

1. Agenda

Documents:

[BOMC-6-29-20-SCM-AGENDA.PDF](#)

2. Meeting Called To Order/Adoption Of Agenda

3. Third Reading Of The 2020 Tax Millage Rate Ordinance

Documents:

[2020 MILLAGE ORDINANCE DRAFT.PDF](#)

4. Intergovernmental Agreement (IGA) With The Downtown Development Authority (DDA) To Accept Payment In Lieu Of Taxes In The Sale Of The Department Of Juvenile Justice (DJJ) Building

Documents:

[DDA DJJ IGA.PDF](#)

5. City Manager Updates Regarding Employee Compensation

6. Public Comment

7. Adjournment



**BOARD OF MAYOR AND COMMISSIONERS
SPECIAL CALLED MEETING
JUNE 29TH, 2020
IMMEDIATELY FOLLOWING PUBLIC HEARING
VIA ZOOM**

AGENDA

Item #1 Meeting Called to Order

Item #2 Adoption of Agenda

Item #3 **Third Reading of the 2020 Tax Millage Rate Ordinance**

The Governing Authority of the City of Avondale Estates has tentatively adopted a 2020 millage rate which will require an increase in property taxes by **3.63** percent.

This tentative increase will result in a millage rate of **9.8** mills, an increase of **0.343** mills. Without this tentative tax increase, the mill rate will be no more than **9.457** mills. The proposed tax increase for a home with a fair market value of **\$375,000** is approximately **\$129**. The proposed tax increase on non-homestead property with a fair market value of **\$525,000** is approximately **\$293**.

The reason for the tax increase is as follows: from 2014 to 2018, City expenditures increased by an average of **6.53** percent, so a similar increase in the dollar amount collected from property tax is likely necessary to maintain the same level of service to City residents and businesses in 2020.

Item #4 **Intergovernmental Agreement (IGA) with the Downtown Development Authority (DDA) to Accept Payment in Lieu of Taxes in the Sale of the Department of Juvenile Justice (DJJ) Building**

This item was discussed at the March 25th Board of Mayor and Commissioners special called meeting. Please refer to the minutes or audio from that meeting for more details.

Item #5 **City Manager Updates Regarding Employee Compensation**

Item #6 Public Comment

Item #7 Adjournment

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF AVONDALE ESTATES TO SET THE TAX MILLAGE RATE FOR TAX YEAR 2020 AND FOR OTHER PURPOSES.

WHEREAS, State law and City Code Section 9-42(c) require the City to establish a millage rate for ad valorem taxation each year by ordinance;

NOW THEREFORE, BE IT ORDAINED by the City of Avondale Estates, Georgia as follows:

SECTION 1. The City of Avondale Estates Millage Rate for Tax Year 2020 is hereby set at _____.

SECTION 2. All ordinances and parts of ordinances in conflict with this ordinance are hereby repealed.

First Reading: June 22, 2020

Second Reading: June 25, 2020

Third Reading June 29, 2020

Public Hearing June 17, 2020

Public Hearing June 22, 2020

Public Hearing June 29, 2020

ADOPTED THIS 29th DAY OF JUNE, 2020.

**BOARD OF MAYOR AND COMMISSIONERS
AVONDALE ESTATES, GEORGIA**

Jonathan Elmore, Mayor

ATTEST:

Gina Hill, City Clerk

Approved as to Form:

Stephen Quinn, City Attorney

INTERGOVERNMENTAL AGREEMENT

Between

DOWNTOWN DEVELOPMENT AUTHORITY OF AVONDALE ESTATES

and

CITY OF AVONDALE ESTATES, GEORGIA

Dated as of _____, 2020

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I DEFINITIONS AND RULES OF CONSTRUCTION	2
Section 1.01 Rules of Construction	2
Section 1.02 Recitals Incorporated Herein	3
ARTICLE II REPRESENTATIONS, WARRANTIES AND AGREEMENTS	3
Section 2.01 Representations, Warranties, and Agreements of the DDA	3
Section 2.02 Representations, Warranties, and Agreements of the City	3
ARTICLE III THE PROJECTS.....	4
Section 3.01 Initiation of Projects.....	4
ARTICLE IV EXCULPATION	4
Section 4.01 Immunity of Members of DDA	4
ARTICLE V TERM; MISCELLANEOUS	4
Section 5.01 Term of this Agreement	4
Section 5.02 Notices	5
Section 5.03 Binding Effect; Third Party Beneficiaries	5
Section 5.04 Severability	5
Section 5.05 Amendments, Changes and Modifications	5
Section 5.06 Execution Counterparts.....	5
Section 5.07 Captions	6
SECTION 5.08 Law Governing Construction of Agreement.....	6

