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**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF
THE GOLDEN L.E.A.F. (Long-term Economic Advancement Foundation), INC.**

The special meeting of the Board of Directors of The Golden L.E.A.F. (Long-term Economic Advancement Foundation), Inc. (the “Foundation”), was noticed for and convened on February 28, 2025, and held exclusively by videoconference. The notice of the meeting informed recipients that members of the public could listen to the meeting at the Foundation’s office at 301 N. Winstead Ave., Rocky Mount, NC. Board members participating in the meeting were Lawrence Davenport, Barry Dodson, Michael Easley, Jr., Don Flow, Buddy Keller, Laurence Lilley, Brian Raynor, Bobbie Richardson, David Rose, Ralph Strayhorn, and Tom Taft. Also present were Scott T. Hamilton, President, Chief Executive Officer of the Foundation; Ted Lord, Senior Vice President/ General Counsel of the Foundation; Kasey Ginsberg, Vice President/Chief of Staff of the Foundation; Erica Smith, Vice President of Finance of the Foundation; J.P. Boyd, Vice President of Investments of the Foundation; Marilyn Chism, Director of Programs of the Foundation; Angela Gailliard, Director of Programs of the Foundation; Jenny Tinklepaugh, Communications and External Affairs Manager of the Foundation; Brynn Fann, Program Officer and AV/Tech Coordinator of the Foundation; and Byron Kirkland and James Wrenn, legal counsel to the Foundation.

Mr. Kirkland called the roll of Board members.

Mr. Strayhorn called the meeting to order, declared a quorum to be present, and identified Ms. Tinklepaugh as secretary of the meeting.

Mr. Strayhorn asked if there were any disclosures conflicts of interest related to items on the agenda. None were made.

Mr. Strayhorn informed members of the Board that Board actions would be made by reference to the recommendations sheet distributed prior to the meeting, and which was available to view during the meeting. The recommendations sheet is included as Attachment A to these minutes.

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Mr. Strayhorn led a discussion regarding legislative engagement. Mr. Strayhorn discussed the history of the Foundation and the importance to grow the corpus to maintain its ability to meet its mission. Board members discussed the process for engaging with key legislators, including coordinating contacts by Board members. They discussed key issues and opportunities, including the need to address inflation of project costs, the potential to help with long-term needs resulting from Hurricane Helene, the perpetual nature of the Foundation, and the ability to respond to potential increases in domestic manufacturing arising from new federal policies, all more efficiently than any state entity. Mr. Hamilton said that staff would work with Board leadership to develop talking points arising from the discussion and a process for contacting legislators.

Following the discussion, Mr. Strayhorn asked Mr. Lord to give a history of the MSA payments to the Foundation. Mr. Lord provided the following information:

- Beginning in 1999, Golden LEAF received 50% of the State's annual MSA payment. Funds were transferred directly to the Foundation from the MSA auditors, never going through the State.
- In legislation passed in 2011, the State intercepted \$17.6 million of Golden LEAF's anticipated MSA payments for FY2012 and FY2013 and directed that Golden LEAF's portion of funds deposited in North Carolina's Disputed Payment Account (an account established as part of the MSA) be transferred to the General Fund. (As of June 30, 2011, the Foundation's net assets were approximately \$700 million.)
- In 2013, the State changed the statute governing payment of funds from the MSA, directing that all MSA payments be credited to the State's Settlement Reserve Fund. This legislation removed the language allocating a 50% share of the MSA payments to Golden LEAF, eliminating Golden LEAF's annual payment

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- In 2015, the State modified the statute regarding MSA payments and added an annual appropriation to Golden LEAF of \$10 million from the Settlement Reserve Fund (received beginning in FY2016).
- In 2017, the State increased the annual appropriation to Golden LEAF to \$17.5 million (received beginning in FY 2018).
- In 2023, the State increased the annual appropriation to Golden LEAF to \$25 million (received beginning in FY 2024).

Mr. Strayhorn then asked Mr. Lord to present information regarding rural housing funding through the Open Grants Program. Mr. Lord presented that staff proposes to make guidelines available on the website to invite applications from governmental entities and 501(c)(3) nonprofits through the Open Grants Program to fund infrastructure necessary to support projects with workforce housing outcomes. In this context, infrastructure includes water, sewer, stormwater, sidewalks, roads, and other infrastructure necessary for development. He added that funds would only be used to support the development of projects owned by nonprofit developers or local governmental entities and would focus on workforce affordability. There would be an outcome added to the Job Creation and Economic Investment priority area that would include the “number of housing units.”

After discussion, a motion was made to take the action on Attachment A regarding establishing funding for rural housing, which is item number 1. The motion was seconded and carried with Mr. Easley voting, “no.”

