

*North Miami C.R.A. Advisory Committee
Special Meeting*

*August 18th, 2014
6:30 P.M.*



The Special CRA Advisory Board Meeting of the City of North Miami was held in Council Chambers of City Hall on Monday, August 18th, 2014, beginning at 6:30 p.m.

(Phonetic spelling of each speaker's name may be used throughout the minutes unless correct spelling is known.)

I. CALL TO ORDER / ROLL CALL

Mr. McDearmaid: Tonight we are here to hear a report from Arthur "Duke" Sorey who is our... I guess C.R.A...what is your title now Duke?

Mr. Sorey: I don't know. I guess I'm a Coordinator. I'm helping out. Budget Director, that's fine.

II. APPROVAL OF AGENDA

III. ITEMS FOR REVIEW AND/OR ACTION

Agenda Item 1

POST REORGANIZATION BUSINESS PROGRESS
REPORT

Mr. McDearmaid: All right, so you want to give a report please of what's going on with the reorganization for the C.R.A.

Mr. Sorey: Arthur Sorey, Budget Director. Everybody will see you have your agenda and we're going to look at the progress report, the post reorganization progress report. Right now it should be the third page. Basically we're going to give an update of everything that's happened to date with the C.R.A. I know last time we had just taken the C.R.A. back in house. So we've actually...right now we've just about cancelled the office lease of space we had. It will be cancelled by September. We will no longer be paying for office space. We've moved most...some of the stuff out. We're going to go over and mostly it's just boxes over there. And we will relocate everything to City Hall. So we're 75% done with that. Project Contracts; we have a couple of contracts that are still pending for projects. I think we have some of the stuff in there. One is PTI Beauty; another is an ice cream parlor. You guys approved. I know both of these companies to have work done by the C.R.A. Right now our Staff has met with both of these projects. And it's hopeful that they'll be able to finish. We've basically given them verbally that they have 30 days to finish the projects that they've been going on over a year. If they're not done in 30 days, we're going to recommend that we go after

them and say that we basically want our money or end the project. Of course we'll bring this back to you but we are trying to get all this stuff cleaned up that's leftover and then going on. So...

Agenda Item 2

PENDING PROJECTS

Unidentified Male Voice: Duke, are there any projects that you've completely cancelled that may not (inaudible)?

Mr. Sorey: Leslie and Aldwyn did cancel some projects. As far as projects since we've taken over, no we haven't that aren't doing any work. All of the ones that are left and pending right now, there are only those two. And we have El Kioski going and they're almost done. They'll be done probably by the end of this month.

Unidentified Male Voice: Did any of these agreements have timeframes in them for completion? Because I see one of these goes back to 2008.

Mr. Sorey: They had. They're supposed to be done within a year. They're not done. Of course we've let it go on. But right now we're at the point we want to clean it up. If they're not done, we want to move forward and that's it. We don't want it hanging around in our books any longer.

Mr. McDearmaid: I believe it was one year and two years. And it was in the purview of the Executive Director or City Manager at the time to extend the life of the contracts which evidentially happened. Can you announce your name?

Mr. Sanchez: Claudio Sanchez.

Mr. McDearmaid: I'm sorry Duke.

Mr. Sorey: No problem. Post monthly checks. I know we did inform you guys that we're attempting to be clearly transparent. So we've begun posting. Monthly we have a check...our checks that are cut by the C.R.A. are on the C.R.A.'s website from now on and will continue to be so. We've met with the bank. All financial services you know are in-house now. Our Finance Department will be taking care of everything. We're in the process of reconciling all the accounts. Just to start from the CAFR last year that ended and up to date and make everything's reconciled. Anything...money that was spent, we have reconciled and can account for all of the money. We're working on that now. And like I said, we have met with the bank but I told you that at the last meeting as well. On-line banking, we've initiated on-line banking. The only thing the on-line banking is for, is for us to do transfers. The money market account that we have there's

approximately about \$2.2 million dollars in the account. We can only make six transactions from that account a year. But we do have an operating account, so we transfer money from the money market account to the operating account to pay bills and everything. Three years of C.R.A. transactions, it is our goal to get at least three years' worth of the transactions posted on-line so everybody can see what's been going on for the past three years. Just another attempt to be clearly transparent. Five-year plan, we're looking at coming up with the five-year plan. It'll be for brick and mortar projects also but also to finance a part of it. So of course that's 20% because we're just getting started on that. And we will have a five year plan for the C.R.A. Meet with County Staff, myself, Nakia Preston and Rocha, we've all met with County Staff which also includes one of the Commissioners as well. Basically and gave them an update on where we are in our progress and try to mend the relationship with the County. When we first took over our relationship with the County was pretty non-existent. And it took some...a couple of meetings for us to win them over and let them now that we're serious about our C.R.A. So we've taken care of that and we met with them. They actually came to our building last week I believe it was. They came to our building, sat down with us to go over the plan that we will be discussing later.

