City Council of Peachtree City
Meeting Minutes
Tuesday, August 1, 2023
6:30 PM

Call to Order

The City Council of Peachtree City held a workshop meeting Tuesday, August 1, 2023. Mayor Kim Learnard called the session to order at 6:30 p.m. Also attending: Council Members Frank Destadio, Clinton Holland, Mike King, and Phil Prebor.

Discussion Items

A. Economic Development Incentives

Learnard remarked that creating a policy would mean they did not have to discuss incentives on a case by case basis. Peachtree City needed a policy with enough specificity that the Fayette County Development Authority (FCDA) and the City Manager could be in a position to negotiate incentives to a certain Council-approved limit. She noted the incentives could be applied to new or expanding businesses and would not be specific to one company or one industry.

City Manager Robert Curnow thanked FCDA President and CEO Niki Vanderslice for her attendance and said he would be glad to answer questions as well.

Vanderslice thanked Council and said the FCDA appreciated their support. There had been recent successes and more to come. Right now, she remarked, four industries in Peachtree City were undergoing expansions, and she said the Development Authority was in the process of hiring a staff person for business retention and expansion.

Learnard said they could start the conversation by looking at an expedited permitting review process, noting that many new industries and the existing industries that were expanding were interested in streamlining the permitting process. Was everyone in agreement that this was something the FCDA and the City Manager could include in their negotiations?

Prebor said he wanted to see some data before he agreed to anything. What was the going rate? What were other governments doing? He wanted to be able to justify their decisions.

Every project was different, Vanderslice acknowledged, but, in general, these businesses wanted to get started as soon as possible, so expediting the permitting process would be helpful. Sometimes it was the bottom line in determining where a business decided to locate, and Vanderslice stated the FCDA did not offer incentives unless they were needed to attract a really good business. The FCDA had a strong track record of return on investment (ROI), and the last two industries they did incentives for had more than a 500% ROI. She stated she just wanted some guidelines for what the FCDA and the City Manager could offer, then they would come back to Council for a final decision in every case.

The important part, Learnard added, was that it would all come back to Council. Vanderslice noted that all of the municipalities in the County had agreed on a tax abatement structure, and there was a commitment in writing that if it deviated from that plan, the FCDA would come back and have a conversation with Council before anything was done. She wanted to emphasize that Council would always have the final say; these incentives would be a menu to choose from based on what was relevant to the company.

A few years back, Prebor recalled, they offered a jobs grant for $60,000 a year jobs. He noted that $60,000 now would qualify someone to buy a $166,000 house, which would be hard to find in Peachtree City. Prebor wanted to look at a jobs grant that would attract higher-paying jobs.

Somewhere between 74% and 85% of Peachtree City workers commuted out of the county each day, Vanderslice observed, while about that same number traveled to Peachtree City to work. Most of the jobs available in Peachtree City would not support the cost of living. Vanderslice remarked that the amount tied to the jobs grant used to be $40,000, then $50,000, and now $60,000. She noted that the capital investment these companies made were what offset property taxes, not the jobs and their contributions to the economy. So, Prebor said, the message they needed to get to citizens was that, even though the jobs did not pay enough for people to live in Peachtree City, thereby creating more traffic, the tax money the industries paid helped keep property taxes lower.

King said they changed the jobs grant to $50,000, but also stipulated that recipients had to have an address in Fayette County. He went on to say that they wanted to retain businesses and needed to be able to offer something. He asked Vanderslice if she or Curnow would lead negotiations?

The FCDA was the point of contact for these industries and brought in partners as needed, she replied.

Holland said he approved of expediting the permitting process because time was money to these industries.

Destadio agreed, but added that he and citizens were concerned about removing trees. He hoped the Tree Save program would be left intact. Vanderslice agreed that trees were important, but pointed out that neighboring communities did not have the same standards as Peachtree City and Fayette County, and businesses usually looked at the bottom line. That could be balanced through a partnership with Southern Conservation Trust or someone else on the replanting side. Destadio said he understood, but he hoped the FCDA would work with them because he did not want to see trees cut down where they did not have to be.

