CITY COUNCIL OF PEACHTREE CITY
REVISED SPECIAL CALLED MEETING AGENDA
JUNE 25, 2020
6:30 p.m.

Peachtree City
Mayor & City Council
Vanessa Fleisch, Mayor
Phil Prebor – Post 1
Mike King – Post 2
Kevin Madden – Post 3
Terry Ernst – Post 4

I. **Call to Order**

II. **Pledge of Allegiance**

III. **Consent Agenda**
1. **Cancel July 2 City Council Meeting Due to Lack of Agenda Items**
2. **GEFA Loan Six-Month Payment Holiday**

IV. **Old Agenda Items**
06-20-03 **Variance Requests, Campanile's, 2008 SR 54**

V. **New Agenda Items**
06-20-05 **Public Hearing – Variance Request, Encroachment into Floodplain, 105 Appleseed Court**
06-20-06 **Review of City Manager's Proposed FY 2021 Budget**

VI. **Council/Staff Topics**

VII. **Executive Session**

VIII. **Adjourn**

This agenda is subject to change at any time up to 24 hours prior to the scheduled meeting

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CITY OF PEACHTREE CITY

INTEROFFICE MEMORANDUM

TO: **Mayor & Council Members**

FROM: **Jon Rorie, City Manager/Interim City Clerk**

DATE: **June 17, 2020**

SUBJECT: **Consider Cancellation of July 2, 2020, Regular Meeting**
June 25, 2020, Special Called Meeting

Recommendation:

That Council consider cancelling the regular City Council Meeting scheduled for July 2, 2020.

Discussion:

Due to a lack of agenda items, Council may wish to cancel the first regular meeting in July, which falls on Thursday, July 2.

CITY OF PEACHTREE CITY

INTEROFFICE MEMORANDUM

TO:	**Mayor and City Council**
VIA:	**Jonathan N. Rorie, City Manager**
FROM:	**Paul J. Salvatore, Financial Services Director** P.S.
DATE:	**June 22, 2020**
SUBJECT:	**GEFA Loan 6-Month Payment Holiday** ***June 25, City Council Meeting – Consent Agenda***

Recommendation

Authorize execution of all documents necessary to effect the modification of promissory note with the Georgia Environmental Finance Authority (GEFA).

Discussion:

To help provide relief to borrowers due to the impact of COVID-19, the Georgia Environmental Facilities Authority (GEFA) will have a deferral period from July 1, 2020, to January 1, 2021 for all projects currently complete and in repayment. Therefore, this payment holiday will include all principal and interest payments on the November 2017 $3.155MM Lake Peachtree Dam/Spillway loan that are due in this timeframe. *During this 6-month time period, no interest will accrue on the loan.*

The original loan payoff date was October 1, 2028, so this deferral will extend the payoff date to April 1, 2029 without any financial penalty.

Budget Impact

Since this is just a deferral of payments, which are still due in the future, this modification allows the city a cash flow benefit of delaying a total of $164,280 of loan payments, with no additional interest costs. The city will keep these funds invested in an interest-bearing account, expected to yield approximately $1K during the 6-month payment holiday.

Loan/Project No. CW2017013

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY
(a public corporation duly created and
existing under the laws of
the State of Georgia)
as Lender

and

CITY OF PEACHTREE CITY
(a public body corporate and politic duly created and existing
under the laws of the State of Georgia)
as Borrower

MODIFICATION OF PROMISSORY NOTE

MODIFICATION OF PROMISSORY NOTE

THIS MODIFICATION OF PROMISSORY NOTE (this "**Modification**") is made as of **JULY 1, 2020**, by and between **CITY OF PEACHTREE CITY** a Georgia public body corporate and politic (the "**Borrower**"), and the **GEORGIA ENVIRONMENTAL FINANCE AUTHORITY**, a Georgia public corporation (the "**Lender**").

