

CLEARWATER DOWNTOWN DEVELOPMENT BOARD
August 4, 2010 – 5:30 PM - City Hall – 2nd Floor Conference Room

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| Members Present: | David Allbritton | Chairman |
| | Bob Fernandez | Vice-Chairman (attended via technology) |
| | Dennis Bosi | Treasurer |
| | Jay Polglaze | Member |
| | Paris Morfopoulos | Member |
| | Thomas Wright | Member |

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| Absent: | Charles Lykes | Member |
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| Also Present: | John Doran | Ex-Officio/Councilmember |
| | Paul Gibson | Ex-Officio/Councilmember |
| | Geri Campos Lopez | Director of Economic Development and Housing |
| | Courtney Orr | Downtown Manager |
| | Anne Fogarty France | Board Administrator |

The Chairman called the meeting to order at 5:32 p.m. at City Hall

1. Citizen Comments – Items Not on the Agenda

There were no citizen comments.

2. Approve Minutes from the July 14, 2010 Regular Monthly Meeting

Member Bosi moved to approve the minutes of the July 14, 2010 meeting. The motion was duly seconded and carried unanimously.

3. Adopt June 2010 Financial Statement for Filing

Member Morfopoulos moved to adopt the June 2010 Financial Statement for filing. The motion was duly seconded and carried unanimously.

4. FY 2010-2011 DDB Budget Line Item Review and Adoption – Treasurer Dennis Bosi

Member Bosi stated that the budget changes have been made according to the requests at the last meeting. The Jolley Trolley was not discussed at the July 21, 2010 meeting but a decision to do the WTAN Downtown Show was approved.

Member Bosi stated that the board has been talking about ways to get more people on the streets and to get more value for the money funded. He added up all the events that the Downtown Development Board (DDB) is currently sponsoring and it amounts to seventy-one days worth of events on Cleveland Street District. This includes the Farmer's Market and the 4th Friday events.

Member Bosi stated that the Jolley Trolley is requesting \$16,000 from the DDB to do the downtown loop. They are talking about running the trolley three days a week for fifty-two weeks. This amounts to one hundred sixty days of service to Cleveland Street for \$16,000 compared to the \$5,000 and \$10,000 funding requests for single day events. This will bring a lot more traffic on a weekly basis to Cleveland Street. If the DDB decides to fund the Jolley Trolley, they will be funding two hundred thirty-one different activities for the year.

Member Bosi stated that the number of activities the DDB is sponsoring does not include the \$50,000 funding for the boat slips. He is personally involved with the Dunedin boat club and they are requesting ten to twenty slips for the Dunedin Boat Club Regatta so he is working with Mr. Bill at the Harbor Master to see if they can provide these boat slips to them.

Chairman Allbritton stated that he was hoping that the Jolley Trolley would turn itself around and be successful. He thinks that the trolley would be a great function on the beach and that right now it may be doing a small loop in downtown but the DDB has to have vision regarding the positive impact the trolley will have over time. He would like to at least give the Jolley Trolley partial funding instead of denying them funds completely.

Member Bosi stated that the Jolley Trolley will receive matching funds from the Pinellas Suncoast Transit Authority (PSTA) so in actuality they will be receiving a total funding of \$32,000 from Clearwater.

Member Lopez stated that the PSTA is not matching the funding from the DDB and Dunedin. They will be funding \$48,000 while Dunedin will fund \$32,000 and the DDB will fund \$16,000.

Member Bosi stated that he would rather fund the Jolley Trolley in its entirety than fund the Operation Five Star event at all. He also stated that the seventy one days of events that the DDB are funding does not include the fifty-two radio station shows that they are now responsible for.

Chairman Albritton asked if the funding will be taken out of retained earnings to which Member Bosi responded that it would be the board's decision as to where the funding comes from.

Ms. Lopez stated that later on in this meeting they will be discussing a funding advancement for the 4th Friday events and if the board decides to take that amount out of this year's budget instead of next year's budget they can reduce next year's budget funding for 4th Friday by the advancement amount given.

Member Morfopoulos asked if there were any recommendations on where the funding should come out of in this year's budget. Ms. Orr responded that they recommend the funding come out of the Retail & Restaurant Recruitment Grant line item.

Member Morfopoulos stated that it he feels that it was a good idea to look at the total number of event days that they are actually funding. He thanked the staff for preparing the Sponsorship Request Detail sheet (item 5B) and stated that he noticed the cost per attendee for the events range from \$.20 to \$5. This information is good to have because it will help the board be more cost effective.

