



**KENNESAW DOWNTOWN DEVELOPMENT AUTHORITY
REGULAR MEETING AGENDA
JULY 12, 2022
CITY HALL TRAINING ROOM
7:30 A.M.**

I. Call to Order

II. Approval of Minutes

- a. 6.14.22 Regular Meeting
- b. 6.14.22 Executive Session

III. Announcements/Public Comment

IV. Financials – Financial report as of 6.30.22

V. Old Business

VI. New Business

- a. Review of official request for closing extension at 2570 N. Cobb Parkway
- b. Approval of Resolution related to closing for the sale of 2570 N. Cobb Parkway
- c. Review of closing documents for bonds at 2652 S. Main Street

VII. Executive Session – Land, Legal, Personnel

- a. Pursuant to the provisions of O.C.G.A. 50-14-3, the KDDA 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).

VIII. Board Comments

IX. Economic Development Director Comments

X. Adjourn

NOTICE: Any person who desires to appeal any decision from this meeting will need a record of the proceedings, and for the purpose may need to insure that a verbatim record of the proceedings is made which includes the testimony and evidence upon which the appeal is based. The Agenda is designed to make more efficient use of the KDDA's time. It is not designed to curtail discussion or input. If you need special accommodations to attend or participate in our meetings, please contact City Hall at least 24 hours in advance of the specific meeting you are planning to attend.

The next scheduled meeting of the Kennesaw Downtown Development Authority will be 7:30 a.m. on August 9, 2022



KENNESAW DOWNTOWN DEVELOPMENT AUTHORITY
DRAFT REGULAR MEETING MINUTES
JUNE 14, 2022
CITY HALL TRAINING ROOM
7:30 A.M.

- I. Call to Order:** Meeting called to order at 7:32 am by Chair Mark Allen.
- a. Members present: Mark Allen, David Lyons, Mary Jo Groeneveld, Lexie Newhouse
 - b. Members absent: Leslie Steinle, Nimesh Patel, Ian Coats
 - c. Staff present: Miranda Taylor, Fred Bentley, Jr., Councilmember Tracey Viars, Luke Howe (via Zoom), Jeff Drobney (via Zoom)
- II. Approval of Minutes**
- a. 5.10.22 Regular Meeting: Minutes from the May 10 meeting were reviewed. David Lyons made a motion to approve the regular meeting minutes as presented; seconded by Lexie Newhouse. Motion passed unanimously.
 - b. 5.10.22 Executive Session: Minutes from the May 10 executive session were reviewed. David Lyons made a motion to approve the regular meeting minutes as presented; seconded by Lexie Newhouse. Motion passed unanimously.
- III. Announcements/Public Comment:** None
- IV. Financials** – Financial report as of 5.31.22 was reviewed; ending cash balance was \$10,144.89. David Lyons made a motion to approve the financial report; seconded by Lexie Newhouse. Motion passed unanimously.
- V. Old Business:** None
- VI. New Business**
- a. Appoint new KDDA Secretary; authorize Secretary as additional check signer: The resignation of Britt Doss created a vacancy in the office of Secretary. David Lyons made a motion to appoint Mary Jo Groeneveld as Secretary and authorize her as an additional check signer for the KDDA. Lexie Newhouse seconded the motion. Motion passed unanimously.
 - b. Approval of Bond Resolution & Bond Documents – 2652 S. Main Street: Elliot Van Dyke provided an overview of the schedule for the development project. They plan to close on the construction loan in July. They've received a demo permit and will begin demo immediately following closing. They are also working through the LDP process so that site work can continue following the demolition. First units are expected to be complete in 16-18 months, with final COs in approximately 24 months. Earle Taylor (bond attorney) reviewed the bond documents with the board, pointing out there are two sets of documents: bond documents and validation papers for the residential portion of the project, and the same for the commercial portion of the project. The board discussed the details outlined in the documents; Earle Taylor & Fred Bentley, Jr. confirmed for the board that the bonds are secured by the terms of the loans for the development and there is no financial risk to the KDDA if the developer fails to perform.
 - i. David Lyons made a motion to approve the bond documents and validation papers for the residential portion of the project, and authorize the Chair and Secretary to execute the documents as required. Lexie Newhouse seconded the motion. Motion passed unanimously.
 - ii. David Lyons made a motion to approve the bond documents and validation papers for the commercial portion of the project, and authorize the Chair and Secretary to execute the documents as required. Lexie Newhouse seconded the motion. Motion passed unanimously.
 - c. Review of Extension Request – 2570 Cobb Pkwy: Fred Bentley, Jr. presented the request from the buyer for an extension to the closing date. Before discussing the request in more detail, the board requested to enter Executive Session.
 - i. David Lyons made the following motion: That this Authority now enter into closed session as allowed by O.C.G.A. §50-14-3 and pursuant to advice by the City Attorney, for the purpose of discussing Land and Legal. Seconded by Lexie Newhouse. Those voting in favor: Mark Allen, David Lyons, Lexie Newhouse,

