

MINUTES

REGULAR MEETING - COMMUNITY REDEVELOPMENT AGENCY BOARD (CRA)

March 4, 2009

Minutes of the Regular Meeting of the Community Redevelopment Agency Board of The City of Daytona Beach, Florida, held on Wednesday, March 4, 2009 at 4:00 p.m., in the Commission Chambers, City Hall, 301 South Ridgewood Avenue, Daytona Beach, Florida.

It was moved by Commissioner Shiver to excuse the absence of Commissioner Reynolds. Seconded by Commissioner Woods. The motion passed 6-to-0 with the breakdown as follows:

Commissioner Henry	Yea
Commissioner Reynolds	Absent
Commissioner Shiver	Yea
Commissioner Woods	Yea
Commissioner McKay-Vaughan	Yea
Commissioner Gilliland	Yea
Mayor Ritchey	Yea

1. Roll Call.

Commissioner Derrick Henry	Present
Commissioner Cassandra Reynolds	Excused
Commissioner Richard Shiver	Present
Commissioner Pamela Woods	Present
Commissioner Shiela McKay-Vaughan	Present
Commissioner Robert Gilliland	Present
Mayor Glenn Ritchey	Present

Also Present:

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

2. Commissioner McKay-Vaughan led the invocation.
3. Commissioner Henry led the Pledge of Allegiance to the Flag.
4. Approval of Minutes of the February 4, 2009, Special Community Redevelopment Agency Board Meeting, as individually read.

It was moved by Commissioner Woods to approve the February 4, 2009, Special Community Redevelopment Agency Board Minutes. Seconded by Commissioner Henry. The motion passed 6-to-0 with the breakdown as follows:

Commissioner Henry	Yea
Commissioner Reynolds	Excused
Commissioner Shiver	Yea
Commissioner Woods	Yea
Commissioner McKay-Vaughan	Yea
Commissioner Gilliland	Yea
Mayor Ritchey	Yea

5. AGENDA APPROVAL

It was moved by Commissioner Shiver to approve the Agenda with changes. Seconded by Commissioner Woods. The motion passed 6-to-0 with the breakdown as follows:

Commissioner Henry	Yea
Commissioner Reynolds	Excused
Commissioner Shiver	Yea
Commissioner Woods	Yea
Commissioner McKay-Vaughan	Yea
Commissioner Gilliland	Yea
Mayor Ritchey	Yea

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

Jennifer L. Thomas, City Clerk stated she did not have any citizens signed up to speak but she wanted to introduce Trend Collins from Jacksonville, Florida. He is a junior at Bethune-Cookman University who was shadowing the City Clerk this week to learn more about City government and The City of Daytona Beach.

Mayor Ritchey welcomed Trend and stated they were glad to have him with them tonight.

ADMINISTRATIVE ITEMS

- 7. Defeated/Resolution authorizing the expenditure of tax increment funds, in an amount not to exceed \$78,000, from the Main Street Community Redevelopment Trust Fund; and authorizing the purchase of property located at 117 S. Wild Olive Avenue, from the Estate of Violet J. Williams, to assume control of the vacant buildings . Upon purchase, the feasibility will be determined as to renovate or demolish one or both of the structures. City Clerk Thomas read the Resolution by title only. **A RESOLUTION OF THE COMMUNITY REDEVELOPMENT AGENCY OF THE CITY OF DAYTONA BEACH, APPROVING THE PURCHASE OF PROPERTY LOCATED AT 117 SOUTH WILD OLIVE AVENUE FOR A TOTAL COST OF \$78,000, PLUS CLOSING COSTS IN FURTHERANCE OF THE MAIN STREET REDEVELOPMENT AREA PLAN; AUTHORIZING THE**

CHAIRMAN AND CITY CLERK TO EXECUTE CONTRACT DOCUMENTS; AND PROVIDING WHEN THIS RESOLUTION SHALL TAKE EFFECT.

Commissioner McKay-Vaughan asked if this property had been offered for sale or just how did the City end up getting this property.

Reed Berger, Redevelopment Director stated this was brought to his attention and has been for sale for quite some time. It was in probate and they were having a difficult time because of zoning. Because of the zoning issue they could not use the area garage which is what changed what potential buyers were willing to pay for the property. After hearing for some time that, discussion they decided to see if maybe the City should step in and negotiate a price. The appraisal was done and that is how the City came about purchasing this piece of property.

Commissioner McKay-Vaughan stated she noticed there was only one appraisal and asked Mr. Berger if there were any backup appraisals.

Mr. Berger replied there was just one.

Commissioner McKay-Vaughan stated she went on record stating there should be more than one appraisal but that was not her big concern at this time. She asked who gets the money if the owners are deceased.

Mr. Berger replied the family's estate gets the money.

Commissioner McKay-Vaughan asked had anyone from the family's estate been contacted and were they okay with this.

Mr. Berger replied yes, they have been talking with the attorney that represents the estate.

Mayor Ritchey stated this building was currently in non-compliance because of the garage apartment.

