

MARGATE COMMUNITY REDEVELOPMENT AGENCY BOARD

REGULAR MEETING

July 6, 2023

MINUTES

Present:

Joanne Simone
Antonio V. Arserio
Arlene R. Schwartz
Anthony N. Caggiano, Vice Chair
Tommy Ruzzano, Chair

Also Present:

Cale Curtis, Executive Director
Larry Vignola, Assistant Executive Director
David Tolces, Weiss Serota Helfman Cole & Bierman
Ken Krasnow, Vice Chairman, Colliers International

The regular meeting of the Margate Community Redevelopment Agency having been properly noticed was called to order at 7:01 p.m., on Thursday, July 6, 2023, by Chair Tommy Ruzzano. Roll call was taken. There was a moment of silence followed by the Pledge of Allegiance.

The meeting was held in the City Commission Chambers and was also accessible virtually through Zoom technology.

1A. MINUTES FOR APPROVAL - (6/14/2023 Regular)

After David Tolces, Board Attorney, read the item title, Ms. Schwartz made the following motion, seconded by Vice Chair Caggiano:

MOTION: SO MOVE TO APPROVE

ROLL CALL: Ms. Simone, Yes; Mr. Arserio, Yes; Ms. Schwartz, Yes; Mr. Caggiano, Yes; Mr. Ruzzano, Yes. The motion passed 5-0.

2. PUBLIC DISCUSSION

Jonathan Kraljic, resident, suggested that with the increased popularity of the Covered Field being used for special events, now was the time to form and implement the MCRA's own event policy for the Covered Field. In doing so it would ensure adequate staffing for events and the safety of all attendees. He also requested the Board adopt a policy to allow public comment over Zoom in the event of adverse weather conditions. Lastly, he expressed concern that as the Board decided to table the SW 6th Street Improvements, which were estimated to cost between \$5 and \$7 million, the budgeted funds might be used for other projects and no improvements on SW 6th Street would be completed before the CRA sunset in three years.

Mr. Arserio asked for confirmation that the Board was in the process of working with consultants to explore options to extend the CRA beyond the expected sunset. Cale Curtis, Executive Director, confirmed that he was correct.

Margi Bre, resident, said that The Legacy Closet was leaving the City, most likely within the next couple of weeks. She wanted to inform the Board that, before her departure, she had ensured the monthly food service to the Senior Center would continue through a new organization that she had created. However, she had yet to find a new location for a pantry box which was formerly located at 6000 W. Atlantic Boulevard. She said that it was her experience that there was a great need for a food pantry in the City of Margate and asked for help in finding a suitable location on MCRA property.

Nina Culver, resident, said there was a local business that was willing to adopt and maintain the running of a pantry but that a suitable location was required. Ms. Bre also said that she had recently learned that pantry boxes were illegal in the City of Margate and asked the Board to overturn this.

Chair Ruzzano stated that, while he would support her efforts, the MCRA could not change the City's code.

David Tolces, Board Attorney, confirmed that the issue was with respect to potential accessory uses, outdoor storage and related matters concerning the boxes on private property. He said that he had been made aware of the issue only that very day and was looking into the matter.

Ms. Schwartz asked which businesses had expressed willingness to adopt and maintain the pantry and Ms. Bre responded that a couple of Girl Scouts troops, a Boy Scouts troop and KOMIM KARES had all agreed to adopt the pantry box but needed a location to house it. Discussion ensued about a possible location between Margate Middle school and MCRA properties on Atlantic Boulevard and North State Road 7. Mr. Arserio stated that while the City code issue would still need to be resolved, he would not have an issue with finding a suitable location. Ms. Schwartz and Chair Ruzzano agreed. Further discussion ensued about the legality of other pantry boxes throughout the City, as well as library boxes, and Attorney Tolces reiterated that it all fell under the same umbrella as a City issue and it would be looked into in the coming weeks.

