

**CITY OF TEMPLE TERRACE, FLORIDA
REDEVELOPMENT AGENCY
MINUTES**

**Tuesday, January 5, 2010
Council Chambers–City Hall**

Having been duly advertised as required by law, a meeting of the Temple Terrace Redevelopment Agency was held on Tuesday, January 5, 2010, in the Council Chambers at City Hall, for a presentation of the proposed Facility Master Plan in the Downtown Redevelopment Project.

PRESENT WERE: Chairman Joe Affronti, Executive Director Kim Leinbach, Agency Members Alison M. Fernandez, Ron A. Govin, Ken Halloway, Mark A. Knapp, and Mary Jane Neale, Attorney for the Agency Mark Connolly, and Clerk Lisa Small.

ALSO PRESENT WERE: Public Information Officer Michael Dunn, Code Compliance Director Joe Gross, Leisure Services Director James Chambers, Community Development Director Charles Stephenson, Public Works Director Joe Motta, Fire Chief Keith Chapman, Finance Director Diane Reichard, Deputy Police Chief Patricia Powers, Deputy City Clerk Donna M. Spano, Gloria Kares, Barbara Sparks-McGlinchy, Michelle Westich, Judy Govin, Mike Vlass, Deighton Babis, Mark Sneed, Michael Lant, Liz Affronti, Mel Jurado, Rod Jurado, Cheri Donohue, Marvin Zimmerman, Mark Schwab, Del Groene, Elizabeth Klein, Ted Silence, Joyce McKenzie, Joe Bell, Tony LaColla, Brenda Breeden, Marge Groene, Richard Reina, and several other persons.

There being a quorum present, Chairman Affronti called the meeting to order at 4:00 p.m.

Minutes of Previous Meeting:

Upon motion of Agency Member Knapp, seconded by Agency Member Fernandez and unanimously carried, the **MINUTES** of the November 17, 2009, Redevelopment Agency Meeting were **APPROVED**.

Redevelopment Agency Business:

1. Presentation – Facility Master Plan.

Executive Director Leinbach presented a brief overview of the purpose of the meeting. He expressed his belief that a Facility Master Plan was necessary, which could be funded in the future by grants. He emphasized the Facility Master Plan is not a commitment to build those structures, recognizing the tight economic climate, but it would give the administration the guidance to start working on them. He requested direction today concerning a Facility Master Plan.

In addition, the Executive Director urged the Agency Members to recommend to Council direction for the Center for the Arts. He said a decision is needed soon, noting that an extension was granted under the terms of the Master Developer's Agreement until March. He reviewed the administration has been working on alternatives and trying to come up with options. In that regard, he said they have made a recommendation for consideration today.

Utilizing a PowerPoint presentation (which was also provided to the Council as a handout, a copy of which is part of the record), the Executive Director pointed out there are four parts to the Facility Master Plan – City Hall, Police Station, Center for the Arts, and the Library. In terms of the downtown redevelopment area construction, he said he will be referring to Buildings I and J.

The Executive Director reviewed Option 1, which is the option the administration is recommending to the Agency Members. In this option, he said City Hall would remain where it is, the Police Department would move into the existing Library building, and the Library would move into Building I, which would be across from the Center for the Arts Building J. He pointed out the proximity of the municipal buildings within the mixed-use development, and noted that municipal buildings increase the mixed-use desirability of the downtown plan.

The Executive Director explained that by moving the Police Department, 12,000 square feet of space would be freed up in City Hall. He reminded Council the offices are very cramped, and this move would free up about 10,000 square feet on the 3rd floor and another 2,000 square feet on the first floor, if Police Communications was also moved. He noted that they will look at the economics of moving Police Communications to see if it is cost effective. In addition, he said it would free up space in the parking area.

The Executive Director stated the administration is suggesting the consideration of converting the existing Library into the Police Station, and coupled with the Fire Department Administration, making it a Public Safety Complex. He commented they hope to add an Emergency Operations Center, since they don't actually have one, having patched together one as best they could. He said this complex would provide space for both departments, noting the Police currently have no room for expansion, while some Fire Department personnel are literally working in closets.

The Executive Director reviewed another option, which involves moving the Library into the current City Hall building, move City Hall to Building I in the Town Center, move the Police to the Library, and the Center for the Arts would be in Building J. He said his point is that they have considered a number of options, and believe the most cost effective way of handling the Facility Master Plan, would be:

- Center for the Arts in the redevelopment area in Building J;
- New Library in the redevelopment area in Building I;
- Public Safety (police station, fire administration, emergency operations center) at current Library building;
- Maintain City Hall at current location.

The Executive Director called on Finance Director Diane Reichard to present the Facility Master Plan estimated City costs.

