



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.

GOAL SETTING WORKSHOP MEETING MINUTES

Thursday, March 10, 2016 12:00 p.m.

Environmental Services Training Room
434 S. Swinton Avenue
Delray Beach, FL 33444

STAFF PRESENT:

Jeff Costello	Yuberca Pena	Susan Shaw	Francine Ramaglia
Thuy Shutt	Henry Harden	Isaac Kovner	Roya Edwards
Joan Goodrich	Kristyn Cox	Donald Cooper	Lee Parker
Elizabeth Burrows	Ferline Mesidort	David Scott	

OTHERS PRESENT:

Jane Smith	Tom Fleming	Evelyn S. Dobson	Bob Currie
Gerecia Edmond	Victor Kirson	Patricia Wright	Chuck Ridley
Marisa Gottesman	Gene Fisher		

Call to Order:

1. Call to Order

Chairman Cox called the meeting to order at 12:15.

Present: Reggie Cox, Cathy Balestriere, Joe Bernadel, Bill Branning, Paul Zacks

Absent: Herman Stevens, Daniel Rose

2. Approval of Agenda

Mr. Zacks made a motion to approve the Agenda. Ms. Balestriere seconded the motion which passed unanimously.

Discussion:

3. Review of 2016 Goals/Priorities

Executive Director Jeff Costello opened the discussion and reviewed the FY 2015-16 goals and their status. He reported that the negotiations with Currie Sowards Aguila Architects Phase II Improvement Plan for Old School Square, which had been put on hold at the request of the City Commission, may need to be revisited in April. Mr. Branning said it is his understanding that the City Commission would like to see this project move forward as soon as possible with more than remedial work and asked City Manager Donald Cooper if he thought that was accurate. Mr. Cooper stated the Commission does not want as much hardscape as indicated in the first renderings that were shown, but rather a lower intensity remodel. They do not want it paved over, but remedial repairs on the site and the building (like the lighting, landscaping, demolishing the restrooms, grading, etc.) are badly needed. He stated the City wants to "Fix what we have".

March 10, 2016

Handwritten initials in the bottom right corner of the page.

CRA Assistant Director Thuy Shutt showed a map indicating by color the prioritization of the alley improvements in the NW/SW Neighborhoods. She noted about 32 alleys are on the first priority tier, 23 on the second priority and 15 of the lower priority, with priority based on reasonableness of access (dedicated right-of-way), where it connects to (continuous alley or dead-end), and the current utilization. The first set of priorities would be about \$3 million to construct over the course of two or three years. Per Board direction, Staff is looking into issuing an RFQ for one firm to design all of the alleys. She noted that until surveys are done there could be some discrepancies with which alleys are deeded or platted, and there may be a need for some title searches which can be done as part of the design process. Ms. Balestriere asked how many alleys were under way in 2015. Ms. Shutt noted there are two projects in design (encompassing 4 alleys), one ready to go to bid and two going out to bid between April and May. Ms. Balestriere did not see how if there are currently 6 underway, how 32 will be able to be done in one year. Ms. Shutt said it would go much faster with one firm doing all the design. Mr. Costello commented that if all are designed by one firm depending on the ability to fund they could be completed in three years. The Board requested that the alleys which are in process now be included on the map. Mr. Cox asked if a 3-year time frame was realistic from design through construction and Ms. Shutt confirmed that it was.

Mr. Costello gave an update on the Parking Management Plan including pedestrian improvements, and noted the Wayfinder Signage has been taken out of the budget for this fiscal year due to budget constraints and other priorities. Mr. Cooper stated that an RFP for parking meters and software should be out by the end of the month and awarded later in the spring. He said the focus is east of the Intracoastal first and then west to the Downtown Core in a phased approach, and added this is subject to public input. Mr. Branning inquired if there would be more meter spaces added along Atlantic Avenue. Mr. Cooper said more are being contemplated on an as-needed basis, and the Plan will include metering garages and surface parking lots. Mr. Branning inquired if the meters would provide for variable rates depending on the area in which they are located. Mr. Cooper confirmed that ability is included with the Parking Meter System.

