

# COMMUNITY REDEVELOPMENT AGENCY BOARD

## REGULAR MEETING

June 8, 2016

### MINUTES

**Present:**

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

**Also Present:**

Douglas Gonzales, Attorney  
Diane Colonna, CRA Executive Director  
Kim Vazquez, Project Manager  
Cotter Christian, CRA Engineer  
Ben Ziskal, Director, Economic Development

The regular meeting of the Margate Community Redevelopment Agency having been properly noticed was called to order at 7:00 p.m., on Wednesday, June 8, 2016, by Chair Frank Talerico. There was a moment of silence followed by the Pledge of Allegiance. Roll call was taken.

1A. MINUTES FOR APPROVAL: Minutes from May 11, 2016 CRA Board Meeting

After David Tolces, Board Attorney, read the item title, Ms. Simone made the following motion, seconded by Ms. Bryan:

**MOTION:** SO MOVE TO APPROVE

There was no discussion.

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

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2. PUBLIC DISCUSSION

Rich Popovic, 6066 Winfield Boulevard, expressed concern regarding the proposed selling price of the Park Drive vacant parcels to the developer. He feels the developer is receiving the land for a cheap price and questioned why the Board is considering the offer.

Frank Messana, 3310 NW 1<sup>st</sup> Street, Apt 206 Margate, Florida, said that 23 years ago he was appointed to the City of Margate Economic Advisory Board that brought forth the idea of redevelopment in Margate. He explained that the concept behind creating the CRA was to receive tax dollars from the land in the CRA District and use the funds to provide low cost loans to builders to build up the properties. In return the builders would pay back the CRA at a minimum interest rate. He commented that the CRA purchased the property along 441 at a bad time and has lost millions. Now that the economy is better and values have increased the CRA can make money on the redevelopment.

Amanda Ruzzano said she disagrees with adding apartments on the east side of 441 in the downtown area. She said that residents indicated to her they wanted shopping, dining, restaurants and entertainment in the downtown area. She said Margate is not lacking in apartment units and adding a promenade would provide better use of the canal.

Mr. Ruzzano said when he ran his campaign he didn't hear from anyone that they wanted housing on the east side of 441. With the addition of 1,000 units it will not create a hometown feel to Margate. He noted that

the Board keeps hearing that housing is needed to support businesses, but Margate already has have 50,000 plus residents. He said the plan does not have enough parking. He pointed out that he spoke to candidates that are running for commission and they are also not in favor of the plan.

Ms. Peerman said the parking garage has always been in the plan—otherwise too much land gets used for parking. The garage accommodates people coming into the downtown for commercial uses. People want a downtown where they can eat and shop. She said unfortunately Margate residents do not support Margate businesses. She asked Mr. Ruzzano if he has spoken to the developer about his concerns. Mr. Ruzzano responded no, however he has raised his concerns with CRA staff. Diane Colonna explained the garage is needed to assure adequate parking for the community center and amphitheater. It's needed more for public uses than for private use. Mr. Ruzzano asked if the garage would be needed if the housing component is taken away. Ms. Colonna stated her opinion that if the project could not include a residential component she doesn't think a developer would find it to be feasible. She said the residential component is necessary to support the commercial uses.

Ms. Simone said she has had conversations with City staff and there may be a need for a parking garage for staff and residents. She said employees indicated they wanted a parking garage to replace the spaces at City Hall because there are not enough spaces. Ms. Simone said a parking garage would help alleviate the problem with residents who drive around looking for a space. On the subject of the apartments she said she spoke with a Commissioner in Tamarac recently about Tamarac's development experience. Tamarac had a developer and the developer said a certain amount of apartments are needed to support the redevelopment. The City disagreed and did their own study and the results confirmed that the residential component was necessary.

Ms. Bryan commented to Mr. Ruzzano that she understands his passion and appreciates what he is saying but all the evidence points to a need to have a residential component. She said the Board has to rely on expert opinions and trust they are doing the right thing.

