

MINUTES OF THE REGULAR MONTHLY MEETING OF THE COMPREHENSIVE PLANNING AND ZONING BOARD of the City of St. Augustine Beach, Florida, held Tuesday, January 21, 2014, at 7:00 p.m. in the City Commission Meeting Room, City Hall, 2200 State Road A1A South, St. Augustine Beach, Florida, 32080.

I. CALL TO ORDER

Chairman Alfred Guido called the meeting to order at 7:00 p.m.

II. PLEDGE OF ALLEGIANCE

III. ROLL CALL

BOARD MEMBERS PRESENT: Chairman Alfred Guido, Vice-Chairman Margaret England, David Bradfield, Steve Mitherz, Roberta Odom, Elise Sloan, Karen Zander, Junior Alternate Jane West.

BOARD MEMBERS ABSENT: Senior Alternate Lennet Daigle.

STAFF PRESENT: Gary Larson, Building Official; James Whitehouse, City Attorney; Max Royle, City Manager; Bonnie Miller, Recording Secretary.

IV. APPROVAL OF MINUTES OF TUESDAY, DECEMBER 17, 2013 REGULAR MONTHLY MEETING

Ms. Odom **MADE A MOTION TO APPROVE THE MINUTES OF THE REGULAR MONTHLY MEETING OF TUESDAY, DECEMBER 17, 2013.**
The motion was seconded by Mr. Mitherz and passed 7-0 by unanimous voice-vote.

V. PUBLIC COMMENT AND DISCUSSION

Mr. Guido asked for public comment on any issue not on the agenda. There was none.

VI. NEW BUSINESS

1. ELECTION OF CHAIRMAN AND VICE-CHAIRMAN OF THE COMPREHENSIVE PLANNING AND ZONING BOARD OF THE CITY OF ST. AUGUSTINE BEACH, FLORIDA, per Section 11.02.02.H of the City of St. Augustine Beach Land Development Regulations, the election of officers, consisting of a chairman and vice-chairman, will take place every year as the first order of business at the regularly scheduled meeting for the month of January.

Mr. Guido opened the floor for nominations for chairman.

Mr. Mitherz nominated Mr. Guido.

Ms. Sloan seconded the nomination.

Mr. Guido called for other nominations for chairman. There were none. By unanimous voice-vote, he was re-elected as chairman, and asked for nominations for vice-chairman.

Mr. Mitherz nominated Ms. England.

Ms. Sloan seconded the nomination.

Mr. Guido called for any other nominations for vice-chairman. There were none. By unanimous voice-vote, Ms. England was re-elected as vice-chairman.

2. REQUEST FOR EXTENSION TO MARATEA PLANNED UNIT DEVELOPMENT (PUD), filed by St. Augustine Development Associates LLC, 753 East Glenn Avenue, Auburn, Alabama, 36831, for a two-year extension to the Maratea PUD, pertaining to construction of 30 condominium units on approximately 4.5 acres at 902 A1A Beach Boulevard, St. Augustine Beach, Florida, 32080.

Mr. Guido said this is a very important project for the City, and as this is a complicated issue, he asked for Mr. Whitehouse's advice as to how to proceed. Per Mr. Royle's memo to the Board, there is some question as to whether or not the PUD has, in fact, expired.

Mr. Whitehouse said as he doesn't believe there are any substantive and/or material changes to the plan of development since it was approved, reaffirmed a couple of times and modified by subsequent ordinances, the Board's action is to make a recommendation to the City Commission as to whether or not the time period of the deadline for completion of the PUD should be extended, taking into consideration whether or not the proposed modification for an extension is consistent with the City's Comprehensive Plan and Land Development Regulations. The Commission is the legislative body that has the jurisdiction to make a determination on whether or not the PUD has expired, and it's also the body that will make the final decision to approve or deny the requested extension.

Mr. Mitherz said Mr. Royle's memo says one recommendation the Board could make would be to allow an extension with renegotiation between the City and the condominium developers of certain easements on the City-owned 11.5 acres adjacent to the condominium property, and that this option would require a modification to the PUD narrative for changes in the easements. He asked what these changes would be.

