



If any person decides to appeal any decision made by the Board with respect to any matter considered at this meeting, that person will need a record of the proceedings, and that, for such purpose, the person may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

REGULAR MEETING MINUTES
Thursday, February 23, 2017, 6:00 p.m.
Environmental Services Dept. – 434 S. Swinton Avenue
Delray Beach, FL 33444

STAFF PRESENT:

Jeff Costello	Kristyn Cox	Missie Barletto	Jamael Stewart	Lori Hayward
Thuy Shutt	Joan Goodrich	David Tolces	Candi Jefferson	Tim Stillings
Elizabeth Burrows	Kevin Matthews	Susan Shaw	Sgt. Darrell Hunter	

OTHERS PRESENT:

Jane Smith	Bruce Gimmy	Pat Quinn	Maria Bolivar
Bob Currie	Richard Jones	Mike Williams	Phil Gonot
Mavis Benson	Shelly Petrolia	Peter Perri	Sandy Zeller
Jorge Alarcon	Patrick Figurella		

1. Call to Order

Chairman Cox called the meeting to order at 6:00 pm.

2. Roll Call

Present: Reggie Cox, Cathy Balestriere, Herman Stevens, Daniel Rose, Dedrick Straghn, Paul Zacks,
Absent: Herman Stevens, Joe Bernadel

3. Approval of Agenda

Mr. Zacks made a motion to approve the Revised Agenda which was seconded by Mr. Rose and passed unanimously.

4. Approval of the Minutes

A. Minutes of February 9, 2017 Board Meeting

Ms. Balestriere made a motion to approve the Minutes of the February 9th CRA Board Meeting which was seconded by Mr. Zacks and passed unanimously.

5. Public Comments on Non-Agenda and Consent Agenda Items - None

6. P&Z

A. Conditional Use Application – 526 & 542 SE 5th Avenue – Tzikas Medical Center

Planning & Zoning Director Tim Stillings presented the petition to expand the existing facility to include a continuing care use for the current Medical Center.

The Board chair asked for public comments. There were none.

Mr. Rose stated his concern with the medical industry specifically the continued issues with the sober homes and was not supportive of the request. Board consensus was supportive of the request.

~~B. 44 East Atlantic Avenue (Masonic Lodge Building) Osteria Bossi (44 E. Atlantic Avenue)~~

~~1. Class III site plan & Modification to Historic Façade~~

~~2. In-Lieu Parking Fee Request~~

7. Reports

A. Clean & Safe Report, December, 2016

Sargeant Darrell Hunter reported on the "Safe" side of the Report. He reviewed the statistics for December, saying it was a busy month with 1,294 incidents. He highlighted the significant incidents and problem areas, noting that Veterans Park needed 50 extra patrols in December so Clean and Safe Officers will continue to provide visibility patrols. He also reported on the issue of vagrants at Old School Square and noted that having officers in the park and locking the restrooms seems to have had a positive impact on the problem. Ms. Balestriere asked about the overdose incidents (OD) in the park and what can be done in the future. Sgt. Hunter stated he was not aware of any OD in the park other than in the restroom. He noted that all the officers can do is ask the person if they are alright, but due to the Good Samaritan Law they cannot be asked to leave. If they are in distress they can be taken to the hospital or Baker Acted. Mr. Straghn asked if there were any breakdown in his data as to how many of the incidents and/or arrests involved residents from Delray Beach. Sgt. Hunter said those demographics are not currently available but can be tracked in the future.

Jamael Stewart spoke regarding the "Clean" portion of the report. He stated in reference to Ms. Balestriere's question that in December there were some incidents of intoxicated individuals around the carousel and one seizure incident, but the OD's were confined to the restrooms. He noted that putting extra lighting around the park will also be a deterrent to the vagrants. Mr. Stewart stated that pop-up events like pub crawls are causing the City to use more resources and staff is working with the City Attorney's Office to draft an ordinance that will assist in providing some structure for these events.

8. Consent Agenda

A. Interlocal Agreement with Solid Waste Authority – SWA Blighted Property Beautification Grant

B. Temporary Use Agreement – Code3 Events

Mr. Rose made a motion to approve the Consent Agenda which was seconded by Mr. Zacks and passed unanimously.

