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**MINUTES OF THE
CITY OF NEW SMYRNA BEACH
COMMUNITY REDEVELOPMENT AGENCY
MEETING OF MAY 5, 2010
CITY HALL COMMISSION CHAMBERS,
210 SAMS AVE.
NEW SMYRNA BEACH, FLORIDA**

10 Chair Linda DeBorde called the CRA meeting to order at 2:00 p.m.

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Answering to roll call:

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**Linda DeBorde
Steve Dennis
James Kosmas
Cynthia Lybrand
Charles Belote
Doug Hodson**

21 Also present were CRA Director Tony Otte; CRA Project Manager Michelle Martin;
22 CRA Coordinator Noeleen Foster; Administrative Specialist Claudia Soulie and CRA
23 Attorney Mark Hall. Commissioner Thomas Williams arrived at 2:15 pm.

24
25 Ms. DeBorde thanked her fellow CRA Commissioners and others for their support and
26 prayers during her recent illness and continued recovery period.

27
28 Ms. DeBorde asked that everyone please silence their cell phones.
29

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31

CONSENT AGENDA

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33

A. Approval of Minutes – Regular Meeting April 7, 2010

34 Mr. Dennis made the motion to approve the April 7, 2010 minutes as written,
35 seconded by Mr. Hodson. The motion carried on a roll call vote 6 – 0.
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B. CRA Commercial Grant Application: 300 Flagler Ave. – Atlantis Bistro

40 Mr. Hodson made the motion to approve the CRA Commercial Grant Application
41 for 300 Flagler Ave. as part of the consent agenda in the amount of \$2,750.00;
42 seconded by Mr. Dennis. The motion carried on a roll call vote 6 – 0.
43

44 Ms. DeBorde stated she was very pleased that Mr. Otte had accepted the position of
45 Executive CRA Director.
46

47 Ms. DeBorde welcomed former CRA Chair Mr. Alex Baetzman, Mayor Adam Barringer,
48 City Manager Pam Brangaccio and Assistant City Manager Khalid Resheidat to the
49 meeting.

50
51

PUBLIC PARTICIPATION

52 In accordance with the City Commission Resolution #11-89, a three-minute limitation will be
53 imposed unless otherwise granted by the CRA Commissioners.

54

55 Ms. Cindy Jones, Southern Trends at 334 Canal Street and President of the Canal Street
56 Historic District presented a petition to the CRA with seventy-five signatures from Canal
57 Street merchants and visitors, asking that all the speakers of the outside sound system on
58 Canal Street be kept on during the day, broadcasting the local radio station. Ms. Jones felt
59 that this petition was necessary as there seemed to be a difference of opinion between
60 some of the merchants about this subject.

61 Ms. DeBorde asked Mr. Otte to make this an agenda item for the June CRA agenda.

62 Hearing no further requests, Ms. DeBorde closed the public participation portion of the
63 meeting.

64
65

OLD BUSINESS

66

A. Purchase and Sale Agreement – CRA property at 207 and 215 Florida Ave.

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68

69 Mr. Otte stated that he; CRA Attorney Mr. Hall; David Swentor, Premiere Development
70 and his Attorney, Glenn Storch have had several meetings pertaining to the Purchase/Sale
71 agreement for the CRA properties on Florida Ave. Mr. Otte summarized the points of
72 these discussions as follows:

73

74 a. The purchase price for the CRA property was assessed at \$500,000 and would be
75 due at closing.

76 b. Economic Incentives were to be provided by the CRA upon Certificate of
77 Occupancy and included up to \$86,500 for the relocation of electrical power to the
78 businesses east of the project; a proposed \$21,420 representing 50% of the value of
79 the utility easement required by the UC and \$325,000 representing one-half of the
80 project's impact fees. Furthermore, the Developer wants to recapture his \$325,000
81 for the impact fees from the tax increment funds (TIF) payments for this project.
82 Should any amount of TIF be left after the developer's reimbursement, the CRA
83 would be reimbursed that amount.

84

85 Mr. Otte continued that the TIF payment would be approximately \$150,000 per year and
86 that it was estimated to begin on November 2012. Mr. Otte cautioned that these
87 calculations were estimates only and were contingent upon the current CRA revenue
88 stream remaining unchanged and the hotel being listed on the tax roll on January 1, 2012.

