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

# CITY COUNCIL OF PEACHTREE CITY
# REGULAR MEETING AGENDA
# NOVEMBER 5, 2020
# 6:30 p.m.

I. Call to Order

II. Pledge of Allegiance

III. Announcements, Awards, Special Recognition
Stella Yurgionas – Heroic Commendation Award (Tentative)
Employee of the Month (September) – Noah Wootten, Police Officer, Police Department
Supervisor of the 3rd Quarter – Tim Maret, Senior Code Enforcement Officer
Tim Maret – Senior Code Enforcement Officer – 20 Years

IV. Public Comment

V. Agenda Changes

VI. Minutes
October 13, 2020 – Workshop Minutes
October 15, 2020 – Regular Meeting Minutes

VII. Consent Agenda
1. Budget Amendment – Fiscal Year 2021

VIII. Old Agenda Items

IX. New Agenda Items
11-20-01 General SPLOST Projects Up-Date (Rorie)
1. SPLOST Project #13 – Crosstown Drive Path Crossing
2. SPLOST Project #12 – Flat Creek to Interlochen Path Project

X. Council/Staff Topics

XI. Executive Session

XII. Adjourn

**City Council of Peachtree City**
**Workshop Meeting Minutes**
**Thursday, October 13, 2020**
**6:30 p.m.**

The Mayor and Council of Peachtree City met for a workshop meeting on Tuesday, October 13, 2020, at the Kedron Fieldhouse. Mayor Vanessa Fleisch called the meeting to order at 6:30 p.m. Others present: Terry Ernst, Mike King, and Kevin Madden, with Phil Prebor attending virtually.

Fleisch welcomed the attendees. She laid out how the City was developed with five villages—Glenloch, Aberdeen, Braelinn, Kedron, and Wilksmoor—that were almost self-sustaining with their own amenities. A few years ago, after a period of neglect during the Great Recession, the City's Public Works and Grounds departments began a maintenance and repair program on the parks, ball fields, paths, roads, and other City-owned structures. The City hired a company called Infrastructure Management Services (IMS) to come in and inventory the roads, including signs and curbing. The roads were a $206 million asset.

In 2011, the City took out a $3 million facilities bond to fund repairs on its neglected assets. Fleisch recalled that the BMX track tower had been condemned three separate times by the City. They did another bond in 2014, and the Mayor said she hoped people noticed a difference now. All this re-investment in the City encouraged people to re-invest in their homes, Fleisch continued. That was important because the average age of a home in Peachtree City was 30 years. In 2014, they listed many Council goals and had completed a number of them. She then pointed out that Peachtree City amounted to nearly 40% of the County's tax digest, so it was important to the County as a whole to have a strong Peachtree City.

Last year, the paving budget was $4.8 million, with $1.8 coming from the General Fund and $3 million from the Special Purpose Local Option Sales Tax (SPLOST). They paved 13 miles in 2019. Since roads generally lasted about 15 to 20 years before they required repaving, it took about 15 years to complete all the City's roads. The SPLOST would expire in 2023, and they would have to figure out how to maintain that rate of paving. If the tax base was not increased, they would have to ask for another SPLOST.

The City commissioned a traffic study on the SR 54 corridor from City Hall to MacDuff in 2014 and submitted it to the Georgia Department of Transportation (GDOT) and the Atlanta Regional Commission (ARC). Through the ARC, they would be getting federal funding for a displaced left turn at the SR 54/74 intersection, a project that would cost between $8-10 million and begin construction at the end of next year.

As the City was fixing its aging infrastructure, there began to be an upsurge in commercial and residential redevelopment, Fleisch reflected. Older homes were renovated or even torn down and new ones constructed on the lots. After developing a Comprehensive Plan with a panel of citizens, they submitted an application for a grant to conduct the Livable Centers Initiative (LCI) study on more than 400 acres. It looked at every aspect and presented hypothetical plans, providing information to make intelligent decisions.

The Mayor turned over the presentation to Planning and Development Director Robin Cailloux to review the LCI's market analysis. She thanked the Mayor for providing context, echoing her remarks that Peachtree City was more than 60 years old and was nearing "build out." She presented a table that showed available land for development. In 2007, there was 413 acres available for industrial development, but by 2020, that was down to 246 acres.

