

CALLED MEETING

COMMISSION CHAMBER
July 30, 2024

Augusta Richmond County Commission convened at 11:00 a.m., Tuesday, July 20, 2024, the Honorable Garnett Johnson, Mayor, presiding.

PRESENT: Hons. Johnson, Frantom, Garrett, Scott, McKnight, Pulliam, Lewis, Guilfoyle, members of Augusta Richmond County Commission.

ABSENT: Hons. Mason and Williams, members of Augusta Richmond County Commission.

Mr. Mayor: Good afternoon, ladies and gentlemen. Madam Clerk, I call this special called meeting to order. All right, Madam Clerk, the floor is yours.

The Clerk: Are we going to address the addendum first?

Mr. Mayor: Yes, the addendum first.

The Clerk: Mr. Mayor, we have a request for two addendums. Item 1. Motion to adopt a resolution for the Augusta Housing Authority of the City of Augusta, Georgia to issue bonds to finance facilities located in Augusta, Georgia, Richmond Summit Apartments, LP. Item 2. Motion to adopt a resolution for the Housing Authority of the City of Augusta, Georgia to issue bonds to finance facilities located at Augusta, Georgia Bon Air Apartments, LP and just for the record, the supporting documentation for these items are listed on our Finance Committee, item number two.

Mr. Mayor: Thank you, Madam Clerk. Is there any objection from this body for these two addendum items being added and discussed today? Seeing none, I'm going to ask the gentlemen that are here representing Redwood Partners to come forward. Colleagues, this is a great opportunity for Augusta. It's a great day. Sir, if you will state your name and address for the record and who you represent.

Mr. Fuson: I'm Ryan Fuson. I am the founder and CEO of Redwood Housing from Seattle, Washington. Honored to be here today. Appreciate the opportunity to come see you all and share with you the exciting news on Bon Air, Richmond Summit. I'll be brief and obviously would like to allow any questions, happy to answer all of them. With respect to Bon Air and Richmond Summit, we have made significant investments into these communities over the last couple of years and have really upped that reinvestment over the past year where we've been able to focus on life safety improvements, full unit renovations and also accessibility improvements of the buildings. We're here today because we have now received the opportunity to have favorable financing through a competitive award of DCA to double down on that investment into these communities. As everybody probably is aware, these communities have been neglected for far too long prior to our ownership. We are here and committed to providing high quality affordable housing to the City of Augusta and through the incremental financing and through our current investment, we believe we can showcase what high quality affordable housing should be for the

City. The first phase again has been focused on the units, it has focused on life safety, it has been focused on accessibility. The second phase will focus on critical systems, common area renovations, exterior improvements and upgrades as well as bringing back some of the critical historical elements to these buildings. With that I'm happy to answer any questions you all may have.

Mr. Mayor: Thank you, Mr. Fuson. I have Commissioner Jordan Johnson from District 1.

Mr. Johnson: Thank you, sir. Good morning. We had an opportunity to speak briefly in the foyer before we began the meeting today but I just wanted to reiterate just some of the questions and feelings I'm having here today about this. So basically we're asking for the City to issue these bonds. Let me ask what is the relationship between the City and the Housing Authority and Redwood right now.

Mr. Fuson: This is David Williams who may be able to speak to the technical aspects of this a little bit better.

Mr. Mayor: For the record, sir, will you please state your name and address.

Mr. Williams: Good morning, I'm David Williams. I'm a lawyer at a law firm called Butler Snow. I'm the bond counsel for the Housing Authority and I'm working with the Housing Authority and Redwood on this bond issue.

Mr. Johnson: What is the City's responsibility in this? What would the City's role be?

