

COMMUNITY REDEVELOPMENT AGENCY BOARD

REGULAR MEETING

October 14, 2015

MINUTES

Present:

Frank B. Talerico, Chair
Joanne Simone, Vice Chair
Lesa Peerman
Joyce W. Bryan
Tommy Ruzzano

Also Present:

Diane Colonna, Executive Director
Eugene M. Steinfeld, Board Attorney
Kim Vazquez, Project Manager
Ben Ziskal, Economic Development Director

The regular meeting of the Margate Community Redevelopment Agency having been properly noticed was called to order at 7:00 p.m., on Wednesday, October 14, 2015 by Chair Frank Talerico. There was a moment of silence followed by the Pledge of Allegiance. Roll call was taken.

Chairman Frank Talerico requested to add an agenda item at the request of Ms. Lesa Peerman.

After Eugene M. Steinfeld, Board Attorney, read the item title, Ms. Peerman made the following motion, seconded by Ms. Simone:

MOTION: SO MOVE TO ADD AN EMERGENCY ITEM TO THE AGENDA

ROLL CALL: Mr. Ruzzano, Yes; Mrs. Bryan, Yes; Mrs. Peerman, Yes; Ms. Simone, Yes;
Mr. Talerico, Aye.

Mr. Talerico yielded discussion of the item to Ms. Peerman. Ms. Peerman raised various concerns regarding former City Commissioner and CRA Board member David McLean and his re-appointment to the City Commission and CRA Board. She explained she felt he violated Chapter 838 of the Florida Statutes when he falsified or caused another person to falsify an official record or document. She explained that the back-up information she provided to the Board is an abridged version of the audio tapes that the FBI obtained. She concluded that Mr. McLean conspired with his landlord Mr. Singh to insert a fraudulent amount on a CRA grant application. She reviewed the application for the grant in the amount of \$54,000. She commented she believes that McLean knew the information was fraudulent when it was presented to the CRA Board for approval. The CRA Board, at the time, thought the information on the application was true and did not know it was part of an FBI sting.

Ms. Peerman made a motion to ask the Margate Police Department, on behalf of the CRA Board, to investigate the accusation that Mr. McLean committed fraud by falsifying documents and potentially profiting from the grant funds. If evidence is found by the department they are to submit it to State Attorney and press charges against Mr. McLean for committing fraud. Seconded by Ms. Simone.

Mr. Ruzzano commented there have been discussions at previous meetings regarding the McLean situation. He asked if there is new information on the matter. Mr. Ruzzano stated he has reviewed the paperwork and agrees with Ms. Peerman; however he would like to move forward from the situation. Ms. Peerman explained that action had stalled due to the pending federal case. The State Attorney wanted to wait until the federal appeals process was complete. She further explained that in the federal case Mr. McLean was acquitted on a technicality.

Ms. Joyce Bryan asked Mr. Steinfeld, City Attorney, if she should vote on the item since she has a conflict of interest. Mr. Steinfeld recommended to Ms. Bryan that she abstain from voting because of an appearance of a conflict.

Mr. Talerico asked if it is only the Governor who can re-appoint Mr. McLean to the Board explained that the Governor can lift the suspension. Mr. Steinfeld recalled a similar situation in Miami Lakes where a Mayor was suspended then acquitted of the charge, and in the end he was appointed back to the City Commission.

Mr. Talerico asked Mr. Steinfeld what actions the Margate Police can take that have not been previously done. Mr. Steinfeld responded the Margate Police did an investigation and has a report regarding what transpired. Essentially, they would have to investigate whether there is a crime and submit evidence to the state attorney. The question is whether the federal government will release the documents. Additionally, there is a statute of limitation of three years for felonies. The limitation will expire in November.

Mr. Ruzzano asked Mr. Steinfeld if Mr. McLean is reinstated and the Board wanted to remove him, would the Board's decision be based on evidence or our own opinions. He commented that if he comes back, could the Board remove him? Could Mr. McLean decide to sue the City? What evidence is there? Mr. Steinfeld explained the recall statute takes precedence over the Margate City Charter when it comes to removing a Board member.

