



CITY OF HOLLY HILL, FLORIDA

CITY COMMISSION

MINUTES • MAY 9, 2023

City Commission Chamber

Work Session

5:00 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**

2. **ROLL CALL**

Attendee Name	Title	Status	Arrived
Chris Via	Mayor	Present	
John Penny	District 1 - Commissioner	Present	
Penny Currie	District 2 - Commissioner	Present	
John C. Danio	District 3 - Commissioner	Present	
Roy Johnson	District 4 - Commissioner	Excused	

3. **CRA EXTENSION**

1.

CRA Extension

(Requested by Valerie Manning, City Clerk)

Mr. Forte stated they talked about this at the previous work session and he said they would come back and have another discussion and the point of it is to get to the Commission's direction on moving forward. He doesn't want to assume that everybody thinks we're going to automatically extend the CRA time frame. There's some criteria...he sent them out his list of notes he had back from a year ago in May when he met with Kevin Fall, he met with Clay Irvin and one of his staff members to talk about it and there was a little more than a dozen items that came up on here that were of note. He doesn't want to say of concern but of note that they need to consider in moving forward. He thinks the most important thing they need to plan for is if we're going to hire a consultant to update the Master Plan and update the blight study, and they'll do that in to comparisons to what it was back in the '90s when they first did it. But in order to do that, according to what we're hearing from Clay's office, is they're wanting to see more specificity and what kind of projects the city wants to put together and then there's going to be certain restrictions. I've said it before, and Clay has reiterated that things like community policing to be funded through the CRA will no longer be an approved project. They want to see more things that are substantial in nature, to put a dollar value on with specific dates for starting and completing. John Cox actually had a meeting with one of Clay's staff members and he'll have John come up here and give you a brief update on what his conversation was but if I run down this list of my notes originally, we have the

ability to extend the CRA out until 2039. Politically, there may be a majority of the County Council that's in support of extending the time frame of CRA's. They're not necessarily in support of expanding the boundaries unless there was...there would have to be a revision and a plan that would justify why you want to extend the boundary or expand the boundary and possibly reduce another area. He thinks the City Commission did that when he was in Seminole County, you took a certain area of the CRA out and then you expanded it to incorporate the 1200 Center Street property. Again, we need to update the Master Plan. They are focused on affordable housing projects in the CRA's. While we do have a potential affordable housing project occurring, potentially at 1200 Center Avenue, he will try to touch on that maybe at the end of this meeting and get some of your thoughts on that. Community policing, again, that's not something they would support. Septic to sewer projects is favorable if it ties into the Indian River Lagoon. The Indian River Lagoon is not up here, although the Intracoastal does flow into the Indian River Lagoon. Is the Lagoon north of Ponce Inlet or south?

Commissioner Currie stated, south.

Mr. Forte stated if it's south of Ponce Inlet then it really doesn't flow in because it would just come and go out of the inlet. So, there may not be a direct connection there. They are also talking about clawbacks for certain projects. That if they're not funded they will pull their money back on it. We did talk to them a little bit about quiet zones along the FEC so that may be a permissible project that they would support. Mr. Forte asked if John Cox had more to add that he wanted to update the Commissioners on from your conversation with the staff members?

John Cox, CRA Coordinator/Economic Development Manager stated there's not a whole lot that he could add to what Mr. Forte has said. Maybe just a nuance or two. On the issue of affordable housing while the special district of the CRA, the State focuses on housing options especially for low moderate income and what a community or CRA would do. The County Council may or may not be in support of creating more opportunities for housing and the example for that would was, he was at a County Council meeting last month on another matter and they had a discussion on housing and the staff, Clay Irvin actually, was one of the folks up there making the presentation. They had prepared a list of available properties in the County and he thinks at that meeting the staff was directed to just put that on hold or actually, pull some of them out. So, it may not be the priority that it once was from the County perspective but he thinks from the State perspective it probably still is. The infrastructure related issues with respect to grants for sewer connections could be permissible and as Mr. Forte said clawbacks, declining scale, he thinks the County Council is finding that in its next budget year its going to have \$10 million for the SunRail program so that's the first expenditure of that kind and that's going to be a recurring expenditure for them and so they want to find ways not to abandoned the CRAs but probably get on a declining scale and find ways for communities to support the things that are going to be in individual communities. The sound barriers may be permissible and he thinks they would be very willing to hear a presentation about that but again, he doesn't want to add anything to what Mr. Forte has said. They want very specific projects with very specific start and stop times and very specific, as much as you can, cost analysis for spending income and expenditures. With respect to the boundaries, if you're going to go through the process of creating a new plan and re-envisioning the CRA or extending its time, that's actually the perfect time to

