



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 9, 2017, 5:30 p.m.**  
City Commission Chambers – 100 NW 1<sup>st</sup> Avenue  
Delray Beach, FL 33444

**STAFF PRESENT:**

Jeff Costello	Kristyn Cox	Kevin Matthews	Missie Barletto
Thuy Shutt	D J Lee	D J Doody	Candi Jefferson
Elizabeth Burrows	Renee Roberts	Susan Shaw	

**OTHERS PRESENT:**

Jane Smith	Paula Aridas	Steve Vitacolonna	Diane Colonna
Billy Himmelrich	Eric Camacho	Marjorie Waldo	Tom Fleming
Kirsten Stevens	Brian Rosen	Christina Morrison	Dana Donaty
Jacob Himmelrich			

**1. Call to Order**

Vice Chairman Bernadel called the meeting to order at 5:34.

**2. Roll Call**

Present: Reginald Cox (5:43), Joe Bernadel, Herman Stevens, Dedrick Straghn, Paul Zacks, Daniel Rose

Absent: Cathy Balestriere

**3. Approval of Agenda**

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

**4. Approval of the Minutes**

**A. Minutes of January 26, 2017 CRA Board Meeting**

Mr. Rose made a motion to approve the Minutes of the January 26<sup>th</sup> CRA Board Meeting which was seconded by Mr. Straghn and passed unanimously.

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

Alan Schlossberg, stated that he is concerned that there is building going on all over Delray Beach, and yet West Atlantic is still waiting. He thought it was shameful that Uptown Delray did not happen. He said it has been 12 years since Atlantic Grove was built on West Atlantic

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Avenue, and the community should not have to wait another 12 years for more redevelopment in that area. He supports a new RFP being issued and expedited.

## **6. P&Z –**

~~A. In Lieu Request for 44 East Atlantic Avenue – Osteria Bossi~~

## **7. Reports**

### **A. Landscaping Maintenance Update**

Assistant Environmental Services Director Missie Barletto advised the Board that ESD is embarking on a new contract for lawn maintenance, and that the scope of work should be ready for the CRA to review in the next couple of weeks. She said staff is dividing the City into four quadrants, and that each quadrant will have its own contract/vendor, as well as some individual contracts for specific areas. She noted that staff is working toward a more consistent look throughout the City going forward, and drafts will be forward to the CRA for review.

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

Mr. Zacks stated that the key to the lawn maintenance is oversight of the vendor which in the past has been insufficient, and asked how that would be managed. Ms. Barletto said there is a new Deputy Director of Public Works who has very extensive experience with rights-of-way maintenance and he will be personally overseeing the contracts.

### **B. CRA Monthly Progress Report, January, 2017**

Project Manager Kevin Matthews reviewed the highlights of the Report. Among other things he noted that the Arts Warehouse was at about 50% completion. Chairman Cox arrived at 5:43 and took over the gavel. He asked Mr. Matthews specific questions regarding the status of some of the projects. He also requested that staff identify any items that have been budgeted for funding this year but for reasons beyond the CRA's control will not actually occur in FY 16-17 so that those funds may be re-directed to keep things moving. He would like those identified prior to the Annual Budget Workshop. Mr. Cox also asked Ms. Barletto if the landscape maintenance was on track given the fiscal year is almost half over. She responded that it is and that it is a big issue with a lot of moving parts but that the CRA will see the contract's scope of work in the next few weeks and then the RFP should be finished by the end of March.

### **C. Economic Development Monthly Update, January, 2017**

Economic Development Manager Elizabeth Burrows presented the item. She reviewed the highlights of the report, noting OED worked with 55 active prospects throughout the City during the month. She reported that the Library's Small Business Center Learning Series which is funded by A-GUIDE dollars was kicked off at the end of January. Also, OED staff has been involved in supporting City and CRA sponsorship efforts on the Delray Beach Open Tennis Tournament as well as assisting the DDA with their fourth annual Fashion Show.

Mr. Cox asked about the status of the 5<sup>th</sup> Avenue Career Cottage being advertised for leasing. Ms. Burrows said the legal notice has been published with responses due later this month, and that staff anticipates coming back to the Board in March with any proposal(s).

