OPEN & PUBLIC MEETINGS: *GA Code § 50-14-1 (2024)*
"Meeting" shall not include:
B(ii) The gathering of a quorum of the members of a governing body or committee for the purpose of attending **state-wide, multijurisdictional, or regional meetings to participate in seminars or courses of training on matters related to the purpose of the agency or to receive or discuss information on matters related to the purpose of the agency at which no official action is to be taken by the members**;

BOARD MEMBERS PRESENT (IN PERSON): Chairman Mike Newberry, Vice Chairman William Davis, Secretary-Treasurer Steve Singletary, Dee Grist, Eric Harris and Sam Hattaway.

BOARD MEMBER PRESENT (VIRTUAL ZOOM): Dr. Shanice Richardson

OTHERS PRESENT: Charlie Sol and Susanne Reynolds (Director)

TRAINING PROVIDER/HOST: The Center for Economic Development Research (CEDR) - Georgia Tech

SPEAKERS/INSTRUCTORS: Seyfarth Shaw LLP (Dan Mcrae) & The Enterprise Innovation Institute at Georgia Tech (Allen)

REQUIREMENT: *Designed to meet GA Code § 36-62A-21(b). Development Authority Board Members will obtain their certificates for the authority's records and AARF reporting with the Department of Community Affairs (DCA).*

TRAINING HOURS/CONTINUING EDUCATION: 2 hours

SUMMARY: **Board Boost- Development Authority 2-Hour Supplemental**

Session Topics:
- Measuring & Understanding the Local Impact of Data Centers
- Recent Developments in Economic Development Law

Learning Objectives:
- Recent Developments in Economic Development Law (1 hr) - New legislation, case law, and incentive program updates that affect Development Authorities.
- Measuring & Understanding the Local Impact of Data Centers (1 hr) - Fiscal impacts, jobs, infrastructure considerations, and community communications.

On Tuesday, June 16, 2026, the Development Authority of Early County Board of Directors participated in state-required/approved development authority board member training. Below are summaries of each training presentation.

Summary: *Data Centers and the Fiscal Impact on Your Community*

Prepared by the Georgia Tech Center for Economic Development Research (June 16, 2026)

This presentation explains how modern data centers function, what is driving their rapid expansion, and why they often have a significant positive fiscal impact on local governments when appropriately planned and regulated. It also addresses many of the common misconceptions surrounding data center development.

The Growth of Data Centers

Demand for data centers is being fueled by two major trends:

- Continued expansion of cloud computing.
- Explosive growth of artificial intelligence (AI) and large language models such as ChatGPT, Gemini, Copilot, and Grok.

Since the introduction of ChatGPT in 2022, AI infrastructure has become one of the primary drivers of capital investment in the United States, resulting in unprecedented growth in electricity demand and new data center construction. The presentation notes that the United States leads the world in the number of data centers, with Georgia becoming one of the nation's fastest-growing markets.

Types of Data Centers

The presentation distinguishes four primary categories:

- **Enterprise** – Privately owned and operated for one company.
- **Colocation** – Companies lease secure space while providing their own servers.
- **Hyperscale** – Massive facilities operated by companies such as Amazon, Google, Microsoft, Meta, Oracle, and others.
- **Edge** – Smaller facilities positioned close to users for low-latency applications and real-time processing.

It also explains industry reliability standards (Tier I through Tier IV), with Tier IV facilities providing approximately 99.995% uptime through complete redundancy and fault tolerance.

Challenges Facing the Industry

Although demand is strong, several structural challenges remain:

- Rapidly increasing electrical demand
- Long development and utility planning timelines
- High capital costs associated with AI infrastructure
- Uncertainty regarding long-term AI investment returns
- Community concerns regarding water, noise, and land use

Addressing Common Community Concerns

Electricity Rates

One of the most significant myths addressed is that data centers raise residential electric bills.

The presentation explains that in Georgia, data centers requiring approximately **100 MW or more** must pay the full cost of any new generation, transmission, and infrastructure necessary to serve them. Those infrastructure costs are not shifted onto residential customers.

Water Usage

Historically, data centers consumed significant amounts of water.

