City of Sandy Springs Development Authority Meeting was held at Sandy Springs City Hall, 7840 Roswell Road, Building 500, Sandy Springs, Georgia, 30350, on February 18, 2016, at 8:30 a.m.

I. DA16-011 Roll Call

Chairman Chip Collins called the meeting to order at 8:45 a.m.

Board Members Present: Chip Collins, Gabriel Sterling, Jennifer Steele, Carla Sweetwood, and Jimmy Glenn. Dave Nickles and Jim Squire were absent.

Staff and Representatives Present: Staff Attorney Kathy Williams, Director of Economic Development Andrea Hall, City Clerk Michael Casey, and Bond Counsel Jim Woodward.

II. DA16-012 Approval of Minutes from Meeting Held February 4, 2016

Motion and Vote: Jennifer Steele moved to approve the February 4, 2016, Sandy Springs Development Authority meeting minutes. Carla Sweetwood seconded the motion. The motion carried unanimously.

III. DA16-013 Consideration and Approval of that Certain Memorandum of Agreement by and Between the City of Sandy Springs Development Authority, the City of Sandy Springs, Georgia, and Sandy Springs Residential, LLC ("Developer") Regarding Certain Payments to be Made by Developer in Connection with the Issuance of not to Exceed $80,000,000 in Aggregate Principal Amount of the City of Sandy Springs Development Authority Taxable Revenue Bonds (Sandy Springs Residential, LLC Project), Series 2016

Chairman Chip Collins asked the Authority members if they have any questions about the Memorandum of Agreement.

There were no questions from the members.

Director of Economic Development Andrea Hall stated this item is in the same form as when it was approved by Council this past Tuesday.

Bond Counsel Jim Woodward stated this item is in a similar format to the Gateway Project that was approved by the Authority.

Motion and Vote: Jennifer Steele moved to approve Agenda Item No. DA16-013, the Memorandum of Agreement by and Between the City of Sandy Springs Development Authority, the City of Sandy Springs, Georgia, and Sandy Springs Residential, LLC ("Developer") Regarding Certain Payments to be Made by Developer in Connection with the Issuance of not to Exceed $80,000,000 in Aggregate Principal Amount of the City of Sandy Springs Development Authority Taxable Revenue Bonds (Sandy Springs Residential, LLC Project), Series 2016. Carla Sweetwood seconded the motion. The motion carried 3-1, with Jimmy Glenn voting in opposition.

IV. DA16-014 Ratification of Changes, if any, to Bond Documents Approved by the Development Authority on February 4, 2016

There were no changes to the approved bond documents.

V. DA16-015 Other Business

Chairman Chip Collins stated at the last meeting he asked everyone to come back with ideas about a mission statement or a policy statement for the Authority. This would be done in order to guide the Authority in a nonbinding fashion. This would guide the Authority in consideration of projects that come before us and guide us in determining what, if anything, the Authority would like to do proactively. Director of Economic Development Andrea Hall sent him an email with ideas and suggested the Authority be broad in three categories to be in support of City sponsored projects such as road projects and City redevelopment goals including redevelopment of aging apartment complexes. The Authority should also support the City's schools.

Director of Economic Development Andrea Hall stated she believes this is currently how the Authority has been operating.

Jennifer Steele stated she had two of those suggestions on her list. The only one she doesn't have on her list is infrastructure.

Chairman Collins stated the members need to outline something that may not necessarily be included in the mission statement, but detail what type of project the Authority would vote no on. He does not think that staff will bring a project to the Authority that does not fit within the goals.

Jimmy Glenn stated he would like to add projects the Authority should not consider, projects which would not be an economic benefit to the City. That would be the project that the Authority just voted on. He does not understand why that needed to be done. That approval is giving money to a developer for no reason. If this is not a City policy, then the Authority should consider it. This would give Sandy Springs leverage with the developer to give the Authority something that they will not consider.

Chairman Collins stated the project that was just approved is a City sponsored project. That means the road is sponsored by the City. Unlike the Gateway development, where the contribution covered about 50% of the cost of the road, this project is more along the lines of 10% to 15% of the cost. A project that the Authority approves should be more than a token support of a City project. He does not think the Authority needs to define a number threshold, but they should keep in mind that the project should significantly support a City project. He would like the projects to be more along the lines of the Gateway project. His understanding is the developers were giving the entire tax savings over to the City.

Bond Counsel Jim Woodward responded that amount will be about seventy percent.

Chairman Collins stated that is a way to use Fulton County's money for a City project. The taxpayers are subsidizing this developer for this project. He respects Jimmy Glenn's position on this. He deemed this project to barely clear the bar. This would be a minimum of what the Authority should approve. He has been told that the Fulton County Development Authority will approve almost any deal and to compete that means the Sandy Springs Development Authority would approve almost any deal in order to get the deal. He does not think that is what the Sandy Springs Development Authority's goal is.