Mr. Royle said drainage easements for the developer's property are currently located where the Ocean Hammock Park parking lot is. If the condominium property is developed, either the parking lot would have to be moved, or the easements renegotiated.

Mr. Guido asked if a renegotiation of the 20-foot landscaped buffer easement the City agreed to maintain between the park and the developer's land could be explored.

Mr. Royle said he'd have to defer to Mr. Whitehouse about this, but yes, in his opinion, this would be a reasonable area to explore.

Tony Yamnitz, 5406 Avenue Simone, Lutz, Florida, 33558, said he represents St. Augustine Development Associates LLC, the developer for this project. As there seem to be some discrepancies in the start and completion dates for construction, they're simply asking to extend what's been approved, nothing more and nothing less, for a period of two years. In a hypothetical situation, if they started tomorrow to engineer everything applicable in the approved PUD final development order to meet City Code, this would, in itself, take approximately four to six months to complete, and once this is done, construction of the project would then take 18-24 months to complete.

Mr. Guido said that sounds fairly reasonable, but asked what happened in the last six to eight years to bring them to this situation. The economy was up when this project was first approved, and has since gone through a series of machinations, but they haven't seen any appreciable action from the developers to move ahead with the project up until now.

Mr. Yamnitz said the economy basically prevented them from moving forward. For construction of 30 condominium units, they're still looking at a \$20 million note, as development costs for a project like this are very expensive.

Ms. Zander said in researching St. Augustine Development Associates LLC, she didn't see anything giving Mr. Yamnitz authorization to appear before the Board to represent this corporation or to speak on behalf of this development group.

Mr. Yamnitz said as a partner of the firm, he was directed to discuss the proposed extension to the PUD with both Mr. Larson and Mr. Royle. He then followed City staff's instructions to submit a letter asking to be put on tonight's meeting agenda and the following City Commission agenda for the Commission's upcoming February meeting.

Mr. Whitehouse said he asked Mr. Larson if staff had an owner's authorization letter from the firm, not particularly a letter from Mr. Yamnitz himself, but from the ownership of St. Augustine Development Associates LLC. If staff does not have a letter of authorization, obviously Mr. Yamnitz would be required to get one before this goes before the City Commission. It's his understanding Mr. Yamnitz has been working with this firm for a while pertaining to this PUD, so there may in fact be a letter in the file giving Mr. Yamnitz authorization to speak on behalf of the firm, but even if there isn't, this isn't something that should hold the Board up tonight, as Mr. Yamnitz could certainly get a letter of authorization before this issue moves forward to the Commission.

Mr. Mitherz said he had ex parte communication about what was happening with this piece of property with Mr. Royle about two or three weeks ago, before the Board members got their agenda packets for tonight's meeting, and Mr. Royle told him then the owners of the property would be coming before the Board and Commission regarding it.

Mr. Guido said he had about a three-minute conversation with Mr. Royle about this pro-

ject, during which he asked for additional background information, which Mr. Royle provided to him orally, as to how all of this came about.

Ms. Sloan said she talked to Ms. Miller about the project earlier today, and asked her to enlarge the map on page 24 of the Board members' agenda packets. A copy of this enlarged map was provided to the other Board members prior to the start of the meeting.

Ms. Zander said she spoke with City Attorney Doug Burnett to get his opinion.

Mr. Bradfield said he has a question relevant to the original and current economic viability of the project. Mr. Yamnitz referenced a cost of \$20 million for construction of 30 condo units. He asked Mr. Yamnitz if he has anything the Board can see to show the project is now economically viable, as from an economic disposition, over the past five to seven years, his firm obviously hasn't been able to secure the sales to get the project off the ground. He asked Mr. Yamnitz if he thinks there is now enough economic viability to move ahead with the project within the next two years, with the numbers he referenced.

Mr. Yamnitz said they can't start until they have a clear indication that the PUD construction dates will be extended, and as this is paramount to the project moving forward, he really can't answer that question at this point in time. Seven or eight years ago, yes, they had reservations for units, and at that point, the oceanfront units were in the market of \$1.2 million to \$1.5 million each. Today, however, that market doesn't exist.

Mr. Mitherz asked if the financing for the project is lined up and ready to go at this time.