However, modern facilities increasingly use:

- Closed-loop cooling systems
- Direct-to-chip cooling
- Indirect evaporative cooling

These technologies can reduce freshwater withdrawals by **50% to 90%** compared to older cooling systems.

Noise

The presentation notes that noise depends largely on facility design.While cryptocurrency mining operations may generate considerable noise, modern enterprise and hyperscale data centers using liquid cooling, soundproofing, and acoustic barriers can operate with minimal external noise. It recommends local governments adopt setbacks, landscaping, and design standards to mitigate impacts.

Fiscal Impact vs. Economic Impact

A central message is that **economic impact** and **fiscal impact** are not the same.

Economic Impact measures:

- Jobs
- Income
- Local spending

These are almost always positive.

Fiscal Impact measures:

- Property tax revenue
- Sales tax revenue
- Fees

compared against

- Public services
- Education
- Public safety
- Infrastructure
- Incentives

Fiscal impacts can be either positive or negative depending upon the type of development and local government characteristics.

Why Data Centers Produce Strong Fiscal Results

According to the presentation, data centers often generate unusually favorable fiscal outcomes because they combine:

Very High Revenues

- Significant real property investment
- Even larger personal property investment
- Continuous replacement of high-value equipment approximately every four years
- Sales taxes on electricity (where applicable)
- Franchise fees and related revenues

Relatively Low Public Costs

Compared to many other forms of development, data centers typically create:

- Relatively few employees (although wages are high)
- Few new households requiring local services
- Minimal additional school enrollment
- Lower demand for county services than residential growth

Because revenues substantially exceed service costs, the presentation concludes that **data centers generally produce a very large positive fiscal impact for local governments.**

Recommendations for Communities

The presentation encourages communities to prepare proactively by:

- Being transparent throughout the development process
- Providing accurate public information
- Separating myths from facts
- Explaining the fiscal benefits of projects
- Conducting stakeholder roundtables
- Adopting clear zoning and development standards addressing:
    - Appropriate locations
    - Noise mitigation
    - Water management
    - Design standards
    - Community compatibility

Overall Takeaway

The Georgia Tech Center for Economic Development Research concludes that **modern data centers can be among the most fiscally beneficial forms of commercial and industrial development for local governments** when communities establish thoughtful land-use regulations and negotiate appropriate infrastructure and tax agreements. Because these facilities involve billions of dollars in taxable investment while generating relatively low demands on public services, they often produce a strong positive fiscal balance. At the same time, communities are encouraged to address legitimate concerns through well-crafted zoning ordinances, design standards, setbacks, and public engagement rather than relying on misconceptions about electricity, water use, or noise.

Summary of training will be posted at www.developearly.com/meetings.

Summary: C-PACE (Commercial Property Assessed Clean Energy)

Prepared by Daniel M. McRae, Seyfarth Shaw LLP (January 2026)

This presentation explains Georgia's new **Commercial Property Assessed Clean Energy and Resiliency (C-PACE)** program, enacted through **House Bill 206 (2024)**. It outlines how development authorities can use this financing tool to help commercial, industrial, multifamily, office, retail, and hotel developments fund energy-efficient, water conservation, and resiliency improvements.

What is C-PACE?

C-PACE is **not a grant or tax incentive**. Instead, it is a long-term financing mechanism that allows qualifying property improvements to be repaid through a **special assessment** collected with property taxes. Eligible improvements include:

- Energy efficiency upgrades
- Water conservation systems
- Renewable energy improvements
- Building resiliency improvements
- Certain environmental and sustainability features

The law authorizes **development authorities** to administer these programs for commercial, industrial, and multifamily properties.

Why Developers Like C-PACE

The presentation explains that developers often struggle to finance the final portion of a project—the "last dollar," which is typically the most expensive capital to obtain.

C-PACE can replace part of higher-cost financing, such as mezzanine debt, with lower-cost, long-term assessment financing.

Illustrative examples show financing shifting from:

- 70% senior debt
- 15% mezzanine debt
- 15% equity

to:

- 60% senior debt

- 20% C-PACE financing
- 5% mezzanine debt
- 15% equity

This lowers financing costs while allowing projects to move forward that otherwise might not be feasible.

