

## SPECIAL/WORKSHOP MEETING

September 15, 2009

A Special/Workshop Meeting of the City Commission of the City of Delray Beach, Florida, was called to order by Mayor Nelson S. McDuffie in the First Floor Conference Room at City Hall at 6:00 p.m., on Tuesday, September 15, 2009.

Roll call showed:

Present - Commissioner Gary P. Eliopoulos  
Commissioner Fred B. Fetzer  
Commissioner Adam Frankel  
Mayor Nelson S. McDuffie

Absent - None

Also present were - David T. Harden, City Manager  
R. Brian Shutt, City Attorney  
Chevelle D. Nubin, City Clerk

Mayor Nelson S. McDuffie called the special meeting to order and announced that it had been called for the purpose of considering the following Item:

### SPECIAL MEETING AGENDA

1. Oath of Office administered to Newly-Appointed City Commission Member:  
Angeleta Gray (**Swearing-In Ceremony will be held in the Commission Chambers**)

Mrs. Gray was sworn in by Chevelle D. Nubin, City Clerk.

Mayor McDuffie briefly commented and thanked everyone for attending.

Mayor McDuffie adjourned the Special Meeting at 6:04 p.m.

### WORKSHOP AGENDA

1. Direction regarding the Old School Square Garage Retail Space

R. Brian Shutt, City Attorney introduced this item. He stated that he gave the Commission a memo regarding his concerns with the drafts of the proposed lease agreement and purchase and sale agreement between the City and the proposed purchaser. He also stated that a report from PMG Associates, Inc. was included and that Phil Gonot is present to explain his analysis of the report. There is an artist of Palm Beach County to give a presentation.

It is the Consensus of the Commission to hear the presenters tonight.

Michael Weiner, Attorney with Weiner, Aronson & Mankoff, P.A. stated he is here on behalf of Tom Kinsloe. He introduced Tom Kinsloe, Randy Singer, and Richard Jones. He presented a PowerPoint presentation.

Beverly Snow, President of the Artists of Palm Beach County presented a proposal via PowerPoint presentation. She gave a brief overview of the organization, and explained how the retail space will be used. Ms. Snow stated that they are looking for a five year lease or more, with an option to buy at the end of the lease. They would build out the interior space including petitions, the bathroom area, and install a security system.

Joe Gillie, Executive Director of Old School Square, stated that Old School Square supports the City Commission exploring the relationship and a possible lease agreement with the Artists of Palm Beach County.

Phil Gonot with PMG Associates, Inc. discussed the Lease/Purchase Proposal Old School Square Parking Garage Report. He recommends that the City reject the proposal from Mr. Kinsloe and hold on to the space and lease it out for a period of time until the market conditions improve.

R. Brian Shutt, City Attorney, discussed the following concerns with the proposed lease agreement with Mr. Kinsloe: 1) during the lease term buyer may have any permitted use (it would be preferable where the City could exercise more control over the use until the closing); 2) the irrevocable letter of credit during the build out should be increased above the \$100,000.00; 3) the security deposit should be increased from the \$10,000.00 that is offered; 4) the agreements provide that the City pay the doc stamp, the City would like for the buyer to pay the doc stamps; 5) the agreements provide that the City would pay the broker's commission, the City would want the buyer to pay the broker's commission; and 6) the buyer should only receive a revocable license for the five (5) parking spaces and to give the parking spaces in the form of a license agreement.

Joseph Safford, Finance Director stated that the City has a \$24 million utility tax bond issue and that we must stay under \$3 million dollars. If we go over the \$3 million dollars, it will make the bonds taxable.

Mr. Harden stated that as far as the build out, we would approach the CRA about help with the build out.

It is the Consensus of the Commission for the City Attorney to take the listed concerns and work those out with the offer that is on the table right now; and to look at if the City will have to do some build out next year and take that into consideration.

2. Fire Assessment Fee Consulting Proposal from Government Services Group, Inc.

Jason Bucholz, Project Manager with Government Services Group, Inc. from Tallahassee presented this item. He discussed steps required by Florida Statute 197.3632 in order for the City to develop a non-ad valorem Fire Services Assessment Program. The first step is to adopt a resolution of intent prior to December 31, 2009. The approach is divided into two phases with a projected implementation of the program in FY 2010-2011. Phase One includes tasks for development of the preliminary proforma rates. An assessment report will be provided at the end of Phase One. Phase Two includes steps needed if the City decides to proceed with a Fire Services Assessment Proposal. Mr. Bucholz stated that the purpose of developing a fire system is to identify the costs associated with fire protection only that the City can legally charge using a non-ad valorem assessment program. Once the rates are established, then the City will have to adopt an ordinance with two public hearings and set some preliminary rates.

It is the Consensus of the Commission to move forward with the resolution of intent.

3. FY 2010 Budget

Mr. Harden, City Manager, presented this item and discussed the remaining issues regarding the FY 2010 Budget. He provided Commission with a handout of various millage rate scenarios and an updated list of possible budget reduction that he does not recommend but could be done.

Commission discussed the remaining issues regarding the FY 2010 Budget.

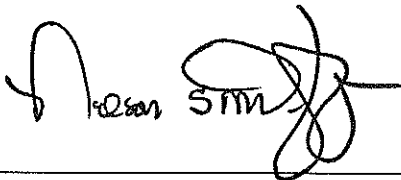
It is the Consensus of the Commission to reduce the shuttle bus service to two (2) buses and to set 7.19 as the millage rate.

Mayor McDuffie adjourned the Workshop Meeting at 8:57 p.m.



City Clerk

ATTEST:




MAYOR

The undersigned is the City Clerk of the City of Delray Beach, Florida, and the information provided herein is the Minutes of the Special/Workshop Meeting of the City Commission held on Tuesday, September 15, 2009, which Minutes were formally approved and adopted by the City Commission on October 6, 2009.



City Clerk

**NOTE TO READER:** If the Minutes you have received are not completed as indicated above, this means they are not the official Minutes of the City Commission. They will become the official Minutes only after review and approval, which may involve amendments, additions or deletions to the Minutes as set forth above.

A handwritten signature in dark ink, appearing to read "James M. ...". The signature is written in a cursive style and is located in the lower right quadrant of the page.