The Mayor told him it was not a matter of the FCDA working with them; Council would decide. They could decide that night that they would not make any changes, and maybe a company would go to Coweta County. Destadio said he understood, and Vanderslice again pointed out that she could only do what Council dictated. That is what they were there to do tonight, Learnard added, and they needed to be clear so the FCDA would know what they could offer.

Where did they want to start? Learnard asked, and Prebor again said he needed more information. He asked what other areas did?Vanderslice said she had just had a call with an international headquarters, and the standard offer in Fayette County was the tax abatement if they met the standards outlined in the intergovernmental agreement. This company met it with their investment numbers, their job numbers, and wages. However, the executives in the other country did not understand how that worked and were not interested in discussing it. Vanderslice said all she could do was tell them that was what she was allowed to offer. The State had some things they could offer, but she did not have anything other than the tax abatement. She mentioned that the jobs grant came into play only after the jobs were created.

Destadio recalled that Rinnai, a company that received the jobs grant, worked with the City to plant trees in other places to replace those they had to remove to make way for a parking lot. The City gave them credit for that. Vanderslice noted that sometimes a company did not need as many parking spaces as the ordinance required. They were having to remove trees to make way for parking spaces they did not need. That was an example of something Council could do—allow an evaluation of the use rather that just requiring that the ordinance be followed.

Destadio mentioned that Trilith Studios got five or 10 years of no taxes. Vanderslice said that was incorrect; they got a zero year on their first year, then a 5% increase each year on a 20-year abatement. The property was now at the 50% mark. In the nine years prior to development, taxes on that property were about $100,000. In the 10 years since, $4.2 million in property taxes had been paid.

Vanderslice said they soon would be launching an economic impact study of the film industry in Fayette County. The abatements got the studio here, but what had been the impact? She attributed the real estate boom in the area to film industry people moving in and mentioned the new All Movies Hotel on Crosstown.

Learnard pointed out that the incentives they were discussing were not for every industry; they required a minimum of $100 million investment. Council would set the threshold, Vanderslice told her, but she thought $100 million would be a good number.

Could they consider a sliding scale? Prebor asked, saying businesses that employed 25 people or so would not get as much, but would have an incentive to expand also. Vanderslice said she would be happy to look at that. The FCDA had set a minimum of $10 million of capital investment and 20 jobs that paid $50,000 or more. They also had to be in one of the five target industry sectors: corporate headquarters, aviation and aerospace, film and new media, technology, and advanced manufacturing.

Holland confirmed that they wanted to come up with a plan that had provisions for incentives regarding jobs, tax abatement, permits, impact fees, trees, and miscellaneous loans and grants and that Council would have to approve them. Learnard said that was stated in the meeting packet. Holland said he would like to test drive the guidelines they gave Vanderslice and be able to adjust them if needed.

King said he thought everything was on the table and in four to six weeks they should come to an agreement. Prebor said they should come up with a maximum that Vanderslice could offer and thought it should be conservative. Destadio said they could adjust it at any time. At least she could have the conversation knowing what she could offer, Holland remarked.

A business might get one of the things, Vanderslice said, but it would not get all of them. Council should just give her some tools to work with, Prebor stated, and Vanderslice agreed.

Learnard told King she did not think it would take four to six weeks. They had a sample framework in the packet, and she wanted their opinion that night.

King said a 10-year tax abatement was pretty much standard, but they should consider 20 years for a really big project. Prebor said the tax abatement was a County offer, and Vanderslice said all of the municipalities and the County agreed to it in 2016 or 2017. There had been times when it varied, but they could have conversations about it if that situation arose.

What was the starting point? Destadio asked. It was $10 million in investment, 20 jobs that paid $50,000 or more, and in one of the five targeted sectors.

They could make some progress tonight, Prebor said, although they were not ready to iron out the sliding scale he had mentioned earlier. They all agreed on the expedited permits.

Vanderslice noted they had previously funded the jobs and investment grant program. There was an opportunity to bring that back. The FCDA was reinvesting the money from brokering the new QTS data center back into the community, she remarked, so they could apply to that to fund the jobs program as a 50/50 match. Funding was available for job creation, infrastructure, workforce development, and tourism and product development.

