

Meeting of the Sandy Springs City Council was held on August 15, 2023 Following Work Session, Mayor Rusty Paul presiding.

I. Call to Order

Mayor Pro Tem John Paulson called the meeting to order at 6:35 p.m.

II. Roll Call and General Announcements

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

Members Absent: Mayor Rusty Paul

III. Pledge of Allegiance

Mayor Pro Tem John Paulson led the Pledge of Allegiance.

IV. Public Comment

There were no public comments.

Mayor Pro Tem John Paulson stated Hawaii was hit hard in the past week. My friend retired and moved there, and I have been unable to reach him for two days. He is one of tens of thousands. My heart goes out everyone there and hope everyone can be as safe as possible. It is a tough and tragic situation.

V. Approval of Meeting Agenda

Motion and vote. A motion was made by **Councilmember Tibby DeJulio**, seconded by **Councilmember Jody Reichel**, 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. **2023-232** Meeting Minutes
August 1, 2023 City Council Meeting
- B. **2023-233** Request for Mayor and City Council Consideration of Acceptance of an Agreement to Donate Real Estate on property located at 6758 Brandon Mill Road NE in Land Lots 87 and 126 of the 17th District, City of Sandy Springs (Tax ID# 17-0087-0002-013-1); TS-172 Brandon Mill Road Sidewalks – Lost Forest Drive to Brandon Ridge Project

Resolution No. 2023-08-123

- C. **2023-234** Request for Mayor and City Council Consideration of Acceptance of an Agreement to Donate Real Estate on property located at 6738 Brandon Mill Road, in Land Lots 87 and 126 of the 17th District, City of Sandy Springs (Tax ID# 17-0126-0001-046-5); TS-172 Brandon Mill Road Sidewalks – Lost Forest Drive to Brandon Ridge Project

Resolution No. 2023-08-124

- D. **2023-235** Request for Mayor and City Council Consideration of Acceptance of an Agreement to Donate Real Estate on property located at 6768 Brandon Mill Road NE in Land Lots 87 and 126 of the 17th District, City of Sandy Springs (Tax ID# 17-0087-0002-012-3); TS-172 Brandon Mill Road Sidewalks – Lost Forest Drive to Brandon Ridge Project

Resolution No. 2023-08-125

VII. Presentations

There were no presentations.

VIII. Public Hearing

- A. **2023-236** ABL No. 102695
Request for Mayor and City Council Consideration of Approval of Alcoholic Beverage License Application for 404 Splatter, LLC/dba The Splatter Studio-5920 Roswell Road, C-212, Sandy Springs GA 30328.

Applicant Howard Gerson Krinsky for Consumption on the premises Wine and Malt Beverages, BYOB.

Toni Carlisle, Chief Financial Officer, presented a recommendation to approve the application for New Alcohol License - Consumption on the premises Wine and Malt Beverages, BYOB for 404 Splatter, LLC/dba The Splatter Studio-5920 Roswell Road, C-212, Sandy Springs GA 30328.

Applicant submitted a completed application on May 12, 2023. Applicant has passed the background investigation.

This is a New Alcohol License for Consumption on the premises Wine and Malt Beverages; BYOB. The business is located at –5920 Roswell Road, C-212, Sandy Springs GA 30328

There being no public comment, **Mayor Pro Tem Paulson** closed the public hearing.

Motion and second. A motion was made by **Councilmember Melissa Mular**, seconded by **Councilmember Melody Kelley**, to approve the application for New Alcohol License - Consumption on the premises Wine and Malt Beverages, BYOB for 404 Splatter, LLC/dba The Splatter Studio-5920 Roswell Road, C-212, Sandy Springs GA 30328.

Councilmember Kelley asked what kind of business is this?

Councilmember Andy Bauman said this is a creative space where individuals have the opportunity to do abstract painting by splatter on a canvas and have an alcoholic beverage.

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

Resolution No. 2023-00-00

B. 2023-237 Ad Valorem Tax Rate Public Hearing 2 for 2023 Millage Rate

Eden Freeman, City Manager, presented a recommendation to approve the ad valorem tax rate for the City of Sandy Springs, Georgia, for the 2023 calendar year, on property subject to ad valorem taxation by the City that is hereby fixed at 4.731 on forty percent (40%) of each \$1,000 of property subject to ad valorem tax by the City. Said rate of \$4.731 on forty percent (40%) of each \$1,000 of taxable property is hereby levied.