Mary Jo Groeneveld. Those opposed: None. The motion passed unanimously. The KDDA entered closed session at 8:02 am.

- ii. David Lyons made the following motion: That this body, in open session, adopt a resolution authorizing and directing the presiding officer to execute an affidavit in compliance with O.C.G.A. §50-14-4, and that this body ratifies the actions of the KDDA taken in closed session and confirm that the subject matter(s) of the closed session were within the exceptions permitted by the open meetings law. Seconded by Lexie Newhouse. Those voting in favor: Mark Allen, David Lyons, Lexie Newhouse, Mary Jo Groeneveld. Those opposed: None. The motion passed unanimously. The KDDA exited closed session at 8:23 am.
- iii. David Lyons made a motion to authorize staff to pursue options to assist the owner of Property A, as discussed in closed session. Lexie Newhouse seconded the motion. Motion passed unanimously.
- iv. The board discussed the details of the extension request. David Lyons made a motion to approve the extension request and authorize the chair to execute the required documents; seconded by Lexie Newhouse. Following the motion being seconded, the board inquired if the motion should include the extension date and the detail that this is a final extension request. Legal advised it would be preferable to include this information. David Lyons amended the motion as follows: Approve the extension request with a final closing date of 8/22/22, with no further extensions to be approved, and authorize the chair to execute any required documents related to the extension. Lexie Newhouse seconded the motion to amend. Motion to amend passed unanimously. David Lyons moved to approve the amended motion; seconded by Lexie Newhouse. Motion passed unanimously.
- d. Review of MOU with Downtown Merchants Association for website/marketing support: At the previous meeting, the board asked for detail of the shared costs related to the MOU. Miranda Taylor shared a spreadsheet detailing the website maintenance and marketing costs related to the downtown branding efforts. The \$1200 maintenance fee charged to the KDMA represents less than 10% of the overall marketing and maintenance expenses. The MOU has been updated with the verbiage changes requested at the last meeting. David Lyons made a motion to approve the MOU as presented; seconded by Lexie Newhouse. Motion passed unanimously.

VII. Executive Session – Land, Legal, Personnel

- a. Pursuant to the provisions of O.C.G.A. 50-14-3, the KDDA 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).

VIII. Board Comments: Mark Allen asked Luke Howe if there was any update on the SchoolHouse Village site. Luke advised that Piedmont Residential closed on the property, but will need to work with the City on site plan approval and road abandonment (none of this was done prior to closing). The project will have to go through the CBD Project approval process.

IX. Economic Development Director Comments: None

X. Adjourn: With no further business, David Lyons made a motion to adjourn; seconded by Mary Jo Groeneveld. Motion passed unanimously. Meeting adjourned at 8:39 am.

NOTICE: Any person who desires to appeal any decision from this meeting will need a record of the proceedings, and for the purpose may need to insure that a verbatim record of the proceedings is made which includes the testimony and evidence upon which the appeal is based. The Agenda is designed to make more efficient use of the KDDA's time. It is not designed to curtail discussion or input. If you need special accommodations to attend or participate in our meetings, please contact City Hall at least 24 hours in advance of the specific meeting you are planning to attend.