consider changing your boundaries because if you change your boundary today you virtually have to go through the entire process again, recreating what you've already done. He thinks we have a window through 2026 that's when ours expires. It can go further than that. The one in Deltona is not ready to expire for another 13 years so they still have a long way to go. He thinks if he understood correctly, that the County Council could, by a super majority vote of the County Council, extend a timeline even further. He thinks there are more unknowns but he thinks the planning is very important if you want to continue to see the work of the CRA be done. He does think it's going to be done in bolder brush strokes and he doesn't know what that means for the City of Holly Hill. We have sign grants, paving grants and demolition grants and murals in our grant application this year and the number of people you talk to and that you actually get in the pipeline, getting those people through the pipeline is one of the most difficult things and when they come out on the other side. He is working with a recipient now who actually go the work done, has the new sign up and he's trying to gather the information just so the manager can write the check and the qualifications for that grant would be satisfied. He thinks the lowest hanging fruit and the biggest bang for the buck would be for the city to find someway to exploit what is going on across the street at Pictona. That is bringing, literally, thousands of people to the City of Holly Hill who otherwise would never would have been here and they're going to keep coming. They're going to keep coming for a long time. He doesn't know what it means over there. He doesn't know that we need more pickleball courts. It seems like everybody is making them but exploiting that campus with additional entertainment opportunities or new businesses. He does think it's going to have to be the face of new businesses that really continues to generate more activity.

Mayor Via stated Mr. Forte, let me ask just a couple of questions jus so we're all clear and to your point, Mr. Cox. I think, in my vision, that with the CRA, one of the most useful tools that we have had is our grant program and the ability to help our business owners in a lot of ways has made us such the business friendly city and he believes businesses have had a better time with our City Hall than other City Halls and that has been repeated to me from the business community. So, is that not going to be permissible anymore? Meaning, that we can run these types of grant programs through the CRA anymore?

Mr. Cox stated he believes they will continue to be permissible.

Mayor Via stated, okay.

Mr. Cox stated he thinks that's a local jurisdiction decision.

Mayor Via stated but they want to see projects. They want to see the meat. That's the potatoes that we're allowed to do as long as...

Mr. Forte stated when you think about that, we do less than \$100,000 a year in local grants compared to the millions that we bring in. It's an insignificant amount of money and he doesn't know if its because of complacency or business owners don't want to reinvest in their properties. He's not quite sure what it is.

Commissioner Danio stated he doesn't think a lot of people really know the possibility is out there.

Mr. Forte stated that can be debated. We've gone up and down the street and provided information to them directly. Kevin Fall, when he was here, literally walked Ridgewood Avenue from one end to the other and dropped information off.

Mayor Via stated but for many businesses that have moved here it has actually been a huge help for them. In some cases, even a defining factor.

Mr. Forte stated, yes, there's some. Like he said, it's not a big number. We would still continue to do it and try to promote it even more because he does think where it was utilized it has been successful and there's definitely visible results from it.

Mayor Via stated it's just like a company that wants to move here just down the street and maybe we can be able to work with them, at least we have that tool in the toolbox to be able to talk about how the city can help make it a reality and then it helps the whole business community and throughout the community. He wanted to be clear on that. The other question that he had was, is the blight study that we would have to do and the consultant, is that already in our budget for this year?

Mr. Forte stated, yes. We put money in the budget, he forgot how much, he thinks \$50,000...

Mr. Cox stated we have \$100,000 for this year but his guess is that we're not going to spend \$100,000 this fiscal year.

Mr. Forte stated there's \$100,000 specifically for the consultant.

Mayor Via stated, okay and that should cover what we need for the consultant to do a blight study?

Mr. Forte stated you will want to conduct the blight study and that will be compared to the previous blight study and you will want them to update the Master Plan and that's where we're talking about projects. The last Master Plan was a little bit more broad and we really deviated things...they had things in there like streetscapes. Well, we never got around to streetscapes. There were a lot of things in there that we did and accomplish but there are some things in there that just didn't get accomplished because I don't think it's feasible, not practicable. He thinks that also has to be updated to make sure that it includes whatever new projects that we think we could get accomplished in this next period.

Mayor Via stated so as a baseline from this Commission, is there anyone objecting to us going down the path of going after the next CRA?

There was no one from the Commission that was in objection.

Mayor Via stated he thinks they are all on board that they want to move forward. He thinks now they need to take the discussion into what type of projects we should ask...Are we going to ask the consultant if these projects will...

Mr. Forte stated here's how a consultant works. The consultant comes to town and he meets with the elected body and he gets a feel for where you think the projects are going to go and then he takes some of that information and he brings it out into the community through these charrettes and they have these community work sessions and he presents some of those ideas and he seeks input back from the community as to whether or not they would support those or if they have any different ideas that they would like to be considered. But he doesn't want a consultant coming in here and having a blank slate.

Mayor Via stated, right.

Mr. Forte stated really, that direction should come from the five Commissioners. It shouldn't come from the manager. It should come from the elected body and you should be getting your information from your constituents.

Mayor Via stated, right.

