

COMMUNITY REDEVELOPMENT AGENCY

WORKSHOP MEETING

Tuesday, February 7, 2017

MINUTES

Present:

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

Also Present:

David Tolces, Board Attorney
Diane Colonna, Executive Director
Cotter Christian, Project Engineer/Manager
Kim Vazquez, Project Manager

The workshop meeting of the Margate Community Redevelopment Agency having been properly noticed was called to order at 3:13 p.m., Tuesday, February 7, 2017 by Chair Tommy Ruzzano. There was a moment of silence followed by the Pledge of Allegiance, Roll call was taken.

1A. REVIEW AND DISCUSSION (CONTINUED)

PROPOSED MODIFICATIONS TO CITY CENTER SITE PLAN

Mr. Ruzzano said the meeting today is to see if a compromise can be reached with respect to the City Center project as submitted. The Board has expressed concerns regarding the number of residential units proposed as part of the project.

Mr. Kevin Rickard, New Urban Communities said they are proposing to scale back on the number of residential units to 800 and said there will need to be discussions on the reduction of cost on the sale property to make the project feasible.

Diane Colonna, Executive Director, explained the developer has proposed 968 units under the current development agreement. The agreement contains provisions that allows for adjustments for either an increase or reduction of 5% without further Board action. When the RFP was issued, and the agreement negotiated it was anticipated the City was going to transmit and apply for a land use amendment increasing the amount of available residential units in the TOC by 400. The Land Use amendment application was approved by the City and submitted to the county and state for review in January 2016. It was the assumption the city was in favor of moving forward on amending the Land Use Plan by submitting the application for the amendment. The development agreement was negotiated and approved by the Board in July 2016. There is a condition in the agreement that states the developer's obligation to close on purchase of Phase II and Phase III is expressly conditioned upon the City obtaining from Broward County a final land use plan amendment adding not less than 400 additional units to the City's Land Use Plan with those units being made available to the developer in Phase II and Phase III of the project.

There was discussion by the Board that currently there are only 503 residential units allowed in the TOC without further action from the City Commission.

Mr. Ruzzano asked how can they submit a site plan for 968 units if they are not available.

Mr. Tolces stated there are contingencies in the agreement as previously stated by the Executive Director that the developer can move forward on Phase I with a site plan submittal. He continued he believes the question is what happens if City does not approve the additional 400 units. He premised his response that his firm did not negotiate this agreement but as stipulated in the conditions in the agreement, the developer is not obligated to close on Phase I and Phase II if those units are not available and the CRA would be left with Phase I by itself. Mr. Ruzzano stated this is what we are

trying to avoid. Mr. Tolces said you sit here with the developer and come to terms as what is acceptable and contingent upon City Commission approving whatever additional units are necessary.

Ms. Schwartz asked why the phases of the project cannot be changed with construction beginning on the west side of US 441.

Mr. Rickard said they ranked the phases in terms of desirability and what area would be the most marketable and create momentum. Phase I is shovel ready, Phase II and Phase III contain structures with tenants that will require relocation.

Mr. Tim Hernandez said the commercial uses want to front US 441 for visibility. When we go for financial backing they go on facts and trends. A mix of uses creates energy and activity. Margate is made up of essentially single-family homes and the city center will create diversity with a mix of residential and commercial which currently what is happening throughout south Florida. It will not only create an area for those who live there but offer the single-family residential surrounding the City Center a place to go that is within walking distance.

Discussion ensued by the Board regarding the east side of US 441 being commercial use only, traffic and parking issues.

Mr. Rickard said a mix of uses will reduce traffic not create additional traffic. If you segregate the uses the project will not be viable or sustainable. He said the unknown is the commercial uses as they are hesitant to commit due to the current demographics of the area. By adding the residential, you are changing those demographics to sustain those businesses. He continued the City Center will create value and we are the pioneers as there is nothing else like it in western Broward County. If it is the wish of the Board, we can map out the commercial and let the CRA control what uses you want in there. You as a CRA can offer incentives to attract businesses. If you are unsuccessful than you could provide an option for us to buy it back.

Ms. Simone stated she is not in support of the CRA maintaining control over the commercial part of this project.

