


# LEGACY | DECATUR

## MEMORANDUM

TO: LEGACY BOARD  
FROM: LYN MENNE   
RE: OVERVIEW OF BOARD MATERIALS FOR JANUARY 26, 2023, BOARD MEETING  
DATE: JANUARY 19, 2023

We are off to a great start this year and look forward to our board meeting next week. The folder marked Board Packet included with the email includes materials that relate to the board meeting agenda. These items include: a copy of the January 26<sup>th</sup> board meeting agenda, minutes of the December 8, 2022, business meeting; staff recommendation memorandum related to PadSplit proposal and copy of proposal; staff recommendation memorandum related to revision of event rental rates; and a resolution confirming the purpose of December 8, 2022, executive session.

Please note that the agenda includes consideration of board officers. Our by-laws currently have no term limits for officers, but we recommend that the officer holders be approved annually at the January meeting going forward. Current officers:

Tony Powers, Chair  
Meredith Struby, Vice Chair  
Secretary, Andrea Arnold  
Treasurer, Peggy Merriss

Meredith Struby has asked not to be reappointed to the board when her term ends March 2023. Therefore, we need nominations or volunteers for the vice chair position. The other three officers have indicated their willingness to continue in their current role.

Finally, separate from the board packet folder, I have attached a copy of the retreat report from our facilitator and a copy of the Strategic Storytelling workbook used at our retreat. Take a minute to read it again and practice your story about our organization using page six. We will pair up and have a short practice round at the end of our meeting.

LEGACY DECATUR BOARD MEETING  
THURSDAY, JANUARY 26, 2023  
5:00 P.M.  
DECATUR LEGACY PARK-AUDITORIUM

1. Call to Order
2. Approval of minutes from the December 8, 2022 business meeting.
3. Action Items

A. Election of Officers

Nomination and election of officers for Chair, Vice Chair, Secretary and Treasurer

B. Presentation and discussion of Creative Village Residential Component Management from PadSplit.

Staff met with Padsplit representatives to discuss questions raised by the board at the September board meeting. Representatives of Padsplit will be present to assist with the presentation.

*Staff recommends authorization to move forward with a contract with Padsplit to manage the residential component of the Creative Village as presented for a term of two years.*

C. Presentation of revised event rental rates

Staff review was conducted on special event rental categories and research completed on rates charged by similar facilities. Recommendations are being presented to make several changes to make certain that facility costs are covered. *Staff recommends authorization to make changes in special event rental rates as presented.*

D. Resolution confirming the purpose of the December 8, 2022 Executive Session and authorizing the chair to sign an affidavit

Adoption of a resolution confirming the purpose of the December 10, 2022 Executive Session was to discuss personnel issues in accordance with O.C.G.A. §50-14-4(b) and authorizing chair to sign an affidavit.

4. PROJECT UPDATES

Brief updates on accessible playground installation and Creative Village Project

5. Short Practice Round of the Telling Our Story exercise from our retreat

6. ADJOURN

## Minutes

### Decatur Legacy Board

Business Meeting – December 8, 2022

A business meeting was scheduled and held as part of the Legacy Board annual retreat. The meeting was posted and open to the public. Board members attending: Tony Powers, Andrea Arnold, Ed Bowen, Mark Ethun, Patti Garrett, Paul Mitchell and Brian Smith. Allen Mast participated via Zoom. Staff attending: Lyn Menne and Madeleine Henner.

The meeting was called to order by the Chair. He asked for a motion to adjourn to executive session for the purpose of discussing personnel matters. On a motion by Patti Garrett, second by Andrea Arnold and all board members present voting aye, the board adjourned to executive session was approved.

On a motion by Brian Smith, second by Andrea Arnold and all board members present voting aye, the executive session was closed, and the board reconvened the regular business meeting of the board.

The Chair asked for a motion to approve the minutes of the September 22, 2022, board meeting. On a motion by Patti Garrett, second by Brian Smith and all board members present voting aye, the minutes of the September 22, 2022, board meeting were approved as presented.

Lyn Menne presented the audit of FY21 for acceptance. She stated that this is the first audit conducted for the organization. She reported that the auditor, Gregg Bossen, presented the audit to the finance committee at their meeting. He reported no material findings. He offered several suggestions related to revising language in the Legacy Decatur Operations Management Agreement with the City of Decatur when the agreement is renewed. Ms. Menne also provided a copy of the 990 form that Mr. Bossen's firm prepared for FY21. The Finance Committee reviewed the document and authorized submission of the 990 form. Ms. asked the board to accept the FY21 Audit. A copy of the audit will be added to the Legacy Decatur website and posted to Guidestar along with our 990 Form.

