

MINUTES

SPECIAL MEETING - COMMUNITY REDEVELOPMENT AGENCY BOARD (CRA)

November 17, 2010

Minutes of the Regular Meeting of the Community Redevelopment Agency Board of The City of Daytona Beach, Florida, held on Wednesday, November 17, 2010, at 4:00 p.m., in the Commission Chambers, City Hall, 301 South Ridgewood Avenue, Daytona Beach, Florida.

1. Roll Call.

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

Also Present:

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

2. Mayor Ritchey led the invocation.

3. Commissioner Shelley led the Pledge of Allegiance to the Flag.

4. Approval of the minutes of the Regular Meeting of the Community Redevelopment Agency Board of The City of Daytona Beach, Florida, held Wednesday, October 6, 2010, at 4:00 p.m., in the Commission Chambers, City Hall, 301 South Ridgewood Avenue, Daytona Beach, Florida.

It was moved by Commissioner Reynolds to approve the October 6, 2010 Regular Community Redevelopment Agency Board Meeting. Seconded by Commissioner Gilliland. The motion passed 6-to-0 with the breakdown as follows:

Commissioner Shelley	Yea
Commissioner Woods	Yea
Commissioner White	Yea
Commissioner Gilliland	Yea
Vacant	
Commissioner Reynolds	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 Woods. The motion passed 6-to-0 with the breakdown as follows:

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

6. PUBLIC COMMENTS BY PEOPLE ADDRESSING THE COMMUNITY REDEVELOPMENT AGENCY BOARD

Don Stedman stated he is the Technical Director and Stage Manager for Peabody Auditorium in Daytona Beach. He also supplies the labor for all the venues, parks and recreation. They just completed the American Music Festival (AMF) he has been running into roadblocks with the college (Daytona State College). He has gone before the board at the college and explained to them that his job was to supply the labor, do the work which was what they did for eighteen hours a day from the beginning until the end when the show was all over and done with. The AMF left him with a \$24,529.92 unpaid labor bill that he had been trying unsuccessfully for ten weeks to get paid. Mr. Stedman stated he didn't know if it was possible, but the City pledged \$125,000 for marketing purposes to the Community Cultural Foundation before the American Music Festival. His labor crew had thrown away boxes and boxes of stuff that was printed by other companies that are also owed a bunch of money. He was concerned because he could not go out and borrow any more money. He was the labor force for the AMF and now he is trying to get the guys that did the labor paid. He has worked with the City for over forty years, but the guys that came in to do the work were mostly family people and students from the college, who needed their money to pay school tuition and other financial obligations. He said anything they could do to help with this situation would be greatly appreciated.

7. ADMINISTRATIVE ITEMS

- A. Adopted/Resolution No. CRA 10-34 approving an Interlocal Agreement between The City of Daytona Beach and the Daytona Beach Community Redevelopment Agency (CRA) authorizing City staff to transfer monies related to the CRA's portion of semi-annual debt service to the City for payment of a new bond issue. The City Commission authorized the borrowing of an amount not to exceed \$35.5 million, for the refinancing of the Florida Intergovernmental Finance Commission (FIFC) Series C-1 and C-2 debt; the C-1 debt relates to Main Street Redevelopment Fund projects to include: Oceanwalk Towers, Oceanwalk Shoppes and the Hilton expansion. Based on the recommendation of the City's Financial Advisor (PFM) the City can obtain a favorable interest rate and a reduction in interest of approximately \$3 million by refinancing this debt. Pursuant to the City's Bond Counsel and the City's Legal Department recommendation, an Interlocal Agreement must be approved by the CRA Board authorizing City Staff to transfer monies related to the CRA's portion of semi-annual debt service to the City for payment of the new bond issue. It is estimated that the new bonds will save the Main Street Redevelopment area approximately \$140,000 annually in interest costs due the refinancing of this debt. The maturity of the new debt will be the same as the current FIFC Series C-1 debt of February 1, 2031. City Clerk Thomas read the Resolution by title only. A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DAYTONA BEACH APPROVING THE FORM OF THE INTERLOCAL AGREEMENT BETWEEN THE CITY OF DAYTONA BEACH, FLORIDA AND THE CITY OF DAYTONA BEACH COMMUNITY REDEVELOPMENT AGENCY RELATING TO THE DEBT SERVICE ON CITY DEBT ISSUED TO REFINANCE CERTAIN OBLIGATIONS UNDER A LOAN AGREEMENT BETWEEN THE REDEVELOPMENT AGENCY AND THE FLORIDA INTERGOVERNMENTAL LOAN COMMISSION AS FURTHER DESCRIBED HEREIN; AUTHORIZING THE CHAIRMAN TO EXECUTE AND DELIVER SAID INTERLOCAL AGREEMENT AND TO TAKE ANY AND ALL NECESSARY ACTIONS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

