

**Action Requested/Required:**

- ☒ Vote/Action Requested
☐ Discussion or Presentation Only
☐ Public Hearing
Report Date: _____
Hearing Date: _____
Voting Date: _____

Department: City Management **Presenter(s) & Title:** Nathan Ingram, Assistant City Manager

Agenda Item Title:

Discussion and Consideration to Approve an Intergovernmental Agreement between the City, DDA, and County, for the Development and Construction of a New County Annex and Mixed-Use Project along North Street

Summary:

The proposed IGA represents and memorializes a road map that the City, the DDA, and the County will use as we move toward realizing a project that will become a County government annex, mixed-use development that will include retail, commercial, and residential, a 800+ space parking deck, and a possible hotel development along North Street. This IGA encompasses the collective vision and direction of the various stakeholders, and is the product of many discussions and reviews between those parties. This IGA itself enumerates the various responsibilities that each party will have and below, I have summarized just a few of these items: *Will provide for the County to engage their own Arch/Eng on the Annex building; *Will allow for a single Arch/Eng to provide civil and site engineering services for the project as a whole; *Allows for one CM@R to oversee the whole project, creating efficiencies that all parties can realize; *Embodies the goals and direction from the recently completed concept plan administered by GMC; *Identifies the funding mechanisms and responsibilities for each party; *and many others.

Budget Implications:

Budgeted? ☐ Yes ☐ No ☒ N/A

Total Cost of Project: _____ Check if Estimated ☐

Fund Source: General Fund ☐ Water & Sewer ☐ Sales Tax ☐ Other: _____

Staff Recommendations:

The DDA recently approved the IGA at their June meeting. Staff would recommend Council consider approving the IGA and for it to be forwarded to the County for their consideration to approve. Consider: Motion to approve the IGA as presented and have the Mayor sign said agreement.

Reviews:

Has this been reviewed by Management and Legal Counsel, if required? ☒ Yes ☐ No

Attachments:

Proposed Draft of the IGA
County's North Street Project Exhibit Narrative

INTERGOVERNMENTAL AGREEMENT

STATE OF GEORGIA
COUNTY OF CHEROKEE

“TAD PROJECT 1006”

This INTERGOVERNMENTAL AGREEMENT (hereinafter “Agreement”) is entered into this ____ day of _____, 2025 by and between CHEROKEE COUNTY, GEORGIA, a political subdivision of the State of Georgia, acting by and through its governing authority, the Cherokee County Board of Commissioners (hereinafter “County”), the CITY OF CANTON, GEORGIA, a municipal corporation, acting by and through its governing authority, the Mayor and City of Canton City Council (hereinafter “City”), and the DOWNTOWN DEVELOPMENT AUTHORITY OF THE CITY OF CANTON, GEORGIA, a local authority created pursuant to O.C.G.A. § 36-42-1 (hereinafter “DDA”), with each said entities existing under the laws of the State of Georgia (with each entity collectively being referred as “the Parties”).

WHEREAS, County is the owner of certain real property located at 90 North Street, Canton, Georgia 30114, with said property being further identified in the records of the Cherokee County, Georgia Tax Assessor’s Office as Parcel 91N15052A, which being the location of the Frank C. Mills III Building (hereinafter the Cherokee County Justice Center); and

WHEREAS, DDA is the owner of certain real property located at 10 North Street, Canton, Georgia 30114, with said property being further identified in the records of the Cherokee County, Georgia Tax Assessor’s Office as Parcel 91N15058, which currently houses a commercial office building; and

WHEREAS, DDA is the owner of certain real properties located at 300 North Street, Canton, Georgia 30114, with said properties being further identified in the records of the Cherokee County, Georgia Tax Assessor’s Office as Parcels 91N15053, 91N15056, and 91N15057; and

WHEREAS, the County, the City, and DDA desire to work collaboratively in order to expand the Cherokee County Justice Center, as well as construct a parking deck and other commercially available structures, in the downtown Canton area and also known as TAD Project 1006 (hereinafter “Project”); and

WHEREAS, as part of this expansion, the County, the City, and DDA further desire to work collaboratively to ensure the expansion and surrounding area design concepts are beneficial to the community; and

WHEREAS, as such, this Agreement shall memorialize the responsibilities and duties of the Parties in order to achieve such effect.

