

**TOWN OF LAUDERDALE-BY-THE-SEA
TOWN COMMISSION
SPECIAL MEETING MINUTES
Jarvis Hall
4505 Ocean Drive
Tuesday, November 3, 2015
5:00 PM**

1. CALL TO ORDER

Vice Mayor Chris Vincent called the meeting to order at 5:00 p.m. Also present were Commissioner Mark Brown, Commissioner Stuart Dodd, Commissioner Elliot Sokolow, Town Manager Connie Hoffmann, Assistant Town Manager Bud Bentley, Town Attorney Susan L. Trevarthen, Finance Director Tony Bryan, Public Information Officer Steve d'Oliveira, and Town Clerk Tedra Smith. Mayor Sasser was in attendance via telephone.

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENT

Vice Mayor Vincent explained that tonight's meeting would address the acquisition of real estate at 4410 Bougainvillea Drive.

At this time the Vice Mayor opened public comment.

Bill Ciani, business owner, stated that he felt the Town Commission should pursue the purchase of the subject property at a better price. He estimated that it would take eight years to pay for the property using money from the Parking Fund, and would postpone the need for a parking garage within the Town.

Dave Olmo, business owner, described a recent incident in which a customer was unable to find parking in the Town. He felt the Town should provide a lot in which business parking could be accommodated to cut down on gridlock.

Paul Novak, member of the Lauderdale-By-The-Sea Chamber of Commerce Board of Directors, advised that the Chamber of Commerce supports the potential acquisition of the subject property in order to provide adequate parking for both businesses and residents. On behalf of the Chamber, he recommended that the Town take the next step to pursue purchase of the property at a negotiated price, and schedule a public hearing at which a purchase agreement would be considered.

Ron Piersante, resident, stated that the Commission is responsible for the high appraisal price of the property because the improvements they have overseen in the Town have increased property values. He felt the Town's Parking Fund would pay for

most of the cost of acquisition, and the resulting parking lot would generate sufficient funds to cover this cost. He concluded that if the property is not purchased, it would continue to appreciate in value.

Pamela Rossi, business owner, felt purchase of the property would open the existing parking area to greater visibility. She added that its acquisition would end the perception that parking is needed in the Town.

With no others wishing to speak at this time, Vice Mayor Vincent closed public comment.

4. NEW BUSINESS

a. Acquisition of Real Estate at 4410 Bougainvillea Drive, Majestica Apartments (Bud Bentley, Assistant Town Manager)

Assistant Town Manager Bud Bentley noted an error on p.3 of the Agenda Memo: the negotiated price is actually 14% above the property appraisal.

Asst. Town Manager Bentley reviewed some of the recent parking agreements and improvements made by the Town, and recalled that when the property at 4410 Bougainvillea Drive became available, the Commission directed Staff to proceed with negotiations. The resulting negotiated purchase price is \$2.825 million. Prior to negotiations, Town Staff secured two property appraisals which average \$2.470 million.

He continued that the negotiated price of \$2.8 million is a 5% reduction from the property's original listing price and 14% above the appraisal average. Because this price is above the average, State law would require a supermajority vote of the Commission to approve the purchase, which means at least four of the five Commissioners must vote to approve a purchase contract. This may only occur after a public hearing. Asst. Town Manager Bentley recommended that the Commission schedule this hearing for December 8, 2015, if they elect to proceed with the purchase.

Tony Bryan, Finance Director, advised that Staff projects the property may be purchased at the negotiated price and still have sufficient monies remaining in the Parking Fund to proceed with other planned improvements, such as the addition of parking spaces at public restrooms and further development of the South Ocean Parking Lot. Staff feels the Town could pay \$2.5 million from the Parking Fund in fiscal year (FY) 2015-16, with a temporary inter-fund transfer from the General Fund for the balance. Finance Director Bryan asserted that he believed the Parking Fund would generate enough to pay back this transfer by the end of FY 2015-16.

Town Manager Hoffmann added that the Parking Fund currently has approximately \$2.8 million in cash. The plan the Finance Director outlined was suggested from a cash flow perspective, as it would allow sufficient funds to remain within the Parking Fund to fund

several projects planned for the year. Staff has assumed a conservative estimate of \$300,000 for demolition and paving on the subject property. Along with the purchase price, this would make the total cost of the A1A lot expansion project \$3.125 million.

The Commissioners discussed the proposal, with Commissioner Brown recalling that the Town's parking consultant advised that the Commission should seek to add approximately 100 new surface parking. He pointed out that acquisition of the property would remove the need to consider construction of a parking garage for years to come. He was in favor of scheduling a public hearing at which more residents could provide feedback on this issue.

Commissioner Sokolow confirmed that tonight's meeting was held in order to schedule a public hearing on the proposed acquisition within 30 days. He encouraged any interested residents and business owners to attend that upcoming public hearing and provide input on the proposed purchase.

Commissioner Dodd observed that while the purchase of the subject property would provide a large, contiguous lot and offer the possibility of increased retail along A1A, it would also result in the loss of eight years' revenue from the A1A lot in order to repay the \$2.8 million purchase price. He felt the Town should instead spend these funds on improvements to residential areas, including sidewalk and drainage projects. He believed the negatives associated with the proposed acquisition outweigh the positives.

Mayor Sasser commented that he could not agree to the negotiated price, particularly when additional expenses such as demolition and resurfacing were added to it. While he agreed that the Town needs more surface parking, he felt this price would constitute substantial overpayment.

Vice Mayor Vincent stated that while he was opposed to a parking garage, he felt the purchase of the subject property would help avoid further conversation on building a garage in the future. He believed it was the Commission's responsibility to make the purchase in order to improve the Town for both businesses and residents. He added that he wished to hold a public hearing in order to hear from more residents on this issue.

Commissioner Sokolow disagreed with Commissioner Dodd's characterization of the proposed purchase as benefiting only the few rather than the many. He agreed, however, that Staff should attempt to negotiate a better price if possible. He did not see the future value of the subject property to be presently relevant.

Town Manager Hoffmann advised that one option open to the Commission would be to vote down the proposed price at this time, allow Staff to negotiate further, and address the issue again at the regular Town Commission meeting on Tuesday, November 10. Mayor Sasser offered to be present at further negotiation as necessary. Town Manager Hoffmann pointed out, however, that if Staff is able to negotiate a better price and

Lauderdale-By-The-Sea
Special Town Commission Meeting
November 3, 2015

present it at the November 10 meeting, this would require the public hearing to be held at a special meeting rather than at the regular December 8 Town Commission meeting.

Commissioner Brown suggested that the Town might gain greater leverage by refusing the proposed price at tonight's meeting. He concluded, however, that he wished to hear more from the Town's residents and businesses during a public hearing. It was also noted that a supermajority vote is not required in order to proceed with the December 8 public hearing.

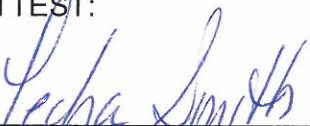
Commissioner Sokolow made a motion, seconded by Commissioner Brown, to move forward to advertise the public hearing for December 8, 2015, with the understanding that Staff is to attempt to renegotiate the price. In a roll call vote, the motion carried 3-2 (Mayor Sasser and Commissioner Dodd dissenting).

With no further business to come before the Commission at this time, the meeting was adjourned at 5:51 p.m.



Mayor Scot Sasser

ATTEST:



Town Clerk Tedra Smith

11/25/15

Date