



CCRA Board Minutes October 25, 2007

Roll Call

CCRA Board:

Stephen Thompson, Chairman

Irene Ingram, Vice Chair

Ed Leonard, Treasurer

Romonia Calpin

City & CCRA Staff:

William Lisch

Sherod Halliburton (absent for FRA Conference)

Alison Hewitt

Rebekah Brightbill

Call to Order

Meeting called to order at 5:02 PM by Mr. Thompson. Mr. Thompson leads the Pledge of Allegiance.

Approval of Minutes

Mr. Leonard motions that the minutes from the August 23, 2007 be approved, with the scribner's errors corrected. Ms. Ingram seconds, and the motion carries unanimously.

MLK Resurfacing Project

Mr. Taylor from The City of Bradenton Public Works brings an update on the it is a miling and resurfacing project, and turn lanes are being added to the northernmost edge of the westbound direction from 10th Street to 9th Street, to allow for left and right turns. The bids were advertised on August 5 and 12, and received on August 28th. Three were received, and Gator Paving and Asphalt was the lowest and most responsive at \$134,818.90. A preconstruction meeting was held on October 12, and at that meeting they determined that they needed to change the method of construction, in order to do the project properly (because of the topographical layout, and drainage considerations)—their sentiment was that it was almost better to do the project properly, or not at all. The \$20,390.24, which will raise the project cost to approximately \$155,000. Discussion of project details and timelines. The project is expected to be totally completed by November 9, 2007. Mr. Taylor thanks the CCRA for their contributions, along with the DDA and CDBG—without their participation, and the Public Works Department, the project would not be possible. Ms. Ingram thanks Mr. Taylor for his dedication to doing the project properly, and is delighted to hear that it is being completed so soon. Mr. Taylor thanks Mr. Halliburton publicly for his assistance, and for being a team player, which has by association made working with the board a good experience. Mr. Thompson echoes that, and commends the

partnership. Mr. Thompson asks if there are plans to expand Martin Luther King Avenue or add sidewalks on that stretch of road, and Mr. Taylor states that Public Works has had plans to work on this section of roadway for many years (and this resurfacing project is a portion of that plan), but different right of way acquisitions prevented that. Mr. Thompson thanks Mr. Taylor for bringing the project update.

Financing for Community Redevelopment Agencies

Ms. Brightbill, of the CCRA presents the latest on whether or not CRA's will be permitted to borrow funds. The initial September ruling in the Strand Case stated that all TIF funded agencies must go before the voting public before borrowing funds, but on October 9th the case went before the State Supreme Court, and they are reevaluating whether or not a distinction should be made between the different types of TIF funded agencies, as opposed to the specific type of TIF funded agency that the case was initially about. The Supreme Court has stated that they will release the ruling within days, or months. There is a second case under consideration on the east coast of Florida, which will specifically deal with the issue of TIF funded CRA's, so CRA borrowing will be addressed again in the second case directly, if the Strand Case permits it in its own ruling. Mr. Thompson would like to keep updates on this as a recurring agenda item.

Disposition of Property

Ms. Brightbill highlights two different properties owned by the CCRA that Mr. Halliburton recommends that the board approve the disposition of. The library property, which consists of three different parcels (with the addresses of 519 and 539 18th Street East and 520 19th Street East), appraised at \$710,000, and 530 Martin Luther King Avenue East appraised at \$110,000. Mr. Halliburton has reviewed all of the properties that the CCRA owns, and these properties are outside of the footprint of the area that the CCRA is seeking to develop, so Mr. Halliburton is recommending that the board approve the disposition of these properties. Mr. Thompson asks Mr. Lisch if there is any procedure that must be followed to properly dispose of these properties. Mr. Lisch says that a 30 day notice must be made, requesting proposals for the sale of these properties. If no proposals are received, the CCRA may then proceed through any means they desire. Mr. Thompson asks if any amendments would be necessary to the budget, and Mr. Leonard responds that some provisions were made in the budget for the proceeds of the sale of properties, but not on this scale. Mr. Leonard notes that he recalls these properties being designated surplus in previous meetings. Mr. Thompson says he is willing to consider disposing these because the CCRA has changed its focus to the establishment of a library at the Norma Lloyd Park site. Mr. Leonard makes a motion to approve the disposition of 530 Martin Luther King Avenue East and the library property, following the proper procedural measures, and Ms. Ingram seconds the motion. Further discussion. Ms Ingram confirms the price of the parcel. She asks if the other appraisals have been higher. Ms. Brightbill states that she does not recall the values of the other appraisals, but that the appraisal did take into account the sale prices of other comparable surrounding properties. Mr. Lisch comments that any contract would have to come before the board for approval. Mr. Thompson asks if there is a house on the library property site. Ms. Brightbill states that there is, and that there is a tenant at the dwelling, as well as at the 530 9th MLK Avenue East house. Mr. Thompson recalls that the rent had to be abated,

or monies put into the house for repairs, on the library property house because of the condition of the house. The motion to dispose of the two properties carries unanimously.

