

Downtown Development Authority of Augusta, Georgia
Meeting Minutes
May 9, 2013

The regularly scheduled meeting of the Downtown Development Authority of Augusta, Georgia was held May 9, 2013 at 10:00 a.m. at the DDA office located at 936 Broad Street, Suite 107. The meeting time was changed from 8:30 a.m. to 10:00 a.m. to assure a quorum. Those members in attendance were Cameron Nixon, Sanford Loyd, Scylance Scott, Natalie McLeod, Steven Kendrick, Joey Hadden, and Executive Director Margaret Woodard. Guests and observers included DDA Office Manager Roxanne Walls, Attorney Jim Plunkett of Shepard, Plunkett, Hamilton, & Bourdreaux, LLP, George Eskola and Tyrone McCoy of WJBF, Chris Selmek of Verge, Camille Price of Augusta Tomorrow, Jenna Martin of The Augusta Chronicle, Julie Meeks and Gary Hipps of WAGT, and Jennifer Bowen of the Augusta Convention and Visitors Bureau.

Mr. Nixon called the meeting to order at 10:02 a.m. and welcomed everyone to the meeting.

Mr. Nixon presented the previous meeting minutes from February 14, 2013. With no additions or corrections, Mr. Loyd made a motion to approve. Mr. Scott seconded the motion. Mr. Nixon asked for any further comments, questions or corrections. Hearing none all were in favor and the motion passed unanimously.

In the Treasurer's Report, Mr. Loyd presented the financials.

The Profit & Loss Budget Performance (DDA Operating) Report reflected the following for January – April 2013: total income in the amount of \$54,833.55; budget for income in the amount of \$54,285.64; total expenses in the amount of \$20,358.11; budget for expenses in the amount of \$55,277.48.

There has been no payment made to the city for 1st Quarter salaries as we have not received an invoice from them.

The balance sheet as of April 30, 2013 reflected the following: total checking/savings in the amount of \$176,670.85; accounts receivable in the amount of \$1,000.00; total fixed assets in the amount of \$1,086,669.55; accounts payable in the amount of \$7,668.16.

The Profit & Loss Budget Performance (Consolidated) Report is also in board books for review. This report was not discussed as everything in this period has taken place in operating with the exception of a difference in the amount of approximately forty four cents that occurred in non-operating.

With no questions from the board, Mr. Nixon asked for a motion to accept the Treasurer's Report as information. Mr. Scott made the motion. Mr. Kendrick seconded the motion. Mr. Nixon asked for any further discussion. Hearing none all were in favor and the motion passed unanimously.

In the Director's Report, Ms. Woodard stated the Georgia Cities Foundation has launched a new loan. It is a federal loan with 2 percent interest, 10 – 15 year note, and the amount borrowed is up to the Foundation's discretion. The project has to be 51 percent owner occupied. We have four projects that will qualify for this loan and they are 905 Broad Street, 307 James Brown Blvd., 586 Broad Street, and the proposed hotel at the Augusta Common. This loan only requires 20 percent bank participation. These funds must be earmarked for allocation by December 2013.

There is also another program that has been unveiled and it is through the local credit unions. Potential buyers and developers can borrow start-up money.

Active Economic Development Projects

- We are working with Hildebrandt's located at 222 6th Street on a Green Loan for a new roof and a mechanical system.
- We are working with Mr. Donahue as 1246 Broad Street has sold and will be apartments.
- The building located at 1301 Broad Street has been sold to Augusta Lung Associates and they will be opening a new office in June and will rent the second story out to other tenants.
- The Doris Building has gone into foreclosure and we are working with the appraiser and the real estate agent representing the bank.

SPLOST V Projects

- The Olde Town wayfinding signage design has been approved by the Augusta Convention and Visitors Bureau. They are working on the construction documents.

Downtown Programs

Retail Strategy

- References were emailed to board members.
- The contract has been reviewed.
- The retail survey is ready for distribution.
- The initial research is underway.
- The Property Catalogue is underway.
- Several retailers have been identified and appointments scheduled for ICSC in two weeks.

Grant Projects

James Brown Blvd. Phase I

- The approved contracts between the city and Georgia Department of Transportation have been mailed to GDOT for signatures.
- The Construction BID documents are under review.
- A team meeting has been held.
- The service provider agreement between the DDA and the city has been executed.

Christmas Light-Up Spectacular

- We are partnering with 12 Bands for 2013.

Other

- The Book Tavern has opened in the JB White's Building.
- We are planning a Grand Opening for Green Light Sound Studios at 1030 Reynolds Street.
- The Downtown Rotary presentation is May 13th.

Ms. Woodard and Mr. Cassell met with Chief Deputy Clayton on May 8th in regards to the video of the brawl on Broad Street that went viral. There is a third car out patrolling downtown in the evening. He is working hard to get two extra bike patrols out for the evening hours. The video was actually a brawl that began inside a bar on the 900 block of Broad Street. When the bouncer booted them out the brawl continued on the sidewalk and then out onto Broad Street. By the time 911 had been called the fight was over. The Sheriff's Office is still following all the leads. They are looking at bike patrol and possible extra foot patrol from midnight to 7:00 a.m. in the morning especially when the bars close at 2:00 a.m. The Sheriff's Office is also going to work with some of the bar owners. Chief Deputy Clayton will begin sending quarterly stats to us. The DDA has included cameras in our next round of SPLOST money so Mr. Cassell attended the meeting to explain the infrastructure in place for Broad Street.

