



CITY OF HOLLY HILL, FLORIDA

CITY COMMISSION

MINUTES • JANUARY 10, 2017

City Commission Chamber

Work Session

6:00 PM

CITY HALL
1065 RIDGEWOOD AVENUE
HOLLY HILL, FL 32117

City Clerk's office: (386) 248-9441 - Fax: (386) 248-9448

1. CALL TO ORDER

1. Roll Call

Attendee Name	Title	Status	Arrived
Arthur J. Byrnes	District 1 - Commissioner	Present	
Penny Currie	District 2 - Commissioner	Present	
John C. Danio	District 3 - Commissioner	Present	
Chris Via	District 4 - Commissioner	Present	
John Penny	Mayor	Present	

2. FOUNTAINHEAD - MPUD PRESENTATION

Mayor Penny stated the purpose of today's workshop is to get a report from staff and from the applicant on the work that has taken place over the last month since we met last. There has been a lot of meetings going on.

Mr. Forte stated I think probably the right thing to do is to go ahead and turn it over to Mark Watts, the attorney representing Fountainhead. He's got the list of questions that were addressed at the last work session and responses to each of those different items. Mr. Forte stated what I can tell you Mayor, well you already know but the other Commissioners don't, we did have several meetings between the last Commission work session and tonight, including Mr. Swartzlander and himself did go out to Synergy Billing to look at Mr. Myer's financial information and the only thing that I will say is that we did not find anything inappropriate so I wanted to at least mention that and take that off the table. We've had at least two meetings with our staff and the Fountainhead staff to resolve the issues that came up with regard to the MPUD and more recently we had some more information that the two teams have basically agreed on when it comes to the incentive agreements and as we get to the end of addressing the PUD comments this evening if we have time during the work session, we'll talk about those incentive agreement changes because we have the incentive agreement and the purchase and sale agreement on the regular agenda for vote tonight. They will probably need to be tabled to the January 24 meeting pending these new changes. I would like to turn it over to Mark Watts.

Attorney Mark Watts, Cobb Cole, 351 E. New York Ave., Suite 200, DeLand, stated here on behalf of Fountainhead. Attorney Watts stated before he gets into, what he would like to do tonight is walk through some of the comments that we discussed in

our meetings, give the Commission an update on where we are with the MPUD, the progress that has been made in our meetings with staff and in the time since our last workshop meeting and then talk to the Commission a little bit about the changes and updates that they have been working on with city staff on the Incentive Agreement and the Purchase and Sale Agreement but before he does that he wants to ask Mr. Myer if he wants to come up and say a few starting words or introductory words before I kick that off.

Jason Myer, CEO of Synergy Billing/Fountainhead, 1410 LPGA Blvd., Daytona Beach, stated good evening everyone, it's great to see the Commission again. Before they really get going, he wants to take a moment and really recognize city staff for how hard everybody has been working over the past month. The team has really come together and I think in the past month what we've really seen is the commitment from all parties to really make this happen. Mr. Myer stated he knows for a while that there was a little bit of wavering, they weren't sure if this relationship was going to continue to move forward, they didn't know what was going to happen but he thinks that staff has really, over the past month, everything has come together in so many ways and they've had so much support in this. Mr. Myer stated he wants to recognize everybody on city staff side who has really put 110% effort into this and I would be remiss if I didn't take a moment and acknowledge how hard the Fountainhead team, he thinks in business and life, you're only as good as the people you surround yourself with. Moving forward on this project and beginning stages, I knew what I didn't know and I knew the only way to fill in those gaps was by surrounding myself with people that were more knowledgeable and who had more experience and the team has just really come together and unfortunately he was not able to participate in the meeting before the holidays but the meeting on Monday, he was just sitting there watching these experts in the room, working together towards this common goal and it was very gratifying. Mr. Myer stated thank you to city staff, thank you to the team on Fountainhead side, and they got everybody from Cobb Cole who has really engaged TPG on the engineering side, Zev Cohen and Associates, everybody's been working rapidly to get these materials together. Ben Butera, the architecture, they've been working to get the renderings to advance that forward. Everything is coming together. He's excited this evening to update the Commission on some of these things and since I know that I'm only as good as my team, he would like to have his team members to share some of these updates with the Commission some of these updates and talk about some of the comments and how they would be able to address some of those things.

Attorney Watts stated let him start by giving the Commission the updates. Probably the first one, over the past month, one of the things they've looked at is the overall layout and one of the comments was seeing it coming forward with Phase 1 of the project. They went back to the layout and the land itself really hasn't changed substantially but what has changed is what they were including in that initial phase. Attorney Watts stated if the Commission looks down (*referring to the Fountainhead MPUD Exhibits Conceptual Landscaping Plans handout*) this should be fairly familiar to the Commission from the standpoint of the look in the overall project. What he really wants to talk about is Phase 1. If the Commission looks at what's included on this side of the exhibit, this is what Fountainhead is moving forward with for Phase 1.