They needed to consider what this meant and where the City was going over the next 60 years. Cailloux stated that this City Council had rejected the aggressive annexation strategy some cities had pursued. Annexation resulted in more infrastructure to maintain, and eventually you would grow beyond the capability of the existing emergency response system. Council in 2014 approved a Growth Boundary Study which showed where annexation might be appropriate. This was in areas where roads and services already existed.

Another solution was to encourage redevelopment, which maximized the use of existing infrastructure/services, adding no cost to the public and limited capital impact to responders. This idea had been around since at least 1992. A map that indicated areas for redevelopment, and Cailloux pointed out that several were in the LCI study area.

She said many residents had asked why they were talking about redevelopment. They liked the City as it was and did not want anything to change. But there were factors that put pressure on private property owners to redevelop. Private property rights, or how you could use your land, were controlled by zoning, and, in this study area, all the private property was zoned commercial or industrial, uses that were often considered the highest and best use for property. They typically had a higher value per acre than other uses. Much of the development in the area was older buildings that had increased maintenance costs. Also, it was not uncommon, Cailloux went on, for property owners to view their property as a long-term investment to help fund their retirement.

The change in consumer habits was another reason for redevelopment. The rise in online shopping had resulted in fewer big box retail stores. The survivors would be the big box, value-conscious retailers and smaller, experiential or boutique-type retailers. There had been a major shift from car-centric communities to walkable developments. This was evidenced in Peachtree City more than 20 years ago when The Avenue opened.

External growth was occurring in Fayetteville, Newnan, and surrounding areas. That impacted Peachtree City through the amount of cut-through traffic on SR 54, the only east-west corridor in the area. This traffic helped sustain businesses along SR 54, but it also frustrated residents who had to deal with it daily. It was a regional problem with local impacts. This year, SR 54 West had more than 46,000 daily trips across it. That number was called a tipping point and was usually when GDOT would widen the route. Instead of doing that and wiping out much of the retail along the corridor, GDOT was dedicating $10 million to constructing a displaced left turn beginning in 2022. While this would help, GDOT admitted it was not a long-term solution. That could mean construction of an overpass/underpass as a future option. How would that impact Peachtree City?

Cailloux said that was the reason for conducting the LCI study. It would enable them to consider transportation impacts, define what was meant by a walkable village, and respect property rights by being proactive rather than reactive, which was part of the Peachtree City culture.

Cailloux outlined the LCI planning process. On Feb. 27, they met with the public for a visioning and goal-setting session. They then conducted the market analysis in March and April. Due to the pandemic, they could not hold public meetings, so they developed online surveys to solicit public opinion. The surveys were available for more than three months, then there was an outdoor public meeting on Sept. 5 where they discussed and obtained public feedback on six to nine scenarios. The end result would be the presentation of the LCI plan on Oct. 22 at a public open house at the Kedron Fieldhouse.

The market analysis was an assessment of supply and demand in market sectors, which Cailloux said was jargon for land uses. It was used to ensure the LCI plan was economically feasible, but she emphasized that it was only suggestions or ideas of what they could do, not what they should or would do. She said she would talk about existing data, which covered demographics, existing inventory, and the pipeline of approved projects, then she would examine historical trends. Cailloux said she wanted to define some terms first. Absorption rate was a way of saying how many properties had been leased or sold. Submarket was a geographic area that she would describe later. Existing data and historical trends were combined to create projections regarding land use needs for the study area.

Peachtree City was part of the South Metro Atlanta Subregion, which included Fayette, Coweta, Henry, Spalding, Butts, Meriwether and other counties. There was also the Coweta-Fayette submarket, as well as the LCI study area, which was around the four quadrants of the SR 54/74 intersection.

Tonight, Cailloux continued, she would talk about four land uses: housing, office, retail, and flex space.