MLK Mixed Use Development

Ms. Hewitt updates the board on the status of the project. The board had directed the CCRA staff to send out an RFQ for qualifications and quotations for a development consultant to assist the CCRA in moving forward appropriately with the project, in light of the development environment. Advertisements were placed, and responses were received. The responses were scored, and the scored requests were presented to the joint committee. Each of the board members did receive a copy of each of the packets and a review of the evaluation. Many of the board members have discussed a concern with the fiscal and financial environment to move along with the project. Therefore, the recommendation is to enter into negotiation with the top scorer in the evaluations, and include in that pre-development services, and to put together financing packages and options for the board to approve to move forward with the project. Mr. Thompson confirms that the CCRA staff is asking the board to approve that the staff move forward with the next step with the consultant. Mr. Leonard asks what the financial commitment to the consultant would be. Ms. Hewitt states that that would be part of the negotiations. The RFQ was initially written so that the financing would have paid for the developer consultant, but now that different means of financing are being looked at, any predevelopment fees would be covered by the CCRA, and any fees related to project responsibilities would come out of the financing for the project. Mr. Leonard expresses concern with entering into a contract on a project that would take 1-2 years to begin. Mr. Thompson states that the developer consultant is viewed as more of a partner, who will help the CCRA in moving forward quickly, with minimal out of pocket expense. Mr. Thompson views that the development consultant will not leave the CCRA financially exposed. Ms. Hewitt states that she strongly recommends moving forward with a development consultant because it would be worth the investment to be able to put together an internal strategy because other development will take place within the CCRA boundaries, it may not be in the form that was initially envisioned, and the development consultant can provide the expertise in minimizing the agency's exposure, and maximizing the impact to the community. Ms. Ingram states that once this step is completed, further actions would have to come back to the board, and affirms that she believes it worthwhile to move forward. Mr. Leonard confirms that there will be no financial commitment at this step, and the other board members affirm that. Mr. Thompson states that this will establish the role of the CCRA and the role of the builder/developer at this stage. Ms. Calpin asks if any monetary value is involved in this recommendation. Ms. Hewitt states that this would be allowing the CCRA to begin negotiating a contract with a developer consultant. With the initial RFQ, the board agreed upon an amount of 5% of overall project cost (which was budgeted at \$1.5 million). Now, the scope of services has been added to and predevelopment services have been included, so there may be an additional cost after negotiations to develop the different financing mechanisms to move the project forward, and it would be up to the board to approve that. Ms. Ingram makes a motion to allow the CCRA staff to move forward with the MLK Mixed Use Development Project. Ms. Calpin seconds. The motion carries unanimously with no further discussion.

Training Center

Ms. Hewitt states that the offer on the DCF building was declined. Since then, they have contacted the CCRA indicating that they may be open to revisit it. Mr. Halliburton is seeking to establish partners for an Enterprise Center that will put a plan in place with a budget that can be brought before the board, and allow the professional training center to move forward. The sellers of the DCF building have not stated if they would be revisiting it at the proposed price or a different price. Ms. Calpin asks if the CCRA staff would prefer to build a new building or renovate this building, should that option open up again, and Ms. Hewitt states that Mr. Halliburton has begun working on the build option, and he will have all options available for the board to review.

Norma Lloyd Park

Ms. Hewitt presents a copy of the contract for Norma Lloyd Park's construction and engineering, as well as the scope of services for the park, and a spreadsheet of the funding mechanisms. The County is excited about moving forward, and they have signed contracts. There is no action required on this item—the items are presented for the board's information.

Neighborhood Block Party

Ms. Brightbill updates the board on the Neighborhood Association Block Party and the status of the Neighborhood Association. Two dozen names were gathered at the block party, and 150 people were in attendance. A number of city agency and community partners assisted in the block party. Mr. Thompson asks the next date of the Neighborhood Association Meeting. The next Neighborhood Association meeting will be November 14th, and they will be holding their elections on November 10th. Mr. Thompson asks that the board be noticed of the next meetings. Ms. Calpin asks how the meetings are promoted. Ms. Ingram asks what type of follow-up was done after the block party.