Member Morfopoulos stated that he cannot remember what the ridership for the Jolley Trolley was but he feels that it is likely to bring sixteen thousand riders to downtown Clearwater and funding the trolley would be more beneficial than funding the Coachman Park events.

Vice-Chairman Fernandez agreed with Member Morfopoulos and Chairman Allbritton that it would be beneficial for downtown Clearwater to fund the Jolley Trolley and that the board should take advantage of this opportunity.

Ex-Officio/Councilmember Doran stated that Mr. Longenecker estimated the trolley ridership for the three days per week would be fifty thousand people per annum. Realistically speaking that would bring twenty-five thousand people to downtown Clearwater per year which would equate to approximately five hundred people per week.

Ms. Lopez stated that she sat down with Mr. Longenecker to look over the trolley's budget and he is very close to meeting his plan. He has done a good job and all the financials for the trolley are looking very good.

Member Polglaze stated that he has been involved with events for the past seven years starting with the Jazz festival and he believes that all events are equally important to the city. One of the key functions of the Community Redevelopment Agency (CRA) and the DDB that stuck out in his mind was "interact with constituents and facilitate activities that sustain, promote and advance downtown revitalization". Cleveland Street events as well as other downtown Clearwater events reflect the above statement but Coachman Park events also add to revitalizing downtown especially since they have the product right there which attracts thousands of people. The board has failed to inform event organizers and planners of Coachman Park events that they need to tie their events to Cleveland Street by adding a 'before', 'during' and 'after' component to their events which is to be held in the Cleveland Street District. He informed the board that he feels that it would not be wise to miss the opportunity of catering to people already drawn in by Coachman Park events.

Member Polglaze stated that the Jolley Trolley should be supported in its entirety especially since they have shown sound planning management and that funding the trolley for anything less would be a mistake. He feels that the DDB should support all events but decide to what degree and what dollar amount they are willing to support these events. He stated that the rest of his thoughts and opinions are outlined in the handout that has been presented to all board members.

Member Polglaze stated that taking funds out of retained earnings right now to support all events in some format is more important than keeping that large amount on hold to support restaurants and retail businesses later on. He is only suggesting taking \$21,000 more out of retained earnings for next year's budget.

Member Bosi asked Member Polglaze if he feels that the DDB should only support events on Cleveland Street or events held in Coachman Park as well. Member Polglaze stated that he believes that the DDB should support all events on the condition that they utilize downtown Clearwater by adding a 'before', 'during' and 'after' component to their events. The new 4th

Friday series will bring between eight thousand and ten thousand people downtown.

Chairman Allbritton stated that he agrees with what Member Polglaze is saying about adding a 'before', 'during' and 'after' component to the events that the DDB will be funding but events are not the only thing that the DDB does. They should be looking at restaurant and business recruitment every year. Originally the DDB had two separate grants, one for events and one for new business recruitment but eventually it merged into one grant. This means that they need to put money aside for new business recruitment because right now there is not much to do in downtown Clearwater and if they do not change that, people will not have a reason to stay.

Member Polglaze stated that there is not enough going on downtown for one restaurant to sustain itself. They need to recruit between four and six restaurants at a time to make a difference. He also stated that in talking with other people, suggestions were made that the new 4th Friday Series should put outdoor lights on the buildings surrounding the events as Ybor City and some other cities do.

Member Polglaze stated that more than four or five events are put on by the same gentleman. Putting on an event honoring veterans will be huge especially since veterans are a hot spot in this country right now. To show some gesture of good faith and to show that the DDB really believes in this event they should sponsor it. Old events can take a twelve percent reduction because they are already established but new events might not be able to do so.

Member Bosi stated that in the past the Coachman Park events were only Coachman Park events and that people did not even walk through Cleveland Street during these events. He knows that Coachman Park helps bring people downtown but he wanted to know if it is the DDB's job to support the portion of the event held on Cleveland Street or the entire event held at Coachman Park. He also stated that he agrees with Member Polglaze that Coachman Park events need to be supported.

Member Morfopoulos asked if they could go back to the Jolley Trolley discussion so that they can move forward with the meeting. Member Bosi responded that they need to find out what is going on with the 4th Friday series before they can continue with the Jolley Trolley discussion.

Member Polglaze stated that he would like to go back to retained earnings and poll the board on their thoughts about taking some funds out of retained earnings.

Member Morfopoulos stated that before they significantly reduce retained earnings, they need to have a definite plan.

Chairman Allbritton stated that they have already budgeted \$50,000 for restaurant recruitment this year. If they have six restaurants in one year that will require the \$300,000 from retained earnings and he feels that this is just as important as putting on events because it will set the stage for keeping people downtown.

