City of Holly Springs

Date: Wednesday, November 15, 2023
Location: 3235 Holly Springs Parkway

Downtown Development Authority of Holly Springs
Business Meeting Agenda
6:00 p.m.

I. CALL TO ORDER

II. NEW BUSINESS

A. Discuss and approve/deny a lease agreement for Suite A in the Train Depot among the City of Holly Springs, Georgia, the Downtown Development Authority of Holly Springs, and Stonecrest Homes, GA LLC
Presented by: Robert H. Logan, City Manager

B. Discuss and approve/deny the 2024 Proposed Downtown Development Authority Budget
Presented by: Robert H. Logan, City Manager

C. Discuss and approve/deny a recommendation to the City Council to appoint Ollie Evans, Abbey Gray and Andrea Johnston to the Downtown Development Authority and Urban Redevelopment Agency
Presented by: Robert H. Logan, City Manager

D. Approve/deny September 27, 2023 Downtown Development Authority meeting minutes

III. ADJOURNMENT

LEASE AGREEMENT

This Lease Agreement entered into this 1st day of December, 2023 among the DOWNTOWN DEVELOPMENT AUTHORITY OF HOLLY SPRINGS ("Landlord"), CITY OF HOLLY SPRINGS, GEORGIA and STONECREST HOMES GA, LLC. ("Tenant").

In consideration of the mutual covenants and agreements of this lease, and other good and valuable considerations, Landlord demises and leases to Tenant, and Tenant leases from Landlord, the Suite A in the Holly Springs Train Depot located at 164 Hickory Road, Holly Springs, Georgia 30115. This Lease is for the Suite A of the Holly Springs Train Depot only, but Tenant may use the parking lot and common areas inside the Holly Springs Train Depot. Suite A of the Holly Springs Train Depot shall be referred to as "the premises" or "the leased premises."

1. TERM OF LEASE

The term of this lease is one year beginning on December 1, 2023 and ending on November 30, 2024. The lease shall automatically be renewed for successive one (1) month terms, upon the same terms and conditions listed in this agreement unless either party notifies the other in writing at least 30 days before the end of a lease term that it does not desire to extend the lease. In addition, either party may terminate the lease at any time by giving a 30-day written notice to the other party that it wishes to terminate the lease.

2. RENT

Commencing on the 1st day of December, 2023, Tenant will pay Landlord on or before the twentieth (20th) day of each calendar month in advance five-hundred dollars ($500.00) (the "Rent"), at the address set forth above. If the Commencement Date is in the middle of the month, Rent will be prorated for that month. The initial Rent payment will be forwarded by Tenant to Landlord within fifteen (15) days after the Commencement Date.

3. USE OF PREMISES

Tenant represents and warrants to Landlord that Tenant intends to use the premises for office uses only. Tenant's use of the premises is restricted to those purposes specified in this section unless Tenant obtains Landlord's prior written consent to any change in use. Tenant may not use, or permit using, the premises in any manner that results in waste of premises or constitutes a nuisance or for any illegal purpose.

4. REPAIRS AND MAINTENANCE

a. Repairs and Maintenance by Tenant. Tenant will, throughout the lease term and any extensions of it, at its own expense and risk, maintain the premises and all improvements in them in good order and condition, including but not limited to making all repairs and replacements necessary to keep the premises and improvements in that condition. All maintenance, repairs, and replacements required by this section must be performed promptly when required and so as not to cause depreciation in the value of the premises.

b. Tenant's Failure to Repair or Maintain. If Tenant fails to perform its obligation to repair, replace, or maintain, as set forth in (a) above, within a reasonable time after notice from Landlord of the need for the repair, replacement, or maintenance, Landlord may enter the premises and make the repairs or replacements, or perform the maintenance, or have the repairs or replacements made or maintenance performed, at its own expense. On Landlord's notice to Tenant of the performance and cost of any maintenance, repairs, or replacements under this section, Tenant must immediately reimburse Landlord for any reasonable costs incurred by Landlord under this section, together with interest on the sum at the highest legal rate from the date of the notice until the date paid by Tenant to Landlord.

5. UTILITIES

a. Utility Charges. Landlord will pay all utility charges for water, electricity, heat, gas, and telephone service used in the premises during the lease term.

