

WORK SESSION OF THE CITY COMMISSION
November 4, 2009

The work session was called to order by Mayor Kenneth Bradley at 2:42 p.m. in the Commission Chambers, 401 Park Avenue South, Winter Park, Florida.

Members present:

Mayor Kenneth Bradley
Commissioner Phil Anderson
Commissioner Beth Dillaha
Commissioner Margie Bridges

Also present:

City Manager Randy Knight
City Attorney Larry Brown
City Clerk Cynthia Bonham
Deputy City Clerk Nancy McLean

Members absent:

Commissioner Karen Diebel

Economic incentives

City Manager Knight explained that they are seeking direction whether there are ways to generate money towards the hotel project of Mr. Dan Bellows in addition to looking at the incentive programs.

Consultant Tanja Gerhartz gave a PowerPoint presentation titled "Economic Incentives work session". She gave an overview of Anchor programs for targeted uses/sites and spoke about the Park Avenue Area Strategic Plan, Goal #3 – to nurture and cultivate existing businesses; and to identify and recruit new businesses. She discussed the Anchor Incentive Tax Rebate Program; Anchor Development Fee Rebate Program; key elements: establish policy guidelines, due diligence, performance measures, return on investment, community goal requirements and the hotel incentives matrix. She concluded with the Business Retention Program, job retention, rent subsidy and targeted job creation. Ms. Gerhartz answered questions.

Commissioner Bridges commented that they are looking at two hotels in the same geographic area. She suggested that if they do an in-depth study that they focus on the entirety of the area they are looking at.

Mayor Bradley stated that they have two decisions to make: 1) if the City should be in the process of incentivizing businesses to stay in our community; and 2) if so, continue to advance that and look at the targeted areas.

Commissioner Dillaha asked why they were doing this and believed this was premature. She commented that it should be part of the strategic plan or a goal and wanted to have a CRA Director hired first. She stated that much of this applies to state programs or very large metropolitan cities that have the budget to use funds to keep businesses or to provide tax credits.

Commissioner Anderson addressed that in order to figure out if the hotel is the right project they need to have policy discussions and research on the matter. He believed that they should have economic incentives and do that with the CRA. He wanted to see incentives for along Fairbanks Avenue and north of Lee Road.

Commissioner Bridges commented that they need to have a policy and to evaluate how much they have to invest and to develop criteria of who that money would go to when an opportunity presents itself. She believed that factual information and research would give the Commission what they need to move forward. Commissioner Dillaha suggested looking at what they want to incentivize such as an anchor store in the downtown area.

Mayor Bradley asked if they need businesses in our City such as retail anchors, hotels, additional entertainment venues, residential development and targeted industries and companies. He expressed that he would support moving forward with the study of economic incentives and to understand that budget. Commissioner Dillaha commented that she was not supportive of this right now and there is more they need to look at.

Mayor Bradley commented that if they want the CRA to be extended they need to address that sooner rather than later and it is part of this economic plan.

Commissioner Anderson wanted to move forward with discussing an economic incentive plan in the two geographic areas and look at the retail anchors. As for the hotel, he believed that would take time and thought their timeframe would not match Mr. Bellows requirements.

Mayor Bradley commented that on November 9 his intention is that they develop a comprehensive economic development plan for the City that includes these components as well as others. Commissioner Anderson suggested developing a policy of what they want to incentivize. Mayor Bradley stated they can discuss that.

Mayor Bradley was interested in the state program in terms of targeted job creation where the local government and the state provide an incentive. He commented that they have a pool of money that can foster some of what they are doing.

Commissioner Bridges stated that she was in support of thoroughly researched economic incentives where she understands the amount they can afford to incentivize and who it would be directed toward.

Mayor Bradley stated that Mr. Bellows met with this Commission in a December 2008 work session and he believed that the Commission owes him a response on some of the things that were specifically requested of them. He expressed the need to go over the list they were provided and determine what is and is not important. He directed staff to address these issues. The list is attached at the end of the minutes.

Commissioner Dillaha did not see the need to spend \$342,000 on parking spaces and had more interest in land/lots that the City could use. Mayor Bradley suggested looking at the need for more recreational facilities and that maybe the Ravaudage property might make sense for that. Commissioner Bridges commented that they should evaluate the parking issues. Mayor Bradley agreed and was interested in acquiring the parking piazza.

City Manager Knight showed a map of the Ravaudage property for the post office distribution and electric maintenance facilities. He added that it creates an opportunity to put a road through our tree farm property.

Mr. Knight explained that acquiring the two lots (813 W. New England and 426 W. Lyman) would be affordable housing or work force housing lots and not necessarily park land. Mayor Bradley asked staff to address this matter.

The meeting was adjourned at 4:18 p.m.

A handwritten signature in cursive script, appearing to read "Cynthia Bonham". The signature is written in black ink and is positioned above a horizontal line.

City Clerk Cynthia Bonham

At the October 26th Commission Meeting the Commission directed staff to set up a work session to further explore incentive options. Staff had presented options to incentivize the hotel in the amount of \$305,418 spread over a 5 year period. Mr. Bellows had requested \$825,000 leaving the incentive program approximately \$520k short of his request.

Staff met with Mr. Bellows and prepared the below list of additional options should the Commission desire to bridge the \$520k gap.

Lease (permanent easement) 19 spaces in the Pennsylvania Ave. garage @ \$18k ea.	\$342,000
Acquire parking piazza	65,000
Acquire 2 lots (813 W. New England & 426 W. Lyman)	180,000
Reimburse for streetscape trees	12,000
Reimburse for undergrounding	100,000
Acquire approximately 3 acres on west side of Ravaudage property for post office distribution and Electric maintenance facilities (note: would require written commitment from city on future participation by the developer in electric franchise fees, water utility taxes, impact fees and storm water fees generated by the Ravaudage project. Also requires a repurchase agreement at the same price if the city finds a more suitable site)	600,000