

**DOWNTOWN/BALLOUGH ROAD
REDEVELOPMENT AREA BOARD
MINUTES**

March 1, 2011

There was a meeting of the Downtown/Balough Road Redevelopment Area Board held Tuesday, March 1, 2011 at 12:00 p.m. in the City Hall Commission Chambers, 301 South Ridgewood Avenue, Daytona Beach, Florida. The following people were present:

Board Members

Mr. Al Smith, Chair
Mr. Bob Abraham
Mr. Harold Goodemote
Mr. Dan Harshaw
Mr. Steve Koenig
Mr. Larry Robinson
Ms. Cathy Washington
Mr. Scott Weidman

Board Members Absent

Mr. Bob Johnson

Staff Members Present

Mr. Reed Berger, Redevelopment Director
Mr. Jason Jeffries, Project Manager
Ms. Carrie Lathan, Assistant City Attorney
Ms. Cathleen Olson, Recording Secretary
Cpt. Jeff Hoffman, Police Department
Sgt.. Tracy Miller, Code Enforcement

1. Call to Order

Mr. Smith called the meeting to order at 12:07 pm.

2. Roll Call

Ms. Olson called the roll and noted members present as stated above.

3. Approval of the minutes: February 1, 2011

Mr. Koenig made a motion to approve the minutes of February 1, 2011. Ms. Washington seconded the motion and it was approved unanimously (8-0).

4. Staff Report

a. Police Department

Cpt. Jeff Hoffman introduced himself as the new Police Department Captain of District 2, stating the goal for the year was to reduce crime by 10% through the redeployment of Police Department resources to compensate for budget cuts. He also noted the creation of a Directed Patrol Squad with additional officers working from 2:00pm until 6:00am in area hotspots, and stated the need to determine the best times of the day to deploy additional officer(s) Downtown. He stated that in the CRA, there had been only two part-one crimes, both car breaks, but acknowledged part-two crimes, including quality of life issues.

Mr. Smith stated that the biggest problem was an issue of perception, emphasizing the need for visible Police presence, and noting an issue of perceived safety after 6:00pm.

Cpt. Hoffman stated that the Police Department could keep hours flexible to address problems in the evening.

Mr. Berger reiterated the need to determine the best times to have Police visibility as well as with officers checking in with businesses in the Downtown area.

Cpt. Hoffman stated that the CRA was large and when calls for service were received outside of the Redevelopment area, officers were frequently called out of the Redevelopment area to address neighboring areas, which should not have happened.

Mr. Goodemote stated that most criminal activity in the northern part of the Downtown area, such as Ballough Road, tended to occur during the day.

Cpt. Hoffman acknowledged issues during the times of day in which the Homeless Coalition provided food for the homeless.

Mr. Harshaw emphasized the need to have friendly, communicative Police officers.

Cpt. Hoffman stated that the Police detail should be on foot or on a bicycle.

Mr. Weidman asked about a previously existing program to identify families of homeless individuals and provide a bus ticket.

Cpt. Hoffman stated that the program was still in existence but with limited funding and minimal interest or activity.

b. Code Enforcement

Sgt. Miller stated there were issues with the abandoned gas station at International Speedway Boulevard and Ridgewood Avenue. She stated the intent was to demolish the building, if possible, but they had not been able to contact the property owners.

5. **DEV2011-012, COMPREHENSIVE PLAN AMENDMENT, TCEA**

Mr. Jeffries outlined the proposed amendment to the Comprehensive Plan to extend the boundaries of the Transportation Concurrency Exception Area to cover all Redevelopment Areas. He stated that it currently only covered Main Street and Downtown. The intent of the amendment was to eliminate the need for traffic impact studies and streamline Redevelopment.

Mr. Harshaw asked for clarification of the effect of the TCEA.

Mr. Jeffries stated that in areas outside of the TCEA boundaries, proposed developments would have to pay for a transportation study and a traffic impact study.

Mr. Goodemote noted that Downtown was already covered and the amendment would only serve to include the Ballough Road area.

Board Action

Mr. Smith made a motion to approve the proposed amendment to extend the TCEA to cover all Redevelopment Areas. Mr. Goodemote seconded the motion and it was approved unanimously (8-0).

6. **Downtown Retail Strategy**

Mr. Jeffries outlined the Downtown Retail Market Analysis done the previous fall by Bob Gibbs of Gibbs Planning Group. He stated that the study found that the Downtown area could support at minimum of an additional 86,000 square feet of retail, restaurants, and entertainment venues. He stated that to follow up with the analysis and implement the study to draw retail to Downtown, Mr. Gibbs was willing to take the existing retail strategy and subject it to a peer-review process, and engage in one-on-one consultations with interested retailers. He outlined other possible projects as follow-ups to the Retail Market Analysis, including developer and retail introductions, in which Mr. Gibbs would organize

introductions to national retailers and developers that fit the identified profile for Downtown.

Mr. Weidman asked if there was an action plan in the original study.

