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The Downtown Development Authority **Board of Directors** met on Friday, July 18, 2008 at 8:30 a.m. at the DDA office, 200 South Biscayne Blvd., Suite 2929, Miami, Florida 33131.

PRESENT:

Com. Joe M. Sanchez, Chairman
Alvin West, Treasurer
Neisen Kasdin (*State Cabinet Rep.*)
Loretta Cockrum (Via Teleconference)
Jose Goyanes
Jerome Hollo
Rodrigo Trujillo
Tony Alonso
Nitin Motwani
Jay Solowsky

ABSENT:

Comm. Audrey M. Edmonson (*County Commission Rep.*)
Oscar Rodriguez

Chairman Sanchez called the meeting to order at 8:35 a.m.

Chairman Sanchez recognized the efforts of all the individuals including the Community Advisory Board and DET, who assisted with the success of the U.S. Conference of Mayors and presented each with a Certificate of Appreciation.

I. Invited Guest Speakers

-Miami Police Department (Chief Timoney)

Chief Timoney addressed the Board on the following items:

- « Police Officer Recruitment: The Miami Police Department (“MPD”) was recently successful in obtaining an increase in officer salaries which will make MPD more competitive nationally, which will assist in recruitment efforts.
- « Public Service Aide (“PSA”): Approximately 55-65 PSAs are expected to graduate at the end of their training, which takes 12 weeks.
- « Crime: Increases have been noted nationally due to rocketing prices of metal. However, “person” crimes such as assaults and robberies have decreased.
- « New Building Scams: Scams have been noted in new buildings not fully occupied in which empty apartments are being rented illegally to unsuspecting victims. This usually occurs between the times that an owner walks away from their investment and the bank and/or financing companies have not yet taken possession of the apartment.

- « Downtown Business Beat: Currently 30 officers are assigned to the Downtown Business Beat, which includes areas of Omni, Venetian Isle, and Watson Island.
- « Ambassador Program: This program has been very beneficial/complementary and is working very well with the Miami Police Department.
- « Brickell Village: Cmdr. Whitehead will be directed to evaluate traffic issues in this area, especially during the evening hours.
- « Aggressive Panhandling Ordinance: MPD will begin enforcing once the signage is installed.

Jay Solowsky recommended that DDA hold a seminar with MPD to address sensitivity issues relating to enforcing the Aggressive Panhandling Ordinance. (Date TBD).

- « Repeat Offenders: Comm. Sarnoff addressed the board concerning repeat offenders not being convicted of a crime because of deals being made which results in time served withholding adjudication.
- « Arrests Processing Time: Comm. Sarnoff addressed the board concerning the processing time for each arrest. A recent study showed that the average processing time for each arrest is 4 – 5 hours. Orange County Florida has developed a computer program that cuts the time down to an average of 20 – 30 minutes. It's important that the business and community at large urge their public officials to find the resources in the general obligation fund to implement this system locally, which also tracks the number of times a person has been arrested.

David Raymond, from the Homeless Trust, informed the Board that the Trust had recently approved an allocation to hire a PR firm to help with a campaign on educating the public on how to address/handle panhandling. One of the things working successfully in Denver, CO is the use of meters in which citizens can deposit money into in lieu of handing money directly to homeless and/or panhandlers. For the record, the Homeless Trust does not support panhandling.

David Rosemond, Director of NET, informed the Board that he wanted to begin emulating the system that has worked in Denver, CO for addressing panhandling there.

-Miami Parking Authority (Art Noriega)

Art Noriega, Executive Director of the Miami Parking Authority (“MPA”), addressed the Board on the following items:

- « Capital Program: MPA’s program includes “brick and mortar”, infrastructure and partnerships that lead to additional development.
- « Downtown Parking: On-street metered parking inventory in the core is very limited. MPA wants to work on putting together an intelligent merchant-parking program that works better than the one in place currently.

Jose Goyanes recommended inviting Art Noriega to work with DDA’s Service Committee to develop better parking programs related to Loading Zones and Holiday Parking.

- « Park and Ride: MPA wants to work with Transit on getting the public more in tune with using this concept for getting in/out of the downtown core, especially during events. The concept is for commuters to park at or near a Metro

Rail/Metro Mover line and use it to commute in/out of downtown, especially during events.

II. Approval of the Minutes ~ (*June 27, 2008*)

Neisen Kasdin motioned to approve the minutes of June 17, 2008, Al West, seconded and the item passed unanimously by the board members present.

III. Financial Report ~ *As of June 30, 2008*

Carolina Terrones, from GLSC & Company, presented the Financial Report as of June 30, 2008 and stated that there were no reporting conditions.

