



MINUTES

Commission Workshop: Master Plan

5:30 PM – Tuesday, May 06, 2025 – City Hall

Call to Order: 5:30 p.m.

Acknowledgement of Quorum and Proper Notice

PRESENT: Commissioner George Asbate, Vice Mayor Gary Ashcraft, Commissioner Michael Holland, Commissioner Emily Lee and Mayor Willie L. Hawkins

1. Workshop Item with Discussion, Public Input and Direction

Mayor Hawkins reminded the Commissioners to stay on topic and provide useful suggestions. He stated the purpose is to approve a two-month extension and consider a development agreement.

Tom Carrino, City Manager, commented on the presentation provided by G3C2 at the last Commission meeting. He acknowledged the Commission did not have time to review that presentation prior to the meeting. He stated the purpose is for the Commission to provide their thoughts and feedback and discuss next steps. He asked Mike Goman to provide a brief presentation regarding his thoughts on the G3C2 presentation and then for the Commission to provide their feedback. He indicated they need direction from the Commission on the next steps which may include negotiation of a development agreement.

Mike Goman, Goman and York consultant for the City, stated he had reviewed the G3C2 presentation and commented the presentation is a good start and summary on a conceptual level for this stage of the process. He commented that it is natural at this stage for a developer to not go too deeply due to the time and money involved. He noted there are risks on the side of the municipality and the developer.

Mr. Goman commented that this process is different from the usual since the developer usually initiates the process, and this is a partnership between the developer and the city for the three blocks that are critical for future economic growth and development. He noted the layers of risk, including economic uncertainty. He stated there would be qualitative and quantitative concerns and likes and dislikes that are all part of the process. He indicated the presentation would be the starting point. He suggested starting with feedback from the individual Commissioners.

Mr. Carrino noted the presence of representatives from G3C2, Mike Goman and staff members to answer any questions or address any concerns. He expressed his desire to receive feedback and/or direction and consensus regarding the next steps.

Mayor Hawkins opened the floor to the individual Commissioners.

Vice Mayor Ashcraft suggested they start out by discussing what they like and dislike about the presentation and then decide on what they want to look at first. As an example, he questioned who wants the parking garage located on Magnolia and stated they need to determine what is the best starting point.

Commissioner Lee detailed her interest in conducting a deep review of the document and reviewing the specifics of what G3C2 is bringing to the table including drawings of what they want to do for the City not what was done in another city.

Mayor Hawkins noted a thorough review may require more funding.

Vice Mayor Ashcraft stated they need to determine what they are going to work with - the Master Plan, what Mike Goman says or what they want.

Commissioner Holland noted the Master Plan provides a road map that includes input from the public. He noted other plans the City has received that included a hotel. He commented that G3C2 has done good work thus far for the City. He indicated he doesn't blame G3C2 for not wanting to invest a lot of money at that point until the Commission as a whole agrees on a plan.

Mayor Hawkins commented on G3C2's hesitancy to put more into the project at that point. He stated the plan can always be changed but they need to start somewhere.

The Commissioners discussed where to start, how to proceed in a logical order and what should be the guiding document. Commissioner Lee suggested going through the G3C2 plan and determining what they like.

Vice Mayor Ashcraft responded they need to determine the starting point. He commented that the development will take years and the Commission needs to consider the disruption to the downtown businesses and where to place the parking. He urged that they start with one block and progress out from there.

Further discussion was held regarding the differences between the Master Plan recommendations and the plan presented by G3C2, whether or not the hotel should be first and the site for the parking garage.

Jerry Gunther, G3C2 representative, stated the Master Plan is a consultant report. He explained the recommendation in the Master Plan for the hotel is based on a market study that Johnson Consulting did. He further explained that it was based on the occupancy rate for the Budget Inn not for the type of hotel the City would be interested in. He stated his opinion that they cannot get a boutique hotel until there is some energy in the downtown. He added that parking is necessary to get more energy. He indicated that the hotel does not need to have all the amenities because you want the visitors to get out of the hotel and patronize the downtown businesses. He emphasized the need for the community center, branding and getting more people to visit the downtown. He stated you cannot have a successful hotel until you hire a specific consultant to consult on boutique hotels. He prioritized the parking over the hotel and stated, it doesn't need to be on Magnolia, but it needs to be somewhere. He indicated they need a developer agreement first and then trust them to bring forward a plan.

