

Downtown Development Authority of Augusta, Georgia
Meeting Minutes
July 12, 2012

The regularly scheduled meeting of the Downtown Development Authority of Augusta, Georgia was held July 12, 2012 at 8:30 a.m. at the DDA office located at 936 Broad Street, Suite 107. Those members in attendance were Joey Hadden, Scylance Scott, Jr., Commissioner Hatney, Steven Kendrick, Natalie McLeod, Sanford Loyd, Legal Counsel Byrd Warlick, and Executive Director Margaret Woodard. Guests and observers included DDA Office Manager Roxanne Walls, CADI Project Manager Jessica Fuselier, Camille Price with Augusta Tomorrow, Chris Selmek with Verge, Augusta resident Nathan Hertel, Abbie Rickoff and Glenda Matute both of APD Urban Planning and Management, Courtney Elledge with News Channel 6, Eric Parker with Conima, downtown business owner Mike Walraven, Courtney Khondabi with NBC 26, and Gracie Shepherd with The Augusta Chronicle.

Mr. Kendrick called the meeting to order at 8:40 a.m. and welcomed everyone to the meeting. Mr. Kendrick also welcomed new board members Mr. Sanford Loyd, who is a former board member, and Ms. Natalie McLeod.

Mr. Hadden presented the previous meeting minutes from May 24, 2012. With no additions or corrections, Mr. Hadden asked for a motion to approve the previous meeting minutes. Commissioner Hatney made the motion. Mr. Scott, Jr. seconded the motion. All were in favor and the motion passed unanimously.

In the Treasurer's Report, Ms. Woodard presented the financials.

The Profit & Loss Budget Performance (DDA Operating) Report reflected the following for January 2012 – June 2012: total income in the amount of \$92,365.71; year to date budget for income in the amount of \$90,904.04; total expenses in the amount of \$51,915.89; year to date budget for expenses in the amount of \$69,210.02.

We are ahead on year to date total income due to the minimal fee we charge for staff time, preparation and copying for Georgia Cities loan applications and also open records requests that we received. We are also under budget for expenses as we have not received the city salary payback invoice for the 2nd Quarter.

The parking decks are still being reflected on our balance sheet as we are still waiting on a response from the city.

Mr. Loyd made the motion to accept the Treasurer's Report as information. Mr. Scott, Jr. seconded the motion. Mr. Kendrick asked the board if there was any further discussion. Hearing none 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 Foundation Revolving Loans

- The Foundation has approved a loan for 834 Greene Street and it should be closing in the next 30 days.
- A loan application for 901 Broad Street (Marshall House) has been submitted to the Foundation and appears it will be approved as they are asking for some additional information.
- A loan application in the amount of \$250,000.00 for 758 Broad Street (Johnson Building) has been completed and will be presented under New Business for board approval.
- Letters of intent signed for 220 6th Street and 1120 Jones Street. Applications to be submitted in September as Georgia Cities Foundation funds are low.

Other

- A new recording studio is opening up on 11th Street.
- We are assisting New Moon Café with their Grand Opening planned for August.
- We are assisting Bath Fitters with their Grand Opening planned for early September.

Pilot SPLOST Projects

- An application for 725 Greene Street will be presented for board approval under New Business.
- The Widows Home Project is almost completed as we had problems with electricity and those problems have been resolved.

Downtown Programs

CADI

- The monthly reports are in board notebooks for review.
- We have completed almost everything to begin the petition drive. Letters of support have been received from outside agencies.

Grant Projects

James Brown Blvd. Phase 1

- The contracts to begin are with the Augusta Legal Department for approval.

Other

- Two projects in the beginning phases are the "Future of the Arts Initiative" and the "Sustainable Transportation Initiative".
- Budgets for SPLOST VI Projects are underway with pricing for three projects completed.
- We have a potential sponsor for a street furniture demonstration block for a public/private partnership.

- There were six cities chosen to participate in a Georgia Downtown Partnership and we were one of the cities chosen. This is to spur development in downtown and if the Downtown Investment Tax Law passes in 2013 there would be \$50 million dollars in tax credits.
- A new program that is about to launch is “Downtown Investment Ready”.
- Ms. Woodard was one of the Columbus trip attendees with Dr. Aziz to look at what a downtown looks like with a medical school and she has met with Dr. Aziz’s team.

A complete copy of the Director’s Report is in board notebooks for review.

Ms. Woodard asked for a motion to accept the Director’s Report as information. Commissioner Hatney made the motion. Mr. Loyd seconded the motion. Mr. Kendrick asked if there was any further discussion. Hearing none all were in favor and the motion passed unanimously.

Mr. Kendrick thanked Ms. Woodard for the Director’s Report.

The board would like Ms. Woodard to do a brief orientation with the new board members to bring them up to date. Also Ms. Woodard mentioned having a BID meeting since we are getting ready to start that initiative again.

Under New Business, Mr. Kendrick and Ms. Woodard presented the conflict of interest policy.

At our last audit, Serotta Maddocks Evans recommended we establish a conflict of interest policy for our board. Mr. Kendrick and Ms. Woodard did research and brought forth a conflict of interest policy. The policy was e-mailed to board members prior to the board meeting for review.

Ms. Woodard told the board that the conflict of interest policy is from the city’s website. She did not copy the entire city policy but just those sections that were applicable to us. She did look at other conflict of interest policies but the city’s policy was the most applicable for us. Mr. Nixon and Legal Counsel Warlick reviewed the document before it was presented to the board for review.