89 Mr. Otte stated that, if these estimates were accurate, the CRA would be reimbursed
90 \$125,000 of its \$325,000 for impact fees from TIF funds. Mr. Otte continued that the

91 hotel developer shall reimburse the City for the current parking leases on the CRA
92 property in the amount of \$8,400.

93 Mr. Otte stated that prior to closing, the Developer had to provide:

94

- 95 • evidence that this was an approved project by the Hampton Hotel chain;
- 96 • a financing commitment and
- 97 • an executed sales agreement for the privately owned property at 214 Florida Ave.
98 this transaction could also occur simultaneously to the closing on the CRA
99 properties.

100

101 Mr. Belote inquired if staff would present the CRA a draft agreement with those
102 discussion points at the next CRA meeting. Mr. Hall agreed and stated that the City
103 Commission would then review the CRA's recommendations at the first City
104 Commission meeting in June. Mr. Hall stated that staff had published a legal ad as
105 required by State statute on April 29, 2010, giving thirty (30) day notice of the CRA's
106 intent to convey these properties.

107

108 Mr. Hall presented a topographical survey depicting the overhead electrical lines that
109 needed to be relocated and a boundary line survey, where he had highlighted all the
110 properties to be included in the hotel project.

111

112 Mr. Hall stated that public access to the CRA properties would be closed off once they
113 were sold and that the draft contract contemplated an early August closing. Mr. Hall
114 continued that the buyer had 180 days from receipt of entitlement by the City to get
115 started on the project. Mr. Hall stated that the repayment of the TIF needed to be
116 determined in more detail, as the CRA had a current sunset date of 2015.

117

118 Mr. Dennis asked for clarification on the TIF and the proposed incentives. Mr. Otte stated
119 that some of the impact fees were due at issuance of the building permit and others at
120 issuance of the Certificate of Occupancy (CO). Mr. Otte continued that one option
121 included the developer paying for all of the impact fees at the time of permitting and then
122 receiving a cash reimbursement from CRA at the time of CO for half of those impact
123 fees. Mr. Otte stated that the developer had asked to be able to recover their half of the
124 impact fees through TIF payments from the project, so in essence, the CRA would pay
125 for the entire impact fees (half cash/half TIF reimbursements). Mr. Hall stated that this
126 was a public policy discussion for the CRA to make and that staff was looking for
127 direction.

128

129 Mr. Belote inquired if the value of the Florida properties would be included in the TIF
130 calculation since they were not on the tax roll. Mr. Hall stated that this was his
131 understanding. A brief discussion ensued about the timeline for this project to make it on
132 the January 2012 tax roll and the possibility of any TIF remaining.

133

134 Mr. Belote asked about the developer acquiring an additional property in order to meet
135 the parking requirements per their franchise agreement and if this property had to be
136 rezoned. Mr. Hall stated that it was staff's understanding that this property had been
137 purchased and that the developer had several options for modifying their current siteplan.

138 Mr. Hall continued that staff had fashioned the parking reimbursement in such a way that
139 this issue would not effect the sale/purchase agreement and the developer only had to
140 provide proof of the franchise commitment. A brief discussion ensued about the yield of
141 parking spaces from the newly acquired property.

142
143 Ms. DeBorde stated that she would entertain a motion authorizing staff to create a draft
144 agreement with inclusion of these discussion points. Mr. Dennis commented on his
145 preferences pertaining to the proposed incentives and that he felt that the CRA's financial
146 contribution was a fair investment, given the economic impact this project would have on
147 the area. Mr. Otte asked for clarification of who should receive the TIF first. Mr. Dennis
148 felt that the developer should receive the TIF first and he stated that this would be the
149 appropriate step to take.

150
151 Mr. Glenn Storch, Attorney for the developer who had joined the meeting, pointed out
152 that the developer had worked very hard to reduce the risk to the City and the CRA by
153 making sure this would be a viable project.

154
155 Mr. Belote thought that the issues with the relocation of electrical lines and the UC
156 easement were taken into account at time of appraisal. Mr. Storch stated that, in his
157 understanding this was not the case, since the easement was not reflected in the public
158 records, as it was considered a prescriptive easement. Mr. Hall added that resolving this
159 issue could be considered a legal dispute and that all interested parties had come to a
160 mutually acceptable agreement to avoid lengthy court procedures.