Mr. Berger replied yes sir; it has been abandoned for quite some time and it's in pretty bad shape.

Commissioner McKay-Vaughan stated the City absolutely needs to change the zoning and not condemn the house because they can't use it because the garage apartment is there. The City is in a time where it is spending all kinds of time, energy and money trying to figure out ways to come up with affordable housing. What can the City do, where can we get money, what can we do; and here we have these apartments in our City and we are making it impossible for people to use them. She is dead set against that, she wants a study done to find out what the City can do to make these apartments usable. She honestly felt more should be built but she was not advocating that issue at this time. People that have these even if they had to be done on a one-on-one basis, maybe the City don't want to blanket; she wasn't sure what the City wants. This very issue is what brought the issue up; the City purchasing something for \$78,000 dollars, the property cost \$50,000 dollars for a total of

over \$100,000 dollars to pull the house down and be nowhere. To put up affordable housing when there's affordable housing available there and they are not allowed to use it, didn't make sense to her at all. She asked could we please have some work done on this so that we can know how to deal with it because it just doesn't make sense to her. Her second issue was there are many cities that are advocating that people go out and build a garage apartment or they put on a mother-in-law type of apartment. She was not in favor of being in the real estate business and she doesn't think that was the job of government. She assumed the City was going to purchase this but for what reason just to rehab it and tear it down to make more affordable housing. She was asking if this was part of a bigger project than that.

Mr. Berger responded no, right now the City would be looking at reuse, if it had to be torn down it would be a single-family and the City would want to revisit how to dispose of the property.

Commissioner McKay-Vaughan stated if it was for a larger project or if it had some other meaning she still did not feel the City should be the real estate business. This is not a good time and it was not likely that the property would have a house built on it tomorrow, but she would prefer to have it rehabbed which probably won't happen unless the zoning part is fixed. She stated the bigger question was how can the City use this \$100,000 dollars in a better way and there were other alternatives to use the \$100,000 dollars rather than buying this particular piece of property and tying it up. She suggested it be used for low interest loans for residents, businesses, or subsidizing new businesses coming into that particular area would help a great deal. She felt there were more creative ways to use the money they would be using on this particular purchase, so therefore she was not in favor of this purchase.

Commissioner Shiver stated he apologized to Commissioner McKay-Vaughan; but he also agreed with her.

Commissioner McKay-Vaughan replied don't apologize, let her bask in it.

Commissioner Shiver stated he agree that the City certainly ought to have a reason for purchasing a home. The purchase of this home will not increase the value of the homes in the area that he was aware of. It was not going to increase the quality of life of the people in the neighborhood so he wasn't quite sure what the reason would be for buying it. He asked Mr. Berger if he could enlighten him.

Mr. Berger replied sure. First if it was going to stay on the market any longer it would be one more house that would remain boarded up and not going to be useful anymore; if the City can do anything with it which the City has the option of leasing it out as it is to be occupied and do some minimal rehab with at least a single-family to have someone living there. Whereas it appears right now in this market, no one is going to snap it up and acquire a piece of property just for a single-family.

Commissioner Shiver stated the question he asked was how this became a job for the government to purchase a house just because there is no use for it right now. This is a market issue and not a government issue.

Mr. Berger responded, during times like these in terms of value if the City was going to buy property now would be the time to be acquiring property. You are asking the purpose and the purpose in this case would be to have the opportunity to make it a more useful piece of property that can be sold in the future when the market changes. In the meantime the property may have to be torn down because at this point the building has had significant problems with termite damage that needs to be explored further. The City has the opportunity of 45 days to due diligence to pursue this.

James V. Chisholm, City Manager asked was the property presenting a blight problem in the neighborhood.

Mr. Berger responded it needs to be trimmed, painted and work done to the outside.

Commissioner Shiver stated he had a problem with the City being in the real estate speculation business and this is what this happens to be.

Mayor Ritchey stated the only good news here and it was a couple of years ago and that hasn't changed it was about \$100,000 dollars less now than it was then. The question he asked Mr. Berger what was the asking price; you said it was for sale.

Mr. Berger stated the sale is in the hands of the realtor and they were asking a lot more, but they were getting offers of a lot less somewhere around \$45,000 dollars. He could not tell the Commission what the asking price was.

Mayor Ritchey stated if there was no rush here, given another two or three months if it deemed necessary that the City do purchase property such as this he imagined it could be purchased for less money than what they are offering tonight. He stated if this was part of any assembly to a much bigger project then he would agree, but just to purchase the property to rehab it was not the business that the City government is in. But for properties to go to a greater something else he was all ears and was open for discussion.

Mr. Berger stated the CRA Plan does provide for the acquisition and rehab and for the City to engage in that end also. If that is not the direction the CRA wants to go, there is no need to go there.

Commissioner Gilliland stated the City would be purchasing something for \$100,000 dollars that is currently assessed at \$23,000 dollars. He was totally in support of buying and rehabbing homes if it was the right time, place and the property was at the right price.

