Meeting of the Sandy Springs City Council was held on May 2, 2023 the Following Work Session, Mayor Rusty Paul presiding.

I. Call to Order

Mayor Rusty Paul called the meeting to order at 7:08 p.m.

II. Roll Call and General Announcements

Members Present: Mayor Rusty Paul, Councilmember John Paulson, Councilmember Melody Kelley, Councilmember Melissa Mular, Councilmember Jody Reichel, Councilmember Tibby DeJulio, Councilmember Andrew Bauman

III. Pledge of Allegiance

Mayor Rusty Paul led the Pledge of Allegiance.

IV. Public Comment

There were no public comments.

V. Approval of Meeting Agenda

Motion and vote. A motion was made by **Councilmember Tibby DeJulio**, seconded by **Councilmember Melody Kelley**, to approve the meeting agenda. The motion carried by unanimous vote.

VI. Consent Agenda

Motion and vote. A motion was made by **Councilmember Jody Reichel**, seconded by **Councilmember Melissa Mular**, to approve the consent agenda. The motion carried by unanimous vote.

A. **2023-122** Meeting Minutes
April 18, 2023 City Council Meeting

B. **2023-123** Request for Mayor and City Council Consideration to Accept an Agreement to a Temporary Construction Easement on Property Located at 905 Lost Forest Drive, NW in Land Lot 87 of the 17th District, City of Sandy Springs (Tax ID# 17-0087-0002-027-1); Brandon Mill Road Sidewalks – Lost Forest Drive to Brandon Ridge Project (Project No. TS-172)

Resolution No. 2023-05-60

C. **2023-124** Request for Mayor and City Council Consideration to Accept an Agreement to Donate Real Estate on that Certain Tract of Land Located at 6775 Brandon Mill Road, NE (Tax ID# 17-0087-0006-003-8), Land Lot 87 of the 17th District, City of Sandy Springs, Fulton County, Georgia; Brandon Mill Road Sidewalks – Lost Forest Drive to Brandon Ridge Project (Project No. TS-172)

Resolution No. 2023-05-61

D. **2023-125** Request for Mayor and City Council Consideration to Accept an Agreement to Donate a Temporary Driveway Easement on that Certain Tract of Land Located at 6715 Brandon Mill Road, NE (Tax ID# 17-0087-0006-009-5), Land Lots 87 and 126 of the 17th District, City of Sandy Springs, Fulton County, Georgia; Brandon Mill Road Sidewalks – Lost Forest Drive to Brandon Ridge Project (Project No. TS-172)

Resolution No. 2023-05-62

E. **2023-126** Request for Mayor and City Council Consideration to Accept a Temporary Driveway Easement on that Tract of Land Located at 6725 Brandon Mill Road (Tax ID# 17-0087-0006-008-7), Lying in Land Lot 87 of the 17th District, City of Sandy Springs, Fulton County, Georgia; Brandon Mill Road Sidewalks – Lost Forest Drive to Brandon Ridge Project (Project No. TS-172)

Resolution No. 2023-05-63

F. **2023-127** Request for Mayor and City Council Consideration to Accept an Agreement to Donate Real Estate on that Certain Tract of Land Located at 6748 Brandon Mill Road, NE (Tax ID# 17-0087-0002-014-9), Land Lots 87 and 126 of the 17th District, City of Sandy Springs, Fulton County, Georgia; Brandon Mill Road Sidewalks – Lost Forest Drive to Brandon Ridge Project (Project No. TS-172)

Resolution No. 2023-05-64

G. **2023-128** Request for Mayor and City Council Consideration to Accept an Agreement to Donate Real Estate on that Certain Tract of Land Located at 6745 Brandon Mill Road, NE (Tax ID# 17-0087-0006-006-1), Land Lot 87 of the 17th District, City of Sandy Springs, Fulton County, Georgia; Brandon Mill Road Sidewalks – Lost Forest Drive to Brandon Ridge Project (Project No. TS-172)

Resolution No. 2023-05-65

VII. Presentations

There were no presentations.

