



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.

WORKSHOP MEETING MINUTES  
**Thursday, May 26, 2016 5:00 p.m.**  
City Commission Chambers  
100 NW 1<sup>st</sup> Avenue  
Delray Beach, FL 33444

**STAFF PRESENT:**

Jeff Costello	Joan Goodrich	Susan Shaw
Thuy Shutt	Kristyn Cox	
Lori Hayward	Elizabeth Burrows	

**OTHERS PRESENT:**

Ari Whiteman	Alan Kornblau	Christopher Noe
Rob Levy	Gary Eliopoulos	Ahmed Burton
Felicia Hatcher	James Taylor	Patricia Wright
Peter Perri	Grecia Edmond	Evelyn Dobson
Vicki Hill	Mike Williams	Nichole Kalil
Dorothy Ellington		

**1. Call to Order**

Chairman Cox called the Workshop to order at 5:10 pm.

**2. Roll Call**

Present: Reggie Cox, Joseph Bernadel, Bill Branning, Herman Stevens, Daniel Rose, Paul Zacks

Absent: Cathy Balestriere

**3. Approval of Agenda**

Mr. Bernadel made a motion to approve the Agenda. The motion was seconded by Mr. Branning and passed unanimously.

**4. Discussion –**

**A. Evolving Economic Development Program: Growing Our Own & Workforce-Talent Development**

Economic Development Director Joan Goodrich presented the item. She thanked the Delray Beach Public Library and other CRA partners as well as West Atlantic Redevelopment Director Kristyn Cox and Economic Development Manager Elizabeth Burrows for their valuable

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assistance. She noted there were up to thirty (30) partners assisting in this undertaking. She reviewed why economic development is important to the overall needs of the community, and cited an excerpt from a paper recently published by The Brookings Institution Metropolitan Policy Program which outlined five action principles for communities like Delray Beach: 1) Set the right goals; 2) Grow from within; 3) Boost trade; 4) Invest in people and skills and 5) Connect place. She went over six specific actions to move Delray's economic development approach and program forward, as well as potential next steps with Places and Spaces. She commented that there is no "one size fits all" for communities, and briefly reviewed a Delray Beach Small Business-Entrepreneurial-Talent-Workforce Development Matrix which she had prepared for the Board. She stated that since Staff has started a more systematic approach to Delray's economic development, it has come to light that the community needs more small businesses, and for those small businesses, there is a need for technical assistance and business mentoring as well as funding. She noted that creating a business resource center in the Library is one strategic goal, and enumerated various other spaces that could be useful for economic development in small businesses ie. The Arts Warehouse, Neighborhood Resource Center, Pompey Park potentially for a coding school, as well as the Full Service Center. She also mentioned that KTCHN, a new business incubator, is expected to be launched at the end of June. She said that the community needs the CRA to assist in this effort to build out the small business infrastructure in town in order to truly build the wealth of the community in the long-term.

Mr. Bernadel congratulated Ms. Goodrich and her staff on an excellent presentation and said there is a lot of good information to digest. He was interested in an electronic connectivity network so that all portions of Delray Beach would have access to the internet and having information delivered. He believes the CRA and the City need to invest in establishing this connectivity at a small cost so that every group of people in the community can be touched - all residents need ready access. He added there will always be a need for liberal arts schools - if instructions cannot be understood, then entities such as coding schools will make no difference. He noted that 34% of the people in this community speak Creole so when any outreach is done it needs to translated into Creole also.

Mr. Branning thanked Ms. Goodrich. He felt the goals she expressed were quite lofty and monumental, and would be better suited to a larger metropolitan community. He cited the Brookings Institute Report as stating that efforts need to be data driven, so if the CRA moves forward with this he would like to see an analysis of where the City is, what types of employers already exist and what the emerging businesses are in combination with the goals. The Report also stated that one of the reasons Cities fall short is because they are not tied together, so he would envision a flow chart of how everything ties together. He felt that for a small community like Delray Beach to focus on market sectors could be a futile exercise.

Ms. Goodrich clarified that this is about growing our own and starting from what we already have, from our current business mix. She said that the Office of Economic Development (OED) staff does know the data currently as to the business mix, the local economy, the number and type of employees, size of our business enterprises, the type of industries, etc. She feels job creation will be accelerated with a growing your own strategy rather than waiting for businesses

to come to Delray. Mr. Branning asked if she would gather that data and put what the goals are to be prioritized. She said yes that could be provided to the Board, as well as the opportunities that have already come before the OED to support small businesses.