9. Old Business - None

10. New Business

A. Discussion - Parking Cost Sharing Agreement – CRA & Delray Beach Holdings, LLC

CRA Executive Director Jeff Costello presented the item. He reviewed the background on the item and said that staff and Delray Beach Holdings have been in negotiations regarding the operations and maintenance costs associated with the 326-space parking garage. He noted that a parking cost sharing

agreement was anticipated as part of the original purchase and sale agreement. The CRA will receive the increment revenue generated by the project so it will provide its pro rata share of the operations and maintenance cost for the parking garage. He stated that the City will meter the 90 public spaces, and the City will retain that revenue to use for City purposes. He reported that Delray Holdings submitted a parking cost breakdown for the Board's consideration of \$115,348 annually. Staff had the cost breakdown evaluated by PMG Associates, a CRA consultant, and the City's Parking Management Specialist Jorge Alarcon. PMG's analysis resulted in a pro rata share not to exceed \$75,000 (\$833.33 annually per space). The difference between Delray Holdings' request and staff's recommendation is \$40,348.00 which can be attributed to Reserve for Replacement cost at \$400.00 per space. He stated that Delray Beach Holdings has requested assistance from the CRA with regard to the forty (40) additional public parking spaces that were required by the City as part of the development approvals, making a total of ninety (90) public parking spaces for the project. A reimbursement in the amount of \$400,000 or \$40,000 per year over 10 years is recommended, after project completion. Based on the analysis provided by PMG Associates, the annual TIF revenues generated by the project will sufficiently cover those costs.

Phil Gonot of PMG Associates addressed the Board to report on their review. He noted that for comparison purposes PMG used the Pro Forma for a new garage under development by the City of Ft. Lauderdale which is at Las Olas and A1A in an upscale neighborhood. Mr. Gonot agreed that a Renewal and Replacement Fund is necessary so that money is being put aside; however, they felt the amount was excessive. iPic has come up with a reduced amount of \$400 per space per year, whereas the highest figure in PMG's research was from the City's Parking Consultant which put an upper limit of \$125 per space annually. PMG's recommendation on the parking garage expenses for the maintenance of the 90 public spaces was a figure of \$75,000 per year. Ms. Bonnie Miskel, counsel for Delray Beach Holdings, spoke to the Board, saying that \$36,000 per space is the cost. She noted the development of the extra 40 spaces the City required is being absorbed by iPic at a cost of about \$1.5 million. She mentioned that the parking could be conveyed to the City or the CRA. Mr. Hashimi, CEO of iPic Entertainment, stated it is the Reserve for Replacement that they have issues with. He explained their position with amortization over 30-40 years rather than 90 years.

Ms. Miskel updated the Board on some of the remaining permit items to be handled prior to closing. She noted that the Department of Transportation has signed off on their permits, and they are waiting on the final complete cost of the permit fees from the City and the impact fee amount from the county. She said that the plans have been approved so once the fees are paid they will be submitting a bond for sitework.

The Board Chair asked for public comments.

Bruce Gimmy, 439 East Atlantic Avenue, asked for clarity that the CRA is paying the fees to Delray Holdings not the City. Mr. Costello confirmed for him that the CRA will be paying the costs.

Mr. Rose commented that he did not feel he had enough time to review the documents to be able to vote or give any direction. He made a motion to table the item which failed for lack of a second. Mr. Zacks asked when the closing will be. CRA Attorney David Tolces stated the closing will occur within 30 days after issuance of all permits per the agreement. Mr. Zacks commented that it seemed like the number for the parking cost is still evolving. It was also suggested that the parking spaces could be condominiumized and the CRA would own them. Ms. Miskel mentioned that there is a lender involved,

so whatever the cost is the lender needs to know to be able to factor in those Operations and Management expenses.

Mr. Rose commented that January 31 was the termination date, and had concerns whether the contract was still valid. Mr. Tolces said the contract is still valid, and that the original RFP had stated 50 parking spaces, but the City ultimately required another 40, so now decisions need to be made on parking costs. Mr. Hashimi stated it is almost four years on this contract, and that iPic has spent an additional \$1.5 million on more parking, bought additional land, and has responded to everything that has been requested. Ms. Balestriere noted that she is supportive of this project. Mr. Zacks asked Mr. Gonot about his comment that this will not be a typical municipal garage. Mr. Gonot responded that the question is the Reserve amount and the Renewal and Replacement terms. Mr. Straghn questioned how realistic the initial figure of \$460,000 had been if it has been reduced through negotiations to \$115,000 which is a large reduction. Mr. Hashimi responded with an explanation of the amortization cost of the spaces.

Mr. Cox felt the condominium component needed to be worked out and that the maintenance costs need further work and more time. Mr. Zacks agreed, and felt the gap is not that huge that it cannot be worked out and that time is needed to work out the numbers to bring back to the next meeting. He made a motion to continue the item until the next Board Meeting. Mr. Straghn seconded the motion which passed unanimously.

A member of the public requested to make a public comment. Chairman Cox stated that the opportunity for public comments was provided earlier and is now closed.