Unidentified Male Voice: Is there someone...one of the County Commissioners that's head of C.R.A.'s or is just district by district?

Mr. Sorey: I believe it's district by district. They do have Staff that's in charge of the C.R.A.'s though.

Unidentified Male Voice: But there isn't a specific Commissioners that's...

Mr. Sorey: I don't believe so, just a finance committee.

Mr. McDermid: (Inaudible – simultaneous discussion). They have a sub committee. Ultimately the C.R.A.'s are usually pretty much controlled by the County Commissioner whose district in which...that the C.R.A. is in.

Unidentified Male Voice: And this one is who, Sally Heyman?

Mr. Sorey: Sally Heyman, Jean Monestime.

Unidentified Female Voice: No it's actually all Commissioner Monestime.

Mr. McDermid: They all vote. That's what Sally said at the last meeting.

Unidentified Female Voice: No I think the question was asked, whose district is the C.R.A. in. And that would be...that would be Commissioner Monestime because...

Mr. Sorey: It's four. It's four Commissioners that our stuff falls in. Because Sally Heyman is over Biscayne Landing side of it.

Unidentified Female Voice: So Biscayne Landing is a part of the C.R.A.? Oh okay so then yes it would be Sally Heyman and Commissioner Monestime.

Mr. Sorey: We actually...we have reached out to Commissioner Monestime but he's in his campaign trail right now, we were just advised. He'll be happy to sit down with us but right now he's concentrating on his campaign trail. But we have reached out to him already. Annual report, we've yet to start working on the annual report from 2012-13 but we do have that on our list to do things. Website, I don't know if any of you had a chance to go on the website. We've cleaned it up some. We've cleaned it up a lot. That's Terry...he's been responsible for that. Rasha and Nikki. And basically we just want it easy to read. We're cleaning it up and it's going to be cleaned up even more. We're going to have a new template set up but right now we're just cleaning it up where people can get to the documents they need to see. Post planning documents, basically the C.R.A...well not the C.R.A. but the City's Downtown Redevelopment Plan, we've posted that on the C.R.A. website now. The signage plan that the C.R.A. paid for and basically it's for you guys to start getting credit for some of the stuff that you guys were a part of. None of this stuff was posted on the website before. So it is posted there now to show the C.R.A. Contact vendors, our Staff has been working. We've closed out the majority of the accounts that were open over at the Building. Pretty much everything is closed out, the cable, the phones, the copier. All those expenses we've closed all of those out. Basically I've told you that the Finance...you know our finances are inside City Hall now. All procurement stuff will pretty much be handled inside by our Staff. This is going to make it a lot easier during audit time. It's going to cost...cut the cost of our audit probably by 75%. Because everything will be in one shop you know it'll be easier for us to get together. (Inaudible) stuff from the audit, we've taken that...the I-95 sign, somebody brought it to our attention that the I-95 sign was in pretty bad shape. We're actually getting quotes to fix the C.R.A. sign. I think it's when you're coming south getting off on 125th Street. So we're going to have...the sign's going to be painted and revamped and we'll talk about that a little more later. Meet with developers; we've had a couple of developers come in expressing interest in the downtown area. They've heard that the C.R.A. is ready to pick up and now people are starting to show up. We expect more people to come in the near future also. But people are showing up and...

Unidentified Male Voice: Was it in the last week?

Agenda Item 4

THREE-POINT CATALYST APPROACH -
PRESENTATION

Mr. Sorey: No a couple of weeks ago, maybe two weeks ago. But we are in constant contact with developers. And we expect more to come soon. And I guess that moves me into the three-point catalyst approach that everybody's been hearing about.

Mr. McDearmaid: Excuse me Duke. Could you announce yourself into one of these microphones? We're trying to make sure we get everybody's attendance and also that they recognize...come to recognize your voice.

Unidentified Male Voice: (Name indistinct).

Agenda Item 3

BRANDING

Mr. Sorey: We're basically going to go over (inaudible). I don't know if you saw inside your package some new logos. Did you guys see that? We were kind of brainstorming and figure maybe we want a new logo. I don't know how you guys feel about it. Maybe a new start, a new logo. So we had our graphics person in house develop a couple of logos. We'll run it by the Council people as well...or the C.R.A. Board as well. Right now it's looking like everybody likes the top logo. Well I don't know how you guys feel about it.

Mr. McDearmaid: Isn't that what we have now?

Mr. Sorey: Somehow this is the one we have now. Now it's one in your package.

Unidentified Male Voice: Well I think it should tie end with the City's graphics.

Unidentified Male Voice: Duke I have a question. We're talking about the logo that's on 125th, revamping that. So wouldn't you also have to wait for the logo?

Mr. Sorey: Yeah we'll wait. If we decide to go with something new, we won't do anything to the sign until we make a decision.

