

MINUTES

REGULAR MEETING - COMMUNITY REDEVELOPMENT AGENCY BOARD (CRA)

September 19, 2012

Minutes of the Regular Meeting of the Community Redevelopment Agency Board of The City of Daytona Beach, Florida, held on Wednesday, September 19, 2012, at 6:00 p.m., in the Commission Chambers, City Hall, 301 South Ridgewood Avenue, Daytona Beach, Florida.

1. Roll Call.

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

Also Present:

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

2. Commissioner Henry led the invocation.
3. Commissioner Reynolds led the Pledge of Allegiance to the Flag.
4. Adopted/Minutes of the Special Meeting of the Community Redevelopment Agency Board of The City of Daytona Beach, Florida, held Wednesday, August 1, 2012, at 6:00 p.m., in the Commission Chambers, City Hall, 301 South Ridgewood Avenue, Daytona Beach, Florida.

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

Commissioner Reynolds	Yea
Commissioner Shelley	Yea
Commissioner Woods	Yea
Commissioner White	Yea
Commissioner Gilliland	Yea
Commissioner Henry	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 Reynolds. The motion passed 7-to-0 with the breakdown as follows:

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

6. ADMINISTRATIVE ITEMS

6A. Adopted/Resolution No. CRA 12-14 adopting the Community Redevelopment Agency Budget for the fiscal year October 1, 2012 to September 30, 2013; prescribing estimated Revenue Sources for \$4,727,471 and setting forth Operating Expenditures, Capital Expenditures and Transfers of \$4,727,471. City Clerk Thomas read the Resolution by title only. A RESOLUTION ADOPTING THE BUDGET FOR THE FISCAL YEAR OCTOBER 1, 2012 TO SEPTEMBER 30, 2013 FOR THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DAYTONA BEACH; PRESCRIBING THE SOURCES OF REVENUE IN THE ESTIMATED AMOUNT OF \$4,727,471; SETTING FORTH OPERATING EXPENDITURES, CAPITAL EXPENDITURES, AND TRANSFERS IN THE ESTIMATED AMOUNT OF \$4,727,471; AND PROVIDING WHEN THIS RESOLUTION SHALL TAKE EFFECT.

Hemis Ivey, 314 South Franklin Street, Daytona Beach stated one reason that he was not in favor of adopting the proposed budget on tonight was because over six months ago he came before the CRA or Commission and requested \$1 million dollars be placed into the Midtown Redevelopment Area's Budget. As of today the Midtown Board has had no answer or any feedback whatsoever to that request. During the meeting between himself and Mayor Ritchey; if he wasn't mistaken he was told there was \$1 million in reserve for the Orange Avenue project. He wasn't quite sure which meeting he was told about the \$1 million being in reserve but he was asking if that \$1 million could be removed from the reserve fund and placed over in the Midtown Redevelopment Area Budget. In closing he stated he didn't see the fairness in the money continually being held in reserve escrow for Orange Avenue when it could be used in the Midtown Redevelopment Area budget.

Mayor Ritchey responded he was correct concerning the statement of the \$1 million being in a reserve account for Orange Avenue that was back when they were trying to figure out what they were going to do with Orange Avenue. Tonight we have action before us for the City Commission to consider where as we have acquired the funding to not only improve the surfacing and utilities of Orange Avenue which would include the \$1 million that's been set aside. Yes, it will run from Nova Road to Beach Street but it is also Flood Mitigation

Funding that's primarily only to be used in the Midtown Area. In closing the project with the sidewalk lightings and street surfacing in Midtown is going to be quite a comprehensive project that in the long run will be very beneficial to Midtown and we will be very proud of that. He asked if there were any other speakers.

Jennifer L. Thomas, City Clerk stated no sir, that was our only speaker.

Mayor Ritchey asked if there were any further questions or comments from the Commission.

Commissioner Reynolds stated she appreciated staff going out to find the funding hopefully that was going to be most profitable for Orange Avenue. She was wondering because Midtown was in need of a lot of other projects they would like to see completed and since we are in this economic time with the interest rates being rather low, maybe we could look for maybe a low interest loan; not tonight but at least commit to the idea. If the City was to obtain a low interest loan, Midtown could borrow that money from the City to get started on and complete some projects. She ended her comments by saying that was just an idea she wanted to throw out for consideration by the Commission.

Mayor Ritchey stated it is an excellent time in the financial market because of the low interest rates and he didn't see them increasing any time soon. However, the loans that the City has are tied to a particular project so if we borrowed money we would have to have it tied to a particular project but that was something we could absolutely look into. We do need seed money there and he was sure everyone recognized that and would like to see that happen, he personally would be supportive of seeing the Commission exploring an option to that affect.

Commissioner Shelley asked Mr. Chisholm if he would please explain that \$1 million and the fund that it's in and the fact that if any of that is used it must be in Midtown.