Statement of Facts

A. The Lender and the Borrower are parties to that certain Loan Agreement, numbered Loan No. **CW2017013**, as amended prior to the date hereof (as so amended, the "**Loan Agreement**"; all capitalized terms used in this Modification but not defined herein have the meanings given in the Loan Agreement), pursuant to which the Lender or the Lender's assignor made a loan to the Borrower in accordance with the terms and conditions thereof. The Borrower's obligation to repay such loan is evidenced by that certain Promissory Note, numbered Loan No. **CW2017013**, as amended prior to the date hereof (as so amended, the "**Note**").

B. The Lender and the Borrower desire to modify the Note in certain respects in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises, the covenants and agreements contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Lender and the Borrower further agree as follows:

Statement of Terms

1. **Amendment of Note**. Subject to the fulfillment of the conditions precedent to the effectiveness of this Modification that are set forth below, the Note is hereby amended by adding the following two paragraphs:

> Notwithstanding anything to the contrary contained in this Note, (1) the unpaid principal balance of this Note shall not bear any interest during the period commencing on **JUNE 1, 2020** and ending on **NOVEMBER 30, 2020** (the "**Interest-Free Period**") and (2) no principal, interest, or fees shall be due or payable pursuant to this Note during the period commencing on **JULY 1, 2020** and ending on **DECEMBER 31, 2020** (the "**Payment-Free Period**").
>
> Monthly payments of principal of and interest on this Note shall re-commence on **JANUARY 1, 2021**. If the Amortization Commencement Date occurred prior to the Payment-Free Period, the Maturity Date shall be extended by six (6) months, and principal of and interest on this Note shall continue to be payable after the original Maturity Date in consecutive monthly installments equal to the amounts specified in this Note, from the first day of the calendar month following the original Maturity Date and continuing to be due on the first day of each succeeding calendar month

thereafter until the extended Maturity Date. If the Amortization Commencement Date would have occurred during the Interest-Free Period, the Amortization Commencement Date shall be extended to **DECEMBER 1, 2020**.

2. **No Other Waivers or Amendments.** Except for the amendments expressly set forth and referred to in Section 1 above, the Note and the Loan Agreement shall remain unchanged and in full force and effect. Nothing in this Modification is intended, or shall be construed, to constitute a novation or an accord and satisfaction of any of the obligations created by the Note or the Loan Agreement.

3. **Representations and Warranties.** To induce the Lender to enter into this Modification, the Borrower does hereby warrant, represent, and covenant to the Lender that: (a) each representation or warranty of the Borrower set forth in the Loan Agreement is hereby restated and reaffirmed as true and correct on and as of the date hereof as if such representation or warranty were made on and as of the date hereof (except to the extent that any such representation or warranty expressly relates to a prior specific date or period), and no Event of Default has occurred and is continuing as of this date under the Loan Agreement; and (b) the Borrower has the power and is duly authorized to enter into, deliver, and perform this Modification, and this Modification is the legal, valid, and binding obligation of the Borrower enforceable against it in accordance with its terms.

4. **Conditions Precedent to Effectiveness of this Modification.** The effectiveness of this Modification is subject to the truth and accuracy in all material respects of the representations and warranties of the Borrower contained in Section 3 above and to the fulfillment of the following additional conditions precedent:

(a) the Lender shall have received one or more counterparts of this Modification duly executed and delivered by the Borrower; and

(b) the Lender shall have received (1) a certified copy of the resolution adopted by the Borrower's governing body, substantially in the form of Exhibit A attached hereto, and (2) a signed opinion of counsel to the Borrower, substantially in the form of Exhibit B attached hereto.

5. **Counterparts.** This Modification may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which when taken together shall constitute one and the same instrument.

[Signatures and Seals To Follow]

IN WITNESS WHEREOF, the parties hereto have caused this Modification to be duly executed and delivered as of the date specified at the beginning hereof.

