

**BOARD OF MAYOR AND COMMISSIONERS
STRATEGIC PLANNING RETREAT
DULUTH CITY CALL
COMMUNITY ROOM
3167 MAIN ST.
DULUTH, GA 30096
January 25, 2019
9 a.m. to 3 p.m.**

MINUTES

Members Present: Jonathan Elmore, Mayor
Brian Fisher, Mayor Pro Tem
Adela Yelton, Commissioner
Lionel Laratte, Commissioner
Lisa Shortell, Commissioner

Staff Present: Patrick Bryant, City Manager
Keri Stevens, Assistant City Manager
Paul Hanebuth, Finance Director
Gina Hill, City Clerk

Welcome and Call to Order -- Mayor Jonathan Elmore

Commissioner Adela Yelton thanks everyone in attendance and notes that this is the fourth annual retreat. The goal of the retreat, she says, is to reconnect in a different setting and discuss goals for the City. She introduces the Duluth Mayor and City Manager.

Duluth Mayor Nancy Harris says it's a huge compliment that other cities want to come learn from their experience. She feels it's important to delve into your city's history and decide that makes you unique and what you want to be. That may include looking back and finding unique and/or funny stories from the past. There was a period, she says, when the economy was poor and the leaders of Duluth could not spend money. However, they took that time to do lots of planning ahead. She says plans can change but give the community a starting point and a framework. Ms. Harris adds that a vision statement has helped guide them and talked about the various features they use to market themselves. She points out that building density in a downtown will automatically bring diversity.

City Manager James Riker says a good rule of thumb is to have 10 retail shops, 10 restaurants, and 10 things to do after 6pm. At the time, Duluth was unable to achieve that with their existing building stock. That's when, he said, there were real estate deals made in which the City had to get involved. Therefore, the Parsons Alley project came about through a public/private partnership. There is discussion between Mr. Riker and City Manager Patrick Bryant about population and surrounding residents and how that impacts local businesses. Mr. Riker warned about allowing discussions about projects go on too long. At some point,

you have to act and more public input doesn't make sense. There was a time where the City spent more than it took in, he adds, because of some strategic purchases. It's important to take responsibility and own it.

Ms. Harris and Mr. Riker show some before and after photos of their downtown in regards to redevelopment and discuss how things have changed. The group talks about the town green, its size, and how it's used. They also showed the group a map from their original master plan. Ms. Harris and Mr. Riker agreed that a key point was that the City had to make the first move when it came to investment and redevelopment. They also built and maintain a large stormwater pond. Removing development hurdles was how they sparked development, adds Mr. Riker. When asked if the stormwater pond was a usable greenspace, Mr. Riker says that financially, a city can only maintain so many greenspaces. He points out that it costs about \$50 thousand per year to just mow and water their town green, which is roughly two acres.

Mayor Pro Tem Fisher asked them about pushback when plans have to change. Ms. Harris says they've dealt with pushback through education, talking it through, reaching consensus. Plans have to change, according to Mr. Riker, the goal is for the spirit and intent of the plan to still be realized. There was then some discussion about public perception of apartment homes versus owner occupied. Mr. Riker feels that what's around an apartment building has more to do with its future than the apartment itself. Following that was some conversation about street layout and grids. Ms. Harris went over a list of items that make a downtown successful. In response to a question, Mr. Riker says the decision about whether or not to do one-story or two-story buildings was based on factors such as cost, parking, and leasability. He explains that the City owns the common areas of Parsons Alley and sold the property to developers. The City funded all the infrastructure and raised taxes. The talk turned to sales tax and other financial relationship details between the City and business owners. They tried many different things to revive downtown and got buy in from the public once they felt the leaders had done their homework. Mr. Riker pointed out that by the City paying for the infrastructure, developers had money to build better quality buildings. The group discussed incentives and tax abatements and ways to get the desired architecture. Mr. Riker talked about how the City bought property high, sold it low, and the motivation behind that.

Members of the BOMC had questions about the Marriott hotel being built in Duluth and how that came about. Ms. Harris and Mr. Riker were asked about their relationship with their DDA and how they work together. Mr. Bryant says it's important for everyone to work together because the Avondale's finances and infrastructure will not be sustainable under the current amount of revenue. There has been no plan for capital improvements in six years, he adds. The discussion turned to tax allocation districts (TADs), how they have worked for Duluth, and how they compare to tax abatements. Ms. Harris describes a pedestrian connector they are developing by buying a house and tearing it down. They said they had never used eminent domain. Ms. Harris stated the solve the problem of neglectful landlords by using code enforcement to cite the owner for every violation. The topic of senior housing was discussed as was mixing retail with residential. Mr. Bryant asked questions about event planning, budget, and the Red Clay Theater which is funded by the City. Facilitator Katherine Moore recapped the discussion and the group started their walking tour of Duluth's redeveloped downtown.