Member Wright asked if the DDB gets six restaurant requests will they not be able to support the rest of the events. The board members responded that they will be able to support other events but they need \$50,000 per restaurant recruitment. Ms. Lopez stated that the budget that

the staff recommends already includes \$70,000 in retained earnings.

Member Bosi stated that if they take another \$50,000 from retained earnings and the economy does not improve in two years they will not be able to fund as many events as they are funding today.

Chairman Allbritton asked if Ms. Lopez has got an answer about the taxes for Water's Edge as discussed in the July 21st meeting. Ms. Lopez apologized for providing the information to the board but stated that she would do so immediately. She also stated that city wide it is projected that there will be a seven percent decrease in the property value next year. The CRA is projecting a five percent decrease in property value for Clearwater next year. The following year they are projecting that the property value will stay the same and in two years it will slowly start increasing. She recommended that the board should think about keeping enough money in retained earnings to keep them going until the economy improves.

Member Morfopoulos moved to advance \$20,000 to fund September's 4th Friday event with funds from the Retail and Restaurant Recruitment line item and with the \$20,000 available in next year's budget fund the trolley in the amount of \$16,000. The motion was duly seconded and discussion ensued. The motion was amended by Member Morfopoulos to advance \$20,000 to fund September's 4th Friday event with funds from the Retail and Restaurant Recruitment line item. The motion was duly seconded and carried unanimously.

Member Bosi asked why the board has to give \$20,000 for the 4th Friday event to put on one event. Ex-Officio/Councilmember Doran stated that the 4th Friday committee is asking for a total of \$50,000 in funding with a \$20,000 advance from this year's budget since the CRA will not give them funding right now. The \$30,000 balance will be funded out of next year's budget. The CRA will fund them the \$75,000 once they receive their 501c3 status. Detailed explanation of the \$20,000 advancement for 4th Friday is written in section nine of this document.

Ms. Fogarty-France stated that separate motions need to be made for a few line items because certain members of the board cannot vote on those items.

Member Polglaze advised he cannot vote on Operation Five Star and the Deaf & Hard of Hearing Day and would need to recuse himself from the vote.

Vice-Chairman Fernandez advised he cannot vote on the Farmer's Market and would need to recuse himself from the vote.

Ms. Fogarty France informed Member Polglaze and Vice-Chairman Fernandez that she will provide them with the Memorandum of Voting Conflict at the end of this meeting.

Vice-Chairman Fernandez asked Member Polglaze if he should be voting on the funding for 4th Friday since he is actively involved with that event.

Member Polglaze stated that he agreed with Vice-Chairman Fernandez and recused himself from voting on funding for the 4th Friday events as well.

Member Morfopoulos asked why funding for the Pet Festival was increased from \$2,500 to \$3,200. Ms. Fogarty-France stated that they thought there was an error in calculation so they asked for \$2,500 but then they realized that \$3,200 was more than a twelve percent reduction in funding for the Pet Festival.

Member Morfopoulos asked if the actual funding request for the Pet Festival was \$5,000 to which Ms. Fogarty-France responded yes.

Member Morfopoulos stated that he would like the board to consider funding the Veteran's event as a gesture of support. He also stated that they do not have to fund the whole \$20,000.

Ms. Lopez stated that the board should keep in mind that they need to apply the same logic across the board when making budget decisions regarding event funding so that they can be fair and equitable to everyone.

Chairman Allbritton stated that it is hard to be fair and equitable because no two events are the same.

Member Bosi asked if there is only going to be a parade downtown or if there will be other events held downtown as well during Operation Five Star. Mr. Carlon responded that there will be other events held in downtown besides the parade. They are planning to add another Friday to the event where they will have the parade, some ceremonies and swearing in plus soldiers returning home. All these events will be held in downtown Clearwater.

Member Polglaze stated that the Powerboat Races sponsorship request for \$10,000 was just for the block party that is going to be held on Cleveland Street and he feels that the board should scale back the funding to \$5,000.

Member Bosi stated that based on Member Polglaze's statement an argument can be made that they should give the Jolley Trolley \$6,000 in additional funding to allow them to do more for the downtown Clearwater area throughout the year.

Chairman Allbritton stated that he feels they should give some kind of funding for Operation Five Star. It would be better to give them something than not supporting them at all.

