



DEVELOPMENT AUTHORITY MEETING

JULY 19, 2022

ALPHARETTA CITY HALL
COUNCIL CHAMBERS | 2 PARK PLAZA | 5:00 PM

I. CALL TO ORDER

Chairman Jack Nugent called the meeting to order at 5:03 pm

II. ROLL CALL

A. Development authority members

- Jack Nugent
- Morgan Reynolds
- Jill Bernard
- David Chatham
- Shawn Allen
- John Goss (Absent)
- Mark Wingate (Absent)

B. Staff

- Kathi Cook,
Director of Community & Economic Development
- Lance Morsell,
Economic Development Manager
- Charlotte Christian,
Economic Development Coordinator
- Greg Mayfield,
Development Authority Legal Counsel

III. STATEMENT OF PURPOSE

The Development Authority of Alpharetta is granted powers and jurisdiction through the State of Georgia General Assembly and a resolution adopted by the Alpharetta City Council on September 3, 1996. The function of this Authority is to promote the public good and general welfare, trade, commerce, industry, general tax base and the employment opportunities available in the City of Alpharetta.

Chairman Jack Nugent read the statement of purpose.

IV. CONSENT AGENDA

A. Approval of Minutes

Jill Brenard offered a motion to approve. Morgan Reynolds seconded the motion. Approved (5-0).

V. OLD BUSINESS

VI. NEW BUSINESS

A. Conflict Waiver

Chairman Jack Nugent explained that the purpose of this waiver is to allow the legal counsel to represent both the city and the development authority in respect to the local jobs' creation grant. Greg Mayfield confirmed that the chairman's summary of the conflict waiver was correct.

David Chaptman offered a motion to approve; Jill Bernard seconded. Approved (5-0).

B. Local Jobs Creation Grant/Local Job Tax Credit IGA

Lance Morsell summarized that the Local Jobs creation Grant was developed in 2013.

The grant was initially \$40,000 and the following fiscal year an additional \$20,000 was added to the grant. The program mirrors the Georgia Job Tax Credit program, but specifically encourages the employment of Alpharetta residents. To qualify, a company within the City of Alpharetta first must be eligible for the Georgia Job Tax Credit, then becomes eligible if and when they have employed an Alpharetta resident for a full year for the duration of the resident's employment. Approximately \$27,000 was used in the last fiscal year; this leaves a little over \$30,000 in the remaining fund. City Council voted unanimously to approve it the week prior. Lance went on to clarify that if the Development Authority wished to approve it, the grant would be enacted for the remainder of the fiscal year through June 2023.

David Chatham asked if there had been any request within the last year. Lance Morsell answered that there have not been any direct request for participation this year but have been at least two requests for information from companies considering relocating.

Morgan Reynolds asked if any other cities offered similar programs. Lance Morsell explained that some cities offer some narrowly tailored incentives, but that he believes that in Metro Atlanta and North Fulton, Alpharetta is the only city to offer a jobs creation incentive of this kind. Jack Nugent noted that this grant had previously been altered last year to make it easier for Tech Alpharetta graduates to be prioritized.

Morgan Reynolds asked how strenuous the paperwork process was for the company. Lance outlined the process of application and cross verifying each claimed employee is an Alpharetta resident.

Shaun Goss asked if an employee moved to Alpharetta for a job, whether the company would be eligible for that individual moved to Alpharetta to take the job. Lance Morsell explained a scenario where if a company brought new jobs to Alpharetta and an employee moved to Alpharetta for that role, the company would need to be in business a year to qualify, but if that employee were still employed and still a resident one year later, the company would be eligible for the program for that employee.

Morgan Reynolds asked if tenant reps were told about this program. Lance Morsell clarified that it was something that was brought up with tenant representatives, and brokers, and Kathi emphasizes that the grant is still under publicized and needs to be promoted more to these tenant representatives and brokers.