Housing was broken in rental and for-sale. The market analysis looked at housing because corporations wanted to be located where their employees were. The demand for highly-trained employees for technical jobs was so intense that businesses had to locate where they employees lived. Therefore, housing options was an economic development tool. More than 50% of the renters in Peachtree City made more than $50,000 a year; more than 20% made more than $100,000 a year. Age-wise, the renters were split pretty evenly among three working age demographics. It was not a case where most of the renters were the millennials a lot of people talked about.

Cailloux stated that 75% of the housing in Peachtree City was owner-occupied, leaving 25% as rental. About 56% of those rental units were not apartments—they were townhomes or single-family homes. The newest apartments were built more than 20 years ago, and most of the apartment communities were full. Because there was so little competition, there was little motivation for those apartment companies to invest in their communities beyond new carpet and a coat of fresh paint. Rental rates in Peachtree City were a little lower when compared to units in other nearby areas.

Historically, City Council had not approved or supported requests for additional apartments, so they used the absorption rate and trends from the Fayette-Coweta submarket when compiling the market analysis. It showed that, while northern Atlanta could absorb the lion's share of new apartments in 2020-24, the Fayette-Coweta submarket could support the demand for more than 2,300 new units in that period. Of that, 600 could be in the LCI area. She again told Council that the market analysis showed what they could do, not what they had to do.

The data showed that the sweet spot for pricing in the for-sale housing market was between $200,000 and $500,000, which was where 73% of the homes were sold. The demand dropped off sharply once prices got higher, so developers would want to price their homes at no more than $500,000 so they would sell quickly.

They focused the market analysis on "attached" housing, Cailloux commented. This did not necessarily mean physically attached. It could be a building with commercial space on the ground floor and residential above, or it could be condos, such as at Ridgelake. It also included attached townhomes, like in the Centennial subdivision and detached townhomes like in North Cove. It could be patio homes like in Dover Square or in cottage communities with shared greenspace in the center instead of individual lots.

Why did they focus on attached housing? Firstly, it was because there was not much physical space in the study area. Also, Cailloux continued, most people who sought a home on a large detached lot did not want to be near an activity center. Finally, the land costs were too high to support any other type of development pattern.

Housing cost were driven by two major components: land costs and construction costs. Profit was also added. Today, commercial land in Peachtree City cost between $200,000 and $700,000 per acre, although she cautioned the $700,000 was an outlier. Redevelopment added upfront costs because the developers had to demolish the existing structures.

Keeping the sweet spot for housing prices and the cost of commercial land in mind, Cailloux presented a table showing the cost per acre for various types of housing, along with the density and the minimum sales price per unit in order for the project to be considered a financial success. For example, if you looked at a single-family home on a lot that was valued at $320,000 per acre, that home had to be sold at a minimum of $432,000. To make a profit in the top range, at $700,000 per acre, you had to get into the higher density housing, such as the townhomes or cottage communities to get to the sweet spot. Much higher-density developments, such as garden apartments or even deck-wrapped apartments, would be required to turn a profit on properties valued at more than $1 million.

That was existing data. Next, Cailloux said they would review historical data for attached homes in Peachtree City, which was scanty. In Everton, there was a 42-unit development set to be finished by February, 2021. Thirteen units had been pre-sold, all for more than $300,000. Other than that, the most recent townhome development was at Lexington Village in 2006, while the most recent condo development went up in 1987. The for-sale demand to support job growth in this area, Cailloux explained, would be about 115 to 120 attached units over the next five years.

Next, she discussed Class A office space. Currently, Peachtree City had about 900,000 square feet of office space with a 9.8% vacancy rate, which was not bad, but also not great. The most recent office construction was the 80,000-plus square foot headquarters for SMC³ in Lexington Village. It was moving from the study area to this walkable village environment. The average age of an office in Westpark was 20 years. The oldest was built in 1988 and the newest in 2008, which was the second SMC³ building.

There was a low absorption rate for office space, and it was trending down. In 2004, they were building and leasing 15,000 square feet of office space each year. By 2011, after the Great Recession, it had dropped to 7,000 square feet. In 2018, Peachtree City lost 5,000 square feet of office space. That meant that those tenants left the city, and that space was not leased. That number increased in 2019 to 14,000 square feet.