161
162 Ms. Lybrand felt that it was the CRA's responsibility to ensure that the right
163 infrastructure was in place and did not object to these costs.

164
165 Mr. Williams inquired if the relocation of the utilities and placement of the required
166 transformer would be up to the developer. Mr. Storch stated that the UC dictated the
167 location and the need for an easement.

168
169 Mr. Kosmas was in favor of discounting the value of the property as an incentive and
170 questioned the incentive for half the cost of the UC easement that the CRA was asked to
171 approve, as he felt that this easement did not drastically impair the usability of the
172 property.

173
174 Mr. Kosmas inquired if this contract would be "as-is" or if the developer had a due-
175 diligence period. Mr. Hall stated that, if any, this would be a very short due-diligence
176 period, as the developer already had a final siteplan for this property. Mr. Storch stated
177 that the developer had already done extensive due-diligence.

178
179 A brief discussion ensued about the Florida Ave. parking lots possibly being used as a
180 staging area for construction material, etc. and about potential safety issues. Mr. Storch
181 stated that it was the developer's intention not to impact the residents/merchants in this
182 area adversely. Mr. Storch continued that the developer was open for discussion on
183 possibly leasing spaces on these lots, should a staging area not be necessary.

184

185 Mr. Kosmas stated that he had concerns with the funding/reimbursement schedule and
186 felt that it would be diligent to plan for the “worst-case” scenario, (e.g. that the hotel may
187 encounter construction delays and that the life of the CRA might not be extended past
188 2015), as all of this would affect the proposed TIF and how the CRA would be
189 reimbursed.

190

191 Mr. Belote inquired if the Franchise agreement was contingent upon getting approval for
192 the recently acquired parking lot. Mr. Storch stated that it was his understanding that the
193 Franchise agreement had already been obtained and that all conditions had been met,
194 except for the financing agreement, which was due to the CRA prior to the closing on the
195 Florida Ave. properties.

196

197 Ms. DeBorde felt that this public/private partnership was a great opportunity and that
198 small towns did not get such an opportunity often.

199

200 Mr. Dennis inquired if two (2) motions would be needed, as he felt that the sales price
201 and the incentives were two separate issues. Mr. Hall stated that this would be acceptable.

202

203 Mr. Storch felt that it may be necessary to have two (2) agreements, as any
204 obligations/incentives terminated at closing, if they were incorporated into the sales
205 contract. Mr. Hall stated that staff had fashioned the contract documents in such a way,
206 that this would not apply.

207

208 Mr. Kosmas stated that he would feel more confident if there would be two separate
209 agreements for clarity’s sake.

210

211 **Mr. Dennis made the motion instructing staff to draft a sales agreement in the**
212 **amount of \$500,000 for the properties at 207 and 215 Florida Ave. to the purchaser;**
213 **seconded by Mr. Hodson. The motion carried on roll-call vote 7-0.**

214

215 Mr. Hall clarified that the purchaser was David Swentor, as registered agent of HiHo,
216 LLC; a South Carolina Limited Liability Company, dba Premiere Development Group.

217

218 Mr. Dennis asked for clarification on the total amount of the incentives to be given to the
219 Developer. Mr. Hall stated that the Developer would receive a total cash benefit from the
220 CRA of \$432,903.00 at time of CO. Mr. Storch said that it was his understanding that
221 the CRA would assist by paying half of the impact fees and all of the proposed incentives
222 at time of CO and that the Developer would be allowed to recover their portion of the
223 impact fees they had paid at time of closing through the project’s TIF. Mr. Otte agreed
224 and added that, once the Developer had recovered their \$325,000 that any extra
225 TIF would go to the CRA.

226

227 A brief discussion ensued about the incentives being paid at Certificate of Occupancy
228 (CO) versus being deducted from the purchase price of the property and that this was a
229 security measure to ensure that the project would be completed in a timely manner.

