

**Work Session Meeting of the Sandy Springs City Council was held on Tuesday, August 2, 2016, at 6:51 p.m., Mayor Rusty Paul presiding.**

**Councilmembers present:** Council Member John Paulson, Council Member Ken Dishman, Council Member Chris Burnett, Council Member Gabriel Sterling, Council Member Tibby DeJulio, and Council Member Andy Bauman.

**STAFF DISCUSSION ITEMS**

1. **16-296** City Springs Outdoor Art Program

**Art Sandy Springs Member Cheri Morris** stated Art Sandy Springs has had a robust relationship with the City of Sandy Springs over the last few years and she would like to take that to the next level. She gave a presentation on the City Springs Outdoor Art program.

**Mayor Rusty Paul** stated he asked Art Sandy Springs and the art gallery at Holy Innocents to focus on the interior of the new building to see how we can display high quality art and turn the art center the City is building into a true art gallery. Ms. Morris and her team are looking at the exterior gardens. He would like ideas brought to City staff on how to turn the Performing Arts Center (PAC) into a facility underlining the arts and extending that vision to the performing arts and visual arts.

**Council Member Ken Dishman** stated this will activate the huge investment the City is making and internationally will focus attention on the City.

Ms. Morris stated after the ribbon cutting for the playable art park one of her staff received an email from Bangladesh or Pakistan that they saw this event on the news.

Mayor Paul stated the mural at Morgan Falls athletic field turned out better than some thought it might.

**City Management**

2. **16-277** Consideration of Use of City Acquired Properties for Public Safety Employee Housing

**City Management Intern Jacob Wingate** stated City Staff, at the request of the City Council, was asked to research the viability of renting the homes located on properties purchased by the City on Hammond Drive. The property purchases are protective buys in anticipation of a road widening project, with construction still anticipated to be several years away. With improvements in the economy, the City has seen a rise in redevelopment, including this corridor with older homes, and the replacement with homes thousands of dollars higher than the original structures. As a result of these purchases, residents in the surrounding neighborhood have raised questions to the City Council regarding property upkeep and the option of renting current homes to public safety personnel. In researching this question, staff has identified several benefits. There is a perception a neighborhood becomes safer when public safety officials reside in the area. In addition, City employees residing in the area can benefit the City in both reputation and in support by building positive relationships with public community members. These employees may also see benefits from enjoying shorter commutes and in the event of an emergency, responding to posts in a timelier manner. There are also concerns. By owning the property and renting to employees the City thereby is taking on responsibilities. The houses purchased by the City will need to be evaluated to determine the amount of renovation and repair necessary to make the houses habitable. In addition, if the road improvement project moves forward, the houses will be demolished, thereby negating any renovation costs. The responsibility for and costs of ongoing repairs also will need to be carefully considered. Problems may arise after tenants take possession, including capital project repairs such as a roof or air conditioning system. There are also concerns specific to the City being both a landlord and the employer of an individual. Fairness is a matter that needs to be considered. If there are more individuals interested than properties available to rent, a fair selection methodology needs to be developed, such as a

lottery system. Additionally, the lease will need to be carefully constructed and fully reviewed to protect the City by including a list of termination events; the requirement of maintaining employment with the City; minimum and maximum lengths of occupancy; the obligations of the City and tenant for maintenance and repairs; and the City's right to inspection. After evaluating these benefits and the possible costs and risks for the City the Mayor and Council have the option to determine whether to rent the homes to City personnel or move forward with demolition of these structures, maintaining the property as greenspace until the commencement of construction if any such construction is approved. If Council does choose to move forward with this option, each housing unit should be considered on a case by case basis with a thorough evaluation and inspection that can forecast any possible costs including renovations, capital repairs, minor repairs, ongoing maintenance, and any other expected expenses. One of the important things for Council to determine in this process is the maximum dollar amount considered to be an acceptable City investment. If upon inspection the estimated repairs exceed this threshold, then the house will be demolished. If the costs do not exceed that threshold, he recommends the City solicit interest from Sandy Springs police officers and firefighters for each of the houses available for a time period of thirty days. If, after the designated time period, no one has expressed interest, the house will be demolished. If more than one employee expresses interest, a fair and impartial lottery will be conducted to award the benefit. The potential tenant will have the opportunity to review the terms of the lease with the City's Legal Office. If the tenant agrees to the terms, the City will then move forward on renovations and repairs. Another option that Council needs to determine is the rate the monthly rent will be established at, if there will be an annual escalator, and if so, what that will be. Employees will be responsible for the cost of utilities, minor repairs, and upkeep of the yard.

