

COMMUNITY REDEVELOPMENT AGENCY BOARD

REGULAR MEETING Tuesday, December 13, 2016

MINUTES

Present:

Tommy Ruzzano, Chair
Anthony Caggiano, Vice Chair
Lesa Peerman
Arlene Schwartz

Absent:

Joanne Simone

Also Present:

David N. Tolces, Board Attorney
Diane Colonna, CRA Executive Director
Kim Vazquez, Project Manager
Cotter Christian, CRA Engineer/Manager
Douglas Smith, City Manager
Lauren Harris, Marketing Coordinator

The regular meeting of the Margate Community Redevelopment Agency having been properly noticed was called to order at 7:00 p.m., on Tuesday, December 13, 2016 by Chair Tommy Ruzzano. There was a moment of silence followed by the Pledge of Allegiance.

1A. **MINUTES FOR APPROVAL:** Minutes from November 9, 2016

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

MOTION: SO MOVE TO APPROVE

ROLL CALL: Mr. Ruzzano, Yes; Ms. Schwartz, Yes; Mrs. Peerman, Yes; Mr. Caggiano, Yes
The motion passed 4-0.

2. **PUBLIC DISCUSSION**

Mitch Pellecchia, 6890 NW 9th Street, stated he represents the Margate Waterfront Foundation, a 501 c (3) organization. The CRA approved the foundation's request to hold a carnival at the end of January 2017 on CRA-owned property. Mr. Pellecchia asked the CRA Board to waive the property use fee of \$5,000. He explained the carnival is an initial fundraiser for the Waterfront Foundation, whose mission is promote the beautification, education and recreation of Margate waterways. The funds will be used to hire a grant writer and to purchase canoes and kayaks to create a revenue stream for the foundation. The startup cost for the concession for kayaks and 1-2 employees will be about \$30,000. The insurance is approximately \$10,000 per year to insure the boats, concession and indemnify the City. Mr. Pellecchia noted he has had discussions with Mike Jones, Director of Parks and Recreation and Sam May in Public Works, two people that will be involved with the foundation as advisors.

Mr. Ruzzano said this is the first time the organization has held this event and recommended waiving the property use fee for the carnival.

Mr. Ruzzano made the following motion, seconded by Mr. Caggiano:

MOTION: TO WAIVE THE \$5,000 PROPERTY USE FEE

Ms. Schwartz asked if the fee has been waived in the past. Ms. Peerman commented since she has been on the Board the fees for the former Swap Shop property have not been waived for carnivals. However, time extensions were given due to an act of God (i.e. storms). She thinks this approval will set a precedent for other organizations to make the request. Ms. Schwartz asked if it was waived for the Kiwanis Club for Christmas tree sales. Ms. Peerman stated their fee came out of the Resident Project Fund from the City Commission.

Ms. Schwartz asked Mr. Pellecchia which waterways the organization plans to use. Mr. Pellecchia said they would launch from Veteran's Park Marina because the facility is already set up and it provides access to other waterways. He directed the Board to visit the website at Margatewaterfrontfoundation.com. He said the logistics are not finalized; however the ultimate goal of the project is to encourage utilization of the waterways. Mr. Pellecchia said he understands the Board's concerns about setting a precedent but noted that all proceeds will go back to helping the City promote the waterways. Ms. Peerman thinks the organization is good for the waterway and noted the Board did not grant the request of the FOP when they requested a waiver of the fee even though funds are invested into programs for Margate children.

Ms. Schwartz asked Mr. Tolces if approval would set precedent that would encourage other organizations to make a similar request. Mr. Tolces said each request is considered on a case by case basis.

Jose Carbanelle, 6292 NW 15th Court, supported approving the fee waiver. He said the City needs more outdoor activities.

Mr. Caggiano commented on a recent TV program promoting snakehead fishing in Margate and thought it was a good way to promote Margate.

Rich Popovich, 6066 Winfield Blvd said this is something that will benefit the youth of Margate. He recommended the Board waive the fee.

ROLL CALL: Mr. Ruzzano, Yes; Ms. Schwartz, Yes; Mrs. Peerman, No; Mr. Caggiano, Yes.
The motion passed 3-1

2. PUBLIC DISCUSSION

Rick Popovich asked how long the CRA Board expects to hold onto the Alzheimer Center before they can recoup the money that was spent on the property. Mr. Ruzzano commented that the CRA purchased the property for less than the appraised amount.

