CRA Board Regular Meeting Minutes
Tuesday, February 22, 2022 – 4:00 p.m.
Arts Warehouse
Delray Beach, FL 33444

STAFF PRESENT:

Renee Jadusingh, Esq.	Christine Tibbs	Lori Hayward
Kim N. Phan, Esq.	Alexina Jeannite	Ivan Cabrera
Tracy Waterlander		

OTHERS PRESENT:

Sanaz Alempour	Joseph Marion

1. Call to Order

Chair Johnson called the meeting to order at 4:00 p.m.

2. Roll Call

CRA Board Members Present: Chair Shirley Ervin Johnson, Vice Chair Angie Gray, Deputy Vice Chair Juli Casale, Commissioner Kelsey Cordell Brooks, Commissioner Adam Frankel, and Commissioner Shelly Petrolia.

Absent: Commissioner Ryan Boylston

3. Approval of Agenda

Vice Chair Gray requested to move Item 8A prior to Old Business.

Ms. Jadusingh requested to move Item 8B to the March 22 Board meeting.

Motion by Commissioner Petrolia, seconded by Deputy Vice Chair Casale, to approve the agenda as amended. In a roll call vote, the **motion** passed (6-0).

4. Powerpoint Presentation for February Board Meeting

Included for information only.

5. **Staff Reports**

   a. **Monthly Work Plan Report**

   b. **Arts Warehouse Report**

   c. **Funding Assistance and Community Engagement Report**

   d. **Property Management Report**

   e. **Social Media Report**

   Included for information only.

6. **Public Comments on Agenda & Non-Agenda Agenda Items**

   No one came forth to speak.

   Chair Johnson closed the public comments.

7. **Consent Agenda**

   A. **January 25, 2022 – Joint Workshop Minutes**

   B. **January 25, 2022 – Regular Meeting Minutes**

   C. **CRA Financial Report – November 2021**

   D. **Fifth Amendment To Commercial Lease Agreement – 135 NW 5 Avenue, Unit C6**

   E. **Updated Interlocal Agreement Between the City of Delray Beach and Delray Beach Community Redevelopment Agency for Construction/Professional Services – FY 2021-2022**

   F. **Reinstatement and First Amendment to Paint-Up and Signage Funding Agreement – Mt. Olive Missionary Baptist Church**

   G. **First Amendment to Site Development Funding Agreement – Moon and Flower Coffeehouse, Tea, & Apothecary**

   H. **Reinstatement and Second Amendment to Paint-Up and Signage Funding Agreement – Advanced Chiropractic of South Florida, LLC**

   I. **Allonge to Multifamily Promissory Note for Village Square Elderly, LTD**

   Motion by Vice Chair Gray, seconded by Deputy Vice Chair Casale, to approve the Consent Agenda items 7A through 7I. In a roll call vote, the **motion** passed (6-0)

8A. New Business

A. Resolution No. 2022-02 – Agreement for Purchase & Sale – 115 SW 5th Avenue

Ms. Phan asked the Commissioners to disclose any Conflicts of Interest.

Chair Johnson disclosed a conflict and noted she would be abstaining from the discussion and the vote. She passed the gavel to Vice Chair Gray.

Ms. Jadusingh noted reviewed the lot owned by CRA and the subject property. The appraised property value is $82,000.

Ms. Phan read the following resolution into the record:

"A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE DELRAY BEACH COMMUNITY REDEVELOPMENT AGENCY (CRA) APPROVING AND AUTHORIZING THE AUTHORIZED OFFICIALS TO EXECUTE AN AGREEMENT FOR PURCHASE AND SALE OF CERTAIN REAL PROPERTY LOCATED AT 115 SW 5TH AVENUE, DELRAY BEACH, FLORIDA; A COPY OF THE AGREEMENT IS ATTACHED HERETO AS EXHIBIT "A"; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE."

Deputy Vice Chair Casale inquired if there are plans to replat and build.

Ms. Jadusingh replied yes but there has not been much discussion about this particular lot.

Motion by Deputy Vice Chair Casale, seconded by Commissioner Frankel, to approve Resolution No. 2022-02. In a roll call vote, **motion** passed (5-0). Chair Johnson abstained due to conflict of interest.

8. Old Business

A. Second Amendment to Site Development Assistance Funding Agreement – Marion Associates, LLC

Ms. Jeannite provided background on the item. She noted the funding agreement was approved at the June 23, 2020, CRA Board meeting and a first amendment was approved at the September 9, 2021, meeting. The project continues to progress, but the grantee continues to experience supply chain issues. The original termination date was August 31, 2021. The first amendment was extended to expire February 28, 2022. She stated a second amendment is being requested to ensure the entire project is completed within the parameters. Staff requested the termination date be extended until September 30, 2022, which is the end of the fiscal year.

Joe Marion, 151 NW 1st Avenue, Delray Beach, is present to answer any questions.

Motion by Deputy Vice Chair Casale, seconded by Vice Chair Gray, to approve the Second Amendment to Site Development Assistance Funding Agreement – Marion Associates, LLC. In a roll call vote, the **motion** passed (6-0).