Member Polglaze asked Mr. Carlon if the board gave him \$4,000 would it go towards marketing and public relations for the Cleveland Street component of the event. Mr. Carlon stated that it is hard to tell but they are making things happen in downtown Clearwater. He is positive that they are going to get the support of downtown Clearwater residents and businesses to honor Veterans. He wants to make this a big event and the plan is to hold this event several times in a year not just once. They are bringing in five star military people for this event.

Member Wright asked what the maximum sponsorship was to justify funding Operation Five Star. Ms. Lopez stated that they put a \$5,000 maximum sponsorship amount for Coachman Park events if they have a Cleveland Street component to them.

Member Bosi asked Mr. Carlon where they would use the money if the DDB sponsors this event. Mr. Carlon responded that the funds will go towards the events held on Cleveland Street. They want to make the Cleveland Street event a great event that is held the day before Operation Five Star which will be on Friday night.

Member Bosi asked if the event is going to be held on Friday and Saturday on Cleveland Street. Mr. Carlon stated that the event on Saturday will be held in Coachman Park but they will be kicking off Operation Five Star with the Friday event which will be held on Cleveland Street. Most of the military events will be held in Coachman Park but there will be a number of military ceremonies as well as a parade being held on Friday night.

Member Polglaze asked if the Friday night event will be similar to the 4th Friday structure. Mr. Carlon stated that the structure will not be the same as 4th Friday because they are trying to reach a different audience. He also stated that there are 1.9 million veterans in Florida with 200,000 living in Pinellas County. These are the people that they are trying to reach for this event.

Member Bosi asked if Mr. Carlon will be closing Cleveland Street for the parade to which Mr. Carlon responded yes.

Member Bosi asked which streets will be closed during this event. Mr. Carlon stated that they are currently working out where to display the military equipment. Member Polglaze stated that they might start the street closure from Myrtle Ave.

Member Bosi stated that the 'before' component for this event is great but what do they plan on doing for the 'during' and 'after' components for this event. Chairman Allbritton stated that it might be up to the merchants on Cleveland Street to bring people back to the area during and after the event. Ms. Fogarty-France stated that at one of the Downtown Clearwater Merchants Association (DCMA) meetings they talked about distributing coupons to help bring people back to Cleveland Street. Member Polglaze stated that the DCMA brought to attention the 'during' component for events and had discussed the possibility of getting the Coachman Park event organizers to allow them to go to the Coachman Park during the events and hand out coupon packets to promote their businesses.

Chairman Allbritton asked Ms. Lopez if she changed the funding figures to reflect their funding decisions so far. Ms. Lopez stated that she has allocated \$16,000 to the Jolley Trolley, \$30,000 to 4th Friday and has added \$5,000 to the Operation Five Star line item. This takes the board \$933 over their general revenue so they either take that amount out of retained earnings or non-budgeted events.

Ms. Lopez stated that she wanted to bring a few things to the board's attention. The Annual Deaf & Hard of Hearing Day is putting on their second event so the board has allocated twelve percent less than their original funding request but the event organizers are expecting a higher number of people to attend the event this year than last year. So it does not seem fair that the board is giving the Clearwater Cultural Week \$3,500 when they asked for \$3,500, and the Clearwater Poetry and Art Festival is only getting \$1,000 in sponsorship when they asked for \$5,000. Based on the board's decision, it was her understanding that first time events receive

\$1,000 in funding.

Member Bosi stated that the Clearwater Cultural Week is a five day event while the Clearwater Poetry and Art Festival is only a one day event.

Member Polglaze asked what other events were receiving a twelve percent decrease in funding. Member Bosi responded that the Farmer's Market, the Sea Blues Festival, the Jazz Festival, the Clearwater Pet Festival, the Wine and Book Fair, and the Deaf & Hard of Hearing Day were receiving a twelve percent decrease in funding.

Ms. Lopez asked the board if they would like to take the \$933 out of retained earnings or would they prefer to take it out of non-budgeted events and reduce the non-budgeted line item to \$3,000. Chairman Allbritton stated that they can take \$933 out of retained earnings while Member Bosi stated that they should take \$933 out of non-budgeted events.

Member Wright moved to take \$933 out of non-budgeted items of the Fiscal Year 2010-2011 budget to complete funding for promotional events sponsored. The motion was duly seconded and carried unanimously.

Chairman Allbritton asked what the total promotions amount was to which Ms. Lopez responded \$93,276.

Member Bosi moved to reduce the Fiscal Year 2010-2011 budget, Non-Budgeted Events line item by \$1,000 and move to increase the Annual Deaf and Hard of Hearing Day event line item to \$2,500. The motion was duly seconded and carried unanimously.