Ms. Colonna said the CRA is currently responsible for the public amenities associated with the project. If the CRA takes on the commercial then there would be additional cost incurred because you would now be responsible for the infrastructure, construction and marketing of the space. It is complicated and requires a lot of staff time including what is required as per statutory requirements when selling or leasing of property. It is easier for the private sector to maintain and control.

Further discussion included the process of the statutory requirements, rent subsidies, infrastructure cost, shared cost with the developer and the requirements of when the property reverts to the City upon the sunset of the agency.

Mr. Ruzzano said he was in favor of the CRA maintaining control over the commercial uses.

Mr. Rickard said that they would need some form of assurance that the Board would be amendable to an extension of site plan submittal date as well as the city agreeing to the additional residential units. Mr. Tolces clarified the Board cannot assure the additional residential units as that is a City process and this Board cannot speak on behalf of the City.

Ms. Schwartz asked Mr. Rickard about the number of units and structures on the east side with reduction of the 168 units proposed.

Mr. Rickard responded the east side is proposed to be 325-340 residential units with the remainder of units split between Phase II and Phase III and approximately 10, 3-story buildings.

Ms. Schwartz said even with the reduction of the residential units she feels the density on the east side is still too high. She stated she would like to see further reduction of the residential units and she is not in favor of all commercial uses on the east side. Ms. Schwartz said she wants to see a destination point for the city.

Discussion ensued by the Board and the developers focusing on various options for the site plan on all three phases, what is sustainable, creating a strong sense of place, the density of the project, traffic, and the residential units on the east side of US 441.

Mr. Ruzzano said he feels the CRA can do better on the east side if we maintain control over the site.

Mr. Caggiano said currently there only 503 units available in the TOC which may prohibit them from Phase II and Phase III construction. Mr. Rickard responded the County awarded the units to the City. If the City chooses not to accept those units than we can construct on the east side and the CRA will be responsible for the community center, amphitheater and parking garage. Our intent is not to build just Phase I but to construct the entire project.

Mr. Hernandez said what happens in Phase II and Phase III is contingent upon the success of Phase I. The more residential on the east side makes it a more viable and economically feasible for the attraction of commercial uses. If the

commercial fails on the east side, then it will not be successful on the west side. The project is complicated, risky and expensive if you do not have the proper proportions of residential and commercial.

Ms. Colonna stated there is a lot of elements in the agreement that exist now, and we are talking about a much different plan with details that will need to be worked through.

Mr. Tolces stated there is consensus and reviewed the major points discussed with respect to; the number units, releasing the commercial properties back to the CRA, movement of the community center to the west side of US 441 and the shared of cost for infrastructure. He said he will get with the developer's attorney and complete an amendment to the agreement to be brought back before the Board for approval. The site plan extension is on your agenda for February 8th and if the Board desires based off this meeting tonight, you can extend the timeframe for longer than the March 23rd date that was originally agreed upon at a prior meeting.

Ms. Schwartz stated she thought we were discussing a reduction in residential density and specifically the east side of US 441. Mr. Rickard explained there has been a reduction of units proposed on both the east and west side. He said the east side is now reduced by 100 units for a total of 316 units.

Further discussion by the Board and the developer included if more residential could be built on the west side with 250 units on the east side. Mr. Hernandez explained the east side warrants more residential due to the layout of the property. If putting more units on the west side, cost would increase with higher density and the infrastructure needs. The consensus on both sides was the total number of residential units that is feasible is 750 units.

Mr. Tolces clarified with respect to negotiating an amendment to the development agreement is as follows; a total of 750 residential units with 316 of those units on the east side with remainder of the units to be constructed in Phase II and Phase III; 7.5 acres will be mapped out for commercial use and released back to the CRA to control the construction and marketing for a time certain with first right of refusal back to the developer if unsuccessful.

PUBLIC COMMENTS

Mitch Petchelli, 6890 NW 9th Street wanted confirmation that this is a workshop meeting and no legislative action is taking place tonight but just consensus from the Board. Mr. Ruzzano responded yes.

Frank Tropepe, Ace Hardware said commercial uses rely on the 50,000 cars on US 441 not rooftops and he said you will notice with the reduction of 100 or so residential units you will notice that there is more available parking for your commercial uses.

Having no other business, the meeting ended at 6:30 P.M.

Respectfully submitted

Transcribed by Kimberly Vazquez

Tommy Ruzzano, Chair