NOW, THEREFORE, in consideration of the foregoing recitals, the Parties hereto do hereby agree as follows:

Definitions:

TAD Project 1006	The entire development including site infrastructure, buildings, parking, etc. by the Parties. (hereinafter the “ <i>Project</i> ”)
Mixed-Use Development	Proposed commercial structures to include, but not limited to a Hotel, Retail Space, Offices, Housing Units, Pocket Parks and Public Space, and associated parking within a site area owned, or under contract by the DDA/City (hereinafter the “ <i>Mixed Use</i> ”).
Cherokee County Justice Campus	Frank C Mills III Building (“Mills Building”), 94 North (former Arts Center), the Historic Courthouse, Surface Parking and Parking Structure within a site area owned by the County.
Justice Center Expansion	Proposed addition to the Mills Building (at North Street) and its associated parking, as well as additional parking required by proposed interior renovations to the Mills Building within a site area owned by the County and within a portion of a parcel owned by the DDA/City. (hereinafter the “ <i>Justice Annex</i> ”).
Shared Parking Structure	A new parking structure that will serve the Project within a site area that includes property owned, or under contract by the DDA/City and a portion of a parcel owned by the County (hereinafter the “ <i>New Parking Deck</i> ”). The County’s projected minimum parking need is 600 spaces.
Exhibit A	<i>North Street Project Intergovernmental Agreement Exhibits and Narrative</i> dated May 12, 2025, to illustrate the plan’s intent and memorialize the genesis of the concept while summarizing the basic tenets.

1. The Parties agree to collaborate and work to ensure that the *Project* is effectively designed and constructed. Furthermore, the Parties agree to:
 - a. Participate jointly to master plan both present and future phases of the *Project* to include the *Justice Center Expansion* as illustrated in Exhibit A and the *Mixed-Use Development* envisioned by the DDA/City. Such master plan to include at a minimum:
 - i. A conceptual site plan identifying the overall site layout, grading strategy, utilities, state waters, streets, drives, parking, building footprints, areas, and number of stories.
 - ii. Conceptual building mass models (virtual or physical) and building elevations to illustrate preferred architectural styles/features commensurate with the City's vision for downtown.
 - iii. Prepare comprehensive cost models for their respective scopes of work within the *Project*, in coordination with collaboration by all Parties.
 - b. Conduct due diligence for their own properties and participate jointly in due diligence for property to be utilized for the *New Parking Deck* and/or other components identified and agreed upon to be a shared use. Due diligence may include environmental testing, boundary surveys, topographical surveys, geotechnical testing, and any other due diligence tasks, as required in furtherance of the *Project*.
 - c. Provide access to property owned by the Parties, as necessary to complete the *Project*.
 - d. Participate jointly with the Parties to develop funding mechanisms and identify development roles and responsibilities, including a pledge of Special Purpose Local Option Sales Tax proceeds approved by the voters of the County for the funding of expansion of the *Justice Center Expansion*.
 - e. Seek to collaborative select and individually contract with a common Construction Manager at Risk (CMAR) to construct each Parties' respective scopes of work within the *Project*.

- f. Acknowledge attached, hereunto as Exhibit A: *North Street Project Intergovernmental Agreement Exhibits and Narrative* dated May 12, 2025, for additional details regarding scope and intent.

