

Jefferson Downtown Development Authority
Tuesday, June 27, 2019
Jefferson Public Library Conference Room

Members Present

Joel Harbin
Mac Gramley
Les Crane
Shawn Watson
Angela Haun

Staff

Beth Laughinghouse
Pat Levinge

Absent

Mac Gramley
Terry Liles
Christine Dalton

1. Call to Order
 - Meeting was called to order by Joel Harbin at 6:37pm.
2. Approve Minutes: March, 2019
 - Approval motion was made by Les Crane, second by Angela Haun.
 - Motion was approved unanimously.
3. Approve Budget Report: March, April, May 2019
 - Pat had a conflict; reports were resented by Joel.
 - Joel: Review all summaries please and we will approve under one motion.
 - May 31, 2019 summary: Balance is \$202, 196.09; operating revenue collected \$14,425.00 and have spent \$13,186.13. Overage is \$1,238.87. We have certainly gotten that back down to running nearly net \$0.
 - Motion to approve: 1st: Angela, 2nd; Shawn. Motion was approved unanimously.
4. Committee Reports
 - a) Lee Street:
 - Shawn: Nothing major. We finally got the maintenance stuff done...pressuring washing on the outside, repair to a lentil and that is it for now. That was all completed about two weeks ago.
 - Joel: Contract negotiations: We have pretty much finalized everything on that. We worked with Tom Harper on the RFP and he walked us through the process. We had a great discussion, made some suggestions, redlined it for us and we sent it to Regions and Regions said "great...let's do it." No push back. They had proposed some things we pushed back on...late penalty, price per square foot. There some miscommunication in the beginning about the rental price...they said they would pay the same thing and I said great; they were talking per square foot and I was thinking total amount paid each month. We've settled on a much more reasonable cost per square foot.
 - Joel: They are returning all of the hardware store, upstairs and most of the break room.
 - Beth: Did we agree to any free rent? Joel: We told Tom no and no money for buildout.
 - Joel: They were receptive to all that we put forth.
 - Les: Beth, did I get you the most recent bill from Tom? Beth: Not yet. Les: I'll email it.
 - Joel: We have signed all the paperwork and returned it to Regions so the ball is in their court. They are also going to on the side of the building...the sides on the side of the building, they are going to turn those so they face the other way and making it ADA

accessible. There will a hallway inside...there will be stairs going up, a door to the left to access our space and a door to the right for them to get into their portion of the bank. This is all at their expense. We made sure they knew they were moving the security system, the electrical system, internet...everything is on them and they agreed.

- Joel: Kudos to Les for getting Tom because there is no way we could have done this on our own. The first RFP I got, when I put my eyes on it I knew it was above my pay grade! So then I knew we needed a real estate expert. Les was wise enough to say we needed a real estate attorney.

5. New Business

a) Façade Grant Applications: No one grants as of now

- Les: No new application from the Tap Room?
- Beth: Not yet; they are in the process....they did go before HPC for their sign but they did not ask for a color chart so their paint cannot be covered with your grant program.
- Joel: So we have to approve the paint?
- Beth: No, you can't approve paint because our HPC guidelines do not cover paint. If HPC approves renovations to the outside of the building, historically you all have covered those renovations with the façade grant. They brought a sign and an awning to HPC; the sign was approved and the awning was changed but paint is never regulated by the Commission so the way we keep another building from being painted pink, is that we have a palette of colors (Charleston Historic Colors) and if they choose from that palette for their paint, the paint can qualify. He did not ask for that palette nor gave me a color to put on the application. (The awning was reused...it was in the basement....so it cannot be covered either)
- Joel: So our Façade Grant Guidelines states we will only pay for paint from our palette of colors? Beth: Yes
- Angela: They can use colors outside that chart it just won't be covered by the grant?
Beth: Right
- Beth: The mural is down and in storage

b) Insurance:

- Beth: Help me remember...we have had insurance coverage on the building, correct?
- Joel: The DDA does not carry a policy on that building. We have asked that question in the past and it has always been told to us that it was covered by the city's policy.
- Beth: Now Priscilla has asked GMA for an opinion on insurance coverage on the building and the directors. What GMA's policy says is that is the city controls the budget of an entity (like HPC) they can be covered with director's insurance. Since the City does not control the DDA's money, you are not covered by insurance.
- Joel: This is just a continuation of the "discussions" of 5 years ago when we took the money away from the city and put it with our own accountant and this is just another dig. I don't know if this is a change from GMA or GIRMA or if it a long standing guidelines.
- Beth: Here is what the email from Priscilla said, " Based on my conversation with GIRMA, it was recommended that the DDA get their own insurance for their directors and their buildings."

