

Hapeville Development Authority
3468 North Fulton Ave.
Hapeville, GA 30354
May 9, 2019 6:30PM

Minutes

1. Call to Order: The meeting was called to order at 6:35PM at 3468 N. Fulton Avenue, Hapeville, GA 30354.

2. Roll Call:

Katrina Bradbury
Matt Morrison - absent
Alan Hallman
J. Allen Poole
Tania Wismer
James Newton
John Stalvey - absent
Kayla Fortner
Susan Bailey

3. Installation of New Member – Kayla Fortner
Ms. Fortner was sworn in by Chairman Bradbury.

4. Approval of Minutes

MOTION: Susan Bailey made a motion to approve the April 4, 2019 minutes, Mayor Hallman seconded. Motion carried 7-0.

5. Financial Report – Chairman Bradbury went over the financial report stating there was interest income received from the cell tower lease and in time we will give to the City. The City Clerk verified that ButterSweet was caught up with their mortgage payment. Chairman Bradbury said we are working to get ButterSweet a remaining balance. Also, the \$3000 was paid to Ed Taylor's firm for the work he did on the Solis where the Authority got a fee. A discussion was had about this, getting it transferred to the correct bank account because the money is in the other Authority, but was paid out of this Authority. The maintenance on properties was paid. And tonight, a check was written to Mill Creek Environmental for the approved vapor sampling.

6. Old Business – none

7. New Business

7.1 Consideration and Action to Authorize Chairman to sign LOI and Lease Agreement with Atlanta Printmakers Studio for 748 Virginia Avenue

Chairman Bradbury read over the Printmakers Studio's requests which included a 10 year lease term with a 10 year renewal option and the building to be completely renovated by the City of Hapeville using TPD funds which was approved by Mayor and Council. We have the draft of the

Intergovernmental Agreement between the Development Authority and the City. This project will be modeled after the way the theater is being managed. It seems to be working well.

Mr. Poole stated that it seems you're just about signing a 20 year deal with no CPI and no increase. Mr. Burt said we could go back to them and say 3% bump; that's reasonable. Ms. Bailey said she agrees to setting a 5 year renewal option instead of 10. Mr. Burt said he thinks that is better because organizations change over time and it'll be a stopping point to make sure they are still doing what they're doing. He added that they want long term because they are non-profit, and they are going to have to raise a bunch of money to move their equipment.

The Authority agreed to counteroffering the following: 5 year lease term with three – five year renewal option with compounded annually CPI, lease wouldn't be signable without lessor, and add mutually agreed upon by both parties on the building condition line of the lease. Mayor Hallman added that we need something in there that they remain mission centric.

MOTION: Mayor Hallman made a motion to continue the LOI discussion with counter to Printmakers Studio with an initial five year term and three – five year renewal option with compounded annually CPI, not be sublet, unassignable, and that it be mission centric to what the Printmakers do (maintaining gallery with open public studio) and to authorize Chairman to negotiate a revised LOI. Mayor Hallman modified his motion to reflect the building condition to be mutually agreed upon by both parties, Tania Wismer seconded. Motion carried 7-0.

7.II Consideration and Action for Modification of the Ground Lease Term for 840 South Central Avenue to be Extended to May 2029 with option to Purchase to Remain and Consent from HDA to UCB Granting Approval for the Collateral Assignment of the Ground Lease

Chairman Bradbury explained to new member Kayla Fortner that the Authority had agreed to lease this space to the tenant for parking. Mr. Burt also explained the reason for leasing stating that the property needs to be resized and redone. The cleanest thing is for the Authority to own it until the pipe is replaced.

MOTION: Mayor Hallman made a motion to modify the ground lease term for 840 S Central Avenue be extended to May 2029 with option to purchase to remain and consent from HDA to UCB granting approval for collateral assignment of the ground lease, subject to legal review and to authorize the Chairman to sign documents, J. Allen Poole seconded. Motion carried 7-0.

8. Economic Development Update

David Burt gave an update stating he had talked to the agent from Red Door. The contract is for a custom built home. He also said we're moving forward with the Willingham project. Chairman Bradbury shared the dates of the meetings Miller Lowry would need to attend beforehand; stating that they had went in the wrong order.

9. Public Comment – Charlotte Rentz

10. Executive Session - none

11. Adjourn

MOTION: Tania Wismer made a motion to adjourn at 7:40PM, Mayor Hallman seconded. Motion carried 7-0.

Respectfully submitted,

Katrina Bradbury, Chairman

Crystal Griggs-Epps, City Clerk

DRAFT