The next scheduled meeting of the Kennesaw Downtown Development Authority will be 7:30 a.m. on July 12, 2022

Kennesaw Downtown Development Authority
Operating Cash Activity
For the Month Ended June 30, 2022

Beginning Cash	\$ 10,144.89
Cash Receipts:	
Interest Earned	10.73
BurgerFi Rent	<u>3,376.53</u>
Total Cash Receipts	<u>3,387.26</u>
Cash Disbursements:	
Bentley, Bentley & Bentley	1,276.00
City of Kennesaw loan payments	2,693.74
Kathryn Collier	<u>700.00</u>
Total Cash Disbursements	<u>4,669.74</u>
Ending Cash	<u><u>\$ 8,862.41</u></u>

Kennesaw Downtown Development Authority
Bond Series 2019 Project Account - Budgetel
From Inception To Date Through June 30, 2022

Beginning Cash	\$ -
Cash Receipts:	
Proceeds from Bond Issue	379,304.56
Closing Cost Overage Returned by Closing Attorney	10,148.64
Easement Termination & Appraisal Reimbursement	91,750.00
Earnest Money 2570 N Cobb Pkwy	200,000.00
Interest Earned	<u>1,812.97</u>
Total Cash Receipts	<u>683,016.17</u>
Cash Disbursements:	
2/1/20 Interest Payment 2019 Bond	7,670.54
8/1/20 Interest Payment 2019 Bond	40,608.75
1/31/21 Interest Payment 2019 Bond	40,608.75
7/28/21 Interest Payment 2019 Bond	40,608.75
1/28/22 Interest Payment 2019 Bond	40,608.75
Reimburse KDDA Operating for Earnest Money	10,000.00
Budgetel Expenditures - Fencing, Site Work, Legal Demolition	74,000.00
Cobb County Superior Court Bond Fees	181.00
Nelson Mullins Legal Service 2019 Bond Issue	483.23
Bentley, Bentley & Bentley	<u>1,986.50</u>
Total Cash Disbursements	<u>272,305.38</u>
Ending Cash	<u><u>\$ 410,710.79</u></u>

CITY OF KENNESAW

Balance Sheet By Fund

June 30, 2022

FUND 760: KDDA FUND

Account Number	Account Name	Beginning Balance	CPTD Debit	CPTD Credit	CYTD Debit	CYTD Credit	Ending Balance
ASSETS							
760.0000.11.111200.00000	OPERATING ACCOUNT	1,229.25	3,376.53	4,669.74	42,595.32	34,962.16	8,862.41
760.0000.11.112100.00000	KDDA FACADE	3,509.11	0.00	0.00	35.82	0.00	3,544.93
760.0000.11.112900.00000	PROJECT FUND SERIES 2019	252,056.11	0.00	0.00	200,075.43	41,420.75	410,710.79
760.0000.11.380000.00000	PREPAID ITEMS	700.00	0.00	0.00	0.00	700.00	0.00
760.0000.11.710500.00000	LAND HELD FOR RESALE	2,602,377.20	0.00	0.00	0.00	0.00	2,602,377.20
Total Assets		\$2,859,871.67	\$3,376.53	\$4,669.74	\$242,706.57	\$ 77,082.91	\$3,025,495.33
LIABILITIES							
760.0000.12.110000.00000	ACCOUNTS PAYABLE	\$ 696.00	\$1,976.00	\$1,976.00	\$ 11,056.00	\$ 10,360.00	\$ 0.00
760.0000.12.190500.00000	DUE TO GENERAL FUND	0.00	0.00	0.00	1,174.50	1,174.50	0.00
760.0000.12.250000.00000	DEFERRED REVENUE	0.00	0.00	0.00	0.00	200,000.00	200,000.00
760.0000.12.253500.00000	NOTE PAYABLE-CITY OF KENNESAW-CURRENT	31,824.33	0.00	0.00	0.00	0.00	31,824.33
760.0000.12.254000.00000	NOTE PAYABLE - CITY OF KENNESAW	16,092.54	0.00	0.00	0.00	0.00	16,092.54
760.0000.12.260000.00000	DEPOSITS PAYABLE	3,000.00	0.00	0.00	0.00	0.00	3,000.00
Total Liabilities		\$ 51,612.87	\$1,976.00	\$1,976.00	\$ 12,230.50	\$211,534.50	\$ 250,916.87
FUND EQUITY							
760.0000.13.120000.00000	ENCUMBRANCE	(7,865.28)	1,276.00	1,276.00	5,234.50	5,234.50	(7,865.28)
760.0000.13.230000.00000	CONTRIB CAP-DEVELOPERS	2,500.00	0.00	0.00	0.00	0.00	2,500.00