Agenda Item 4 cont.'

THREE-POINT CATALYST APPROACH -
PRESENTATION

Mr. Sorey: So the three-point catalyst; that was...I don't even know who came up that. I'm going to give credit to Aleem, the Executive Director but it was a bunch of us. But we figured a catalyst...we're going to spark the Downtown Redevelopment in North Miami is going to be you guys. You guys are going to be the ones that spark it, the C.R.A. Board. The C.R.A. Catalyst Approach, this is nothing that I made up. I can't take the credit to say that I made it up or that Terry made it, Nikki or Rasha. We basically took what was in the Downtown Redevelopment Plan and we looked at something that we can do right now. What would start downtown to moving and this is from the meetings. I think the majority of you guys have already come to the Downtown Redevelopment meetings. So you guys have seen what I'm going to show you already. But we've had three community meetings already to go over this. The downtown...the day pack committee that was established has gone over this. The Greater North Miami Chamber of Commerce, they've seen it and now we're at the C.R.A. with it. I mean we're not recreating the wheel, this is something that the community seen. Everybody likes the redevelopment for downtown. So we basically took three projects out of the redevelopment plan and that's what I figured that the City Manager or the Executive Director feels these are the first three projects that the C.R.A. should focus on. Where brick and mortar projects can move us forward in downtown redevelopment. So we have a three phase plan. Phase one; phase one is the parking lot, I'm sure the majority of us park in right across the street from City Hall. The phase one will be to construct the parking garage there. First floor retail, second floor office space and then we would go up with parking. And basically this will be done during the public/private partnership with either the two adjacent property owners. And I'll go into a little more detail with it. But it just shows the garage, the City owns the garage and basically we'll do a lease. We'll lease the land when we work out the three pee or P3 with the adjacent owners that way we can collect some tax money on the land. That's only the land, we won't get any (inaudible) for it.

Mr. Each: You're there on phase one right?

Mr. Sorey: This is phase one. Current picture of the current lot, this is what the proposed lot will look like. First floor retail, second floor office space. This is the same stuff that you guys have already seen during the Downtown Redevelopment meetings.

Mr. Each: Can I ask you a question for second?

Mr. McDearmaid: Your second.

Mr. Each: I really shouldn't stop your presentation. The second floor of office space, would you consider or is it contemplated that the City...we'd put City personnel in those proposed offices and consolidate some of the other...

Mr. Sorey: It could be possible, it hasn't been in discussion yet.

Mr. Each: What are we zoned over there? How many stories 10?

Mr. McDearmaid: Ten stories.

Mr. Each: Why are we only talking three stories?

Mr. Ghany: I'm sorry. I was in another meeting with the Police and Pension and all that. I just got in. But the second slide that Arthur showed, that phase one is right across the street. That's the parking lot across the street here from City Hall. What the plan is, is actually and there's nothing new in this plan. Everything here is part of the Downtown Master Plan that was presented by Tanya. It went through the whole day pack.

Mr. Each: And they came up with doing only three stories?

Mr. Ghany: No, no. This is going to be...I believe it's like a seven-story structure.

Mr. Each: What?

Mr. Ghany: Seven stories. The first floor we talked about businesses. The second floor is going to be office space and everything beyond that is going to be parking. Now in terms of economies of scale is, instead of putting two or three levels of parking, we're going to have like four to five stories of parking. Because that's the bang for your buck. If you're building a parking garage, you don't build just two or three. In order to meet...we did the study already. Tanya has the numbers. So we are looking at about almost four to five stories of parking as this initial project. Mr. Sorey: Yeah we'll wait. If we decide to go with something new, we won't do anything to the sign until we make a decision.

Unidentified Male Voice: Excuse me. Is it going to be free parking like there is now?

Mr. Sorey: The parking to start off with, I'm pretty sure that there will be free parking to start off. As development does take place and there is a need, of course they'll be a demand for parking and we probably will begin to charge then. But probably

the first couple of years it won't be, it'll be free parking. And basically on the second floor, the office space and the retail space we're figuring the money that we make for leasing that space out, will actually take care of the parking garage itself. You know keep up the maintenance on the parking garage and everything. So we'll be...it'll just be putting money back into itself to keep it up. Is it going to be enough, I'm not positive but I think it might be. Also, we basically...we have...we're working on an agreement now with the Cordina Group for a downtown holistic parking master plan to be done. So they're getting...we're getting ready to do a plan for parking. I know you say build a parking garage, how you know people are going to come park there? But with what the projective development is, we're having a parking study done now. It should be out on the street by next week. So by the time we come back in September, we should have preliminary results from the study.

Unidentified Male Voice: Well the City alone...parking needs in the City alone should fill a couple of floors.

