CASE NO. <u>14-005608-CI-15</u>

<u>Attachment – 4/5/16 Transcript</u>

1	PINELLAS COUNTY BOARD OF COUNTY COMMISSIONERS
2	CLOSED ATTORNEY CLIENT SESSION
3	
4	
5	THE RICHMAN GROUP OF FLORIDA, INC.
6	Plaintiff,
7	vs.
8	
9	PINELLAS COUNTY, et al.,
10	Defendants.
11	
12	PLACE: BCC Conference Room 315 Court Street
13	Clearwater, FL 33756
14	
15	DATE: April 5, 2016
16	
17	TIME: 1:06 p.m 2:01 p.m.
18	,
19	REPORTED BY: Tamara M. Pacheco, RPR Notary Public, State of FL
20	
21	SHADE MEETING/CLOSED ATTORNEY CLIENT SESSION
22	
23	ALLBRITTON REPORTING 6101 36TH AVENUE NORTH
24	ST. PETERSBURG, FL 33710 (727) 415-7762
25	(121) 413 1102
	ALLBRITTON REPORTING (727) 415-7762

1	APPEARANCES
2	BOARD OF COUNTY COMMISSIONERS:
3	Vice-Chairman Charlie Justice
4	Commissioner Janet Long Commissioner Kenneth T. Welch
5	Commissioner Pat Gerard Commissioner Dave Eggers Commissioner Karen Seel
6	
7	
8	Jim Bennett, Esquire, County Attorney
9	Jewel White, Esquire, Chief Asst. County Attorney
10	Don Crowell, Esquire, Managing Asst. County Attorney
11	Nancy Meyer, Esquire, Senior Asst. County Attorney
12	Edward Dion, Esquire, Nabors Giblin & Nickerson
13	
L4	Mark S. Woodard, County Administrator
L5	
L6	
17	
8	
.9	
20	
21	
22	
23	
24	
5	

PROCEEDINGS 1 2 COMMISSIONER JUSTICE: Mr. Bennett. 3 MR. BENNETT: Thank you, Mr. Chairman. 4 First things first. I would like everybody to 5 go around the room and introduce themselves to 6 the court reporter so she will be able to put 7 names with faces. We can start with Ed Dion in 8 the back. 9 MR. DION: Ed Dion with the law firm of Nabors, Giblin, and Nickerson. I'm special 10 11 counsel for the County. 12 MS. MEYER: Nancy Meyer, Pinellas County 13 Attorney's Office. MR. CROWELL: Don Crowell from the 14 15 Pinellas County Attorney's Office. 16 COMMISSIONER SEEL: Karen Seel, Pinellas 17 County Commissioner. 18 COMMISSIONER LONG: Janet Long, Pinellas 19 County Commissioner. 20 COMMISSIONER JUSTICE: Charlie Justice, 21 Pinellas County Commissioner. 22 COMMISSIONER EGGERS: Dave Eggers, Pinellas County Commissioner. 23 COMMISSIONER GERARD: Pat Gerard, Pinellas 24 County Commissioner. 25

COMMISSIONER WELCH: Ken Welch, Pinellas County Commissioner.

ADMINISTRATOR WOODARD: Mark Woodard, County Administrator.

MR. BENNETT: Jim Bennett, County Attorney.

MS. WHITE: Jewel White, County Attorney's Office.

MR. BENNETT: Well, thank you for agreeing to postpone some of our later discussions to get this out of the way and done. This is a unique meeting forum that we do not use often. It always serves to remind everybody.

As you can see, we have a certified court reporter here who will be transcribing the proceedings. No portion of the session shall be off the record, so I would remind you try to avoid talking over one another. It makes her job easier. That record will be fully transcribed and filed with Board records and becomes public record at the conclusion of the litigation.

Jewel is here to help me monitor compliance with the statutory limitation on the subject matter of discussions. I'll mention

that now and mention it several times later.

Our scope is confined to settlement

negotiations or strategy sessions related to

litigation expenditures. So if we start

straying from that, if I don't catch it, Jewel

is going to kick me, and we'll bring things

back in. For that reason, you have in front of

you an agenda that we're going to try to stick

to.

Don is here as a litigation manager to direct some of the flow of information. Nancy Meyer is here to provide you with the context of the case. Ed Dion is here to advise you on the settlement negotiations, strategy, and litigation expenses. And we are all here to answer your questions and engage in a discussion, provided that discussion is related to the scope of the Shade Meeting, which again is settlement negotiations or strategy sessions relating to litigation expenditures.

So Nancy, can you give us some context.

MS. MEYER: I sure can. Thank you. Good
afternoon.

COMMISSIONER WELCH: Afternoon.

MS. MEYER: This case originates from a

ALLBRITTON REPORTING (727) 415-7762

Safety Harbor piece of property at the corner of McMullen Booth and 590. It's known as the Firmenich Citrus Packing Plant for those of you that are familiar with it.

2.3

In 2013, Safety Harbor brought a land use map amendment to you. It's a piece of land that's about 35 acres. Almost 16 acres of the land now is zoned industrial light or industrial limited, and that was the main crux of what was being changed to allow for a building of apartments.

So when Safety Harbor approved that at I believe a three to two vote, it came to you guys. The PPC had heard it, and it was passed by the PPC for approval at an eight to five vote I believe it was. So it came to you guys in March of 2013, and it was denied. You guys denied their request for a land use map amendment.

At that time, you did cite your concern for the loss of industrial lands as one of the many reasons that you did not want to approve it. Other issues were traffic and esthetics and some other things, but the main discussion was around the loss of that industrial land.

The Richman Group, which is the plaintiff in this case, then took the denial to an Administrative Law Judge Hearing, which they're able to do under our Special Act. Myself and David Sadowsky had a trial for three days in front of an administrative law judge who came down with some findings of fact and a recommended order that then came back to you guys in January of 2014.