Ms. Peerman stated Mr. McLean was charged with bribery. This charge would be for misuse of public office. The CRA should take a stand and say this was illegal and the Board wants him prosecuted.

Mr. Ruzzano asked Mr. Steinfeld if Board members are allowed to make a motion and then abstain from voting on the motion. Mr. Steinfeld responded that he does not know of anything that would prevent that.

PUBLIC DISCUSSION

Mitch Pellecchia, 6890 NW 9th Street, Margate, commented that he has previously reported on the case of David McLean and Mr. McLean was exonerated of the charges. Mr. Pellechia asked the Board to re-focus the meeting back to CRA business. Ms. Peerman clarified that the offense was against the CRA.

Anthony Caggiano, 7851 NW 1st Street, Margate, made reference to a perceived conflict of a current commissioner who was charged with ethics violations, initiating an investigation against McLean who was acquitted.

MOTION: TO ASK THE MARGATE POLICE DEPARTMENT, ON BEHALF OF THE CRA BOARD, TO INVESTIGATE THE ACCUSATION THAT MR. MCLEAN COMMITTED FRAUD BY FALSIFYING DOCUMENTS AND POTENTIALLY PROFITING FROM THE GRANT FUNDS. IF EVIDENCE IS FOUND BY THE DEPARTMENT THEY ARE TO SUBMIT IT TO STATE ATTORNEY AND PRESS CHARGES AGAINST MR. MCLEAN FOR COMMITTING FRAUD.

ROLL CALL: Mr. Ruzzano, Yes; Ms. Bryan, Abstain; Mrs. Peerman, Yes; Ms. Simone, Yes;
Mr. Talerico, Aye. The motion passed 4 Yes, 1 Abstain

1A. **MINUTES FOR APPROVAL:** (7/14/2015)

After Eugene M. Steinfeld, Board Attorney, read the item title, Ms. Bryan made the following motion, seconded by Ms. Peerman:

MOTION: SO MOVE TO APPROVE

ROLL CALL: Mr. Ruzzano, Yes; Mrs. Bryan, Yes; Mrs. Peerman, Yes; Ms. Simone, Yes ;
Mr. Talerico, Aye. The motion passed 5-0.

1B. **MINUTES FOR APPROVAL:** (9/9/2015)

After Eugene M. Steinfeld, Board Attorney, read the item title, Ms. Bryan made the following motion, second by Ms. Peerman:

MOTION: SO MOVE TO APPROVE

ROLL CALL: Mr. Ruzzano, Yes; Mrs. Bryan, Yes; Mrs. Peerman, Yes; Ms. Simone, Yes;
Mr. Talerico, Aye. The motion passed 5-0.

2. **PUBLIC DISCUSSION** - None

3A. **A RESOLUTION OF THE MARGATE COMMUNITY REDEVELOPMENT AGENCY (MCRA), APPROVING AN AGREEMENT WITH LANDSCAPE SERVICE PROFESSIONALS, INC., FOR MAINTENANCE OF LANDSCAPE AND IRRIGATION ON MCRA OWNED PROPERTIES AND MEDIAN AREAS WITHIN VARIOUS RIGHT OF WAYS INCLUDING ATLANTIC BOULEVARD, 441/STATE ROAD 7 AND MARGATE BOULEVARD.**

After Eugene M. Steinfeld, Board Attorney, read the item title, Mr. Ruzzano made the following motion, seconded by Ms. Bryan:

MOTION: SO MOVE TO APPROVE

Mr. Talerico asked when the contract will start. Ms. Colonna responded if everything is signed tonight after the meeting the effective date will be October 15, 2015.

ROLL CALL: Mr. Ruzzano, Yes; Mrs. Bryan, Yes; Mrs. Peerman, Yes; Ms. Simone, Yes; Mr. Talerico, Aye. The motion passed 5-0.

