

COMMUNITY REDEVELOPMENT AGENCY BOARD

REGULAR MEETING

May 9, 2018

MINUTES

Present:

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

Also Present:

Samuel A. May, Executive Director
David Tolces, Cherof, Doody & Ezrol, P.A.
Adam Reichbach, Assistant CRA Director
Charles Michelson, Saltz Michelson Architects
Diana Scarpetta, CRA Project Specialist
James Nardi, Advanced Asset Management

The regular meeting of the Margate Community Redevelopment Agency having been properly noticed was called to order at 7:04 p.m., on Wednesday, May 9, 2018, by Chair Tommy Ruzzano. Roll call was taken followed by a moment of silence and the Pledge of Allegiance.

1A. APPROVAL OF THE MINUTES FROM THE FEBRUARY 14, 2018 REGULAR CRA MEETING

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

MOTION: SO MOVE TO APPROVE

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

1B. APPROVAL OF THE MINUTES FROM THE MARCH 14, 2018 REGULAR MCRA MEETING

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

MOTION: SO MOVE TO APPROVE

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

2. PUBLIC DISCUSSION

Rich Popovic, 6066 Winfield Boulevard, commented about a good news article that ran in that day's Fort Lauderdale Sun-Sentinel about how the Broward County Commission agreed to do away with the Wave. He commented that precedence was being set and they were showing that the decision process was fluid in government. He said ideas and things changed when new City commissioners came on board. He noted that theirs was a much bigger government and how a bigger project was ended when a new commissioner came on board which resulted in hundreds of millions of dollars being lost. He suggested giving them [developer] back their \$100,000 and asking for a bill for any concurrent costs they incurred, and nothing more.

Chair Ruzzano asked the Board Attorney whether New Urban was suing the Margate CRA and David Tolces, CRA Board Attorney confirmed it. Chair Ruzzano asked whether it was too late to offer to give them back their deposit and additional funds not to exceed a certain dollar amount. Board Attorney Tolces

responded that there was always an opportunity to discuss potential resolutions with the other side but he said that they might have realized that point had passed and they filed suit.

Ms. Schwartz said the Executive Director already had those discussions and they resulted in rejection.

Rick Riccardi, 4829 South Hemingway Circle, Board member for the Pompano Beach/Margate/Deerfield Beach Chamber of Commerce, asked whether any other types of events could be held on MCRA property other than carnivals. Board Attorney Tolces said utilization of the property currently encumbered by the agreement with New Urban would depend on the elements of the event. He said they would be able to advise the Executive Director and the Board on any specific proposal that was received.

Mr. Caggiano asked whether the Chamber could be provided with a list of the elements that were prohibited. Board Attorney Tolces said a copy of the provisions of the agreement could be provided which would outline those things that were not permitted.

Chair Ruzzano said he was in favor of whatever the Chamber proposed.

Manny Lugo, 1129 East River Drive, commented that the MCRA was planning to spend serious amounts of money for canal wall repair, and it appeared there were also serious amounts of money available to help businesses. He said the residents needed the help of the MCRA. He asked that the MCRA plan some specific programs to help the residents in the near future.

3A. **PRESENTATION:** WAYFINDING SIGNAGE

Charles Michelson, principal, Saltz Michelson Architects, gave a PowerPoint presentation on wayfinding signage. He explained that after meeting with the Board and staff about design guidelines and getting an understanding of the character, texture and design improvements that were desired in the City, he created initial concepts for a new signage program that could be used throughout the City. He said he found the past sign programs to be too 2-dimensional, had little color, and were flat. He said the concepts they created that were more upbeat and contemporary; the signs were 3-dimensional with different colors, textures, and elements added to them. He showed slides with conceptual drawings of signs and explained their decisions to introduce the following elements:

- City's logo would be incorporated into every sign in a 3-dimensional aspect that was lit internally
- Stone themes
- A water feature (bubbler) for signs at the major entrances of the City that cascaded water down the stone
- Use of texture and stone on signs that had adequate sign face that could include the name of the building, the community, etc.
- Metal features at the top that picked up the colors of the City's branded logo

