



CITY COUNCIL PLANNING RETREAT DAY #1

JANUARY 21, 2024

TRILITH GUESTHOUSE HOTEL

THE STUDIO AND LAKEVIEW TERRACE ROOMS

350 TRILITH PARKWAY FAYETTEVILLE, GEORGIA 30214

12:30 PM

OFFICIAL MINUTES

The public is advised that the following minutes are not a verbatim transcription of business presented at the Council Meeting of the date shown; but are a synopsis of pertinent information. The public is further advised that the video recording for said meeting is a matter of public record and is available to be viewed at the City Clerk's office during normal business hours or viewed online at <https://www.youtube.com/user/alpharettagov>.

1. CALL TO ORDER

- Mayor Gilvin called the meeting to order at 12:39 p.m.

2. ROLL CALL

• Council Members

- Mayor Jim Gilvin
- Mayor Pro Tem Dan Merkel
- Donald F. Mitchell
- Douglas J. DeRito
- John Hipes
- Brian Will
- Fergal M. Brady

• Staff

- Chris Lagerbloom, City Administrator
- Molly Esswein, City Attorney
- James Drinkard, Assistant City Administrator
- Lauren Shapiro, City Clerk
- Adam Montgomery, Director of Information Technology
- Brooke Lapin, Director of Courts
- Cris Randall, Director of Human Resources
- John Robison, Director Public Safety
- Kathi Cook, Director of Community and Economic Development
- Pete Sewczwicz, Director of Public Works
- Morgan Rodgers, Director Recreation, Parks & Cultural Services
- Tom Harris, Director of Finance

- Alex Callum, Executive Office Coordinator
- Deanna McKay, Marketing Coordinator
- Ryan Thomas, Municipal Project Manager

3. CITY COUNCIL DISCUSSION, VISIONING, AND PRIORITY SETTING

A. The following topics were identified and submitted by Mayor and City Council prior to the retreat. There is a significant likelihood that other priorities of the Mayor and Council will be discussed as they are identified during the retreat.

- City Administrator, Chris Lagerbloom, provided an introduction for the structure and timeline of the retreat.

TOPICS OF DISCUSSION:

i. 2023 Performance Update

- Municipal Project Manager, Ryan Thomas, came forward and present this item by demonstrating the city's new software, Clearpoint.
- City Administrator, Chris Lagerbloom, while using Clearpoint, led a discussion and update of all of the 2023 City Council Priorities.
- **Priority: Safe and Welcoming Community**
 - Public Safety will provide a crime statistics summary every quarter to support this priority.
 - Kathi Cook has a contact with a software company that may be able to help track the city's daytime population.
- **Priority: Downtown Alpharetta**
 - This fiscal year, Parks hired a supervisor and employee specifically for the Downtown, including areas near Innovation Academy,
 - Parks recently improved the corners of Milton Avenue and Canton Street and Highway 9 near Publix by adding fresh mulch and Adirondack chairs.
 - Council Member Hipes shared concerns of delivery trucks on Milton Avenue near the crosswalks.
 - Chris Lagerbloom met with the Secretary of the Department of Behavioral Health and Developmental Disabilities and shared that there is a lack of resources in Fulton County. Fulton County does not have a Community Services Board, unlike nearly all of the 158 other counties in Georgia.
 - Chris Lagerbloom shared that as part of the city's contract negotiations with Metro Ambulance, the hope is to establish virtual behavioral health opportunities for first responders to be able to connect those needing services with nurses who can provide care, rather than first responders transporting them to hospitals. This would reduce the time public safety professionals would need to spend on transports, and they would be able to instantly connect individuals who need immediate care to a provider.
 - The City Attorney's Office plans to bring forward a Shopping Cart Ordinance fairly soon.

