Stockbridge

Where Community Connects

COUNCIL FY2025 BUDGET RETREAT
August 23, 2024
10:00 a.m.
Summary Minutes

Mayor & City Council

Mayor Anthony S. Ford
Mayor Pro Tem Kyle Berry
Councilman Elton Alexander
Councilman Yolanda Barber
Councilwoman LaKeisha Gantt
Councilman Alphonso Thomas

Administration

Frederick Gardiner, City Manager
Vanessa Holiday, City Clerk
Lakeisha Gaines, Interim City Treasurer
Quinton Washington, City Attorney

Staff in Attendance: Decius Aaron, William Conner, Demeatrius Ivey, Rosalynd Rawls, Shana Thornton, and Renee Wheeler

Mission: To provide visionary leadership and superior municipal services that enhance the quality of life for citizens while creating a welcoming business atmosphere focused on sustainability and expansion of tourism and cultural events.

The meeting was called to order by Mayor Ford. At 10:05 a.m.

Invocation by Mayor Pro Tem Berry

Pledge of Allegiance recited by all in attendance.

The Clerk was asked to proceed with the Roll Call. All the members were present except Councilmember Gantt.

Adoption of the Agenda: Motion to adopt the Agenda made by Mayor Pro Tem Berry; seconded by Councilmember Barber. The motion passed unanimously 4-0.

NEW BUSINESS

1. Previous Day Recap - Presented by: Frederick Gardiner
   Mr. Gardiner noted proposed budget presentations for the Governing Body, Clerk's Office, HR, Finance, IT and Events, noting feedback from the Council.

   Councilmember Gantt joined the meeting at 10:15 a.m.

2. <u>Executive Department - Presented by: Frederick Gardiner</u>
   Mr. Gardiner reviewed the department noting there are no requested personnel changes for FY2025; reviewed the following Major Projects: Norfolk Southern Railroad Depot, noting the culture at the railroad has changed, and the company seems to be more receptive to the community; Patrick Henry Master Plan Initiative; OpenGov Implementation Initiative; Downtown Mixed-Use Project Initiative; Tax Allocation District (TAD) Negotiation with Henry County Board of Commissioners and Henry County School Board members; Georgia Power Utilities Relocation (Stockbridge Downtown); Electric Charging Station Project Initiative (Police & Public Works); Annexation Planning Initiative; and North Henry Highway Streetscape (Obtaining renderings for a turning lane, Federal assistance and TSPLOST options); noted to make the Vision happen, the needs are: City Council Full Support of the Vision; Full Support of the Stockbridge Community, and Full Support of the Henry County Board of Commissioners and Henry County Board of Education; reviewed the proposed department budget, noting the training requirements and continuing education; reviewed renderings of downtown Stockbridge in 2018 and 2019 and the proposed renderings with the new downtown vision, estimating the GA Power cost to be around $4 million dollars.

   Councilmember Alexander noted the idea was to attack the interstate corridors with commercial, noting Henry County has prevented development with a moratorium; noting with the county's millage rate and impact fee increase, developers are driven to other areas outside of the county, including Stockbridge.

   Councilmember Thomas asked about the city's Wayfinding Project and Digital Reader Board.

   Mr. Gardiner noted the vendor for the Wayfinding was approved by the City Council and is being incorporated in phases, noting ARPA funding must be used by December 31, 2024; and noted the location of the Digital Reader Board is in progress noting the locations to be East Atlanta Road on the city hall side of the street, and on Eagles Landing Parkway on the lawn.

   Councilmember Barber referenced the residents in the downtown area, noting she does not want any resident to be displaced, and asked why the city abandoned the original plan for the residents in and around the downtown area.

   Mr. Thomas noted the former broker, Mr. Capehart, presented a plan to the Council and that the contract has ended.

   Councilmember Gantt noted the 2012 LCI (Livable Cities Initiative) needs to be updated due to the changes in population; and noted the City of Stockbridge was featured on the ARC webpage.

3. <u>Amphitheater - Presented by: Harold Young and Tanya Barnhill</u>

Mr. Young noted the Amphitheater is approaching its third year of success, noting the public loves the Amphitheater and noted his excitement for the many accolades received for the Stockbridge Amphitheater.

Mr. Young gave an overview of the Amphitheater staff, noting their roles and responsibilities, and introduced Tanya Barnhill of TM Consultants.

Ms. Barnhill noted this is her second-year marketing the Stockbridge Amphitheater, noting that in addition to the standard marketing via radio, television, social media, and billboards, the marketing campaign added WLCK (radio), Eblasts text emails and text messaging a Street Team who is distributing manual flyers, which is very labor intensive, but effective.