He in his recommended order indicated that he felt that the Richman property application did meet all the criteria it needed to meet; however, he acknowledged that it was your legislative decision to ultimately balance the factors that are important to this area in making your ultimate decision. When it did come back to you in January of 2014, you again had discussions about your concern for the loss of industrial lands, again, traffic concerns and esthetics and some other issues, and you once again denied their request to change the land use map amendment.

After that, the Richman Group did not appeal that decision. They are not now asking for that land use map amendment. What they

have done is they have sued us in Circuit Court under 1983, which allows them to bring an equal protection and a due process violation claim.

What they're claiming essentially under equal protection is that there are other land use map amendments that were brought before you that they claim are similar to theirs that you approved, and you treated them differently without a rational basis for doing it. The due process violation essentially means you didn't have a rational basis for denying their amendment.

That's where we are from a litigation standpoint. We have had mediation. At mediation, Mr. Bennett and I met with each of you briefly. They did request 18.6 million dollars to settle this case. That's based on their expert's opinion, Dr. Fishkind.

Obviously, we did not accept that offer. So we have had mediation. It did not obviously get us anywhere.

We recently had a Motion for Summary

Judgment in front of Judge Walter Schafer. Our

motion was denied, so we are currently

scheduled for a nonjury trial in front of

ALLBRITTON REPORTING (727) 415-7762

1 2

Walter Schafer April 20th through 22nd. So that's where we are procedurally in our posture in litigation.

MR. BENNETT: Any questions on that before me move forward? Yes.

COMMISSIONER LONG: Nancy, I'm not sure that I'll craft my question correctly, but given what you've talked about, that there have been precedent in terms of other pieces of property that we had okayed, was that before or after we did our very big comprehensive replanning of the County?

MS. MEYER: The plaintiffs have alleged various pieces of property. Some of them were decided long before you decided Richman. Some of them were decided -- I think one of them was decided after you amended the criteria and after Richman. Originally, they cited two that came after Richman, but they seemed to have dropped one off. One of them that's still -- I think the strongest argument that they put forward is the Nielsen property that came -- the Dunedin property that came right after your decision on the Richman property. So I hope that answers your question. Some were before,

and some were after.

COMMISSIONER LONG: It does. The Richman property, I clearly remember that discussion, and I also clearly remember that there was quite a large number of citizens that came forward to speak against this as well. Is that correct?

MS. MEYER: That is correct.

COMMISSIONER LONG: Because I didn't hear you mention that in your list of reasons.

MS. MEYER: There was. We did have people I think that came out, some for and quite a few came out against it.

COMMISSIONER LONG: Thank you.

COMMISSIONER GERARD: The Nielsen property was a similar size to this one or bigger?

MS. MEYER: You might remember the exact --

MR. DION: Twenty-four, I think.

MS. MEYER: I think it's smaller. It's still a good size property, but it is smaller. I think Mr. Dion will get into more of that in a minute. The things they're claiming are similar, we of course do not agree.

COMMISSIONER JUSTICE: Commissioner Welch.

COMMISSIONER WELCH: Are you going to get into how they came up with 18.6?

MS. MEYER: Mr. Dion will, yes.

COMMISSIONER WELCH: Okay.

COMMISSIONER JUSTICE: So it doesn't

matter necessarily what the criteria the

Commission used to deny the proposal. They're

arguing that it was irrational and it wasn't

justified. I mean, is there a legally

justifiable reason for denial that the judge

would have thrown this out weeks ago?

MS. MEYER: You want to address that?

MR. DION: I can.

MS. MEYER: I'll let Mr. Dion address that as part of what he was going to say.

MR. BENNETT: We'll push that back on the agenda. We're almost to Ed now, and we will answer that.

COMMISSIONER JUSTICE: Because you cited a couple of issues, the loss of industrial land use, esthetics, traffic and others, but it's not like at that meeting, either of those two meetings we took a vote and said the reason we are doing this is X, Y, Z.

MS. MEYER: Correct.

COMMISSIONER JUSTICE: It was part of a discussion, and then there was a vote.

MS. MEYER: Exactly. Our argument -- I'll go ahead and take some of your thunder.

MR. DION: Please.

MS. MEYER: Part of our argument has been and will continue to be that all of those things you all discussed and referenced support the general welfare of the constituents of Pinellas County. That is a rational decision. That's the basis of your decision. It doesn't have to be that it was --

COMMISSIONER JUSTICE: Checking that box.

MS. MEYER: Right. It doesn't have to be a specific thing. They are trying to argue the criteria in our plan allows them to bring the amendment forward. They did get all those boxes checked, and so they should get their amendment. We're arguing that's a legislative decision. That would be a quasi-judicial decision, which is not the arena that this is in.

COMMISSIONER JUSTICE: All right. Thank you.

MR. BENNETT: Okay. Don.

2

3

4

5

6 7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

MR. CROWELL: Thank you. Good afternoon, Commissioners.

COMMISSIONER WELCH: Good afternoon.

MR. CROWELL: I just wanted to give you one more kind of framing of this as to why we've asked you to come to a Shade Meeting to hear what we're here to talk about. Again, as Jim talked about, the statutory framework, the settlement negotiations or strategy sessions related to litigation expenditures, and ultimately, what we're seeking here is direction from the Board on the balancing of the costs of this ongoing litigation in light of the risks of those ongoing decisions that are going to be at the trial court and potentially at appellate levels in light of the principles that we believe we are defending on behalf of the County on your behalf in this case.

Now, as to those costs, those actual litigation costs are primarily from the point of the County going forward relating to expert costs from a financial expert we have. Her costs are \$750 per hour for trial and depositions, plus her expenses for travel and

those kinds of things. Under 1983, we are not only going to be responsible for the costs of our special counsel in this, but should they be successful, the County would be potentially exposed to the attorney's fees for the plaintiffs as well. The potential damages

we've already touched on.