Mr. Cox said it was an excellent presentation and applauded the OED's work. He is in agreement with her evolving economic development approach and especially the capacity building and next steps. He referred to the "other vacant or underutilized properties along NW/SW 5<sup>th</sup> Avenue" on page three of the Summary, and asked Ms. Goodrich about her thinking around those spaces. She responded she did envision those spaces being used as start up space, perhaps for some of the ideas people have brought forward such as a Community Kitchen. That could help activate The Set and begin to build vibrancy in the area. She added that rather than building one large space, like a silo, there could be multiple spaces within the community for evolving and developing skills along with entrepreneurial space. Mr. Cox quoted from the Brookings Report "It's time to shift and broaden the purpose and practice of economic development to generate continuous growth, prosperity and inclusion." He applauds the approach in terms of inclusion and feels moving forward in getting those spaces activated will encourage vibrancy throughout the area. He also felt this approach could be integrated with the update of the various Plans.

Ms. Goodrich asked if the Board would like OED to continue on this path, and the consensus was supportive of going forward.

**B. Discussion – Ground Lease/Management Agreements - Delray Beach Community Land Trust (DBCLT) and Delray Housing Group (DBHG)**

Mr. Branning recused himself from the discussion due to a conflict of interest. Mr. Costello presented the item. He reviewed the background on how the DBCLT and DBHG came to fully manage, operate and maintain CRA affordable housing rental properties including LaFrance Apartments, Carolyn Quince Court, and the Palm Manor Apartments. The term of all three of those Ground Lease Agreements was for five years, and they will expire this September. Mr. Costello presented four (4) options for the Board's consideration, including extending the Leases or issuing an RFP. He stated that staff prefers extending the Leases for either one (1) or five (5) years but wanted to present all options. He noted the DBCLT also manages five (5) CRA-owned duplexes on SW 12<sup>th</sup> Avenue and an RFP will need to be issued for a Ground Lease Agreement for the CRA owned duplex currently being renovated duplexes on SW 12<sup>th</sup> Avenue, which is expected to be completed in October of this year.

Executive Director for the DBHG Dorothy Ellington addressed the Board and expressed her thanks to them for the opportunity to manage the properties they manage. She feels it is a very good arrangement, and she stated the DBHG would prefer Option 1 or 2, extending the Ground Lease Agreement for either five (5) years or one (1) year respectively. She noted that the DBHG is not in a position to compete with a private developer or entity. She also voiced a concern that a private entity might raise the rents, potentially displacing some tenants.

Mr. Gary Eliopoulos, President of the Board of the DBCLT, said the partnership with the CRA has been incredible. He stated that providing the opportunity to manage these properties as a seed has made the DBCLT more sustainable and allowed them to continue their mission. He

also favors either Option 1 or 2, and noted that Option 1 for a five year extension would enable them to become financially ready to purchase the properties. He stated that regardless of what option the Board chooses, affordable housing is the most important thing to keep for Delray Beach.

DBCLT Executive Director Evelyn Dobson spoke, applauding the CRA for the work it does, and stating that the DBCLT is a direct result of the CRA. She noted how affordable housing has always been challenging, and that affordable rentals has become a topic for the whole state of Florida with the lack of affordable rentals in South Florida being a crisis. She noted it is a challenge when rentals come up for renewal for the tenants to meet the 50% income limit in order for her to be able to approve them. She emphasized that no place else in Delray can you find a two bedroom one bath unit at \$825 a month with the water paid and on-site laundry rooms. By managing the CRA rental units and collecting the revenue, it allows the CLT to sustain itself. She stated that Option 2, extending the Lease for one year, may or may not give them the opportunity to financially position themselves to purchase the properties whereas Option 1 for a 5-year extension would provide that opportunity.

Mr. Bernadel congratulated Ms. Ellington on how the DBHG has managed the two CRA properties, and asked for clarification regarding the noise complaint at LaFrance which was brought up at the last meeting. She stated it is not all related to the tenants, that there is other activity in the alley, which creates a canyon effect between LaFrance and Carolyn Quince Apartments that back up to each other. She said the situation is good and the impact is minimal. Mr. Rose commented he did not think the CRA should sell the properties and he favors Option 1. Commissioner Stevens concurred and asked about the CLT being able to purchase the properties in five years. Ms. Dobson stated that is their intention. Mr. Zacks felt this partnership is a win-win and also supported Option 1 for the five year extension.

Chairman Cox noted the Board consensus was for Option 1, to extend the Ground Lease/Management Agreement with the DBHG and DBCLT for the La France, Carolyn Quince Court, and Palm Manor Apartments for one (1) additional five (5) year period expiring on September 22, 2021, pursuant to the terms of this Agreement.

## 5. Adjournment

There being no further business the Workshop was adjourned at 6:10.

  
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Jeff Costello, Executive Director

  
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Reginald Cox, Board Chair