Mr. Popovich expressed concern that Broward County has set certain restrictions on the City in regards to the Transit-Oriented Corridor and the Metropolitan Planning Organization, which provides for more apartments, bus services near the City Center. Ben Ziskal, Economic Development said there are a lot of aspects to what Mr. Popovich has said, and different processes through the County that the City is bound by because of the Broward County Land Use Plan. He offered to do some research and bring back additional information at a later meeting.

3A. PRESENTATION BY SPORTS FACILITIES ADVISORY (SFA) AND LOSE & ASSOCIATES (L&A) – COMMUNITY CENTER FINAL FEASIBILITY REPORT

Evan Eleff, Executive Vice-President, presented a PowerPoint presentation on the final feasibility report for the proposed community center. He said that Lose & Associates is the design team that was involved and is in charge of construction cost estimates. He explained to the Board that Sport Facility Advisory plans, funds, opens and manages sport, recreation and wellness and entertainment complexes nationally and internationally. The group was founded in 2003.

Three possible business models for the center were described in the report. The key components of each include indoor sports recreation, wellness, options for older members of the community, machine weights and an indoor walking track, and community event space for shows and events. The board would need to decide on the addition of another unique activity feature that could include Clip & Climb components, a FlowRider simulated surfer model, or both. The report included analyses of the construction and operational costs of each option, as well as an analysis of potential revenues.

Mr. Ruzzano said Margate does need a new community center. When this was presented awhile back he was concerned about the location of the community center in the downtown. He also expressed concern regarding the parking; as families would have to park in the garage located 100 yards away. He would prefer to see the community center moved to the old bank location at 911 State Road 7.

Ms. Peerman agreed with Mr. Ruzzano about moving the center to the old bank location because it's close to Parks and Recreation department and City Hall. She supports the option of having both a Clip and Climb and a FlowRider.

Mr. Ruzzano suggested relocating the FlowRider near the waterpark (Calypso Cove). Ms. Peerman questioned whether the waterpark would have room for the FlowRider and noted it is not in the CRA district.

Mr. Caggiano questioned the costs of the proposed options. He noted in the first and third option, the CRA is spending \$100,000 per year to subsidize operations. In option B the CRA is spending \$200,000 per year, if all the revenue projections are hit. He questioned the fees for team sports and is concerned about the cash flow. Mr. Eleff noted the fees for team sports are estimated at \$70 per person for an eight week league, which is comparable to other cities. Mr. Caggiano asked Mr. Eleff if there is a time when the City would no longer have to contribute funding. Mr. Eleff stated that 95% of these types of facilities operate with some kind of subsidy. Ms. Peerman commented parks usually don't make money. Funds would be have to be budgeted every year for Parks and Recreation to be able to run the facility.

Rich Popovich, 6066 Winfield Blvd, said this presentation was the best he's ever seen. He asked Mr. Eleff to speak with the City Commission about the report.

Charles Artner, 6631 NW 22nd Court, asked the Board if they have considered liability issues of having a FlowRider. He stated he has done research and has found that Caribbean Cruise Lines has several lawsuits totaling about \$60 million and various hotel chains have lawsuits totaling between \$25 – and \$35 million. He stated that several courts have decided the waivers are not enforceable.

Ms. Peerman said before the FlowRider is built the Board would consult with the City and CRA attorneys to identify the liabilities and determine what type of coverage is required.

Rick Riccardi, 4829 South Hemmingway Circle, questioned the revenue flow, how many people are required to make the system viable. He commented the rates being charged for activities seem high.

Renata Castro, 1534 NW 61st Avenue, commended the CRA for planning a facility that will be inclusive of all ages. She said the FlowRider is interesting but wants to see something that encourages people to interact together.

Mitch Pellecchia, 6890 NW 9th Street, Margate, said the FlowRider idea is appealing but he encouraged the Board to consider the overall cost to maintain it. He suggested the community center rooms be designed to be flexible enough to accommodate various activities.

Ms. Schwartz asked if the Clip and Climb is used by both adults and children. Mr. Eleff responded it is used by both but primarily youth ages 6- 14 year olds.

Mr. Ruzzano thanked Mr. Eleff and said he looks forward to following up with him.

3B. PRESENTATION BY CPZ ARCHITECTS, INC.- IMPROVEMENTS TO DAVID PARK

Kim Vazquez, Project Manager, introduced Christian Pena of CPZ Architects. She noted David Park has been recognized for several years in the CRA Plan as needing enhancements. The Board approved funding for park enhancements in the FY 2017 capital improvement program.