Prebor said he wanted to think about that a little more. Learnard told Destadio these were three programs the FCDA had created and were outlined in the packet. They could leverage grant dollars now available at the FCDA to make these incentives a possibility. How would they fund all this? Holland asked Curnow. There had been samplings of these incentives in the past on a smaller scale, Curnow remarked, as well as a mitigation of impact fees. Right now, there was no funding for economic development in the city, he said. He thought a good compromise would be for Council to give him authority to work out some parameters. Then he could work with the FCDA to see what the businesses were looking for and come back to Council with that information.

In regard to coming up with a sliding scale, Curnow noted that everybody did it differently, and there were a lot of factors they could consider. He thought the best way to start would be to say Council was amenable to all these incentives and to authorize him to collaborate with the FCDA and come back when there was a company that showed interest in locating to or expanding in Peachtree City.

Prebor said that sounded like a plan. Holland asked if they needed a motion, and Curnow said they did not, just a consensus from everyone. Destadio said he wanted to know where the money would be coming from when Curnow brought a proposal back. Curnow said he would have that information. They would look at it on a case by case basis, but he needed to know that they were all amenable to incentives.

Holland added that he would like to see a grant for employee education and training through a local program. Vanderslice said they had a strong relationship with the FCDA and Southern Crescent Technical College usually had funding for these programs. She noted that every time she talked to them they seemed to have a new program.

Destadio again told Curnow he wanted to see where the money was coming from. Curnow agreed, and Destadio said he was fully on board with this.

Prebor asked Planning and Development Director Robin Cailloux how contributions to the Tree Save Fund were determined? It was determined by the amount of impervious surface that they built, Cailloux told him. If they saved half the property and did not build on it, they had less of a tree obligation. However, if they flattened a piece of property and covered 75% of it with an impervious surface, they would have a high responsibility to replace trees, but without a lot of space to put them on.

Destadio noted that the tree requirement was set in caliper inches, and they did not have to put the replacement trees on their property. They could contribute to the Tree Fund, and trees would be planted elsewhere in the city.

The ordinance said a minimum of 50% had to be planted on that property, Cailloux commented, but for the remainder they could do a cash contribution to a restricted account for tree planting.

So the business had to factor in the caliper inches to get the total price of the property, Prebor observed. Vanderslice added that wetland mitigation credits, which were often required in Peachtree City, were insanely expensive now. She said all of these costs influenced negotiations, so it was important to listen and see what could be done.

Learnard said they agreed that they were amenable to something, so they would leave it up to Curnow. Council thanked Vanderslice for her input.

B. Policy 8-06 Naming of Facilities, Parks & Other Areas

Learnard noted that King had removed this from the Consent Agenda at a previous Council meeting because he thought there should be a limit on the number of recognitions per year. Now the proposed policy set a limit of two per year. She said she felt this was a good policy, and King said he agreed, noting that naming a facility or property would require a unanimous vote by Council.

However, Destadio said the beneficiary naming concerned him, stating that you could basically pay to have something named. Learnard noted it would still be up to Council to decide. Prebor said he had the same question, but was okay with that because Council would have the final say through a unanimous vote. Destadio said he could agree with that.

Holland said he would like to see it limited to one per year because he wanted the honor to be special. King noted that requiring a unanimous vote would allow Holland to impose that limit if he so desired. Holland said that was true, but he would hate to vote against someone if everyone else on Council was in favor. Or, Learnard pointed out, Holland could accept that four smart people thought this was a good idea, so maybe he could vote to move it forward. Prebor said two a year did not seem excessive because there were a lot of facilities that were unnamed.

Holland again said that he believed a one per year limit would keep the honor special, and King said he, too, did not want it to be cheapened and that was why he made sure it required a unanimous vote. There were many people who deserved recognition, he added.

The person had to be dead, Destadio commented, reading that the nomination had to be in a 10-year period after death. That was not correct, and Learnard pointed out that it went on to state 10 years after retirement, as well.

The Mayor confirmed that everyone was satisfied, and there would be no further issues when it came before Council. City Clerk Yasmin Julio said it could be added to an upcoming Consent Agenda if Council agreed.