Mr. Yamnitz said he can't disclose who the client is at this point, but yes, if the two-year extension is granted and they can start the engineering and due diligence process, they'll be ready to start construction and move forward within that two-year period.

Mr. Guido said the previously-approved final development order has a start date within two years to start construction, and a deadline of five years to complete construction.

Ms. Zander asked what she's supposed to be giving an opinion on, as she's not clear what Mr. Yamnitz is asking the Board to do. She asked if Mr. Yamnitz wants a two-year extension to start, or two years to just sort of determine a little bit more about the project.

Mr. Yamnitz said the extension is not requested so his firm can "sort of determine," but so his firm's attorney can get with the City's attorney to actually have a demarcation point of when the permits are to expire, because there's some confusion on that. This needs to be defined so the permit process can be extended to build the project.

Mr. Guido said that's not a negotiation. Mr. Yamnitz is asking for a modification of what's been agreed to, which he doesn't believe is a negotiation between Mr. Yamnitz and anyone else aside from this Board and the City Commission.

Mr. Whitehouse said this is a modification of a PUD, and as such, there needs to be de-

finitive dates within the PUD. Mr. Yamnitz's firm has been arguing it should be a term extending from the real estate contract, which according to the packet information, says the completion date would be March 19, 2016. He thinks it's a fair question for the Board to ask the applicant if this means what he's asking is to extend the completion date until March 19, 2018, because the Board members don't know what to make a recommendation to the City Commission on unless they know what the time periods are.

Ms. Zander said she's sorry, but she really has a problem, in hearing from Mr. Yamnitz that he can't disclose information relating to Mr. Mitherz's question on the financing or who the client is, while she doesn't see any authorization for Mr. Yamnitz to appear before them on behalf of the PUD entity. She's not clear who they're dealing with here, and doesn't understand how they can talk about this with someone who has no authority.

Mr. Whitehouse said he understands what Ms. Zander is saying on the authority part, but that really has nothing to do with the consideration of what is before the Board tonight. The Board is the local planning agency, it's not the legislative body, so the Board's job is to make a recommendation to the City Commission, and say whether or not they think it's appropriate for this PUD, in this particular location, to receive a two-year extension.

Ms. Zander said yes, but they're taking all of this information from a person for whom she sees nothing giving him any authorization to speak on behalf of the entity developing the project. She's not saying Mr. Yamnitz isn't authorized, but she doesn't see anything from the entity developing this project saying he is, so that all of this is relevant.

Ms. England asked if the entity developing the PUD is a general partnership, and if Mr. Yamnitz is a general partner in the entity.

Mr. Yamnitz said yes, it is a general partnership, and he is a general partner.

Ms. England said perhaps, then, they could rely on a parent authority under the rules of partnership for Mr. Yamnitz to represent the developer tonight.

Mr. Yamnitz said again, in multiple conversations he's had with Mr. Royle and Mr. Larson, if he had known this was going to be an issue, he would have had that authorization in the file for the Board, but it was never requested.

Mr. Bradfield said he's more specifically concerned about the economic viability of this project, which still seems to be very inconsistent with the market. There has to be some equation that makes sense for the investors to put the money out for it to be built and sold. He's been a realtor for over 20 years, and doesn't see anything developing in the market that shows it's going to get to this point in the next two, or four, years. He'd love to see it, as he'd be happy if they were selling \$1.5 million condo units, but right now, oceanfront condos right next door to this property are being sold for \$400,000-\$600,000.

Mr. Guido said he's concerned that the negotiations that took place some years ago may not now be in the best interest of the City. The City, along with the State, invested a lot

of money in the park land the City acquired, and the original set of conditions did not take into consideration the agreement the City made with the State when the City accepted the Florida Communities Trust grant it received to purchase the 11.5 acres of park land, as far as providing certain recreational amenities. The City has moved forward on some of those amenities, which means if they let the conditions stand as they now are, they'd be losing what they've already put in, and there are other onerous conditions, in his opinion, in the PUD which were accepted by the City, for whatever reasons, at that time, but may now no longer be viable. The 60-foot-wide access road to the condos goes right through the center of the City's property, with a 20-foot easement on either side of the road that would be landscaped and maintained by the City only, which means the City would be providing a grand entrance to the developer's 30-unit condo development, and personally, he has a real problem with that. He thinks if the Board were to recommend denial of the requested extension, it would give the City Commission an opportunity to maybe reopen the whole thing, and the developers would have to reapply for a new PUD.