Mr. Jeffries stated that in the original study, Mr. Gibbs provided types of businesses and examples of those businesses that would be appropriate for Downtown.

Mr. Weidman asked if the City had taken any steps to market to those businesses.

Mr. Jeffries stated that contacts had been made but no direct marketing had been undertaken. He stated that Mr. Gibbs would bridge contacts with key individuals in companies responsible for site selection.

Mr. Berger stated that it was early for retail, but recruitment opportunities should be pursued.

Mr. Smith asked Mr. Berger if he thought Mr. Gibbs could successfully attract retail to Downtown.

Mr. Berger stated yes.

Mr. Smith emphasized the need to involve other entities such as the DDA and the DBPA and questioned if another retail market study was necessary.

Mr. Abraham stated that there was a "laundry list" of available services that Mr. Gibbs could provide. He asked if the Board could pick and choose from those services.

Mr. Jeffries stated yes.

Mr. Smith asked if the project needed CRA approval.

Mr. Berger stated that CRA approval was not yet necessary, but Mr. Gibbs would be presenting the project to the CRA.

Mr. Koenig stated that the most important element was the retail developer introductions and emphasized the need to tie the study in to performance.

Mr. Goodemote stated that too much money was being spent on consultants without seeing results and emphasized the need for accountability.

Mr. Weidman stated there needed to be a clearly-defined action plan with steps outlined and dates for implementation to improve accountability.

Mr. Abraham asked what the next steps were that should be taken.

Mr. Jeffries stated that the Board could make a recommendation to move forward on the retail introductions and a modified version of the retail strategy.

Mr. Goodemote asked how performance would be tied in to the project.

Mr. Harshaw asked if the Downtown area could be improved prior to bringing interested retailers.

Mr. Smith emphasized the need to take the next step of connecting retail opportunities Downtown with retailers.

Mr. Abraham emphasized the need to seize the opportunity to utilize Mr. Gibbs' expertise without waiting for the image of Daytona Beach to change.

Ms. Washington emphasized the need for clarity in the motion regarding the steps of the process and the monetary amounts involved.

Ms. Naomi Weiss stated the need to consider retail introductions and asked if Mr. Gibbs was a broker.

Mr. Jeffries stated that Mr. Gibbs was not a broker, but had existing relationships with retail teams.

Mr. Smith emphasized the need to build relationships with retailers.

Mr. Abraham stated that the intent of the motion was to give Staff the latitude to work with Mr. Gibbs, emphasizing the need to breathe life into the Downtown area.

Mr. Koenig reiterated the need for the retail introductions and accountability and recommended clarifying that in the motion.

Board Action

Mr. Abraham made a motion to recommend moving forward with Mr. Gibbs on retail introductions and a modified version of the retail strategy. Mr. Robinson seconded the motion and it was approved 7-1, with Ms. Washington dissenting.

7. **Downtown Public Market**

Ms. Naomi Weiss, Downtown Partnership, 126 E. Orange Avenue, stated that the Economic Restructuring Committee had been working with City Staff for the development of the Downtown Public Market to develop an idea of what the Public Market concept could be. She outlined the benefits of the project, highlighting a year-round indoor/outdoor “scene” serving as an anchor to a district, with locally-owned stalls and shops full of fresh and prepared foods showcasing regional cultures and food traditions. She emphasized the concept of creating a sense of place-making and creating a community centerpoint and encouraging entrepreneurship and fostering creativity.

Ms. Cheryl Kelly, Farmers Market Manager, outlined her background with public markets, emphasizing the impact public markets could have on local and regional economies, noting in particular the Eastern Market in Washington, DC. She stated that public markets were recognized as an anchor for revitalizing districts, creating new jobs, supporting vendors, farmers, producers, and direct hires, generating \$3 million in annual regional economic activity, with \$2 million directly from the market and \$1 million indirectly.

Mr. Goodemote asked about the size of the Eastern Market in Washington, DC.

Ms. Kelly stated that the Eastern Market was approximately ten times the size of the Daytona Beach proposed market.

Mr. Koenig asked about the source of the potential tax revenue.

Ms. Kelly stated that the proposed revenue was in rental income and expanding the regional food economy with locally grown food.

Mr. Smith asked for clarification of management assistance.

Ms. Kelly stated that she had been in contact with other public markets being launched, which had provided her with information such as feasibility studies and economic impact studies. She also noted that 71% of survey respondents preferred to shop at a public market over a grocery store. She emphasized the need to seize this window of opportunity to establish the public market, as it would create jobs and provide a catalyst for development projects, in conjunction with a unique market demand due to the lack of a close grocery store. She outlined vendor options, emphasizing the need for locally-owned, permanent vendors, as well as seasonal stalls, not-for-profit stalls and education stalls.

Mr. Weidman asked if seasonal stalls implied Bike Week gift shop stalls.

