

**HABERSHAM COUNTY BOARD OF COMMISSIONERS
WORK SESSION MINUTES
5:00 P.M., MONDAY, APRIL 18, 2022
HABERSHAM COUNTY COURTHOUSE
JURY ASSEMBLY ROOM
295 LLEWELLYN STREET
CLARKESVILLE, GA 30523**

A work session of the Habersham County Board of Commissioners was held on Monday, April 18, 2022 at 5:00 p.m. in the Jury Assembly Room of the Habersham County Courthouse located at 295 Llewellyn Street, Clarkesville, GA 30523.

Present: Chairman Bruce Palmer; Vice Chairman Bruce Harkness; Commissioner Ty Akins; Commissioner Jimmy Tench; County Manager Alicia Vaughn; County Attorney Ralph Taylor; County Clerk Brandalin Carnes; Individuals from the Media and Public.

Commissioner Mealor was absent for the start of the work session and entered later at 5:20 p.m.

Chairman Palmer called the meeting to order at 5:03 p.m.

Commissioner Harkness lead the invocation.

Commissioner Akins lead the Pledge of Allegiance.

DISCUSSION:

MOU between Habersham County, the Development Authority of Habersham County and City of Clarkesville and Lew Oliver for Downtown Redevelopment Plan:

Jim Woodward spoke to the Commission via phone conference. The only two options that the County Commission have regarding the property would be to either sell it through the bidding process or transfer to the Development Authority. The county can accept bids to sell the property and can reserve the right to object any and all bids. The county can also set a reserve. This is only for the sale of the property; however, the county can't negotiate directly with a developer. The DA has more powers to negotiate legally. The Development Authority has more of a capability from a legal standpoint of being able to dictate how the property is used by the purchaser.

Mr. Woodward stated that should the Commission wish to transfer the property to the Development Authority, they have has two options regarding the transfer:

1. The Commission could go ahead and make the initial transfer of the land now to the Development Authority with an IGA and put approval parameters on how the land is used.
2. The county could wait to transfer the land to the Development Authority until after the RFP's have been graded and the MOU is ready to be signed. They would then transfer the property when the developer is ready to sign at a later date.

The Development Authority would maintain ownership of the property and lease the property back to the chosen developer. The title to property would not transfer to the developer until the term of the lease agreement ends. The developer must meet all of the terms of the agreement to take the title. The MOU can stipulate that the property can be transferred back to the county if the goals are not met or an escalator clause can be used where the developer can purchase the property for whatever portion of the property they have not met the goals on. For example, if they are 30% away from meeting goals, they must pay 30% of the value. The lease agreement will state the developer pays full taxes on the property in the form of a leasehold valuation. The form of the payments will be regular ad valorem taxes and will flow to the taxing authorities. The developer will pay the exact same taxes as if it was owned outright by the developer.

The RFP process can go in a couple of different directions. The Commission will need to decide what parameters and benchmarks it wants met for things such as experience working on similar projects and financial ability and may even want to pull from other RFP projects. Jim Woodward can assist in drafting the RFP, which would require several meetings. It normally takes a month or longer to gather responses, narrow them down to three and then have the finalists come in for interviews to provide more detail. It is up to the Commission as to who is on the panel for these interviews, however it is suggested that it be a blend of Development Authority and Commission/County members and include the City of Clarkesville. The final decision regarding the transfer of the property would be up to the County Commission. The property could be sold outright or given for a lesser price that is dependent on the investment being made by the developer. It could be transferred for no cost at all in consideration of the jobs and community investments that the developer intends to create. If the property is sold the Commission can choose for the money to come back to the county or stay with the Development Authority or to split it amongst themselves. If there is a purchase price, it needs to be included in the RFP so the developers can consider financing in their proposals.

Commissioner Harkness asked if it would be beneficial to have the property reappraised as it has been awhile since this has last occurred? Mr. Woodward informed that the county is unable to give the Development Authority more than 1 mil of property. Right now with property values having shot up caution is needed with anything that would make the value go over the 1 mil mark. Commissioner Harkness is in favor of voting on having the property appraised again.

Commissioner Harkness asked what would happen if the developer defaults on the loans he takes out for the property? Mr. Woodward informed that the Development Authority and the county are not a party to the loan transaction. The bank would have a mortgage on the developer's leasehold interest. The bank could take the leasehold interest. The bank would have the option of fulfilling all the options of the MOU and then could take the property at the end of the lease. If the bank met these regulations, they could take title to the land.

Commissioner Tench stated that the 2022 tax year appraisal of the courthouse was over \$2 million and the prior year appraisal was over \$3 million and he believes that is a long way off from what is being offered. He thinks the property would be worth closer to \$4 million dollars if you use the value of \$100 per square foot for 40,000 square feet.

Commissioner Meador is in favor of the option of putting out an RFP and letting the Development Authority bring back proposals prior to transferring the property to the Development Authority. He

stated that the Commission needs to be careful, however, because if they receive reasonable offers in regard to plans for the property and compensation and then they turn it down no one will want to bid on it again.

Shad Hill and Jeff Higgins were invited up by the Commission to discuss plans for an aged 55+ high end assisted living facility. They believe that this would be a better fit for the downtown area of Clarksville as opposed to the low-income housing that is being proposed by Lew Oliver. Mr. Higgins started another local assisted living facility, Graceful Care, in 2015 and his wife has 25+ years in this industry. He states that the Courthouse can be utilized for different levels of independent living. In the past he has built 10 independent cottages for seniors and two independent living facilities. They had an opportunity to look at the inside of the courthouse today and think that it holds potential for their plans.

Douglas McDonald requested time for public comment and was given permission by Chairman Palmer. He is opposed to the MOU with Development Authority for Old Courthouse. He thanked the Commission for removing the matter from tonight's regular meeting agenda. Mr. McDonald stated that according to law, real property other than roads awarded by the county must be to the highest possible bidder either through sealed bids or by contract. He states that no taxpayer can complain if this is done as it is a fair process and it prevents taxpayers from being taken advantage of. He does not understand why the Commission is straining over this issue of selling it to an individual purchaser. He states that the assessor's office show that the depreciated value of the old courthouse property is \$3,000,000 and that on page 5 of the MOU the agreed upon value is \$1,240,000. He does not understand why we are going to give away this asset for \$10. He is also concerned that giving title to the property to the Development Authority will relinquish the Commissions control of the property.

ADJOURNED: 5:55 p.m.

Motion by Commissioner Mealor, seconded by Commissioner Akin and voted unanimously to adjourn at 5:55 p.m.

Respectfully submitted,

By: _____
Commission Chairman Bruce Palmer

Attest: _____
County Clerk Brandalin Carnes