

MAY 5, 2015  
COMMITTEE OF THE WHOLE  
GOVT. CENTER – ROOM 120

PRESENT Mayor Dorothy Hubbard  
Mayor Pro Tem Bobby Coleman  
City Commissioners: Jon Howard, BJ Fletcher, Roger Marietta, Bob Langstaff,  
Jr. and Tommie Postell  
Interim City Mgr: Tom Berry  
City Attorney: CN Davis

Mayor Hubbard called the meeting to order at 8:33 am.

MICROBUSINESS ENTERPRISE CENTER/ACT, INC., UPDATE

Using a power point presentation (copy on file) Thelma Johnson, Director, discussed the purpose and goal of the Microbusiness Center. She said there are six businesses at the center and gave a brief overview of the program, adding that a meeting is scheduled later this morning to showcase the center.

In reply to Commissioner Postell, Ms. Johnson discussed the reason three businesses were denied financial assistance (collateral, startup). In reply to Mayor Hubbard, she advised that they have a place for 20 businesses and proceeded to briefly discuss the virtual center, in which an office can be rented by the day with the ability to use the mailbox services, etc.

SPEAKER APPEARANCE:

1. Ricky Walker, Sr. discussed information regarding a program that began in 2007 - the Seeds of Knowledge Learning Center - adding that they first went to churches to get funding, but this was not very successful. He addressed helping children and mentioned a building (the old Owens Sporting Goods building) that could be used for the program. He said explained that the Seed of Knowledge Learning program helps to teach parenting skills to young parents and suggested that renovating the old Owens Sporting Goods building for the program provides an outlet for Albany's youth.

Commissioner Fletcher agreed with the Mr. Walker and asked their needs. Mr. Walker discussed the 'team' concept that would foster the growth of children and distributed information (copy on file). He agreed that he needs startup with Commissioner Fletcher asking if the Microbusiness could assist. Ms. Johnson explained that it would depend on the type of business structure; Mr. Walker stated that the program would not be non-profit; they are not looking to get rich, but desire to partner with someone.

In reply to Commissioner Postell, Mr. Walker stated that at this point he has approximately 50 children signed up, with approximately 75 in the program in the past. He said he would like to start with 100 to include orientation of parents first and getting commitments.

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Commissioner Howard asked the status of the Owens Sporting Goods building. Mr. Walker discussed rehabbing the building and said they are getting donations (paint, etc.) to include speakers. In reply to Commissioner Howard he stated that mid-June will be the kick-off.

Commissioner Marietta asked the location of the building with Mr. Walker stating 202 W. Broad Ave. Commissioner Marietta asked if he is agreeable to Darton students assisting; Mr. Walker replied in the affirmative, adding that mentoring the parents – not the children – is vital because once the kids go home, what happens there might negate what they learned through the program. It is imperative to get the parents involved and help them understand the importance of their role in their children's lives.

2. Rick Patton stated that he is present to discuss the proposal to build a new hotel next to the Hilton Garden Inn, which will be a Home 2 Suite and is part of the Hilton family. He introduced Greg Winey, president of the hospitality and management company, who also oversees associates from the hotel. Using a power point presentation (copy on file) Mr. Winey discussed the management company, which was started in 2012 and how it helped to vastly improve the ranking of the Hilton Garden Inn (400<sup>th</sup> out of 500 hotels and one year later being ranked in the top 100 in N. America and often hitting the top 20) and, the Hilton Hotel brand, considered the top brand in the nation in relation to upscale hotels. He introduced the Food and Beverage Director, Front Office Management and Housekeeping Management. He said they are celebrating ten years in September and discussed salaries, number of employees since the opening, amount paid in taxes and number of meals served. He briefly discussed the new 'bed tax', which every hotel/motel in Albany will have to absorb, adding that they adamantly oppose this proposal and commented on the 30,000 guests who stay and dine at the hotel. He discussed the revenue of the hotel, including food and beverages, recent renovations, occupancy per room, rates (government) and showed a slide of Home 2 Hotel, which is an extended stay hotel. He stated that the numbers indicate that guests go to the mall when staying at the hotel and recommended offering more venues downtown as a mean to keep revenue there.

In reply to Commissioner Postell Mr. Winey explained that the Home 2 will not compete with the Hilton Garden Inn, but rather complements it.

In closing, Mr. Winey stated that a 'We Care' campaign will begin this week.

Commissioner Marietta asked about local investors; Mr. Patton replied that other than his family, which developed that property, there are none at this point, adding that the City has been a great partner. Commissioner Marietta mentioned the current limited parking and commented on the parking lot being used to locate the proposed hotel. Mr. Patton stated that this is part of a development agreement that will be worked out, and agreed that parking is an issue. Commissioner Marietta asked if this will require additional funds from the City with Mr. Patton agreeing and explaining the use of the overall block (from the Hilton to the old Belk building). Commissioner Marietta asked if Hilton will build the parking deck with Mr. Patton explaining the concept and stating again that this will have to be addressed. In reply to Mayor Hubbard, he said parking is part of studies that will be conducted.