IV. Executive Director Report

Alyce Robertson addressed the board on the following items:

- Wal-Mart: Alyce Robertson deferred to Leo Zabezhinsky to provide the update. Mr. Zabezhinsky informed the board that it had been made public that Wal-Mart is negotiating leasing space at the City Square project site. This item was placed on the agenda for informational purposes only; no board action is needed.

- Office Move: Alyce Robertson deferred to Jay Solowsky to provide the update. Jay Solowsky informed that board that subsequent to the board's last meeting, the lease had been reviewed extensively to terms, lease conditions, and current market conditions. It is his conclusion that moving at this time is not the "low-hanging fruit" as the board thought it was. The reason being that the current lease is at \$34.25 per square foot plus pass through operating expenses over the base year of \$3.76 per square foot and 3% management fee of \$1.14 per square foot. Therefore, DDA's all-in expense is \$39.15 per square foot. For an "A" building like Wachovia Financial Center that is a favorable rate. However, the terms of the lease itself are extremely unfavorable. Under the lease should DDA decide to assign the space and move out, the 5-year option under the lease becomes null and void and is not available to any assignee. That means that DDA would only have the ability to assign the balance of the lease, which is through February 28, 2014. In addition, to the extent that DDA would find someone who realized that the space is below market rent and want to pay DDA for the \$200,000 or so in improvements put into the space, the lease requires that any transfer money would go to the landlord and not to DDA. Typically, this is a negotiated provision where you end up negotiating 50/50 between the landlord and the tenant. DDA's lease was not negotiated at all. It was presented to DDA and it was signed. There is not a single item in either the lease or any subsequent amendment that was negotiated. Therefore, DDA would not get any transfer premium and DDA would not have an option that DDA could sell to someone so the lease term could go through 2019. DDA's rate is equivalent to a B or B+ building. The bottom line is that financially DDA has a good lease, but the terms of the lease are so onerous as to take away any ability DDA would have to recapture or recover the value of it. The next period for review of the lease agreement is approximately 2 years before the end of the current term, which is at the end of 2011. Brief discussion ensued.

Neisen Kasdin motioned based on the analysis of Jay Solowsky and staff that DDA stay where it's at, but seek possible sub-tenants for surplus space, Tony Alonso seconded and the item passed unanimously by the members present.

- DDA Millage: Alyce Robertson reminded the board that DDA's millage will be on the City Commission agenda for consideration on July 24th. DDA has met with commissioners on this item and thanked Jay Solowsky, Jose Goyanes, and Oscar Rodriguez for accompanying DDA on those meetings.

- V. Committee(s) Update
A. Operational Committees
• DRI Committee

Neisen Kasdin reported on the following:

- DRI Extension: DDA's DRI extension was approved by the South Florida Regional Planning Council ("SFRPC") to a previously approved Development of Regional Impact (DRI) pursuant to the 2007 Florida Statute subsection 380.06(19)(c).
- Increment II: DDA has withdrawn the NOPC for Increment II regarding the affordable housing because DDA has identified 750 units within the DRI boundaries to accommodate the affordable housing requirement and has also reduced the amount of projected residential development under Increment II.
- Increment III: DDA and its consultants are in the process of responding to the various agencies' comments and inquiries related to the application.

- Nominating Committee

Loretta Cockrum reported that the committee has reviewed 26 letters of interest. The committee has "short-listed" the submittals 13 and the committee has set aside two days in which to conduct interviews. Of the 13 candidates, 9 are specifically representing the Brickell area and the balance for the most part, are representing the entire district. The committee has addressed not only candidates who are qualified, but who have demonstrated an interest in the past and who have demonstrated an interest in the betterment of the whole of downtown not just the areas that they represent specifically.

- B. Executive Search RFP Selection Committee (Jay Solowsky)

Jay Solowsky reported that he has been negotiating on behalf of DDA with DHR International pursuant to the direction of the board. DHR is prepared to work with DDA within the confines of the allocated amount of \$70,000. However, Mr. Solowsky stated it seems that the board is very happy with what it has seen so far from Alyce Robertson and Meredith Nation and therefore, would like to propose that before DDA spends the \$70,000 to conduct an Executive Director search that DDA attempt to work with Alyce Robertson, whose six months will come up in September and Meredith who is on loan to DDA from the City likewise, that DDA attempt to negotiate with the City and Alyce Robertson and the County because it seems that DDA is getting everything it needs and is moving in a very positive direction. The expenditure of \$70,000 of which should DDA decide to merely go to phase I, DHR is inflexible in wanting \$28,000 for that function alone, which far exceeds any of the proposals DDA received. It just seems that it is not prudent for DDA to spend that money at a time when DDA is very satisfied with what they're seeing from Alyce Robertson and Meredith Nation.

