

MINUTES

REGULAR MEETING - COMMUNITY REDEVELOPMENT AGENCY BOARD (CRA)

December 18, 2013

Minutes of the Regular Meeting of the Community Redevelopment Agency Board of The City of Daytona Beach, Florida, held on Wednesday December 18, 2013 at 6:00 p.m., in the Commission Chambers, City Hall, 301 South Ridgewood Avenue, Daytona Beach, Florida.

1. Roll Call.

Commissioner Paula Reed	Present
Commissioner Carl Lentz	Present
Commissioner Pamela Woods	Present
Commissioner Kelly White	Present
Commissioner Robert Gilliland	Present
Commissioner Patrick Henry	Present
Mayor Derrick Henry	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 Reed led the Pledge of Allegiance to the Flag.
4. Adopted/Minutes of the November 20, 2013, Special Meeting of the Community Redevelopment Agency Board 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 Reed	Yea
Commissioner Lentz	Yea
Commissioner Woods	Yea
Commissioner White	Yea
Commissioner Gilliland	Yea
Commissioner Henry	Yea
Mayor Henry	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 Henry. The motion passed 7-to-0 with the breakdown as follows:

Commissioner Reed	Yea
Commissioner Lentz	Yea
Commissioner Woods	Yea
Commissioner White	Yea
Commissioner Gilliland	Yea
Commissioner Henry	Yea
Mayor Henry	Yea

6. CITIZENS

No speakers.

7. ADMINISTRATIVE ITEMS

7A. Adopted/Resolution No. CRA 13-13 approving the Hard Rock Redevelopment Incentive Agreement with 801-905 S. Atlantic LP, 199 Bay Street, Suite 2900, Toronto, Ontario Canada M5L 1G4, that provides reimbursement of all Phase 1 Water and Sewer Impact Fees ( est. \$850,000) and an additional Community Redevelopment Area (CRA) Tax Increment Revenue (TIF) reimbursement of approximately \$4 million dollars. The Planned District Zoning Agreement provides for three phases of construction. Phase 1 is the Hard Rock Hotel and Cafe resort. The developer has requested a City financial contribution to offset project related off-site public improvements. The City's willingness to participate was confirmed with a Memorandum of Understanding adopted in June 2012. Both the impact fee reimbursement and TIF reimbursement occur only if the Hard Rock project and public infrastructure project are completed. The City's total financial commitment to the Hard Rock project is capped at \$4 million dollars. There is no investment of public funds in Phase 2 or 3. City Clerk Thomas read the Resolution by title only. A RESOLUTION APPROVING AN AGREEMENT WITH THE CITY OF DAYTONA BEACH AND 801-905 SOUTH ATLANTIC, LP, PROVIDING FOR REIMBURSEMENT OF CERTAIN CONSTRUCTION COSTS FOR PUBLIC IMPROVEMENTS IN AN AMOUNT NOT TO EXCEED \$4 MILLION IN CONNECTION WITH THE DEVELOPMENT OF A HARD ROCK HOTEL AND CAFE ON PROPERTY LOCATED ALONG THE 700 - 900 BLOCK OF SOUTH ATLANTIC AVENUE IN THE SOUTH ATLANTIC REDEVELOPMENT AREA; APPROVING EXPENDITURE OF TAX INCREMENT FUNDS FROM THE SOUTH ATLANTIC REDEVELOPMENT AREA TRUST FUND FOR A PORTION OF THE REIMBURSEMENT; AUTHORIZING THE MAYOR, AS CRA CHAIR, AND CITY CLERK TO EXECUTE THE HARD ROCK REDEVELOPMENT INCENTIVE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

Jennifer L. Thomas, City Clerk stated she had several speakers on this item.

James V. Chisholm, City Manager stated for clarification purposes the \$4 million cap was including only funds paid by the Hard Rock Development and fees collected from the Hard Rock.

Lesa France Kennedy, 727 N. Halifax Avenue, Daytona Beach stated she was in support of the Hard Rock Café Project and this was exactly the kind of project we need in Daytona Beach. She felt this was a global brand just like Daytona Beach is a global brand and it would be a perfect fit for what we are trying to do in Daytona Beach. More importantly this project would be bringing more jobs into The City of Daytona Beach.

Hyatt Brown, 220 S. Ridgewood Avenue, Daytona Beach stated he too was here to support the Hard Rock Café Project. He said he had always known that Daytona Beach had a higher calling. He believed that when one understands the entirety of this project and when it's completed it brings our area in terms of resort entertainment to the next level. We have all been hit with some tough times during this last recession and this project would be a great opportunity for our community. He stated he had dual addresses one was a little further north of Daytona Beach, but in closing he said the entire area would benefit from a project like the Hard Rock Café.

