

MINUTES

REGULAR MEETING - COMMUNITY REDEVELOPMENT AGENCY BOARD (CRA)

June 5, 2013

Minutes of the Regular Meeting of the Community Redevelopment Agency Board of The City of Daytona Beach, Florida, held on Wednesday June 5, 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 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 Special Meeting of the Community Redevelopment Agency Board of The City of Daytona Beach, Florida, held Wednesday, March 20, 2013, 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 Reed. 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. ADMINISTRATIVE ITEMS

6A. Adopted/Resolution No. CRA 13-04 accepting the Friends of the Bandshell 2013 Event Promotion Business Plan; and approving the expenditure of Main Street Redevelopment Trust Funds, in the amount of \$30,000, to the Friends of the Bandshell to pay for the rental fee for the Bandshell and part of the cost for fireworks at the Pier in support of the 2013 Summer Concert Series. This year's request is \$500 less than the 2012 season. Funding of these events is consistent with the goals and policies of the Main Street Redevelopment Plan. City Clerk Thomas read the Resolution by title only. A RESOLUTION ACKNOWLEDGING RECEIPT OF FRIENDS OF THE BANDSHELL 2013 EVENT PROMOTION BUSINESS PLAN; APPROVING A GRANT OF TAX INCREMENT FUNDS FROM THE MAIN STREET REDEVELOPMENT AREA TRUST FUND IN AN AMOUNT UP TO \$30,000 FOR PROMOTIONAL ACTIVITIES AS SET FORTH IN THE PLAN; AND PROVIDING AN EFFECTIVE DATE.

Mayor Henry asked Jennifer L. Thomas City Clerk if there were any speakers to this item.

Jennifer L. Thomas, City Clerk stated she did have several speakers first speaker was John Nicholson and Dino Paspalakis was on deck.

John Nicholson, 413 North Grandview Avenue, Daytona Beach stated several years ago, there was a discussion concerning handing out money from the trust fund. The discussion was giving the money to start-up and diminishing it from that point on and over the course of three to four years we wouldn't be giving them any money. There are other peoples they can get money from other than the CRA funds, he used Joe's Crabs Shack for an example.

Dino Paspalakis, 56 Riverside Drive, Daytona Beach stated he was representing Friends of the Bandshell. John Nicholson was before the CRA over a year ago, and he stated if you had to hire a committee to do what we do, that committee would cost over \$100,000 in salaries etc. For many of the Friends of the Bandshell this is almost like a full-time job to do what we do. He announced the list of contributions each of the business gave towards raising money to fund this event. They are doing the 4th of July fire works display for The City of Daytona Beach; whereas the City of Ormond Beach has \$75,000 budgeted for their 4th of July fire works display. This is a one night event, but the City of Ormond Beach budgeted \$75,000 into their budget. They are doing 16 fire works displays as well as 16 concerts and asking a lot less than what the City of Ormond had budgeted for just one night.

Mayor Henry stated if the Commission did not have questions for Dino, he wanted to report

that he was down on the Bandshell on Memorial Day and the name has been changed. He asked Dino if he wanted to report to the Commission the name change.

Mr. Paspalakis stated yes sir. Former Mayor Bud Asher is passing away from cancer and on Memorial Day he was very instrumental in making a lot of what happened, happen. We wanted to honor him for making Memorial Day a memorable one. Mr. Asher wanted to be here to speak on tonight but due to his failing health conditions, he was unable to attend.

Mayor Henry stated they had renamed that event in Bud Asher’s honor. For him to continually work to improve the quality of life for people in Daytona Beach in his health condition really speaks volume. He thanked all of those who volunteered and said it was a first rate presentation. He and his wife thoroughly enjoyed the evening and they are looking forward to all of what the Friends of the Bandshell bring to the City.

Dino thanked Mayor Henry and every one that attended the event honoring Former Mayor Bud Asher.

James V. Chisholm, City Manager stated he also wanted to thank the Friends of the Bandshell for all the hard work they do, because it is a tremendous amount of time and effort to do what they do over there.

Mayor Henry thanked Dino again and said good work.

It was moved by Commissioner Woods to adopt the Resolution. Seconded by Commissioner White. The Resolution was adopted 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

- 6B. Continued June 19, 2013 Special Community Redevelopment Agency (CRA) Meeting /Resolution approving the Redevelopment Loan Modification Agreement with Central Florida Community And Economic Development, LLC (CFCED) for the redevelopment of property located at 456-458 South Martin Luther King (MLK) Boulevard. CFCED is requesting a modification of its redevelopment loan agreement used to finance the Liberty Plaza project located at 458 S. Martin Luther King Boulevard. The CFCED has experienced financial difficulties which have resulted in non-payment of their loan over the past several months and notices of noncompliance that could result in the issuance of a notice of default. CFCED is requesting a deferral of monthly payments for 18 months from the date of their last payment (March 2012) at which time payments would resume (October 2013). CFCED believes the extension of time will allow it to improve cash flow and meet financial obligations to repay the loan. City Clerk Thomas read the Resolution by title only. A RESOLUTION APPROVING THE PROMISSORY NOTE AND REDEVELOPMENT LOAN MODIFICATION AGREEMENT WITH CENTRAL FLORIDA COMMUNITY AND ECONOMIC DEVELOPMENT, LLC, FOR REDEVELOPMENT OF PROPERTY

LOCATED AT 456-458 SOUTH MARTIN LUTHER KING BOULEVARD WITHIN THE MIDTOWN REDEVELOPMENT AREA; AUTHORIZING THE CHAIR AND CITY CLERK TO EXECUTE THE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

Jennifer L. Thomas, City Clerk stated there was one speaker for this item and that was John Nicholson.