While we -- I'm going to steal his thunder a little bit. While we seriously question the underpinnings of not only the substance of their case but also the way at which they arrived at 18.6 million dollars, the number they have put forth at this point is 18.6 million dollars. Now, all that is, again, in the context of the principles that we're seeking to defend on behalf of the County in this case, which is the legislative prerogative of the Board of County Commissioners within the context of land use decisions.

In this particular case, the way they framed it, under 1983, the review by the Court is going to be on an arbitrary and capricious basis, which is not wildly different from what it would normally be in a legislative land use decision, which is a fairly debatable

ALLBRITTON REPORTING (727) 415-7762

standpoint. If a reasonable person could come to the conclusion that you did on whatever non-discriminatory basis, the Court can't supplant its determination on how to apply those facts for yours. That's simply outside of the realm of what they're allowed to do.

Now, you kind of touched on this,

Commissioner. This is not a quasi-judicial

process where it would be if you check all the

boxes, essentially the Board would be in a

position of, okay, they've checked all the

boxes, so we need to approve this. That is at

least in some ways where they're trying to push

this argument, and we think that's a dangerous

place from a general governmental legislative

prerogative.

Ultimately though, we need this Board to determine with those costs and the potential downside and risks of litigation in light of some of the stuff Ed is going to tell you here, are those principles the kinds of things that are frankly worth the risks in that ongoing costs and carrying that out forward? Spoiler alert. I think we think it does, but that's not ultimately for us decide. It's for you to

decide.

So with that, I'm going to ask Ed to give his evaluation of this case, a little bit more of the details about where we are, and then a recommendation to you about where he thinks that we ought to take this as the County.

MR. DION: Mr. Chairman, Commissioners. By way of introduction, I'm Ed Dion from the law firm of Nabors, Giblin and Nickerson. We've been privileged to represent this County on several occasions. I'm a former county attorney of Broward County for five-and-a-half years as a county attorney, so I know exactly what these folks are going through. I've been through several Shade Meetings with clients in litigation of this nature, and I'm familiar how this thing goes.

I know there has been reference to 1983, and I just want you to know that's a federal statute, you know, that allows a plaintiff in this case to bring an action against you for damages claiming, as Nancy said, that you violated their substantive due process rights, as well as their equal protection rights.

Now we're used to, commissioners, hearing

1

2

3 4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

equal protection in discrimination types of cases, that because, you know, you are of a protected class that you can bring an equal protection. Well, there's something that's known as a class of one, and that's where they show that you -- a class of one where they have to show that you intentionally discriminated against them in comparison to other similarly situated applicants for the same type of use.

The six parcels that they've utilized as their comparators in our opinion are not comparable. They are all over this county.

They are not in Safety Harbor. They are not 34 acres. Some of them were used for townhouses.

Some of them were used for comprehensive multiuse types of developments. We think the law is pretty clear that it has to be prima facie identical in all relevant respects.

Well, you don't know the case but Nancy and I do, and I'm telling you that they are not.

But I don't want to get into that a whole lot. What I want to get into is our analysis. As Don or Nancy has previously said, they think that their case is simple. They think that because they've checked the boxes in the

Special Act and the Countywide Rules that they're entitled to a judgment in their favor. We don't believe that's the case.

Because they've elevated this to a constitutional level, they have alleged that you violated their constitutional rights. Not that you violated the Special Act. Not that you violated Countywide Rules. But you violated their constitutional rights by refusing to approve that application for a land use plan.

Since they've elevated it to that level, they have to prove that your decision back in 2014 in both cases was arbitrary or capricious. That means that it had absolutely no rational basis whatsoever. You guys flipped a coin and decided you were going to reject it. Or, you didn't like the way the guy's tie looked that day, and you rejected their application. I'm seriously telling you that I believe that's the standard they have to reach in order to prevail in this case.

But, the problem with that is you're looking at 18.6 million dollars, plus as Don explained to you, possibly their attorney's

fees and costs, as well as our attorney's fees and what little costs we have remaining. We're not putting on big dog and pony show at the time of trial. We think our case is much simpler than that, and we will attempt to convince the Court in the simplest possible terms of what he needs to be considering.

So how did they get to 18.6 million dollars? They have an economic expert from Orlando. His name is Henry Fishkind. You've probably used Dr. Fishkind before. I've worked with Dr. Fishkind before. He's very creative.

COMMISSIONER LONG: I'll say.

MR. DION: What I'll tell you in general terms is what he has done is he's taken proformas from other Richman products in the area and extrapolated those numbers to come up with what he believes they would have made on this project if they had the ability to construct it.

Okay. Our expert believes that there are serious flaws in his analysis and in his formula, and she will be testifying to that fact. Her analysis of this and I think the most reasonable evaluation of the amount of

ALLBRITTON REPORTING (727) 415-7762

1 2 3

actual loss is Richman's only loss in this case was the loss of the use of the money it would have put into this project for the amount of time it didn't have another project to put it into.

For example, if they have another project in Dunedin let's say six months later and they took that money they were going to use in Safety Harbor and put it into Dunedin, then they would have lost the use of that money for six months. Okay? That's a more reasonable, in my opinion, measure of the damages that they've actually suffered.

Those others are way too speculative. We don't know what would have happened -- we don't even know what would have happened if they would have gone back to Safety Harbor at that time. It was a three to two vote at the beginning. We understand that there was some controversy surrounding that vote. Apparently, folks lost their positions on the town council --

COMMISSIONER LONG: They did.

MR. DION: -- after that happened. So we don't know what would have happened. We don't

know if a hurricane might have come through and blown that thing down halfway through the project. There are so many variables involved in that that we think that's speculative damages at best.