Neisen Kasdin stated that this needs more thought and time than can be given at this meeting right now. Mr. Kasdin also stated that he personally is completely happy with the work of Alyce and Meredith. Nevertheless, the board is talking about the long term Executive Director position for this organization and in a meeting like this it's too brief and too rushed for the board to figure whether or not it should go forward on a permanent basis. Certainly, DDA will have to extend Alyce and Meredith's time because the six-month period will be over in September, but at the same time feels no urgency to go out and get an Executive Director because DDA is in great shape and in great hands right now. But the long-term decision is something that the board ought to think through.

Loretta Cockrum recommended for the Executive Director Search Committee to convene and discuss options and recommendations at the committee level. The Board agreed and no action was taken. (*Committee Date TBD*).

C. Program Committees

- Economic Development / Research Program

Leo Zabezhinsky reported briefly on the following:

- « Façade and Shutter Program: DDA had 6 new applicants that were approved by the committee this week. That makes a total of 9 projects in the pipeline.
- « ICSC Orlando: This conference takes place mid-August. DDA is saving \$7,000 on its booth expense as DDA was placed on a waiting list for booth space and instead of waiting to see where DDA might end up, DDA has opted to save on that expense and use it towards the ULI conference. Therefore, DDA will be attending ICSC Orlando, but will not have exhibit space.

Chairman Sanchez stated that DDA's mission is to promote retail and commercial and encouraged DDA to have an exhibit space at ICSC Orlando regardless of its location.

In addition, Chairman Sanchez wished to state for the record and reminded each board member and DDA staff that DDA is an "independent board" and encouraged everyone to read DDA's legislation. In other words, Chairman Sanchez cannot come into DDA and push/cram something down its throat. Neither can any other Commissioner or Mayor or City Administrator. Decisions are based on the board's recommendation on a vote as a board. Therefore, the future of DDA lies in the Board's hands with the leadership it has.

- « ULI Conference: DDA has completed the ULI feature article that many of the board members were interviewed for. It has come together very nicely and will be one of the feature pieces in the September issue.
- « Knight Art Partnership Grant: DDA submitted an application for the Downtown Miami Concert Series and has been selected as a finalist out of 1,600

- Marketing-Communications Program

Rodrigo Trujillo reported briefly on the following items:

- « Website Phase II: DDA has met with the County about populating the website with additional information as well as to discuss moving forward with phase II. The county will be presenting to the Committee a proposal on Phase II.
- « DWNTWNR – The third issued is in production and should be printed in mid-August. The theme for this issue is "Play".
- « Apple Organization: The committee is recommending renewal of Apple's contract for another six months on a month-to-month basis. The resolution is included in today's agenda.

- Service Delivery Program

(This item was not addressed)

- Urban Design, Transportation & CIP Program

Adam Lukin reported on the following items:

- « Code Enforcement Compliance Brochure: DDA has prepared a "draft" brochure, which shows pictures of properties in and out of compliance. The intent is to distribute as part of the educational outreach.

Tony Alonso inquired as to the status of the Downtown Master Plan.

Alyce stated that the DDA board had not yet approved the Master Plan officially. Additionally, she meet with Bernard Zyscovich yesterday (7/17/08) to review the plan as some of the elements are outdated, such as the economic development piece, which was written in 2005. Ms. Roberts also requested that Mr. Zyscovich assist in determining which elements of the plan are practical for implementation.

Jerome Hollo stated that he had requested from city administration that a workshop on Miami 21 be coordinated approximately a year ago and it has yet to be scheduled.

Brief discussion ensued on both topics. Al West recommended that a presentation/update be provided to the board on both the Master Plan and Miami 21 at the earliest convenience. (*Presentation/update meeting date(s) TBD*).

VI. Legislative Item(s)

1. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIAMI DOWNTOWN DEVELOPMENT AUTHORITY (“DDA”) OF THE CITY OF MIAMI, FLORIDA, REVISING THE FY 2008-2009 BUDGET REFLECTING THE FINAL AMOUNT IN THE CERTIFICATION OF VALUE FOR FY 2008-2009 FROM MIAMI-DADE COUNTY.

Jay Solowsky motioned to approve this item, Nitin Motwani seconded and the item passed unanimously by the board members present.

2. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIAMI DOWNTOWN DEVELOPMENT AUTHORITY (“DDA”) OF THE CITY OF MIAMI, FLORIDA, ALLOCATING AND APPROVING EXPENDITURE OF FIFTY THOUSAND DOLLARS (\$50,000) FOR SPONSORSHIP OF THE URBAN LAND INSTITUTE (ULI) 2008 FALL MEETING AND URBAN LAND EXPO.