VIII. Public Hearing

A. **2023-129** Request for Mayor and City Council Consideration to Approve Alcoholic Beverage License Application for Rreal Tacos Sandy Springs LLC d/b/a Rreal Tacos Sandy Springs – 227 Sandy Springs Place, Suite #506, 30328 (ABL

99298).

Toni Carlisle, Chief Financial Officer, presented a recommendation to approve Alcoholic Beverage License Application for Rreal Tacos Sandy Springs LLC d/b/a Rreal Tacos Sandy Springs – 227 Sandy Springs Place, Suite #506, 30328.

This is a New Application for Consumption on the premises Wine, Malt, and Distilled Spirits. Applicant Damian Otero submitted a completed application on January 11, 2023.Applicant has passed the background investigation. The financial impact is $6,700 in revenue.

There being no public comment, **Mayor Rusty Paul** closed the public hearing.

Motion and vote. A motion was made by **Councilmember Melissa Mular**, seconded by **Councilmember Jody Reichel**, to approve Alcoholic Beverage License Application for Rreal Tacos Sandy Springs LLC d/b/a Rreal Tacos Sandy Springs – 227 Sandy Springs Place, Suite #506, 30328. The motion carried by unanimous vote.

B. **2023-130** Request for Mayor and City Council Consideration to Adopt the 2023-2027 CDBG Consolidated Plan and 2023 Annual Action Plan

Michele McIntosh-Ross, Planning & Zoning Manager, presented a recommendation to adopt the 2023-2027 CDBG Consolidated Plan and 2023 Annual Action Plan.

The City is required to prepare a five-year Consolidated Plan for participation in the U.S. Department of Housing and Urban Development's ("HUD") Community Development Block Grant ("CDBG") Program. The Consolidated Plan describes broad goals, objectives, strategies, and community needs for a 5-year period, as well as how the City anticipates using the $528,553 allocation in 2023. The public comment period was announced at the February 22, 2023 Council Work Session. The comment period ended on March 23, 2023. No comments were provided by the public during this period. The 2023 CDBG funds will be used to design and construct sidewalks in designated low- and moderate-income target areas along the Roswell Road corridor between Long Island Drive and The Prado, between Lake Placid Drive and Northwood Drive, and Hope Road.

The CDBG Consolidated Plan is designed to help states and local jurisdictions assess their affordable housing and community development needs and market conditions, and to make data-driven, place-based investment decisions. The consolidated planning process serves as the framework for a community-wide dialogue to identify housing and community development priorities that align and focus funding from the Community Planning and Development's formula block grant program: Community Development Block Grant Program. The Consolidated Plan is carried out through Annual Action Plans, which provide a concise summary of the actions, activities, and the specific federal and non-federal resources that will be used each year to address the priority needs and specific goals identified by the Consolidated Plan. Grantees report on accomplishments and progress toward Consolidated Plan goals in the Consolidated Annual Performance and Evaluation Report. The City of Sandy Springs was awarded $528,553 in February of 2023. The City has been and will continue to utilize the CDBG grant to fund capital projects noted in the Consolidated Plans and Annual Action Plans.

There being no public comment, **Mayor Rusty Paul** closed the public hearing.

Motion and second. A motion was made by Councilmember Andy Bauman, seconded by Councilmember John Paulson, to adopt the 2023-2027 CDBG Consolidated Plan and 2023 Annual Action Plan.

Councilmember Melody Kelley asked was the recent allotment $550,000? What does the term "loan guarantee assistance" reference?

Planning & Zoning Manager McIntosh-Ross said the recent allotment was $528, 000. For the 2023 allotment we have identified projects which includes the sidewalk and a portion for fees and the loan.

Helen Owens, Planner III, said the loan guarantee assistance is the 108 Loan the City received from HUD. The City could potentially take out a larger loan if needed.

Councilmember Kelley said the census states in June 2022 HUD awarded the City of Sandy Springs the loan guarantee assistance under Section 108 in the principal amount of $550,054. What is the relationship between the $550,000 and $2,800,000?