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Referring to food and beverage served at the hotel, Commissioner Howard asked about competition from the new Waffle House. Mr. Winey explained that breakfast is complimentary at the Hilton and agreed that there could be competition, but there should not be a great impact. Commissioner Howard mentioned the Mule Barn, referred to parking and asked what is being asked of the City. Mr. Patton suggested that everything should be brought in together, including the other group which is discussing redevelopment of the block; these are the type studies that will have to be discussed. Commissioner Howard questioned another hotel coming downtown and occupancy not being as good as projected due to the mall traffic. Mr. Winey replied that the intent is to capture guests where they are staying. Mr. Patton said the new hotel will be a re-start of downtown redevelopment. Messrs. Patton and Winey stated that there is a push to direct the new hotel to the mall area, but they are pushing to have it built downtown.

Commissioner Fletcher asked that Mr. Patton get with Sharlene Cannon, Interim Downtown Director, as they move forward.

Commissioner Postell questioned the city's involvement and said his interest is in downtown rather than West Albany, suggesting that the Mule Barn be torn down, while the Belk Building is not sellable. He asked for additional information within the next few months to see what can be brought to downtown. Mr. Patton agreed, adding that a schedule and studies will help move this forward; they need to stay ahead of the game because of the immense competition in Albany.

Mayor Hubbard asked the difference in Homewood Suite vs. Home 2 Suite, with Mr. Winey explaining the price difference (Homewood Suite is quite pricey), adding that while Home 2 is a sister property, room configurations/fixtures are different, etc. Mr. Patton explained that it is a new brand for Hilton, which has been on the market for only three years.

In reply to Mayor Hubbard, Mr. Berry said a document outlining their request will be presented prior to May 26<sup>th</sup>. Discussion followed on the agreement regarding refinancing. Mr. Patton said they are talking about moving forward with refinancing to get control of the franchise and begin the studies on parking, etc.

Commissioner Marietta asked about the refinancing, i.e., paying back some of the loan, with Mr. Patton stating that they have offered to pay \$500,000 at the re-financing; currently, 90% of the current payment goes toward the principle and in five years they will be paying off another \$1.5 million.

Mayor Hubbard expressed concern regarding a master plan for downtown; Ms. Cannon stated that discussions will involve this item as well (at the meeting next week 5/12). Commissioner Marietta asked if more money can be paid and/or the entire loan, adding that William Wright has argued all along that this loan was reverse Robin Hood, since the funding came from those for low-income individuals. Mr. Patton replied that, as presented in the PowerPoint, the hotel has 68-70% occupancy, putting it on a thin line; they have done well and brought money to the bottom line, adding that this is not a strong market, but it has been a good partnership.

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Commissioner Postell suggested moving forward with Mr. Patton working through Ms. Cannon. Mayor Hubbard asked for additional information.

#### 2015 GMA ANNUAL CONFERENCE VOTING DELEGATE/FLAG BEARER

The Clerk noted information (copy on file) regarding the request for a voting delegate and flag bearer.

Commissioner Postell volunteered to be the Flag Bearer and Mayor Hubbard volunteered to be the voting delegate.

## **PUBLIC ADMINISTRATION AND FINANCE MATTERS**

### FY 2015-16 BUDGET PRESENTATION

As Mr. Berry began the budget presentation, he announced that Deputy Chief Ron Rowe will replace Fire Chief James Carswell, who is retiring next month. Continuing with the budget, he used a point presentation (copy on file), stating that he will discuss the assumptions used in developing this budget and this year everything is in the one book (copy on file), which contains every single City fund. He said there will be no MCT credits (MEAG credits), funding of the compensation plan, general fund transfers, and evaluations on all open positions, CPI increase in solid waste and water, sewer increase, storm water and said there will be no rate increase in electric or natural gas.

Commissioner Postell asked the number of segments the \$15,262,054 general fund transfer is divided into. Mr. Berry replied that there are seven utilities and all, except storm water, are transferring. In reply to Commissioner Postell regarding ratepayers, Mr. Berry said this will be addressed in the presentation and noted the CPI increase of 1.6% and increases and/or transfer of each. Commissioner Postell questioned the Utility Board setting prices that he does not agree with since the City Commission is the only one to vote on raising rates. He questioned the structure, which amounts to a rate increase. Mr. Berry said the budget is a recommendation and that the Utility Board will make recommendations based on decisions by the Commission. Discussion followed on increases passed on to ratepayers.