Neisen Kasdin motioned to approve this item, Al West seconded, Chairman Sanchez voted nay, and the item passed by majority vote by the board members present 9 to1.

3. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIAMI DOWNTOWN DEVELOPMENT AUTHORITY (“DDA”) OF THE CITY OF MIAMI, FLORIDA, AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH THE APPLE ORGANIZATION FOR PUBLIC RELATIONS SERVICES IN AN AMOUNT NOT TO EXCEED FIFTY THOUSAND DOLLARS (\$50,000) INCLUDING REIMBURSABLE EXPENSES.

Rodrigo Trujillo motioned to approve this item, Nitin Motwani seconded and the item passed unanimously by the board members present.

4. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIAMI DOWNTOWN DEVELOPMENT AUTHORITY (“DDA”) OF THE CITY OF MIAMI, FLORIDA, ACCEPTING THE OMNI REDEVELOPMENT DISTRICT COMMUNITY REDEVELOPMENT AGENCY (“CRA”) GRANT IN THE AMOUNT OF ONE HUNDRED THOUSAND DOLLARS (\$100,000) FOR THE EXPANSION OF ITS AMBASSADOR PROGRAM TO THE MEDIA AND ENTERTAINMENT DISTRICT IN THE OMNI REDEVELOPMENT AREA (“PROGRAM”); AND FURTHER AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE A GRANT AGREEMENT FOR SAID PROGRAM.

Loretta Cockrum motioned to approve this item, Jose Goyanes seconded and the item passed unanimously by the board members present.

5. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIAMI DOWNTOWN DEVELOPMENT AUTHORITY (“DDA”) OF THE CITY OF MIAMI, FLORIDA, ACCEPTING THE OMNI REDEVELOPMENT DISTRICT COMMUNITY REDEVELOPMENT AGENCY (“CRA”) GRANT IN THE AMOUNT OF FIFTY-FIVE THOUSAND DOLLARS (\$55,000) FOR THE EXPANSION OF ITS DOWNTOWN ENHANCEMENT TEAM (“DET”) TO THE MEDIA AND ENTERTAINMENT DISTRICT IN THE OMNI REDEVELOPMENT AREA (“PROGRAM”); AND FURTHER AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE A GRANT AGREEMENT FOR SAID PROGRAM.

Jay Solowsky motioned to approve this item, Jose Goyanes seconded and the item passed unanimously by the board members present.

6. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIAMI DOWNTOWN DEVELOPMENT AUTHORITY (“DDA”) OF THE CITY OF MIAMI, FLORIDA, AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE A CONTRACT WITH MIAMI-DADE COUNTY FOR THE PROVISION OF INFORMATION TECHNOLOGY SERVICES IN AN AMOUNT NOT TO EXCEED EIGHTEEN THOUSAND SEVEN HUNDRED TWENTY DOLLARS (\$18,720).

Tony Alonso motioned to approve this item, Rodrigo Trujillo seconded and the item passed unanimously by the board members present.

7. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIAMI DOWNTOWN DEVELOPMENT AUTHORITY (“DDA”) OF THE CITY OF MIAMI, FLORIDA, AUTHORIZING THE EXECUTIVE DIRECTOR TO FIND THE RESOURCES NECESSARY TO CORRECT A SCRIVENER ERROR FOR THE THREE-YEAR DOWNTOWN HOLIDAY DECORATIONS PROGRAM IN THE AMOUNT OF SEVENTEEN THOUSAND SIX HUNDRED SIXTY-EIGHT DOLLARS AND SEVENTY-FIVE CENTS (\$17,668.75) FROM TE FY 2008-2009 BUDGET.

Rodrigo Trujillo motioned to approve this item, Jose Goyanes seconded and the item passed unanimously by the board members present.

8. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MIAMI DOWNTOWN DEVELOPMENT AUTHORITY (“DDA”) OF THE CITY OF MIAMI, FLORIDA, AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE A MEMORANDUM OF AGREEMENT (“MOA”) WITH MIAMI-DADE COUNTY IN AN AMOUNT NOT TO EXCEED ONE HUNDRED FIFTY THOUSAND DOLLARS (\$150,000) FOR THE NEIGHBORHOOD ENHANCEMENT ACTION TEAM (“NEAT”), SUBJECT TO CITY ATTORNEY REVIEW AND APPROVAL.

(This item was withdrawn and no action was taken)

VII. Other Business

With no further business, the meeting was adjourned.