Mr. Williams: The City has no responsibility whatsoever to issue the bonds, to repay the bonds. It's no liability on the City on any funds whatsoever. There's no moral obligation, legal responsibility whatsoever. The Housing Authority is issuing what we call revenue bonds and loaning the proceeds to the private owner to facilitate the continued renovation of the project. The federal tax code allows owners of these type of multi-family housing communities to access tax exempt bonds as their debt source to facilitate either construction or renovation of these communities so as Ryan said, there was a competitive award around the state for communities like this to be able to access tax exempt bonds and also a tax credit that comes along with these types of taxes and bonds, the proceeds of which are used to renovate the project. So the Housing Authority as it has for years and years is the proper legal entity in Augusta to issue these bonds. The tax code requires some governmental body to issue tax exempt bonds. The company can't do it themselves. The City is not the proper body to issue the bonds so the Housing Authority issues them. The Housing Authority has no legal liability, financial liability or responsibility whatsoever for these projects. It's 100% the private owner so the Housing Authority is just furthering its corporate purpose to assist in improving affordable housing by issuing the bonds, loaning the proceeds to the private company so answering your question what are we even doing here today. The tax code says that before the Housing Authority can issue bonds, we have to have a public hearing, which the Housing Authority conducted, and then the City Council or the Mayor has to sign approval approving the Housing Authority's action as an issuer of bonds for this type of project.

Mr. Johnson: So you've had the public hearing already over at the Summit?

Mr. Williams: Yes, sir.

Mr. Johnson: What was the response?

Mr. Williams: We published a notice on the Housing Authority's website and we also published a notice in the newspaper which hopefully made it into materials today and no one appeared.

Mr. Johnson: Well, I think that may be part of the problem. You know the Richmond Summit, you have folks who are living there who may not have access to newspapers or who may not have access to your website and so it may be important to try to get back in front of some of the residents so that they know what's going on because when I receive calls I wasn't able to tell them. Their biggest concern right now is that with the renovations which I think are great. You know we've been working with Redwood Housing for the last few years to get this done but I think some of the big concerns right now is that they are already seeing their rent go up a little bit. They've seen some increases and they are concerned that this is going to lead to higher rent increases. Is that something that we can speak to today?

Mr. Fuson: Yes, I can speak to that, Commissioner. Rents at both of these properties both at Richmond Summit and at the Bon Air, these are a project Section 8 (inaudible) contract and as such, rents are determined by the income of the resident. So residents are required to pay 30% of their income. The renovations have no impact on what the residents will pay for their rent so if somebody's income has gone up through gainful employment or otherwise then they could be asked to pay more than they were paying previously but it has nothing to do with the renovations or kind of the phase one work or the phase two work.

Mr. Johnson: Okay, and so this isn't like renovations are going to happen and then for some reason folks are going to be moved out.

Mr. Fuson: Absolutely not. The same programs will stay in place and the same rank calculations will apply to their income. It has nothing to do with the improvements being made to the properties.

Mr. Johnson: Would you be open to having another public hearing at the Summit with my involvement to help residents get to the meeting?

Mr. Fuson: Oh, we'd be happy to speak with residents in whatever conduct. We posted several notifications to residents and we've made property management as well as our relocation agents who are full time at the property during this process available to answer any questions but we would be happy –

Mr. Johnson: And no one came to the meetings?

Mr. Fuson: These meetings typically and not just in Augusta oftentimes there is not a large or any presence to these types of meetings because it's typically a technicality about issuing the bonds to get more money into projects so I don't think what David is explaining here is I'll comment and David, you could probably even speak to our last several Georgia properties where nobody came to that TEFRA hearing itself. With that being said –

Mr. Johnson: That just concerns me a little bit because anytime I go eat we have standing room only in that community room. But we'll talk a little bit more about that. Last question is is there a timeline on this, on the issuing of these bonds? What is your timeline?

Mr. Fuson: As quickly as possible. We would like to be actually the first award closed through DCA through this process which means we're targeting a closing in October and what that allows us to do is we're currently investing significant dollars into these properties as you've probably seen to date. This allows us to continue that renovation unabated to go directly from phase one into phase two so at this juncture we're targeting a late October closing on this particular financing piece so that we can have the continuation of the renovation from phase one to phase two.