Donna Fellows, resident, thanked the Board for the beautiful display of fireworks on July 4th and requested that the Board always use fireworks instead of drones. Mr. Arserio said that he loved fireworks and would never vote against the use of them but might consider adding drones and lasers if the price was right.

Haldane Cooper, resident, said that he had been asked by the library to sponsor food for an event for Caribbean American Heritage the previous month. He said there was a large Caribbean diaspora in the City of Margate and he wanted to collaborate with the City to organize an event for the following year, possibly at the Covered Sports Field. Mr. Arserio advised Mr. Cooper that the City had just hosted an International Festival on April 29th and invited him to share any additional ideas for the following year's event. He also stated that the venue was always available for rent for private events or festivals and that the MCRA or the City sometimes sponsored those events.

Mr. Caggiano quoted the second president of the United States of America, President John Adams, on the subject of the 4th of July and fireworks, "I am apt to believe that it will be as celebrated by succeeding generations as a great anniversary festival. It ought to be solemnized with pomp and a parade with shrews, games, sports, guns, bells, bonfires and illuminations from one end of this continent to the other from this time forward forevermore."

3A. RESOLUTION 711: AUTHORIZING A FOURTH AMENDMENT TO THE AGREEMENT BETWEEN THE MARGATE COMMUNITY REDEVELOPMENT AGENCY AND M & M LAWN CARE, LLC FOR THE INCLUSION OF ADDITIONAL MAINTENANCE SERVICES; PROVIDING FOR AN EFFECTIVE DATE

After David Tolces, Board Attorney, read the resolution title, Mr. Arserio made the following motion, seconded by Ms. Simone:

MOTION: SO MOVE

There was no discussion.

ROLL CALL: Ms. Simone, Yes; Mr. Arserio, Yes; Ms. Schwartz, Yes; Mr. Caggiano, Yes; Mr. Ruzzano, Yes. The motion passed 5-0.

3B. DISCUSSION AND POSSIBLE ACTION: INITIAL DRAFT OF THE INVITATION TO NEGOTIATE PRESENTED BY COLLIERS INTERNATIONAL

Cale Curtis, Executive Director, welcomed Ken Krasnow, Colliers International, to the podium to give the Board an overview of the timeline of the marketing strategy and to provide an update after the one-on-one meetings held between the Board and Colliers over the last several weeks. Mr. Krasnow said it was important to show the Board the initial draft of the Invitation to Negotiate (ITN) to make sure that Colliers were on the right track in capturing the Board's vision for the development of the City Center. Additionally, he said it was equally important to clearly identify the required components to potential developers in a clear and concise manner. The final draft would need to communicate elements that the Board would like to see incorporated in the overall project such as a mix of uses and distinctive architecture. The Board also wanted the development to be connected and walkable, have a sustainable marketplace, include public art and a public plaza component that can be used as a gathering space for community events. It would also need to incorporate controlled parking that would be in keeping with the overall design.

The goal was to have the draft ready for a soft launch in August in time for the ICSC conference in Orlando. The package would allow Colliers to educate the big national developers about the City of Margate, the opportunities for success and the vision for the downtown City Center development. By the middle of October he expected that Colliers would put out a formal ITN to a number of developers that might already be interested and preliminary plans should be received around Thanksgiving. Colliers would use those plans to fine-tune the proposals and prepare a formal Request For Proposal (RFP) ready to go out to market in the first quarter of next year. He said the idea would be that by the time the RFP was launched, the developers would know exactly what was required and would be very well prepared to respond accordingly.

Mr. Arserio asked if Colliers would be assisting with vetting the developers and their financial capabilities. Mr. Krasnow said they would be and that the Board would have a lot of analysis and consultation about interested parties prior to the RFP going out the early part of next year. Mr. Arserio also asked the Board Attorney if there was anything stopping the Board from promoting the sale of the property contingent to a successful appeals decision. David Tolces, Board Attorney, responded that there was not.