B. Discussion – SW 600 – 800 Block West Atlantic Avenue

1. Space Activation – 606 & 700 W. Atlantic Avenue

Jeff Costello presented the item. He reviewed the background on the properties, and noted that two (2) of the bays at 700 W. Atlantic Avenue are currently occupied. He stated that staff is getting quotes on repairs and maintenance needs for the property, structure, and individual bays in preparation for potential lessors. If the vacant bays are leased, the leases should be limited to no more than two (2) years to coincide with the RFP and development approval process. He added that there are a variety of uses that can be considered for the spaces. The WARC Economic Development Committee recently met and considered use options which would be brought to the Board at a later date along with the Notice to Lease the bays.

The Board Chair asked for public comments.

Chuck Ridley, 210 NW 2nd Avenue, commented that the West Atlantic Redevelopment Coalition had a special Board Meeting to discuss this subject, and they are all excited to see the spaces activated.

Mr. Zacks stated the buildings need to be repaired and felt staff should move forward. Mr. Straghn concurred, and Board consensus was to proceed with repairs toward the idea of leasing the spaces.

2. Request for Proposals (RFP)

Mr. Costello presented the item, noting that the new RFP addresses items which were missing from the 2013 RFP. He outlined two (2) options for site configuration, with the first one crafting the RFP to reserve the 600 block for a full-service grocery store as that was the most prioritized use identified by the stakeholders in the 2012 West Atlantic Area Needs Assessment. He noted that included in the back-up

is a Letter of Intent for approximately 1.75 acres in the 600 Block. Staff would need direction from the Board if the desire is to negotiate. It was noted that additional information was provided concerning the Letter of Intent which included a letter from Publix expressing their interest. If the Board wishes, staff could also move forward with an RFP for the 600 Block with a later RFP to follow which would include the other parcels.

The Board Chair asked for public comments.

Peter Perri, Director on the WARC Board, stated that the community has been waiting for the last three (3) years for redevelopment of the area, and he urged staff to move forward with an RFP for the grocery store in the 600 block.

Chuck Ridley, 210 NW 2nd Avenue, stated the WARC Board looked at both alternatives at a Special Board Meeting, and it was their consensus to move forward with the RFP for the grocery store given it is the highest and best use that the community wants.

Dorothy Ellington of the WARC Board echoed the desire to see staff move forward with an RFP for the grocery store.

Chairman Cox referred to a Letter of Intent to purchase the 600 block that was sent to the CRA, and additional information revealed that the interest is from Publix, the largest grocer in Florida, which he said would be great for West Atlantic Avenue. Mr. Zacks stated he noticed the Letter of Interest identified 1.75 acres to purchase in the 600 block and asked for clarification. Mr. Costello responded that the 1.75 acres might not be an accurate amount, and that it may be closer to 2.5 acres. There was discussion regarding both the interest in purchasing the acreage in the 600 block and the issuance of an RFP. CRA Attorney David Tolces advised the Board that both options could be pursued simultaneously and could be made as two separate motions. Mr. Zacks made a motion to direct staff to prepare an RFP for the 3.4 acre property within the Southwest 600 Block of West Atlantic Avenue between SW 6th and 7th Avenues for the development of a full-service grocery store. The motion was seconded by Ms. Balestriere and passed unanimously. Mr. Zacks made a motion to direct staff to pursue negotiations with Pasadena Capital to purchase land in the 600 block for a grocery store. The motion was seconded by Ms. Balestriere and passed unanimously.

C. First Amendment to Work Assignment – Calvin Giordano – SW Neighborhood Alleys (Water Main)

Project Manager Kevin Matthews presented the item. He reviewed the background, and stated that at the 30% design review meeting, it was determined that the water main does not have enough coverage at the north end of the block and that modifications were needed to enable the accommodation of the proposed alley improvements. He noted that as part of the City's overall infrastructure improvement plan, the water main will eventually be relocated out of the Alley and that it would therefore be in the best interest of the City to move forward at this time with adding the relocation of the water main to this project. The associated increase in the cost, including all allowances, would be \$22,818.11, for a total cost for the project not to exceed \$148,656.65.

The Board Chair asked for public comments. There were none.

Mr. Cox asked Patrick Figurella of Calvin Giordano & Associates if this would extend the schedule for completion. Mr. Figurella stated that he will expedite the process so as to keep with the schedule. Ms. Balestriere made a motion to approve the First Amendment to the Work Assignment with Calvin, Giordano & Associates, Inc. to modify the scope of work to include the water main improvements,

increasing the cost by \$22,818.11 for a total budget not to exceed \$148,656.65. Mr. Straghn seconded the motion which passed unanimously.

D. Resolution No. 2017-02 - Purchase & Sale Agreement - Andella Holdings, LLC - SW 7th Avenue Lots & 238 SW 6th Avenue

Mr. Costello presented the item. He noted that staff has been in negotiations for these properties for quite some time, and that they are a key acquisition by the CRA for the Carver Square area. After further negotiations, the CRA proposed a purchase price of the appraised value along with the CRA absorbing the Seller's typical closing costs which was accepted by the Seller.