6. ALTERATIONS, ADDITIONS, AND IMPROVEMENTS

a. Consent of Landlord. Tenant may not make any alterations, additions, or improvements to the premises without Landlord's prior written consent. Landlord may not unreasonably withhold consent for nonstructural alterations, additions, or improvements.

b. Property of Landlord. All alterations, additions, or improvements made by Tenant will become Landlord's property when this lease terminates. But Landlord may require that Tenant remove any alterations, additions, and improvements installed or made by Tenant, and any other property Tenant placed on the premises when the lease terminates. If Landlord requires Tenant to remove the alterations, additions, or improvements, Tenant must repair any damage to the premises caused by the removal.

c. Alterations Required by Accessibility Laws. If any alterations, additions, or improvements to the premises are mandated by legal requirements related to accessibility by persons with disabilities ("accessibility alterations"), Landlord is responsible for making them. This allocation of responsibility for compliance with such legal requirements is a material inducement for the parties to enter this lease.

7. TRADE FIXTURES AND SIGNS

a. Trade Fixtures. Tenant may, at all times, erect or install shelves, bins, machinery, equipment, or other trade fixtures, in, on, or about the premises, if Tenant complies with all applicable governmental laws, ordinances, and regulations regarding the fixtures. Tenant may remove all trade fixtures when this lease terminates if Tenant is not in default under the lease and the fixtures can be removed without structural damage to the building. Tenant must repair any damage to the premises caused by removing trade fixtures, and all the repairs must be completed before the lease terminates. Any trade fixtures not removed by Tenant when this lease terminates are considered abandoned by Tenant and will automatically become Landlord's property. If any trade fixture installed by Tenant is abandoned when the lease terminates, Tenant must pay Landlord any reasonable expense actually incurred by Landlord to remove the fixture from the premises, less the fair market value of the fixture once removed, if the fixture is removed within 30 days after Tenant has surrendered possession of the premises or before any subsequent tenant enters the premises or Landlord uses the trade fixtures.

b. Signs. Tenant may erect signs on any portion of the premises, including but not limited to the exterior walls, subject to applicable laws, ordinances, and regulations. Tenant must remove all signs when this lease terminates and repair any damage resulting from erecting or removing the signs.

8. MECHANIC'S LIENS

Tenant will not permit any mechanic's lien or liens to be placed upon the premises or improvements on the premises. Tenant will promptly pay any mechanic's lien that is filed on the premises or on improvements located on the premises. If default in payment of the lien continues for 20 days after Landlord's written notice to Tenant, Landlord may, at its option, pay the lien or any portion of it without inquiring into its validity. Any amounts Landlord pays to remove a mechanic's lien caused by Tenant to be filed against the premises or improvements on them, including expenses and interest, are due from Tenant to Landlord and must be repaid to Landlord immediately on rendition of notice, together with interest at twelve percent annually until repaid.

9. INSURANCE AND INDEMNITY

a. Liability Insurance. Tenant, at its own expense, must provide and maintain in force during the lease term, liability insurance in the amount of $1,000,000. The policy must cover Landlord as well as Tenant, for any liability for property damage or personal injury arising from Tenant's occupying or using, or Landlord's owning the premises. This insurance is to be carried by one or more insurance companies authorized to transact business in Georgia and approved by Landlord.

b. Remedy for Failure to Provide Insurance. Tenant must furnish Landlord with certificates of all insurance required by this article. If Tenant does not provide the certificates within 30 days after request by Landlord, or if Tenant allows any insurance required under this article to lapse, Landlord may, at its option, take out and pay the premiums on the necessary insurance to comply with Tenant's obligations under this article. Landlord is entitled to reimbursement from Tenant for all amounts spent to procure and maintain the insurance, with interest at the rate of twelve percent annually from the date Tenant receives Landlord's notice of payment until reimbursement.

c. Tenant's General Indemnity. Tenant must indemnify and hold Landlord harmless against any claims, demands, damages, costs, and expenses, including reasonable attorney's fees for defending claims and demands, arising from the conduct or management of Tenant's business on the premises or its use of them; from any breach by Tenant of any conditions of this lease; or from any act or negligence of Tenant, its agents, contractors, employees, subtenants, concessionaires, or licensees in or about the premises. If any action or proceeding is brought against Landlord by reason of any such claim, Tenant, upon notice from Landlord, will defend the action or proceeding by counsel acceptable to Landlord. This section survives the expiration or earlier termination of this lease.

