

Unified Government of Athens-Clarke County, Georgia  
Mayor and Commission  
Special Called Session  
Tuesday, November 21, 2017  
6:00 p.m.  
City Hall

The Mayor and Commission of the Unified Government of Athens-Clarke County, Georgia met this date in a special called session. Present: Mayor Pro tem Wright; Commissioners Dickerson, Sims, Link, Bailey, NeSmith, Bell, Herod, Girtz, and Hamby. Absent: Mayor Denson. Mayor Pro tem Wright presided.

The purpose of the meeting was to consider a contract with Athens Hospitality Holdings, LLC and enter into executive session for discussion of real estate acquisition and/or disposal.

#### Citizen input

There was no citizen input.

#### New business – Consider under suspension of Rules

A motion was made by Commissioner Sims, seconded by Commissioner Bailey, to suspend Rules of Commission for consideration of one item of new business. The motion passed by unanimous vote.

A motion was made by Commissioner Herod, seconded by Commissioner Dickerson, to adopt the following resolution and associated documents. The motion passed by unanimous vote.

### RESOLUTION

BE IT RESOLVED BY THE MAYOR AND COMMISSION OF ATHENS-CLARKE COUNTY:

WHEREAS, the Unified Government of Athens-Clarke County (the “Unified Government”) owns a parcel of land in Athens-Clarke County, Georgia bounded by E. Strong Street, N. Jackson Street, E. Dougherty Street, and College Avenue, having an address of 250 E. Strong Street (the “Strong Street Property”), and

WHEREAS, representatives of Athens Hospitality Holdings, LLC, an investment and development group affiliated with the Hotel Indigo (“Developer”), which lies adjacent to the Strong Street Property, approached representatives of the Unified Government about development of a multi-use project on the Strong Street Property, that would include lodging complementary to Hotel Indigo and related amenities, and

WHEREAS, Unified Government staff entered into negotiations with the Developer regarding development of such a multi-use project on the Strong Street Property that, for the benefit of the Unified Government and the community, would also include the following elements: (i) at least 10,000 square feet of office space to be owned and used by the Unified Government for offices for its Economic Development Department and other related entities and for use by startup companies (the “Unified Government Office Property”), (ii) at least 10,000 square feet of office space dedicated to co-working activities to be owned and operated by the Developer or its assignees, (iii) a public plaza with public art, (iv) a rooftop bar, (v) event space, (vi) an upscale restaurant, (vii) up to 72 underground parking spaces, (viii) establishment prior to project opening of a \$3 million fund to be invested in local start-up businesses over a five-year period with a Unified Government contribution of \$25,000 per year of money or services of equivalent value (the “Unified Government Community Elements”), and

WHEREAS, the Developer has proposed that development of such a project will require abandonment of the segment of E. Strong Street between N. Jackson Street and College Avenue and conveyance of such property to the Developer for incorporation into the project, and

WHEREAS, the Developer proposes that the Unified Government in conjunction with a local statutory or Constitutional authority convey the necessary air and subterranean rights in

and to the Strong Street Property to the Developer along with the abandoned E. Strong Street right-of-way, with the purchase price for the Strong Street Property air and subterranean rights interests being placed in escrow pending completion of construction of the project, and the purchase price for the abandoned E. Strong Street right-of-way being paid directly to the Unified Government or a designated authority;

WHEREAS, under such Developer's proposal, upon completion of the proposed project and the Unified Government Office Property, the escrowed funds would be disbursed to the Developer as payment for the Unified Government Office Property, and

WHEREAS, the Developer and the Unified Government desire to continue to pursue development of the proposed project and all due diligence activities, preparation of building plans and other negotiations as may be necessary to that end, and

WHEREAS, the Unified Government will incur expenses for architectural, legal and appraisal services with respect to the within described proposal, and the Developer has agreed to pay for a portion of fees for such services, and a letter agreement providing for such payment is attached hereto as Exhibit 1 (the "Fee Agreement"), such Fee Agreement also includes as an exhibit thereto a non-binding term sheet which includes additional details about the proposed transaction and a schedule for the Developer's due diligence activities and for development of a master purchase agreement and other related documents, and

WHEREAS, the Developer desires to enter into an agreement to obtain access to the Strong Street Property and the E. Strong Street segment to conduct certain due diligence activities thereon to determine if the project as proposed is feasible, and an agreement providing for such access and protection of the parties' interests is attached hereto as Exhibit 2 (the "Due Diligence Access Agreement"), and

NOW, THEREFORE, BE IT RESOLVED that the Mayor and Commission do hereby resolve as follows:

(1) That the proposed transaction as described herein, including the Unified Government Community Elements, which are hereby approved, merits further discussion and negotiation between Unified Government staff and representatives of the Developer.

(2) That the Manager and his designees are authorized to continue such discussion and negotiation and to bring any proposed master purchase agreements or related documents to the Mayor and Commission for further review and action.

(3) That the Mayor is authorized to execute the Fee Agreement and the Due Diligence Agreement.

A motion was made by Commissioner Dickerson, seconded by Commissioner NeSmith, to enter into executive session for discussion of real estate acquisition and/or disposal. The motion passed by unanimous vote.

The meeting adjourned at 6:09 p.m.

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Clerk of Commission