



City of Naples

Special Meeting 7-22-92

City Council Chambers
735 Eighth Street South
Naples, Florida 33940

-SUBJECT-

PAGE

DEVELOPMENT AGREEMENT PETITION 92-D1

1

ACCEPTANCE OF REDEVELOPMENT TASK FORCE REPORT

7

COUNCIL MEMBERS	M O T I O N	S E C O N D	VOTE		A B S E N T
			Y E S	N O	

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<p>construction by a date certain. Community Development Director Missy McKim explained that once a permit is pulled, it is in effect for eighteen months from the date it was issued.</p> <p>The City Manager proceeded to review the responsibilities of the developer, granting of a construction easement and construction schedule. Should the developer exercise his option, he must submit a construction schedule and the remote lot, located at Third Street South and Eighth Avenue South, must be available for parking while the garage was being constructed.</p> <p>Dr. Woodruff referred to Section 3.7 of the Agreement, Transfer of Title to the City. Once the parking structure is completed, full title will be conveyed to the City. The developer will not retain any interest or ownership. After transfer of the title, the developer may sell or develop his remote lot. Should the developer exercise his option, he would request credits for architectural, landscaping and engineering work completed. The City Manager said that staff had some concerns about these requested credits.</p> <p>Section 3.10 of the Agreement, Sale of Additional Spaces, was discussed. It stated that the developer would establish 102 parking spaces. Should the City sell those spaces, one-half of the cost would be reimbursed to the developer. The City has the option to build the parking garage from October 1, 1994 to December 31, 1995. From January 1, 1996 continuing on into the future, any of the parties have the option to build.</p> <p>Discussion continued with respect to the developer's option to build the garage and credits to the developer. <u>It was the consensus of Council that reimbursement to the developer for parking spaces would be appropriate.</u></p> <p>Council Member Korest stated that everyone had a desire to see the UTS Building completed and the parking garage built. Mr. Korest said that the Development Agreement had been based on options. With respect to a time frame for completion, he commented, "From a business standpoint in these difficult times, he has to have some breathing time."</p>					

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NOTE: City Attorney Chiaro reminded everyone that the Development Agreement required two Public Hearings, and not two readings.

Council next discussed the City's option and the cash contribution by the developer. City Manager Woodruff asked that Council consider that the amount of contribution be based on actual costs the City would receive on bids, figuring his pro rata share of those costs. Continuing Options, Section 5.0 of the Agreement, sets up the conditions of exercising those options. Dr. Woodruff said that all parties were in agreement with that section.

Section 6 of the Agreement, City's Operation & Maintenance, was reviewed. The City is the agency which will establish policies, hours of operation, etc. Mr. Kaye will pay his pro rata share of operation and maintenance costs, for example repainting, sweeping, and cleaning.

The City's operation and maintenance responsibilities were discussed. Should the City build the parking structure, the developer will make a cash contribution. Council directed staff to provide details pertaining to the cost of maintenance for parking spaces in the parking garage.

It was noted that a PD (Planned Development) amendment would be required should there be future expansion.

With respect to the ground lease issue, City Manager Woodruff reported that staff had talked to an appraiser and to several leasing agents. A typical ground lease has a life of fifty years and is between 8 and 10% of the land value. Under this formula, the City would receive \$2.00 per square foot per year. Dr. Woodruff told Council that it was common to have an annual adjustment, adding the annual Consumer Price Index. Also, it is common to reappraise the property every ten years and the lease cost readjusted if necessary.

Council discussed the option of selling the property. City Attorney Chiaro noted that there were no local requirements related to the sale of City real property. The City Attorney will give a legal opinion regarding the sale of City property.

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<p>City Manager Woodruff commented that income from leasing the property could be reinvested and funds used for building a future parking garage.</p> <p>Council further discussed the actual location of the drive-through facility as well as leasing the property. In reply to Council Member Herms, Mr. Kaye said that he would supply copies of appraisals of the property in question. Mr. Kaye pointed out that this project was creating a conduit for future landowners and certainly would benefit the City.</p> <p>The petitioner reviewed the monetary value of his contributions. City Manager Woodruff noted that the calculations were very technical and need to be based on detailed analysis by professionals. Dr. Woodruff said that before he could recommend a lease agreement, a technical analysis must be done by an independent space professional.</p> <p>Vice Mayor Sullivan asked that Council not lose sight of the petitioner's specific time frames with regard to construction. He expressed the hope that Council would not put up so many barriers that the tremendous amount of progress already made would be halted. Council Member Pennington agreed that the issue was not whether the developer made a profit. Council's concern was with the City and the citizens, he said, and progress should continue.</p> <p><u>It was the consensus of Council to utilize the City Manager's recommendation with respect to the lease. It will be a fifty year lease at \$2.00 per square foot for a total of 3,950 square feet.</u></p> <p>City Manager Woodruff continued to review the Development Agreement and Council further discussed the allocation of parking spaces including reserved and permitted spaces. Dr. Woodruff assured Council that staff would commit to not oversell reserved parking spaces. Attorney Kobza noted that the whole concept of reserved spaces was related to future sale, so that the property can fulfill its parking requirements for future expansion. Attorney Kobza explained the concept of reserved parking and noted its benefits.</p>					