C. Short Term Rental Ordinance

Cailloux explained that she wanted to go through the proposed short term rental (STR) ordinance as it now stood, after several discussions and workshops and would indicate where changes had been made by Council. This was first presented as a Staff Topic at the April 7, 2022, Council meeting and again on June 16, 2022. The ordinance was a topic at workshops on May 2 and June 8 of 2023. A permit would be required, and it would have to be renewed annually. Council had decided to remove the ban on rentals of detached structures, meaning that a guest house or similar building could be used as an STR. Recreational vehicles (RVs) could not be rented. At one time, Council decided to set the maximum number of STRs at 5% of all homes in the city, but since decided to bring that down to 1.5%. No subleasing would be permitted.

Destadio asked if they had actually taken out the ban on renting detached structures? He acknowledged he might have missed that meeting and wondered how the vote was divided. The Mayor told him they could talk about it, but they had indeed removed the prohibition on renting accessory dwelling units. How did Prebor feel about that? Destadio asked, and Prebor said he thought if someone was going to rent out their basement, why not let them rent out a pool house?

At the last workshop, Cailloux said Council had requested opinions from the City Attorney on two points. They had wondered if a permit could be restricted only to someone who had residency in Peachtree City, and the answer, the Attorney said, was that it could not. Similarly, he had opined, they could not prohibit ownership by a corporation. However, Cailloux noted, they were requiring a point of contact person who could be at the property within one hour and who was available 24/7, and the City Attorney said that was allowable.

Parking must be off-street on a paved surface; garbage must be screened from view; sleeping could be done only in bedrooms, and there was a limit of three people maximum in each bedroom, which effectually limited the number of people who could stay in the STR. Parties and special events were prohibited, and the noise and parking requirements had to be posted on-site. After some discussion at the previous workshop, Council had decided to add back a requirement for maintaining a guest register. Also, the phone number of the local contact must be posted on-site.

Holland remarked that parties were prohibited. But, he continued, up to three people per bedroom were allowed, and elsewhere the ordinance said there could be gatherings of up to twice the number of people in the bedrooms. In a home with six bedrooms, that would be 18 people staying there times two, for a total of 36. He thought a crowd of that size would be disruptive. Could they set a limit that was not tied to the number of bedrooms?

Curnow said that was open for discussion. Council could change whatever they liked, but this was what they had decided at the last meeting. Prebor said he did

not know how they would distinguish a party from a get-together. Destadio mentioned the noise ordinance.
Police Chief Janet Moon said it would be handled through the noise ordinance. Citizens would call the Police if it got loud, and the responding officers could evaluate the situation accordingly. Destadio asked if they could put a limit to parties? and Cailloux pointed out that parties were not allowed. However, Holland again mentioned possibly limiting the number of people who could visit the house. Prebor said he was inclined to leave it alone and see how it worked out, and King agreed.

Cailloux again went over the requirements for the local contact person. Inspections were still required by Code Enforcement and the Fire Marshal. SRT owners would have to pay the local and state lodging tax, but Council had removed a requirement that they obtain an occupational certificate.

The Fire Marshal's inspection would include fire extinguishers, interconnected smoke alarms, carbon monoxide alarms, safe outdoor cooking procedures, safe means of egress, and no use of extension cords for permanent wiring. Code Enforcement would look at hot tubs, bedrooms, parking, location of garbage storage, house numbers posted, all STR required postings, and adherence to the property maintenance code.

Applicants for STR permits would have to undergo a criminal background check and be five years free of felony convictions and two years free of municipal convictions except for traffic. The application process required that the City mail the phone number of the local contact person to every property within 500 feet of the STR. Destadio clarified that the background checks were just for the owners. The proposed ordinance retained the three strikes policy for violations. The first and second offenses each carried a citation and $1,000 fines. The third strike also carried a citation and a $1,000 fine, plus the permit would be revoked, and the owner could not reapply for a permit anywhere in the city for two years.

Cailloux said this was a summary of the changes that had been made, and she was happy to answer questions.

Learnard said she would go over the list they had been using during discussions. Existing STRs would not be grandfathered in; permits would be required; permits must be renewed annually. The next item said primary residence not required, and Learnard asked what that meant? Cailloux said the permit holder did not have to reside on the property.