The Georgia Taxpayers Bill of Rights, in effect since 2000, requires the City to advertise a millage rate as a property tax increase if this rate is not fully rolled back.

Sandy Springs millage rate combined with the homestead exemption results in a lower tax burden than most of its neighboring municipalities. By leaving the millage rate the same, we continue to ensure superior, responsive customer service and the high quality of services to the residents of Sandy Springs. Notice has been advertised that the City of Sandy Springs will hold public hearings on Monday, August 14th at 8:30 am and Tuesday, August 15th at 6:00 p.m. The City of Sandy Springs will set the millage rate on August 22nd at 6:00 p.m. following the final public hearing.

The impact of the reassessment and reevaluations this past year resulted in an overall property value increase, resulting in a tax increase of 8.01% following the “rollback” calculation that evaluates total revenue collected from property taxes year to year. This property value increase contributed to an increase in total net taxes levied of 8.33% from 2022 to 2023. The FY2024 Budget proposes the adoption of a millage rate of 4.731 mills, which is the same millage rate the Sandy Springs Charter permits. The millage rate does not increase, and the increase is a function in the increase in the values of properties in the City.

There being no public comment, **Mayor Pro Tem Paulson** closed the public hearing.

IX. New Business

A. 2023-238 Request for Mayor and City Council Consideration of Approval to Declare as Surplus Certain Property Owned by the City and Directing Disposal of the Same

Toni Carlisle, Chief Financial Officer, presented a recommendation to approve the Declaration of Certain City Property listed in Exhibit A as Surplus and authorization for the City Manager to approve the disposition of said Surplus, subject to approval of the City of Sandy Springs (“City”) Legal and Finance Departments.

When the Code of Ordinances of the City of Sandy Springs were established, it allowed that the under the

supervision of the City Manager, the City Purchasing Agent should arrange and negotiate for the sale or otherwise disposal of all surplus equipment and supplies or real estate of the City or any using agency (Section 2-334. Purchasing Agent). Sandy Springs Purchasing Policy requires all Departments to report all surplus or obsolete goods to the Purchasing Agent; and that they be declared Surplus by Mayor and City Council.

The Surplus consists of goods from the following Departments as listed in Exhibit A:

- Fleet
- Fire
- Public Works
- IT

Upon review of the goods listed in Exhibit A, staff recommends that they be declared Surplus and for the Purchasing Agent under the supervision of the City Manager to dispose of surplus property in a manner as is determined to be the most advantageous method of disposing the goods, including transfer; donation; recycle; trade-in; and/or sale.

All equipment is used and is sold as is with no warranty expressed or implied. The goods listed for Surplus in Exhibit A represent a limited dollar value for the City.

Motion and second. A motion was made by **Councilmember Melody Kelley**, seconded by **Councilmember Melissa Mular**, to approve the the Declaration of Certain City Property listed in Exhibit A as Surplus and authorization for the City Manager to approve the disposition of said Surplus, subject to approval of the City of Sandy Springs ("City") Legal and Finance Departments.

Mayor Pro Tem John Paulson asked will all goods be sold? Are any designated for specific communities?

Chief Financial Officer Carlisle said a fire trailer will be donated to the City of Thomasville and everything else will be sold. Vehicles will be directed to A-Tow Auctions for sale.

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

Resolution No. 2023-08-126

B. **2023-239** Request for Mayor and City Council Consideration of a HUD Community Project Funding Grant Agreement

William H. Martin, Jr., AIA, Public Works Director, presented a recommendation to enter into a grant agreement with the United States Department of Housing and Urban Development (the "HUD") to accept federal funding for the Path 400 Trail Extension as part of the FY2023 Community Project Funding.

The Consolidated Appropriations Act, 2023 (Public Law 117-328) (the FY2023 Act), made available \$2,982,285,641 in grants for the Economic Development Initiative (EDI) for projects specified for Community Project Funding/Congressionally Directed Spending. This act specified \$750,000 for the City of Sandy Springs for the Path 400 Trail Extension project.