John Nicholson, 413 North Grandview Avenue, Daytona Beach stated if not mistaken the Midtown CRA had asked for a large sum of money, his question was are we going to allow the other CRA that amount of money if they get into trouble and give them a year and a half of free rent. He understood there were some outstanding problems but we should deal with them so when some other CRA is having a problem in the future, this will not have set some sort of precedent.

Mrs. Thomas replied that was the only speaker.

Mayor Henry asked if there was any commentary or questions from the Commission.

Commissioner Lentz stated if it was okay he had some questions for Reed Berger. He asked Mr. Berger if he could tell him what the infusion was for in March 2011 in the amount of \$51,000.

Reed Berger, Redevelopment Director responded there was some additional costs incurred as part of wrapping up the project, so they came back and requested some assistance with that additional cost.

Commissioner Lentz responded okay and between that time and now the \$250,000 is the amount that has been forgiven is that correct.

Mr. Berger replied that's correct.

Commissioner Lentz asked Mr. Berger if he could give the Commission some idea of what was going wrong with the business plan.

Mr. Berger stated he couldn't speak to any of the details and he knew they were having difficulty getting someone from the organization to speak before the Commission on today. Unfortunately; he didn't have anyone present who could speak in terms of their financial difficulties. As an organization he knew they have had some difficulties, but he did not have the details of those difficulties, as a representative of the organization would have.

James V. Chisholm, City Manager stated this was a startup for that area of business and there aren't any real business activities other than some historical problems in the areas. This is just a chance to try and revive the area and bring it around. To make a commitment to forgive even a portion of this is based on the realization that it is not going to be an easy task to make it work, but it's worth the investment on the City's part to try to give an incentive for somebody to make an additional investment in the area. This whole project is to try to instill some kind of community participation to buy other properties in the area.

Mr. Berger stated this was written into the Redevelopment Plan for this project so there was a lot of thought in terms of amending the redevelopment plan as well.

Commissioner Woods stated she drives by there every day on her way home because she works at Turie T. Small Elementary School and she knows they struggle. If you take a look at the neighborhood around that area, it was one of those risks we took hoping to spur change and be a catalyst and so far that hasn't happened. Just to get the people to go eat at the Ice Cream Shop or the Café is very tough to do in that area.

Mayor Henry stated he had taken residents there for lunch and dinner and has seen the struggle first hand and yes there is a struggle. He wished there was a member present on tonight that could express those struggles to the board. It's a beautiful building and it's also a positive effort on behalf of the City to try to stimulate business in that area.

Commissioner Henry said the facility is nice and they have built a nice apartment complex down the street from it and people are starting to come in and invest money into the community. Before this building was put there this was a really blighted area, so I'm saying that in the beginning the City went into this project knowing that this might not payoff, but it would however; inspire others to do additional investments.

Commissioner Reed stated what we have to realize is Midtown is totally different from the rest of our City. Perhaps we need to look at some other means to bring more businesses to Midtown to continue to generate that business growth. He has a beautiful building and if that is going to be the starting point, how are we going to build upon it.

Commissioner Lentz stated he couldn't agree more he just wanted to add the fact that a \$300,000 loan is nothing to be taken lightly especially when the funding and the Midtown CRA is somewhat insufficient, and there has been a major complaint in the community concerning that particular CRA. With that large amount of a loan, there should be someone here from that organization to tell us what went wrong and why they have to ask for 18 months forgiveness on their unpaid debt. This request should not be taken lightly when they are asking to refinance a \$300,000 loan. There should definitely be someone here to speak and to acknowledge that point from the organization.

Commissioner Henry stated he too felt that someone should be here to acknowledge that also.

Mayor Henry stated with that being said, we do have options.

Commissioner Woods asked could we not vote on this tonight and continue it until they can come back before the board and give us a report on what they intend to do. That would be her preference since there is nobody here to speak from the organization.

Mayor Henry responded that was going to be his suggestion, that was the reason he asked if anyone else had any other options.

Commissioner Woods replied since she made the motion, she will amend her motion to continue this vote on this evening until a representative from the Midtown CRA can be

present to do a report.

Commissioner Gilliland stated he would also amend his second.

Commissioner Woods said her continuance would be to the June 19th meeting.

Mayor Henry stated we have a motion and a second on the floor, before we vote do we have any further questions.

It was moved by Commissioner Wood to continue the item until the June 19, 2013 Special Community Redevelopment Agency (CRA) Meeting. 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

7. CITIZENS

Hemis Ivey, 314 South Franklin Street, Daytona Beach spoke about his concerns regarding the Midtown area and how he sees a roadblock for that community. Progress cannot be made without help from the City and the Community Redevelopment Agency (CRA). He asked the Commission to welcome a new developer coming into Midtown. He expressed his concerns about Planning Board waiver decisions made regarding the Bellevue and Ridgewood Avenue areas; adjustments should be for the Midtown area also.

John Nicholson, 413 North Grandview Avenue, Daytona Beach commented on public access regarding additional documents that the public does not see and amount of funds for public improvements and maintenance.

Marjorie Johnson, 122 South Keech, Daytona Beach stated her concerns on the Midtown neglect and use of Community Redevelopment Area funds.

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

Commissioner Gilliland stated the slide shown during public comments should be allowed to stay up during the entire time that the person is speaking. It is important for the people that watch television know that it is the individual's opinion or comment and does not reflect the views of this Commission, The City of Daytona Beach or its employees. This is my personal opinion.

9. ADJOURNMENT

There being no further discussion or comments the meeting was adjourned at 6:40 p.m.


DERRICK L. HENRY
Chair

ATTEST:


JENNIFER L. THOMAS
City Clerk

Adopted: June 19, 2013

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.