## 8. Consent Agenda

- A. Monthly Marketing Report, January, 2017
- B. Monthly Financial Report, December, 2016
- C. Fourth & Fifth (iPic) - Authorization to Sign Drainage Easement
- D. Temporary Use Agreement – Code3 Events

Mr. Cox noted that Item 8D, Temporary Use Agreement, needed to be tabled until the next meeting. Mr. Rose made a motion to approve the Consent Agenda as amended which was seconded by Mr. Zacks and passed unanimously.

## 9. Old Business - None

## 10. New Business

### ~~A. Discussion – 700 West Atlantic Avenue~~

### B. Award of Request For Qualifications for Arts Warehouse – Operations Management

Assistant Director Thuy Shutt presented the item and gave background on the RFQ. She apprised the Board there was one submission from the Institute for Civic Achievement, Inc., d/b/a Arts Warehouse Group (AWG), which had a minor deviation. She reviewed the six selection criteria identified in the RFQ along with the results of the Selection Committee's sufficiency review of the proposal. She noted the financial capacity was of some concern, citing several issues including the absence of programming costs, and a preliminary Operating Pro Forma which showed higher than anticipated staffing startup costs which would require more CRA funding commitments on the front end. She outlined the alternative actions the Board could take, and gave staff's recommendation to accept the proposal with the minor deviation, award the contract to AWG, and proceed with contract negotiations subject to specified conditions. Mr. Cox inquired about the alternative of hiring a staff person to manage the Warehouse. Ms. Shutt reported that she and the Finance Director visited Bailey Contemporary Arts (BACA) and spoke to the operators as well as reviewed their budget and startup costs. She noted that, with that information along with the ACG report regarding rentals etc., staff is prepared to come back with a budget should the Board choose to go in that direction.

Tom Fleming, principal of AWG, gave a presentation on the RFQ proposal and the qualifications of AWG to manage and operate the Arts Warehouse. He emphasized AWG's position that the desired outcomes for the Arts Warehouse can only be realized by forming a community based and driven public-private partnership. He rebutted some of the Selection Committee's findings and reviewed his extensive experience with the arts/culture, including over 27 years in Delray Beach. He indicated that he was the co-founder of Pineapple Grove Main Street, a program which, under his leadership, garnered statewide recognition. Mr. Bill Nix, another AWG principal, reviewed his background and accomplishments, including being contracted by the National Endowment for the Arts, the major funding arm for the country's arts and artists, three of the last four years as their grant advisor. He also highlighted the background of the third AWG partner, Jane Hart, and how her background, including mentoring artists, dovetails with the needs for the Arts Warehouse. He concluded saying that AWG knows about planning, business and the Arts, and they believe their approach will lead to the success of the Arts Warehouse.

The Board Chair asked for public comments.

Diane Colonna, 971 Delray Lakes Drive, 30 year resident of Delray Beach, spoke in support of the AWG team, noting their diverse backgrounds covering business planning, grant writing and

the Arts. She felt the CRA was fortunate to have this team respond to the RFQ, and she did not think all that experience could be found in a staff person. She believes this is the right team to manage and operate the Art Warehouse and hoped the Board would award them the contract.

Christina Morrison, stated she has watched the building sit dead for eleven years and would like to have this move forward. She noted that this team loves the City and has the right track record and encouraged the Board to award AWG the contract.

Dana Donatee, 42 Lake Eden Drive, said she knows all three of the principals and also feels they are the right team. She stated she maintains a studio in Miami and would like to maintain a studio in Delray Beach.

Mr. Bernadel said that in listening to the two presentations, there was a disconnect somewhere given the experience of the team and the results of the Selection Committee. He said that financial capacity is a concern, and given that received a low score he would need more time to be able to be able to make a decision. Mr. Zacks noted the CRA is trying to fulfill a promise. He felt the Board knows nothing about the running an Arts Warehouse whereas this is a group of good local people, who know about the Arts. He stated that if it is a choice between AWG running the Warehouse or a CRA hired staff person, he would unequivocally go with AWG and their experience. He noted that many of the Selection Committee's concerns can be addressed with deliverables in the Agreement as with any other non-profit. Mr. Straghn stated that the conditions upon which the contract would be contingent are meant to cure deficiencies. He mentioned that he remembered Commissioner Balestriere seemed happy with the proposal when AWG responded to the first RFQ, and that he does not have a problem with the proposal and is inclined to vote to award the contract to AWG.