Planning & Zoning Manager McIntosh-Ross said $2,800,000 is the amount borrowed in 2017. The City can use a portion of its annual allotment to pay for the loan. The City pays $287,000 twice a year. The $550,000 is allotment the City received in June, 2022. A portion is used for projects. In February, 2023, the City received $528,000.

Mayor Paul said the CDBG amount is based on congressional appropriations. The City of Sandy Springs is an entitlement city, and HUD sends the allocation based on a formula determined from population and other criteria. The City's loan is guaranteed by the City's annual appropriation.

Councilmember John Paulson asked how much is left of the $2,800,000? Are we close to being done?

Planning & Zoning Manager McIntosh-Ross said no. The City began repayment in 2019.

Michael Hietter, Budget Manager, said the $2,800,000 is currently in a special bank account for use on projects that stalled but are moving forward now. The City paid principal and interest in one semi-annual payment and interest only in the other semi-annual payment. Currently, 80% of the loan is outstanding. On the loan guarantee, the annual debt service has first claim and the rest is used for the projects. The City may be able to use the annual allotment for both debt service and a portion of the projects that have moved forward. The City will tap into the loan proceeds next year.

Councilmember Melissa Mular asked are there differences in the datasets in the report versus the website?

Planning & Zoning Manager McIntosh-Ross said there are several different datasets that HUD recommends, and not all are current. Staff used those the recommended datasets.

Vote on the motion. The motion carried by unanimous vote.

Resolution No. 2023-05-66

IX. **New Business**

A. **2023-131** Request for Mayor and City Council Consideration to Authorize Amendments to the City of Sandy Springs FY 2023 Budget to Reallocate Capital Project Budgets and Adjust Interfund Transfers

Toni Carlisle, Chief Financial Officer, presented a recommendation to authorize amendments to the City of Sandy Springs FY 2023 Budget to reallocate capital project budgets and adjust interfund transfers.

Several projects previously funded in the C-I-P Fund, have been completed or closed, with the remaining funding available for reallocation. Further, other existing projects need increased funding, while certain other projects under the C-I-P Fund and General Fund would benefit from accounting in a different fund (such as the Public Facilities Authority). As a part of those changes, the sources of certain related interfund transfers also need to be adjusted.

Per City Manager direction, a single, comprehensive budget amendment has been prepared to adjust all capital projects and funding sources for the above necessities.

As all funds have already been allocated and/or transferred to the C-I-P Fund, there are adequate funds available for this recommendation, with no current financial impact (in fact, the General Fund will be saved from planned "paygo" transfers to the PFA in FYE2024).

Motion and second. A motion was made by **Councilmember John Paulson**, seconded by **Councilmember Melody Kelley**, to authorize amendments to the City of Sandy Springs FY 2023 Budget to reallocate capital project budgets and adjust interfund transfers.

Councilmember John Paulson stated this is shifting money designated to one project that was not spent, that will now roll into the General Fund or another project.

Toni Carlisle, Chief Financial Officer, said exactly. Some projects have closed with remaining funds. There are other projects have not started and so those remaining funds are moving back to the General fund.

Councilmember Tibby DeJulio asked how much money are we talking about? How many projects are there?

Chief Financial Officer Carlisle said collectively it is about $25,000,000. There are several projects. This is a clean-up of the lingering projects with excess funds. We want to do one clean-up to make the funds available to be used in the general fund.

Councilmember DeJulio asked are these funds available in the upcoming budget in addition to what was discussed today?

Eden Freeman, City Manager, said it is combination.

Mayor Rusty Paul said many projects have been sitting completed or closed.

