

MINUTES
NICEVILLE COMMUNITY REDEVELOPMENT AGENCY (CRA) BOARD
MEETING

November 14, 2023

5:00 p.m.

Chairman Henkel, CRA Commissioners Nodjomian, Schaetzle, Donahoo, and Williams were present. Commissioner Alley attended by conference call. Also present were CRA Executive Director, David Deitch; City Attorney, Dixie Powell; City Clerk, Dan Doucet; CRA Manager, Ms. Ammy Hanson; CRA Consultant, Dr. Bill McCartney; Deputy City Clerk Wendy Farmer; Deputy City Clerk and Finance Director, Steven Rausch; Information Technology and Purchasing Director, Chad Morris; Lee Lewis, AVCON; David Hemphill, KG Development; and two other attendees.

CALL TO ORDER

The meeting of the CRA Board was called to order by Chairman Henkel at 5:00 p.m.

APPROVAL OF MINUTES:

CRA Regular Board Meeting, September 21, 2023

Commissioner Donahoo motioned for approval of the minutes. Commissioner Nodjomian seconded. No discussion followed.

COMMISSION VOTE: NODJOMIAN – YES; SCHAETZLE – YES; ALLEY – YES; DONAHOO – YES; WILLIAMS – YES; HENKEL – YES. MOTION PASSED.

Dr. McCartney asked Chairman Henkel to reverse action items two and three on the agenda because Mr. Powell would speak to item two and had not yet arrived.

ACTION ITEMS:

- Recommendation of Commercial Real Estate Firm for Old Town Historic Area

Commissioner Alley asked if anything had been emailed to the Commissioners about commercial real estate firms that may have submitted applications? Dr. McCartney said, we did not know until today, but we have a list of all of them tonight that will be presented by Commissioner Williams. Commissioner Alley asked, are you presenting all of the packages? Is there a recommendation? I don't see anything for us to review, said Commissioner Alley. Is that correct? That's correct, it is recommendations said Commissioner Williams. There was a group of seven that were submitted. Our CRA review team have narrowed it down to the top three said Commissioner Williams.

Commissioner Williams said we had a scoring system. As we navigate this process, selecting a commercial broker for the CRA, I want to extend appreciation to all of the professionals who submitted proposals. Your commitment to community growth and development has not gone unnoticed. With a rigorous score system in place, we carefully evaluated each proposal, considering factors such as experience, innovative approaches, and demonstrated understanding of the unique needs. After this meticulous review, I am pleased to announce that we have narrowed it down to three choices. This decision reflects the dedication to ensuring thorough and thoughtful selection process that aligns with goals of the community and redevelopment. To those who have participated, your contribution is invaluable. We value your continued engagement in this important initiative. We eagerly anticipate the next phase of collaboration and select the finalist as we work together to shape the environment of the future for our City. We appreciate everyone that sent in their proposals, said Commissioner Williams.

Commissioner Williams said, we have narrowed it down to the top three and we have score sheets that I've passed out. You're not going to have that Commissioner Alley. We just received them. Commissioner Alley asked, is someone going to email me the scoresheets? Commissioner Williams replied, yes as we speak.

Commissioner Williams said the recommendation is for you, the CRA Board of Commissioners, to see the top three. They will make presentations at the December meeting. That way you can get to know them, hear what they have to say, see your thoughts on this and vote accordingly, said Commissioner Williams.

Chairman Henkel asked Commissioner Williams, are you going to mention all of the companies that submitted, or just the top three? Commissioner Williams replied, just the top three. The top three in no specific order are: Berkshire Hathaway, Coldwell Banker, and Taylor Allen. Chairman Henkel said, if I understand correctly the plan is to bring them in at our next meeting. It is the City Council meeting on the December 12, 2023, said Dr. McCartney. So, they'll make presentations, and we'll make a decision then, asked Chairman Henkel? Correct, replied Commissioner Williams.

Commissioner Nodjomian asked, what is the process going to be? Do these scores count? Is it a clean slate on that day? What percentage are the scores of the pre-selection committee? What are the ground rules of the event on that date, asked Commissioner Nodjomian? Dr. McCartney replied, it will not actually be a clean slate. We ranked the firms and we had a short list of three firms. Of the short list, they were ranked one, two, and three. Berkshire Hathaway was ranked number one, Taylor Allen was number two, and Caldwell Banker was number three. That's for your information tonight. Of course, the presentation will be before the City Council, not the CRA Board. You all will make a selection at that time, said Dr. McCartney..

