

## **SPECIAL CALL RECREATION COMMISSION MINUTES**

**Thursday, July 12, 2018 – 4:00 p.m.**

**City Hall, Council Chambers, Vero Beach, Florida**

**PRESENT:** Chairman, Richard Yemm; Vice Chairman, Sue Dinunno; Members: Judy Jones, Bobbi Burdick, Brooke Malone, Alternate Member #1, Greg Holtan and Alternate Member #2 Garrett MacMillan; **Also Present** Recreation Director, Rob Slezak; Assistant Recreation Director, Patty Howard; and Senior Administrative Assistant, Rita Hawkins

### **1. CALL TO ORDER**

Chairman Yemm called the meeting to order at 4:00 p.m.

#### **A) Roll Call**

The Senior Administrative Assistant performed the roll call.

### **2. ITEMS FOR DISCUSSION**

Mr. Yemm explained that this meeting is about Riverhouse, which is located in MacWilliam Park. He showed a map of MacWilliam Park on the monitors (on file in the City Clerk's office). He said this meeting is important because what is determined as the future use of Riverhouse sets a precedence affecting all other City Parks on a long-term basis. There are regulations in the City Charter and City Ordinances that address a lot of their concerns. He explained that at the May 15, 2018 City Council meeting Dr. Val Zudans, City Councilmember, made a motion directing the City Manger to enter into discussions with Mr. Alden Bing, Orchid Island Brewery, about what he would potentially like to do if he is interested in a concession at Riverhouse. Following that meeting Mrs. Laura Moss, Councilwoman, requested that the Recreation Commission hold this meeting.

Mr. Peter Gorry, City Resident, said that his issue is that Vero Beach is in the hospitality business at both Riverhouse and Bethel Creek House. It is not specifically Riverhouse, but the whole concept of being in the hospitality business and what the return is on the assets and investments. They also need to look at the utilization of both of those assets in terms of return on investment.

Mr. Yemm said he has observed three (3) concerns about Riverhouse, which are the commercial use, alcohol, and parking. He invited each Commission member to make a short statement.

Mrs. Malone said she thinks one of the most important issues will be the environmental impact. Over the past year millions of gallons of wastewater were dumped into the water in the area between Bethel Creek House and the Barber Bridge. She is concerned whether the infrastructure in that area can handle this particular business. They need to be very concerned, because it takes a lot of water to operate that type of business (brewery).

Mrs. Burdick asked if the City approached Orchid Island Brewery, or did the brewery approach the City about leasing Riverhouse.

Mr. Rob Slezak, Recreation Director, replied that to the best of his knowledge the business approached the City Manager.

Councilwoman Moss explained that Dr. Zudans brought this subject forward on the May 15, 2018 City Council agenda with virtually no backup material whatsoever, so no one had any idea what was coming.

Mrs. Dinunno said that her concern is safety. There are kids running around the Park, people playing baseball, dogs, boaters, people fishing, the Rowing Club, and kayaks being launched, so there is no room for potentially inebriated people driving through that area.

Mr. Jim O'Connor, City Manager, explained that he is not sure how the discussion got started, but Dr. Zudans brought it forward. He knows that Orchid Island Brewery wants to move from their current location and Dr. Zudans brought it to the City Council. He does not know who approached who. He was instructed to contact Mr. Bing, which he did and they have had a few meetings. He met with Mr. Bing and his attorney and his Engineer and now the ball is in Mr. Bing's court. He clarified that it would be a concession and not a lease. The City will need Mr. Bing's ideas defined and they need a survey of what property the brewery would need.

Mrs. Burdick asked if Mr. Bing knows the attitude of the people. Mr. O'Connor said that Mr. Bing lives in Central Beach, so he presumes he knows the controversy surrounding this issue.