Michael Hietter, Budget Manager, explained most of the money is not going back to General Fund but is being swapped around projects. There is a little going back to our Capital Contingency Fund because of the loss with the Triangle Project and others. It is mostly closing out the projects that are done. The $25,000,000 is a bit overstated because of how accounting works. It is actually probably between

$15,000,000 to $20,000,000. If Finance reviews and see it has been a while that funds have been spent on a project, and confirm with the project manager, the budget will be closed for that. It appears in the system that we put cash in the project and expend it. Public Works for example is efficient in keeping within the budget and there will be funds left over. The City of Sandy Springs has a foundation of putting projects in the ground and money allocated to any capital fund stays there to the benefit of all citizens. When the book is closed on a project and funds remain, we put it in Capital Contingency. There are some projects that started and need funding now, for example Veterans Park. There was an amount budgeted into one project that should not have been there and the concept was taken over by T-SPLOST. So as not to have this double-budgeted, and with Veterans Park that needed $2,700,000, so we took it out of one project and put it into another. It remains in the capital fund. By closing out projects, we find funds and reallocate for other capital uses instead of burdening the fiscal year 2024 budget. Another example is Fire Station 5, which was on the "paygo" method. There was only $1,000,000 free in the General Fund to give to that project, but $2,000,000 was needed. The General Fund cannot be obligated to give a next year's funding. But, by closing out projects, the needed $1,000,000 was found in Capital Fund. That completes the funding for Fire Station 5. Another example is the planned purchase of defibrillators for $100,000 using the capital fund, but the Fire Department found it more economical to lease. However, leases cannot be accounted for in the Capital Fund. With the lease, $50,000 was used to pay for the first half, and the remaining $50,000 was put back into Capital Contingency.

Councilmember Jody Reichel asked are we spending $100,000 to purchased defibrillators?

City Manager Freeman said there will be a combination of purchase and lease. Those are the additional ones needed in the next fiscal year. This is moving to operations in the General Funds because a lease is an ongoing expense, and a capital item is a one-time expense.

Budget Manager Hietter said the amount funded for this project was only a portion for the purchase of all the defibrillators needed. The plan changed and rather than purchasing, it was more economical to lease.

Councilmember Andy Bauman said closing out projects is administrative. We have had the discussion about budget amendments, and to what extent budget amendments should follow the original process with public hearings. While there has been a lot of work that has gone into this recommendation, I do have an objection to the process. We need to do a work session because this is comprehensive, but this may be time sensitive. Some of these recommendations approach policy and priority decision, that may not be controversial but, requires some thought and hearing from the public. Can this be tabled to another meeting, without affecting time constraints?

City Manager Freeman said this needs to be cleaned up by the end of the fiscal year, which is June 30th. Some of the recommended adjustments balances the Capital Fund and will offset the needs of the 2023 budget. The discussion can be deferred to the next meeting or the meeting following the next.

Councilmember Bauman said it would be helpful to see what dollars are going from where to where. Are we simply meeting the existing needs as with Veterans Park? Has anything changed in the budget? While this could be reviewed in a briefing, but because this is budget, I would like this to be reviewed at the next meeting's Work Session. And, potentially voting on it at the next meeting.

Budget Manager Hietter said the impact fee must be taken before the fiscal year ends. Some of these were going to be presented with your approval of the project, for example, Veterans Park. It was requested that Staff present a comprehensive budget amendment. Presented now is changing on the budget-side was enacted on the operational side.

City Manager Freeman said a slide outlining some of the account codes can be prepared. Some of the account codes are old, have been on the books for many years and needs to be cleaned up.

Councilmember Bauman stated while much of this is administrative, some line-items raise a heightened scrutiny.

Budget Manager Hietter said some of these would have been handled administratively, but when putting together this comprehensive review it became cumulative.

Councilmember John Paulson asked is something being funded in the budget amendment that Council has not funded before?

Budget Manager Hietter said Veterans Park has been funded but needs more. Fire Station 5 was funded with the idea an additional $1,000,000 would come next year. But, this budget amendment provides the needed $1,000,000 now and frees that from the next year's budget.

Councilmember Paulson said Council approved the $1,000,000 and the question now is where does it come from

Budget Manager Hietter said that is addressing where it is coming from. Moving a defibrillator from a capital item to a lease item is included here because it crosses funds. When you cross funds, it generally means you are going to have an increased budget and must be approved. The funding is moving from one pocket to another.