Mr. Loyd made the motion to approve the conflict of interest policy. Mr. Hadden seconded the motion. Mr. Kendrick asked if there was any further discussion. Hearing none all were in favor and the motion passed unanimously.

Under New Business, Ms. Woodard presented a Pilot SPLOST application for 725 Greene Street for board approval.

Ms. Woodard explained the program to the new board members. This program is for property owners that make a private investment into their own building and want public improvements. The DDA will match up to \$7,000.00. The first application that was

approved was for Christ Community in which they requested money for new sidewalks and street lights.

The application being presented for approval is for The Richmond on Greene Project located at 725 Greene Street. The property owner has spent \$36,643.90 on new façade and parking lot improvements. The grant fund amount requested is \$7,000.00 for new sidewalks and minimal landscaping.

Commissioner Hatney expressed concern in regards to the applicant. Mr. Kendrick explained that when we receive SPLOST money from the city, although we invest in many larger projects, we felt that sometimes downtown business owners did not get a chance to utilize those monies. The program is based on if a private owner comes to us and they are doing something to improve downtown and the public appearance then we will match up to \$7,000.00. We have allocated \$35,000.00 to this program. The application is on our website.

Mr. Dallas Hooks, owner of the Johnson Building, is going to apply for Pilot SPLOST money as well.

Mr. Nixon has reviewed the application for 725 Greene Street and asked Ms. Woodard to present it for approval in his absence.

Mr. Hadden made the motion to approve the Pilot SPLOST application for 725 Greene Street in the amount of \$7,000.00. Mr. Scott, Jr. seconded the motion. The motion passes 5-0-1 with Mr. Hadden, Mr. Scott, Jr., Mr. Kendrick, Mr. Loyd, and Ms. McLeod voting yes and Commissioner Hatney abstaining.

Mr. Kendrick thanked Ms. Woodard and asked her to keep the board updated on projects and sidewalks as they get developed.

Under New Business, Ms. Woodard presented an application for the Georgia Cities Foundation Revolving Loan Fund for the Johnson Building for board approval.

Mr. Kendrick asked Ms. Woodard to explain where the Georgia Cities Foundation Revolving Loan Fund money comes from. The Georgia Cities Foundation Revolving Loan Fund started about 10 years ago. It is through a foundation and through the Department of Community Affairs. It is to spur and assist in downtown development. One can borrow up to 40% of your project cost at a cap of \$250,000.00 at a very low interest rate. Currently that interest rate is at 2% - 3%. It is a 10 year note with the possibility of a five year extension. In this economy with banks only loaning 50% this is an excellent program. The Georgia Cities loan is not paid until the project is completed. The banks know this and will lend the money. When the Georgia Cities loan closes the money is used to pay the bank loan.

In the entire state, downtown Augusta is about to hit second place for the most Georgia Cities Foundation loans applied for and approved. One must go through the DDA to get

this loan approved as we are the “bridge”. The Foundation ultimately makes the decision if the loan is approved or denied.

The application being presented today is for the Johnson Building located at 758 Broad Street. The building has retail space and 13 market rate apartments. It is a \$1.1 million dollar project. The Georgia Cities Foundation Revolving Loan Fund amount requested is \$250,000.00. The project has been approved for a Green Communities Fund in the amount of \$125,000.00 for a new roof and LEED certified mechanical system. The total of both loan amounts is \$375,000.00.

The Georgia Cities Revolving Loan Fund package is complete. It has been reviewed by DDA Treasurer Cameron Nixon and it has been pre-approved by the Department of Community Affairs. Mr. Hiott was in town and saw the project. Both he and Mr. Higdon liked it so well that they approved the Green Fund in the amount of \$125,000.00. The DDA is not the conduit for the Green Fund money so we do not have to approve that application. Financing is in place and construction is set to start in about two months.

Ms. McLeod made the motion to approve the Georgia Cities Foundation Loan Fund application for the Johnson Building for submission to the Georgia Cities Foundation. Mr. Hadden seconded the motion. Mr. Kendrick asked if there was further discussion. Hearing none all were in favor and the motion passed unanimously.

Under New Business, Mr. Kendrick discussed officer and committee appointments.

In regards to officers, with the resignation of Vice Chair Mark Bowling, the nominee for vice chair is Mr. Nixon. In Mr. Nixon’s absence, who is currently the treasurer, the nominee for treasurer is Mr. Scott, Jr. to continue this year out.

Mr. Kendrick made the motion to vote Mr. Nixon to vice chair and Mr. Scott, Jr. to treasurer. Mr. Loyd seconded the motion. Hearing no further discussion all were in favor and the motion passed unanimously.

In regards to committee appointments, Mr. Kendrick appointed Mr. Loyd to the Clean Augusta Downtown Initiative Board as the DDA representative to replace Mr. Bowling. This committee assignment includes that Mr. Loyd and Margaret Woodard lead the effort to renew the BID on behalf of the DDA. Mr. Kendrick also appointed Ms. McLeod and Mr. Hadden to the Pilot SPLOST Committee.

Mrs. Walls will e-mail a revised committee list to board members.

With no further business to discuss, Mr. Kendrick asked for a motion to adjourn the meeting. Mr. Hadden made the motion. Commissioner Hatney seconded the motion. All were in favor and the motion passed unanimously.

The meeting adjourned at 9:23 a.m.

Respectfully Submitted,

Joey Hadden, Secretary