Mrs. Dinunno asked if it would be a concession like Seaside Grill. Mr. O'Connor replied yes, but it cannot be a lease just as a primary business and they would have to be something that is associated and ancillary to the recreational activity. Mr. Bing would have to blend some type of his retail into the surrounding activities and not just sell beer. They would have to meet the idea of a concession.

Mrs. Dinunno asked if the City has any other concessions or leases that involve alcohol. Mr. O'Connor replied no, but they do give alcohol permits for events in the Parks on a regular basis.

Mr. Burdick stated that those permits are temporary. Mr. O'Connor agreed that they are temporary, but a lot of the activities in the Parks are annual events and they sell alcohol.

Mr. Yemm asked if the permits are only good for one (1) or two (2) days. Mr. O'Connor explained that the permits don't normally exceed three (3) days, but there can be exceptions. For example, the Riverside Theater serves alcohol just about every weekend and they have permission to do that as part of their lease.

Mrs. Burdick asked if the City Council is aware that the brewery opens at 11:30 a.m. Mr. O'Connor said they are probably aware of that, but it has not been discussed. Everyone knows that any music and entertainment has to go inside at 10:00 p.m., but he presumes the brewery will stay open later than 10:00 p.m. They have not discussed the terms, conditions, and what restrictions would be placed on this concession.

Mrs. Burdick asked Mr. O'Connor to explain the process of where it goes from here. Mr. O'Connor explained that assuming they get a concession, which will be a contract with the City Council and then there will be a public hearing where people can get up and speak about it. To this point they do not have any terms or conditions for a contract.

Mr. Yemm read from the City Charter Section 5.05 (b) (on file in the City Clerk's office) and said that most people don't know what an incidental concession is. Mr. O'Connor said it is true that the Charter does not define an incidental concession. The way the City is defining an incidental concession is that it has to have some benefit to the surrounding recreational activities.

Mr. Yemm said that it all depends on how you want to interpret incidental concession. Mr. O'Connor said there is no question that it is kind of vague on what can go in the City Parks and what the terms and conditions are for each activity. The other side of the coin is that it will create a steady stream of revenue and someone else will maintain the facility.

Mr. Yemm said his concern is that they will be exposing all City Parks to commercial use. The fundamental purpose of Parks is to have green space and recreation. Mr. O'Connor said they have already started leasing portion of the City Parks to groups such as the Dog Park, and the Vero Beach Rowing Club. He explained that if these groups sell something or charge access to their facility then it could be classified as commercial. He knows there is a world of difference between renting a boat and buying a beer, so the City needs to define what they consider or call something incidental. He said this particular issue has pushed the City to the point of drawing the line on what they are trying to do.

Mrs. Malone asked if any other groups, companies, or organizations have come forward expressing an interest in this property. Mr. O'Connor replied that with the amount of coverage this has drawn he is not sure anyone would want to approach him.

Mr. O'Connor explained that any money that goes into upgrades on the property will belong to the City. The size of Riverhouse is not adequate for the brewery that Mr. Bing is operating now and it is not very likely he will be downsizing the business.

Mr. Yemm explained that this discussion is about using Park property for a commercial business.

Mr. O'Connor said the commercial activity that is currently in the Parks is recreational, which makes a difference.

Mrs. Malone asked if the City would need to change the Park hours for the brewery, because people are not allowed to use the facilities there after Park hours. Mr. O'Connor said he is not sure about that.

Mr. Holtan said his main concern is also safety when the area gets so full. If they add alcohol and that many cars it is not going to be good.

Ms. Jones stated that her concern is with alcohol being served that close to the elementary school.

Mrs. Dinunno asked if there is a City Code about alcohol being sold within a certain distance of a school. Mr. O'Connor replied that the distance is 500 feet from door to door. The Code was changed a while back for schools in order to accommodate the commercial development along 14<sup>th</sup> Avenue, which very close to the Freshman Learning Center. He presumes the brewery would be further than 500 feet away, but they need to have a survey done on the property that Mr. Bing wants to put under the concession. Parking is a major issue in the Park already and the

current parking for Riverhouse will most likely be too small for the activity being proposed. A site plan review would be part of the process for any type of activity going into the Park.

