

**MINUTES OF THE  
COMMUNITY REDEVELOPMENT AGENCY  
MEETING OF JANUARY 9, 2008  
DEBERRY ROOM 3<sup>RD</sup> FLOOR  
200 CANAL STREET  
NEW SMYRNA BEACH, FLORIDA**

**Chairperson Linda DeBorde called the January 9<sup>th</sup>, 2008 meeting to order at 2:00 p.m.**

**Answering to roll call:  
Linda DeBorde, Chairperson  
Steve Dennis, Vice Chair  
Douglas Hodson  
Cynthia Lybrand  
Thomas Williams  
James Kosmas  
Charles Belote**

Also present were Mark Rakowski, Interim CRA Director; Kevin Fall, CRA Project Manager; Noeleen Foster, CRA Coordinator; Mark Hall, CRA Attorney; and Claudia Soulie, CRA Board Secretary.

**CONSENT AGENDA**

Mr. Fall made the Board aware of a correction to the minutes. On page 1 under Old Business section A. it should state *the project was approaching thirty (30) percent design* instead of *the project was at thirty (30) percent design*.

**Mr. Dennis made the motion to approve the minutes of December 5<sup>th</sup>, 2007 CRA Board meeting with the indicated correction; seconded by Mr. Hodson. The motion carried on roll call vote 7 – 0.**

Ms. DeBorde asked the Board to move topic A. under New Business *Premiere Hotel Development Concept* up, since some Commissioners had to leave the meeting early. All agreed.

Mr. David Swentor with Premier Development Group out of Charleston, South Carolina thanked the Commissioners for their flexibility in schedule and gave a presentation on a proposed redevelopment project anchored by a 143 bay (guest rooms and meeting space) hotel. The topics were furthering the understanding of Hospitality and Hotel Building in New Smyrna Beach, understanding what tourism meant to a community and what New Smyrna Beach would like as a hospitality product.

Premier Development, a five (5) year old company and its sister organization, Premier Hospitality, were representing franchise groups like the Hilton, Marriott, Intercontinental, Hyatt and Starward.

Mr. Swentor continued that they came before the CRA Board to embrace the right steps of presenting a hospitality product to New Smyrna Beach, since the CRA, through its grant program, had made distinct efforts to maintain a certain feel of architecture.

Mr. Swentor stated that Premier Development had secured a site on 214 Flagler Avenue. Premier Development did not want to raze buildings on Flagler to put up their hotel. The best solution was to select the area that included one (1) lot controlled by Premier Development and two (2) lots controlled by the CRA. His group would be responsible for the construction and the continued management of this project. They would be working with an architectural group out of Charlotte, NC as well as Will Miller, a local architect. The purpose of this project would be to maintain the feel of Flagler Avenue while increasing the commerce to the area west of Flagler.

Mr. Swentor elaborated on the benefits of tourism to the community, as far as great revenues, improved jobs and cultural facilities, meeting spaces and the benefit to individual organizations. Other key points were that the hotel would be built into the surrounding streetscape with landscaping, it would include “green” construction to minimize impact on the area and costs accrued from water drainage issues would be carried by private investors.

Mr. Swentor summarized that similar projects in Charleston, SC have generated Billions in yearly revenue. He was hopeful to generate a substantial economic benefit from this hotel of over \$20 Million per year in dining, transportation, various taxes, employment and tourism for New Smyrna Beach. Mr. Swentor felt that another benefit of a hotel in this location would be the increased parking availability for shoppers and visitors.

Mr. Swentor brought up the discussion points of the CRA owned lots. There would be an option for the CRA to sell/lease the land or participate in the construction of the parking structure and receive rent from the hotel.

Mr. Swentor opened up the floor for questions, comments and concerns from the Board members and City staff. Mr. Rakowski asked about the architectural style of the hotel. Mr. Swentor answered that they were open to suggestions from the community for the outside look; the franchise group regulated the interior layout of the hotel.

Mr. Hodson asked if this would be a multi-level parking structure, which Mr. Swentor affirmed. The parking structure would contain 150 spaces with some spaces available to the general public. There was a brief discussion pertaining to parking spaces in regards to the overlay and what the code dictated as well as the price for average room rates.