The consultant offered some explanations. Some of it related to the age of the buildings, but most came down to the factors discussed earlier. Business tenants needed to be close to where their employees lived. Also, people wanted to work in a walkable environment—to be able to walk somewhere to grab a bite of lunch or get a drink at the end of the day. This was such a demand that the brokerage market had created something called a walk score that ranked every office square foot on the market for walkability. The market analysis showed that the study area could support one 50,000 square foot office building if both of these requirements were met. Again, Cailloux reminded Council that these were suggestions of what they could do, not mandates of what they had to do.

The retail space vacancy rate was about 5% at the start of the Great Recession, and went to as high as 8%, then recovered to a low of 2.2% in 2017. Even with the additional square footage when The Overlook opened in 2016, the retail vacancy rate continued to drop. But, in 2018, Kmart left and that space remained vacant, so now the vacancy rate was in the 5% range.

Cailloux explained that national retailers all had their own standards for choosing where to locate. Most looked at density and income in the area. They also wanted to be close, but not too close to other retailers. Peachtree City had the density, with 1,500 people per square mile. The average household income was $96,000. A map showed proximity to other national retailers in Fayetteville, Newnan, and Kedron Village. The market analysis suggested that the area was saturated for those national retailers. They suggested that the LCI area could accommodate about 170,000 square feet of specialty retail. This meant experiential retail, not a big box. For instance, it suggested a small grocer of about 25,000 square feet. There was a demand for about 99,000 square feet of sit-down restaurants. There was a demand for a few other small retailers, such as sporting goods or bookstores. Remember, Cailloux cautioned, this was what could be done, not had to be done.

Flex space was basically light industrial use, but with options. Assembly, which was not where parts were made but where the items were put together, was an example, as was warehouse/office. Recreation and community uses, such as churches or rock climbing walls, were also in this category. Most should include some minor retail opportunity. For instance, Three Guys repaired golf carts, but they had a small retail front that sold accessories. Flex space had a lower cost of construction. It was usually no more than two stories and used lower cost methods of construction, such as metal or tilt-up construction where the cement was poured on-site. This lower cost of construction resulted in lower rents, which was a good thing for the craft industry, such as Alo Farms, which was in the study area, and was a hydroponic farm operated by Jefferson Browne Gresham Architects. It was a good option for maker spaces, artists' studios, small start-ups, and cottage industry like the Line Creek Brewery.

The vacancy rate in Peachtree City for flex space was exceedingly low, Cailloux reported, below functionally full. The rent was about $8-$10 per square foot. In the market today, there were 360,000 square feet lacking in the Fayette-Coweta submarket. That's why so many buildings of this type had gone up recently. The study team suggested that 120,000 square feet was appropriate in the LCI. This could be of two types: minor renovations of existing buildings to keep the rent in the $8-$10 range and new construction which would rent in the range of $12 or higher per square foot.

In summary, Cailloux stated that the LCI area could support 120 attached for-sale units and 600 rental apartments, as well as one 50,000 square foot office building if the criteria of proximity to a population center and being in a walkable area could be met. About 170,000 square feet of experiential retail could be supported in a walkable, mixed use environment, possibly anchored by a specialty grocer. Also, 120,000 square feet of flex space could be supported.

Cailloux said this market analysis could be used to check and balance the conceptual scenarios. The final plan would be presented during a public open house on Oct. 22. She told the audience they could go onto the PeachtreeCityLCI.com website to review the findings and all the other information. They could also email her with questions.

She concluded by saying the goal of her presentation was to provide information to help Council make informed and intelligent decisions regarding the City's future.

Fleisch thanked Cailloux for the information and thanked the audience for attending and taking an interest in their community.

There being no further business to discuss, Ernst moved to adjourn at 7:19 p.m. King seconded. Motion carried unanimously.

Martha Barksdale, Recording Secretary

Vanessa Fleisch, Mayor

**City Council of Peachtree City**
**Meeting Minutes**
**Thursday, October 15, 2020**
**6:30 p.m.**

The Mayor and Council of Peachtree City met in regular session on Thursday, October 15, 2020. Mayor Vanessa Fleisch called the meeting to order at 6:30 p.m. Others attending: Terry Ernst, Mike King, and Kevin Madden, with Phil Prebor attending virtually.