On a motion by Brian Smith, second by Ed Bowen and all board members present voting aye, the board approved the acceptance of the audit for FY21.

Ms. Menne and Ms. Henner presented the updated revised budget for FY22 and the FY23 proposed budget. The FY22 budget is based on anticipated revenues and expenditures through the end of the month. We transitioned to a new bookkeeper effective October 1, 2022. She is currently working to prepare fourth quarter reports and year end reports for presentation to the Finance Committee. Funds budgeted for the campus sign program were added to a capital fund

category to allow us to move them forward into FY23. Film rentals were slightly below anticipated revenue, but we had more event rental revenue than budgeted.

The FY23 proposed budget shows a conservative projection for film and event rentals. However, with the addition of the barn as an event space, we hope to exceed this number. Expenditures are based on anticipated repairs and maintenance costs for buildings and operational costs based on current and anticipated expenditures. There is a proposed increase in personnel costs to allow us to expand to two full-time employees to handle both operational and programming demands.

There was general discussion related to the budget documents. The board discussed the importance of being able to establish a capital fund with annual net revenues to save for larger building and property improvements at Legacy Park.

On a motion by Brian Smith, second by Patti Garrett, and all board members present voting aye, the board approved the updated revised FY22 budget and the FY23 budget.

There was no additional business to present to the board. On a motion by Brian Smith, second by Mark Ethun, and all board members present voting aye, the board adjourned the meeting.

## MEMORANDUM

TO: LEGACY DECATUR BOARD  
FROM: MADELEINE HENNER  
RE: PADSPLIT PARTNERSHIP IN THE CREATIVE VILLAGE HOUSING  
  
DATE: January 26, 2023

The purpose of this memorandum is to recommend authorizing Legacy Decatur staff to negotiate a two year contract with Padsplit as a pilot project for the housing management component of the Creative Village.

Legacy Decatur staff anticipate Edwards and Trustees Cottages to be renovated and ready for tenants in the 2023 calendar year. Once renovated, the two buildings will offer one efficiency apartment, four two-bedroom apartments, one three-bedroom apartment, and one ADA four-bedroom apartment rented at the 60-80% AMI level. Rather than working to find a number of multiple person artist groups, Legacy Decatur staff recommends leasing Edwards and Trustees as Single Room Occupancy (SRO) to maximize available affordable housing units.

As discussed at the Legacy Decatur 2022 Board Retreat, the affordable housing within Creative Village is a top priority both for the Legacy Decatur mission and revenue generation. However, housing management sits outside the expertise and time capacity of Legacy Decatur staff.

Padsplit is the largest co-living marketplace in the United States with leadership based in the Atlanta area. As a Public Benefit Corporation, they work to solve the affordable housing crisis by shifting single family homes into SRO rentals. This unique model increases the amount of available affordable housing bedrooms. By leasing each bedroom individually, each renter also benefits from the Padsplit credit reporting, allowing them to build their credit scores.

Padsplit and their partner Two Keys Management are uniquely qualified to manage the single room occupancy aspect of the Creative Village. Rather than searching for a variety of artists with pre-formed groups that match the number of bedrooms in each Creative Village apartment, this model allows us to select each artist individually. The Padsplit membership platform and Two Keys Management combine renovation consulting, marketing, application review, leasing, tenant management, quality control, and tenant turnover rather than contracting each service out to unique vendors. Their significant presence in Atlanta also translates into quick response times and discounted rates with plumbers, electricians, HVAC technicians, and other contractors should a problem arise.

Padsplit has a set fee of 12% of the generated revenue for their marketing, construction and design consulting, application review, and leasing. The fee for Two Keys Management will be set as Legacy Decatur and Two Keys Management discusses the expected services, with a cap of 6% of generated revenue. For example, the City has already contracted out landscaping services at Legacy Park, so Two Keys Management landscaping services are unnecessary.

Based on a conservative revenue estimation that assumes all bedrooms are rented at the 60% AMI level, Legacy Decatur can expect to generate \$100,872 in annual rental revenue.