The Board Chair asked for public comments.

Chuck Ridley, 210 NW 2nd Avenue, stated that this is one of the most blighted areas in Delray Beach and encouraged the Board to proceed with the Purchase Agreement.

Mr. Straghn made a motion to approve Resolution No. 2017-02 and the Agreement for Purchase and Sale with Andella Holdings, LLC for Lots 26 – 37, Subdivision of Block 8 (Town of Delray), and 238 SW 6th Avenue, with a purchase price of \$487,000.00. Mr. Zacks seconded the motion which passed unanimously.

**E. Funding Request – South Florida Transit Oriented Development Grant Program
First Amendment to Purchase & Sale Agreement – 246 SW 14th Avenue (Jenkins)**

Mr. Costello presented the Funding Request from the City. He reviewed the background on the Grant Program, noting this will assist the City in getting Federal Funding. He added that March 10th is the deadline, with a maximum grant of \$205,000 to any one recipient with a minimum 20% match. He stated that the City is requesting a grant in the amount of \$200,000 with a CRA/City match of \$100,000 which would equate to the \$300,000 total budget for the station area plan. He noted that the funding is available and that a budget amendment would be prepared if approved. Planning & Zoning Director Tim Stillings commented that All Aboard Florida is coming and that this is a great opportunity. He added that along with the funding a Letter of Support would be greatly appreciated.

The Board Chair asked for public comments. There were none.

Ms. Balestriere applauded the department for applying for the grant and supports the request. Mr. Zacks made a motion to approve funding for the South Florida Transit Oriented Development (SFTOD) Grant Program in an amount not to exceed \$100,000, to be included in an upcoming budget amendment as well as providing a Letter of Support. The motion was seconded by Ms. Balestriere and passed unanimously.

F. First Amendment to Agreement for Purchase & Sale – 234 SW 14th Ave (Jenkins)

West Atlantic Redevelopment Director Kristyn Cox presented the item. She noted that during the contract due diligence period, Mr. Jenkins discovered the typical costs associated with the Seller's closing procedures and legal representation, and requested the CRA to consider amending their agreement with the CRA to absorb the closing costs which would include the costs to provide a clear and marketable title.

The Board Chair asked for public comments. There were none.

Attorney Tolces stated that while there is a title defect, it is easier and more cost effective for the CRA to handle and that it makes sense for the CRA to assure a clear and marketable title. Mr. Straghn made a motion to approve the First Amendment to the Agreement for Purchase and Sale with Gail and Leon Jenkins for the CRA purchase of 234 SW 14th Avenue. Ms. Balestriere seconded the motion which passed unanimously.

11. Other Business

A. Comments by Commissioners

Mr. Zacks commented that it may end up being worth the wait on the West Atlantic project with good coming out of the termination of the first contract.

Mr. Cox agreed with Mr. Zacks and applauded the work by the CRA and WARC. He also stated that the lots in Item 10D were purchased within the range that the Consultant had mentioned in the CRA Workshop prior to this meeting.

B. Comments by Board Attorney

Mr. Tolces reminded the Board to fill out and send in their Evaluation Forms for the Executive Director's Annual Review by the first meeting in April.

C. Comments by Executive Director

Mr. Costello had provided a request from Mrs. Shuler for the CRA to provide a letter of support for the re-naming of SW 6th Avenue after the late Mr. Shuler. Mr. Tolces stated the board could also direct staff to prepare a resolution regarding renaming the street for the next meeting in preparation for the process. Board consensus was supportive of the letter and resolution. Mr. Costello also stated staff would like to come back to the second meeting in March with an RFQ for Architectural Services for Affordable Housing Design for the Carver Square and Andella properties since the Carver Square construction costs would exceed the CCNA thresholds for using the CRA's continuing services architects. Mr. Costello also mentioned the staff assessment which has been completed. Mr. Cox recommended that Mr. Costello and the Consultant meet with Board members individually and then prepare a report with recommendations. Mr. Zacks commented he thought that is an internal management item which does not need to be reviewed publicly unless there is Board action required.

D. Comments by Staff

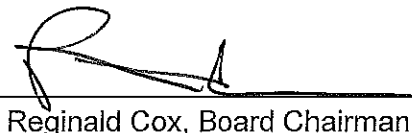
Ms. Cox reminded Board members to get their interviews with IBI Group completed. She also referenced The Set Neighborhood Plan Community Workshops coming up, one on Tuesday, March 28th and the other Saturday, April 1st, and urged the Board to plan to attend one of them.

12. Adjournment

There being no further business the meeting was adjourned at 8:01 pm.



Jeff Costello, Executive Director



Reginald Cox, Board Chairman