230

231 **Mr. Dennis made the motion that the CRA provide the following incentives to the**
232 **Developer:**

- 233
- 234 a) **\$325,000, which is one half of the Developer's impact fees, to be paid at**
 - 235 **issuance of Certificate of Occupancy**
 - 236 b) **50% (\$21,420.00) of the land value of the utility easement and up to**
 - 237 **\$86,503.00 for materials and labor for relocation of overhead electric**
 - 238 **utilities to be paid at issuance of Certificate of Occupancy**
 - 239 c) **and that the Developer will be reimbursed his \$325,000 out of the TIF**
 - 240 **generated by this project, as long as it is available;**

241

242 **seconded by Mr. Hodson. The motion carried on roll-call vote 7-0.**

243

244 Mr. Kosmas asked if the TIF was capped. Mr. Storch agreed and stated that they were

245 still working on further reducing the impact fees.

246

247 Ms. DeBorde stated that she was happy to be part of such a comprehensive economic

248 development package.

249

250 Mr. Dennis asked if an agreement had been reached pertaining to the proposed parking

251 requirements. Mr. Storch stated that the parties agreed to the numbers overall.

252

253 **Mr. Dennis made the motion to propose a parking settlement to the Developer in the**

254 **amount of \$8,400, for the 24 spaces currently leased in the Florida Ave. lot at \$350**

255 **per space; seconded by Mr. Hodson. Motion carried on roll-call vote 7 – 0.**

256

257 Ms. DeBorde clarified that this parking settlement was for the obligated spaces in the

258 Florida Ave parking lot and that, by paying the \$8,400, the Developer will have met their

259 parking requirements per the City's Land Development Regulations. Mr. Hall and Mr.

260 Otte agreed.

261

262 Mr. Kosmas felt that it would be appropriate to publicly recognize that this project

263 received financial assistance from the CRA and other contributing funding partners. Mr.

264 Storch duly noted this suggestion and stated that he would also recommend to his client

265 to include the CRA in any ceremonies pertaining to this project.

266

267

268 **B. Flagler Ave. Boardwalk: Scope of work for project design**

269

270 Mr. Otte stated that the Flagler Ave. Boardwalk was a priority project in the CRA Master

271 Plan update and that one of the City's continuing engineering consultants had developed

272 a scope of services and fee estimate for the Flagler Ave. seawall, Boardwalk and parking

273 area. Mr. Otte continued that Mr. Khalid Resheidat, Asst. City Manager was present to

274 comment and answer any questions.

275

276 Mr. Resheidat stated that the City had secured four continuing consultant engineering

277 firms some time ago that could be called upon without a formal Request for

278 Qualifications (RFQ), as long as the consultant services fee did not exceed \$250,000 and
279 the construction cost was less than \$2 million. Mr. Resheidat mentioned that Volusia
280 County personnel would assist the City in reviewing designs and coming up with a
281 concept.

282

283 Mr. Resheidat summarized the proposed tasks as follows and stated that the total fee was
284 estimated at \$204,600:

285

- 286 1. Seawall Assessment and Design
- 287 2. Boardwalk & Breezeway Assessment and Restoration
- 288 3. Establish Annual Maintenance budget
- 289 4. Replace restroom and storage facilities
- 290 5. Parking Area upgrades and Utility design
- 291 6. Site Plan approval and permitting
- 292 7. Bidding services
- 293 8. Meetings and presentations
- 294 9. Allowances (Geotechnical, survey and printing)

295

296 Mr. Resheidat informed the CRA that item No. 7 would be handled in-house and that
297 staff was in the process of renegotiating some figures and having the proposal redrafted
298 slightly. Mr. Resheidat also mentioned the possibility of having the parking lot
299 reconfigured to collect parking fees.

300

301 Mr. Resheidat asked the CRA to review this proposal and to give their
302 recommendation/approval, so staff would be able to move forward and present an actual
303 contract to the City Commission at their May 11, 2010 meeting.

304

305 Mr. Otte mentioned that the 2010 CRA Plan update contained a rendering of what the
306 Flagler Boardwalk could look like and stated that it had been suggested to tailor any
307 proposal to be in line with the elements in the Plan update. Mr. Resheidat stated that staff
308 had provided this rendering to the engineering consultant.

309

310 Ms. DeBorde reminisced about the opening ceremony for the Flagler Boardwalk and that
311 everyone had been so proud of this structure. She felt that there should have been a better
312 maintenance program put in place to prevent this kind of deterioration and that she would
313 love to see it restored.

314

315 Mr. Resheidat stated that he had asked the consultant to put an annual maintenance
316 schedule with the relating budget in the proposal.

