

**MINUTES OF CITY COUNCIL WORK SESSION MEETING
CITY OF KENNESAW
Council Chambers
(2529 J.O. Stephenson Avenue, Kennesaw, GA 30144)**

**Livestream: www.kennesaw-ga.gov/publicmeetings/
February 10, 2025
6:30 PM**

Present	Mayor Derek Easterling Mayor Pro Tem Pat Ferris Councilmember Madelyn Orochena Councilmember Tracey Viars Councilmember Antonio Jones Councilmember Anthony Gutierrez City Clerk Lea Alvarez City Manager Jeff Drobney City Attorney Randall Bentley, Sr.
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1. Invocation

2. Pledge of Allegiance

3. Call to Order

Mayor Easterling called the meeting to order at 6:30 p.m.

4. Announcements

5. Presentations

A. Presentation: Cobb-Marietta Coliseum and Exhibit Hall Authority

Charlie Beirne, GM/CEO and Robb Turner, COO will discuss proposed Amended and Restated Galleria Operating and Funding Agreements.

Charlie Beirne, GM/CEO, and Robb Turner, COO, of the Cobb-Marietta Coliseum and Exhibit Hall Authority (the "Authority"), presented proposed amended and restated Galleria operating and funding agreements [See **Exhibit A**].

Mayor Pro Tem Ferris noted that Mableton and Marietta have not signed on to the amended and restated agreements yet. Mr. Turner stated the Authority does not expect either city to sign on, especially since Mableton is a new city.

Mayor Pro Tem Ferris asked about the funding formulas, specifically regarding the "share in Annual Excess Tax Payment distributions" and the "share in R&E Fund Cap distributions." Mr. Turner noted that if the Authority had residual left over from its receipts, it would be shared between the Authority, the County, and the Cities who have signed on, and it would be pro rata based on the contributions that the City has made.

Councilmember Jones asked if the City decides to sign on to the agreements, are the cities allowed to rent the space out for free. What is the benefit for the City of Kennesaw? Mr. Tuner said the Authority believes the benefit is the economic impact on the County overall as well as the jobs the Authority supports. Mr. Turner said there are no policies in place for the rental of space to cities.

Councilmember Orochena asked when the agreements are set to expire. Mr. Turner responded that the agreements will expire when the current and outstanding bonds are paid off, which is late 2026. The Authority is wanting to get the agreements extended so they can issue bonds this year for renovations.

6. Old Business

7. New Business

A. Resolution: Amended and Restated Galleria Convention Funding Agreement

Consideration for approval of a Resolution authorizing the execution of the amended and restated Galleria Convention Funding Agreement as presented by the Cobb-Marietta Coliseum and Exhibit Hall Authority.

After receiving confirmation from the Council, Mayor Easterling suggested moving the item to the Consent Agenda for the regular meeting.

B. Resolution: Amended and Restated Galleria Convention Operating Agreement

Consideration for approval of a Resolution authorizing the execution of the amended and restated Galleria Convention Operating Agreement as presented by the Cobb-Marietta Coliseum and Exhibit Hall Authority.

After receiving confirmation from the Council, Mayor Easterling suggested moving the item to the Consent Agenda for the regular meeting.

C. Resolution: Proposal for Depot Park Concrete Repairs

Consideration for approval of a Resolution accepting the proposal presented by Gay Construction Company.

City Manager Jeff Drobney stated this proposal is to repair the water line that was broken at Depot Park with the original contractor. The City would like to take care of this as quickly as possible since there are several events coming up in March.

Councilmember Jones mentioned that the water main break was due to the County. He asked if the County was going to cover the cost. Dr. Drobney said the City is going to try, but he does not expect the cost to be fully covered by the County. He would prefer having the original contractor do the work then to go to low-bid, which could take months.

After receiving confirmation from the Council, Mayor Easterling suggested moving the item to the Consent Agenda for the regular meeting.

8. Committee and Board Reports

9. Public Hearing(s)

A. Ordinance: 2025 Zoning Map

Consideration for approval of an Ordinance to adopt the 2025 Official Zoning Map for the City of Kennesaw. Case # MISC2025-01

Zoning Administrator Darryl Simmons presented the 2025 official Zoning Map for the City of Kennesaw. There were only two rezonings in 2024, which included 2573 Summers Street, rezoned from Light Industrial (LI) to Central Business District (CBD), and 3045 Cherokee Street, rezoned from R-15 Single Family Residential to CBD.