Councilmember Paulson asked why has this money lingered for so long? Are we catching up to a bunch of projects that we should have looked at before and cleaned up?

City Manager Freeman said it trying to clean up things.

Councilmember Paulson said in the future when a project is finished let us do it then.

Budget Manager Hietter said Public Works is getting a consultant to look at the lifecycle of a capital project, which includes budgeting, approval, execution, and communication to Finance when done.

Councilmember Melody Kelley stated I am not a huge fan this fourth-quarter, comprehensive, 12-item budget amendment totaling $20,000,000 on the same day the budget process starts. The narratives are helpful, but need to also provide context as to why the numbers are shifting. Headings should be included on each page where the table breaks up. Is the Capital Contingency for $468,000 exclusive to Veterans Park?

Budget Manager Hietter said Capital Contingency account is a catch-all. There was a system where 3% of a project was put in Capital Contingency. The Capital Contingency typically used in circumstances where if a project was running a few thousand dollars over, that was pulled from Capital Contingency. Remaining funds in a projected would be reallocated to Capital Contingency. We try to calculate keep it at 3% to make sure we have a back-up incase we have to increase the budget of the project.

Councilmember Melissa Mular asked is there going to be change to the process where there is a periodic review to ensure we are catching the projects that should have closed to avoid this big one time catch up?

City Manager Freeman said part of the reason this is coming forward is to make the most efficient use of Council's time. There should not be a budget amendment on every Council agenda. The goal is to bring budget amendments on a quarterly basis to avoid a large one. There has also been a significant amount of clean-up work in the overall Capital Fund to resolve transition issues in the last few years. **Budget Manager Hietter** has been working to make sure projects are closed out and dollars allocated according to Council's direction. There is no anew project in the presented budget amendment. Projects have been approved by Council, and Staff is now bringing the budget amendment forward to pay for them.

Councilmember Mular asked is this something auditors would have reviewed from a process perspective?

City Manager Freeman said no because the capital projects were still open. This is part of the process of closing out those old capital projects.

Budget Manager Hietter said we generally make sure the closed projects are closed and the other projects are adequately funded. The reason we brought this amendment here is to change the $1,000,000 of funding from next year to this year and to reallocate a large amount to Veterans Park.

Motion and vote. A motion was made by **Councilmember Andy Bauman**, seconded by **Councilmember Melody Kelley**, to table Agenda Item 2023-131, Amendments to the City of Sandy Springs FY 2023 Budget to Reallocate Capital Project Budgets and Adjust Interfund Transfers. The motion carried by unanimous vote.

B. **2023-132** Request for Mayor and City Council Consideration to Approve the Acceptance of a Purchase and Sale Agreement for Property Located at 514 Hammond Drive in Land Lot 71 of the 17th District of Fulton County, Georgia (Tax Parcel # 17-0071-0003-015-3); Hammond Drive Widening Project (Project No. S2-193)

William H. Martin, Jr., AIA, Public Works Director, presented a recommendation to approve the acceptance of a Purchase and Sale Agreement for Property Located at 514 Hammond Drive in Land Lot 71 of the 17th District of Fulton County, Georgia (Tax Parcel # 17-0071-0003-015-3); Hammond Drive Widening Project (Project No. S2-193).

This property is part of the Hammond Drive widening project (hereafter, the "Project"). In order to construct the Project, fee simple rights are required over, under, and through the property located at 514 Hammond Drive within the City of Sandy Springs. The property owner is Mary Ann Snow and City staff has been in negotiations to acquire the property by purchase. The property in question is a single-family residence built in the 1950's on an approximate half-acre lot. It is located along Hammond Drive in a predominately single family residential area. City Staff has negotiated a Purchase and Sale Agreement wherein the City may acquire the Property for the purchase price of $450,000.00. This property is not a likely candidate for a First Responder Lease-Out. Purchase of the property has been budgeted in the TSPLOST/S2-193 Project Budget. The City's failure to obtain title to this property would result in the City having to potentially modify the proposed Project, which would increase the cost of the project and delay the schedule of the project.