CITY OF PEACHTREE CITY

Signature: ____________________________

Print Name: __________________________

Title: _________________________________

Approved as to Form:

(SEAL)

Attest Signature:______________________

____
Borrower's Attorney

Name: _________________________________

Title: _________________________________

GEORGIA ENVIRONMENTAL FINANCE AUTHORITY

Signature: ____________________________

Kevin Clark
Executive Director

(SEAL)

EXHIBIT A

EXTRACT OF MINUTES
RESOLUTION OF GOVERNING BODY

Recipient: **CITY OF PEACHTREE CITY**
Loan Number: **CW2017013**

At a duly called meeting of the governing body of the Borrower identified above (the "**Borrower**") held on the _____ day of _________ 2020, the following resolution was introduced and adopted.

WHEREAS, the Borrower has borrowed **$3,155,000.00** from the **GEORGIA ENVIRONMENTAL FINANCE AUTHORITY** (the "**Lender**") or the Lender's assignor, pursuant to the terms of a Loan Agreement, numbered Loan No. **CW2017013** (the "**Loan Agreement**"), between the Borrower and the Lender; and

WHEREAS, the Borrower's obligation to repay the loan made pursuant to the Loan Agreement is evidenced by a Promissory Note, numbered Loan No. **CW2017013** (the "**Note**"), of the Borrower; and

WHEREAS, the Borrower and the Lender have determined to amend and modify the Note, pursuant to the terms of a Modification of Promissory Note (the "**Modification**") between the Borrower and the Lender, the form of which has been presented to this meeting;

NOW, THEREFORE, BE IT RESOLVED by the governing body of the Borrower that the form, terms, and conditions and the execution, delivery, and performance of the Modification are hereby approved and authorized.

BE IT FURTHER RESOLVED by the governing body of the Borrower that the terms of the Modification are in the best interests of the Borrower, and the governing body of the Borrower designates and authorizes the following persons to execute and deliver, and to attest, respectively, the Modification, and any related documents necessary to the consummation of the transactions contemplated by the Modification.

______________________________	______________________________
(Name of Person to Execute Documents)	(Title)
______________________________	______________________________
(Name of Person to Attest Documents)	(Title)

The undersigned further certifies that the above resolution has not been repealed or amended and remains in full force and effect.

Date: _________________, 2020.

____
Secretary/Clerk

(SEAL)

EXHIBIT B

OPINION OF BORROWER'S COUNSEL
(Please furnish this form on Attorney's Letterhead)

__________, 2020

Georgia Environmental Finance Authority
233 Peachtree Street, N.E.
Harris Tower, Suite 900
Atlanta, Georgia 30303

Ladies and Gentlemen:

A legal opinion of [LAW FIRM] was delivered to you, dated [LEGAL LETTER DATE] (the "**Closing Opinion**"), relating to the Loan Agreement, numbered Loan No. **CW2017013** (the "**Loan Agreement**"), between **CITY OF PEACHTREE CITY** (the "**Borrower**") and the **GEORGIA ENVIRONMENTAL FINANCE AUTHORITY** (the "**Lender**"), and the Promissory Note, numbered Loan No. **CW2017013** (the "**Note**"), of the Borrower. As counsel for the Borrower, I have examined a duly executed original of the Modification of Promissory Note, dated **JULY 1, 2020** (the "**Modification**"), between the Borrower and the Lender; the proceedings taken by the Borrower to authorize the Modification; the Closing Opinion; and such other documents, records, and proceedings as I have deemed relevant or material to render this opinion. Based upon such examination, I hereby reconfirm as of the date hereof the opinions contained in the Closing Opinion, subject to the modification that all references to the Note (as defined in the Closing Opinion) shall be deemed to include a reference to the Modification. Nothing has come to my attention, after due investigation, that in any way might question the continuing validity and accuracy of the Closing Opinion, as modified above.