He showed slides of computer generated versions of the signs and pointed out that the signs would all be on a pedestal base to elevate them from the landscaping. He explained that he would also create a map and locate all of the signs throughout the City in terms of hierarchy, i.e., major intersections, neighborhood signs, business signs, facility signs, etc. He said he would also be putting together budgets for the various signs. He showed slides and explained the features of a variety of other versions of the signs which included: large, medium, and small park identity; community identity; brand pylon; large and small gateway; and, information kiosk, large and medium vehicular guides. He explained that the information directory kiosk signs could be designed in a variety of ways where they could have building or department names on them, or they could have a television recessed into them to display scrolling messages, or a touch screen.

He commented that the elements of the design would be carried through on all the different signs throughout the City so the theme, brand, and character were upheld. He said they would try to provide samples of the stone and match the colors so they would be compatible, provide budgets, and a map identifying locations of the signs.

Discussion ensued with the Board members asking questions of Mr. Michelson and sharing their ideas which included:

- use of different colors to identify different clusters, such as green for parks;
- the location of information kiosks at areas of activity, development, or spaces people congregate;
- positive comments about the water features and lights, and questions on the maintenance. Mr. Michelson said the maintenance would be basic as long as they were bubbling signs without pools. The use of built-in pumps to recirculate the chemically treated water kept them from clogging.
- the timeframe. Mr. Michelson said it would not take long to have a mock-up built, but first he would need to know the locations of all the signs being built so that an overall budget could be put together. He said he was already looking at locations from a technical standpoint.
- the use of more solar including for the water features. Mr. Michelson said he had been speaking with the sign company about applying solar pieces vertically as much as possible.
- the inclusion of an electronic sign at Calypso Cove to promote activities and hours of operation. Mr. Michelson said it could be done.
- having all signs double-sided

Chair Ruzzano asked whether the MCRA could pay for signs outside the MCRA. Board Attorney Tolces responded that the MCRA could only pay for signs located within the MCRA district. Mrs. Peerman commented that the City could piggyback with the MCRA and pay for its signs separately. Mr. Michelson said he would differentiate them on the map, but would provide a quantity buy.

In an effort to move the process along, Chair Ruzzano asked the Board if they would like to have the signs with the big water features at the six main entranceways: north, south, west Atlantic Boulevard, east Atlantic Boulevard, west Royal Palm Boulevard, and east Royal Palm Boulevard. The Board members gave general consent.

Mr. Michelson said he wanted to first determine whether the signs could be placed in the desired areas. Chair Ruzzano asked about the possibility of partnering with the property owner of the property located on the northwest corner of Banks and Atlantic Boulevard to place a large entranceway sign. Mrs. Peerman said she would like to see the signs at the entranceways even if it meant enlarging the medians. Mr. Michelson said the signs could be modified to fit the space.

It was discussed that there would be signs at all the parks, city buildings, police and fire, and some of the smaller entranceways such as by the Lexus dealership, Holiday Springs Boulevard, 31st Street, Coconut Creek Parkway, etc.

There was a discussion about the next steps. Chair Ruzzano said the Board loved the concept. Sam May, Executive Director, said he would meet with Mr. Michelson and they would come back with a proposal for all the City signs, buildings, facilities, and entranceways. He said the same concept could be used for the neighborhood identification signs, if the rights-of-way could be obtained.

Chair Ruzzano asked if any of the signs were pre-made. Mr. Michelson said they were not and that each would have footings in the ground, would meet Code and be engineered to meet hurricane requirements. Chair Ruzzano asked if he would do a mock-up of one sign for the Board to see. Mr. Michelson said they could build one in one of the parks.

Mr. May commented that the signs on State Road 7 were break-away signs and were made to explode upon impact. He said the signs would need to be made to meet Florida Department of Transportation (FDOT) requirements.

Mrs. Peerman asked the Board Attorney if the MCRA should ask the City to enter into an interlocal agreement for the signs. David Tolces, CRA Board Attorney, said he could work with the Executive Director to coordinate it so that the information presented to the City Commission was consistent.