- Joel: When did that email come? Beth: I sent her an email this week “refresh my memory on the insurance” and that is the response I got.
 - Beth: I’ve assumed all along that they had insurance on the building from when they purchased the building.
 - Joel: We’ve asked that question over and over and over and we were told that the city covered the buildings and the city covered the DNO and any special events; we inquired about that when we did the Winter Wine Fest and the BBQ, just to make sure we had our bases covered and every time the answer was “it falls under the city” until now. And now all of a sudden. Here is the problem when it comes to the property insurance...any insurance agent goes to price it the new company is going to say give me three years of loss runs.
 - Joel: that information has to come from the insurance company and they may say “we’ve never covered that property”. If GMA can’t give us a set of loss runs for that address showing 10 years coverage on that building, some of the carriers are going to say no, you’ve had a lapse in coverage which is going to put us in a different level of the market. They are going to look at us as new in business or not having prior insurance. I’m talking worst case scenario. Some underwriters will listen to your case. I’ll call the folks at GIRMA. I’ll see if she can quote it for us. I’ll do anything at the DDA’s pleasure.
 - Joel: As well as the DNO goes, it’s next to nothing...\$500/year. Beth: Would you ask Jonathan to provide a quote on that coverage for the next meeting, if the DDA would like. Joel: Sure.
 - Les: So we’re going to address with Jonathan the DNO coverage and you (Joel) are going to talk to GIRMA about the property insurance?
 - Joel: I’ll ask GIRMA about the DNO as well since they do it for the city.
 - Shawn: I’d double check...the city appoints the directors of the DDA so maybe the insurance will cover the directors.
 - Joel: I will have a pointed conversation with GIRMA. At the end of the day I would assume they want to keep the premium coming in. I need to understand what type of coverage they have and what it covers.
 - Beth: They (GIRMA) just came around last week to all the city buildings checking the properties.
 - Joel: We had also asked the city about whether we covered for special events; I may have mentioned that before but we need to make sure we are covered.
 - Shawn: I think who is covered and who is not covered should come from the insurance folks, not the city. We need proof.
 - Joel: And that was our understanding from past conversations...would you check with the insurance company to make sure we are covered and the answer has always been yes.
- c) Bills
- Beth: I am also working on getting all the bills out of the City of Jefferson’s name and into the DDA name to streamline the payment. I’ll keep you updated on that process.
 - Angela: If you only want to change the address, I can help with that...I’ll call tomorrow.

d) Projects/RSVP Project

- Les: Since this is our first meeting since our Vision Session, as the Downtown Development Authority, I would like to push us toward progressing along that path. We take very positive efforts to execute plans, not the least of which is partnering with the City Government. Us being the board, we need to help develop downtown. Beth is constantly pushing through Main Street to make downtown a better place, more of a destination location. I think we need to keep it on the forefront of our minds to continually move toward that effort on a monthly basis. I'm not so sure how we make this work without having at least a working relationship with the city when they control so much of what we have to do. I don't have an answer right now but I do that that us as a board need to have a conversation about what is our next first step.
- Beth: Do you mean like another project?
- Les: Is it another project or do we build a relationship first? How do we start the next project?
- Angela: Or do you strategically pick the next project because it would initiate that relationship building with the city?
- Les: Exactly. Those types of conversations need to be had or we're going to move into July, August and all we're going to be doing is managing Regions Bank. So I have some ideas but I think we need to share those ideas and we need everyone here when we do that. So I'll hold it to the next meeting. I think we should put some emphasis on that next first step to fulfil our obligation as an authority.
- Joel: I think it would be good...it does not fall on any one person who sits on this authority to push this but you do need someone...a committee chair or the chairman...to lead the vision of the DDA. I certainly probably have not been the best of that based on a lot going on from a work standpoint and a personal standpoint. You do fall into a rut especially when it's a non-paid position but there are several people here...Christine, Shawn and Les...who have businesses in downtown that is dependent upon, to a certain point, what this board does. It is important that this board is more than just a landlord to Regions and certainly my vested interested in downtown has changed but it doesn't negate my love for downtown and my admiration for my friends who have businesses downtown and I want them to succeed.
- Joel: It's going to be healthy when all the board members are here to building on that visioning session we had and instead of just doing an RSVP project and sitting on it for four years, let's take that visioning session and ask what can we do to building on that? What came from this? What action items came from this?
- Beth: I'm not sure what your ideas are for partnering with the City, but certainly a project that is in the RSVP would be great because they have only funded the directional sign project. If you can take some of those projects and fund those that would be great.
- Les: Do we have an opportunity, as an example, can we take the gateway signs and get that done? It's something we can do if they are willing to give that project up. Beth: Certainly but there is money in the budget...\$70,000...to do that project.
- Les: The entire board's role is to try and met the vision statement; my concern and experience from being on the board for over a year is, for example the RSVP project that was done 3 years ago, nothing has happened. I do not want our visioning statement to go down that same road.
- Les: We have a limited budget we can work with but there are some of the projects we can work on; if we can extract those from the city and get them done. I use the gateway