INTERGOVERNMENTAL AGREEMENT

THIS INTERGOVERNMENTAL AGREEMENT, dated as of _____, 2020 (this "**Agreement**"), made and entered into by and between the **DOWNTOWN DEVELOPMENT AUTHORITY OF AVONDALE ESTATES** (the "**DDA**"), a public body corporate and politic, and the **CITY OF AVONDALE ESTATES**, a municipal corporation of the State of Georgia (the "**City**").

WITNESETH:

WHEREAS, the DDA is a public body corporate and politic and was created pursuant to the provisions of Article IX, Section VI, Paragraph III of the Constitution of the State of Georgia, the Downtown Development Authorities Law of the State of Georgia, Official Code of Georgia Annotated, Title 36, Chapter 42, as amended (the "**Act**"), which defines its powers and purposes, and was activated pursuant to the Act by a resolution of the governing body of the City's Board of Mayor and Commissioners; and

WHEREAS, the DDA has been created and activated pursuant to the Act for the purpose of promoting trade, commerce, industry, and employment opportunities for the public good and general welfare and for the purpose of promoting the general welfare of the State of Georgia and specifically to revitalize and redevelop the central business district of the City; and

WHEREAS, under the Act, the DDA has the power, *inter alia*, to borrow money in furtherance of its public purposes and to use the proceeds thereof to undertake projects, including, without limitation, the acquisition, construction, installation, modification, renovation, or rehabilitation of land, interests in land, buildings, structures, facilities, or other improvements located or to be located within the central business district for any industrial, commercial, business, office, parking, public, or other use, provided that a majority of the members of the DDA determine by a duly adopted resolution that the project and the use thereof would further the public purposes described in the Act; and

WHEREAS, the City provides administrative assistance to the DDA, including finance, planning, management and communications assistance, and the City also owns and operates certain facilities that are or may be used by the DDA to accomplish its purpose of revitalizing and redeveloping the central business district of Avondale Estates, Georgia; and

WHEREAS, Article IX, Section III, Paragraph I(a) of the Constitution of the State of Georgia authorizes, among other things, any county, municipality or other political subdivision of the State to contract, for a period not exceeding fifty years, with another county, municipality or political subdivision or with any other public agency, public corporation or public authority for joint services, for the provision of services, or for the provision or separate use of facilities or equipment, provided that such contract deals with activities, services or facilities which the contracting parties are authorized by law to undertake or to provide; each undertaking regarding such activities, services or facilities hereinafter authorized by the City and the DDA to be performed by the DDA pursuant to this Agreement as provided herein is sometimes referred to herein individually as a "**Project**"; and

WHEREAS, a majority of the directors of the DDA have found and determined, and do hereby find and determine, that each of the Projects will develop and promote for the public good and general welfare, trade, commerce, industry, and employment opportunities and will promote the general welfare of the State, and will promote the revitalization and redevelopment of the central business district of the City; and

WHEREAS, the City and the DDA have respectively found and determined, and do hereby find and determine, that, (a) as to each of them respectively, this Agreement deals with activities, services or facilities which such contracting party is authorized by law to undertake or provide, and that hence, this Agreement is authorized by the above-mentioned Constitutional provision, (b) that any Project undertaken pursuant hereto is Constitutionally authorized and will promote and develop the public purposes of trade, commerce, industry, and employment opportunities and revitalization and redevelopment of the City's central business district, and (c) neither the City's provisions of any funds or real property pursuant hereto constitute any gift or gratuity that is prohibited by the Georgia Constitution; and

WHEREAS, after careful study and investigation of the nature of the Projects within the scope of this Agreement, the DDA hereby finds and determines that: (a) each of the Projects as defined herein constitutes a "project" as defined in the Act, or will promote the objectives of the Act; (b) any funds received pursuant to this Agreement will be sufficient to finance the related Project as set forth herein; and (c) each of the Project is sound, feasible and reasonable; and

WHEREAS, the DDA also finds and determines that each of the Projects are consistent with the Downtown Master Plan dated March 20, 2014, which was created for the purpose of guiding the revitalization and redevelopment of the central business district of the City; and

WHEREAS, following study and investigation, the City and the DDA have determined that it is in its best interests to enter into this Agreement in furtherance of the purposes for which the DDA was created, and for the benefit of the City and its citizens.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, covenants and agreements hereinafter set forth, the DDA and the City hereby agree as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 1.01 Rules of Construction. The definitions referred to in this Agreement shall be equally applicable to both the singular and the plural forms of the terms therein defined and shall cover all genders.