**Council Member Andy Bauman** stated in terms of the rental rate, it can be any number that Council chooses. One basis might be to look at where the employees are currently living. Staff could look at a reasonable rate tied to the cost of housing. The City is not looking to make money, but to draw employees to the City. This item was discussed before about creating subsidized incentives for police and fire to live in the City. Some of the police officers might have families or reside as singles with roommates. One police officer may potentially have two or three roommates. He asked if staff will look at that scenario. The City wants to facilitate for the neighborhood and officers as long as we can, with safe and clean attractive housing. Staff should consider whether the homes are being rented to families or a single person with a couple of roommates.

**Council Member Ken Dishman** stated he supports investigating this further. He has concerns about the liability this could potentially open up the City to. He wants to quantify what the potential liability is and not just in terms of legal action. There is also the liability of what if the HVAC stops working or some other major issue occurs when the property is occupied. What if the repair costs more than the rent for the whole year? He wants to see a financial analysis of all the properties. The odds are that will only happen with one property. Council can then make decisions from there. This is a great opportunity to bring in another private partner, such as a property management firm, as a part of the equation.

**Council Member Chris Burnett** stated it will be difficult for the City, especially if the City buys more of these houses, to be a property management company for a small number of rental houses. He recommends looking at a public/private partnership with a property management company. Perhaps the City could receive a flat fee on a house per house basis and the company makes a profit on the spread. The City will set the rent rate on what the officers are able to afford. He asked if staff has polled the officers to get an idea of what percentage of the force would like to live in the housing, if it is available to them.

**City Manager John McDonough** stated there are more than ten to fifteen employees. However, it was initially advertised as a no or low cost housing option.

City Management Intern Wingate stated there are currently fifteen police officers and five firefighters interested.

Council Member Burnett asked if the low cost rent amount was defined.

City Manager McDonough stated that is why staff is looking to Council for feedback.

**Council Member Gabriel Sterling** stated this is being done out of good intentions. He has a lot of concerns about the unknown that could hurt the City at some point. He agrees with the idea of investigating this and he likes the idea of a private management company. He thinks that a no cost rent option cannot be offered. When no cost is done there is no "skin in the game". Low cost makes sense, but he does not think the rent can be so low that it causes jealousy issues with the employees. The things that you cannot see and measure are the things he worries about. There are also the HVAC issues. If there is a portfolio of the properties, those issues may be able to be managed. The City is not trying to make money, but to have police officers and firefighters live in the City. He asked how many firefighters are interested in this.

City Management Intern Wingate responded five.

Council Member Sterling stated staff should continue to investigate. He wants to go through the potential downside on this as well.

Council Member Burnett asked if staff has had a chance to create an inventory list of what needs to be done to get the properties in livable condition.

City Manager McDonough stated no, staff has not.

Council Member Sterling asked how much the City is willing to invest in these properties to get them back to a level that is habitable. Will this amount be \$15,000, \$10,000, or \$20,000?

Council Member Dishman stated that will be part of the analysis that needs to be done.

Mayor Paul stated the original issue was if a house had been recently renovated, does the City want to demolish it. He does not think there is any desire from Council to start upgrading the homes to make them habitable. There may be one or two homes that currently will qualify for the rental program. His question is if it is just one house, how far does Council want to proceed with this. The thing that worries him is the unknowables. The City is operating with the greatest of intentions, but we need to make sure we understand all options. We need to make sure we truly understand what the worst case scenario could be. He cannot imagine the Council would want to spend any money upgrading a home to try and make it habitable. It would have to be habitable as it is to be able to qualify for the program.

City Manager McDonough stated staff is certain this will require a City subsidy. He does not see a circumstance where the City will break even in this program. Council needs to be aware that this will cost the City to execute.

**Council Member Tibby DeJulio** stated this conversation actually started about two to three months ago with Council Member Bauman asking about this. One of the houses the City purchased had been upgraded about five years ago. Since these houses are primarily in his and Council Member Burnett's district, he is familiar with a lot of them. Many of the homes need to be demolished, because they are in disrepair. There are several houses on Hammond Drive that people are living in that are very nice homes. We want to make sure they stay nice homes and the City does not wind up with issues by placing employees in these homes. The idea of having a property management company do the work for the City and make sure the homes area maintained would be good. The City spoke to the civic association in that area and they went to their board, which endorsed that idea. Everyone likes to have a police officer in the neighborhood. It is nice to have someone in the neighborhood with a police car. This is something that hopefully will not cost the City a whole lot of money, but it will cost the City something. This is something the City should pursue for the goodwill it provides to the neighbors and City employees.

Mayor Paul stated Council needs to give staff guidance.

City Manager McDonough stated the City owns two properties and just purchased another this evening. Staff needs direction on this.