760.0000.13.411500.00000	F/B RES FOR ENCUMBRANCES	7,865.28	1,276.00	1,276.00	5,234.50	5,234.50	7,865.28
760.0000.13.422000.00000	F/B UNRES-UNDESIGNATED	2,805,758.80	4,669.74	3,376.53	511,606.91	477,926.57	2,772,078.46
Total Fund Equity		<u>\$2,808,258.80</u>	<u>\$7,221.74</u>	<u>\$5,928.53</u>	<u>\$522,075.91</u>	<u>\$488,395.57</u>	<u>\$2,774,578.46</u>
Total Liabilities and Fund Equity		<u><u>\$2,859,871.67</u></u>	<u><u>\$9,197.74</u></u>	<u><u>\$7,904.53</u></u>	<u><u>\$534,306.41</u></u>	<u><u>\$699,930.07</u></u>	<u><u>\$3,025,495.33</u></u>

CITY OF KENNESAW
Income Statement by Fund
For the Period Ending June 30, 2022

FUND 760: KDDA FUND

Account Number	Account Name	Original Budget	Revised Budget	Current Period to Date Actual	Current Year to Date Actual	Available Budget	Percent of Budget Remaining
REVENUES							
760.0000.34.756500.00000	FARMERS MARKET	0.00	0.00	0.00	900.00	(900.00)	0.00%
760.0000.34.758500.00000	BEER FESTIVAL REVENUE	8,500.00	8,500.00	0.00	8,224.00	276.00	3.25%
760.0000.36.100000.00000	INTEREST REVENUES	300.00	300.00	0.00	162.78	137.22	45.74%
760.0000.38.100700.00000	RENTS&ROYALTIES(BURGERFI) 2844 S. MAIN	40,518.00	40,518.00	3,376.53	30,388.77	10,129.23	25.00%
760.0000.38.900000.00000	OTHER (MISCELLANEOUS REV)	0.00	0.00	0.00	3,031.02	(3,031.02)	0.00%
760.0000.39.110000.00000	KDDA OPS - CITY FUNDING	446,593.00	446,593.00	0.00	434,520.00	12,073.00	2.70%
760.0000.39.400000.00000	USE OF PY RESERVES	81,218.00	81,218.00	0.00	0.00	81,218.00	100.00%
Total Revenues		\$577,129.00	\$577,129.00	\$ 3,376.53	\$ 477,226.57	\$99,902.43	17.31%
EXPENDITURES							
760.7550.52.121000.00000	LEGAL SERVICES	15,000.00	15,000.00	1,276.00	3,288.00	11,712.00	78.08%
760.7550.52.125000.00000	OTHER PROFESSIONAL SERV	1,500.00	1,500.00	0.00	0.00	1,500.00	100.00%
760.7550.52.127000.00000	DESIGN & GRAPHIC DESIGN	500.00	500.00	0.00	63.60	436.40	87.28%
760.7550.52.231000.00000	RENTAL OF LAND & BUILDNG	8,400.00	8,400.00	700.00	6,300.00	2,100.00	25.00%
760.7550.52.325000.00000	POSTAGE	100.00	100.00	0.00	0.00	100.00	100.00%
760.7550.52.330000.00000	ADVERTISING	500.00	500.00	0.00	667.46	(167.46)	(33.49%)
760.7550.52.350000.00000	TRAVEL	500.00	500.00	0.00	0.00	500.00	100.00%
760.7550.52.360000.00000	DUES & FEES	165.00	165.00	0.00	0.00	165.00	100.00%

