hotel will house two restaurants, a wide array of meeting space and 132 guest rooms. The project will enhance the size and quality of many of the small and poorly configured rooms and provide a boost to the 13-county Central Savannah River Area's tourism efforts.

- Equity Loan Award: \$275,000
- Total Project Cost: \$13,626,000 (Private Investment = \$10,901,000)
- Date of Award: 6/15/05
- 53 new jobs within five years

Webster County/Tolleson Lumber Company, Inc.

Equity grant funds will be used to assist with the expansion of Tolleson Lumber Company, Inc. located in the eastern part of Webster County . Tolleson Lumber is the County's largest employer and has been family-owned and operated since 1947. Tolleson's facility is known as Preston Mill. Specifically, Equity funds would be used for road improvements and the construction of a new rail spur to accommodate this privately-held company's expansion. The project will enhance the Company's profitability and allow it to better challenge foreign competition. Ninety five percent of Tolleson's current workforce reside in seven rural Georgia counties.

- Equity Grant Award: \$487,671
- Total Project Cost: \$11,304,049 (Private Investment = \$9,700,000)
- Date of Award: 6/15/05
- Retain 115 jobs and create 85 new jobs (total jobs = 200)

Liberty County Development Authority/Airport Terminal

Equity grant funds will be used to construct a 7,200 square-foot airport terminal at the new MidCoast Regional Airport located at Wright Army Airfield. The existing Liberty County Airport is not adequate to service the needs of most of today's corporate aircraft. In addition, a 6,300 square-foot operations building will be constructed as part of the new terminal complex. This space will be leased by the Army Corp of Engineers. An important part of this project includes an innovative and mutually beneficial joint use agreement between the Army and Liberty County . This agreement allows the project to take place on federal property and ensures local control of the airport. Liberty County is currently marketing its 6,000-acre MidCoast Business Center, the largest municipally-owned industrial park on the East coast. The economic impact on this region could be as much as \$600 million over the next several years.

- Equity Grant Award: \$500,000
- Total Project Cost: \$2,795,491 (Other Public Investment = \$2,295,491)
- Date of Award: 6/15/05
- 9 new jobs

Governor Perdue recognized the eleven recipients of EDGE awards made since the last OneGeorgia Authority Board meeting in January 2005 totaling \$12,376,000. 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.

Governor Perdue extended a warm welcome to these companies, acknowledging their diversity, "We are extremely proud to welcome each of these fine companies to Georgia . It is crucial that we continue to grow and diversify our economy, attracting large, medium and small-sized companies in a variety of sectors to join our already successful business family."

The companies and awards recognized today include:

Liberty County Industrial Development Authority/Target Corporation

The EDGE funds will be used to assist with land acquisition, site preparation, road construction, sanitary sewer and storm water improvements for the location of a distribution center for Target Corporation, a Minnesota based general merchandise retailer, within Liberty Ridge at MidCoast Business Center-Phase I. This distribution center will utilize 155 acres of the 1,800 Liberty Ridge section. The "mega park" consists of 6,728.8 acres. This will be Target's second distribution center in Georgia as the first is located in Tifton. The Center will serve stores within the southeastern United States , specifically the markets of Georgia , South Carolina and Florida .

- EDGE Award: \$3,000,000
- Total Project Cost: \$94,785,000 (Private Investment = \$86,785,000)
- Date of Award: 1/31/05
- 496 new jobs within two years
- Interstate competition: Florida

Gordon County Development Authority/Mohawk Home

The EDGE funds will be used to assist with site preparation to locate a manufacturing facility. The Authority has applied on behalf of Mohawk Home, a division of Mohawk Industries. The company is a

leading manufacturer of woven and tufted broadloom carpet, rugs and ceramic tile. This project involves the consolidation of redundant facilities within two different major Company divisions, Home Products and Hard Surfaces Products, as well as an expansion of the Home Products Division. Specifically, Mohawk will consolidate and relocate twelve different distribution facilities for the Home Products division (ten of which are currently located in Calhoun; the other two are located in Dalton and Sugar Valley) into one new 700,000-square-foot manufacturing facility in Calhoun.

- EDGE Award: \$760,000
- Total Project Cost: \$35,880,474 (Private Investment = \$33,906,208)
- Date of Award: 2/15/05
- Retain 532 jobs and create 130 new jobs over five years (total jobs = 662)
- Interstate competition: South Carolina

Wayne County Development Authority/Great Southern Wood Preserving, Inc.