Member Wright moved to approve the FY 2010-2011 Budget except for the Farmer's Market, 4th Friday, Annual Deaf & Hard of Hearing Day and Operation Five Star line items. The motion was duly seconded and carried unanimously.

Member Wright moved to approve the FY 2010-2011 Budget line item for the Farmer's Market. The motion was duly seconded with Vice Chairman Fernandez recusing himself from the vote. Members Allbritton, Bosi, Polglaze, Morfopoulos and Wright voted "Aye". Motion carried.

Member Morfopoulos moved to approve the FY 2010-2011 Budget line items for 4th Friday, Annual Deaf & Hard of Hearing Day and Operation Five Star line items. The motion was duly seconded with Member Polglaze recusing himself from the vote. Members Allbritton, Fernandez, Bosi, Morfopoulos and Wright voted "Aye". Motion carried.

5. CRA/DDB FY 2010-2011 Interlocal Agreement – Geri Campos Lopez

Ms. Lopez stated that the CRA/DDB agreement is done every year and it is an interlocal agreement between the CRA and the DDB. Approximately ten years ago, in order for there to be a better collaboration and working relationship between the DDB and the CRA, the CRA agreed that they would return the money as a condition for the DDB to continue doing its work to improve downtown Clearwater as well as to work collaboratively with the CRA.

Ms. Lopez stated that there is no change in the CRA/DDB agreement since last year. The only changes that were made last year were the amount that the DDB was receiving from the CRA as well as the administrative fee that the DDB pays for work provided by the CRA, namely Ms. Fogarty-France, Ms. Orr and Ms. Lopez. Ms. Lopez stated that the DDB's responsibilities are listed in section three and the CRA's responsibilities are listed in section four of the interlocal agreement.

Ms. Lopez stated that they have made a change on item eight and added the DDB Promotion & Visitation Committee meeting to be in line with the new committee. They have also added a section on the boat slips contribution.

Member Bosi asked if this was the second or third payment to the boat slips. Ms. Lopez responded that they are on the third payment so this will be the fourth payment to the boat slips.

Ms. Lopez stated that the interlocal agreement has been reviewed by the city's attorney as well as the DDB's attorney and has been approved. The agreement will be presented to the CRA on the first or second meeting in September 2010.

Member Wright asked if the Mayor was a member of the CRA board to which Ms. Lopez responded that the Mayor is the chairperson of the CRA.

Member Morfopoulos moved to adopt the CRA/DDB Interlocal Agreement for 2010-2011. The motion was duly seconded and carried unanimously.

6. Retail & Restaurant Recruitment Grant Program Discussion – Courtney Orr

Ms. Orr stated that the Retail & Restaurant Recruitment Grant is reviewed on an annual basis and that she has provided a memo to the board well in advance so that they can review it in time for the September 2010 meeting and approve any changes and modifications made to the grant.

Ms. Orr stated that the only recommendation for change is that the geographic boundary be moved one block north and south of Cleveland Street to include the vacant space of Divino Italian Restaurant. They are lacking kitchen facilities on Cleveland Street and if a new restaurant is ready to move into that vacant space, Divino is already equipped with kitchen facilities.

Member Bosi asked if they will expand the boundary east of Myrtle Avenue as well to which Ms. Orr responded no.

Member Bosi asked why they are not going to expand east of Myrtle Avenue. Ms. Orr responded that they are only looking to recruit within the Cleveland Street District.

Member Wright asked if someone wanted to put in tables and chairs or big screen TVs will that be eligible for the grant as well. Ms. Orr responded that only fixtures that stay with the building are eligible for the grant.

Ms. Orr stated that the grant helps offset major expenses that new restaurants might not be able to afford.

Member Wright asked if existing restaurants can apply for grants to make improvements. Ms. Orr responded that existing restaurants cannot apply for the grant and that the grant is currently used to recruit new restaurants from outside the Cleveland Street district.

Member Polglaze asked if the façade grant is restricted to someone new as well to which Ms. Orr responded no.

Ms. Orr stated that she has included the actual grant with no changes and she would like the board to review it and see if they would like to make the recommended changes and approve them at the next meeting.

Chairman Allbritton stated that the board will discuss the Retail & Restaurant Recruitment Grant program at the next meeting.

7. Appoint Nominating Committee for October 12, 2010 Election – David Allbritton

Chairman Allbritton stated that Vice-Chairman Fernandez, Member Morfopoulos and Member Polglaze are up for re-election this year as listed in item 8B which was provided to all board members. He also stated that board members not up for election this year are going to be on the nominating committee.