Previously, they had talked about Phase 1 including the renovation of the existing gymnasium, the renovation of the existing media center. They had on the plan a 11,000 square foot building that was really initially, intended as storage, a security office and some limited things of that nature. What they have done was gone back and retooled and include that in Phase 1 as a new structure that will be coming in, in the beginning, in the initial phase of the project, and change the use so that will be office usage and it can also be available for use by the academy, the training academy. What the Commission sees on this side, in this exhibit, is what would come in as Phase 1. One change is that with this is the landscaping buffer along Walker Street doesn't continue all the way down Walker Street. They shifted and instead of doing that, they're focusing on bringing in an additional building into the first phase. They have, and he will walk the Commission through some of the landscaping details here with them in just a minute. They have gone ahead and designed the standards that would be included in the PUD to ensure what that landscaping and everything else would look like as they are moving forward. That's the first update is just to just give the Commission a better look at Phase 1 and how everything would move forward based on that Phase 1. Attorney Watts stated he mentioned to the Commission the landscaping (*referring to the conceptual landscaping plans handout*). During the last meeting and in the comments that they received from staff, they really received comments about the landscaping, TIA, again the phasing so with regard to the landscaping, what they have been working on is creating a standard. Attorney Watts stated what the Commission sees here is not a final plan. It's not a final plan for what everything is going to look like, it doesn't have the final determination of what the listed plant materials and everything else are but it does set standards which is really what they should be doing with their MPUD. The MPUD is defining what standards they will have to meet as they come forward with subsequent site plans to implement the buildout of the project. If the Commission sees there, just looking at the initial page, they have Center Avenue buffer elevation. A couple things to point out here, this is pretty far in excess of what the existing city code would require. They have a 25 foot buffer and one of the things that that they have, by the way Mark Karet from Zev Cohen is here, if the Commission wants to get into a discussion about the particular standards they are including here, but one of the things they wanted to ensure is that they created a standard that ensured quality. If the Commission looks on the first page, there is some text there that really walks through what's going to be required in that buffer. There's an example of what it would look like graphically or what it could look like but this is really were that the operative elements of the MPUD plan come in. The standards they have to comply with are one shade tree per 50 linear feet, three understory trees per 50 linear feet, continuous hedge to shield vehicular use area behind the buffer. This is one that Lauren, who has been working on this with Zev Cohen's office, included specifically to ensure that the city is getting that vibrant look with the landscape buffer. There are nine different types of landscape material in each 50 foot segment so that they have variation in plant materials that are coming in and they get that visual aesthetic as a very pleasing, mix of plant materials going into it. Also, limiting sod to no more than 40% of the buffer area within that typical section. Lastly, specifying that the shade trees, the understory shade trees that are being planted in the buffers exceed the cities minimum by 25% on the day that they are being planted. In fact, in the city's code, it says they have to have a two inch caliber, three inch caliber. They are

expecting that everything will have to be 25% larger upon the initial planning so they will have a much more substantial and mature buffer from day one. On Walker Street they have a little bit narrower area to work with so they have a standard on page two of the conceptual landscaping plans, they have a 10 foot standard buffer spec there. It has a very similar type of a call out for each of those particular elements. Shade trees, the understory trees. They had to have some provision in there for power lines because they do have some power lines that go along that area. They have some limitations based on the location of the power lines. There are seven different types of level of plant materials in that profile section as well. Continuous visual screen just as the other 40% limit on sod and again that 25% increase. If the Commission looks at page 3 of the conceptual landscaping plans, one of the things and this was one of the 21 questions of the staff comments that they have been working through, the Commission has the conceptual design and diagrams of the entry boulevards, they have medians on the two entry boulevards. One of them on Walker Street and one on Center Street, they have a profile that shows them what those would look like and how the buffers and the landscaping material will be included in those areas as well. Sheet four of the conceptual landscaping plans, one of the things that they had heard from staff was in particular along Walker Street, where they have several ponds that are planned to be in that area, staff wanted us to make sure that we were treating those ponds as an additional element of the landscaping, as an additional aesthetic feature of the project. They have a two ponds that are shown specifically here and then there's also a typical standard provided here if the Commission looks in the bottom left corner of that page, is a typical standard for every 200 square feet of landscape area provided for every 150 linear feet of pond area and that basically is a standard that they are including in there to ensure that they just don't have buffer along the street and then a pond behind it that doesn't have any good features included with it. That will be a requirement that they will go through and include in the landscaping plans with each site plan, when they come in for that pond, it will include landscaping that needs to go around the pond, the entire circumference. He thinks that addresses the comment that they want the pond areas to be additional amenities for the site. Finally, the last page that the Commission has there is just showing them Fountainhead's typical building, foundation plans and the terminal island of landscaping plans for the parking area. Attorney Watts stated they have done a good amount of work with regards to addressing some of those questions that had been out there about landscaping and how the projects, he thinks this is that infamous "wow" factor that they have been talking about in several past meetings. They've developed standards that they think they are going to deliver that "wow" factor. Unless there's any questions on landscaping, he wants to switch gears briefly and talk to the Commission a little bit about the TIA. The Traffic Impact Analysis is one of the other comments that they have talked about or one of the other issues they have talked about and he thinks there has been really two principal issues with that. One was updating the TIA to reflect on the current site plan because if the Commission recalls, the prior TIA was done back in early July of last year and it was based on a different site plan than what was shown here. The other issue and the discussion that they have had is the 80,000 square foot threshold that's been included in their conversations about when will they add a turn lane on to Center Street. He had some lengthy discussions, he believes at the December 22nd