Continuing with the presentation, the Finance Director reviewed the estimated costs if Option 1 for the Center for the Arts is selected; with 11,270 square feet, the cost to the City would be \$100,000 and the Developer would contribute \$2.479 million into the project.

The Finance Director said the administration has proposed to expand Option 1, referring to the expanded version as "Option 2," which would be the same as Option 1 with the addition of three studios at 900 square feet each. She noted that the Leisure Services Director would explain the studios and their revenue projections. She said the three studios of 900 square feet each would add 2,700 square feet, which would cost the City \$540,000 for the purchase of the additional space, plus the \$100,000 shown in Option 1, for a total cost to the City of \$640,000. She noted the Developer would still contribute the \$2.479 million.

The Finance Director continued, stating that Option 3 has the 30,000 square feet that was originally presented. She explained that when the Developer's Agreement was executed, the administration thought they wanted to have a building of 30,000 square feet; the cost to the City was going to be \$1.5 million, with a cost to the Developer of \$3.6 million to construct the shell only. On top of the \$1.5 million, she noted, the City would have to add interior construction costs for the theater of \$695,000 and for the classrooms on the second floor of \$483,000. She summarized that brings the City to the \$2.6 million it was originally going to cost under the original option.

Continuing with the estimated City costs for Option 1 of the Facility Master Plan presented today, the Finance Director presented the costs for the new Library proposed to be in Building I. She explained there is 10,000 square feet on the first floor of Building I and 10,000 square feet on the second floor; if the Library is moved to the new downtown redevelopment area, they would need at least 20,000 square feet, which is the amount of square footage in the existing Library. She said the cost to the City would be \$3.45 million, with \$950,000 cost to the Developer, for a total of \$4.4 million. Moving Public Safety to the existing Library, with renovations to meet Public Safety needs for the Police Department and Fire Administration, would cost the City about \$3,411,200, she said. The renovations to the existing City Hall to meet the needs of the departments remaining at City Hall, including the new third floor space, she said, would be \$1.64 million. She noted that the costs will be detailed further later in the presentation.

The Finance Director called Council's attention to the page in the handout entitled "Classrooms/Offices." She explained these costs go along with the second option; if the Library is not moved into Building I and only purchase 10,000 square feet out of Building I, the only difference on this page is shown at the bottom of the page, "Building I – 1 story (10,000 square feet) at a cost to the City of \$1.25 million, with a Developer cost of \$950,000." She said whether the City uses 10,000 square feet of Building I or 20,000 square feet of Building I, the Developer still contributes \$950,000, which gets them back to the \$3.6 million the Developer was going to originally contribute towards building the 30,000 square foot shell. She noted that CAM (common area maintenance) charges are not included.

Continuing with the PowerPoint presentation, Leisure Services Director James Chambers described the slides depicting the proposed layout for the Center for the Arts as follows: 1) a slide depicting the theater layout containing approximately 250 seats and a stage, surrounded by retail; 2) a slide depicting the Trade Show Layout for small trade shows; 3) a slide entitled Banquet Layout showing round tables and a stage, surrounded by retail; and 4) a slide entitled Council Meeting Layout, showing the space utilized for large meetings or town hall meetings, rather than the regular meetings, which would still be held at City Hall.

Referring to Option 2 of the Center for the Arts, the Leisure Services Director explained the importance of adding three 900 square foot studios to accommodate classes for dance, ballet, baton, yoga, and karate; the Family Recreation Complex is "busting at the seams" and turning away people who want to teach classes. In addition, he said rooms at the Family Recreation Complex would be freed up to expand the fitness areas.

The Leisure Services Director briefly explained the next several slides depicting Option 3, the original proposed 30,000 square foot concept of a full performing arts 500-seat theater, which would include two stories, with retail on the bottom along with the theater. He said the second floor would be the top of the theater with studios, some break-out classrooms, and meeting rooms.

The Finance Director explained the slide entitled, "Estimated Facility Costs," which is a different format of the same numbers presented earlier, listing Building J, Building I - the recommendation of the 2 story library, the Public Safety Building moving into the current Library, and the current City Hall with proposed renovation, and the total costs of each. She pointed out the only difference is the third footnote at the bottom, which shows the additional \$540,000 to include the purchase of the three studios in Building J.

The Leisure Services Director reviewed the "Center for the Arts, Annual Cost Estimate" slide, detailing the projected operating costs for the approximate 12,000 square foot facility of \$153,015; projected start-up costs of approximately \$100,000; projected annual operating costs of the three studios of \$7,888; and annual revenue estimates of approximately \$87,000. With the next slide he reviewed the projected revenue for the facility in greater detail.