The EDGE funds will be used to partially fund water and street improvements to assist with the expansion of Great Southern Wood Preserving, Inc., into Wayne County . This Company is the nation's second largest manufacturer of pressure-treated lumber that currently has facilities in Georgia , Alabama , Florida , Mississippi and Texas . The Company's pressure-treated pine products for decks, fences, and landscaping projects are marketed under the YellaWood brand. This expansion will include multiple structures situated on approximately 60 acres on Sunset Boulevard.

- EDGE Award: \$130,000
- Total Project Cost: \$8,684,533 (Private Investment = \$7,725,000)
- Date of Award: 3/28/05
- Retain 69 jobs and create 20 new jobs within two years (total jobs = 89)
- Interstate competition: South Carolina and Florida

Bryan County-Pembroke Development Authority/ORAFOL USA, Inc.

The EDGE funds will be used to fund land acquisition costs to assist with the location of ORAFOL USA into Bryan County . ORAFOL will manufacture PVC film for a wide range of advertising, inscribing and marketing applications. Its parent company, ORAFOL Klebetechnik GmbH, is a privately-held, German based (outside of Berlin) manufacturer and producer of self-adhesive graphic products and adhesive tape systems. The Company will construct a 196,000 square-foot facility and install machinery and equipment. The new manufacturing facility will be situated on a 32.4-acre site in the Interstate Centre Industrial Park in North Bryan County .

- EDGE Award: \$486,000
- Total Project Cost: \$42,410,946 (Private Investment = \$41,676,000)
- Date of Award: 4/05/05
- 50 new jobs within two years

- Interstate competition: South Carolina

Development Authority of Columbus, Georgia/Heckler & Koch Defense, Inc.

The EDGE funds will be used to partially fund site preparation costs to assist with the location of Heckler & Koch Defense, Inc. (H&K), a weapons manufacturer, into Muscogee County . The new manufacturing facility will consist of 100,000 to 150,000 square-feet situated on approximately 40 acres in the Muscogee Technology Park . The facility will be expandable to 200,000 square feet and will also include a test firing range as well as office space for the company's United States corporate headquarters. H&K manufactures weapons for the military, law enforcement and the sporting goods markets. The Company is a leading manufacturer of assault rifles for the US Special Operations Forces. In addition, H&K manufactures the ammunition that goes into its weapons and produces other accessories as well. This facility will manufacture small firearms for the military, law enforcement and private users.

- EDGE Award: \$300,000
- Total Project Cost: \$32,000,000 (Private Investment = \$25,000,000)
- Date of Award: 4/05/05
- 200 new jobs within two years
- Interstate competition: Virginia , Texas , Florida

Houston County Development Authority/Perdue Farms Incorporated

The EDGE funds will be used to partially fund capital improvements to an existing chicken processing facility in Houston County to be acquired and expanded by Perdue Farms, a leading international food and agriculture business. This facility was formally occupied by Cagle's and is located east of Perry on the Georgia 247 Spur. Perdue Farms currently has operations in several other southeastern states, including Alabama , Florida , Kentucky , North Carolina , South Carolina , Tennessee , Virginia , and West Virginia , but the Perry plant is Perdue's first operation in Georgia . Perdue currently processes 350,000 birds per week for Chick-Fil-A at this location, and plans to expand by adding several product lines, including the processing of an additional 450,000 birds per week for tray-pack products for Wal-Mart's and Sam's.

- EDGE Award: \$3,000,000
- Total Project Cost: \$54,000,000 (Private Investment = \$51,000,000)
- Date of Award: 4/21/05
- Retain 1,150 jobs and create 700 new jobs within two years (total jobs = 1,850)
- Interstate competition: Kentucky and North Carolina

Macon-Bibb County Industrial Authority/Bass Pro Shops, Inc.

The EDGE funds will be used to assist with the location of a new 500,000 square-foot distribution center in Bibb County on behalf of Bass Pro Shops, Inc. The facility will be situated on a 60-acre site adjacent to Interstate 75 on Bass Road . This facility will be the Company's first regional distribution center and will serve stores in North Carolina , South Carolina , Florida , Alabama , Tennessee and Georgia . In addition, Bass Pro will construct a 120,000 square-foot retail store on the site. A unique feature about this project includes a common wall that will be shared by the distribution center and retail store. This wall will contain windows that will allow visitors to watch the operation of an automated merchandising distribution center. Bass Pro will be the anchor tenant for a 207-acre development by Fickling & Company, Inc., that will feature 500,000 square feet of upscale retailers, restaurants and hotels.