The City of Sandy Springs submitted a FY23 Community Project Funding request for \$12,364,090.00 in federal funds for the Path 400 Trail Extension project in April 2022. The request was submitted to Representative Lucy McBath. Representative McBath then requested the funding from the U.S. House Appropriations Committee. \$750,000 in funding was ultimately approved for the project as part of The Consolidated Appropriations Act, 2023 on December 23, 2022.

The funding will help fund construction activities for the Path 400 Trail Extension project. This project will construct a 1.8-mile multi-use trail that will extend the existing PATH 400 trail in Buckhead to the Perimeter District and Medical District. The project currently has an estimated \$18M deficit in construction funds. The City currently plans to construct the project in phases as funds become available. This funding would help reduce the project deficit, which has increased in recent years due to inflation and increases in construction costs.

No local match is required for the Community Project Funding.

Motion and second. A motion was made by **Councilmember Jody Reichel**, seconded by **Councilmember Tibby DeJulio**, to enter into a grant agreement with the United States Department of Housing and Urban Development (the "HUD") to accept federal funding for the Path 400 Trail Extension as part of the FY2023 Community Project Funding.

Councilmember Reichel asked why such a big difference between the \$750,000 HUD granted and \$12,364,090.00 the City asked for?

Public Works Director Martin said \$12,364,090.00 was the construction deficit at that time. Although the City has a great partnership with the Atlanta Regional Commission (ARC), all the constructions funds to render this project will not be received this fiscal year but in future years. In the meantime, we have asked other funding sources including HUD to help get this project to completion.

Councilmember Reichel said how many years will this project take. Is there an \$18,000,000 deficit?

Public Works Director Martin said currently the City has about \$19,000,000 to buy what we can. There may be one more phase after this year and federal funds are available to execute the project. It mostly depends on the funding pace and funding schedule within ARC as they try to satisfy all requests in any fiscal year. We will seek funding in upcoming fiscal years to complete the project.

Councilmember Reichel stated this is great project and I am excited. Love seeing people biking on PATH 400.

Public Works Director Martin said the City of Atlanta has one phase currently under construction, both north and south, and moving towards Sandy Springs. Within I-285/SR 400, there will be a portion of the side path embedded within the interchange project that the City of Sandy Springs will also connect to.

Councilmember Melody Kelley asked what is the funding source for the \$19,000,000?

Public Works Director Martin said most of it is federal highway funds through ARC. With this, there is about \$4,000,000 in local match and, T-SPLOST funded much of this, plus we had other funds we applied.

Councilmember Kelley asked is some of the \$19,000,000 time sensitive?

Public Works Director Martin said it is slated against this fiscal year which just started for Georgia. We currently have the funds for fiscal year 2024. On a good let schedule, we will put out the portion that we can execute with monies available this fiscal year. We are not delaying. We will have a phased approach to move ahead this fiscal year with the portion we can fund now and on schedule with the Georgia Department of Transportation (GDOT).

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

Resolution No. 2023-08-127

- C. **2023-240** Request for Mayor and City Council Consideration of an Ordinance to Amend the City of Sandy Springs Code of Ordinances, Subpart A, Chapter 6, Article II, Division 7 to Amend the Definition of City Springs and Other Purposes

Kristin Byars Smith, Assistant City Manager, presented a recommendation to approve an Ordinance to amend Subpart A, Chapter 6, Article II, Division 7, § 6-175 of the City of Sandy Springs-Code of Ordinance to amend the boundary for the Open Container District for the City Springs District.

In January 2017, the City Council approved Ordinance No. 2017-01-01 (the "Ordinance") which established a district that allows alcohol consumption within the established City Springs District, as shown in yellow on the attached map. The Ordinance included provisions for the number, size, and container requirements for such beverages, limited consumption to a defined area, and established other requirements.

As the City Springs District evolves and expands, City Staff identified a need to expand the Open Container District. The attached map details an expansion of the existing Open Container District, as shown in red. No other changes are proposed at this time.

Motion and second. A motion was made by **Councilmember Melissa Mular**, seconded by **Councilmember Jody Reichel**, to approve an Ordinance to amend Subpart A, Chapter 6, Article II, Division 7, § 6-175 of the City of Sandy Springs-Code of Ordinance to amend the boundary for the Open Container District for the City Springs District.