Mr. Ghany: And you can see right now, if the City is to move forward as it is right now, we have no parking for no development along 125th Street. Inadequate parking, anything...if you go to a track businesses, which is the ultimate gain and businesses and establish a community of middle income families to come in, then we have to provide the parking. We want to set up a downtown where people can come down and walk, eat, spend their money in downtown. In order to do that, you have to provide what? Security, parking and ensure that we have enough of that to encourage people to come out.

Unidentified Male Voice: Well if you took...I mean I'm familiar with this cause I'm here every day. If you do something with the parking lot in front of the Police Station, you took that away then that parking plus this parking which is primarily City business at City Hall, I mean you've already filled two floors.

Mr. Sorey: And again we're...this is just the preliminary stages. We'll have a lot more and you guys will weigh in on a lot more of what's going to happen as we move further along in the process. Phase two; phase two is back behind the N.E. corner of 8th Avenue.

Unidentified Male Voice: It's between 8th and 9th.

Mr. Sorey: Eighth and ninth. And basically this is public/private partnership that we're looking at doing with whoever the owner or the soon to be new owner I guess. I know the old building is up for sale. But we're looking at maybe something back there happening also. And that's our phase two. And that's the current view of what it is, everybody knows the lots there. One of those lots is owned by the City but the other vacant lot is fenced off and the building, that's the Leung property.

Unidentified Male Voice: Is that for sale now?

Mr. Sorey: They both are for sale now.

Unidentified Male Voice: Which...what's for sale? The Leung building...

Mr. Sorey: And the vacant lot.

Mr. Ghany: And the vacant lot next to it.

Mr. Sorey: Both are for sale now.

Unidentified Male Voice: The Leung building? That's for sale? And we own the lot next to it?

Mr. Ghany: That's correct.

Unidentified Male Voice: (Inaudible – simultaneous discussion). What street is that?

Mr. Sorey: This is...

Mr. Ghany: 126th.

Mr. Sorey: 126th Street between 8th and 9th.

Unidentified Female Voice: Does the City plan to purchase it?

Mr. Sorey: We don't know. We're not at that point yet if we were looking to purchase it or not. That's not a definite.

Mr. Ghany: That's not an answer we can give you. When we bring it before the Board and all that cause then we can get direction. As I said, what Arthur is presenting is a plan.

Unidentified Female Voice: I have a question with the plan. I know that we're trying to make...I think that I've heard that 126th we're trying to...

Mr. Ghany: Rerouting traffic if you're going to make it a one-way?

Unidentified Female Voice: 126th Street. It sounds to me it would make sense for us to purchase it because I've heard the parking issue before. So I'm saying

that this is an opportunity. There's two vacant lots, I would hope that it's in our radar to purchase that.

Mr. Ghany: I cannot say yes we're going to go ahead and purchase it unless I get direction from the C.R.A. Board. It's a plan that my Staff and I worked on. I think it's going to be a wise decision to purchase it. But until I get the direction from my Board and when I present it to them, then we'll take it from there.

Unidentified Female Voice: So then we could probably advise that as an Advisory to our Board to have that.

Unidentified Male Voice: It's currently listed.

Mr. Ghany: I think there's a sign on the fence.

Mr. Sorey: This is just a rendering again straight out of the Downtown Redevelopment of what could possibly happen back there; a mixed-use project that possibly had houses and/or retail and business. This is the other view from the alley point of view, that's what it would look like possibly more parking. A parking garage there. And everybody knows Cane Sucre and actually I know the owner of...not Cane Sucre but the plaza next to it, he's talking redeveloping. And this is what something like that would look like on that corner if we did a mixed-use there. So phase two basically it would be...you know the same property owner owns both of the lots. Both of the areas highlighted in here and we've actually even spoken to him. And he has come in and expressed interest in doing redevelopment and redeveloping his lots.

Unidentified Male Voice: So there are two owners (inaudible), right?

Mr. Sorey: Well somebody separately owns Cane Sucre.

Unidentified Male Voice: Right and there are two other owners right?

Mr. Sorey: The City Hall block?

Unidentified Male Voice: No I'm sorry between 8th and 9th on the north side?

Mr. Sorey: I think it's only one owner. Yes, I believe it's only one owner. The whole blue area is owned by one owner.

Unidentified Male Voice: (Inaudible).

Mr. Sorey: And that's what it would look like. It would run all the way down the street. All the way from 8th to 9th Avenue.

Unidentified Female Voice: On the south side?

Mr. Sorey: On the north side.

Unidentified Male Voice: The City would take all that down and do that?

Mr. Sorey: Yes.

Unidentified Male Voice: We can go higher?

Mr. Sorey: We can go higher.

Mr. Each: Go high, high. You know everything's small. Let's go high.