Councilmember Barber asked about the frequency and schedule of radio ads.

Ms. Barnhill noted advertising will begin no later than 30 days out and run from 6am to 10pm.

Councilmember Thomas asked if there is data tracking consumers who visit the Amphitheater.

Ms. Barnhill responded yes, noting zip codes are being used to reach out to consumers.

Councilmember Thomas noted the dedicated Uber/Lyft signage are not being utilized effectively, noting there is no signage to indicate the location.

Mr. Young noted it is difficult to relocate Rideshare concert goers in the event of rain, with no vehicle to return to, and there needs to be a designated area for those patrons; presented testimonials and reviews of the Amphitheater and noted the sponsors: VyStar and Piedmont Henry.

Councilmember Alexander expressed his concerns regarding concert advertising, attendance, and sponsorships.

Mr. Young responded that every show is not going to be a sellout, noting the McDonalds concert was a revenue-sharing shoe, not a rental, which did not go well, noting the lessons learned from this type of venture.

Councilmember Alexander noted the Council needs results, with city staff gaining access to ticket sales and other revenue centers, and reporting submitted to Ms. Gaines.

Mr. Young noted the city will be utilizing Ticketmaster.

Councilmember Alexander suggested more Amphitheater Concert signage along the major corridors of the city to alert local patrons of concerts; and noted there were issues with the stockbridgeamp.com website; and asked who is responsible for sponsorship.

Mr. Young noted Mr. James Smartt is the Director of Marketing, noting there are current talks with a potential sponsor for naming rights, and another major potential sponsor.

Councilmember Thomas noted the objective of the retreat is to see how we can be more productive and wants to see accomplishments come out of the retreat.

Mr. Young noted every concert has its own individual budget, noting rain insurance can range from $30,000 to $85,000 per show, and must be purchased two weeks in advance of the concert.

Mayor Pro Tem Berry suggested using the CodeRed Platform to determine whether or not to shut down the show.

Councilmember Barber asked for the pros and cons of using a third party such as Ticketmaster.

Mr. Young noted pros: Ticketmaster is being used in more than 120 Amphitheaters, they have a major database; great image and bring in top artists, and there would be no duplication of tickets.

Mr. Young noted cons: There is an 18% fee, a 5% fee and 15% royalties, and a that a $100 ticket would cost $142.00.

There was a consensus of the Council to hold another meeting with Mr. Young regarding the Amphitheater, ticket sales and expenses.

Mayor Pro Tem Berry exited the meeting at 12:55 p.m.

Councilmember Barber agreed concert reports and information needs to be sent to the Interim Treasurer timely following each concert, and the city needs sponsorship information by category; and asked if any 2025 shows have been booked.

Mr. Young noted he is working with a top broker; however, no concerts can be booked until the budget is approved.

Mr. Gardiner noted the city's current model is not sustainable and will require a third party to book 2025 shows.

Councilmember Barber asked what is the impact to the Amphitheater budget when concerts are canceled or rescheduled.

Mr. Young stated artists and production must be paid for the canceled and second show.

Councilmember Gantt stated there needs to be negotiations on behalf of the city to include a Force of Nature clause; noted the wayfinding and promotion of events is the responsibility of the city; and noted the online color of seats need to be shaded differently to show seat sold and those seats that are still available, noting there needs to be more contrast in color. Mr. Gardiner noted $500,000 was approved for Phase I of the Wayfinding Project.

Councilmember Barber asked why would the city pay 100% of the expenses for the rescheduled concert due to factors that are out of our control (such as weather), and asked if the rescheduled shows are being renegotiated.

Mr. Young presented the remaining upcoming concerts; and suggested a Winter Wonderland and Pop-Up Ice Skating Rink Event at the Amphitheater (Pit Area) to run from November 29th through December 25th, noting the event aims to create a festive holiday atmosphere for the community, providing a unique and enjoyable family-friendly experience.