Councilmember Mular asked according to the map, will people be able to walk on both sides of Hilderbrand Drive and not step off?

Assistant City Manager Byars Smith said yes. With the boundary, we tried to stay internal to the major streets including Sandy Springs Circle, Johnson Ferry Road, and Roswell Road. This map was carefully outlined and considered where events would occur and where people would be walking.

Councilmember Andy Bauman said development plans will include new retail, restaurants, and residential properties and I would not want to impose a competitive disadvantage on properties the City does not control. Would the City consider a boundary margin that was further to invite adjacent owners such as Blue Stone Lofts and other commercial properties?

Assistant City Manager Byars Smith said currently all the property is City-owned. If Council desires, we can approach other property owners to ask them and provide an update in the future.

Mayor Pro Tem John Paulson said Blue Stone Lofts is private property. Can residents living there be

on the parking lot with an alcoholic drink?

Dan Lee, City Attorney, said they can be on the property with alcohol. This ordinance applies only to licensed sellers of alcohol.

Mayor Pro Tem Paulson asked when this will take effect? Is a special event needed?

Assistant City Manager Byars Smith said immediately. The Blue Stone Arts and Music Festival is on September 29th and 30th and this will be in effect for that event.

Eden Freeman, City Manager, said the event applies only if the right-of-way has been closed by the City.

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

Resolution No. 2023-08-15

- D. **2023-241** Request for Mayor and City Council Consideration to Approve the Appropriation of Certain Property Rights and Interests Located at 7320 Roswell Road (Tax Parcel #: 17-0032-LL0254) Through the Use of Eminent Domain as it Relates to the Dalrymple/Roswell Road Intersection Improvement Project (Project No.: TS-108)

Dan Lee, City Attorney, presented a recommendation to approve the use of eminent domain to acquire the property rights and interest located at 7320 Roswell Road to construct certain right of way improvements which will improve operational efficiency and create a better flow of traffic, as well as increase pedestrian safety.

This property is part of the Dalrymple/Roswell Road Intersection Improvements Project (Project No.: TS-108) (hereafter, the "Project"). In order to construct the Project, fee simple rights are required over, under, and through the property located at 7320 Roswell Road within the City of Sandy Springs.

The property in question is a Chevron located on a 1.239-acre lot. It is located on the south side of Dalrymple Road, at the intersection of Roswell Road. The subject property includes 3,563.34 sq. ft. of fee simple and 1,355.17 sq. ft. of temporary construction easement.

The City believes that just and adequate compensation for the subject property is \$144,600.00, and is itemized below;

Fee simple	3,563.34 sq. ft.	\$32.00/sq. ft.	\$114,026.88
Temporary Construction Easement	1,355.17 sq. ft.	\$32.00/sq. ft. (20% of total value)	\$ 8,673.09
Damage to Trade Fixtures			\$ 8,125.00
Site Improvements			\$ 3,911.06
Cost to Cure/Incurable Damages*			\$ 9,850.00

City Staff has been unable to secure the acquisition of the property, even though the City has offered just and adequate compensation for the property, to the owner, APEX Mk, LLC, however, negotiations to purchase the property appear to have reached an impasse.

The City's failure to obtain title to this property would result in the City having to modify the proposed Project, which would increase the cost of the Project.

Motion and vote. A motion was made by **Councilmember Melody Kelley**, seconded by **Councilmember Jody Reichel**, to approve the use of eminent domain to acquire the property rights and interest located at 7320 Roswell Road to construct certain right of way improvements which will improve operational efficiency and create a better flow of traffic, as well as increase pedestrian safety. The motion carried by unanimous vote.

Resolution No. 2023-08-128

X. Reports

B. 2023-243 Staff Reports

1. 2023-244 June 2023 Unaudited Financials

Toni Carlisle, Chief Financial Officer, reviewed the June 2023 unaudited financials. The City is at 100% of the fiscal year. Revenues are at 121.83% and expenditures are at 95.97% of the budget.

All core revenues exceeded the FY23 budget:

Property Taxes, Motor Vehicle, LOST, BusOps, Insurance Premium and Building Permits

The packet outlines the cash and investments available at the period close by account for your viewing and provides a trending analysis of the local option sales taxes collected since 2019, 2023 finished even stronger than pre-pandemic periods.