Mr. Johnson: Okay. We'll be in touch about getting the residents together.

Mr. Fuson: Absolutely.

Mr. Mayor: The Chair recognizes Commissioner Catherine McKnight.

Ms. McKnight: Thank you for being here today. I'm the commissioner for the Bon Air. Have been in there numerous times and probably will go back in there in the next month or so. When people are asking, the residents are asking, how can I break it down for them to comprehend, to understand this process? I would like for you to be able to come over to the Bon Air and speak as well and talk to the residents. A lot of these folks, they don't get the newspaper, they don't have access to the social media so it's just making sure we get the word out there and not have them all worked up and scared that they're going to be out of a place to live.

Mr. Fuson: We would love to and it is concerning to actually hear that residents in both properties are still having these types of questions and concerns and the reason I say that is that we recently went through a property management change as well because we were not happy with the performance of our prior property manager of both properties which we've asked them to overcommunicate to residents. We hold meetings for residents that are open for any and all residents to come during the course of this process to ask any and all questions as it relates to the renovation, as it relates to rents, as it relates to any concerns that they may have. So that should have been and to my understanding actually has happened over the course of the past year. We are willing to do it more frequently and we are certainly willing to have more open forums to make sure the residents' questions are being adequately addressed and answered. We do have a full time property management staff at both properties, we do have relocation agents at both properties and those people should be making themselves available seven days a week to residents to address their concerns. With that being said, I'm happy to go to the Bon Air as well. I'll be there this afternoon and we welcome you to the Bon Air anytime to see the improvements themselves but

my understanding from the feedback that we've received at Redwood Housing from the residents is those that have moved into their newly renovated units are extraordinarily grateful and I think what we can let them know is this is a continuation of that investment going forward and so the work that has been done to their units it is now their unit. They get to live in a brand-new apartment home for all intents and purposes. We are now going to be doubling down and making investments into critical systems. We're going to be making investments into the exterior of the building, we're going to be bringing back to life some of these areas of the buildings that have been decommissioned over time and they're in disarray and so I think you can let them know that it is going to be an opportunity for that investment to continue and so that they will have even a higher quality of living at these communities going forward.

Ms. McKnight: You say both properties will be done by when?

Mr. Fuson: We plan to have the phase two work start by the end of October and they will be completed by the end of the following year so the end of 2025 all the work will be fully completed.

Ms. McKnight: Thank you.

Mr. Mayor: Colleagues, is there a motion?

Mr. Johnson: I have one request before we make a motion. Can you share your contact information with our Clerk, Ms. Bonner, so that we can get some type of public meeting scheduled just so that folks at both facilities can understand what's going on here?

Mr. Fuson: Yes.

Mr. Johnson: We'd like to do that as quickly as possible. Thank you so much. **I'll make the motion to adopt items one and two.**

Ms. McKnight: Second.

Mr. Mayor: All right, Madam Clerk, there's a motion to adopt. Seeing no other colleagues in the queue, we're voting.

Mr. Frantom out.
Motion carries 8-0.

Mr. Mayor: Colleagues, just for reference you know that these bonds are \$20 million dollars for Richmond Summit, \$28 million for the Bon Air. There is a scope of work. As you know these two projects, we've received many calls and complaints so it's a great day that we're finally getting these people an opportunity to have a better place to live so we thank you guys for this commitment and let's move forward. Thank you so much. Madam Clerk, is that it?

The Clerk: No, sir. We need a motion to go into executive session.

Mr. Mayor: All right. Attorney Brown.

1. LEGAL MEETING

A. Pending and potential litigation

B. Real estate

C. Personnel

Mr. Brown: Yes, thank you, Mayor Johnson, Commissioners. We would request a motion to go into executive session for the discussion of personnel, pending or potential litigation and real estate.

Ms. McKnight: So move.

Mr. Garrett: Second.

Mr. Mayor: A motion and a second. Madam Clerk, we're voting.