Jimmy Glenn asked if the project the Authority approved just barely met the minimum. The opposition he stated before was so that the Authority does not set a precedent. He does not think this project reaches a threshold that is beneficial to the City of Sandy Springs. The Authority is setting a precedent of giving away money by approving this agreement. A larger developer would not need to get the project subsidized. He is opposed, if there is not a real need to the City. He does understand the necessity in this case due to Fulton County approving the tax incentive. He just does not want it to be a precedent with the Authority.

Bond Counsel Woodward stated the Sandy Springs Development Authority can speak to the Fulton County Development Authority and let them know that if the Sandy Springs Authority says no, they would appreciate it if Fulton County does not say yes and approve a request.

Chairman Collins stated it is his understanding that there is working relationship with the Fulton County Development Authority that they will not take on a project that the Sandy Springs political structure does not want. At the last meeting, it was discussed there is a desire among some in Sandy Springs government to give Fulton County the first opportunity to look at a future deal. It may be helpful to have a conversation with Fulton County and see if they view the Sandy Springs Development Authority as competition.

Council Member Gabriel Sterling arrived at 8:59 a.m. He asked that the record reflect he would have voted in support of the project.

Chairman Collins stated the Authority's mission statement will be somewhere along the lines of considering projects that are either supportive of a City project, support City development and redevelopment goals, and support the City schools. Jimmy Glenn also added that any project being considered has a clear economic benefit for the City. That was his reason for voting no on the current project, because he does not believe it has a clear economic benefit for the City. The Mill Creek project should be the minimum level that the Authority should consider and approve. It is a little more than token support for the City project, but not that much more when compared to Gateway. Almost an entire tax benefit savings was given back to the City and this project was not that. He deems the Mill Creek project as the minimum economic benefit the Authority should support.

Council Member Sterling asked how the Authority will define development goals.

Chairman Collins stated the City has policy goals that may change from time to time. The Authority is a body that has been appointed by the Mayor and should be a mechanism for the City to use. He asked Economic Development Director Hall to take those ideas and create a mission statement.

Council Member Sterling stated a clear benefit is a highly subjective term.

Jimmy Glenn stated the approval of this project is a horrible precedent. It was explained that the Authority is willing to approve this project only because Fulton County would approve it and the City would receive nothing. If that is the case, he does not think that should be the minimum requirement. If the Authority votes on this item because Fulton County would have approved the project, then the Authority acted competitively. That should not be confused with whether this project has a substantial economic benefit to the City. He is voting against this project, because he does not agree with it. The Authority's mission statement should include the language substantial economic benefit to the City.

Council Member Sterling stated the Authority can change how to define this. Regarding the situation with Mill Creek, the City Council decreased the developer's density to a point to where the deal might not have gotten done. This is a tool we could have used to close the delta to ensure the redevelopment does occur. If you look at what happened at the corner of Hammond Drive and Roswell Road, Fulton County went to that apartment complex and bought down their density. A public policy goal for the City is to reduce density. There are other benefits attached to this project. Substantial is a subjective term too. The $625,000 can lead to $1.2 or $1.3 million in savings to taxpayers, which is substantial. This is in the eye of the beholder. He understands Mr. Glenn's point. Substantial can be minimal for some people and larger for others.

Jimmy Glenn stated the Authority is not an arm of the City government. The Authority is an independent Authority and the clear intent is that this is an independent body. The City staff should be able to point out the economic benefits of a project to the City. The Authority should have objectives instead of it being subjective in terms on density.

Council Member Sterling stated the Authority can have objective measurements, but what does substantial mean. He does not think any language decision this evening will make a difference.

Chairman Collins stated there is subjective or objective. The Authority can state there has to be at least $1 million of a provable economic benefit. He does not think the Authority wants to do that. In the Authority's mind, they should decide if a project is significant or substantial.

Jimmy Glenn stated when the Authority is presented with information staff should objectively give feedback and the Authority can then make a decision if the project is substantial enough to approve.

Chairman Collins stated receiving a road and additional tax benefits, as well as more jobs being created, are benefits. All of these can be stated goals. He agrees that the goal of the Authority should be measureable.

Bond Counsel Woodward stated there are two sister projects and the first is Mill Creek, which includes the Boylston Road connect. The south side of the property located next to Mill Creek was bought by a group called the Davis Group. They have been discussing what the road looks like to make sure the levels and grades work for the project. No deals or terms have been negotiated. The concept of the current project has been presented to the new owner. He will be having a meeting with the new owner in the next week or two. There was a meeting held shortly after the owner purchased the property. He is not sure any agreement would be agreed to by the City.

Director of Economic Development Andrea Hall stated the intent is not for the City to agree to anything with the new owner.

Council Member Sterling stated the Authority negotiated with Camden about the post office, with the seventy-four feet on the one side to get the Boylston connector completed. The question is does the owner want to do a project similar to Mill Creek.

Director of Economic Development Hall stated the City's intent is to have a project along the lines of the JLB project.

