

MINUTES

REGULAR MEETING - COMMUNITY REDEVELOPMENT AGENCY BOARD (CRA)

March 07, 2012

Minutes of the Regular Meeting of the Community Redevelopment Agency Board of The City of Daytona Beach, Florida, held on Tuesday, March 07, 2012, at 6:00 p.m., in the Commission Chambers, City Hall, 301 South Ridgewood Avenue, Daytona Beach, Florida.

1. Roll Call.

Commissioner Patrick Henry	Present
Commissioner Cassandra Reynolds	Present
Commissioner Edith Shelley	Present
Commissioner Pamela Woods	Present
Commissioner Kelly White	Present
Commissioner Robert Gilliland	Present
Mayor Glenn Ritchey	Present

Also Present:

James V. Chisholm, City Manager  
Marie Hartman, City Attorney  
Jennifer L. Thomas, City Clerk

2. Commissioner Shelley led the invocation.
3. Commissioner Henry led the Pledge of Allegiance to the Flag.
4. Adopted/Minutes of the February 15, 2012 Special Community Redevelopment Agency Board Meeting of The City of Daytona Beach, Florida, held at 6:00 p.m., in the Commission Chambers, City Hall, 301 South Ridgewood Avenue, Daytona Beach, Florida.

It was moved by Commissioner Gilliland to approve the minutes. Seconded by Commissioner Woods. The motion passed 7-to-0 with the breakdown as follows:

Commissioner Henry	Yea
Commissioner Reynolds	Yea
Commissioner Shelley	Yea
Commissioner Woods	Yea
Commissioner White	Yea
Commissioner Gilliland	Yea
Mayor Ritchey	Yea

5. AGENDA APPROVAL

James V. Chisholm, City Manager read the Agenda changes:

No changes.

It was moved by Commissioner Gilliland to approve the Agenda. Seconded by Commissioner Shelley. The motion passed 7-to-0 with the breakdown as follows:

Commissioner Henry	Yea
Commissioner Reynolds	Yea
Commissioner Shelley	Yea
Commissioner Woods	Yea
Commissioner White	Yea
Commissioner Gilliland	Yea
Mayor Ritchey	Yea

6. ADMINISTRATIVE ITEMS

- 6A. Adopted/Resolution No. CRA 12-06 authorizing the expenditure of Redevelopment Funds, in an amount not to exceed \$372,869; and authorizing the completion of necessary repairs in compliance with the Tenant Lease Agreement, namely the installation of Pier Walkway Lighting, ~~renovation of the Sky Needle~~ and for partial funding of construction of an employee parking lot for the pier tenant. This work will be in compliance, support, and is consistent with the Main Street Redevelopment Plan. City Clerk Thomas read the Resolution by title only. A RESOLUTION APPROVING THE EXPENDITURE OF TAX INCREMENT FUNDS IN THE AMOUNT OF \$372,869 FROM THE MAIN STREET REDEVELOPMENT AREA TRUST FUND TO PAY FOR ADDITIONAL REHABILITATION WORK ON THE DAYTONA BEACH PIER AND AN EMPLOYEE PARKING LOT FOR THE PIER RESTAURANT BUILDING TENANT; AND PROVIDING AN EFFECTIVE DATE.

John Nicholson, 413 North Grandview Avenue, Daytona Beach asked the question how much money to date had been spent on the Pier, and how much money does the City anticipate it's going to cost when it's finally done. Secondly; there was a lighting study done for the Breaker's Park and he wanted to know how soon the study would be available for the public.

Mayor Ritchey stated it would be given to him. He asked if there was any one else to speak to this item from the public. He asked the Commission if they had any comments or questions.

Commissioner Woods stated yes. She would like to look at these items separately she had spoken with the City Manager on yesterday concerning these items. She realized this was for refurbishing and to leave it there. However; the Commission needed to know as a body the difference in cost if it was taken down and removed now that the Commission had new information before them, they needed to have all of the information before making a decision.

James V. Chisholm, City Manager stated the estimate that he saw for the cost to remove it would be approximately \$80,000 not including any repairs that had to be done to the Pier itself.

Commissioner Woods stated she thought it was \$60,000 to complete and \$80,000 all together with the fixings, but she needed to be clear with what the cost really was. Her understanding was a total of \$80,000.

Paul McKittrick, Development Services Director stated the numbers from Public Works was \$65,000 just to remove the needle over and \$80,000 to repair the decking and complete all the repairs.

Commissioner Woods stated that was a \$50,000 difference if it's \$130,000. The Commission needs to take a look at the difference in the cost and the maintenance if you leave it up there. She also wanted to make it known to everyone that this will never be a "Sky Needle" again.

Mr. Chisholm stated before you have a rendering of a proposed sign to place on the needle, there will be other actions that would have to come back to this Commission for that to be approved.