**Mr. Frantom out.
Motion carries 8-0.**

Mr. Mayor: All right, thank you. We are now suspended to legal session. Thank you so much.

[EXECUTIVE SESSION]

Mr. Mayor: Ladies and gentlemen, I appreciate your patience. Madam Clerk, I call this meeting back to order. Attorney Brown.

2. Motion to authorize execution by the Mayor of the affidavit of compliance with Georgia's Open Meeting Act.

Mr. Brown: Mayor Johnson, Commissioners, we would like to request a motion to execute the closed meeting affidavit.

Mr. Frantom: So moved.

Mr. Garrett: Second.

Mr. Mayor: That's a motion and a second. Make sure we have a quorum and we do. All right, Madam Clerk, we're voting.

Motion carries 9-0.

Mr. Mayor: Thank you, Madam Clerk. All right, Attorney Brown, we're back in session. Are there any motions as a result of our legal session?

Mr. Brown: Yes, sir, Mayor Johnson. We request a motion to approve a \$10,000 annual salary increase commencing August 3, 2024 for each of the following positions: the position of presiding Magistrate Judge in this instance for Ms. Le’Joi Walker Williamson and the position of Chief Judge for Carletta Sims Brown of the Richmond County Civil and Magistrate Court.

Mr. Mayor: Colleagues, is there a motion to approve this?

Mr. Johnson: So move.

Ms. Scott: Second.

Mr. Mayor: It’s a motion by Commissioner Johnson from the 1st, second by Commissioner Scott from the 9th. Colleagues, we’re voting.

Motion carries 9-0.

Mr. Mayor: Thank you, Madam Clerk. Attorney Brown, are there any additional motions?

Mr. Brown: Yes, sir. Mayor Johnson, Commissioners, we request a motion to terminate Augusta, Georgia current recruitment process for the position of General Counsel and to so notify the current candidates and further to approve retaining a recruitment firm to conduct a nationwide search for candidates of the position of General Counsel. HR is to notify the current candidates that they will be eligible to apply with the new recruitment process for the position of General Counsel.

Mr. Mayor: Thank you, Attorney Brown. Commissioner Garrett, I see you in the queue. You have the floor, sir.

Mr. Garrett: I just wanted to make note that even though this process is being closed at this time, the names that were released to the news, we did not have a chance to look at those applications, but we wanted to have some professional help aid us in this process since none of us are attorneys up here. The Law Department is a very important position within our government and we are just trying to make sure that we’re handling this in the most correct way to really protect the taxpayers in Augusta so those applicants that the names were released and we’re hoping that you will reapply when the search goes out. **Motion to approve.**

Mr. Frantom: Second.

Mr. Mayor: There’s a motion and a second. Any other colleagues in the queue? Seeing none, we’re voting.

Motion carries 9-0.

Mr. Mayor: Thank you, Madam Clerk. Attorney Brown, does that complete our business? Any additional motions?

Mr. Brown: There was one other matter I need to I guess place on the record is that and make it, incorporate it in that motion that the recruitment process will entail closed interviews.

Mr. Mayor: Okay. All right.

Mr. Brown: Is that acceptable without objection, Mayor Johnson?

Mr. Mayor: Yes, sir. Are there any objections from this body for the interview process being closed once we have a recruiting firm that recruits candidates for consideration? Seeing nor hearing none, there's no objection. The interview process will be closed. All right, Madam Clerk, did you get that recorded? All right. Does that complete our business?

Mr. Brown: Yes, sir.

Mr. Mayor: Thank you, Attorney Brown. This session is hereby adjourned and turned over to the committee cycle, Public Services.

[MEETING ADJOURNED]

Lena J. Bonner
Clerk of Commission

CERTIFICATION:

I, Lena J. Bonner, Clerk of Commission, hereby certify that the above is a true and correct copy of the minutes of the Called Meeting of the Augusta Richmond County Commission held on July 30, 2024.

Clerk of Commission