Commissioner McKay-Vaughan stated she might suggest that the City encourage the real estate agent to do a better job and that would be a better use of the City's time because she would like to know why they can't sell it. Secondly, Mr. Berger started out his presentation saying they couldn't sell it because the garage unit was unusable. She asked Mayor Ritchey if they could have some time where they could get some report back.

Mayor Ritchey stated also this takes a piece of property off of the tax rolls that he was assuming someone was still paying taxes on unless they are also in arrears on the taxes. If not he was assuming the property owner or the estate was continuing to pay the taxes. So the minute the City purchases the property it comes off of the tax register.

Commissioner Woods stated first of all in the Seabreeze neighborhood they have an apartment with a garage overlay and that could be a possibility. What this entails is when you have existing structures that have garage apartments that is continued and there is a mechanism and you don't need to rewrite and if the City wanted to do an overlay there do it and take it through the zoning process. She doesn't have a problem with acquiring properties at all; maybe this isn't one of them that the City should do. When she looked at other cities that are successful with CRAs they do purchase properties and either put them back on the market, disassemble or whatever. She found this as doing something different than what has been done in the past. She felt if this was a property that the City didn't need to purchase that needed to be decided on tonight.

Mayor Ritchey asked if there were any other questions or comments from anyone.

Commissioner Henry asked how staff came to the conclusion that this was a property that the City should pursue.

Mr. Berger responded, it was already available, it appeared to have a reasonable price, also they saw there was going to be a resolution on the garage issue so they thought it would be appropriate to bring this to the attention of the Commission that the City should start acquiring property in this area.

Commissioner Henry asked was this something that was being done regularly throughout the City.

Mr. Berger replied we have purchased other homes on Grandview Avenue.

Mayor Ritchey stated the City has also purchased some lots around that area too. He asked Mr. Berger if the City has taken the opportunity to look at the Code violations a home like this has to make sure they are all brought up to standards prior to anyone occupying it.

Commissioner McKay-Vaughan stated in the beginning she heard there was no resolution for garage use and she wanted to question that because there is a resolution and she would like to pursue it. She wanted to see what the City's options were, and what was this going to cost.

Mayor Ritchey stated if this was the best use of the funds in the CRA, then they needed to buy the property.

Mr. Chisholm stated he just wanted to make sure he was clear on his understanding. The Commission wanted staff to look at how it can increase the use of garage apartments City wide, the beachside or just what area are we referring to.

Commissioner Woods stated she didn't agree with that.

Commissioner McKay-Vaughan stated she said look at it and see what the City's options are for using them. She wasn't saying what she wanted was the solution, but there are a lot of them around and it is a shame when they can't be used.

Mr. Chisholm stated there are ways to have garage apartments that are currently in the code and it is not generally accepted for conditional use in most cases. It is usually for family members or somebody who is in bad health. Normally, it is not for apartments, so if you are suggesting the City look at it for apartments that is somewhat of a deviation from what you would find in a single-family neighborhood. If you are asking staff to take a look at it we will.

Commissioner McKay-Vaughan stated she does, because times have changed and she has been to cities that are advocating people to build them and not just use what they have. We have people in our City who are struggling to find housing and we know that there are places they can use and we are not allowing them to use them. She wanted to know what would be the down side of doing this.

Mayor Ritchey stated in a City like Daytona Beach that's homeownership already is woeful 38 to 40 percent at best, this is going to exasperate that issue. And we would be a City of 25 percent homeownership versus rentals.

Commissioner McKay-Vaughn stated the other side of the point that the Mayor just made is if we allowed a person to use that as additional income that could make this house for one example more valuable for someone to buy it, rehab it and fix it up. In that case this would be a positive.

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

Commissioner Henry	Nay
Commissioner Reynolds	Excused
Commissioner Shiver	Nay
Commissioner Woods	Nay
Commissioner McKay-Vaughan	Nay
Commissioner Gilliland	Nay
Mayor Ritchey	Nay

PRESENTATIONS

A-1. Police Station Redevelopment Site – Presentation

Reed Berger, Redevelopment Director gave a presentation to the Commission of the proposed Large Scale Comprehensive Plan Amendment for the former Police Station located at 990 Orange Avenue that will provide the foundation for new commercial development. He stated it would be a great opportunity. The Midtown Redevelopment Area Board reviewed the proposed land use changes at their January 13, 2009 meeting. This could bring in a tax increment where there is not one now. Additional services could be provided for the neighborhood. The need for amending the land use, which is City owned property, is recommended before marketing the site for Request for Proposals. He stated to the Commission that they have a report to preview. It is for the Planning Board and outlines what will be shown to the Planning Board.

Commissioner McKay-Vaughan asked if this had gone to the Planning Board yet.

Reed Berger stated no.