Mr. Forte stated you should be hearing from them and talking to them and getting their

ideas and then what you think is a good project you kind of set that consultant on a path to see if that's the direction that we want this Master Plan to go.

Mayor Via stated at this point, we can talk about some ideas that we all have. He will kick it off. A couple of things, he knows for a long time we have looked at the motels along US1 (Ridgewood Avenue) and he knows it's been a concern of law enforcement for many years and there's been great projects like Commissioner Penny's business down the street, it turned into a wonderful business community. He doesn't think all of them can be that way. Every different place has challenges and then we look at how small the lots are on some of these places, is there enough parking, could they be torn down, built into an office space or a restaurant but then you have the water retention restrictions now and you can't make it work with parking. There's a lot of challenges to that and over the years he has talked to Mr. Forte a lot about this. The other problem that we have with that is that a lot of these motels actually make a lot of money and so the cap rate on these motels are very low, which means they're very expensive to purchase. He's not convinced it's the way to go but he definitely, if he could wave a magic wand, he believes the most blight throughout our business community is some of those motels. He would like to see something done with them. He doesn't know what and he doesn't know how much money that entails but that's just something I wanted to throw on the wall as a goal. The other thing that he would like to see in the next (*? Cannot make out on audio*) is an emphasis on LPGA. LPGA, more and more is becoming the gateway to our city with people coming in and he knows we need projects. He knows that we have talked long term about four-laning LPGA and what he would say to that is tie in and he hasn't talked to Mr. Forte about this yet, the canal and stormwater. He knows what the County provided to staff, talked about stormwater improvements as well. Maybe that could be tied into...because when we look to four-lane LPGA, if we go down that path then the biggest problem hurdle we have to get over is that canal. Obviously, there's going to have to be massive amounts of stormwater changes there. We may have to get creative. He would like for that to be in it if there's going to be a CRA and so that would be included along LPGA. There's also a couple of businesses that could maybe be helped along LPGA as well. Those were just off the top of his head as a couple of things that he wanted to see and he also wanted to see a continuation of having that tool in the toolbox to be able to provide businesses grants and to be able to help businesses when they come to our area. He thinks it's really important for this city. Mayor Via opened the discussion up to any of the other Commissioners with ideas.

Commissioner Danio stated motels, he thinks, is going to be everybody's first because we've come leaps and bounds and so far we are removing all of the outside displays that were getting out of control and he thinks we've done a great job on that. The problem, he was talking to Mr. Forte, what do you do if you end up, like the Mayor said with a magic wand, end up with the motels and they take them down and we end up with empty parking lots, no tax base so it's like what are we going to do? It's kind of an animal that we're going to have to figure out. The first thing that he thought about when Mr. Forte was talking to him about, is we had that talk a few years back, I had a few ideas and I threw up there some pictures of places that I went to that had all these peanut figure type things and their city was kind of known for the Peanut Capital of the World by putting up all these peanut statues and I was trying to throw out some creative ideas for these people to maybe get a vintage stroller on his property versus having twenty old strollers;

something like what the guy at Amish Home Furnishings store has on Ridgewood Avenue. Our city has Pictona and pickleball is kind of our thing now. If we can figure out things that are pickleball themed, like this one thing that he threw out there like having some of the signs that you see for a park that way and have a pickleball paddle theme or a sign and just see if we can feed off of that in certain areas somehow. Some people driving through would know from one end of the city to the next it's not just Pictona, it's pickleball. It's kind of throughout our city that we're running the theme through. Retail, like they were talking about earlier, the brick-and-mortar retails, building on empty lots is probably not going to be that...they have enough empty buildings to refurbish and kind of fill up. The other thing he thought about but Mr. Forte said it's kind of small potatoes is continuing our murals ideas, especially with some of the buildings that could really use a little spiffing up on the sides. We have a grant for that and maybe we can push for that. Commissioner Currie stated she basically has some of the same thoughts. The motels and Ridgewood Avenue, we really need to seriously look at that corridor. A project like LPGA widening, would that qualify under our CRA since it's not really the city's road? Mr. Forte stated it's in our CRA district.

Mayor Via stated, yes. But not the widening; he doesn't mean the paving of it. He doesn't think that can be included.

Commissioner Currie stated, okay. She was talking more of the stormwater aspect of it.

Mayor Via stated stormwater and then keep it in there for the businesses along there. It's a gateway.

Commissioner Currie stated, okay.

Mayor Via stated we have a junkyard along there...

Commissioner Currie stated, exactly.

Mayor Via stated that we could maybe have some creative ideas.

Commissioner Currie stated, agreed. She just wanted to clarify. She really thinks that we need to try to embrace Pictona as far as maybe coming up with some ideas. She knows we really need to work on parking for Pictona. She sees it when they have their tournaments and it's not adequate. She saw it Saturday when they had a tournament. It wasn't supposed to rain until 11:00 AM but a monsoon came down around 9:30 AM/10:00 AM.

Commissioner Penny asked if the cars got flooded?