Mr. Whitehouse said the Board needs to stay focused on the application's consistency as to whether or not the plan meets the City's Comprehensive Plan and Land Development Regulations, and not get into the different side issues which aren't really planning issues, but may be negotiations, between the City and the applicant. Some of the things Mr. Bradfield has stated are appropriate, and may be taken into consideration, when talking about the approval, or modification, of a development order. However, the Board needs to stick to those types of planning and jurisdictional issues and not necessarily negotiation issues that aren't really a part of the requested PUD modification.

Mr. Guido said he has a different opinion about this, because the setting of the easements was first approved by this Board as part of the planning process. If how the road is to go through the property and how the landscaping is to be taken care of aren't land use issues, he doesn't know what land use issues are, and he thinks approving a two-year extension to the PUD, without any modifications, would not be to the benefit of the City at this time. He thinks these issues are a legitimate concern of the Board to not only discuss, but consider, in a recommendation to the City Commission on the requested PUD extension.

Ms. Zander asked Mr. Whitehouse if he is advising the Board to not take into consideration any of the missed deadlines and renegotiation on new deadlines, and that all they should look at is whether this fits, or complies with, the land use issues.

Mr. Whitehouse said no, he thinks the Board can take the other issues into consideration, but they should be part of the Board's consideration of the application's compliance with the City's Comprehensive Plan and Land Development Regulations. He doesn't think they should talk about renegotiating certain things in the PUD if a two-year extension won't affect them. If the applicant is requesting a two-year extension but the Board doesn't think there is any way the project can be done in two years, this would be a reason for the Board members to recommend to the Commission that they don't think a two-year extension would be appropriate. However, whether or not the City should provide landscaping around the entryway to the condo property is something that would not really be affected by the requested two-year extension, so it shouldn't be the focus of

the Board's recommendation to the Commission to approve or deny the extension.

Mr. Guido said if Mr. Whitehouse's advice is that the Board should focus on whether or not the application meets the existing Land Development Regulations, he'd like to call to the Board's attention that this is a PUD, so the Land Development Regulations, including things like setbacks, don't mean a thing, because they don't apply with a PUD.

Mr. Whitehouse said that's not true, the Land Development Regulations still apply, it's just that there can be separate specifications within a PUD about setbacks or landscaping regulations which may be a little different from the code requirements of the Land Development Regulations. However, they still apply, which is why he's saying the Board's purpose is to look at this to see whether it's appropriate as it relates to the themes and objectives put forward in both the Comprehensive Plan and Land Development Regulations. Economic viability and those types of things can be taken into consideration, as they're important issues for planning, but the Board shouldn't get tied down in negotiation issues, as this isn't the objective of a land planning agency.

Ms. Zander said she'd like to ask the question asked earlier as to what type of funding is in place. Also, if economic viability matters in the Board's decision-making process, how are they to know if the developer has any economic viability for this project at all?

Mr. Yamnitz said he can assure them that the group which would ultimately like to develop the project if the PUD permits are extended is not requesting any financing, so it would be a cash construction deal. As to economic viability, this group has done its own market studies, and at this point, he's not trying to be coy, by any means, but he's just not been privy to these studies. As he stated earlier, the prices for the individual condo units are not in the \$1.5 million range, but more in line with a \$350,000-\$450,000 price range.

Mr. Bradfield said he just doesn't see how they're going to be able to build the project and then sell the condo units at a profit in today's market, given the numbers mentioned by Mr. Yamnitz. However, if there is a prospectus that shows some real numbers for cost of construction and returns in the market consistent with what's happening here, it would certainly give them a lot more confidence in the project. On some kind of appreciable level, he has absolutely no doubt the market will go up, and it is going up, but his concern is he doesn't want this to turn into another Ocean Gate or another project that is partially built and then abandoned, as that would be a horrific thing to see at this location.

Ms. Zander said going back to the question of funding, what Mr. Yamnitz is telling them is that there doesn't need to be any financing in place, because it is a full-cash deal.