10. DEFAULT

(a) Tenant's Default. If Tenant is in breach of any of the terms of this Lease, and has failed to cure such breach within thirty (30) days after written notice of the breach from Landlord, Landlord may, at its option, without notice to Tenant, terminate this lease, or, in the alternative, Landlord may reenter and take possession of the premises and remove all persons and property without being considered guilty of any manner of trespass.

(b)Cumulative Remedies. All of Landlord's rights and remedies under this Section are cumulative, and none will exclude any other right or remedy provided by law or any other provision of this lease. All the rights and remedies may be exercised and enforced concurrently and whenever occasion for their exercise arises.

(c) Waiver of Breach. Any waiver by Landlord of a breach of this lease by the other party does not constitute a continuing waiver or a waiver of any subsequent breach.

11. INSPECTION BY LANDLORD

Tenant will permit Landlord and its agents, representatives, and employees to enter the premises at all reasonable times for the purpose of inspection or any other purpose necessary to protect Landlord's interest in the premises or to perform Landlord's duties under this lease.

12. ASSIGNMENT AND SUBLEASE

a. Tenant may not sublet, assign, encumber, or otherwise transfer this lease, or any right or interest in it or in the premises or the improvements on them, without Landlord's written consent. If Tenant sublets, assigns, encumbers, or otherwise transfers its rights or interests in this lease or in the premises or the improvements on them without Landlord's written consent, Landlord may, at its option, declare this lease terminated. If Landlord consents in writing to an assignment, sublease, or other transfer of all or any of Tenant's rights under this lease, the assignee or subtenant must assume all of Tenant's obligations under this lease, and Tenant will remain liable for every obligation under the lease. Landlord may not arbitrarily or unreasonably withhold consent under this section.

13. MISCELLANEOUS

a. Notices and Addresses. All notices required under this lease must be given by certified or registered mail, addressed to the proper party, at the following addresses:

LANDLORD:	TENANT:
Downtown Development Authority of Holly Springs P.O. Box 990 Holly Springs, GA 30142	Stonecrest Homes GA, LLC 625 West Crossville Rd. Ste. 204 Roswell, GA 30075

Either party may change the address to which notices are to be sent by sending written notice of the new address to the other party in accordance with this section.

b. Parties Bound. This agreement binds and inures to the benefit of the parties to the lease and their respective heirs, executors, administrators, legal representatives, successors, and assigns when this agreement permits.

c. Choice of Law. This agreement is to be construed under Georgia law, and all obligations of the parties created by this lease are performable in Cherokee County, Georgia.

d. Legal Construction. If one or more of the provisions contained in this agreement is for any reason held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability will not affect any other provision of the agreement, which will be construed as if it had not included the invalid, illegal, or unenforceable provision.

e. Prior Agreements Superseded. This agreement constitutes the parties' sole agreement and supersedes any prior understandings or written or oral agreements between the parties with respect to the subject matter.

f. Amendment. No amendment, modification, or alteration of this agreement is binding unless in writing, dated subsequent to the date of this agreement, and duly executed by the parties.

g. Rights and Remedies Cumulative. The rights and remedies provided by this lease are cumulative, and either party's using any right or remedy will not preclude or waive its right to use any other remedy. These rights and remedies are in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

h. Attorney’s Fees and Costs. If, as a result of either party's breaching this agreement, the other party employs an attorney or attorneys to enforce its rights under this lease, then the breaching or defaulting party will pay the other party the reasonable attorney's fees and costs incurred to enforce the lease.

i. Force Majeure. Neither Landlord nor Tenant is required to perform any term or covenant in this lease so long as performance is delayed or prevented by force majeure, which includes acts of God, strikes, lockouts, material or labor restrictions by any governmental authority, civil riot, floods, hurricanes, and any other cause not reasonably within Landlord's or Tenant's control and that Landlord or Tenant cannot, by exercising due diligence, prevent or overcome, in whole or part.

j. Time of Essence. Time is of the essence of this agreement.

The undersigned Landlord and Tenant execute this agreement on the 20th day of November, 2023.