Upon return, Facilitator Katherine Moore asked the attendants what stuck with them most from the Duluth Mayor and City Manager's presentation. City investment is was an important point, felt Commissioner Laratte. For Mayor Pro Tem Fisher, the fact that Duluth

gave away land it owned was interesting. It's counterintuitive, he added. He also had observations about features of the town green from the walking tour. For City Planner Stevens, a takeaway was that it's important to have a vision but there has to be some flexibility. Commissioner Shortell says focusing businesses to a small compact area was a notable idea. Mayor Elmore feels the City needs an overall economic development plan, something more granular than we currently have. Finance Director Hanebuth pointed out the need to know your goals, analyzing risk, and the educating others based on that information. City Clerk Hill was surprised to hear Duluth officials suggest that cities and DDA's share staff. Commissioner Yelton said she learned to be confident in Board decisions and keep moving forward. City Manager Bryant agreed. He adds the community should avoid focusing on things that don't matter, such as items that don't move the City towards its goals.

Facilitator Katherine Moore reviewed the last retreat. City Manager Bryant asked why the City hadn't made movement on marketing and branding, which was a priority item from the last retreat. Ms. Moore cited bandwidth as an obstacle and Commissioner Shortell reminded the group that the DDA was making strides in that area. Mr. Bryant says there is still a need for the City to have an identity. Ms. Moore outlines some rules for further discussion so everyone is equally heard. She then invites members of the public to speak. Avondale resident Dee Merriam says she noticed how important quality building materials are during the walking tour. Mary Ann Anziano notes the City needs more density if it wants to achieve its goals. She also feels like the community talks and plans a lot with little action.

The group spends a few minutes writing what is their preferred future for the City and then paired up for small group discussion. Some of the things participants hoped Avondale could become include a place where people feel free to be who they are, a destination for people on the East side, an organization with more clearly defined processes, and a staff that grows to allow for greater bandwidth. Mr. Bryant says staff should be allowed to use their expertise more than they had been allowed in the past. Commissioner Yelton emphasizes the need for Avondale to be an open, diverse, welcoming destination with a good quality of life. Mayor Elmore says he tends to focus on projects and the process involved in seeing them realized, such as the town green and the street grid. Ms. Shortell said she would also like to see less community division and more cohesion around a central vision. Assistant City Manager Stevens says her preferred future would see big projects get completed. Mayor Pro Tem Fisher agreed and would also like to see some reinvestment in the residential side of the City. Commissioner Laratte would like to see the City be economically diverse and entrepreneurial. Talk turned to education and school options in the City and its role in the future. Greenspace and diverse housing stock were also mentioned. Ms. Yelton said she would like to see new faces in Avondale and Ms. Shortell says she knows a good number of residents who don't want the City to become a destination. Finance Director Hanebuth wondered if residents would be willing to deal with increased traffic and more people in exchange for the economic benefits of prosperity. Mr. Fisher thinks the town green is a popular project to bring people together as opposed to something more divisive like the Trammell Crow development. It's like there are two different Avondales, Ms. Moore observed. Mr. Fisher explains that once he sits down to speak with people the two of them tend to agree on most points. The group discussed how to condense their thoughts about the future of the City. Mr. Bryant felt the bottom line is to become more economically diverse. Mayor Elmore says he wants his children to be able to come back to Avondale and it be the same or better. Adaptability seems to be a word that fits what the group is saying, according to Mr. Laratte. Mr. Bryant says if the group focuses on the projects they're starting then the processes and the vision will follow. More succinct communication would've helped the Trammell Crow approval and

could help future projects, says Mr. Laratte. Ms. Stevens says communication should go above and beyond the ads run in The Champion per state law. Mr. Bryant maintains that the City is very communicative. He feels the goal should be to inform the community without getting bogged down in the dissent of the minority. Mayor Elmore reaffirms the City cannot stop raising taxes and continue the same level of services without responsible growth.

Facilitator Katherine Moore repeats the same exercise with the group but with the question of what is most likely to happen within the next year. Commissioner Yelton predicts strong leadership and city staff. City Planner Stevens thinks by next year, there will be foundation documents for the City-owned acreage, the street grid, and US278. Mayor Pro Tem Fisher thinks it's possible to break ground on some of these projects but he questions whether or not the will is there. He does predict that processes will start to align with vision. He adds that knowing whether or not the City is next on Avilla's project list will also happen in 2019. Ms. Yelton adds to that and says relationship building needs to continue as well as making investments as a City. Others agree. Mayor Elmore clarifies that the City Manager is the liaison to Avilla. City Manager Bryant predicts everyone will be on the same page and ready to execute the City's big projects. Ms. Stevens says the financing structure should be in place to see how these projects will be funded. Other projects being completed is discussed, such as the North Woods and the Kensington detention pond. Mr. Bryant says it must be decided which stormwater projects will be done when and why. Commissioner Shortell feels they should get better at telling the City's story, along with what is being done and why.