**Minutes**
King moved to approve the October 1, 2020, regular meeting minutes as written. Madden seconded. Motion carried unanimously.

**Consent Agenda**
**1. Resolution to adopt the Annual CIE Update**
**2. Acceptance of CERT Grant**
**3. North Fairfield Drive Drainage Improvements**
Ernst moved to approve Consent Agenda items 1-3. King seconded. Motion carried unanimously.

**New Agenda Items**
**10-20-05 Public Hearing - Rezoning, 0.9 acres at Robinson Road and SR 54 from R-43 to GC**
City Manager Jon Rorie said the applicant had requested to withdraw the rezoning application, so there was no need for the public hearing. City Attorney Ted Meeker told Council no action was required on their part.

**10-20-06 Resolution of Support for Land and Water Conservation Fund Grant Application**
Rorie, standing in for Recreation and Special Events Director Quinn Bledsoe, said this was a request to apply for a State grant that would cover up to 50% of the cost of replacing All Children's Playground. Since the total cost was about $435,000, the grant could be as much as $217,500. Rorie noted that this was a budgeted Capital Improvement Plan project in the 2021 budget.

Fleisch said she appreciated that Bledsoe was trying to find alternative funding sources.

Ernst moved to approve New Agenda item 10-20-06, resolution of support for the Land and Water Conservation Fund grant application. Madden seconded. Motion carried unanimously.

There being no further business to discuss, King moved to adjourn at 6:33 p.m. Ernst seconded. Motion carried unanimously.

**Martha Barksdale, Recording Secretary**

**Vanessa Fleisch, Mayor**

# CITY OF PEACHTREE CITY

## INTEROFFICE MEMORANDUM

**MEMO TO:** Mayor and City Council

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

**FROM:** Paul J. Salvatore, Financial Services Director P.S.
Kelly Bush, Assistant Finance Director KB

**DATE:** October 30, 2020

**SUBJECT:** Budget Amendment – Fiscal Year 2021

*November 5, 2020 City Council Consent Agenda*

**Recommendation:**

That City Council approve the attached budget amendments to the fiscal year 2021 budget resolution, as well as the corresponding budget amendments to the CVB fiscal year 2021 budget.

**Discussion:**

The attached budget amendment increases the fiscal year 2021 Hotel/Motel Tax Revenue by changing the estimated revenues from 50% to 55% of the original Fiscal Year 2020 budget based on current collections.

**Budget Impact:**

The proposed budget amendment will increase both revenue and expenditures in the General Fund, the Hotel/Motel Tax fund, and the Tourism Product Development Fund in fiscal year 2021.

Attachments

kbb/Council Reports/Budget Amendments FY2021

# CITY OF PEACHTREE CITY

## BUDGET AMENDMENT

***NUMBER*** 21-04

***DATE*** 10/01/2020

| ACCOUNT | PROJECT | DESCRIPTION | INCREASE | DECREASE |
|---|---|---|---|---|
| | | | | |
| 100-7545-511100 | | Salaries | 48,134 | |
| 100-7545-512101 | | Long Term Disability | 168 | |
| 100-7545-512103 | | Life Insurance | 69 | |
| 100-7545-512200 | | Social Security | 2,984 | |
| 100-7545-512300 | | Medicare | 698 | |
| 100-7545-512401 | | Defined Contribution | 1,633 | |
| 100-7545-512700 | | Workers Comp | 99 | |
| | | | | |
| 100-0000-112707 | | Due From CVB | 53,785 | |
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| | | | | |
| 275-0000-314100 | | Hotel/Motel Tax | 85,233 | |
| | | | | |
| 275-1505-572016 | | Payment to Tourism Association | 37,289 | |
| 275-1505-611110 | | Operating Transfer to Fund 100 | 31,963 | |
| 275-1505-611276 | | Operating Transfer to Fund 276 | 15,981 | |
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| 276-0000-391275 | | Operating Transfer from Fund 275 | 15,981 | |
| | | | | |
| 276-6110-522251 | | TPD Bldg Repair & Maintenance | 15,981 | |
| | | | | |
| 100-0000-113275 | | Due From Hotel/Motel Tax Fund 275 | 31,963 | |
| 100-1505-579135 | | Contingency - General Admin | 31,963 | |
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| | | | | |
| | | | 373,924 | - |

**NOW , THEREFORE, BE IT RESOLVED** that this Council hereby amends the Fiscal Year 2021 budget resolution to allocate funds for increased Hotel/Motel Tax Revenue.