760.7550.52.363000.00000	MEETING EXPENSES	100.00	100.00	0.00	0.00	100.00	100.00%
760.7550.52.371000.00000	PROFESSIONAL DEVELOPMENT	600.00	600.00	0.00	300.00	300.00	50.00%
760.7550.52.395000.00000	MILEAGE REIMBURSEMENT	500.00	500.00	0.00	0.00	500.00	100.00%
760.7550.52.514000.00000	DINNER AT DEPOT	1,200.00	1,200.00	0.00	103.44	1,096.56	91.38%
760.7550.54.115000.00000	LAND DEVELOPMENT	0.00	0.00	0.00	812.00	(812.00)	0.00%
760.7550.58.110100.00000	PRINCIPAL -LOAN FROM CITY- BURGERFI	31,825.00	31,825.00	2,660.30	23,823.47	8,001.53	25.14%
760.7550.58.110200.00000	PRINCIPAL - SERIES 2001	425,000.00	425,000.00	0.00	425,000.00	0.00	0.00%
760.7550.58.210100.00000	INTEREST - SERIES 2001	9,520.00	9,520.00	0.00	9,520.00	0.00	0.00%
760.7550.58.230000.00000	INTEREST-SERIES 2019	81,218.00	81,218.00	0.00	40,608.75	40,609.25	50.00%
760.7550.58.230100.00000	INTEREST-\$300K LOAN FROM CITY BURGERFI	501.00	501.00	33.44	420.19	80.81	16.13%
Total Expenditures		\$577,129.00	\$577,129.00	\$ 4,669.74	\$ 510,906.91	\$66,222.09	11.47%
Excess (Deficiency) of Revenues over Expenditures		\$ 0.00	\$ 0.00	\$(1,293.21)	\$(33,680.34)	\$33,680.34	0.00%

LAW OFFICES
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Leo Rose III

E-Mail: lrose@swflfp.com
Direct Dial: (404) 954-9823

July 5, 2022

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED AND EMAIL

Kennesaw Downtown Development Authority
2529 J.O. Stephenson Ave.
Kennesaw, GA 30341
Attn: Mark Allen, Chairman
Email: mallen@kennesaw-ga.gov

Fred Bentley, Jr., Esq.
Bentley Bentley & Bentley
241 Washington Ave.
Marietta, GA 30060
Email: fred@thebentleyfirm.com

Re: Real Estate Purchase and Sale Agreement by and between dated June 16, 2021, Downtown Kennesaw Development Authority, as "Seller", and Blue Tiger Properties, LLC, originally as "Purchaser", as amended by that certain First Amendment to Real Estate Purchase and Sale Agreement dated April 1, 2022, and that certain Second Amendment to Real Estate Purchase and Sale Agreement dated June 29, 2022, with the interest of Purchaser having been assigned to Kennesaw City Storage, LLC (as amended and assigned, the "PSA") regarding the purchase and sale of approximately 2.67 acres, commonly known as 2570 North Cobb Parkway, Kennesaw, Georgia, located in Land Lots 166 and 167 of the 20th District, 2nd Section, Cobb County, Georgia

Mr. Allen and Mr. Bentley:

Please accept this letter on behalf of Kennesaw City Storage, LLC, the Purchaser under the PSA, advising Seller that Purchaser hereby exercises the right to extend the outside Closing Date to August 22, 2022. In accordance with the Second Amendment to the PSA, an additional \$100,000 of Earnest Money will be wire transferred to the Seller's account at Cadence Bank.