Mr. Kosmas inquired who would maintain the parking spaces for the general public should this project not be economically viable. Mr. Swentor replied, that the hotel, depending on the CRA’s involvement, could lease spaces based on the longevity of the debt service and suggested that other options could be explored.

The Board and staff commented on the advantageous location of the proposed hotel and how it could benefit the merchants on Flagler Avenue.

Mr. Belote inquired if Premier Development Group has had any experience in dealing with a governmental entity such as New Smyrna Beach and a project like this. Mr. Swentor answered that his group had worked with governmental entities in Charleston, SC and most recently in Raleigh.

Ms. DeBorde referred back to option 2b from Mr. Swentor's presentation where the Hotel Group builds and the CRA does a ground lease, and inquired about a timeframe for retiring the debt service. Mr. Swentor stated that the minimum would be the timeframe set on the bank note, possibly thirty (30) years. Beyond that he would be in favor of exploring the option of returning the parking structure to the City and pay rent.

Mr. Williams asked the other Commissioners if it was the CRA's mission to acquire and sell or to redevelop land. If the CRA were given assurance that there would always be public parking available he would be in favor of selling the lots to the developer to not get into land ownership but rather redevelopment and tax generation.

Ms. DeBorde commented that the CRA was supposed to provide opportunities for redevelopment and she felt certain that with the assistance of the City Commission, the City attorney and Premier Development a viable solution would be found for all.

Mr. Swentor stated that should the properties be sold to the Developer, they could be willing to integrate more extensive "green" construction.

Mr. Dennis elaborated on the accommodation industries, Condominiums versus Hotels and that the CRA had the opportunity to set precedent with this project.

Mr. Rakowski asked for the CRA attorney, Mark Hall, to specify if this project was subject to a bidding process or a Request for Proposal (RFP).

Mr. Hall affirmed that there needed to be an appraisal, and possibly an RFP and it had to be approved by the City Commission. He suggested the CRA add this item to the City Commission Joint Workshop. Mr. Swentor stated that this project was on the City Commission Agenda for January 22, 2008.

A brief discussion followed between the Board members, staff and Premier Group about what would be included in a RFP.

Mr. Kosmas asked Mr. Swentor to come back before the Board with various alternatives for facilitating the public parking.

**The Board came to the consensus to be in agreement with the proposed hotel concept and to assign it high priority on the Joint City Commission Workshop agenda. All agreed.**

Mr. Dennis asked to be excused at 3:25 pm and Ms. DeBorde asked for the record to be reflected. She also welcomed Commissioner Plaskett who was in the audience.

## **PUBLIC PARTICIPATION**

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

Mr. Steve Welfer, residing at 222 Flagler Avenue, was concerned about how this proposed hotel project would affect access to his property. It was suggested that he meet with Mr. Swentor privately to discuss these concerns.

Ms. Flare Elliott, 421 Canal Street, thanked the Board for working with the Downtown volunteer groups in regards to the FEC Beautification Lease. Debbie Peterson, Jay Pendergast and Beeman's Nursery have been volunteering their time, expertise and products. Ms. Elliott just became aware that more insurance was required and Ms. DeBorde stated that this item was on the next City Commission agenda. Ms. Elliott asked the Board to consider a continuation so that they could meet with insurance agents in the district as well as the Mayor, who had been very supportive of the Gateway Project, to come up with alternatives.

## **OLD BUSINESS**

### **A. W. CANAL STREETSCAPE PROJECT – SELECTION OF STREETLIGHT STYLES**

Mr. Fall stated that the Review Team met on January 8<sup>th</sup>, 2008 to discuss additional Streetlight choices for the West Canal Streetscape with the focus resting on styles that can be maintained by the Utilities Commission's (UC) and incorporated into their inventory. The post top fixture, the pendant fixture, the pole style and the preferred light type have been selected during that meeting, the electrical requirements and the acrylic globe will depend on the final style chosen. The UC had offered to install one (1) decorative fixture at Riverside Park for review. Staff asked for additional time to look into cost differences between the light styles from the original proposal versus the newest decorative styles.

Ms. Lybrand wondered if it was the right timing to select poles and lights before having seen all design elements. Mr. Williams stated that Cooper Lighting would create a photo matrix sheet and a rendering for a better visual.

