

CITY OF NEWNAN, GEORGIA
SPECIAL CALLED MEETING
2024

SEPTEMBER 24,

The special called work session of the City Council of the City of Newnan, Georgia was held on Tuesday, September 24, 2024 at 5:00PM in the Richard A. Bolin Council Chambers of City Hall with Mayor Keith Brady presiding.

Present

Mayor Keith Brady: Council members present: Ray DuBose, Rhodes Shell, Cynthia Jenkins, Jim Thomasson, Dustin Koritko, Paul Guillaume. Also present: City Manager, Cleatus Phillips; Assistant City Manager, Hasco Craver; Assistant City Manager, Meg Kelsey; City Clerk, Megan Shea and City Attorney, Brad Sears.

Call to Order

Mayor Brady called the meeting to order and delivered the invocation.

A. Discussion of Due Diligence Agreement and Letter of Intent between City of Newnan and Red Hills Hospitality Group

City Manager explained that Jeremy Emmett was present to discuss the potential hotel at 57 East. Council previously met him in Thomasville, where he built a Courtyard Marriott, and had asked that he come to give a presentation and Q&A regarding what the hotel might look like.

Mr. Jeremy Emmett, owner and Chief Operating Officer of Red Hills Hospitality introduced himself. He said the point of the presentation is to look at what a project like this would look like and to leave Council with something they can go back through after.

He showed a picture of the site just for reference and said he has seen the previous site studies on the property that were done. He showed a concept plan with an L shaped hotel, which he thinks is the best orientation for it. This would be about 125 room hotel. He said there are many different options for parking and a parking deck would not be necessary. Regarding a previous boutique hotel option presented, he commented that his group has found that a brand name like Marriott may bring more brand loyal people and still be able to feel like a small boutique hotel.

Red Hills took the idea of a 125 room Courtyard Marriott at 60% occupancy and came up with \$169 ADR. He then showed a budget format for transparency and projected revenues and expenses for operating the hotel over several years. He showed layouts for a standard Courtyard, room types and finishes. Then he showed examples from the Thomasville Courtyard which is customized and how they could use higher quality materials, colors, lighting and local artwork to give a different feel to the hotel. The Courtyard model would include a bar and small bites for food but not a full restaurant, so as not to take away from local businesses. There would be an option for meeting space and that may affect the difference between 4 stories or 5 stories.

Mayor Pro Tem Guillaume asked what the square footage of conference space would be with 5 stories? Mr. Emmett stated around 2,000 square feet with a capacity around 140. Council discussed the possibility of split levels and rooftop uses.

Councilman Thomasson asked if Newnan is not a hot spot for a hotel then do they need to give the land for free and make improvements for it to work? Mr. Emmett said yes essentially but they also need to look at what the community wants. He explained that he started showing things that he knows can work and then wants to see what Newnan wants and that may end up effecting costs based on what the actual design comes out to be.

Mr. Emmett showed costs estimates for the project, both prototype and customized. He said the sitework costs could fluctuate depending on access to E. Broad and utilities. Then he showed economic impact estimates with approximate values for sales tax and occupational tax.

Councilwoman Jenkins said that they want to expand what is loved about downtown into this site and that is blocks facing each other not turned away from each other. She also said that there is the pedestrian component and the Andrew St. Corridor which includes a historic business district, and she does not want to miss the opportunity to incorporate all of that. Mr. Emmett said he wants to be on the site in the most creative way possible and he is open to incorporating those other elements.

Mayor Pro Tem Guillaume asked if Mr. Emmett has done projects before along railroad tracks and what issues might he foresee with that? Mr. Emmett said it can be annoying and the noises can have a guest impact. There are ways to soundproof and what goes right along the railroad tracks will be important. Mayor Brady referenced the Newnan Lofts project, when concerns were raised about the railroad tracks and noise, but that project was still successful.

Mr. Emmett said that he included in the packet for Council, a sample development agreement that he has used in the past. He also gave a milestone timeline to give perspective for the project. Mr. Craver suggested that Council convene again to respond to Mr. Emmett and the proposed plan.

Ms. Lynn Chapman, a resident of the neighborhood, commented that this project will be part of a historic neighborhood, and she asked what would her neighborhood be looking out at? They do not want to be looking at dumpsters. Mr. Emmett said that in previous projects they have added garage doors to hide dumpsters, so there are options. Ms. Chapman also commented that the train does not bother her, and she does hear it from her home.

Mayor Brady asked about the process that might be used to step through this. Mr. Emmett said a concept plan would be put together, just for the hotel and not the whole project as Historical Concepts has done. He suggested they work with Historical Concepts to integrate the plans and look at phases that it could all be developed in.

Mayor Pro Tem Guillaume asked to clarify the acreage needed for the hotel? Mr. Emmett said it could fit on 1 acre but if surface parking was done it would be more like 2-3 acres. Councilman Thomasson asked if the parking could be shared and Mr. Emmett said yes, that would make sense given the area. Councilman Thomasson also asked about profit sharing, the city getting something back and Mr. Emmett said that would be a legal question, but it has been done before in different ways.

ADJOURNMENT

Motion by Councilman DuBose, seconded by Councilman Koritko to adjourn the meeting at 6:12PM.

MOTION CARRIED. (7-0)

Megan Shea, City Clerk

Keith Brady, Mayor