Christian Pena of CPZ Architects presented on the renovation of David Park and the George Mudd playground area. The existing park has a 14,500 square foot playground with dated equipment. The plan includes replacing the sand at the playground with a two toned-rubberized surface for easier maintenance and accessibility. Additionally the plan includes adding parking on the west side, pre-fabricated restrooms and a larger pavilion. The canopies over the playground would remain. New equipment will be installed for children ages 2-5 and 5-12 and will also include handicap accessible features. Mr. Pena noted an Option B and it doesn't include additional parking on the west side. Mr. Ruzzano said Option A with parking is a huge asset. He said likes the idea of having a rubberized surface and extending the common areas. Mr. Pena passed around a sample of the surface area. Ms. Schwartz asked what the lifespan of the surface. Mr. Pena responded 12 – 15 years.

Ms. Peerman asked if a tunnel could be built over the swings for shade. Mr. Pena responded it will require a certain distance of safety fall zone however it is possible.

Mitch Pellecchia, 6890 NW 9th Street asked how soon playground surface is available after it rains. Mr. Pena said almost immediately because the material drains.

Renata Castro said she would like to have water mist fans similar to those at Disney World. It's a convenience and should be low cost. Charles Artner, 6631 NW 22nd Court, also proposed including mist arches for the play area, although it may add costs for maintenance and water.

Jose Galardo, 6282 NW 15th Court said he loves the idea of removing the sand and likes the open visibility of the proposed park.

Mr. Ruzzano asked if the project is budgeted. Ms. Colonna confirmed that it is. The cost estimate without the parking is \$541,000 and \$550,000 is budgeted. Including the parking would add another approximately \$60,000. This estimate does not include design fees. The consensus of the board was to include the parking spaces in the project.

3C. PRESENTATION BY KEITH & ASSOCIATES – COLONIAL DRIVE IMPROVEMENTS

Ms. Colonna said this project involved working with Northwest Medical Center to address issues with pedestrian safety. The focus area is on the south side of Colonial Drive. The hospital employees cross the road at night and visibility is limited. The initial phase was to study the problem and complete traffic counts. Mr. Steve Williams of Keith & Associates presented the conceptual design solution.

Mr. Williams said the focus is to provide safe access to the hospital and provide solutions for pedestrian safety given the high volume of traffic in the area. There will be enhanced beautification of the median and sidewalk area and installation of irrigation and a push touch activated sign. Ms. Colonna noted the cost estimate was \$126,000 which does not include design fees. To move forward a task order has to be approved for engineering, design and construction, which will require a budget amendment.

Ms. Peerman asked if the project includes widening and landscaping the median to solve the crosswalk problem. Mr. Williams said landscaping can discourage people from crossing through the medians.

Mr. Caggiano asked if it would be easier to add speed humps. Mr. Williams responded it doesn't mean drivers will stop for pedestrians. And with the speed humps there is still the issue of visibility. Mr. Caggiano asked what type of warranty comes with the light fixtures. Mr. Williams said it comes with a with one year warranty with an option to buy an extended warranty if specified in the bid package.

Mr. Ruzzano said he has been in touch with the hospital CEO and is not sure the proposed plan will be sufficient. He suggested adding a traffic light to the area. Mr. Williams said traffic lights have separate thresholds that must be met before they can be approved, which is under the jurisdiction of Broward County. He was not sure this situation would qualify but indicated that they would look into it.

4A. A RESOLUTION OF THE MARGATE COMMUNITY REDEVELOPMENT AGENCY, AUTHORIZING THE APPROVAL OF A TASK ORDER FOR KEITH & ASSOCIATES, INC., FOR PROFESSIONAL CONSULTING SERVICES (SURVEY, CONSTRUCTION DRAWINGS AND CONSTRUCTION OVERSIGHT) FOR THE WINFIELD BOULEVARD TRAFFIC CALMING AND STREETScape IMPROVEMENTS.

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

MOTION: SO MOVE TO APPROVE

Mr. Ruzzano asked if the improvement includes the entranceway to Winfield Boulevard including signage. Ms. Vazquez said it does include the entryway. Staff is currently going through the wayfinding signage design process, which will be presented to the Board in January.

Steve Williams of Keith and Associates addressed the board and described the proposed improvements. The plan proposes narrowing the travel lanes and providing more separation from the sidewalk. There will be a three foot shoulder for an unofficial bike lane, roundabouts and speed cushions, two roundabouts and speed cushions. The cost is estimated at \$377,000. It will also include irrigation for the landscaping in the median and roundabout areas.