2. County Responsibilities

- a. Release easements within the existing parcels owned by the DDA/City at 300 North Street, Canton, Georgia 30114 with said property being further identified in the records of the Cherokee County, Georgia Tax Assessor's Office as Parcels 91N15053, 91N15056, and 91N15057 and transfer a portion of the parcel owned by the County at 90 North Street, Canton, Georgia 30114 with said property being further identified in the records of the Cherokee County, Georgia Tax Assessor's Office as Parcel 91N15052A to the City, in furtherance of the Project. Transfer is estimated at 6.25 acres, to be confirmed through the design process and codified subsequently. See Exhibit B.
- b. Utilize the North Street frontage of the existing parcel owned by the County at 90 North Street, Canton, Georgia 30114 with said property being further identified in the records of the Cherokee County, Georgia Tax Assessor's Office as Parcel 91N15052A, in furtherance of the Project. Furthermore, the DDA/City will hold final approval of the façade design of the parcel frontage along North Street as part of the *Justice Center Expansion*.
- c. Utilize portions of the existing parcel not transferred by the County at Parcel 91N15052A, in furtherance of the *New Parking Deck* required for the *Justice Center Expansion* and proposed *Mixed-Use Development*.
- d. Participate in the selection and collaborate with a qualified civil engineer to be contracted by the DDA, who will provide the design and engineering services necessary to effectively construct the *Project* which includes the site design for the *Justice Center Expansion*, *New Parking Deck* and *Mixed-Use Development* proposed by the DDA/City. The County reserves the right to contract with an additional civil engineer for peer review of the *Justice Annex* and/or *New Parking Deck* in furtherance of the expansion of the *Cherokee County Justice Center*.
- e. Provide all necessary reviews, permits and inspections of the *Justice Annex*.

- f. Design or cause to be designed a new Justice Annex as described in the Cherokee County, Georgia Justice Center Space Needs Assessment prepared by the National Center for State Courts (NCSC), dated February 21, 2025. The selection of a design professional and associated costs of the design and engineering of the Justice Annex building shall be borne solely by the County.
- g. Whereas the County must utilize a competitive selection process, the County will lead the selection of a Construction Manager at Risk (CMAR) to execute the construction of the Project and all Parties will seek to contract individually and directly with the selected CMAR for their respective scopes of work within the Project. The selection committee will include representation from the Parties to include the County and City Managers; County General Services Agency Director, County Capital Projects Program Manager, Chair of the DDA, and the Assistant City Manager.

3. City Responsibilities

- a. Support the transfer a portion of the parcel owned by the DDA/City at 300 North Street, Canton, Georgia 30114 with said property being further identified in the records of the Cherokee County, Georgia Tax Assessor's Office as Parcel 91N15053, to the County in furtherance of the *Justice Center Expansion*. Transfer is estimated at 1.1 acres, to be confirmed through the design process and codified subsequently. See Exhibit A.
- b. Support the utilization of portions of the existing parcels owned by the DDA/City at 300 North Street, Canton, Georgia 30114 with said property being further identified in the records of the Cherokee County, Georgia Tax Assessor's Office as Parcels 91N15053, 91N15056, and 91N15057, in furtherance of the *New Parking Deck* required for the *Justice Center Expansion and proposed Mixed-Use Development*.
- c. Participate in the selection and collaborate with a qualified civil engineer contracted by the DDA, who will provide the design and engineering services necessary to effectively construct the Project which includes the site design for the *Justice Center Expansion, New Parking Deck and Mixed-Use Development* proposed by the DDA/City.

- d. Provide all necessary reviews, permits and inspections of the *Project*, to include the *New Parking Deck*, and exclude the *Justice Center Annex*.
- e. Provide legal and financial assistance to structure the *Project's* development to the DDA.
- f. Execute a reimbursement resolution of the City to reimburse any project costs borne prior to debt service.

4. DDA Responsibilities

- a. Transfer a portion of the parcel owned by the DDA/City at 300 North Street, Canton, Georgia 30114 with said property being further identified in the records of the Cherokee County, Georgia Tax Assessor's Office as Parcel 91N15053, to the County in furtherance of the *Justice Center Expansion*. Transfer is estimated at 1.1 acres, to be confirmed through the design process and codified subsequently. See Exhibit A.
- b. Utilize the existing parcels owned by the DDA/City at 300 North Street, Canton, Georgia 30114 with said property being further identified in the records of the Cherokee County, Georgia Tax Assessor's Office as Parcels 91N15053, 91N15056, and 91N15057, in furtherance of the *New Parking Deck* required for the *Justice Center Expansion* and proposed *Mixed-Use Development*.
- c. Offer the County the right of first refusal to purchase additional property from the DDA for future expansion of the *Cherokee County Justice Campus* beyond the needs as described in the *Cherokee County, Georgia Justice Center Space Needs Assessment prepared by the National Center for State Courts (NCSC)*, dated February 21, 2025.
- d. Contract with a qualified civil engineer, with review and approval by the County, to provide the design and engineering services necessary to effectively construct the site utilities and infrastructure for the Project which includes the *Justice Center Expansion*, *New Parking Deck* and *Mixed-Use Development* proposed by the DDA/City.
- e. Design, or cause to be designed, the *New Parking Deck*. with review and approval by the County. The County recommends consideration of a design/build delivery method as it is believed to be the most cost-effective approach based on the current