Michael Robertson, Chief Financial Officer reported to the Community Redevelopment Agency (CRA) that the City would be saving some money through the approval of this item. He stated this process was started back in September when the City started thinking about refinancing or the availability to refinance the C1 and C2 debt which mostly related to the Main Street Redevelopment Area which includes the Oceanwalk Shoppes, improvements to the Hilton expansion and Oceanwalk Towers, etc. It was recommended not to buy or refinance those bonds but instead pay them off and get a lower rate which is exactly what is being done. This will also be voted on later during the City Commission Meeting, and the City will actually be issuing the debt and not the CRA. Here is where provisions are being made for the City to transfer the funds for the CRA portion of the C1 debt in order to make those payments on an annual basis. To date this fund has always paid for its debt and he did not anticipate it wouldn't at this time. It gives the City a bit more strength when it goes out to actually market the bonds by selling them and getting a better interest rate, which was attached as a secondary pledge. He stated with that brief report he would answer any questions the CRA might have at this time.

Mayor Ritchey asked if this was driven by the interest rate that was available at this time.

Mr. Robertson replied yes, the interest rate was not as favorable as it was when they spoke earlier, he would talk about it more later on this evening at the City Commission Meeting. He stated they were not going out to market the bonds on today. This was similar to when the streets loan was done to do the paving on all of the streets throughout the City earlier this year. The rate for the streets loan was unbelievable, and the market was timed perfectly. He stated as the market moves he wanted the City to be in place and ready to execute the sale of the bonds when the market is right.

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

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

- B. Adopted/Resolution No. CRA 10-35 authorizing the expenditure of redevelopment funds in the amount of \$42,500 plus closing costs not to exceed \$1,000 to purchase 14 S. Grandview Avenue from Twin Flames, LLC, 125 Beach 124 Street, Apt 3C, Rockaway Park, NY 11694. The purpose for acquisition at this time is to demolish and remove two (2) condemned vacant eight-unit and four-unit buildings. The acquisition of the property is consistent with the goals and policies of the Main Street Community Redevelopment Plan. City Clerk Thomas read the Resolution by title only. A RESOLUTION APPROVING THE EXPENDITURE OF TAX INCREMENT FUNDS FROM THE MAIN STREET REDEVELOPMENT AREA TRUST FUND FOR THE PURCHASE OF REAL PROPERTY LOCATED AT 14 SOUTH GRANDVIEW AVENUE IN THE AMOUNT OF \$42,500 PLUS UP TO \$1,000 FOR CLOSING COSTS; AND PROVIDING AN EFFECTIVE DATE.

Reed Berger, Redevelopment Director reported that the City had a couple of buildings on one large lot of approximately 10,000 square feet. This is being done through a short sale and some of the buildings had been shut down and closed up for years. This one particular building is a historic building on Surfside. There had been several attempts to do some work in this building as late as three years ago, but they were caught trying to do the work without building permits and were shut down. The acquisition of this property was consistent with the goals and policies of the Main Street Community Redevelopment Plan. The purpose for acquisition at this time is to demolish and remove two condemned vacant eight-unit and four-unit buildings that are causing problems for neighbors in the neighborhood.

Mayor Ritchey stated that according to our zoning laws as he read the backup documents, it could not be occupied as more than a single-family structure, meaning you cannot go in and remodel what's already there.

Mr. Berger replied that was correct, which was part of the difficulty of someone coming in right now and buying it.

Mayor Ritchey asked Mr. Berger had it been a problem property where the police have constantly been called to the location.

Mr. Berger responded yes sir, for the past three years that he has worked with The City of Daytona Beach.