Dr. McCartney said, in the interim Ms. Hanson will provide you with a simple scoring sheet. They will be ranked as one, two, and three. The lowest aggregate score will be the selection. Then, we will negotiate with the top-selected firm and make sure we have an agreeable contract with them. Ultimately, you would approve the contract, probably at the meeting in January.

Commissioner Nodjomian asked, the three firms are going to be coming in here in January on equal footing? There's no first, second, and third? Dr. McCartney replied, the presentations at the December meeting will be on equal footing. The ranking provided by the Certification and Selection Committee to you is a ranking for your information. The answer is going to be yes said Dr. McCartney. These scores are for your information. You will start with a clean slate in December, said Dr. McCartney. Commissioner Nodjomian asked are we going to get a scoring sheet and their packages beforehand in December? Dr. McCartney said a score sheet, not their packages.

Commissioner Nodjomian asked, so we're not going to review anything between now and their presentation? Dr. McCartney replied, the idea is the presentation will stand alone, along with the rankings of the committee that was appointed to do this job. Commissioner Nodjomian said, you're bringing the rankings back in again. Dr. McCartney said that's what we were charged to do. Commissioner Nodjomian said, to get to the three; there is no first, second, or third. Dr. McCartney replied, not in December. Commissioner Nodjomian said, we'll be sitting in here on December 12th, and the five of us, in our Council capacity, will be taking in presentations. Four of us will be seeing everything for the first time, with no advance information and no ability to analyze or synthesize, and being asked to make a decision? Dr. McCartney said basically that's it. However, all of the packages are public information, and they're available in Ms. Hanson's office or Dan Doucet's office for anyone that wants to review them. Commissioner Nodjomian said, I for one would like a copy of everything that was submitted. Dr. McCartney asked do you want all seven or just the top three? Commissioner Nodjomian said just the top three. Mr. Deitch said, sir I'll make sure you get all three packages well in advance.

Commissioner Schaetzle said, now we're acting as the CRA Commission. We're going to go, in less than an hour to the City Council meeting. In December, we're not having a CRA meeting. We're going to be voting as the Council? Yes, replied Dr. McCartney. The property is owned by the City of Niceville. So, the Niceville City Council will select the realtor. What is on your agenda tonight is a Niceville CRA recommendation to the Niceville City Council. We're going to have a paper trail in the CRA minutes and in the City Council minutes, said Dr. McCartney. Okay, thank you said Commissioner Schaetzle.

Chairman Henkel said thank you for that. I appreciate those folks that put it together. I appreciate those who submitted packages, and we'll move forward in December. Since our legal counsel is here, I'm not going to reverse the order, and we'll stick with the recommendation for AVCON property swap.

- Recommendation of AVCON Property Swap

Mr. Powell said we have the property exchange agreement all finalized. Ms. Hanson and I made some changes today on it, and it's on the agenda for tonight. Originally, the surveys were done for the two parking lots. AVCON's Mr. Lewis requested that we insert a provision in the agreement to allow us the option to change the boundaries, or make a change to the size or location of the spot within the properties. I covered that within the agreement. I think it is covered well enough. Mr. Lewis, Ms. Hanson, and Dr. McCartney have looked at it. Basically, what we're doing within the property swap, is leaving an option open to change the boundary lines in the survey.

Mr. Powell said, I also saw something come in today concerning moving the properties to a different location. I didn't quite understand that. Anyway, the correct legal descriptions are now attached to the agreement and the correct survey. In the package is the property exchange agreement, the resolution approving the property exchange, and the two corporate warranty deeds from the City to AVCON, and AVCON's deed to the City for the properties that were described in the agreement. So, other than that, I think we're ready to go and execute the agreement after it is approved tonight by the Council, said Mr. Powell.

Chairman Henkel asked do we need to do this tonight in the form of a motion? Dr. McCartney said, Mr. Chairman the motion tonight is to recommend to the City Council, the adoption of a resolution and the supporting documentation to provide to Mr. Powell. Chairman Henkel said, so this will go on to the City Council. Mr. Powell said yes, it is going to the Council, and the resolution authorizes Mr. Deitch to sign the agreement for the City. Then Mr. Lewis will sign for AVCON. Chairman Henkel said, Mr. Lewis would you approach the mic? Do you have anything that you'd like to say?

