

APRIL 4, 2023

SPECIAL CALLED MEETING OF THE BOARD OF CITY COMMISSIONERS OF THE CITY OF ALBANY, GEORGIA
GOVT. CTR. – RM. 100 (Virtual and in-person)

PRESENT Mayor Bo Dorough
Mayor Pro Tem Chad Warbington
Commissioners: Jon Howard, Jalen Johnson, and Demetrius Young
Virtual: Bob Langstaff, Jr.
City Attorney: Nathan Davis
City Manager: Steven Carter

Mayor Dorough called the meeting to order at 8:30 a.m.

Legislative Asst. Triquenski Hicks read the call as follows:

Mayor and Board of Commissioners
P.O. Box 447
Albany, GA 31702

Dear Mayor and Commissioners:

There will be a special call City Commission meeting on Tuesday, April 4, 2023, at 8:30 am in Room 100 of the Government Center Building located at 222 Pine Ave. The purpose of the meeting is to discuss and/or adopt the following resolution:

- Authorizing submission of a Grant Application to the GA Dept. of Transportation for the Transit Trust Fund Program
- Authorizing Purchase of Note and Security Deed re: 205 Pine Ave.

Sincerely,

/s/ Steven Carter
CITY MANAGER

/s/ Bo Dorough
BO DOROUGH, MAYOR

Notified via email
JON HOWARD, WARD I
CITY COMMISSIONER

Notified via email
JALEN JOHNSON, WARD II
CITY COMMISSIONER

Notified via email
VILNIS GAINES, WARD III
CITY COMMISSIONER

Notified via email
CHAD WARBINGTON, WARD IV
MAYOR PRO TEM

Notified via email
BOB LANGSTAFF, WARD V
CITY COMMISSIONER

Notified via email
DEMETRIUS YOUNG, WARD VI
CITY COMMISSIONER

Transit Director David Hamilton briefly discussed the grant (copy on file) and advised that the City’s allocation is \$106,778 with the recommendation to approve the application and accept the grant.

In reply to Mayor Dorough, Mr. Hamilton stated that this is a new GDOT grant and does not involve federal dollars.

Commissioner Howard moved to adopt the following resolution, seconded by Mayor Pro Tem Warbington, and following a roll call vote, the motion unanimously carried.

A RESOLUTION NO. 23-R125

Authorizing submission of a grant application to the Georgia Department of Transportation for the Transit Trust Fund Program

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Mr. Davis briefly discussed the purchase of the outstanding note and security deed to the property at 205 Pine Avenue. He explained that the note regarding the property has gone into default and there is an opportunity for the City to purchase the note and security deed, accelerate the deed and sell the property on the courthouse steps.

In reply to Commissioner Howard, Mr. Davis explained that this action adheres to real estate provisions in the Georgia Code.

Mayor Pro Tem Warbington asked if there is a difference between personal and commercial property regarding selling it on the courthouse steps; Mr. Davis opined that regardless, if personal or commercial property, there still is a sell on the courthouse steps.

Commissioner Langstaff mentioned that a recommendation was requested from Dan McCrae, asking what he recommended. Mr. Davis stated that based on conversations with him, he supports this action.

Commissioner Young stated that this is supposed to be a strategy to put the Hotel Gordon back into the City's hands, however, the City does not currently own that building and is powerless to do anything taking place with the possible development of that property. He asked the City's cost for the security deed; Mr. Davis stated that as of March 27th, the loan balance was \$142,039; the per diem is \$24.53/day. Commissioner Young expressed concerns, i.e., the amount is not significant enough to pressure the owner into anything, adding that he will go along with the strategy even though he feels that the process is not one that should be used by a government. He hopes that if the City does regain possession of the property, it will go back to the Downtown Development Authority and an RFP will open the process to other developers, and not be viewed as an 'undercover' process. Proposals will provide the value of the property as well as making it fair for everyone.

Mayor Dorough countered that 'undercover' is not an accurate statement, adding that he understands, the DDA and/or City have a contract with an entity controlled by the current owner, who did not meet the benchmarks and has breached the contract on numerous occasions. He explained that without the City's knowledge, after purchasing the property the owner secured funds from a bank, making the City's contract subordinate to the lienholder, adding that once the City purchases the contract, it will be able to exercise all rights it has under the contract.

Mayor Pro Tem Warbington moved to adopt the following resolution, but to add language authorizing the City Manager and City attorney to pursue this at no more than \$145,000, seconded by Commissioner Johnson.

A RESOLUTION NO. 23-R126

Authorizing purchase of Note and Security Deed re: 205 Pine Ave.

In reply to Commissioner Howard regarding 2022 property taxes, Mr. Davis concurred that they have not been paid and that the City is obligated to pay the taxes, adding that it would bring a better price at the sale for the \$30,000 ad valorem taxes to be paid beforehand. Commissioner Howard noted this pushes the cost to approximately \$182,000.

Mayor Dorough asked if the entire amount will be recovered from the owner.

In reply to Mayor Pro Tem Warbington regarding the process, Mr. Davis explained that the bank will assign the note and security deed once a check is presented. Mr. Carter stated that this will be executed as quickly as possible. Mayor Pro Tem Warbington questioned whether the property is insured with Mr. Carter stating that all matters regarding the process will be handled.

Commissioner Young clarified his comment regarding transparency, suggesting that deal includes the City paying for the security note to apply pressure on the property owner to turn it back over to the City. Regarding the cost, he said he saw a valuation yesterday that it was worth approximately \$4.0 million. His issue is, who will profit from this deal with the possibility of the City owning it, obligates the City to be transparent and make the process fair. He suggested that there were ill feelings toward

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the project from the beginning as it was guided by those who may have had an inside track. The exclusive deal is another issue with the property being turned over to CL Real Estate Developer. The process needs to be fair and from this point forward, he feels the public has a right to know.

Mayor Dorough stated that information can be given to Commissioner Young regarding Mr. Benedict's group being selected, they were the only ones to submit a proposal, which was an open process during the 90-day period, which is already running. He explained that this puts the City in a position to enforce the rights it has under the contract with the owner. Mr. Davis agreed.

Hearing no additional comments, and following a roll call vote, the motion carried 5-1 with Commissioner Howard voting no.

There being no further business, the meeting was adjourned at 8:56 a.m.

MAYOR

ATTEST

ASST. CITY CLERK

DRAFT