Mr. Marion thanked the Board and the City.

B. Follow Up on Request Letter from Emmanuel Jackson, Sr. Project, Inc. – 700 W. Atlantic Avenue, Unit 700

Deferred to the March Board meeting.

C. Notice of Deficiency (IES) – Achieving Goals Using Impact Driven Evaluation Funding Agreement – Old School Square Center for the Arts, Inc.

Ms. Jeannite provided backup from last month's meeting.

Ms. Jadusingh noted this stated when they reviewed the City Audit Report that was issued in late 2021 and outlined concerns about use of CRA funds for Fiscal Years 2019-2020 and 2020-2021. She said they had several dialogues with the organization and reviewed documents they sent. They noted several discrepancies and requested more documentation. Old School Square Center for the Art, Inc. claimed they provided the requested documentation and wanted their funding. She noted they have not received the additional information they asked for. The last documents they received was in December 2021 and were written excel sheets and a written Word document explanation. She said they also received a three-page PPP Loan application without supporting backup documents, which was requested. Old School Square (OSS) replied that there was personnel information included in the documents. Ms. Jadusingh told them they could redact personnel information. The request is still outstanding. She noted it is in the CRA's discretion to analyze the organization's performance and financial status to make sure obligations are met.

Ms. Phan reviewed the terms of the contract. She referenced paragraphs four (4), five (5), eight (8), twelve (12), and fourteen (14) of the A-G.U.I.D.E. She recommended the following actions:

I. Issue the Old School Square Center for the Arts, Inc. ("OSSCA or OSS") a formal written notice of deficiency(ies) and opportunity to cure pursuant to the Achieving Goals Using Impact Driven Evaluation ("A-G.U.I.D.E.") Funding Agreement ("Notice of Deficiencies"); and

II. Issue the OSSCA reasonable notice for the Delray Beach Community Redevelopment Agency ("CRA") to access and examine all records, books, papers, or documents relating to the funding provided pursuant to the A-G.U.I.D.E. Funding Agreement; and

III. Should OSSCA fail to cure the deficiency(ies) to the satisfaction of the CRA, within fourteen (14) days from receipt of the Notice of Deficiencies, CRA Staff shall then issue written notice to OSSCA that the A-G.U.I.D.E. Funding Agreement is deemed immediately voided and notice that the CRA is entitled to recoup the portion of funds the CRA allocated and/or already disbursed to OSSCA pursuant to the A-G.U.I.D.E. Funding Agreement; and

IV. The CRA's Chair, Executive Director and legal counsel may execute any and all related documents and take all necessary action to facilitate the above action(s).

Deputy Vice Chair Casale asked if they can recoup legal fees expended in the attempt to recapture the funding.

Ms. Phan responded she would have to look into that issue more closely.

Deputy Vice Chair Casale asked if they can contact the SBA to obtain a copy of OSS's PPP loan application. She noted OSS provided the same requested information to satisfy forgiveness for their PPP loan. She stated the decrease in the number of OSS employees between the first and second PPP loans does not seem to indicate they adhered to the hire back policy. She apologized to Ms. Jadusingh for the challenging position she and the CRA staff have been put in with this situation. She stated the taxpayers deserve to know where their money went.

Commissioner Petrolia asked if there were any meetings with OSS.

Ms. Jadusingh responded that there were several requests from OSS to meet with the auditors. She confirmed they spoke with OSS representatives last week to try to schedule a meeting prior to the Board meeting but it was not able to be scheduled. During that conversation, they indicated they would send the records.

Commissioner Petrolia asked what percentage of the funding is for employees.

Ms. Jadusingh said she would have to see if the percentages have changed over the two or three different reports they've received.

Commissioner Petrolia clarified that the employee expense is from a year ago and has changed or been updated since it was first provided to the CRA. She asked if the audits were clean.

Ms. Jadusingh replied yes.

Commissioner Petrolia asked if the CRA is changing the goalposts as information is received.

Ms. Jadusingh said the request has not changed. She explained the focus has always been how the CRA funds was used, and the agreement allows the CRA to request information. She noted they have done it with other organizations. She reiterated that OSS has stated they will provide the information within the week.

Deputy Vice Chair Casale asked about the two audits. She noted they did not correspond with the documents provided by OSS.

Ms. Jadusingh clarified their management letter did not indicate any major deficiency so that's why she used the term clean. She said there were discrepancies, which is why they asked further questions to OSS.

Deputy Vice Chair Casale mentioned the 990 discrepancies. She stated it is not acceptable.

Ms. Jadusingh referenced another section of the A-G.U.I.D.E. about proposed changes to funding-related documents. It states that any changes of more than 10% in any budget line item must be approved in advance by Alexina Jeannite, CRA Grant Manager.

Deputy Vice Chair Casale recommended the CRA make the request from the federal government for OSS's packet of information.

Vice Chair Gray agreed that the CRA should go directly to the SBA for the documents. She noted she has been approached by residents upset with the CRA about OSS. She said people have misinformation and invited them to a CRA meeting. She recommended shortening the fourteen (14) days of notice. She asked about worker's compensation and the hire back policy.

