



**City of East Point
Monthly Meeting Summary
Business and Industrial Development Authority**

Thursday, May 2, 2019
3121 Norman Berry Drive
East Point, GA 30344
6:30 pm

I. Call to order

Chairperson, Ms. Dharman, established a Call to Order of the East Point Business and Industrial Development Authority (BIDA) meeting at 6:35 pm.

Board Members Present:

Mayor Deana Holiday Ingraham, Tina Dharman (Chair), Joseph Johnson, Jackie Slaughter Gibbins, Steve Rodgers, and Norman Urquhart

Others Present:

Maceo Rodgers (Director of Economic Development), Regina Carter (Secretary/Treasurer), and Kirby Glaze (Legal Counsel)

II. Adoption of Agenda

Mr. Urquhart motioned to approve the adoption of the agenda. Mr. Steve Rogers seconded the motion. **Approved unanimously, the motion carried.**

III. Approval of the Meeting Summary from the following meeting:

March 7, 2019

Mr. Johnson motioned to approve the synopsis with requested edits. Mr. Norman Urquhart seconded the motion. **Approved unanimously, the motion carried.**

April 4, 2019

Mr. Steven Rodgers requested a correct spelling of his last name. Mr. Johnson made a motion to approve the April 4, 2019 summary with the correct spelling of Mr. Rodgers name. Mr. Norman Urquhart seconded the motion. **Approved unanimously, the motion carried.**

IV. Chairperson's Report

Ms. Dharman reminded the board that city employees work with them but not for them and as such the board does not have the right to hire or fire those employees. Additionally, she will instruct the police escort to remove anyone who is making people feel uncomfortable in any way.

V. Secretary/Treasurer Report

a. Approval of Liability Expansion

The General liability insurance, Directors and Officers (D & O) Insurance is about to expire and need to be renewed. The prices are the same as last year, the D&O is \$3,275.00, and the general liability insurance is \$936.00 for the year. There is also no change in the policies' structure.

Ms. Carter will prepare a list of all properties in BIDA's name for the next meeting as well as the applicable policies.

Mr. Johnson motioned to approve payment for the D&O & the General Liability Insurance and Mr. Urqhart seconded motion. **Approved unanimously, the motion carried.**

VI. Legal Report

Mr. Glaze introduced Mr. Michael Warner, an attorney at his firm (Hecht Walker attorney's at law)) who may work on some of the board's future issues. The Board welcomed him.

Authority's Fees are limited federal regulation and can be no more than one-twelfth of the bond or cannot raise the interest of the bond by more than one eighth of a percent. But this board also competes with other entities, that offer the same setup. Mr. Glaze attempted to gather information on the rate set by those other entities, but it is not publicly accessible information. For the entities he could find information for, such as Dekalb county who charges one eighth of a percent at closing but afterwards only charges four one hundred of a percent on the outstanding amount of the bond annually. Fulton County charges one eighth one percent at closing and has no annual fee, unlike BIDA. Other competitors include Invest Atlanta, Alpharetta, and the City of College Park.

As such, Mr. Glaze recommends removing BIDA's annual fee and just doing a one-time fee of one-fourth of one percent, which means less money collected in total but more money upfront. Furthermore, most bonds that last ten years or more end up being refinanced as the graduate tax abatement disappears and so does the favorable interest rate. As an example, if Arden's Garden bond were done by Dekalb

County, the bond would have cost \$21,000, if Fulton County did it be \$6,500 under BIDA's current structure it will yield \$54,000.

If BIDA converts to the new rate, they will get \$13,000, but it would all collected at the beginning of the bond.

Ms. Dharman interjected that the board should also keep in mind, Fulton county can still film in East Point while charging a lower fee and Mr. Glaze then suggested another option is that the board lower its rate to meet Fulton County's. However, Fulton County only takes bonds starting at ten million dollars.

Mr. Glaze also reminded the board that fees do not have to be fixed and can be set per transactions and allows the board room to negotiate. It is not unusual for authorities to alter their rate based on the size of the bond. Mrs. Dharman said she would prefer to leave the rate at a higher amount because then that gives the board more room to negotiate.

Mr. Johnson recommended the board wait until all nine board members are present to decide, but Mr. Glaze warned that waiting any longer could negatively impact the Duke Realty deal since both him and Mr. Maceo Rogers have gotten multiple calls about the rate. Instead, he suggested the board set the rate for Duke Realty now and discuss a general rate later.

Mr. Johnson motioned to authorize the quarter of one percent rate upfront for the Duke Realty deal. Mr. Norman Urqhart seconded the motion. **Approved unanimously, the motion carried.**

Steve Rogers Motioned to decide the rate on all future bonds on a case by case basis. Mr. Urqhart seconded all the motions. **Approved unanimously, the motion carried.**

Mr. Glaze still has not heard from Soccer in the Streets regarding their lease but will reach out to them again.

VII. Old Business

None

VIII. New Business

None

IX. Adjournment

Having no further business, the meeting properly adjourned at 7:08 pm following a unanimous adoption of a motion made by Mr. Johnson, seconded by Mr. Urquhart. **Approved unanimously, the motion carried.**