



City of East Point
Meeting Summary
Webinar ID: 847 7759 8994
Business and Industrial Development Authority
Thursday, June 1, 2023
Zoom Webinar
East Point, GA 30344
6:30 pm

I. Call to Order

Chairperson Kristin Jackson established a Call to Order of the East Point Business and Industrial Development Authority meeting at 6:37 pm. Ms. McMillan requested the board do a quick introduction of each person prior to starting the meeting. Each person stated their name, their East Point location they represent, who appointed them to the board and the length of their term on the board.

II. Approval of the Agenda

Ms. Beth McMillan made a motion to approve the current agenda. Ms. Gloria Speed seconded the motion. **The motion was approved unanimously, the motion carried.**

III. Approval of the April 6, 2023, Meeting Summaries

Ms. Beth Mc Millan made a motion to approve the April 6, 2023, summary and Ms. Gloria Speed seconded the motion. Gloria Speed made the motion to approve the May 4, 2023, summary. **Both motions were approved unanimously, therefore each motion was carried.**

IV. Chairperson Report

None

V. Secretary/Treasurer's Report

Ms. Carter stated CHASE Bank has changed their statement protocol to release their bank statements on the fifth of each month; thus, the May statement will not be released until June 5th. Ms. Carter asks that the board note the deposit of \$2,500 that was made in the month of April was from a film company that rented BIDA owned Property for two days. She also stated that the board should keep in mind that we have received the final payment from the City of East Point for the sale of the Commons property; therefore, the only revenue we will be receiving in the future will be from Bond Fees, other film rentals and or BIDA owned property we decide to sell/lease. Ms. McClure asked how much is received from our bond fee. Mr. Kirby Glaze responded that we currently receive an annual fee of 1/8 of 1% of the bond's outstanding balance. Currently we receive about an average of \$5,000 per year from Ardens Garden.

VI. Legal Report

Mr. Kirby Glaze informed the board that he has passed out The Compilation of Laws (32 Sections of Laws) Document Governing the East Point Business and Industrial Development Authority. Mr. Glaze also stated only 3 sections have been amended. This Compilation was compiled by Seyfarth Shaw, LLP. Seyfarth Shaw LLP is an attorney office that provides advisory, litigation, and transactional legal services to clients worldwide and also provides the Development Authority Training to certify state authority board members. Please note the board will also receive this package at the Saturday City Council Retreat. This is for your future reference.

VII. Old Business

Mr. Maceo Rogers announced that he has asked Ms. Carter to include the attached information in your package for your review. Included are two packages of East Point properties for sale and lease in hopes we can decide on or come up with possible ideas that the Authority would like to pursue. The Economic Development Department receives this list of commercial/industrial properties monthly that are for sale and lease.

Additionally, there is a link of BIDA and City owned Properties in which you may dig deeper into if you wish to see. This will be placed on a bigger board for all to see on Saturday at the City Council Retreat. Also Mr. Rogers spoke about the current Strategic Economic Development Plan that has a year and a half left before expiring. Ms. Tracy Sanchez from the Department of Community Affairs will be in attendance on Saturday to discuss the various programs available to Development Authorities to incentivize companies to leverage benefits against other companies, cities, and states to lure them to City of East Point in a deal. Specifically, we used such a program to obtain the Home Depot project to the City of East Point.

Mr. Glaze added that we are a unique board because we were created by a local constitutional amendment. So, when you look around to other authorities and see what they are doing and wonder if we could do what they are doing please know we have additional powers. BIDA was initially created to do "Public" projects and then we were amended to add general powers that other authorities have so BIDA has evolved over a period from 1975 to current legislation. Please note we have bonded two public facilities: the first being the Wachovia Building which is currently the Customer Care Building. However, Kirby was unsure of the other location. Ms. McClure asked if it could possibly be the Wagon or Buggy works? Kirby responded no because those buildings were obtained differently and would not be done through a bond. Ms. McClure asked Kirby if an incentive program that the Economic Development Department created is different than the one created by and used by BIDA?

Mr. Rogers interjected to explain that BIDA has a three-million-dollar threshold and if a company meets that threshold, then they receive the bond benefits. Therefore, the state calls it an incentive. Specifically, an intangible incentive or in other words a savings of two items: a lower interest rate and a property tax obligation savings. With these two savings a company is available to use the savings wherever they would like. Then there is the Small Business Incentive Program created by the Economic Development Department. For example, since

the city owns its Water and Electricity, the City Council can craft the rate how they choose to offer a small business a savings over time. Ms. McClure asked the chairperson if the board could revisit our incentive program in the future?

Chairperson Kristin Jackson replied to make sure she understood this issue because she has heard this same statement at council meetings that BIDA is giving away a lot. Therefore, to be correct City Council is not in agreement with BIDA's incentives for two reasons:

The first being they feel we have been doing more Industrial development than commercial; thus, the residents nor council are not in favor of that. Whereas the second item is we are giving away property tax revenue incentives to large companies even though they can afford to pay those taxes. So, Ms. Jackson asked: "What are these businesses doing with the savings? Are they investing it back into the community?" More specifically, "are they investing into our schools, parks or hiring East Point residents?" According to Ms. Jackson that is not an incentive instead that should be considered as part of our community benefits that are tied to the incentive of the decreased property.

