

**Downtown Development Authority
Meeting Minutes
April 15, 2010**

The regularly scheduled meeting of the Downtown Development Authority was held April 15, 2010 at 8:30 a.m. at the DDA offices located at 936 Broad Street, Suite 107. Those members in attendance were Paul King, Cameron Nixon, Mark Bowling, Joey Hadden, Legal Counsel Byrd Warlick, and Executive Director Margaret Woodard. Guests and observers included DDA Office Manager Roxanne Walls, CADI Project Manager Jessica Fuselier, Tim Rausch of the Augusta Chronicle, Camille Price of Augusta Tomorrow, Brooke Buxton of the Augusta Market at the River, Julian Roberts of Augusta IT and Augusta History Museum board member, Nancy Glaser of the Augusta History Museum, and downtown property owners Dr. and Mrs. Mack McLeod.

Due to a scheduling conflict, Mr. Kendrick was unable to attend the meeting. Mr. King called the meeting to order at 8:39 a.m.

There were two items requested to be added to the agenda. The first item was to discuss special bonds for the downtown hotel project at the Augusta Common and the second item was to discuss a real estate matter in closed session.

Mr. King asked for a motion. Mr. Bowling made the motion to add the two items to the agenda. Mr. Nixon seconded the motion. All were in favor and the motion passed unanimously. The items were added to the agenda.

Mr. King presented the previous meeting minutes from March 11, 2010. He did not review those minutes as he did not attend the last meeting. With no additions or corrections, Mr. Nixon made the motion to accept the previous meeting minutes as presented with a second by Mr. Hadden. All were in favor and the motion passed unanimously.

In the Treasurer's Report, Mr. Nixon presented the DDA financials as of March 31, 2010.

The Balance Sheet was reviewed.

The Profit & Loss Budget Performance (DDA Operating) Report reflects the operating of the DDA office. For the first quarter, money is coming in from the city and BID/CADI income. We are a little over the year to date budget income due to rollover from event programs and the tourism grant that we received. The 2009 fourth quarter salary payback check to the city was not written in March so the cash flow appears good at the end of March. That check was cut in April so the cash balance will come down in April.

One expense that Mr. Nixon called attention to was ER/Business Development. This was over budget due to a timing issue as the budget did not reflect the timing of when the Augusta Showcase check would be cut.

Net income is in the amount of \$53,742.52 for January 2010 through March 2010.

The Profit & Loss Budget Performance (Consolidated) Report was in board member books for their review as well as the Saturday Market financials.

With no questions for Mr. Nixon, Mr. King asked for a motion to accept the Treasurer's Report as information. Mr. Bowling made the motion to accept the Treasurer's Report as information. The motion was seconded by Mr. King. All were in favor and the motion passed unanimously.

In the Director's Report, Ms. Woodard began with updating the board on Hyatt Place. The feasibility study and final financing package have been completed. Corporate from Atlanta and Texas were in town during Masters. A Georgia Cities Loan application will soon be underway for board approval. Mr. Dusseau is working with Legal Counsel Warlick on bonding for the parking deck.

Two buyers for the Johnson Building are working with Queensboro Bank and it is very close to closing. There will be 11 additional market rate apartments on the second floor that will convert to condominiums in seven years. Historic and new market tax credits will be used on the project.

A meeting was coordinated between Holiday Inn and Tax Advantage Group for new market tax credits. Historic Augusta has been hired to look at historic tax credits. Ms. Woodard is working with them as well on new tax credits. A Georgia Cities Loan application fee letter has been submitted for approval.

The Pilot Lighting Project is scheduled to let in late June.

The Tree Well Project will commence behind the Pilot Lighting Project.

The CADI monthly activity report was in board member books for review. They assisted 243 people which included personal safety escorts, pedestrian assistance, vehicle assistance, and outreach referrals. CADI picked up 4.53 tons of trash.

CADI supported the Mayor's Masters Reception and the DDA partnering with the Arts Council on Par 3. They also continue to pick up fee for services work.

The Saturday Market starts April 17th from 8:00 a.m. until 2:00 p.m. Sponsorships in the amount of \$8,000.00 have been raised to date. The current bank balance is \$6,408.46.

The DDA partnered with the Arts Council to do the first annual Par 3 party. It was held at the Augusta Common. The estimated attendance was about 1,000 people. Hyatt is considering a sponsorship for next year.

We are still working on the James Brown Boulevard Project. We should have final design approval from the Georgia Department of Transportation by the beginning of June.

The first public meeting for the Historic Preservation Grant/Harrisburg Phase 2 will be held April 20th at 6:00 p.m.

The contract has been signed with the CVB for the CVB Tourism Grant. We have received \$5,000.00 for our website re-design. Ms. Woodard will be meeting with Mass Media next week to start the website re-design.