Commissioner Currie stated well, there was one where they kept calling out the owner because it was almost up to the door and she had suggested to Mr. Forte today that we put some kind of a warning signs up there, retention area, parking area or something. She just really thinks we need to look at that as well and she doesn't know what some of that would entail at this point but she does think they need to look at those things.

Mayor Via asked can he expand upon that?

Commissioner Currie stated, sure.

Mayor Via stated Mr. Forte, what about the lot that is to the south of Shirley Hayman Park.

Commissioner Currie stated, yes. We've talked about that too.

Mayor Via stated he knows its low lying...

Mr. Forte stated Shirley Hayman Park is at Mason Avenue.

Mayor Via stated I'm sorry, not Shirley Hayman Park, Hallman Park.

Mr. Forte stated it's actually east of Hallman Park along the railroad tracks and staff

contacted those owners several months ago, just anomalously, not that they knew it was coming from the city, but just enquire if they would have interest in selling the property and the response they gave back was that they are putting plans together to put warehousing on that property. Don't know if that's true or not but that was the response that we had received back. That property is also very low in the wetlands. Certainly, in the floodplain. There will be a lot of challenges to putting parking there not that it's not possible but it certainly will have its share of challenges if we are going to put additional parking there.

Mayor Via stated that's the reason he brings it up because he knows, at least prior, the County was interested in environmental and since it's such a low lying area, if the city could...if it's going to be developed it would have to be built up, it would have to go through a lot of different things. If we could actually save a lot of it and in the front part have parking and maybe a pocket park, some kind of new thing. It may be an idea that we look at future wise and include in the CRA. He remembers the County was talking about conservation. So, he doesn't know if there's a...

Mr. Forte stated that wouldn't count as conservation land.

Mayor Via asked even if we did like half of it...

Mr. Forte stated he doesn't think it's big enough to be considered conservation land.

Mayor Via asked is it not...

Mr. Forte stated conservation land has to fit into acreage.

Mayor Via stated, alright. He was just throwing out ideas.

Commissioner Currie stated possibly some of the properties over here. She knows Laura's Boutique, she had passed away recently and she doesn't know what they're doing with that but maybe purchasing some of that up to try and get some smaller chain hotels interested. Like a Holiday Inn Express or something like that to accommodate Pictona. She just thinks that might be the road to go. It's going to be two-fold. It's going to help them clean up Ridgewood Avenue, like we all know we want to do and we have wanted to do and we're doing. Those are just some of her thoughts.

Commissioner Danio stated he was going to say when she said about the Holiday Inn Express, he had said a long time ago about the Florida Health Care facility would had been nice.

Commissioner Currie stated, yes.

Commissioner Danio stated because he thought even though we're not on a highway corner like some of the big hotels, a little small in between type hotel like that would be great for the city.

Mayor Via stated, sure.

Commissioner Penny stated when he first started thinking about it, the first thing that came to his mind was the quiet zones because Mr. Forte has already talked to the County about it and then LPGA came right to his mind and then he really starting thinking, "what's the purpose of the CRA?" To remove the blight and he thinks they would all agree that one of the biggest blights the city has are the motels. Yesterday, he reached out to the Police Chief and the Commissioners got an email today with a spreadsheet. He asked the Police Chief, "Hey, is there anyway to show the calls that go to these motels?" Commissioner Penny stated he doesn't think they are really motels. A motel is something that you drove from New York and you spent the night on your way in to Miami. These are places that people are living in. They're apartments. Chief Miller put together a

spreadsheet for the Commissioners. He was busy at work so he didn't get a chance to digest it all (referring to the spreadsheet). He started looking at it real quick. He looks out his front window and there's...712 Ridgewood Avenue is right across the street from him, the police are there all the time. When you look at the spreadsheet, if they had a chance to look at it, the police are at a lot of these motels more than once a week. It's mind boggling how much they're going there. When you look at the clientele that are living in these motels, a lot of them...he had a guy...I had to call the police last week because someone was evicted from 712 Ridgewood Avenue and set up a camp behind my office. The guy was living back there. When you look at it, okay that's terrible but then you look at the ancillary effect that the people that live in those motels. If you drive down State or 3rd Street or Daytona Avenue and 8th Street...and one of the biggest complaints that he gets is drug deals. It's the drug deal that happens on the side of the road that fast. Cops can't be everywhere all the time. If the citizen calls it in it's too late; it's gone, it's happened. But he believes a lot of that drug activity is coming, the buyers are living in these motels and the drug dealers aren't going to the motels because they know they will get caught, boxed in and caught by our law enforcement officers so they meet them on these side streets. Commissioner Penny stated he thinks that needs to be our number one focus. How's it going to hurt us? We're going to tear all these buildings down and we're going to have no tax base. Just using 712 Ridgewood Avenue, the property appraiser has that place assessed fair market value at \$252,000. They pay \$4500 in taxes annually. The city's portion is \$1500 annually. Let's just take the whole tax value at \$4500 and just use it as an example because they're all different. He didn't analysis all of the data but if we take the thirteen motels that are on the spreadsheet and if the entire tax bill is \$4500 that's less than \$60,000 less revenue if all those motels were eliminated. So, it's not like it's the end of the world. He's not saying eminent domain them. He's saying go in and negotiate. Ask for them at fair market value for their property. Former mayor Bill Arthur told him years ago the definition of blight is if the property is more valuable without the building on it and if you eliminate the building, you're going to eliminate the people living in the building, you're going to eliminate a lot of that ancillary drug activity on the side streets and I think that's going to be the greatest impact we can do for this area.