Mr. Costello reviewed the updating of the West Atlantic Avenue Redevelopment Plan. Mr. Costello indicated that initially the City was taking the lead; however, given the City's commitment to updating the Comprehensive Plan, the CRA would assist in this process with City support. Ms. Balestriere noted that more funds might be needed for the West Atlantic branding initiative. Mr. Costello stated that the funding for marketing was increased from \$25,000 to \$50,000 in the amended budget for the initiative. Ms. Balestriere commented that the West Atlantic Branding update yesterday was a good start but that there is much work to be done and she wanted the CRA to take the lead. She asked if the item would be coming before the CRA Board. West Atlantic Redevelopment Director Kristyn Cox said it would, but clarified that the DDA funded the first phase which was \$15,000. She reported that Phase 2 has not yet been funded and that is estimated at \$25,000. Ms. Hayward noted there is \$50,000 in the budget for marketing which has not yet been spent. Ms. Cox stated she had submitted a non-profit funding application to the City, but the City due to budget restrictions was not able to fund any new entities this year. Mr. Cox asked how many new applicants there were, and Ms. Hayward said the City received 38 new funding requests. Mr. Cooper noted that the City is restricted in non-profit funding to 1% of ad valorem which is about \$500,000. They are currently funding about \$3.5 million to non-profits so there is little likelihood of funding any new organizations. He said that while the City wants to help, there are mathematical limitations. Ms. Cox noted that she spoke with some of the City Commissioners regarding working on being more creative with collaborations. Economic Development Director Joan Goodrich commented that staff is working to leverage the funds already in the budget as well as to create new ways to

approach things through leveraging partnerships. Ms. Cox noted the public launch of the West Atlantic Redevelopment Branding will be in May and that will be in collaboration with the DBMC.

Mr. Costello stated that neither North Federal Highway nor the Caring Kitchen relocation need to be priority goals in FY 2017. In regard to the relocation of the Caring Kitchen, Mr. Costello noted the Historic Train Depot property has been identified by the City as the future location for the Kitchen, and that it will stay where it is until improvements can be made at the new location. North Federal Highway is experiencing redevelopment activity organically. He added that perhaps the CRA could install some landscaping at the current Caring Kitchen location to improve the site. Mr. Bernadel asked if any consideration had been given to the railroad tracks as a safety issue. Mr. Cooper stated the site will need to be secured, and a barrier made between the property and the tracks. He added that the City will refurbish the train depot building to regain its structural integrity, but no interior renovations will be done to the existing Caring Kitchen. It was noted that once the Kitchen has moved, the CRA could possibly purchase the vacated property. Mr. Cooper said that will probably be a couple of years away; hence the relocation need not be a priority for the next fiscal year.

As to the Veteran's Park goal, Mr. Costello reported the installation of playground equipment and should be completed this fiscal year and the park design is underway. That concluded the status report on the CRA Goals discussed last year.

4. City Commission Goals for FY 2017-19

Mr. Costello began the discussion of the City of Delray Beach FY 2017-2019 objectives including a multi-year, integrated planning and budgeting process, and improving Level of Service. Mr. Cooper noted that the City's focus is on repair of existing facilities and bringing the level of service up. He said he has spoken with Mr. Costello about Pompey Park which is in great need of repairs. He stated that rather than let things deteriorate while implementing new projects the emphasis will be on fixing what we have.

On the objective of growing and diversifying the revenue base, Mr. Cooper noted that the City Commission wants to reduce the millage rate but at the same time wants to increase the level of services which is difficult challenge. He stated he and Mr. Costello have been discussing the CRA structure being maintained while providing more flexibility to the City so they are able to make decisions on investments while both entities maintain their statutory requirements. Mr. Branning asked about the City's timeline around any change to the TIF formula. Mr. Cooper responded that the City is no longer pursuing that avenue at this time, but rather ways are being looked at for the CRA to provide more assistance with some of the City's obligations and providing fungibility while keeping the current TIF formula. Mr. Cooper clarified that the \$3.5 million of CRA funds needed by the City next year was generated by the CFO, and it probably won't be that much for next year. Mr. Cooper thinks it will take time and it will be an ongoing issue. Mr. Zacks asked if the \$3.5 million was premised on the Commission's desire to reduce the millage rate. Mr. Cooper stated that is part of the issue that is being dealt with and that yes, if the millage rate is reduced that figure would probably be reduced. Mr. Branning asked about the iPic Project, and Mr. Costello responded that the item will be considered by the City Commission March 15th and is being supported by Staff. He added that iPic needs to obtain all approvals from the City by May, 2016, and if the waivers and final plat are approved on the 15th the iPic should be issued a building permit by the end of this fiscal year. Upon sale, the City will receive approximately \$600,000 and the balance to the CRA.

- 5. Presentation Current Budget FY 2015-16 – CRA Team**
 - a. Project Status Current Budget FY 2015-16**
 - b. Anticipated Projects for FY 2016-17**

Mr. Costello next reviewed the property acquisition map and updated the board regarding the status of parcels. Mr. Bernadel asked about the status of the Grocery Market being affected by the Uptown Atlantic project. Mr. Costello reported the developer will be moving it out once construction commences, but that the Market will be relocated on a temporary basis. This will be discussed further at the next Community Benefits Agreement meeting. Mr. Costello reported that the Uptown Atlantic Development Agreement requires two public hearings with the City Commission in April, and it will be 18-months to 2 years before this project is completed (once construction begins).