G. G. Galloway, 1305 Oak Forest, Ormond Beach, Florida stated he was lucky enough to move into this community over 30 years ago and one of the things we need to work on is getting quality hotels on the beach front. He said—what bothers those in the real estate community the most is when major events has I4 filled with buses going west and putting Class A clients into five-star hotels. We have been given another golden opportunity to say we can put five-star AAA Class hotels on the World's Most Famous Beach and keep those dollars in the greater Daytona Beach area versus Orlando beckoning them to come over to their five-star hotels.

Phil Maroney, 126 East Orange Avenue, Daytona Beach stated he was the 2013 Chairman of the Daytona Beach Chamber of Commerce. He spoke in favor of the Hard Rock Café Project. He started by thanking the developers from Bayshore Capital who were in the audience. He also; thanked them for having faith in Daytona Beach and for giving us this wonderful opportunity and we appreciate their investment and participation they're having in our community. The Hard Rock Café Project is the catalyst for growth not only on the beachside but for the entire eastern half of this County. It's also going to grow greater interest in this market from investors as well as visitors to Daytona Beach.

Makola Abdullah, 540 Mary McLeod Bethune Boulevard, Daytona Beach stated he was there representing Bethune-Cookman University and to say Bethune-Cookman supports the Hard Rock Café project. He stated students at Bethune-Cookman University believed that the Hard Rock Café will provide opportunities that will benefit the Bethune-Cookman students that are majoring in the fields of Business and Hospitality Management Programs. The Hard Rock Café will provide jobs and opportunities for our students to utilize the education they received right here in Daytona Beach. He stated in closing that he was sure in terms of the efforts from this project Midtown would actually benefit from these efforts.

Bethune-Cookman University thanked the Hard Rock Café developers for giving them the opportunity to keep their graduating students in the Daytona Beach area with the jobs this project will bring to their graduating students in the Hospitality and Business fields.

Christopher Dean, 126 East Orange Avenue, Daytona Beach stated he was a new resident to this area as well as a new business owner. He said Mayor Henry asked him on the day they met why he had moved to Daytona Beach from Pittsburgh. This is the answer to that question; it's a fantastic opportunity that will make a great impact on not only the community but the City as well. The Hard Rock Café is exactly what this area needs and a way to wake the sleeping giant which is what Daytona Beach is at this time. Not only will the graduating students benefit but also the upcoming juniors and sophomores will be needed to fill the job spaces that this project will be bringing to this community. In closing he said to the Commission that they should be applauded for making this move and they should do whatever it takes to make it happen.

Dwight Selby, 200 East Granada, Ormond Beach, Florida stated he is the owner of Selby Realty and for the past year and a half they have been very involved with the downtown area businesses and properties. When he took over, the occupancy rate was 70 percent and now it's at 98 percent in that block downtown. He wanted to speak on the Hard Rock Café project on the beachside and how it was going to stimulate growth downtown which is only 1.2 miles away from the site of the Hard Rock Café.

Sandy Bishop, 104 LaCosta Lane, Daytona Beach stated she was the Executive Director of the Volusia Building Industry Association as well as an Indigo Resident. The news of the Hard Rock project coming to fruition was music to the ears of the 235 corporate members of the Volusia Building Industry Association. She stated that the construction industry is a gift that keeps on giving because not only are they here to do a job but they also visit our grocery stores, restaurants etc., in other words they are spending money in our community throughout the completion of whatever project they are working on and that money is continually turning over. This project is all about jobs, our economy and getting things going again in Daytona Beach. In closing she thanked the Commission for letting her speak.

Josh Wagner, 109 Demotte Avenue, Port Orange, Florida stated this was a big deal when it came before the County Council not in this form but when we were talking about CRA's and existing CRA's he literally had to get on his hands and knees to make sure another vote came through because of economic development and how important it is to this City. The reason he brought his kids is this is why we do it and this is why we make infrastructure decisions it's sort of ... so when these kids get older they have the opportunity that we have; we see it but they are really going to live it and it's exciting to see and vote on projects like this that you know are going to have such a lasting impact. He absolutely supports this project from an official and personal level.

Glenn Storch, 420 S. Nova Rd. Daytona Beach, stated he represents Bayshore Capital and one of the things he wanted to say is this should be a celebration. The entire community came together to accomplish this goal and there were a lot of hurdles to overcome. A while ago the Commission gave staff the ability to work out and negotiate this contract. He complimented staff in accomplishing this goal. Working together with the County, the City, the business community, the neighborhood made this happen.

Mayor Henry thanked Mr. Storch for the compliment as that is what we want to hear about our staff. This is what our entire Commission has said all along; we want it to be known that we want to work with the business community, we want to iron out problems and we want this to be a City where folks are not only willing and able to invest but that they feel good about how they do business with us.