On February 5, 2025, the Planning Commission recommended unanimous approval, and the public hearing has been duly advertised.

10. Consent Agenda

A. Minutes: January 27, 2025 Special Called Public Hearing

Approval of the January 27, 2025 Special Called Public Hearing minutes (Intent to Opt Out of Statewide Homestead Exemption)

B. Minutes: January 27, 2025 Work Session

Approval of the January 27, 2025, City Council work session minutes

C. Minutes: February 3, 2025 Special Called Public Hearing

Approval of the February 3, 2025, Special Called Public Hearing minutes (Intent to Opt Out of Statewide Homestead Exemption)

D. Minutes: February 3, 2025, Regular Meeting

Approval of the February 3, 2025, City Council regular meeting.

11. General and Administrative

12. Public Safety

13. Information Technology

14. Public Works and Building Maintenance

15. Recreation and Culture

A. Road Closures: 2025 Events

Consideration for approval of road closures pertaining to the 2025 Kennesaw Grand Prix Series, Concert Series, and Salute to America.

Parks and Recreation Director Bill McNair presented the road closures pertaining to the 2025 Kennesaw Grand Prix Series and Concert Series. Assistant Parks and Recreation Director Elizabeth Weaver presented the road closures pertaining to Salute to America.

Mr. McNair stated the dates for the 2025 Kennesaw Grand Prix Series are on the following Saturdays: April 26, June 7, September 27, and October 25.

He noted that Main Street will be closed from Watts Drive to Cherokee Street from 6:00 a.m. – 10:00 a.m., and the following roads will be closed at Main Street from 6:00 a.m. – 10:00 a.m.: J.O. Stephenson Avenue, Cherokee Street, Lewis Street, Moon Station Road, Dallas Street, Whitfield Place, Park Drive, Knightsbridge Road, Paulding Street, Jiles Road, Rutledge Road NW, and Cathey Lane.

Kennesaw Police will be on-site to monitor traffic and allow cross traffic at Knightsbridge and Jiles Road while ensuring the safety of runners and walkers.

Additionally, Mr. McNair shared the dates for the 2025 Concert Series are on the following Saturdays: March 29, May 3, June 14, and September 20.

Road closures for these events include Cherokee Street from Big Shanty Drive to Main Street from 4:00 p.m. to 11:00 p.m. Further, the Depot Park parking lot will be closed by 10:00 p.m. the Friday night before each concert.

Ms. Weaver noted the following road closures from 1:00 p.m. to 12:00 midnight for the July 3rd Salute to America event: Main Street closed from Lewis Street to Summers Street, Cherokee Street from Big Shanty Drive to Main Street, J.O. Stephenson Ave. from Main Street to Dallas Street, and Watts Drive from Main Street to Dallas Street.

She mentioned that the parking lots at Tunnel Plaza and Main Street Eats will be closed 1:00 p.m. – 12:00 Midnight on Wednesday, July 3. Shirley Drive will be closed from Cherokee Street to Carruth Street from 6:00 a.m. – 11:30 p.m. for fireworks. The Depot Park parking lot will be closed Wednesday, July 3. Finally, the City Hall parking lot will close at 12:00 p.m. Wednesday, July 3 for employee parking.

Mayor Pro Tem Ferris mentioned they named four concert series dates and wondered when Parks and Recreation was going to announce the acts for those concerts. Ms. Weaver said the City is about 24-48 hours away from having the final contracts signed for the Concert Series and Salute to America. She hopes they will be able to announce the acts by the end of the week.

After receiving confirmation from the Council, Mayor Easterling suggested moving the item to the Consent Agenda for the regular meeting.

16. Community Development

17. Public Comments

18. City Manager's Report

A. Reports, Discussions, and Updates

19. Mayor's Report

- A. Mayor and Council (re)appointments to Boards and Commissions. This item is for (re)appointments made by the Mayor to any Board, Committee, Authority, or Commission requiring an appointment to fill any vacancies, resignations, and to create or dissolve boards and commissions, as deemed necessary.