- Padsplit's 12% Management Fee- \$12,104.64/annually
- Two Keys Property Management 6% Fee- \$6,052.32/annually
- LD 10% Arts Programming Investment- \$10,087.20/annually
- **Remaining unrestricted funds: \$72,627.84/annually**

Although 18% is higher than a typical housing management fee, the unique nature of this project requires a unique housing management arrangement. Because Legacy Decatur will not need to spend additional funds or staff time on marketing, lease creation, application review, or the day-to-day quality control and management, the 18% combined fee is likely the most cost-effective option. This pilot project would last two years, at which point Legacy Decatur has the ability to renegotiate or find alternative housing management. Padsplit and Two Keys Management offer an expertise and capacity that would allow Legacy Decatur to successfully open the Creative Village, making good on our promise to support local artists and create affordable housing.



**Subject: Proposal for Housing Management at Legacy Park**

**To Whom It May Concern:**

PadSplit, Inc is a Public Benefit Corporation on a mission to solve the affordable housing shortage by leveraging housing as a vehicle for financial empowerment for low-income households, and we are currently the largest co-living marketplace in the US with almost 5,000 active units and over 10,000 households served. In an effort to create affordable housing supply that is accessible and affordable within Legacy Park inside the City of Decatur, we are pleased to present the following proposal.

After reviewing the current conditions and scope of work for the Edwards Cottage and Trustees Buildings at Legacy Park, we anticipate at least 14 individual bedrooms that we propose to manage.

**Resident Management:**

For all units, PadSplit can provide marketing, demand generation and screening of all residents, ongoing 24/7 resident support, all payments processing and collections of any rental amounts due, on-site quality control, monthly remittance and revenue reporting to property owners,

PadSplit does not bill separately for marketing, personnel costs, lease-up, or collections services, and instead bills a **flat 12% fee on any collected revenue with no minimum charge**. If we cannot fill the units or do not collect rents from our residents, we do not collect any fees. We do accept credit card and debit card payments from residents, but these non-ACH transactions will incur a 2.75% credit card processing fee. Our fee also includes rent-reporting to credit bureaus which have increased credit scores for 95% of our residents, and we also include free access to tele-medicine and job staffing services. Our resident screening includes income verification, identity verification, and background checks.

For no additional fee, we can provide up to 8 hours of design and construction consultation services, including specifications for each bedroom and furnishings, as well as a recommended unit pricing per bedroom.

**Property and Asset Management:**

If desired, PadSplit can also provide both asset and on-site facilities management services, including addressing all maintenance requests, ongoing management of utility accounts,

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**Address**

1151 Walker Rd Ste 236  
Dover, DE 19904



monthly quality control visits, ongoing coordination with PadSplit regarding pricing or resident dispute & escalations, and a variety of ancillary services.

These services are provided by our affiliate entity, Two Keys Property Management, LLC, and billed as an asset & property management fee of **6% of collected revenue, billed monthly**. Additional service charges that are not included are listed below.

Member Onboarding Support: \$50.00 Per Move-In:

- Inspection of Room Day of Move-In: (Verification/Testing of Door Codes, Lights, Outlets, Inventory of Furniture, Pre-Move in Pictures)

Landscaping: \$125.00 per Month

- Bi-Weekly Cut, Trim, Edge, Hedge Trimming, Blow

Pest Control: \$150.00 per Quarter

- Excludes Bedbug Remediation. \$50.00 per Bedbug Remediation

Member Offboarding: \$50.00 a Member

- Room Turn Services: (Physical Vacancy Verification, Inventory of furniture, Damage Assessment, Cleaning/Prep, Holdover negotiations)

Eviction Support: Cost+\$100.00

- Hire Manage Lawyer/Service, Manage Eviction Process, Testify if Needed

Put Out Services: \$50.00 per visit

- Coordination with Marshals, Onsite Assistance at Put-Out Day

Same Day Emergency Property Visit: \$40 during Business Hours per Visit/\$100 After Hours

Cleaning Service: \$50.00 per Month (Common Areas Only)

General maintenance technician service visits will be billed at \$45/hour.

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1151 Walker Rd Ste 236  
Dover, DE 19904

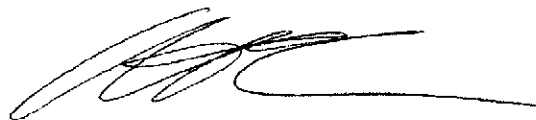




We are happy to provide referrals from both residents and property owners upon request, and you can also view some of those stories [here](#), as well as our updated community impact report [here](#). We have been honored to be included in the list of the fastest growing private companies in the US, as well as the Best in the Business by Inc. Magazine, and we've also been awarded as the Affordable Housing Solution of the Year in 2021, a Georgia PaceSetter, and an Atlanta Corporate Citizen of the Year.