Ms. Schwartz asked Mr. Krasnow if part of the vetting process involved looking at some of the projects that prospective developers had done. Mr. Krasnow said that, in fact, it played a large part of the vetting process. Ms. Schwartz also asked Attorney Tolces if he had any idea when the final appeal would be heard by the 4th District Court of Appeal. Attorney Tolces replied that the Court had no set time frame with which to make a decision but he was hopeful it would be by the end of the year which would be approximately six months from the filing of the final briefing.

Vice Chair Caggiano said he was delighted to be working with Colliers International as they were a multi-billion dollar company. He said that having Colliers attached to the project would only attract quality responses. Mr. Krasnow responded that the Board had done its part in amassing a large area to develop that was going to generate a lot of interest and he was very optimistic for an excellent outcome.

Mr. Krasnow then continued to share with the Board the working draft of what he called the Offering Memorandum. He said it would be a document, distributed both in print and on the web, which would educate developers about the City of Margate, the location of the site, the opportunity the development presented and community's vision. The document would provide a very comprehensive package that would include information not only on the site and the City, but also of the surrounding areas and all of the demographics, as well as all of the data that would enable developers to make an informed decision to invest upwards of \$100 to \$300 million into a project of this size. It would highlight existing City investments, such as the Covered Field and infrastructure throughout the City, which would show the developer that they would have an actively engaged partner in the City. It would also detail submittal requirements including references and financial capabilities, land usage and zoning. He said typically such a document would be somewhere around 50 to 60 pages in length and would be extremely detailed. It would need to provide as much information as possible so that any potential developer would have exactly what they would need in order to make a fully informed decision. He also drew attention to the use of visual images utilized throughout the publication that would be used to communicate the Board's vision for the downtown City Center to potential developers such as community gathering, connectivity, distinctive architecture and public art.

Ms. Schwartz asked if it would help to highlight the fact that businesses such as EL-AL were already in Margate and Mr. Krasnow agreed and said that information such as that would be included in the document. Ms. Schwartz also drew attention to discrepancies in the demographics shown on the draft version and Mr. Krasnow assured her that these would be corrected before going out in the final ITN. Discussion ensued about aesthetically distinctive architecture and how the Board would like to see it included in any proposal that came before them for their consideration.

Chair Ruzzano suggested incorporating the proximity of some nationally ranked colleges and their sports teams to the City. He also questioned the relocation of City Hall in the plans and discussion ensued about how a developer's vision might include an alternative use for the space that City Hall currently occupied. Chair Ruzzano made the point that Colliers had not been paid anything so far and would only be paid when leases are signed after development. He also asked if his assessment was correct that the project would be worth upwards of over half a billion dollars when it was all finished and Mr. Krasnow concurred.

Ms. Schwartz asked Mr. Krasnow about the fee structure. He said the City would be paying a commission upon the signing of leases after completion of the development, based on the total value of the lease over 99 years. The amount would be discounted to 7% and Colliers would get 4% of it.

Tracey Van Winkle, resident, asked what would happen to businesses that already existed in the two plazas that the MCRA owned. Chair Ruzzano said that the MCRA would still own the new property and it was hoped the businesses would move over to any new development.

Donna Fellows, resident, asked about the property values of residents within the MCRA right behind the library. Chair Ruzzano said that those properties would become prime real estate because they would be within walking distance of the newly developed downtown area.

Jonathan Kraljic, resident, said that he would like to see a centralized city hall, police department and a traditional downtown square.

Nina Culver, resident, asked if the MCRA was still looking to buy up any other properties in Margate. Mr. Arserio responded that developers may identify certain parcels of land as part of the overall development that they would be capable of purchasing, regardless of the price, because they knew that they would be able to get their money back over time.

Cale Curtis, Executive Director, further stated that the MCRA budgeted funds for acquisition. He said it continued to work with a realtor and if it made sense for the MCRA to buy a property, the property was purchased only if it was financially feasible and in the best interest of the MCRA to do so.

