



CITY COUNCIL AGENDA ITEM

TO: Mayor & City Council **DATE:** April 6, 2012

FROM: John McDonough, City Manager

AGENDA ITEM: Consideration of the Extension of the Atlanta Grand Bohemian Hotel Land Disturbance Permit under Chapter 103, Article 6, Section 103-27(b)(4) Development Regulations Ordinance of the Code of the City of Sandy Springs

MEETING DATE: For Submission onto the April 17, 2012, City Council Regular Meeting Agenda

BACKGROUND INFORMATION: (Attach additional pages if necessary)

See attached:

Memorandum
Letter of Application

APPROVAL BY CITY MANAGER: JMM APPROVED

_____ NOT APPROVED

PLACED ON AGENDA FOR: 4/17/12

CITY ATTORNEY APPROVAL REQUIRED: () YES () NO

CITY ATTORNEY APPROVAL: SM

REMARKS:



To: John McDonough, City Manager

From: Angela Parker, Director of Community Development 

Date: April 10, 2012 for Submission onto the April 17, 2012 City Council Regular Meeting Agenda

Subject: Consideration of the Extension of the Atlanta Grand Bohemian Hotel Land Disturbance Permit under Chapter 103, Article 6, Section 103-27(b)(4) Development Regulations Ordinance of the Code of the City of Sandy Springs

Community Development Department Recommendation:

APPROVAL of the extension of the Atlanta Grand Bohemian Hotel Land Disturbance Permit for a period of 180 days due to inability to secure financing for the project.

Background:

On August 18, 2009, the Mayor and City Council amended Chapter 103, Article 6, Section 103-27(b)(4) Development Regulations Ordinance of the Code of the City of Sandy Springs to allow for extensions to Land Disturbance Permits by the Council should a project show justifiable cause as defined in the ordinance.

Discussion:

An extension of a Land Disturbance Permit is justifiable if an inability to obtain financing, despite documentation of the property owner's efforts during the three (3) months prior to the applicant seeking an extension and continuing until one (1) week prior to consideration of the extension request to the City Council. Documentation shall consist of two (2) official denials signed by officers of two (2) different lending institutions who have final jurisdiction over such financial transactions.

Alternatives:

The Council could choose not to approve the extension of the Atlanta Grand Bohemian Hotel Land Disturbance Permit, requiring the project to be permitted again under current codes and ordinances.

Financial Impact:

None.

Concurrent Review:

Wendell Willard, City Attorney
Cecil McLendon, Assistant City Attorney

Attachment:

Letter of Application for Extension and Determination of Justifiable Cause.

FOLTZ MARTIN LLC

ATTORNEYS AT LAW

5 PIEDMONT CENTER SUITE 750 ATLANTA GA 30305-1541
TELEPHONE 404-231-9397 / FACSIMILE 404-237-1659

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MAR 30 2012

March 30, 2012

City of Sandy Springs
Community Development

VIA ELECTRONIC and US MAIL

Patrice S. Dickerson, AICP
Manager of Planning and Zoning
Department of Community Development
City of Sandy Springs
7840 Roswell Road, Building 500
Sandy Springs, Georgia 30350

**Re: Sandy Springs Grand Bohemian Hotel
Land Disturbance Permit #200700031 ("LDP") issued to The Kessler
Enterprise, Inc.**

Dear Patrice:

The Kessler Enterprise is requesting an extension of time for commencement of construction under the LDP because of the continuing difficulty in obtaining hotel construction financing currently occurring in the credit markets. As we have stated before, the size of the construction loan involved for this project would require several banks to participate in the loan. Participating construction loans are still not available in the market place. (We have enclosed letters of denial from two construction mortgage lenders.)

The Kessler Enterprise continues to diligently pursue placement of construction financing for the project.

We understand this request will have to be brought before the Mayor and Council at a scheduled meeting. We would ask that this be heard at the April 17, 2012, meeting.

Kindly advise if there is anything further we can provide in order to help the Council and Mayor make a favorable decision on this request.

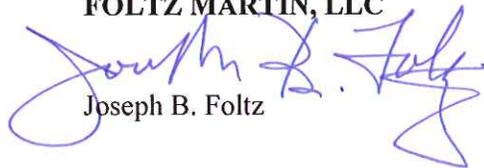
Thank you for your consideration in this matter.

Best regards.

Sincerely,

FOLTZ MARTIN, LLC

Joseph B. Foltz



JBF/lfm

cc: Mr. Day B. Dantzler, via email



PO Box 120 • Columbus, GA 31802

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MAR 30 2012

City of Sandy Springs
Community Development

September 27, 2011

Mr. Richard C. Kessler
President
Kessler Grand Bohemian Atlanta, LLC
4901 Vineland Rd.
Suite 650
Orlando, FL 32811

Re: Kessler Grand Bohemian Atlanta, LLC
Grand Bohemian Hotel – Atlanta
Construction Loan Financing

Dear Mr. Kessler:

We have reviewed your request relative to construction loan financing on the above referenced project. As the existing first lien holder on this land, given the current financial market conditions and restricted lending parameters in the banking industry and our institution, we are unable to provide financing at this time. When the lending environment returns to a more normal operational position, we would like to revisit this project. We certainly remain optimistic this project will be successful.

Thank you for presenting this opportunity to us and we hope to be able to entertain your request at a later date.

Very truly yours,

J. Mark Snead, Jr.
Vice President
Corporate Banking
CB&T- A division of Synovus Bank



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MAR 30 2012

March 26, 2012

Mr. Richard C. Kessler
President
Kessler Grand Bohemian Atlanta, LLC
4901 Vineland Rd.
Suite 650
Orlando, FL 32811

City of Sandy Springs
Community Development

Re: Kessler Grand Bohemian Atlanta, LLC
Grand Bohemian Hotel – Atlanta
Construction Loan Financing

Dear Mr. Kessler:

Thank you for your request for construction loan financing regarding the above captioned project. We have reviewed your request and, given the current financial market conditions and restricted lending parameters in the banking industry and our institution, we are unable to provide financing at this time. When the lending environment returns to a more normal operational position, we would like to revisit this project.

Thank you for presenting this opportunity to us and we hope to be able to entertain your request at a later date.

Very truly yours,

William C. Barr III
Senior Vice President
J.P. Morgan Chase Bank, N.A.