Chair Ruzzano asked if only public buildings would be on the signs versus schools and churches. Mr. May said they would be public signs at this time.

3B. PRESENTATION: CITYWIDE DESIGN GUIDELINES

Charles Michelson, Saltz Michelson Architects, stated that he had met with the Board members previously regarding the City design guidelines, and had spent extensive amount of time with City staff reviewing the guidelines for applicability, enforcement, and conflicts with existing zoning. He explained the presentation he would be giving was a brief overview of the design guidelines. He proceeded with a PowerPoint presentation and explained the purpose and intent of the guidelines. He provided brief explanations of the guidelines which included the following:

- Architectural style and design elements
- Street-level interaction
- Architectural fenestration
- Façade design
- Connectivity-commercial districts
- Storefront signage
- Outdoor dining zones

He showed slides which included visual examples that would be included in the guidelines of:

- Building Articulation
- Pedestrian Amenities & Use of Landscaping Materials
- Outdoor Dining
- Variation of Materials

Ms. Simone asked about bike racks; Mr. Michelson responded that they would be included. Ms. Schwartz asked which came first-the wayfinding signs or the design guidelines. Mr. Michelson responded that the design guidelines came first and then he followed through with the theme. She asked whether there would be guidelines for residential buildings such as apartment complexes. Mr. Michelson said the design guidelines would apply to all types of development if visible from the street.

Mr. Michelson commented that he was currently working on designs for the two CRA-owned shopping centers. Sam May, Executive Director, said the MCRA was moving forward with the façade designs but it had been waiting for the design guidelines to be adopted before coming up with a more exact design. He said the Board would have them back by the next meeting to finalize.

Chair Ruzzano asked Board Attorney Tolces whether the guidelines had to be abided by, and he gave the example of a business wanting to come into the City but their theme was in conflict with them. Board Attorney Tolces responded that ultimately the guidelines would be incorporated into an ordinance that would be adopted as part of the City's Land Development regulations. He said there were processes in those regulations to provide for waivers, modifications, and variance.

4A. RESOLUTION 550: APPROVING AN AGREEMENT FOR THE PURCHASE OF PROPERTY LOCATED AT 891 NORTH STATE ROAD 7

After Board Attorney David Tolces read the resolution title, Mrs. Peerman made the following motion, seconded by Mr. Caggiano:

MOTION: SO MOVE TO APPROVE

Ms. Schwartz asked for clarification on whether inspections referenced on page 4 of the agreement had been done and the section 4.16 on page 10 that indicated that the property was being purchased "as is."

David Tolces, CRA Board Attorney, explained that there was a 90-day period in which to conduct inspections and if, during that time period, the MCRA decided it did not wish to move forward based on the inspections, it had that right to do so; otherwise, it would be purchased "as is."

Sam May, Executive Director, said that the MCRA was more interested in the land than the building. As such, inspections would be done which included environmental studies to ensure that the land was clear.

James Nardi, Advanced Asset Management, stated that a Phase I Environmental would be done. He said a clearance had been a couple of years ago which cleared the land from any environmental concerns, but the MCRA would conduct its own certified inspection. He said a Phase II would be done if required, and an asbestos survey on the building would also be done.

Ms. Schwartz asked who would pay in the event there were environmental issues. Board Attorney Tolces said the contract provided for a 90-day inspection period during which time Phase I environmental testing would be done and a Phase II as well, if necessary. He said, based on the results, if the MCRA had concerns about the condition of the property, those issues could be negotiated with the seller to amend the contract or the contract could be terminated and the deposit would be refunded.

Ms. Simone asked what the intent was for the purchase of the property. Mr. May responded that it was to remove slum and blight. He said the MCRA had the ability to purchase land and demolish old buildings that were slum and blighted and this building met that definition. He noted that this property could be marketed at the upcoming ICSC Conference to potential investors. Ms. Simone expressed concern about purchasing property and not having a plan for it. Mr. May said the purchase of land was allowed by State Statue and the MCRA's plan, and when the MCRA expired, the property would be turned over to the City that it could sell or develop.