3B. **A RESOLUTION OF THE MARGATE COMMUNITY REDEVELOPMENT AGENCY, AUTHORIZING AN AMENDMENT TO THE AGREEMENT BETWEEN KIMLEY-HORN & ASSOCIATES, INC. AND THE MARGATE COMMUNITY REDEVELOPMENT AGENCY FOR CIVIL ENGINEERING SERVICES.**

After Eugene M. Steinfeld, Board Attorney, read the item title, Ms. Simone made the following motion, seconded by Mr. Ruzzano:

MOTION: SO MOVE TO APPROVE

Mr. Ruzzano asked for an estimated time for completion. Ms. Colonna responded the estimated time is six months. A Request for Qualifications will be issued in the meantime to solicit proposals from other firms.

ROLL CALL: Mr. Ruzzano, Yes; Ms. Bryan, Yes; Ms. Peerman, Yes; Ms. Simone, Yes;
Mr. Talerico, Aye. The motion passed 5-0.

3C. **A RESOLUTION OF THE MARGATE COMMUNITY REDEVELOPMENT AGENCY, APPROVING A CONSTRUCTION REIMBURSEMENT (FAÇADE IMPROVEMENT GRANT) AGREEMENT IN AN AMOUNT NOT TO EXCEED \$25,000 WITH THUFF CORPORATION, OWNER OF 804 N. STATE ROAD 7 IN MARGATE, FLORIDA.**

After Eugene M. Steinfeld, Board Attorney, read the item title, Ms. Bryan made the following motion, seconded by Mr. Ruzzano:

MOTION: SO MOVE TO APPROVE

Mr. Talerico asked where the property is located, for the record. Ms. Kim Vazquez responded that the property is located at 804 N. State Road 7, Marathon Gas Station.

ROLL CALL: Mr. Ruzzano, Yes; Ms. Bryan, Yes; Ms. Peerman, Yes; Ms. Simone, Yes;
Mr. Talerico, Aye. The motion passed 5-0.

3D. **AGREEMENT TO PURCHASE PROPERTY AT 1150 NW 58TH AVENUE (FORMER PARTY CATERERS) FROM TD BANK, NA.**

After Eugene M. Steinfeld, Board Attorney, read the item title, Ms. Peerman made the following motion, seconded by Ms. Bryan:

MOTION: SO MOVE TO APPROVE

Mr. Ruzzano asked if an appraisal was done for the property. Ms. Colonna responded the contract is subject to an appraisal. The proposed price was based on discussions with the previous owners over purchasing the property. The price is less than the assessed value provided by the Broward County Property Appraiser. Mr. Ruzzano asked if the property will be made part of the City Center development deal. Ms. Colonna responded that a RFP will have to be issued for development of the property.

Anthony Caggiano, 7856 NW 1st Street, Margate, noted the Broward County Property Appraisers website has the property listed at \$76,000 for the land and \$273,000 for the building. The sale price listed in the back-up information is \$295,000.

ROLL CALL: Mr. Ruzzano, Yes; Ms. Bryan, Yes; Ms. Peerman, Yes; Ms. Simone, Yes;
Mr. Talerico, Aye.

4A. MCRA 5-YEAR FINANCING AND IMPLEMENTATION PLAN

Ms. Colonna noted that the item does not require any action. She explained the plan outlines projects for the next five years in addition to an evaluation of projected expenses and revenues. It includes programs, projects, administration and debt service. Ms. Colonna reviewed the plan with the Board.

4B. APPROVAL OF TEMPORARY USE AGREEMENT WITH COKESBURY UNITED METHODIST CHURCH

After Eugene M. Steinfeld, Board Attorney, read the item title, Ms. Peerman made the following motion, seconded by Ms. Bryan:

MOTION: SO MOVE TO APPROVE

Ms. Colonna reported this is a request by the church to use CRA property on Saturday, February 27, 2015 from 10 a.m. - 6 p.m. for property located at Margate Boulevard and State Road 7. Currently, the fee for the property is \$2,000 for up to 7 days with a minimum fee of \$1,000. There is a concern that criteria for waiving the fees needs to be established, especially for one day rentals.