Ms. DeBorde asked Mr. Fall to clarify that all the light choices listed in the revised memorandum were possible candidates, would be supported by the UC and could be higher in price than the original proposal. Mr. Fall affirmed and added that the price difference was two fold, purchase price and maintenance cost.

Mr. Williams suggested that the Board look over the provided choices and state their preference.

A discussion ensued pertaining to individual preferences of lights and poles, suggestions from the UC and the Project Engineer of which ones were hard to maintain and examples of roadway lighting in other Cities.

**Mr. Williams made the motion to move forward with the bid as long as it does not exceed the set budget; seconded by Mr. Belote. The motion carried on roll call vote 6 – 0.**

**B. FLAGLER BOARDWALK & PAVILLION REHABILITATION PROJECT – REQUEST FOR PROPOSAL**

Mr. Fall felt that a design Request for Proposal (RFP) would be the best way to determine what was causing the subsurface deterioration. The bidder would list what they thought the issues were, describe their solutions and give a cost estimate for correction of said issues. The previous RFP was a design-build, which generally was used on projects where the contractors have more freedom and don't have to follow specific design guidelines. The new RFP would include sub-surface mediation and vertical structure (Pavilion and Boardwalk) rehabilitation.

Ms. DeBorde asked for clarification on the timeframe for a RFP. Mr. Fall stated, once the City approved the RFP, a timeframe could be chosen during which the bidders had to submit their information; this information would be reviewed, evaluated and ranked before being presented back to the CRA Board. Mr. Fall received feedback that, for the Boardwalk RFP, a minimum of seventy-five (75) days would be preferred.

Ms. DeBorde inquired if it was possible to get in contact with the County Engineer for his opinion. Mr. Fall answered that the County's Facilities Manager had been on site but he would submit a memorandum to the County Engineer with this request.

Mr. Fall will schedule this item for the next City Commission meeting on January 22, 2008.

**Ms. Lybrand made the motion to approve the ninety (90) day RFP; seconded by Mr. Williams. The motion carried on roll call vote 6 – 0.**

**C. HISTORIC PRESERVATION GRANT PROGRAM**

Mr. Fall reiterated the CRA Board's directive for staff to develop the criteria necessary to establish a CRA grant program to provide financial assistance for the preservation and/or restoration of publicly owned historic buildings. Mr. Fall had researched different Cities in Florida as well as other States for their approach and criteria.

Mr. Fall asked the Board to review and rank the submitted criteria on an objective basis.

Ms. DeBorde referred back to a study several years ago that outlined the historic area and named the buildings with historical significance. Ms. Foster believed that Adams out of

St. Augustine did it. Mr. Rakowski interjected that a study was done back in the late 80's, early 90's that listed the criteria for historic preservation design guidelines. Chapter 50 of the Code of Ordinances gave some criteria used to determine the historical significance of a home, and Mr. Rakowski suggested incorporating these criteria, maybe slightly modified, into this process.

There was a brief discussion as to why some buildings did not get designated for having historical significance.

Ms. Lybrand pointed out some discrepancies in the application form and asked staff to provide a listing of how many buildings were publicly owned historic buildings within the CRA's district.

The Board and staff discussed and clarified the maximum grant award of \$100,000 per eligible project, if there was a difference in the grant process should the money come out of the City's versus the CRA's budget and if the CRA's grant money would determine whether a publicly owned building would get restored or not.

Mr. Kosmas voiced his concern that any dollar amount wouldn't have a beneficial impact for the applicants in the scope of their renovation project.

Mr. Belote commented that the CRA just temporarily captured the Advalorem taxes, which would otherwise go to the City's general fund.

Ms. DeBorde passed on a suggestion that the CRA should establish grants for publicly owned historic buildings and she felt that the grant money from the CRA could be seed money and would not be intended to fund the project. It could help to secure other grants and monies.

**Mr. Belote made the motion to direct staff to gather criteria for the selection process of historic properties and set an overall budget amount of \$100,000 and bring that information back before the Board; this motion died for lack of a second.**

Mr. Rakowski asked if the Board would like staff to refine the Historic Preservation Grant criteria by correcting the typographical errors and including a summary of Chapter 50 of the City Code of Ordinances and to bring it back before the Board at the next CRA meeting. The Board agreed.