Mrs. Peerman commented that the owner had put over one million dollars into the building; she questioned if the building was usable. Mr. May said it was not being looked at for the purpose of the building, but it could be. Mr. Nardi said the 1,800 square foot space had a specific use as a beauty salon. He said he would get a better look at the property during the due diligence. Mr. May said any plans to demolish the building would be brought before the Board first. Mrs. Peerman commented that the property fit into the city center area and could possibly serve as parking for the Community Center if it were to be built on the former bank site.

Ms. Schwartz said she was in favor of purchasing it and she mentioned that it might need interior modifications. Mr. Nardi said the intent was the purchase of 24,000 square foot of land, but during due diligence, the MCRA would be able to determine whether anything could be used or consider other possibilities.

Chair Ruzzano asked the appraised value of the property. Mr. Nardi responded that it appraised at \$715,000. Chair Ruzzano said he understood the CRA concept, but he wished there was a plan for the property. He said more outreach needed to be done to find businesses who might want to come to Margate and partner with the MCRA.

Ms. Simone said she understood buying the land but she said the building had not been inspected to determine if it was worth anything. Board Attorney Tolces said the property was not being closed on immediately; rather, there would be a 90-day inspection period to look at the building and the property and do due diligence to make sure it was in a condition that the MCRA wanted in order to acquire it for the purchase price. After the inspection period was over, the MCRA has a 30-day period in which to close.

Ms. Simone asked if a precursory review had been done. Mr. Nardi said he had not gone inside the building. When the MCRA decided it had an interest in the land, the appraiser was contacted and they determined the value and the MCRA negotiated based on the appraisal. He said the MCRA felt it was purchasing the property under-value, as an opportunity purchase. He said there would be another opportunity for the Board to hear comments on what the inspections revealed.

Mr. Nardi commented that properties in Margate had been selling quickly. He said he and the Executive Director had looked at many properties over the past six months, and the last few that they had tried to put under contract had gone under contract with a third party prior to them even having an opportunity.

Mr. Caggiano asked what the appraisal of \$715,000 was based on. Mr. Nardi explained that there were three different approaches used: cost approach, that is the cost to build what existed; comparable sales within a certain area with a certain number of months; and, an income approach, i.e., what the property would yield if leased.

Ms. Simone asked whether the property was available for anything to be built there or was it for a specific use. Mr. Nardi said it would be based on the zoning. Ms. Schwartz commented that it was zoned TOC-C (Transit Oriented Corridor-Corridor). Mr. May said he would need to research it to determine what the zoning allowed and the exceptions.

There was back and forth discussion about possibly uses.

Rick Riccardi, 4829 South Hemingway Circle, asked what would be changed to make it so it was not blighted if the MCRA owned it. Mr. May said it would be to demolish the building and sod the property until the MCRA or another party found a use for it. He commented that with the MCRA as the owner, it could direct the use of the property whereas anyone else purchasing it could use the property for whatever the permitted uses allowed.

Manny Lugo, 1129 East River Drive, said he agreed with Ms. Simone. He said the MCRA was lost since the City Center was not happening and there was not a unified philosophy about what the MCRA should be doing in Margate. He said the MCRA should not be in competition with the free market unless there was a good purpose that benefited the community.

Mr. May read some of the objectives from the redevelopment policy in the Redevelopment Plan that supported the elimination of blighted conditions.

Mrs. Peerman asked if the property was large enough for the Community Center. Mr. May said it was not.

Mrs. Peerman said the prior vision of the MCRA was to buy all the properties along State Road 7. She said the Codes were changed to force people out of Margate so that the MCRA could buy the properties.

Ms. Schwartz commented that Margate needed massive redevelopment and amassing property along State Road 7 was in the MCRA's self-interest as many of the buildings were 55 years old and the definition of slum and blight. She was in favor of demolishing the subject building unless someone could make it work for something for which it was suited. Mr. Caggiano agreed.

Chair Ruzzano asked how long the MCRA had been in existence, how much property it had purchased, and whether there had been one piece of property developed. Mr. May said the Sports Complex development was the only one. Chair Ruzzano said it was hard to continue to buy property that was not being developed.

