
Work Session Meeting of the Sandy Springs City Council was held on Tuesday, June 19, 2012, at 8:55 p.m., Mayor Eva Galambos presiding.

CITY COUNCIL DISCUSSION ITEMS

1. Receive Update on Gwinnett Technological College RFP Process

Mayor Eva Galambos stated Rusty Paul is here to discuss the Gwinnett Technical College RFP. We are trying not to discuss the exact potential locations of the school. Discussing the locations may drive up the price of the real estate. Council has already been given general information about the locations.

Rusty Paul, Chairman of the Sandy Springs Perimeter Chamber of Commerce, stated the Chamber of Commerce has agreed to work with the City on the Gwinnett Tech project. The Chamber has tried to avoid potential locations for the college on Roswell Road and to avoid neighborhoods by looking at commercial areas in the City. Gwinnett Tech is asking for a \$5 million donation towards the project. The Chamber is looking at different financial options for the City with specific directed revenue coming back to the City to pay off expenditures. The Chamber is still reviewing sites that meet the RFP criteria and working with the City to prepare a proposal that will be submitted in response to the RFP.

One initiative of the Chamber this year is a "Healthcare Collaborative". The Chamber is working with three hospitals in Sandy Springs by leveraging these institutions in a positive way. As part of the economic development work, the Chamber is working with the City on the Gwinnett Tech project.

Councilmember John Paulson stated he had a constituent that heard about the Gwinnett Tech project and called him to say Sandy Springs already has enough colleges. He asked Mr. Paul to make a comment on that concern.

Mr. Paul stated one of the things that make Sandy Springs great is the great public schools and a plethora of private education. The quality of education has held up the home values in the City, even though the economy has seen a downturn. There are no public higher institutions of learning in Sandy Springs. The City does have satellite college campuses. There is no college in the City trying to create a 21st century job pool from the City's students. There is a tremendous amount of focus today on technical training for students. These students would be a tremendous value to the community in the quality of healthcare delivered to our citizens.

Councilmember Paulson stated following the previous RFP Sandy Springs was not placed on the short list by Gwinnett Tech and the City even had a firm \$5 million commitment.

Mayor Galambos stated Sandy Springs was short listed. Gwinnett Tech looked at the City's suggested site and loved it. It was eliminated because it was the pavilion, the building at Lake Hearn. Due to the columns being too close together, you cannot put classrooms in the building.

Councilmember Paulson stated he thought Sandy Springs had a good \$5 million commitment and Gwinnett Tech wanted to pick another location that did not have a solid commitment.

Mr. Paul stated Gwinnett Tech has changed the criteria. One of the significant criteria added is access to public transit. That is something Sandy Springs can leverage in spades because of MARTA. There are some other issues like the territorial aspect of which colleges and technical schools serve which areas. The college is coming over from Gwinnett into this area. Inside I-285 there are issues because of Atlanta Tech and some other schools. In talking with the board they do have the ability to authorize Gwinnett Tech to come into North Fulton. One of the things he recommends to the Mayor and others working on

this is to not get fixated on one site. He suggested matching the criteria the college is looking for, but at the same time trying to save the technical school a tremendous amount of money by getting them into another location that is underutilized. The underutilized location may not meet all the criteria, but the school could save money. The Chamber is trying to be creative in looking at locations and sites that may not always be exactly what fits the criteria. The Chamber wants at least one site that meets all the criteria and then they will make suggestions that the college might not consider based on normal situations.

Councilmember Chip Collins asked about the process for finding sites.

Mr. Paul stated one of the problems previously was the Governor was not going to approve a new facility and only approve existing space due to budgetary reasons. There now has been \$25 million set aside in bond funds authorized by the General Assembly in the last session for this particular project. Since there is now designated money for the project existing sites and new sites are both being considered. The RFP process includes experts in real estate are taking criteria and matching it with available property sites. The criteria includes existing facilities as well as undeveloped land for the purpose of constructing the college.