Mr. Costello then reviewed the Neighborhood Plans and the projects therein. He reported it is his understanding the Village Square Elderly project is moving forward and should be completed by the end of the year. He reported that for the Osceola Park Neighborhood Improvements, a community meeting will be held March 17th and a mailing is going out to all of the residents and property owners along with door hangers that will be distributed throughout the area. With the Arts Warehouse project, Staff will be bringing an RFB to the Board as well as an RFQ for Operations and Management. The permits are about ready to be issued and Staff wants to keep moving forward. The project will be funded over two fiscal years.

Finance and Operations Director Lori Hayward gave a brief recap of the Operating Budget, noting that approximately \$3.7 million in CRA funds were allocated for City Services/Programs, and another \$8.2 million for Infrastructure Projects including the City's CIP. Additionally \$1.8 million was allocated for Delray Beach Non-Profit Organizations through the A-GUIDE process. In order to meet the CRA's funding commitments, a line of credit for \$3.3 million was secured. Ms. Hayward reported that going forward the CRA might not have the revenue to cover as much as is being covered this fiscal year. Potential additional items that may be funded by the CRA in FY 16-17 were briefly reviewed. She reviewed a couple of scenarios with varying percentage increases in TIF revenues. Mr. Cox referred to the CRA's statutory responsibility and wanted to know how close the CRA is to the "line." Mr. Costello responded his concern might be in the staffing area, but that as long as something is in the Plan and consistent with the statutes it can be done. He noted that the CRA has a mission and a purpose with a time limit and needs to continue to fulfill that mission. Mr. Cox felt the funding of the Tennis Center is a long stretch, and that the Finding of Necessity dealt with slum and blight as the spirit of the statute. Mr. Costello commented that some of the programs which may seem a stretch are tied into the Plan ultimately to achieve the overall improvement of the district.

Mr. Zacks stated he was having trouble seeing where an extra \$3.5 million would come from to assist with City projects. Mr. Costello stated it would probably be closer to \$2 million, and the estimates indicate a potential increase in the TIF and the majority of that increase occurs in the CRA district. He said it comes down to prioritization and what is realistic, and the needs and goals have to be balanced. Mr. Zacks felt something will have to give if the millage is reduced. Mr. Cooper commented that the millage is high compared to other cities, which is why the City is considering lowering it. He noted almost all the entire amount of TIF is in the CRA District, and said that as a result of most the value being in the CRA District, the City is not seeing a corresponding benefit for its' other revenues which has created what he calls a "strategic problem". Ms. Balestriere stated that for the most part the success in the downtown area was a result of the CRA's efforts. She noted the CRA still has things to accomplish toward its mission, and does not see how that can be done if the CRA is working on assisting with the City's budgetary issues. She added that to lower the TIF and or millage coming to the CRA would only make that increasingly difficult. Mr. Cooper said he understands and he and Mr. Costello are in discussions to make it all work. He stated he works for the City Commission and they have made it clear they want the millage reduced in the next year or so. He has suggested to them that it be done on a gradual basis over a ten year period but nothing has been approved yet. Mr. Cox suggested taking a closer look and giving the City some reasonable options.

Economic Development Director Joan Goodrich addressed the Board regarding the Office of Economic Development's (OED) work toward growing and diversifying the economic base in Delray; how to activate spaces, direct cash resources more strategically, encourage job creation, leveraging work with the private sector, improving the ecosystem, etc. She noted Staff will be doubling-down on existing partnerships throughout the community to help accomplish the CRA's goals. She felt the CRA has done an excellent job from a transaction based economic development approach, and now additional efforts can be put toward improving the ecosystem and capacity building.

Kristyn Cox updated the Board regarding the redevelopment in the West Atlantic area and being intentional about activating the spaces. The CRA is getting more focused on 5th Avenue where there currently is a business community, and has invested in the area through property acquisition and improvements. The properties on NW and SW 5th Avenue are undergoing an assessment as to their values, uses, who owns them etc. Community partnerships and collaboration will be employed to activate the area. Economic Development Manager Elizabeth Burrows gave a brief presentation regarding Staff's efforts to build small businesses and begin actively fostering entrepreneurship such as has happened at the GreenMarket. Again the emphasis is on partnering and collaborating to maximize resources to better meet the needs of the community. Before closing Ms. Goodrich introduced two interns who are assisting in OED: Roya Edwards and Lee Parker, both FAU students studying Planning.

