

CITY OF EAST POINT
BUSINESS AND INDUSTRIAL DEVELOPMENT AUTHORITY

Meeting Synopsis

October 4, 2007
6:30 p.m.
Regular Meeting
East Point City Auditorium, East Point, Georgia

Board Members Present:

Mr. Robert CARSON, Chairman
Ms. Penni DUDLEY, Esquire
Mr. William FAUNTLEROY
Ms. Earnestine SHUMAKE
Mr. Joseph SHORTER
Ms. Karen THOMPSON-JOHNSON
Mr. Alex PRINCE
Mr. Steven RODGERS

Also Present:

Mr. Ronn TIGNER, Legal Counsel
Mr. Gerald SANDERS, Director, Economic Development
Ms. Beth MCMILLAN, Director, Planning & Zoning
Mr. Kenneth DEAN
Mr. Michael A. DOMINY, Esq.

Signed: _____

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P R O C E E D I N G S

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(Whereupon, the October 4, 2007 meeting
of the East Point Business and Industrial
Development Authority convened at 6:30 p.m. in
East Point, Georgia)

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Call to Order

The October 2007 BIDA meeting was called to order
at 6:48 p.m. by Mr. Robert Carson, Chairman,
presiding.

Adoption of Agenda

Mr. Carson sounded the agenda and asked for a
Motion.

A Motion to adopt was made by Ms. Dudley,
seconded by Mr. Fauntleroy.

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(Whereupon, the Motion passed)

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Approval of Minutes

Mr. Carson confirmed that the July and the August
Minutes had already been approved. Ms. Dudley noted
that the September agenda, rather than the October,
had been distributed. The Chair urged members to use

the October agenda which had been emailed earlier. He then asked for a motion on the September minutes.

Ms. Dudley requested changes on page 6 to read Rule "Against" Perpetuity and on page 8 to read "...Board members on the negotiating team for the Commons area..."

Mr. Shorter made a motion to approve with corrections, seconded by Ms. Shuemaker.

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(Whereupon, the Motion passed)

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New Business

Renewal of Liability Insurance - Mr. Tigner reported that the Directors and Officers Liability insurance premium will remain the same and is due for renewal. He asked for the item to be held and will be prepared to address policy details at the next meeting.

Presentations

Mr. Carson said that two acquisition proposals for city-owned property in a residentially zoned area have been submitted to BIDA. Mr. Sanders said principals were in attendance and wanted to address the Board. He gave a briefing and the Board agreed to hear the speakers. Staff recommendations on the proposals are forthcoming.

Mr. Sanders introduced Mr. Kenneth Dean and Mr. Michael A. Dominy as speakers.

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(Whereupon, the Speaker approached the podium)

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Mr. Dean introduced himself as a new builder in East Point; he has another project at 1322 Bryan Avenue. He said there are four lots of interest between Grove Avenue (street not reflected on maps) and Hickory Place. The Hickory Place lots are landlocked and he would like to add an alley by reopening the streets to access them.

Mr. Dean wants to build custom, craftsman-type homes (50X150) with garages priced between \$150,000 - \$210,000 in keeping with the neighborhood. The site is near Simms, Stanton and Conley and significant site work will be required.

Ms. McMillan said lot frontage onto a public street will be required. Ms. Dudley suggested that the speaker contact the City Clerk to see if the street had ever been abandoned.

The Chair advised Mr. Dean that Mr. Sanders would be in touch.

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(Whereupon, the Speaker exited the podium)

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(Whereupon, the Speaker approached the podium)

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Mr. Dominy introduced himself as an attorney with property on the NE corner of the subject lots near Hickory Place. He specializes in and purchases properties primarily with difficult title issues. He said he had been unaware of the meeting and appreciated Mr. Sanders' call.

He has not submitted a formal proposal yet. Originally, he planned to subdivide the lot and offer the two lots for sale however; the square footage doesn't meet the required 7500 per lot. Years ago, he said, it had been two lots.

Mr. Dominy is considering filing legal action to declare Hickory Place (formerly Bell Place) to have been abandoned by East Point since it hasn't been in use for decades. Half of the right-of-way would go to each land owner, he explained, giving enough square footage for his subdivision. Mr. Dominy said the tax value is too high.

Mr. Dominy would like to propose a land swap; he will buy the William Smith property and trade it.

Mr. Carson said that BIDA will review his plan once submitted. Ms. Dudley suggested the speaker

consider getting a variance. She will oppose any plan that prohibits access to other (landlocked) properties, including city-owned lots.

