



CITY OF FLOWERY BRANCH
Council Meeting Minutes
Work Session
Wednesday November 18, 2009
9:30 A.M.



CALL TO ORDER:

Mayor Hirling called the meeting to order at 9:32 am.

IN ATTENDANCE:

Mayor Diane Hirling and Council Members Pat Zalewski, Allen Bryans, Mary Jones and Chris Fetterman. Also in attendance were City Manager Bill Andrew, Assistant City Clerk Lou Camiscioni, City Planner James Riker and City Attorney Ron Bennett.

ABSENT:

Council Member Craig Lutz

INVOCATION/PLEDGE OF ALLEGIANCE:

Mayor Hirling led the pledge of allegiance.

PUBLIC COMMENTS: - There were no public comments.

UNFINISHED: - There was no unfinished business.

NEW BUSINESS:

[Discussion November 4th, 2009 Meeting Minutes](#)

There were no changes to the minutes as presented.

This item was placed on the Consent Agenda for further consideration.

[Discussion – Resolution 09-013, TAD Reimbursement Hortman & Dobbs](#)

City Manager Andrew reviewed Resolution 09-013 and turned over the meeting to Gary Mongeon, of Bleakly Advisory Group, Inc. Mr. Mongeon discussed with Council various aspects of the proposal consisting of the revenue stream, the process that got us to this point and other finance options.

Mr. Mongeon stated that the TAD would generate approximately \$113k in calendar year 2009 (proceeds of \$35,387 from City Tax revenue and \$77,958 from Hall County.) Mr. Mongeon also stated that the Hall County Schools were not participating in this TAD. The 2009 revenue will be used to cover the demolition work. New TAD revenue will not be available until calendar year 2010.

Phase 1 financing was next discussed with Council. The RFP detailing the City's terms for qualified lenders generated one reply from United Community Bank. UCB offered in response to the RFP, a non revolving line of credit; the payment schedule would not start until monies are drawn thus kicking off the five (5) year amortization schedule, a fixed rate of 5.18% over the 5 year loan. There were no penalties for paying off the loan early as well as well as a 1:1 debt coverage ratio. UCB did indicate however that the City would pay all closing costs, attorney fees and all other expenses incurred by the lender.

The total amount financed would be approximately \$436,000. This represents \$361,000 payable to H&D, \$15,000 for legal and closing fees and \$60,000 would reimburse the City for expenses already incurred to date.

In conclusion Mr. Mongeon stated that the UCB offer would provide H&D the ability for bank financing on their part, and that the terms offered were attractive and that the semi-annual payment schedule was more flexible and would be a lower cost to the City as well.

Issues or concerns the City should look into with UCB would be what exactly the legal and closing fees would be as well as any other additional fees that might be incurred by them. Verification that financing qualifies as Tax Exempt and determine how long the term sheet would remain valid.

Councilmember Fetterman asked the question, would any General Fund monies be used for any TAD expense regardless of what option they City chooses to use for financing. Mr. Mongeon stated that only TAD monies (City's and County's) would be used for TAD expenses.

Councilmember Bryans asked if there would be any other expenses to the City once the TAD is in effect. Mr. Mongeon replied no, there would be no expenses that the City would be responsible for, again all expenses would be paid out of TAD revenues.

Councilmember Fetterman asked when the review by the TAD commission is. City Planner Riker responded with every three (3) years.

Councilmember Fetterman asked Mr. Mongeon, if we were in year three (3) of the five (5) year TAD plan and the County pulls out, is the City responsible 100% of the amount due to UCB. Mr. Mongeon stated that even if the County decided to withdraw from this TAD project, they would still be responsible for their share of the costs.

Mayor Hirling asked that if the TAD fund has \$60,000 in it, could the City withdraw that and be used to cover the City's expense. Mr. Mongeon recommended the City not do that right away but rather wait until the TAD is in the 4th or 5th year.

City Planner Riker advised the council that H&D had withdrawn their reimbursement request for Phase 3 of the project. With that Mr. Mongeon stated that many factors would most likely have an impact on when Phase 3 started; economy and participation by Hall County Schools for example.

DEPARTMENT REPORTS

Planning & Zoning

City Planner Riker advised the Council a grant had been applied for with GEFA for \$204,000 for the blower motors at the Waste Treatment Plan to be modernized. This process could save the City somewhere between \$17,000 to \$25,000 annually on the electric costs.

Councilmember Bryans asked if any other water line grants had been applied for. City Manager Andrew said yes there had been a grant applied for but the City was turned down. The application should have been a joint effort with Hall County.

City Manager Report

City Manager Andrew presented the Council with the Better Hometown events for the calendar year 2010 and asked for a consensus for the members. There were no objections.

Clerk Report – No report

Council Report

Councilmember Jones reminded everyone about the Tree Lighting service scheduled for next Wednesday, November 25, 2009.

ADJOURNMENT WORK SESSION:

Mayor Hirling adjourned the Work Session at 10:21 am.



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Voting Session
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CONSENT AGENDA:

Approval – November 4, 2009 Meeting Minutes

There was a motion made to approve the Consent Agenda as presented.

MOTION: Pat Zalewski
SECOND: Chris Fetterman
AYES: Allen Bryans, Mary Jones, Pat Zalewski and Chris Fetterman.
NAYES: None
Motion Carried

UNFINISHED BUSINESS:

Consider – Resolution 09-013, TAD Reimbursement Hortman & Dobbs

The resolution was read to Council by City Attorney Bennett.

There was a motion made to adopt Resolution 09-013 as read, accept terms of TAD financing as presented by United Community Bank and adopt Resolution 09-013 approving TAD Reimbursement Request No. 2 for Hortman and Dobbs Developers, LLC authorizing “lump sum payment” following completion of Phase 1 of the Old Town Flowery Branch project.

MOTION: Pat Zalewski
SECOND: Mary Jones
AYES: Allen Bryans, Mary Jones, Pat Zalewski and Chris Fetterman.
NAYES: None
Motion Carried

EXECUTIVE SESSION:

There was a motion to enter Executive Session at 10:25 am.

MOTION: Pat Zalewski
SECOND: Allen Bryans
AYES: Chris Fetterman, Allen Bryans, Pat Zalewski, and Mary Jones.
NAYES: None
Motion carried

RECONVENE OPEN SESSION:

There was a motion to exit Executive Session and reconvene open session at 10:31 am.

MOTION: Pat Zalewski
SECOND: Allen Bryans
AYES: Allen Bryans, Chris Fetterman, Pat Zalewski and Mary Jones.
NAYES: None
Motion carried

ADJOURNMENT:

There was a motion made to adjourn the meeting at 10:35 am.

MOTION: Chris Fetterman
SECOND: Pat Zalewski
AYES: Allen Bryans, Pat Zalewski, Chris Fetterman, and Mary Jones
NAYES: None
Motion carried