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Anderson		CONFLICT			
Herms	X		X		
Korest			X		
Pennington			X		
Sullivan		X	X		
VanArsdale			X		
Muenzer			X		
(6-0)					

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considered the possibility that its members might become the CRA, although they had subsequently volunteered to do so. The vision statement, he said, had actually been intended as a means for the Task Force to communicate with a CRA based on their 17 weeks of work. In conclusion, Dr. Woodruff said that he felt the Task Force had done what it was asked to do. Nevertheless, he said he agreed with Mayor Muenzer that public input should be sought, but, at this stage, that public input should be based on whether there is a problem, how that problem should be corrected and by what agency, not on the specifics which would come approximately six months in the future as a redevelopment plan is drafted.

Council Member Korest then expressed concern that holding a public hearing at this point in the process would cause undue public concern. This was because the issues were now addressed in broad terms, he said, and therefore recommended moving ahead to develop more narrative to assure the public that a CRA is the best approach to take. In addressing comments made previously about the R/UDAT Report, Mr. Korest said that this study had nevertheless helped the City focus on problem areas which had been to its benefit and, further, that he would welcome a similar type review for redevelopment proposals. This would be a useful approach, he said, and would cost the City nothing.

Council Member Van Arsdale asked Mr. Verdesca to explain the process of reimbursement to the City for expenses in setting up a CRA. Mr. Verdesca explained that once a CRA is established and a base tax year identified through the requisite trust fund ordinance, any expenditures which are currently being made for a finding of blight and to establish an agency to correct it are reimbursable. If no CRA is established, there is no vehicle to achieve this reimbursement, he added. Dr. Woodruff also reviewed these steps and stated that the Florida Statutes allow expenditures from the trust fund for surveys and studies as well as administrative costs which were incurred by the general fund prior to establishment of the CRA trust fund. He indicated, however, that he would not anticipate requesting reimbursement from the trust fund for City staff time to this point.

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<p>Mr. Van Arsdale said he favored proceeding with a third phase in which the Task Force and staff would gather additional data and that, in his opinion, the Council was not yet ready to hold public hearings. City Attorney Chiaro also mentioned that public hearings were required at various points along the process of creating a CRA, adopting a redevelopment plan, and establishing a trust fund.</p> <p>Vice Mayor Sullivan commended the members of the Task Force, not only for their accomplishments, but for the manner in which they quickly developed a working relationship and functioned effectively as a group. He said he agreed wholeheartedly with the Task Force that the work should go forward. They learned much about the community and heard much expert testimony, he said, and pointed out that the first thing that must now be done is to gather the necessary additional information and begin to educate the public so that they may make an informed judgement. "If we do our job properly and accumulate the information they need, they will agree with us that this is the way to go," he added.</p> <p>Mr. Sullivan also cited the work the Council had done that morning with reference to redevelopment of the UTS Building, stating that movement on this project was indicative of a desire of the community and its leadership to move forward. "I don't know of anybody who can deny that we need to do something," he said.</p> <p>Mr. Sullivan also noted that what the Task Force has provided Council was the framework from which a workable redevelopment plan could begin, but cautioned that no plan would be successful without broad based community support. The Task Force, he added, was bringing the City into the future and without this effort, the community would slide backwards. "Let's move forward," he said.</p> <p>Mayor Muenzer indicated that he agreed more information was necessary but that he would never accept what R/UDAT had recommended for central Naples. He said that he saw stirrings of the same issues in the Task Force findings as well as affordable housing proposals which may not be appropriate for the community. "I agree we need more information," he continued, "and a CRA can do much benefit for the City." Nevertheless, Mayor Muenzer reiterated that</p>					

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threatening residential areas near the hospital was a very sensitive point and expressed concern that once proposals like this were written in a report, they often become permanent.

Task Force Member Allen Salowe pointed out, however, that the affordable housing requirements which were mentioned in the Task Force report are also contained in the City's comprehensive plan, but Mayor Muenzer said that concentrating such a large number of units in one area would not be acceptable to the citizens of Naples. There isn't sufficient vacant land available, he added.

Mayor Muenzer then opened the meeting to public input. The only citizen registered to speak was Mrs. Sue Smith, 15 11th Avenue South.

Mrs. Smith said that she had attended most of the Task Force meetings and had reviewed the considerable amount of materials which were developed during the process. She pointed out that the recommendations of many studies done by the City had not been implemented because they did not have the necessary public support. She, therefore, urged the Council in this instance to determine what the people want and whether the CRA concept had worked in other cities where it has been applied. She said that she found it especially worrisome that an agency with considerable power and authority would be created to utilize tax dollars within a restricted area which meant that those dollars would not be going to fund the needs of the entire City. Currently, she pointed out, considerable tax revenue is raised in Old Naples where she lives and is not equitably spent there.

