

# COMMUNITY REDEVELOPMENT AGENCY BOARD

## REGULAR MEETING Wednesday, June 14, 2017

### MINUTES

**Present:**

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

**Also Present:**

David N. Tolces, Board Attorney  
Kim Vazquez, Interim Executive Director  
Cotter Christian, CRA Engineer/Manager  
Danielle Sabat, Marketing Coordinator  
Sam May, Interim City Manager  
Kim Briesemeister, RMA

The regular meeting of the Margate Community Redevelopment Agency having been properly noticed was called to order at 7:02 p.m., on Wednesday, June 14, 2017 by Chair Tommy Ruzzano. There was a moment of silence followed by the Pledge of Allegiance.

---

1A. **MINUTES FOR APPROVAL:** Minutes from May 10, 2017 CRA Board Regular Meeting

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

---

2. **PUBLIC DISCUSSION** - No comments

---

3A. A RESOLUTION OF THE MARGATE COMMUNITY REDEVELOPMENT AGENCY, APPROVING A CONSTRUCTION REIMBURSEMENT AGREEMENT IN AN AMOUNT NOT TO EXCEED \$5,175 WITH STAGE DOOR THEATRE, 8036 W. SAMPLE ROAD IN MARGATE, FLORIDA.

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

**MOTION:** SO MOVE TO APPROVE

Ms. Schwartz asked Ms. Bunn to give an overview of the request.

Dee Wilson-Bunn, Executive Producer, Broward Stage Door Theater, explained the application before them will provide signage for the building. She said that Mobile Signs, a business located in Margate, has

donated the boxes needed for the signs and Signarama will manufacture and install them. Ms. Bunn explained that prior to the last City Commission meeting, a letter was sent requesting assistance for the Stage Door Theatre as they were at the time in dire straits and that they may need to close due to lack of financing. A Grant fund allotment from Broward County had not been received in two months, however the theatre was able to raise \$35,000 in three days following the request for assistance and since, the County has found the bookkeeping error and they should be receiving a check shortly from them.

Ms. Peerman asked Kim Vazquez, Interim CRA Director, to look at possibly partnering with Stage Door Theatre or buying the building. Ms. Vazquez mentioned the Board previously agreed to partner with the theatre on a NEA grant.

Mr. Caggiano asked if the County owes three months of grant funds. Ms. Bunn responded they are past due on the month of April and have 30 days to make payment for May. He asked if the theatre is able to sustain itself if the money doesn't come. Ms. Bunn responded at this time yes. Mr. Caggiano asked about the lease. Ms. Bunn said the theatre has first option clause if the building is sold

Ms. Simone commented that signage may not be only problem the theatre has. There may be internal issues as well. She recommended adding children's plays or mystery programs. Ms. Bunn noted the theater has survived 25 years unsupported.

Ms. Schwartz recommended the group reach out to Broward County Schools for program funding.

Ms. Ruzzano recommended the group advertise with Margatenews.net. He said he supports helping the group with the signage.

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

---

3B. A RESOLUTION OF THE MARGATE COMMUNITY REDEVELOPMENT AGENCY (MCRA), AUTHORIZING A SECOND AMENDMENT TO THE AGREEMENT BETWEEN LANDSCAPE SERVICE PROFESSIONALS, INC. AND THE MARGATE COMMUNITY REDEVELOPMENT AGENCY FOR MAINTENANCE OF LANDSCAPE AND IRRIGATION SERVICES FOR MCRA OWNED PROPERTIES AND MEDIAN AREAS WITHIN THE VARIOUS RIGHT OF WAY ON ATLANTIC BOULEVARD, 441/SR 7 AND MARGATE BOULEVARD.

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

**MOTION:** SO MOVE TO APPROVE

Ms. Schwartz asked Ms. Vazquez if insurance claims are filed after the accidents. Ms. Vazquez said there have been 23 reported accidents, however in some cases there were no reports. She explained out of 23 cases the CRA has received two insurance payments. She explained in some cases falsified insurance information has been provided.

Ms. Schwartz asked if there is follow-up by police if false insurance information is provided. Lieutenant Joe Glaska, Margate Police, responded that when someone gives false information there is no way to validate it unless it is reported to this that information is missing. He said this is the first time he has heard of this situation.

Ms. Vazquez reviewed problem areas along State Road 441, Atlantic Boulevard and Coconut Creek Parkway.

