



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 1st 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 17th Regular CRA Board Meeting

Mr. Bernadel made a motion to approve the Minutes of the November 17th 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 12th Avenue, Executive Director of the Delray Beach Community Land Trust, was pleased to announce that two workforce housing units on NW 5th 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

the rental package with a leaning toward focusing on non-profits, working with Annette Gray on the business side of art, new educational emphasis, revisions and streamlining of the financial procedures, and the dates for some upcoming events.

6. P&Z –

A. CLV Site Plan – Kolter Hotel

Candi Jefferson, Senior Planner, presented the petition for construction of a four-story 150 room hotel with structured parking and a 1,790 sf civic open space fronting SE 6th Avenue in the Central Core of the Central Business District (NE corner of SE 6th Avenue & SE 2nd Street).

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

Mr. Zacks inquired if there were any concerns with height. Ms. Jefferson responded that staff had no concerns, that it met all requirements, and there are no waivers being requested. Board consensus was supportive of the project.

7. Reports

A. Clean & Safe Report, October, 2016

Sgt. Troy Baer presented the Safe side portion of the report. He noted there are adjustments being made for the holiday season for an increased police presence and increased hours. Jamael Stewart presented the report for the Clean component of the program from I-95 to A1A. He said they are working with the business owners to help keep the Avenue clean. There are ongoing issues with the homeless sleeping on the benches which they are addressing with the Police Department. He is focusing on the medians becoming consistent and attractive.

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

Mr. Bernadel asked if there has been any success dealing with the homeless issue in front of the library. Mr. Stewart said they have not been 100% successful, but that progress is being made by having a crew coming early every morning to clean the up the area. Mr. Bernadel asked about the possibility of barriers. Mr. Stewart said the Library Director is working with the City in possibly installing a gate. He reported that there is an issue with people tripping along Atlantic Avenue and suing the City. His goal he said is for all of Atlantic Avenue from I-95 to A1A to look beautiful, like you have entered Disney World. Ms. Balestriere commented about an inconsistency with the lighting along Atlantic Avenue. Mr. Stewart said the DDA is working with the contractor, and that he is working with the DDA to ensure a more consistent look. He noted there are two electricians on his team, but that the contractor for the rope lights only comes once a week to fix the ones that are out.

B. Streetscape Maintenance Update

Ms. Shutt introduced the item. ESD Director John Morgan then presented, saying that his department is in the process of organizing how to best maintain the public right-of-ways. He noted the CRA has made a large investment and has set a level of service which he wants to meet. He stated that Public Works Division will be responsible of right-of-ways, and Parks and Recreation Department will be responsible for the parks. He noted that some of the work may

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 2nd Street and SW 12th 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**

F. Temporary Use Agreement – Our Support for Children in Need, Inc.

G. Fourth Quarter Reports FY 2015-16

1. Trolley
2. A-GUIDE
 - a) Old School Square
 - b) Delray Beach Public Library
 - c) EPOCH
 - d) Historical Society
 - e) Delray Beach Community Land Trust

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

9. Old Business

10. New Business

A. Equity Delray, LLC (Uptown Atlantic) – Request for Extension

CRA Attorney D J Doody presented the item. He reported that he received a letter from Equity Delray LLC requesting a 120 day extension on the closing date of December 1, 2016. He noted the CRA had all the documents ready for closing but Equity was not in a position to do so. He reviewed the background on the Purchase & Sale Agreement and the five amendments to it. He noted that in his opinion the purchasers were unable to close due to an inability to provide a letter of credit ten days prior to closing, and the Board has several options to consider.

Mike Listick, attorney for Equity Delray LLC, gave a brief introduction, stating the purchaser needed more time but is committed to the project. The Board consensus was that Mr. Listick could provide more comments after the public has spoken.

The Board Chair called for public comments.

Herb Tabin, 1040 West Atlantic Avenue, stated that the CRA chose an unknown developer based on Equity's stated willingness to hire locally with Randolph & Dewdney as the general contractor. He noted this was the inducement that awarded Equity the contract. He added that Equity should have known that the contractor selected could not get bonded.

Anne Stacey-Wright, the NW/SW Neighborhood Alliance, said there is a lot of concern in the neighborhood, and that they have waited twenty years or more to see something happen on West Atlantic and can wait longer if they have to for the right developer for the NW/SW neighborhood.