It was moved by Commissioner Woods to adopt the Resolution. Seconded by Commissioner Shelley. The Resolution was adopted 6-to-0 with the breakdown as follows:

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

- C. Adopted/Resolution No. CRA 10-36 approving an Owner's Representative Services Contract, in the amount of \$30,000, with Allen Green Construction Company, 4248 Jackson Street, Port Orange, FL 32127, to provide coordination and oversight of contractors and plans, on behalf of the City, for the Daytona Beach Pier. The City is currently completing repairs to the pier structure and will soon issue a Notice to Proceed to Hall Construction for extensive renovations to the Pier Casino. The restaurant tenant is expected to commence construction of tenant improvements after the new year. Coordination and oversight of numerous contractors, subcontractors, engineers and architects is critical during this stage. Staff is recommending that Allen Green serve as the City's owner's representative. Mr. Green is a licensed General Contractor, has extensive commercial construction experience, and has previously worked on the pier and knows the structure well. The scope of services to be provided by Mr. Green, described in detail in the contract, includes: review of the Hall Construction GMP contract before approval by the CRA; overseeing pier structure repairs; overseeing completion of plans by the city's architect DJ Design; overseeing all construction completed by Hall Construction; reviewing tenant's proposed improvements; overseeing tenant construction activity; and overseeing all payments made to the City's various contractors. City Clerk Thomas read the Resolution by title only. A RESOLUTION APPROVING A PROFESSIONAL SERVICES CONTRACT WITH THE ALLEN GREEN CONSTRUCTION COMPANY TO PROVIDE OWNER'S REPRESENTATIVE SERVICES IN CONNECTION WITH THE DAYTONA BEACH PIER REHABILITATION PROJECT; APPROVING THE EXPENDITURE OF TAX INCREMENT FUNDS IN THE AMOUNT OF \$30,000 FROM THE MAIN STREET REDEVELOPMENT AREA TRUST FUND; AUTHORIZING THE CHAIR AND CITY CLERK TO EXECUTE THE CONTRACT; AND PROVIDING AN EFFECTIVE DATE.

Paul McKittrick, Deputy City Manager/Administrative Services stated on page 45 of your back up information which is the contract with Allen Green Construction, it describes the consultant's responsibilities. We have one company Harbor Marine Dock, Inc., which is doing the pilings and superstructure of the pier itself. We have an architectural design firm, DJ Design, which we are continuing to work with to finish the architectural plans for the owners improvements plus we have a contract that will be coming before you on December 15, 2010 with Hall Construction to do the owners improvements to the casino building. When the construction is commenced, Alan Green Construction will be overseeing the construction of all contractors and subcontractors. Once we get to a certain point in negotiations with the tenants, Alan Green will be reviewing the proposed improvements by the tenants to the casino building. After the lease is executed, he will not only oversee the construction by the City's contractors for the owner's improvements but also by the tenants various contractors to ensure compliance with the tenant's improvement plans. He will be overseeing all payments due to the various contractors by the City. He will also be overseeing the City and the Community Redevelopment Agency (CRA) direct purchase of certain materials when we do a direct purchase to try to save on sales tax. This is for an amount not to exceed \$30,000.

Mayor Ritchey asked Mayor Green to come forward. I was going to introduce Mayor Green as a visiting Mayor but I knew that we were going to have an opportunity to talk to him. There's more than just choosing someone to oversee these construction services. Mayor Green, can you give us more of a background on this.

Mayor Green stated the person before you tonight is not the Mayor. I have multiple personalities ... and one of them is a contractor. I have worked in construction all of my life and have been involved in many, many projects. I even worked on the pier after the hurricanes with the previous owner. I am very capable of doing this job and I know the players. I am familiar with most of the contractors. I understand the documents and they are well designed. You have a good crew and good people that represent your City. I have worked with them in the past and am looking forward to doing a good job for you.

James V. Chisholm, City Manager stated he will be reporting to me so we can stay on top of the project as it goes forward.

Mayor Ritchey stated I wanted people to hear about your experience and not only about your involvement with the pier but about the other projects you have done in the community.

Commissioner Woods stated up until we get a lease for the restaurant, the work is going to be outside basically.

Mr. McKittrick stated the only construction that the owner is proposing in the building at this time is for an elevator. There may be some other minor work but that's the only place of substantial construction within the casino building. The most part is to fix the exterior walls, which we call the building envelope, and replace all the doors and windows with brand new ones.