Commissioner Asbate commented on the initial meetings previously held with G3C2 and stated they provided a vision and what they thought the City wanted. He indicated that the hotel was always discussed. He noted that Johnson Consulting is a hospitality specialist. He commented on how having a hotel would attract people and cited his opinions regarding placement of the parking. He expressed concern regarding their intent to subcontract the hotel.

Commissioner Lee commented on the first document from G3C2 which listed parking, mixed-use residential and then a hotel. She said they may not do hotels but have people who do. She suggested that the Commission can tweak the plan and see if they are willing to accept that.

Mayor Hawkins concurred and noted that this is the starting point.

Commissioner Asbate commented on G3C2's reluctance to invest any money unless they get an exclusivity agreement.

Discussion was held regarding when work began with G3C2.

Derek Wallace, G3C2, stated that Mr. Gunther was not saying they can't have a hotel just not right away. He stated it takes about three years to get a hotel. He emphasized the need for a joint effort with G3C2 to market the area and accomplish the goals. He cited the need for the infrastructure for a hotel. He highlighted the need to develop the Central Business District and expand the downtown and waterfront property as a destination which would enhance the ability to finance the mixed-use. He indicated they have spent money on the project and emphasized their desire to be a partner with the City. He expressed concern regarding where they are in the process.

Discussion was held regarding the timeline, need for energy, the need to solidify the contract, the lack of trust, how to determine the best place to start, the need to consider the professionally provided data, the number of hotels in downtown Tavares without adding more residential downtown, where the hotel should be placed, and the need to consider the market analysis.

Mr. Gunther reviewed what has occurred in the years since the beginning of the process and emphasized the need for the City Commission to provide direction. He stated they have done what they have asked and indicated they have done all they are going to do without a development agreement. He commented on the lack of direction from the Commission.

Mayor Hawkins opened public comment at 6:21 p.m.

Daniel DiVenanzo commented on the misdirection of the former City Manager to package the three blocks together for a RFP and noted the frustration from G3C2. He highlighted parking issues and estimations. He commented on hotels and identity of brands which will bring good and sustainable restaurants. He expressed concern regarding the size of the parking. He suggested issuing an RFP just for the hotel. He emphasized that getting a hotel with the right brand would attract the energy to get good, sustainable restaurants. He questioned who would pay for the parking garage and if the City is planning to give the property away. He commented on the amount of taxable income that would be derived from a \$20 million structure.

Denel Hoffer, Center Green Development, commented on developers and development in general. She commented on the amount they have already invested in the project. She recommended tabling the project if they are not sure. She stated that a developer should come to them with a full proposal including financial modeling, concepts, pictures and with the City's vision in mind.

Public comment was closed at 6:31 p.m.

Mr. Carrino noted that the Commission could not take a vote that night, but they could provide a consensus and direction.

Mr. Goman commented there is some consensus primarily with moving ahead with something consistent with the Master Plan. He agreed with the need to examine the data and stated that is what lenders will look at for financing. He commented that the data tells what the market will support then you proceed with the feasibility study. He noted the Commission's apparent agreement to begin with the hotel. He asked if the Commission is comfortable with moving ahead with creating the development agreement. He stated his understanding that the goal for the meeting was to get the Commission's feedback on the G3C2 presentation such as are the buildings in the right locations, where should the parking be located and beginning with the hotel. He asked that the Commission focus on the presentation and get a consensus to move forward with a development agreement. He noted that it can take six months to create the development agreement. He explained that it will help them, and the developer, decide if it's going to work.

Mayor Hawkins asked about the development agreement terms and if there would be an option to change.

Mr. Goman responded positively and provided an example of what might be added after the agreement is finalized.

Vice Mayor Ashcraft asked if he said that they can't determine the best path without making a development agreement with Mr. Goman responding that a development agreement would be helpful in determining the best path. He explained they would be worked on concurrently.

Vice Mayor Ashcraft expressed concern stating he is uncomfortable with moving forward on the agreement without first determining what will be their best chance for success.