Ms. Simone asked if the shrubs are there for aesthetic reasons and could they be replaced with glass aggregate and more trees. Ms. Vazquez said any change to the landscaping on 441 has to be approved by Florida Department Of Transportation.

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

---

**3C.** A RESOLUTION OF THE MARGATE COMMUNITY REDEVELOPMENT AGENCY (MCRA), AMENDING RESOLUTION NO. 523 TO EXTEND THE APPOINTMENT OF KIMBERLY VAZQUEZ AS THE INTERIM EXECUTIVE DIRECTOR, AND THE MARGATE CITY MANAGER AS DESIGNEE IN THE ABSENCE, UP TO AND INCLUDING JULY11, 2017, PROVIDING FOR AN COMMENCEMENT DATE, PROVIDING FOR AN EFFECTIVE DATE.

Mr. Tolces said the existing resolution 523 provided held the appointment through tonight's meeting. The resolution tonight is to extend the time period.

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

**AMENDED MOTION:** A RESOLUTION OF THE MARGATE COMMUNITY REDEVELOPMENT AGENCY (MCRA), AMENDING RESOLUTION NO. 523 TO EXTEND THE APPOINTMENT OF KIMBERLY VAZQUEZ AS THE INTERIM EXECUTIVE DIRECTOR, AND THE MARGATE CITY MANAGER AS DESIGNEE IN THE ABSENCE, UP TO AND INCLUDING JULY 31, 2017, PROVIDING FOR AN COMMENCEMENT DATE, PROVIDING FOR AN EFFECTIVE DATE.

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

---

Ms. Peerman asked the Board what is the plan. She commented that Ms. Vazquez does great work but is not sure if she wants to be Executive Director and she hasn't been paid for the Interim Position. Redevelopment Management Associates (RMA) has a contractual obligation to provide an Executive Director.

Mr. Caggiano commented the options are to extend Ms. Vazquez out until September 30th when the budget year ends. The second option would be to cancel RMA's contract tonight. He feels the CRA should be in-house. Ms. Peerman questioned if the City has someone in-house who is qualified.

Ms. Simone said she would like to keep RMA because two people cannot do the job of the entire CRA. After reviewing everything the RMA has done for the City, she realized the value in having the agency.

Kim Briesemeister, Principle, RMA, said, "We (RMA) work for you and you are our client and we need to understand where you want to go. The CRA currently has the advantage of an array of expertise at a fixed rate." She continued to explain the benefits of having RMA operate the agency. She asked for direction from the Board. She explained legal and operational issues.

Ms. Peerman said she doesn't think the City has anyone qualified in-house. When it was run by the City, only facade grants were done.

Mr. Ruzzano said he is not a fan of consultants. He recommended hiring in-house.

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

**MOTION:** FOR THE CITY MANAGER AND RMA TO MEET WITHIN 16 DAYS FROM JUNE 14, 2017 TO DETERMINE CRA STAFFING NEEDS AND TO TERMINATE THE CONTRACT WITH RMA AS OF JULY 31, 2017.

Ms. Peerman asked if the City Manager and RMA would meet to determine staffing levels. Ms. Simone asked why keep the employees if you don't want RMA. Mr. Ruzzano said he doesn't have a problem with the employees, just the idea of having a consulting firm. Mr. Ruzzano commented he was disappointed with the Kaye Stevens project, David Park and the renovation of the new CRA building.

Ms. Peerman asked Sam May, Interim City Manager, if he would like to fire the management or marketing team or both. Mr. May said he'd need more time to think about it. Ms. Schwartz recommended giving the City Manager until July 11th to make a decision. Ms. Simone asked if Ms. Vazquez's salary will reflect her position as Interim Executive Director. Ms. Briesemeister said the salary will be adjusted in arrears. The Board discussed transition options for the next 45 days.

Rick Riccardi, 4829 S. Hemingway Circle, expressed concern that the CRA is moving backwards with the removal of RMA. He asked the Board what their plans are for the CRA.

Manny Lugo, 1129 E. River Drive, said thanked for Board for doing a good job and for moving the City forward. He questioned the status of the downtown development agreement and other projects within the CRA. He said the Board is responsible for the CRA and its decisions, not RMA.

**ROLL CALL:** Mr. Ruzzano, Yes; Ms. Peerman, No; Ms. Simone, No; Ms. Schwartz, Yes.  
Mr. Caggiano, Yes. The motion passed 3-2.