The Executive Director clarified there had been previous discussions in earlier Council Meetings regarding relocating City Council Meetings to the Center for the Arts; however, staff recommends against that. He explained that holding the Council, Code Board, Board of Adjustment, and other such meetings in that facility would infringe upon the ability to lease the space and would substantially reduce the income potential for the facility. He suggested that perhaps instead of having the retail space in the southerly portion of the building, the studios be incorporated into that area, to "square off" the area, resulting in a better configuration. He pointed out that the functionality of the Center for the Arts emphasizes multiple and simultaneous uses to maximize the benefit of the building. While capital costs are significant, the Executive Director called to their attention that several years ago a new Police Station alone, including land, was estimated to cost \$12 million.

The Executive Director requested that Michael Vlass be permitted to provide additional comments concerning the presentation.

Michael Vlass addressed the Council, explaining the Facility Master Plan is the result of numerous discussions and meetings with City staff to identify the City's needs and long-term plans going forward, in concert with the Master Developer's Agreement. He commended staff for their diligence. He continued that The Vlass Group, Inc. is keenly aware of the economic difficulties and financial challenges, not only associated with funding, but finding and securing viable tenants. He explained their desire to have activity in the Town Center to promote it and get it going. Hearing that the City is unable to fund a lot of money and considering the City's original commitment to fund \$2.7 million to build a 30,000 square foot facility, he said the question became how The Vlass Group could help to accommodate that.

Mr. Vlass briefly reviewed the history of how the square footage was determined in the negotiations of the Master Developer's Agreement; discussions took place individually with Council Members and collectively at Council Meetings, where they questioned what the community center should be. He continued the original plan someone had prepared for the City was for a 20,000 square foot building; however during the course of discussions, it was suggested that the City would actually need 30,000 square feet; therefore, the Master Developer's Agreement contains a 30,000 square foot facility. Also under the Master Developer's Agreement, Mr. Vlass reviewed they were to take the City's plans and incorporate them into one of their buildings; therefore, they utilized the City's previous plan, prepared in June of 2008, which called for a 20,000 square foot building, and incorporated it into one of their 30,000 square foot buildings, as per the 30,000 square feet they were required to build in accordance with the Master Developer's Agreement.

Concerned that the design would not be very efficient, would be expensive to construct, and could only be used as a theater, Mr. Vlass commented that they wondered if the City really needed a 500- seat theater with stadium design. After further thought and investigation, he said they came to City staff, explained their belief that this was not the best plan for the City, and asked for an extension until March. He said they independently asked their architect, Lyman Davidson Dooley, Inc., to analyze and try to figure out a better, more efficient use for the space, and subsequently presented a plan for a multi-use facility, accommodating various different uses and layouts, to the City Manager and staff. He reviewed the various possible uses and layouts and detailed the 257-seat theater. Mark Sneed interjected that Masque representatives thought that about 250 seats would be sufficient for their seating needs.

Mr. Vlass continued explaining details of the plan, noting this plan provides an area for caterers, includes banquet facilities, meeting facilities, and could also be used for art shows and weddings, adding that the civic park is adjacent. He mentioned that the rooms could be closed off to allow simultaneous uses, and he showed examples of stadium seating versus flat floor seating with stackable chairs, adding these are high-end chairs, not typical stackable chairs.

Mike Lant reviewed slides depicting stage and open seating and various theater layouts and amenities. He showed examples of various ceilings utilizing different types of acoustical panels, noting that a fixed ceiling is not conducive to a theater. Mr. Vlass interjected that the slides are not what they are proposing, but are merely examples.

Mr. Vlass clarified that the two buildings they are discussing are Buildings J and I. He pointed out on the slide the area included in the first phase of the development. Commenting that they would like to include Buildings J and K in the first phase, he said they considered how they could make it easy for the City to proceed with J, at a minimal cost to the City. He noted that K is their building. Utilizing the displayed site plan, he pointed out the location of the various buildings, explained in detail their plans for the large park area, and access corridors. He displayed the conceptual elevation for Building J, noting the Mediterranean Revival style, and described Building I, which has the flexibility of converting to 20,000 square feet by adding the second floor, if Council chooses to relocate the Library to that building. Mr. Vlass reviewed other possible layouts and configurations for Building I and the possibility of creating a service core in the middle of it. He suggested that if the City chooses Option 2, including the studio spaces, they could reconfigure the building so the City would own the fee simple interest of the eastern half of the building with Vlass owning the western half, since it is a condominium building.

While copies were being made of a financial slide, Mr. Vlass asked for questions concerning the multi-use aspects of the proposed Center for the Arts.

Agency Member Knapp questioned where the idea originated of relocating the Police Department to the Library. Executive Director Leinbach acknowledged it was his plan, to which Agency Member Knapp commented that he liked the idea. The Executive Director explained they reviewed numerous scenarios in efforts to find the most cost effective plan to meet the City's needs.

