





To: John McDonough, City Manager

From: Ed Shoucair, Acting Director of Community Development 

Date: October 5, 2011 for Submission onto the October 18, 2011 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

A T T O R N E Y S   A T   L A W

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

September 27, 2011

VIA ELECTRONIC and US MAIL

**RECEIVED**

SEP 28 2011

Mr. Blake J. Dettwiler AICP Director  
Community Development Department  
City of Sandy Springs  
Morgan Fall Office Park  
7840 Roswell Road, Suite 500  
Sandy Springs, Georgia 30350

City of Sandy Springs  
Community Development

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

Dear Blake:

KGBA 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.

KGBA 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 October 18, 2011, 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



**RECEIVED**

OCT 04 2011

City of Sandy Springs  
Community Development

September 30, 2011

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

RE: Kessler Grand Bohemian Atlanta, LLC / Grand Bohemian Hotel Atlanta

Dear Mr. Kessler:

Thank you again so very much for your construction loan and permanent loan requests with regard to the aforementioned project. We appreciate our business relationship and your request. However, unfortunately due to the current economic conditions and the general state of the real estate markets; we must respectfully decline your request for construction loan financing and permanent loan financing for the aforementioned project at this time.

We hope you can appreciate our current decision. However, we certainly believe this project to have merits and it remains our hope to revisit the possibility of financing this project for you in the future.

Please phone me at (407) 283-6009 (direct) should you have any questions or need any further clarification with regard to our decision.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tyler P. Kurau', written over a horizontal line.

Tyler P. Kurau  
Central Florida Regional Executive

CC: Mr. Brian Py



PO Box 120 • Columbus, GA 31902

**RECEIVED**

OCT 04 2011

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. 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,

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