

Palmetto City Commission
December 17, 2007 4:00 p.m.

Elected Officials Present:

Larry Bustle, Mayor
Eric Ball, Vice Mayor
Tamara Cornwell, Commissioner
Mary Lancaster, Commissioner
Tambra Varnadore, Commissioner
Brian Williams, Commissioner

Staff and Others Present:

James R. Freeman, City Clerk
Chief Garry Lowe
Chris Lukowiak, Public Works Director
Tanya Lukowiak, CRA Executive Director
Michele Hall, City Attorney
Diane Ponder, Deputy Clerk-Administration

Mayor Bustle called the meeting to order at 4:05 pm. A moment of silence was observed for our military men and women, followed by the Pledge of Allegiance.

1. AGENDA APPROVAL

MOTION: Ms. Cornwell moved, Mrs. Lancaster seconded and motion carried 5-0 to approve the December 17, 2007 4:00 pm agenda.

2. PRESENTATION: CRA PARTNERSHIP WITH CENTRAL ECONOMIC DEVELOPMENT CENTER

CRA Executive Director Tanya Lukowiak introduced Alison Hewitt, representative of the Central Economic Development Center (CEDC). Ms. Hewitt reviewed the services the CEDC offers to businesses and the additional certifications the organization is seeking. She explained the CEDC is currently funded through the Central Community Redevelopment Area (CCRA), and is now seeking partnerships with Palmetto and Bradenton to expand its services to those municipalities.

Mrs. Lukowiak informed the Commission the partnership consists of a \$65,000 cash contribution and a \$35,000 in-kind service through the use of the CRA's Buxton Report, which was approved by the CRA Board and will be funded by the Community Redevelopment Projects budget line item. She asked for consensus to fund the partnership. Commission moved the topic forward to the 7:00 agenda.

3. WATERFRONT HOTEL PRESENTATION

Mrs. Lukowiak informed Commission that in keeping with the vision of the Waterfront Plan there is a need to develop a hotel. Ms. Lukowiak introduced Alan Zirkelbach, who, in turn, introduced developer Steve Mullin. Mr. Mullin reviewed his history in hotel development, and explained he is looking to a flag hotel to occupy the site. Mr. Zirkelbach reviewed a very early conceptual plan for the hotel, which is proposed for approximately 100 suites, comprised of eight stories over a two-level parking structure. The parking will provide public, no fee parking, of approximately 68 vehicles – no boat trailers. The proposed site of the hotel is on the City's public parking lot, which is subject to deed restrictions regarding its use. Commission discussed the plan with Mr. Zirkelbach and agreed to consider a plan for a hotel at the site provided all legal issues relating the deed restrictions can be resolved. Commission also commented on the height of the proposed building and its compliance with existing height criteria, its impact to surrounding structures, possible traffic impact to Riverside Dr., the need to see the building to scale with the

surrounding structures and whether the project must be bid in the event the City could negotiate a public/private partnership. Mr. Zirkelbach confirmed that at this time there are no plans to involve CRA in the project.

4. PRESENTATION: CITY DEBT ANALYSIS

Deputy Clerk-Finance Karen Simpson briefly narrated an overview of an analysis of the City's debt structure. With the size of the agenda, Commission requested the item be moved forward to the January 7, 2008 workshop meeting for an in-depth discussion. When questioned about the proposed bond financing for Manatee School for the Arts, Mr. Freeman and Mrs. Simpson both stated it was their opinion the City's 2008 calendar year \$10 million financing cap would not be compromised should Commission elect to support the school's bond issue in early January, 2008.

5. PRESENTATION: MANATEE SCHOOL FOR THE ARTS BOND FINANCING

Mr. Freeman informed Commission that Manatee School for the Arts (MSA) has finalized its financing needs at \$7.6 million; \$3 million before the end of 2007 and \$4.6 million in January, 2008. Mr. Freeman stated that in January the City's \$10 million cap will be reinstated, and with the \$4.6 million bond issue by MSA, the City will have \$5.4 million remaining to borrow from during the year.

Grace Dunlap, Bond Counsel for MSA reviewed the school's financing needs; \$3 million in 2007 for new money projects and \$4 million in early January to refinance existing debt. She commented on the presence of school representatives, Dr. Jones and Shirley Bryant, CFO; Kerry Ward, Wachovia Bank; and Mark Raymond, City Special Bond Counsel.

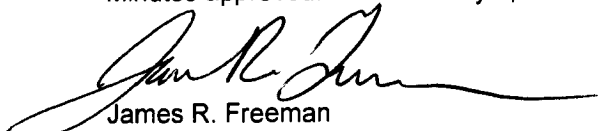
Mr. Raymond stated the entire transaction does not involve the credit of the City; there is no way the City can ever be made to make payment on the loan, as evidenced in sections 8 and 18 of the resolution, which language is incorporated by reference in all the loan documents.

Mr. Freeman informed Commission section 4 of the resolution has been amended since distribution of the agenda, by adding language requested by Attorney Hall. The change was read into the record. Attorney Hall explained the change was made because, to her knowledge, MSA has not spoken with Public Works and she does not know if the City is able to cope with any changes in expected services. She also confirmed that any construction projects will comply with all City construction procedures. She also confirmed that Commission's action tonight pertains only to the bond financing issue.

It was consensus of Commission to move items six and seven forward to the end of the action items of the 7:00 agenda.

Meeting adjourned at 6:00 pm.

Minutes approved: January 7, 2008


James R. Freeman
City Clerk