Potential Amount of Project Costs Eligible

The presentation estimates (for discussion purposes only) that significant portions of construction costs could qualify for C-PACE financing.

Illustrative examples include:

Building Type	Potential C-PACE Eligible Costs
Multifamily	55%
Industrial	45%
Retail	55%
Hotels	65%
Office	75%

The presentation emphasizes these percentages are **theoretical examples and not verified**.

Summary of training will be posted at www.developearly.com/meetings.

How the Program Works

The Georgia C-PACE program follows four phases.

Phase 1 – Program Establishment

A city or county must adopt a resolution or ordinance authorizing participation.

The local government then:

- Grants authority to administer the program
- Enters into an Intergovernmental Assessment Agreement
- Allows assessments to be collected
- Works with the development authority to establish the program

Importantly, a development authority can begin preparing its program before the local government formally participates.

Phase 2 – Program Creation

The development authority:

- Formally establishes the C-PACE program
- Appoints a Program Administrator
- Develops a Program Guidebook
- Creates application forms
- Establishes engineering and qualification standards

The guidebook also identifies qualified professionals who may certify projects.

Phase 3 – Financing

The Authority issues:

- Revenue bonds or notes
- Capital is provided by private lenders
- Repayment comes solely from assessment payments

The bonds:

- Are approved by board resolution
- Are validated under Georgia Revenue Bond Law
- Do **not** pledge the taxing power of the authority or local government.

Phase 4 – Collection and Repayment

After financing closes:

- The assessment is recorded against the property.
- The lien has the same priority as property taxes.
- It stays with the property if ownership changes.
- Annual installments are collected with ad valorem taxes.
- The tax collector remits the assessment proceeds (less administrative fees) to the development authority for debt service.
- Delinquencies are enforced using the same procedures as unpaid property taxes.

The Role of the Development Authority

The presentation makes clear that development authorities are central to the program. Their responsibilities include:

- Establishing the program
- Selecting a Program Administrator
- Reviewing applications
- Issuing bonds or notes
- Managing financing
- Receiving assessment proceeds
- Overseeing repayment

A private third-party administrator may also be hired to manage day-to-day operations.

Important Legal Notes

The presentation highlights several legal provisions:

- The repayment obligation is tied to the **property**, not the owner.
- The C-PACE lien is recorded in local land records.
- The lien has tax-lien priority.
- Existing mortgage lenders must generally consent before financing is approved.
- Property owners may recommend financing providers, but authorities cannot grant exclusive rights to any lender.

Downtown Development Authorities (DDAs)

One important clarification is that although House Bill 206 amended portions of Georgia's Downtown Development Authorities Law, **Downtown Development Authorities themselves do not have authority to operate C-PACE programs**. Instead, C-PACE programs must be administered through development authorities operating under the Georgia Development Authorities Law.

Required Program Documents

The presentation outlines the major legal documents needed to administer a C-PACE program, including:

- Assessment Agreement
- City or County Resolution
- Master Draw-Down Bond
- Series C-PACE Bonds or Notes
- Intergovernmental Assessment Agreement
- Lienholder Consent
- Program Guidebook and application materials

Key Takeaways

The C-PACE presentation represents a valuable **economic development financing tool** rather than a tax incentive. It could:

- Help attract industrial, commercial, multifamily, hospitality, and office developments by reducing financing costs.
- Complement existing incentive programs such as PILOT agreements without replacing them.
- Require participation by the Early County Board of Commissioners (and potentially municipalities) through resolutions and intergovernmental agreements.
- Position the Development Authority of Early County as the program administrator, allowing it to facilitate private investment in energy-efficient and resilient buildings while using private capital rather than public funds.
- Potentially enhance the competitiveness of projects such as manufacturing facilities, industrial expansions, hotels, mixed-use developments, and even certain aspects of data center construction where qualifying improvements meet C-PACE eligibility requirements.

Summary of training will be posted at www.developearly.com/meetings.

Overall, the presentation portrays C-PACE as a significant new financing mechanism that Georgia development authorities can use to make commercial projects more financially feasible while encouraging long-term investments in energy efficiency, water conservation, and resilient infrastructure.