Councilmember Chip Collins asked about the criteria for the RFP.

Mr. Paul stated the RFP is public information.

Councilmember Collins stated about a week ago a real estate expert contacted him about a good location for Gwinnett Tech. He wants to make sure all options are being considered.

Councilmember Tibby DeJulio stated about two months ago he was watching TV and saw an ad for Gwinnett Tech. The advertisement stated Gwinnett Tech has a Sandy Springs location.

Mr. Paul stated Gwinnett Tech rents space located at the University of Phoenix off Northridge Road.

Mayor Eva Galambos stated North Springs High School in Sandy Springs will probably be one of the first high schools that will offer joint enrollment with Gwinnett Tech.

Mr. Paul stated other high schools in the nearby area may also be interested in joint enrollment.

Councilmember Gabriel Sterling stated it was mentioned that a Gwinnett Tech branch in Sandy Springs would offer medical training and information technology. He asked if the school has mentioned what the curriculum will be.

Mr. Paul stated the college will have their standard curriculum. The college wants to be located where the jobs in the area match up with the curriculum, which is in the healthcare area.

Councilmember Sterling stated the college wants to have 11,000 to 12,000 students enrolled when at full capacity.

Mayor Galambos stated the college will begin with 1,000 students.

Councilmember Sterling asked how many faculty members will be employed at the college when it reaches its full capacity.

Mr. Paul responded he does not know.

Councilmember Sterling asked about the deadline for submitting the RFP.

Mr. Paul stated before anything is done, Council will be briefed and this item will require the approval of Council before moving forward.

Mayor Galambos stated the City wants a traffic engineering analysis completed first. From this study the City will be able to determine if the revenue of the expected student body paying the parking fees will be sufficient to pay off the bonds for a parking deck. The City is not obligating itself to do something unless that condition can be met.

Mr. Paul stated there will have to be a revenue stream to support investments the City is asked to make.

Mayor Galambos stated the City is not going to sell any bonds until a traffic engineering study is done.

Mr. Paul stated there is a \$5 million gift criteria. If the City offers a solution that is significantly less than the \$25 million budgeted for the college, the \$5 million gift would decrease proportionately. That is another reason the Chamber of Commerce is looking at innovative ideas to drive down the cost of the facility in a way that would lessen the school's need for outside assistance.

Councilmember Sterling stated he is in favor of information technology and healthcare curriculum. He understands the college wants to be near transit. He asked if students will be coming from all areas to attend Gwinnett Tech or just from the City of Atlanta.

Mayor Galambos stated she believes the college is looking to target the Sandy Springs and Buckhead areas.

Mr. Paul stated the college is interested in Sandy Springs high school students attending the college.

Councilmember Karen Meitzen McEnery stated there is no anticipation of the City giving Gwinnett Tech \$5 million. In the last RFP, Sandy Springs was the only community that responded with a possible contribution of \$2.5 million. She wants assurance that the owner of the land is Gwinnett Tech before building a structure on the land using revenue bonds. She asked if the college is looking for existing space to purchase or existing space to lease.

Mr. Paul stated the college is not looking to lease a property, but to purchase and build the structures.

Councilmember Meitzen McEnery stated she finds it interesting that the college wants to be located near rapid transit and yet building a parking deck will be attractive to the college. Not only does the City need a traffic engineering analysis that demonstrates demand, but also revenue projections on how many students will use the transit system. She does not believe a lot of students will use MARTA, even if it is located near the college.

Mr. Paul stated not every site that might be proposed will involve a parking deck. A challenge in Sandy Springs is there are not many large parcels where surface parking can be located. A parking deck will not necessarily be on every parcel of land the college is considering. Sometimes a parking deck is a solution to a compact piece of land or a solution to allow the college to take advantage of the land use.

