City of Sandy Springs Development Authority Meeting was held at Sandy Springs City Hall, 7840 Roswell Road, Building 500, Sandy Springs, Georgia, 30350, on November 4, 2016, at 8:30 a.m.

I. DA16-030 Roll Call

Chairman Chip Collins called the meeting to order at 8:41 a.m.

Authority Members Present: Chip Collins, Gabriel Sterling, Jennifer Steele, Carla Sweetwood, Jimmy Glenn, Joe Houseman, and Jim Squire.

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

II. DA16-031 Approval of Minutes from Meeting Held August 18, 2016

Motion and Vote: Authority Member Steele moved to approve the August 18, 2016, Sandy Springs Development Authority meeting minutes. Authority Member Sweetwood seconded the motion. The motion carried unanimously.

III. DA16-032 Consideration and Adoption of Bond Resolutions Authorizing, Inter Alia, the Issuance of the City of Sandy Springs Development Authority Taxable Revenue Bonds (City Springs Owners, LLC Project), in the Maximum Aggregate Principal Amount of $75,000,000

Bond Counsel Jim Woodward stated the bond resolution is the next step in the process. At the August 18th meeting, the Authority approved the inducement resolution. That resolution authorized the tax incentive transaction for the City Springs project with Carter/Selig. City legal staff prepared documents that were reviewed by Carter and the City legal staff. The one change from the agenda is the principal amount of $75 million, because the project size was a little larger than expected. This is just for the primary project. There is a second project that may be presented for an adjacent piece of property. That can be discussed at this meeting, but the company is not comfortable with moving forward, yet. The company will come back to the City to request Development Authority approval sometime next year.

Authority Member Gabriel Sterling asked why they are not comfortable moving forward, yet.

Bond Counsel Woodward stated there is no company name as of yet, or a good idea of what size the project will be. The property is owned by the building authority. The same process will occur with an initial meeting to present the facts on the transaction, an inducement resolution, and then a bond resolution. What is before the Authority today is for the primary project that was discussed at the last meeting. The documents are in near final form. He receives comments from their bank, SunTrust, yesterday afternoon, and he agrees with most of the comments. There will be a few additions to the documents, after the fact, that the Authority does not have to approve. The City's legal counsel will review the final documents and negotiate with SunTrust Bank. The next step is the Authority voting to approve the bond resolution. There will be a bond validation hearing. There will be an advertisement in the local newspaper for two to three weeks. Hopefully, there will be a court hearing date towards the end of November, which will allow for a closing date in December. This item will be on the second meeting agenda for the Fulton County Board of Tax Assessors. The Authority will need to meet again in November or December. This is a ten year tax abatement that Fulton County gives for all transactions with 50% off of the taxes. The Authority will also negotiate a tri-party agreement between the City, the Authority, and Carter/Selig. That is similar to what has been done in previous transactions. This is the one where Carter/Selig will provide Payment In Lieu of Taxes (PILOT) payments. For thirty percent of the benefit from the taxes they will make payments to the City to reimburse for certain expenditures the City has made. He has a draft of the document that the City's legal staff will review and get to Carter/Selig. Once the document is finalized, it will be presented to the City Council for approval. Once Council approves the terms, he will ask the Authority to come back and approve that form of the agreement.

Authority Member Sterling asked about the $70 million number on the original agenda and if it should state $75 million.

Bond Counsel Woodward stated the correct number is $75 million.

Authority Member Jim Squire asked why there is a discrepancy.

Bond Counsel Woodward stated earlier this week he had conversations with the lender and Carter/Selig. Due to the project size, the capital investment amount was higher.

City Attorney Wendell Willard referenced a site map of the project. There is an out parcel that is still under construction. Carter/Selig was given a two year option on that parcel to bring to the City a proposal for the use of the property. Carter/Selig has increased the amount in order to have funds available for construction on that parcel.

Bond Counsel Woodward stated that portion is not part of the current deal being discussed. That will be a separate transaction to be voted on by the Authority. What is currently being discussed is the original project. Carter/Selig believes the project cost will be close to $70 million, but the construction costs may go above that.

Authority Member Sterling asked if the Authority has to amend the motion regarding the paperwork.

Bond Counsel Woodward stated the final draft of the resolution shows $75 million, so the motion does not have to be amended.

Authority Member Sterling stated the 30% payback should be 33%.

Chairman Chip Collins asked how the 33% is paid. He wants to makes sure what is approved is contingent upon the agreement.

Bond Counsel Woodward stated this agenda item is the authorization to close on the transaction and to allow legal counsel to set the closing date. The closing date will occur later.

Chairman Collins stated Carter has approached City staff wanting to reduce the City's portion of the tax savings down to 25%. He exercised his discretion and is not interested in that. He does not think the Authority would be interested in that. He asked if the Authority agrees with the deal that was previously made.

Authority Member Jennifer Steele stated she is very leery of going back and changing items once the Authority has voted to approve them. She has no desire to pursue changing the tax savings portion.

Chairman Collins stated there is no reason to change the number now, besides the fact that Carter wants more money.

There was a consensus of the Authority to not change the tax savings number down to 25%.

Authority Member Sterling stated one thing that Mill Creek did on their deal was use some of the tax abatement funds as part of an incentive to get better restaurants in the complex. They are using the abatement the right way and that is the model he would like developers to follow.