Mr. Costello brought up the issue of space at the CRA offices, noting that there are several positions being advertised and very little space left. He presented the Board with a few options to consider, which could be discussed further with the Board at a later date. Mr. Bernadel stated it is something that needs to be done, that the current space needs to be modified if Staff is to stay there. He does not feel the environment is adequate. Mr. Branning commented that at last year's Joint Workshop, it was strongly suggested by the City Commissioners that the CRA not move forward with the addition to the office building. He said the CRA will need more resources and people to pick up projects currently being handled by the City and he asked Mr. Cooper if he felt the City Commission would stand by that statement. Mr. Cooper responded that if the case is made for the need, the majority would understand and not have issues. He said that while he is not a predictor of politics, he felt that 'reason would prevail' given a case being made for the modification. Asked if he saw any concerns with the CRA budgeting for office expansion, Mr. Cooper recommended that other options and alternatives be considered, such as use of City or CRA space i.e. the Library. He did say however he would not want to predict how the Commission might feel.

6. CRA Goals/Priorities for FY 2017-19

Mr. Costello presented some projects for preliminary consideration for funding in 2016-17, as well as some potential additional items that could need CRA funding, such as the redevelopment of the Tennis Center. He also referred to the CRA's A-GUIDE Funding process for non-profits which allows funding of up to 25% and noted that in looking at the percentages that are currently being funded, there is some flexibility to perhaps relieve the City of some of their non-profit funding obligations. Ms. Balestriere noted the Board needs to develop options before the April 12th Joint Meeting with the City Commission. Mr. Costello stated some of the key factors to the next year's CRA budget could include the sale of iPic (\$3 million), market strength, TIF growth and tapping into the Line of Credit. Mr. Cooper noted that cooperatively there are debt instruments available that can be considered to 'level out the highs and lows'. It will take a cooperative effort with City and CRA Staff and Commissioners, but he thinks the goals and obligations can be met albeit perhaps not as quickly as would be preferred.

Finalizing the goals and priorities will be revisited after the Joint Workshop on April 12, 2016.

7. Closing Remarks

The Board Chair called for public comments.

Chuck Ridley, 210 NW 2nd Avenue, requested the line item for funding the update of the NW/SW Neighborhood Plans remain at \$200,000. He noted the Plans are needed as our "North Star" to guide us and to make sure the greater goal is met. He discouraged the reduction of the millage rate which would reduce the CRA funds. He said instead that increasing it by one percent would provide an additional \$8 million which would only be about \$40 a month to the average citizen. He felt the presentation given today should leave everyone excited.

Evelyn Dobson, 130 NW 3rd Avenue, noted that she has benefitted from the CRA and asked the Board to invest again in the tools for housing incentives. She said close to \$2 million in housing subsidies between the CLT and CRA have been provided, and she applauds the CRA because of the work it has done to benefit many citizens. She noted that properties similar to hers on the east side are worth three times more than on the west side so there are still challenges. She would like to see new housing incentives, especially for seniors, to improve their property, help underwrite rising insurance rates etc.

Bob Currie, Currie Sowards Aguila Architects, provided the Board an update on the Uptown Atlantic project, noting it has been enormously difficult with so many partners involved. He stated final approval by the City Commission is anticipated in April. He also noted final drawings for the 800 and 900 blocks will be delivered soon for building permits. Lastly, he noted an announcement for a grocery store tenant is expected shortly.

Commissioner Comments:

Mr. Branning mentioned he has seen a lot of ill kept landscape maintenance of lots around the City, and he would like the CRA to take that off the City's hands and contract it out. He also noted he feels \$400,000 is a lot of money for the Trolley, and he would like to see the ROI on the Trolley. He thanked City Staff for being in attendance, noting that it was very helpful to have City Manager Cooper's input.

Ms. Balestriere congratulated West Atlantic Redevelopment Director Kristy Cox for her excellent work on the West Atlantic Branding presentation yesterday, as well as the rest of the CRA staff for their work and commitment.

Mr. Zacks thanked the City Manager, noting he looks forward to the Joint Workshop and hopes it will be cooperative.


Mr. Cox noted he too has concerns about the CRA investment with the Trolley, and suggested looking at advertising as an income source. He also thanked City Staff for their support and attendance, WARC's Promotion Committee for their spirit of collaboration, and Mr. Costello for having Staff participate today.

Staff Comments:

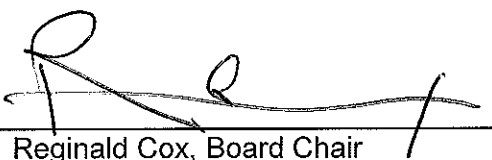
Mr. Costello said that as to specific goals perhaps that can be revisited after the Joint Work Meeting.

Adjournment:

There being no further business the Workshop was adjourned at 2:50.



Jeff Costello, Executive Director



Reginald Cox, Board Chair