Mr. Lewis said, yes sir. Lee Lewis, with AVCON, representing Berkeley Properties as well, owner of the property we're talking about. I just wanted to clarify that I agree with everything Mr. Powell offered. The only reason that I brought up the comment about the location and moving it around was that there is a master plan being developed. If the parking were to shift, there might be an opportunity to put the parking lot South twelve feet, or something like that. We're good with the agreement in principle. I just hope the City would come back and revisit it, if it was in the best interest of all parties, if the shift was needed down the road. But, I don't see the need for that right now, said Mr. Lewis. Chairman Henkel said, I think in the discussions that we had last month, we talked about that there would be some flexibility that we'd exercise. Dr. McCartney, are you in agreement with that, asked Chairman Henkel? Dr. McCartney replied yes, I am. Let me point out one other thing. I would like the motion tonight to incorporate language that basically says, during the construction process the City will make all necessary considerations for AVCON parking for their employees so they'll be able to get to their own building. That's during the construction phase. Mr. Lewis was concerned about where

they were going to park during construction. I told him the best way to handle that would be to include it in the motion that basically says we will facilitate his parking requirement. Chairman Henkel asked, do we have that motion written down someplace? No sir, replied Mr. Deitch.

Commissioner Schaetzle asked, while we're thinking about that, how many spots are you looking for consideration of? And, of course, you have I think someone else in the same building. Are we also addressing that corporation? Mr. Lewis said, in principle we're looking at a square foot for square foot swap. We have laid some concepts to make sure that parking fits back there. I don't remember the exact number, but we looked at the square foot basis and what's generally required. It will work on the property. We still retain some property on the east side of our building that we still park cars at today. So that will be part of the plan as well. In our parking lot, at least half of it is being used by a restaurant and we're still doing fine. So, if we get the same square footage in the back, we're going to be fine. Chairman Henkel said, just so you know, Commissioner Schaetzle, that's exactly what we did, a square foot for square foot. Mr. Lewis said, so we're not losing anything.

Mr. Powell said I thought I'd addressed something about access in the agreement. I'll double-check it. Mr. Lewis said I didn't see it, but that's okay. We're just making sure we have a way in and out during this process, so that we don't lose the ability to park our employees. Mr. Deitch said, I'll make sure, during this entire process, that you have access, ingress, egress, and parking, throughout the whole process. Mr. Lewis said I'll conclude my remarks by telling you that we are excited about this. It's a bit of a sacrifice, in that we are giving up some good property for arguably less desirable property, but I think it is in the best interest of the community. I think it is in the best interest of the City. We're excited to be a part of it, said Mr. Lewis. Chairman Henkel said great, thank you.

Chairman Henkel asked Ms. Hanson, I suspect you have something in terms of a motion? Ms. Hanson said yes. This motion is to propose to recommend to the City Council a property swap for parking between the City of Niceville and Berkley Properties, LLC, which is a parent company of AVCON Inc., and the City will work with AVCON Inc. to facilitate their parking needs during construction. Ms. Hanson said, we know going in that they're going to have access to their current parking lot until such time as they are ready to abandon that section as the City helps them with their new parking lot. Chairman Henkel asked does anybody on the Council have any comments about the motion that was read? Commissioner Schaetzle asked Mr. Lewis does what Ms. Hanson just read satisfy your concern? Mr. Lewis said yes sir, we can make that work. More discussion followed. Chairman Henkel asked, does anyone in the audience have anything to bring up about that issue? No further discussion.

Chairman Henkel asked as the motion was stated by Ms. Hanson, do I have someone who would like to make that motion as read? Commissioner Schaetzle said, so moved as the

motion was read by Ms. Hanson. Commissioner Nodjomian seconded. No discussion followed.

COMMISSION VOTE: NODJOMIAN – YES; SCHAETZLE – YES; HENKEL – YES; DONAHOO – YES; WILLIAMS – YES; ALLEY – YES. MOTION PASSED.