Richard Walton, Planning Director stated they looked at the properties that the City already owns and this property is just less than 10 acres and is situated at a good location on the corner of Nova and Orange Avenue. The City owns all but two little lots in that area. It has three different land uses. Changing the land use of the property the City owns and making it available for sale will expedite picking it up and working with us on a partnership to redevelop that site. Offering the land for sale will open an opportunity for some venture to go in there. The City owned area land use would be designated retail and the existing entitlements would remain the same. The floor area ratio would be three and that's very high and is unlikely that will ever be achieved. This will be going to the Commission in early April, then to the Planning Board and we will be able to send everything off to the State all together at that time.

Commissioner McKay-Vaughan stated putting the retail on it still allows it to have mixed use, correct.

Mr. Walton stated our retail land use of Floor Area Ratio (FAR) 3 and it's up to 40 units per acre. Keeping the existing entitlements blend the uses together and would give 1.24 FAR and 20 units per acre which he believed was plenty for someone.

Commissioner McKay-Vaughan stated one of the reasons given for our not being able to use it for our police station was because of the drainage issues. She asked what is being done about this.

Mr. Walton stated he believed they would wait until we saw a developer and a particular project and let that individual proceed with that. We don't want to spend money there when we don't know what's going in there.

Commissioner McKay-Vaughan asked who would do it; who is responsible to fix the land to make it useable.

Mr. Walton replied all we would do is change the land use to allow it to be all under the retail and let whoever is purchasing address that.

Commissioner McKay-Vaughan stated they will have to deal with the poor drainage. She stated it was worrisome to her because it was unusable for us. She asked if there was someone more skilled than the City that could make it work instead of us.

Commissioner Gilliland stated it was too small for us. What you see in his mind is something smaller than the current Police Station. The drainage problem tends to take care of itself with a smaller project going in there and not something the size of a Police Station.

Mr. Walton stated if a developer is going to come in and clear that and assemble it as part of their site prep; they could take of all those things much cheaper and easier if there are no buildings there.

Commissioner McKay-Vaughan asked if there were going to be more purchases of any additional lots to make this larger.

Mr. Walton replied we are not planning on purchasing any more.

Commissioner McKay-Vaughan stated the Police Station is on one side of the road and the other area is across the street. She asked if they were going to be treated as one, a combination or separation.

Mr. Walton stated we would put all the property on both sides on the market with the changed land use as retail.

Mayor Ritchey asked if the storage lot across the street was part of the Request for Proposal (RFP).

Mr. Walton replied yes.

Mayor Ritchey stated with the Police Department moving out of there has anyone discussed the possibility or even thought about a community center or something like that.

Paul McKitrick, Deputy City Manager/Administrative Services stated he remembered Charles Cherry encouraging us when the Police Station project was approved in 2003 to redevelop this site for commercial purposes to generate tax increment. He was adamant about that. Whether or not we could use it for public purpose; certainly we could but we are offering you this Comp. Plan amendment with the specific purpose of making it available for redevelopment to further the plan of the Midtown area.

Commissioner Gilliland stated the other two issues we ran into at the Police Station were the radio tower and the long term lease with the Motor Vehicle Department (MVD). He asked if these were still issues to development.

Mr. Walton did not know if they would be prohibited but there will still be issues after the land use change.

Commissioner Gilliland asked where we were with the MVD's lease.

James V. Chisholm, City Manager stated the way we put the RFP out, those would be issues that would have to be resolved by whoever's making the proposal. He thought the state would be amenable to being inclusive as long as they had an opportunity to continue their operations.

Commissioner Gilliland stated and certainly with a retail space they could build something there for those folks to occupy.

Mr. Walton suggested an office or some of the buildings could be office.

Commissioner Gilliland stated the landscape hasn't changed through the discussions of the location of the new Police Station. He stated that only two of the properties are not owned by the City. He asked what their uses were.

Mr. Walton replied both are single-family houses.

Mr. Chisholm stated he believed they were rental properties.

Mr. Walton replied he did not know.

A.2 Community Redevelopment Area (CRA) Budget Update

Michael Robertson, Chief Financial Officer reported on revenues, the operating expenditures and the overall condition of the Community Redevelopment Agency's (CRA's) up through February 28, 2009. He stated Mr. Berger would follow with a report on the capital projects. He had a PowerPoint Slide presentation and started with the Downtown Redevelopment Agency stating revenues through February 28 are \$1,778,000 and essentially at this point they have collected all of the revenues; the only thing left at this point is generally interest revenue and maybe some permitting fees related to Special Events, they won't collect much more. Interest rates are significantly way down and that is way they have decreased a little bit about \$40,000 and most of that is related to interest. Expenditures has increased about \$63,000, he explained how then now handle Police and Code; they changed where they previously recorded it and now they put it into the General Fund and charge the CRA for services rendered just as if they were a customer of The City of Daytona Beach. They will also be looking at charging them for overtime related to Special Operations. They will be documenting what the special operations are and will also provide statistics as to how successful it was, this is something that is in place and started last week. He stated last year at this time they were about one half a million dollars to the good and this year about

\$400,000 to the good. Moving on to the slides for Main Street he stated Main Street is up \$63,000 and if you look at the tax increment that has changed by \$63,000 and that is basically where the change is. They collected some Echo money related to the Ocean Breakers Park and will continue to collect on that until they collect the \$500,000; they also collected some Daytona Beach Racing and Rec. money. Revenues are \$3.2 million less and the reason is because of Capital Projects, last year at this time there was significant investment in Ocean Breakers Park and there were significant funds for the first five months of the year compared to this year. Net revenues in the current year are significantly more because they haven't spent as much capital money as they did last year at this particular time. Moving on to Ballough Road he stated there wasn't much to talk about in the Ballough Road area essentially it is the same as last year, revenues are \$5,000 more and expenditures are \$1,000 less than last year, the Ballough Road doesn't really on a financial basis as far as revenues and expenditures have a whole lot going on in it.