meeting. He thinks it was schedule for three hours and went about four if he remembers correctly but it included in our traffic engineer spending time up at the whiteboard diagramming all of the area in traffic diagrams that I still can't claim to fully understand but at the end of the day, he thinks everybody in the room was nodding heads in agreement that at least they understood that the traffic engineer knew that the right answer was provided in the TIA. With regard to the update of the TIA, what they concluded at the end of that meeting on December 22nd is they don't need to go back and update the full TIA. They are doing a letter of modification to the TIA that addresses the site plan and the principal thing in that letter modification the conclusion is that when they did the initial analysis, even though there was some difference in driveway connections, for example, one versus two or two versus three driveways that were shown in that earlier site plan, as they did the analysis they analyzed it assuming there's one connection point on each side of the property to those roadways. So even though the site plan shifted somewhat, the traffic that they were putting into the system and putting into the model to determine where it went, assumed basically one connection point. The letter modification basically will say that the updated site plan is still accurately reflected in the TIA that was prepared by Blasser and Associates. That is in process now. What they are aiming for right now is that the full MPUD and the response letter based on those twenty-one comments, based on everything that they have talked about in the past two meetings and those supporting materials are going to be coming in, they are aiming for Friday right now. They will be submitting those back in to staff to review. With regard to the 80,000 square foot issue and the turn lane question, the interesting thing, he thinks when they got to the end of this discussion of the TIA is that the analysis shows there is never a turn lane that's justified by the buildout traffic and the buildout volume on the site. There is a standard warrant analysis that's done that looks at kind of a standardized set of criteria and it's an analysis that is also used nationally and basically what does it scores the traffic volumes and everything else and tells you if you get up to this point on the curve, on that analysis curve, a turn lane is justified and he thinks a number that sticks out, and Mayor, he thinks 860 was the trip threshold that trips or would warrant the turn lane and our analysis comes in with that particular movement around 150 so they have a pretty substantial gap between were a turn lane would actually be required and what the buildout of the project will generate. Last week they had in the agreement that when they get to 80,000 square feet they would be including that turn lane into Center Avenue as well. The other thing that came up in the course of their meeting on the 22nd was 80,000 square feet is probably a certain arbitrary number in the context of traffic analysis so the other thing that they are addressing in that modification letter is a conversion of that 80,000 square feet to a trip number so that it's in TIA language so to speak. That's another piece of this in the process. Attorney Watts stated he thinks they've covered everything related to landscaping and they've covered the comments and issues that have been raised relating to the TIA. Attorney Watts asked if there were any questions on the TIA issues before he moves along. Architecture is one of the other elements they have been working with. As Mr. Myer mentioned a few moments ago, they have engaged the architect to go ahead and put plans together. If the Commission recalls at their prior meetings, they were talking about the need to have some specificity in the PUD beyond the elements that they show currently. Right now they got graphic representations of the styles and they intend to keep those in

there so that you can see consistency. This is the type of style and the type of elements that they expect the entire project will have but beyond that what they are working on to add to the MPUD development agreement is an exhibit that shows those initial three buildings, the completely renovated gymnasium, media center, and the new building that would be located back behind that, in about 80% level of detail so they won't have final architectural drawings but the city will have exhibits that show this is what these buildings will look like at the point where they will be getting the CEO's and getting ready to move the headquarters to Holly Hill. That is also in process with their architects. They've talked and they've included in the updated development agreement, a provision to add that additional bit of security that he thinks the Commission was looking for at their last meeting about architecture. Since they don't have the entire site design and there may be some modification and variation that goes through as the site develops over the next several years, they've added a requirement that the architecture for those subsequent pieces that come in would come through, in addition to the typical site plan review, would come to the Commission for review of the final architecture so that the Commission will see those other buildings as they come through and they will have a defined set of criteria for what they're going to look like but the Commission will ultimately see them before they get a final approval to move forward and get on the way with construction.

Mayor Penny asked Attorney Watts if he wanted to touch base on what they learned about Class "A" buildings since we've thrown that term around so loosely.

Attorney Watts stated, yes. They have talked about Class "A" space and he thinks there is a bit of a missing term of art, if you will, in the initial discussions about Class "A". They know that what is being planned is going to be extremely high quality office space. There's a lot of elements that go into if they were talking to site selector or something like that and said we want a Class "A" office space that fits into a specific set of criteria that he thinks is somewhat different than what will ultimately end up with here. They will have space that fits the needs of Synergy moving forward, that fits the needs and serves the academy moving forward. For example, it may not have all of the differences like fiber optics and things of that nature. Some of those levels of fit and finish that they would see with a Class "A" office space may be different. Now, they had some conversation at their meeting yesterday about whether that means stain concrete and he's been assured it doesn't. He thinks the bottom line is it will be office space that is far superior to what they commonly see but he thinks may not technically fit within the classification of Class "A" office space as a national site selector or somebody of that nature might be looking for. With that, let him give the Commission an update on what they've been doing and how they've been approaching this. They have organized all of the comments that been outstanding and the concerns that have been outstanding into a checklist that their team has been reviewing and working through. They've been getting on weekly calls to run through and make sure everybody is moving forward with their particular tasks to make sure they have everything needed to stay on target, stay on target for final approval of the MPUD by the end of February 2017, they've been working very hard to make sure that date stays set and he thinks they are making that progress. By this Friday, they actually, they were intending to resubmit the letter to staff responding to

each of their comments, together with the updated Development Agreement last Friday and then as a result of some of the meetings that took place last week with the City Manager and Mr. Swartzlander and some others, there were some tweaks that they all felt were needed and so they pushed that back by week but they haven't pushed anything else back. They are still working on staying on that same time line. With that, he would generally, like to open up for any questions on the MPUD and then he thinks they get into some of the discussion about the Purchase and Sale Agreement and the Incentive Agreement.