Holland asked if there was a way to give Peachtree City residents priority over corporations to buy properties for use as STRs? Learnard said they had learned from the City Attorney that they could not make that differentiation.

Did it mean an owner did not have to live in the city? Destadio asked. Learnard

said that was a different issue, but that was correct.
The list the Mayor was reading from went on to say that whole-house rentals were permitted, and the STR period was up to 30 days. They had changed the ordinance to say a detached structure could be rented. Learnard said she would like to see it changed back. Destadio said he would, too. Again, Prebor said if you could rent out your basement, why not your guest house? King agreed, but Holland said he did not think guest houses should be rented out.

Learnard noted that renting out detached structures had been prohibited for decades. She said Cailloux had explained that was part of the intent of keeping residential property residential. Prebor remarked that the whole concept of STRs negated that argument.
Holland pointed out that someone could rent out a house, then a guest house, thereby having two people on the same property. If he was renting a house, he would want the use of the entire property to himself. Prebor asked if he had a guest house, could he rent out the main house and live in the guest house? According to the ordinance, no, Cailloux replied.

So they had changed the rental of detached structures from a yes back to a no? Curnow asked, and Learnard said they had.
Subleasing was not allowed, Learnard continued, and the maximum was 1.5% of homes, per the Tax Assessor. In Peachtree City, she said, that would be 180 homes, which she called "wildly strict."

Holland said he had no problem with 1.5%, but he wondered what was going to happen in neighborhoods without homeowners associations (HOAs)? An HOA could restrict STRs, but he did not want numerous STRs to destroy the integrity of neighborhoods without HOAs. One part of the city could have 50 or 60 STRs. He would like to limit STRs to 1.5% of each neighborhood. Learnard said she did not understand. Prebor said he thought he did, but did not see how that could be enforced.

It would be difficult, Curnow remarked; they did not have enough staff to watch this constantly to determine if a neighborhood was creeping up on 1.5%. The last count they had of STRs in the city was 98, so the 1.5% limit did not leave room for many more. He said he understood Holland's point, but did not know how they could enforce that.

King pointed out that they knew there would be at least eight STRs in the new Laurel Brooke subdivision because Council approved them as part of the development. He did not know if that was more than 1.5% of the total homes there or not. King wondered if 98 was even close to the actual number of STRs in Peachtree City, and Destadio said they would find out when permitting started. What if they capped it at 1.5% and there were more? King asked: they would be throwing people out of business if they came in too late to get a permit. Who would get priority? Holland said that was why he wanted residents to get preference over corporations.

The Mayor asked King what he thought, and he said he would recommend putting the number back to 5% because they did not know how many STRs already existed. If they started denying people, they were in for a world of lawsuits, and King stated he believed they would lose every one.

Learnard agreed, but Prebor said he would like to keep the number low. King pointed out that if there were 180, they were good to go, but they did not know that.

Holland again said he would like to see neighborhoods set at 1.5%. Learnard said that was not feasible, commenting that she lived in an area with no HOA and no set boundaries. How many HOAs were there, and how many had banned STRs? Prebor asked, and Cailloux said she did not have that information. She thought there were 180 neighborhoods, and Moon said the Police Department had 190 areas assigned in the Community Policing program. Probably about half had HOAs, Cailloux stated, and Prebor said HOAs had the right to ban STRs.

It was interesting that HOAs had that right, but the City did not, Holland mused. Learnard told him Council decided they would not ban them as a City, but would create a responsible ordinance to regulate them, which was why they were having this conversation. She stated that 1.5% was very random because they just did not know how many STRs there were. There was a lot in this ordinance that she did not like, but she said she was willing to continue with it. King said he did not think they should just use an arbitrary number. Destadio suggested they just let it go and see what happened. They could always adjust it. Prebor confirmed that they were leaving it at 1.5%.
She went back to the checklist. Parties and special events were banned, and guest registers were required, while landlines were not. They had decided that business licenses would not be required, but Holland said he did not understand why other home businesses required a license, but an STR did not. Learnard said that had already been discussed, and she was a "no." The other members agreed, but Holland stated he wanted to be on the record saying he preferred that business licenses be required.