Chairman Allbritton stated that the job of the nominating committee is to find other people in the community who might be interested in running for the board. Last year they had a lot of people who wanted to run for the board but in prior year's they did not have many people coming forward to run for the board.

Ms. Fogarty-France stated that the names of people who want to run for the board needs to be submitted in time for the September 8th meeting. Chairman Allbritton stated that whoever wants to run on the board needs to contact Ms. Fogarty France.

Ms. Fogarty-France asked if she should contact the people who wanted to run for the board last year to which Chairman Allbritton responded yes.

8. WTAN Schedule & Show Name Discussion – David Allbritton

Chairman Allbritton stated that the board needs to come up with possible names for their WTAN show and that some suggestions were 'Cleveland Street District News', 'What's Up in the District', 'District Happenings', 'Cleveland Street Scene', and 'The District Today'. He asked the board if there were any other name suggestions for their show.

Member Polglaze asked how much funding was approved for the show. Ms. Fogarty-France responded \$6,500 in funding was approved for the year.

Chairman Allbritton asked if they need to come up with a name for the show at this meeting or can they come up with a name at the next meeting. Ms. Fogarty-France responded that the board needs to come up with a name for the show at this meeting because the first show will air on August 30, 2010.

Ms. Fogarty-France stated that she could send out a schedule so that everyone can put down their available times. She also mentioned that the boat slips are opening on September 2nd so that could be something they talk about on their first show.

Member Bosi suggested 'Cleveland Street District News' as a name for their show.

Member Bosi asked if they can invite other merchants to be on the show with them. Ms. Fogarty-France responded yes and that they can also pre-record the show if they are not available during the allotted show time. She also stated that Chairman Allbritton will be the first one to do the show.

Member Bosi stated that he would like to watch when Downtown Dave is doing his show so that he knows what to expect when they are doing their show. *Ms. Fogarty-France* asked if they would like her to ask if Downtown Dave can do a demonstration so that the board can see how the show is done to which board members responded yes.

Member Polglaze asked what the board thinks about 'Out & About in the Cleveland Street District' as a name for their show. Member Bosi stated that the name sounds good. Chairman Allbritton stated that having the word 'news' in the name is a key element.

Ms. Orr asked if it is important to add Clearwater to the name of their show because not everyone will know where the Cleveland Street District is located. The board agreed that it will be a good idea to add Clearwater to their show name.

Chairman Allbritton asked if the show was going to be advertised in writing somewhere. Ms. Orr stated that the show will be advertised on WTAN's website. Ms. Fogarty-France stated that there will also be a thirty second commercial that will air on the radio station.

Chairman Allbritton asked what the board thinks of 'Clearwater's Cleveland Street District News' as the name of their downtown show.

Member Bosi moved to name the WTAN Downtown show 'Clearwater's Cleveland Street District News'. The motion was duly seconded and carried unanimously.

9. 4th Friday Sponsorship Advancement – Bill Sturtevant & Kevin Carlon

Mr. Bill Sturtevant stated that he and Mr. Kevin Carlon were attending this meeting on behalf of Clearwater Downtown Events, Inc., a new entity that has been formed in place of 4th Friday. Clearwater Downtown Events is the entity that will be funded and they will hire Mr. Carlon's company, Major League Solutions, Inc. The CRA has approved the \$75,000 grant but it could be thirty to sixty days before Clearwater Downtown Events gets the designation approved by the Internal Revenue Service (IRS). All tax exempt requests go through Coventry, Kentucky and since they have a valid reason in that the company will be putting on their first event in September, they were able to expedite their request for 501(c)(3) status. They cannot move forward with the CRA grant until they receive their 501(c)(3) status and that is why they are requesting a \$20,000 advance against their \$50,000 grant request from the DDB. This will reduce their 2010-2011 grant request to the DDB to \$30,000.

Member Wright asked if the Clearwater Downtown Partnership was not a 501(c)(3). Mr. Sturtevant responded that the Clearwater Downtown Partnership was a 501(c)(3) but the CRA wanted a new separate entity that would stand alone. The only two sources of funding that they will receiving is from the CRA and the DDB. This money will be advanced as per the budget supplied to them for Clearwater Downtown Events. The \$20,000 is taken from an annual budget of ten events at \$20,000 an event. The actual budget shows a cost of \$26,500 for each event but Clearwater Downtown Events is only asking for the \$20,000 advance. If Mr. Carlon was fully funded he would spend approximately \$26,500 for the first event because it is the Jazz Holiday theme which is precursor to the Jazz Holiday. This will be the first event put on by Clearwater Downtown Events, Inc.