Mr. Talerico commented if Coral Springs had to rely on their residents for their businesses and restaurants to survive they would probably all go broke and Margate is no different. He said the Board has heard from experts from Palm Beach and Miami and they said there must be a residential component. Mr. Ruzzano reiterated he is not against having housing, just housing located on the east side. Ms. Peerman said a parking garage on the east side is needed because people should not have to cross 441. She said the Board also previously discussed the possibility of having a farmers market on the bottom level. Ms. Bryan stated city employees are parking at the Senior Center because of the lack of parking at City Hall. She said she has heard more objections from residents regarding the dog park than the City Center project.

Susan Riccardi, 4829 South Hemmingway Circle, Margate, said her opinion is from the perspective of someone who has run chain stores as a career. She oversaw 10-20 stores at a time along the east coast. If an anchor store comes in and then fails, because they have the money to break the lease they will leave and the small stores will follow. She said Margate businesses are not supported only by city residents—there has to be more.

Patrick Laffey, 7305 NW 5<sup>th</sup> Place, Margate, addressed Ms. Peerman's statement that residents do not support Margate businesses. He stated he supports businesses here including Ace Hardware, Backstreet Café and Margate Cleaners. He said is a realtor and licensed Community Association Manager and he would rather see more chain stores than housing.

Mitch Pellecchia, 6890 NW 9<sup>th</sup> Street, informed the Board he made a public records request on June 5 asking for the publications, listings, locations and venues the CRA advertised for the disposition of the Park Drive properties. Mr. Talerico said the item is on the agenda and asked Mr. Pellecchia to hold his comments until the item is discussed.

John Hall 6421 French Angel Terrace, questioned which expert told the Board that Margate Boulevard and State Road 7 are going to be a pedestrian friendly. The properties need to be linked together. He said he hasn't seen a traffic study for the development.

Arlene Schwartz, 7800 NW 1<sup>st</sup> Street, Margate explained when she sat as a City Commissioner during the original charrette, they discussed having a mixed use development. She said it has been done for years in New York. She raised concerns about adding 1000 units and the impact it will have on traffic.

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### 3A. PRESENTATIONS – MARGATE UNDER THE MOON SERIES

Chris Gaidry, 3600 NW 19<sup>th</sup> Street, Coconut Creek, of Atlantic Studios, said he purchased his first home in Margate ten years ago and recently purchased an investment property at 1370 NW 69<sup>th</sup> Avenue because he believes the property values will increase with the development of a downtown. He presented a PowerPoint presentation on the rebranding of the Sounds at Sundown event. Last year the event hours were extended and saw the addition of vendors and an enhanced food truck selection. He played a video to the audience that showed highlights from last year's Margate Under the Moon event. Mr. Ruzzano commented that green space is needed in the downtown to continue these types of events.

Ms. Bryan asked how success can be measured for Margate residents. What is the marketing strategy?

Mr. Gaidry responded that feedback through surveys indicates that Margate residents are excited about these events. In addition to social media, information is given out on rack cards, 5x7 flyers, and posters in local businesses. He said he would love to have signage on event site but is restricted by City ordinances.

Ms. Peerman suggested having tents in case it starts to rain. She reiterated that Sounds at Sundown and Margate Under the Moon have two different audiences. She supported the idea of having free craft beer and vendors at Margate Under the Moon. Ms. Simone commented the Home Depot booth is a success. Mr. Talerico suggested having a local animal shelter agency attend the event. Mr. Gaidry stated he has worked with Grateful Paws, which has foster homes and not institutional shelters.

Sarah Blake, CRA Marketing Manager, provided an overview of the marketing budget. She proposed radio advertising with 104.3 The Shark, an edgy alternative rock station. They would attract a younger demographic to the events. The proposal includes:

- (21) 30 second pre-recorded promotional announcements
- 15 second live promotional announcements
- Featured on the Shark, email blasts, social media
- Live broadcast
- \$2,000 per event, sponsorship benefits.