Mr. Storch stated the way you accomplish goals is by working together and that is what we have done in this case.

Mayor Henry stated thank you.

John Ferguson, 149 South Ridgewood, Suite 700, Daytona Beach stated he is here today as the Chairman for Team Volusia Economic Development Corporation and along those lines he loves what the Mayor just said; an attitude like that is going to help the economic development efforts beyond words. The project tonight, beyond being great for tourism, beyond being great for the residents here who will have another venue in which to partake; for economic development as we have their outreach in other cities and we tell them about all the great attributes of our area it is still a sell, it's a sales job and the more tools we have in our back pocket the better. As they learn that an organization like the Hard Rock is coming to Daytona Beach that immediately turns the perception which is a great tool for economic development and makes our job easier. He appreciates all of the comments, the time and effort spent on economic development.

Marjorie Johnson, 122 South Keech Street, Daytona Beach spoke in favor of the Hard Rock Café.

Mayor Henry asked the Commission if they had any comments.

Commissioner Lentz stated it might be worth noting that this isn't the actual vote for the whole project, this is the incentive agreement. He asked if they should make their comments now.

Mayor Henry stated let's be clear certainly as has been stated on an evening that is worthy of celebration and that is why I have not tried to rush the moment although it could not have come on a more peculiar evening because he has to rush to the bandshell at some point for Alex and Sierra, that just tells you how many great things are taking place in this City simultaneously. He stated if there were comments he would like to hear them now.

Commissioner Lentz thanked Mr. Wolfond for assembling a great team of individuals to work with a great staff and come up with solutions to some serious issues. He pointed out that for years it seems like it has always been, where there is big projects on the horizon, it seems like it is always the business community versus the residents. He thanked Mr. Dennis of the South Atlantic Neighborhood Association for facilitating meetings with Mr. Wolfond and Glenn Storch to iron out a lot of those details before they got to this point.

Commissioner Woods stated she thinks it is great that everybody is here but she will be even more excited when the permits have been pulled and we are actually doing the ground breaking and that is what she is really looking forward to and hopes it is very soon.

Commissioner White stated she would say it's an early Christmas present to not only having you here investing in our community but so many people to support it and coming together. She knows they are voting on the incentive agreement which she thinks is a great agreement; she thinks that the public improvements that are going to be made are going to really serve the beachside well and is excited to vote on this tonight.

Commissioner Gilliland stated there has been a huge amount of effort involved in this project. He made his plug for local hires. The momentum is there and he sees this project coming to fruition.

Commissioner Henry stated as we proceed with economic growth in The City of Daytona Beach, he can't help but be elated; he grew up in The City of Daytona Beach and knows what the City has been like in the last 40 to 50 years. He thinks we are on the verge of a great economic boom not only on the beachside but all over the Volusia County area.

Commissioner Reed stated it's exciting. She used to wonder who made decisions for Daytona Beach and now she is one of those people. She is glad to be one of those making a decision this evening. She echoed the comments of Commissioner Gilliland stating let's make sure we support the locals in hiring them.

Mayor Henry stated a great deal has been said and he does not think that this evening can be overstated and that is why he wanted to take the time to allow the Commission to acknowledge what a moment this is. The leaders of our community have come out tonight to express how much we welcome you. He commended staff for doing the job that we have demanded as a Commission. To each and everyone that has come out tonight, this is what Daytona Beach is about; we are a unified City with a great future. He asked if there were any comments.

Henry Wolfond, 2701 South Atlantic Avenue, Daytona Beach Shores stated he feels fortunate to have come to this community, the people are wonderful. There are so many people to thank but he would especially like to thank Lesa France Kennedy for coming out this evening. He thinks what the Speedway, the France family and NASCAR is doing with Daytona Rising and One Daytona makes this possible because "all boats rise with the tide" the market is ready for this transformation. He feels fortunate to be a part of it. This market drives about eight million tourists a year, a lot of those tourists are staying at Orlando hotels and we want to be part of changing that and that's why we are here. It's been great to meet with Mike Denis, Susan and the people from the local community. We've had our differences and we've had our discussions but he thinks they really do want to work together to be a good neighbor to them and have them enjoy the benefits of us being there. He thanked Hyatt Brown for speaking, Kent Sharples President, CEO Business Alliance, Mr. Maroney from the Daytona Regional Chamber of Commerce, everyone on Mr. Chisholm's staff, Reed Berger and all the guys in the Planning Department. He thanked the Commission for giving them this welcome and support.

Mayor Henry stated before we vote he wanted to commend Commissioner Lentz for doing an outstanding job, this project is in his zone and it has been said ...

