

MARGATE COMMUNITY REDEVELOPMENT AGENCY BOARD

SPECIAL MEETING September 30, 2024

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
Joshua D. Rydell, P.A.
Ken Krasnow, Vice Chairman, Colliers International

The special meeting of the Margate Community Redevelopment Agency having been properly noticed was called to order at 3:35 p.m., on Monday, September 30, 2024, 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.

Public Discussion was not on the agenda as it was a Special meeting, however, Chair Ruzzano said he would allow the public to speak should they wish.

PUBLIC DISCUSSION

Jonathan Kraljic, resident, speaking via Zoom, said it was inconvenient to have a meeting in the middle of the day. He said there should be a review of the application process for Temporary Use Permits to make sure they complied with the MCRA Event Policy and City Code before they came before the Board for approval. He said the requested dates and hours of operation were well outside the limits set per City ordinance. He referenced a section of the MCRA Event Policy that stated the Board could extend hours of operation for good cause and asked if this benefited residents. Lastly, he said the Fair would be located directly beside residential apartments and the noise from the Fair should not be allowed to continue every night past 10 pm.

1A. DISCUSSION AND POSSIBLE ACTION: APPROVAL OF A TEMPORARY USE AGREEMENT BETWEEN THE MARGATE COMMUNITY REDEVELOPMENT AGENCY AND HILDEBRAND AMUSEMENT RIDES, INC., TO HOLD THE FAIR AT MARGATE ON MCRA OWNED PROPERTIES

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

MOTION: SO MOVE TO APPROVE

Ms. Schwartz said she would be in favor of the Fair closing down before midnight. She also asked why a ten-day set up time was requested on this application. Josh Rydell, P.A., on behalf of Hildebrand Amusement Rides, Inc., said he believed the Fair would be fully set up within five days. However, the extra days were requested in the interest of full compliance in case a truck or trailer were on the property earlier than anticipated. He added the application would still need to go before the City Commission with regard to the duration of the dates as well as the extension of the opening hours.

Ms. Simone asked the Executive Director if the Fair owed any money to the City since the last carnival. Cale Curtis, Executive Director, said Hildebrand still owed just under \$30,000 from the Spring Break Fair and recommended payment should be received in full prior to the application going before the City Commission.

Donna Fellows, resident, requested that Hildebrand provide admission, ride and food tickets to local children in need. She said homeless children in Margate's school system deserved to enjoy the Fair, if possible.

Ms. Schwartz voiced her agreement with that idea. Mr. Rydell said Hildebrand gave away admission tickets every year to Athletes and Students of the Month and would be happy to extend that charity to children in need as well. Ms. Schwartz suggested that School Resource Officers (SROs) would be a good source in providing the number of tickets needed. Mr. Arserio said the Kiwanis organization would also be a good source as they did a lot of work with the homeless and would know some of the families with children that would benefit from the donation of tickets.

Ms. Simone asked if the Board was still going to approve the Temporary Use Agreement despite the \$30,000 that was owed to the City since the Spring Break Fair. Chair Ruzzano asked the Executive Director if the money was owed to the MCRA or to the City. Mr. Curtis confirmed the money was owed to the City. Chair Ruzzano said the remaining balance owed to the City was not technically an MCRA issue. Mr. Arserio agreed and added that payment in full should be received prior to the opening of the Fair.

Ms. Schwartz made the following amendment:

AMENDMENT: THAT HILDEBRAND'S APPLICATION SHOULD NOT COME BEFORE THE CITY COMMISSION UNTIL ALL THE MONEY OWED WAS PAID IN FULL

Ms. Simone said it was not the first time that the Fair was late in settling outstanding debts to the City and she did not agree with the amendment as it should not be contingent on whether the Fair paid in full. Mr. Arserio said he did not second the amendment as it was a City issue and therefore would not deny their petition that evening. Ms. Schwartz said an amendment would stop Hildebrand from going in front of City Commission if all outstanding debts were not paid in full. Vice Chair Caggiano responded that Hildebrand would receive that message without the need for an amendment. The amendment died for the lack of a second.

ROLL CALL: Ms. Simone, No; Mr. Arserio, Yes; Ms. Schwartz, No; Mr. Caggiano, Yes; Mr. Ruzzano, Yes. The motion passed 3-2.

1B. DISCUSSION AND POSSIBLE ACTION: REVIEW AND RANK THE RESPONSES SUBMITTED TO COLLIERS INTERNATIONAL FLORIDA, INC., FOR THE MARGATE CITY CENTER DEVELOPMENT

Cale Curtis, Executive Director, said six proposals were received by Colliers International Florida, Inc. for the City Center Development project and Ken Krasnow from Colliers would give a summary. He said the goal that evening was to provide a shortlist of firms for the development project.