**Council Member John Paulson** stated this is conceptual and great. The next thing we need to do is to have someone look at these houses to see what type of work is needed. Once the home is to a certain level and it is rented, there are insurance policies that can be purchased to cover costs such as if an air conditioning unit needs to be replaced. He is not sure how much money will need to be spent on each house to make it livable, but if that amount is \$25,000 to \$30,000 this program will not make sense. If the cost to repair the home is \$5,000 to \$10,000, that is more reasonable.

Council Member Bauman stated the money can be used for a subsidy program.

Mayor Paul asked that staff get an evaluation and estimate of what it will take to repair each home to make it habitable. If the cost is above a certain threshold, it would be cheaper to demolish the home. He does not think the City wants to get into the seven digit numbers for repair costs.

Council Member Paulson stated if it costs more to renovate a home than to tear it down, it is not worth it. The homes can be demolished for about \$15,000. If the City has to put \$30,000 into a property to make it habitable when it can be torn down for \$15,000, then it makes more sense to demolish the home.

Council Member Bauman stated this is a long term deal. Nothing is happening on the road project for a few years.

Council Member Paulson stated the Hammond Drive corridor is going to get decided on in the next couple of years.

There was a consensus of Council to have staff evaluate the homes to determine which are habitable and which are inhabitable in their present condition.

### **Legal**

3. **16-297** Consideration of an Ordinance to restrict the hours during which consumer fireworks may be lawfully discharged or ignited

**City Attorney Wendell Willard** stated within the last two years the General Assembly has addressed the question of fireworks. Prior to that time, Georgia did not allow the retail sale of fireworks and now the State does. Several Council Members spoke to staff about further control of the use of fireworks. In taking the parameters of the Georgia law we have prepared a proposed ordinance change. This ordinance change will make it a violation such that if one does not adhere to the ordinance, that individual can be cited and have criminal charges brought forward through the municipal court. The ordinance sets the hours during which persons can ignite fireworks based upon the language in the Georgia law. Section 38-64. Consumer Fireworks – restrictions, states “It shall be unlawful for a person to ignite or discharge, or cause to be ignited or discharged, any consumer fireworks on any day before 10:00 A.M. and after 9:00 P.M.; provided, however, it shall be lawful after the time of 9:00 P.M. and up to and including the time of 11:59 P.M. on January 1, July 3, July 4, and December 31 of each year and on January 1 of each year beginning at the time of 12:00 Midnight and up to and including the ending time of 1:00 A.M.”

**Mayor Rusty Paul** stated this takes the State law and places it in the City’s ordinance in order to be able to prosecute within the City’s court system.

**Council Member Andy Bauman** stated he has had a number of complaints from constituents about the fireworks and many were from dog owners. This ordinance is the most restrictive.

City Attorney Willard responded yes. Georgia law has preempted local governments. The sale of fireworks and their use is preempted by State law and the law lists the hours that are permissible.

Council Member Bauman asked if the City can tell people they cannot ignite fireworks.

City Attorney Willard responded no.

Council Member Bauman asked if the City's nuisance and sound ordinance are preempted by this language.

City Attorney Willard stated this will not preempt the noise ordinance. The City has provisions in the noise ordinance to address unusual noises. If someone is igniting legal fireworks during the hours permitted, it is hard to say it is a noise violation. If the fireworks are ignited after the hours allowed, that will be a violation of the noise ordinance as well as this ordinance before Council. This ordinance is more capable of being enforced than the noise ordinance.

Council Member Bauman stated if Code Enforcement is called for the igniting of fireworks during the allowed times, there is nothing the City can do. If a neighbor ignites fireworks into the trees in your yard or porch, that is still a private trespass. He asked if the citizen should then call the City or a lawyer.

City Attorney Willard stated a lawyer should be called. No legal recourse can be taken by the City unless the trespassing occurs on public property.

Council Member Paulson asked if this ordinance is in conflict with the City's nuisance ordinance.

City Attorney Willard stated the noise ordinance is not as easy to enforce because of what constitutes loud and harmful noises. If someone is complaining about fireworks that were ignited at 9:30 p.m. there is a noise, but the question is whether the noise is loud enough to be a nuisance. If fireworks are ignited after 9:00 p.m. it is a violation of the law, which will be a criminal violation.

Council Member Bauman stated based on some of the conversations he has had, some people have tried to speak to their neighbors regarding noises and it has not worked. Now they will have this ordinance to use as a tool.

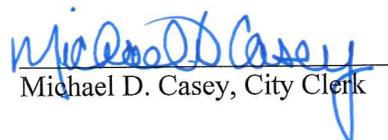
There was a consensus of Council to move this item forward to the next Regular City Council meeting.

There being no further discussion, the meeting adjourned at 7:27 p.m.

Date Approved: August 16, 2016



Russell K. Paul, Mayor



Michael D. Casey, City Clerk