

Downtown Development Authority of Augusta, Georgia
Meeting Minutes
March 14, 2019

The regularly scheduled meeting of the Downtown Development Authority of Augusta, Georgia was held on March 14, 2019 at 8:30 a.m. at the DDA Office located at 922 Ellis Street, Suite 100. Those members in attendance were Jack Evans, Commissioner Fennoy, Rick Keuroglian, Cameron Nixon, Scylance Scott, Jr., DDA Executive Director Margaret Woodard and Legal Counsel Jeb Murray with Natalie McLeod not in attendance. Guests and observers included DDA Office Manager Roxanne Walls, Damon Cline of The Augusta Chronicle, Mike Carpenter of BLOC Global, Camille Price of Augusta Tomorrow, Charles Murdorf of 600 Broad, Jennifer Bowen of the Augusta Convention and Visitors Bureau, Matt Cooper of WJBF, Jeff Sommer and Elliot Cook of Retail Strategies, downtown property owner Rafy Bassali and Matt Aitken of Sherman and Hemstreet.

Mr. Scott called the meeting to order at 8:30 a.m. and welcomed everyone. Mr. Keuroglian made a motion to accept the March 14, 2019 agenda. Mr. Nixon seconded the motion. All were in favor and the motion passed unanimously.

Due to parking issues, Retail Strategies was not yet at the meeting so Mr. Scott went to item III on the agenda and turned the floor over to Mr. Mike Carpenter of BLOC Global for a depot update. They are continuing their due diligence efforts with the intent of closing by the end of June per agreement. They currently have both an institutional investor/lender for the project as well as a life insurance company that has expressed interest. They are currently negotiating terms with both of those entities for the funding for both debt and equity for the project. Their partner in this project, Retail Specialists, is in the process of securing tenants for the old train depot and has contacted over 150 different entities to entice them to participate. They have a letter of intent for a microbrewery and are expecting another letter of intent from a food service company. A number of people are coming to visit the city between now and the end of the month. Mr. Carpenter has a number of meetings today to advance due diligence efforts. The city seems very cooperative and he is meeting with the mayor this afternoon. Mr. Carpenter thanked the community for their commitment. The Board thanked Mr. Carpenter. An update is in Board notebooks.

Mr. Scott turned the floor over to Mr. Nixon for approval of the February meeting minutes. Mr. Nixon presented for approval the February 14, 2019 meeting minutes. With no additions or corrections, Mr. Keuroglian made a motion to approve the February 14, 2019 meeting minutes. Mr. Evans seconded the motion. All were in favor and the motion passed unanimously.

Mr. Scott turned the floor over to Ms. Woodard for the Treasurer's Report. In the Treasurer's Report, Ms. Woodard presented the February 2019 financials. The balance sheet as of February 28, 2019 reflected the following: total checking and savings in the amount of \$850,328.71; accrued liabilities in the amount of \$5,850.92 for remaining days in December that the city considers 1st Quarter; deferred inflow in the amount of \$812,053.49 for SPLOST Riverwalk funds. The Profit & Loss Budget Performance (DDA Operating) Report reflected the following:

total income in the amount of \$12,905.16; total expense in the amount of \$2,538.31 which includes memberships in the amount of \$200.00 for Georgia Downtown Association dues for 1/1/19-12/31/19, website in the amount of \$429.00 for annual website hosting and maintenance and mileage reimbursement in the amount of \$215.04 which includes a meeting in Atlanta; net income in the amount of \$10,366.85. The Profit & Loss Budget Performance (Consolidated) Report reflected interest income in the amount of \$335.44 for SPLOST checking and DDA operating checking; total expense in the amount of \$2,538.31; net income in the amount of \$10,681.30.

Mr. Nixon made a motion to accept the Treasurer's Report as information. Commissioner Fennoy seconded the motion. All were in favor and the motion passed unanimously.

With Retail Strategies now present, Mr. Scott went back to item II on the agenda and turned the floor over to Mr. Jeff Sommer of Retail Strategies for a retail strategy update. Mr. Sommer introduced Mr. Elliot Cook also with Retail Strategies. Their priority for this trip is to update their property catalog and make sure their database is up-to-date. With cyber, Unisys, TaxSlayer and other jobs coming downtown Retail Strategies now has jobs to back up their recruitment efforts. They are going for pizza, coffee and sandwich concepts. Currently, they have interest from a well-known smoothie concept and are really going after national and regional concepts. Mr. Sommer answered questions from the Board. The Board thanked Mr. Sommer and Mr. Cook. A confidential report is in Board notebooks. Mr. Sommer, Mr. Cook and Mr. Carpenter left the meeting.

Mr. Scott turned the floor over to Ms. Woodard for the Director's Report. In the Director's Report, Ms. Woodard updated the Board on the following:

Economic Development

Active

- 401 Greene Street - We are still working on a GCF loan application with Mr. Heard Robertson and it should be ready for Board approval in May.
- 511 Reynolds Street - We have started a GCF loan application and it should be ready for Board approval in June.

Sold

- 922 Ellis Street - Under contract for apartments.