proposed location (beyond North Street) which would not require the design of an architectural façade.

- f. Will assist the County in funding a yet-to-be-determined portion of the Justice Annex above what SPLOST funding can deliver. There will be a clear division between the structures, including separate building systems, such that the DDA can maintain and lease this portion of the building separately, until such time as the County requires it for their projected growth with a pre-determined purchase price and transfer agreement. The exact size and estimated value cannot be fully determined until schematic design by a design professional and cost modeling by a Construction Manager at Risk (CMAR) are completed.
 - g. Participate jointly with the Parties to develop funding mechanisms, secure any necessary debt vehicles, and ensure that all payments on the project are made in accordance with contracts for the execution of the *Project*.
 - h. Participate jointly with the Parties to design a master management plan for the *Project* to include maintenance, the division of such *Mixed-Use Development* condominiums for future ownership changes, and restrictions necessary by covenants. The master management plan will define the County's percentage of responsibility for maintenance, repair and upkeep for the number of parking spaces that will ultimately be designated for their use. Should the DDA/City choose to charge for parking in the present, or the future, revenue generated by the County's percentage of space designated for their use would be held in a fund to cover the County's portion of maintenance, repair and upkeep. The County reserves the right to request the return of excess funds for other uses.
 - i. Provide monthly updates of the project execution to all Parties, including any distribution of receipts and invoices made payable to the project.
5. Term of Agreement. This Agreement shall have an effective date of as shown above and the initial term of said Agreement shall run until December 31, 2026, or until all the responsibilities of the Parties have been completed, whichever shall occur first.
6. Entire Agreement. The Parties acknowledge that this Agreement sets forth the entire Agreement and understanding between the Parties. The Parties affirm that the only consideration for their agreement to execute, and their execution of the Agreement, are the

terms as stated herein, and that there are no other promises or agreement of any kind which have caused them to execute this Agreement. This Agreement and the covenants and conditions contained herein shall be binding upon and in use to the benefit of each of the Parties hereto and their respective successors, assigns and successors in title. The Parties further acknowledge that they fully understand the meaning and intent of this Agreement, including but not limited to its binding effect.

7. Force Majeure. Neither Party shall be liable for any loss or damage suffered by the other Party, directly or indirectly, as a result of the first Party's failure to perform, or delay in performing, any of its obligations contained in this Agreement (except any obligations to make payments hereunder), where such failure or delay is caused by circumstances beyond the first Party's control or which makes performance commercially impracticable, including but not limited to fire, flood, storm or other natural disaster, explosion, accident, war, riot, civil disorder, government regulations or restrictions of any kind or any acts of any government, judicial action, power failure, acts of God or other natural circumstances.
8. Choice of Law/Venue. This Agreement shall be governed by the laws of the State of Georgia. The Parties agree that jurisdiction and venue for any dispute arising under this Agreement shall be in any court of competent jurisdiction located in Cherokee County, Georgia.
9. Severability. Should any part of this Agreement be invalidated or otherwise rendered null and void, the remainder of this Agreement shall remain in full force and effect.
10. Amendments. This Agreement may be amended at any time by the written, signed consent of all the Parties.

[this portion intentionally left blank; signature page to follow]

IN WITNESS WHEREOF, the Parties have caused their duly authorized officers to hereunto set their hands and affix their respective seals as of the day and year first above written.

APPROVED by the Cherokee County Board of Commissioners
this ____ day of _____, 2025.

Signed On Behalf of Cherokee County, Georgia:

By: _____
HARRY B. JOHNSTON, Chairman Date _____

Attest: _____
CHRISTY BLACK, County Clerk Date _____

APPROVED by the City of Canton City Council
this ____ day of _____, 2025.