signs as example..it's better than those small signs on the bypass now. We have people from the other side of the bypass that walk in the store all the time and didn't know there was a downtown and if your residents in the city don't now there is a downtown, something is wrong.

- Beth: There is the \$70,000 budgeted right now for those signs...do you want to spend that much of your budget for a project that the City has already funded.
- Les: Maybe not but we need to get them out there.
- Beth: I will email the DDA the list of RSVP projects; there is not a cost associated with the projects but it will give you a feel for everything that was brought up in the RSVP plan. Do you have some ideas for other projects that you want to look at?
- Les: The RSVP projects are exactly where we need to go.
- Beth: You are also going to have access soon (2020) to the old hardware store; think about how much the Streetscape initiated changed in downtown and what can potentially happen when this board does something to the hardware and maybe even the bank building.
- Les: I don't know how we create a subcommittee with as few of members as we have but I'm certainly willing to lead a committee within the board to spearhead it.
- Beth: Maybe you need to look at the list first and prioritize, from a downtown business owner's prospective, what is the most important. Les: Sure.
- Les: from a personal standpoint, when we made the decision to purchase a building and open a store, the discussion started two years ago, right on the coattails on the RSVP, fulling expecting the city to follow through with the projects in the RSVP. The City put together a project that we thought was going to move the city forward and we invested a sizeable amount of money. I'm not expecting them to advertise for me, but I am expecting them to follow through with their plan because we made decisions based on that. Now you feel to some degree you're out on an island.
- Joel: Part of that is probably an administration change. Les: I understand that but there is some obligation on the city's part to continue to move forward with plans regardless of an administration change because if you start over with administrative changes, nothing ever gets done and that is where we are right now.
- Joel: My point in saying that, is that priorities change.
- Beth: The first three years I was here we didn't do anything...we were 1.6M in debt. Then we maintained for a few more years and then we were able to do the Streetscape but now we seem to be back to maintaining. What I am doing this year is request 6 different capital projects...will they all get funded? Absolutely not but I am going to ask where my projects fit into the priority list of projects.
- Les: I dare ask where the conversation is on the Amphitheatre. Beth: There is no conversation right now, but there is a line item request in my capital projects for that. I want to give the transmission shop a notice to vacate so we can make that look better even before we start the Amphitheatre project.
- Les: If we want to create positive change from this board, we need to move forward and obviously we have restrictions what we can do, but if we can reach into the project mix and take on something...that's great
- Beth: We are completing a Fox Theatre Institute grant for a restoration plan for The Roosevelt Theatre. There will be a 50/50 match from the city and I've asked Priscilla what I can do there...up to \$35K on the city's part. As we move forward with that

project, if that is something the DDA is interested in partnering with the City, that would be huge.

