

Downtown Development Authority of Augusta, Georgia
Meeting Minutes
February 9, 2017

The regularly scheduled meeting of the Downtown Development Authority of Augusta, Georgia was held on February 9, 2017 at the DDA office located at 936 Broad Street, Suite 107. Those members in attendance were Commissioner Fennoy, David Hutchison, Rick Keurogian, Natalie McLeod, Cameron Nixon, Scylance Scott, Jr., DDA Executive Director Margaret Woodard, and Legal Counsel Byrd Warlick. Guests and observers included DDA Office Manager Roxanne Walls, Joe Strauss and Scott VonCannon of Retail Strategies, Jennifer Bowen and Barry White of the Augusta Convention and Visitors Bureau, Tom Clark of the Fort Gordon Alliance, Jeff Arlington and Hal Beman of The Christman Company, Camille Price of Augusta Tomorrow, Damon Cline of *The Augusta Chronicle*, Janie Peel of Prime Commercial Properties, Andy Ackerman of VanderMorgan Realty, downtown property owner Rafy Bassali, Matt Aitken of Sherman and Hemstreet, Martine Roberts of Unique Janitorial and Maintenance Service, and Phin Hitchcock of Heritage Academy.

Mr. Scott called the meeting to order at 8:30 a.m. He welcomed and acknowledged our friends, partners, and area stakeholders for their presence at today's meeting. Mr. Scott also thanked them for their support for the DDA and their continued support. He also told everyone that the DDA is available for whatever assistance we can give.

Mr. Scott asked for a motion to adopt the agenda. Mr. Hutchison made the motion. Mr. Keurogian seconded the motion. All were in favor and the motion passed unanimously.

Mr. Scott presented for approval the previous meeting minutes from January 12, 2017. With no additions or corrections, Mr. Nixon made a motion to approve the previous meeting minutes from January 12, 2017. Mr. Keurogian seconded the motion. All were in favor and the motion passed unanimously.

In the Treasurer's Report, Mr. Scott asked Ms. Woodard to present the Treasurer's Report in lieu of Ms. McLeod due to illness. Ms. Woodard presented the December 2016 and January 2017 financials to the Board.

The balance sheet as of December 31, 2016 reflected the following: total checking/savings in the amount of \$243,187.90; under accounts receivable the SPLOST receivable in the amount of \$750,000.00 will be received in three installments through the remainder of the year; accounts receivable in the amount of \$17,500.00 consists of an accrual made for the GA Power Matching Grant program in the amount of \$15,000.00 with \$2,500.00 zeroing out with the allowance for doubtful accounts; accounts payable in the amount of \$2,737.51 which consists of invoices received after December 31, 2016 and have been accrued; accrued liabilities in the amount of \$36,880.84 consists of 4th Quarter salaries and remaining days in December that the city considers as 1st Quarter 2017 due to 1/6/17 pay date. The Profit & Loss Budget Performance Report (DDA Operating) reflected the following for December 2016: under other income is Downtown TIA & Redevelopment Plan coordination in the amount of \$10,000.00 which is to

coordinate TIA and the Downtown Redevelopment Plan on behalf of the city; total income in the amount of \$22,905.46; under professional fees is Miller Theater legal services in the amount of \$1,500.00 which we have paid to-date as we are working with them on tax credits for their project and we will be a pass thru as they will reimburse us which will be reflected on the 2017 operating budget that will be presented later in the meeting; total expenses in the amount of \$41,375.17; depreciation in the amount of \$16,663.75. The Profit & Loss Budget Performance (Consolidated) Report reflected the following for December 2016: Matching Grant Program Sponsorship in the amount of \$15,000.00 which is the GA Power grant; SPLOST Riverwalk improvements in the amount of \$750,000.00; total income in the amount of \$792,985.18; total expenses in the amount of \$47,690.29; net ordinary income in the amount of \$745,294.89. None of the expenses were out of the ordinary.

The balance sheet as of January 31, 2017 reflected total checking/savings in the amount of \$253,713.31. The Profit & Loss Budget Performance (DDA Operating) Report for January 2017 reflected the following: total income in the amount of \$24.27 which is just interest income as we did not receive our January city funding check as will receive in February; total expenses in the amount of \$1,841.10. The Profit & Loss Budget Performance (Consolidated) Report for January 2017 reflected the following: total income in the amount of \$104.02 which is interest income; total expenses in the amount of \$1,841.10.

Ms. Woodard asked the Board if there were any questions. She also reported that we were able to be reimbursed for SPLOST administrative fees and pick up extra work so at the end of last year we had a positive net ordinary income in the amount of \$11,009.27 versus years past in which we had a deficit. Mr. Nixon asked if the Downtown TIA and Redevelopment Plan coordination was recurring income and it is not. However, we have been contacted by the city to handle project management on another project and that will be explained when the 2017 operating budget is presented later in the meeting. We did the oversite of the design for Jones Street Alley last year and that is a way for us to increase our budget.