317

318 Mr. Kosmas stated that he was under the impression that the CRA would be allowed to
319 discuss restoration options for this project after the completion of the CRA Plan update.
320 Mr. Kosmas continued that he felt uncomfortable making a decision on the design of a
321 project where public input should be requested, as the Public may have a different view
322 on what should be restored or replaced, affecting the draft proposal.

323

324 A brief discussion ensued about the prior repair/improvements history of the Flagler Ave
325 Boardwalk and that Mr. Resheidat had been asked to take over this project.

326

327 Mr. Williams stated that he was not opposed to performing “touch up” maintenance on
328 the structure to beautify it for a nominal amount in the interim; however, he felt that the
329 CRA had been waiting for the completion of the Master Plan to discuss what design
330 options were available. Mr. Williams continued that he was not comfortable with all
331 these tasks being lumped into this scope of services and commented on his preferences
332 for a possible redesign of the Boardwalk. Mr. Williams stated that he was in favor of
333 having the seawall assessed and redesigned first, before focusing on any other task.

334

335 Ms. Lybrand stated that the CRA Commissioners’ prior (and current) concerns pertained
336 to determining the condition of seawall and once this had been accomplished, the CRA
337 could make a decision on how to proceed with the design of the Boardwalk.

338

339 Mr. Resheidat asked for direction on the forum for the proposed public meeting.

340

341 Mr. Belote stated that he was reluctant to spend money on rehabbing a structure that may
342 have to be (re)moved in order to repair the seawall.

343

344 Ms. DeBorde questioned the need for getting public input in order to maintain a City
345 structure.

346

347 Mr. Kosmas stated that times, ideas and regulations change and that the CRA should
348 adapt and move forward.

349

350 Mr. Dennis inquired about the order of completion for the proposed tasks. Mr. Resheidat
351 stated that this proposal was to be reviewed as a whole; however, each task could be
352 prioritized individually.

353

354 A brief discussion ensued about what type of meetings should be held and with whom, in
355 order to make this process more efficient and time effective.

356

357 **Mr. Dennis made the motion to authorize an amount up to \$204,600 for the Scope of**
358 **Services for this project; seconded by Mr. Hodson. Motion failed on roll-call vote 2 –**
359 **5 with Commissioners Kosmas, Hodson, Lybrand, Williams and Belote casting the**
360 **dissenting votes.**

361

362 Mr. Williams suggested the CRA approve the seawall assessment.

363

364 **Mr. Williams made the motion to authorize an amount up to \$50,000 for the**
365 **assessment and design of the Flagler Boardwalk seawall; seconded by Ms. Lybrand;**
366 **Motion carried on roll-call vote 6 – 1 with Chair DeBorde casting the dissenting**
367 **votes.**

368

369 Mr. Otte clarified that no meeting would be scheduled until the assessment and design for
370 the Flagler Boardwalk seawall had been completed. Mr. Belote would like to see this

371 item on a future CRA agenda, which would give the Public a chance to attend. Mr.
372 Williams was in favor of getting input from the City Commission.

373
374 A brief discussion ensued about the protocol on getting comments/directions from the
375 City Commission.

376
377 **Discussion of restoration of Passenger Rail service and what the CRA can do**

378
379 Mr. Otte stated that Flare Elliott and Jay Pendergast, local business owners, were present
380 to update the CRA pertaining to the restoration of passenger rail to New Smyrna Beach.

381
382 Flare Elliott, 421 Canal Street and contact person for the Coalition (comprised of
383 representatives from local governments, Florida East Coast Regional Planning Council,
384 FDOT, Rail America and Amtrak) gave a brief summary on the history of the rail service
385 in New Smyrna Beach and the efforts to restore passenger rail. Ms. Elliott clarified that,
386 contrary to what some may believe, each City could choose the location for a train
387 station, however, those Cities also had to prove why it would be worthwhile for Amtrak
388 to stop at those stations. Ms. Elliott continued that several different funding packages had
389 been presented over the years, but that funding did not get approved. However, the
390 people stayed committed and with the recent wave of federal stimulus funding, they were
391 looking to repackage this project to include high-speed rail. The new funding would
392 require a 20% match from each City and that the deadline to apply was mid July. Ms.
393 Elliott stated that in order to qualify, a project had to be shovel-ready and that the
394 Coalition was putting together several workshops in the participating Cities and all
395 interested parties were strongly encouraged to attend. Ms. Elliott asked for support in
396 lobbying all the key legislators about resolving the Amtrak Liability and Indemnification
397 Issues, as local governments really did not have any control over this. Ms. Elliott stated
398 that she had an email from the Coalition on this subject that she would be happy to
399 forward. Ms. Elliott explained that, in order to get a station stop, New Smyrna had to
400 include a station plan in their Land Development Regulations (LDR) and create a
401 marketing plan, proving to Amtrak why New Smyrna would be a lucrative place to stop
402 the train. Ms. Elliott stated that the City Commission and staff had already taken steps to
403 accomplish these tasks.