There was back and forth discussion about properties that had existed and been demolished in the past.

Ms. Schwartz commented that in order to make the City look different, unless the MCRA amassed land, there would no control over what went in and how it looked. Chair Ruzzano said that the MCRA could not say what it wanted built even it owned the property. Ms. Schwartz said the zoning could be changed and Chair Ruzzano said the zoning could be changed without MCRA ownership. Mr. May said if the MCRA owned the property it could sell it, lease it, or give it away to whomever it wanted. Chair Ruzzano disagreed. He said it was his understanding that if the MCRA wanted to put a steakhouse on a piece of property that it owned, the MCRA had to put out a Request for Proposal (RFP). Board Attorney Tolces said proposals could be solicited and then the MCRA could decide which proposal best met its goals and objectives and

the Redevelopment Plan. He said the MCRA could decide what was best, and it did not need to take the lowest bidder. He said the MCRA would take the proposal and the plan and negotiate the deal that the MCRA wanted for that property that best met its goals and objectives in its Redevelopment Plan.

Ms. Simone said she still was not in favor of buying a piece of property without knowing the plan for it, but she understood the ability of the MCRA having the control to pick and choose. She suggested a miniature golf course, a putt-putt.

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

Mr. May asked to have the signature page on page 23 of the contract amended to include a line for the Board Chair's signature. Board Attorney Tolces said the resolution provided for it.

A SHORT RECESS WAS TAKEN AT 8:39 PM; THE MEETING RECONVENED AT 8:50 PM

5A. DISCUSSION & POSSIBLE ACTION: CONSIDERATION OF ARTWORK (SCULPTURE) FOR WINFIELD BOULEVARD ROUNDABOUT

Cotter Christian, Project Manager, talked about the plans for building a roundabout on Winfield Boulevard. He said prior to the construction he had contacted a number of vendors to discuss various options and possibilities for artwork in the roundabout. He said there were many possible themes, but the history of Winfield Boulevard was taken into consideration and it was narrowed down to fishing themes; however, other options were available. Various images of statues were included in the meeting back-up and Mr. Christian presented them using PowerPoint. He showed a site drawing of a roundabout which highlighted potential locations for the statues. He said there was a sewer manhole located in the middle of the roundabout so a statue in the middle would not be possible but he discussed other areas where one could be mounted.

The Board members provided feedback on the statues that they preferred and several indicated that they wanted to have a water feature. Mr. Christian said the statues could incorporate water features but there might be some space limitations; however, small statues could be accommodated. He said the statues being shown were off the shelf but they could be custom made.

Sam May, Executive Director, said the ability to have a water feature in the roundabout needed to be determined. He said they might want to look at other areas besides the roundabout, possibly in the frontend or something back by the park which could accommodate a water feature. He noted that the park was not in the MCRA so that would be a City decision.

Ms. Schwartz commented that a statue of a boy fishing would not make sense if there was no water feature. Several Board members again stated that they wanted something with water; otherwise, the statues would need to be of something like a child picking flowers or sitting on the bench.

Chair Ruzzano asked the status of design of the project. Mr. Christian said the design of the roundabout was complete and the contract documents were currently being reviewed by Purchasing. Chair Ruzzano asked if the roundabout design included water and Mr. Christian said it did not include water at that point and it did not have drainage. Chair Ruzzano said the Board had been clear that it wanted a water feature.

Mr. May commented that there was a sewer manhole in the middle which presented a problem. He said possibly something could be done with a recirculating pump. Mr. Christian said there was irrigation going to the median so there was an opportunity for water. He said the manhole prevented them from putting anything in the middle of the roundabout. Mr. Christian said there was an opportunity to do something

along the edge between the landscaping and the hardscape by introducing water and rocks with the water coming down the rocks.

