

COMMUNITY REDEVELOPMENT AGENCY BOARD

REGULAR MEETING Wednesday, April 12, 2017

MINUTES

Present:

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

Also Present:

David N. Tolces, Board Attorney
Diane Colonna, CRA Executive Director
Kim Vazquez, CRA Project Manager
Cotter Christian, CRA Engineer/Manager
Danielle Sabat, CRA Marketing Coordinator
Sam May, Interim City Manager
Jim Anaston- Karas, CRA Staff

The regular meeting of the Margate Community Redevelopment Agency having been properly noticed was called to order at 7:04 p.m., on Wednesday, April 12, 2017 by Chair Tommy Ruzzano. There was a moment of silence followed by the Pledge of Allegiance.

1A. **MINUTES FOR APPROVAL:** Minutes from March 8, 2017 CRA Board Regular Meeting

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

MOTION: SO MOVE TO APPROVE

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

2. **PUBLIC DISCUSSION** – No Comments

3A. **RESOLUTION APPROVING SPONSORSHIP GRANT – BROWARD STAGE DOOR THEATER**

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

MOTION: SO MOVE TO APPROVE

Dee Wilson-Bunn, Executive Producer, Stage Door Theater, explained the theater is having financial difficulties due to the loss of three air conditioning units and an increase in show licensing fees, which increased from \$3,000 to \$10,000. The shortfall is about \$25,000.

Mr. Caggiano noted the total income for the year is \$1,440,000 and a profit of \$8,000. He asked Ms. Bunn to explain the shortfall. Ms. Bunn stated the report provided in the agenda back-up reflected the financials from the previous fiscal year. Ms. Schwartz asked if Stage Door can also reach out to the City of Coral Springs to ask for help, and Ms. Bunn was agreeable.

Rick Riccardi, 4829 South Hemmingway Circle, Past President of Margate Chamber of Commerce, commented that the Stage Door Theater has been a member of the Chamber for two years. He recommended the Board support the request from Stage Door.

Reverend Ken Mark Sims, St. Mary Magdalene Episcopal Church 1400 Riverside Drive, Coral Springs, said he has known Dee Bunn and Stage Door for nearly 15 years. Many members of his congregation are residents of Margate. The theater is important to older and younger people. In schools, there is a reduction in the arts programs and Stage Door has been helpful in being able to fill the arts role. It is the only live theater in the area. He volunteered to help assist in reaching out to the Coral Springs Commission.

Ms. Peerman asked why the funds are limited to \$5,000. Ms. Colonna responded there is \$5,000 in the budget for sponsorships. Additionally, Stage Door has applied for grant funds and is awaiting a response. If they receive the funds, the CRA is committed to contributing the cost to build-out a space in one of the CRA-owned shopping plazas for an arts incubator. Ms. Colonna said if they don't receive the grant the CRA can revisit the issue. Ms. Dee Bunn responded that the Federal grant is doubtful because the National Endowments for the Arts (NEA) is being dismantled.

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

4A. SELECTION OF A PROPERTY MANAGEMENT FIRM FOR CONTINUING CONTRACT SERVICES

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

Ms. Simone noted there is a big discrepancy in the fees between the two firms. She asked since the CRA has held a long-term contract with the current company, could they provide a price break. Ms. Colonna said the next step is to negotiate an agreement. Mr. Ruzzano thanked Jim Nardi for the work he does with the properties.

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

4B. CONSIDERATION OF MARGATE CITY CENTER SITE PLAN

Cotter Christian, Project Manager, gave a recap of the City Center development process. With the Development Agreement, the CRA and developer accepted a masterplan and pre-development plan, which includes a critical path schedule. The plans required actions by the developer and the CRA to advance to construction, in three phases. The requirement now due is that the developer submits a detailed site plan to the City and CRA for review and approval. From March 16, 2017, the CRA has sixty days to review and approve the site plan and the City has 120 days for review. The CRA review includes site plan compliance with the development agreement and consistency with the pre-development plan. In the staff report, the Board was provided with a list of plan components which respond to criteria in the development agreement. He reviewed the items with the Board. He noted the developer hasn't had time to review staff comments, due to the timing of the submittal. .