Ms. Schwartz asked how far apart the roundabouts are as it seems to be a lot of features within a relatively small area. Mr. Williams said the roundabouts are four streets apart. He noted residents had safety concerns for children on the sidewalks. He said traffic calming devices change the environment. The speed cushion is about 5-5.5 feet wide. Ms. Peerman said nine people attended the public meeting. In the past, residents filled the commissioner chamber in opposition to speed humps.

Rich Popovich, 6066 Winfield Boulevard said he attended the workshop and no one supported adding speed humps and cushions. He said he spoke with his neighbors and they do not support the changes. He recommended adding a traffic patrolman to assist in traffic calming and recommended having a traffic calming police force for the City. Ms. Peerman said she likes the speed cushions more than the roundabouts. Ms. Schwartz asked Mr. Popovich to bring his neighbors to the next CRA Board meeting to voice their concerns on the changes. Rich Popovich said he doesn't have a problem with the roundabouts.

He doesn't want to see landscape islands installed. It was pointed out that the islands had been eliminated from the plan as a result of comments made at the public workshop.

ROLL CALL: Mr. Ruzzano, Yes; Ms. Schwartz, Yes; Mrs. Peerman, Yes; Mr. Caggiano, Yes.
The motion passed 4-0.

4B. CONSIDERATION OF REQUEST BY NEW URBAN COMMUNITIES, LLC TO EXTEND THE INSPECTION PERIOD UNDER THE DEVELOPMENT AGREEMENT IN ORDER TO PERFORM ADDITIONAL ENVIRONMENTAL TESTING

After David Tolces, Board Attorney, read the item title, Ms. Peerman made the following motion, seconded by Ms. Schwartz for discussion

MOTION: TO DISCUSS THE REQUEST BY NEW URBAN COMMUNITIES

John Primeau, Attorney for New Urban Communities, noted Kevin Rickard and Tim Hernandez from New Urban Communities are also in attendance. He explained the request to the Board is to extend the inspection period under the development agreement until January 27th, 2017. He gave background of the development agreement and its terms. The inspection period allows New Urban to investigate the property that includes land use and zoning, financial matters, title and surveying issues and environmental conditions. During the inspection period, they concluded everything in terms of zoning and land use, title investigations for the entire project. Title commitments were provided to Mr. Doody. The last part of the due diligence was the environmental investigation. When developing or purchasing commercial property, lenders require environmental investigations. A phase one environmental report and phase two physical testing in some situations. It was determined there were some items missing from reports. The Phase One report recommends additional testing on a former dry-cleaning site and an existing gas storage tank.

Ms. Peerman said she read some of the reports and it stated the dry cleaning chemical levels were below minimum thresholds and no further studies are required. Ms. Schwartz noted the developer had not authorized the phase one testing until October 16th, even though the agreement had been approved in July. She asked why so much time was allowed to pass before testing began. Also, she asked for an explanation of the title issues. Mr. Primeau stated there were 11 or 12 title commitments and each one noted some potential title issues. Ms. Schwartz said she believes they are called title objections and it has to do with FPL easements that the developers would like the CRA to handle. Mr. Primeau responded yes but any purchaser is going to consider that as a title defect. There are other issues for instance with legal descriptions etc. and he and Mr. Doody are working on those issues together. There is nothing that will stop them from moving forward with the purchase.

Charles Artner, 6631 NW 22nd Court said the developer is railroading residents with his problem. Mr. Artner read comments from his online petition against the City Center project to the audience. He is opposed to the project because of the number of residential units and the traffic. He said he does not support the extension.

Rick Riccardi, 4829 South Hemmingway Circle, Past President of Chamber of Commerce, said if the developer is asking for 45 more days for something the City has been working on for 10 years it should be approved.

Manuel Lugo, 1129 East River Drive asked the Board to vote against the extension. He said the City should improve the life of all people living in Margate, whether or not they are located in the CRA district, and should not bring more people in to destroy the quality of life.

Mr. Tolces read the agenda item. There was no motion to approve the resolution.

DISCUSSION AND POSSIBLE ACTION

A. ACE HARDWARE – REQUEST FOR 10 YEAR LEASE

Ms. Colonna said CRA policy in regards to leasing of property in the two shopping plaza is to allow three year lease terms with a clause that allows for termination with one year's notice. Ace Hardware's current lease expires March 31, 2017 and the owner has requested that the next lease be for a period of ten years, subject to the one year termination clause. The owner has said the longer term is needed to establish credit among local businesses and financial institutions. Ms. Colonna asked the Board for direction. Any lease longer than three years must be approved by the Board.

