

CLEARWATER DOWNTOWN DEVELOPMENT BOARD
SPECIAL MEETING
June 18, 2008 – 5:30 p.m.

Members Present:	David Allbritton	Chairman
	Bob Fernandez	Vice-Chairman
	Josee Goudreault	Member
	Geri Aranjó	Member
	Dennis Bosi	Member
	Charles Lykes	Member
Absent:	Dean Nichols	Member
	Carlen Petersen	Ex-Officio/Councilmember
Also Present:	John Doran	Ex-Officio/Councilmember
	Elise Winters	Board Attorney
	Geri Campos Lopez	Director of Economic Development & Housing
	Courtney Orr	Downtown Manager
	Anne Fogarty	Board Administrator/Main Street Coordinator

The Chair called the meeting to order at 5:35 p.m. at City Hall.

2 – Citizen Comments – Items Not on the Agenda. There were no citizen comments.

3 – Changes to Business Relocation and Expansion Grant. Chairman Allbritton opened the discussion stating that the board was here to modify the program, not just for Caliyogurt, but also for other businesses coming down here and noted that the board had changed the program a few months ago to help businesses.

Elise Winters, Board Attorney stated that the applicant is not the product; the applicant is JPK Clearwater Enterprises Incorporated. The tax return submitted was for Snow Tree. Mr. Park is the manager and this is not the same business. The business was formed on 10/9/06. The business sells the same product but it is two separate entities. This company has only been in existence since April of this year. The information submitted shows Mr. Kim's investment. This would be a start up grant. If the DDB decides to help this business, this will be seed money and would be a different kind of grant than what the program intended.

Questions were raised concerning start-up grants and Ms. Winters questioned if the board wanted this to be a seed money grant. And if so, does the board want to have any additional requirements that require more information from the applicant.

In response to a question, Ms. Winters advised the board not to change the grant on a regular basis but rather revise to be something they could live with for a year. She further noted that her recommendation as the board's attorney would be to change the nature of the grant if the board was going to make it available to a related entity.

Board members noted that they felt they should consider the grant and not look at the particular entity applying. They also felt that they had changed the grant to make it more accessible and had no intentions to change it once we have a new applicant.

Ms. Winters suggested adding additional requirements.

Member Bosi was strongly against the grant being seed money and commented that if a company comes in to request seed money, then the board could consider it but not at the \$20,000 level.

Discussion ensued on the definition of "Expansion" on page 4, and whether the grant was for people already here or to relocate or steal businesses from another town.

Members commented that seed money grants were dangerous and the board had been asked to fund a theater group not too long ago, this business that is opening is under a different LLC that is a corporate store.

Ms. Winters stated that the board couldn't judge a store by the corporate store.

Members want the applicant committed to the city and were leery about the financials.

Ms. Winters stated that one of the things the board needed to do, as a public entity, was to have consistent standards.

Geri Campos Lopez stated that from a staff perspective, all of the things the board brought up are things that we've discussed. Staff came up with the discussion points in the board's agenda packet. She recommended the board determine what their goal was. Ms. Lopez suggested that Courtney Orr discuss what the retail recruitment consultant recommended.

Ms. Orr noted that the consultant recommended that the grant be more specific to retail that would sell items and sit-down quality restaurants with no fast foods.

Members commented that possibly the board could fund a percentage on what their estimated costs will be or review the out-of-pocket funds and that the grant was never for equipment or inventory.

Ms. Winters advised that the board needed to decide what they want this grant to be as the concept of the grant does not meet the requirements. She asked the board what they wanted this grant to do? If the board wanted relocation and expansion applicants, then they need to clean up the language.

Member Bosi moved to leave the Relocation and Expansion Grant as is. The motion was duly seconded and discussion ensued.

Ms. Lopez suggested that the board wait until after ERA did their presentation. She stated that the report was due at the end of the month and they would bring them in to present to DDB in July.

Members asked what staff's recommendation would be.

Ms. Lopez stated that staff suggests a recruitment grant of \$50,000 for restaurants and \$35,000 for retail.

Ms. Winters noted that the city was recruiting existing businesses not startups.

Ms. Orr noted that they were looking at existing businesses with a proven track record.

Members noted that a restaurant incentive line item was in the budget for \$50,000 and this would only be for one restaurant.

Ms. Lopez noted that there were no guidelines established at this point and suggested that the board wait for ERA's report and incorporate their recommendations. The board could create a new grant for startups.

Member Bosi rescinded his motion.

Ms. Winters suggested that the city put together a grant and let her review before the board discussed.

Members questioned if the grant could be structured so that they could have it for this year to get businesses here and be a short-term grant.

Member Bosi moved to have Ms. Orr check with consultants for seed grant recommendation to see if it is something the board wants to pursue. The motion was duly seconded and discussion ensued.

Members stated that perhaps a grant could be a certain percentage of cost of improvements or an amount of \$5,000. The possibility of granting more funds to applicants if they are doing more was also brought up. Another thought was to have a limit to fit in the budget.

Ms. Lopez noted that the board could tie the grant into physical improvements made to the building. She cautioned the board about putting liens on businesses or trying to get funds back as the city was not successful in getting reimbursed for funds granted.

The Chairman opened the floor for public comments.

Mr. Philip Park, owner of Caliyogurt addressed the board. He asked if he could change the application to Snow Tree, LLC instead of JPK Clearwater Enterprises, Inc.

Ms. Winters advised him not to make changes now.

Mr. Park stated that he was surprised that he was the first one to apply for a grant. People in the restaurant business put a lot of money in to their space and if someone puts a lot of investment into an area he feels that this should be considered.

The Chairman closed the public portion of the meeting and called for a vote. The seconded vote was carried unanimously.

The Chairman asked Ms. Lopez and Ms. Orr when the board could receive the seed money grant guideline recommendation.

Ms. Fogarty noted that the July meeting was moved to July 16 due to the July 4 holiday and asked if it could be done for that meeting.

Ms. Winters asked if the board was tabling the discussion of the current grant until the board hears from ERA.

Members agreed that they were tabling the discussion of the current grant.

4 - Final Comments

There were no final comments from board members.

5 - Adjournment

Member Bosi moved to adjourn the June 18, 2008 Special Meeting of the Clearwater Downtown Development Board at 7:10 p.m. The motion was duly seconded and carried unanimously.

CLEARWATER DOWNTOWN DEVELOPMENT BOARD MEETING ACTION AGENDA
Wednesday, June 18, 2008 – 5:30 p.m.

06.18.08.01

Member Bosi moved to have Ms. Orr check with consultants for seed grant recommendation to see if it is something the board wants to pursue. The motion was duly seconded and discussion ensued. The Chairman closed the public portion of the meeting and called for a vote. The seconded vote was carried unanimously.