Chairman Affronti suggested the Agency Members discuss the Facility Master Plan to see if they can reach a consensus.

Executive Director Leinbach restated staff's recommended Facility Master Plan as follows:

- Center for the Arts in Building J, as a first step, and specifically asking for action today on that part of the Facility Master Plan;
- Move the Library to Building I – 20,000 square feet;
- Move the Police Station to the existing Library building, creating a Public Safety Building;
- Expand City Hall into the third floor in the former Police Department space;
- Incorporate the Fire Administration into the newly created Public Safety Building.

Agency Member Govin expressed his dislike of mixing retail with the City uses, and the fact that there is no exposure from 56th Street for either Building I or J. In his opinion, he said he believes it is a major problem for the City to use two of the prime pieces of real estate in this development for City facilities, when he believed the basis of the City's commitment when the property was transferred to Vlass was so that the City could make up for it by receiving ad valorem and TIF revenue. He said he doesn't know the cost of doing that; he asked for the cost earlier, but didn't know if it was possible to come up with that number at this point; however he doesn't believe the City can do both – give the property away with the hope that they will get it back through ad valorem and TIF, then take the same property that was going to be used for that and use it for City facilities, which would not generate tax revenue. He said if this is what the City wanted to do, they should have kept the property and developed it.

Agency Member Govin also commented that the park is so small on the plan that he can't critique it based on what he is seeing. He inquired about the park's location relative to traffic lanes and traffic flow.

Utilizing the area site plan, Mr. Vlass detailed the park location, Main Street, the traffic flow pattern and the parking areas, confirming that traffic would not go through the park area. Mr. Vlass said he would be happy to schedule another meeting to discuss the site plan and access points in further detail.

Chairman Affronti directed the discussion back to the Facility Master Plan, explaining that the Agency must first agree upon and establish a course of action. He continued that Council originally talked about a 30,000 square foot building for the community arts center; now the discussion deals with two buildings, having about 33,000 square feet.

Mr. Vlass interjected that he believes there is a misunderstanding that if they build more for the City, Vlass would lose square footage. He said they are not reducing the square footage they are building. He explained that when the Master Developer's Agreement was prepared, they went through a tremendous analysis of what the tax base would be upon completion, and it was made very clear in the Agreement that there is a minimum square footage Vlass must build, and they are building that. He continued that whether the City takes 20,000 square feet or 30,000 square feet, the configuration of the site will not change; they will simply build a second story which will not cost the City anything. He reiterated that the City is not losing tax revenue; they just simply wouldn't build the second floor, adding that they are trying to accommodate the City in any way they can.

Referring to Agency Member Govin's comments that he does not like retail and civic uses in the same place, Mr. Vlass stated his belief that the whole premise of this entire development and the reason Vlass is here was because the City wanted to create a town center that included civic uses, retail, and residential uses.

Agency Member Govin clarified that he said one building, not one area, which is different. He reiterated that he does not like mixing civic and retail uses in the same building, nor does he like the City being in a condominium building.

Mr. Vlass reviewed the terms of the Master Developer's Agreement that states Vlass is obligated to build a 30,000 square foot, mixed-use building that must face Main Street and has a retail component. Agency Member Govin concluded his remarks, stating that was why he had wanted more time to review the Master Developer's Agreement.

Continuing with the recommendation for the Facility Master Plan, Chairman Affronti asked whether the Agency Members agree with the recommendation of staff of a Facility Master Plan that includes the Library being relocated into the redevelopment area, moving the Police Department to the Library, freeing up space in City Hall, and proceeding with the Center for the Arts in Building J, and leaving the consideration of options for the Center for the Arts Building out at this time.

Agency Member Halloway stated he concurs with the City's recommendation. Agency Member Fernandez commented that, in theory, she agrees with the Police and Fire forming a Public Safety Complex, but expressed concern regarding its close proximity to the school. She explained that she has heard public concern about typical police activity that would take place if the Police Department is moved to the existing Library building, because of the school that is located directly behind the building.

The Executive Director commented staff has researched statistics relative to escapes, and know of none that have ever happened in Temple Terrace; secondly, if the administration is allowed to put the Facility Master Plan in place and the facility is eventually constructed, it would be much more secure than it is currently, with a secured "sally port" to take the prisoners in and out without going out into the open. He said he believes that would mitigate any concerns. Deputy Police Chief Pat Powers concurred with the Executive Director regarding increased safety at the new facility and confirmed there has not been an escape in the 30 years she has been on the force.

Agency Member Fernandez questioned how the cost estimate to adapt the Library building was derived, to which the Executive Director responded that for planning purposes, they took industry standard remodeling/reconfiguring estimated costs. The Executive Director commented that staff is simply seeking a recommendation on the Facility Master Plan, and once staff is given direction, they will pursue grants and come back to the Agency with specific information.