Mayor Via stated and to build upon that though, is not only, we have to look at it, we're not loosing that taxable value. He believes that taxable value for the businesses around it is actually going to go up. Especially, with time.

Commissioner Penny stated and it may add additional parking. Some of these businesses are pinched for parking. Commissioner Danio, perfect example. He had to buy the barber shop so that he could get people to park there. When the Florida Department of Transportation (FDOT) took away all of the on street parking. He just tries to think of the worse case scenario. They know he's a number guy and sorry that he's not prepared as he should be but it's just an example. It's attainable. If they have...and he knows that they have talked about it but we've never really done anything about it because we've had all these other focuses. The city has done a lot of good things with the CRA over the last 20 years.

Commissioner Danio asked if he could ask Commissioner Penny a question. A lot of those guys are making a lot of money on those things (referring to the motels) because you say that they're like apartment type, are they going to be like the 8th Street guy, kind of sticking it to the city because we...

Commissioner Penny stated it's all negotiable.

Commissioner Danio stated, right.

Commissioner Penny stated it's all negotiable. The value is whatever the buyer is willing to pay for it.

Commissioner Danio stated but their value might be what they think because they're turning this over year after year after year.

Commissioner Penny stated he gets it. There's how much are you making? How much are you reporting to the IRS? How much are you reporting to the bed tax? All these things.

Commissioner Currie stated, she agrees.

Commissioner Penny stated he understands there's businesses that have two sets of books. In a cash business, it's very easy to have a couple of sets of books. He doesn't know what the things are but he knows everything is for sale for the right price.

Commissioner Danio stated, right.

Commissioner Penny stated he's not saying that we go in and offer him ten times the value of it but if it's assessed at \$252,000, it's probably...if you assessed it on the cash flow basis, it's probably worth more than that. So, maybe it's worth \$400,000, maybe some of these owners are getting older and they're ready to sell, maybe their kids don't want to take it for the next generation. He doesn't know but he thinks when they look at what can we do and what have we done and how much better, you'll get a hundred times more impact by eliminating one of these motels than to painting five more murals on buildings in town. The murals are going on the good buildings.

Mayor Via stated, right.

Commissioner Penny stated and the people that apply for the grants, the signs, there the best buildings. The worst buildings don't want to spend another dime on their property. If we eliminate that from the US1 corridor, he thinks that would be the biggest bang. He would say motels, LPGA, and quiet zones. He thinks we are all kind of saying the same thing.

Commissioner Danio stated one of the books he read not too long ago on the Airbnb places and it would be nice to see about or putting...kind of transitioning some of these motels into something that would qualify for an Airbnb.

Commissioner Penny stated it would be nice. He wouldn't recommend his worst enemy to spend the night in one of these motels.

Commissioner Danio stated, he agrees.

Commissioner Currie stated, no.

Commissioner Penny stated he was so embarrassed when we had the art show a couple of years ago at City Hall, he was talking to one of the artist's, "where are you staying?" He said, "I'm staying down at this place here but I'm afraid to get under the covers", he said.

Commissioner Penny asked what does that say?

Commissioner Currie stated to go off of that, like with Pictona, we've had NBA stars here, we've had NFL stars here because of the Major League Pickleball tournament. We've had numerous people over there and where do they stay? They certainly don't stay in Holly Hill. Just the appearance of our city would benefit from that being placed top priority for the CRA. She agrees.

Mayor Via stated he agrees too and to expand upon it and he's going to play devil's advocate, he completely agrees with you. Look, we've identified the problem. He thinks

