



**BOARD OF MAYOR AND COMMISSIONERS
WORK SESSION
May 15th, 2019
5:30 p.m.**

MINUTES

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

Members Absent: Adela Yelton, Commissioner

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

Item No. 1 Meeting Called to Order

Item No. 2 Adoption of Agenda
Commissioner Shortell moves to adopt. Commissioner Laratte seconds. All ayes.

Item No. 3 **Update on Request for Qualifications (RFQ) for City-Owned Acreage Downtown**

Assistant City Manager Stevens gives a timeline of the RFQ process. She says she followed up with developers that attended the pre-bid meeting but did not submit an RFQ response. She listed the reasons given for why they did not follow through with a response. City Manager Bryant gave the Board the option to rerelease the RFQ or continue down the path of working with Fabric, who is qualified. He adds it is staff's recommendation to continue with Fabric and feels there is risk involved with rereleasing the RFQ. Mr. Bryant announces an upcoming special called work session for the sole purpose of discussing this project. Mayor Elmore feels a special meeting is a good idea. He says the RFQ response is exciting and he realizes there are many moving parts to such a large project. Commissioner Laratte says the response from Fabric completes the puzzle. He initially didn't like the fact that the City only received one response to the RFQ but he's glad staff followed up and found out why there weren't others. Mayor Pro Tem Fisher appreciates the follow up by staff. He also agrees a meeting specifically on this topic is a good idea. Mr. Fisher wants more feedback from residents and would like that

dialogue to continue before deciding whether or not to move forward with Fabric. He is, however, very impressed with the team that Fabric put together for the proposal. A meeting devoted to this topic is also supported by Commissioner Shortell. She also wondered why the City only received one response but she says it looks like the response received is highly qualified. Mr. Bryant says staff will go ahead and schedule the meeting for the following Tuesday at 5:30 p.m.

Kathy Kingsbury asks about Avila's role in the RFQ response. Mr. Bryant says the response includes concepts for the Avila property that Avila has endorsed. He adds that staff's knowledge is pretty limited to what was included in the RFQ response. Joe Anziano agrees that the response has all the elements the community is looking for. Jan Hover agrees but wants to ensure that the proposal can be changed. Mr. Bryant confirms that every project is open to negotiation at this stage and they must follow whatever is outlined in the signed development agreement.

Item No. 4

Discussion of Establishing an Urban Redevelopment Authority (URA)

Davenport & Company has recommended that the City create a URA. A presentation will be given on URA establishment, benefits, and authority and powers.

City Manager Bryant recaps that the City's financial consultants, Davenport, recommended this step at the last work session as a way for the BOMC to fund its priority goals, including two storm water projects and the town green. At the BOMC's request, staff invited bond attorney Terri Finister to speak. She starts by saying that Urban Redevelopment Powers (URP) is a very powerful redevelopment tool that was formed in 1955 as a way to improve blighted areas and that definition is broad. URP is also a flexible and easy legislative way to achieve redevelopment which makes it a good choice over other tools. She lists the various types of projects it can be used for. Ms. Finister described an Urban Redevelopment Plan (URP) and how it is amended as needs change. These powers can be delegated to an Urban Redevelopment Agency (URA). Some other advantages to URP are described by Ms. Finister as are some other details. She adds more details about URAs, including that it can consist of the same members as the BOMC or, if not, an intergovernmental agreement can be created between the two entities. Commissioner Shortell asks if the URA would continue as new BOMC members are elected and Ms. Finister confirms. Commissioner Laratte asks why would the City develop an agency instead of exercising these powers itself. Ms. Finister responds that through the URP, they can finance projects the City wouldn't be able to otherwise and the process is also more streamlined. She then lists the powers that the BOMC would not be able to delegate to a URA. One of the biggest strengths of a URA is to help cities fund projects. Mayor Pro Tem Fisher asks why a city would decide not to utilize a URA. Ms. Finister only had one example in Georgia. She explained a URA is how almost all cities like to proceed. Mr. Bryant clarified that creating a URA doesn't mean the BOMC has to use

it. He strongly recommends it. There was some discussion about the opportunity zone the city created in the past and what area(s) would be included within the URA. Ms. Finister described the process of establishing a URA. Mr. Fisher asked about the role of the Downtown Master Plan and zoning rewrite in the updated Urban Redevelopment Plan (URP). Mr. Laratte asked about the scope of the URA and Ms. Finister explains the BOMC has to decide what to delegate, create bylaws, etc. She said most of the cities they work with have the board of commissioners also serve as members of the URA. Mayor Elmore asks about the process of adding new project areas to the URP and Ms. Finister explained the various ways to achieve that. She went on to describe some of the projects her firm has worked on in the area. Mr. Bryant says staff will await direction from the BOMC. There was more discussion about process.