We look forward to the possibility of working with the City of Decatur and Legacy Park to continue our mission here at home.

Thank you for your consideration,



Atticus LeBlanc  
CEO  
[atticus@padsplit.com](mailto:atticus@padsplit.com)  
770.714.4617

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**Address**

1151 Walker Rd Ste 236  
Dover, DE 19904

# LEGACY | DECATUR

## MEMORANDUM

TO: LEGACY DECATUR BOARD  
FROM: MADELEINE HENNER  
RE: PRICING FOR EVENTS AT LEGACY PARK

DATE: Jan 26, 2023

The purpose of this memorandum is to recommend authorizing the pricing update for weddings and events held at Legacy Park in 2023 to more effectively generate revenue. Below are the current event space prices:

| Event Space      | Price  |
|------------------|--|
| Hawkins          | Resident Rate: \$300 for 2 hours, \$50 for each additional hour<br>Non-resident rate: \$450 for 2 hours, \$75 for each additional hour                       |
| Auditorium       | Resident Rate: \$100 for 2 hours, \$50 for each additional hour<br>Non-resident rate: \$200 for 2 hours, \$75 for each additional hour                       |
| Cochran Building | Resident Rate: \$150 for 2 hours, \$50 for each additional hour<br>Non-resident rate: \$225 for 2 hours, \$75 for each additional hour                       |
| Dairy Barn       | Resident Rate: \$200 for 2 hours, \$50 for each additional hour<br>Non-resident rate: \$350 for 2 hours, \$75 for each additional hour                       |
| Leigh            | Resident Rate: \$200 for 2 hours, \$50 for each additional hour<br>Non-resident rate: \$350 for 2 hours, \$75 for each additional hour                       |
| Outdoor Space    | Resident Rate: \$50 for 2 hours, \$12.50 for each additional hour<br>Non-resident rate: \$100 for 2 hours, \$25 for each additional hour                     |
| Weddings         | Includes chapel, reception space, and getting ready rooms for 9 hours<br>\$2500 on Monday - Thursday<br>\$2700 on Fridays and Sundays<br>\$3000 on Saturdays |

Legacy Decatur loses money on outdoor rentals after the first two hours. Staff proposes increasing the residential rate to \$100 for the first two hours and \$25 for each additional hour.

The majority of paying events occur on Friday evening, Saturday, and Sunday, which strains Legacy Decatur staff capacity. Legacy Decatur staff proposes that we implement initiatives that activate underutilized event spaces during normal business hours, which provide revenue without requiring additional staff time. Below are the detailed proposals for increasing daytime rentals:

- The Legacy Park tenants frequently ask for meeting space during the day, but the market rate event pricing is cost prohibitive. Staff proposes a 50% discount for event spaces to Legacy Park tenants during the 8am-4pm time block, Monday through Thursday. These tenants are self-sufficient and can set up and return the space to its original condition without Legacy Decatur staff assistance. Additionally, staff proposes that tenants may earn \$50 event space discounts for each hour of services dedicated to Legacy Decatur initiatives, such as Truckin' Tuesday. This not only activates spaces, but it also encourages collaboration and partnerships.
- Although Leigh Cottage is the newest building on the property with many amenities, it is rarely rented. Rather than exclusively renting Leigh as an entire building, staff propose that three breakout rooms are furnished as small group meeting spaces and rented individually. This targets organizations that need infrequent team meeting space, work-from-home parents that require a quiet space for an important call, and many others. Staff proposes renting individual rooms at the rate of \$60 for the first two hours and \$20 for each additional hour. The six breakout rooms upstairs, access to the kitchen, and use of the large common area would cost \$200 for the first two hours and \$50 for each additional hour, and the downstairs portion of Leigh, including a large common area, two breakout rooms, and a small kitchenette cost \$100 for the first two hours and \$50 for each additional hour.
- The wedding prep suites in Williams are currently only used as an amenity for weddings. The space has comfortable seating, wifi, and a private bathroom and would also serve for small meeting space or quiet work space. Staff proposes that the space be advertised with the rate of \$100 for the first two hours and \$50 for each additional hour.