"Herein," "hereby," "hereunder," "hereof," "hereinbefore," "hereinafter," and other equivalent words refer to this Agreement and not solely to the particular portion thereof in which any such word is used.

All references herein to particular Articles or Sections are references to Articles or Sections of this Agreement unless otherwise specified.

Section 1.02 Recitals Incorporated Herein. The recitals set forth above are part of this Agreement and are hereby incorporated in this Agreement by this reference.

ARTICLE II
REPRESENTATIONS, WARRANTIES AND AGREEMENTS

Section 2.01 Representations, Warranties, and Agreements of the DDA. The DDA represents, warrants, and agrees that:

(a) The DDA is a public body corporate and politic created and existing under the Act and, unless otherwise required by law, shall maintain its corporate existence so long as is necessary to complete the Projects, including through the expiration of any other agreements necessary to consummate the transaction contemplated by this Agreement. Under the provisions of the Act, the DDA is authorized to enter into and carry out the transactions contemplated by this Agreement; and

(b) There is no litigation or proceeding pending, or to the knowledge of the DDA threatened, against the DDA or against any other party which would have a material adverse effect on the right of the DDA to execute this Agreement or the ability of the DDA to comply with any of its obligations under this Agreement or any other documents contemplated to be executed by the DDA in connection with the Projects; and

(c) This Agreement, upon execution of the same, will constitute the legal, valid and binding obligation of the DDA in accordance with its terms, and performance by the DDA of its obligations hereunder will not violate, or result in a breach of any of the provisions of, or constitute a default under, any agreement or instrument to which the DDA is a party or by which the DDA is bound.

Section 2.02 Representations, Warranties, and Agreements of the City. The City represents, warrants, and agrees as follows:

(a) The City is a municipal corporation of the State, having the power to enter into and execute, deliver and perform this Agreement, and, by proper action of its governing body, has authorized the execution and delivery of this Agreement and the taking of any and all such actions as may be required on its part to carry out, give effect to, and consummate the transactions contemplated by this Agreement, and no approval or other action by any governmental authority, agency or other person is required in connection with the delivery and performance of this Agreement; and

(b) There is no litigation or proceeding pending, or to the knowledge of the City threatened, against or affecting the City, nor to the best of the knowledge of the City is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Agreement or which, in any way, would adversely affect the validity or enforceability of the this Agreement or any other documents contemplated to be executed in connection with the delivery of any funds contemplated by this Agreement to the DDA; and

(c) This Agreement, upon execution of the same, will constitute the legal, valid and binding obligation of the City enforceable in accordance with its terms, and performance by the City of its obligations hereunder will not violate, or result in a breach of any of the provisions of, or constitute a default under, any agreement or instrument to which the City is a party or by which the City is bound.

ARTICLE III THE PROJECTS

Section 3.01 Initiation of Projects. The Project to be undertaken under this Agreement shall be authorized by resolution of the City and by resolution of the DDA, and is evidenced by the Project Schedule attached hereto as Schedule 3.01, which describes the Project to be completed, and the responsibilities of the City and the responsibilities of the DDA with respect to the Project.

Section 3.02 No Obligation to Initiate Projects. There shall be no obligation on the part of the City or the DDA to authorize any Project Schedule, but any Project Schedule authorized by them as provided herein shall constitute part of this Agreement and is hereby incorporated herein by reference.

ARTICLE IV EXCULPATION

Section 4.01 Immunity of Members of DDA. No recourse shall be had for the enforcement of any obligation, covenant or agreement of the DDA contained in this Agreement for any claim based hereon or thereon against any member, director, officer or employee of the DDA or of any successor thereto, in his individual capacity, either directly or through the DDA whether by virtue of any constitutional provision, statute or rule of law. This Agreement is a solely corporate obligation, and no personal liability shall attach to or be incurred by, any member, director, officer or employee of the DDA or of any successor thereto, either directly or by reason of the obligations, covenants or agreements entered into by and between the DDA and the City and all personal liability of any character against every such member, director, officer and employee is, by the execution of this Agreement, expressly waived and released. The immunity of members, directors, officers and employees of the DDA under the provisions contained in this Section 5.01 shall survive the termination of this Agreement.