Mr. Ruzzano asked how many units are on the proposed site, to which Mr. Christian responded 1,016. Mr. Ruzzano said that this is the largest number he has heard since the process has started. He asked if the developer is only allowed 503 units. Mr. Christian responded that pursuant to the agreement, the development agreement provides for 968 units, plus or minus five percent. Mr. Ruzzano commented that according to the City, they are only allowed 503. He asked why would the developer come back with 1,016

units knowing they will only receive 503. Ms. Colonna clarified that there are 503 units currently available in the TOC but there are reserve and flex units for which they will be eligible to apply.

Ms. Peerman said she doesn't like the number and is not a fan of the plan. She reminded everyone that in the recent workshop the Board negotiated with the developer to have 750 units total, of those 316 were on the east side. The CRA would also have been given the commercial spaces to develop. The only requirement to do this was for the City Commission to reopen consideration of the TOC amendment.

Mr. Ruzzano recommended the CRA Attorney try to find a compromise where the CRA and the developer can walk away from the project. Mr. Tolces advised the Board to allow staff to work over the next month and come back at the next meeting with a revised site plan or some other type of proposal. He would not advise, in light of their inability to respond at this point, that any action be taken with respect to the site plan tonight.

Ms. Schwartz asked Mr. Christian if the comments from CRA have been submitted to the developer. Mr. Christian responded they had but there was not enough time for the developer to respond. Ms. Schwartz said the time was available through the 180 days provided but the developer chose not to use the time. Secondly, how could anybody pledge units that were not available unless another organization, the City Commission, took a step to change a plan? How could anyone enter into an agreement without the word "contingent" not knowing what the next group might or might not do, especially since there was an upcoming election? Ms. Colonna responded there is a condition in the agreement that states if the land use amendment was not approved by the City Commission, then the developer is not obligated to proceed beyond phase one if the units were not approved. Ms. Schwartz read a written comment into the record.

Ms. Simone commented she believes the developer is playing hard ball with the new site plan. She commented that negative press about Margate can have an impact of whether a business comes to Margate. She feels the Board has broken the trust with the developer.

Mr. Caggiano says on many occasions he has spoken with the City Manager regarding the negative comments made about the City and that Margate roads can compete with other roads throughout the County. He commented that Margate has an excellent police department. Margate has things people can come into the City and enjoy. Ms. Simone clarified that Margate is a wonderful City and that her comments were taken from a news outlet on the internet.

Rick Riccardi, 4829 South Hemmingway Circle, resident and business owner in Margate, said the City businesses want a downtown. The CRA spent a lot of time finding developers. He says he supports a new Downtown.

Ms. Simone said if the CRA loses this developer it may be hard to find another.

Manny Lugo, 1129 East River Drive, said the Board has to either represent the public interest or the developer. When the decision was made to sell the property for \$10 million, the Board failed the public interest. He asked if the CRA has to go into debt in order to complete the developer contract. Ms. Colonna responded the CRA has determined and planned for the cost of the amenities it is providing and additional debt is not required

Frank Tropeppe, 5843 Margate Blvd, Ace Hardware, said he is tired of discussing the issue of the units. He questioned why 750 units were negotiated and the developers came back with over 1,000 units. He wants the development to move forward.

Susan Riccardi, 4829 South Hemmingway Circle, said she is excited about the redevelopment. Previously her career was in corporations and retail for 20 years. She encouraged the Board to move forward with the downtown development.

Charlie Artner, 631 NW 22nd Court, said the majority of people who have spoken out do not support the amount of units for the project. He was under the impression there would only be 750 units.

Mr. Ruzzano passed the gavel to Mr. Caggiano and made the following motion:

MOTION: TO NOT ACCEPT THE PLAN AS PRESENTED BY THE DEVELOPER

The motion died for lack of a second.