Ms. Simone commented she knows the church received a waiver last year of the food bank has a positive impact in the community. She recommended reducing the fee for the property this year and creating criteria going forward. Additionally, she recommended the church use their own property for food drives and fundraisers, in addition to the CRA properties. She explained she is looking out for CRA coffers.

Ms. Bryan recommended waiving the fee for this event and creating criteria for one day rentals going forward.

Ms. Peerman agreed with Ms. Simone and Ms. Bryan. She noted that changing the policy this year would not be fair, however it needs to be addressed going forward. She recommended waiving the fee for this year's event and evaluating the one day policy going forward.

Mr. Ruzzano stated he supports waiving the fee this year. He comments that he prefers organizations to make the waiver request to the Board. Additionally, he commented that if a non-profit does good work within the community, the Board should consider waiving the fee.

Mr. Talerico noted that Cokesbury has lost money in past events because of the location of the church and lack of exposure. He spoke about their training program for adults. He recommended waiving the fee for the event.

Ms. Simone reiterated that recommendations made tonight are not against the church. There needs to be criteria going forward for waiving the property fees for events for all applicants.

Mr. Eugene Steinfeld noted that going forward the Board should question whether the use of the property benefits the downtown and the CRA District and if it furthers the CRA goals.

AMENDED MOTION: APPROVE A TEMPORARY USE AGREEMENT WITH COKESBURY UNITED METHODIST CHURCH, WAIVE THE PROPERTY FEE FOR THE EVENT AND DIRECT STAFF TO CREATE CRITERIA REGARDING PER DIEM EVENT FEE.

Seconded by Ms. Bryan.

ROLL CALL: Mr. Ruzzano, Yes; Ms. Bryan, Yes; Ms. Peerman, Yes; Ms. Simone, No
Mr. Talerico, Aye. The motion passed 4-1.

4C. APPROVAL OF AN EXTENSION TO THE TEMPORARY USE AGREEMENT WITH DP DEVELOPMENT OF THE TREASURE COAST, LLC FOR USE OF CRA-OWNED PROERTY AT 1423 STATE ROAD 7 FOR A CONSTRUCTION STAGING AREA THROUGH JANUARY 30, 2016.

After Eugene M. Steinfeld, Board Attorney, read the item title, Ms. Bryan made the following motion, seconded by Ms. Peerman:

MOTION: SO MOVE TO APPROVE

Ms. Peerman asked if the developer is in good standing in the community and asked why they are being allowed to park on CRA property for free. Ms. Colonna responded this is part of the construction project for Coconut Creek Parkway, which the CRA is funding.

Mr. Ruzzano asked if there were any change orders or is the project delayed? He noted the temporary use date is being extended from September 30 to January 30, 2016. Ms. Colonna responded that the project has taken longer to complete than expected. Mr. Ruzzano asked if the contractor is into their liquidated damage period. Ms. Colonna replied the issue will be addressed when the project is completed. The expected finish date is November 13, 2015. Mr. Talerico noted that in the past the City and CRA have permitted vehicles to use vacant property to park during construction.

Steve Lawless, DP Development, addressed the Board. Mr. Ruzzano asked Mr. Lawless if rain is the reason for the delay with the project. Mr. Lawless explained that the contractor was not able to break ground at the anticipated date. There were challenges with the County regarding the Maintenance of Traffic Plan. This delayed the project for one and a half months. The project is on task for completion in mid-November.

Ms. Bryan asked if the contractor previously requested the use of another location. Ms. Vazquez responded they originally wanted to use the property located at State Road 7 and Coconut Creek Parkway, but couldn't because it was going to be under construction.

ROLL CALL: Mr. Ruzzano, Yes; Ms. Bryan, Yes; Ms. Peerman, Yes; Ms. Simone, Yes;
Mr. Talerico, Aye. The motion passed 5-0.