Mr. Ghany: And the thing is, I want to mention too is that, the businesses that are there like Cane Sucre and all of that, they are not going to go out of business. We've already talked to the owner of the restaurant. He's willing to get a place in there. And the developer who's doing the development, he will have the air rights to actually do...go high-rise as you say. To go above him but he will still have his space to do...even a bigger space to open the restaurant but (inaudible). We are not here to inhibit, we are here to actually allow businesses to grow and thrive.

Mr. Each: And the higher you go the more offices you get in, the more people you get in, the more disposable income you have. Not keep going small, it's...when I hear downtown is that they get people in.

Unidentified Female Voice: The area...the other area, the big area on the bottom, is that where Deals is?

Mr. Sorey: Yes.

Unidentified Female Voice: Is that part of it?

Mr. Sorey: Yes. I know there's currently something in the making on the front part of that Deals parking. It's supposed to be like an 8,000 square foot structure or something going in there.

Unidentified Male Voice: I'm proactive with going along the west side of the parking lot and not in front of Deals. Because Deals has some sort of agreement not to have their frontage blocked.

Mr. Ghany: And it's actually a 10-story...a 10,000 square foot structure. Tentatively we have a major brand. They say I'm talking too much. But there's a major...Nike is looking into it right now and also a high end restaurant that we're looking at, well the owner is looking at. It's Frank's Bistro and a few other names have come up. So it's not...whatever we plan to put there, is something that's going to be high end.

Unidentified Male Voice: Is it going to be more than one story?

Mr. Ghany: No it's one...it's not only a shoe store opening...but like an anchor Nike store where you have the video games and everything else. Cause like a Nike brand store, everything with apparel, shoe, software, everything that they have, is what Nike is going to be putting there.

Unidentified Male Voice: That's already approved?

Mr. Sorey: It's going through the final stage.

Mr. Ghany: It's going through the DRC process and the...

Unidentified Male Voice: That plan will change? So this phase really isn't true then?

Mr. Sorey: I'm not going to say it's not true. This is the conceptual plan. It's not going to look exactly like this but that area will be redeveloped there.

Mr. Ghany: But the front...

Mr. Sorey: These are your possibilities.

Unidentified Male Voice: I understand but I'm confused because your plan is showing something totally different than what's going to...

Mr. Ghany: Again these are both conceptual. What is approved right now are the DRC and that is moving forward; when I say the Development Review Stage. And the next stage is going to be...

Unidentified Male Voice: Just for my edification, is there anything else planned in any of these spots that people don't know about?

Mr. Sorey: No this is the (inaudible – simultaneous discussion). This is the back side of Deals and this is what it would conceptually look like. I think he's going to change it up. I don't think he'll keep it as Deals once everything starts happening. I think that he would change it. He owns the land. And then we have phase three. Don't

look at the City Hall retrofit. Don't even look at that, I get in trouble so don't look at that. But the small area that's over in front of the Police Department it says phase three. That's the...where we would look to have another public/private partnership with the owner of that space there. And somebody's come in and expressed interest in possibly doing a hotel and parking garage in that area. That's our current view. Don't look at City Hall please. And that's just the area over there...the couple of owners of the area there. This is the view now, that's a conceptual view of what would be there. Just to open up the space for activities downtown for people to actually hang out. This is the view on the side of MoCA next to the Police Department and that's how it would look with the possible hotel there in the back. And that's it. Pretty much...and everything's in like...we haven't had a meeting the C.R.A. Board so nothing's official yet. We are...we will be meeting on the 8th with the C.R.A. Board. We've actually reached out. We spoke with all the members of the Board and they are aware of the plan. But we won't officially have any discussions about the plan until the 9th. We just thought it was important to call this meeting. You know you guys will start hearing stuff and it's...you know almost borderline disrespectful for us not to talk to the C.R.A. Advisory Board about it. And if something is starting to happen and we're looking at doing something.

Agenda Item 5

BANK LOAN - DISCUSSIONS

Unidentified Male Voice: And I noticed on Agenda Item 5 its bank loan and how are we going to finance it? We don't have any cash flow in the C.R.A. right now?

Mr. Sorey: Well we have some cash flow not enough to build this parking garage of course. Like I said, we will look to do a partnership with adjacent land owners. We've spoken to the bank and the bank is actually going to be here on Wednesday. And they...from the day we took over they expressed to the Manager that if we needed a loan to do anything, we have good standing with them. They'd be willing to give us a loan. They're going to be here. We're going to discuss the possibility of maybe like a \$5 million dollar loan for the C.R.A to pay back over 10, 15 years to partner up to do this project and a couple others.

Unidentified Male Voice: And they're going to base the loan on?

Mr. Sorey: Future Tiff revenues.

Unidentified Male Voice: Their projections and future Tiff revenues.

Mr. Sorey: It's a possibility...

Unidentified Male Voice: That's dicey, you don't know, you know.

Mr. McDearmaid: What funding would we have to put out, the parking garage?

Mr. Sorey: The parking garage is what...

Mr. McDearmaid: Because these other things are strictly private.