Mayor Penny asked if anyone had any questions for Attorney Watts? Mayor Penny stated he's been in no less than five meetings but all the questions he asked, he received the answers to. He feels that he is at somewhat of an advantage over the rest of the Commission because he has had a lot more contact with the applicant so feel free to ask any questions that they would like.

Attorney Watts stated there were a lot of questions on the list previously that dealt with the financial aspects of the project and so what they did, he thinks there was some conversation and certainly as most businesses, they don't want to submit information that automatically becomes public record on all of our finances and things of that nature so what they did in the alternative was invited Mr. Swartzlander and Mr. Forte to come over and sit down and go through the project budgets, go through the financial information and he thinks that's what Mr. Forte alluded to at the beginning of meeting, they didn't see anything that raised any red flags with regard to their review but Fountainhead thought that was a good way to sit everybody down and go through those materials and make sure that the questions or concerns relating to that aspect of the project were answered and he thinks they were at the point where based on their most recent meetings, he thinks everybody has generally been satisfied that there is a plan moving forward for the financing and the overall business side of the project.

Commissioner Byrnes stated if things go as planned, where do they see the city next year at this time?

Attorney Watts stated if things go as planned, next year this time, they will be working on probably moving furniture into the buildings so that they can get employees in. They've been working on basically on an assumption that they have about a year. The desire is to be shorter than that but a year to get the initial phase done and people moved in.

Mayor Penny stated Fountainhead provided a sequencing here. He wasn't sure if Mr. Myer wanted to touch on that now.

Mr. Myer stated in their business it has been growing very rapidly in some ways they haven't even planned and one of the things that's growing more than expected is the academy. Within their business with Synergy Billing they have some very specific growth targets and a very specific business plan that they are carrying out. They are very confident in those numbers and the space requirements in those years. One of the things they will see in the handout, on page two, is in different years, the number

of expected employees within Synergy and what the space requirements are. Now, they are going to aggressively be pursuing rehab and new construction to try and get that done by the end of the year, that's very aggressive. The reason being is it's to Synergy's benefit if they are able to do that because they'll book one additional year of incentive revenue so they will be very diligent in their efforts. What are the chances of that happening? Right now, it's a little too early to say but he can tell the Commission the team is working with that in mind. *(Referring to the development sequencing handout)* this shows them right now from the construction that they will do this year, they will have enough space to get them to about 2018. They would have to begin working on one of the wings and one of the things that this phase diagram shows them, if they notice the colors, anything that's in the lighter green, that's the next sequence of events so the darker green, this is what they are doing on day one, the yellow buildings this is what they will move into just as soon as they can and then they will see the light green, they've got a wing on the both Southside and Northside and each one of those is designed to be a three-story building that would be 33,000 square feet and so that's the next sequence of things and it ties back to what's outlined there on the second page. The goal is 1231.

Commissioner Via stated he has a question. With 2017 going to 2018 it looks like Synergy is going to add about 70 employees, in 2018 about 1905 and then roughly about 150 the next year to hopefully get to 472 right under 500. Does Synergy plan on training all of these people or are these jobs that do not have to be trained? Do these people have to go through Synergy's academy?

Mr. Myer stated, yes. These are people that will require the training that goes on in the academy. Their ability to meet the needs in the marketplace is heavily dependent upon their ability to find and develop that talent. So to answer Commissioner Via's question, yes, they will have had to complete some coursework in their academy.

Commissioner Via stated or hired outside.

Mr. Myer stated or already have the skills that Synergy needs. Exactly, one way or the other.

Commissioner Via asked and Synergy is confident that they can hire and find that many skilled people?

Mr. Myer stated that is the variable that he can't predict.

Commissioner Via stated, yes.

Mr. Myer stated he believes they will be able to.

Commissioner Via stated but from Mr. Myer's experience of hiring people now, is it fairly...he doesn't want to say easy but fairly easy for Mr. Myer to find people that can do this type of work?

Mr. Myer stated it has been challenging for them to find people that can do this type work which is why they've taken an innovative approach with the workforce development. That's why the academy is a key piece to this because their ability to grow this way depends upon their ability to get them in the door and get them trained or to recruit in the talent that is able to meet the demands of the marketplace. So by having a campus environment, it either A) allows them to recruit them to this community or B) allows them to train and develop people within the community.

Commissioner Danio asked Mr. Myer where did he get the formula for this?

Mr. Myer stated what they've done, if they look at the numbers essentially, the year 2017 is a year of 25% growth, in subsequent years it's a 50% growth, and this ties back to some other ratios and numbers within their business plans.

Mr. Forte stated the plan does not hold Mr. Myer to these numbers. These are internal projections that if he doesn't meet, for example, he doesn't reach 210 employees in 2018, that there's no consequence to that. That's an internal number for Mr. Myer's own projections.