Mr. Strayhorn asked Ms. Gailliard to present proposed modifications to the SITE Program. Ms. Gailliard explained the overview of the changes. She said that the five-year option required in the Due Diligence phase was challenging for some applicants to meet, and that staff recommended changing that requirement to three years. She also reported that staff recommended clarifying that while most SITE Due Diligence grants are not expected to exceed \$50,000, grants can be higher if needed, with a cap of \$200,000. Ms. Gailliard also reported that staff would also change the description of the eligible use of Golden LEAF funds for grading from “clearing and grading” to “final grading” to clarify what uses are

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allowable. Finally, staff would work to develop examples explaining potential creative or unusual uses of funds in the SITE Program.

A motion was made to take the action on Attachment A regarding SITE Program modifications, which is item number 2. The motion was seconded and carried.

Mr. Strayhorn asked Ms. Ginsberg to present information regarding the Hurricane Helene Relief Initiative. Ms. Ginsberg reported that the Foundation has received 36 applications totaling \$4,351,772. The Board has made 14 awards totaling \$3,057,654. Ms. Ginsberg reported that staff are engaged with efforts at the NC General Assembly and the Governor's recovery office to identify unmet needs and areas where Golden LEAF funds could leverage other funds.

Ms. Ginsberg reported that Baptists on Mission requested an additional \$1 million for a total award of \$2,000,000 and to expand the use of funds to include renovation and upfit of rebuild sites owned and staffing at the rebuild sites. A motion was made to take the action on Attachment A regarding the Hurricane Helene Relief Initiative modification request, which is item number 3. After discussion, a motion was made, seconded and carried.

Mr. Strayhorn asked Ms. Ginsberg to present information on the Flood Mitigation Program. Ms. Ginsberg reported that the N.C. General Assembly appropriated \$25 million to Golden LEAF for the Flood Mitigation Grant Program in 2021. The Board has made 75 awards totaling \$24,791,265.94. Ms. Ginsberg reported that many applications remained pending because of the possibility that Golden LEAF would receive additional funding for the program. No additional funds have been appropriated. She reported that staff recommended declining the 47 outstanding applications for the program, but that applicants would be able to re-apply should the Foundation receive additional flood mitigation funds in the future.

A motion was made to take the action reported on Attachment A regarding pending applications in the Flood Mitigation Grant Program, which is item number 4. The motion was seconded and carried.

Mr. Strayhorn asked Ms. Gailliard to present a modification request for the Shell Building Pilot Program. Ms. Gailliard reported that the Golden LEAF Board awarded \$1.4 million to Scotland County in

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the Shell Building Pilot Program. She reported that Scotland County expected to construct a 30,000-square-foot building expandable to 60,000 square feet. Ms. Gailliard reported that bids came in lower than anticipated, and Scotland County has requested that it be allowed to use Golden LEAF funds to construct a 45,000-square-foot building expandable to 60,000 square feet, add a canopy, prepare a wall for a loading dock, and extend water and sewer and a sprinkler feed line to the building.

A motion was made to take the action on Attachment A regarding the Shell Building Pilot Program modifications, which is item number 5. The motion was seconded and carried.

Mr. Strayhorn asked Mr. Hamilton and Mr. Lord to present items under Other Business. Mr. Hamilton and Mr. Lord gave updates on anticipated requests from Barton College and the UNC – Pembroke and received guidance from the Board regarding those projects.

With no further business before the Board, the meeting was adjourned.

Jenny Tinklepaugh, Secretary of the Meeting

Read and approved:

Ralph Strayhorn, Chair of the Board

Attachment A

February 28, 2025 Special Meeting Action Items

#	Action	Motion
1	Create Rural Workforce Housing Funding Opportunity	Approve adding housing units as a priority outcome in the Job Creation and Economic Investment priority area and implementing workforce housing funding through the Open Grants Program consistent with the guidelines presented to the Board of Directors.
2	Modifications to the SITE Program	Approve modifications to the SITE Program to reduce the length of the required period of public control for due diligence projects from five to three years and establish a cap on due diligence projects of \$200,000.
3	Modification for Baptist on Mission (Helene Relief Initiative)	Approve increase of \$1,000,000 and modify the purpose to clarify inclusion of renovation/upfit of rebuild sites owned by Baptist on Mission/Baptist State Convention and construct staffing at rebuild sites are eligible uses of funds.
4	Flood Mitigation Grant Program Declinations	Decline all remaining applications in the Flood Mitigation Grant Program.
5	Shell Building Pilot Program Modification for Scotland County	Approve use of funds for requested additional items other than extension of water and sewer lines and the sprinkler line.