James V. Chisholm, City Manager stated it is a Capital Improvement Fund and the money was set aside for a specific project like we have capital projects throughout the City that have dedicated funds. The million dollars can only be spent in Midtown because the specific requirement of legislature is the specific requirement of our Code is to have the money spent in that area. It's not something you can just have held around you have to have it committed to a particular project and you cannot carry it over from year to year. He wasn't quite sure of the limit of how many years you can carry the funds, but it was either three or four years limit, and the money is dedicated to Orange Avenue.

Commissioner Shelley asked Mr. Chisholm how long would they be dedicated or is it going to be moved as we move forward with the low interest loan on Orange Avenue.

Mr. Chisholm stated it will be a part of that Orange Avenue project.

Commissioner Shelley stated she noticed in the CRA budget ever since 2009, there has not been any money budgeted for business recruitment in any of the redevelopment areas; she asked how do we go about it and what was the reasoning for that.

Mr. Chisholm stated we have not been a business recruiting entity at this point. Our economic efforts at this point have been funded out of the General Fund and some out of the Community Development Block Grant (CDBG) Fund. The only recruitment we have paid for so far was through the Downtown Redevelopment Area we had a recruitment using a consultant that came in who attended meetings that did recruit for the City and the City did pay for that consultant.

Commissioner Shelley stated she was just wondering because when she served on the Downtown Redevelopment Board one of the issues was trying to recruit certain businesses to that redevelopment area and she was sure others were the same.

Mr. Chisholm stated he wasn't sure but he thought the City had a contract with that same entity coming to take a look at the Midtown area. They (GIBBS) actually did an analysis of the demand for services and kind of services and made recommendations back to the CRA in addition to attending recruitment and meetings of the various groups throughout the Country.

Reed Berger, Redevelopment Directed statedd the good thing was Gibbs was out there doing the recruiting and we can use his resources for any of our redevelopment areas of the City as a whole. Also, we are going out to some of the meetings with minimal cost trying to attract some of the retailers with very limited success. Secondly, with the consultant they have been working with (not Mr. Gibbs) a new group that will be coming to the next meeting to bring and provide to the CRA that kind of strategic planning and data that was very helpful for Downtown and now Midtown will be getting that same opportunity now that the master plan is in place or hopefully will be in place, and we will get that all done we will keep moving forward with that piece.

Commissioner Shelley stated great.

Mayor Ritchey stated that was a good question because if and when this economy does turn we absolutely need to be about paying close attention to recruiting to bring those opportunities into our community.

Commissioner Shelley asked just for a point of clarification she noticed that the City Attorney has an auto allowance that is distributed to the City Attorney's Office through every redevelopment board except for the Ballough Road Redevelopment Area board and it's in there for last year and this year. It's not a huge amount of money or anything she was just wondering why the Legal Department is taking a percentage of their auto allowance out of each redevelopment area.

Mr. Chisholm responded they have a staff employee that goes to the various areas for City business.

Commissioner Shelley stated she just noticed there weren't a lot of auto allowances being taken out of other areas where Administrative Services or things such as that, so that was all she wanted clarified. She noticed that had only occurred in the last couple of years and maybe the City Attorney could answer the question as to why that was and not the previous years.

Marie Hartman, City Attorney stated she was trying to find it on the page. There is a staff attorney that is used in certain things for example she used when the City worked on the Pier Lease the attorney's time was charged to the Main Street Redevelopment Area.

Commissioner Shelley stated she understood what Marie was saying, but she found it interesting that the auto allowance was just started in the last couple of years of being pulled out of each redevelopment area and that is what caught her attention, because that was something that had not been done previously.

Commissioner Reynolds commented that she just wanted a point of clarification concerning the million dollars. She wanted to know if we would be in good standing with the Auditor General for doing something with Orange Avenue with the million dollars since usually that is something the City is to provide.

Mr. Chisholm stated there are several components from them and the one component is the expansion of the system to include additional volume to the initial system which was under sized, so there are expenses associated with that for flooding. In addition the overall appearance characteristic is supposed to be enhanced through this project and it will be different from what you have now which it's not a replacement it's an expansion.

Commissioner Reynolds responded especially with the overall appearance.

Mayor Ritchey commented that was an excellent question and it does meet the guidelines for it which was the question he had as well earlier for staff. And we are completely fine with what they will allow.

Mr. Chisholm stated with a project that is \$14 or \$15 million and only \$1 million of that are from CRA funds a little over \$1 million and that is for some of those expansions. There will be other expansions in that project as we go forward that is beyond what is currently being funded by this project.

Commissioner Reynolds thanked Mr. Chisholm for his comments.

Commissioner Gilliland stated just for clarification the budget tonight for Midtown is \$462,809, this is the money that we are going to collect for next year and budgeting for next year, but the million dollars conversation is not an item before us right now but it is something we need to think about and get input from the boards. With the item before the CRA on tonight he was comfortable with the way the money was allocated, but they could be changed through budget amendments at a later date.