- **Priority: Communications that Connect**
 - Mayor and City Council adopted the City's Communications Plan in December 2023, and there will be some upcoming training sessions for internal employees.
 - The city website redesign and build is currently on hold.
 - A citizen survey has not been distributed since 2005. City Administrator, Chris Lagerbloom, shared that he would like to conduct a citizen survey using a company called Zen City, in order to inform the City Council on how residents view the city's performance and the quality of service the city is providing to its residents.
 - Municipal Project Manager, Ryan Thomas, will circulate a draft of the questions to be included in the Citizen Survey.
- **Priority: Recreation, Parks, and Culture**
 - The Farmhouse Park is currently on hold as we are waiting for GDOT to provide more information about the 400 exit ramps.
 - An update on the Parks Bond will be provided during tomorrow's session (1.22.2024)
- **Priority: Infrastructure and Facilities Maintenance**
 - For the fire station renovation project, based on the use and recommendation of the company that completed an assessment of all fire stations, it may be recommended for stations 81 and 83 undergo a renovation, instead of stations 82 and 84.
- **Priority: Transportation and Traffic**
 - For the Kimball Bridge Road GAP project, the city would need to enter a memorandum of understanding the North Fulton Community Improvement District.
 - For the McGinnis Ferry Road Project, Forsyth County may determine to split this project into three phases (east, middle, west).
 - Mayor and Council recommended taking a look at updating the city's Night Sky Ordinance (example: Rucker Road style lighting should illuminate downward onto the roadway instead of upward toward the sky).
- **Priority: People Focused Workplace**
 - A group of 25 employees from each city department gathered together to revamp the city's employee performance evaluation process. This new process will be rolled out for this year's employee evaluations and will be an electronic process (no more paper evaluations).
- **Priority: Economic Development**
 - The city is represented very well at the state level of government, but in the next few weeks, administration will be bringing a contract forward for City Council to consider for a law firm to represent the city for lobbying purposes in Washington DC.
 - A group of employees is currently working to implement a new grant management software known as eCivis. Additionally, the city is also working with a grant management firm, Witt O'Brien's, to help with overall grant management, and their firm is currently writing a state grant for the Alpha Loop and North Point Parkway Streetscape projects.

- The North Point District is seeing some future development with Pickle and Social, Eddie V's, and Cooper's Hawk Winery and Restaurant.
- Last year, a group of professionals came together for the Windward Urban Land Institute, which will later result in a Windward Livable Centers Initiative being brought forward for City Council consideration.

ii. **Mid-Year Budget Discussion**

- Director of Finance, Tom Harris, provided an update on the Mid-Year Fiscal Year 2024 Budget.
- A copy of his presentation is attached hereto as Exhibit "A."

iii. **Funding Our Future**

- Director of Finance, Tom Harris, provided an update on the Mid-Year Fiscal Year 2024 Budget.
- **Occupational Tax**
 - Mayor Gilvin shared that City Council has never voted for a tax increase since he has been on council and does not believe that we are in a position currently where the city needs that needs additional revenue.
 - Council Member Hipes shared that he would like to see that occupational tax is equitable across the board for all sizes of businesses.
 - Council Member Will shared that is it not likely that businesses are going to leave Alpharetta and go to a neighboring city, because, based on local statistics Director Harris provided, neighboring cities do not have a lower occupational tax.
- **Stormwater Budget**
 - City Administrator, Chris Lagerbloom, shared that we do a straight transfer from the general budget to the capital budget every year in the amount of \$4 Million for stormwater.
 - Mayor Gilvin shared that he would support a stormwater fee, but only if we reduced the millage rate in order to make it revenue neutral.
- **Special Service District Tax**
 - Director of Finance, Tom Harris, shared that the City of Brookhaven has several Special Service Districts, which allows a city to target a commercial area for specific projects. For example, some cities have a Special Service District for policing or trash services, etc.
 - Mayor Pro Tem Merkel shared that he likes the idea of breaking the city into quadrants for a Special Service District, which could be beneficial if we decide to fund future projects like at North Point or for Cultural Arts.

- **Pass Through Costs**

- City Administrator, Chris Lagerbloom, added that pass through costs, such as newspaper advertising, public hearing noticing, and administrative fees, will be evaluated and brought forward to Council so that they continue to stay in line with what the actual cost is.
- Mayor Gilvin noted that impact fees have only been adjusted one time in the past twelve years, and for each new development adds city services like public safety, parks, and transportation.

- iv. **Next Year's Priorities**

- City Administrator, Chris Lagerbloom, shared that next year's priorities ideally will be policy driven by the Mayor and City Council, and may (after the conclusion of tomorrow's session) look very similar to this year's priorities. He shared that he will recap at the end of tomorrow's discussion.

4. **PLANNING RETREAT DAY #1 ADJOURNMENT**

❖ Mayor Gilvin adjourned the meeting at 3:28 p.m.