Ms. Schwartz suggested following the CRA Attorney's recommendation.

Mr. Tolces commented the CRA has additional time to review the plan submittal, allow the developer and CRA staff time to work on it and come back at the next CRA Board meeting. At that point the Board can make a decision on the site plan.

The following motion was made by Ms. Simone, seconded by Ms. Peerman.

MOTION: TO BRING THE ITEM BACK TO THE NEXT CRA BOARD MEETING IN ORDER TO GIVE THE DEVELOPER TIME TO LISTEN TO THE CONCERNS OF THE CRA.

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

4C. DISCUSSION ON CRA SALE OF 6280 WEST ATLANTIC BOULEVARD TO CITY

Mr. Ruzzano stated he had added this item to the agenda for discussion. He commented he spoke with the CRA Attorney regarding the City purchasing the building from the CRA. He recapped that the City lost close to \$500,000 in a deal with the Alzheimer Center.

Mr. Tolces explained typically, when the CRA sells property to a private entity, the sales price for the property must be for fair value. In this instance, the CRA can sell the property to the City for an amount equal to what the CRA paid for the property plus any improvements. Mr. Tolces added that the CRA cannot use TIF revenue to contribute to the construction or improvement of any City administrative buildings. Mr. Tolces will consult CRA staff and the City to confirm the CRA's purchase price, and expenditures on renovations

Ms. Peerman recommended the CRA is made whole with the deal so that CRA investments in the building are recovered. She queried whether the CRA would then lease space from the City, to which Mr. Ruzzano answered in the affirmative. Ms. Peerman reminded the Board that the building will become the property of the City once the CRA's term sunsets.

Ms. Simone stated she is not in favor of the City buying the building. She supports the CRA keeping the building and possibly charging the City rent in order to recover deficit funds.

Mr. Caggiano said the City lost the money through its association with the Alzheimer Center and used CRA money to buy the property. He commented the City should have originally purchased the property, not the CRA.

The Board directed the CRA Attorney to works on a purchase and sale agreement between the City and CRA.

4D. CONSIDERATION OF ROOF REPAIR/REPLACEMENT OPTIONS FOR CRA OFFICE BUILDING

Mr. Christian said discussions were held at earlier meetings and summarized that the roof is not a serious problem but it's something that is not improving. The roof is damaged by UV light and has some leakage. Staff researched cost-effective solutions in addition to obtaining six roofing company evaluations.. In addition, Mr. Christian received one more estimate after the agenda was prepared; it is an alternative roof coating system totaling \$17,400, however is not recommended at this time. Mr. Ruzzano queried about warranties, to which Mr. Christian answered ten years plus and five years on labor. Mr. Ruzzano commented he reviewed the contracts to find that some are stripping down to the deck, then using a three-ply system; he said he is not a fan of such a coating system.

Mr. Caggiano asked why some of the quotes provided in the back-up date back to October 2016, making this an ongoing concern for six months. Mr. Christian explained he initially considered patching the roof then acquired lower quotes over that period. Mr. Ruzzano recommended negotiating with the two lowest bidders.

Ms. Schwartz asked about the building's age, to which Mr. Christian responded thirty years. Ms. Schwartz asked if this is the first roof repair, to which Mr. Christian responded that some prior treatments were completed during that time.

Ms. Peerman asked which agency the City or CRA would fund the repair, to which Mr. Tolces commented that the cost could be included with the sale/lease negotiation. Mr. Caggiano recommended replacing the roof, while Ms. Simone said there is no guarantee a new roof will fix the problem.

Sam May, Interim City Manager said the City has in the past used Infinity Roofing which provided excellent service. Since the roof is not in decent condition, he recommended installing a new roof.

Motion made by Mr. Caggiano, seconded by Ms. Schwartz.