Mr. Myer stated thank you for the clarification. This is this really designed to give the Commission an idea as to what to expect as far as the growth and when other buildings will come online.

Commissioner Currie stated the growth is actually more beneficial to Mr. Myer when they're talking dollars.

Mr. Myer stated, right. It's certainly to Fountainhead's benefit if we can build as quickly as possible.

Commissioner Byrnes stated Mr. Myer, you've been doing some innovative stuff with career services, Workforce Florida, whatever they are calling themselves this week. Mr. Myer had a bunch of folks who were unemployed for long time, put them in your program and did...was it all of them or some of them?

Mr. Myer stated Synergy did the first program this past year. They called it *Career Ignite* and this was proof of concept for them that they are able to take folks with no prior healthcare experience and teach them this trade. So they put them through the training which, they conducted at The Market and had the graduation over the summer and then they completed a hands-on, real-world externship to gain real-world experience and then they hired the majority of them. The ones they didn't hire got their certification and were employed by other areas. He thinks the exact higher-rate, he thinks that 80% of them have been placed so.

Commissioner Byrnes stated better than a lot of schools.

Mr. Myer stated they are pretty excited about that. With the academy itself, as that grows the program becomes more robust and initially, it has two specific tracks. One is the billing encoding and the Synergy Billing certification and the other is a leadership and management development course and these are the two bottlenecks that they run into in our business and really in any growing business. You need the technical workforce to carry out the work and then you need leadership and management in order to make sure that you're managing that growth and so with those programs, it will help them address those needs for their growth. The thought process is really they can either develop the talent within their community or with this campus environment, recruit them in and the people is really a challenge for them. They need to get those people in the door.

Commissioner Byrnes stated and these jobs are not just and they know this but he sees a lot of faces that may have not heard them talk about it before. These are not like training in a fast food place that you can make burgers, these people finish and they are in the double digits, as far as, dollars.

Mr. Myer stated that's right. A lot of people have this misunderstanding about billing because he thinks when they hear the word billing they think about sending out invoices and clerical work and in the world of health care billing it's very much a data technology driven business. They need people that are analytical, problem solvers so it's really a different class of caliber of workers. It's not just a typical clerical worker and the mistake he has made, in his past, in this business, is trying to hire the same people everybody else was trying to hire which didn't have the skill set, they were more entry-level and so they elevated things which is one of the reasons they pay more because they are looking for higher caliber folks.

Commissioner Via stated he had another question of Mr. Myer. Does your business model allow you to work in staggered shifts? Say for instance...because he knows they might be working with West Coast people, what keeps going through his mind when he looks at 500 people is that neighborhood and at 8 AM 500 cars rolling through there and then at 5 PM same thing happens. Are you planning on working in staggered shifts so that way it would cut down on that?

Mr. Myer stated they are evaluating the feasibility of that right now. He thinks that's a great idea and suggestion. It's been tough in their business right now because of space being a factor. He thinks it's a great idea for the fact that they serve different time zones. They have clients as far out as Hawaii so that's a six-hour time difference so what that means is when they're following up or contacting the client, they have a very limited window. One of the things they have explored through the course of our discussions with city staff is a staggered start time so that they have a morning shift and afternoon shift and he thinks that would be better for everybody. They're going to have a lot of school traffic there. Although, they have not given a firm commitment for that. He thinks the feasibility analysis shows them that it makes

sense for their business and for the neighborhood.

Commissioner Via stated, Synergy would have their workers working longer for them as well. They could be open a lot longer. That would be, he thinks that would be awesome for that neighborhood. In terms of, that's why he was calling for the traffic analysis.

Commissioner Danio stated are you saying what Commissioner Via was saying, that many people leaving at one time, the traffic analysis impact still sits under that?

Attorney Watts stated what the traffic analysis does is it looks at the development of the overall site over a period of time to buildout condition which he believes is at 2021/2022 somewhere in that range and it also takes into account not only the projected traffic generated by the site but also the background growth that's continuing to occur on the road network around it. The bottom line answer on the traffic analysis is even with all those conditions, it doesn't break the surrounding roads, all substantial delays, it doesn't cause any other concurrency failures in the surrounding road network. Now, during their AM and PM cap hours, they have a higher volume of traffic coming in and out of there. That was one of the things they were looking at with regards to that turn lane and the warrants. When he was mentioning before, the point at which, if they look at the standardized analysis when that turn lane would be justified based on the traffic volume and the volume of the other traffic on that road, when it's warranted versus where they are at that buildout condition with the background traffic, also in the analysis, they still don't trip that warrant. But one of the things, he thinks, to sort of ameliorate or cut off an issue before it becomes one is that they agreed, when they get to that fixed point. They currently they have it set at 80,000 square feet. They're going to convert that to a trip number but when you get to that point they put that in there that prevents that issue from reoccurring. He thinks that's one of the things to address, to get ahead of some of those issues but when they look at the end of the analysis in the TIA and they will have this as they go through...when they have the full MPUD package, they will have that analysis in front of them as part of that package and they can look at the AM and PM peaks when they have the heaviest volume and it's still supported by (inaudible).