20. Council Reports & Discussions

- A. **Consideration: Work Session Public Comment**

Consideration to approve the continuation of the public comment section for work sessions.

The Council agreed to keep the public comment section on the work session agendas.

- B. **Discussion: Water System Sale Reserve Account**

Requested by Councilmember Jones regarding the reserve account from the sale of the City of Kennesaw's water system and amount of interest accrued.

Councilmember Jones requested this discussion item because as he is looking at some of the upcoming infrastructure upgrades, he wanted to have some contingency plans regarding funding. He knew there was an account with dollars from the sale of the old water system, so Councilmember Jones was interested in learning more about it.

Dr. Drobney shared that the original water sale took place 20 years ago for \$12 million. The City took \$ 3 million from that sale and put that into the current Public Works building and other transportation related projects. There is \$9 million left. \$6.4 million is invested in the Georgia One Fund and \$2.6 million is with Raymond James. Dr. Drobney stated the interest comes back to us and goes into the General Fund Reserve, which in the last five years was about \$1.9 million. The interest builds the reserve, but keeps our bond rating high. At the time of the sale, the Council decided that the only way that money could be used is to put it on a referendum. The voters would have to decide whether or not to use those dollars.

After this discussion, the Council provided comments on their weeks.

Councilmember Jones has had a good week, but shared that his children are sick. We hope they feel better soon!

Councilmember Gutierrez went to Tennessee this week and was excited that the Eagles won the Super Bowl last night.

Councilmember Orochena was hoping that the Council would get to talk about scheduling a date for the Council Retreat. Mayor Easterling said a date hasn't been selected yet, but that it will be put on the next work session agenda.

Mayor Pro Tem Ferris shared he has a 1963 Chevrolet Pickup Truck that he has had since 1976. He has ignored it for the last several years and just recently started working on it again. It is a labor of love and frustrating to find parts for it that work!

Councilmember Jones also gave a shout out to the Kennesaw Police Department for their efforts in apprehending an individual who was entering into automobiles over the weekend.

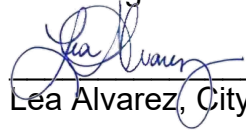
Councilmember Viars spent time last week meeting with the Kennesaw Downtown Merchants. They are planning some fun programming for the Summer and Spring, and she is looking forward to it!

21. Executive Session

Pursuant to the provisions of O.C.G.A 50-14-3, the City Council could, at any time during the meeting, vote to close the public meeting and move to executive session to discuss matters relating to litigation, legal actions and/or communications from the City Attorney; and/or personnel matters; and/or real estate matters.

22. Adjourn

Mayor Easterling adjourned the meeting at 7:00 p.m. The regular meeting will be held on Monday, February 17, 2025, at 6:30 p.m. in the Council Chambers. The public is encouraged to attend.

A handwritten signature in blue ink, appearing to read "Lea Alvarez", is written over a horizontal line.

Lea Alvarez, City Clerk

City of Kennessaw

Amended and Restated Galleria Operating Agreement & Amended and Restated Galleria Convention Funding Agreement

Cobb-Marietta Coliseum & Exhibit Hall Authority
(January 2025)

The **Cobb-Marietta Coliseum & Exhibit Hall Authority** (“Authority”) is a body corporate and politic created in 1980 by a specific legislative enactment of the Georgia General Assembly.

The **Authority** was created to acquire, construct, improve, alter, repair, operate and maintain projects embracing buildings and facilities to be used for amusement, recreational, or educational purposes and for fairs, expositions, or exhibitions in connection therewith and to acquire and construct all property necessary or convenient for the purposes of such projects.