---

**4A. APPROVE THE AGREEMENT WITH ZAMBELLI FIREWORKS MANUFACTURING CO., FOR THE 4TH OF JULY FIREWORKS DISPLAY**

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

**MOTION:** SO MOVE TO APPROVE

Ms. Simone questioned if the event should be bigger than last year. The fireworks were nice and the residents enjoyed the show. She reminded the Board that earlier this year they approved waivers for carnival events. The carnival funds are used to pay for the fireworks. She recommended putting the money towards public art.

Ms. Vazquez stated the CRA spent \$22,500 for fireworks last year. This request is for an additional \$2,000. The CRA provides \$40,000 towards the event and all the funds are utilized annually for various items to facilitate the event. The City also contributes funding, staffing and the logistics for the event. The fireworks show is anticipated to be approximately 25 minutes with the addition of the extra fireworks.

---

Mr. Ruzzano supported increasing the funds for fireworks. He said he as well as the residents loves the events. He asked if the event is advertised with Margatenews.net. Ms. Vazquez said the event is advertised in the Sun-Sentinel, En USA the Forum. The Parks and Recreation department arranges the advertising.

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

---

#### 4B. SHOES2GO (d.b.a. BEAUTYLAND) - FIVE YEAR LEASE OPTION

Ms. Vazquez gave an overview of the item. The tenant lease is due to expire in December 2017 they have requested in consideration of new lease the CRA replace a non-working air conditioning unit and maintain the remaining three units at the business, no increase in rent, a five year lease with five year renewal option and 60 day out clause. The tenant pays approximately \$10,000 per month and pays on time.

Jim Nardi, Advanced Asset Management, said the tenant has a five year lease that ends this year. At the beginning of the lease there were four on-site air conditioners that needed to be replaced. The tenant replaced the units himself. One unit is currently inoperable and another is failing. The CRA is willing to offer a two month rebate and the standard three year lease. Mr. Nardi surmised the units should have lasted more than four years and the maintenance status of the units is unknown. The tenant was unable to attend the meeting tonight.

Ms. Simone is concerned that the CRA has already given him seven months free rent. She recommended a three year lease and two months free as offered by staff. Mr. Caggiano commented the tenant is willing to stay if they are requesting a five year lease with a five year option. Ms. Schwartz expressed concern that this may set a precedent and other tenants may request the same terms. She agreed with Ms. Simone and recommended offering the standard lease. Mr. Ruzzano agreed with recommending the standard lease. Ms. Peerman recommended offering three months free rent. One month at the beginning, mid and at the end of the lease.

The Board agreed to offer a three year lease with two months free rent. If the tenant wavered, than offer him 3 months free rent at the end of each year of their term of the standard three year lease.

---

#### 4C. DISCUSSION OF AN ALTERNATIVE AUGUST 2017 CRA BOARD MEETING DATE.

The Board agreed to have the CRA Board meeting on Monday, August 21, 2017.

---

#### 4D. CONSIDERATION OF BID FOR COPANS ROAD MEDIAN IMPROVEMENT PROJECT

Cotter Christian, CRA Project Manager, said the project went through a sealed bid process in April 2017. The plans were picked up by seven contractors. The CRA received one submission in the amount of \$487,551.60. The proposed project budget is \$350,000. Mr. Christian said the bid came in higher than anticipated. He reviewed the bid project costs with the Board.

Mr. Ruzzano asked how the bid was advertised. Mr. Christian said through Sun-Sentinel and on the City website. Ms. Vazquez said the bidding process is handled through the City's Purchasing department.

Mr. Christian stated the three options for the Board are to accept and award the bid, reject and re-issue or negotiate. Ms. Schwartz noted there is a \$70,000 difference between the engineer's report of probable cost and the bid submitted.

Ms. Simone recommended re-bidding the project.

Motion made by Ms. Peerman, seconded by Ms. Simone:

**MOTION:** TO REJECT THE BID PROPOSAL SUBMITTED BY ARAZOZA BROTHERS CORPORATION AND TO REBID THE PROJECT

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

---

## 5) EXECUTIVE DIRECTOR'S REPORT

### A. TENANT UPDATES

Ms. Vazquez reported all tenants have paid rent for June 2017.

### B. MCRA WORKPLAN STATUS REPORT FOR MAY 2017

CRA Office Renovation - Received the contracts for air conditioning and roof repair. Work is currently being done on the roof. Exterior painting has been completed.

David Park - Phase 2 of the project is in progress. The survey and soil boring work is being completed.

Sports Complex - The application for Broward County to review the plat amendment has been submitted.