Chair Ruzzano said that having a manhole in the middle affected the whole plan and it changed what they had envisioned. When asked if the manhole could be moved, Mr. Christian responded that it would be substantial to do so. Chair Ruzzano said he asked to see the drawings before it went out to bid and Mr. May said it had not gone out to bid yet and that he was next in line in the process to see them. He said tonight's discussion was about the statues. Chair Ruzzano said the Board wanted the focal point to be in the middle of the roundabout. Ms. Schwartz said she recalled that there was to be cascading water as well.

Mr. May said the staff would need to come back to them with a redesign.

Mr. Caggiano asked whether it could be moved to another intersection, and Mr. May said that was a possibility and staff would need to determine what the utilities were in the other area.

Mrs. Peerman reiterated that the request was to have the statue in the middle of the roundabout and water. Mr. Christian said the issue was working around the sewer manhole and finding a solution for it.

Ms. Simone expressed frustration about having them select statues and then be told they could not have what they wanted because they did not have correct information.

Mrs. Peerman asked for additional pictures of statues that have water features to them for the next meeting. She said the size of the statues should be larger.

5B. DISCUSSION & POSSIBLE ACTION: PROPOSED SHOPPING CENTER PROPERTY IMPROVEMENT PROGRAM

David Tolces, CRA Board Attorney, read the item title.

Diana Scarpetta, CRA Project Specialist, said the program she would be presenting contained proposed ideas and staff was looking for their feedback and directive on how to move forward with them. She proceeded with a PowerPoint presentation which included the following elements:

1. Shopping Plazas in the Margate CRA facts:
 - 45 shopping plazas in the MCRA
 - average building square footage of 38,307
 - 23 shopping plazas have buildings over 20,000 square feet
 - most shopping plazas were built between the 1970's and the 1990'sShe showed a map of the MCRA district which highlighted the location of the shopping plazas
2. Examples of Current Conditions – she showed slides with images of five plazas
3. Proposed Program Highlights – she gave the program highlights, eligibility requirements, examples of eligible expenses, funding guidelines, and steps in the project approval process.
4. Next Steps – she spoke about potential participants, marketing, funding, and reporting

Mrs. Peerman said she was pleased to see Margate offering this program as she has seen it work in other CRA's.

Ms. Schwartz asked why the amortization period was not longer than seven years. Ms. Scarpetta said it was a policy decision. Ms. Schwartz said she thought ten years would be better because it was a sizable investment. She asked whether making handicapped accessible improvements on the exterior would force improvements on the interior. Sam May, Executive Director, said he did not think it would require every individual building to become ADA (American Disabilities Act) compliant. She asked whether something

could be added to tie it in ADA accessibility. Mr. May said tying it in would be great and staff would look into it.

Mrs. Peerman asked whether sidewalk repairs would fall under the new Design Guidelines. Ms. Scarpetta said the program was to provide MCRA funds and any improvements would need to follow all City codes and requirements. Mrs. Peerman asked that widening of sidewalks be a part of the guidelines. She also asked who would oversee the grants. Mr. May said they would be overseen by either the MCRA or Development Services. Ms. Scarpetta said the guidelines would establish all the requirements. Ms. Schwartz asked for close scrutinization and that there be a paper trail for accountability. She said this program needed to be contingent upon the Design Guidelines being passed. Mr. May said the program would not start until the Design Guidelines were in place. He said the MCRA wanted the shopping center façade improvements that it was doing to be the model for this program.

Ms. Schwartz commented that the MCRA should be under the purview of the new Development Services Director as he had a CRA background and more experience than the current Executive Director. Mr. May said he had not had that conversation with the new Development Services Director yet. She said economic development in the City needed to be under one person.

Mrs. Peerman said the MCRA and the City were two separate government entities. Mr. Caggiano said he agreed and it could be figured out. David Tolces, CRA Board Attorney, said typically there would be an interlocal agreement entered into between the City and the MCRA to provide for the cost sharing. He recommended that it be added to an upcoming agenda for formal action.

Chair Ruzzano asked if this would come back to the Board for approval. Mr. May said it would come back to them. Chair Ruzzano asked if there had been anyone that had already expressed interest in this program. Mr. May responded that Ralph Merritt, property manager for Carolina Springs shopping center was present that evening. He said the MCRA had reached out to him to discuss a potential tenant for the former Parrot Cove.