Summary: Georgia C-PACE (Commercial Property Assessed Clean Energy) Program

The presentation explains Georgia's new **C-PACE** financing program, authorized by **House Bill 206 (2024)**, and how it creates a new economic development financing tool for commercial and industrial projects. Rather than providing grants or tax abatements, C-PACE allows eligible improvements to be financed through a long-term assessment repaid with property taxes.

Purpose of C-PACE

The primary goal of C-PACE is to make commercial development more financially feasible by financing improvements such as:

- Energy efficiency upgrades
- Water conservation measures
- Renewable energy systems
- Building resiliency improvements

Eligible properties include commercial, industrial, and multifamily developments.

Why Developers Value It

The presentation emphasizes that developers often struggle to finance the final portion of a project's capital stack—the "last dollar," which is typically the most expensive financing. C-PACE replaces a portion of costly mezzanine financing with lower-cost, long-term assessment financing, improving project feasibility without increasing public expenditures.

Role of Development Authorities

Georgia development authorities serve as the central administrators of C-PACE programs by:

- Establishing the local program
- Reviewing applications
- Issuing bonds or notes
- Overseeing assessments
- Managing repayment

Authorities may also appoint a third-party **Program Administrator** to handle daily operations, application processing, and compliance with the program guidebook.

How Financing Works

After approval:

- Private capital provides the financing.
- The development authority issues bonds or notes.
- Repayment occurs through a special assessment on the property.
- The assessment runs with the property rather than the owner.
- The lien has the same priority as property tax assessments and is collected with annual property taxes.

Important Legal Clarification

One of the most significant points in the presentation is that **Downtown Development Authorities (DDAs) currently cannot administer C-PACE programs**. Although House Bill 206 amended portions of the Downtown Development Authorities Law, it did not expressly include DDAs within the entities authorized to operate C-PACE programs. Instead, the authority rests with development authorities organized under Georgia's Development Authorities Law. The presentation suggests that future legislation could correct this omission.

Financing Considerations

The presentation discusses several issues lenders and developers should evaluate:

- The assessment lien cannot be accelerated upon foreclosure.
- C-PACE is intended to complement—not replace—traditional senior financing.
- Potential future securitization of C-PACE assessments could improve liquidity for lenders but may introduce additional legal and financial complexity.

Key Takeaways:

C-PACE offers an opportunity to add another financing tool that complements existing incentives such as PILOT agreements. By establishing a local C-PACE program, the Authority could help attract manufacturing, industrial, hospitality, office, multifamily, and potentially qualifying portions of data center developments by lowering financing costs for eligible energy-efficient and resilient infrastructure improvements. Importantly, the program relies on **private capital rather than public tax dollars**, making it an attractive economic development resource while encouraging sustainable investment.

Summary of training will be posted at www.developearly.com/meetings.

Summary: *Recent Developments in Economic Development Law – Case Law*

Prepared by Daniel M. McRae, Seyfarth Shaw LLP (January 2026)

This presentation reviews several recent Georgia court decisions that significantly affect economic development authorities, local governments, redevelopment projects, and incentive programs. The emphasis is on how these rulings affect property tax incentives (PILOTs), redevelopment authorities, zoning, and local governance.

1. Rivian Decision (Joint Development Authority of Jasper County v. McKenzie)

Georgia Court of Appeals (2023)

The Rivian case is one of the most important recent decisions affecting development authorities because it reaffirmed the legality of traditional bond-for-title incentive structures using **usufructs** and **bailments**.

Key Holdings

The Court held that:

- The Joint Development Authority proved the project was sound, feasible, and reasonable.
- Citizens challenging the project failed to rebut that showing.
- Courts cannot deny bond validation simply because a project is exempt from public audits.
- The project promoted public welfare.
- The personal property arrangement was **not** a taxable bailment for hire.
- The real estate lease created a valid **usufruct**, preserving the tax-exempt lease structure.

Why This Matters

The presentation explains that development authorities generally use two methods to provide property tax incentives:

- **Leasehold valuation**
- **Usufruct/Bailment**

If a project qualifies as a **usufruct**, payments to local governments are treated as **Payments In Lieu of Taxes (PILOTs)** instead of normal property taxes.