Mr. Ghany: And not all of the parking garages are going to be...

Mr. Sorey: Because some of the parking garages will be used for whatever mixed-use the adjacent property owners do. So we're looking to possibly paying for half of the parking garage. The adjacent owner pays for the other half while we work out something with tax credits or whatever. It's nothing solely going to be on the C.R.A. to fund this because it is going to help all parties around once this garage goes up.

Mr. Each: May I ask you a question? Are you familiar with...for the record, Kenneth Each. What was the final outcome (inaudible)? What did they say as far as height, was it low/high? I don't remember seeing anything final with it. Does anybody know?

Unidentified Male Voice: I had the impression that the conclusion of the consultants was that we have everything that we need as far as zoning and height and comparency and all those issues. What was done whenever, I think it was like seven or eight years ago was very, very thorough. We really are in good position.

Mr. Each: So are we going to...did they come out and specifically say okay we should have some 10 story buildings or should we keep everything at three and four stories. Where is the growth, where is the density and where are going to get the people from to support these projects? I'm like kind of bewildered. Then we have another review of...if I may. We have another review coming up on the land use ordinance, I think it's due next year. It's been seven years since we've had it. And you know I don't (inaudible). I'm reading like Bay Harbor Islands, 21 projects over there that they have going high. That's where the monies at, that's where the tax base is at. And we're going to keep everything...

Mr. Sorey: With everything that we're possibly...the conceptual plan, everything that you've seen, this is working with (inaudible). Whatever regulations...and I'm not going to give you technical words. But everything's in place for us to move forward for us to have the height.

Mr. McDermid: We have Clarke Reynolds with us who is also part of the D Pack Committee. What was your feeling of their last (name indistinct) meeting, answer to Kenny's question?

Mr. Reynolds: As for the (inaudible). They haven't really gotten into the nuts and bolts of downtown development. They have presentations by Arthur and a presentation by a new director of MoCA. And that pretty much took up all the time. So we haven't really (inaudible).

Unidentified Male Voice: What would the function of that board be versus what we do?

Mr. Reynolds: Good question.

Unidentified Male Voice: What would the function of that board be versus...I mean who will...these decisions that they make, do they come to us or they come to your board?

Mr. Reynolds: I don't know exactly. My impression is that we won't be making development decisions in the (inaudible). We will be working with the Planning Department. They will give us planning direction and they ask us for commentary. And then they will ask us to go out and more or less sell it to the general population and to the whatever Council person appointed us. My impression is that we are not (inaudible), we are a...just going to lead things that are presented to us.

Unidentified Male Voice: But some of the recommendations will hardly utilize C.R.A. money.

Mr. Reynolds: I don't think so.

Mr. Sorey: Utilizing the C.R.A. funds is here with you guys.

Mr. Reynolds: We're asked about planning direction. And I don't think we're really...our issues are not the funding of it or where exactly it's coming from.

Unidentified Male Voice: I was really confused when I started reading some of this stuff coming out.

Mr. Reynolds: I think there's a lot of (inaudible).

Unidentified Male Voice: Yeah well that's what's confusing. But you know I guess my point that I'm making now is that, developing downtown is great and I know we've talked about it for a long time. But there's also neighborhoods and

communities that are in desperate need of attention. And I think to redirect all of our funds to this...

Mr. Each: We don't have any funds.

Unidentified Male Voice: And the little we way is already committed it sounds like.

Mr. Each: I think the (name indistinct) was originally resigned into conceptual...

Unidentified Female Voice: Right what it would look like. But we would like to see some of it.

Mr. Each: No I think it's wonderful. It's sort of like a conceptual and then the theory is, that out of that concept there'd come real projects that would come to us for approval.

Unidentified Male Voice: The consultants and the town hall meetings have been held and they have established a plan. And then there'll be an implementation of a plan which is (inaudible) is going to comment on when it's presented by Staff.

Unidentified Male Voice: Is development of higher buildings contingent upon having parking?

Mr. Sorey: Well if you try to add anything else downtown right now you couldn't.

Mr. McDearmaid: To get zoning or building approvals there's parking. So all these things are great but there's no parking. (Inaudible – simultaneous discussion). And that's why you build buildings with parking inside so you have both. I know some of the discussions were that some of the buildings would have parking inside as an inclusion of part of the building. Then you'd have the parking garages for the overflow of that and for the downtown movement of people throughout the stores and that kind of thing. You go down to the Gables and you'll not be able to park. You go down there and you have a lot of the buildings down in the office building where you park your car in there and then go seven stories, so you'll have both.

Mr. Sorey: And us starting out with the parking garage, Miami Beach C.R.A. parking garages. That's C.R.A. money.

