

MARGATE COMMUNITY REDEVELOPMENT AGENCY BOARD

REGULAR MEETING December 9, 2025

MINUTES

Present:

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

Also Present:

Cale Curtis, Executive Director
Larry Vignola, Assistant Executive Director
Alan Gabriel, Acting CRA Attorney, Weiss Serota Helfman Cole & Bierman
Augustus Haney, VP Development, Brookfield Properties
Frank Frallicciardi, Senior VP, Brookfield Asset Management
Matthew Scott, Greenspoon Marder
Fabio Giallanza, Partner, Weiss Serota Helfman Cole & Bierman (via Zoom)

The regular meeting of the Margate Community Redevelopment Agency having been properly noticed was called to order at 6:02 p.m., on Tuesday, December 9, 2025, by Chair Anthony N. Caggiano. 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 – (11/12/25 Regular)

After Alan Gabriel, Acting Board Attorney, read the item title, Ms. Simone made the following motion, seconded by Mr. Arserio:

MOTION: SO MOVE TO APPROVE

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

2. PUBLIC DISCUSSION

No comments were made by the public.

3A. PRESENTATION: CITY CENTER PRESENTATION BY BROOKFIELD PROPERTIES

Cale Curtis, Executive Director, said Brookfield Properties (Brookfield) had worked diligently with him and staff over the last few months on the City Center downtown development plans and were ready to present to the Board some conceptual plans and term sheets that evening. He said the term sheets would help define the content of the Development Agreement (DA) which would then come back before the Board should they agree to move forward.

Augustus Haney, Vice President of Development at Brookfield, thanked Mr. Curtis and his team for all their time over the last six months and said they had put together a good plan which they were excited to share with the Board with the help of a PowerPoint presentation that evening and a series of renderings. He referenced the open forum that was held on October 28, 2025 for members of the community which he said about 50 to 60 people had attended and the same plan and imagery had been on display. He said a lot of discussion had taken place and there were two key elements that attendees had shared in their feedback of the plan:

- They wanted to see an active public realm
- Traffic was a legitimate concern

He then referred to the overall Master Plan and discussed in detail the proposed layout of the project which included the extension of Margate Boulevard eastwards through US 441, down towards Lemon Tree Lake. He said this created new opportunities for retail frontage, especially along Margate Blvd. and the new grid of streets that would stem from the extension. He said Margate Blvd. would culminate in a “town green area” which they envisioned would become the new heart of Margate where there could be several elements such as pickleball courts, playgrounds, a large lawned area, a bandshell, etc. Ms. Simone noted it might be difficult to have active sports courts and a children’s playground so close to an area where an open-air concert could take place as depicted in the rendering.

Discussion ensued about the utilization of the canal at the back of 1000 North State Road 7. Mr. Arserio requested Brookfield ensure that some mature, taller trees were included in the landscaping designs.

Vice Chair Ruzzano asked those present from Brookfield if they were aware of any class action lawsuits or billion-dollar loan defaults pertaining to Brookfield. Frank Frallicciardi, Senior Vice President of Brookfield, responded that he was not aware of any class action lawsuits, however, Brookfield was a very large organization with many different business facets. He said he would get more details on the matter and provide a response. On the matter of the billion-dollar loan default, he said it related specifically to office building portfolios located in Los Angeles that were empty due to the COVID pandemic. He said Brookfield were required to renegotiate those loans as they had a fiduciary responsibility to their investors. Vice Chair Ruzzano then asked if existing tenants would be guaranteed space in the new downtown development and Mr. Haney said Brookfield had yet to solidify the overall plan, however, they never modelled their business plans on creating an entirely new set of retailers, if possible. He said Brookfield would evaluate the area, recruit successful retailers to establish core components, and then assess how existing retailers interested in remaining in the community could be integrated. Mr. Frallicciardi said they had committed to a minimum of 65,000 square feet (SF) of retail space, however there was room for over 100,000SF if the market was there; and they would be in a position to start those discussions with retailers as soon as they had a fully executed DA.