MOTION: TO NEGOTIATE WITH THE THREE LOWEST BIDDERS AND BRING A CONTRACT BACK TO THE BOARD

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

4E. APPROVAL OF AIR CONDITIONING REPLACEMENT PROPOSAL

Mr. Ruzzano asked why are the A/C units included in the proposals only 14 SEER. Mr. Christian said he tried to maintain a cost consideration. It's a balance of cost and efficiency. The current A/C units are old but are working great. Mr. Ruzzano recommended looking into a more efficient unit, the seeking highest SEER available.

Motion made by Ms. Peerman, seconded by Ms. Schwartz,

MOTION: TO BRING BACK QUOTES THAT INCLUDE MORE EFFICIENT, HIGHER SEER, AIR CONDITIONING UNITS TO THE NEXT CRA BOARD MEETING.

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

4F. UTILITY BOX PUBLIC ART PROJECT

Danielle Sabot, CRA Marketing Coordinator, said staff is looking to receive feedback on the Call to Artist application and themes for the public art project. The Call To Artist application is completed and working on securing CaFÉ (CallForEntry.org), which is an online application and adjudication system for managing calls for entries. She displayed examples of utility box art from other cities.

Ms. Caggiano asked why the Call is being limited to artists who have 5-10 samples of previous artwork. He recommended leaving it open to anyone who has a great idea. Mr. Ruzzano recommended reaching out to the schools. Ms. Peerman recommended having an open theme and encourages creativity. Ms. Simone said she will hand deliver an application to an Atlantic West Elementary artist.

EXECUTIVE DIRECTOR'S REPORT

The written report is part of the meeting backup items.

5A. MCRA WORKPLAN STATUS REPORT FOR MARCH 2017

Ms. Colonna announced she is leaving the CRA to do consulting work on a part-time basis. She said it has been a pleasure working in Margate. RMA has brought on Jim Karas, who has worked with CRA's and has managed public and private agencies. He has a background in strategic planning and consensus building.

Copans Road – Draft bid documents are under review by the purchasing department.

Landscape Maintenance – There have been several automobile accidents that have caused damage to medians and landscaping. Staff is following up with insurance companies but this continues to be an issue.

Melaleuca Drive – Substantial completion walk through was held at the end of March. The CRA's landscape company is doing daily garbage pick-up and regular maintenance.

David Park Community Center – Playground equipment has been received and is being installed.

Sports Complex – Plat amendment is scheduled for City Commission consideration in May. The architect is continuing with the design work.

Coconut Creek Parkway – Minor repair work required for Broward County signoff and return of bond funds to CRA.

Margate Blvd – Reviewing crosswalk area for repairs.

Legislative Issues – Staff is working with City lobbyist and Florida Redevelopment Association on CRA legislative issues.

5B. TENANT UPDATES

The latest rent roll has been distributed. All tenants are up to date except Margate BBQ. The owner recently passed away. The Board voted to waive the rent for Margate BBQ for the month of April.

Motion made by Ms. Peerman, seconded by Ms. Schwartz,

MOTION: TO WAIVE THE RENT FEE FOR MARGATE BBQ FOR THE MONTH OF APRIL 2017.

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

6. BOARD MEMBER COMMENTS

Ms. Schwartz asked Ms. Colonna how the residents living on Winfield Boulevard were informed about the improvements. Ms. Colonna said staff placed door hangers on over 400 houses in the neighborhood inviting them to an input meeting. The residents at the meeting recommended adding the traffic tables and a second roundabout.

Ms. Peerman thanked Ms. Colonna for her work with the CRA. She recommended Mr. Karas attend the ICSC Las Vegas event.

Ms. Simone said Ms. Colonna is the cream of the crop in regards to her knowledge of CRA's and is one of the most qualified CRA directors with a proven track record.

Mr. Caggiano wished Ms. Colonna good luck in her endeavors and wished everyone a Happy Easter.

Mr. Ruzzano said he received a lot of positive calls regarding Melaleuca Drive. He recommended adding a pie eating contest for the 4th of July event. He wished Ms. Colonna good luck in her endeavors

Having no other business, the meeting ended at 9:25 P.M.

Respectfully submitted,

Transcribed by Courtney Easley

Tommy Ruzzano, Chair