- Consideration of Authorization to K&G to select a Geotechnical Engineering Services Firm

David Hemphill, KG Development introduced himself and said what you have in front of you is a copy of a proposal from Tierra for Geotechnical investigation for the borings into the bayou for the Landing and the Boardwalk project. The reason you need a geotechnical investigation at this location is Boggy is just that. It is boggy. It is highly variable for what bearing you are going to get to support what size pilings. If they're too short, the project will sink. As the driver is driving the piles, he'll have to pull them out and put in additional pilings. There will be delays and change orders. That's what this does for you. Tierra was on our team. They were a member of our team when we presented. We have worked with them in the past. They have the only dedicated drill rig, mounted on a vessel, that I know of in Northwest Florida. That makes them a lot more timely in their ability to deliver. When you put a drill rig on a barge, everyone is looking at the weather, because it can tip over even with gentle waves in some cases. So, that's why we selected Tierra. The fee estimate of \$35,800 can be altered by the depth, if they have to go for additional depth. I think we're okay at 50 feet for this loading. It's not a real heavy structure. They offer a 30-day turnaround, which is very much needed to meet our deadlines. With that, did I answer your questions, asked Mr. Hemphill? Thank you, replied Chairman Henkel.

Commissioner Schaetzle asked, so they are going to do three drillings? Yes, replied Mr. Hemphill. Will all of the three be co-located, asked Commissioner Schaetzle? No; they will separate them as much as possible in that 160-foot lane, said Mr. Hemphill. Commissioner Schaetzle asked, in that case is it possible to go in one area, not in excess of fifty feet, and in other areas, they might have to go in excess of fifty feet? Mr. Hemphill said it is variable. They base their estimate and their setup on fifty feet. There will be no savings, but there could be additions if they have to go in excess of fifty feet. Commissioner Schaetzle asked, if all three go down below fifty feet, then all three get billed at the additional rate? That is correct sir, replied Mr. Hemphill.

Commissioner Schaetzle asked, on page 2 it says the written report will be available within eight weeks of receiving the written notice to proceed. Did you just say it will be done in 30 days? Mr. Hemphill replied, the drilling will be done in 30 days. Commissioner Schaetzle said, going back to the report, is there a chance there will be a preliminary report finding at the four-week period instead of the eight-week period? Mr. Hemphill replied no; they won't know anything at the end of the drilling, although they'll have an inclination. What we're looking for is a dense sand layer. That's the best we can hope for.

Commissioner Nodjomian asked, those core samples have to go to the lab? Yes sir, but the driller will tell us we found something at about this depth, replied Mr. Hemphill.

Commissioner Schaetzle said, on page 3 of Tierra General Conditions, they talk about damages to existing man-made objects. I don't think any of us have a history long enough to say there were structures out there in the bayou, and we may be looking at possibly hitting underground utilities. Mr. Hemphill said, if the City doesn't know, and the folks that work for the City don't know it, I don't know how else to find out. Commissioner Nodjomian said, this is just a hold-harmless paragraph. If they hit something and we didn't tell them it was there, we're ultimately responsible for it. They're not going to come back to us. We don't have a liability here. Our liability is that we won't go back to them and say you have to repair that.

Commissioner Schaetzle said, this is just a curiosity question. On page 3 of 3, number 18, why is that in such large font? Mr. Hemphill said the State of Florida, the Legislature, enacted that and said it has to be in the contract in that size font. It's in the law, written that way, to protect individuals from liability. You can go after the corporation, but you cannot go after the individual. Every engineering contract that you are going to sign will have that exact wording in it, in the State of Florida. That completes my questions, said Commissioner Schaetzle.

Are there any other questions for Mr. Hemphill, asked Chairman Henkel? No further questions. Thank you very much, said Chairman Henkel.

Mr. Hemphill said, I'd like to give you a 20-second update. In the month of September, we go the submerged aquatic vegetation located and mapped. By October, we got the survey complete, and it's in hand. Right now, we're working on the schematics, to get to the 30 percent. We're working with Russ Burdge to get a meeting set up with agencies to get the permit modified. Chairman Henkel said thank you. Great update.