There being no additional comments from the floor or the Board, Chair Ruzzano thanked Mr. Krasnow for attending and said he would see him again in August.

5. EXECUTIVE DIRECTOR'S REPORT

TENANT UPDATES

Cale Curtis, Executive Director, explained that as the MCRA meeting was moved up a week and the grace period for receiving the rent was through the 7th, the rent would not normally be received until the day following the meeting. That was the reason why so many rents had not been received prior to that evening's meeting on the 6th. Jim Nardi, property manager, requested to speak over Zoom and explained that he had in fact just received a cashier's check from one particular tenant that was two months behind which brought their account paid in full through July.

CAPITAL PROJECTS

Mr. Curtis then provided the following updates:

He said that he had received an unsolicited offer to sell the east side of the property for \$14 million which he wanted to bring to the Board's attention. As the Board were in full agreement, Mr. Curtis said that he would be sure to be very polite when he declined the offer.

Atlantic Boulevard Median Improvements – There was a pre-bid meeting for the up lighting on the trees in the median scheduled for July 20th and then bids would be due shortly thereafter.

Plaza Monument Signage – The three tenant signs had been installed; two at Chevy Chase Plaza and one at Ace Plaza. The signs would have electric installed the following week and would be lit up very shortly thereafter. He had received very good feedback from a lot of people regarding the signage and wanted to relay that message to the Board on their vision in making those selections.

Wayfinding Signage – A Task Order had been issued for the permitting for wayfinding signage on Southgate Boulevard as well as north and south on US 441 and also on the east end of Atlantic Boulevard. Those signs were very similar to the park identification signs that had recently been installed as well as the plaza signs at the Chevy Chase and Ace Plazas.

Serino Park – Renovations were very close to substantial completion. With the exception of the park identity sign and the perimeter fencing to the splash pad, the remainder of the project was just about complete. A ribbon cutting would be scheduled within the next month or so.

Margate Boulevard Improvements – After consideration of the engineer's opinion of probable cost, the Board had given the consultant the direction to finalize the design of the original scope which was to primarily address the safety concerns of the crosswalks, some up lighting of the trees, resurfacing of the roadways as well as addressing a drainage conflict under Margate Boulevard.

SW 6th Street – As the Board had decided not to move forward with major improvement plans on that street due to the overall cost of the project, he had asked City staff to investigate some of the worst areas of flooding in that zone. Perhaps they could put in some sort of catch basin underground drainage that would address those areas in the immediate short term. He would ask the staff to report back on their findings.

Ms. Schwartz asked if it was ever discussed about lighting up the trees on Margate Boulevard, especially at Christmas time. Mr. Curtis said that the lights on Margate Boulevard east of East River Drive would be programmable. However, the area of Margate Boulevard that was west of East River Drive was not in the MCRA so he would have to speak to City Staff about those.

6. BOARD MEMBER COMMENTS

Ms. Simone: None

Mr. Arserio: He wanted to thank the MCRA for helping to put on the July 4th festivities and all the staff that participated in putting on the event.

Ms. Schwartz: She agreed with Mr. Arserio and said that every year it got better and better. She also said that she looked forward to the City Center Development project moving forward in her lifetime.

Vice Chair Caggiano: He said that the July 4th event was a phenomenal event and he hoped that there would be just as much participation in the National Night Out on August 1st. He also reminded everyone that it was Hurricane season and to prepare early if possible.

Chair Ruzzano: He said the fireworks were incredible and the event was awesome. He posed a question to the Board about what was the most attended event in the City's calendar. After some discussion, he told them he was informed by the Parks and Recreational Department that it was the Winter Fest. He said his point was that all the events that the City hosted probably drew close to 100,000 people coming in and out of the City throughout the year and that not all the surrounding Cities could say the same. He said he was very proud of the City of Margate for that reason.

There being no additional business, the meeting adjourned at 8:36 p.m.

Respectfully submitted,

Transcribed by Fiona Christmas, CRA Coordinator



Tommy Ruzzano, Chair

