



**CCRA Board Minutes
February 28, 2008**

Roll Call

CCRA Board:

*Stephen Thompson, Chairman
Irene Ingram, Vice Chair
Ed Leonard, Treasurer
Romonia Calpin
Steven Lezman*

City & CCRA Staff:

*William R. Lisch, City Attorney
Sherod Halliburton, Executive Director
Rebekah Brightbill, Community Dev Specialist
Alison Hewitt, Special Projects Manager*

Call to Order

Mr. Thompson calls the board meeting to order at 5:03 PM and leads the Pledge of Allegiance.

Acknowledgements

Mr. Halliburton presents Mr. Tim Polk of the City of Bradenton Planning Department a plaque thanking him for his contributions to the Central Community Redevelopment Agency through the Planning Department's collaboration and assistance on CCRA projects. Mr. Polk comes forward to accept the award and thanks Mr. Halliburton and the Board for their work on behalf of the community, and states that he will continue to work on behalf of the agency. Mr. Thompson thanks Mr. Polk and the Planning Department for their partnership with the CCRA.

Mr. Halliburton thanks Mr. Thompson for his service as Board Chairman since 2001 to the present time, and presents him with a plaque honoring his years of service to the CCRA.

Ms. Hewitt announces that the CEDC, Inc received their 501 (c) 3 designation on February 14, 2008 from the IRS. The CEDC, Inc presents the CCRA with a commemorative plaque thanking them for the global vision for the CCRA area and for the Manatee County, and Mr. Halliburton with a commemorative clock, thanking him for his time invested on the CCRA.

Approval of Minutes

The minutes from the December 6, 2007, January 24, 2008, and January 31, 2008 meetings are under review for approval. Mr. Leonard makes the motion to approve all three sets of minutes, Mr. Leonard seconds the motion, and the motion carries unanimously.

Finance Report / Budget Revisions

Mr. Leonard presents the budget update. The CCRA received a clean, unqualified audit report (by the nineteen page governmental accounting standards requirements), so he congratulates Mr. Halliburton for his role in this achievement. All questions from last year's audit were addressed. The audit shows a larger carryover than anticipated, so that is one of the adjustments to be made to the budget. Mr. Leonard states that in the January financials prepared by the auditors, the TIF amounts from the city and county can be seen as approximately \$19,000 less than anticipated, and more was paid out in HOPE VI A and HOPE VI B payments than was anticipated. These adjustments will be reflected in the amended budget. Moving into the budget amendments, things are happening as planned, for the most part, other than the money that the CCRA had anticipated borrowing, which they can no longer plan on borrowing until a decision is made in the Strand case. The TIF income and the amounts given to HOPE VI reduced the revenues by \$30,000, and there will be a reduction in rental income from some of the Love rental properties. Additionally, the funds budgeted in from the sales of properties have been removed from the budget. The carryover from the previous fiscal year was greater than anticipated. Until a ruling is made in the Strand Case, the \$1.5 million amount has been removed. \$27,000 has been removed from the operating budget, \$4,000 from strategic plan initiatives, economic development was reduced by \$17,500, special projects by \$15,000, and capital projects by \$1,300,022. These were mostly to be funded by loans and property sales, but none of those have occurred. In the debt service area, the Love Note was readjusted so that the payoff will take place at a later date. Mr. Leonard suggests that a preliminary 2008/2009 budget be drafted as soon as possible. Depending upon the outcome of property tax reform, the revenues that the CCRA has to work with could be \$1.6 million (due to lack of carryover) as opposed to the typical \$2 million. Mr. Leonard suggests that any larger capital projects be delayed until a budget is put together that evaluates the amount of funds that will be available for projects, as well as outstanding financial obligations. Mr. Thompson asks what Mr. Leonard suggests for this year. Mr. Leonard suggests that a preliminary budget be put together by the next meeting, but delay the authorization of certain expenditures until the landscape of next year has been evaluated. Mr. Halliburton confirms that there will most likely be reductions in TIF income, and he would like to be cautious in committing funds before the next year's budget is confirmed. Mr. Lezman asks about the difference in the HOPE VI Part B amount (which was greater than budgeted). Mr. Halliburton states that it is inclusive of two years. Mr. Lezman asks if the operating budget has allowed for salary increases. Mr. Halliburton states that the increase cycle has been tied to the beginning of fiscal years, so no further adjustments will be made until October 1 (unless there was an extraordinary circumstance, and then those would be tied to additional revenues. Mr. Thompson calls for a motion to approve the amended 2007/2008 Budget. Mr. Lezman makes the motion, Ms. Calpin seconds the motion, and the motion carries unanimously with no further questions.

