



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, December 8, 2016, 6:00 p.m.**  
City Commission Chambers -- 100 NW 1<sup>st</sup> Avenue  
Delray Beach, FL 33444

**STAFF PRESENT:**

Jeff Costello	Elizabeth Burrows	Yuberca Pena	Candice Jefferson
Thuy Shutt	Kristyn Cox	Renee Roberts	Susan Shaw
Joan Goodrich	Kevin Matthews	D J Doody	D J Lee
Lori Hayward	John Morgan	Sgt. Baer	Mauricio Lara

**OTHERS PRESENT:**

Peter Perri	Vic Kirson	Mike Williams	Marjorie Waldo
Michael Listick	Choli Aronson	Bob Currie	Doug Watt
Ann Stacey-Wright	Chuck Ridley	Jane Smith	Yvonne Odom
Evelyn Dobson	Herb Tabin	Angie Gray	

**1. Call to Order**

Chairman Cox called the meeting to order at 6:16.

**2. Roll Call**

**Present:** Reginald Cox, Joe Bernadel, Cathy Balestriere, Herman Stevens, Paul Zacks, Dedrick Straghn

**Absent:** Daniel Rose

**3. Approval of Agenda**

Ms. Balestriere made a motion to approve the Agenda which was seconded by Mr. Bernadel and passed unanimously.

**4. Approval of the Minutes**

**A. Minutes of November 17<sup>th</sup> Regular CRA Board Meeting**

Mr. Bernadel made a motion to approve the Minutes of the November 17<sup>th</sup> CRA Board Meeting which was seconded by Ms. Balestriere and passed unanimously.

**5. Public Comments on Non-Agenda and Consent Agenda Items**

Evelyn Dobson, 145 SW 12<sup>th</sup> Avenue, Executive Director of the Delray Beach Community Land Trust, was pleased to announce that two workforce housing units on NW 5<sup>th</sup> Avenue have received their Certificates of Occupancy.

Marjorie Waldo, President and CEO of the Arts Garage, gave an update to the Board which included staff cutbacks at the Arts Garage with redefined roles and responsibilities, changes in December 8, 2016

be outsourced, and that he will have more details within the next few months. He said it will be a more streamlined and efficient process, and that the CRA will be included in the selection process for anything that is outsourced.

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

Mr. Cox asked if his department was coordinating the upcoming workshop on infrastructure needs. Mr. Morgan stated that is a partnership between ESD and the Planning Department. Mr. Zacks advised Mr. Morgan to keep a close eye on any work being outsourced. Mr. Morgan stated they will be very deliberate about making sure projects are managed, and that it does take project managers to oversee the work which Parks and Recreation does not have. Mr. Cox added that for example, the plantings on SW 2<sup>nd</sup> Street and SW 12<sup>th</sup> Avenue are not well maintained, and there needs to be a maintenance program as well as a quick way to intervene on any work that is outsourced. He noted also that small local businesses who live in the area might also be considered when work is being outsourced.

#### **C. CRA Monthly Progress Report, November, 2016**

CRA Project Manager Kevin Matthews presented the report and reviewed the highlights. He noted that the report is now color-coded so that any projects that are delayed or behind can be easily spotted.

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

#### **D. Economic Development Monthly Report, November, 2016**

Economic Development Director Joan Goodrich presented her report and gave an update on the Comprehensive Plan, "Always Delray", which will include an economic element. She was pleased to announce that Delray Beach has been selected by Kaufmann-Lynn Construction for their corporate headquarters. They will construct 152,000 square feet of new office and commercial space in Delray Beach, which was competing with cities to its south as well as Raleigh, North Carolina, where the Company's CEO lives, so it was a good success. Kaufmann-Lynn is expected to provide 135 high paying jobs and will be a \$30 million capital project on 2.99 acres on Congress Avenue. She also noted the company will be looking at a local hiring component.

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

Mr. Cox stated he appreciated all the reports tonight and it is important to stay updated on the CRA projects and how funding is being utilized.

### **8. Consent Agenda**

- A. Monthly Marketing Report, November, 2016**
- B. Monthly Financial Report, October, 2016**
- C. Subordination Agreement - Valladares – 106 W. Coda Circle – Lot 35**
- D. Revised Right-of-Way Deed - SE 4th Ave-Alley – iPic**
- E. Selection to Old School Square Master Plan Core Committee**

Bob Currie, Architect, reported he was at a number of meetings with the Flynn's of Equity and various bankers, and they never said anything other than Mr. Randolph was going to be the contractor and that he could not get bonded. The bankers said they would bond the subs to 80-85% and that should do the job, but as time went on the financial commitments fell off. Mr. Currie noted that is what he personally observed. He added this is an important project needed to integrate the community.