Commissioner Marietta interjected that the targeted transfer of 8.5% may be the driving force for rate increases. He suggested lowering the percentage to 8% and asked to see the resulting numbers, which may address the increases. Rate/taxpayers complain that rates keeps going up, but they see no improvement in services. Mr. Berry explained that the transfers do not take into account the 9.5%, but are coming from the funds that have the ability to pay, adding that the utility fund has to take care of operations and capital needs with the general fund being the cash flow element. Commissioner Marietta questioned whether the sewer should be giving to the general fund and suggested not having this transfer due to the needs of the sewer system, which

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may assist on the base charge increase. Mr. Berry said this can be done, but suggested looking at the budget and keeping an eye on 2018. Commissioner Marietta mentioned the sanitary sewer portion, with Mr. Berry stating that the organization has changed; there is no bench mark from budget to budget now. Commissioner Marietta suggested being hesitant on transferring money from this fund and commented on the full time employee reduction. Mr. Berry explained the chart of full time employees and asked that the Commission take a critical look at this.

Commissioner Howard expressed concern regarding the \$1.00 base charge and asked that this be discussed in detail because he does not want taxpayers having a role in balancing the budget. Mr. Berry stated that rolling back property taxes a quarter mil can be considered and/or other variables, adding that he will sit down with any of the Commissioners to discuss. In reply to Commissioner Howard, Mr. Berry stated budget discussions can be held at the pleasure of the Commission. Commissioner Howard suggested discussing each department. Discussion followed on the structure of the proposed budget and the cuts coming in 2018.

Mayor Hubbard asked if a property tax decrease affects ratepayers. Mr. Berry explained that it affects homeowners. Discussion followed regarding the fact that a large percentage of citizens pay electric bills, etc., to other companies, with no contribution to property taxes. Mr. Berry suggested looking at all revenues and the ability of this Commission to affect change with utilities, etc.

Commissioner Postell suggested that the utility bill reflect that alone; garbage, sewage and storm water should be a separate bill. Mr. Berry suggested leaving those on the same bill, and suggested developing a methodology where they are paid differently, metered versus non-metered bills, adding that a task force is being developed to look into this. Responding to Commissioner Postell's comments, Mr. Berry urged the Commission to consider the ramifications of their decisions.

Commissioner Fletcher stated that she shows her constituents the difference on their bills and discussed bills/usage of citizens. She suggested educating the public so that they can understand that rates have not increased, but rather they have increased their usage, making their bill higher. Mr. Berry agreed that communication is not sufficient and proposed establishing a weatherization fund through CDBG and the Utility to assist citizens. He briefly discussed natural gas loans, with Albany being one of the first to take advantage of those.

Commissioner Marietta mentioned that the general assembly just passed a law making it easier for those using solar panels. Mr. Berry cautioned that with solar, the public has to be careful, explaining that solar panels/batteries will never run air conditioners, adding that the cost on the electric side is a fixed cost and suggested a fair system in evaluating the cost. Discussion followed on loaning funds for solar upgrade, etc.

Commissioner Fletcher asked if savings can be looked at and getting a testimony from them. Stephen Collier, Asst. City Manager, suggested analyzing bills, adding that all this will be looked at.

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Mayor Hubbard questioned the way to proceed with budget discussion. Mr. Berry suggested not having every department present due to time constraints. Mayor Hubbard asked that the Commission pick out departments they want to hear from and give it to Mr. Berry. Mr. Berry asked that questions be drafted and given in advance. Discussion followed on the process to use to include advanced questions, etc. Commissioner Postell asked that the ones with the highest budgets be looked at for discussion. Mr. Berry said there are no changes to Fire and Police, adding that the structure in both should be looked at due to being top-heavy. He urged the Commission to retain the 10% compensation plan and that it remain in the budget.

Discussion followed on line items put in Public Safety, with Mr. Berry stating that staff tried to configure this in when developing the proposed budget.

#### ITEM FOR FUTURE AGENDA

Commissioner Marietta stated that this is Small Business Week and asked if the Long Range Planning Committee could look at lowering the threshold for small business funds to include small businesses. Mayor Hubbard stated that Commissioners Postell, Langstaff and Fletcher are on that committee and asked that they look at this request.

Commissioner Howard asked that the swimming pool in E. Albany moved forward. He also asked about street lights, adding that there are ten poles between Clark Avenue, the Liberty bypass and Cordele Road that are burned out. Mr. Berry said this will be looked at. Commissioner Howard stated that we will have visitors from all over Georgia for the Girls Track meet in Albany.

Commissioner Postell asked the status of lighting on Westover. Jimmy Norton, Director of Utilities, stated that the poles arrived yesterday and conduits will be installed within the next two weeks.

Commissioner Howard asked if there will be a format regarding the upcoming interviews with City Manager candidates on Saturday May 9<sup>th</sup>. Mr. Berry stated that information is forthcoming. Mayor Hubbard asked the process for interviewing; will everyone be interviewed at one time or will it be a private session with each one. Mr. Berry said that everyone will interview each one, but it can be set up either way. Commissioner Postell interjected that the Commissioners will interview each one individually. Mr. Berry said he will distribute information prior to the interviews. The consensus was to begin interviews at 9 am on Saturday, May 9<sup>th</sup>.

There being no further business, the meeting adjourned at 10:46 a.m.

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SONJA TOLBERT  
CITY CLERK