Vice Chair Ruzzano conveyed his disapproval of Brookfield's plan to include apartments in Phase 1 on the east side of US 441. Mr. Frallicciardi said the success of the Phase 1 was directly related to the dynamic mixed-use development and was needed so the components could support one another. He said the retail stand alone would not work without the residential component and vice versa. Vice Chair Ruzzano agreed retail would not succeed without people, however, he said the east side should be restricted to retail, restaurants and entertainment and any new residential should be built on the west side. Mr. Haney referred to the economic benefits of the mixed-use environment which would create a lot more value for the City and Brookfield as every retail building could be densified with apartments built above. He said it was an approach Brookfield believed created the best public realm experience and environment, encouraging people to return again and again while generating strong, long-term value.

Chair Caggiano said there had to be mixed-use if the downtown was going to work and any of the existing tenants who chose to utilize space in the new downtown would see their business multiply. Mr. Haney agreed and reminded the Board the existing tenants would not be affected by Phase 1 and would not have to vacate the plazas immediately. Mr. Frallicciardi added that Phase 2 could follow quickly if all went well. Mr. Arserio said he had done some research on the other developers who had been shortlisted by the Board for the City Center project and all of them had some type of bankruptcy or default in their background. He said he also wanted information on the lawsuit referred to earlier that evening but understood it was not uncommon in a developer's line of work. Mr. Frallicciardi promised to provide the information as soon as possible. Mr. Haney further clarified the \$107 million in Brookfield equity earmarked for the project would come from the company's \$25 billion discretionary capital fund, which he said was guaranteed. Vice Chair Ruzzano questioned why Brookfield would not start with Phase 2 and build the apartments on the west side of US 441 and, when they proved successful, continue to build Phase 1 on the east side. Mr. Haney said Brookfield's approach was to create the core experience of the public realm with the parks and all the amenities which would provide the positive momentum for the future phases. He said if Brookfield tried to create one of the phases without the other piece, and it was unsuccessful, it would undermine the ability to deliver on the larger vision. Mr. Arserio said he would support a Phase 1 that included development on both sides of US 441. Mr. Frallicciardi said Brookfield should start with Phase 1 if everyone wanted to have the catalytic impact that was expected. Further, he referenced a large building in the rendering of Phase 1 and said it was wrapped around a parking structure which would provide the required parking spaces for the amount of retail that would be anticipated. A discussion followed about including Chevy Chase Plaza in Phase 1.

Ms. Schwartz said the downtown development had been promised to the residents of Margate for 23 years and the residents deserved to see the construction start on the east side of US 441 as soon as possible. She said a sign could be put up on both plazas across the street to let everyone know that Phase 2 would be "Coming Soon". She referenced The Yards, another Brookfield project that she had visited that day, and noted how busy and successful it was despite the 26-degree weather.

Matthew Scott, Greenspoon Marder, agreed with Ms. Schwartz and referenced the Covered Sports Field which he said gave Margate a great sense of place. He applauded the City for having the vision to build such a great venue and said its only drawback was the lack of surrounding space. He concluded the east side would clearly become the nucleus of the downtown area and Phase 1 should be built first. Vice Chair Ruzzano suggested Chevy Chase Plaza should receive some improvements if it was not due to be torn down for another 5 years until Phase 2. Mr. Arserio agreed and said streetscaping on both sides of US 441 should be included in Phase 1. He also talked about a water feature on display in West Palm Beach that he had seen at a recent FRA Conference and said he hoped to see

something similar which could serve a dual purpose of both public art and a place where children and families could gather.

Mr. Haney provided the following key elements that would be included in the Development Agreement and the Ground Lease:

Development Agreement:

- 15-year term
- Three (3) 5-year extensions allowed
- \$30 million investment from the MCRA towards Phase 1
- The ability to build up to 950 units and at least 65,000SF of retail
- Brookfield would provide a Pollution Legal Liability (PLL) insurance policy to insulate against any possible soil or environmental contamination
- The potential to introduce a new Developer, or transfer its development rights, after Phase 1 was completed

Ground Lease:

- 99-year unsubordinated ground lease
- Commencement date would be 30 days after building permits were issued
- Ground Leases would be "triple-net"
- Fixed annual payments of \$100,000 for each Phase
- City would be entitled to "Participation Rent" (base rent plus an additional amount based on profit generated from the leased property)
- Base rent would increase every 60 months by a preset formula