404
405 Ms. Elliott thanked the CRA for their continued support and stated that all of this
406 information was available on Facebook. Ms. Elliott asked everyone to join Facebook as a
407 Fan, as they were hoping to increase the “Fan base” to 1000 people.

408
409 Ms. DeBorde thanked Ms. Elliott for all her work and inquired about the FEC’s
410 commitment to be part of this project. Ms. Elliott clarified that Rail America, who owned
411 FEC, was listed as the member of the Coalition, but that FEC representatives were the
412 ones in attendance. Ms. Elliott continued that FEC was very supportive of the project.

413
414 Mr. Williams suggested having this project reflected in the CRA Master Plan update to
415 show the CRA’s support and gave his input on logistics involved in creating a train
416 station. Mr. Williams asked for a consensus of support from the CRA, as this could have
417 a very positive impact on New Smyrna’s economy.

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Mr. Jay Pendergast, Architect stated that he had done some research on the exact location and style of the original train station in New Smyrna Beach, which was located on Lytle Ave. Mr. Pendergast stated that the proposed location for the new station was the FEC property on Canal Street and continued that it was imperative to get the property owner on board with appropriate incentives to entice a public/private partnership. Mr. Pendergast suggested tying together all modes of transportation and working out of one intermodal area in the City.

Mr. Kosmas inquired if alternate locations had been considered. A brief discussion ensued about finding the best station location that would be able to adapt to future progress and change.

C. Review of AECOM's (fka Glatting Jackson) Parking Study

Mr. Otte suggested that this item be postponed, due to the length of the meeting.

D. Review of Project Task Description for the Dunn Property

Mr. Otte stated that staff was asking for approval of the following proposals, however staff would like to increase the dollar amount of proposal number 3 to up to \$5,000, due to some additional testing necessary for landscaping purposes:

1. Southeastern Archaeological Phase I Cultural Resource Survey - bid proposal in the amount of \$9,200.
2. Kimley Horn bid preparation and demolition oversight - bid proposal in the amount of \$6,200.
3. Kimley-Horn bid proposal to collect and analyze soil samples on the S.W. corner of U.S. 1 and Canal St. and provide data regarding the presence of hazardous materials. If hazardous materials are confirmed - remediation recommendations will be provided in the amount of \$2,375.
4. Kimley-Horn bid proposal for site assessment, preparation of interim source (arsenic) removal plan, oversight of source (arsenic) removal by FDEP, project management and reporting provided in the amount of \$15,550 under the EPA Brownfield Assessment Grant.

Mr. Williams made the motion to approve the proposals based on staff's recommendations and to increase the amount of proposal number 3 to an amount up to \$5,000, seconded by Mr. Dennis. The motion carried on a roll call vote 7 – 0.

Mr. Kosmas asked for clarification on why assessments on the southwest side were needed. Mr. Otte stated that he had conferred with the City Attorney.

464 A brief discussion ensued about the potential of contaminated soil in an area proposed for
465 a landscape buffer, the disposal requirements as well as the possibility of being able to
466 determine the source of the contamination.

467
468

NEW BUSINESS

469 A. CRA Commercial Grant Applications 207 S. Atlantic Ave – Flagler 470 Dunes Parking Lot

471

472 Mr. Otte stated that the CRA had previously approved \$58,000 in CRA funds to create
473 parking spaces at the Flagler Dunes parking lot. This was done as part of a public/private
474 agreement to lease parking spaces back to the CRA at \$500 per space until the advance
475 had been expended. Mr. Otte continued that staff had learned that the cost of construction
476 had increased and staff felt that this was an approvable expense. Mr. Otte suggested
477 adding an additional \$10,000 to the previously approved amount and adjusting the draft
478 agreement accordingly.