Colonial Drive & Winfield Boulevard - Awaiting comments from DEE's department. Ms. Vazquez will bring site plans to the next CRA Board meeting.

Utility Box Art Project - The Call to Artist has been issued and closes on June 17th. There are currently over 180 art submissions. A review committee has been formed.

In the Biz - The next event is June 27 at Zuccarelli's Italian Restaurant., 7320 W. Atlantic Boulevard.

Sounds at Sundown - Event was rescheduled from June 3 to June 10 due to inclement weather.

New leases - Retail bakery, Sweet Spot. The lease starts July 1. Baking will be done off-site. Bay Bay's Chicken & Waffles and Latin Cafe are open.

---

## 6) BOARD MEMBER COMMENTS

David Tolces gave an update on the downtown development and the sale and purchase of the CRA building. He said pursuant to the direction provided by the Board at the last CRA Board meeting, he has contacted counsel for New Urban Communities to discuss any potential termination of the agreement. Based on the discussion, they have no interest in terminating the agreement. They have proposed three options. Develop the project as presented, develop the project as proposed at the workshop or reduce the

number of buildings from eleven to eight. Mr. Tolces stated the agreement doesn't give any specific right to terminate unilaterally. He asked for direction from the Board.

Ms. Ruzzano asked if New Urban knows they are only allowed to build 503 units in the downtown area. Mr. Tolces said he believes they are aware. Mr. Ruzzano questioned whether reducing the units from 1000 to 503 is a substantial change to the contract. Mr. Tolces said the Board has to accept or deny the plan. He recommended adding the item for discussion on the next CRA Board meeting agenda.

Mr. Tolces gave an update on the purchase and sale of the CRA building. He said the City Commission had proposed certain terms. It includes a sale price of \$309,000; the City will pay the title policy, survey update and closing cost. The CRA would pay \$2.80 per square foot monthly lease rate and 50% of maintenance cost. Mr. Tolces expressed concern regarding the CRA paying 100% for air conditioning and roof replacement costs. The CRA cannot use its funds to construct or expand administrative buildings. He recommended sharing the costs equally with the City.

Mr. Ruzzano recommended moving forward with the proposed terms, with the CRA sharing 50% of costs for the air conditioner and roof replacement. Ms. Schwartz asked why the purchaser is expected to split cost for repairs. Mr. Tolces said in this case, the CRA is governed by Florida statutes and it limits the ability to use TIF revenue funds for City administrative buildings.

Ms. Peerman noted that at the last CRA Board meeting, they voted not to sell the building. She asked if another vote should be taken. Mr. Tolces responded he will draft an agreement and the Board will have the ability to vote on the agreement.

Mr. Ruzzano raised discussion regarding the sale of the CRA building to the City.

Motion made by Mr. Caggiano, Seconded by Ms. Schwartz:

**MOTION:** TO DISCUSS AN OFFER FOR THE SALE OF THE CRA BUILDING TO THE CITY

**ROLL CALL:** Mr. Ruzzano, Yes; Ms. Peerman, No; Ms. Simone, No; Ms. Schwartz, Yes.  
Mr. Caggiano, Yes. The motion passed 3-2.

Mr. Tolces said he will work with the City Attorney on a contract.

---

Ms. Schwartz asked Ms. Vazquez why the CRA has not attempted to purchase the two motels in the CRA district. Ms. Vazquez responded there were attempts in the past and the owners were asking above market price and/or were not interested in selling. Ms. Schwartz said she would like to see neighborhood improvement projects within the CRA.

Ms. Peerman gave a review of her attendance at ICSC Recon conference in Las Vegas. She proposed recruiting a hotel on the corner of Banks Road and Copans Road near the Sports Complex to accommodate sporting leagues and event attendees. The property is currently for sale. She recommended the CRA purchase the property. She also spoke of the emergence of outdoor outlet malls.

Ms. Simone welcomed Bay Bay's Chicken and Waffles to Margate. She wished Latin Café good luck at their new location.

Mr. Caggiano wished everyone a Happy Fourth of July holiday.

Mr. Ruzzano said he attended the grand opening of Bay Bay's Chicken and Waffles. It has great food. He spoke on the renewed talks of eliminating the TOC in Margate. The Board held a discussion on the impact of the TOC.

Having no other business, the meeting ended at 10:26 P.M.

Respectfully submitted,

Transcribed by Courtney Easley

Tommy Ruzzano, Chair