Mr. Haney said the ground lease had a valuation of between \$850 million and \$1 billion over its life, based upon a 10%-15% fluctuation over time. Lastly, he said the goal was to start construction at some point in 2027 depending on how quickly a DA could be signed. Some discussion ensued about the stormwater requirements. Vice Chair Ruzzano asked how many units were presently available in the MCRA and Mr. Curtis said it was 856 units. Mr. Scott added it would be a straightforward process to request additional units from the County if they were needed. Vice Chair Ruzzano asked if the DA would just pertain to Phase 1 and Mr. Haney clarified it would be for all three phases. Subsequent discussion took place about the proposed assignment clause. Fabio Giallanza, Weiss Serota Helfman Cole & Bierman, clarified the full definition of a "Qualified Developer" as it would appear in the DA. He said the proposed assignee would have to demonstrate they possessed sufficient capital to develop the remaining portion of the project [after Phase 1] and they had completed at least five real estate development projects within the United States of similar scope and scale within the last ten years. The matter was discussed further.

Rich Zucchini, resident, said there should have been workshop meetings to discuss the downtown development over the last 7 to 10 years instead of wasting all that time. He agreed that construction needed to start on the east side with Phase 1, however, the focus should be on dining, entertainment and a meeting place. He said Margate Blvd. had an average daily traffic (ADT) of 6,000 vehicles compared to US 441 which had 60,000 vehicles. He added it made more sense to have all the retail built along US 441 rather than Margate Blvd., as was proposed in Brookfield's plan. Additionally, he said any new residential units should be built away from high traffic areas. Lastly, he expressed his disappointment at the lack of a centralized food hall in the proposed plan.

Steve Strouse, resident, referred to neighboring shopping centers and districts and said it was unrealistic to say that the existing tenants would be able to afford to move into the new downtown development. He said any new tenants would have to build out their store from scratch and the mom-and-pop stores would not survive in that environment.

Mr. Arserio said he loved the concept of a central dining area and referenced Sparkman Wharf in Tampa, Florida as an example. He said it featured a dining garden with permanent restaurants which surrounded a bar area in the middle, and a bandshell area as well as three or four container type restaurants off to the side. He then asked Mr. Haney about the lack of a civic component in the plan. Mr. Haney responded that a new City Hall was an expensive proposition and was not currently considered critically important to the community, however, new civic elements such as a community center could be included in future phases. Mr. Arserio questioned the timeline, and Mr. Haney said it depended on several factors which included when the DA would be signed and the permitting process, however, they were aiming for an 18-month start date.

Mr. Curtis asked for the Board's approval to work with Brookfield on a finished DA to bring back before the Board. **Chair Caggiano polled the Board: Ms. Schwartz, Mr. Arserio, Ms. Simone and Chair Caggiano said Yes, and Vice Chair Ruzzano said No.**

Lastly, Mr. Curtis acknowledged Mark Rubin from Colliers International who was also present at the meeting that evening.

4A. RESOLUTION 770: AUTHORIZING THE APPROVAL OF THE FIRST AMENDMENT TO TASK ORDER NO. TWO FOR KIMLEY-HORN AND ASSOCIATES, INC. FOR CIVIL ENGINEERING SERVICES FOR THE STATE ROAD 7 UNDERGROUNDING – DESIGN SERVICES FROM WEST ATLANTIC BOULEVARD TO COCONUT CREEK PARKWAY TO INCLUDE ADDITIONAL UNDERGROUNDING DIRECTLY NORTH OF THE INTERSECTION AT COCONUT CREEK PARKWAY TO INCLUDE THE UTILITIES ADJACENT TO THE COCOGATE DEVELOPMENT

After Alan Gabriel, Acting Board Attorney, read the resolution title, Mr. Arserio made the following motion, seconded by Ms. Schwartz:

MOTION: SO MOVE TO APPROVE

Vice Chair Ruzzano asked for clarification on the cost of the Amendment to the Task Order and Cale Curtis, Executive Director, explained the Amendment provided for the design of the undergrounding of utilities adjacent to the Cocogate development at an additional cost not to exceed \$98,678. He said this would be an extension to their existing Task Order to design the undergrounding of utilities which was already underway from Atlantic Boulevard to Coconut Creek Parkway along US 441. Some discussion ensued on the merits of continuing with the additional design without a fully executed Developer's Agreement (DA) for the Cocogate development. Mr. Curtis said he would not issue a Notice to Proceed until he had a signed DA from the developer. Ms. Schwartz noted the additional design would only get more expensive the longer it was delayed.