Ken Krasnow, Vice Chairman of Colliers International Florida, Inc., said they had received six qualified proposals from very strong development groups, and he would provide an overview with some preliminary perspectives on each proposal received. He said the objective that evening was to shortlist the firms as well as receive direction from the Board so the next round of proposals would be much more detailed and in line with the Board's wishes.

He said submittals, which were listed in alphabetical order, had been received from Brookfield Properties, located in New York City; D.R. Horton, a homebuilder with an office in Coconut Creek but situated in Texas; Kenco Communities based in West Palm Beach; the Michaels Organization, out of Campden, New Jersey; Related Group, from downtown Miami and Sonnenblick Development based in Pacific Palisades, California. He continued with a synopsis of each submittal.

Brookfield Properties –

- A global real estate firm with about \$2 billion of assets under management
- Extensive public-private experience (about 50 million square feet of public-private experience)
- CBA Architects was listed as part of their team
- Strong mixed-use projects and experience

Relevant Project Experience included:

- The Yards in Washington, D.C.

- Marlon at Central Park in Denver, Colorado
- Halley Rise in Reston, Virginia

Highlights of their proposal:

- Conceptual plans and timeline provided
- Did not include a relocation or incorporation of some of the city facilities

Mr. Arserio explained the Board's aim was to shortlist the top firms that would be capable of producing a downtown with which the Board would be happy. He said the developers would provide much more detailed renderings and proposals once shortlisted. Mr. Krasnow concurred and said, if shortlisted, the developers would invest time, money and resources and make formal presentations to the MCRA Board and the City Commission.

D.R. Horton -

- The largest homebuilder in the US
- Some mixed-use experience

Relevant Project Experience included:

- Homestead
- West Palm Beach
- Pembroke Pines

Highlights of their proposal:

- Only proposed development on 22 acres in their proposal
- Offered a fee simple purchase only
- Their vision was for town homes with some surrounding retail

Kenco Communities –

- A regional luxury home builder
- Some mixed-use experience
- Two partners: UM Development and Urban Design

Relevant Project Experience included:

- Avenir in Palm Beach Gardens
- Water Tower Commons in Lantana

Highlights of their proposal:

- Did not include any government facilities
- Rudimentary rendering provided – would need much more detail
- Included a hotel component in their rendition

The Michaels Organization –

- Multi-family, mixed-use developer based in Campden, New Jersey with 60 years of experience
- One of the largest multi-family builders in the country with \$12 billion assets under management
- Not known in South Florida but that would not diminish their abilities or capabilities

Relevant Project Experience included:

- Belmont Heights project in Tampa, Florida
- Disney Attainable Housing in Winter Garden, Florida

Highlights of their proposal:

- In-depth project team including WDG Architecture, a civil engineer, a landscape architect and an art consultant
- Included another partner, Provident Resources Group, who would focus solely on financing public buildings
- Did include a newly developed city hall in their conceptual plan
- Incorporated a component on Lemon Tree Lake, where an assisted living facility (ALF) currently sits

Mr. Arserio said it was his understanding that other developers, once shortlisted, would pursue obtaining the ALF on Lemon Tree Lake that was currently on the market. He said the property was perfectly poised to provide direct

access to the lakefront for a dining and shopping area within the downtown development project. Mr. Krasnow agreed and said most of the developers Colliers had spoken to agreed that incorporating the lake would have very strong merit. Before he continued, he commended the MCRA Board and City Commission for laying the groundwork over the last few years to position themselves at this level. He said it was evident based on the quality of the companies that had submitted proposals and were interested in becoming partners in the redevelopment project.

Related Group –

- One of the strongest development groups in the country
- Extremely experienced in mixed-use, public-private partnership developments
- Long history of incorporating high quality design standards with purposefully built community spaces

Relevant Project Experience included:

- CityPlace in Doral
- Manor Flagler Village in Fort Lauderdale

Highlights of their proposal:

- Keyed on a detailed first phase for the 17-acre space east of US 441 that incorporated retail, multi-family and a “central park” gathering spot
- Project team included MSA Architects, a well-respected architectural firm
- Future phases would possibly include a grocer, mixed-use, retail and residential but Colliers would want more detail on these future phases

Ms. Schwartz said her biggest complaint with Related Group’s proposal was that it was not presented as a total package. She said she would not want one part of the development that looked different to another part. Mr. Krasnow said that it was Related Group’s intention to provide much more detail for the entirety of the project if they were shortlisted.