**A) Discussion of Riverhouse Use – Presentation by Mr. Rob Slezak, Recreation Director**

Mr. Slezak gave a Power Point presentation on Riverhouse (on file in the City Clerk's office). He explained they just finished the repairs to Riverhouse and it looks great, so they can start renting it again. They did a wonderful job at updating it and making it more visually appealing. He continued with the presentation by going over the rental activity totals and the revenue generated in 2016. He stated that they are only renting out Riverhouse up through December 18, 2018.

Mrs. Dinunno asked if all of the rentals from the past and the current were done with no marketing of the facility. Mr. Slezak replied that is correct. Mrs. Dinunno said marketing is a way to increase the utilization of Riverhouse, because there are a lot of people who don't know it is available to rent.

Mr. Slezak explained that Mrs. Patty Howard, Assistant Recreation Director, found all kinds of avenues to put the information out there on the rental facilities. Now they have the facebook page and the City website, but there is no money in the budget for marketing and advertising.

Mr. Slezak stated that if the concession does not move forward and they get the building back, they will raise the rates and they will make money on it. Riverhouse has not looked this good since 2002.

**3. PUBLIC COMMENT**

Councilwoman Moss thanked the Recreation Commission and the City Staff for coming forward with this information and raising the awareness of Riverhouse. She explained that after discussing the brewery there was a 3 to 2 vote by the City Council to instruct the City Manager to go forward in discussions with Mr. Bing, Owner of Orchid Island Brewery. She said this will be an interesting exercise to see how the local government responds to the requests of the people. She talks with many people and the sentiment against this is huge for a number of reasons. She stated that she is placing this matter back on the July 17, 2018 City Council agenda and she invites everyone to come to the meeting. She also explained that people can go on the City's website and pull up the City Council agenda to find the extensive amount of backup materials she has for this item that she will discuss. In her opinion, the City Council and the public should come to City Council meetings already knowing what is going to be discussed. That did not happen at the May 15, 2018 meeting and she hopes that never happens again. She feels very strongly that the City Council would be setting a harmful precedent of allowing the commercialization of the City Parks. She explained that another problem in that area is the speeding on Indian Drive East, which was enforced and resolved by the Vero Beach Police in May. Anyone who has been to the Park on a Saturday afternoon knows there is absolutely no parking. In her opinion they have the power of the people and she thinks they can make this right. She believes that MacWilliam Park needs to stay the way it is.

Mr. Chris Woodruff, Owner of Paddles by the Sea, stated that he does not use that Park for his business, but he does go there often for personal use. He is worried about the precedence it sets

by City Council installing a business into a City Park. That would be a great location for him to open a paddleboard and kayak business, but he was not aware it was an option. It is weird that it has gone this far without the public knowing about it.

Mrs. Megan Hoots, Vero Beach resident, said there is a dangerous trend in City Hall with selling our City assets. These include the Post Office, Riverhouse, the Marina, Leisure Square, and the three (3) corners of 17<sup>th</sup> Street and Indian River Boulevard. The City assets provide recreation and green space for the community and that is invaluable, so we cannot put a price tag on these assets. This is a dangerous path and she does not believe that the citizens of Vero Beach want to go down that path. She thanked Councilwoman Moss for pointing out at the budget hearing that the new Comprehensive Plan stresses the importance of the Parks, recreation, and City owned communal spaces. She is afraid that the entire City of Vero Beach will be sold out from under them if they concede to the agenda of a few members of the City Council.

Mr. John Wester, Vero Beach resident, explained that the Dog Park does not allow food, alcohol, or dog treats, because it is against the Dog Park's rules and regulations. The reason Orchid Island Brewery is looking for a new location is because there is a mold problem in their current building due to all the water from the brewery. He knows that a brewery requires the use of a lot of water and in Florida if there is a lot of water then you have a lot of mold. He said if the brewery goes in the Park he can guarantee there will be drunk drivers going down the street late into the night.