The draft ordinance for parking has been completed. It has gone to Ronnie Strength, Steve Cassell and Legal Counsel Warlick for review and comments. Commuter/residential parking permission has been obtained from private lots.

Mrs. Walls has submitted all audit information to Serotta Maddocks Evans with the exception of a few items that will be submitted today. They will be coming in May to present the draft audit to the board.

With no questions for Ms. Woodard, she asked the board for a motion to accept the Director's Report as information. Mr. Nixon made the motion to accept the Director's Report as information. Mr. Bowling seconded the motion. All were in favor and the motion passed unanimously.

Under New Business, Mr. Roberts came before the board to present the History Museum's request to transfer SPLOST. The roof has a number of leaks and the insulation is wrong. They would also like to add a solar system. The museum has applied and been accepted to receive SPLOST VI in the amount of \$600,000.00. The total project is \$750,000.00. In order to access the SPLOST VI money they have to provide a match of \$150,000.00. A few years ago, the DDA allocated \$50,000.00 for the Greenway Project. This project was put on hold. Mr. Roberts asked the board to reallocate the previous \$50,000.00 back to the museum. This request is not time sensitive.

In addition, Mr. Roberts asked the board that when the DDA receives the next round of SPLOST to include the museum for another potential project in a similar amount.

Mr. Bowling asked Mr. Roberts if the decision was made to use DDA SPLOST money would that be considered a match for the museum. The Finance Committee will find out if DDA SPLOST money would be considered a match for the museum.

Mr. King asked for a motion to send the request to re-allocate the previous \$50,000.00 in SPLOST money back to the museum to the Design Committee. Mr. Nixon made the motion with a second from Mr. Hadden.

Mr. Nixon amended the motion to send the request to re-allocate the previous \$50,000.00 in SPLOST money back to the museum to the Finance Committee instead of the Design Committee. Mr. Hadden seconded the amended motion. All were in favor and the motion passed unanimously.

Under New Business, Dr. McLeod came before the board with a SPLOST request for The Emporium for public space improvements that are adjacent to their project. Mr. King disclosed that he is involved with management of that property and if there is any discussion beyond sending it to committee he would have to leave and Mr. Bowling would have to chair.

The total project costs are estimated to be approximately \$2.6 million. Mr. McLeod is requesting 6% of this project cost or \$156,000.00 towards sidewalks and lighting for the area on Eleventh and Ellis Street adjacent to their project.

Mr. Nixon made a motion to send the request of 6% of this project cost or \$156,000.00 towards sidewalks and lighting for the area on Eleventh and Ellis Street adjacent to the McLeod's project to the Design Committee. Mr. Hadden seconded the motion. The motion passed 3 -1 with Mr. Nixon, Mr. Hadden, and Mr. Bowling for and Mr. King abstained from voting. This has been noted for the record.

Mr. Bowling commented that he is supportive of the McLeods and appreciate their private investment downtown.

With the scheduled agenda items completed, the board moved to the additional items that were added to the agenda.

Legal Counsel Warlick came before the board to discuss special bonds for the downtown hotel project at the Augusta Common. Mr. Warlick presented the board with a resolution as the Downtown Development Authority of Augusta, GA (the "Authority") has been requested to assist Legacy Hospitality, LLC (the "Borrower") in the financing of a project consisting of a seven-story hotel and parking deck with 143 rooms, meeting and conference facilities, as well as commercial space between Broad Street and Reynolds Street in Downtown Augusta in the area known as the Augusta Common at a cost not to exceed \$17,000,000.00. The Georgia Department of Community Affairs has recently announced the possibility of reallocation of both Economic Development Bonds and Facility Bonds which are two new bond programs that might be available to finance the project provided applications are submitted to the Georgia Department of Community Affairs prior to June 30, 2010.

The Borrower has also discussed with the Authority bond financing involving new market tax credits as an additional method of using bonds to finance a portion of the project.

Legal Counsel Warlick prepared the resolution in a form that he thinks would be acceptable to Bond Counsel. Bond Counsel would normally do this but we do not have a Bond Counsel. The resolution describes the project, the maximum amount, and who it is.

Mr. King asked if someone would like to make a motion. Mr. Bowling made the motion to approve the resolution. Mr. Nixon seconded the motion. All were in favor and the motion passed unanimously.

Mr. King asked for a motion to go into closed session to discuss the possible acquisition of real estate. Mr. Bowling made the motion which was seconded by Mr. Nixon. All board members present voted in favor of going into closed session.

The board went into closed session.

The board came out of closed session.

The meeting adjourned at 9:29 a.m.

Respectfully Submitted,

Mark Bowling, Secretary