

**GOVERNMENT OPERATIONS COMMITTEE
MEETING MINUTES
Thursday, April 23, 2020**

Committee Members Present:

Commissioner Andy Herod, Committee Chair
Commissioner Patrick Davenport
Commissioner Tim Denson
Commissioner Melissa Link
Commissioner Jerry NeSmith

Committee Members Absent:

Visiting Mayor/Commissioners:

Staff:

Josh Edwards, Assistant Manager	Chris Caldwell, Assistant Finance Director
Sherrie Hines, Assistant County Attorney	Annette Loggins, Financial Services Administrator
Michael Petty, Assistant County Attorney	Jessica Beri, Purchasing Administrator
Andrew Saunders, Interim Central Services Director	Brad Griffin, Planning Director
Angel Helmly, Operations Analyst, Central Services	Doug Hansford, Building Inspections Director
Travis Cooper, Interim I.T. Director	John Spagna, Code Enforcement Div. Admin.
David Boyd, Finance Director	Krystle Cobran, Inclusion Officer

Committee Chair Herod called the meeting to order at 5:30 p.m.

A. Approval of Minutes:

Commissioner Link made the motion to approve the Minutes of the February 20, 2020 meeting. Commissioner Denson seconded the motion and it passed by unanimous vote.

B. Commission Identified Items of Interest:

Develop a consistent leasing policy for ACC properties, considering local community benefit provided by the tenant (Mayor Girtz assigned to GOC on June 4, 2019)

Assistant Manager Josh Edwards introduced the topic and gave a brief history.

Andrew Saunders reviewed the proposed policy. Staff revised the ability to pay clause to add language about a signed affidavit for agencies younger than three years in age that are applying for a reduced lease rate based on income. They will use this affidavit to project their 3 year income. Instead of having a standard 1 year lease renewable for four, they will have a 1 year renewable for 2. At the end of the 3 years, the agency will come back before the Commission to qualify for the reduced lease rate using their income statements.

Andrew explained that cost recovery for wear and tear is not the norm for the ACC Government. The policy was revised to say that under certain conditions, ACCGov may seek accelerated wear and tear costs, but if we do that it would have to be identified at the time the lease is established and approved by the Mayor and Commission. The conditions under which we might seek wear and tear would generally fall under the property uses from the zoning code listed in the table in the proposed policy. The type of facility and how many hours per week the facility would be used will be used as guidelines to determine how much, if any, wear and tear cost recovery will be recommended to the M&C as part of the lease approval. Costs will be set based

on our actual cost for maintenance and capital. Andrew said he also added a definition for normal wear and tear based on the Georgia Landlord Tenant Handbook. At Commissioner Davenport's request, staff will revise the policy to remove the word "partially" from the paragraph on accelerated wear and tear to read "ACCGov may seek to partially recover maintenance contributions..."

Discussion was held regarding facility rental income and revenue sharing. The Committee requested that staff revise the policy. Instead of an increase to the lease rate, there will be a clause that says if facility rentals exceed \$3600 a year, there would be a 10% revenue share.

Josh told the Committee that in order to get this policy in place by July 1, the GOC report needs to be on the agenda for the May/June cycle. Angel said that the Miriam Moore and Neighborhood Health Center were up for renewal on July 1.

Andrew stated that this is a big change in policy in both directions. Entities that have historically paid will be able to apply for a reduction and entities that have historically leased for a dollar will have an expectation to pay. Andrew suggested continuing to hold leases for \$1 for this coming fiscal year and then go ahead and let them know this is the adopted policy, these are the terms, and whether their lease renews next year or not to give individuals the opportunity to discuss with staff and to work on a Community Benefits Agreement. Then the policy could effectively go into application in the FY22 cycle. Commissioner NeSmith said that Andrew's suggestion is a very prudent thing to do. Commissioner Herod said that agencies that are going to see an increase will need time to address the increase in their budget. He thinks it is reasonable to let everyone know what is coming. Commissioner Denson said it would line everyone up to have the same lease date and Commissioners can review the lease agreements all at one time.