Commissioner Currie stated first of all, thank you. This is part of what I've been looking for so very much and I like this, so thank you. You and I are sort of on the same page for this, thank you. Commissioner Currie stated Mr. Forte may be able to answer this. Still that Traffic Impact Analysis bothers her. Are we going with the old Traffic Impact Analysis because I don't like that. Commissioner Currie stated what her thought is they have the expansion of LPGA, you have LPGA that's in the near future going to three lanes, I understand it used to be a school and there was bus traffic but it wasn't mostly bus traffic it was largely kids being driven there and we had a lot of traffic that way so were going with an old Traffic Impact Analysis she has problems with that.

Mr. Forte stated traffic is not his thing. He can sit here and talk to his daughter who is a traffic engineer and she can probably educate him a whole lot better. They had

an opportunity to meet with the representative from Sam Lassitier's office who are traffic engineers that do the traffic analysis and what the engineer had informed them about was he used the maximum impact scenario on the property at buildout at 2021. Even at full buildout the analysis did not show a need for any external improvements to take place around the property. What he had shown them on the grease board, as a layman it doesn't make sense to Mr. Forte, because like Commissioner Via, he envisions 500 cars flooding into this property at 8 o'clock and there being a traffic jam but according to the analysis the formulas that they use it doesn't do that. The way vehicles approach the property at the peak morning hours and the way the vehicles leave the property at the peak exit hours do not create that impact. In fact, he thinks their analysis showed that only one percent of the traffic leaving the property in the evening goes through the corner of Center and LPGA south. In his mind he's going, "well, that simply just doesn't make sense", but if you have to believe the data and the formula, which is what we're supposed to do, is believe the formula, then that's what the situation is.

Commissioner Currie stated are you also to tell her that the expansion of the four lane and the expansion of the three lane are not going to make a difference either?

Mr. Forte stated the four lane and three lane...

Commissioner Currie stated when they go to the West and then our portion of LPGA.

Mr. Forte stated the city's portion of LPGA is so far off the chart it's really not... to take it into consideration...

Commissioner Currie stated it's not that far off the chart.

Mr. Forte stated but when that does come into play, that's actually an improvement.

Attorney Watts stated, right.

Mr. Forte stated it goes from a two lane road to what would be a stacking lane.

Commissioner Currie stated she understand that's for LPGA but that's still bringing in more traffic into the area, is her point and Center Avenue...

Mr. Forte stated it's not bringing more traffic into the area it's allowing traffic to flow better through the area.

Commissioner Currie stated, yes but it's bringing more traffic into the area from that Interstate, from the Outlet Mall, from everything else that's going to be built out there and that's her point. She is concerned about Center Avenue and if the city doesn't prepare for it...

Mr. Forte stated nobody's going to turn onto Center Avenue that's not going to either

the Fountainhead project or lives there.

Commissioner Currie stated but if they're going to Fountainhead then we're going to impact the residents that live in that neighborhood.

Mr. Forte asked what neighborhood?

Commissioner Currie stated around Center Avenue.

Mr. Forte stated all he can tell her is the analysis...

Commissioner Currie stated or down Center Avenue towards Flomich. People take Center Avenue all the time. When Commissioner Via used to live off of Eagle Drive she is sure he went Center Avenue all the time off of LPGA.

Mr. Forte stated what he can give the Commission, in comparison, is Metro Electronics. Metra has several hundred people that show up to work there every day at 8:00 AM and the city doesn't see a traffic problem at all.

Commissioner Currie stated she just needs to make sure that's all. Attorney Watts will make sure with that Traffic Impact Analysis that they are going down the right path.

Attorney Watts stated they want the same thing.

Commissioner Currie stated she knows they don't want problems.

Mr. Forte stated they're not going to do another analysis, the data exists. There's no sense in doing the data of those two..

Commissioner Currie stated so they're good with...

Mr. Forte stated what they are going to do is revise a letter and based on data that has already been collected and the information they know about the project, he's going to give the city an updated letter.

Commissioner Currie stated, okay.

Mr. Forte stated and Mr. Harowski has made a request of about four, five, maybe six items that he would like addressed in the letter, that by the time this gets to the Board of Planning and Appeals, that letter should be in hand, and it will address at least the questions that Mr. Harowski had an issue of the Commission's concerns with the traffic impact in that community.

Commissioner Currie stated, okay.

Attorney Watts stated they raised some very good points. One of things they can do

is come back through for the Board of Planning and Appeals and for the Commission meetings, is have Andy Ames, the traffic engineer from Lassitier and Associates here, because he explains it far better.

Commissioner Currie stated she is sure he has wonderful answers that she probably won't even understand and would be beyond her realm of thinking.

Attorney Watts stated he thinks intuitively there's been some... that 1% is a great example. They all look at that report and think, 1% does that makes sense because they're looking at this. The way that the analysis is done, so the River to Sea TPO has a standardized methodology for doing their traffic analysis and so when they are talking about the formula that was used to study the site, basically the site and the characteristics of the site at buildout are plugged into the TPO's model. The models and the formulas that the TPO adopts is the standardized model and the methodology for studying the site and it spits out the result. It goes through the analysis and it generates the result. They talked in the meeting on the 22nd about they go through and make some changes, manual adjustments, to what was happening and he thinks Mr. Ames was pretty adamant about not messing with how that formula...

Commissioner Currie stated if he gives us an answer, that's the answer.

Attorney Watts stated, yes.

Mayor Penny stated it's counter intuitive.

Attorney Watts stated they will make sure that when they come back through for those hearings they will have Mr. Ames here so that he can explain in more detail.