***Entered*** ______________

***Approved*** ______________

# Peachtree City Convention and Visitors Bureau

## BUDGET AMENDMENT

***NUMBER*** ____________

***DATE*** 10/01/2020

| ACCOUNT | PROJECT | DESCRIPTION | INCREASE | DECREASE |
|---|---|---|---|---|
| 120-0000-39-1127 | | Operating Transfer Prim Govt | 37,289 | |
| | | | | |
| 120-7540-52-3950 | | Contract Labor | 62,133 | |
| | | | | |
| 120-7540-52-2351 | | Rental Office Space | | 24,844 |
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| | | | | |
| | | | 99,422 | 24,844 |

To allocate funds for increase of Hotel Tax Revenue

***Entered*** ____________

***Approved*** ____________

# CITY OF PEACHTREE CITY

## INTEROFFICE MEMORANDUM

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|---|---|
| **TO:** | **Mayor and City Council** |
| **VIA:** | **Jonathan Rorie, City Manager**<br>**Paul Salvatore, Financial Services Director** PS |
| **FROM:** | **David A. Borkowski, P.E., M. ASCE, City Engineer** |
| **DATE:** | **October 26, 2020** |
| **SUBJECT:** | **SPLOST Project #13 Crosstown Road Path Crossing**<br>***November 05, 2020, City Council Meeting*** |

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**Recommendation:**

That City Council award a contract to JMJ Construction_in the amount of **$145,050.00** for SPLOST Project #13: Crosstown Road Crossing.

**Discussion:**

Due to the topography of the proposed path, walls are needed to meet ADA slope requirements. Staff requested written quotes from eight contractors and received two quotes as follows:

| | **Crosstown Drive** |
|---|---|
| R Walls | **$151,762.50** |
| JMJ Const. | **$145,050.00** |

Staff has reviewed JMJ Construction's quote and finds it acceptable. JMJ Construction has completed several wall projects for Brent Scarborough and Company, and comes highly recommended from them. Therefore, Staff recommends awarding a contract to JMJ Construction.

**Budget Impact:**

Funds are available in 321-4220-541400-SP17-013 (Crosstown Road Crossing Path).

# CITY OF PEACHTREE CITY

## INTEROFFICE MEMORANDUM

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|---|---|
| **TO:** | **Mayor and City Council** |
| **VIA:** | **Jonathan Rorie, City Manager**<br>**Paul Salvatore, Financial Services Director** P.S. |
| **FROM:** | **David A. Borkowski, P.E., M. ASCE, City Engineer** David A. Borkowski |
| **DATE:** | **October 29, 2020** |
| **SUBJECT:** | **SPLOST Project #12-Flat Creek to Interlochen Path Project**<br>***November 5, 2020, City Council Meeting*** |

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**Recommendation:**

Purchase property necessary for the construction of a multi-use path from Flat Creek Road to Interlochen for $30,000 and authorize the Mayor to execute the necessary documentation.

**Discussion:**

This path project is project number 12 on the official 2017 SPLOST program list. This path will connect the existing path on Flat Creek Road to the Interlochen subdivision on the west side of Peachtree Parkway.

Staff has been working with the property owner and have come up with a mutually acceptable layout that minimizes right-of-way required for the path construction. The $30,000 purchase offer is a reasonable, fair-market value offer for the purchase of the property.

Therefore, Staff is recommending the property purchase and is requesting approval to execute the necessary documentation.

**Budget Impact:**

Funds for this item are available in SPLOST Project 12, line item 321-4220-541400-SP17-012.