Member Wright asked if the 501(c)(3) status is not received by the next meeting, will Clearwater Downtown Events, Inc. be back for another advance. Mr. Sturtevant stated that he assumes the balance of the DDB grant will be funded in October.

Member Bosi asked if they could be declined for 501(c)(3) status. Mr. Sturtevant stated that their operation is truly a not for profit operation. The officers of Clearwater Downtown Events receive no compensation. Major League Solutions does not receive any compensation for the grants that are supplied to them. Compensation will be received from Major League Solutions by corporate sponsorship. One of the questions on the 501(c)(3) application is 'compensation salaries to officers & directors' and in the case of Clearwater Downtown Events, there is no compensation salaries to officers and directors. The IRS likes that so they do not foresee a problem and will very likely get the 501(c)(3) status. One hundred percent of the public money goes towards the events. They had to make a decision to either move forward with the events or put everything on hold and they decided to move forward.

Ms. Lopez asked if a bank account has been established for the new non-profit name. Mr. Sturtevant stated that they have a tax ID number but they do not have an account opened for the new business as of yet. He can open an account tomorrow, August 5, 2010, if that is what is needed to get the \$20,000 advance from the DDB. If he opens an account tomorrow it will probably be at Fifth Third Bank.

Ms. Lopez stated that their recommendation for the board is to do an agreement similar to the

CRA. In order for the September event to take place, they need to function as if they have already received 501(C)(3) status which means opening a bank account under the new non-profit name. That would make profits very clear and they will be able to report back to the board on where the funding was spent. Mr. Sturtevant stated that theoretically the DDB's agreement with Clearwater Downtown Events can mirror the CRA's agreement just like the agreement between Clearwater Downtown Events and Major League Solutions mirrors the agreement between Clearwater Downtown Events and the CRA.

Member Bosi stated that he is concerned that three months ago they gave \$17,000 in funding to 4th Friday so that they could put on two events that were supposed to be "miracle-type" events but these events did not turn out very well. He wanted to know what the next event is that is going to cost \$20,000 when the cost for entertainment is only \$6,000. Mr. Sturtevant stated that the 4th Friday committee was very disappointed in how the June event turned out but that is history and they have to move forward in order to make future events successful.

Mr. Carlon stated that there are a series of negotiations going on right now. There is a major movie 'Dolphin Tale' that is being filmed in Clearwater and includes major stars like Ashley Judd, Morgan Freeman and Harry Connick, Jr. who could possibly perform for 4th Friday events. This is something that has never been done in Clearwater and is going to be enormous. In looking at the budget, entertainment refers to a variety of components and the board should not look at 4th Friday the way it used to be. Entertainment might be a national entertainment one month but can include a series of different performances and stars that brings crowds into downtown Clearwater.

Mr. Sturtevant stated that there have been a lot of bumps in the road in the past but they need to look forward. Mr. Carlon's background is in entertainment and he is putting on several major events that are very exciting. He also stated that the Operation Five Star event is very impressive.

Mr. Carlon stated that when he worked at Ruth Eckerd Hall they had hired a band to do a concert after the Rays game and paid them \$56,500 to perform but this same band has committed to perform at a 4th Friday event for \$15,000. The whole idea is to get more people as well as a variety of people for entertainment. The only thing that has increased in the budget is marketing. He is using his other events as leverage to make major deals with newspapers, radio stations and cable networks to get exposure for Clearwater.

Member Wright asked if there were any legal issues in doing the events without 501(c)(3) status. Ms. Lopez stated that the 501(C)(3) status is a requirement by the CRA but there is no legal requirement for 501(c)(3) status in order for Clearwater Downtown Events to put on events.

Member Bosi asked if they will specify in the agreement that the funding amount has been used for the Cleveland Street component of the event to which Ms. Lopez responded yes.

10. Chairman's Report – David Allbritton

Chairman Allbritton stated that he will not give his report at this meeting due to time.

11. DDB Promotion & Business Visitation Committee Report – Jay Polglaze

Member Polglaze stated that their partnership is going very well. Ruth Eckerd Hall has agreed to sell the tickets for them for the Capitol Theater Movie Night 'Jaws' event. They are hoping that they will be able to negotiate a lower price since the price quoted does not fit within the budget. They are also going to have a street component for this event with the Threshers mascot, Phinley the shark, making an appearance. This is going to be a major event that will be held on August 27th, 2010.

Ms. Lopez stated that she has the Water's Edge property value information that Chairman Allbritton asked for. The overall municipal taxable value for Water's Edge is \$57,479,077. The total taxes paid were \$1,260,000 so the breakdown roughly equates to \$55,000 towards the DDB.