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(Whereupon, the Speaker exited the podium)

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Mr. Carson asked whether the speakers were aware of BIDA policies regarding property sales (appraisals and fair market value); Mr. Sanders said yes. The Chair retrieved all copies of Mr. Dean's information since it contained personal information.

Report of the Treasurer

Mr. Carson said that no Treasurer had been named yet and there was no official report. He asked that Members allow him another month to make contact with the City about the financial services it will provide.

Mr. Prince suggested that in light of the changes in the City's Finance Department that BIDA might hold off asking for financial services. Mr. Sanders said that typically, BIDA bank statements are received by the City, the City processes BIDA disbursements and makes BIDA's deposits.

Mr. Sanders provided copies of the Money Market statement but no others were available. Mr. Sanders noted that BIDA's meeting date conflicts with the

timeframe in which the City receives the bank statements. As a result, BIDA's financial reports are usually incomplete.

In addition, Mr. Sanders reported that the Finance Director has been replaced by Becky Moon who has a host of priorities, including an \$8 million deficit.

Other Finance staff has also transitioned and he is meeting with new staff to explain the customary services which the City has afforded Authorities. He said that new bank signature cards are needed and he understands that City officials have already contacted the bank. Per Mr. Tigner, BIDA's Chairman, Treasurer/Secretary and two designated City officials sign for BIDA. Mr. Sanders said the City reps include the City Manager and Finance Manager; he will get clarification before the next meeting.

Ms. Dudley asked for clarification on the duties of BIDA's Treasurer and the City; she raised the question of hiring an accounting person. Mr. Carson said the subject of hiring has been broached before and was tabled until BIDA can determine what services the City will provide.

Mr. Tigner said current legislation requires the City to maintain the books. The City's audit includes all Authority monies.

Review and Approval of Expenditures

Invoice from Ronn Tigner - Mr. Tigner's invoice for July, August and September for \$432, \$550, and \$766 was approved.

Ms. Dudley made a motion to approve, seconded by Mr. Prince.

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(Whereupon, the Motion passed)

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Commercial Appraisal of Grady Health Center - Mr. Prince made a motion to approve the \$2500 invoice, seconded by Ms. Shuemake.

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(Whereupon, the Motion passed)

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Report of Legal Counsel

Mr. Tigner said he and Ms. Dudley are scheduled to meet with the City on the transfer of city-owned property to BIDA and BIDA's contract with the City to market surplus property.

Mr. Tigner has not heard from Kimberly Brown or her attorney. He said that lease money for parking

spaces is outstanding, sale of the spaces is outstanding, and the sale of the easement is outstanding. Mr. Tigner will confer with the Finance Department to determine how much is due to BIDA.

Mr. Carson asked whether Ms. Brown's closing check for the spaces had been returned; Mr. Tigner said yes, adding that the closing check however, did not address back rent. Mr. Tigner explained that Ms. Brown is seeking financial concessions based on project delays. Mr. Tigner said, for the record, there has been no delay by BIDA.

BIDA, he said, has several options.

Ms. Dudley made a Motion to send a demand letter to Ms. Brown to: Purchase the parking spaces at the preset amount by December 1, 2007; that BIDA receive all rental amounts accrued through December 1st (or the closing date if prior to December 1st), and for the easement purchase. The letter should stipulate that BIDA is under no obligation to sell the parking spaces to her.

The Motion was seconded by Ms. Thompson-Johnson.

Ms. Dudley amended her Motion to specify a timeframe for response: 30 days from the date of their receiving the letter which will be sent certified mail, return receipt.

The motion was seconded by Ms. Thompson-Johnson.

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(Whereupon, the Motion passed)

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Report of the Economic Development Director

Mr. Sanders suggested that the Finance Department specify the types of reports the City can provide. In addition, he said, BIDA should revisit the Finance Department's previous presentation to the Board.

Mr. Sanders addressed misinformation about the Hardees property. He said that Economic Development has never urged redevelopment of the site as a convenience store.

Ms. McMillan echoed his sentiments and reminded Members about her prior presentation. She said there was no way to prevent the convenience store owners from filing an application and gaining approval because retail trade facilities up to 10,000 square feet are allowed; Hardees is 5100 square feet. She said the convenience store permit, therefore, had to be allowed.

Mr. Prince asked about grandfathering and liquor licensing. Ms. McMillan said they are not grandfathered; rather, the CR zoning governs the property.