Ms. Peerman noted the CRA has a remaining life span of ten years and the lease is for ten. David Tolces responded any obligations in the name of the CRA will be assumed by the City upon expiration of the CRA. Ms. Peerman said last month the owner requested a five year lease, now he's asking for ten. She said she would vote no for ten years.

Mr. Caggiano said even if the lease is 5 or 10 years there is a one year termination clause. The store has been in the plaza for 35 years. If he needs ten years to keep his distributors and creditors happy, the board should grant it --there is still a termination clause.

Frank Tropepe, Ace Hardware, 5843 Margate Blvd, said he has been a tenant for over 30 years and the City promised to protect and help the businesses. Mr. Ruzzano remarked Ace Hardware pays on time and is a stellar tenant.

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

MOTION: TO DIRECT STAFF TO EXECUTE A TEN YEAR LEASE AGREEMENT WITH A ONE YEAR TERMINATION CLAUSE BETWEEN THE MARGATE CRA AND ACE HARDWARE

ROLL CALL: Mr. Ruzzano, Yes; Ms. Schwartz, Yes; Mrs. Peerman, Yes; Mr. Caggiano, Yes.
The motion passed 4-0.

B. CRA MEETING SCHEDULE FOR 2017

Mr. Caggiano made the following motion, seconded by Ms. Peerman:

MOTION: TO ACCEPT THE PROPOSED CRA MEETING SCHEDULE FOR 2017

ROLL CALL: Mr. Ruzzano, Yes; Mr. Caggiano, Yes; Ms. Peerman, Yes; Ms. Schwartz, Yes. The motion passed 4-0

6. EXECUTIVE DIRECTOR'S REPORT

6A. MCRA WORKPLAN STATUS REPORT FOR NOVEMBER 2016

Ms. Colonna reviewed the monthly staff report. The network tower and telephone lines at the new CRA office building have been installed. Staff is in the process of receiving janitorial quotes. The Copans Road improvement project permit will be issued soon. The Melaleuca Drive Road improvement project kicks off on January 3, 2017. Mr. Caggiano noted the references in the report regarding contacts with businesses, and asked for a list of businesses visited by CRA staff during November 2016.

6B. NOTIFICATION OF BUDGET TRANSFER

Ms. Colonna notified the Board that funds had been transferred in the amount of \$22,500 from Professional Services fund to Redevelopment Plan Update fund, as the Update project had been carried over from the last fiscal year to the current fiscal year.

6C. AMENDMENT TO PLAT – SPORTS COMPLEX COVERED FIELD

Ms. Colonna reported the plat for this property identifies the use as industrial. Staff must go back to Broward County to amend the plat to note that it will be developed for park use. The City also has to approve the plat change.

6D: TENANT UPDATES

Ms. Colonna reported Bei-Jing restaurant moves out at the end of the month. Backstreet Restaurant did not pay on time and will voluntary leave at the end of the month. The Tax Service has requested a month to month lease with plans to move out in three months.

Ms. Schwartz asked if Café Vincenzo (Backstreet) is closing at the end of the month will the CRA be receiving rent. Mr. Tolces stated the goal is to enter an agreement for the tenant to provide the keys by the end of the month. Ms. Colonna noted that per the stipulated agreement part of the security deposit was used to pay for legal fees and he still owes rent for the month of August. Mr. Caggiano said in the future the proper fees should be received upfront.

6. BOARD MEMBER COMMENTS

Ms. Schwartz said it's been an interesting first meeting.

Ms. Peerman asked Ms. Colonna for a status on Stage Door moving into the Chevy Chase Plaza. Ms. Colonna said they won't know if they received the grant to establish the facility until April.

Mr. Caggiano wished everyone a Happy Holiday.

Mr. Ruzzano welcomed the new Board members. He said he is not against developing the downtown. He asked Mr. Tolces if the contract is now over, since the extension was not granted. Mr. Tolces stated both parties are operating to the terms of the agreement. Mr. Ruzzano asked if the Board could solicit new businesses for the site. Mr. Tolces recommended having those discussions in individual meetings with Ms. Colonna.

Mr. Tolces welcomed the new Board members.

Mr. Ruzzano invited everyone to the City's Winter Festival event.

Having no other business, the meeting ended at 10:31 P.M.

Respectfully submitted,

Transcribed by Courtney Easley

Tommy Ruzzano, Chair