Sonnenblick Development –

- Primarily based on the West Coast but were involved in several developments in South Florida
- Had engaged Kobi Karp Architecture Design Studio

Relevant Project Experience included:

- Margaritaville Riviera Beach
- The Loews Santa Monica Hotel

Highlights of their proposal:

- Colliers was unsure about Sonnenblick’s ability to execute a project of this scale
- The inclusion of a 500-room hotel was unrealistic

Mr. Arserio said Sonnenblick’s proposal was unique but would need to be scaled back. Mr. Krasnow said it was clear the proposal was not tailor-made to Margate and appeared to be copied directly from other proposals. He said Colliers had serious concerns about this proposal as submitted.

In conclusion, he suggested it would be beneficial to the Board to provide a shortened list of candidates along with some in-depth feedback on their proposals. The short-listed developers could then spend more time and resources defining their proposals. He said the next step would be for the developers to submit a revised package to include detailed financials and make individual presentations to the Board.

Mr. Arserio said his three choices were Brookfield, Related and Michaels due to their size, their previous projects, the modernity of their submissions and, in the case of Michaels, included a city hall and incorporated the ALF in their submission. He added he would like to see an eatertainment area that combined dining with interactive entertainment where people could gather to hang out and eat. He said the area could possibly include a food hall, a brewery, multiple restaurants, etc.

Vice Chair Caggiano said his three choices were also Brookfield, Michaels and Related Group. He pointed out, as a member of the Water Advisory Committee, he would like to make sure that the downtown city center was built with the 100-year flood map in mind.

Chair Ruzzano said the proposals submitted were too dense in nature, did not include in-depth financials nor a retention area for surface water that might take up to ten acres for a project of this size. He also said he would consider a proposal that included keeping Ace Plaza as an "original piece of Margate". Mr. Arserio agreed with that sentiment. Chair Ruzzano then talked about PopStroke golf and said it was a new full-service entertainment experience with food, drink and golf. He said the location in West Palm Beach was a little under four acres and it would be great if something similar could be included in the project. Discussion ensued about the inclusion of a hotel. Chair Ruzzano stated his choices were Michaels, Brookfield, Related Group and Sonnenblick.

Ms. Schwartz said her choices were Brookfield, Michaels and Related Group. She said she also liked Kenco as they incorporated a food hall and brewery. She then referenced the civic buildings and said she wanted to include some or all the buildings in the final city center development. Mr. Arserio acknowledged that residential homes were going to be part of the first phase of the downtown development but stressed he wanted to see other components included in that phase as well.

Ms. Simone said she had narrowed it down to four good choices: Brookfield, Related Group, Michaels and Kenco. She said she specifically included Kenco because they had been responsible for developing the Delray Marketplace which well-designed and they would bring a lot of experience to the project.

Some discussion ensued about limiting the short list to three or four developers. Mr. Arserio made the following motion seconded by Vice Chair Caggiano:

MOTION: TO SHORTLIST BROOKFIELD, MICHAELS, RELATED GROUP AND KENCO

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

5. BOARD MEMBER COMMENTS

Mr. Arserio: Thanked the Board and staff for their commitment to this project and especially the Board's attorneys who helped win the recent lawsuit. He said he was delighted to be at this juncture as the City Center development had been planned for a long time.

Ms. Schwartz: Commented that because of the eight-year long lawsuit, the City had time to accumulate over 50 acres to offer to a developer which made it the longest stretch of US 441 in the County in addition to one of the biggest pieces of property to develop. She said the timeframe had also allowed the Board to learn from the mistakes of surrounding cities primarily to maintain control of their property as opposed to selling it outright. She thanked all the developers for submitting their proposals for review.

Vice Chair Caggiano: He said when he and Ms. Schwartz were elected in 2016 the dynamics of the Board changed. They had joined Chair Ruzzano in their resolve to choose a new developer and break ground on the City Center downtown development. He said he was very excited to see all the proposals and looked forward to choosing the best one.

Chair Ruzzano: Thanked Ken Krasnow and his team at Colliers. He said as a general contractor with over 30 years' experience in South Florida, he would sometimes have a different perspective than the other Board members. However, he appreciated all the effort put into the project so far and was excited to see the outcome.

There being no additional business, the meeting was adjourned at 4:50 p.m.

Respectfully submitted,


Tommy Ruzzano, Chair

Transcribed by Fiona Christmas, CRA Coordinator

