

MINUTES
CITY COUNCIL MEETING
August 17, 2021
3000 Bellemead Drive, Daytona Beach Shores, FL 32118

1. CALL TO ORDER BY MAYOR

Present: Mayor Nancy Miller, Councilmember Richard Bryan, Councilmember Richard Frizalone, Vice Mayor Mel Lindauer, Councilmember Michael Politis

Staff: City Manager Michael T. Booker, City Clerk Cheri Schwab, City Attorney John Cary, Community Services Director Fred Hiatt, City Planner Stewart Cruz, Finance Director Kurt Swartzlander, and Public Safety Director Stephan Dembinsky.

2. ROLL CALL BY CITY CLERK

3. NEW BUSINESS:

A. Treasure Island Stipulated Settlement Agreement

Assistant City Manager/Finance Director Kurt Swartzlander reviewed the highlights of the proposed stipulated agreement for the Treasure Island property. Mayor Miller, Vice Mayor Lindauer and CMBR Politis indicated they had ex-parte communication with Attorney Rob Merrill relating to this agreement. The SA (Stipulated Agreement) would supplement the two existing documents, which are the Statutory Development Agreement and the Certificate of Vesting. There are a total of nine parcels in the agreement and an aerial view was shown. The SA would first address immediate security concerns by requiring the installation of cameras within 30 days and minor repairs and maintenance issues noted by Chief Building Official Fred Hiatt within 90 days. The Property Owner would need to submit plans for concrete restoration within 30 days, obtain bids for the structure demolition and provide demolition of the existing structure within 120 days of final approval with the SA. All entitlements included must be approved by outside agencies and if they are not granted, restoration must begin within 45 days. The restoration crew must have 6 or more workers at all times. All required building permits must be obtained and construction timelines are given. If the entitlements are not approved, the owner can still demolish the structure. The entitlements provided in the SA are: a hotel with 300 units, a multi-family building with 200 units. The owner can combine the two parcels if desired. The owner would need to apply for a comp plan amendment to create a redevelopment overlay area, allowing flexibility in the mixed use. The project could not total more than 500 units combined. Property on Fraile Street would be used as an over-flow parking area. Adjustments to current setback requirements were also made. Incentives provided in the SA are: impact fee reduction for 227 vested hotel units, pedestrian crosswalk with the city funding up to \$150,000, waiver of existing code enforcement fines if the property is demolished or if it is reconstructed and issued a Certificate of Completion. The properties would also be entitled to Alternative Tax Relief on a scale for 15 years. Examples of this were shown and a brief discussion was held.

Attorney Rob Merrill spoke to the council. He explained that the property owner was

investing in the city and they were a willing and capable developer. He understood the frustration of the eyesore that the structure has been for the past 15 years. If this is approved, site plans and other documents will be brought forward.

Audience Comments:

Mickey Pederson felt that entering into another agreement about the property was not in the best interest. He explained that having the empty structure near his hotel costs him money in cancelled reservations. He stated they should pay their code enforcement fines as he had done in the past.

Carol Conforti wanted to know what public benefits the citizens would be receiving from the agreement. She felt that a total of 500 units would be too many and only increase traffic in the city.

Sandy Cook thought the agreement was a good idea as it would expand the tax base. She would like to see a vibrant city that can attract new residents.

Doug Littleton felt that the City Council should just demolish the structure as quickly as possible and bill the owner.

John Schmitz explained that the city has seen promises from other developers over the years and they never followed through.

Marcia Holman inquired what would happen if the owner sold the property. Would the agreement follow to the new owners? She was also concerned about concrete failure.

Carla Mcgrath had concerns regarding the condemnation process and legal costs.

The mayor opened it up for council discussion. CBMR Bryan felt they should wait until the Special Magistrate could hear the case. He thought the property owner should do what is right and either demolish or restore the building. He thought it could set a political precedent. CMBR Frizalone felt it was the best action to take to have the structure demolished. The owners are trying to work with the city. This SA would allow them to rebuild and possibly make a profit. CMBR Politis agreed that this was an intelligent decision for the city to make. The staff worked hard to negotiate the details and bring the document to them for consideration. Mayor Miller agreed that staff had been working for many days on the SA. Attorney Cary explained that if the council choose not to approve the SA, the case would go before the Special Magistrate next week. Depending on the outcome, another agreement could be discussed. Vice Mayor Lindauer stated that he liked the idea that the property could be re-developed. He thought the initial drafts of the agreement gave too many concessions to the developers and not a lot for the city.

COUNCILMEMBER RICHARD FRIZALONE moved, seconded by COUNCILMEMBER MICHAEL POLITIS to Approve the Stipulated Settlement Agreement as presented.

Vote: Motion carried by unanimous roll call vote (summary: Yes = 4 No = 1).

Yes: Mayor Nancy Miller, Councilmember Richard Frizalone, Vice Mayor Mel Lindauer, Councilmember Michael Politis

No: Richard Bryan

4. ADJOURNMENT:

The meeting ended at 6:44 pm.

**MAYOR
NANCY MILLER**

**CITY MANAGER
MICHAEL T. BOOKER**

ATTEST:

CITY CLERK, CHERI SCHWAB