Unidentified Male Voice: If we get any economic activity I'm not talking about just building. If we had stores downtown we would attract a fair amount of

traffic...everything is already maxed out. I mean I go to work. I go to this parking lot over here, the one in front of the Police Station. Or I go to the one to the east of City Hall. You know after 10 o'clock you can't get in there. You can't get in. You have to find somewhere on the street or you have to hustle around and do something slightly illegal. And I mean that's...we have no economic traffic downtown. You couldn't do it actually over in this parking lot. The big draws are the night clubs, you got Billy's Pub and then you got MoCA Café at night. And you know the downtown traffic is there at that time. And that is one of the reasons of those clubs are so pretty successful because they have all that parking right there. It's just so important. They would never be able to pull that kind of crowd in there if they didn't have that parking.

Mr. Sorey: I'd like to thank you guys again. I apologize for having to call a Special Meeting but I thought it was a good idea for you guys to see what was going on.

Mr. McDearmaid: And we appreciate you doing that.

V. OLD BUSINESS

Mr. McDearmaid: Moving on to Old Business.

Unidentified Female Voice: Oh yes, I'd like to...we mentioned the logos briefly. Are we...are you going to ask our opinions on which ones we like or no? For the C.R.A. logo that you...

Mr. Sorey: Yeah, I mean that's fine. If you guys want to talk about it.

Unidentified Male Voice: Is that being presented to the C.R.A.?

Mr. Sorey: It's going to go to the C.R.A. Board also.

Unidentified Male Voice: When is it going to the Board?

Mr. Sorey: On the 9th.

Mr. McDearmaid: By the way we are meeting on the 8th.

Unidentified Male Voice: (Inaudible).

Mr. McDearmaid: Next we have a C.R.A...our meeting on the 8th, which is Monday followed by the C.R.A. Board itself on Tuesday.

Unidentified Male Voice: So on the 8th we would recommend a logo to the Board for them to decide on?

Mr. McDearmaid: We can make that an agenda item.

Unidentified Female Voice: Right. Yeah, I was going to say...I mean is it just presented here or do we have a say in or our suggestion.

Mr. McDearmaid: Let's make that an agenda item Duke for us to discuss. All right moving on to Old Business. I believe we have...John Dellagloria would like to say a few words.

Mr. Dellagloria: I'm just going to do this very quickly, maybe not. I represented Bell House...

Mr. McDearmaid: You need to speak up. (Inaudible – simultaneous discussion).

Mr. Dellagloria: Usually I never have a problem. I represented Bell House. There's still a lot of conversation about Bell House. Articles are still being written, people are still talking about it. I'm not going to embarrass anyone by asking you if you've ever read the lease. My guess, you've never read the lease. I tried to explain some of the financial arrangements in the letter to the editor that was published I think a week ago Sunday, not this past Sunday. Obviously the deal did not happen the way it was envisioned. No question about it. It was a disaster for the C.R.A. It was a disaster for my client and I wrote that in the letter to the editor. But you have to understand what would have happened had it went through properly, which is what everybody expected when they first did the transaction. Now the C.R.A. and I've got to say this and I apologize if I use a term that people aren't going to like. The C.R.A. initially tried to screw my client over and this is how. I was not involved in the creation of that lease. In fact my client has asked me to look at it a couple days before it was supposed to be voted on. And I said, well there's a problem here. The C.R.A. was going to take the property and not pay rent until the C.R.A. budget was approved. And if they took the property in April when it was supposed to be signed and they don't have to submit a budget until October, I'm sure Aleem would agree with that. Well my client were told well you know in October they'll approve the budget and that'll be that. Well I submit to you that it takes about six months before the County even looks at it. So let's say they had the property close to a year. If the budget weren't approved they could pay my client nothing and I pointed that out at a regular C.R.A. meeting. All the numbers by the way that were in that agreement, I never changed. The only thing we tried to do, was to put a cap on how much they would have paid us had they executed the option to buy the property. That cap was never in agreement because it was projected, okay. And had they bought the property, they would have bought it when the market crashed and it would have been a disaster. But let's say the deal went the way it was supposed to, okay. After the C.R.A. fixed it up, there were 65 units. The average rental at that time was

\$750 a unit. Let's say that never changed, okay. Sixty-five units \$750 per unit that's \$48,000 a month, actually it's a little more. They're paying us \$30,000 in rent. Now if you fix up the building, what is the life span of that building? Craig you own buildings, when do you have to do County...what's it called?

Unidentified Male Voice: The 40-year inspection.