- Les: I think it would help to bridge the gap between the two. It would create positive change. I think I mentioned it at the Visioning Session...change is coming and it's coming our way...it's a wave like water...it's going to be over the top of us within the next 10 years and I think we as a DDA, we want the downtown to be a shining beacon and if we don't do something about us know, we will become just like Norcross and Lilburn became...they didn't do enough to protect their downtowns and the county washed over them. It took Alpharetta over 20 years to get their downtown back...is that what we want for Jefferson...to be nothing for the next 2 decades?
- Beth: If anyone has projects they would like to add to the list, please let me know.
- Angela: If there is something that jumps out that would be appealing to the DDA and also be a bridge builder with city relations, maybe it's something we know the city wants it done a certain way, let's get that pot stirring in the right direction.
- Les: I think it is very important to have that relationship with the city; although we are two separate entities, we have to work together, we have to be intertwined in some way, working toward a common goal.
- Joel: I think there is still a disconnect between what the DDA is and can do and what some within the City believes we can do.
- Les: We put everyone in the same room and have that conversation and talk it out.
- Joel: I think we need to do a better job of getting city council to understand what we do.
- Les: Is there an option for us to have someone from DCA to explain what the relationship is. Beth: They have all been through the basic DDA training. There are 3 classes you have to take as a new council person: finance, ethics and DDA.
- Les: Would it work better in a small, more intimate setting as opposed to being with 65 other people? Beth: Yes and the DDA can pay for that training. The problem is getting the council to attend the training; I'm not sure you'll get them all there. It is probably a \$1500 expense to get a trainer to come in for that training. We can open it up to surrounding DDAS and hopefully recruit other's to participate? Do you want me to check on that cost?
- Les: My initial take is for us to wait until after the election before we set that up. There may be some changes in the council and they can attend the local training.
- Joel: I think we should continue the conversation next month not only about picking out a project and getting some action items.
- Les: We can move forward and start chewing away at the list.

6. Old Business

The Chevron Station

- Beth: Rod Beatty, who owns The Chevron Station, has put it on the market. We have three people looking at that property...convenience store, repair car station and a very good restaurant. The restaurant will not look at the property until a Level 1 & 2 study is done and the tanks are removed. We know that is a \$6000 study (level 1 & 2). Probably in the \$3000-5000 cost to remove the tanks.
- Les: In regards to the transmission shop, what did the city do after we paid for the Level 1 & 2 studies? Beth: They bought the land and the building.

- Beth: Would the DDA be willing to “loan” the money to the property owner to do the studies and the tank removal and then get paid back at closing? Or is that a responsibility that the DDA might be willing to do period? I did discuss with Mac today when I found out he would not be here tonight and I presented to him just as I did to you...Mac said why don't we foot the bill for it period?
- Angela: You're not helping a business get started, you're helping the seller. The payback makes more sense in this case. You're assisting the sale. The thing that meets our vision the most is the restaurant.
- Beth: I would not ask you to help with any study for any business other than the restaurant. There would also need to be something in writing to both the seller and the purchaser that you would be paid back at closing
- Joel: The only risk we're taking is that if we agree to pay for this even with the restaurant saying yes I will put a business there, would we get paid back?
- Beth: Rod will pay you back no matter who it sells to; at the closing you get your money back
- Les: It could be in a month or 5 years, but we get paid back at closing
- Angela: You're looking at a maximum of \$12,000? Beth: Probably.
- Les: I agree with Angela, to have a payback...not just pay for it. We do have a responsibility to help get a viable business in there.
- Angela: to pay you back at closing with no interest is also helping the seller get that property sold and to the best benefit of downtown.
- Beth: Kudos to the real estate agent, he is working with us to try and get a viable business in that spot.
- Les: We don't have anything restricting us from using our funds for this? Beth: No, there is nothing in your bylaws that restrict what you do with your money.
- Angela: If the terms are that the money is only there if the restaurant is putting a contract in for the property only if these things are done and that the money is paid back at closing, then I don't think there is anything wrong with setting that president.
- Joel: I think it's our prerogative to say this fits into what we are trying to attract to downtown.
- Angela: That's what you stand on...this fits our mission, that doesn't fit our mission.
- Angela: I would like to make a motion that we loan funding for an EPA Level 1 & 2 as well as tank removal at The Chevron Station, based on a restaurant offering a contract that says the Level 1 & 2 studies be completed as well as tank removal be done. The DDA would be refunded at the time of closing on the property by the seller. Les Crane made 2nd.
- Shawn: Level 1 & 2 studies have expiration dates. I think we need to word it so that if it's four years from now before he sells it, he still has to pay us back.
- Joel: A restaurant there would change downtown
- Joel: We have a motion and a 2nd; any further discussion. Motion passed unanimously.

Vision & Mission Statement

- Beth: I say at this late time in the evening, we add this item to the next agenda

Land Deed to the City

- Beth: This is where Chris Carlan is going to be surveying the land so you can deed it to the city so Georgia Power will move the poles. I know it's low on his list but I will follow up with him.

7. Public Input

7. Adjourn

- Motion was made by ??? to adjourn, second made by Les. Motion passed unanimously. Meeting was adjourned at 8:45a.m.

Respectfully submitted,

Beth Laughinghouse