479

480 Mr. Williams stated that he was representing the owners, who were not able to attend the
481 meeting and that he would abstain from voting on this topic (see attached FORM 8B
482 MEMORANDUM OF VOTING CONFLICT).

483

484 **Mr. Belote made the motion to add the \$10,000 to the previous \$58,000 and to**
485 **amortize this amount over a longer period of time, seconded by Ms. Lybrand. The**
486 **motion carried on a roll call vote 7 – 0.**

487

488 Mr. Otte clarified that the motion was to authorize staff to amend the lease agreement
489 versus approving the Commercial Grant application. Mr. Belote agreed.

490

491 A discussion ensued about the total construction cost, how the CRA was being
492 reimbursed and a construction timeline.

493

494

495 B. Amendment to the Grants & Aids Program

496

497 Mr. Otte stated that staff was asking for approval to revise the current Grants and Aids
498 Guidelines as follows:

499

- 500 1. special Event Insurance as an allowable expense with Grants and Aids funding;
- 501 2. allow an additional three years of Grants and Aids Program support if the event is
502 substantially expanded (to be determined by the CRA on a case by case basis).

503

504 Mr. Kosmas was in favor of being clearer on the verbiage for revision 2 by stating that
505 the extension would be a one-time additional three (3) year extension.

506

507 Mr. Dennis felt that the CRA could aid merchants to attract lucrative events by funding
508 the event insurance and a brief discussion ensued about the legalities of the CRA paying
509 for the insurance versus including it in the Grants and Aids programs and concerns with a
510 blanket insurance policy, where applicants may not be clearly identified.

511
512 Adele Aletti, Flagler Merchants Association President, stated that she sends a list of all
513 their yearly events to her insurance company and they provide her with an annual
514 payment figure. Ms. Aletti continued that this was being funded by the merchant
515 member dues.

516
517 Mr. Williams preferred that the events coordinators of each organization secured their
518 own event insurance and to make this cost a reimbursable expense through the Grants and
519 Aids Program.

520
521 Cindy Jones, President of the Canal Street Historic District stated that their merchant
522 group was planning to apply for a blanket policy, but that at present the group only had
523 limited events, this was why they were hoping to have the insurance requirements as a
524 reimbursable expense through the Grants and Aids program.

525
526 **Mr. Williams made the motion to authorize the proposed revisions to the Grants**
527 **and Aids Guidelines to specifically include Event Insurance as an allowable expense**
528 **and to allow a one-time three (3) year extension, should the event have substantially**
529 **expanded; seconded by Mr. Belote; Motion carried on roll-call vote 7 – 0.**

530
531

532 **C. Review of Esther Street Beachfront Park Conceptual Plan**

533
534 Mr. Otte asked Gail Henrikson, Planning Manager, to address the CRA. Ms Henrikson
535 presented the CRA with two (2) versions of a concept plan for the Esther Street Park,
536 depicting concepts with and without the use of a private easement. Ms. Henrikson stated
537 that she was looking for the CRA to recommend which of the two plans they would like
538 staff to forward to the City Commission for approval. Ms. Henrikson commented on the
539 additions made to the original plan.

540
541 A brief discussion ensued about the differences between the two concepts with all their
542 pros and cons.

543
544 Mr. Williams stated that he would prefer concept plan no. 2.

545
546 Mr. Paul Gephart, Windsand Condominiums on Atlantic Ave. asked for clarification of
547 the differences between the two concepts. Ms. Henrikson stated that concept no 1 had
548 traffic entering/exiting the park on Esther Street and concept no 2 had one lane going into
549 the park on Esther and exiting through the parking lot onto N. Atlantic Ave, as well as
550 allowing for eight more parking spaces.

551
552 Ms. Sandra Karr, Windsand Condominiums inquired if steps to the beach were proposed,
553 which Ms. Henrikson confirmed.

554
555 Mr. Otte stated that he was in favor of concept plan No. 2, as no easement would be
556 required, thus eliminating possible litigation costs. Ms. Henrikson stated that
557 implementation of either plan would bring additional costs, and that the Planning staff

558 was in favor of concept plan # 1, feeling it would have less impact on the surrounding
559 neighbors.