Signed On Behalf of City of Canton, Georgia:

By: _____
BILL GRANT, Mayor Date _____

Attest: _____
ANNIE FORTNER, County Clerk Date _____

Signed On Behalf of Downtown Development Authority of the City of Canton, Georgia:

By: _____
JENNIFER HUGHES, Chair Date _____

Attest: _____
ANNIE FORTNER, City Clerk Date _____



North Street Project Intergovernmental Agreement Exhibit Narrative

Initial Concept – April 16, 2024

This drawing is the concept discussed at multiple meetings between the City of Canton and Cherokee County beginning in April 2024 when the Bray Property was the proposed site for a hotel and parking deck and the County was exploring the possibility of extending the Justice Center along North Street. In this concept, the City and County would collaborate on a parking deck to be used for both projects' parking needs.

Canton DDA-County Concept – May 12, 2025

With the purchase of the North Street Apartments and adjacent property to the east by the Canton DDA, and the City's recent exploration of a vision for the redevelopment of North Street, this drawing seeks to illustrate the County's space needs based on the Justice Center Space Needs Assessment by the National Center for State Courts in February 2025 as well as in-house planning by the County's General Services Agency since February 2024.

CANTON DDA

The DDA will select and contract with an Architect to design and engineer a parking deck (to include the County's parking needs) and their buildings, in their entirety, to accomplish the vision and goals.

The DDA will select and contract with a civil engineer to design and engineer the site limits as shown on the exhibit and will coordinate with the County's Architect to integrate the Courthouse Annex building into the overall design of the site. The County may choose to engage a peer review civil engineer.

The County will assist the DDA in funding the Courthouse Annex parking provided by the deck. The County will assist in the maintenance and repair of their portion as a percentage. Should the DDA choose to charge for parking, the revenue created by the County's percentage would be held in a fund for the County's portion of maintenance and repairs.

The DDA will transfer approximately 1.1 acres to the County for the Courthouse Annex. See Justice Campus Concept - Land Swap Exhibit 12May25.pdf.

CHEROKEE COUNTY

The County will select and contract with an Architect to design and engineer the Courthouse Annex building in its entirety to reflect their projected needs in 2044, to include high level planning for any future buildings beyond 2044.

The North Street Façade of the Courthouse Annex will be designed by the County's Architect in collaboration with the DDA's Architect to reflect the City's vision for North Street.

The DDA will assist the County in funding a yet-to-be-determined portion of the Courthouse Annex Building Project above what SPLOST funding can deliver. There will be a clear division between the structures, including separate building systems, such that the DDA can maintain and lease this portion of the building separately, until such time as the County requires it for their projected growth.

The County will transfer approximately 6.25 acres to the DDA and release any easements within the mixed-use area owned by the DDA. See Justice Campus Concept - Land Swap Exhibit 12May25.pdf

The County and Canton DDA will seek to collaboratively select a single CM@R, with each party contracting for their respective scopes of work.



Initial Concept - April 16, 2024



Legend

- Owned by County
- Owned by City
- Owned by Others

All information, including dimensions, areas and property lines are estimated/preliminary.