For the next exercise, Facilitator Katherine Moore asks the group to list the challenges and drivers behind what has been listed. Mayor Elmore said leadership is key since others could be on the BOMC by this time next year. He adds not all the voters want things to change in the City. He thinks there is momentum working in their favor but that momentum can change quickly. Finance Director Hanebuth notes that staff bandwidth could be a hurdle. However, preparation is a driver, in his opinion. Commissioner Laratte thinks public buy-in will be a challenge to getting the big projects implemented but is not insurmountable. He sees new people moving into the neighborhood as a driver. Mayor Pro Tem Fisher describes political will as important to achieving things in the best long-term interest in the City. He predicts that things will pop up to distract or derail the BOMC from what they set out to do. The Board has been most successful, he says, when they have had a process and timeline. Mr. Fisher says the current Board should have a sense of urgency to get their projects underway. Ms. Shortell also sees distractions as a problem. She feels more alignment with the DDA will be a driver. While a change in leadership could be a challenge, Ms. Yelton says, consistency in City Hall staff will be a driver. She adds it's important to feel like they have each other's backs. Ms. Stevens says more data is needed to become economically diverse and the City's building stock is low. For her, grant money is a driver. Mr. Bryant agrees that political will could be a challenge but legacy may be a driver.

The group moved on to challenges and drivers for the City's more predicted year ahead. Commissioner Yelton believes time could be a hurdle in the year ahead. Mayor Elmore feels the City is financially ready to make progress happen. Commissioner Laratte sees communication and messaging as a hurdle. However, he believes the City staff is a driver and will help them accomplish their goals. Assistant City Manager Keri Stevens says the idea that "this is how we've always done it" can hinder progress and changing processes. But support from the Board and leadership can drive the change. Financial obstacles may be a problem in 2019, says Mayor Pro Tem Fisher. He thinks the financial consultant hired by the City and the DDA can help them overcome that issue. Finance Director Paul Hanebuth sees

political and economic uncertainty on a larger scale as a potential issue in the coming year. The need to improve infrastructure could be a driver, he felt. A challenge to the BOMC's goals could be divergent priorities, says City Manager Bryant. He adds a driver might be external decisions outside of the City's control. Commissioner Shortell points out the need for a storm water plan. She believes storm water issues could impact development. Mr. Fisher added sewer obstacles to that as well. Ms. Shortell feels like a shared vision between the public, the Board, the DDA, etc. can be a driver towards their goals.

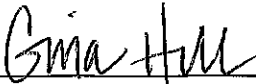
When Facilitator Katherine Moore asked how this all intertwines and where should things begin, City Manager Bryant feels that political will is important as is getting public buy-in and figuring out where the City stands financially. Ms. Moore sees a common thread in trusting the expertise of City staff. Mr. Bryant agrees and feels staff can play a role in giving the BOMC the political will he mentioned earlier. Commissioner Shortell added if recommendations come from City staff then they are not seen as political. Mayor Pro Tem Fisher feels there could be too many groups involved in the process of approving downtown development. He concludes that an unclear process hurts development. When asked about the DDA's role, Mr. Bryant feels they are neither a challenge or a driver. He says, in his opinion, they are on the same page and the DDA is a complementary arm of the BOMC to help them achieve the mutual goals. They should all continue to foster their relationship and use the tools available to move forward. Mr. Bryant discusses how adjustments may need to be made in staffing of City employees to increase bandwidth. Going back to the topic of the DDA, Mr. Fisher listed their accomplishments and emphasized the ability and assets they have under their purview. Ms. Shortell adds the DDA lacks bandwidth as well. Ms. Moore asks what's next for City staff. Mr. Hanebuth talks about the relationship between the BOMC, City staff, priorities, and information gathering. Mary Ann Anziano asked about the planned parking lot. She feels breaking ground on a project would be good for the community. There is agreement that the City-owned property is the next big step. Mr. Bryant says a request for qualifications for the first stage of that project will be released in the next couple of weeks. Dee Merriam thanks all involved in the retreat. She asks them to consider wrapping the retreat up in the near future with a couple of more hours of discussion. She believes the public needs more information about projects on the front end instead of waiting until a decision has been made.

Mayor Pro Tem Fisher moves to adjourn. Commissioner Laratte seconds. All ayes.

APPROVED THIS 25th DAY OF FEBRUARY 2019


Jonathan Elmore, Mayor

ATTEST:


Gina Hill, City Clerk