Mr. Scott asked if there were any other questions. Hearing none, Mr. Scott asked for a motion to accept the Treasurer's Report as information. Mr. Keurogian made the motion. Mr. Nixon seconded the motion. All were in favor and the motion passed unanimously.

In the Director's Report, Ms. Woodard updated the Board on the following:

Active ED Projects

Georgia Cities Loans

- A loan application for 901 Broad Street is on hold as the applicant has slowed down their process and does not want to hold up funds.
- There are additional Georgia Cities Loan prospects that we are going to reach out to and start the loan process.

Other

- The Georgia Cyber Innovative and Training Center announcement for the Georgia Golf and Gardens site was made last month. Ms. Woodard, Mr. Nixon and Mr. Scott met with Augusta University on February 3rd and heard about the project and offered assistance.

- The Depot developer was also in town on February 3rd as that property and the Georgia Golf and Gardens Site are book-end projects and it is important for there to be a partnership between the two.
- An Atlanta developer will be in town on February 13th to look at possible downtown projects.

SPLOST VI Project/Riverwalk

- The design contract has been executed with Cooper Carry for the arches and the shade structures.
- We have two designs for the arches and several shade structure designs.
- The next step is to go through design committee and then to the Augusta Commission for approval.
- The shade structures will be a quick project once approved as they are prefabricated and then installed. They could be up in the next four to five months. We will also go to Augusta Parks and Recreation for approval.
- The arches will take six to seven months after approval due to design and construction.
- These two projects will be completed by the end of the year.

Ms. Woodard will not give an update regarding the retail strategy in the Director's Report as Retail Strategies is giving a presentation under New Business on today's meeting agenda. They are in town today and tomorrow and have back to back meetings with property owners who have available space and will be meeting through lunch tomorrow if anyone wants to drop by to speak with them. Both Ms. Peel and Mr. Ackerman are scheduled to meet today with Retail Strategies. She invited anyone else that would like to stay a few minutes after the Board meeting to speak with Retail Strategies to do so as their first meeting is scheduled at 11:30 a.m. today.

Grant Projects

James Brown Boulevard – Phase I

- This phase is completed.
- We are hoping the change order report and final pay application will be delivered to us today so we can submit to the city and close project out by February 15th.
- The ribbon cutting was held on January 12th and was well attended.

James Brown Boulevard – Phase II

- We are negotiating the final contract with Cranston Engineering as they are the preferred design engineer that came through city procurement.
- The final design contract is around the \$150,000.00 range and we are negotiating to get that figure lowered as we are about \$7,000.00 over.

Asset Inventory

- All asset inventories are completed and we are in the process of putting them into report form to load onto our new website once it goes live.

Other

- The Arts Council has received a grant to do a bike rack for downtown and Textron is doing the design work. They would like to have it completed by July.
- Ms. Woodard attended “Greater Augusta Day” in Atlanta on February 1st.
- The Augusta Convention and Visitors Bureau unveiled their destination plan on February 2nd at their ACVB Tourism Luncheon and will present under New Business on today’s meeting agenda.
- Augusta Parks and Recreation held a workshop on February 7th for their event plan.
- A confidential update from the Depot developer in Board books. The developer will be in town just about once a week until the project is unveiled in the spring.

One point of business to discuss prior to accepting the Director’s Report as information was to appoint members to the DDA Riverwalk Design Committee. Mr. Scott as DDA Chairman appointed Mr. Keurogian, Mr. Nixon and himself to the DDA Riverwalk Design Committee.

Mr. Scott asked if there was any further discussion regarding the Director’s Report. Hearing none, Mr. Scott asked for a motion to accept the Director’s Report as information. Commissioner Fennoy made the motion. Mr. Nixon seconded the motion. All were in favor and the motion passed unanimously.

Under New Business, Mr. Scott introduced Mr. Tom Clark, executive director of the Alliance for Fort Gordon, for a Fort Gordon Alliance update. Fort Gordon has a \$2.6 billion dollar economic impact on this region. There are 28,000 people that enter the gates of Fort Gordon daily to work. Fort Gordon and Fort Meade are the only two military installations that will grow between now and 2025. He spoke of the Fort Gordon Cyber District and also the growth that it will bring to the area. Mr. Clark showed various slides via projector. A copy of his presentation is in Board books. The Board thanked Mr. Clark for his presentation.