Ms. Jadusingh reviewed the history of funding and audits of OSS. She confirmed, over the years, the CRA has funded OSS anywhere from $285,000 - $750,000 annually.

Deputy Vice Chair Casale confirmed it was not due to Covid. The auditors stated their books wouldn't reconcile.

Chair Johnson asked about the lack of backup to the changing spreadsheets.

Ms. Jadusingh said there have been verbal and written explanations, but they need the backup.

Chair Johnson asked the timeframe for notice.

Ms. Jadusingh stated it is fourteen (14) days from the receipt of notice. They have a letter to issue tomorrow, but it may not be received until Thursday. She confirmed they have not received additional documents to date.

Deputy Vice Chair Casale reiterated that any information received moving forward should have backup documentation.

Commissioner Frankel noted both parties agreed to the terms of the contract.

Chair Johnson asked to discuss recouping the funding.

Motion by Commissioner Petrolia, seconded by Deputy Vice Chair Casale, to approve the recommendations, with the addition to include the governmental request for additional backup documentation. In a roll call vote, the **motion** passed (6-0).

10. Other Business

a. Comments by Executive Director

Ms. Jadusingh highlighted City projects, which included Osceola Park, NE 3rd Avenue Streetscape Project, Hatcher Construction, Carver Square, Delray Senior Resource Center, and Crafted on the Ave.

She shared information about the Delray Beach Community Resource Fair being held on Saturday, March 26 from 10:00 a.m. until 2:00 p.m. on the Old School Square lawn.

She reviewed the Authors Speaks Series.

She shared that SNAP is now accepting at the GreenMarket.

The Warehouse Market will be held on Saturday, April 30 from 11:00 a.m. until 5:00 p.m. and vendor opportunities are available.

She recognized Black History Month.

b. Comments by Board Attorney

No updates.

c. Comments by Commissioners

Commissioner Frankel noted that the Delray Open was a success.

Vice Mayor Gray thanked the staff and the Board. She spoke on the local housing issue and community land trust. She commended the Board for doing an amazing job. She noted the Florida Women's Business Center event was successful. She recommended increasing advertising for Crafted on the Ave but noted it is a great initiative. She said the Delray Beach Open was amazing but would love to see more visibility for CRA.

Deputy Vice Mayor Casale agreed more recognition for CRA would be good. She said the event was great. She thanked the staff.

Commissioner Petrolia said she received a letter about a housing program elimination. She stressed the dire need for affordable housing. She noted how extraordinary the Pulti project is for the City. She noted there was $6 million earmarked that they did not need to use for the project and even received some funding back for the lots. She will forward the letter she received to Ms. Jadusingh and asked the Board to support a response. She expressed concern about the changing data from grant funded partners. She recommended a discussion or workshop on auditing the A-G.U.I.D.E. and developing more checks and balances.

Deputy Vice Chair Casale confirmed there will be an upcoming workshop and agreed there needs to be better reporting requirements.

Commissioner Petrolia refuted the notion that Old School Square is now closed up and dark. She noted the upcoming fashion and trunk show events.

Commissioner Brooks said it is an honor and blessing to be with colleagues and thanked Ms. Jadusingh and staff for their work.

Vice Chair Gray about the signage program and Welcome to Delray Beach. Ms. Jadusingh replied that is FDOT and the permit was submitted a few months ago but the permitting takes approximately a year. She will also ask Parks and Rec for an update on signage for Libby Wesley.

Chair Johnson said she is sorry to hear about the potential elimination of the program referenced by Commissioner Petrolia. She noted she asked Ms. Jadusingh if they could do a workshop, in conjunction with the City, to review the A-G.U.I.D.E. and all money expended by the CRA and the City for any nonprofits.

Ms. Hayward agreed it is timely to look at the A-G.U.I.D.E. as it was meant to be for a set period of time and then nonprofits would be transitioned off once they have been built up.

Consensus was reached to meet with the City Commissioners to discuss the A-G.U.I.D.E. and funding for nonprofits.

11. Adjournment

There being no further discussion, the meeting was adjourned at 5:17 p.m.

Renee Jadusingh, Executive Director

Shirley Ervin Johnson, Board Chair

APPOINTED OFFICERS (continued)

- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF LOCAL OFFICER'S INTEREST

I, Shirley Ervin, hereby disclose that on February 22, 2022, 20 ___:

(a) A measure came or will come before my agency which (check one or more)

___ inured to my special private gain or loss;

___ inured to the special gain or loss of my business associate, _____;

✓ inured to the special gain or loss of my relative, Rosemary Wilson;

___ inured to the special gain or loss of _____, by whom I am retained; or

___ inured to the special gain or loss of _____, which is the parent subsidiary, or sibling organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

A relative is a party to the contract.

If disclosure of specific information would violate confidentiality or privilege pursuant to law or rules governing attorneys, a public officer, who is also an attorney, may comply with the disclosure requirements of this section by disclosing the nature of the interest in such a way as to provide the public with notice of the conflict.

February 25, 2022
Date Filed

Shirley Ervin Johnson
Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED $10,000.