So our expert believes that even if you give them a nine percent rate of return on their money, which is pretty high -- the banks are giving, what, one-and-a-half or two right now. But even at that, we're only looking at -- and six months is a pretty long time because Richman is a pretty big company. They've got projects going all the time. They could have easily taken this money the following week and put it into a project maybe in a different county. They're all over the state of Florida as we know. But just on the outside, we're looking at 500 to \$600,000, and that's giving them lots of credibility that I don't think they have.

Part of our valuation is this. I know that they're going to have an opportunity to read this at the end of the deal, but I'm going to say it anyway. I believe that part of this thing is motivated by the desire of the

opposition law firm to create a name for itself in this type of litigation here in Pinellas County. So they have nothing to lose.

Richman now is sitting with a piece of paper from Dr. Henry Fishkind that says they're entitled to 18.6 million dollars. It's a lottery ticket. They've got nothing to lose. If you offer them \$500,000 today, I don't think that's going to get you anywhere. In my professional opinion, unless you're willing to cut them a check for something very, very close to 18.6 million dollars, this case is not going to settle.

All right. Now, having said that, based upon the Judge's ruling on our Motion for Summary Judgment that was held on March the 18th, the likelihood of an unfavorable result in this case at trial is pretty high, which means we're also looking -- I think both sides are looking at an appeal. Irrespective of how this comes out, we're probably going to go to the Second District Court of Appeal on an appeal.

So having said all that, I don't have a number to give to you to say I think this case

would settle if you offered X amount of dollars. I do not -- I am not recommending that you offer them 18.6 million dollars. But I also want you to know our estimate of our fees and costs, you know, through an appeal is probably in the 50 to \$100,000 range going forward.

MR. BENNETT: Discussion.

COMMISSIONER JUSTICE: Commissioner Seel.

COMMISSIONER SEEL: I want to go back. So Judge Walt Schafer ruled that it will be a non-jury trial, so he will make the decision?

MR. DION: He will make the decision.

COMMISSIONER SEEL: Can you explain a little further why you think it will be a negative decision?

MR. DION: We had filed a Motion for
Summary Judgment in this case where we think
that we laid out in pretty decent fashion, with
the help of your great county attorney's
office, how this thing should have come down.
We believed that we showed him every possible
way that he could have ruled in our favor, and
he denied it without comment. That's
disturbing.

2

3

4

5 6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

MR. DION: I agree.

COMMISSIONER SEEL: Okay.

We had -- both sides had filed extensive documentation that literally was a foot-and-a-half or two foot high, and at the end of two hours of argument, he just said your motion is denied. That generally doesn't happen in complex litigation cases like that.

There are two things that generally happen. Usually, the Court will say you've provided me lots of material, and I haven't had an opportunity to go through all of it. give me the opportunity to spend the weekend reviewing what you've provided me, and I will issue a ruling in the coming days. Or, they'll say, you know, I want both sides to prepare an I'll think about it, and we'll let you The fact that he summarily denied it, know. Commissioner Seel, is troublesome.

COMMISSIONER SEEL: Baycare was going to use that property. Do we know the reasons why they backed out of that?

We don't know, and that's MR. BENNETT: probably outside of the scope of what we can discuss today.

1	COMMISSIONER JUSTICE: Commissioner Welch.
2	COMMISSIONER WELCH: So your estimate was
3	\$100,000 in attorney's fees if we go to appeal?
4	MR. DION: Through appeal.
5	COMMISSIONER WELCH: And does Nancy work
6	for who does she work for? Works for the
7	county?
8	COMMISSIONER SEEL: For us.
9	COMMISSIONER WELCH: When you said "she,"
10	Don, is at 750 an hour
11	MR. CROWELL: That's for the expert
12	witness, the economist.
13	MR. BENNETT: The economist.
14	COMMISSIONER WELCH: How many hours?
15	MR. CROWELL: At trial, with I mean,
16	Ed, do you have an estimate at trial?
17	MR. DION: I figure a day for trial.
18	COMMISSIONER WELCH: So 7,000.
19	MR. DION: \$7,000.
20	COMMISSIONER WELCH: Is 100,000 and her
21	fee recoverable? Are your fees and the expert
22	fees recoverable?
23	MR. DION: Unfortunately that's a great
24	question. The answer is probably not.
25	Usually, although they award attorney's fees to
	ALLBRITTON REPORTING (727) 415-7762

successful plaintiffs in Section 1983
litigation, they do not generally award it to
prevailing defendants because they're afraid it
will create a chilling effect on people
bringing these type of claims, legitimate
claims. So it would have to be completely
spurious in order for the Court to rule in our
favor, and I just don't see that in this
instance.

MR. CROWELL: That's as to the attorney's fees, Commissioners. As to costs, there is a prevailing party costs recovery. So perhaps as to those expert costs, but it's also to a large degree within the discretion of the Court.

COMMISSIONER JUSTICE: Commissioner Long.

COMMISSIONER LONG: Yes. Hello. Do you have any opinion based on your experience and knowledge of the courts on what the judge may have been thinking when he just arbitrarily said no since you seem to think it's so unusual?

MR. DION: Circuit court judges are not disposed to grant motions for summary judgment because the appellate courts have been pretty strict on them in reversing them when they do

so. It's easier for him, Commissioner, to just let it go to the trial and then make his decision after all of the evidence has been heard, and then his chances of getting reversed on appeal probably are diminished significantly.

COMMISSIONER LONG: Good to know.

COMMISSIONER JUSTICE: Commissioner Gerard.

COMMISSIONER GERARD: Totally different question. What kind of precedent does it set if they win the case and some judge somewhere says we don't have a right to tell people whether they can use their property as we wish or not? It seems pretty broad.