Mr. Goman further explained how creation of the development agreement would assist with determining the plan. He recommended doing the feasibility study in conjunction with their chosen developer.

Further discussion was held regarding relying on the professionals, listening to their recommendations, and approving a developer so they can move forward. Mr. Goman explained the development agreement would say how they are going to work together.

Commissioner Asbate expressed his belief that the City should enter into a development agreement with each organization that they choose to do a project on a specific area based on their presentation and statistical data. He expressed concern regarding how much time has been wasted and expressed opposition to an exclusivity agreement for multiple projects.

Mayor Hawkins noted G3C2 put their presentation together in about a month based on the City's inaction and that 2 months remain in the exclusivity agreement.

Commissioner Lee commented on the possibility of separating the projects and then putting out RFP's on the different projects.

Commissioner Asbate again expressed opposition to having an exclusivity agreement.

Further discussion was held regarding why they hired the consultant and whether or not to move forward.

Commissioner Holland asked G3C2 if the project is an all or nothing for all the blocks or would they be willing to work with fewer lots.

Mr. Wallace noted Commissioner Asbate was present during the initial discussions. He stated they are only asking for the opportunity to enter into the agreement. He insisted it is the City's property and downtown and it would be their input they are seeking. He commented on what he heard from the Commission during their discussions and cited his efforts to provide the marketing plan prior to May 1st. He insisted they are taking it very seriously to be their developer, but they need some direction. He noted the City would have to issue another RFP in order to select another developer which would take additional time. He added that, in December when they submitted their first package, there were no comments other than they did not want 500 parking spaces. He explained that the design will be in accordance with the Master Plan and in keeping with the historic design and they will do whatever the Commission desires. He commented on their work with the City and emphasized that he never said they couldn't have a hotel; only that it would take time.

Mr. Gunther commented on the difficulty with the management process with multiple developers and emphasized they are just looking for direction.

Mayor Hawkins opened the floor for comments from the Commission.

Commissioner Holland expressed opposition to the two-month extension. He commented on the amount of disagreement among the Commission.

Vice Mayor Ashcraft agreed with Commissioner Holland.

Commissioner Lee agreed and stated she did not say "don't do anything".

Commissioner Asbate agreed with the other Commissioners regarding not providing an additional two months.

Mayor Hawkins expressed support for the extension. He stated that just as the Master Plan is a blueprint, so is the developer's agreement.

Commissioner Lee noted there are still two months left in the original agreement. She indicated there is still time for them to do some work.

Mayor Hawkins asked if G3C2 wants to quit the City with Mr. Wallace responding negatively but asking if they can provide more directions. He said if the hotel is first; what do they want second? What do they want on each block? How do they want to handle parking and are they going to work with G3C2 to expand the waterfront?

Mr. Carrino clarified that the agreement expires June 12, 2025, with Mayor Hawkins asking the Commission what they want G3C2 to bring back to the Commission.

Commissioner Holland responded that it starts with the Commission. He asked where the dock for the boat would be. He noted that Mr. Wallace has offered to put money into a marketing plan for Eustis. He stated the community center is too small and leaks. He emphasized the Commission needs to work on a marketing plan. He stated the hotel needs to be worked on quickly and then parking needs to be addressed and not located on Magnolia.

Vice Mayor Ashcraft stated there are still too many unknowns. He asked how they would quantify what is the best path forward.

Mr. Wallace stated that the succession plan would have to come from the Commission. He explained the townhouses could be placed on Block 2. He indicated they need to bring more people downtown in order to make the mixed-use retail/commercial use viable. He noted that office space would likely not work. He added that, if they did three stories, then they would make two stories residential and place retail/commercial on the first floor. He explained the need for parking for the residents and placement for the mixed-use and how those decisions would be made.

Vice Mayor Ashcraft responded that those types of decisions need to be made before going down any path. He added they need to have an in-depth discussion regarding parking and cited the possible need for a new parking study.

Commissioner Asbate commented that G3C2 came into the City in good faith with excitement about entering into the partnership. He stated they need to continue with the waterfront option. He expressed concern regarding the possibility of reaching an agreement within the final timeframe. He expressed opposition to an exclusivity agreement and support for utilizing different developers per project. He stated they need a market analysis to determine how to move forward with the Master Plan.