Though the alcohol license is not in her purview, Ms. McMillan said the owner's beer and wine application was denied by the City. Denial was based on the fact that they were subject to the rewrite of the Alcohol Ordinance which the City entertained earlier in the year. The final language excluded the exemption for alcohol sales as retail in the CR district. Ms. McMillan said she raised the issue and the Alcohol Ordinance was corrected to state that consumption must be on-site to sell alcohol. The convenience store was denied an alcohol permit.

Ms. McMillan said the group is applying for a variance because they bricked up a front window and the Main Street overlay says only 85% of a window can be covered. If the variance is not granted, she said they will have to take the bricks down.

Mr. Fauntleroy asked Mr. Sanders what happened to the vendors that were being approached for the Hardees space. Mr. Sanders said considerable efforts were expended but generally, some efforts are successful and some are not. Nevertheless, he said, they try.

Mr. Sanders said, for instance, that his office participates annually at the International Conference of Shopping Centers, where nearly all retailers are represented. Economic Development staff is actively

promoting East Point full time he insisted. Mr. Sanders and Ms. McMillan concurred that while best use of property is always sought, the City cannot control the sale of private property.

Ms. McMillan said that lack of money prevented the City from purchasing the Hardees property as urged by BIDA. Mr. Prince said it was unfortunate the City wasn't prepared to make the purchase; he said grant funds may be available. Mr. Prince expressed concern about the City's image. Ms. Dudley urged Mr. Prince to research best acquisition practices exercised by other Authorities as well as grants that may be available to support marketing and land acquisition.

Mr. Prince said promotion of the City should not be the responsibility of Economic Development and Planning and Zoning; rather they should attract business.

Mr. Fauntleroy asked staff why desirable businesses aren't interested in relocating. Mr. Sanders said there's a range of issues but when a developer is identified, Economic Development shows several properties. Successful companies, he finds, must have the resources, expertise and fortitude to go through the City's process.

Ms. McMillan added that low downtown density and specific incentives, such as a TAD, are also missing and impact development. Currently, she said that East Point has a density of 14 units to the acre which is not enough for a viable project. In contrast, Downtown Decatur allows 70 units to the acre and Atlantic Station allows 125 units to the acre. Somewhere in between, she said, East Point must adjust.

Mr. Sanders closed his report with a reminder about the upcoming Destination 29 Festival which Economic Development is intricately involved with. He also invited members to a free business seminar his office is coordinating as a business retention initiative. Event flyers were distributed.

Mr. Carson requested a list of attendees who attend the business seminar so BIDA can see the types of firms represented. Mr. Shorter requested information about who was invited and the database used. Mr. Sanders said the City's TV, possibly utility bills, business groups and announcements were utilized to promote the conference.

Mr. Shorter proposed an informal presentation from the Economic Development staff to further BIDA's

understanding about trade missions and other initiatives.

Mr. Fauntleroy said he is not criticizing staff but wants to know the most common reasons cited by developers against relocating to or building in, the City.

Mr. Prince proposed that BIDA send a letter to the Acting City Manager asking what he might be able to do under the current financial situation, to support staff and BIDA in promoting East Point. Ms. Dudley said the best way to promote East Point will be to get a big project done.

Mr. Carson said he agrees that the City should be better promoted and BIDA should encourage the Public Information office to be more aggressive as surrounding cities are. He proposed a joint meeting with Economic Development and Public Information.

Mr. Fauntleroy suggested revisiting a BIDA website and brochure.

Unfinished Business

Commons Project Update - The Chair said that the update needed to be discussed in Executive Session.

Mr. Prince made a Motion to recess into Executive Session to discuss issues regarding the Commons project. The Motion was seconded by Ms. Shuemake.

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(Whereupon, the Motion passed)

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(Whereupon, the Board recessed into Executive Session)

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Mr. Shorter made a Motion to close the Executive Session, seconded by Ms. Thompson-Johnson.

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(Whereupon, the Motion passed)

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Ms. Dudley made a Motion to resume the meeting, seconded by Ms. Thompson-Johnson.

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(Whereupon, the Motion passed)

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(Whereupon, the Board resumed the Meeting)

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Mr. Carson said that a real estate transaction was discussed in Executive Session but no action was taken by the Board. Mr. Fauntleroy asked when the appraisal would be available.

Adjourn

Ms. Thompson-Johnson made a Motion to Adjourn,
seconded by Mr. Fauntleroy.

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(Whereupon, the Motion passed)

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(Whereupon, the Proceedings concluded at 9:00 P.M.)