MR. DION: I think you've hit on the main issue in this deal. Your legislative policy making prerogative is probably the most important thing that you folks have. And, you know, for those of you that have been here long enough, you've seen how it's moved from quasi-judicial to legislative, and it's very important that you maintain that legislative policy making prerogative in order to continue to figure -- only you folks know what's in the

best interest of Pinellas County. You know, appointed and elected judges really don't have that. Administrative law judges in Tallahassee don't have that knowledge as well.

You know, I've read the transcripts of all of your meetings in this deal, and it was obvious that you folks spent a lot of time thinking about this particular application and why you took the action that you took. I'm just telling you, what I've seen points to the fact that you had a very rational basis for the action that you took. Our job is to convince either the trial court hopefully or the appellate court of that ultimately.

COMMISSIONER JUSTICE: Commissioner

Eggers. I'm sorry, Commissioner Gerard, do you
have follow-up?

COMMISSIONER GERARD: Just to follow up on that, if we settled the case, would we be admitting that we didn't have --

MR. DION: No. You'd be settling the case. Of course, now that your Countywide Rules have changed and you've incorporated preservation of industrial property into the Countywide Rules, the chances of this type of

thing coming up again are probably not as great as maybe it would have been before. You know, but that doesn't mean that the next time there is a land use decision on something other than industrial limited that this law firm or Richman group or someone like them doesn't try and do the same thing knowing that you got sued and you lost or settled.

COMMISSIONER JUSTICE: Commissioner Eggers.

COMMISSIONER EGGERS: Yeah. Thank you for being here today and kind of coaching us through this a little bit. Not being in the Countywide Rules when this decision was made and their argument towards that being maybe capricious -- I don't know -- but in the Dunedin decision being different to their argument on arbitrary, why are we not exposed on those two arguments with those two things in play? What's protecting us?

MR. DION: Again, Commissioner, I think because they've elevated it to that constitutional level, there's a higher burden on them to show. You know, the fact that you check the box, that's the quasi-judicial part

of those types -- that's a zoning decision.

That's not a land use decision.

Our argument is and it's very clear from the Special Act, it's very clear from the case law that this is a legislative decision, and once you reach that, then it's no rational basis. They have to prove there was absolutely no rational basis for the reaction that was taken.

As far as Dunedin is concerned, I don't believe that's a comparator at all. You know, number one is it happened after the fact. My argument to the judge at the summary judgment was this. If it was after the fact, then you didn't have that information in front of you when you made the prior decision. So you could not have compared that one to this one. You see what I'm saying? That happened in the future, so you couldn't have had that in your mind when you were making the Richman decision.

COMMISSIONER EGGERS: Except it was two different outcomes.

MR. DION: Well, that's true, but when you compare, it's they have to be the same and it has to be, you know, that you are

discriminating because you were familiar with action that was taken previously, not action that happened in the future.

COMMISSIONER GERARD: So they could say that we had set a precedent of allowing it before, but in this case, they can't say that because it was after.

MR. DION: Right.

COMMISSIONER EGGERS: Okay. Just one other question. As it relates to -- I'm trying to formulate my question here. Legislative discretion for the CPA versus the Commission, is it different?

MR. DION: No.

COMMISSIONER EGGERS: It's acting as a Commission or acting as the CPA?

MR. DION: No. Legislative is legislative, whether you were acting as the Countywide Planning Authority or the Board of County Commissioners or the board of directors of a special district that you guys might have created that you are the Board for. That legislative is legislative.

COMMISSIONER JUSTICE: And the residents that testified who had rationale behind their

MS. MEYER: Yes.

COMMISSIONER SEEL: Pinellas By Design.

ALLBRITTON REPORTING (727) 415-7762

arguments, are they considered expert witnesses?

MR. DION: They're not but it's not improper for you to have considered that type of testimony, especially when it was factually based in making your decision, and we cited the Court several cases that stand for that proposition as well.

the County Commission was in its development, but back in '04, there was an economic summit here. There was a gentleman that said you guys need to start buying up land and protect your light industrial. I'm sure it was going into the thinking process along the way. So it just seems like there's a lot history in there, even though it wasn't in the plan.

MR. DION: Right. And part of our presentation at trial is going to be that, to go back to those days where you had the reports, the studies that were conducted. The Teal Study I believe is one of them that was done. Isn't that correct?

MR. DION: Right. Exactly. That Board of County Commissioners, many of you who had been on for quite some time, had seen the development of that over time, and it was part of their decision making. It's clear from the transcript of those meetings that, Commissioner and Commissioner, you know, that was clearly in the forefront of your mind as you were making the decision in that case.

COMMISSIONER EGGERS: One last question.

With regards to quasi-judicial and legislative,

it seems like we have total discretion under

the legislative to pick on all these different

things that we're talking about to make the

decision. I'm just trying to get in the

judge's mind about how he is going to rule on

this and why he could possibly go against us

throughout this process. It seems that there's

a lot of groundwork that's been laid.

Since this is legislative, their attorney or any of them could have come on this floor anytime, if I'm not mistaken, and asked what do you guys think about this whole issue of light industrial protection. I mean, it was out there for public consumption. They could have

come to us at any time if they were doing their homework properly and if they were doing their work properly to ask that in addition to the cases that were presented out there as a group. Is that right?

MR. DION: Well, let me go back a step. I don't want to say that you have complete and total discretion. Okay? It has to be based upon the public welfare. Okay? So as long as your decision is infused with information that you believe as a legislator is for the benefit of the public that you serve, then that's a rational basis.

MR. BENNETT: And Mr. Chairman, there is a whole consistency argument in the sense that, under our normal planning process, your decisions need to be consistent with your Comprehensive Plan. So that is not as clearly laid out in the Special Act, but that certainly serves as a limiter of your discretion.

COMMISSIONER JUSTICE: Commissioner Long.

COMMISSIONER LONG: Actually, Mr.