David Chatman offered a motion to approve; Morgan Reynolds seconded the motion. Approved (5-0) to extend the grant

C. Kimball 154/Garren Bond Resolution

Counsel Allison Dyer, of Holland & Knight LLP in Atlanta, was present to review the bond resolution and offered to answer questions. Allison Dyer noted that nothing had changed with the company since the resolution was last presented. Chairman Jack Nugent asked if the potential purchasers were aware of the new tax implications that would be on the property when it transitioned from ownership under Fulton County to its under private ownership with its current 3.3-million-dollar assessment. Allison Dyer clarified that the interest in the property was a taxable interest. Allison Dyer explained this motion would be a motion to approve a bond resolution authorizing the issuance of \$70,000,000 taxable revenue bonds.

Chairman Jack Nugent offered a motion to approve; Shawn Allen seconded the motion. Approved (5-0).

Shaun Allen asked if the purchaser planned to close on the property by end of this year; Allison Dyer answered that they hope it would close much sooner but that there were still several steps they would need to go through before it could close. Chairman Jack Nugent spoke in favor of the proposed bond resolution- noting the increase in tax revenue and the preservation of the school building.

D. Emblem Alpharetta Financing Resolution

Allison Dyer explained that the new owner has asked for a standstill agreement so that they can finance the property with Fannie Mae. This standstill agreement would relate to the land use restriction agreement discussed at the previous meeting that stipulated the land be used as a low-income multi-family housing for two more years. Fannie Mae requires that the development authority agree to give them 90 days to cure any default under the loan agreement on behalf of their borrower before the authority exercises certain remedies. It does not restrict the authority from exercising all remedies. Allison Dyer explained that she reviewed the terms and felt that Fannie Mae would not negotiate but that the terms were fair and in line with similar contracts. David Chatham asked what the loan amount was; Chairman Jack Nugent replied it was 21.8 (million).

Morgan Reynolds made a motion, David Chatham seconded. Approved (5-0).

VII. DISCUSSION

- A. Chairman Jack Nugent asked Tech Alpharetta's President and CEO, Karen Cashion, to provide an update. Karen explained that Tech Alpharetta's last networking event was a success and encouraged those in attendance to attend their next event, the "North Side Bash" facilitated in part with the Atlanta Metro Chamber as part of the Chamber's "ALT Unlocked" event series. The North Side Bash will take place Thursday, August 18th, at 5:30. Kathi Cook asked if there were more opportunities to sponsor the Tech Alpharetta's north side bash; Karen said they welcomed more sponsors. This Monday, Tech Alpharetta will have a ceremony at the City Council meeting to celebrate their 20th graduate.
- B. Representative Deborah Lanham, Alpharetta Chamber presented an update on the Chamber's events:
- Ladies' night out on the 28th in advance of the Mayor's run; the event is slated to be held 5-8 pm.
 - October will still focus on the Maxwell which is up for sale. The chamber has approached several businesses soliciting their participation.
 - November's focus is a digital marketing campaign: "Shop Local, Shop Small."
 - The Chamber has been invited by the City to work on the program around the city lighting for the December holiday season. The Hamilton hotel would like to put a tree out that would simultaneously light with the tree at city center.
 - Midas on North Main Street has joined the Chamber's board.
 - The Chamber has purchased a booth at DTA for food truck night.
 - The Chamber's contract with Yonder will be renewed in August, and Deborah

stated she hopes to lower the cost of the contract.

- C. Lance Morsell announced that UPS Supply Chain Logistics is putting their property up for sale. He is hoping that the city maintains a positive relationship with UPS and emphasized that this opening would a great opportunity to welcome a new business to Alpharetta. Lance Cook and Kathi Cook are meeting with the Mayor and Mayor Pro-tempore to hear UPS's reasoning next week to get a better understanding of the factors that went into the decision to sell the property.
- D. Lance Morsell announced that he planned to bring forward more grants in the August meeting of the Development Authority regarding office parks.
- E. Kathi Cook announced that two existing companies in Alpharetta with a global presence are merging. SWM and Neenah have formed the new company, Mativ, and the new company has its headquarters in Alpharetta.

VIII. ADJOURNMENT

With there being no further business to hear or discuss, Chairman Nugent adjourned the meeting at 5:47 p.m.

Respectfully submitted,

Charlotte Christian, Economic Development Coordinator