Chuck Ridley, 210 NW 2nd Avenue and Chair of the Community Coalition, said one of his proudest days was when the CBA was signed between the developer and the community. He has worked extensively with Equity and found mostly they were good people. He said his concern is it might not be a capacity issue but rather a competency issue. He felt that way because in the vetting and contractor selection process for Mr. Randolph, bonding would not be an issue as it was supported by a statement from the developer asserting that they had the financial ability to cure anything that would arise. He felt the community should not have to continue to wait.

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 1st 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

and sale agreement dated June 12, 2014. The motion was seconded by Ms. Balestriere and passed unanimously.

B. Work Assignment – IBI Group - W Atlantic & SW Neighborhood Redevelopment Plan Updates

CRA Assistant Director Thuy Shutt presented the Work Assignment with IBI to update the Redevelopment Plans and combine into one comprehensive document.

The Board Chair asked for public comments.

Chuck Ridley, 210 NW 2nd Avenue, noted it is important to make sure all key stakeholders are involved for this process to be complete and strong. He said there needs to be ample opportunity for the community to be engaged, and that WARC will make sure all the key personnel are present, engaged and informed. He added that this is the answer to many of the questions asked in the earlier Workshop with WARC and the CRA.

Ms. Shutt noted that this has been vetted out into the community and was supported by WARC. She said that WARC will be the conduit into which a lot of the information will be funneled. Ms. Balestriere asked if WARC had any feedback and who would be interviewed. Ms. Shutt stated that staff will work with WARC, the City and other community stakeholders to identify the key interviewees. There was some discussion regarding process and how it compared with the Plan Amendment in 2014. Mr. Cox noted that the item was a direct result of the 2012 Needs Assessment which WARC undertook.

Ms. Balestriere made a motion to approve the Work Assignment with IBI Group (Florida), Inc. (IBI) for services associated with The Set Redevelopment Plan at a cost not to exceed Seventy-Two Thousand One Hundred and Ten Dollars (\$72,110.00). Mr. Zacks seconded the motion which passed unanimously.

C. Resolution No. 2016-16 – Purchase & Sale Agreement for 234 SW 14th Avenue (Jenkins)

West Atlantic Redevelopment Director Kristyn Cox presented the Purchase Agreement. She noted there is a home on the property which the owners currently lease out on a month-to-month basis, but that the parcel will be conveyed to the CRA vacant. The property was appraised at \$115,200 which was an acceptable price to the seller.

Ms. Balestriere made a motion to approve Resolution No. 2016-16 and the Agreement for Purchase and Sale with Gail and Leon Jenkins for the CRA purchase of 234 SW 14th Avenue, with a purchase price of \$115,200.00. The motion was seconded by Mr. Bernadel and passed unanimously.

D. 126 SW 14th Avenue (Desravines) – 2nd Mortgage Subsidy Request & Resolution No. 2016-18

Contract Manager Yuberca Pena presented the item. She reviewed the background on the request, noting there was an additional \$15,000 needed for soil densification and County impact fees for the development of this property. That, along with higher construction costs, has

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 14th 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 14th 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.

B. Comments by Board Attorney

Mr. Doody introduced his law school classmate Judge Dellis from Phoenix, Arizona.

C. Comments by Executive Director

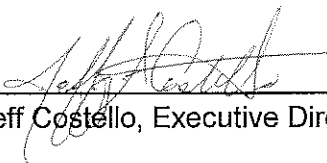
Mr. Costello passed out the new dates for 2017 CRA Board Meetings and Workshops, with the Workshops again being scheduled for every other month with flexibility to vary that when needed. He pointed out the Joint Work Session with the City Commission on January 17th where the Capital Improvement Projects will be discussed. With regard to the Gateway entrance, Mr. Costello stated that when the Landscape Maintenance contract was awarded, the Agreement contained a clause that the CRA can take over the landscape maintenance so now Project/Property Manager D J Lee is now managing that contract. He noted that the CRA funded the sod replacement and some irrigation maintenance issues. He also apprised the Board that Yuberca Pena resigned and will be leaving Delray Beach to move to Portland, Oregon. He thanked her for putting a good system for contract management into place and wished her well on behalf of the CRA.

D. Comments by Staff

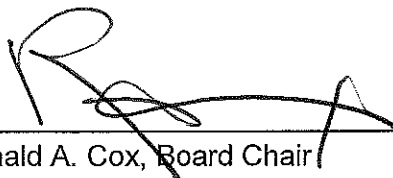
Ms. Pena thanked the Staff and Board for the privilege and opportunity of serving them and the City of Delray Beach.

12. Adjournment

There being no further business, the meeting was adjourned at 9:30 pm.



Jeff Costello, Executive Director



Reginald A. Cox, Board Chair