Mr. Rogers agreed with Ms. Jackson. He stated some members of leadership feel like if a company like, let's say, Microsoft have access to a large amount of money then they do not need our bond money. However, if you offer them the money, they will move here to take advantage of the benefit. Mr. Glaze interjected to say: that we only have two ways to attract business into the City of East Point as an authority. One is that you have the legal ability to reduce their ad valorem taxes, and you can do that through a structure whereby when you own the property and can lease it to a company when the lease is less in value than the fair market value rate of the property. Every authority in the state of Georgia has the power to offer this benefit to be competitive when companies are deciding where to go. The only other thing you can do is to take the money you have in the bank, and if you would like and spend it on the companies you want to entice to move here. Please know the \$400,000 we have in our bank account is not enough to attract a Microsoft, Home Depot or Porsche type of company, but it may attract a smaller type of business. Our economic development focus is going to be in the concentration areas of existence which for the last 10 years has been in the logistics industry because of our location to the airport and interstates. The transportation industry bottom line is the primary concern for such businesses which is increased by the location to get the product to their destinations at the lowest cost.

Mr. Glaze also added he hopes the Council Retreat will focus on: How do we want to grow the other business types? Sometimes it is not just about holding out carrots to attract businesses. On the other hand, you may have to stop being the facilitator and become the developer. Additionally, you may have to go out and do what the private sector is not willing to do to entice the private sector to come.

Ms. McMillan added that she has never understood the reason that East Point has moved away from being an industrial city. We used to be the largest industrial city in the southeast for years and now we have move away by saying industrial is bad and it was our niche. However, when you have both industrial and commercial in your city it should be less taxation on the residential users from paying massive property taxes and utility bills which was the gravy for East Point and now, we have slammed the door close on industrial development and we have not found a way to replace that gravy.

Mr. Rogers stated that the residents were concerned about the large number of trucks coming through their neighborhoods. Ms. McMillan replied that Planning should redistrict the traffic type on the neighborhood on the roads. Maceo said another argument was the concern of 24-hour operations and the cost to the city to maintain the infrastructure. Following these concerns, the leadership cast a 6-month moratorium and various policies to restrict specific dislikes. Thus, we do not see as many industrial applications following the moratorium and set policies. Although we still get the calls Mr. Rogers stated he must be honest with the potential clients and let them know the current leadership are not interested in that type of business, but they are still able to move forward if they choose. Maceo also provided the examples of Decatur and Avondale Estates and how they deleted industrial all together and changed their focus toward apartments and restaurants. Thus, we need to figure out what do we want to replace industrial with.

Mr. Stacy Dunson stated the City of East Point is behind in our way of thinking and we need to be looking at what we would like our future to be. The city has nothing to offer outside of Camp Creek Marketplace. We need to recognize the new generation which now the majority wants to be centrally located to their workplace, entertainment, and eating facilities. Also we need to think about how to incorporate the Industrial areas to attract this generation.

Ms. Falatta James added the landscape of metro Atlanta has changed which may lead other areas to change as well. People may want to move back to the cities and not so much in the suburbs so as BIDA we should think about what would make a healthy balance of live, work, play areas in East Point. Ms. James continued to ask what other properties are there for sale to increase density?

Ms. Jackson replied that she agreed to this is conversations with Downtown Development Authority (DDA) because there is a misconception that we do not do anything. A lot of what people think we are supposed to do DDA items. For example, my question why are there no restaurants and or coffee shops downtown? Please know that area is not BIDA, but it could be but once the DAD was formed it took that area out of our jurisdiction. Nonetheless, what we need to do is to start looking for vacant and available properties and open this up to all at the retreat and have a conversation.

Mr. Rogers then stated the retreat will include a discussion of certain objectives. We will listen to a presentation given by a representative from the Department of Community Affairs (DCA) to include programs that they offer to Authorities. There will also be a gentleman by the name of Tyrone Rachal who is an attorney and used to be attorney for Invest Atlanta and he will be giving a presentation as well. We will breakout into various groups for work session discussions to engage in thought session ideas.

As a group we discussed various Planning and Community Development concerns and difficulties in dealing with the department and how the impact of such dealings has placed negative opinions toward the City of East Point.

The board then reviewed various marketing items the Department of Economic Development uses to promote the City of East Point.

VIII. New Business

None

IX. Adjournment

The meeting adjourned at 7:46 pm.

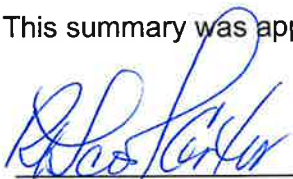
Board Members Present on June 1, 2023:

Beth McMillan, Gloria Speed, Margaret McClure, Kristin Jackson, Stacy Dunson, and Falatta Burdette James.

Others Present:

Kirby Glaze, Maceo Rogers, and Regina Carter

This summary was approved by Board Members In **attendance on August 3, 2023:**



Regina T. Scott-Carter
Secretary/Treasurer
June 1, 2023