Joe Anziano asks about annexation and whether or not the URA would cover new areas. Ms. Finister said the annexed properties would be covered but the BOMC would have to amend the URP for any new projects. He also asked about the cost of hiring her firm. She said she would present Mr. Bryant with an engagement letter listing the fees and that those are often rolled into the financing should the City secure a bond. Jan Hover had a question about issuer fees. She followed up by asking about what types of people would serve on a URA other than commissioners. Ms. Finister says it's often business leaders in the community. Candace Jones asked how the Downtown Development Authority (DDA) would work with a URA. Ms. Finister said DDAs usually work with private enterprise. URAs can cover public and private developments. She added that URAs usually have about five members. Harry Vann says it appears as if URAs can incur debt without public engagement. Ms. Finister says everything is governed by the URP, and it can be written specifically to require certain levels of public engagement. Mr. Bryant clarifies that there is no direct vote from the public such as in the case of a referendum. Mr. Vann asks if any private enterprise involved goes bankrupt, would the taxpayers be left with the bond to pay. He's concerned about the risk of an expedited process. Mr. Bryant explained that the City can require any private company to purchase performance bonds as protection. Paul Dorroh asks about the role of zoning regulations in these projects and whether or not the BOMC could overrule zoning requirements. Mr. Bryant and Mr. Fisher explain how that wouldn't be possible. Mr. Dorroh asks about sinking funds and Ms. Finister explains their role. He also asks if the BOMC could maximize the debt capacity should they choose. Candace Jones asks about projects listed in the plan and whether or not other projects could be added without public process. Ms. Finister explains the process by which projects could be added to the plan. Kathy Kingsbury asked the City to provide the URP's of other cities as examples. There is consensus among the BOMC to have City staff move forward with the URP and URA.

Item No. 5

2019 Tax Millage Rate

The millage rate is a number set each year to calculate property taxes. Later this month, DeKalb County will provide City staff with numbers needed to determine this year's millage rate. The rate must be set by July 1st.

City Manager Bryant described the process of setting a millage rate. Tonight's discussion is just the beginning of that process. Mr. Bryant emphasized that what they have are preliminary numbers. He added that in the past, the current millage rate was used as a placeholder in advertising. There was some discussion about what's been done the last few years and what staff recommends for this year. Early numbers show an increase of about 10% for property within the City. That means the demand to live here is outpacing supply, said Mr. Bryant. Finance Director Paul Hanebuth clarified that a city can't set a millage rate higher than what was advertised. It can go down, however. The group discussed whether or not new development such as The Willis would impact the digest. Mr. Bryant said staff will move forward with advertising and scheduling public meetings.

Item No. 6

Regulation of Short-Term Rentals

Many communities are now home to short-term rentals, such as properties listed with Airbnb and VRBO. At the BOMC's request, City staff has researched how other cities in the state have approached this trend. A recent report from a Georgia House of Representatives Committee on Short-Term Rentals will also be discussed.

City Manager Bryant said the report was not as in-depth as expected. He added that staff recommends including the topic in the upcoming zoning rewrite, consider it as a standalone item, or both. He noted the BOMC should consider short-term rentals require a business license, some sort of insurance, paying sales tax, charge a fee for each night the property is rented. They should also think about duration of the rental period, number of times the property could be rented per year, and maximum number of people and vehicles. While no decisions need to be made right away, said Mr. Bryant, it's something the BOMC should begin thinking about. Commissioner Laratte asked about enforcement of any rules made. Mr. Bryant agreed that can be difficult but just looking at online advertisements for short-term rentals in the City can give lots of information. Mayor Elmore remarked that other cities pay a firm to monitor short-term rental compliance. City Attorney Stephen Quinn said the only reason to include this in the zoning ordinance is if there will be a distinction about what is allowed where, such as short-term rentals are allowed in one area of the City but not another. While renting ancillary structures is currently forbidden, enforcement has not been strong. There have been many complaints, according to Mr. Bryant. Commissioner Shortell said she would like to see licensing, insurance, sales tax/nightly fee. Mayor Pro Tem Fisher was opposed to enforcement by telling on neighbors. Mr. Laratte was most concerned about

enforcement and related overhead. Mr. Bryant said enforcement would be the same for any business with a license. Mr. Laratte asked about whether or not they would be required to incorporate or create a LLC. Mr. Bryant couldn't answer that question at this time. The consensus is for City staff to create a draft proposal to the BOMC for their review.