Commissioner Woods asked if the money is still sitting there where it says on the slide there is 100 percent remaining in Reserve Capital Prior Yr. and 100 percent Appropriation of Fund Balance.

Mr. Robertson explained that he wanted to show the total amount of Capital Projects \$909,053 which is not just this year but in the prior year as well; so in order to get his revenues on a budget basis to match up he showed it as a revenue even though the money has already been collected and is part of fund balance. The next slide is Midtown which has been one of the better performing CRA areas particularly in the area of assessed values. Revenues increased from \$1,032,706 to \$1,058,587, expenditures are essentially the same and net revenues are also essentially the same \$899,000 in 2009 compared to \$865,000 in 2008. The last CRA is the South Atlantic; this CRA is not performing as well. Revenues are down \$206,000 essentially from tax increment, there has been assessment decreases in that area, there are vacant properties in that area, the City has bought property in that area which takes it off the tax roll, 516 Grandview Avenue was \$1.8 million dollars and we also have Amendment 1 again. This particular fund has not performed as well as the other ones. In summary on a positive note all CRA's reflect positive net revenues their revenues exceed their expenditures. The total CRA revenues were \$10.9 million or only 1.4 percent less than 2008. We are pretty flat when it comes to the CRA's; we would have done better but South Atlantic has brought us down. Expenditure wise we are significantly less at \$5.5 million dollars versus over \$10 million dollars last year basically due to the construction of Ocean Breakers Park and the land purchase at 516 Grandview Avenue. In summary as far as the financial position we are in we are where we were last year, we are holding our own; the CRA's considering the economic environment that we are in are doing very well, the only one falling behind would be the South Atlantic all of the others are doing very well considering the financial market we are in particularly as it relates to property.

Commissioner Shiver asked looking at the South Atlantic when it takes a tumble like that in net revenues where we are down to \$396,423 which is a substantial drop from a year ago, what happens if property values fall below the baseline that was established at the time, does this mean the City doesn't get any money back from the County.

Mr. Robertson stated he couldn't imagine that situation happening, they would have to go significantly more ...

Commissioner Shiver stated we are not far from it right now.

Mr. Robertson stated what we have seen is a drop in revenues but we are still above the baseline; he would have to get the exact numbers.

Commissioner Shiver stated based on the direction it is going, he thinks it could happen.

James V. Chisholm, City Manager stated theoretically you could end up there but in reality a lot of what you are seeing now is a result of the City acquiring that large piece of property which reduced the tax roll and if the City doesn't build something we are going to put it on the market and let somebody else build something, it would then be coming back on the tax rolls. It is not a negative thing; it is only a negative thing in the sense of your financial picture when you have a reduction like that but the real goal of redevelopment is to acquire, redevelop and put back into play properties, so money should be coming and going in those areas. He stated that they would see he hoped, and they have some plans to have greater investment in really not only in just the enterprise activities they have been involved in but in the neighborhood activities; improvements that are infrastructure but they are not replacing infrastructure they are broadening and enhancing, one project is about \$1.2 million. They have some good things coming; they are not just going to concentrate on the big projects, they are going to concentrate on enhancing the neighborhoods too.

Commissioner Shiver stated and again if we ever fell below that established baseline at the time it was created what would happen, we just wouldn't get money back from the County.

Mr. Robertson stated the General Fund would get money because the General Fund gets up to the baseline there would just be no transfer. He noted that there will not be an Amendment 1 every year while it is going to stay with us it is already built into the assessment on what we charge the various other government agencies this year.

Commissioner Shiver stated okay, thank you.

Commissioner Woods stated she thought it important that at each one of their quarterly meetings as the CRA that they receive this information and they are able to show that they go over their financial ... expenditures not only for the community but because of the audit as well; hopefully it will be on the next quarter's agenda as well.

Commissioner McKay-Vaughan stated actually in fact this is only a cash statement, right.

Mr. Robertson stated yes Ma'am.

Commissioner McKay-Vaughan stated so this doesn't take into consideration the assets that, particularly in this case, that South Atlantic has.

Mr. Chisholm stated that's right.

Mr. Robertson stated there is already wealth in these funds as Pam said earlier. Some of the reserves already reflect cash that have money held in them related to projects that Mr. Berger is going to talk about, so there is already wealth in the funds.

