City of Sandy Springs Development Authority Meeting was held at Sandy Springs City Hall, 7840 Roswell Road, Building 500, Sandy Springs, Georgia, 30350, on January 9, 2014, at 9:00 a.m.

City Attorney Wendell Willard stated the Development Authority does not have a Chairman and there are two more appointments required to the Board. Ralph Thurmond is resigning. The election of officers will be held at the next meeting. He suggested a temporary chair be elected to facilitate this meeting.

Motion and Vote: Dave Nickles nominated Gabriel Sterling as the Chair of this meeting. Carla Sweetwood seconded the motion. The motion carried unanimously.

Call to Order

Chairman Gabriel Sterling called the meeting to order at 9:05 a.m.

Board Members Present: Jennifer Steele, Carla Sweetwood, Gabriel Sterling, Jimmy Glenn, Dave Nickles, and Craig Johns.

Staff and Representatives Present: City Attorney Wendell Willard, City Clerk Michael Casey, Assistant City Clerk Kelly Bogner, and Staff Attorney Kathy Williams were present.

I. Reading and Approval of Minutes from Meeting held on May 21, 2013

Motion and Vote: Jennifer Steele moved to waive the reading and approve the May 21, 2013, Sandy Springs Development Authority minutes. Jimmy Glenn seconded the motion. The motion carried unanimously.

Staff Attorney Kathy Williams asked the Boardmembers to state their name whenever they speak to facilitate creation of the minutes.

II. Old Business

There was no old business.

III. NEW BUSINESS

A. ELECTION OF CHAIRPERSON AND VICE CHAIRPERSON

This item was postponed until the next Board meeting.

B. BUSINESS RELATING TO THE ISSUANCE OF DEVELOPMENT AUTHORITY REVENUE BONDS IN AN AMOUNT NOT TO EXCEED $15,300,000 TO REFINANCE INDEBTEDNESS RELATED TO CERTAIN EDUCATIONAL FACILITIES AND AUTHORIZING THE EXECUTION OF A LETTER OF INTENT AND INDUCEMENT AGREEMENT WITH THE WEBER SCHOOL – DORIS AND ALEX WEBER JEWISH COMMUNITY HIGH SCHOOL, INC., AND FOR RELATED PURPOSES

City Attorney Wendell Willard stated Attorney Ken Pollock representing The Weber School is in attendance. The City previously assisted with the refinancing of the mortgage loan for the Davis Academy by issuing bonds through the Development Authority.

1. Presentation summarizing bond transaction by Ken Pollock, Bond Counsel, and representatives of The Weber School and discussion led by Chairman or Vice Chairman of Authority

Attorney Ken Pollock stated The Weber School is refinancing a bond. He introduced the President of The Weber School, Tonia Sellers, and a member of the board of trustees and the Chief Financial Officer, Paul Ginburg.

Assistant City Clerk Kelly Bogner called the roll at this time.

Board member Craig Johns introduced himself as a new member.

Tonia Sellers, President of The Weber School, stated she is a real estate attorney who lives in Sandy Springs. The Weber School is seeking to refinance its bonds and to achieve a fixed rate for the bond payments. The school bought the school property about ten years ago, developed it, and moved into the building in the fall of 2006. Currently, there are about 225 students attending the school. The school has become very well known for its programs in the community.

Paul Ginburg, Chief Financial Officer, stated The Weber School enjoys being located in Sandy Springs. BB&T previously assisted with financing a bond with Fulton County similar to The Davis Academy in 2006. This was a $24 million bond financing, which was used to purchase the land and the 80,000 square foot building and gymnasium. The school has paid off $9 million of the loan and the loan is at a $15 million balance. The school is asking the Sandy Springs Development Authority for assistance in refinancing the $15 million loan. The school is soon expecting a commitment letter outlining BB&T's purchase of the bonds.

Mr. Pollock stated The Weber School is a high school that teaches grades 9-12. There are about 60 employees at the school.

City Attorney Wendell Willard asked if the original reduction of the loan was mostly from tuition, grants, or gifts.

Mr. Ginburg stated the school has had a very successful capital campaign. The school raised $11 million in a couple of years.

City Attorney Willard asked how the school plans on paying off the $15 million loan.

Mr. Ginburg stated the school's major benefactor, Joe Weber, has created a charitable annuity trust that is scheduled to provide a little over $1 million a year to the school over a ten year period. The school will have another capital campaign to raise the additional funds.

Ms. Sellers stated most private schools were impacted by the economic downturn. The Weber School's enrollment has remained at a steady growth. The school has a relationship with the Davis Academy, Hebrew Academy, and Epstein School. The eighth grade graduates from these schools are automatically enrolled at the Weber School to ensure a smoother transition.

Councilmember Sterling asked the percentage to be charged.

Staff Attorney Kathy Williams responded 1/14 of 1%.

City Attorney Willard stated staff is reviewing 1/14 of 1%, which will result in $10,929 as the cost for the Development Authority services. The bank will view the property as collateral.