Under New Business, Mr. Scott introduced Mr. Barry White of the Augusta Convention and Visitors Bureau for an ACVB Destination Plan presentation. They reviewed more than seven plans that exist in the community and the advisory group identified 70 different projects that met their definition of tourism. The goal is to narrow it down to a few manageable projects, prioritize them and identify funding sources. The ACVB engaged the services of Convention Sports and Leisure. Augusta Parks and Recreation used the same consultant on their events plan as well as the Greater Augusta Arts Council for their public art plan. The key research takeaways from the consultant are our destination assets (Augusta Marriott and Convention Center, history and culture, Savannah River and Augusta Riverwalk, and Augusta Canal and other outdoor activities), destination challenges (gateways and highway conditions, vacant storefronts, and lack of family entertainment). The opportunity areas are the connectivity to the Savannah River (extending the Augusta Common with a public plaza and River Destination Center), defining downtown for the visitor, visitor center, trademark transportation (golf carts/electric vehicle shuttle service), amateur sports, events and festivals, arts and culture, and outdoor and adventure. Mr. White presented the ACVB plan via projector. Copies of the presentation were not distributed and are not in Board books. The plan is available through the ACVB. Mr. Scott asked Mr. White how the DDA can assist the ACVB. The ACVB would like to gather more support.

Mr. Scott asked for a motion to endorse the ACVB Destination Plan. Mr. Keurogian made the motion. Mr. Hutchison seconded the motion. All were in favor and the motion passed unanimously.

Due to technical issues, the Retail Strategy update will be given after the approval of the 2017 operating budget.

Under New Business, Mr. Scott called on Ms. Woodard to present the 2017 operating budget for approval. Following are some of the items included in the proposed budget under income: retail recruitment sponsorships in the amount of \$10,000.00 of which we have received commitments in the amount of \$5,000.00; SPLOST administrative services in the amount of \$56,000.00 for oversite of Riverwalk, James Brown Streetscape Phase I and II; downtown project coordination in the amount of \$5,000.00 for oversite of an upcoming streetscape design project; Miller reimbursement in the amount of \$10,000.00; along with city funding and interest income; total income in the amount of \$243,500.00. Following are some of the items included in the proposed budget under expenses: Board meetings in the amount of \$1,500.00 as we probably need to have a retreat and bring in a facilitator; increased the dollar amount for computer/equipment supplies as our equipment is getting older and may need to be replaced; Miller Theater legal services in the amount of \$8,500.00; downtown housing study consultant in the amount of \$1,450.00 which is the balance due; net income in the amount of \$12,900.00. Ms. Woodard explained that the positive net income will not happen next year as we will have spent our SPLOST funds. You can charge ten percent of your total SPLOST money to administrative fees for oversite of the project and we have done that in 2016 and 2017. Ideas for boosting our agency will be discussed at an upcoming Board retreat with date forthcoming. The Board reviewed the proposed 2017 operating budget in Board books.

Mr. Scott asked the Board if there were any questions regarding the proposed operating budget for 2017. Hearing none, Mr. Scott asked for a motion to approve the operating budget for 2017. Commissioner Fennoy made the motion. Mr. Nixon seconded the motion. All were in favor and the motion passed unanimously.

Under New Business, Mr. Scott introduced Mr. Scott VonCannon of Retail Strategies for a retail strategy update. Due to the nature of their business, they work in confidentiality and will be very generic on some of the pending projects they are working on.

Pending project updates:

- They have been courting a full service restaurant for over a year that has a piece of property under contract downtown with the due diligence period a few months out and hoping to close sometime this spring with construction later 2017.
- Working with a fast-casual sandwich shop that has property under contract and in negotiations. If project comes to fruition Retail Strategies will serve as a catalyst for additional space in the same building. They are also talking to coffee, breakfast and regional groups to serve as an additional tenant in the building.

- With the Kroger closing announcement, Retail Strategies has had multiple meetings with grocery stores. Six weeks ago they had a meeting with the most active grocery entity and Augusta is on their radar.
- They are involved in the retail portion of a large project downtown.
- They have been courting a national coffee shop for over two years and are on the third or fourth site with hopes of project coming to fruition. Possible announcement in next four to six months.
- Retail Strategies is working with Hyatt House on securing a retail portion at the bottom of that development.
- A fast-casual restaurant will be touring Augusta either this week or next.
- They are speaking with an entertainment concept and they are looking at opportunities throughout Augusta.
- They helped Savannah River Brewing and gave them a lot of data. Assuming the beer bill passes it will help recruit outside breweries to downtown.

Retail Strategies did a nationwide search in mid-2016 to determine the best research partner and chose Tetrad. Mr. VonCannon spoke about Tetrad, STI Popstats, mobile data collection, and their new web platform. With their new platform they would link the DDA to their web page and information such as the marketing guide and retail information would be available. A user would also have the ability to request or access information and users would be tracked. They showed the Cookeville, Tennessee web platform.

Mr. VonCannon asked if there were any questions. Ms. Woodard told the Board that an announcement may be forthcoming for a fast-casual sandwich shop and they may be the first recipient of the façade grant program. Copies of the presentation are in Board books.

With no further business to discuss, Mr. Scott asked for a motion to adjourn. Mr. Hutchison made the motion. Mr. Nixon seconded the motion. The meeting adjourned at 9:57 a.m.

Respectfully submitted,

Scylance Scott, Jr., Chairman