They would collect the lodging tax. Annual inspections were required to ensure the STR met the current fire and building codes. Off-street parking was required, and garbage must be out of sight.

Neighbors within a 500-foot radius would be notified, which Learnard said she strongly objected to, saying it was government overreach. King said he agreed, but Prebor said people should know if there was an STR nearby. Holland said he was fine with that, but asked how the 500 feet would be determined? Cailloux told him it was calculated from the property line.

Learnard went back to the list. A local contact agent at least 21 years old was required and must be able to be on-site within one hour. The STR permit must be posted on-site. The fines for violations were $1,000, and the permit was revoked for 24 months upon the third violation. The application fee was $400, with a $75 late application fee. She asked about that, and Cailloux explained that the late fee would be levied if someone applied 30 days late for renewal. So they would have from January 1 to January 31 to apply and after that it was another $75, Holland confirmed, with Cailloux saying that was correct.

Would all the fire and code enforcement inspections come due at the same time? Prebor inquired, and Cailloux said they would; it was what they had to do for the occupational tax inspections. Fire Chief Clint Murphy said they would do them in January, then conduct them as new STRs came into business.

Julio then asked members of the audience to stop their private conversations, so they would not interfere with the audio for those watching online.

The last two items stated that the City could not require that the owner be a resident of Peachtree City and that corporations or other businesses could not be prohibited from buying STRs. Holland said he understood this was according to opinions given by the City Attorney, but had he stated what part of the law he took that from? Did they just have to depend on his opinion?

Curnow said that was the City Attorney's opinion, but Holland had the right to reach out to him for more information. Prebor said he was okay with that opinion, and the other members agreed. Holland said he was, too.

Curnow said if they were in agreement, this ordinance would come back before them for two readings, but Cailloux said the City Attorney believed that it needed to go through the Zoning Procedures Law because it was a land use issue, so it would go to the Planning Commission before coming to Council for a first reading. Curnow said that was what they would do and if any changes came out of the first reading, they would have a second reading before enacting the ordinance.

Learnard stated that there was a lot she did not like, but she felt it was important that they had worked diligently on this over many months to come to a consensus. Currently, STRs were not regulated, so they needed to get something in the books. She wanted them to be able to re-visit in the future the one or two things they had indicated might need some changes, such as the 1.5% limit.
Input from current STR owners would be important, too, King remarked. Destadio agreed.

Holland asked Curnow about a data base they had talked about. Curnow said it was with the same company they already used to track permit applications. The $7,000 charge would let them know the STRs in the city that had been registered with online platforms such as Airbnb or Vrbo. Right now they did not have that capability, which was why they could only guess at 98 being in Peachtree City. That was a good idea, Holland said, but he wanted to see information about how it would be managed in the ordinance.

Julio responded that the typical reason that was not added was because if it did not work out, they did not want to have to go back and re-write the ordinance to remove it. It was usually a policy, like a standard operating procedure within a department. So it was not in the ordinance? Holland continued, and Julio said no, the actual implementation was not because if this company did not work out and they needed an additional company, they did not want to have to re-write the ordinance. Holland said they could just call it a general database; it didn't have to name a specific company, but they needed to be able to manage it.

That was up to staff, the Mayor told him, and Curnow added it was an operational role. The ordinance was to define the 30,000 foot view of what Council wanted to do to regulate STRs; staff would handle the operational side.

Julio said this would be in the zoning ordinance, which would require a public hearing. Also, ordinances did not require two readings; that was something that was recommended by Council, but, since this was going to the Planning Commission, and Council had already discussed it numerous times, it would probably just go to a public hearing with Council, and they could adopt it at that time.

Destadio said he was okay with that and asked when it could be put into effect? Because of advertising requirements, Cailloux said Council probably would not see it until October at the earliest. In that time, staff would have a lot of work—to put together a public education program, for instance. Destadio said he was just worried about everyone coming in for permits at the same time, and Curnow said they would develop a plan for that.

Adjourn

There being no further business, Learnard adjourned the workshop at 7:53 p.m.

Martha Barksdale, Recording Secretary

Kim Learnard, Mayor