Chairman, I'd like to reserve my comments until everybody finishes their questions.

COMMISSIONER JUSTICE: Commissioner Seel.

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

COMMISSIONER LONG: So come back to me, please.

COMMISSIONER JUSTICE: Maybe.

COMMISSIONER SEEL: Under 1983, is there any other case that has been like this that has gone through the court process and set precedent one way or the other?

MR. DION: There are lots of cases. of them are in our favor, but there are obviously one or two that aren't. one out of Tallahassee where they've had an unwritten -- Thomasville Road, those of you that know Tallahassee know Thomasville. had a Thomasville Road policy that was The local judge, the federal unwritten. district court judge found in favor of the plaintiff in that case saying that they couldn't rely on that. But there are other egregious facts in there, Commissioner. would take me all day to explain to you. That's one of the cases that they're hanging their hat on.

The vast majority of the cases say this is a legislative decision. If there's any rational basis for it, then the courts need to

stay out of it. They're not supposed to be legislators.

Part of our argument -- and I know you folks have heard this before -- is separation of powers. The court is not supposed to get inside of your head and become a legislator and determine whether you made a proper decision or not. He's only supposed to determine whether that was legal or not, not whether it was legislative. So that's part of the argument that we'll be presenting.

COMMISSIONER SEEL: I was curious whether we wanted to do this in part just for the rest of the counties in the state of Florida. I mean -- no?

MR. DION: I don't think so.

COMMISSIONER EGGERS: I don't -- what was your question?

MR. DION: I think it's an outlier. I really do.

COMMISSIONER SEEL: My other question is, is the judge allowed or are you allowed to submit videos of the deliberations by the County Commission?

MR. DION: The public meetings will in ALLBRITTON REPORTING (727) 415-7762

fact be part of the evidence in this case.

COMMISSIONER SEEL: Okay. Thank you.

COMMISSIONER JUSTICE: Commissioner Welch.

COMMISSIONER WELCH: Commissioner Eggers kind of hit on it. Although it wasn't in the Countywide Rules, it was a clear policy of the County and I think the PPC that we were going to -- and the Economic Development Department that we were going to preserve industrial limited unless there was a compelling reason not to. So, you know, it's fundamental. Why have a CPA if we're supposed to go by this cookie-cutter -- you don't need us if that's the way -- it just seems amazing this is even still alive to me.

MR. DION: I think, Commissioner, honestly, that's what the legislature intended when it created the Special Act. You know, if in fact this was just check the boxes as I keep saying, then you don't need the CPA. Once the PPC makes -- remember, the PPC is just a recommendation. The Special Act says it has to be a super majority vote of the Board of County Commissioners sitting as the CPA in order to overcome that.

Well, there's a reason for that. They wanted you to utilize your legislative authority of your discretion in taking those recommendations, talking among yourselves in a public forum, and making that determination based upon what's in the best interest of the County.

MR. BENNETT: Mr. Chairman, I would characterize the comments Commissioner Welch and Commissioner Eggers has made as, because of that history, that protection of industrial land is part of your decision making DNA. It's the way you think. It's how you think about these things.

COMMISSIONER SEEL: I would also -- I'm sure you've already thought of this already, but I mean, I'm sure -- I'm remembering the old Eckerd building. They wanted to have that use changed to residential. Mike Meidel might be a great witness because I know he counseled different people looking for economic development opportunities that that wasn't going to work because we had the industrial land.

MR. DION: He is a witness in this case,
ALLBRITTON REPORTING (727) 415-7762

as is Gordon Beardslee and Mike Crawford.

COMMISSIONER JUSTICE: Commissioner Gerard, did you have something?

that, there have to be any number of cases where we talked about that, and the only time we allowed -- even before I got here because I was on the PPC. Pretty much the only time we allowed a change was when it was a unique piece of property that was too small to really do anything or it was situated, you know, surrounded by residential and less than five acres -- probably less than two acres.

I mean, there might be a couple, but there were very specific reasons why we were allowing it at that point. The only reason it wasn't in the Countywide Plan is because we were redoing the entire Countywide Plan as part of the merging, or it probably would have happened years before. That was our practice. That was our legislative intent obviously.

COMMISSIONER JUSTICE: I had a question about raising it to a different level.

Intentionally discriminating, I think I heard you say that, correct? Our decision

intentionally discriminated against their company. Right, their company?

MR. DION: That's what the law says, Commissioner.

COMMISSIONER JUSTICE: Which there's obviously no way they can prove that. So if the judge agreed to that part, said okay, we can't prove the County Commission intentionally discriminated against you, does everything else fall apart after that?

MR. DION: It's supposed to. Yes, sir.

COMMISSIONER JUSTICE: What do they call
that when the --

MR. DION: When we win.

COMMISSIONER JUSTICE: Well, there's some piece of the puzzle where it all comes tumbling down. I thought there was some legal --

MR. BENNETT: The house of cards scenario.

MR. DION: The key element in both of those claims is rational basis. They have to prove that you were completely arbitrary and completely capricious, and it's their burden of proof. It is not the County's burden to prove otherwise, although we will. So if the Court says, well, the underlying policy of preserving

industrial lands was a rational basis for some kind of due process, it's also a rational basis on an equal protection claim as well and they both go away.

COMMISSIONER JUSTICE: Could they -- this has been a case I've seen in the legislature.

Could it get to a point of the commissioners testifying?

MR. DION: No.

COMMISSIONER JUSTICE: Commissioner Gerard.

OMMISSIONER GERARD: Never mind. It flew out of my head. Well, I just wanted to say that I think that it's worth defending myself, particularly because we're dealing with a local firm that we see on a pretty regular basis, and like you said, once we open that door, that door is open. It isn't just some random law firm that's decided to bring this lawsuit. That might not be relevant, but --

MR. DION: May I correct something? You all will be testifying but through either video or the transcripts.