they can all agree on that. The other thing he wants to add to before he goes there is that this CRA has been a very well managed CRA. Down south there's been some that completely were run absolutely wrong and you can see the impact that the CRA has made in our city by just driving down US1 and seeing the beautiful trees, seeing the landscaping, seeing the powerlines going down and all of these projects that are taking place. It's been an amazing charrette and now we're left with, what else do we have to do? Well, what was left out of the CRA over the last 30 years, even though it was an idea that kept coming up was we could never really purchase those motels. But another thing that we can look to do too is because, it will surprise you the amount of money these people are asking for these motels. A couple of them are for sale right now and I've looked at them for investors and they want absolute top dollar and it's probably a lot like what Commissioner Penny said, maybe they have a lot of cash that's coming in as well that isn't necessarily on the books. But what we could maybe look to do is with the CRA and he doesn't know if the County would be for this, is to incentive more people like with Commissioner Penny's location down there on Ridgewood, to help...we don't necessarily need to take on the burden of purchasing it but we could come up with programs to entice other entrepreneurs to come in and create businesses or to create something better or maybe we identify a place where there's a really great operator that can come in and do something better at a higher standard. Maybe that's something that we can look into as well so that way...he has a deep seated reservation that he believes government should be less and that we shouldn't make the market, we should...the market should make the market. Where he hesitates is, is coming in strong and we're making the market here but the other side of the coin is, as he sits here directly as Mayor, is we've identified the problem now we just need the solution because he agrees with them. He thinks it brings the wrong, he doesn't want to say type of people but it brings crime and it brings other activities that the city is trying to get away from and is the definition of blight in his eyes.

Commissioner Penny stated he agrees with the Mayor that the market should set the market but he believes that the CRA is there to do things that the market won't. To jump start the market. He's looked at several of the other motels, similar to his unit, most of them won't work. Most of them the structures are too small. What was unique about our place was they were separate. There were two together. There were two rooms together with the wall between them. They tore the wall down and now we have twelve separate buildings that were twenty-four units. If you could find the proper place now you have St. Johns stormwater management and all those things. He doesn't think you could build our complex today. It couldn't be done today. There's no retention there.

Mayor Via stated, good point.

Commissioner Penny stated he thinks we're all saying the same thing. We just don't know how to get there.

Mayor Via stated, yes.

Commissioner Currie stated, exactly.

Mayor Via stated Mr. Forte, I don't know if you need more clarification or direction.

Mr. Forte stated, no.

Mayor Via stated what he's hearing is that we do a contract with a consultant and start that process.

Commissioner Danio stated one of the things that he, not to interrupt, when Mr. Cox was

saying about having a start time and end time, can we actually commit to an end time the way things seem to prolong?

Mr. Forte stated we have to have an end time. The CRA has to end. They have to have a project...

Commissioner Danio stated no, he doesn't mean that. He means when they start something, we can start on this date but the way things are can you...

Mr. Forte stated if we're not showing progress by a certain date that's where they have the clawback.

Commissioner Danio stated, okay. The progress...

Mr. Forte stated, yes. The only thing he would add in addition to what all of you have talked about is, somebody had mentioned the salvage yard on LPGA and the possibilities of relocating them. It's something that we will need to look at to see if it's possible, within the city, outside the city, what the cost would be. Again, we all know that the motels are the biggest problem. They've been cleaned up compared to what they were 30 years ago but they still remain a problem and they still have the same issues that they've had for a long time but because they are on substandard lots, if you buy a motel and you tear it down, you wouldn't have a grassy area there, it's going to have to be maintained unless you can buy them where their two together, which there's very few except a couple of them at the south end of the city, you're going to exchange it for vacant land, unless you put in public parking. In order to put in public parking you have to have people to park that want to go somewhere. Again, these lots are so small that you're not going to get a lot of parking on them. We can head in the direction of eliminating the blight and putting in these, he doesn't even want to call them pocket parks but they will require more city attention and maintenance to keep them grassed and green and whatever have you. We can certainly head down that road. We can start looking at that even now. Just keep in mind what we've had. When he was here the last time, he actually did shut down some motels and some trailer parks and some were removed in his absence and they still have 3rd Street and 6th Street that have been vacant now for over ten years. It got rid of a problem but now you have people saying, "well, vacant land; undevelopable; who wants to build there?" They have to do something to overcome that as well. He thinks we have enough here to kind of get started. He thinks we should do away with the less important things that we have been doing and focusing on the bigger change that when somebody drives down the road and they notice what's been happening. Something has to disappear. The blight has to go away.

Commissioner Danio asked would some of these motels be in a position that the code violations or do they...

Mr. Forte stated they don't have enough code violations where you're going to condemn them. The only way you're going to do that through Code Enforcement is that they're in such bad shape that you condemn the buildings and you have them torn down.

Commissioner Danio stated he doesn't know what the situation is but maybe Mr. Walker would know, some of the motels would give us better leverage because a number of code violations.

Mr. Forte stated you don't have code violations to the extent that it's going to cause condemnation.

Commissioner Danio stated no, it doesn't have to be condemnation but it would be where out of compliance...like some of these lien reductions that we've done.

Mr. Forte stated the only thing that they can do, what you're alluding to is, is you get code violations that they don't repair that generates a lien on the property that accumulates to a point where the city would foreclose on it. Foreclosing on the property doesn't mean the motel goes away. It just means somebody else buys it and they turn it back into a motel. That's what happened at 128 Ridgewood Avenue.

Commissioner Penny stated unless the city were to buy it.

Commissioner Danio stated that's what he's saying, it would put us in a better position.