Commissioner Lee expressed support for G3C2 continuing work during the remaining time with direction from the Commission. She expressed an interest in the hotel including a restaurant, parking, and activities on the lake. She stated that organizations that use the lake do not stay in Eustis due to there not being any place to stay. She emphasized that the Commission needs to provide direction and give until June 12th to bring back something.

Mayor Hawkins asked for any additional input regarding what the Commission wants to move forward. He asked Mike Goman what he thinks G3C2 needs to concentrate on.

Mr. Goman commented on what he heard from the feedback including quantity and location of parking, activation of waterfront, hotel feasibility, doing in phases, and leaving the City with more options by doing the project in phases. He indicated that G3C2 would have a competitive advantage if they did well on Phase 1. He explained that a Development Agreement would provide options for moving forward. He cited the following as direction for G3C2 to bring back: 1) Parking quantity and location; 2) Activation of the waterfront; 3) Further exploration of the hotel; and 4) Determining how to phase the project so they begin with one parcel but may not have responsibility for the other parcels.

Mr. Wallace agreed except he recommended they present a plan for the whole central business district and not do a phased approach. He noted there are actually two firms working on the project. He asked for an opportunity to do the project based on what was asked for in the proposal. He stated it would be best to concentrate on the whole and not do one piece at a time. He explained, if they start with a hotel that can take up to three years to complete, that leaves the rest of the district just sitting.

Commissioner Lee highlighted prior presentations that indicated it could be possible to do a hotel in 18 months to 2 years. She emphasized they need to provide specific directions to them on what they want.

Mr. Wallace asked to have in writing what the City wants in the next presentation.

Commissioner Holland noted the activation of waterfront needs to move forward along with the seaplanes and boat tours to create the energy to bring people to downtown.

Discussion was held regarding items to be included in the agreement with Commissioner Lee expressing concern regarding the financial side of the project and how much G3C2 may be willing to invest.

Commissioner Asbate referenced Mr. Goman's first presentation and stated they need to follow his recommendations and look at their finances, make sure they are capable and look at the entities they form.

Mr. Wallace asked for clarifications on what is wanted with Mayor Hawkins indicating that Austin Gunther had written everything down. Mr. Wallace asked that they confirm what he has noted.

Austin Gunther cited the following points: 1) Commissioner Holland: Activate the waterfront, look into docks and planes; possibly a hotel; 2) Vice Mayor Ashcraft: What's the best path forward, look into parking study; 3) Commissioner Asbate: Using per project developers; 4) Commissioner Lee: Hotel, parking, emphasis on retail, restaurants and residential not being a priority; and 5) Mayor Hawkins: Agreed with Mike Goman.

Mr. Wallace asked if they could state what they didn't like about the presentation. He noted they do not want the housing on Block #2. He asked if they want retail.

Commissioner Asbate asked for an in-depth global presentation with specifications and financial information and data that supports a hotel. He stated what they are looking for can't be summarized in a sentence or two for each commissioner. He indicated that it needs to be from a high level.

Mayor Hawkins responded that can be ironed out in a developer's agreement.

Mr. Wallace asked if he could assume they should follow the Master Plan and prepare their presentation based on that.

Commissioner Lee asked to have them incorporate a look that reflects the City, such as similar to the Clifford House, rather than photos from other cities.

Mayor Hawkins emphasized the Commission had not given G3C2 any constructive direction until that night.

Mr. Carrino asked if they want to have the presentation on June 5, 2025, or hold a special meeting to hear G3C2's presentation.

CONSENSUS: It was a consensus of the Commission for staff to work on scheduling a special meeting.

Commissioner Asbate noted that June 12th ends the exclusivity agreement but it doesn't mean they can't work past that.

2. Adjournment: 7:27 p.m.

**These minutes reflect the actions taken and portions of the discussion during the meeting. To review the entire discussion concerning any agenda item, go to www.eustis.org and click on the video for the meeting in question. A DVD of the entire meeting or CD of the entire audio recording of the meeting can be obtained from the office of the City Clerk for a fee.*

CHRISTINE HALLORAN
City Clerk

WILLIE L. HAWKINS
Mayor/Commissioner