4D. DISCUSSION RE: FAÇADE IMPROVEMENT GRANT PROGRAM GUIDELINES

Ms. Colonna reported there was an inquiry from Abundant Life Christian Academy, a private, non-profit school, located on Banks Road. They would like to apply for Commercial Façade Improvement Grant and plan to make exterior repairs to the school. Currently, the guidelines state that eligible properties must be commercial. There is no reference in the MCRA's current program guidelines to non-profit or schools. In the past the CRA has provided funding for at least one non-profit (Goodwill Store). It is located on a privately owned property and is currently on the tax roll. She explained that some agencies have a policy that the applicant must be on the tax roll to receive façade grants. The MCRA does not have that policy. She requested feedback from the Board.

Ms. Simone commented that the school does good work and it's important our buildings look nice and desirable. However, a policy is needed for non-taxpaying entities.

Mr. Ruzzano commented it should not matter if the organization is taxing and non-taxing entities as long as they are in the CRA. The purpose of the CRA is to improve the look of buildings. If a church wants to improve their looks; it's about making the City look beautiful. He recommended a policy that is open to non-profits, churches and schools.

Ms. Peerman agreed that a policy is needed and raised the issue of separating church and state. She supported the idea of having a separate policy for non-profit organizations.

Ms. Bryan recommended having a policy for non-profit organizations within the CRA district and not churches.

Ms. Peerman suggested adding 'non-profits' to the guidelines as an eligible property.

MOTION: Made by Ms. Peerman to add 'non-profits' as eligible for funding under the Façade Improvement guideline. Second by Mr. Ruzzano.

AMENDED MOTION made by Mr. Talerico for the City Attorney and staff to research Façade Improvement guidelines and policies for non-profits in other cities. Seconded by Ms. Simone.

Mr. Ruzzano suggested adding 'non-profits/churches/schools' and asked what legally constitutes a non-profit. Do they have to be a 501 c (3)? Mr. Talerico asked Mr. Steinfeld to research other cities and their policies.

Todd Angier, 1913 NW 79th Terrace, commented his wife is the principal of Abundant Life Christian Academy. The school plans to improve the awnings and façade. He described planned improvements to the school. He noted that the parents of the students at the school do pay taxes. The school does contribute to the economy and community.

Ms. Simone summarized that Goodwill and Stage Door Theatre are non-profits where the property owner pays taxes. She expressed concern that the CRA would distribute grant funding to other non-profit paying property taxes.

Ms. Peerman explained her concern is with the charter schools in the CRA district that are quasi non-profits requesting funding. She requested further discussion on the CRA policy regarding charter schools.

AMENDED MOTION made by Mr. Talerico for the City Attorney and staff to research Façade Improvement guidelines and policies for non-profits in other cities. Second by Ms. Simone. Motion withdrawn by Mr. Talerico.

AMENDED MOTION made by Ms. Peerman to add 'non-profits', and not include churches or charter schools to the current Façade Improvement guideline. Seconded by Mr. Ruzzano. Withdrawn by Ms. Peerman.

AMENDED MOTION made by Mr. Talerico for the City Attorney and staff to research Façade Improvement guidelines and policies for non-profits in other cities, and report findings to the Board within one month. Seconded by Ms. Simone.

Marcie Bernstein, 5262 NW 31st Street, Margate, asked which two non-profit organizations in the CRA are paying taxes. Ms. Colonna clarified and stated that previously a non-profit organization was awarded a façade grant. The organization leases property that is privately owned. The property owner pays taxes.

ROLL CALL: Mr. Ruzzano, Yes; Ms. Bryan, Yes; Ms. Peerman, Yes; Ms. Simone, Yes;
Mr. Talerico, Aye. The motion passed 5-0

EXECUTIVE DIRECTORS REPORT

5A. MCRA WORKPLAN FOR THE MONTH OF SEPTEMBER 2015

Ms. Colonna reviewed the MCRA September Work Plan with the Board.

Ms. Bryan asked if the contract for the Kaye Steven Statue was issued. Ms. Colonna replied the contract was issued for the statue and pedestal.

Ms. Peerman requested more trash cans during the Margate Under the Moon event.