Mr. Forte stated if you foreclose on them and then you can become a bidder on it and you can bid against anybody else.

Commissioner Danio stated well, even if it didn't foreclose, if we're talking about making an offer that would be above...if we had some leverage...

Mr. Forte stated you can't use Code Enforcement as a leverage for the city to buy it.

Mayor Via stated yes, let's slow our roll on that. He knows what Commissioner Danio is saying but...

Mr. Forte stated we shouldn't beat around that bush.

Mayor Via stated we shouldn't be targeting any property whatsoever for any reason. He wants to say heck no to that.

Commissioner Currie stated maybe in a sense to clean them up.

Mr. Forte stated the city has Code enforced them.

Commissioner Currie stated she was going to say that's been tried for years.

Mr. Forte stated but what they do is they bring it up to the minimum that they have to do to bring it back into compliance and the code violation goes away.

Commissioner Currie stated she really thinks they have no choice but to look at purchasing the properties.

Commissioner Penny stated you're going to have to overpay to eliminate the blight.

Mr. Forte stated, which is fine if that's the direction that the Commission wants to go but we can do that. You have overpaid for The Market. They put a lot of money into The Market and the city sold it. It's a productive piece of property today.

Commissioner Penny stated, right.

Mr. Forte stated you have oversold for 6th Street, you oversold for 3rd Street. We oversold for 8th Street and Ridgewood Avenue. We're the government. We're going to over pay for something and you're going to get even less in return.

Commissioner Penny stated while they're talking about motels and he didn't ask Chief Miller about this, Maple Leaf Gardens. He hasn't heard much about Maple Leaf lately. He knows it has gotten a lot better.

Mr. Forte stated well, the principle that was involved at Maple Leaf is deceased who had most of the problems most of the time but a couple of years ago, prior to COVID-19 the city did a very intense Code Enforcement on that property and they brought it up into compliance. He doesn't hear much about it either so either some of their clientele have changed, they're not falling out of code compliance.

Commissioner Penny stated his thought was if it were for sale and we say that we need a hotel in our area, that was a hotel at one time.

Commissioner Danio stated it was a Holiday Inn, right?

Commissioner Penny stated it would be a great place to...

Mr. Forte stated let me just put you in perspective on a hotel. We've talked to the hoteliers, they are not interested and they have advised us that nobody would be

interested in building a hotel on Ridgewood Avenue because it's not on a main thoroughfare, like an interstate, and it's not along the beach like A-1-A. It's nice to think that Pictona needs a place for people to stay but a tournament once a month is not going to sustain a hotel.

Commissioner Currie stated she gets it.

Mr. Forte stated we've talked to them. He's talked to Bob Davis and he said the hoteliers are not going to build...and it's not Holly Hill...

Mayor Via stated he has spoken to realtors as well and that is the case. It's not offense to Holly Hill.

Mr. Forte stated no, it's not Holly Hill.

Mayor Via stated it's not even the motels, it's just the fact that they're building next to big things to do the beach and what have you.

Mr. Forte stated he thinks that somebody could buy these smaller motels and clean them up and make them accommodating for people coming to play pickleball, absolutely. Somebody can buy the one right next door and call it the Pickleball Inn. Decorate it in pickleball fashion and turn it into something that's productive and a true motel where people come and spend a couple of days or a week and they leave.

Commissioners Currie and Penny stated, right.

Commissioner Currie stated not like the ones now because they're month to month to month.

Mr. Forte stated, right and unfortunately, we can't do anything about that.

Mayor Via stated, right. He knows that the Commission is going to have several of these discussions and just for any of the public listening at home, there will be a lot of public input into this whole process and all of your Commissioners, including myself as your Mayor, are always accessible and willing to listen, especially if you have ideas.

Mr. Forte stated he would like to ask the Property Appraiser why he doesn't assess these motels at a more equitable value that they pay more than \$1500 a year in taxes.

Mayor Via stated that's a great question.

Commissioner Penny stated the Property Appraiser sends the business owner a way to evaluate and you're not required to fill it out. It asks for your expenses and your revenue. You're not required to fill it out. But this would help us get a better estimate of a true market value of properties in your area.

Mr. Forte stated and he thinks he should go the other way and he should over assess them and let them go to the value adjustment board and justify why it's too high.

Commissioner Penny stated, yes.

Mr. Forte stated he doesn't think any motel has ever gone to the value adjustment board and he thinks maybe it's time they should.

Commissioner Penny stated, yes. He was surprised at how little taxes they pay.

Mayor Via stated he didn't know how little, especially with how much their posting their businesses for, well over a million dollars and if it's assessed for \$200,000 that's a little off.

Commissioner Penny stated it's showing his cash flow.

Mayor Via stated he believes Mr. Forte has his direction unless he has further questions.

Mr. Forte stated no, he doesn't think so.