Relative to the possibility of moving the Library, Agency Member Fernandez inquired about input from the Library staff regarding a reduction in space.

The Leisure Services Director explained that the current Library is 20,000 square feet, and the Library staff has been involved with the plan. He continued that they have looked at different libraries and multi-story libraries, including pros and cons for multi-story libraries, which he briefly described. He shared that staff is excited about the prospect of a new Library, where it could be designed for more computer usage with proper cabling.

Agency Member Fernandez commented that computer use is much more prevalent, with people lined up waiting for their turn; she questioned whether more computer space and more computers were possible. The Leisure Services Director said that would be a possibility in a new building with the ability to design space for more computers; while grants and State funding are low or not currently available, he believes they will come back in time.

With regard to the Center for the Arts Building, Agency Member Fernandez stated that she sees the benefit of a multi-use building, where there is an opportunity to get something to eat close to where they go to classes. She said she believes Option 3 is too big. With Option 1, she commented that she believes the classroom space is necessary, along with space for children's art work or other artists' work to be displayed. She added that she would like to see space to display historical information about Temple Terrace; the Preservation Society has done an excellent job informally documenting Temple Terrace history, but there is no civic place to display it. She noted it is one of her goals to have the Temple Terrace schools actually teaching Temple Terrace history as part of their curriculum; therefore, it would be nice to have it displayed, either in the Library or the Center for the Arts.

Agency Member Fernandez also mentioned she did not see USF or Hillsborough Community College (HCC) classroom space, which would be a useful element to help the City cover costs. Regarding the banquet seating, she questioned whether 250 is a viable number for seating, when considering weddings or charity fashion shows. Noting that the City of Tampa is putting in a rooftop garden, she questioned whether that is something that could be done; if so, it could become another setting. She concluded that, in general, she is in favor of agreeing to the Facility Master Plan and moving forward with the options recommended.

Agency Member Knapp commented that a lot of time and effort has been put into the proposed Facility Master Plan, which appears to him to be a pretty good plan. He confirmed the City has currently set aside \$2.5 million in the 5-year plan. He said the only issue he has with that is that the "devil is in the details," but he acknowledged they are only looking at an overview right now. He commented that while a rooftop garden would be beautiful, it would be extremely expensive due to the mass and weight to carry the soil for the garden, unless it is all in pots. He continued that what jumps out at him is that Buildings I and J, according to the Master Developer's Agreement, are both in Phase II, rather than Phase I. He recalled that the Developer can do Phase I and walk away, which Mr. Vlass confirmed was correct. Agency Member Knapp questioned what protects the City in the agreement for the \$3.6 million in funding in the event The Vlass Group does Phase I and determines it is not economically feasible to go to Phase II.

Mr. Vlass responded that the \$ 3.6 million is allocated in phases, explaining that if they only did Phase I, the City would get that percentage of the \$3.6 million total. He explained the civic uses were not put in any of these phases at the request of the City, because the City was not certain they could commit to them. Mr. Vlass continued that they made an economic deal, which they believe is an incredible deal for the City, to go to the J building at no cost; they wanted to be sure they had the ability to kick off a tenant. He explained that successful town centers throughout the country strive for two components – a theater and a Barnes & Noble or Borders book store. However, he said theaters have zones where they can go, and are difficult to finance; bookstores are financially in trouble, so they can't get those today – but with those, the next thing to come is a coffee shop. He explained that they believed by assisting with the funding, the City would have Masque Theatre and a center in which many other activities could take place, and the library coming in would be "their Barnes & Noble"; if they get those two, they will get the coffee shop, and that creates synergy.

Agency Member Knapp said he understands why the uses are wanted there; his concern lies with when Buildings I and J would be built.

Mr. Vlass responded that Building J will go into Phase I; Phase I would also include Building K, which is the reason they are here today. He explained the City's flexibility, provided under the Developer's Agreement, to decide whether to go forward with the civic uses has given them time to sort all of this through; however, in the meantime, they have to get going to get the Town Center built, so they did not put J or K or any civic buildings in Phase I, but instead, basically gave the City three years to tell them what the City wants. He reviewed that by October, they had to give the City something, and that started it; the City had to respond, which it did, stating that the City could not afford 30,000 square feet. He said that prompted discussion.