MLK Mixed Use Project

Mr. Halliburton invites Mr. Ed Jennings to update the board on the MLK Mixed Use Project, because it is indirectly related to the budget update (even though it is not specifically listed on the agenda), inasmuch as the project will have a direct impact on the budget. Mr. Jennings introduces Heath Johnson, an engineer with King Engineering, who is present at the meeting.

Mr. Jennings has been meeting with King Engineering, as well as the City regarding the redevelopment process. The total project size will be 18,836 square feet, with 10 residential units, 5500 square feet of the project being commercial space. Mr. Jennings is still exploring options for handling water storage, including an option that could handle water management for the entire neighborhood to allow for future development. Mr. Jennings also discusses the issue of on-street parallel parking (and if not on-street parking, acquisition of additional adjoining lots). Mr. Jennings will be meeting with SWFMD on March 6, 2008 at 9:00 AM. Mr. Jennings again proposes the idea of the CCRA or CEDC as the master tenant of the commercial space. The financing options are the same as presented last month. Units will still be at 70% of market rate, and SHIP funds will still be used. The budget was initially \$395,000 of soft costs over the next 2 years, but Mr. Jennings was able to reduce the budget from \$295,000 in the first year to \$276,500, due to the approval of a lower engineering contract cost (approved at the special board meeting on January 31, 2007). Mr. Bryant of Fawley Bryant Architects has stated that the rate given for architectural services is already at a 30% discount, and cannot be reduced further. Mr. Jennings lets the board know that he will be approaching them to extend his contract an additional three months. Mr. Jennings states that the entire \$1.5 million dollars initially anticipated to be needed for the project will no longer be needed—the CCRA will only need to contribute the soft costs. Mr. Halliburton clarifies that the CCRA's responsibility on this project is the soft costs that will bring the project to the point that Mr. Jennings is able to complete the project—at that point Mr. Jennings will be responsible for getting his own financing, and the risk for the project will be his responsibility. Mr. Jennings discusses the cost per unit, total project cost, and costs to the purchasers, depending on construction costs and final architectural and engineering plans, along with the SHIP allocations. Mr. Thompson asks for additional information on the architectural services on the project. Mr. Jennings relays the process that Mr. Bryant states he used to arrive at the number, and suggests the board discuss this directly with Mr. Bryant. Mr. Thompson asks if the numbers are in the ballpark of appropriate numbers, and Mr. Jennings says that they are, but that they are somewhat higher than he has seen, but there are people who willing to go much lower because the market is slow and they want to bid lower just to get the work. Discussion on the pros and cons of seeking a lower priced bid for architectural services. Ms. Calpin asks if the CCRA is taking on too much at this point with the condition of the markets. Mr. Jennings states that the CCRA can proceed for one more month without getting in too deep on the project to be unable to stop if it becomes financially unfeasible. Mr. Halliburton states that he has had the same questions as Ms. Calpin, but because the CCRA is only bearing the predevelopment costs, he feels comfortable proceeding. He does not know if he would if the CCRA had to fund the risk of the physical construction. And even if the CCRA chooses to put the project on hold for some time, the plans will have been laid for it. Ms. Calpin states that she would like to take the time to evaluate whether or not the CCRA has the money in its budget to move the project forward. Mr. Halliburton affirms Ms. Calpin's statements and states that he will attempt to negotiate with Mr. Bryant before the next meeting. Mr. Jennings recommends that Sections 3 and 4 of the King Engineering contract be authorized, not to exceed \$25,000. Ms. Calpin makes the motion to approve the contract under those terms. Mr. Lezman seconds the motion. Discussion. Mr. Lezman asks for clarification of the term "not to exceed." Mr. Jennings clarifies that flex was given so to allow for different barriers that are encountered in the project, and that different phases of the contract are being approved incrementally. Ms. Ingram asks where the funds for the project will be taken from. Mr. Leonard replies that it will be taken from the MLK Mixed Use portion of the budget. The motion passes unanimously with