Commissioner Currie stated she's good with that.

Commissioner Byrnes stated for the record, Mr. Forte, it went by kind of quick. You said that this is based on new data or at least the existing data from today is not based on 20 years ago.

Mr. Forte stated no, the data was collected a couple of months ago.

Commissioner Byrnes stated, oh, okay.

Mr. Forte stated and that same data is still good today. It's only six...less than six months old.

Commissioner Byrnes stated because he understands Commissioner Currie's concern that if this was data that was collected when the school was there or whatever, he want to make sure that her concern is solved even though he doesn't share it but that's why he wants, for his own information too, that it's recent data.

Mayor Penny state when Mr. Ames is here it will make more sense.

Attorney Watts stated their points are well taken. He thinks the new data that they are focused on and the comments focused on was the new site plan versus the old site plan and which one was the basis for the study. The data in the study...the conclusion they reached, the data that was generated by the studies, are the same either way because the way that the study was conducted is in one connection point on each of those two surrounding two road ways. Whether that changed with the updated site plan or not the traffic volumes coming out onto each of those roads is consistent.

Commissioner Byrnes stated again, he can see Commissioner Currie's concern because there are Holly Hill residents that use Center Street all the time. He hasn't seen the little wires across the street where they count cars and so he's just assuming that they have all this other infrastructure in place.

Attorney Watts stated he thinks that data was collected and the data is still good and reasonable.

Commissioner Via asked did the data look at the possibility of having staggered shifts and if that cut down drastically on the amount of cars? Obviously, it would.

Mayor Penny stated from what he remembers, Commissioner Via, the data is so one-sided in their favor that it doesn't impact it. They could have five times the amount of trips here and it doesn't trigger any need for any additional traffic devices.

Commissioner Via stated he thinks that's why the Commission needs Mr. Ames here to explain that to the Commission.

Mayor Penny stated, right.

Commissioner Via stated who weren't privy to those meetings.

Mayor Penny stated he agrees.

Commissioner Via stated in his mind, he's just thinking 500 cars at 8 o'clock and 500 cars at 5 o'clock and he doesn't know if any of the Commission has gone down and sat at the light at LPGA at 5 o'clock, your way back. It takes three or four times to just get pass Nova Road.

Mr. Forte stated Commissioner, to that point, that is why the model shows most of the cars going out Walker Street to Nova.

Commissioner Danio stated Walker Street isn't much better though.

Mr. Forte stated what it does is it splits the traffic exiting the building, exiting the property and that's what's so confusing about it. You know, the time to argue the model is when the model is developed. You can't really argue the model when the results come out and say, "I don't like the results, change the model". That's always

a flaw where...

Commissioner Via stated that's not what he's doing.

Mr. Forte stated no, that's not what he's implying. He's not implying that. What he is saying is that it's very confusing in Commissioner Via's mind and in his mind to say, "how do these 500 cars get out of there without creating a backup". He is with Commissioner Via 100% and like they said, when the traffic engineer is here he will put it up on the board and he will show how that formula works to spread those cars out and they will better understand it. For him to explain it to the Commission or for non-traffic engineers to explain it to the Commission, he doesn't think it's going to do them any service until the engineer is here who is the expert in that field.

Commissioner Via stated he would greatly appreciate it.

Commissioner Currie stated she looks forward to have that, thank you.

Mr. Myer stated he can add to that and they will more than likely have staggered starts.

Commissioner Via stated, good.

Mr. Myer stated because of time zones. It's just something that he can't commit to right now based on where their business is at but he thinks that it makes sense so they can serve other time zones.

Commissioner Via stated as they grow.

Mr. Myer stated certainly, with that many people.

Mayor Penny stated he thinks they all imagine them leaving the Daytona 500.

Attorney Watts stated he thinks they all can imagine that.

Mayor Penny stated this trip chart goes a long way for himself showing how do they go from an unoccupied space to buildout but the next page is equally as important, he thinks, he doesn't know if they want to jump there and talk about the phasing of the entire project from Parcel 2 to Parcel 1 to Parcel 3 to Parcel 4.

Mr. Myer stated, sure. What they are seeing on this last page, it's showing them on the left side what year they are looking at and then uses and when they come online and the corresponding parcel that applies to. As they can see, in 2017 they have the headquarters and the academy which we are diligently working towards that goal to relocate by the end of this year 140 people. With that they will have 21,000 square feet of office space and they will have 7,000 square feet for the academy. Now, the next time they are going to add 70 people in 2018 and that will bring them to 210. They have enough space to get them through then. In 2018, they are going to have to be looking closely at the future needs. They can see in 2019 one of the