4. Financial Advisor - Presented by: Edmund Wall
Mr. Wall reviewed the city's Long-Term Debt noting as of December 31, 2021 highlighted Governmental Activities: URA revenue bonds $9,615,000; Public Facilities Authority revenue bonds $28,805,000; Accrued compensated absences $146,737; Net pension liability $86,699/ Business type Activities: GEFA notes payable $1,120,169; Accrued compensated absences $61,918, Net pension liability $54,490 for a total of Long-Term Debt Activity $1,236,577; reviewed the URA Revenue Bonds noting the City entered into an agreement with a financial institution that provided the issuance of revenue bonds for the purchase of land and construction of structures and improvements for the New Town Center. Various bond issues were used by the City during the purchase and construction phases. During the year ended December 31, 2021, the City repaid various bond issues in the amount of $745,000. Amounts outstanding at year-end of $9,615,000 reflect total drawdowns to date net of repayments, if any. Urban Redevelopment Fund long-term liabilities outstanding at December 31, 2021, are as follows: Series 2005 B Revenue bonds payable to Capital One Bank, in the total amount of $7,330,000, interest rate at 4.45%, matures 02/01/2031; Series 2006 A Revenue bonds payable to Capital One Bank, in the total amount of $4,795,000, current interest at 4.58%, matures 02/01/2031; Series 2006 C Revenue bonds payable to Capital One Bank, in the total amount of $5,000,000, current interest rate at 4.865%, matures 02/01/2031; reviewed the Public Facilities Authority Revenue Bonds noting the City entered into an agreement with a financial institution that provided for the issuance of revenue bonds for the purchase of land and equipment for the Amphitheater, and Cultural Arts Center, and the improvements of trails. Various bond issues were used by the City during the purchase and construction phases.

Amounts outstanding at year-end of $25,808,000 reflect total drawdowns to date net of repayments, if any. Public Facilities Authority Fund long-term liabilities outstanding at December 31, 2021, are as follows: Series 2021 B Revenue Bonds payable to Truist Bank in the total amount of $1,030,000, interest at 1.04%, matures 12/31/2025; Series 2021 A Revenue bonds payable to Truist Bank, in the total amount of $9,910,000, current interest at 1/32%, matures 12/31/2025; Series 2021 C Revenue bonds payable to Truist Bank in the total amount of $14,865,000, current interest at 2.53%, matures 12/31/2036; reviewed the Water and Sewer Long-term Debt, noting the City issues revenue bonds and enters into construction note agreements with the Georgia Environmental Finance Authority (GEFA) where in both types of debt the government pledges include derived from the acquired or constructed assets to pay debt service. Amounts outstanding at the end of the current fiscal year related to a note issued in 2010 to finance construction projects to improve the City's water distribution facilities. The note was issued by GEFA in the total amount of $1,911,900. During the year ended December 31, 2021, the City repaid $93,480 of the note payable. Amounts outstanding at year-end of $1,120,169 reflect total drawdowns to date net of repayments, if any, and presented a chart of the annual requirement to pay GEFA's note outstanding; presented the proposed Phase I and Phase 2 of the TAD (Tax Allocation District Project), noting a potential project $326 million dollars and potential revenue of $4,911,000 for the city; presented the Stockbridge 2023 Tax Digest of $1,925,738; presented the LOST Collections and proposed SPLOST VI share at 15% or $9,000,000/year over 6 years for a total of $54,000,000 or $58,000,000 as projected.

Councilmember Alexander expressed excitement of paying off the Amphitheater, taking financial pressure off the General Fund Budget, and commended the Council for bonding at the low interest rates in the 1's.

Mr. Wall noted the City at the time had an $18 million dollar fund balance that was turned into cash for projects; and agreed with great timing on the low interest rate compared to today; and noted the URA Bonds mature in 2031 and can be re-financed to take pressure off of the General Fund Budget.

Councilmember Barber asked if the funds can be re-allocated.

Mr. Wall's response was yes.

Councilmember Alexander noted there is Trail funding in TSPLOST.

Mr. Wall referenced HB581, a Statewide Referendum and would be a Statewide Constitutional Amendment that will be on the November 2024 ballot where the County can call for a 1% sales tax (LOST), and if passed, will reduce the City's millage rate, taking the burden off residents; noting there is no impact on businesses, and homeowners are automatically opted in and would have to opt out.

Councilmember Barber that this would be a win for homeowners, but a decrease in revenue for the City.

Recap - Presented by: Frederick Gardiner
Mr. Gardiner noted the take aways from the Budget Retreat – Evaluate Code Enforcement, Events, and the Amphitheater, noting the feedback from Council; noted revenues may be understated; and will revise the Budget Books to include page numbers and Department Tabs.

Councilmember Alexander asked for an update on the renovations of the roof collapse on North Henry Blvd.

Mr. Anderson noted he would provide the Council with an update on that project as well as the Best Western Plus hotel.

Councilmember Gantt asked if there is a time limit on projects, and if not recommended the Ordinance be changed.

Adjourn

Motion to adjourn the meeting at 2:47 p.m. was made by Councilmember Barber; seconded by Councilmember Alexander. The motion passed 4-0. (Mayor Pro Tem Berry was not present for the vote).

Respectfully submitted by:

Vanessa Holiday

Vanessa Holiday, City Clerk CMC

Anthony S. Ford

Anthony S. Ford, Mayor