

City of Sandy Springs Development Authority Meeting was held at Sandy Springs City Hall, 7840 Roswell Road, Building 500, Sandy Springs, Georgia, 30350, on May 11, 2017, at 8:30 a.m.

Chairperson Chip Collins called the meeting to order at 8:38 a.m.

I. DA17-017 Roll Call

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

Staff and Representatives Present: City Attorney Wendell Willard, Director of Economic Development Andrea Worthy, Assistant City Clerk Kelly Bogner, and City Clerk Michael Casey.

II. DA17-018 Approval of Minutes from Meeting held February 23, 2017

Motion and Vote: Authority Member Steele moved to approve the February 23, 2017, Sandy Springs Development Authority meeting minutes. Authority Member Houseman seconded the motion. The motion carried unanimously.

III. DA17-019 Consideration of Resolution Acknowledging and Approving, the Sale and Assignment of a Leasehold Interest in Sandy Springs Gateway, LLC Project

Bond Counsel Jim Woodward stated this is the third entity from the Gateway project that the Authority approved in 2014. Two residential projects were already approved and assigned out to a major investor. Those two projects are the JLB companies. This project is with the separate company that is a subsidiary of Core Properties, which is the Sandy Springs Gateway owner. They own the commercial portion of the Gateway project. This is typical for development, that four to five years into the project they sell the project to a major investor. The entity of the investor is MCP Atlanta Gateway LLC, which is a subsidiary of a major investment-banking group. These are similar documents to what was approved for the JLB project last December for the first phase and February 2017 for the second phase. These documents are a resolution that will approve the assignment to the entity. The documents are an assignment, assumption, and agreement for all the bond documents along with the road intersection MOU. The entity will be assuming the responsibilities and paying the City back for that road intersection at Windsor Parkway.

Authority Member Gabriel Sterling asked if the entity would keep the bonds in place.

Bond Counsel Woodward stated these bonds would be kept in place. The entity is also asking for an amendment to the tax agreement with the Board of Tax Assessors. Those documents would approve this deal.

Authority Member Sterling asked what the amendment would do, if anything.

Bond Counsel Woodward stated the amendment just changes the entity name.

Motion and Vote: Authority Member Steele moved to approved Agenda Item No. DA17-019, Adoption of Resolution Acknowledging and Approving, the Sale and Assignment of a Leasehold Interest in Sandy Springs Gateway, LLC Project. Authority Member Sterling seconded the motion. The motion carried unanimously.

IV. DA17-021

Other Business

Chairperson Chip Collins stated the Innovation Center is now open.

Director of Economic Development Andrea Worthy stated they are working on the signage right now.

Chairman Collins stated part of the deal for the grant the Authority gave the Center was to receive recognition and signage. It was decided the Authority did not need to spend any money developing a new logo. City staff created two choices and sought input from the Mayor and himself. They agreed that the best and simplest solution was to use the City's logo that money was spent to create and have the Sandy Springs Development Authority name placed underneath that. He did not think that needed a vote from the members. If anyone has opposition to that, please let him know.

City Attorney Wendell Willard stated there would be an agreement between the City and the Development Authority as to the use of the logo.

Authority Member Jennifer Steele stated she has one concern. The Authority is not affiliated with the City in certain respects. She asked if using the City logo would "muddy the water" somewhat.

Chairman Collins responded no. The Authority is affiliated with the City in that we are all appointed by the Mayor and the Authority is an arm of the government. The Mayor decided he wants consistency regarding the logo. The only issue would be a trademark issue. As long as the City is allowing the Authority to use the logo, there is no issue. The Innovation Center is more for the City than for the Development Authority. We thought it was important to have the City's logo embedded in this.

Director of Economic Development Worthy stated even though the Authority is a separate legal entity, we are using the City's website for the Authority's minutes and agendas. In many of people's minds, the Authority is associated with the City, even though it is a separate legal entity.

Authority Member Gabriel Sterling stated there are many separate legal entities that are tied to the City.