Mrs. Malone reported that it takes three (3) gallons of water to make one gallon of beer.

Mr. Wester stated that if anyone has ever visited a brewery they will see that there is water all over the place, so that is why the buildings are constructed of steel and cement. It has to be cleaned every night. He has never seen a brewery with wood floors and drywall. It is ridiculous that they would even consider the Riverhouse.

Mrs. Linda Hillman, Vero Beach resident, thanked Mr. Slezak and Mrs. Howard for all of the work they do for the Recreation Department, because it is so important to the community. She asked how is a brewery blended with a baseball field and a Dog Park. It does not make any sense. She said that the Park closes at a certain time, but other restaurants, bars, and breweries stay open until 12:00 p.m. or later. The City cannot tell one (1) brewery that it has to close at 10:00 p.m. If the City allows this then it will be opening it up to anyone who wants to come in and purchase a building or lease a facility at any of the City Parks. They might have only made \$27,000 in 2016 for renting the Riverhouse, but the facility did not look as beautiful as it does now. The people of Vero Beach put this building in and did the work to restore it, not Orchid Island Brewery. Her concern is how much Park area will they need to give them for parking. It is difficult to share parking now, so how will they share it with a brewery and people drinking alcohol. Walking Tree Brewery cannot be compared to Riverhouse, because Walking Tree Brewery completely overhauled that commercial building to accept all the water, yeast, and brews that are in that building. She said that Mr. Slezak made the statement "if the building (Riverhouse) becomes ours again". She asked if the building no longer belongs to the people and it has been given to Orchid Island Brewery. Mr. Slezak explained that until this uncertainty is resolved with Orchid Island Brewery, the City is only renting Riverhouse until December 18, 2018. They set this time frame only because if the brewery moves forward and the concession agreement is approved by the City Manager, the City Council, and by the public they cannot have the facility rented out. Mrs. Hillman said that is a shame, because they are only giving the

community six (6) months to enjoy this facility. It could just go away after all the hard work to restore the building and everything our forefathers did to protect our Parks and put it in the City Charter. The whole thing is ridiculous and they should not even be discussing this.

Mr. Yemm asked how did they arrive at the December 18<sup>th</sup> date. Mr. Slezak replied that he met with the City Manager and that is what they determined to be the best timeframe.

Mrs. Malone stated that they are losing out on four (4) months of prime season and it will affect the bottom line that the Recreation Department is fighting for.

Mr. O'Connor said they tried to come up with a reasonable period for the City Council to be able to make a decision on this and he did not believe they could do that in less than six (6) months.

Mrs. Dinunno asked what will it take to stop this train.

Mrs. Malone stated that there is no concrete plan, so this is a waste of time. There is a massive amount of planning and research that needs to be done and if there is no plan they are looking at an empty basket while putting the brand new Riverhouse on hold for something that might not go through. It is very unfair.

Mr. O'Connor said the way we got engaged in this is the same way we get unengaged. It will take a vote by the City Council to stop it.

Mr. Arthur Economy, Vero Beach Resident, said he is astounded by this whole scenario. The Riverhouse, baseball field, the Dog Park, etc., are all part of MacWilliam Park, which is protected by the City Charter. Riverhouse is also covered by P-2, Park District zoning and it specifically states no business. It bothers him that people have spent a lot of time and energy to get over 1,000 petitions signed. Because of the actions of a couple of City Councilmembers to make this recommendation to put a private business in the Park it has caused a lot of stress on people and the City is losing money by not being able to rent the building. If City Council wants to make a change in a Park then they need to follow the rules. If the rules include involving the electors then that needs to happen. How can someone write a concession agreement and forget about all the P-2, Park status restrictions.