Mayor Via stated we have ten minutes left and one thing, initially he thought of, when they were talking about the CRA, to look to include the historic road, Daytona Avenue

for homeowners to be able to access certain funds. He knows that Daytona Beach has that on beach side. He moved away from that in his mind for several reasons but one thing that came up was the church back here.

Mr. Forte stated that's in the CRA.

Mayor Via stated and is currently, right. He wasn't sure if Mr. Forte had any news on that.

Mr. Forte stated, no. He's waiting for them to come back with the appraisal on it. Of course, we had the folks at Pictona look at the dorms to see if they would accommodate any needs for the youth that come in to town or referees that come in to town for places to stay but it can't be a give away for the city. The city has to make market value on it. He looked into the opportunity of the Historic Society moving into the church, which would be a wonderful...the oldest church in the city housing the Historic Society would be wonderful but there's work to be done and who is going to do that work? The city can buy it, they can move in and use the sanctuary area but there's a lot more rooms in that church, he had a chance to go through it a couple of weeks ago, and it needs a lot of work in order for it to be functional. Who's going to pay for that? Are we going to pay for that or is the Historic Society going to raise money to do it? They would have to be here a long time to raise that kind of money. One thought is to move the Historic Society and the Chamber of Commerce over there and then free up the building across the street and either put dorms there for pickleball or other businesses that are related to pickleball on that property. He's waiting to get the appraised value back before we can decide if it's something that we're really interested in purchasing and even with the appraised value because the church is going to be disbanding, if that's the right word, they have to do something with the monies. Typically, they will donate those monies to other non-profits in the area. If the city is going to buy it, he would almost like to restrict them to Holly Hill non-profits or they would give it to other like churches of their denomination. The first thing they have to do is wait to see what that appraised value comes back as and then if the Commission wants to we'll enter into negotiations with them but once we buy it the maintenance begins. There's expenses, there's utility costs that are already in place, there's property maintenance, there's building maintenance. He was given their monthly expense of what it would cost, even without the church there, what they're paying so far and we to take that into consideration because that's going to be an outward cost from the moment we close on the property.

Mayor Via stated, okay. Is there anything else he wants to discuss?

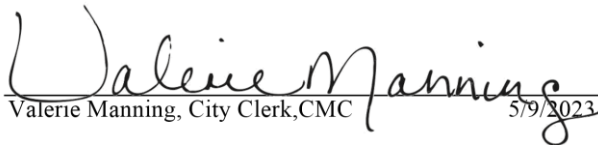
Mr. Forte stated no but he does want to mention that, and there's really no time to get into it tonight. He met twice with the folks over at Fountainhead about their desire to expand the property since they do own Parcel 1 they're looking to put what they call the Pace Building on there. We've also been talking with Kenny from Beneficial. If they remember he was doing the affordable housing project so he's back in the mix on that and that's only because the County is going to be receiving funds for housing that Kenny's project would fit into that mold. Mr. Forte stated he has already put the County on notice that the city is interested in that. There's going to need to be modifications to the PUD Agreement, there's going to need to be modifications to the Incentive Agreement and he thinks before we get too far down the road, he would like to have a work session with the Commission to get your position on where that's going to begin and end because the options have been expired on Parcel 3 and without Parcel 3 there's

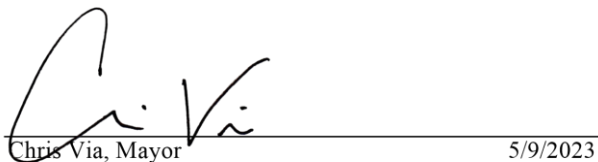
no entitlement to the funds. Parcel 4 is sold. If the affordable housing folks decide they want to buy Parcel 3, are they buying it just for the sake of being able to get Jayson to have those funds or are they going to incorporate it into their project. There's a lot of questions that are still going to come up and even more so but he thinks we're looking at what he thought, and Mr. Walker was with me at these meetings, what I thought was going to be an initial quick discussion about a small...it's still a large major modification but on a small scale, amendment to incorporating the Pace Building on Parcel 1 is now going to expand into the other parcels, Parcels 3 and 4, which will have an impact on the Incentive Agreement. He doesn't see it as being clean-cut as what we initially started out to be. Again, on that project, he mentioned it to Jayson and Mike, the clock is ticking. In order for them to get any taxable money, construction has to be completed by December 2025. That's only a year and a half away to complete construction in order to recoup tax money. Now, jobs incentive money might be a little different. That depends on what happens if Parcel 4 sells and whether or not they would be entitled to those funds and again, that's based on whether or not he purchases Parcel 3 and right now the option on Parcel 3 has been lost. You can see this matrix that's occurring and he thinks he would like to have a workshop to inform the Commission of what you may have forgotten over the years that this has been in place and what changes may be coming down the road. Mayor Via stated he agrees.



4. ADJOURNMENT

The workshop adjourned at approximately 5:55 PM.


Valerie Manning, City Clerk, CMC 5/9/2023


Chris Via, Mayor 5/9/2023