LANDLORD

____

Downtown Development Authority
of Holly Springs
Ollie Evans
Chair

TENANT

____

Stonecrest Homes GA, LLC
Charles D. Heiser, Jr.
Manager

____

City of Holly Springs, Georgia
Steven W. Miller
Mayor

City of Holly Springs
Fiscal Year 2024 Proposed Budget
Downtown Development Authority

Account Number	Description	Budgets FY2023 Budget	FY2024 Budget	Variance
555-0000-13-4000	Prior Year Fund Balance	5,000	5,000	-
555-0000-39-2200	Proceeds from Sale of Property	2,300,000	2,550,000	250,000
	TOTAL REVENUES	**$ 2,305,000**	**$ 2,555,000**	**$ 250,000**
555-7550-52-3600	Dues and Fees	500	500	-
555-7550-52-3700	Training	250	250	-
555-7550-53-1700	Other Expenditures	250	250	-
555-7550-57-1000	Stormwater	2,500	2,500	-
555-7550-57-2000	Sponsorships	1,500	1,500	-
555-7550-61-1000	Transfer to Primary Government	2,300,000	2,550,000	(250,000)
	TOTAL EXPENDITURES	**$ 2,305,000**	**$ 2,555,000**	**$ (250,000)**

Downtown Development Authority of Holly Springs
Meeting Minutes
September 27, 2023

Members Present: Chair Ollie Evans, Treasurer Maggie Grayeski, Secretary Andrea Johnston, Vice Chair Scott Owen, and Ryan Smith.

Members Absent: Abbey Gray and Kyle Whitaker.

Staff Present: City Manager Robert H. Logan, Communications & External Affairs Director Erin Honea, and Lieutenant Sam Rentz.

Ollie Evans called the meeting to order.

Scott Owen made a motion to amend the September 27, 2023 Downtown Development Authority of Holly Springs Agenda to remove Item IIIA, Discuss opening a certificate of deposit at South State Bank and moving the DDA checking account to South State Bank, and to add Item IID, Discuss and approve/deny a resolution of the Downtown Development Authority of the City of Holly Springs to close the Downtown Development Authority checking account and Certificate of Deposit at Ameris Bank and to authorize the City Manager and/or Finance Director to close the Downtown Development Authority of Holly Springs checking account and Certificate of Deposit and Item IIE, Discuss and approve/deny a resolution of the Downtown Development Authority of the City of Holly Springs to open a Downtown Development Authority checking account and Certificate of Deposit at South State Bank and to authorize the City Manager and/or Finance Director to open a Downtown Development Authority of Holly Springs checking account and Certificate of Deposit. Andrea Johnston seconded the motion. Motion carried 5-0.

Maggie Grayeski made a motion to approve Declaration of Covenants, Conditions, Restrictions, and Easements for the City of Holly Springs Town Center City Homes. Scott Owen seconded the motion. Motion carried 5-0.

Scott Owen made a motion to approve Change Order No. 1 from Stonecrest Homes for the Train Depot. Ryan Smith seconded the motion. Motion carried 5-0.

Ollie Evans made a motion to approve the July 19, 2023 meeting minutes. Andrea Johnston seconded the motion. Motion carried 5-0.

Scott Owen made a motion to approve a resolution of the Downtown Development Authority of the City of Holly Springs to close the Downtown Development Authority checking account and Certificate of Deposit at Ameris Bank and to authorize the City Manager and/or Finance Director to close the Downtown Development Authority of Holly Springs checking account and Certificate of Deposit. Ollie Evans seconded the motion. Motion carried 5-0.

Scott Owen made a motion to approve a resolution of the Downtown Development Authority of the City of Holly Springs to open a Downtown Development Authority checking account and Certificate of Deposit at South State Bank and to authorize the City Manager and/or Finance Director to open a Downtown Development Authority of Holly Springs checking account and Certificate of Deposit. Maggie Grayeski seconded the motion. Motion carried 5-0.

Ollie Evans made a motion to adjourn. Andrea Johnston seconded the motion. Motion carried 5-0.

Meeting adjourned.

Respectfully Submitted.

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Ollie Evans, Chairman

Attest:

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Erin Honea, Communications & External Affairs Director