Morris Carstarphen, stated that the developer was asked several times if more time was needed, and the answer was always no. He noted he has not been contacted by the new contractor as he was told he would be, and he recommends the Board terminate the contract.

Mr. Listick again addressed the Board, saying the developer's intentions and efforts were good and that they are now getting over the learning curve. He said Equity was about to sign the contract with the new contractor but they don't have subcontractor prices. He reviewed the financial commitment made by Equity including \$3.6 million to date. He added that Equity was seen as heroes to the community and now they are spoken of as frauds. He said Equity never tried to break any promises to the community and he said he hopes all parties can move forward.

Mr. Zacks stated that he wanted Equity for this project all along, and they made an offer to engage the community which was important to him. He said his rule of thumb is to believe people until they misrepresent something. He pointed out that as recently as the last meeting, Equity said they were ready willing and able to close; yet, on December 1<sup>st</sup> an extension of the closing date was requested. He said he was optimistic but now he no longer believes Equity is the right choice for the project and will vote to terminate. Mr. Straghn has a concern with how the Equity team has managed themselves throughout this process. He said Equity has not performed according to the contract that they themselves negotiated. He pointed out he had asked if they need more time before closing and was told it was not needed, and that their failure to meet deadlines is cause for termination. He agreed with Mr. Zacks that he does not like misrepresentations, and that lack of performance is why he is not inclined to grant the extension. Ms. Balestriere concurred with both Mr. Zacks and Mr. Straghn. She stated she had said that 'actions speak louder than words' at the last meeting, and that their words have been empty so she cannot support an extension.

Mr. Cox stated that overall he was in agreement with the other commissioners. He noted that more than one respondent agreed to a CBA besides Equity. He stated he was not convinced that the extension request could even be accomplished based on what he has seen. He felt the project was very important to The Set and that a lot of work went into the land assemblage for the project. He discussed the process of community involvement with the Fairfield Inn which was completed on time and the developer kept their word in hiring locally. Mr. Cox felt that Equity was given a gift and fumbled the ball. Mr. Bernadel stated that the argument put forward by Mr. Listick was feeble and lacking in integrity or substance. Mr. Stevens said he was inclined to agree with his colleagues, and had a question whether it could even be done in 120 days.

Mr. Zacks made a motion to terminate the purchase and sale agreement between the CRA and Equity Delray, LLC in accordance with Paragraph 10, TERMINATION, in the original purchase

increased the sales price over the previously approved amount. Evelyn Dobson of the Delray Beach Community Land Trust clarified that the additional funds have not yet been expended.

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

Mr. Bernadel made a motion to approve the sale of Cypress home model at 126 SW 14<sup>th</sup> Ave for the increased amount of \$162,432.00 and approve the subsidy request in an amount not to exceed \$27,500.00 for the Desravines purchase of a single family home at 126 SW 14<sup>th</sup> Avenue, to be secured by a second mortgage under the terms described herein. Mr. Zacks seconded the motion which passed unanimously.

#### **E. Executive Director's Annual Evaluation**

Finance & Operations Director Lori Hayward presented the item. She noted that a draft evaluation form has been provided incorporating the Board comments from last year's Executive Director evaluation and she reviewed the changes/additions.

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

Ms. Balestriere made a motion to approve the Executive Director Evaluation Form which was seconded by Mr. Zacks and passed unanimously. Ms. Balestriere made a motion to appoint Mr. Rose to review the Board's recommendations and meet with the Executive Director and Mr. Tolces regarding his annual evaluation. The motion was seconded by Mr. Zacks and passed unanimously.

### **11. Other Business**

#### **A. Comments by Commissioners**

Ms. Balestriere commented that she would like to assure that for the next WARC Workshop there will be specific items ready for discussion.

Mr. Bernadel thanked the community for all the support for relief efforts in Haiti.

Mr. Stevens stated that he felt it is important to provide ample opportunity for items to be discussed and not to be rushed in future joint WARC/CRA Workshops.

Mr. Zacks commented that it was sad to terminate the Equity Agreement because it will delay redevelopment in the West Atlantic area. He proposed that when an RFP is reissued, it should include language similar to the iPic contract which eliminated the possibility of flipping the property.

Mr. Stevens inquired if the CRA was required to reissue the RFP for the West Atlantic properties. Attorney Doody stated he would look into that issue with the idea of trying to expedite the process, and some options will be brought to the Board at the next meeting. Mr. Stevens requested that if the information is available early enough that it be sent to the commissioners for consideration prior to the meeting.

Mr. Straghn pointed out for the record that even the request from Equity for the extension of the closing date came after the time to close.

Mr. Cox asked that at the next Joint Workshop with WARC the Executive Director to play a more vital role in the process by preparing the board members on items to be discussed.