



Dr. Dan A. Sims, Superintendent

ACTION MEMORANDUM

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TO: Bibb County Board of Education, Dr. Dan A. Sims, Superintendent

FROM: Sherry Culves, Interim Legal Counsel

SUBJECT: PILOT Agreement Proposal for Parking Deck Project

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Summary

The Macon-Bibb County Urban Development Authority (the “UDA”) and Macon-Bibb County Government (“County”) seek the School District’s consent to the use of PILOT funding (including the School District’s educational taxes) to pay the costs of constructing a parking deck in downtown Macon. To consent the Bibb County Board of Education (the “Board”) would adopt the attached Resolution approving the PILOT Agreement.

Background

The UDA is providing incentives to Gateway/75, LLC and its affiliates DT Walton Parking, LLC and DT Walton Lofts, LLC (collectively the “Company”) for the construction of a parking deck (354+/- spaces), mixed use retail space (7000+/- sq. ft) and 147+/- apartment units (majority of which are 1 bedroom) on land formerly used as the parking lot for city hall.

Company will construct a parking deck (the “Parking Deck”) adjacent to the Mixed-Use Project. The Parking Deck will be constructed first, before construction of the Mixed-Use Project. Following construction, the UDA will purchase the Parking Deck from Company for \$15,031,185.

The UDA intends to issue revenue bonds in the maximum amount of \$20MM to pay the purchase price for the Parking Deck. UDA proposes “payments in lieu of taxes” (e.g. PILOTs) as a payment source for the debt service on the bonds. Company will pay the PILOTs to the UDA and the PILOTs will be used by the UDA to pay the bond debt. The County will guaranty the payment of the bond debt through an IGA. The UDA anticipates the bond debt will be payable over a term of approximately 30 years.

Per Georgia’s PILOT Restriction Act, PILOT funding may not be utilized by the UDA without the consent of the District and County. UDA seeks the Board’s consent to the

proposed PILOT funding for the Parking Deck construction. UDA notes the parcel of land in issue has been tax exempt for approximately 80 years and asserts the construction will benefit the District by:

- 1) generating sales taxes;
- 2) potentially raising the property values of adjacent properties;
- 3) providing parking that will draw larger crowds to downtown events thereby increasing sales and sales taxes.

Recommendation

It is recommended that the Bibb County Board of Education adopts the Resolution approving the PILOT Agreement.

Superintendent's Comments

Superintendent's Comments	Approved / Not Approved
Dr. Dan A. Sims	Approved