Mr. Rose stated that even with a wider net being cast, the same group, AWG, responded to both RFQ's and he thought it should be awarded to them. His only concern was the finances, and he thought the CRA would need to have a backup plan financially in case AWG does need more help in order to make sure they do not fail. Mr. Cox noted the project is moving forward given decisions that have long since been made, and that really the CRA Board is playing catch-up. He said that with all the vetting that has been done on this the same results were garnered. He felt the submitted proposal was laid out well on the vision, collaborations, passion and commitment. He said he does not question the expertise of AWG, but that the gap is large that the CRA would need to subsidize for this project. He suggested it might be appropriate to look at how it could become a break even or if it even ever could. He agreed that the public/private partnership is the appropriate way to go as suggested by AWG. He felt tabling the item to have more time to get questions answered would be prudent. Mr. Bernadel commented that any statements he made are not to impune the capacity or quality of the respondents but rather to assure their success. Mr. Cox noted that one condition of the contract would require all spaces to be rented by October 1, 2017. He thought that is unlikely and questioned what could be done if that condition is not met. He also felt that some of the items requested were standard for an RFQ yet the respondents seem to have fallen short in their response. While he thinks the financial gap is large he felt it could be worked out. Mr. Zacks commented that there will be a building ready in a few months, and the process needs to move forward. He added that as far as the finances are concerned, that can be negotiated in the contract.

Mr. Stevens noted he will refrain from discussion or a vote due to a conflict of interest. Mr. Rose made a motion to approve Option 1, to award the contract to the Institute for Civic Achievement, Inc. (ICA) d/b/a Arts Warehouse Group (AWG) and proceed with contract negotiations immediately subject to the conditions as outlined in the Board Summary. Mr. Zacks seconded the motion which passed unanimously.

**~~C. Purchase & Sale Agreement – Andella Properties – SW 7<sup>th</sup> Avenue Lots & 238 SW 6<sup>th</sup> Avenue~~**

**D. Curb Appeal Grant – 701 NW 1<sup>st</sup> Street (Thaddies)**

Economic Development Manager Elizabeth Burrows presented the grant request for 701 NW 1<sup>st</sup> Street. The City's Neighborhood Services Division which administers the program has determined that the property is in need of a variety of improvements. She noted the proposed project will improve the visible landscape area around the home and enhance the neighborhood.

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

Mr. Zacks made a motion to approve a Curb Appeal Grant for the property located at 701 NW 1<sup>st</sup> Street for an amount not to exceed \$14,217.00. The motion was seconded by Mr. Straghn and passed unanimously.

**11. Other Business**

**A. Comments by Commissioners**

Mr. Rose commented that the Delray Beach Open Tennis Tournament has increased the amount of their prize pool since last year, yet said he has not seen much advertising. He felt the promoters continue to get more money but spend less, and that the CRA was to have potential opportunities for sales to make some income which has not happened. He felt the promoters are not honoring their obligations.

Mr. Cox commented that since it is almost mid-year, the monies that will not be spent this fiscal year but that were budgeted should be considered for re-allocation for other items that could be completed in this fiscal year. He noted that the Curb Appeal Grant is a wonderful tool for cleaning up blighted properties.

**B. Comments by Board Attorney**

Attorney D. J. Doody stated there has been some discussion regarding no action being taken on the termination date of January 31, 2017 for the iPic Project. Mr. Doody reported that there was no action necessary as a closing with iPic is scheduled for the end of February which made the termination date a moot point. Both parties are complying with the terms and providing all permits are received, closing is scheduled for February 28<sup>th</sup>.

**C. Comments by Executive Director**


Mr. Costello announced receipt of a \$70,000 grant for demolitions and maintenance, and congratulated staff for their work on the application. He also reported that he attended the Old School Square Master Plan meeting and it mostly revolved around location of the Holiday Tree. There was discussion on when to have the Annual Goal Setting Workshop, and the Board decided upon Tuesday, March 28<sup>th</sup> at 11:30 am to 2:30 pm.

**D. Comments by Staff – None**

**12. Adjournment**

There being no further business, the meeting was adjourned at 7:20 pm.

  
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Jeff Costello, Executive Director

  
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Reginald A. Cox, Board Chair