Commissioner NeSmith made the motion to:

1. Revise the policy to remove the modifying factor for rental income as a part of rent and add a standing clause that if rents received for a facility exceed \$3600 a year, there would be a revenue share of 10%; and
2. Forward the revised policy to the Mayor and Commission recommending that FY21 lease renewals remain at \$1/year, while staff notify ACCGov lessees of the new policy, with the policy going into effect July 1, 2021.

Commissioner Link seconded the motion and it passed by unanimous vote.

Review of short term rentals: tax payments same as hotels; possible permitting process; health and safety related issues (Mayor Girtz assigned to GOC on November 5, 2019)

Josh Edwards introduced the topic of short term rentals and stated that revenue estimates are based on previous experience before the current COVID-19 situation. In follow-up to the question asked at February's GOC meeting regarding a recommendation on the modules, staff recommends purchasing all modules of the software platform. Travis Cooper reached out to other companies to get a sense if this is a normal rate but there are not a ton out there that he could find. Because the total is \$66,000, staff automatically has to do an RFP. Staff's recommendation is that we would do an RFP and see who is in this realm and then staff would bring it back to the Committee and do demos and a full evaluation.

Commissioner Herod stated that the purpose is to work with an entity that will help us collect taxes that people should be paying. Commissioner NeSmith said that he got a notice last week from Airbnb that they are now required to collect taxes on short term rentals in Georgia. Sherri Hines said that is HB276 that went into effect April 1 regarding collecting sales tax. The

proposed bill regarding Hotel/Motel tax is HB448 and it is still pending. Sherri said another pending bill, HB523, would really curtail our ability to regulate these.

Commissioner Link suggested putting this item on hold until the general assembly goes through everything and the market stabilizes. Commissioner Herod said that the time frame for a Request for Proposals (RFP) is about 90 days. Commissioner Denson suggested going forward with the RFP process to see what is available. Jessica Beri suggested using a Request for Information (RFI) instead of a RFP.

Chris Caldwell reviewed the estimated hotel/motel tax revenue. Chris anticipates there will be some staff costs. Commissioner NeSmith said the \$5 Hotel/Motel State fee only applies to rentals that have 5 or more units, so the fee is not going to be collected.

Commissioner NeSmith made the motion to ask staff to bring back a draft RFI. Commissioner Davenport seconded the motion and it passed by unanimous vote.

Home Occupations Ordinance review, including consideration of noise-creation, material and vehicle storage, and allowances for in-home child care at the (greater) population level permitted by the state (Mayor Girtz assigned to GOC on December 3, 2019)

Josh Edwards said that there were two follow-ups on this subject. Commissioner Davenport had asked a question about vehicle storage as a part of the home occupation ordinance review. Doug Hansford said that junk vehicles cannot be parked outside but they can be stored in a building. John Spagna said that specifically each business can have one business vehicle at the residence. Commissioner NeSmith said that if someone does not have a home occupation license, they can park as many of their business vehicles at their home as they wish. Doug said that is true if they cannot prove the vehicles are business vehicles. Josh said that this gets back to the essential problem of making sure that those that should have an occupation license have one and how to make sure people go through that process. Michael Petty said we have parking ordinances that could address some issues but not if they are parked in their driveway.

In response to the second follow-up question, Doug prepared some follow-up on the daycare portion of the home occupation ordinance review. Doug said that basically the code classifies different uses of buildings and daycare is classified as either institutional or educational. There is an exception in the code that says that if the daycare is part of single-family dwelling and there is not more than 5 children, it can be considered a single-family dwelling use. To increase limit to 5 children, no code changes have to happen. They just have to get the proper licensing from the State to run a daycare in their home. The State allows up to 6 in a home without triggering any of the fire marshal codes such as alarm systems, sprinklers and additional exiting. We can increase from 4 to 5 with no code changes, just a text amendment to the zoning ordinance. If want to take to 6, can adopt an appendix in the International Residential Code that would allow for 6 with some components that must be present or installed prior to use for daycare.

The committee asked for clarification on requirements required by the State for daycare in single-family dwellings and about crossover times for children. Commissioner Denson requested that Clayton Adams, the head of DECAL (Georgia Department of Early Care and Learning) for this region, be invited to attend the next GOC meeting. He can answer the committee's questions and talk about the regulations for Georgia Licensing standards and the community need aspect.