- EDGE Award: \$1,500,000
- Total Project Cost: \$53,160,498 (Private Investment = \$43,030,250)
- Date of Award: 4/20/05
- 270 new jobs initially (120-distribution center; 150-retail) growing to 400 within five years

- Interstate competition: South Carolina

Southeast Georgia Regional Development Authority/Contender Boats, Inc.

The EDGE funds will be used to assist with building purchase and modifications to an existing 135,000 square-foot building in Appling County on behalf of Contender Boats, Inc. Contender Boats is engaged in the production and sale of high performance, semi-custom sport fishing boats. Currently there are seven basic hull models ranging in length from 21 to 36 feet. This facility is located on 25.59 acres in the West Appling County Industrial Park . An additional 15 acres located adjacent to the project site will be purchased by the Authority for the Company's future expansion plans.

- EDGE Award: \$2,000,000
- Total Project Cost: \$12,840,556 (Private Investment = \$10,685,556)
- Date of Award: 4/22/05
- 234 new full-time jobs within one year and increasing to 424 in five years
- Interstate competition: South Carolina

Fitzgerald/Ben Hill County Development Authority/American Blanching Co.

The EDGE funds will be used to construct a 22,500 square-foot expansion of American Blanching Company's (ABC) existing peanut processing facility in Ben Hill County . This facility is located on .73 acres outside the City of Fitzgerald . The Company began with expansion plans in 2000, and is now moving ahead with Phase II of its expansion plans through a partnership with Unilever Bestfoods (Unilever). ABC and Unilever have entered into an exclusive Manufacturing Agreement for Unilever's peanut butter processing lines that are being relocated from Canada and Arkansas to Fitzgerald. ABC is engaged in the production and sale of blanched and roasted peanuts and the manufacturing of peanut butter. The Company blanches and processes over one million pounds of peanuts annually. Over 95% of the peanuts that it processes come from South Georgia peanut growers.

- EDGE Award: \$500,000
- Total Project Cost: \$3,170,000 (Private Investment = \$2,170,000)
- Date of Award: 5/03/05
- 100 new jobs within two years
- Interstate competition: Arkansas and Canada

Athens-Clarke County Industrial Development Authority/Oliver Rubber Co.

The EDGE funds will be used to assist with the purchase of machinery and equipment necessary for the expansion of Oliver Rubber Company's (ORC) 120,000 square-foot facility in Athens . ORC is a division of Cooper Tire & Rubber Company, a large manufacturer of replacement tires and original equipment automotive components that was founded in 1914. The company is the fourth largest tire manufacturer in North America and is based in Findlay , Ohio . The Athens facility currently produces pre-cured tread, mold cure die sized treads, bonding gum and custom mixes for truck tires. Oliver Rubber has an opportunity to produce a new high margin product, racing tires. The Company will retrofit its operations and transition its product lines from pre-cured tire tread to a finished tire used in automotive and motorcycle competitions throughout the United States .

- EDGE Award: \$200,000
- Total Project Cost: \$13,983,000 (Private Investment = \$12,800,000)
- Date of Award: 5/23/05
- Retain 130 jobs and create 30 new jobs within two years (total jobs = 160)
- Interstate competition: Mississippi

Thomasville Payroll Development Authority/American Fresh Foods, LP

The EDGE funds will be used to assist with the construction of a 75,000 square-foot processing facility on behalf of American Fresh Foods, LP, a joint venture between American Food Service Corporation and Fairbank Farms. This facility will be situated on a 14-acre site on Thomasville West-Bypass Highway . The Company will produce case ready and other fresh ground beef products for the retail grocery and food service markets in the southeastern United States .

- EDGE Award: \$500,000
- Total Project Cost: \$12,775,000 (Private Investment = \$11,750,000)
- Date of Award: 5/23/05
- 100 new jobs within three years
- Interstate competition: Florida

The OneGeorgia Authority was created utilizing 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.

Since the authority was created in October 2000, over \$136.7 million has been awarded in grants and loans. The se projects support the creation and/or retention of 26,647 jobs in 108 of Georgia 's most economically depressed counties For additional information, please refer to the authority's website: www.onegeorgia.org .

#