Very truly yours,

____
[Attorney Name]

CITY OF PEACHTREE CITY

INTEROFFICE MEMORANDUM

TO: **Mayor & Council Members**

VIA: **Jonathan N. Rorie, City Manager**

FROM: **David Borkowski, P.E., M. ASCE, City Engineer** David A. Borkowski

DATE: **June 17, 2020**

SUBJECT: **Floodplain Variance Request for 105 Appleseed Court**
June 25, 2020, City Council Meeting

Recommendation:

That City Council grant a variance to Sections 1007.4.3, 1007.5.1, 1007.5.2, and 1007.5.3 of the Floodplain management/flood damage prevention ordinance in Article X of the Land Development Ordinance.

Discussion:

The owner of the property located at 105 Appleseed Court is proposing the construction of a new single-family residence. The lot is the last undeveloped lot in Lake Peachtree Section 14 that was developed in the early 1970's. Since the lot was first platted there has been an increase in upstream development that has increased the size of the floodplain, covering a large portion of the lot.

Since the floodplain covers most of the lot, part of the footprint of the new house is proposed inside the floodplain. This proposed development is not permitted under the current floodplain management ordinance without a significant engineering analysis and variances from City Council.

The owner hired an engineering firm to provide staff with the necessary engineering analysis to determine the impact of the proposed improvements. Staff has reviewed the analysis and proposed plan against the requirements in the Land Development Ordinance. Staff's findings are outlined below.

Sec. 1303. - Review criteria.
In reviewing a request for a variance, the city council shall not grant the request unless all of the following findings can be made:

(a) There are special circumstances applicable to the property, including location, shape, size, surroundings, or topography so that the strict application of this ordinance denies the property of privileges enjoyed by other property in the vicinity and under identical zoning district classification;

Staff Determination – Criteria met. Due to the topography of the property, the majority of the lot is in the floodplain, rendering it unusable for development.

(b) The strict or literal interpretation and application of this ordinance would result in practical difficulties or unnecessary hardships inconsistent with the general purpose and intent of the land development ordinance, or would deprive the applicant of privileges granted to others in similar circumstances;

Staff Determination – Criteria met. The literal interpretation of this ordinance deprives applicant of the normal use of their property in similar residential areas.

(c) There are exceptional or extraordinary circumstances or conditions applicable to the property involved or the intended development of the property which preclude the applicant from complying with this ordinance and that do not apply generally to other property in the same zoning district and which prevent the applicant from complying with existing regulations;

Staff Determination – Criteria met. The floodplain has increased significantly since originally platted and severely limits development of the lot.

(d) The granting of such variance will not constitute the granting of special privileges inconsistent with the limitations on other property in the same zoning district; and

Staff Determination – Criteria met. Single family residential units are allowed in this zoning district.

(e) The granting of such variance will not be materially detrimental to the public health, safety, or general welfare nor injurious to property or improvements in the zone or neighborhood in which the property is located.

Staff Determination – Criteria met. If the variance was granted, the engineering analysis shows no impact on the flood elevations due to the structure or fill.

(f) The granting of such variance will not create inconsistencies with any objective of the comprehensive plan.

Staff Determination – *Criteria met because granting of the variance would not create any significant inconsistencies with the Comprehensive Plan.*

The Floodplain management/flood damage prevention ordinance also has variance conditions in it. The conditions and Staff's determinations are outlined below.

Section 1007.6 (8) Conditions for Variances:

(a) A variance shall be issued only when there is:

(i) A finding of good and sufficient cause;

(ii) A determination that failure to grant the variance would result in exceptional hardship; and

(iii) A determination that the granting of a variance will not result in increased flood heights, additional threats to public safety, extraordinary public expense, or the creation of a nuisance.

Staff Determination – *Above criteria met. With the amount of floodplain on the property the applicant would be limited to building about a 1,000 square-ft house when other homes in the area are over 3,000. The engineering analysis shows no increase in flood elevations due to the project.*

Budget Impact:

This variance will have no budgetary impact.