Review and make recommendations regarding contracting and procurement activities related to minority, local and underserved businesses, to create a favorable business environment and enhance local wealth creation. This should include outreach efforts and measureable goals and tracking. (Mayor Girtz assigned to GOC on February 4, 2020)

Sherri Hines referred to the memo she sent to the GOC members regarding Minority Business Enterprise Programs. The Supreme Court ruling on the City of Richmond v. J.A. Croson Co. case states that generally a government cannot do any sort of minority or gender based programs unless it can prove that it has a documented, verifiable history of discriminating against those specific groups and that it is trying to address that.

Commissioner NeSmith asked if we are able to give preference to local businesses. Sherri said the solution is to set up a program that focuses on small, local businesses.

Commissioner Herod said that several years ago LRC looked at giving preference to local businesses in contracting and it is a bit more complicated than you would think. The Committee at that time decided there were more negatives than there were positives. He requested that staff find that report and provide it to the GOC for review.

Commissioner Denson asked if there are any cities that have successfully been able to reach that marker of establishing that there has been a grave injustice to specific races. Sherri said she is not aware of any. She said there are communities that have created MBE programs but they have not been challenged and there are communities that have set up small local business enterprise programs.

Commissioner Link asked if we could set up some minority business programming that offers some training. Josh said that staff has spent some time brainstorming and he has attached a flow chart they created that shows the RFP process.

Krystle Cobran said they started thinking through the existing procurement process and what might be some of the barriers to increased participation. One thing that can be done is to find ways to provide tip to tale human support. Krystle said that both Toro Holt and Jessica Beri of the Finance Department noted that when vendors are able to ask questions and have multiple conversations and get in-person support, it helps them get into the pipeline and stay in the pipeline. In more than one instance a vendor has been able to successfully compete for a bid after getting insight from Toro on how to effectively complete and strengthen their quote.

Krystle said that one thing that we could do to start would be to explore practical ways to increase human support throughout the process and provide that from the very beginning and that includes proactive outreach. That includes finding ways to make the process as accessible and transparent as possible, not expecting people to come find the process but instead taking programming out into our communities. The essential action step would be to expand our capacity to meet people where they are and provide real human support at every single stage of the procurement application process.

The second thing we could do is adapt our language so we could use easy to understand language. The language that we currently have can be extremely difficult to understand. One of the things that Finance is currently doing to help support potential vendors is taking the time to break things down in face to face interactions. By actively and systemically simplifying the language and refining the process, finding ways to streamline it, we can help to make sure that more vendors actually understand the requirements and the steps that are involved. The

potential action step would be to identify all existing procurement documents, requirements and processes and begin the process of simplifying and streamlining.

A third thing that we could do is expos. In the past, we have done expos in combination with UGA. It is essentially like a reverse trade show where there are tables for UGA departments and ACCGov where vendors can come and find out what it would take to be able to bid for opportunities to work with those various departments. If we could find a way to put on one of these expos, even if it is virtually, it could provide an opportunity to give hands-on support. Could include a session onsite breaking down the steps that are involved through explaining here is how to be as competitive as possible. As we take the other steps outlined above, the tip to tale human support and the easy to understand language, we may be able to target some of the goals that the Committee mentioned.

Commissioner Link said that this is exactly what she was imagining and she is also thinking about how to help small businesses that are trying to expand and are befuddled by our planning process. She said that if we move forward with this kind of handholding process, she would like to take a look at our Planning Department process as well.

Commissioner Herod asked Krystle if it would be possible to get a one page write-up of the information she just shared so the Committee knows what we are doing and some of the improvements that staff is talking about doing.

Jessica Beri said there is always the potential that staff could do classes of how to do business with Athens-Clarke County or just general classes to go over the language in the document.

Sherri Hines said that since the original question was about minority programs to assist, she wanted to clarify that equal production is important so it is best to make these general programs that are available to everyone. As long as we are doing outreach to everyone, it is acceptable. Have to treat similarly situated people the same.

The meeting adjourned at 7:15 p.m.