Mr. O'Connor clarified that if they negotiate a contract there will be contingencies in it, such as a site plan review and approval, a parking analyses, and zoning changes. Right now they do not even have a survey of the property that is being considered.

Mr. Yemm asked if zoning changes can be made without a referendum. Mr. O'Connor replied yes.

Mr. Brendan Burke, Vero Beach resident, said he perceives that at about 4:00 p.m. is when people go to the Dog Park, that is when most of the boats come in, the games start at the baseball field, and that is when happy hour starts. It is a disaster waiting to happen. He thinks this is theft and he urges the City Manager to find the wording to stop this.

Mr. Ken Daige, Vero Beach City resident, stated that he has spoken with numerous people, both young and old and they are not in favor of this. If they allow this they will open it up for other commercial use in the City Parks in the future. When people take a seat on the City Council they

take an Oath to protect the City Charter and if they do not support the Charter and protect the people then they should not be on the City Council. The Power Plant site will be on the City Council agenda, so who knows what will happen with that property. He asked Mr. Slezak if it was the City Manager and himself that came up with the six (6) months timeframe for taking rentals on Riverhouse. Mr. Slezak replied yes. Mr. Daige stated that he does not agree with that decision. There is nothing in writing and nothing submitted, so why should the City have to put Riverhouse on the back burner. A lot of time and money has been put into that building and it is for the public to use, not a private business. He asked the Commission to please send a solid message to the City Council that this is not a great idea.

Mrs. Malone thanked Mr. Daige and said that he is wise beyond measure. The fact that they are having this discussion with very little information is a poor precedence. They should not be discussing what they do with the property and who is allowed to take it. This Commission should not be approached and put in stasis without a plan. If a private entity wants to do something they need to come to the Recreation Commission with a whole plan of what it will cost, how it will affect the infrastructure, how it will affect people, etc. The City should not allow a business to hold them up, because this concession might not happen. She supports the Recreation Commission in saying no. Mrs. Malone excused herself from the meeting at 5:25 p.m.

Mr. Yemm clarified that it was the direction of the City Council to have the City Manager engage in discussions with Orchid Island Brewery without anything being presented.

Mrs. Martha White, Vero Beach resident, said that she was involved in the meeting regarding the speeding issue in Central Beach. The speed limit signs have been posted, which is great. There has been some reduction in the speed, but it has not completely stopped. People coming into the Park to drink will be driving impaired and that is an issue, because there is so much pedestrian activity in the Park. It will be a safety issue and it will completely change the character of that Central Beach neighborhood and negatively impact the property values. The people do not want this, so she hopes they do not move forward with it.

Mr. Barry Shapiro, Vero Beach resident, said that everyone made very valid and pointed comments. He said he keeps looking at the map of MacWilliam Park and thinks this is the dumbest plan he has ever seen come forward from the City Council. With everything that goes on in that little area and the existing traffic problem he cannot believe they would even consider this, so our job is to shut this down.

Mrs. Gretchen Hanson, Vero Beach resident, stated that providing alcohol is ancillary to the festivals, music events, arts shows, etc. and not a primary use on this property, so she is not in favor of this.

**Mrs. Dinunno made a motion to strongly recommend to the City Council not to proceed with this project, or any other project that involves alcohol at the City Parks. Mrs. Burdick seconded the motion.**

Mr. Yemm stated that he will present this motion to the City Council on Tuesday but the backup will be the people attending and speaking up.

Councilwoman Moss went over the agenda for Tuesday night's City Council meeting. She said she will request that her matter be moved forward to follow Ms. Dinunno's item on the discussion of Riverhouse.

**Mr. Yemm modified the motion to state that based on public outcry at the July 12, 2018 Recreation Commission meeting, the Recreation Commission is strongly opposed to any commercialization of the building (Riverhouse). Mrs. Dinunno seconded the motion and it passed unanimously.**

#### **4. ADJOURNMENT**

The meeting adjourned at 5:43p.m.

/rh