During this time, Mr. Vlass reviewed that they did not want anything to slow down Phase I, so they were working with Sweetbay and some of the other tenants. He continued that the only things keeping them from starting Buildings J and K is the City's commitment; if the City says go ahead on Building J, they will also build Building K, because that is their building. To make the deal attractive enough for the City so the City can't say, "No," he said they decided to make the offer to build Building J and just give it to the City. Therefore, instead of spending \$3.6 million spread out over two buildings, he said they are "front-loading" their costs of about \$2.5 million into the first building. He restated they are funding Building J, making it multi-use so the City can rent it and it serves the City's immediate needs; relative to Building I, the City can consider whether to do 10,000 square feet, 20,000 square feet in two stories, or another 14,000 or 15,000 square feet and wind up with 35,000 square feet. He noted they could probably go to three stories; however, it would create a parking issue. He said Building I is one they can roll into and work out all the details. Mr. Vlass summarized that they would like the City to approve Building J and move forward to design it the most efficient way; if the City is willing to do that, they will put Building J into the first phase.

Agency Member Knapp clarified that Building I is proposed for the Library. Mr. Vlass interjected they are very close to finalizing their deal with Sweetbay; if they get it finalized, they are ready to start submitting to the Community Development Department. He said they would like to "turn loose" Buildings J and K, so they can do that design all in the same phase.

Agency Member Knapp said he wanted to go on record to say that originally and still today he is not a big fan of the property being given away and the City doing the ad valorem; however, he also knows that has already taken place, and he can't look back or change what was done. He continued that in an effort to work together for the best outcome, concessions have to be made to move forward. He complimented Mr. Vlass on what they have put together, commenting that it makes a lot of sense for the City.

Agency Member Knapp continued that he likes the overall downtown, including Building J in Phase I, and getting \$2.5 million of the Developer's dollars in Phase I, instead of having to wait until Phase II. He said he believes the plan works, adding that he favors the idea of the Police Station going where the Library is and the Library being part of Main Street. He concluded that he likes the way both of them sit at the park and finds it difficult to criticize the plan.

Agency Member Neale commented that she likes the plan a whole lot, adding her belief that going ahead with the plan does not mean they cannot tweak some things in Building J. Mr. Vlass concurred, stating that they would want to get together and start immediately designing the building in the way the City would like it to look.

Agency Member Knapp interjected that as long as there are zeroes by it, he is for it. Agency Member Neale concluded that in her opinion, it is great.

Chairman Affronti noted several advantages of the Police Department going into the existing Library building, including the additional space the Police Department needs in a more efficient location, and that the proximity of the Police Department to the redevelopment area will provide a great deal of security for that area, which is greatly needed for it to be successful. Mark Sneed interjected that it would greatly help the leasing efforts. Chairman Affronti complimented The Vlass team on coming up with this plan, showing their willingness to work as partners.

The Executive Director reiterated the request that the Redevelopment Agency recommend to the Council to approve the Facility Master Plan as recommended and to proceed with Building J as the Center for the Arts. He continued that they also recommend inclusion of the studios at an additional cost for the additional space, which they believe would be short-sighted not to include.

Regarding the inclusion of the studios, Agency Member Knapp questioned whether the “zeroes” just changed. Agency Member Govin confirmed with the Developers that the Facility Master Plan is for a one-story Center for the Arts in Building J, and if it goes to two stories, the cost goes up. Mr. Vlass commented that if J is the theater, they have the height issue; the building looks like two stories because of the ceiling height for the theater, but it is a one-story building. Agency Member Govin commented that they have not accommodated the Chamber of Commerce in the plan, to which the Executive Director noted they have not lost sight of that. Chairman Affronti noted they have 2,700 square feet of additional space; however, Agency Member Govin reminded him the space is for studios. Agency Member Knapp commented there are a lot of options available.

Agency Member Govin continued that they are still talking about a Facility Master Plan that will cost the City about \$9 or \$10 million. The Executive Director confirmed that was correct, if all four buildings are done. Agency Member Govin said that if the plan is approved tonight, they are proceeding in that direction.

The Executive Director responded that the administration would be guided in that direction, but they would have to come back to the Agency/Council to finalize many other decisions, with the exclusion of Building J for the Center for the Arts. He continued that if something happens unforeseen, one is not contingent upon the other. He explained that if they do the Center for the Arts in Building J, and the bottom falls out, then they simply would not be able to proceed to do the Library or other parts of the plan. He said they are functioning now; they would have to make do, and continue to work toward the goal, which he believes is in the best interest of the City.

Agency Member Govin expressed concern that he sounds like he doesn't want it to happen, but he would like nothing more; however, the City is in distress. He noted they have gone two years without giving raises to the employees. He continued that indications are that ad valorem is going to drop again and the City will again be faced with a shortfall. He questioned how the City would come up with the money and also take it off the TIF and ad valorem that the City would have made had it been commercial property. He acknowledged that he loves the plan; however, he cannot see how the City can make a commitment in the middle of a financial crisis, adding the City does not have money or any visible way of changing it. He stated that he cannot and will not vote for it, primarily for those reasons.