Respectfully submitted,



Lauren Shapiro, City Clerk

EXHIBIT A

UPDATED



Mid-Year Budget



Mid-Year Budget Requests



GENERAL FUND	Revenue	Expense	Net Cost	Included in Base FY 2025 Budget
<u>One-Time Initiatives (no FY 2025 Budget Impact)</u>				
<i><u>City Administration</u></i>				
City Administrator Employment Contract (relocation expenses)	\$ -	\$ 17,147	\$ 17,147	N/A (one-time)
City Election (unused appropriations)	-	(407,090)	(407,090)	N/A (one-time)
<i><u>Finance</u></i>				
Timekeeping terminals (NOVAtime migration to Kronos)	-	28,150	28,150	N/A (one-time)
<i><u>Information Technology</u></i>				
ESRI ArcGIS Pro Migration Training Class (onsite; two-days)	-	25,620	25,620	N/A (one-time)
<i><u>Public Works Department</u></i>				
Repair and Maintenance Operational Funding (City Hall HVAC; FS 84 Gas Line Replacement)	-	48,000	48,000	N/A (one-time)
<u>On-Going Initiatives (FY 2025 Budget Impact)</u>				
<i><u>Human Resources</u></i>				
GovInvest Live Compensation Software	-	42,000	42,000	NO; will add upon Approval
<i><u>Public Works Department</u></i>				
Household Hazardous Waste Collection (Spring 24)	-	35,000	35,000	YES
Animal Control IGA	-	31,800	31,800	YES
<i><u>Recreation, Parks & Cultural Services</u></i>				
Taste of Alpharetta Event (fully funding revenue/expense needs)	300,000	200,490	(99,510)	YES
Farmers Market Event (operational funding)	-	12,000	12,000	YES
Cultural Services Operational Funding	46,300	46,300	-	YES

Mid-Year Capital Requests



GENERAL FUND				Included in Base
	Revenue	Expense	Net Cost	FY 2025 Budget
<u>On-Going Initiatives (FY 2025 Budget Impact)</u>				
<i>Recreation, Parks & Cultural Services</i>				
Parks Services Operational Funding	-	43,200	43,200	YES
Community Center Operational Funding (Recreation Services)	40,000	40,000	-	YES
Athletics and Will Park Recreation Center Operational Funding (Recreation Services)	17,000	19,000	2,000	YES
<u>General Government</u>				
Accounting for the Dissolving of TAD #2	-	105,670	105,670	
Revenue Offsets (Insurance Premium Taxes; reduced by Recreation revenue adjustments as provided in Monthly Financial Mgmt Report)	154,520	-	(154,520)	
Balance to Contingency	-	270,533	270,533	
Total	\$ 557,820	\$ 557,820	\$ -	

Contingency will increase by \$271K (from \$679K to \$950K)

• Capital Funding Requests

- ✓ \$100,000; Waters Road Bridge (GDOT Replacement Project – Alpharetta ROW contribution)
- ✓ \$130,000; Mayfield Park Structure Demo (50/50 Funding; \$65K Alpharetta; \$65K Milton)
- ✓ \$24,660; Webb Bridge Park Shade Structure (reimbursement)
- ✓ 500,000; Kimball Bridge Road Improvements (lighting and associated right-of-way)



Funding Our Future



Resource Comparisons



- Targeted Revenue Structure comparison:

City	Total Millage Rate	Homeowner Effective Millage Rate*	Business & Occupational Tax	Stormwater Fee	Special Services Tax**
Alpharetta	5.750	4.737	\$ 1,063,180	\$ -	\$ -
Brookhaven	3.230	2.782	\$ 2,146,744	\$ 3,549,117	\$ 7,400,000
Johns Creek	3.896	3.647	\$ 1,914,255	\$ 3,000,000	\$ -
Milton	4.753	4.454	\$ 985,143	\$ -	\$ -
Roswell	4.949	4.949	\$ 2,592,112	\$ 3,383,850	\$ -
Sandy Springs	4.731	4.408	\$ 10,288,905	\$ -	\$ -

*Effective Millage Rate (operations and debt) reflects the impact of Homestead Exemptions (not including the Floating Homestead Exemption) and is based on an average home value of \$550,000.

** Includes the Special Tax District millage rate of 4.0 mills levied by the City of Brookhaven on all commercial properties. Does not include the subarea-specific Special Tax District millage levies (e.g. Vista Special Tax District, etc.).