Shared Parking Deck
27.5'x120'
231,000sf / 600 cars
plus Hotel needs

Security

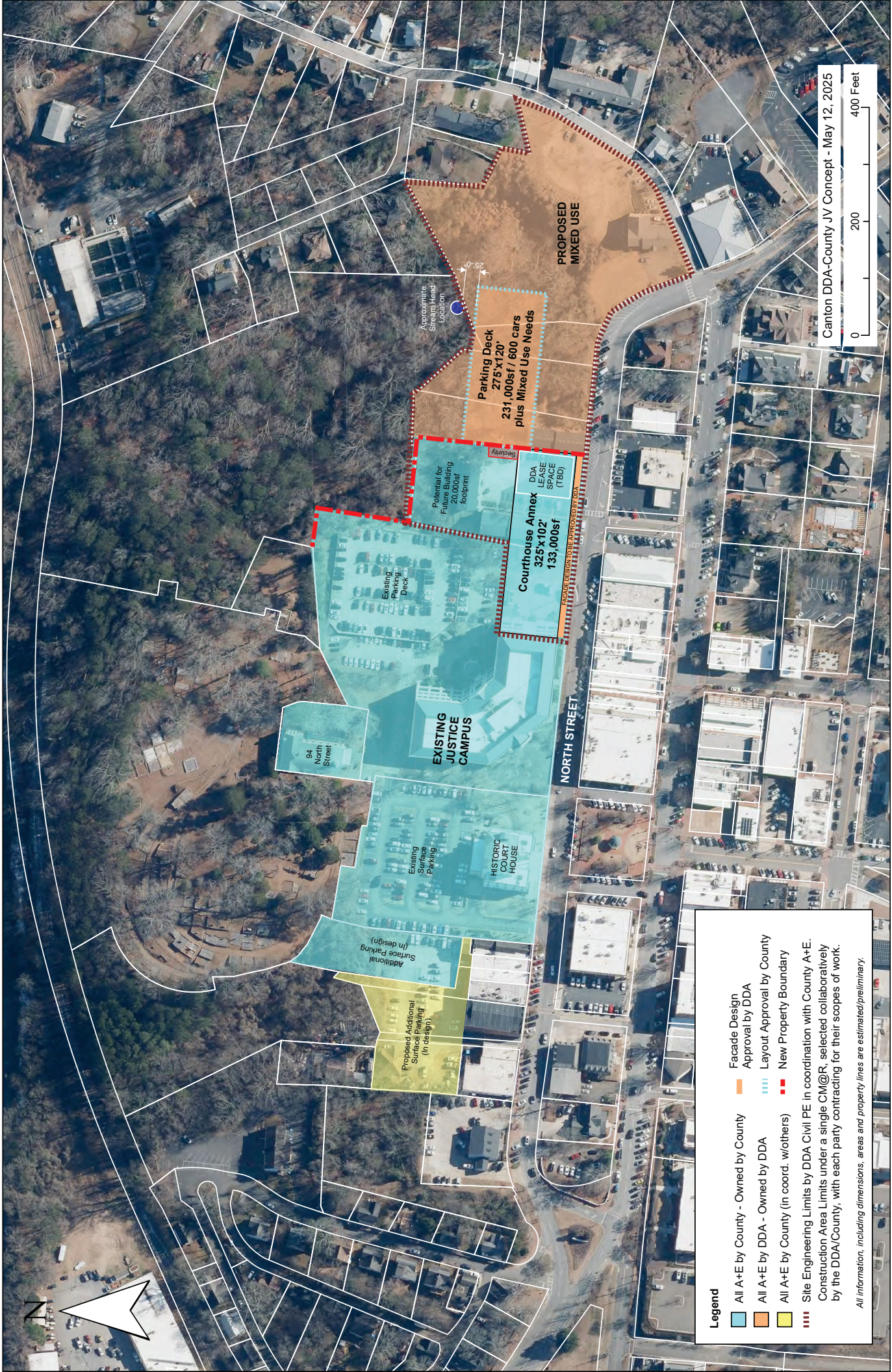
Courthouse Annex
32.5'x102'
120,000 - 140,000sf

FAÇADE TO BE DESIGNED IN COLLABORATION WITH THE CITY OF CANTON

NORTH STREET

Hotel Site

Approximate
Steam Head
Location



Canton DDA-County JV Concept - May 12, 2025

0 200 400 Feet

Legend

■

 All A+E by County - Owned by County

■

 Facade Design Approval by DDA

■

 All A+E by DDA - Owned by DDA

■

 Layout Approval by County

■

 All A+E by County (in coord. w/others)