no further discussion. Discussion about scope of architectural services. Mr. Jennings recommends that the same architect be retained throughout the entire project. Ms. Ingram asks Mr. Halliburton the projected next steps for negotiating with Fawley Bryant. Mr. Halliburton states that he could either attempt to negotiate the contract to a certain point that is agreeable to the board (with the permission of the board), or delay it and bring it before the board in one month if a mutually agreeable figure is not reached. The longer the project is delayed, the longer the development consultant will have to be retained, so Mr. Halliburton suggests that the decision be at the discretion of the board. Mr. Halliburton asks that the board authorize him to sign a contract, if Mr. Bryant is able to reduce his figure by an additional 40%, and if Mr. Bryant is unable to reduce his figures further, then the contract be brought before the board. The board authorizes Mr. Halliburton to negotiate this rate. Discussion about options. Mr. Lisch provides input on the RFP process for bring in alternate architect proposals. Mr. Lisch also expresses concern with certain clauses in the proposed contract regarding liability. Mr. Halliburton asks Mr. Lisch for suggestions on alternate language, and Mr. Lisch suggests that the fourth indemnity clause and limitation of liability under “terms and conditions” be removed completely. Mr. Lezman makes a motion to approve the contract with Fawley Bryant in the amount of \$84,000 (pending the 40% reduction of the quoted reduced amount, and the elimination of the indemnity and limited liability clauses removed from the contract. Ms. Calpin seconds the motion. The motion carries unanimously. The board agrees that if Mr. Halliburton is not able to agree on a lower contract amount with Fawley Bryant, he may proceed with an RFP for an architectural services contract, to be issued on March 7, 2008. Mr. Jennings requests that his contract be extended for ninety days after it expires at the end of March. Mr. Thompson asks for Mr. Halliburton’s recommendation on the renewal of the contract. Ms. Ingram makes the motion that the contract with Jennings Development Group be extended for an additional ninety days at the previously contracted price. Mr. Lezman seconds the motion. The motion carries unanimously.

Workforce Development Grant

The CCRA has been given the opportunity to pursue a workforce development grant through a \$50,000 planning grant that was awarded by the Knight Foundation. The Knight Foundation has committed to contribute half of the matching funds needed for the local portion of the grant. On March 17, 2008, a meeting will be held with the potential partners in the area collaborative. This meeting will bring employers and workforce development delivery partners together in the same room to begin dialogue on gaps that need to be filled in workforce development. The board packets have a copy of the invitation letter, a copy of a presentation on the initiative, information on the funder, different partners in the collaborative, and a potential consulting firm that the CCRA might look to for assistance in responding to the RFP. Jeana Winterbottom at the City of Bradenton would write the grant, should the board, and the other partners, decide it appropriate to proceed. Mr. Thompson asks for additional information on the March 17th meeting. Mr. Halliburton states that 60 individuals from industry, education, economic development, government, workforce, and training sectors have been invited (all sectors having a stake in workforce development), and the presentation will be made by representatives from Jobs for the Future. The purpose of the meeting is to see if there is enough interest in proceeding with the collaborative. Ms. Ingram enquires about the timelines. The RFP will be released in late May 2008. The \$50,000 planning grant that the CCRA received is to assist in pursuing this grant. Jobs