City Attorney Willard stated there is a statutory provision that allows local governments to set up their Development Authorities. There is an interconnection in regards to the fact the law gives each local jurisdiction this ability. The law also requires separateness of the governance of the Authority, that the members not be the same people who are involved with the governance of the City.

Authority Member Steele stated she wishes the members would have known about this earlier. She understands that time is of the essence and the Center needs to move forward. She can explain this, if she is asked about it.

Director of Economic Development Worthy stated the Innovation Center is in a soft opening stage at this point. The Chamber plans to have a grand opening event probably in June. All of the Authority members will be invited. Lever Stewart from the Chamber would like to have a tenant when the grand opening occurs. The only money that has been paid out to the Chamber is the initial \$50,000 grant. The other fund requests have to come through the Authority for approval, if the money is needed. At this point, we are not sure any more money needs to be spent.

Authority Member Steele asked if the outdoor space was completed, yet.

Director of Economic Development Worthy responded no.

Chairman Collins stated he thinks the Chamber has decided to wait on building the outdoor space.

Director of Economic Development Worthy stated the outdoor space might be too expensive.

Authority Member Joe Houseman asked what Bond Counsel Woodward foresees for the upcoming meeting in July.

Bond Counsel Woodward stated he does not foresee anything for the two deals from 2014. The JLB Phase II project will be closing on May 16 and fully assigned to the German investor group. This deal will be closed in early June.

Authority Member Sterling asked if the Authority is receiving payments from the first deals.

Bond Counsel Woodward stated he would confirm that. He knows that for Phase I, this is the first year the Authority will receive PILOT payments.

Authority Member Sterling asked that the Authority members be emailed the payment schedule.

City Attorney Willard stated it might be good for future meetings that the Authority also include a report on the financial standings.

Director of Economic Development Worthy stated she would have the financial report on the next meeting agenda.

Chairman Collins stated John Roush at the Sandy Springs Reporter has been working the story about affordable housing. He called Chairman Collins, but by the time he spoke to Director of Economic Development Worthy, Mr. Roush's story deadline had already passed. He did not have anything else to add to the story. The official word for the Development Authority's position on affordable housing is that we cannot get involved in deals that are residential only, because of our statutory requirements for job creation. That is a Housing Department issue, not a Development Authority issue. If someone wants to come to the Authority with a mixed-use deal that involves affordable housing, we can be a part of the component. He sees affordable housing more as low-income housing, which he thinks there is plenty of in Sandy Springs. The important issue is the workforce housing, which is more for the middle class such as for teachers, firefighters, and police officers. There is a lack of workforce housing in Sandy Springs.

City Attorney Willard stated there is also the Fulton County Housing Authority, which has jurisdiction in Sandy Springs. If there were something that needed to be done, the Fulton County Authority would be the entity to do that without creating a Sandy Springs Housing Authority.

Director of Economic Development Worthy stated the Next10 plan that Council adopted has some steps over the next five to ten years that the City has outlined to encourage workforce housing. Council adopted the new impact fee schedule, which included provisions for waiving impact fees for specific project types. This includes tearing down an existing rental property and including some workforce housing provisions for the new housing. When she is talking to prospects, especially on the north side of the City, she is discussing these options.

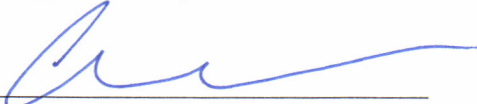
Authority Member Sterling asked if the fees are waived for teardowns. He thought the City would waive a percent of the fees, if workforce housing were built.

Director of Economic Development Worthy responded that is correct. There is information coming to Council at an upcoming Work Session next Tuesday.

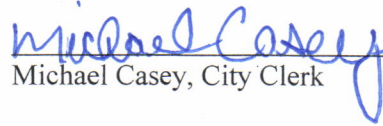
V. DA17-022 Adjourn

Motion and Vote: Authority Member Sterling moved to adjourn the meeting. Authority Member Steele seconded the motion. The motion carried unanimously. The meeting adjourned at 8:55 a.m.

Date Approved: September 14, 2017



Chip Collins, Chairman



Michael Casey, City Clerk