Mr. Dellagloria: The 40-year certification. Fix up the building, it's good for forty years. Obviously there's going to be maintenance, obviously there's going to be problems right. But let's say it only lasted 30 years. Anybody want to do the calculations on 30 years at \$48,000 a month? It comes to about \$17 million dollars. The C.R.A. did not walk into this and do this transaction because they were doing everybody a big favor except themselves, okay. And I know there's been a lot of loose talk about how my client got millions and we raped the C.R.A. and I'm a little tired of it, okay. People, number one don't know what they're talking about. Number two, really don't know the negotiations which took place and which were rejected by the C.R.A. And if you want to know what happened or apparently somebody doesn't. If you want to know what happened there are exactly five people on Earth who know what happened. I'm one of them, Tony Crapp your former director is another, Steve Zelkowitz your attorney is another and Roberta Segal and Jack Yokus are the other two. I've had conversations, lots of conversations with people who think they know everything about this transaction; they know nothing about this transaction. Was it a horrible result for everybody? Absolute. But we did not sign a contract hoping it would be a disaster for everybody. And the C.R.A. would have made a good deal, again had it worked. It didn't. In the paper I told you about how my client lost over a million dollars and by the way, I almost forgot. One of the key features of the C.R.A. agreement with us was that my client was suing two insurance companies for close to \$2 million dollars for the damage that had been done to the building during the storm. If that had happened, my client was returning \$675,000 to the C.R.A. So over the two years where we got 720, we were giving back 675, okay. The judgment that my client got \$109,000, which is why we came in and did the deal. I wrote a letter to the Council and the C.R.A. Board. I wrote a letter to the C.R.A. Board and I stood right here and said it is no longer fair for this transaction to continue. And it ended, my client lost the property. The litigation attorneys, not me made \$800,000 and my client paid \$132,000 to the bank to (inaudible) when she had to deed it over to them. I will be happy to answer any questions, even from the skeptics as to any matter regarding this transaction.

Mr. McDearmaid: Thank you John. Does anybody have any questions?

Mr. Each: John I read your letter that you wrote to the editor.

Mr. Dellagloria: Thank you.

Mr. McDearmaid: Thank you John.

Mr. Dellagloria: It's great to see everybody.

Mr. McDearmaid: Any other Old Business come forward.

Unidentified Male Voice: (Inaudible), we don't have any pending litigation?

Mr. McDearmaid: No.

Mr. Each: What are we doing with the...we did take the money back from the property on N.E. 6th Avenue and 123rd Street or 124th Street. What's happening with that building? Do we know?

Mr. Sorey: I don't know. I know we did take the money back.

Mr. Each: And I see where you put the \$25,000 is pending for Arch Creek.

Mr. Sorey: Yes.

Mr. Each: Thank you.

Unidentified Male Voice: That's part of the report you're coming with the status of all this stuff in the books right? Thank you.

Mr. Sorey: I just want to say I know I get in trouble a lot of the times. This is the big picture stuff. It's a lot of other stuff going on in the background. So we are working. We have to update the redevelopment plan for the C.R.A. It's a lot of other moving pieces in the background that are happening. This is just the stuff on the front and we just wanted to meet today and discuss it.

Mr. McDearmaid: And again we want...appreciate Duke Sorey for coming and Kerrith for you coming as well to give us a report. And we appreciate the City Manager taking his time. And thank you John for being here. And thanks Steven for advising for our C.R.A. Thank you very much for being here.

Mr. Sorey: Don't forget Nikki and Rasha please. I don't want to get in any trouble.

Unidentified Male Voice: They're City Staff?

Mr. Sorey: They're City Staff. Nikki works in Public Works.

Mr. Ghany: Nikki is the...she works in Public Works. She's actually the one who gets the projects. The money is allocated. Nikki makes sure the job gets done by Public Works. She allocates the funds...

Unidentified Male Voice: She's our Project Manager?

Mr. Ghany: We have a Project Manager out in the field. She's the one who allocates the funds and gets the vendors and everything moving so we can get the job done. Rasha works with us right now. She works with the North Miami Beach C.R.A. She has worked with the Miami Dade County C.R.A office. On several occasions she's...she's actually still working with them. And I would let her say a few words.

Unidentified Female Voice: Hi, my name is Rasha (name indistinct). I'm here to help (inaudible) the C.R.A. in the transaction process. And as the Board has decided to try to extend the life of the C.R.A., I have a relationship with Miami Dade County. I've work for North Miami Beach C.R.A. part time and this is also a part time basis as a consultant. So I'm the one that's paying attention to details working with the C.R.A. attorney and the County to make sure that the negotiations happen as they should.

Mr. McDearmaid: Thank you very much.

VI. NEW BUSINESS

Mr. McDearmaid: Okay, is there any New Business to come before us?

VII. ADJOURNMENT

Mr. McDearmaid: Is there a motion to adjourn?

Unidentified Male Voice: So moved.

Mr. McDearmaid: All in favor, AYE. Thank you all very much. And we'll see you on Monday, September the 8th at 6:30.

Unidentified Female Voice: I won't be able to attend. I'll be out of town on vacation.

Mr. Sorey: And I know you guys are coming on the 9th to the Board meeting. Make sure you come on the 10th to the Budget Hearing meeting. That's when you see me and Terry, we do our real job.