Mr. Yamnitz said to his understanding that is correct.

Mr. Whitehouse said if he wasn't exactly clear before, economic viability should relate to why the applicant is asking for a two-year extension, and not necessarily whether or not the market is going to call for it, because they don't get involved in market factors here or decide whether or not something is economically viable. However, they do look at it if

the developers are saying they need another year or two and then they're ready to go. If the Board thinks the developers will just sit on their hands if an extension is granted, this would be a reason for the Board to recommend the requested extension not be granted.

Mr. Bradfield asked if the reason the project wasn't built was because of the economy.

Mr. Yamnitz said obviously, the economy was a factor.

Ms. Zander said that's what they're trying to get at, because if the cash is in place to do the project now, the applicant has chosen not to go ahead on each of the deadlines, which have been extended multiple times, and instead has always asked for another extension. She asked why other deadlines the applicant could have met weren't met.

Mr. Yamnitz said due to discrepancies in the start and stop dates for construction, before the development group can move forward, they've got to make sure the permits are extended and they know the defined and clarified start and stop dates. No one is going to invest in something if they don't know they're going to be able to do it as purported. The deadlines weren't met for a myriad of reasons, including everything involved with selling the bulk of the property to the City for the park that now exists, the economy, and the State funding not falling in place for the other portion of the property.

Ms. Zander said respectfully, and again, if the developers have the financing, she doesn't see any authorization for Mr. Yamnitz to appear before the Board to talk about financing.

Mr. Yamnitz said the City Attorney has addressed this, and when this goes before the City Commission, the authorization will be in place.

Ms. England suggested the Board look at this in a different way. Looking at the real estate purchase agreement that was entered into on March 19, 2009, it seems to be the intent of the parties at that time, per paragraph 18 on page 40 in the packet information given to the Board, that the seller would have an extension, although this wasn't put into the PUD ordinance as it was supposed to be, of seven years from the date of this document for completion, which would extend the completion date to March 19, 2016.

Ms. Sloan said it actually says seven years from the date of the closing date, but they don't know the date of the closing date.

Mr. Whitehouse said the Board should forget about this and everything else, and just focus on the additional two years the applicant has requested. The date of completion the developers believe they originally had was March 19, 2016, so he can only deduce that what they are now asking is to extend the completion date to March 19, 2018.

Mr. Yamnitz clarified that he is requesting a two-year extension to the completion date, for an extension to March 19, 2018.

Mr. Bradfield said Mr. Yamnitz has said the funds are in place to start, but they haven't

started the project in the last seven years because the economic environment wasn't good enough to start. He asked what will happen if, within the next 18 months to two years, the economic environment still isn't good enough to start, and once again, he hates beating a dead horse, but is Mr. Yamnitz telling them his investors are going to come out of the ground and fund this project with zero presales? He doesn't know how Mr. Yamnitz's investors can guarantee they'll start this project within the next two years, if an extension is granted, without presales, but if there are investors doing this, he asked Mr. Yamnitz to please give him their names and phone numbers.

Mr. Yamnitz said he wouldn't be here before the Board tonight asking for an extension if the investors weren't ready to move ahead with the project. They just need a guarantee that the completion date of what was previously approved can be extended. Issues with the bank have had them handcuffed so they weren't able to proceed, but currently they're at a juncture where they can proceed, and now the permit timing is an issue. Once that's clarified and they are assured they can get an extension, they're ready to move forward.

Mr. Whitehouse said Ms. Zander just asked him a question to elaborate further on whether or not Mr. Yamnitz is an appropriate representative of the company which owns the property. He doesn't see any owner's authorization in the packet information given to the Board, but again, this is something staff looks at and requires, and if staff doesn't have an owner's authorization and the majority of the Board feels they need more information before moving forward, the Board has the prerogative to continue the matter.

Ms. Zander said she just asked Mr. Whitehouse about this again is because, as she stated earlier, she pulled the Division of Corporations' records for St. Augustine Development Associates LLC and the company's annual report, and found nothing that shows Mr. Yamnitz has any authorization to appear before the Board on behalf of this firm. She doesn't understand how he can be negotiating things on the firm's behalf when the Board has nothing that shows he's authorized to do so. If this authorization exists, she'd like to see it, so she doesn't have to worry about it. She's found who is authorized per the Division of Corporations, and it's not Mr. Yamnitz, it's someone else who's not here.