Mayor Ritchey stated he was happy with the progress and the momentum starting this project in Midtown. The Orange Avenue project is one of the best things to happen in Midtown in years and it is going to be a catalyst to attract new opportunities for Midtown. There was a motion and a second on the floor and he called for the vote.

It was moved by Commissioner Gilliland to adopt the Resolution. Seconded by Commissioner Woods. The Resolution was adopted 7-to-0 with the breakdown as follows:

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

- 6B. Adopted/Resolution No. CRA 12-15 authorizing the expenditure of Downtown Redevelopment Funds, in the amount of \$350,000, for the Daytona Cubs' lease of Jackie Robinson Ball Park (JRBP). The 10-year lease would commit the City to partially funding certain capital improvements. The estimated cost for all improvements would be \$1,250,000, with the City funding up to \$650,000. The City's share will come from an approved \$300,000 Daytona Beach Racing and Recreation Grant and from the Downtown Redevelopment Fund. The lease allows for substantial improvements at the JRBP; provides for sports entertainment to over 1,200,000 game attendees during the 10-year lease; and eliminates public funding subsidies of the ball team after 2013. The proposed use of funds to support the JRBP is supported by the Downtown/Balough Road Redevelopment Plan. City Clerk Thomas read the Resolution by title only. A RESOLUTION APPROVING THE EXPENDITURE OF TAX INCREMENT FUNDS IN THE AMOUNT OF \$350,000 FROM THE DOWNTOWN REDEVELOPMENT AREA TRUST FUND FOR IMPROVEMENTS TO JACKIE ROBINSON BALLPARK WITHIN THE DOWNTOWN REDEVELOPMENT AREA; AND PROVIDING AN EFFECTIVE DATE.

John Nicholson, 413 North Grandview Avenue, Daytona Beach asked where the money is going, the public should know where the \$350,000 is going. He asked about the budget and salaries for the Downtown and Main Street Redevelopment Agencies.

Commissioner White asked someone from staff to give a brief narrative of the deal points of the lease. She has had a lot of questions about it, she feels comfortable with it, but would like the public to hear a brief overview of what we are doing.

James V. Chisholm, City Manager stated this lease that extends the life of the proposal for 10 years. The current proposal expires the last day of December. We are getting \$300,000 from a Daytona Beach Racing and Recreation Grant for this project and \$300,000 from the lease hold interest. The total project is \$1.2 million. The deal points are in the first year we will be on the hook for about \$50,000 in costs associated with the operation, which is beyond what this request is but after the first year and for future years that cost will be borne solely by the lessee. The City will enjoy some revenue coming in instead of us having to fund ... in some years it has been as much as \$250,000 in costs that were incurred beyond the revenue associated with the operations. We are enhancing the asset which includes the improvement of a promenade and a walkway from the south side of the park down to where the Magnolia extension comes back to Orange Avenue for a new entranceway. It also includes expansion of the current clubhouse to the north and a larger building including improvements for the showers and all the necessary areas for the team to prepare for a game.

It will also include the use of a City Building where the City gym is over on Orange Avenue it will be renovated and they will provide the renovation and will have their offices in that area. The lease is a part of one of the requirements for us to maintain the Cubs in Daytona Beach; it is also one of the requirements for the club to keep the Cubs name as a part of our facility in Daytona. They are franchised out of Chicago and we have representatives of the club here. We have been able to reach an agreement with the Cubs on a solution that provides the funding to cover the operating costs that keeps the Cubs here in town and provides enhancement of the facilities for them so that they can get support from the major league team and also in the long run it provides opportunities for our citizens to see a first ball team in our community.

Mayor Ritchey stated it also enhances our City owned facility.

Commissioner White stated there is a lot of private money going into a public facility if this lease passes.

Mr. Chisholm stated that's right.

It was moved by Commissioner Shelley to adopt the Resolution as amended. Seconded by Commissioner Woods. The Resolution was adopted 7-to-0 with the breakdown as follows:

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

7. CITIZENS

John Nicholson, 413 N. Grandview Avenue, Daytona Beach spoke about the use of the building located near the Jackie Robinson Ballpark, peeling paint on the Boardwalk, Breakers Park and the safety of the space needle.

Mayor Ritchey stated according to the Engineers the space needle was unsafe.

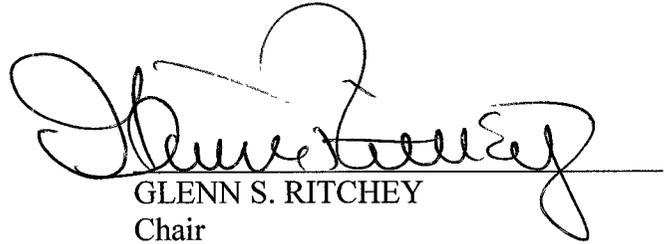
09-19-12

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

No discussion.

9. ADJOURNMENT

There being no further discussion or comments the meeting was adjourned at 6:32 p.m.



GLENN S. RITCHEY
Chair

ATTEST:



JENNIFER L. THOMAS
City Clerk

Adopted: October 3, 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.