Business & Occupational Tax



- Mailed annually on/or before December 1st
- Due by February 15th

- Formula

	Fees					Fees			
	Admin	Base	Per Employee			Admin	Base	Per Employee	
1-4 Employees	\$ 50	\$ 100	\$ -		Home-Based Business	\$ 50	\$ 40	\$ -	
5-10 Employees	\$ 50	\$ 175	\$ -		Food Truck	\$ -	\$ 150	\$ -	
11-25 Employees	\$ 50	\$ 300	\$ -		Insurance	\$ -	\$ 100	\$ -	
26-49 Employees	\$ 50	\$ 450	\$ -		Pawn Shop	\$ -	\$ 150	\$ -	
50 Employees and above	\$ 50	\$ 150	\$ 7		Non-Profit	\$ -	\$ -	\$ -	

- MAX tax = \$10,000
- Historical Revenue

2017	2018	2019	2020	2021	2022	2023	2024
Actual	Actual	Actual	Actual	Actual	Actual	Actual	Budget
\$1,136,506	\$1,120,188	\$1,170,422	\$1,153,937	\$1,138,811	\$1,063,180	\$1,153,003	\$1,150,000

- Statistics

– 5,989 Businesses; 4 Businesses @ MAX; Removal of MAX = +\$18K

Business & Occupational Tax



- Survey Highlights

- Alpharetta's Occupational Tax revenue is the lowest as a % of operating budget = 1%
- Of the surveyed local governments:
 - Majority use the Gross Receipts Method
 - Alpharetta, Forsyth County, City of Cumming are the exceptions
 - 5 use Gross Receipts AND Employee Fee methods
 - Milton uses Gross Receipts OR Employee Fee method
- Alpharetta's \$7 per employee fee (50 and above) is lower than:
 - Johns Creek (\$13 per employee)
 - Sandy Springs (\$13 per employee)
 - Roswell (\$12 per employee; 100 and above)
 - All 3 use Gross Receipts AND Employee Fee methods