Mayor Ritchey stated there is a visit coming up as a follow up to the CRA audit and he looks forward to talking with them and seeing what they find and noting our progress.

Commissioner McKay-Vaughan asked when that will be.

Mayor Ritchey stated probably within the next 10 days and he is looking forward to the report.

Mr. Chisholm stated the second part was the report on capital issues associated with the Community Redevelopment Agency (CRA).

Reed Berger, Redevelopment Director, stated he would give a general overview of the current capital projects. There were a lot of old accounts that were carrying over in capital and he had done some consolidating. The projects would still be tracked by their project numbers. He understood the Commission wanted to hear about the projects, where they were, and about their status. He would begin with Downtown. Old Daytona had been in the budget for awhile. They were finally getting to phase two. Phase one was beautification and banners. Design work was almost completed and they would go for bids hopefully by the end of this month so the projects could start as early as late Spring or Summer and hopefully they would see something out of the ground at Live Oak Avenue and Palmetto Avenue.

Commissioner McKay-Vaughan asked if that was the roundabouts.

Mr. Berger stated yes. They could only do one right now because they needed to put some significant utilities through there and that was a fairly expensive project. They have a Master Plan that they had worked with the neighborhood on so it was their intent to continue to work toward fulfilling the completion of that plan.

Commissioner Woods asked if that included the parking.

Mr. Berger stated parking and a lot of other issues. Some streetscape beautification had been done in Downtown, particularly around the parking lots. They just purchased the Thomel lot and it needed repaving. They would go back and look at some landscaping as well. Also they have some under-lit areas where they needed to upgrade lighting. Those were the two primary projects.

Commissioner Woods stated the streetscape they did on Palmetto with the landscaping and banners really looked good.

Mayor Ritchey asked what was going on with the electrical on Manatee Island. They did a change order for Bayshore Electric at the last meeting.

Mr. Chisholm stated the change order was because originally they wanted to hang the electrical on the bridge but they had to actually drill and go under the water to the island and come up on the other side. That caused it to be relocated and the relocation created several issues.

Mayor Ritchey asked if that design had been approved and then it was not the right design. He asked how that happened.

Paul McKittrick, Deputy City Manager/Development Services Director, stated he really didn't know the project well. He knew there were a lot of complications because Florida Power and Light had some real restrictions on easements and running power over to the island. There was a relocation when it turned out the original location for the pad was going to be on top of some utilities. Other than that he thought the work was on schedule. They were running additional power over there because they put new lights on the walking trail and they were going to try to put new lights in the amphitheater as originally planned. They would have additional electrical so they could use the stage for entertainment purposes.

Mayor Ritchey asked about the design of the amphitheater roof.

Mr. McKittrick stated they had gone through a couple of reiterations of that. One was a high end, \$230,000 version that wasn't well accepted. It was something similar to the Opera House in Sidney, Australia. It was a landmark but it was expensive. Mr. Chisholm found one they could get from a Canadian vendor out of British Columbia that was going to be used at the Super Bowl, but that one just got too complicated and it wasn't really going to fit on the stage. At this point he was looking for some direction from Leisure Services as to what they would like to have.

Mayor Ritchey asked about the Butterfly design.

Mr. Chisholm stated they had a preliminary design on the Butterfly end and he thought it was almost complete. The City paid about \$300,000 for that design. He had seen a copy of it that week. They would distribute it as soon as they could.

Mayor Ritchey stated the City put money into the design. He asked if they were waiting on some kind of grant or what was going to happen now that the design was done.

Mr. Chisholm stated the City also paid for them to be educated as to how to attract money from private sources. They were supposed to be out trying to find money for part of that. Actually the City would probably end up being the funding agency.

Commissioner Woods asked since they paid for it, could they get a copy of that \$10,000 report.

Mr. Chisholm stated yes.

Commissioner McKay-Vaughan asked about Riverfront Park.

Mr. Berger stated he didn't have it there on the report.

Commissioner McKay-Vaughan asked if the \$174,000 was money that had already been spent and what they were projecting to spend in addition.

Mr. Berger stated no, the \$174,000 was in the budget at the beginning. The remaining balance was what they still had.

Commissioner McKay-Vaughan stated they have spent \$114,000 or so.

Mr. Berger stated that included everything from repairing seawalls on the riverfront and some of the other smaller jobs. Moving on to Main Street, he couldn't consolidate any further than what he had here. He thought it captured a couple of things. One was getting something done in the neighborhoods and accomplishing some improvements that would be dealing with Americans with Disabilities Act (ADA) issues on the streets and crosswalks. He had inventoried \$1.2 million in Main Street just for doing work, enhancing the crosswalks, building the ramps, and some improvements. Another good candidate would be dealing with the overhead electrical.

Commissioner Woods asked if they could bury the lines.

Mr. Berger stated it was an issue as they looked at the streets, the aesthetics, and the other issues that go with above ground utility poles. They had an inventory looking at what they could do to provide a better pedestrian experience in the neighborhood and create more quality of life and visibility in the neighborhoods. They had also looked at the directional signs. They had a gateway sign as a concept for the terminus of International Speedway Boulevard (ISB) and A1A. Something that would let people know they were coming to The World's Most Famous Beach. It had been presented to the Main Street Redevelopment Area Board and they loved it.

Commissioner Woods stated it was not up there yet.

Mr. Berger stated he knew they were still doing design work. There were obviously other efforts ongoing with comprehensive directional signage to get people to different areas. He knew getting to Peabody Auditorium was an issue. The Convention Center had its own signage.

Commissioner Woods asked if he thought they were going to spend it this year.

Mr. Berger stated he would like to go into action and start to make something happen in the ground.

Commissioner Woods stated she knew they carried over money year after year and she wanted them all to know what it was and encourage them to spend the money they had on the things they said.

Mr. Berger stated he had very clear direction. The City Manager would like to see how fast the Redevelopment Director can move that money into the types of improvements listed there.

Commissioner Woods stated she thought the community needed to see it too.

Mr. Berger stated that was right. They were presenting projects to the redevelopment boards so they could try to get them involved as well.

Commissioner McKay-Vaughan asked if the directional signs would be for parking.

Mr. McKitrick stated the metal signs that Commissioner McKay-Vaughan mentioned at a previous meeting would be fabricated in Public Works and erected very soon. That was not a capital item.

Mr. Chisholm stated he wanted to report that they were very close to resolving the issues associated with the Pier. They were just waiting on the legal documents since those issues had been resolved with the Pier and the commitment the City had to repair the asset. It would take about \$2 million to bring everything up to speed in the Pier itself. That would all come to the CRA at a later date, but it was very close.

Commissioner McKay-Vaughan asked how long that would be.

Mr. Chisholm stated he hoped to have it to them by their next meeting, at least the lease agreement.

Mr. Berger stated he wanted to touch on Historic Preservation. Those funds had been used for 144 South Grandview Avenue. The drywall was going in and so was a beautiful spiral staircase. Hopefully they would be able to show that off very soon. Another large item was land acquisition. A primary mission of the CRA is to assemble property for larger sites and this was a great time to be looking at assembling property. They were looking at a number of commercial properties to see if there was some opportunity to assist in some way. It didn't have to be a purchase. They would be putting out a Request for Proposals (RFP).

Commissioner Woods asked if they were looking primarily around the Ocean Center or were there other parts of the retail.

Mr. Berger stated the ISB corridor was a significant area.

Mr. Chisholm stated there was some property they were talking about right now that was on the beach itself. It was very expensive property when it came to the overall value, but if they were able to pick it up at ten to twenty cents on the dollar they would bring that to the

Commission and try to get those kinds of things acquired. They won't see that opportunity again. Those opportunities were out there and they were finding them.

Mr. Berger stated there had a lot of carryover issues in the Ballough Road Redevelopment Area for stormwater, seawall work, and some other things that really didn't appear to apply or be an urgent matter in terms of what they needed to be doing. They had identified some streetscape work and they were looking at a commitment to work with the Terra Mark project to complete the streetscape along the river. They were evaluating it now.

Mr. Chisholm stated there was another property that might be brought to Redevelopment to acquire. It was central to activities that were undesirable but at the same time the property could be very advantageous for the City.

Commissioner Woods asked if there had been any more specific talk given to the improvements at the park under the bridge. They had talked about trying to put some more things in the park to make it more neighborhood friendly.

Mr. Berger stated that was part of the streetscape beautification in the next year. Midtown - they had been going back and forth on some of the issues with the redevelopment board. It has become clear they were moving away from where they used to buy a lot of residential property and they were now shifting to where they needed to concentrate on the assembly of commercial properties like they just saw on the police station site and other opportunities in areas like the ISB/Nova Road area where there was significant traffic and opportunities. They had two major projects in their plan. One was Martin Luther King Boulevard (MLK) that been given a completion date of 2007. They also had the ISB project to accomplish. They needed to make something happen there. He thought they had \$175,000 set aside for that. The bulk of the money was coming from the State in that case. Going back to MLK he wanted to mention that Orange Avenue had an issue with utilities. They were committed to trying to figure out a way to still accomplish something there as well.

Mr. Chisholm stated on MLK there was a real interest to do some streetscape and clean up that whole entrance into the community. They had a commitment to try to support Orange Avenue. The City had several components there and the County had components. He was trying to put a project together that would bring all the money to the table to fix Orange Avenue. It had been a major problem for this community for a long time. It was time to address it.

Mr. Berger stated one other idea was the Neighborhood Street Enhancement. He mentioned they had already done inventory that showed about \$1.2 million. The inventory in Midtown is complete and it looked like there was over \$5 million. There were a lot of infrastructure needs in terms of building new, not replacing, but putting something in. They may recall they had been trying to connect some streets and build some streets that don't exist now so they don't have dead ends in a number of places. They would have to figure out how long it would take to get all of that accomplished but they were ready to start now.

Commissioner Woods stated they had some dirt roads in that area that had recently been taken care of. She asked if that was the part of town.

Mr. Chisholm stated it was that part of town. They had taken care of some of the dirt roads but they hadn't taken care of all of them. There were a couple dead ends that were dirt.

Commissioner Woods asked if they could use CRA money for that.

Mr. Chisholm stated yes, it could be used in those areas. The difficulty he thought they would have was doing the right-of-way in order to solve all the problems.

Commissioner McKay-Vaughan stated she didn't know whether or not Mr. Berger knew about this or if Mr. McKitrick knew, but where were they with the \$2 million.

Mr. McKitrick stated that was the appropriation for the West ISB project. It was shown in their budget and they discussed it regularly with Florida Department of Transportation (FDOT). That money was still available. They had gone back and forth between the City's designer and FDOT many times since they bid the job out in the summer of 2007 when it came in 100 percent over the estimate.

Commissioner McKay-Vaughan stated they were supposed to be cutting it down. They had talked about that too. They were only going to get, at best, 50 or 40 percent of what they had originally because they didn't move on it. That was shameful. She asked where they were with it and why it can't be moved forward.

Mr. McKitrick stated right now it was in another round of design and going back and forth with FDOT. The City Engineer, J. R. Sloane, had assured him that it would be out to bid in two to three months.

Commissioner McKay-Vaughan stated this was another day. She had it down there, two to three months. She really didn't understand it. She knew some people at FDOT and their story was just the opposite of Mr. McKitrick's. They were saying it was a problem on side of the City. She understood that it was half and half or whatever or maybe not even half and half. She didn't know what the answer was. All she was saying was can't they quit the wrangling and get it done.

Mr. McKitrick stated if it was up to Public Works they would have fired the designer three years ago. The mistake was made in 2001 when they hired the designer that had done a very good job with Beach Street. The designer had never done a DOT project before and he was hired to do West ISB. They just proved incapable. But once they were done with 90 percent of the job, at the time he came on board, it was too late to cut them loose. They were trying to finish the job. He was being very careful not to mention the firm's name.

Commissioner McKay-Vaughan stated so they were still working with them. They were sort of committed to them getting it done. She would ask again in three months. If there was anything she could do to speed up the process ask her.

Mr. McKittrick stated it had not become a good project, but he knew it was an important project to the Midtown Redevelopment Area Board. It had become something completely different from what they hoped for eight years ago.

Mr. Berger stated he would go on to South Atlantic. There was only one item in there and that was land acquisition. They still had a property at 412 South Grandview Avenue and they were going through with the architect. Their findings were that from the beginning this was a four-unit multi-family building. If that held true, and he was looking for confirmation, they would want to at least consider going back to the Planning Board and asking if they could continue to rebuild it in its historic fashion. That was the preliminary finding from the architect and they would continue to get to the bottom of that.

Mayor Ritchey stated good job.

Commissioner Woods thanked Mr. Berger for the update.

Commissioner McKay-Vaughan stated she had an observation. She looked at it all and she heard this and she thinks it is great. Let's get some of these things going. But what she sees in terms of beautification in the whole thing was what the City was going to do for the residents. The quickest way to get beautification was to get the people involved. She didn't see any way that they were providing any money to encourage residents to do their own beautification, fix up their own homes, and do things. That was like putting a fire into every neighborhood when a few houses get started. She doesn't see anywhere for that to happen. She is sad about that.

Mr. Berger agreed. He needed to move money potentially from capital to operating for the purpose of grants. He heard at the strategic planning session about the Delray Beach program. He looked at that program about a year ago and he thought it was one of the good programs around the state. There are some good models. When it came to a retail program or historic preservation, Delray Beach had some good ideas. There were some others that were more advanced in what they provide currently. Also they had a façade grant program that needed some overhaul. They would be coming to the Commission as quickly as they could with those programs. As they went through the new budget, it was his intent to start putting money back toward some of the things they could do like beautification and historic preservation, so it had more of an impact on things they could see rather than repairing the roof that they don't see.

Commissioner Woods stated she thought one of the critical things was to market it. She knew people who live in Midtown who had no idea before they had already done the needed work that they had access for beautification and the roofing assistance.

Commissioner McKay-Vaughan asked if there was an estimate on the timeframe, by Fall or by next month.

Mr. Chisholm stated the next quarter.

Mr. Berger stated the next quarter because the programs needed to go before the advisory boards so they could have the opportunity to comment. Then he would bring it to the Commission.

Commissioner Gilliland asked when the next CRA meeting was.

Letitia LaMagna, Assistant City Clerk, stated June 3rd.


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

Commissioner McKay-Vaughan asked if she could bring up a couple of questions about the CRA at the regular meeting and he wouldn't yell at her saying it was at the wrong time.

Mayor Ritchey stated yes and absolutely not.

9. ADJOURNMENT

There being no further discussion or comments the meeting was adjourned at 5:20 p.m.



GLENN S. RITCHEY
Chair

ATTEST:



JENNIFER L. THOMAS
City Clerk

Adopted: May 6, 2009

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.