Agency Member Govin expressed his belief that they should consider one building at a time, adding that he has no problem voting to develop Building J, believing that it needs a few changes before it would be what the City really wants. He noted that Building J is what they have previously talked about, and they already have \$2.5 million committed to it, so they should be able to finish it without a great deal of expense to the City. The Executive Director interjected that they are not suggesting that the Agency/Council commit to any other buildings at this point.

Agency Member Knapp commented that they have to look at everything in phases. Paraphrasing Mr. Vlass, he said if the Developer came, under the current agreement, and only successfully completed Phase I, and walked away, ad valorem-wise, the City would be better off than they are today; the Developer would have created more ad valorem than what is sitting on the parcel today and the City would have received a building back for some of the money that was part of the initial agreement. Therefore, he continued that without any additional funding coming from the budget at this time, they are approving the complete construction of Building J and not using the City's \$2.5 million – this is the Developer's money.

Agency Member Knapp stated that approving the Facility Master Plan gives the administration direction; it does not mean that a future Council may say to hold off or they may get a good grant. He said the point is that what is there now looks like garbage, and this makes fiscal sense, given the Developer's Agreement. He concluded he is 100% in favor of the plan as proposed.

Agency Member Fernandez said she wanted to confirm that using the space for civic space does not reduce the square footage which was discussed in the original negotiations and on which the ad valorem tax is based.

The Finance Director stated that she calculated the projections based on what was going to be constructed and not on the City's 30,000 square feet, which was never included in the revenue projections; the City already knew they were not going to get the revenue on the 30,000 square feet because the City would own it. She explained that if the Developer owned it and the City rented it, then the City would have increased the TIF revenues, because he would have been paying property taxes on it; however, he would also be charging the City Common Area Maintenance (CAM) fees.

Agency Member Fernandez questioned how it would work with the retail up against the civic space, where the City owns the civic space, in the same building footprint. Utilizing the conceptual drawings in the PowerPoint and handout, Mr. Vlass explained it is a condominium, and everyone would pay their pro rata share of expenses. He briefly explained the complexities of common area expenses in multi-use developments and said they will try to keep them as simple as possible. He added they will probably deed the civic park to the City when they are done.

Chairman Affronti commented that they will need two separate motions for the recommendations to the City Council; one of which will be in regard to the recommendation of the Facility Master Plan with Option 1. He asked the Executive Director to restate the recommendation.

The Executive Director reiterated the Facility Master Plan would be in effect for many years, as funding becomes available. He briefly reviewed the details of the recommendation for the Facility Master Plan.

Upon motion by Agency Member Halloway, seconded by Agency Member Fernandez, Temple Terrace Redevelopment Agency **RESOLUTION NO. CRA-126(m)** was **ADOPTED**, recommending to the City Council approval of the Facility Master Plan, Option 1. Vote on the motion being Agency Members Fernandez, Halloway, Knapp and Neale voting “aye,” and Agency Member Govin voting “nay.”

Prior to vote on the motion, Agency Member Knapp commented that they are going to amend the Developer’s Agreement to reflect that the Developer is going to construct Buildings J and K in the first phase. Chairman Affronti responded that will be included in the next motion.

The Executive Director restated the recommendation to construct Building J, which would be the new Center for the Arts, with the inclusion of 2,700 square feet for studios, at an additional cost to the City that is not included in the deal with the Developer, subject to modification of the Developer’s Agreement to reflect this transaction, in Phase I along with Building K.

Agency Member Govin asked whether they have the cost figure included. The Executive Director responded the total cost would be \$640,000, which includes \$540,000 for the additional 2,700 square feet and \$100,000 to outfit the space, to come out of Community Investment Tax funds, in order to include all of the arts activities in one facility and free up space at the Family Recreation Complex for expansion.

The Attorney for the Agency said the recommendation of the CRA should be to direct City staff to work with Mr. Vlass’ Attorney, Dan Hicks, to promptly prepare a modification of the Developer’s Agreement to bring back to City Council to reflect what has been presented as Option 2. Mr. Vlass suggested that they do that in conjunction with the design, because he does not want to delay the beginning of Phase I if they get bogged down in the design of Building J.

The Attorney for the City commented that Mr. Vlass’ request is not unreasonable, noting that under the existing Developer’s Agreement, the City has until a date in March to come to agreement as to whether they will have the Center for the Arts building. The Attorney for the Agency questioned Mr. Vlass that under the existing Developer’s Agreement, they are talking about a 30,000 square foot building, for which the City was going to pay the cost of building it out; the cost of the building was going to be about \$3.6 million.