A complete copy of the Director's Report is in board books.

Ms. Woodard asked for a motion to accept the Director's Report as information. Mr. Loyd made the motion. Mr. Scott seconded the motion. Mr. Nixon asked for any further discussion. Hearing none all were in favor and the motion passed unanimously.

Under New Business, Mr. Loyd presented the 2012 audit for board approval.

Serotta Maddocks Evans (SME) previously met with the Finance Committee and presented the 2012 draft audit.

We have an unqualified report with the exception. This means there is nothing out of order but we did have an exception as certain properties that are owned by the DDA are not reflected as assets in the financial statements due to the inability to determine the fair market value of the properties at the date they were received.

Mr. Loyd mentioned that the Riverfront Parking Deck is no longer on our books and instead of a contribution to the city it was decided it was a loss on transfer.

SME commended Mrs. Walls on the information she put together. SME commended Mrs. Walls and Ms. Woodard in terms of communication with them in providing any and all records and information they needed to make it a smooth and relatively easy audit.

A copy of the letter and audit are in board books.

Mr. Loyd made the motion to approve the 2012 audit. Mr. Scott seconded the motion. Mr. Nixon asked for any further discussion. Hearing none all were in favor and the motion passed unanimously.

Under New Business, Ms. Woodard, instead of Mr. Loyd, presented for approval an application for a Georgia Cities Foundation Loan.

The application is for 334 Greene Street which has been purchased by Rex Property. It will add 10 new housing units downtown.

The loan request is in the amount of \$160,225.00. Rex Group is using historic tax credits on this project. It has been pre-approved by the Georgia Cities Foundation.

Ms. Woodard asked the board if there were any questions and there were none.

Mr. Nixon asked for a motion to approve the application. Ms. McLeod made the motion. Mr. Loyd seconded the motion. Mr. Nixon asked for further discussion. Hearing none all were in favor and the motion passed unanimously.

Under New Business, Mr. Nixon introduced Attorney Plunkett who presented two requests to the board regarding the TEE Center.

In the first request, Mr. Plunkett asked the board to sign an amendment to the lease of the old core agreement. At the end of the hotel site, there is a parking lot in front of Augustino's. We have a lease on the property and Augusta sub-leases it as it is owned by Augusta Riverfront. When this property was constructed for the TEE Center there was a small sliver of property that had to be used to be put in front of the building. The lease needs to be amended so that it belongs to Augusta Riverfront and is not subject to our lease. The city, Augusta Riverfront, and Wells Fargo have signed off on it. A plat was finalized in the middle of March. Using the plat, Mr. Plunkett showed the board the sliver of property.

Mr. Plunkett has spoken with DDA Legal Counsel Warlick and it has been reviewed by him. Mr. Plunkett came before the board to present as Mr. Warlick is out of the country.

In the second request, under the existing bond documents, there is an obligation to convey the property to Augusta which the DDA has fulfilled. Mr. Plunkett asked the board to consider executing a quit-claim deed based on 90's plat so a future abstractor or someone with a title could refer to a single plat for all of the references. The DDA is not giving up anything as it is already something that is done.

Mr. Nixon told the board that DDA Legal Counsel Warlick has reviewed everything but he will draft the information that we will sign.

Mr. Nixon read the motion received from Mr. Plunkett which read "Motion to approve the Amendment to Leases and Construction, Operating, And Reciprocal Easement Agreement between Augusta, Georgia, The Downtown Development Authority of the City of Augusta and Augusta Riverfront, LLC and to authorize the Chairman and Secretary to execute same". This motion is pending for legal review by Legal Counsel Warlick. Mr. Loyd moved the motion which was seconded by Mr. Hadden. Mr. Nixon asked for any further discussion. Hearing none all were in favor and the motion passed unanimously.

Instead of making a motion regarding the quit-claim deed, Mr. Plunkett will prepare the quit-claim deed and submit it to DDA Legal Counsel Warlick.

The board thanked Mr. Plunkett.

Under New Business, Mr. Nixon presented the Retail Strategies contract for ratification.

The funding has been identified. The references provided show that Retail Strategies is on a national scope and they are very active. We will be represented at the convention in Las Vegas.

The contract is in board books. Ms. Woodard asked the board to refer to page 2. Retail Strategies originally quoted us in the amount of \$30,000.00 for the first year and \$15,000.00 for years two and three. They have also made a proposal to the city which is under review at the city. If the city participates then our cost will come down.

If the proposal made to the city is approved by the commission, it would go through Mr. Sprouse at the Augusta Economic Development Authority. Any due diligence done by Ms. Woodard has been forwarded to City Administrator Fred Russell and Mr. Sprouse. Retail Strategies would work with the DDA on downtown.

Ms. Woodard has raised \$12,500.00 in private funds to date with an overall goal of 50 percent of the total project costs.

Retail Strategies is the only company in the industry that uses a program called “Base Camp” which is a program that retailers use. This company will also negotiate on behalf of the city. They are also the most price-effective as well.

Mr. Nixon asked for a motion to ratify the contract. Mr. Hadden made the motion. Mr. Scott seconded the motion. Mr. Nixon asked for any further discussion. Hearing none all were in favor and the motion passed unanimously.

With no further business to discuss, Mr. Nixon adjourned the meeting at 10:50 a.m.

Respectfully submitted,

Joey Hadden, Secretary