Mr. Ruzzano recommended reaching out to Doc Reno at 105.9 FM.

Ms. Peerman made the following motion, seconded by Ms. Simone:

**MOTION:** TO APPROVE RADIO ADVERTISING WITH SHARK RADIO FOR THE MARGATE UNDER THE MOON SERIES

Diane Colonna noted that the Board would only require consensus not a vote. The consensus of the Board was to purchase radio advertising as recommended by staff.

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4A. APPROVING THE DEVELOPMENT INFRASTRUCTURE ASSISTANCE PROGRAM AND THE DEVELOPMENT INFRASTRUCTURE ASSISTANCE PROGRAM FORM OF THE AGREEMENT

After David Tolces, Board Attorney, read the item title, Ms. Peerman made the following motion, seconded by Ms. Bryan:

**MOTION:** SO MOVE TO APPROVE

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

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4B. ADOPTING MCRA TRAVEL POLICY

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

**MOTION:** SO MOVE TO APPROVE

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

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4C. APPROVING AN AGREEMENT WITH REAL TREE TRIMMING & LANDSCAPING, INC., FOR THE REMOVAL OF EXOTIC TREES AND SHRUBS ON CITY CENTER SITE

After David Tolces, Board Attorney, read the item title, Ms. Peerman made the following motion, seconded by Ms. Bryan:

**MOTION:** SO MOVE TO APPROVE

Cotter Christian, CRA Engineer, summarized the work will take 30 days. CRA staff has contacted the affected housing complexes located across the canal, and are scheduled to meet with Brookdale next week. He said the Australian Pines and Brazilian Peppers must be removed in order for a survey of the area to be completed. Ms. Peerman noted that when the trees are removed the area will require additional cleaning and maintenance of the canals. Ms. Simone asked why the discrepancy in price between the lowest bid and the other two. Cotter Christian responded he doesn't know however Real Tree Trimming has strong references and the lowest bid. Mr. Talerico asks if the agreement includes stump removal. Cotter Christian responded yes.

Mr. Ruzzano asked if the firm has done work in Margate and whose responsibility is it to re-slope and excavate it? Cotter Christian responded it is the CRA's responsibility. Mr. Ruzzano said it would be a good idea to put a task force together to clean the lake.

John Hall, 6420 French Angel Terrace, raised concern that the Real Tree Trimming is not a Margate business and yet the City and CRA encourages residents to support Margate businesses.

Mr. Ruzzano asked if the developer can have the trees removed as part of the agreement. Diane Colonna said when the CRA issued the RFP; it stated the CRA would be responsible for the waterfront promenade project.

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

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5A. DISPOSITION OF MCRA PROPERTY AT 5717-5721 PARK DRIVE

After David Tolces, Board Attorney, read the item title, Ms. Peerman made the following motion, seconded by Ms. Bryan:

Diane Colonna presented a PowerPoint presentation on the disposition process of 5717-5721 Park Drive. She said the CRA assembled 36 acres and issued a Request for Proposals to the developer to build a town center on the property. In July 2015, the MCRA considered two proposals from qualified development teams and selected New Urban Communities. While the RFP was being processed the CRA acquired an additional property on Park Drive and the objective was to incorporate that property into the overall development. At the Board meeting last August, per the board's request the developer moved all the public facilities from the west side to the east side of 441 and showed how they could incorporate the Park Drive property by continuing 9<sup>th</sup> Court through the project and reorienting the residential. The properties consisted of two-4 unit apartment buildings situated on two lots and was purchased for \$785,000 based on an appraisal conducted by a state certified MAI, member of the appraisal institute. The CRA demolished the buildings and cleared the properties, which were reappraised as a vacant lot at \$330,000. An ad was posted in the Sun-Sentinel, which is required by state statutes for property disposition. New Urban Communities was a respondent and has offered \$114,190, about \$7.00 per square foot.