Attorney Pollock stated the school is asking the board to consider an inducement resolution. The school is still negotiating a commitment letter with BB&T that is anticipated to be signed in the next few days. This resolution is to approve the Authority entering into a letter of intent with the school that expresses a commitment to move forward with the bond issue, subject to the school coming back at a later time with definitive documents. The resolution also includes the fee and other details of how the transaction will be structured. The Authority has no financial obligation for debt service of the bonds. When the refinancing of the bonds occurs, the bank will become the holder. These bonds will not be sold in the public market.

Board member Jimmy Glen asked what the rate of the loan is.

Attorney Pollock stated the rate has not been decided at this point. The bonds will be structured in two separate series. The first series will be at a fixed rate ¾ of a percent. The second series will be a floating rate, which includes fixed and variable rates.

Mr. Ginburg stated the first series of bonds is for $3 million and the second series is for $12 million.

Attorney Pollock stated when the school comes back to the Authority, the documents will have all the terms of the bonds set and ask the Authority to approve the bonds with a bond resolution. Then the court proceedings called the valuation process will be entered into to get the court to approve the bond issuance. The security for the bank is the real estate.

City Attorney Willard asked if there is a time frame to complete the transaction.

Attorney Pollock responded no, because there is not a definitive term sheet signed, yet. In mid to late February the school will be ready to come back to the Authority. When the Authority approves the bond resolution, the school will work through a closing for the court validation process, which will take about three weeks, and a closing will take place a couple of weeks after that. The closing will probably occur in mid-March.

2. Consideration of fee to be charged by Authority for bond financing

Motion and Vote: Dave Nickels moved to approve the resolution to include the language: at a fee equal to 1/14 of 1%. Jennifer Steele seconded the motion. The motion carried unanimously.

Councilmember Gabriel Sterling asked about the City being liable for the bond.

City Attorney Wendell Willard stated the City does not take on liability under an Authority.

C. CONSIDER DATES FOR MEETINGS IN 2014

Staff Attorney Kathy Williams stated according to the Authority by-laws, the Authority is supposed to have its annual meeting on the third Thursday in October at 4:00 p.m., but that has not occurred.

City Attorney Wendell Willard stated the Authority should plan for an annual meeting and it will be advertised as a public hearing. Mayor Paul will be making an Authority board appointment at the upcoming Special Called City Council Meeting. There will be two more board appointments and then a meeting can be held for the annual election of officers.

Councilmember Gabriel Sterling asked about a meeting date for the election of officers.

City Attorney Willard suggested a Thursday morning meeting.

Councilmember Sterling stated the annual meeting could potentially be held February 6th at 9:00 a.m.

D. OTHER NEW BUSINESS

Councilmember Gabriel Sterling stated he would like to tie this project to the Windsor Parkway/ JLB pending settlement. That resolution will be prepared around the same time the bond resolution is prepared. The project is where the City will do an abatement for the JLB development. The City may receive a loan from State Road and Tollway Authority (SRTA) of $6.6 million over ten years and they will give $2 million back to the City.

City Attorney Wendell Willard stated this is a PILOT program also known as Payment in Lieu of Taxes. JLB will receive a reduced tax rate through the recognition of the bond by the Authority. JLB has agreed to make payments for that purpose as a payment in lieu of taxes. The City will receive the money up front in order to complete the public right-of-way. If the City does not improve the intersection, it would remain an "F" rating. When the improvements are made it will be rated a "C".

Councilmember Sterling stated the City should know what neighboring jurisdictions are charging in order for the City to remain competitive. The Georgia Environmental Facilities Authority (GEFA) is looking to make improvements, but cannot on private property. There are extremely low interest rate loans in Georgia for these types of improvements. The interest rate is currently .9%. He anticipates the Authority will have double the meetings over the next twenty-four months compared to the first eight years. This is due to the development at City Center and areas around it. The City has environmental issues that need to be dealt with that are sometimes given to the partners in the private sector. An example is the Marsh Creek Headwaters BMP that the City is building. The City received $387,000 in grant funds from the State and the whole project will cost $4 million. The Marsh Creek BMP will handle all of the water detention in the City Center area. A detention pond needs to be in place when individuals want to remove four to five houses and rebuild fifteen in the same area. He suggested using the GEFA funds through the Authority in some way to induce the residential developers to make more expensive detention improvements such as wetlands mitigation. This would be cheaper and easier to maintain in the long term. Sandy Springs could be the example for other cities on how this should be done for larger developments. These improvements would lower the cost for the City and taxpayers in the long run by not having to fix these problems.

IV. ADJOURN

Motion and Vote: Dave Nickles moved to adjourn the meeting. Jennifer Steele seconded the motion. The motion carried unanimously. The meeting adjourned at 9:45 a.m.

Date Approved: February 21, 2014

Gabriel Sterling, Acting Chairman

Michael Casey

Michael Casey, City Clerk