■

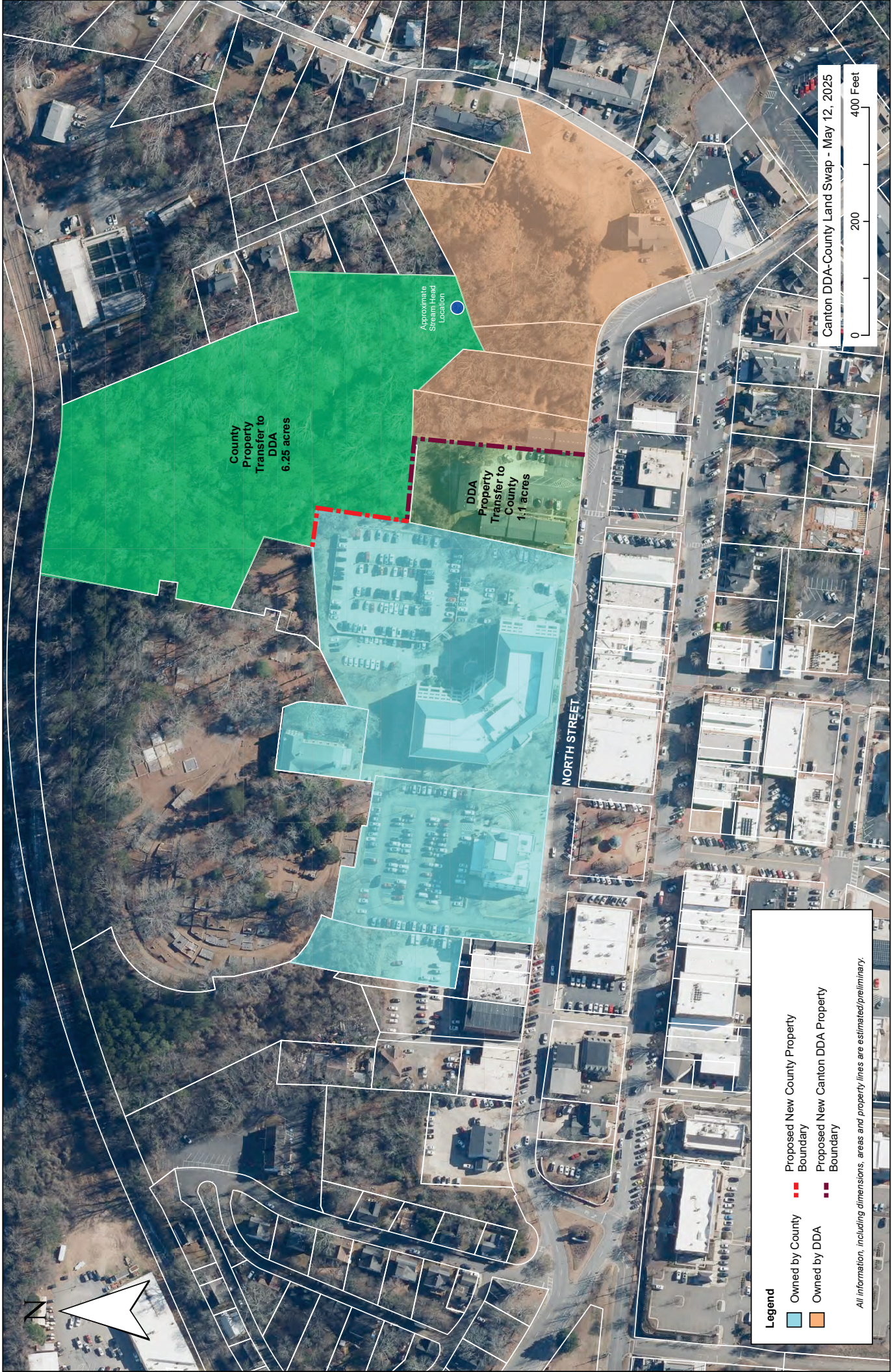
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 Site Engineering Limits by DDA Civil PE in coordination with County A+E.

■

■

 All information, including dimensions, areas and property lines are estimated/preliminary.



Canton DDA-County Land Swap - May 12, 2025

0 200 400 Feet





County
Property
Transfer to
DDA
6.25 acres

DDA
Property
Transfer to
County
1.1 acres

NORTH STREET

Approximate
Stream Head
Location

Legend

	Owned by County		Proposed New County Property Boundary
	Owned by DDA		Proposed New Canton DDA Property Boundary

All information, including dimensions, areas and property lines are estimated/preliminary.