

**CITY OF BROOKHAVEN
DEVELOPMENT AUTHORITY**

Luke Anderson Chairman
Bruce Whitmer
John Rhett
Pat Hoban
Susan Coker
Tim Peaden
Sarah Kennedy

AGENDA

July 18, 2017

Special Called Meeting

9:00 AM

4362 Peachtree Road, Brookhaven, GA 30319

I) CALL TO ORDER

1. Roll Call

II) ORGANIZATIONAL AND PROCEDURAL ITEMS

1. Approval of June 22, 2016 Development Authority Special Called Meeting Minutes

III) OLD BUSINESS

IV) NEW BUSINESS

1. Development Authority Update

V) ADJOURNMENT

**CITY OF BROOKHAVEN
DEVELOPMENT AUTHORITY**

DRAFT MINUTES

June 22, 2016

Special Called Meeting

10:30 AM

4362 Peachtree Road, Brookhaven, GA 30319

I) CALL TO ORDER

Attendee Name	Title	Status	Arrived
Luke Anderson	Chairman	Present	
Bruce Whitmer		Present	
John Rhett		Present	
Pat Hoban		Present	
Susan Coker		Present	
Tim Peaden		Present	
Sarah Kennedy		Present	
Bates Mattison	Ex-officio	Present	

2. Welcome a New Board Member Sarah Kennedy

Chairman Anderson welcomed the newest Development Authority member, Sarah Kennedy. He stated it was wonderful to have her with the Authority and encouraged everyone to meet and visit with her.

II) ORGANIZATIONAL AND PROCEDURAL ITEMS

1. Approval of March 30, 2016 Development Authority Special Called Meeting Minutes

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Susan Coker
SECONDER:	Bruce Whitmer
AYES:	Anderson, Whitmer, Rhett, Hoban, Coker, Peaden, Kennedy

III) OLD BUSINESS

IV) EXECUTIVE SESSION

1. Motion to go into Executive Session to discuss real estate acquisition

RESULT:	APPROVED [UNANIMOUS]
MOVER:	John Rhett
SECONDER:	Bruce Whitmer
AYES:	Anderson, Whitmer, Rhett, Hoban, Coker, Peaden, Kennedy

2. Motion to close Executive Session (11:43 a.m.)

Minutes Acceptance: Minutes of Jun 22, 2016 10:30 AM (ORGANIZATIONAL AND PROCEDURAL ITEMS)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Bruce Whitmer
SECONDER:	John Rhett
AYES:	Anderson, Whitmer, Rhett, Hoban, Coker, Peaden, Kennedy

3. Discussion of Real Estate Acquisition and Potential Litigation

Chairman Anderson recognized the Authority's legal counsel, Chris Balch.

Mr. Balch explained how the Series 2016 Bond Resolution would give effect to the Memorandum of Understanding that the Board authorized on March 30, 2016 between Brookhaven Development Authority and Atlanta Hawks Player Development Facility, LLC. The purpose of the transaction was to incentivize construction of a 90,000 square foot building that would be utilized for both player practice and training as well as medical facilities to be operated by the Sports Medical Practice of Emory University Medical School. The transaction called for 100% abatement of ad valorem and allocation on 50% basis between Development Authority and the Hawks. The purpose of the bond resolution was to authorize transaction and all of its attendant pieces and moving parts and authorize him to effectuate validation proceeding in Superior Court of DeKalb County that would validate the action of the Board in the transaction. The Development Authority had been provided all of the documents. He asked that the Authority's financial advisor, Mr. Wall, provide additional information concerning the economics of the transaction for the Board to consider.

4. Ed Wall - Presentation

Chairman Anderson recognized Ed Wall who provided the following information:

- The project was \$36 million for Hawks and \$14 million for the Orthopedic Clinic, a total \$50 million project.
- The site now as existed was \$1 million assessed value.
- Currently, property taxes of \$5,000 were collected a year.
- The new \$50 million facility would bring in taxes of \$600,000 a year.
- Regarding the transactions and negotiations, the Hawks were looking at project in Cobb County which offered 12 acres of free land plus tax abatement. Brookhaven had no free land. We were asked to do tax abatement. We came to conclusion of a 15 year abatement of 50% of the \$600,000 so that would be \$300,000 Hawks abatement and \$300,000 payments to Brookhaven Development Authority.
- We were currently only collecting \$5,000.
- There would be additional revenues of \$160,000 business license fees and the share of homestead option sales tax \$400,000 (4.8%) being a total \$467,000 return to Brookhaven.
- The expert, Kim Bleakly of Bleakly and Associates ran the numbers and the report was attached in the documents given to the Development Authority.
- There would be trade industry job opportunities such as 50 full time and 65 part time.
- Emory Orthopedics would employ 50 full time doctors, RNS, and MRI machine operators.
- The facility would expect 200 patients a day for visiting increasing trade and commerce in Brookhaven.

Mr. Balch added that the Hawks had agreed to by-line all meeting impressions. They would move most of their operation staff to building including a media relations department. Any press generated from Hawks would be by-lined from Brookhaven, Georgia. From staff perspective, there was an economic benefit from those impressions although do not have hard data.

Chairman Anderson asked for direction of what form the motion should be from the Development Authority. Mr. Balch provided guidance for the motions. The motion could be as simple as like because the agenda included a lot of notice. Chairman Anderson called for a motion to approve the Bond Resolution to give effect to the transaction.

Chairman Anderson asked if there were any questions or discussion. Mr. Whitmer addressed the halo effect of the

Hawks facility being located in Brookhaven. Mr. Balch provided other examples of potential economic benefit.

Mr. Wall pointed out the Bleakly report also addressed additional economic benefits to the area.

Mr. Wall expressed how important it was for the incentives to be offered to get the project. The numbers showed the City was getting back more than given up. The City had to offer something or the Hawks would have gone somewhere else.

V) NEW BUSINESS

1. Approve and Adopt Bond Resolution Authorizing, Among Other Things, the Issuance by the Development Authority of Its Revenue Bonds to Finance the Purchase of a Flex Office Building, Containing a Player Development and Practice Facility, Medical Office Space and Related Equipment, and the Rental of Such Property to Hawks Player Development Facility, LLC, Including Authorization for Board Counsel to Take Any and All Actions Necessary to Validate Such Revenue Bonds

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Bruce Whitmer
SECONDER:	Susan Coker
AYES:	Anderson, Whitmer, Rhett, Hoban, Coker, Peaden, Kennedy

2. Authorize Board Chairman to Deliver Correspondence to Commissioner Jeff Rader

Chairman Anderson noted each of them was provided a draft letter addressed to Commissioner Rader as well as to Mayor Ernst. He asked for a motion authorizing sending of the letter. (The letter is available in the record.)

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Pat Hoban
SECONDER:	Bruce Whitmer
AYES:	Anderson, Whitmer, Rhett, Hoban, Coker, Peaden, Kennedy

VI) ADJOURNMENT

1. Motion to Adjourn

RESULT:	APPROVED [UNANIMOUS]
MOVER:	John Rhett
SECONDER:	Pat Hoban
AYES:	Anderson, Whitmer, Rhett, Hoban, Coker, Peaden, Kennedy



MEMORANDUM

MEETING OF: July 18, 2017
COMMITTEE: Development Authority
DEPARTMENT: Development Authority

ISSUE/AGENDA ITEM TITLE:
Development Authority Update

BACKGROUND/SUMMARY:

FISCAL IMPACT: (Budgeted – over or under)

STAFF RECOMMENDATION:

ATTACHMENTS: