

ATTACHMENT

A

**PALMETTO COMMUNITY REDEVELOPMENT AGENCY
ADVISORY BOARD MEETING**

June 9, 2009

Advisory Board Members Present:

Nick Costides
Sia Mollanazar
Betty Ann Price
Charles Smith, Chairman

Members Absent:

None

Also Present:

Tanya Lukowiak, CRA Executive Director
Mark Barnebey, City Attorney
Beverly Minnix, Administrative Assistant

I. CALL TO ORDER

Mr. Smith called the meeting to order at 5:30 PM with a moment of silent prayer and the Pledge of Allegiance.

II. APPROVAL OF AGENDA (audio 6:10)

MOTION: Ms Price moved, Mr. Mollanazar seconded, and motion carried unanimously to amend the agenda to move Items A, B, C and E to the top of the agenda due to time critical deadlines.

Motion: Mr. Mollanazar moved, Ms. Price seconded and motion carried unanimously to approve the agenda as amended.

III. NEW BUSINESS

A. Ward 1, Phase II Change order No. 1 (audio 8:30)

Discussion ensued as to the nature of the Change Order Request. Ms. Price noted that the engineering firm, Giffels-Webster is located in Englewood and had interest in why a local engineering company was not selected. The Executive Director provided a brief overview of how the RFP process was conducted and selection made based upon responses and the areas of engineering firm's expertise. Mr. Mollanazar queried as to the scope of services for engineering and what costs were for construction of the project.

MOTION: Mr. Mollanazar moved, Mr. Costides seconded, and motion carried unanimously to recommend that the CRA Board approve the change order.

B. Extension of Storefront Grant #08-12 Future Plan LLC (audio 19:20)

Clarification was provided to the Chair that this item was "New Business" and items distributed by the Chair (Press release & Revisions to Storefront

Grant Criteria) were “Old Business”. Explanation was provided by the applicant as to what work has been completed and what work remains.

MOTION: Mr. Costides moved, Ms. Price seconded and the motion carried unanimously to recommend that the CRA Board approve the extension of Storefront Grant SF-08-12 Future Plan LLC.

C. CRA Compliance Audit – Budget Adjustment – (audio 25:00) The Chair asked Attorney Barnebey for an explanation of this item. Mr. Barnebey deferred explanation to the Executive Director who then explained the receipt of the letter of agreement from the auditor. No money was allocated for this audit, therefore, a budget adjustment is required to move funds into the appropriate line to be encumbered for the audit. Ms. Price inquired as to the status of the audit. The Executive Director indicated that she has not had any contact with auditor. Mr. Barnebey indicated that, according to his understanding, the audit is still in process. Discussion ensued regarding additional charges for other related charges, the cap amount and what would occur if more was needed.

MOTION: Ms Price moved, and Chairman Smith seconded, and the motion carried unanimously to recommend that the CRA Board and City Commission approve the budget adjustment.

Additional comment was made by Mr. Barnebey relative to a question raised at the previous meeting regarding *Robert's Rules of Order* allowing the Chair to make motions or seconding motions. Mr. Barnebey stated that dependent upon which version of *Roberts Rules of Order* are used as to whether or not the Chair can second a motion. It is Mr. Barnebey's opinion that it is acceptable for the Chair to second a motion.

D. License Agreement for North River Little League (audio 30:03)– The agreement was distributed to the CRA Advisory Board members and made available to the public in attendance. The Executive Director provided an overview of the arrangement for continued use of the “aluminum building” located on 10th Street West for storage of various items owned by the City. Discussion ensued regarding the agreement and the need to incorporate more specific language for insurance requirements and a “90 day opt out” or termination clause for all parties.

MOTION: Ms. Price moved, Mr. Costides seconded and the motion carried to recommend that the CRA Board approve the agreement between the Palmetto CRA and the North River National Little League, Inc. with amendments as noted for the first sentence in Paragraph 4 to be replaced with language recommended by Mr. Ron Koper, the City's

Risk Management Officer and a provision in Paragraph 2, for either party to terminate the agreement with 90 day written notice.

III. OLD BUSINESS

A. Approval of Minutes – May 12, and 28, 2009 (audio 42:29)

Chairman Smith stated that in discussions regarding the Storefront Grant Criteria page 5 item G, he intended to say Mr. VanDerNoord instead of Mr. Varnadore. Mr. Barnebey advised staff as to how to record the adjustment in the minutes. Ms. Price requested clarification regarding discussion of the CEDC contract on page 4, 3rd paragraph, that Ms. Hewitt acknowledged that the City opted out of the CDBG program. Ms Price requested the minutes reflect that Ms. Hewitt did not advise her of this when the meetings were held with individual Advisory Board Members.

Mr. Mollanazar indicated that he had not received his package and had not been able to adequately review the minutes. His vote on the motion will be reflected accordingly.

MOTION: Mr. Costides moved, Ms. Price seconded and the motion carried 3-1 with Mr. Mollanazar voting nay to accept the minutes of May 12, 2009 and May 28, 2009 with amendments as noted above.

Mr. Barnebey inquired of Mr. Mollanazar if there was a problem that would result in an opposing vote. Mr. Mollanazar said there was not and that he just did not review all of the minutes and therefore voted “nay”.

B. Storefront Grant Criteria Review (audio 48:06) Chairman Smith distributed documents to the CRA Advisory Board Members relative to Storefront Criteria stating that that it was the only time he could communicate with the Advisory Board Members so he needed to bring whatever he had to disburse to the meeting and it was the only time the he could legally hand the documents out. The Chair then opened the floor for further discussion. The Executive Director informed the Advisory Board that all publicly discussed language & changes as proposed by the Advisory Board Members from the last meeting was incorporated into one document and highlighted same for this meeting’s review of the proposed changes. Mr. Costides opined that he thought everything that the Advisory Board had discussed and agreed upon had been encapsulated into the agreement presented at the June 9, 2009 meeting. The only outstanding item that Mr. Costides thought that we had was the final page of the criteria attachment.. Mr. Costides indicated that if the Chair was expecting action, he would need at least a half hour to an hour to digest the Chair’s document. Chairman Smith responded that he was not looking for action and further stated that he knew there was additional information forthcoming relative to other CRA’s in the state and their programs. Chairman Smith again stated that this was the only time that he

could bring input was at this meeting and he would like to have dialog on the input. Chairman Smith stated that there was not a meeting in July and the executive Director reminded the Advisory Board members that there would be a meeting in July per the Advisory Board's direction. Chairman Smith stated again that he wanted dialog regarding his input. Chairman Smith asked for discussion regarding the document he distributed. The Executive Director opined the Advisory Board spent a good hour trying to craft language agreeable to all relative to the program description, not funding new construction and normal maintenance so particular attention should be paid to any changes to the application. Eligibility Item #2, the reason for people to apply with in 90 days was to prevent people from applying for funds and then not starting their project well after application perhaps freezing funds that could be awarded to another applicant that would use them right away. The Executive Director then noted item #3 of Eligibility relative requiring businesses to have paid a business tax. If the business would like the benefit of the program, it is appropriate that the business follow the laws of the City. Item #6 Labor expenses were covered in the previous meeting. Chairman Smith then interjected comments regarding new business that could potentially bring a large number of jobs and that there is no enhancement for a large new business to come to Palmetto versus Bradenton. Chairman Smith opined that we needed programs thru the CRA to compete with other cities in trying to get new businesses into Palmetto. Mr. Mollanazar recommended allowing Advisory Board Members the time to review the document that the Chair distributed and add same to the agenda for the July meeting. In the mean time, discussion should continue on the application presented in the agenda. Beverly Minnix presented summaries from other CRA programs highlighting areas of interest that were expressed by Advisory Board Members. Discussion ensued regarding decreasing the match amount required from applicants, the feasibility or the legality of a loan program. Chairman Smith expressed his desire for demographic diversity within the program and it not be a program just for the wealthy. Mr. Mollanazar recommended that CRA staff come back with matching scenarios. Attorney Barnebey opined relative to restrictions on the frequency of grant awards to applicants.

MOTION: Mr. Mollanazar moved, Mr. Costides seconded and the motion carried unanimously to have CRA staff bring back various scenarios of applicant matching percentages & frequency of award guidelines.

Discussion then turned to security/surveillance systems and whether or not they should be allowed, be a part of a larger façade enhancement or a program on their own. Chairman Smith requested Mr. Barnebey's legal opinion as to the liability of having a security/surveillance system outside but not having one inside. Mr. Barnebey opined that since the program was titled

“Façade Enhancement Program” and systems are not very façade enhancing on their own, it would not be a good idea to include the systems inside. Ms. Price requested that we check with Manatee County to see if they have offered security/surveillance systems thru a grant program. Consensus of the Advisory Board is that security/surveillance systems that are part of a larger façade enhancement grant are to be included.

Discussion ensued regarding inclusion of signs to the storefront grant. Mr. Costides opined that adding specific items could make the approval process more cumbersome. We should list items as “examples” of eligible enhancements for funding.

Discussion then ensued regarding labor expenses. Mr. Mollanazar opined that perhaps where business owners (business owner occupied) were permitted to do the work themselves, the labor expense could be used as an “in-kind” expense that could count toward a match. The applicant would still need to get contractor bids and a certain percentage could be used to determine the amount of the in-kind service. Various thresholds and calculations were discussed as well as the concern about the quality of work being done by non-professionals, and administrative concerns. In-kind service could also count as part of the match. Under eligibility add the board *may* consider labor cost up to 80%.

C. Project Prioritization - CBI Property Disposition – (audio 1:44:30) The Executive Director provided an overview of how the purchase came about and the intended use for the property. Ms. Price inquired as to her understanding of 2 parties interested in buying the property. The Executive Director indicated that the Mayor had an interested party as did Commissioner Williams. Ms. Price asked CRA Staff to follow up on who the parties were and related detail. Mr. Costides opined that the Mayor and Commissioners and the CRA Board seemed to be desirous of selling the property. The Executive Director reiterated the need for some type of recommendation for property disposition due to the repeated requests from the Fire Marshall to either sprinkle the building or demolish it. Mr. Mollanazar opined that we should not sell for \$.05 on the dollar but we should listen to all offers. Mr. Costides further opined that if the Mayor, Commissioners and the CRA Board want to sell at a substantial loss, that decision is theirs to render. If the building cannot be sold or leased, the building should be demolished and a parking lot be established. Further explanation was given by the Executive Director relative to the Fire Marshall’s direction to sprinkle the building. Chairman Smith requested Mr. Barnebey to contact the Fire Marshall to confirm the need for sprinkling and to see if there was any consideration that could be made not to sprinkle the building. The Executive Director confirmed with Mr. Barnebey that if the CRA sells the property, it must be advertised and a bid process undertaken. This process typically takes a few months to complete. Mr. Costides further opined to sell the building and if the building could not be sold, sprinkle or demolish. Discussion then ensued that if the building could not be sold, then another option would be to lease the building whether long term or short term and require the tenant to sprinkle the building. The Executive Director recommended to the Advisory Board to consider the long term

strategy of developing the Downtown and Waterfront and what the implications would be if the property is sold.

MOTION: Mr. Mollanazar moved and Mr. Costides seconded the motion carried unanimously to recommend to the CRA Board that the CBI Property be sold and if the property cannot be sold, then leased with the tenant agreeing to bare all expenses for renovation, sprinkling, etc. If both measures fail, the Advisory Board recommends that the property be demolished and a parking lot installed.

D. Duplex-Triplex Property, 400 Block 11th St. West & 11th Street Drive West – (audio: 2:03:40) Mr. Thomas is no longer prepared to move forward to sell the property

Discussion then ensued regarding items remaining on the agenda as to their relevance, monetary impact, and/or time sensitivity. The Executive Director recommended that at least one of the items be on each months agenda be reviewed, discussed and disposition recommendation made to the CRA Board. The Executive Director reviewed each briefly as follows:

1. Downtown Stormwater Vault – Relevant to downtown development. If the intent is to grow the downtown area, it would be an unrealistic expectation for each business to have it's own retention pond and/or parking area. If that were to occur, we would lose the walkable storefront vision. The engineering to date is valuable information. The project is not time sensitive.
2. Affordable Housing Linkage Fee Study – Currently, the city has an ordinance that requires the creation of attainable housing if you're building higher end homes. Not feasible in this economy. Commissioner Williams suggested that we come up with some type of impact fee for housing in lieu of having to build housing that could potentially become surplus and not be able to sell in today's market.
3. 8th Avenue Drainage – There is time to wait on this due to the fact that CDBG money may be available for the upsizing of lines in the Oak Ridge Apartment area. This is not as time sensitive.
4. 7th Street Extension – There is a \$714,000+/- loan for this project. This project needs discussion. Extension that is 7th Street East heading back around Civic Center to Haben Boulevard. This is also tied to the 7th Street Signalization. If the project is not supported, then the loan should be paid and eliminate further interest payments.

MOTION: Mr. Mollanazar moved and Mr. Costides seconded and the motion carried unanimously to bring back to Old Business on the July Agenda, the following items:

1. **Affordable Housing Linkage Fee Study**
2. **7th Street Extension.**

- E. CRA Attorney Comment - Mr. Barnebey updated the Advisory Board on the purchase of CRA owned property to be purchased by the School Board. The School Board approved the purchase of the properties for the amount that the CRA paid for them. The properties were placed in surplus and advertised for sale. Should anyone come forth and want to pay more than the School Board paid, that situation would be addressed. Mr. Barnebey opined that he did not foresee that happening. Mr. Barnebey will be bringing the contract to the Advisory Board and a date in the very near future.
- F. Executive Director asked for clarification on Ms. Price's role in preparing the agenda. Chairman Smith indicated that Ms. Price's role is to establish a "hard" cut off date for agenda items. The Executive Director then walked thru the various challenges of the meeting dates for both the Advisory Board and the CRA Board. Chairman Smith opined his concern about the amount of time he needs to review the agenda before the meeting. Mr. Mollanazar made the suggestion to have CRA staff compile the agendas as have been done in the past. Ms. Price opined the success of the evening's agenda was due to her efforts to prioritize items on the agenda.
- G. Chairman Smith asked the Executive Director for an explanation of what occurred between the CRA and Manatee Players. Explanation ensued.

VI. **NEXT REGULAR SCHEDULED MEETING** – July 14, 2009 at 5:30 PM

VII. **Advisory Board Comments** - none

IV. **ADJOURNMENT**

The meeting was adjourned at 7:59 P.M.