#### **D. 108 Myrtle Avenue Acquisition**

Ms. DeBorde stated that the seller accepted the CRA's price offer for the purchase of the property at 108 Myrtle, but rejected the ninety-day due diligence and put in their own stipulation. In the meantime they lowered the price to \$159,900.

Ms. DeBorde asked the Board about their consensus. Ms. Lybrand felt that this still was a great opportunity to add to Myrtle Avenue Park.

**Mr. Belote made the motion that the CRA move on to other projects; seconded by Mr. Kosmas, the motion carried on roll call vote 4 – 2 with Ms. Lybrand and Mr. Hodson casting the dissenting votes.**

## **NEW BUSINESS**

### **A. Premiere Development Hotel Concept**

See consent agenda.

### **B. FEC Landscape Lease – Insurance Requirements**

Mr. Fall commented that staff had received the proposed Real Estate Lease contract from the Florida East Coast Railway, L.L.C. (FEC) relating to the beautification project planned for the southwest corner of US 1 and Canal Street and asked the Board to allow staff to work further with the FEC in discussing alternatives to the general Lease contract.

The Board asked questions about the FEC's Lease requirements as they pertain to large stores versus the small section of land that the CRA would like to lease.

**Mr. Hodson made the motion to give staff authority to move forward in attaining more information pertaining to the FEC Lease and to bring it back at the next meeting; seconded by Ms. Lybrand. The motion carried on roll call vote 6 – 0.**

## **REPORTS AND COMMUNICATIONS**

### **A. Quarterly Financial Report**

Mr. Fall handed out a Year-to-Date Budget Report to replace the one contained in the agenda. From a quarterly standpoint, all the tax increments in the range of \$3,000,000 had been received from the contributing entities for the 2008 fiscal year. Mr. Fall stated that there was a small drop from the previous year; however, he anticipated no further degradation. The Expenses update was a reflection of the first three (3) months with West Canal Streetscape being the only Capital project where funds were spent.

Mr. Fall continued that the focus for the February workshop would be financially oriented. He briefed the Board on the CRA's total budget figures and how they had been allocated. Mr. Fall's goal for the February workshop would be to match the existing revenue projections with the CRA's projects.

The Board will receive the next report in April.

**B. Property Improvement Grant Status Report**

Mr. Fall pointed out that some of the Status Report topics had been discussed earlier in this meeting. He asked the Board to consider a suggestion that was made in regards to placing a bulletin board at the job site of West Canal Streetscape to inform the public of the goings-on. This board should be updated on a consistent basis, and Mr. Fall felt that this was only a minimal expenditure for the benefits it will bring.

Ms. DeBorde asked about the progress for Mary Avenue. Mr. Fall mentioned that all the City's comments had been received, but there were some technical issues like finding out who was responsible for identifying the depth of underground utilities as well as the cost estimates on the spec sheet not matching the plans and having to be resubmitted.

**C. Property Improvement Grant/ Residential Grant Status Report**

Mr. Fall stated that there were about six (6) businesses that applied for the 100 N. Cooper Grant. Ms. DeBorde asked if these would be individual grants, which Ms. Foster confirmed.

Mr. Fall received notice from the Smyrna Surfari Club, Inc. in regards to the Surfboard Memorial that was installed in October 2007. There was an issue with the condition of the existing base and a new one was drafted up. At the next CRA meeting Mr. Fall would like to submit a request to the CRA to use some of the Public Art Appropriation fund to help the Safari Club in financing \$5,900 out of \$13,000.

Mr. Fall asked the Board if they would like him to coordinate a joint workshop with the City Commission for February 6<sup>th</sup>, 2008. Mr. Kosmas asked if this workshop would include discussions about the proposed hotel, Mr. Fall confirmed that. It was questioned if this could be coordinated with the City Commission and the schedules of certain Board Members. Mr. Rakowski will contact the City Clerk.

**ADJOURNMENT**

**Mr. Hodson made a motion to adjourn; all agreed. Meeting adjourned at 4:50 pm.**