In addition to daytime rentals, Legacy Decatur recommends changing the pricing for weddings and chapel use. Currently, Moore Chapel weddings are exclusively offered as a package with the getting ready rooms and reception space. To attract more couples who want a small intimate ceremony and are forgoing a reception, staff proposes that the chapel be offered separately. This also allows Legacy Decatur to rent the chapel for a variety of uses.

- Monday through Thursday, the chapel may be rented for \$500 for the first four hours and \$100 for each additional hour.
- Fridays and Sundays cost \$1000 for the first four hours and \$100 for each additional hour.

- Saturdays cost \$1500 for the first four hours and \$100 for each additional hour.
- The 9 hour full wedding package remains at the current advertised price.
- Wedding planners may pay \$500 to set up the space the day before, which includes a four hour time block in the space and overnight storage.

**R-20-1210  
RESOLUTION**

WHEREAS, Decatur Legacy Board entered into an executive session on December 8, 2022 as allowed by O.C.G.A. §50-14-4 for the purpose of discussing personnel matters; and,

WHEREAS, at the close of discussion of each subject, the Decatur Legacy Board did vote to close the executive session and begin open session; and,

WHEREAS, the board members present were: Tony Powers, Andrea Arnold, Ed Bowen, Mark Ethun, Patti Garrett, Paul Mitchell, and Brian Smith. Allen Mast attended virtually.

WHEREAS, the board members voting for closure were: Tony Powers, Andrea Arnold, Ed Bowen, Mark Ethun, Patti Garrett, Paul Mitchell, Allen Mast and Brian Smith.

NOW, THEREFORE, BE IT RESOLVED, and it is hereby resolved, by the Decatur Legacy Board that:

- 1) Each member of the Decatur Legacy Board present for the meetings does hereby confirm that to the best of his or her knowledge, the said subject matter of the executive session was devoted to matters within the relevant exception as set forth above; and,
- 2) That the actions taken in executive session and discussion of the same are hereby ratified; and,
- 3) That the Decatur Legacy Board does hereby authorize and direct the Chair to execute an affidavit in order to comply with O.C.G.A. §50-14-4(b); and,
- 4) That the affidavit be included and filed with the official minutes of the meetings and shall be in a form which substantially complies with the requirements of the statute.

This 26<sup>th</sup> day of January, 2023

\_\_\_\_\_  
Chair

ATTEST: \_\_\_\_\_  
Secretary

**AFFIDAVIT**

Personally appeared before the undersigned attesting officer, duly authorized to administer oaths, Tony Powers, who, after being duly sworn, deposes and on oath states the following:

1) I was the presiding officer of meetings of the Legacy Decatur Board held on the 8<sup>th</sup> day of December, 2022.

2) That it is my understanding that O.C.G.A. §50-14-4(b) provides as follows:

When any meeting of an agency is closed to the public pursuant to subsection (a) of this Code section, the chairperson or other person presiding over such meeting shall execute and file with the official minutes of the meeting a notarized affidavit stating under oath that the subject matter of the meeting or the closed portion thereof was devoted to matters within the exceptions provided by law and identifying the specific relevant exception.

3) The subject matter of the closed meeting or closed portion of the meeting held on the 8<sup>th</sup> day of December, 2022 which was closed for the purpose of personnel matters as allowed by O.C.G.A., Title 50, Chapter 14, was devoted to matters within those exceptions and as provided by law.

4) This affidavit is being executed for the purpose of complying with the mandate of O.C.G.A. §50-14-4(b) that such an affidavit be executed.

This \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
Chair/Presiding Officer

Sworn and subscribed before me:  
this \_\_\_ day of \_\_\_\_\_, \_\_\_\_

ATTEST: \_\_\_\_\_  
Secretary

## LEGACY BOARD COMMITTEE MEETINGS

### PROPOSED DATES

#### GOVERNANCE COMMITTEE

Thursday, February 9, 2023 8:30 a.m.

Thursday, April 13, 2023 8:30 a.m.

Thursday, June 8, 2023 8:30 a.m.

Thursday, August 10, 2023 8:30 a.m.

#### MASTER PLAN COMMITTEE

Thursday, February 16, 2023 8:30 a.m.

Thursday, April 20, 2023 8:30 a.m.

Thursday, June 15, 2023 8:30 a.m.

Thursday, August 17, 2023 8:30 a.m.

#### FINANCE COMMITTEE

Thursday, March 30, 2023 8:30 a.m.

Thursday, July 20, 2023 8:30 a.m.

Thursday, October 26, 2023 8:30 a.m.