11-17-10

Commission Woods asked why it was not put out for a bid.

Mr. McKittrick stated the construction was issued as a Request for Proposal (RFP) for a Construction Manager at Risk.

Commission Woods stated for someone to oversee this construction. I asked Jim about it yesterday and he answered me.

Mr. Chisholm stated we actually hired him for professional services.

Mayor Ritchey stated the roof needs work done and I believe we are working on that also.

Mr. Chisholm stated yes. That's part of the envelope.

Commissioner White stated we still have a banner on that walkway and there are two signs out there that are very outdated. If we can as quickly as possible, place additional information out there showing the progress and greatness that is going on in the City.

Commissioner Woods stated I thought it was ordered.

Mr. Chisholm stated so did I.

Commissioner Woods stated we thought it was already going to be up.

Commissioner White stated and you have the notes about the graffiti that has taken over the area around there.

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

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

D. Adopted/Resolution No. CRA 10-37 accepting the Main Street Merchants Association Marketing Plan for the New Year's Eve Event; and authorizing the expenditure \$7,000, from the Main Street Community Redevelopment Trust Fund, for the purpose of promoting the event. Encouraging and funding promotion of events is consistent with the goals and policies of the Main Street Community Redevelopment Plan. The Main Street/South Atlantic Redevelopment Area Board reviewed the Marketing Plan and recommended CRA approval at its October 13, 2010 meeting by a vote of 6-0. City Clerk Thomas read the Resolution by title only. A RESOLUTION ACKNOWLEDGING RECEIPT OF THE MAIN STREET MERCHANT ASSOCIATION'S 2010 NEW YEAR'S EVE EVENT PLAN; APPROVING A GRANT OF TAX INCREMENT FUNDS FROM THE MAIN STREET REDEVELOPMENT AREA TRUST FUND TO THE ASSOCIATION IN AN AMOUNT UP TO \$7,000 FOR PROMOTIONAL ACTIVITIES AS SET FORTH IN THE PLAN; AND PROVIDING AN EFFECTIVE DATE.

Reed Berger, Redevelopment Director stated he believed some of the Commission were here at the beginning of the year when we had the request for funding for the bandshell and I think we also do some Peabody promotion. It was a great successful event. In this case the Main Street Merchants Association is very interested in putting on the New Year's Eve event again. In previous years, we had funded about \$10,000. This year the request is \$7,000. They believe they are meeting the criteria similar to what we did with the bandshell which is to meet the ordinance we put in place with the business plan. The Main Street Redevelopment Board did approve this and recommended this be put forward to you. The other thing to note here is that Al Smith of Al Smith Productions is running this and he is here if you have any questions.

Commissioner Woods stated she was fine with all they were proposing but want to make sure we get the outcome stuff. Reed, if you send us the stuff for the Peabody or the Hilton, I don't remember getting it, so if you can resend it to all of us, but I did receive through regular mail the Friends of the Bandshell end of year report. What you present can be great but if we don't get it back to us, then we won't know the outcome.

Mayor Ritchey asked how much the total cost is.

Jason Jeffries, Redevelopment Project Manager stated it is \$26,000. Approximately \$11,800 is for marketing.

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

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

E. PRESENTATIONCommunity Cultural Foundation (CCF) Marketing Plan - Update

Bob Williams, 1200 West International Speedway Boulevard, Daytona State College stated he was honored to be here representing a large group of citizens in our community who came forward at the call of this Commission to work on a Daytona Beach Marketing Plan. He is here to fulfill that commitment; a copy of the plan has been placed on the dais for each Commissioner, the Mayor, the City Manager and City Attorney. He gave a brief overview of the plan which begins talking about a large group of citizens that participated on the committee; it talks about the public process which they very engaged throughout the community, it talks about their key goals of bringing together residents, business and tourists for the prosperity of our community and it then goes into the overall process. A section talks about the use of Community Redevelopment Agency (CRA) funds to make sure it was clear that they understood the appropriate use of funds and that is all documented. It also goes into the pilot project, they committed to not only develop some ideas but they would actually test them in a laboratory with a pilot project, they did need a fiscal agent to help with some portions of that and the Community Cultural Foundation did step forward to be the fiscal agent to help with the experiential process. The report talks about the internal campaign they had and you will see the results where over 1,000 citizens completed the survey, it also talks about the external campaign and external surveys where over 2,000 people completed those surveys that data has been tabulated, summarized and from that a plan and direction is put forward that they believe lays a road map for further development of the three core redevelopment areas in Daytona Beach as well as other parts of Daytona Beach. We hope that you will find not only a road map that the City can use but that the Chamber can use and the private sector can come together around and help those messages resonate for the prosperity of our community. He thanked Reed Berger who has been awesome to work with; he thanked former Commissioner Rick Shiver who served on their committee and current Commissioner Edith Shelley who also served on the committee and all of the dozens and literally hundreds of people in the community that came together to make this possible. They believe this completes the commitment that they made and thanked the Commission for the opportunity to serve the community.