COMMISSIONER GERARD: Things we've already said.

MR. DION: None of you are going to show 1 2 up at that trial. 3 COMMISSIONER JUSTICE: Commissioner 4 Eggers. COMMISSIONER EGGERS: It is arbitrary --5 6 they have to prove arbitrary and capricious or either? I mean, is that -- what is that? 7 MR. BENNETT: It's either or. 8 9 MR. DION: It's either or. It's 10 basically, like I said before, you flipped a 11 coin. You spun the wheel. You know, yes 12 today, no next week. COMMISSIONER EGGERS: But I mean, that's 13 14 being -- I was thinking arbitrary. I still go 15 back to the Dunedin case. Why was that so different? I mean, we argued this when I was 16 with the city of Dunedin that it was different 17 because it had been on the market for ten years 18 19 with a lot residential around it. Is that 20 arbitrary -- does that take away that arbitrary 21 nature? 22 MR. DION: It absolutely does. COMMISSIONER EGGERS: That was our 23 24 thinking at the time as well. 25

MR. DION: Unquestionable.

COMMISSIONER JUSTICE: Commissioner Long.

COMMISSIONER LONG: Yes. I just have a couple of comments, and I'd like to be on the record as agreeing with Commissioner Gerard.

Because I think, you know, our staff and everyone involved spent an inordinate amount of time redoing our Comprehensive Plan for this county because we all recognized that it's totally built out, and we have a lot of redevelopment to do to make it a walkable, sustainable community for our citizens.

We're a serious group of commissioners here. We have fun, but at the end of the day, we are on a mission to get things done for this county. And I think it's important that we send a message that we are serious about our Comprehensive Plan; that we're serious about the way we want this county to look, five, ten, fifteen years from now; and that we have to set a precedent that we are serious. Otherwise, we invite this type of thing every single time we make a decision, and I think it flies in the face of what our obligations are as leaders in this County.

COMMISSIONER JUSTICE: Thank you.

Commissioner Welch.

COMMISSIONER LONG: You have to write it down.

COMMISSIONER JUSTICE: Commissioner Eggers.

COMMISSIONER EGGERS: The comment about a Comp Plan, which if I remember correctly, in the city, we were going through it in '05 to update the Comp Plan. We do it every ten years. So was the Comp Plan that was in place at the time that these decisions were made, did it incorporate the light industrial piece or not?

COMMISSIONER SEEL: You mean the Dunedin Comp Plan or Countywide Plan?

COMMISSIONER EGGERS: No, no, no, the county. I was assuming it was done at the same time.

MS. MEYER: The plan that was in effect when this application came through ultimately was changed. At the time this application was making its way through the system, Mike Crawford and the others were working on the

changes to the plan. So they kind of
happened -- it kind of happened at the same
time. Actually, I think on January 14th when
this was denied the second time, the very next
hearing was Mike Crawford presenting changes to
the plan which incorporated more direct

statements about preservation of industrial.

It's been our argument since the original denial on the first hearing in front of the ALJ that is there is language within the plan that talks about reserving lands for industrial purposes, but now it's very clear. It's clarified. It's very clear what the intent was.

COMMISSIONER EGGERS: The final plan wasn't approved, but there is a lot of parallel conversation going on that made it very clear.

MS. MEYER: Yes, sir.

COMMISSIONER EGGERS: I know that we were concerned about that too in the city on this very issue. There was clearly a lot of thought at the county level about the preservation of industrial land way before that decision was made, and then when they came out and made that decision in the County Commission, that was a

1	big concern. But it wasn't in place at the
2	time, which is why the doors are a little bit
3	open?
4	MS. MEYER: It wasn't as clear as it is
5	now then, but there was enough stuff in there
6	
7	COMMISSIONER EGGERS: There was enough
8	there.
9	MS. MEYER: That has been our argument.
10	And as Commissioner Welch mentioned, there's
11	Teals. There's Pinellas By Design. There is a
12	history that we are presenting to the Court to
13	show this Board's concern about this issue.
14	It's not something you came up with on that
15	day.
16	COMMISSIONER EGGERS: It's longstanding.
17	MS. MEYER: Yes.
18	COMMISSIONER EGGERS: It's not just like
19	gotcha.
20	MS. MEYER: Exactly.
21	COMMISSIONER JUSTICE: Commissioner Welch.
22	COMMISSIONER WELCH: The opposing counsel,
23	who is opposing counsel?
24	MR. DION: Scot McLaren, Henderson,
25	Ward
- 1	

MS. MEYER: Hill, Ward, Henderson. 1 2 MR. DION: Hill, Ward, Henderson. Sorry. 3 COMMISSIONER WELCH: Okay. Thank you. 4 COMMISSIONER JUSTICE: Commissioner Seel. 5 COMMISSIONER SEEL: So when we put that 6 policy into place, we did also put some 7 exceptions for industrial lands. Nielsen was 8 approved after that was in place. 9 MR. DION: That's right. 10 COMMISSIONER SEEL: I thought it was. 11 MR. DION: From a timing standpoint, 12 you're correct. 13 COMMISSIONER SEEL: By the way, if you need any of the industrial plan stuff, I 14 probably have it in my office. 15 COMMISSIONER GERARD: I was going to say, 16 17 she has every piece of paper. 18 COMMISSIONER EGGERS: In her car did you 19 say? 20 COMMISSIONER WELCH: Probably in her car. 21 COMMISSIONER JUSTICE: Any other 22 questions? Counselor. 23 MR. BENNETT: Thank you for your time. 24 appreciate you guys really stayed between the 25 rails on this and focused. I think we have

direction. There's no need to vote on anything 1 2 when we go out there. 3 Now, best practice would be for you to 4 turn in your notes and agenda to me and --COMMISSIONER SEEL: If we have another 5 6 meeting, you can bring it back? 7 Absolutely. MR. BENNETT: COMMISSIONER WELCH: So the direction is 8 9 we're not settling. 10 MR. BENNETT: We're going to try this 11 case. If anything comes out of left field 12 between now and date of trial, we'll let you 13 know. COMMISSIONER EGGERS: I kind of had the 14 15 attitude that I was going in a different 16 direction, and I wanted to hear the discussion. 17 I think I'm comfortable as well. 18 COMMISSIONER SEEL: Part of me would like 19 to just at least make the \$500,000 20 settlement --21 COMMISSIONER EGGERS: Offer. 22 COMMISSIONER SEEL: -- offer. 23 COMMISSIONER WELCH: I think it's such an 24 important principle. 25 COMMISSIONER LONG: I do too.