Mr. Yamnitz said per Mr. Royle's instructions, he made a request, in writing, to appear before the Board at this meeting, and if he had been instructed by Mr. Royle to provide a letter of authorization to make this request, he would have provided this to the Board.

Mr. Guido said the Board has a copy of Mr. Yamnitz's letter to Mr. Royle requesting to come before the Board at tonight's meeting, and the City Commission's February meeting. This is a request, in writing, to be put on these meeting agendas, but it is not a letter of authorization from the owners of the development group giving Mr. Yamnitz permission to appear before the Board and speak on their behalf. One way to handle this would be for the Board to make a motion to table this application because the applicant does not have the appropriate documentation for the Board to move forward on this.

Ms. Zander moved to table this agenda item because of the lack of authorization from St. Augustine Development Associates LLC to show Mr. Yamnitz has permission to appear

before the Board and speak on this firm's behalf. The motion died for lack of a second.

Ms. England asked Mr. Yamnitz to state the dates certain for the extension request, for the purposes of starting construction, and an ending date for completion of construction.

Mr. Yamnitz said in his conversations with Mr. Royle, his request was to extend the permits for a two-year period. He asked how the dates in the PUD can be clarified so there are clear-cut dates, with no ambiguity, they can work off of from hence forward.

Mr. Whitehouse said a written, authorized statement should be submitted from the corporation that owns the property stating what dates the corporation wants for different activities such as start and stop dates for construction. The property is a PUD, so these dates can be stated within the PUD documents, and he thinks it's important to have set dates, so there's no ambiguity as to what the dates are. There has to be a start date and an end date for construction, and once construction has started, there has to be continuous building, as construction can't sit dormant for a certain amount of time once it has started. From a planning perspective, on behalf of the City, the City wants to know when construction will begin and when it will be completed, as these are appropriate questions.

Mr. Bradfield said his concern, again, is that if an extension is granted, the project won't be built, because it is not economically viable. It doesn't make sense to build something that costs twice as much as the price-point of the market it will be sold to. Unless the market comes up to the price-point of what it will cost to build the project, or they can be shown something such as a prospectus that shows it makes sense to build this project and that it's viable on some level, he thinks they'd just be granting an extension that would result in the applicant coming back two years from now to ask for another extension.

Mr. Guido opened the floor to public comment, and asked if there was any member of the public who wished to speak to the Board on this issue. There was no public comment.

Ms. Zander asked for Mr. Whitehouse's opinion as to what the existing start date is.

Mr. Whitehouse said there was an ordinance passed in 2008, which was amended in 2009, saying the developers would have until March 19, 2016 to complete the project, if they finalized the agreement with the City by March 1, 2009. As this was not finalized until after March 1, 2009, legally it appears the extension granted until March 19, 2016 was not valid, because the developers did not meet all of the terms of the amended 2009 ordinance, so therefore, it would most likely revert to the terms of the 2008 ordinance, which gave earlier dates, in other words, the developers had less time to complete the project. He thinks the Board's consideration really becomes whether or not the Board feels it is appropriate, from a planning perspective, to grant an extension to this project which, at the time it was approved, was found to meet the City's Comprehensive Plan and Land Development Regulations and was found to be an appropriate project.

Ms. Zander asked if the Board could make a recommendation to the City Commission on the request to extend the PUD, even if it has already expired, because it's not the Board's

decision as to whether or not the PUD has expired.

Mr. Whitehouse said if the Commission decides the PUD has expired, the applicant will have to go back and reapply for a new PUD, but this Board does not have the authority to decide that. The task of this Board is to recommend if, from a planning perspective, a two-year extension should be granted for this project. In making a decision on this, the Board should take into consideration whether the area around the property has changed, and whether the PUD would still be an appropriate project for the area in two years.

Mr. Guido said the City has made a lot of changes over the last several years, particularly to areas east of A1A Beach Boulevard, since this PUD was originally approved. The City has adopted a number of new ordinances, including a mixed use district ordinance, and his own feeling on this matter is he's not sure it's in the best interest of the City to grant an extension at this time. He'll leave it up to the Commission to make a determination as to whether or not the existing PUD has expired, and if it has, the applicant may possibly have to come back before the Board with a new PUD application.