next pieces that comes online are the amenities. This is an important piece because not only because it adds to the project but they made commitments to their employees and the question has been raised before "what commitment or what guarantees do we have". They are going to talk a little bit more about that in a minute because he thinks they found a way to approach that, that it might have alleviated some concerns but the other aspect is here, he also has to provide customer service to over 100 people. These people are expecting more space, features, amenities, they've been promised these things. He has to deliver. In addition to the commitment to the city, he has other stakeholders that he has to make sure that he keeps happy and fulfill those promises to. In 2019, they are looking at the headquarters, the academy and some additional amenities such as the food and fitness. This creates additional construction, they start building the wings on the main corporate headquarters building and now they're at a total, by the end of 2019, of 310 people. In 2020, is where they see the most growth and additional features start coming online such as the daycare, the academy continues to grow and expand and now they've had to add even more and they start to build the other wing. In 2021, that's the year that the health center and hopeful that it may happen sooner but based on current trajectory, 2021 would be when the health center comes online and that creates another 16,000 square feet. In 2023, additional office and this happens on Parcel 3, which is outlined to be 30,000 square feet and they are expecting uses here that would be things such as business accelerator, other businesses the Synergy gets into, additional expansion, things of that nature. They are hopeful that anytime between now and then their workforce housing and the partnership with the third-party developer would come online and would bring that as part of the project. Right now, the sequencing is anticipating full buildout by 2023. Obviously, it's to Fountainhead's benefit to do it sooner rather than later because of the nature of the Incentive Agreement and the fact that they will be able to recuperate some of the tax increment finance revenue that comes in until the year 2025.

Commissioner Via stated he had a question. The workforce housing, they're not looking to 2023 or are they going to continue to try and get that sooner?

Attorney Watts stated they have a five year window, basically, built in for workforce housing.

Commissioner Via stated and that's based on a lottery that they have to receive?

Attorney Watts stated, yes. One of the changes that they will talk about in the Incentive Agreement, they basically recognized in there a five year window for the workforce housing. That would be something to move forward every year to try and get the (?) in the water. When that comes through then that project would occur. It's just shown in the final year.

Commissioner Via stated so it could come through as early as 2018.

Mayor Penny stated the sooner the better.

Attorney Watts stated it could come through as early as 2017 as far as the lottery drawing.

Commissioner Via stated the clinic, daycare, fitness and food café, are all of those going to be public? Are they going to be open to the public?

Attorney Watts stated yes, they are.

Commissioner Via stated, okay.

Commissioner Currie stated she just has a question about the workforce housing because they know that lottery, not everybody gets to win.

Attorney Watts stated, right.

Commissioner Currie stated if it happens that there's not a draw there even in that window of five years, do they have any plans to take care of that themselves or are they going to use that parcel for something else or what are the plans for that parcel if the lottery doesn't come through because there is that possibility.

Attorney Watts stated there is that possibility.

Commissioner Currie stated she hopes that doesn't happen but that possibility is there.

Attorney Watts stated it is a possibility and they have to recognize that. In fact, this year there was 140 entrants, more than 140 entrants in the mid-size county portion of that lottery. He believes there were three to five that got the funding out of that.

Commissioner Currie stated that's not very good odds.

Attorney Watts stated some of the things that increase the likelihood of the lottery occurring are things like proximity to employment centers, proximity to job creation, job training, things of that nature so as that comes along with the development of the Fountainhead complex, it increases...if they are familiar with the NBA draft, you get more balls in the in the lottery. They see the likelihood, the scoring of those...of that site, will continue to go up. Now, from a structural standpoint, in the agreements that they put together or what they provided, at a point they get to at the end of five years if that lottery hasn't come through, that workforce housing hasn't developed then that property would then would be an option for Fountainhead to acquire that property, as well, as one of its options and then it would be developed either as an additional supporting space for the campus, they can look at alternatives for...perhaps looking at other alternatives for housing (?) things of that nature.

Commissioner Currie stated so they haven't really put a lot of thought into that. She is more than hopeful that will come through. Obviously, she would love to see that work out because it will make the whole picture come into play but she has to also look at the fact that there's a good probability that it may not so she's just curious if

there's been any forethought put into what could possibly be done without property or that parcel.

Mr. Myer stated if things go gang-buster and it grows even past their wildest expectations, it keeps them in Holly Hill. It keeps them growing and building right there bigger than anywhere else. What they've been thinking about is if the workforce housing doesn't come online which they view is a pretty credible piece of the project but they understand that there's a certain amount of that that is out of their control. They would come back before the Commission and it would have to be approved first for some of the other uses that have already been approved.

Commissioner Currie stated, okay.

Mayor Penny asked if there are any other questions for Attorney Watts or Mr. Myer.

Commissioner Via stated, yes. Are they going to continue the workshop after? In his meeting with Mr. Forte he mentioned something about incentives and this is now, all kind of changing.

Mr. Forte stated the Incentives Agreement and the Purchase and Sale Agreement are on the regular agenda. If the Commission has questions on the incentives they can talk about that on the agenda item itself but if they have questions about the PUD, now is probably the time to do that.

Mayor Penny stated they will talk about the agenda items but he doesn't believe... because of the changes that are made, will be ready to be voted on tonight.

Mr. Forte stated that's correct.

Mayor Penny stated but they will probably be ready to vote on in two weeks from now, on the 24th. For the interest in time and there's a lot of people here that want to see some of their loved ones receive awards this evening, they will go ahead and adjourn this workshop now and they will take a quick five minute break.

Commissioner Currie thanked Attorney Watts and Mr. Myer for the work they have put forth so far and she thanked staff for the work done so far as well.

Commissioner Via stated it's good to see it coming together.

3. **ADJOURNMENT**

The workshop session adjourned at approximately 7:05 PM.


Valerie Manning, City Clerk 1/10/2017

A handwritten signature in black ink, appearing to be 'JP' or 'John Penny', written over a horizontal line.

John Penny, Mayor

1/10/2017