for the Future has consultants that assist in suggesting strategies that were helpful in other collaboratives. Mr. Halliburton states that this grant is useful in pursuing additional grants with the Knight Foundation for the Enterprise Center to be built later on. Mobilizing strong key stakeholder community support on the project will be important in bringing in partner support. Mr. Thompson requests that the entire Suncoast Workforce Board be added to the invitation list for the event. Ms. Ingram asks if Mr. Halliburton would recommend approval of the consultant contract at this time, and he stated that it would be a bit premature, and that he would prefer that the individual under review be brought before the board so that they can fully examine her credentials, inasmuch as (for the record) she happens to be a relative of his wife. Additionally, Mr. Halliburton indicates that the CCRA's financial outlay for the hiring of any consultant may be offset by financial contributions by outside funders. Ms. Calpin recommends that Mr. Halliburton sign a disclosure agreement regarding the consultant. Mr. Thompson requests that full information on the meeting be sent to all CCRA board members, and that the invitees to the event be phoned with a follow-up invitation to ensure strong attendance.

Central Economic Development Center, Inc.

Ms. Ingram requests asks if the CCRA may appoint a board member to fill one of the vacancies that was left when one of the three board positions initially filled by CCRA Board Members was left vacant by Steve Lezman. Ms. Hewitt states that the CEDC board would have to invite the CCRA to submit three names for consideration for the vacancy, as a contracted partner, as they did with the Palmetto CRA, to be in accordance with the bylaws specifications for board replacements. Mr. Lisch asks if the CCRA could submit the names without solicitation, and Ms. Hewitt states that they may. Ms. Ingram states that she would be prepared to suggest a CCRA Board member, but not multiple names at the meeting. Ms. Hewitt states again that the CEDC Board will be appointing the individual to fill the vacancy, not the CCRA Board. Ms. Ingram affirms that she understands that, but would like to have the CCRA make an official recommendation of three names to take to the CEDC Board of individuals that the agency would like to have considered as CEDC Board members. This list can be brought to the next regular meeting. Ms. Ingram may proceed without objection.

Director's Report

Mr. Halliburton states that he has submitted his letter of resignation as Interim Executive Director of the CEDC, Inc, effective upon hiring of a permanent Executive Director. The exceptionally rapid growth of the CEDC has made this an appropriate time. Ms. Ingram thanks Mr. Halliburton for his efforts, and the efforts of the staff and consultants on behalf of the CEDC, and affirms the timing of this resignation. Ms. Calpin asks when the CEDC will be getting their permanent executive director. Ms. Ingram states that the board will be meeting within the next few weeks to determine the transition procedures, and they would like the transition to be sooner rather than later.

Board Comments

Mr. Lezman asks who the CCRA City Council representative is. Mr. Halliburton states that Councilman Bemis Smith is the newly reappointed representative.

The CCRA is a sponsor of the 13th Avenue “Men Can Cook” Event, which begins immediately following the board meeting. 13th Ave will be honoring CCRA as an event sponsor. Mr. Halliburton invites all board members to attend.

Mr. Thompson encourages all board members to attend the March 17, 2008 meeting on the workforce development grant opportunity.

Citizen Comments

Ms. Hewitt introduces CEDC, Inc team members Dwight Reynolds, on the lead regarding CEDC programs, and Veatrice Farrell, who are in the audience for the meeting.

Next Meeting Dates

- *Joint Committee Meeting*: March 20, 2008 (8:00-9:30 AM)
- *Board Meeting*: March 27, 2008 (5:00-7:00 PM)

Adjournment

Mr. Thompson calls for a motion to adjourn, Ms. Ingram makes the motion, Ms. Calpin seconds, and the meeting adjourns at 7:08 PM.

Minutes Submitted By: _____

Minutes Approved By: _____