Business & Occupational Tax

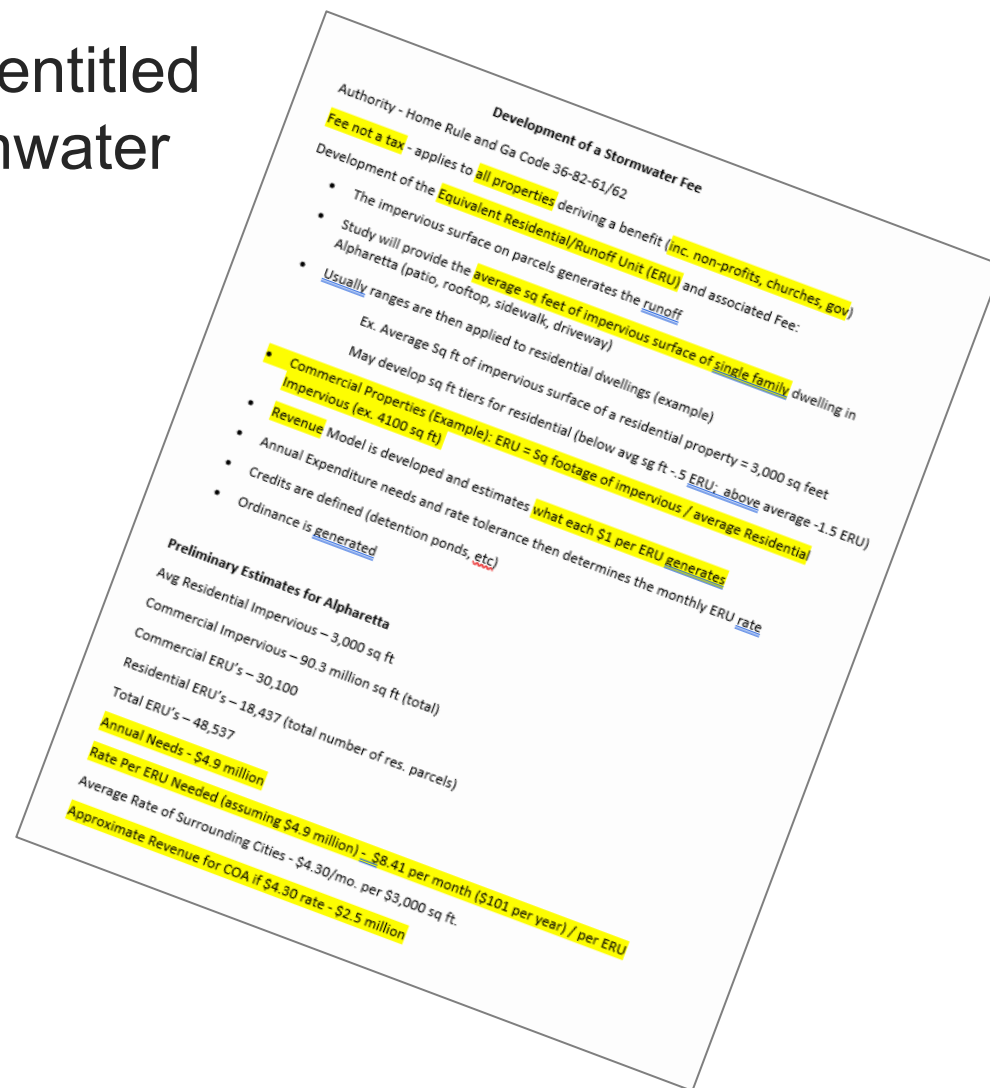


- Revenue Adj. Example

- Remove Max = +\$19K
 - 4 companies impacted; highest payment is \$15k
- Increase Admin Fee by \$25 = +\$130K
 - Includes only those businesses currently paying the Admin Fee
- Increase Base Fee by \$25 (excluding Insurance) = +\$132K
 - Includes only those businesses currently paying the Admin Fee and excludes Insurance business category (see below)
- Increase Insurance Base Fee by \$50 = +\$30k
 - Revised fee would match State law max of \$150
- Increase Per Employee Fee by \$10 = +\$426K
 - Includes only those businesses currently paying the Per Employee Fee
 - Assumes removal of the Max Fee cap

Stormwater Fee

- Please refer to Handout entitled “Development of a Stormwater Fee”.



Special Services Tax

- Please refer to Handout entitled “Special Districts/Special Service Districts”.

Special Districts/ “Special Service Districts”

Article IX, Section II, Paragraph VI of the Ga Constitution- Paragraph VI. **Special districts.** As hereinafter provided in this Paragraph, special districts may be created for the provision of local government services within such districts; and fees, assessments, and taxes may be levied and collected within such districts to pay, wholly or partially, the cost of providing such services therein and to construct and maintain facilities therefor. Such special districts may be created, and fees, assessments, or taxes may be levied and collected therein by any one or more of the following methods:

- (a) By general law which directly creates the districts. (ex of these districts: LOST; Hotel/Motel Tax)
- (b) By general law which requires the creation of districts under conditions specified by such general law.
- (c) By municipal or county ordinance or resolution, except that no such ordinance or resolution may supersede a law enacted by the General Assembly pursuant to subparagraphs (a) or (b) of this Paragraph. Districts created hereunder are often referred to “Special Service Districts” (example – TAD districts; CBID; Atlanta Beltline District)

Establishment/Legal Provisions of SSDs

Municipality would adopt ordinance or resolution to set up SSD

Boundaries are set to establish the area.

Tax imposed by the SSD is not a municipal tax (Supreme Court of Georgia)

Area can include both residential and commercial properties.

Taxes can be levied on just the commercial properties of the SSD

Examples of SSDs

Atlanta Beltline -

City of Brookhaven -

The Brookhaven City Council formally established a Special Service District (SSD) on December 30, 2021, to provide a funding mechanism for catalytic capital projects and services in the identified area.

Initial millage rate of 4,000 mills for the SSD.

A four-part criterion was used in establishing the recommended SSD projects and the prioritization.

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Brookhaven Project List (examples): City Hall - \$60M; Ashford Dunwoody Road Multiuse Path - \$8.44M; Dresden Drive Sidewalk - \$4M; Peachtree Road LCI - \$10M; NDH Road Corridor Streetscape Improvement - \$5M; other -\$ 19.1; Total - \$106.5M

Examples of Potential Revenue Generation based on Commercial Values in Alpharetta:

Property	Commercial Value	Millage	Total Tax
Downtown	144,621,340	1.00	144,621
NFCID	1,240,555,050	1.00	1,240,555
Citywide	3,024,710,110	1.00	3,024,710