Councilmember Sterling stated if the college buys an existing structure that the City is currently receiving property taxes from, the City will lose that income roll once the building is purchased. He asked if the purchase of a property can be included in the \$5 million contribution.

Mr. Paul stated no matter where the college builds, the City will not be receiving property taxes from the new school property.

Councilmember Sterling stated he does not want to take away real estate inventory from some of the new larger businesses moving to Sandy Springs.

Councilmember DeJulio stated Gwinnett Tech will be providing a labor pool for high tech companies that are in the software development field.

Mayor Galambos stated she has heard that many jurisdictions are responding to the RFP. The other jurisdictions will have the same issue of not receiving property taxes from the new school property.

Mr. Paul stated the real economic development potential of this community is not in manufacturing and we do not want it to be in the service industry. We do want the development to be in services that will serve the community. The future is in wealth creation by providing different types of products. Healthcare is probably the fastest growing industry in the world. The City has tremendous infrastructure and existing assets that should be optimized as part of the process. One of the strongest magnets that will attract companies to Sandy Springs is the availability of a trained, knowledgeable, expert labor pool. The long term benefits of improved healthcare to the citizens will more than offset the loss of revenue the Council may be worried about. The quality of healthcare created in the community could extend lives.

Councilmember Meinzen McEnerny stated the City already has a first class outstanding healthcare delivery core.

Mr. Paul stated it is not so much the hospitals the City is trying to attract, but instead the research facilities.

Mayor Galambos stated the deadline to submit the RFP is July 1, 2012.

Councilmember Collins stated the City will benefit whether the college is inside the City limits or on the other side of the City limits. The most attractive concept is that the City may have a chance to redevelop areas where apartment complexes and shopping centers are located. Council was told for economic reasons that is probably not a possibility.

Mr. Paul stated the Chamber of Commerce is looking at a lot of locations as options.

Mayor Galambos stated the college should take advantage of proximity to the transit system to capitalize on the criteria.

Mr. Paul stated we are not only trying to create employees for the healthcare center, but also create employees for businesses that will come to Sandy Springs.

Mayor Galambos stated the Council needs to conceptually agree with where the Chamber of Commerce is going with the Gwinnett Tech plan and the City would offer the college a parking structure that would be paid for by parking fees. A study would need to be done that would verify the revenue from the parking garage to pay off the bonds.

Mr. Paul stated the City will have to get the college system to agree to dedicate the revenues for the purpose of paying off the bonds.

Councilmember Meinzen McEnerny asked what happens if the revenues are not enough to pay off the bonds.

Mayor Galambos stated if the City does not have a solid agreement with the college about fees, the City will not sign an agreement.

Councilmember Sterling asked if the City is going to submit possible college site suggestions that were received from the Chamber of Commerce in response to the RFP.

Mayor Galambos stated the Chamber of Commerce is looking at two possible sites. One of those sites is located at Abernathy Road and GA400.

Mr. Paul stated he believes the college will have a difficult time getting all the RFP criteria met with the deadlines stated.

Councilmember Collins asked if there are still discussions regarding private contributions being made for the college. The last proposal was half of the \$5 million would come from the City and the other half would come from private contributions.

Councilmember Meinzen McEnery stated the City has an economic incentive program. Another Fortune 500 company could request money from the City to construct a new building within the City limits.

Mayor Galambos stated the State has appropriated \$25 million to Gwinnett Tech to build a facility.

Councilmember Meinzen McEnery stated she would rather spend the effort on a private sector company that will bring in more income to the City.

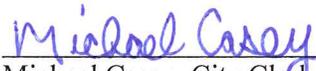
Mayor Galambos stated if the City can benefit from helping to bring a new company to the City, the Economic Development Advisory Committee will work on it.

There was a consensus of Council to move forward with a City supported response to the RFP.

There being no further discussion, the meeting adjourned at 9:25 p.m.

Date Approved: July 17, 2012


Eva Galambos, Mayor


Michael Casey, City Clerk