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

5A. DISCUSSION AND POSSIBLE ACTION: APPROVAL OF THE MARGATE COMMUNITY REDEVELOPMENT AGENCY MEETING SCHEDULE FOR 2026

After Alan Gabriel, Acting Board Attorney, read the item title, Ms. Schwartz noted the calendar could always be modified at a later date and made the following motion, seconded by Mr. Arserio:

MOTION: SO MOVE TO APPROVE

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

6. EXECUTIVE DIRECTOR'S REPORT

Cale Curtis, Executive Director, said he did not have any new updates for the Board that evening.

6A. TENANT UPDATES

Chair Caggiano asked about the delinquent rent, notably at Ace Plaza, and Jim Nardi, Advanced Asset Management, said rent was considered late after the 7th of the month, however, he anticipated no issues collecting the missing rent. Mr. Arserio commented on the capitalization (CAP) rate at Margate Shopping Center and said the MCRA had only received approximately \$34,000 net operating income (NOI) per year. Mr. Nardi stated the largest factor that impacted the NOI was the Board's decision not to pass the common area maintenance (CAM) charges on to the tenants. Mr. Arserio agreed and noted this was done to incubate small businesses and provide an affordable environment for the mom-and-pop businesses to survive. He said these small businesses would not have the revenue to sustain the size of the downtown development that was planned and that was why large retail stores would be needed. He encouraged residents to see the bigger picture and to understand the logic of including both types of businesses.

7. BOARD MEMBER COMMENTS

Ms. Schwartz – She said she was extremely impressed with Brookfield's projects that she had recently visited. She expressed her hope that the planned City Center development would encourage a younger group of people to come to the City. She said Margate was an aging community and needed an infusion of young people. She wished everyone a Happy Holiday.

Mr. Arserio – He referenced the City Code and said it lacked a clause that would allow the City to make exceptions to the Code under certain circumstances. He suggested the City include such a clause to avoid unnecessary impediment to numerous new development projects. He said he was excited to see how the plans for the downtown development had progressed. He suggested the local media should be given access to some of the renditions that Brookfield had shown that evening. Cale Curtis, Executive Director, said he did not want to release the renderings without positive affirmation from the Board prior to that evening, however, they would be posted on the City's website in the near future.

Ms. Simone – She said she was appalled by the fighting that took place at the Fair the previous Thursday and Saturday nights. She noted it was not Margate residents that attended the Fair and caused these problems but outsiders. She said she was extremely disappointed there was no support for her call to have a special meeting to discuss ways to improve or shut down the Fair earlier than was planned. She wished everyone Happy Holidays.

Vice Chair Ruzzano – He referenced comments made earlier in the evening about Ace Plaza and said if the building had structural issues they should be addressed. Cale Curtis, Executive Director, said it could just be a cosmetic defect, and he would check and see when the 30-year inspection was done. Vice Chair Ruzzano then referenced Chevy Chase Plaza and asked if some repairs could be done to the property in light of the delay to its development. Mr. Curtis said the plaza was very old and required considerable investment. As an example, he said the parking lot could not be remedied with a simple asphalt overlay as it had subbase materials that would cause cracking and sinking within a year. He said a new parking lot and refurbishments to the building could cost a couple of million dollars, which the Board had decided not to undertake several years earlier. Vice Chair Ruzzano acknowledged this, however, at a minimum he asked for the plaza to be painted, the columns to be fixed and some sinking areas in the parking lot to be addressed. He wished everyone Happy Holidays. Ms. Schwartz agreed that a new coat of paint would at least make the plaza look a lot better.

Chair Caggiano: He wished everyone a happy, peaceful, healthy holiday and New Year.

There being no additional business, the meeting was adjourned at 8:25 p.m.

Respectfully submitted,

Transcribed by Fiona Christmas, MCRA Coordinator

Anthony N. Caggiano, Chair