City Attorney Willard stated anything related to the City Springs project, such as the streets, piping, and sidewalk, will be completed by the City.

Authority Member Steele stated she has never seen the Secretary Certificate attached to a bond and asked if that is something new going forward.

Bond Counsel Woodward stated he has used this certificate before. The document is a certification of the resolution.

Motion and Vote: Authority Member Sterling moved to approve Agenda Item No. DA16-032 Adoption of Bond Resolutions Authorizing, Inter Alia, the Issuance of the City of Sandy Springs Development Authority Taxable Revenue Bonds (City Springs Owners, LLC Project), in the Maximum Aggregate Principal Amount of $75,000,000. Authority Member Steele seconded the motion. The motion carried unanimously.

IV. DA16-033 Adoption of Development Authority Policies

Director of Economic Development Andrea Hall stated the mission statement and polices document was discussed at the April meeting. There were changes made based on the Authority member's suggestions. The mission statement is pretty broad and addresses City sponsored projects. The mission statement also addresses what the Authority is authorized to do, which includes offering other incentives. It also outlines operating procedures that have to be completed in a timely manner by the Authority.

Authority Member Gabriel Sterling asked about applications having to be submitted 30 days prior to a vote.

Director of Economic Development Hall stated the way she reads it is that documents have to be submitted to her 30 days prior to a vote.

Authority Member Sterling stated the Authority members need to have the documents at least thirty days beforehand.

Chairman Chip Collins asked if 30 days is a realistic timeframe.

Director of Economic Development Hall responded yes.

Chairman Collins stated the documents were received only five days in advance of this meeting. He does not think 30 days is realistic.

Authority Member Sterling stated the agenda item that the Authority just approved was already approved by the Board. When an item is first presented to the Authority, the documents should be received 30 days prior.

Chairman Collins stated 30 days is not needed. He suggested 14 days prior to a vote.

Authority Member Jimmy Glenn stated the Authority is dealing with millions of dollars that take at least six months for final approval. He does not understand why the Authority has to rush and vote.

Chairman Collins stated the Authority is having at least one preliminary meeting before the final vote. There are about three meetings for each deal. There is plenty of time and notice to each Authority member before the final approval. It would be at least another 30 days before the inducement resolution is seen by the Board. The first time the Authority heard anything about this agenda item was in July. We have had almost five months to discuss it.

Authority Member Glenn stated he objected to the Mill Creek deal, which now will not be moving forward. He has no issue with the current deal being discussed.

Chairman Collins stated as a compromise we can change the number to 21 days prior to a vote.

Authority Member Glenn stated the language should include unless changed in the discretion of the Chairman.

Chairman Collins stated the language will be changed to 21 days prior to a vote, unless changed in the Chairman's discretion.

Motion and Vote: Authority Member Jim Squire moved to approve DA16-033, Adoption of Development Authority Policies, as amended. Authority Member Steele seconded the motion. The motion carried unanimously.

V. DA16-034 Consideration of 2017 Meeting Calendar

Chairman Chip Collins stated the Authority's intention is to have a set schedule of meetings for the whole year and to not have ad hoc and last minute meetings. Staff and developers can be prepared for the scheduled meetings. If there is nothing to be presented to the Authority, a meeting can always be cancelled. He asked if the meetings should be held monthly, bimonthly, or quarterly. To his knowledge, the Authority has not had more than four meetings in a year. He thinks bimonthly meetings would make more sense.

Director of Economic Development Andrea Hall stated she believes scheduling meetings bimonthly is a good idea.

City Attorney Wendell Willard stated the Authority is to hold an annual meeting each year. He will get back to the Authority on when that will be held. Whatever the date is for the annual meeting, it will correspond with a bimonthly meeting.

Authority Member Joe Houseman suggested having the last meeting of the year in November and not in December.

Chairman Collins asked if there is a day of the week the Board prefers.

Authority Member Carla Sweetwood asked that the meetings not be held on either Monday or Friday.

Chairman Collins stated the bimonthly meetings will be held on Thursdays at 8:30 a.m., in the odd months, on the second Thursday of each month. The meetings will be held in January, March, May, July, September, and November.

Motion and Vote: Authority Member Sweetwood moved to approve the 2017 calendar for the Development Authority with bimonthly meetings beginning in January on the second Thursday of each month. Authority Member Houseman seconded the motion. The motion carried unanimously.

City Attorney Willard stated he will be sure the bylaws state that the meeting in January is the annual meeting.

Chairman Collins asked what will occur at the annual meeting.

City Attorney Willard stated the officers will be elected and there will be a discussion of the dates when the members terms expire.

Chairman Collins stated there is required Authority member training in order to be on the Board.

City Attorney Willard stated the two new Authority members have not completed training.

Director of Economic Development Hall stated the next training will be in February in Athens, GA.

VI. DA16-035 Other Business

Bond Counsel Jim Woodward stated a meeting date needs to be set in early December, after the first Tuesday.

Chairman Chip Collins stated a meeting can be held on December 8th at 8:30 a.m.

VII. DA16-036 Adjourn

Motion and Vote: Authority Member Sweetwood moved to adjourn the meeting. Authority Member Steele seconded the motion. The motion carried unanimously. The meeting adjourned at 9:16 a.m.

Date Approved: December 8, 2016

Chip Collins, Chairman

Michael Casey

Michael Casey, City Clerk