We continue to review the expenditures of each department as we prepare for the annual audit, adjusting as necessary. We are confident the data presented is final for the year.

Mayor Pro Tem John Paulson asked does this close out last year?

Chief Financial Officer Carlisle said we must go through the audit and are still reviewing the information.

Councilmember Melody Kelley asked where the penalty line item is located?

Chief Financial Officer Carlisle said it is a charge code in the revenue system which rolls into Business and Occupation Tax.

Councilmember Andy Bauman asked what was the interest income for June and the cumulative amount?

Chief Financial Officer Carlisle said it is under the category Investment Income. The interest revenue is \$1,578,491.00 for the month of June and \$5,103,748 for the year.

A. 2023-242 Mayor and Council Report

Councilmember Andy Bauman said after the first millage rate public hearing on Monday, August 14th, Council should consider if it makes sense for the City to have a consultant look at options for providing some homeowner tax payer relief in potentially the next year. It is probably too late for this year but, this topic should be looked at as we enter the end of the year, the retreat, and when we begin budget next April. We have the millage rate rollback option but, is there something we can do with the homestead exemption? Can we raise it? Should we consider a freeze? Should we look at something for seniors? We all recognize that citizens get a tremendous value for their Sandy Springs taxes which is generally about 15% of the overall bill. The City is doing well and we all have wants and needs which is not going to change. I am asking that Council and staff consider having a consultant, as with impact fees, to come and assist the City with our options and the impact. Since item 2023-237 Ad Valorem Tax Rate Public Hearing 2 for 2023 Millage Rate was without any discussion tonight and, we started this discussion yesterday, I want us to collectively think about how we can potentially provide some property tax relief to our citizens.

Mayor Pro Tem John Paulson said this is worth discussing and maybe during the retreat. Also let us explore what other cities are doing as there may be something that we have not thought of.

Councilmember Bauman said I am asking if we as a group should be giving some direction to staff to at least outline a process for how that is done legally and substantively and, if it is worth bringing an expert.

Eden Freeman, City Manager, said **Toni Carlisle, Chief Financial Officer**, and I had multiple conversations between yesterday and today about this. We suggest bringing someone in from Fulton County to explain this floating homestead concept. We are unable to give you a blanket calculation that will show you what that truly means to the City as a whole. It is a number that is calculated per parcel and is extremely complicated to explain. We can conclusively tell you that the floating homestead is included in our projections for the millage rate but we are looking at that. If there is a desire of counsel to change our homestead exemption, this would require local legislation and we would need to get that done quickly towards the start of the general assembly to make the changes.

Councilmember Bauman said this is a long lead time. Does this body want to prioritize looking into this?

Mayor Pro Tem Paulson said this should be discussed with the mayor and if he wants, we can discuss at the next meeting

City Manager Freeman said we can also try to identify some outside consultants with expertise in this or to double check our calculations.

Councilmember Melody Kelley asked when is our last public hearing so we can discuss more?

Raquel D. González, City Clerk, said it is next Tuesday, August 22nd at 6:00 p.m. in the Barfield Conference Room.

Mayor Pro Tem Paulson said keep in mind, the motion and what we are discussing is what do we do with the millage rate for this year. What you just mentioned is something that must be explored going forward.

XI. Executive Session

Motion and vote. A motion was made by **Councilmember Tibby DeJulio**, seconded by **Councilmember Jody Reichel**, to recess from regular order and enter executive session for the purposes of real estate 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 7:10 p.m.

Motion and vote. A motion was made by **Councilmember Tibby DeJulio**, seconded by **Councilmember Jody Reichel**, 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

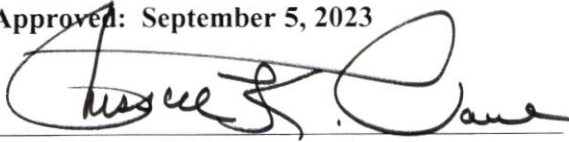
The Executive Session ended at 7:25 p.m.

XII. Adjournment

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

The meeting adjourned at 7:25 p.m.

Approved: September 5, 2023



Russell K. Paul, Mayor



Raquel D. González, City Clerk