Chairman Henkel asked is this going to the Council to be approved? No, replied Dr. McCartney. So, you will need a motion from us to either approve this package or not, is that correct? Mr. Hemphill said this contract is directly between you and Tierra. Chairman Henkel asked, do I have a motion to approve this contract between the Niceville CRA and Tierra? Commissioner Nodjomian motioned approval. Commissioner Williams seconded. Commissioner Schaetzle said, I would suspect Mr. Deitch is going to be the signature on this. Yes sir, replied Mr. Deitch. No further discussion.

Mr. Deitch asked, sir, if I may, what would you like me to do with 114 Edge Avenue? Chairman Henkel said that is the building that is falling apart, and that required we take extra steps to get the tenant out. I know the recommendation from both the City Manager and from Public Works, is that we take the building down. If anyone has any other thoughts or ideas, I would like to hear them. Is everyone in favor of taking that building down, asked

Chairman Henkel? Commissioner Donahoo motioned to take down the building at 114 Edge Avenue. Commissioner Williams seconded.

Christopher Saul, 1405 Clary Sage Lane, asked when are you planning to take the building down? Mr. Deitch replied, I have no idea. Commissioner Nodjomian said it is going to be done inhouse. Mr. Saul said, thank you sir.

Dr. McCartney said, we have asked both engineering firms, KG Development, and AVCON, to make workshop-type presentations to the CRA at the January 9, 2024 meeting. So, when you're scheduling your next CRA meeting, I would suggest January 9, 2024. Thank you, said Chairman Henkel.

COMMISSION VOTE: NODJOMIAN – YES; SCHAETZLE – YES; HENKEL – YES; DONAHOO – YES; WILLIAMS – YES; ALLEY – YES. MOTION PASSED.

- Next Meeting

Chairman Henkel said the discussion now is the date for the next Niceville CRA Board meeting. I heard a recommendation from Dr. McCartney that we move that meeting to January 9, 2024. It's the same day as the City Council meeting, said Commissioner Nodjomian. Chairman Henkel asked are there any problems there? Commissioner Nodjomian said we'll have to look at when to have the Youth Advisory Council meeting. Commissioner Schaeztle asked, if we move it to January 9, 2024, and it is City Council meeting night, are we moving it to 5 p.m.? The City Council meeting is going to be at 6 p.m. Yes, replied Chairman Henkel. Unless there are any other questions, then the next meeting of the Niceville CRA Board will be on January 9, 2024, at 5 p.m.

Chairman Henkel said, I have one other request. On the vote for minutes approval, let the records show that I voted yes for approval of the minutes.

Commissioner Nodjomian said, I have a question for you Chairman Henkel. Did you attend the Florida Redevelopment Association meeting? Chairman Henkel replied, I did. It was a great meeting and it was an opportunity to learn about a lot of great things happening. I've got some email traffic from some of the folks that were at the meeting, that would love to come here and talk to us about different things. We checked into some stuff about lighting. We checked into some stuff about brownfields, not that we have any. They would love to come down and talk to us about what they do and why they do it, and how they could help us if we ever get into that situation.

We had some very interesting speakers focused on the issues that we're faced with today when it comes to the housing market. I can send you some stuff on it that came out. Ms. Hanson said, we have PowerPoint slides from their presentation. Would you like us to email you that? Yes, replied Commissioner Nodjomian.

Commissioner Schaeztle said, our Commission may not be aware of it, but I've been working with Ms. Hanson over the past couple of days, and Dr. McCartney has been involved with it. Where is our CRA training? Ms. Hanson dug up the history on it and Ms. Hanson can brief us on where it is and what we can expect for 2024. Ms. Hanson said originally it was in August, and then it was switched to September. They were going to do CRA Board members' training in Fort Walton Beach. It was being put on by the Florida League of Cities and the Florida Redevelopment Association. Unfortunately, Hurricane Idalia came in and impacted the presenter, who is Jeff Burton. He was traveling from the Tampa area. The FRA is currently working around his schedule to try and find a new date for that to be up here in our Panhandle area for all of the CRA Board members to attend. Merrily Bennett, who is in charge of FRA now, said she would send an email to everyone who has registered. So, you should be receiving an email from them to let you know. They have refunded all of our money as well, said Ms. Hanson. Thanks for the update, said Commissioner Schaeztle.

There being no further business, the meeting adjourned at 5:34 p.m.

COMMISSION CHAIRMAN

ATTEST:

RECORDING SECRETARY
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