Commissioner Woods stated she is looking forward to going through all of the feedback and suggestions for the future from the surveys.

Mayor Ritchey commended the committee for all of the work that they put in. He stated as they started on the journey, the City was putting up \$125,000 for cultural events and festivals, \$25,000 for a re-branding effort. The \$125,000 came out of the Main Street Redevelopment Area and the \$25,000 came out of several of the redevelopment areas because we were rebranding a community not just one particular area of our community. Regardless of what is making headlines and what is going on because of some of the things that have happened, he personally believes that we as Daytona Beach for our \$125,000 for festivals got our money's worth in spades. We had a free concert and then a huge concert at the end and as far as the rebranding effort the \$25,000 that went toward that was awesome as well, he believes that we got our money's worth. Our concerns going forward are

contractors, sub-contractors, vendors getting paid, people that took part in this. As far as we are concerned as a Commission we committed \$150,000 the deficit is not borne by The City of Daytona Beach but the commitment that we made, in his opinion has been honored is what we're committed to pay and as an entity on your list of people that owe you money, sponsors he is confident that they have accomplished what they told the Commission what they would do.

8. COMMENTS AND INQUIRIES FROM THE COMMUNITY REDEVELOPMENT AGENCY BOARD AND CITY MANAGER

Commissioner Shelley stated she does not have any comments other than she enjoyed the meeting and that the Commission will enjoy reading through the marketing report particularly of interest are the responses from the survey, it is fabulous information and she thinks everyone will find it very eye opening.

Commissioner Woods stated she agreed with Commissioner Shelley and thinks it is going to be a great resource and tool. She hopes the community remembers what their decision and commitment was; it was very clear from the beginning and they are not a part of the other stuff that is going on.

Commissioner White stated she looks forward to working with the rest of the Commission to look through the marketing plan. We are all aware here is a lot of drama going on in other arenas but this is probably a very excellent plan with some things that we will be able to work on. She stated personally not on behalf of the City we have to figure out a way to pay the people who worked on this.

Commissioner Gilliland stated this is another example of reaching out in the community and tapping into the schools that the folks here have. To him this was never about a music festival it was about identifying a brand and a marketing campaign to get people energized and interested in Daytona Beach. We had an enormous number of successes the bang for the buck is astronomical, off the charts so he would like to talk about keeping some of the core folks together that were on the committees and figure out what the successors were and what we can build on. Part of the brand was Daytona Beach is a great place for music and when we look back there may be some things we might have done a little differently but we certainly had a lot of effort by everybody who worked on this did a tremendous job with what we asked them to do, they came through with a tremendous result and he can't thank them enough.

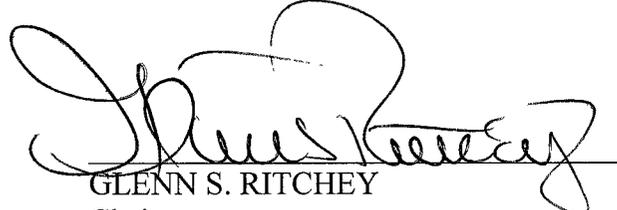
Commissioner Reynolds thanked everyone involved with the report and looks forward to reading it.

Mayor Ritchey thanked the Community Redevelopment Agency (CRA) board and staff for their good work.

11-17-10

9. ADJOURNMENT

There being no further discussion or comments the meeting was adjourned at 4:39 p.m.



GLENN S. RITCHEY
Chair

ATTEST:



JENNIFER L. THOMAS
City Clerk

Adopted: December 15, 2010

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.