Commissioner Woods stated she and Mr. Chisholm had talked about this on yesterday and there was nothing in writing and there has been discussion about that possibly being a revenue source to offset some of the cost. It's \$80,000 even if the City decides to take it down; we are looking at a difference of \$50,000 at this point and time. If we go with refurbish and spend \$130,000, in your opinion do you think the revenue could possibly be if this was done as ...

Mr. Chisholm stated over the life of the project he felt it would recover the cost, in his opinion yes.

Commissioner Woods stated the \$50,000.

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Mayor Ritchey stated those were very good questions, are there any other questions or comments.

Commissioner White asked with regards to the improvements and other things the City is responsible as per the Tenant Lease Agreement, how much more stuff does the City have to go.

Mayor Ritchey stated our part of repairs and we had some additional pilings and railings, he asked Mr. Chisholm if he could give an update on the improvements.

Mr. Chisholm stated he thinks everything has been authorized that needed to be done at this point on the Pier itself. There are other things that the City has to do every year to the Pier. The only thing the City has to do is build the parking lot on the land based side. There are actually two things that had to be done concerning those two lots the City purchased. At some point and time the City is going to have to come back and build those as parking areas and then the employees parking area is a contractual obligation. There was lighting listed in the papers the Commission had before them. He felt that the City was pretty close to the end of this project.

Commissioner White stated she had one further question, she asked hypothetically if Joe's were to put this their based on our agreement with them, do they have to pay the City something extra for this signage.

Mr. Chisholm stated yes. It was specifically left out of the agreement so that we could charge for it.

Commissioner Shelley asked what would be that charge.

Mr. Chisholm stated the charge is negotiated but the City has to find out what the market rate is and go from there.

Commissioner Shelley asked if that was the intent all along, do the renovations on the Sky Needle, and the intent all along was to have a sign there.

Mr. Chisholm stated that is correct. The intent all along was for it to be used with them and possibly the City using it also and not necessarily the signage on the City's part could be flags, or it could be a number of things.

Commissioner Shelley stated to the points of Mr. Nicholson's and Commissioner White's questions there were a lot of concerns and people would really like to know what the total is and what the City is spending. She felt it was important that they all receive that information as soon as possible. It had come to her attention in spending this money there are concerns the City will not be able to have Fireworks for the 4<sup>th</sup> of July, because of monies. Also, we are not able to assist with the summer Bandshell Concerts. She was looking at the monies being spent from the Main Street Redevelopment Area and wanted to know exactly what was going on with that.

Mr. Chisholm stated we have had a significant reduction \$414,000 in litigations as well as reductions in our spending. At this point in time we do not have monies budgeted for those activities and not all of those are CRA Funds some of those were funds from the General Fund.

Commissioner Shelley asked just out of curiosity, since we are working with Joe's Crab Shack and they are going to be our main tenant on the Pier, are there areas that can be associated with them.

Mr. Chisholm stated he recommended to the group that does the fireworks that they contact Joe's directly and see if they would be a major sponsor since they are going to be the major benefactor of any benefit on the Pier.

Mayor Ritchey stated it would be a huge benefit to Joe's Crab Shack.

Commissioner Shelley stated absolutely.

Mayor Ritchey stated the merchants said obviously they are interested. Friends of the Bandshell said they will put on two performances one on Memorial Day and one on Labor Day. Through sponsorships and those sorts of things there are ideas being thrown out to identify some potential sponsors to help offset some of that cost, there is nothing solid as of yet but it does look fairly promising.

Mr. Chisholm stated the City may have some opportunities once we get further along to look at what the City is doing.

Commissioner Shelley asked have they been given the names of someone to contact at Joe's.

Mr. Chisholm stated yes they have the names of a contact person with Joe's Crab Shack.

Commissioner Gilliland asked what the status was on setting up the self-insured fund for storm surges and hurricane insurance for the Pier.

Mr. Chisholm stated he had a meeting with Brown and Brown a little over a week ago; at the meeting they discussed the viability of finding a courier that might be available that the City is not aware of at this time. As soon as we get to a point of finalizing where we are with this whole project, we are going to begin setting up that fund but it has not been done as of yet.

Commissioner Gilliland stated in response to Commissioner White's comment and for confirmation purposes, we still have the \$500,000 payment once they spend \$2 million on their improvements, is that correct.

Mr. Chisholm stated yes that is correct. We have the funds setup in a Trust.

Commissioner Gilliland stated as far as the Sky Needle goes, his preference would be that the Commission not take action on that tonight and he would like to see the revenue projections from January and to see if the City puts up \$80,000 if they would put up the remaining \$50,000 in exchange for maybe reducing the rent. \$130,000 is a little tough for him to swallow all at once. He was ready to move forward and approve everything else. This he would rather have pulled out and set aside and ask Staff come back with some other options as to what might be done with this.

Commissioner Woods stated she was not comfortable approving it, there was nothing specific; she just was not comfortable spending \$130,000. She would like to see it separated and vote on the other two items and the Sky Needle come back at a future meeting.