5B. CITY CENTER PROJECT – STATUS REPORT

Ms. Colonna reported that negotiations of the development agreement are still in process. Staff met with representatives from New Urban Communities to discuss aspects in the development agreement including timeframes, storm water and platting issues, the location of a parking structure and the community center.

Mr. Ruzzano expressed concern with parking in the downtown area. He raised concern that if the community center is more than 50,000 square feet it could cause a parking issue. Ms. Colonna responded that the developer has a plan for a community center between 30,000-45,000 square feet. There are two areas in the downtown that could accommodate a parking structure for additional spaces if needed.

Ms. Bryan asked for an update from a meeting held with staff and the Metropolitan Planning Organization (MPO). Ms. Colonna staff met with the MPO team that is working on the S.R 7 Corridor Plan. They are waiting on input from the MCRA on the plans for the roadway from Atlantic Boulevard to Coconut Creek Parkway.

5D. NOTIFICATION OF BUDGET TRANSFER

Ms. Colonna reported that per the CRA by-laws the Executive Director can approve budget transfers within existing funds of up to \$25,000. There was a transfer of \$11,000 from Capital Project Contingency account to the Coconut Creek Parkway Project. The funds were for the cost of equipment and impact fees for installation of a water meter for irrigation purposes.

5E. TENANT UPDATES

Ms. Colonna reported that Café Vincenzo/Backstreet had submitted a payment just before the meeting. She reviewed the Rent Roll with the Board.

Ms. Simone asked if William McDonald of O'Meara Irish Pub is paying rent. Ms. Colonna reported that the owner regained possession of the bay in mid-July. He was noticed that rent would be due starting in July. There were several delays so the rent due date was extended to mid-August. Ms. Simone asked if the owner had additional work done to the bays without permits and what is the status. Is he operating without a permit? Ms. Colonna replied she isn't aware if the tenant has been cited and stated she will obtain that information for the Board.

Mr. Ruzzano asked Ms. Colonna if the restaurant has an active business tax receipt. She replied that the owner applied for an extended license that was denied. Mr. Ruzzano recalled that the Board approved a sprinkler system for O'Meara's months ago and asked for a status. Ms. Colonna responded that the owner needs to submit the plans and go through the eviction process to get the sprinklers installed. Ms. Ruzzano asked Mr. Steinfeld what the policy is for evictions and late payments. Mr. Steinfeld stated a notice of eviction is sent after two months of missed payments.

Ms. Bryan asked if the owner has a business tax receipt. Mr. Ben Ziskal, Economic Development Director, reported that the business tax receipt has not been renewed to date. It was due on September 30, 2015. There are approximately 470 businesses that did not renew on time.

Mr. Ruzzano commented that as landlords of the property why we are allowing tenants to operate without a business tax receipt. Mr. Steinfeld responded that if he doesn't have a business tax receipt he would be in violation of the lease. A notice can be sent as a result. He questioned how many businesses in the CRA do not have a valid business tax receipt. Ben Ziskal commented there is a formula that state statutes allows cities to charge penalties for up to three months. After three months the Magistrate process would begin.

Mr. Ziskal stated he will verify all of the LBTR's on the CRA properties the following day.

Ms. Simone asked for consensus from the Board that every business that is not in compliance would be issued a notice. The Board agreed. Mr. Talerico asked Mr. Ziskal how many businesses are operating without a current license. Mr. Ziskal said approximately 470. Mr. Talerico commented why go after a few businesses when there are 470 businesses that haven't paid.

6. BOARD MEMBER COMMENTS

Ms. Peerman – No report

Ms. Bryan offered prayers and condolences to the family of Mary Schweitzer. The memorial services are being held on Saturday, October 17, 2015 at Saint Vincent's Church at 11:00 a.m.

Mr. Ruzzano wished Cokesbury Methodist Church representatives the best of luck on their Car Show.

Ms. Simone– No report

Mr. Talerico extended condolences to the Schweitzer family. He noted he has known the family for over 30 years.

There being no additional business, the meeting adjourned at 8:05 p.m.

Respectfully submitted,

Transcribed by Courtney Easley

Frank B. Talerico, Chair