Mrs. Smith also pointed out that installing housing units as cited in the Task Force report would generate increased traffic without adequate streets to accommodate it.

In conclusion, Mrs. Smith warned that merely spending money to redevelop an area does not guarantee that that area would become economically viable.

After further discussion, Council Member Herms made the following motion:

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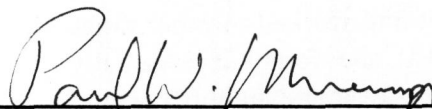
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COUNCIL MEMBERS	M O T I O N	S E C O N D	VOTE		A B S E N T
			Y E S	N O	
Anderson		X	X		
Herms	X		X		
Korest			X		
Pennington			X		
Sullivan			X		
VanArsdale			X		
Muenzer			X		
(7-0)					


MOTION: Accept the Task Force report; have staff, the Task Force and legal department pursue data to provide legal background to support finding of need for a Community Redevelopment Agency (CRA) and provide information on procedures necessary to create a CRA, including the necessary public hearing process; and to schedule City Council workshops to discuss the aforementioned information and the specific vision statement provided to the Council by the Task Force.

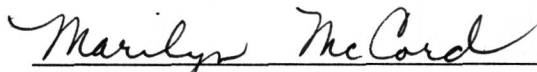
It was anticipated that an update to Council and workshop discussions on this issue would begin early in September.

ADJOURN: 4:17 p.m.



PAUL W. MUENZER, MAYOR


JANET CASON
City Clerk


Marilyn McCord, Deputy Clerk


Tara Norman, Administrative Analyst

These minutes of the Naples City Council were approved on _____

August 5, 1992

FORM 8B MEMORANDUM OF VOTING CONFLICT FOR COUNTY, MUNICIPAL, AND OTHER LOCAL PUBLIC OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME ANDERSON, Kimberlee A.		NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE NAPLES CITY COUNCIL	
MAILING ADDRESS 25 YUCCA ROAD		THE BOARD, COUNCIL, COMMISSION, AUTHORITY OR COMMITTEE ON WHICH I SERVE IS A UNIT OF: <input checked="" type="checkbox"/> CITY <input type="checkbox"/> COUNTY <input type="checkbox"/> OTHER LOCAL AGENCY	
CITY NAPLES	COUNTY COLLIER	NAME OF POLITICAL SUBDIVISION: CITY (MUNICIPALITY)	
DATE ON WHICH VOTE OCCURRED 7/22/92		MY POSITION IS: <input checked="" type="checkbox"/> ELECTIVE <input type="checkbox"/> APPOINTEE	

WHO MUST FILE FORM 8B

This form is for use by any person serving at the county, city, or other local level of government on an appointed or elected board, council, commission, authority, or committee. It applies equally to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing the reverse side and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

A person holding elective or appointive county, municipal, or other local public office **MUST ABSTAIN** from voting on a measure which inures to his special private gain. Each elected or appointed local officer also is prohibited from knowingly voting on a measure which inures to the special gain of a principal (other than a government agency) by whom he is retained (including the parent organization or subsidiary of a corporate principal by which he is retained); to the special private gain of a relative; or to the special private gain of a business associate. Commissioners of community redevelopment agencies under Sec. 163.356 or 163.357, F.S., and officers of independent special tax districts elected on a one-acre, one-vote basis are not prohibited from voting in that capacity.

For purposes of this law, a "relative" includes only the officer's father, mother, son, daughter, husband, wife, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with the officer as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

ELECTED OFFICERS:

In addition to abstaining from voting in the situations described above, you must disclose the conflict:

PRIOR TO THE VOTE BEING TAKEN by publicly stating to the assembly the nature of your interest in the measure on which you are abstaining from voting; *and*

WITHIN 15 DAYS AFTER THE VOTE OCCURS by completing and filing this form with the person responsible for recording the minutes of the meeting, who should incorporate the form in the minutes.

APPOINTED OFFICERS:

Although you must abstain from voting in the situations described above, you otherwise may participate in these matters. However, you must disclose the nature of the conflict before making any attempt to influence the decision, whether orally or in writing and whether made by you or at your direction.

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes.

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Kimberlee (K.M.) A. ANDERSON, hereby disclose that on July 22, 19 92:

(a) A measure ~~came or will come~~ before my agency which (check one)

- ☐ inured to my special private gain;
- ☐ inured to the special gain of my business associate, _____;
- ☐ inured to the special gain of my relative, _____;
- ☐ inured to the special gain of _____, by whom I am retained; or

☒ inured to the special gain of COMMUNITY DEVELOPMENT CORPORATION, which is the parent organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

Date Filed

7/22/92

Signature

Kimberlee A. Anderson

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317 (1991), A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$5,000.