Governance

Seven members who are appointed from seven posts govern the Authority

- Post 1 – City of Marietta Mayor: The Honorable Steve Tumlin
- Post 2 – City of Smyrna Mayor: The Honorable Derek Norton
- Post 3 – Cobb County Chairwoman Appointee: Robert P. Voyles
- Post 4 – Cobb County Recreation Board Appointee: Joseph Atkins
- Post 5 – Cobb County Board of Commissioners Chairwoman: The Honorable Lisa Cupid
- Post 6 – Authority Board Appointee: Jerry Nix
- Post 7 – Authority Board Appointee: Connie Engel

Authority Venues

- Cobb Galleria Centre
 - 320,000 square foot multi-use convention facility
 - Opened for business on January 15, 1994
 - Over 23,500 events, estimated total attendance of 11.7 million
- Cobb Energy Performing Arts Centre
 - 2,750-seat performing arts venue
 - Opened for business on September 15, 2007
 - Over 3,600 performances/events, estimated total attendance of 3.6 million
- Galleria Specialty Shops (acquired in 1999 for future convention center expansion)
- ArtsBridge Foundation, Inc. (created in 2004, mission is arts education)
- Truist Stadium (owned, but not operated by the Authority)

Authority's Impact on Cobb County

- Acts as a catalyst that drives economic growth and development.
- Provides state-of-the-art venues for arts education, recreation, performing arts, entertainment, athletics, corporate, consumer, and social events.
- Improves the quality of life. Authority venues host the largest and most prestigious events in Cobb County, providing citizens with nearby first-class venues for events and performances.
- Acts as a driver for out-of-town visitation. Our trade shows fill tens of thousands of hotel room nights each year.
- Generates demand for labor and job creation.

Authority's Economic Impact

An Economic Impact Study for the Authority's venues is prepared annually by a third-party firm. The table below reflects key figures.

	Economic Impact - Fiscal 2023		Jobs Supported - Fiscal 2023	
	Cobb County	State of Georgia	Cobb County	State of Georgia
Cobb Galleria Centre	\$92,740,000	\$144,730,000	730	1,030
Cobb Energy Centre	18,140,000	24,690,000	140	180
	\$110,880,000	\$169,420,000	870	1,210

	Economic Impact	
	Cobb County	State of Georgia
Cobb Galleria Centre (1995-2023)	\$2,670,406,400	\$3,832,678,600
Cobb Energy Centre (2008-2023)	240,377,000	331,820,000
	\$2,910,783,400	\$4,164,498,600

Note - The state of Georgia Amounts include the Cobb County amounts.

Status of the Agreements

1991 - Authority, Cobb County, and cities entered into long term agreements whereby the governments agreed to remit all or a portion of the hotel/motel and liquor by the drink tax collections to the Authority to fund the convention center (service bond debt). ***These agreements expire when the related bond debt is fully paid.***

2023 - Cobb County, Smyrna, Kennesaw, Acworth, Austell, and Powder Springs agreed to terms to extend the agreements. Subsequent events then necessitated non substantive revisions to the agreements, and we felt it was appropriate to represent the terms and revised agreements for your approval.

2024 - Cobb County, Smyrna, Powder Springs, and Austell have signed revised agreements.

Without the funding source provided by extended agreements, the Authority cannot issue bonds for the renovation of the convention center and shops.

Funding Formula

Current Formula

- Payment of 62.5% of Hotel/Motel Tax (HMT) collected
- 40% of HMT paid returned to Kennesaw
- Collection fee paid to Kennesaw

Proposed Formula

- Payment of 62.5% of Hotel/Motel Tax (HMT) collected
- 40% of HMT paid returned to Kennesaw
- Collection fee paid to Kennesaw
- Share in Annual Excess Tax Payment distributions
- Share in R&E Fund Cap distributions

Hotel/Motel Tax

Under the revised agreements, Hotel/Motel Tax received by the Authority (Authority's bond trustee) is used for the following:

- Debt Service for bonds secured by those revenues
- Contractual amounts payable to county and cities
- Collection fees payable to county and cities
- Cobb Travel and Tourism Funding (per agreement)
- Annual Excess Tax Payments to county, cities, and Authority

Renovation Project

New bond proceeds will be used for the following:

- Renovation of Cobb Galleria Centre
 - The convention center, open since 1994, is in its 31st year
- Restoration and Expansion of Galleria Parking Decks
 - One structure, original to the building will be demolished and a new structure installed
- Redevelopment of Galleria Specialty Shops into Convention and Meeting Space

Thank You!

Names and Addresses will be disclosed in the Permanent Minutes of the
City of Kennesaw

PLEASE MAKE SURE YOUR NAME IS LEGIBLE AND CLEAR

**City Council Work Session
2/10/2025
Public Comment Sign-in**

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