The Attorney for the Agency continued, stating that they are now talking about doing something that will cost the Developer in the range of \$2.5 million and the City will not have to pay to build out the inside of the building. As far as the difference of the \$1.1 million, he asked Mr. Vlass what he proposed the difference of the \$1.1 million being, to which Mr. Vlass responded it would be secured similar to the way they are doing the lot releases. Mr. Vlass explained the Developer is getting ahead of the game in funding more than they would have funded; they are funding \$2.5 million because they believe it will create the momentum of causing the next phase to keep going. The Attorney for the Agency said the modification should be done in the same manner the last modification was done, in accordance with the provisions in the Developer’s Agreement relative to modifications, to which Mr. Vlass concurred.

Agency Member Halloway proposed a motion, which Agency Member Fernandez offered to second, recommending to the City Council that they proceed with Option 2 for the Center for the Arts and directing staff to prepare the necessary modification to the Master Developer’s Agreement.

Agency Member Govin questioned the option being considered. Chairman Affronti confirmed it was the option including the additional space for the studios.

The Executive Director apologized for the confusion, noting there were options for the Facility Master Plan and also options specifically for Building J. He explained that one option was for the approximate 11,000 square feet, which would result in a cost of \$100,000 for the City to outfit. He continued that staff has recommended the second option, which includes the additional 2,700 square feet for the studios, at a cost of \$540,000 to construct. In response to Agency Member Knapp's question as to where the studios were going, the Executive Director said that is part of their deliberations, but they would like to see it all in one-half of that building.

Mr. Vlass suggested that they say they will give the City 14,000 square feet and the City will pay them \$540,000, with the space to be determined, subject to the City's approval. Mr. Vlass surmised they would take Building J and give the City half of the building, as opposed to keeping the corners, which are obviously prime corners; logistically, he said it would be simpler to give the City half of the building and they would simply move the demising lines until it creates 14,000 square feet on one side in a contiguous space to provide more flexibility, with a service corridor on the back. He suggested they could help the City design its space better at their cost.

Agency Member Govin questioned whether they can add to the motion to limit amount the City could spend above that which is already allocated. He explained they may get in there and find they need sound systems or other additions, and he is not anxious to approve something without a top number.

The Finance Director reviewed there was \$1.5 million allocated towards the Center for the Arts already included in the budget; they are talking about spending \$640,000 of it. Agency Member Knapp confirmed they are asking for approval for the \$640,000 now. Chairman Affronti added that if that changed, the administration would have to come back to Council. Mr. Vlass said they are now talking about interior finish and not construction, which is \$540,000 of it; they still have \$100,000 for the interior.

Agency Member Fernandez questioned how this space handles the visual arts. She explained that if they are going to do this, they would want all of their arts activities in one place.

The Leisure Services Director responded that he could not speak for HCC or USF, relative to the three studios, which they talked about in conjunction with the old plan. Now with half of the building or 14,000 square feet, he said they would have to work with the architect to come up with how that would work. He explained that 900 square foot studios are a little larger than the studios at the Family Recreation Complex or Lightfoot Center, so they know how to program those rooms. He suggested various uses that could be accommodated in the space, but questioned HCC's possible use, stating that would limit the number of dance classes that could be held.

Agency Member Govin asked for the Clerk to restate the proposed motion, which was for Option 2, with 14,000 square feet, at a cost to the City of no more than \$640,000, and including modification of the Developer's Agreement. Agency Member Govin said he would concur with that motion.

Upon motion of Agency Member Govin, seconded by Agency Member Knapp, Temple Terrace Redevelopment Agency **RESOLUTION NO. CRA-127(m)** was **ADOPTED**, recommending to the City Council that they proceed with Building J for a Center for the Arts in the redevelopment area under Option 2, which includes a modification of the Master Developer’s Agreement, 14,000 square feet, with a maximum expenditure by the City of \$640,000 (\$540,000 for the space and \$100,000 for the interior), or if it is anticipated to exceed that amount, it would be required to come back to Council for approval to exceed that amount. Vote on the motion being: Agency Members Fernandez, Govin, Halloway, Knapp, and Neale voting “aye” no “nay.”

Agency Member Govin asked if it would be possible to have a meeting with the Developer and Council to openly discuss what the Council believes should be in that space before they start re-drawing it. Mr. Vlass suggested instead of a meeting and going back and forth, possibly they could have a day-long charrette with their architects and as many citizens as want to participate from the various groups come to provide their comments and input, and at the end of the day it would be done. Mr. Lant suggested City staff give them something with the items discussed this evening; they can come back and present that and obtain feedback in a charrette or work session.

There was no other Redevelopment Agency business before the Agency Members for consideration and action.

There being no further business to consider, the meeting was adjourned at 5:50 p.m.

Joe Affronti
Chairman

Alison M. Fernandez, Agency Member

Ronald A. Govin, Agency Member

Attest:

Ken Halloway, Agency Member

Melissa E. Small, MMC
Clerk

Mark A. Knapp, Agency Member

Mary Jane Neale, Agency Member