

KENNESAW DEVELOPMENT AUTHORITY

MEETING MINUTES

July 17, 2019

Community Development Conference Room

6:00 p.m.

- I. **Call to Order** Meeting called to order at 6:00 pm by Chair Richard Blevins.
Members Present: Richard Blevins, Lisa Neff, Keith Palmer, Matt Riedemann
Members Absent: Jay Brimberry, Bob Cook, Nimesh Patel
Staff/Guests Present: Bob Fox, Miranda Taylor, Fred Bentley, Jr., Dale Hughes, Michael Nihart, Pat Ferris (arrived 6:26 pm)
- II. **Approval of Minutes** – The board reviewed minutes from the June 19, 2019 meeting. Keith Palmer made a motion to approve the minutes as presented; seconded by Lisa Neff. Vote taken, motion passed with a vote of 3-0-1 (Riedemann abstained due to being absent for the June meeting).
- III. **Announcements/Public Comment:** None
- IV. **Financials**
 - a. Financial Report: Richard Blevins presented the financial report prepared by the city's Finance Department. There were no expenditures for this period. Lisa Neff made a motion to approve the financial report as presented; motion seconded by Matt Riedemann. Vote taken; motion passed unanimously 4-0.

Following review of the financial report, the agenda was taken out of order to allow discussion with guests present for the item of new business. New Business was considered first; at 6:18 pm the board returned to the order of the agenda at Old Business, following action on agenda item VI.a.

- V. **Old Business**
 - a. Funding preparation of application for State Historic Preservation Tax Credit Program; 2871 Cherokee Street
 - i. Bob Fox provided an update to the board on the request to fund the preparation of an application for historic preservation tax credits. Staff is asking the board to provide funding for professional services for an architect to prepare an application to submit to the state to receive federal historic preservation tax credits. Dale Hughes owns the historic church property. There are two components to the project: the original sanctuary will house a music venue/events facility, and the balance of the newer portion of the property will house a cold brew coffee manufacturing business. The project is somewhat challenging due to the restrictions on dealing with historic structures and what can/cannot be done to rehab them. The historic church is a major contributing element to one of our five downtown historic districts. Dale is balancing what needs to be done to meet the needs of the two different business models, while still meeting

the requirements of the historic preservation design standards. One way to help support the development of the two businesses is using the tax credits (if they are awarded); staff requests the board to consider providing limited support by funding the preparation of the application.

- ii. Bob Fox reviewed the pricing structure from the architect that was provided at the last meeting. The board had expressed concern over the amount of amendments to the application that may be required. Based on applications that other Kennesaw businesses have prepared, amendments are limited. Additionally, the board can place a cap on the number of amendments they would fund.
- iii. This would require a memorandum of understanding (MOU) between the two parties (the KDA and the applicant) to outline the reciprocal benefit to both parties. If the board wishes to move forward, we would work with legal to create an MOU.
- iv. The KDA would have no role in the administration of the program; this is a federal program administered by the State Historic Preservation Office. While there are no guarantees that the application will be successful, the renovation plans have been pre-cleared/reviewed with the State and are historically appropriate.
- v. Dale Hughes, the property owner, shared an overview of the status of the building renovation and business plans with the board and explained how the tax credits would benefit the development of the business. This program would add the property to the national historic register and would make the historic status a permanent part of the real estate documents related to the property. Additionally, Dale requested the board add a stipulation to the MOU (if they decide to move forward) that he will pay back the application fee if, for any reason, the application is prepared/approved and he does not use the tax credits.
- vi. Keith Palmer made a motion to proceed with preparing an MOU for the application preparation. Motion seconded by Matt Riedemann. Vote taken; motion passed unanimously with a vote of 4-0.

VI. New Business

- a. Resolution regarding KDA Multifamily Housing Revenue Bonds (Lakeside Vista Apartments Project) Series 2004; LURA (Land Use Restriction Agreement) update due to pending sale of Lakeside Vista Apartments
 - i. KDA attorney Fred Bentley, Jr. presented an overview of the agenda item to the board, sharing the background of the Lakeside Vista project and the 2004 bonds associated with the apartment development. The current owners are now seeking to sell the property, which requires the KDA to adopt a resolution and execute documents related to the Land Use Restriction Agreement (LURA) originally set forth when the project was approved in 2004. As part of the sale of the property, the bonds will be paid off early. The conditions of the LURA requiring a percentage of units to be set aside for affordable housing will remain through the end of the original agreement period (2020). In fact, the purchaser will maintain the same set-aside percentage of affordable units for an additional 15 years.

- ii. Legal has reviewed all documents and recommends that the board consider adopting the proposed resolution. The purchaser, Fairfield Lakeside LLC is a registered Georgia company; they will need to confirm that they have completed steps for e-verify registration prior to final closing, as this is a requirement to do business with the KDA, City of Kennesaw, and the State of Georgia.
- iii. Matt Riedemann made a motion to adopt the resolution presented and to authorize the Chair and Secretary to sign and execute all documents necessary related to the Lakeside Vista Sale, and to require that Fairfield Lakeside LLC confirm their e-verify registration prior to final closing. Lisa Neff seconded the motion. The Chair called for a vote; motion passed unanimously with a vote of 4-0.

VII. ECONOMIC DEVELOPMENT DIRECTOR'S COMMENTS: Bob Fox provided an update to the board on the following projects:

- a. School House Village/ Core Properties: both are working on site plans; demo activity and site work to begin at the Martha Moore site later this summer
- b. East Park (Cherokee Street): working through demo; September/October goal for site work to begin
- c. Royal American (Sardis/Main): site work is underway for the affordable senior housing residential project; will have approximately 74 units
- d. Industrial projects:
 - i. Kennesaw 75 – Dexter is working on plans to build out the remaining parcels in the Kennesaw 75 development
 - ii. Stanley Road – 46 acre tract is under contract with an industrial developer; they are doing due diligence to see if they can make a development work on this parcel
- e. Columns project: work continues to identify uses for the property
- f. Cowboys site: Matt Riedemann inquired about the status of this project. Bob Fox provided an overview of the status of work for both Varner Developers (commercial) and Newport (multi-family). Site work and demo is currently underway.

VIII. EXECUTIVE SESSION – Land, Legal, Personnel

Pursuant to the provisions of O.C.G.A. 50-14-3, the KDA could, at any time during the meeting, vote to close the public meeting and move to executive session to discuss matters relating to litigation, legal actions and/or communications from the City Attorney as provided under O.C.G.A. 50-14-2(1); and/or personnel matters as provided under O.C.G.A. 50-14-3 (4) and/or real estate matters as provided under O.C.G.A 50-14-3(6).

IX. ADJOURN: With no further business, Matt Riedemann made a motion to adjourn; seconded by Lisa Neff. Motion passed unanimously, 4-0. Meeting adjourned at 7:04 pm.

**The next scheduled meeting of the Kennesaw Development Authority will be
6:00 p.m. on August 21, 2019**