Council Member Sterling stated the new owners purchased the property with the existing zoning. It is not like when Camden came before the City Council and the units were reduced to 291. This is a different situation, to an extent. The new owners plan is to build on the zoning that was passed without applying for any rezoning.

Chairman Collins asked if the project will be mostly residential.

Council Member Sterling stated the proposed project is mainly residential, but there is commercial on the lower level. There will be an interior road on the new project that the City wants to see happen.

Chairman Collins stated the significant benefit to the City would be purely contributions to the road.

Council Member Sterling stated another benefit is redevelopment of really old buildings. It would make it much easier if the Authority briefed the other Council Members on how the process of approving projects work. He is not great at explaining how bond deals work. Council Members McDonald and DeJulio had questions he did his best to answer. It would be good to offer this information to all of the Council Members.

Jimmy Glenn stated the big elephant in the room is the Fulton County Development Authority, which competes with the Sandy Springs Development Authority. He asked what can be done to negotiate and be proactive with that Authority.

Council Member Sterling stated what can be done has been done. This is a political thing and there is no legal way for the Authority to deal with the Fulton County Development Authority. The City's leadership has a very good relationship with the Fulton County Development Authority. They have an understanding that Fulton will not approve a deal in Sandy Springs, unless the City's leadership discusses and approves it first. An example is the Mercedes-Benz deal. He would have preferred for the Sandy Springs Authority to have approved it, but he understands the rationale. The Fulton County Development Authority is a living functioning entity with employees. They look for deals in order to pay the approximately five employees. On a recent deal, Mayor Paul called the Director of the Fulton County Development Authority and asked them to not approve the deal, and they did not. There is nothing statutory wise that the Sandy Springs Authority can do.

Jimmy Glenn asked if the item that was just voted on will materialize in the future.

Council Member Sterling stated it should materialize. This is an odd project. Mill Creek just got a full 100% approved deal on Cheshire Bridge Road.

Director of Economic Development Hall stated she would agree. The relationship with the Fulton County Development Authority has improved over the past nine to twelve months.

Council Member Sterling stated that is parallel between the city and county governments too.

Jimmy Glenn stated his concern is this Authority not receiving a huge concession due to Fulton County.

Council Member Sterling stated he believes we are given autonomy over our area, at least between this body and the City's elected Mayor. Maybe on some deals there is a way both Authorities can be involved and other deals will just be either Authority approving them. There are also some deals that will not be approved by either Authority. There was an office building in a residential section. The new owner purchased the land already knowing the current zoning and asked for an incentive, but it was denied.

Jennifer Steele stated there was mention of establishing some informal operating guidelines for the Authority. She asked to address that now. There was also mention of quarterly meetings. She noticed there have been updates to the City website. There was also discussion about having a thirty to forty-five day window for notification of meeting information.

Council Member Sterling stated he would like to have everything in writing.

Jennifer Steele suggested more training to ensure everyone is on the same page and understands the vernacular.

Chairman Collins stated at the next quarterly meeting we can try to have some training.

Jennifer Steele stated she looked at this from two different points of view. The Authority has a mission statement we want to focus on to include a broad based definition. There are also the operation guidelines.

Chairman Collins asked that Director of Economic Development Hall put together a mission statement on one page. The Authority can aspire to hold quarterly meetings. If there is nothing to discuss, the meetings can be postponed. He asked that the meeting dates for 2016 be set, but if a meeting needs to be changed, then that is fine.

Bond Counsel Woodward asked if it would work to invite the Council Members to that meeting.

Council Member Sterling asked to have the meeting held on a City Council meeting day, about an hour before the Council meeting.

Chairman Collins stated Council will be invited and if they cannot attend, then staff can make a presentation to Council at a Work Session meeting. He suggested May 3rd at 4:00 pm. for the next meeting. The main purpose of the meeting would be to brief the City Council on what the Authority does.

Council Member Sterling stated this is an Authority, which means we are subject to the open records act. He suggested that email correspondence regarding projects should be copied to someone with a SandySprings.ga.gov address, so all the information is captured.

Bond Counsel Woodward stated emails are subject to open records and if use your personal email, a Judge can look at every email in your inbox to see which one applies to the subject being requested. He prefers the Authority members have their own City sponsored email address.

Council Member Sterling stated the City is trying to avoid that.

Carla Sweetwood stated the last email exchange in December 2015 was when there was a lot of conversation going back and forth that should not have been happening.

Bond Counsel Woodward stated everything is subject to open records request.

Chairman Collins stated everything the Authority does should be transparent. He suggested that the Board copy someone with a City email address, so that if there is an open records request, the information can be obtained through the City.

VI. DA16-016 Adjourn

Motion and Vote: Jennifer Steele moved to adjourn the meeting. Carla Sweetwood seconded the motion. The motion carried unanimously. The meeting adjourned at 9:25 a.m.

Date Approved: April 26, 2016

Chip Collins, Chairman

Michael Casey

Michael Casey, City Clerk