Mayor Ritchey stated there is a cost associated with removal. He asked Ron McLemore if he would come forward. He asked if anyone ever considered owning that thing that they would move it for the City, also is there any value to it in any way that he might be aware of.

Ron McLemore, Deputy City Manager/Operations stated it would definitely have a salvage value, normally when these things are contracted the salvage value is bided on keeping the materials as part of their bid and to reduce their bid price. You get the value of it, but you're going to get the value in their bid, that is part of their bid to take it off and salvage it.

Mayor Ritchey stated maybe he was thinking of something else, but it seemed to him at one time someone was interested in taking that thing down and not charging the City to do it.

Mr. McLemore stated he was not aware of that.

Mayor Ritchey stated he was agreeing along the lines of the Commissioners, he didn't see any urgency in voting on this, more due diligence could be done on that piece unless there was a time sensitive reason for doing it.

Mr. Chisholm stated the only time sensitive would be if the Commission had an opening on the 28<sup>th</sup> of May for Joe's Crab Shack.

Mr. McLemore stated it was going to be a significant construction site once it starts to come down. If they are in operations for a few days, it's going to be intensive.

Mr. Chisholm stated staff will bring back the information the Commission needs and he did not have a problem in delaying action on this item and we will try to do that as quickly as possible.

Commissioner Woods stated if they are here in town, and they are really interested in it and they got this to the City on today, they should be able to get something back by next Commission meeting.

Mayor Ritchey thanked Mr. McLemore for his comments and asked if there were any other questions or comments from the Commission.

Commissioner Shelley stated she wanted to amend her motion to remove the Sky Needle.

Commissioner White stated she would amend her seconded to remove the Sky Needle.

Marie Hartman, City Attorney stated for clarification that would be removing the amount of \$129,776 from the funding.

Mayor Ritchey stated any funding having to do with the Sky Needle.

Mr. Chisholm stated he would encourage the Commission to leave the money in place, but the Commission could make a decision on the Needle any way. This was not appropriating new money for the Pier because this was already in the Pier budget.

Commissioner Shelley asked if the motion was alright the way it was.

Mr. Chisholm replied yes.

It was moved by Commissioner Shelley to adopt the Resolution as amended. Seconded by Commissioner White. The Resolution was adopted with the breakdown as follows:

Commissioner Henry	Yea
Commissioner Reynolds	Yea
Commissioner Shelley	Yea
Commissioner Woods	Yea
Commissioner White	Yea
Commissioner Gilliland	Yea
Mayor Ritchey	Yea

7. CITIZENS

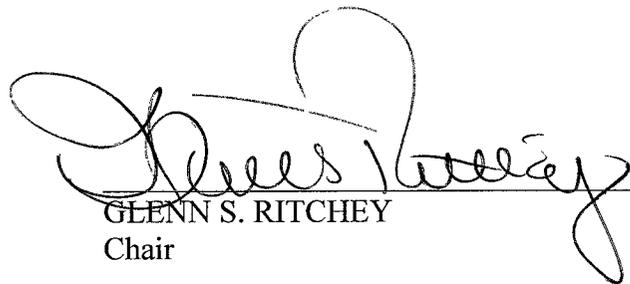
John Nicholson, 413 N. Grandview Avenue, Daytona Beach stated there are three lots for sale on Halifax and Main Street. The property could be used for E-Zone parking. It is a very valuable piece of property at a cheap price. He suggested using the Space Needle as the ball drop, every property along the beach would benefit from it.

8. COMMENTS/INQUIRIES FROM THE COMMUNITY REDEVELOPMENT AGENCY – CITY MANAGER AND CITY ATTORNEY REPORT.

No comments.

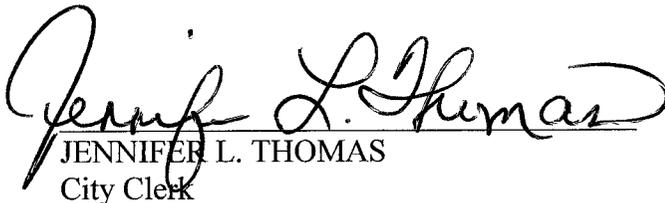
9. ADJOURNMENT

There being no further discussion or comments the meeting was adjourned at 6:22 p.m.



GLENN S. RITCHEY  
Chair

ATTEST:



JENNIFER L. THOMAS  
City Clerk

Adopted: March 21, 2012

**RECORD REQUIRED TO APPEAL:** In accordance with Florida Statute 286.0105 if you should decide to appeal any decision the Community Redevelopment Agency Board makes about any matter at this meeting, you will need a record of the proceedings. You are responsible for providing this record. You may hire a court reporter to make a verbatim transcript, or you may buy a tape of the meeting for \$2.00 at the City Clerk's office. Copies of tapes are only made upon request. The City is not responsible for any mechanical failure of the recording equipment.