Commissioner Lentz stated let me correct that it is in Commissioner White's zone.

Mayor Henry stated oh really. Both of you have been a major part of it, never the less, good job of insuring that the residents felt heard and that is something we always want to do.

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

Commissioner Reed	Yea
Commissioner Lentz	Yea
Commissioner Woods	Yea
Commissioner White	Yea
Commissioner Gilliland	Yea
Commissioner Henry	Yea
Mayor Henry	Yea

- 7B. Adopted/Resolution No. CRA 13-14 approving the Second Amended and Restated W.C. Grand Redevelopment Agreement with White Challis Redevelopment Co., LLC., managing member of W.C. Grand, LLC, revising the terms to permit the sale of individual lots for 15 single-family homes at 516 S. Grandview Avenue. City Clerk Thomas read the Resolution by title only. A RESOLUTION APPROVING THE SECOND AMENDED AND RESTATED W.C. GRAND REDEVELOPMENT AGREEMENT WITH W.C. GRAND, LLC, AND THE CITY OF DAYTONA BEACH FOR THE SALE AND REDEVELOPMENT OF CITY OWNED PROPERTY LOCATED AT 516 SOUTH GRANDVIEW AVENUE IN THE SOUTH ATLANTIC REDEVELOPMENT AREA; AUTHORIZING SUBDIVISION AND DEVELOPMENT OF 15 SINGLE-FAMILY HOMES ON PLATTED LOTS; AUTHORIZING THE CHAIR AND CITY CLERK TO EXECUTE THE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

Commissioner White stated she is announcing her conflict and filing Form B. Her husband Jack White is a partner in White Challis LLC which is the developer of the W. C. Grand.

Chris Challis, White Challis Redevelopment, 112 Orange Avenue, Daytona Beach stated and expressed how honored they are to work with the City and what they are trying to do on the redevelopment side. They have just finished construction and have closings starting on Monday on William Square at Magnolia and Palmetto which is a project almost identical with what they are proposing with the W. C. Grand.

Darrell Perkins, 509 South Grandview, Daytona Beach stated he met with Mr. Challis and as an owner of Eagle Apartments right across the street it looks like a good plan. We went through the plan and also with the City Managers but he did have a couple of concerns that he wanted to make sure were heard. He expressed his concern about the City light on that property which is a Christmas tree that takes up about eight feet of one of his lots so he is anticipating that pole to be removed; he wants to be make sure that when the plans are finalized that there is a light replacing the light and pole in some sort of manner because that is basically the light for that block. That was his biggest concern the other concern was that there is enough parking in the area for the other residents.

Mr. Challis stated he did meet with Mr. Perkins and there is a power pole with a Florida Power & Light (FPL) light on it, kind of in the middle of the property, that we will be relocating as he indicated and it is important for the safety of our residents as well. We will be working with FPL on that soon to solve the problem. He stated pursuant to the Development Agreement with the City; all of their units are required to have rear entry two car garages. We are not asking for any permit parking on the street front and we talked about that as well.

Commissioner Lentz stated it looks like an incredible project, he noted how bad the property looked before but now it is a great thing that the new project is going. He asked do you have a timeline already.

Mr. Challis stated for W. C. Grand we are working on finishing our financing right now, it will be quarter one when we break ground. We have the sales momentum and the financing pretty much in place; it will be after the holidays.

Commissioner Woods stated how excited she is that the Hard Rock is coming but she gets just as excited to have more residential property on the beachside that are improved and this is certainly a step in the right direction. She applauded Mr. Challis and Mr. White, she wants them to be successful wherever they are.

It was moved by Commissioner Gilliland to adopt the Resolution. Seconded by Commissioner Lentz. The motion passed 6-to-0 with the breakdown as follows:

Commissioner Reed	Yea
Commissioner Lentz	Yea
Commissioner Woods	Yea
Commissioner White	Recused
Commissioner Gilliland	Yea
Commissioner Henry	Yea
Mayor Henry	Yea

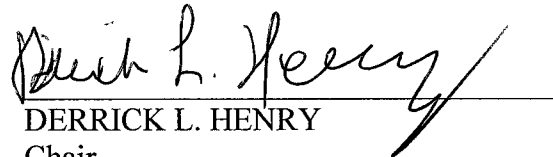
8. COMMENTS/INQUIRIES FROM THE COMMUNITY REDEVELOPMENT AGENCY - CITY MANAGER AND CITY ATTORNEY REPORT.

No Discussion.




9. ADJOURNMENT

There being no further discussion or comments the meeting was adjourned at 6:45 p.m.

  
DERRICK L. HENRY  
Chair

ATTEST:

  
JENNIFER L. THOMAS  
City Clerk

Adopted: March 5, 2014

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.