ARTICLE V TERM; MISCELLANEOUS


Section 5.01 Term of this Agreement. This Agreement shall remain in effect for a period beginning on January 1, 2020, and expiring at 11:59 o'clock p.m., Avondale Estates, Georgia time on December 31, 2022 ("**IGA Term**"). This Agreement will automatically be renewed for an additional two year period, effective for a period beginning on January 1, 2023, and expiring at 11:59 o'clock p.m., Avondale Estates, Georgia time on December 31, 2024, unless notice to the contrary is provided by either Party. A Project Schedule may have a term that exceeds the IGA

Section 5.07 Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions of this Agreement.

Section 5.08 Law Governing Construction of Agreement. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Georgia.

IN WITNESS WHEREOF, the DDA and the City have caused this Agreement to be executed in their respective names and their respective seals to be hereunto affixed and attested by their respective duly authorized officers, all as of the date first above written.

**DOWNTOWN DEVELOPMENT AUTHORITY
OF AVONDALE ESTATES**

By: 
Chairman

ATTEST:


Secretary

[SEAL]

Signed, sealed and delivered
in the presence of:


Witness

Gina Hill
Notary Public

My Commission Expires:

10.14.23

[NOTARY SEAL]

Gina Hill
NOTARY PUBLIC
DeKalb County, Georgia

CITY OF AVONDALE ESTATES, GEORGIA

By: _____
Mayor

ATTEST:

City Clerk

[SEAL]

Signed, sealed and delivered
in the presence of:

Witness

Notary Public

My Commission Expires:

[NOTARY SEAL]

Schedule 3.01

Section 1. Purpose and Intent.

The Downton Development Authority of Avondale Estates (“**DDA**”) proposes to issue its revenue bond (the “**Bond**”) in a maximum principal amount of \$9,000,000 to acquire, for lease to KDP 3028, LLC, a Georgia limited liability company (the “**Company**”), pursuant to a Lease Agreement between the DDA and the Company, a capital project in the City consisting of land and existing improvements, the renovation and repair of such improvements, and other improvements to be constructed thereon, and building fixtures and building equipment installed and to be installed thereat (the “**Project**”), for use as office space that will be leased to one or more third parties and as an economic development project. A majority of the directors of the DDA have found and determined, and do hereby find and determine, that the Project will develop and promote for the public good and general welfare, trade, commerce, industry, and employment opportunities and will promote the general welfare of the State, and will promote the revitalization and redevelopment of the central business district of the City. At the closing of the Bond transaction, the Company shall pay to the DDA a one-time administrative fee (the “**Administrative Fee**”) in the amount calculated to be payable pursuant to the MOU related to the Project; i.e., \$550,000. The purpose of this Agreement is to contract for the provision of services, which the City is authorized to provide and the DDA is authorized to contract for, pursuant to, in the case of the City, the City’s charter and other Constitutional and statutory provisions, and in the case of the Authority, the Act and other Constitutional and statutory provisions. In consideration of the agreements of the Authority contained herein regarding the Administrative Payment, the City agrees to provide City services to the Project. Such services shall be provided on the City’s normal terms and conditions as in effect from time to time, and on the same basis as provided to the general public. However, it is acknowledged that the Project represents an additional burden on such services, that the payment to the City provided for by Section 2, below, is needed in order to defray the cost to the City of providing such services, and that therefore the approval by the City of the issuance of the Bond would not have been granted but-for such payment. Hence, the DDA is receiving valuable consideration in exchange for that payment provided to the City by the DDA pursuant to Section 2, below, all in furtherance of the DDA’s governmental mission. Therefore, the undertaking represented by this Agreement is Constitutionally authorized, in that it reflects public and private components that are properly integrated to achieve the desired public purposes.

Section 2. Assignment of Administrative Payment.

In consideration of the premises, effective upon the Closing, the DDA hereby assigns the Administrative Fee to the City, and hereby directs the Company to make payment thereof directly to the City.

Section 3. Use of Funds.

The City shall use the proceeds of the Administrative Fee for any lawful purpose it deems appropriate, and consistent with the purpose of this Agreement.

Section 4. Accounting and Reporting Obligations.

The collection and transfer of the Administrative Fee by the DDA shall be documented and reported by the DDA treasurer.

Section 5. City's Approval of DDA Real Property Transactions.

Not applicable.

Section 6. Roles and Responsibilities Document.

Not applicable.