CCRA Move

Ms. Hewitt presents a copy of the CCRA's potential new lease agreement. There were no conclusions from conversations with the Housing Authority regarding the mold issues. Therefore, Mr. Halliburton has located new office space at 302 Manatee Avenue E, Bradenton, FL 34208. Mr. Lisch has reviewed the lease. Mr. Halliburton has negotiated that the CCRA will not be responsible for separate pay for utilities, but a separate amount for \$1-\$1.03 for repairs and maintenance will be included. The lease will not be brought before the board to be executed until those changes are made. Mr. Thompson asks if the lease could be approved, pending those changes. Mr. Lisch states that he also had some concerns regarding the indemnity clause in the lease, as well as insurance provisions, and asks if they have removed it yet. Ms. Hewitt states that she has not heard back on those questions yet. Mr. Thompson suggests that the board recommend the lease for approval, provided these changes are made, and that it meets with Mr. Halliburton's and Mr. Lisch's approval. Ms. Ingram states that her only concern with the facility is daytime parking. Ms. Calpin makes a motion to approve the lease at the new location, subject to Mr. Lisch and Mr. Halliburton agreeing to any changes that take place. Mr. Leonard seconds. Discussion. Ms. Ingram states for the record that she is disappointed that Mr. DeSue discussed the possibility of partnering and cooperating with the CCRA and allowing the agency to stay in

the building until March 2008 quite openly and favorably in the meeting between the two agencies, and then altered the course of action after the meeting (a sentiment that she has already communicated to Mr. DeSue). No further discussion. The motion carries unanimously.

CEDC Update

Ms. Hewitt presents a memo from Ms. Ingram, CEDC board president, to the board, along with memos from CEDC meetings, an update on the CDFI certification they are working on, a list of individuals invited to the board, and a memo requesting that the Cut Etc Contract Mobilization Loan be transferred from the CCRA to the CEDC. Ms. Ingram thanks the CEDC staff for their exceptional hard work on the CEDC over the past several months. Ms. Calpin makes the motion that the CCRA transfer the Cut Etc Contract Mobilization Loan, recognizing that it will not count towards the required two loans for the CDFI certification, but that it will be an asset to the portfolio. Mr. Leonard seconds, and the motion carries unanimously.

Grant Updates

Ms. Hewitt provides an update on the CCRA grant activity. The CCRA is continuing conversations with the Knight Foundation. They are creating a grant that provides connectivity to small business development, workforce development, and job creation. The CCRA is working with Merideth Hector at the Knight Foundation as they create their qualifications in the application process. Congressman Buchanan had a site visit, and the CCRA is working to put in a request in partnership with Congressman Buchanan and Congresswoman Castor's office for the Enterprise Center. The CCRA is also working with the City of Bradenton on the Ford Foundation grant that would go towards the CCRA/CEDC partnership. Mr. Thompson asks about the timeframe for the Knight Foundation grant. The initial request was for \$1.5 million dollars, but they have indicated that the new grant they have created would be a better fit, and they have not given a dollar amount for this grant.

Finance Report

Mr. Leonard states that the August and September 2007 financial statements are included in the packets, but he will focus on September because it builds on August. These statements were prepared by the agency's outside accountants, and they were done before the year end adjustments, but it does show on the statement of that the CCRA is in better financial condition than they planned on being. It also shows that the library property that just appraised at \$710,000, was purchased at \$359,000, so it has significantly appreciated in value. On the revenue statement, the actual revenue came in at \$15,862 more than anticipated. The change in net assets is \$916,232.58, which includes the carryover funds from last year. After adjustments, it will probably be closer to \$800,000, but it is still \$100,000 more than was anticipated. Mr. Thompson asks if the tax values for the district will be different than anticipated, and Mr. Leonard responds that the agency does not know yet. Ms. Calpin asks the status of the Love Properties. Mr. Leonard responds that the agency is still collecting rent, and that the balloon payment is due at the end of the fiscal year. Mr. Thompson states that he would be interested in an update on the intermediate goals for the Love Properties.

Director's Report

Ms. Brightbill provides the director's report for Mr. Halliburton in his absence. 1) The staff structure has been reorganized. Ms. Hewitt had been a full-time employee of the CCRA, and now she is a contract employee with her time and salary split 50/50 between the CEDC and CCRA. There are now two full-time employees only at the CCRA—Mr. Halliburton and Ms. Brightbill. 2) Per the discussion at the June 2007 Board Meeting, the two remaining CCRA full-time employees were given additional 5% raises on October 1, to bring the salary adjustment period in line with the agency fiscal year.

Board Comments

Mr. Thompson asks if Ms. Hewitt has any further comments. Ms. Hewitt introduces Mr. Ed Jennings, the President of Jennings Development Group, the group that the board has approved the CCRA staff to enter into negotiations with as the highest scorer of the bidders on the MLK Mixed Use Development Project. Mr. Thompson thanks him for coming to the meeting, and expresses the board's interest in coming to a mutually agreeable arrangement, given the CCRA's current limitations. Mr. Jennings introduces himself as Ed Jennings, President of Jennings Development Group, for the record. Comments.

Citizen Comments

None.

Next Meeting Dates

- *Joint Committee Meeting*: November 20, 2007 (8:00-9:30 AM)
- *Board Meeting*: December 6, 2007 (5:00-7:00 PM)

Adjournment

Mr. Leonard makes the motion to adjourn Ms. Ingram seconds, and the motion carries unanimously. Meeting is adjourned at 5:59 PM.

Minutes Submitted By: _____

Minutes Approved By: _____