Ms. Peerman expressed concern that the offer was too low and recommended an amount of \$165,000 for one of the two parcels. Mr. Ruzzano recommended re-negotiating with the developer.

**MOTION** made by Ms. Peerman to sell the property for \$165,000. Mr. Talerico passed to the gavel to Ms. Simone and seconded the motion.

Ms. Peerman withdrew the motion pending further discussion of the item. Mr. Talerico withdrew this support of the motion.

Mr. Ruzzano stated he was told the property appraised at \$790,000. He asked how it was appraised so high. Ms. Peerman responded it was appraised high because at the time there were buildings on the lot. Diane Colonna explained the amount was based on the revenue received from the units by the owner. Mr. Ruzzano suggested renegotiating the selling price.

**MOTION** made by Mr. Ruzzano to not accept the purchase price of \$114,000 for 5717-5721 Park Drive from New Urban Community. Seconded by Ms. Peerman.

Tim Hernandez, 398 NW 6<sup>th</sup> Avenue, Delray Beach, FL 33483, explained that originally Park Drive was not in the agreement but the CRA indicated they would purchase the property and would like it incorporate it into the downtown. The redesign allows for twelve additional housing units. We are trying to achieve connectivity to Park Drive. He said the City has a major opportunity to create something new in Broward County.

Ms. Peerman suggested the CRA reach out to the City to see it is interested in buying the property for a new Fire Station or Emergency Operations Center.

Ms. Bryan encouraged the Board to keep an open mind when discussing housing options for the downtown area.

Mr. Ruzzano withdrew his motion on the floor.

Mr. Talerico made the following motion, seconded by Ms. Peerman.

**MOTION:** TABLE DISCUSSIONS ON THIS ITEM

Ms. Bryan referred to slides of an apartment project in Margate to demonstrate the type of development that is possible.

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

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6A. MCRA WORKPLAN FOR MAY 2016

Diane Colonna stated the preliminary design for Winfield Boulevard improvement is completed and staff participated in a kick-off meeting with consultants Sports Facility Advisory Inc., to discuss the community center feasibility analysis.

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6B. NOTIFICATION OF BUDGET TRANSFER

Diane Colonna said \$25,000 was transferred from the Capital Contingency account to the CRA Office Relocation account to help with cost of renovation and build out of the new CRA office.

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6C. TENANT UPDATES

David Tolces reported that the CRA has filed an Action for Proceession against Partnership II, LLC d/b/a Café Vincenzo. The tenant has retained counsel. A mediation date is set for June 29<sup>th</sup>. He asked the Board for direction in dealing with the preceding. He explained the tenant owes \$5,300 in unpaid rent and charges and has placed \$4,500 in the court registry. He also owes June rent. Ms. Peerman requested that June rent is included in the settlement. Mr. Ruzzano asked Mr. Tolces to verify that the tenants' business tax receipt and insurance are up to date.

The Board gave general consensus to defer the mediation negotiations to Mr. Tolces and Ms. Colonna.

Mr. Talerico asked if the developer has reached out to any of the existing tenants to discuss relocation. Tim Hernandez of New Urban Communities stated they have made calls to the tenants and have met personally with a few. He noted they cannot move forward until the development agreement is signed.

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6. **BOARD MEMBER COMMENTS**

Ms. Peerman requested the grass be cut the day before events.

Ms. Bryan commented that the tenant space at 1021 N State Road 7 in the Chevy Chase plaza needs to be cleaned.

Mr. Ruzzano said the owners of the Lakewood Mall have expressed an interest in the Façade Improvement Program and suggested that CRA staff get in touch with them.

Ms. Simone instructed staff to look into adding art to the traffic control boxes in the CRA District.

Mr. Talerico – No comment

Respectfully submitted,

Transcribed by Courtney Easley

Frank B. Talerico, Chair