Mr. Mitherz said he'd be opposed to granting a two-year extension to the end dates for construction to extend them until 2018, and he's not sure if the PUD would still be appropriate, because the area has changed some. Right now, he's reluctant to grant an extension to any of the dates in the current PUD.

Ms. Odom said she doesn't understand what harm it would be if the City granted an extension. Economically, if the Commission were to deny the extension and the developers had to build the project right now, it would go belly up, just like other things have done, which is something she doesn't want to see happen in this City.

Mr. Bradfield asked if an extension is granted and the developers move forward, get all the engineering for the project done to start building the condos, and they come to market in the summer of next year, at what price will they have to be sold to make the project work? If they could be brought to market and the price-points are \$395,000-\$695,000 per unit, then there's an economic viability for which the investors would fund the project, but without that, he doesn't think the investors will fund or build it, nor does he think it will be viable in the marketplace, so they'd be approving something that has no chance of ever being successful. If it can be shown the numbers do add up, he'll have all the confidence to say he thinks the two-year extension is a good thing, and a great opportunity to build a project that will sell. However, if it's built and sits empty, none of these properties will go on the tax rolls, so the City will absorb them, and the project will become a burden, which is something he doesn't want to see happen.

Ms. England said to move this forward to the City Commission, perhaps the Board could recommend the Commission first determine whether or not the PUD has expired. If it is determined that the PUD has completely expired, the Commission should decide, as a matter of policy, whether it's a good idea to grant an extension to a PUD after the PUD ordinance has expired. If it is determined the PUD has not expired, the Board could recommend a short extension of the time to begin construction, so that this date is no later

than the end of this year, and a reasonable extension for completion.

Mr. Guido said he thinks the Board has an obligation to make a specific recommendation to the Commission, and in his mind, the Board should either recommend the two-year extension be granted, or recommend an extension not be granted, rather than complicate the issue. The Commission will be making a decision anyway as to whether or not the PUD has expired, and as he understands it, they already have an opinion from the City Attorney that it has expired. His feeling, personally, is that he doesn't think an extension is in the best interest of the City at this point in time.

Ms. Zander MADE A MOTION TO RECOMMEND THE CITY COMMISSION NOT EXTEND THE DEADLINE FOR THE MARATEA PLANNED UNIT DEVELOPMENT. The motion was seconded by Mr. Mitherz and passed 5-2 by roll-call vote.

Mr. Mitherz	Yes
Ms. Odom	No
Mr. Guido	Yes
Ms. England	No
Mr. Bradfield	Yes
Ms. Sloan	Yes
Ms. Zander	Yes

VII. OLD BUSINESS

There was no old business.

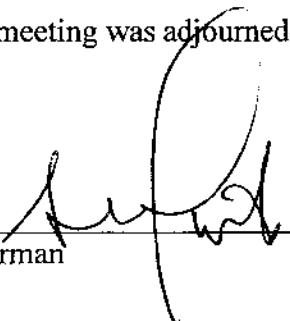
VIII. BOARD COMMENT AND DISCUSSION

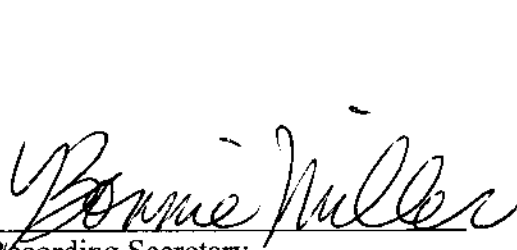
Mr. Mitherz asked Mr. Larson how many more parking spaces Salt Life Restaurant has leased, and the total number of parking spaces it will have when the restaurant opens.

Mr. Larson said he believes the owners have a lease agreement with Taylor Rental for an additional 44-49 parking spaces, so with the more than 60 parking spaces on the onsite parking lot, the parking requirements, which he thinks is 112 spaces, have now been met.

IX. ADJOURNMENT

The meeting was adjourned at 8:40 p.m.


Chairman


Recording Secretary