Under Construction

- 941 Ellis Street (EM Andrews Warehouse) – Apartments/Construction completed
- 1298 Broad Street – Construction has started/Loft apartments on upper floors

Ribbon Cuttings/Grand Openings/Groundbreakings

- 941 Ellis Street (EM Andrews Warehouse) - Ribbon cutting is forthcoming.
- Riverside Smoke Barbeque - Soft opening this weekend with a ribbon cutting forthcoming.
- TaxSlayer (945 Broad Street) - Ribbon cutting to be held on March 20th at 5 p.m.

Depot Property

- The March Progress Report is in Board notebooks and has been sent to the city administrator to forward to key team players and the Augusta Commission.

Marina

- Georgia Power has finished the marina cost estimate for possible SPLOST consideration and we will meet next week with some other key people to see that everything is included in that project.
- There is discussion about the 5th Street Bridge as to whether it stays vehicular or is turned into a pedestrian bridge. If the concept is a pedestrian bridge, we would want to look and see if anything needs to be added to the marina to make that project successful.

Pilot SPLOST Project

- We are expecting an application from SharedSpace for sidewalk improvements.

Downtown Programs

Retail Strategy

- Detailed and confidential retail update in Board notebooks.
- Affordables Apparel meeting this afternoon as they are interested in a pop-up store after Masters.

Grant Projects

James Brown Blvd. Phase III

- Team meeting held March 8th and comments have been received from GDOT. We have 30 days to respond.
- Once GDOT approves we will start construction drawings as they are due by the end of the year with hopes to go through procurement 1st quarter 2020.

Jones Street Alley

- We are working with Cranston on this project and will apply for a TAP grant (due in June) to fund this project.

Other

- A Canadian Delegation was in town February 20th for a cyber tour.
- A depot update was given to the Augusta Convention and Visitors Bureau Board on February 21st.
- Destination Blueprint consultant was in town on February 21st.
- Corp meeting was held March 6th regarding the Savannah River (rock weir).
- City will host a meeting March 21st in Commission Chamber for public comment from 5 to 7 p.m. regarding Savannah River (rock weir).
- We are working on a Board retreat and training.
- A meeting was held March 13th with the Sheriff's Office regarding the electronic sign at 5th. Most of the car break-ins are happening in the early morning hours between 1:00 a.m. and 4:00 a.m. which are resident vehicles and most are not secured. We will work

with the Sherriff's Office to educate downtown residents and electronic signs will be up during large events such as Arts in the Heart reminding people to lock their doors.

Mr. Keuroglian made a motion to accept the Director's Report as information. Commissioner Fennoy seconded the motion. All were in favor and the motion passed unanimously.

Mr. Nixon made a motion to go into closed session to discuss an employee issue. Mr. Keuroglian seconded the motion. All were in favor and the motion passed unanimously.

The Board went into closed session at 8:57 a.m.

Mr. Keuroglian made a motion to come out of closed session. Mr. Evans seconded the motion. All were in favor and the motion passed unanimously.

The Board came out of closed session at 9:10 a.m.

Under New Business, Mr. Scott turned the floor over to Ms. Woodard to present the 2019 operating budget for approval with COLA increases. The proposed operating budget presented reflected total income in the amount of \$215,966.00. Ms. Woodard pointed out this includes retail recruitment sponsorships in the amount of \$10,000.00 (\$5,000.00 has been raised to-date), city funding in the amount of \$154,610.00, special development legal consultant reimbursement in the amount of \$41,206.00 which we will receive when we close on the depot property, special development (depot) fees reimbursement in the amount of \$9,850.00 which per the purchase sale and development agreement we pay for the ALTA Survey (reimbursable at closing). It also reflected total expenses in the amount of \$239,037.00. Ms. Woodard pointed out board meetings expense in the amount of \$1,500.00 to include a board retreat and facilitator, special development legal consultant in the amount of \$16,000.00 which is our estimated portion, education/training in the amount of \$2,500.00 for two members that need training or possibly have an institute come here for basic and advanced training for the Board. Also reflected was net ordinary income in the amount of -\$23,071.00. The COLA is included in the 2019 budget so that the DDA employees, who both participate in the City's payroll and benefit plans as if they were city employees, would not incur additional personal expense as a consequence of changes in the City's health insurance plans. Previously, the DDA employees forewent COLA increases so not to adversely impact the DDA budget but the Board wanted those employees to have the same ability to cover the increased health care expenses as other city employees do. Future income streams could include proceeds from our 20% ownership in the historic depot, ownership of 175 Unisys parking spaces and admin fees from James Brown Blvd. but are not included as they will not be realized in 2019.

Mr. Nixon made a motion to approve the 2019 operating budget. Mr. Keuroglian seconded the motion. All were in favor and the motion passed unanimously.

With no further business to discuss, Mr. Keuroglian made a motion to adjourn. Mr. Evans seconded the motion. All were in favor and the motion passed unanimously.

The meeting adjourned at 9:23 a.m.

Respectfully submitted,
Cameron Nixon, Secretary