Ms. Kelly emphasized that t-shirt or gift shop type stalls were highly discouraged, with the focus on fresh produce and food-related items. She outlined the suggested action plan, with the first step to secure funding from the Daytona Beach CRA to cover a contracted agent serving as a public market developer. She stated the need for establishment of a three to five-person board to be expanded in the future, financial guidelines, rules and regulations for vendors, and fundraising outline. She stated phase two would include another three-month contract, finalizing the lease, obtaining estimates for the interior build-out, finalizing a strategic and operating plan, and developing a marketing and activation plan for the market.

Mr. Weidman asked for clarification of the lease, noting that he considered the rent for a 10x10 space to be excessive.

Ms. Weiss noted that the shared community space impacted the rent.

Ms. Kelly stated that there were many sizeable grant opportunities.

Mr. Jeffries outlined the business plan for the market, noting that the cost of public space, such as utilities, were included in the rent, as well as centralized cashiering.

Mr. Weidman asked for clarification of the lease.

Mr. Jeffries stated that in the first phase, only the initial 6,000 square feet would be leased, with the first right of refusal in the second phase.

Mr. Koenig asked for clarification as to utility and maintenance revenue.

Mr. Jeffries stated that the public market would pay for utility costs and split it among the vendors to be built into base rent.

Mr. Abraham asked about Hickory Farms in the mall as an example of rent.

Mr. Jeffries stated that he was unsure but acknowledged the need for comparables.

Mr. Koenig asked if competition had been addressed in the business plan.

Mr. Jeffries stated that competition was primarily addressed in the retail market analysis done by Bob Gibbs.

Ms. Kelly acknowledged that rent was slightly high, noting the need for initial fundraising and the possibility of a three-month reduced-startup rent cost.

Mr. Weidman emphasized the need for sustainability.

Mr. Koenig stated there needed to be a low fee in the first several months to encourage vendors to rent in the market.

Mr. Harshaw stated that it was unfair and inaccurate to compare the Downtown market to the mall.

Ms. Kelly emphasized the strong draw of the market, noting an example of a local vendor who had expressed willingness to forego his existing storefronts to establish at the market.

Mr. Smith asked for further clarification as to the structural layout of the project and the risk to the City.

Ms. Kelly acknowledged the risks and stated that the three-month contract was intended to address risk.

Ms. Weiss emphasized the need for concrete information and collateral to provide to relevant entities.

Mr. Koenig asked if a complete failure in the first six months would result in a \$65,000 loss, questioning that a best-case scenario might still result in a net loss.

Mr. Jeffries acknowledged the possibility, stating that a best-case scenario emphasized a long-term investment and could result in a net loss in the immediate future.

Ms. Weiss emphasized the need for the building owner to have some responsibility for the project.

Mr. Koenig asked for clarification as to the structure of the project.

Ms. Kelly stated that the proposed project was a three-month preliminary contract as a not-for-profit.

Mr. Koenig asked about the involvement of nonprofits.

Mr. Jeffries stated that a contracted employee could establish a nonprofit, and the operation of the market could migrate to the nonprofit over the span of several years.

Ms. Kelly stated that the Department of Agriculture had lawyers available to assist in answering questions, emphasizing the need for a contracted person to research answers to relevant questions, noting that bringing a manager on board late in the process was a very strong risk factor.

Mr. Abraham stated the need to consider the return for investment in terms of redevelopment and not dollars, emphasizing the need to promote a positive image of Downtown.

Mr. Goodemote questioned the lack of available grants.

Ms. Kelly stated that it was necessary to research available grants.

Ms. Weiss stated that the Palm Beach model was different in that it required hiring a consultant, but noted that she had been in contact with a consultant who would have charged \$25,000 for a feasibility study and \$85,000 to \$100,000 for a comprehensive business plan.

Mr. Jeffries emphasized the need to promote the Riverfront Park Master Plan in conjunction with the public market.

Mr. Goodemote asked if the Board could receive accounting reports as to how money was being spent.

Mr. Koenig stated the need to be rid of utilities as a source of revenue and to bring a project manager up-front.

8. Redevelopment Projects Update

Mr. Jeffries outlined Redevelopment projects, noting Old Daytona's first traffic circle, the Art of the Automobile event, and the Downtown trolley.

Mr. Berger stated that big projects would require borrowing money, but smaller projects were feasible, such as buying potted plants.

9. Public Comments

Mr. John Nicholson, 413 N. Grandview Avenue, stated the need for more information regarding comparable rental prices. He stated the residents and visitors to the Downtown area needed to be considered.

10. Board Comments

Mr. Berger noted the Board had been provided with a notebook containing general information including bylaws, design guidelines and other relevant information.

Mr. Harshaw stated the VW car show had a negative impact on the Farmer's Market. He explained that the car show had manned entrances and they tried to charge Farmer's Market customers saying they were going to the car show.

11. Adjournment

There being no further business to come before the Board, the meeting was adjourned at 2:29 pm.

Mr. Al Smith, *Chairman*

Ms. Cathleen Olson, *Recording Secretary*