Member Bosi asked if the \$57,479,077 represented occupied spaces to which Ms. Lopez responded that the dollar amount represented the actual property value now.

Ex-Officio/Councilmember Doran asked how this value compares with the property sale price. Chairman Allbritton stated that he wanted to know the answer to that question as well and asked if there will be a decrease or increase in property value once sold. Ms. Lopez stated that some of the commercial properties are between \$30,000 and \$35,000, while some of the residential units run anywhere from \$30,000 to \$255,000. She also stated that when they first looked at Water's Edge, they estimated the property value to be \$70,000,000.

Ex-Officio/Councilmember Doran stated that he noticed that they have not taken into account the properties with views. The values of the lower floors will be less than the value of the higher floors with the views. He also stated that there are lots of buyers off the beach.

12. Final Comments

Member Polglaze stated that this was a very enjoyable first budget meeting for him and he is happy with the way it worked out. He also stated that as he gets more familiar with the budget process he will be able to make better decisions in the future.

Member Wright stated that he really enjoyed the budget meeting and as the competition for funding increases, the decisions being made will get stiffer. He also stated that he felt that the board was moving in the right direction.

Member Bosi stated that he appreciated the whole budget process and that it is a pleasure working with people who care about what they are doing with the money.

Chairman Allbritton stated that the budget process went very well. He also stated that Miles for Hope has offered the DDB a booth at their September 25, 2010 event. He wanted to know if the board would like to offer the booth to the DCMA so that they can promote Cleveland Street. He

stated that it always went well when various restaurants offered coupons to the public because people returned to downtown Clearwater to use these coupons. All members were in agreement to give their booth for the Miles for Hope event to the DCMA.

13. Adjournment

Chairman Allbritton adjourned the August 4th, 2010 regular meeting of the Clearwater Downtown Development Board at 7:34 p.m.

CLEARWATER DOWNTOWN DEVELOPMENT BOARD MEETING ACTION AGENDA
Wednesday, August 4, 2010 - 5:30 pm

08.04.10.01

Member Bosi moved to approve the minutes of the July 14, 2010 meeting. The motion was duly seconded and carried unanimously.

08.04.10.02

Member Morfopoulos moved to adopt the June 2010 Financial Statement for filing. The motion was duly seconded and carried unanimously.

08.04.10.03

Member Morfopoulos moved to advance \$20,000 to fund September's 4th Friday event with funds from the Retail and Restaurant Recruitment line item and with the \$20,000 available in next year's budget fund the trolley in the amount of \$16,000. The motion was duly seconded and discussion ensued. The motion was amended by Member Morfopoulos to advance \$20,000 to fund September's 4th Friday event with funds from the Retail and Restaurant Recruitment line item. The motion was duly seconded and carried unanimously.

08.04.10.04

Member Wright moved to take \$933 out of Non-Budgeted Events line items of the Fiscal Year 2010 – 2011 budget to complete funding for promotional events sponsored. The motion was duly seconded and carried unanimously.

08.04.10.05

Member Bosi moved to reduce the Fiscal Year 2010-2011 Budget, Non-Budgeted Events line item by \$1,000 and move to increase the Annual Deaf and Hard of Hearing Day event line item to \$2,500. The motion was duly seconded and carried unanimously.

08.04.10.06

Member Wright moved to approve the FY 2010-2011 Budget except for the Farmer's Market, 4th Friday, Annual Deaf & Hard of Hearing Day and Operation Five Star line items. The motion was duly seconded and carried unanimously.

08.04.10.07

Member Wright moved to approve the FY 2010-2011 Budget line item for the Farmer's Market. The motion was duly seconded with Vice Chairman Fernandez recusing himself from the vote. Members Allbritton, Bosi, Polglaze, Morfopoulos and Wright voted "Aye". Motion carried.

08.04.10.08

Member Morfopoulos moved to approve the FY 2010-2011 Budget line items for 4th Friday, Annual Deaf & Hard of Hearing Day and Operation Five Star line items. The motion was duly seconded with Member Polglaze recusing himself from the vote. Members Allbritton, Fernandez, Bosi, Morfopoulos and Wright voted “Aye”. Motion carried.

08.04.10.09

Member Morfopoulos moved to adopt the CRA/DDB Interlocal Agreement for 2010-2011. The motion was duly seconded and carried unanimously.

08.04.10.10

Member Bosi motioned to name the WTAN Downtown show ‘Clearwater’s Cleveland Street District News’. The motion was duly seconded and carried unanimously.