Motion and second. A motion was made by **Councilmember Melissa Mular**, seconded by **Councilmember Tibby DeJulio**, to approve the acceptance of a Purchase and Sale Agreement for Property Located at 514 Hammond Drive in Land Lot 71 of the 17th District of Fulton County, Georgia

(Tax Parcel # 17-0071-0003-015-3); Hammond Drive Widening Project (Project No. S2-193).

Councilmember Melissa Mular asked did the project number change? Some documents may have it as TS193.

Public Works Director Martin said the project number change is because of the difference between TSPLOST 2016 and TSPLOST 2021. In earlier concept presentations, plus or minus $14,000,000 went against the original project number TS-193.

Vote on the motion. The motion carried by unanimous vote.

Resolution No. 2023-05-67

C. **2023-133** Request for Mayor and City Council Consideration to Approve the Appropriation of Certain Property Rights and Interests Located at 6111 Boylston Drive, N.E., Sandy Springs, GA (Tax Parcel ID: 17 0071 0002 2088) through the Use of Eminent Domain; Hammond Drive and Boylston Drive Intersection Realignment Project (Project No.: T0058-1)

Dan Lee, City Attorney, recommended the City Council table Agenda Item 2023-133, the Appropriation of Certain Property Rights and Interests Located at 6111 Boylston Drive, N.E., Sandy Springs, GA (Tax Parcel ID: 17 0071 0002 2088) through the Use of Eminent Domain; Hammond Drive and Boylston Drive Intersection Realignment Project (Project No.: T0058-1). Staff has advised more time is needed to try to resolve the acquisition of the property.

Motion and vote. A motion was made by **Councilmember Melissa Mular**, seconded by **Councilmember John Paulson**, to table Agenda Item 2023-133, the Appropriation of Certain Property Rights and Interests Located at 6111 Boylston Drive, N.E., Sandy Springs, GA (Tax Parcel ID: 17 0071 0002 2088) through the Use of Eminent Domain; Hammond Drive and Boylston Drive Intersection Realignment Project (Project No.: T0058-1). The motion carried by unanimous vote.

X. Reports

A. **2023-134** Mayor and Council Report

Mayor Rusty Paul stated Friday night City Green Live Concenter had one of the biggest crowds the City has seen. The series continues next Sunday with Concerts by the Springs at the Heritage Amphitheater. Next Thursday is the Sundown Social. There is a lot of activity happening that is free to our residents.

B. **2023-135** Staff Reports

There were no staff reports.

XI. Executive Session

Motion and vote. A motion was made by **Councilmember John Paulson**, seconded by **Councilmember Tibby DeJulio**, to recess from regular order and enter executive session for the purposes of real estate and litigation discussion. The motion carried by unanimous vote.

Passed Yes 6, No 0, Abstained 0
Yeas: John Paulson, Melody Kelley, Melissa Mular, Jody Reichel, Tibby DeJulio, Andrew Bauman
Nays: None

The Executive Session began at 7:56 p.m.

Motion and vote. A motion was made by **Councilmember Tibby DeJulio**, seconded by **Councilmember John Paulson**, to adjourn the executive session and return to regular order. The motion carried by unanimous vote.

Passed Yes 6, No 0, Abstained 0
Yeas: John Paulson, Melody Kelley, Melissa Mular, Jody Reichel, Tibby DeJulio, Andrew Bauman
Nays: None

The Executive Session ended at 8:53 p.m.

XII. Adjournment

Motion and vote. A motion was made by **Councilmember Tibby DeJulio**, seconded by **Councilmember John Paulson**, to adjourn the meeting. The motion carried by unanimous vote.

The meeting adjourned at 8:53 p.m.

RESOLVED this 16th day of May 2023.

APPROVED:

Russell K. Paul, Mayor

Attest:

Raquel D. González, City Clerk
(Seal)