COMMISSIONER WELCH: I think it affects every county.

COMMISSIONER SEEL: What's that?

COMMISSIONER WELCH: I think it affects every county.

MR. CROWELL: And if I could, commissioners, what Ed was describing to you based on our economist is what we see as the most rational measure of damages. Assuming they can prove everything underlying and get every damage they think they're entitled to --which by the way, the only thing they've put forward is financial stuff related to their parent company who's not even a party to this case. So that 500 to \$600,000 is their best day if you understand and believe our theory of the case.

COMMISSIONER SEEL: So who's the suer?

MR. CROWELL: It's Richman Group of

Florida, Inc. The financial stuff they've put

forward that Dr. Fishkind has reviewed, if I'm

not mistaken, relates to Richman Group of

Delaware, who's the parent company. It's a

different legal entity altogether.

COMMISSIONER JUSTICE: Commissioner Welch.

25

COMMISSIONER WELCH: What kind of timing are you looking at to get through trial?

MR. DION: We're going to trial on April 20th, two weeks.

COMMISSIONER JUSTICE: Yes, sir.

I would like to correct a MR. BENNETT: concern that Commissioner Welch said about whether this affects other counties. I think as Ed indicated, this is a bit of an outlier because it is operating under the Special Act as opposed to the Chapter 163 process. principles overlap, but we're dealing with the Board's legislative prerogative under the Special Act, which quite frankly specifically is laid out in the Special Act that these are legislative decisions unlike the statutory provision which is a creature of case law. don't think that a decision on this case is going to drive the state of Florida in a particular direction right now.

COMMISSIONER WELCH: Specifically a Special Act.

MR. BENNETT: Yes.

COMMISSIONER JUSTICE: Commissioner Eggers.

COMMISSIONER EGGERS: Going back to

Commissioner Seel's comment about offering

something, if there's an amount that would make

a difference, but you guys don't -- your

comment earlier was you don't even think

something close to 18 would make a difference.

So to even make the statement or offer that up

at 500 or a million or 1.5 million is really

kind of showing some maybe cards to the other

side that -- I don't mean -- I'm just trying to

understand.

MR. DION: Right.

COMMISSIONER EGGERS: The second thing was that appeal process, you made the comment that regardless, you think the loser -- you think it could possibly be us in the first level that we're going to appeal. I think that's what you were eluding to.

MR. DION: Yes.

COMMISSIONER EGGERS: What at that next level happens that opens the door for more rational thought if the first level doesn't prevail?

MR. DION: Hopefully we find judges in Lakeland who can read.

1 MR. BENNETT: And are willing to read. 2 MR. DION: And are willing to read. 3 COMMISSIONER EGGERS: Willing to read. I wasn't trying to be funny 4 MR. DION: 5 with that comment. I'm absolutely serious. 6 COMMISSIONER EGGERS: Are they more 7 exposed --8 MR. DION: There will be a three judge 9 panel at that stage. Generally, that's all 10 they do is they review briefs and hear 11 arguments of this nature. They would spend the 12 amount of time -- hopefully spend the amount of 13 time necessary to understand all the principles 14 that we've tried to give to you in the last 55 15 minutes and hopefully see the case law is 16 overwhelmingly on our side. 17 COMMISSIONER EGGERS: And judges don't 18 typically like to be overruled or overturned. 19 They do not. MR. DION: 20 COMMISSIONER EGGERS: So you hope that 21 maybe that thought process is more in play this 22 time. 23 MR. DION: I'm hoping what I said earlier 24 I think maybe Commissioner Seel's 25 question is that maybe he just denied the

Motion for Summary Judgment for fear of being 1 2 reversed on summary judgment. Allowing it to 3 go to trial, maybe he'll hear what we need him 4 to hear at that point in time, and we'll get a 5 favorable ruling. 6 COMMISSIONER EGGERS: Thank you. 7 COMMISSIONER JUSTICE: Anything else? 8 MR. BENNETT: That's it. 9 COMMISSIONER JUSTICE: All right. 10 MR. BENNETT: We'll reconvene out there, 11 at which point you'll make your closing 12 announcement, and we'll reopen for our 13 discussion of the second item on the agenda. 14 COMMISSIONER JUSTICE: 2:15. 15 ***** 16 17 (Proceedings conclude at 2:01 p.m.) 18 19 20 21 22 23 24 25

1	CERTIFICATE OF REPORTER
2	STATE OF FLORIDA)
3	COUNTY OF PINELLAS)
4	
5	I, Tamara Muche Pacheco, certify that I
6	was authorized to and did stenographically report
7	the Shade Meeting held before the Pinellas County
8	Board of County Commissioners and that the
9	transcript is a true and complete record of my
10	stenographic notes.
11	I further certify that I am not a
12	relative, employee, attorney or counsel of any of
13	the parties, nor am I a relative or employee of any
14	of the parties' attorney or counsel connected with
15	the action, nor am I financially interested in the
16	action.
17	Yn hallow
18	Tamara Muche Pacheco, RPR
19	
20	
21	
22	
23	
24	

25