My client will advise if the Closing can occur on an earlier date, which remains our objective. Thank you.

Sincerely,



Leo Rose III

cc: Nate Sirang (via email)
Steve Sirang (via email)
Mitchell Cooke (via email)

**KENNESAW DOWNTOWN DEVELOPMENT AUTHORITY
KENNESAW, GEORGIA**

RESOLUTION NO. 2022-01, 2022

**RESOLUTION AUTHORIZING THE EXECUTION OF CLOSING DOCUMENTS AND
SALE TERMS FOR 2570 N. COBB PARKWAY**

**BE IT RESOLVED BY THE KENNESAW DOWNTOWN DEVELOPMENT AUTHORITY,
COBB COUNTY, GEORGIA, AS FOLLOWS:**

WHEREAS, the Kennesaw Downtown Development Authority (“Seller) and Blue Tiger Properties entered into that certain Real Estate Purchase and Sale Agreement dated June 16, 2021, for the purchase and sale of the real property identified on Exhibit “A” attached hereto (the “Property”); and

WHEREAS, the Real Estate Purchase and Sale Agreement dated June 16, 2021 has been amended and assigned to Kennesaw City Storage, LLC (“Purchaser”) as evidenced by the First Amendment to Real Estate Purchase and Sale Agreement dated April 1, 2022, and the Second Amendment to Real Estate Purchase and Sale Agreement dated June 29, 2022 (as amended and assigned, the “Contract”); and

WHEREAS, Mark Allen, Chair of the Kennesaw Downtown Development Authority, and Mary Jo Groeneveld, Secretary of the Kennesaw Downtown Development Authority, are authorized to sign the necessary closing documents pertaining to the sale of the Property; and

NOW, THEREFORE, the Kennesaw Downtown Development Authority does hereby authorize (i) the sale of the Property per the terms outlined in the Contract, as amended and assigned, and (ii) the execution of the necessary closing documents by the parties named herein.

PASSED AND ADOPTED by the Kennesaw Downtown Development Authority on this
___12th___ day of July, 2022.

ATTEST:

CITY OF KENNESAW:

Mary Jo Groeneveld, Secretary

Mark Allen, Chair

EXHIBIT "A"
LEGAL PROPERTY DESCRIPTION

Legal Description

All that tract or parcel of land lying and being in land lots 166 and 167, District 20, Section 2, City of Kennesaw, Cobb County, Georgia and being more particularly described as follows:

Beginning at an iron pin found (1/2" rebar) located at the intersection of the southeasterly right of way of Dobbs Drive (40' R/W) with its intersection of the northeasterly right of way of North Cobb Parkway (A.K.A. Highway 41) (115' from the centerline of highway 41), thence along the southeasterly right of way of Dobbs Drive N 66° 40' 51" E a distance of 201.32 feet to a point, said point being the TRUE POINT OF BEGINNING;

Thence continuing along the southeasterly right of way of Dobbs Drive N 67° 33' 30" E a distance of 120.40 feet to a point.

Thence 177.71 feet along the arc of a curve in a clockwise direction (said curve having a radius of 335.59' and a chord of N 84° 38' 30" E -- 175.64') to a point;

Thence S 82° 40' 45" E a distance of 196.98 feet to an iron pin found (5/8" rebar);

Thence leaving said right of way S 17° 53' 51" W a distance of 75.54 feet to a point;

Thence S 44° 01' 15" W a distance of 481.39 feet to a point on the northeasterly right of way of North Cobb Parkway;

Thence along the northeasterly right of way of North Cobb Parkway N 45° 20' 00" W a distance of 181.48 feet to a point;

Thence leaving said right of way N 44° 55' 46" E a distance of 185.32 feet to an iron pin found (5/8" rebar);

Thence N 45° 49' 53" W a distance of 175.12 feet to a point on the southeasterly right of way of Dobbs Drive and the POINT OF BEGINNING.

Said tract containing 2.67 acres as shown hereon.