Practical Benefits for Development Authorities

The Rivian decision provides additional flexibility by allowing authorities to:

- Structure incentive agreements with **100% abatements** where leasehold valuation may not work.
- Offer incentives to only part of a multi-tenant building.
- Incentivize expansions while excluding existing facilities.
- Route PILOT payments through the authority rather than the tax commissioner (subject to the Georgia PILOT Restriction Act).
- Reduce reliance on county tax assessors during incentive administration.

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2. Gateway Pines Decision

Georgia Supreme Court (2025)

This case concerns **Low-Income Housing Tax Credits (LIHTC)** and how tax assessors determine fair market value for affordable housing projects.

Court's Decision

The Supreme Court clarified that tax assessors may continue using the **income approach** to valuation, but Section 42 tax credits can only be treated as income when they actually generate income under Georgia law.

Why It Matters

The presentation notes that higher assessed values may increase property taxes for affordable housing developments. As a result:

- Developers may request larger local incentives.
- Communities could have fewer incentive dollars available for other economic development projects.

An accompanying infographic explains how LIHTC projects are financed through equity investors, tax credits, debt, and partnership structures.

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3. Camden County & McIntosh County Decisions

These cases expand the role of citizen referendums in local government.

Camden County v. Sweatt (2023)

The Georgia Supreme Court held that voters may repeal county ordinances through referendum, as demonstrated by the Spaceport Camden project.

Bailey v. McIntosh County (2025)

The presentation notes this decision extends referendum authority to include **county zoning ordinances**, giving citizens greater ability to challenge local land-use decisions.

Implication: Counties should carefully follow statutory procedures when adopting zoning ordinances because adopted ordinances may now be subject to referendum.

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4. Cairo Downtown Development Authority Case

The presentation summarizes a 2025 Grady County Superior Court case involving the **Cairo Downtown Development Authority (DDA)**.

Background

- The Cairo City Council removed several DDA board members.
- The DDA sued, alleging violations of Georgia's Open Meetings Act.

Court Ruling

The court ruled:

- The City improperly relied on executive sessions.
- The removals violated Georgia's Open Meetings Act.
- The board members were reinstated.

Key Takeaways for Economic Development Authorities

The presentation emphasizes several practical lessons for development authorities and local governments:

- **The Rivian decision strengthens the legal foundation for usufruct/bailment bond transactions**, preserving flexibility in structuring PILOT agreements and property tax incentives.

- **Proper incentive structure matters.** Leasehold valuation and usufructs have different legal requirements, and authorities should choose the structure that best fits the project.
- **Affordable housing valuations may affect local incentive policies**, as increased tax burdens could shift more financing responsibility to local governments.
- **Citizen referendum powers continue expanding**, particularly regarding zoning decisions, requiring counties to be diligent in following statutory procedures.
- **Open Meetings Act compliance is critical**, especially when appointing or removing members of development authorities or downtown development authorities.

UPCOMING TRAINING INFORMATION

DEVELOPMENT AUTHORITY BOARD MEMBER TRAINING - 8 HOUR (VIRTUAL- ZOOM) - **SIDEBAR: DEVELOPMENT AUTHORITY AND DOWNTOWN DEVELOPMENT AUTHORITY BOARD MEMBER TRAINING**

- **Wednesday, June 25, 2026: 8:00 am - 12:30 pm and Thursday, June 26, 2026: 8:00 am - 12:30 pm**
- LOCATION: Chamber-Development Authority Building, 214 Court Square, Blakely, GA 39823 - Board Room (Second Floor).
- *Designed to meet GA Code § 36-62A-21(b). Development Authority Board Members can obtain their certificates for the authority's records and AARF reporting with the Department of Community Affairs (DCA).*

- Hosted by The Center for Economic Development Research (CEDR) - Georgia Tech
- Sponsored by Seyfarth Shaw LLP & The Enterprise Innovation Institute at Georgia Tech
- Website: https://cedr.gatech.edu/georgia-development-authority-board-training

Summary of training will be posted at www.developearly.com/meetings.