560
561 Some CRA Commissioners felt uncomfortable with making a recommendation and a
562 brief discussion ensued about how best to handle this topic, as this was mainly a City
563 project.

564
565 **Mr. Belote made the motion that the CRA would accept the City Commission's**
566 **decision on which plan to implement; seconded by Mr. Hodson. Motion carried on**
567 **roll call vote 6 – 1, with Ms. Lybrand casting the dissenting vote.**

568
569
570 **D. Discussion of concepts for new business incentive programs**
571
572 Mr. Otte suggested that this item be postponed, due to the length of the meeting.

573
574
575 **REPORTS AND COMMUNICATIONS**

576
577 **A. Director's Report**
578
579 Mr. Otte suggested that this item be postponed, due to the length of the meeting.

580
581
582 **B. CRA Attorney's Report**
583
584 Mr. Hall stated that the SEVHD had submitted a check to the City/CRA in the amount of
585 \$787,421 pertaining to the recent dispute between the City and the SEVHD about their
586 required CRA Trust fund contributions. Mr. Hall continued that this was only a principal
587 amount without any penalties or interest and that he and the City Attorney recommended
588 the City/CRA waive the penalties and interest.

589
590 Ms. DeBorde inquired about the total dollar figure for the penalties and interest to be
591 waived. Mr. Hall stated that the penalties were \$39,371.05 and the interest \$31,496.84
592 and clarified that the City/CRA had the capacity to waive those amounts per the amended
593 statutes.

594
595 Ms. DeBorde stated that she felt that this money should be paid.

596
597 **Ms. Lybrand made the motion to accept the CRA/City council's recommendation**
598 **that the settlement with the Hospital was appropriate as received, seconded by Mr.**
599 **Kosmas. Motion carried on roll call vote 7-0.**

600 Mr. Williams hoped that the CRA's relinquishing of the penalties would be viewed as a
601 good faith act.

602

603 Mr. Hall stated that he had also received correspondence from Mr. Bob Williams,
604 President and CEO of SEVHD, requesting that the Hospital be exempt from contributing
605 to the CRA Trust fund. Mr. Hall stated that the City/CRA counsel was now in a 120 day
606 response period.

607
608 Ms. Kosmas stated that he was very surprised that the Hospital had withheld their 2009
609 TIF payment and felt that it needed to be clearly stated that the 2010 Master Plan update
610 recognized the Hospital as a major contributor/partner and that a percentage of the CRA
611 budget had been committed to improving the hospital district. Mr. Kosmas wanted to
612 create an atmosphere of cooperation so that everybody could move forward as partners in
613 bringing this community to its greatest potential.

614
615 Ms. Lybrand felt it might be wise to investigate how much money the Hospital would be
616 contributing until the CRA sunsets and weigh that against the dollar amount that the CRA
617 was planning to invest for improvements in the Hospital district. Mr. Lybrand continued
618 that this may determine if the CRA should let the Hospital keep their contributions and
619 invest them the way they saw fit.

620
621 Mr. Hodson inquired about the SEVHD's intention on having a seat on the CRA Board.
622 Mr. Hall stated that this option was currently being discussed and a brief discussion
623 ensued about adding an additional seat, having to keep an odd number of seats and if this
624 had to be approved by the City as well as the County, based on the County's new
625 resolution.

626
627 **C. Commissioner Report**

628
629 Mr. Belote inquired about the status of the replacement of the bollard lights on the N.
630 Causeway. Mr. Otte stated that they were ordered and that he would provide Mr. Belote
631 with a more specific date.

632
633 Mr. Otte informed the CRA that a meeting had been scheduled with the original steering
634 committee for the current CRA Master Plan update. The meeting would be held on May
635 6, 2010, 5:30 pm at the Brannon Center.

636
637 Ms. DeBorde thanked her fellow Commissioners for assisting her in completing this
638 agenda.

639
640 **D. Correspondence** - Response letter from the office of the Governor pertaining
641 to the FEC/Amtrak Passenger Rail Service Support Letter.

642 No comments.

643
644 **ADJOURNMENT**

645
646 **A motion was made to adjourn; all agreed. Meeting adjourned at 4:02 pm.**