Candace Jones supports more discussion. She said as of that day there were nine Avondale locations advertised for short-term rental. Kathy Kingsbury said effects on neighbors and parking should both be considered. Harry Vann explained his experience in Key West, Florida where much time and resources are required to enforce their rules. Jan Hover is supportive of new rules.

Item No. 7

Tennis Courts

The City has received complaints regarding use of the City-owned and maintained tennis courts. City staff will be taking the reservation system in-house to monitor use and also recommends allowing tennis and pickle ball only.

There is an online reservation system for reserve tennis courts, explained Mr. Bryant. However, he added, no one knows who is managing the system. It currently allows anyone to reserve courts for any use and tennis players are unhappy that the court is being regularly booked for Pilates classes. Mr. Bryant said it's staff recommendation to eliminate the reservation system and have the courts operate on a first come, first serve basis. The courts would be available for tennis and pickleball only. He recommended a reservation system run by the city with a monthly threshold – around 25% -- for those wanting to give tennis lessons. Such people would need a business license and insurance. At times, residents reserve courts and then don't show up, which is why staff is recommending a first come, first serve system. Licensing and insurance would also be required for lessons and related activity in Willis Park or any other City-owned property. Commissioner Shortell asks how it will be determined what is the appropriate amount of people to allow in the park for business purposes and adds that use of the area, as well as traffic, is escalating. Mr. Bryant listed some ways that could be avoided by wording in the regulations. Ms. Shortell has observed that when kids use the courts for play other than tennis, often trash like chewing gum can be left behind. Mayor Pro Tem Fisher supported staff recommendations. He didn't feel much can be done about kids playing on the courts. He wondered if there should be a time limit on those using the courts and Mr. Bryant said that could be a consideration of the Board. Ms. Shortell felt two hours was a good amount of time. Commissioner Laratte asked what's the cost of enforcing new measures and Mr. Bryant said that an honor code would be in place. It's agreed that staff would draft new rules to post at the tennis court for the Board's review. There was discussion about new wind screens that had been ordered for the tennis courts and whether or not they could blunt some of the sound from pickleball paddles. There was also mention of devices that could be put directly on the racquets to quiet them down.

Resident Harry Vann thanked the BOMC for looking into the matter. He liked the idea of making those using the courts for commercial gain get a business license and insurance. Lynn Boyd had a problem with letting others profit from the tennis courts if they're not teaching neighborhood residents. She added the courts are very busy and the BOMC should look into why the reservation system was created in the first place.

Item No. 8

Resolution to Reconcile the 2018 Budget

Every year, the City revisits the previous year's budget and documents actual revenue and expenditures where they varied from budgeted line items.

City Manager Bryant explained why he believes it's better to reconcile the budget throughout the year instead of the following year. He said that is not best practice for municipal governments and the City's auditors agree. There are reconciliations that he himself can approve and others that must be brought before the board. Finance Director Hanebuth goes over some budget tables attached to the resolution and there is more discussion about changing how the budget is handled. This will be voted on at the next regular meeting. There were no public comments.

Item No. 9

Proposed Arboretum

The Board of Mayor and Commissioners (BOMC) discussed establishing a City of Avondale Estates Arboretum. Residents who proposed this idea would like the BOMC to form an Arboretum Board to establish and manage the project.

City Manager Bryant said if the BOMC approves, this will be a resolution to be voted on at the next regular meeting. The BOMC approved. Avondale Garden Club president Christi Granger thanked the BOMC and City staff for their support.

Item No. 10

Public Comment

Lynn Boyd supported having a reservation system for the public tennis courts. Kathy Kingsbury asked if people giving lessons or running exercise or tennis clinics on City property have never had to register or pay a fee. Mr. Bryant said that's true and is a huge liability for the City. There was discussion of coaches having team practices at Willis Park. Mary Ann Anziano told the group about the Hamilton Rec Center that is nearby and underutilized. Candace Jones asked about the status of the City property that Trammel Crowe has worked on behind the abandoned credit union. Mayor Pro Tem Fisher said the developers must have the ponds on the property for state storm water regulations. Mr. Bryant says he will follow up.

Item No. 11

Adjournment

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

APPROVED THIS 1st DAY OF JULY 2019


Jonathan Elmore, Mayor

ATTEST:


Gina Hill, City Clerk

Patricke Bryant, City Manager