Chair Ruzzano asked why the grant would cover the cost of permits. Ms. Scarpetta said it was an incentive but it could be removed. He asked if the three bids would be obtained on these projects. Mr. May said the property owners would be handling the project, not the MCRA; the MCRA was providing funding. Chair Ruzzano commented about contractors just making up numbers and he asked how to prevent that from happening. Board Attorney Tolces said the MCRA would need to evaluate the bids and proposals. Mr. May said it would be a good idea to require they obtain three bids for each of their items.

Ralph Merritt, Asset Manager for Carolina Springs Plaza, said they had managed the property for 12 years. He said the property was owned by the same group of people since the early 1970's. He complimented the Board members for serving on the MCRA Board because they were often criticized and it required vision. He said he had met with his clients and the program got their attention. They told him that they were interested and asked him to get additional information. Mr. Merritt said they had no issue with the reimbursement program or providing the documentation. He commented, however, that the longer the payback period, the less attractive the program became for the property owners because it tied their hands in terms of ownership of the property. He said their view was that once the improvements were made, they were there regardless of who owned the property. He said a straight amortized payback was more acceptable. He said they thought it was a great program.

Ms. Schwartz commented that although their plaza had a Coral Springs zip code, they were part of Margate. She said she would love for the businesses to stop referring to themselves as being in Coral Springs. Mr. Merritt said he could not speak for the tenants, but any of his marketing materials showed them in Margate. He agreed with Ms. Schwartz's position.

There was a short discussion about the Stage Door Theatre. Mr. Merritt said it was a timing event. He said when Mr. May approached him about interest in the Stage Door; unfortunately, they had already signed an unsolicited offer to purchase the property four weeks earlier. He said it was purchased by a religious

organization with cash. Mr. Merritt commented that the Stage Door property and the old bowling alley and the parcel behind it were a mess and that he had notified Code Enforcement. He said his company had no authority over them as they did not own them. Ms. Schwartz asked Mr. May to address the problem.

There was a short discussion about the monument sign. Mr. Merritt said they had the largest monument sign that was allowed. It was suggested that they put up a second monument sign at another entrance. He said their main concerns were lighting, parking areas, and landscaping.

Ms. Schwartz asked if their investors would have paid to improve the lighting if these grant funds were not available. Mr. Merritt said they likely would not because the property was old.

There was a short discussion about IHOP and it was noted that it was a separate parcel and they could apply for the MCRA's regular façade grant because they were less than 20,000 square feet.

Mr. May said he was looking for consensus to move forward. Chair Ruzzano said yes with the items that were pointed out.

Ms. Schwartz asked for clarification on how it would work if a plaza that received the grant were sold, i.e., whether the remaining balance would be paid back. Mr. May said it could be set up where the grant was amortized over a certain period of time and they would pay back a prorated dollar amount over a seven or ten year period. Ms. Scarpetta said it could be structured as a vanishing loan. Board Attorney Tolces said that some programs had ten percent forgiveness every year for ten years. Ms. Schwartz said when a property with a grant was sold, she did not think the grant should be forgiven for the new owners because the entire benefit was for the people who just sold the property. She said some of it should be paid back. Mr. May agreed and said that amortizing it over the term of the agreement would require that they paid back a certain portion if sold before the grant ended.

5C. DISCUSSION & POSSIBLE ACTION: PROPOSED BUSINESS INCENTIVE

Diana Scarpetta, CRA Project Specialist, led off with a PowerPoint presentation which included the following:

1. Proposed Program Highlights-provided financial assistance to new and existing businesses to reduce the initial cost associated with the interior construction or renovation of the commercial operating space.
2. Eligibility Highlights-guidelines referenced minimum 2 year lease requirement but Ms. Scarpetta suggested increasing it to 5 years
3. Examples of Eligible Expenses-guidelines referenced permitting fees as eligible expenses but Ms. Scarpetta said they would be removed as had been suggested for the Shopping Center Program
4. Funding Guidelines
5. Project Approval
6. Next Steps - she spoke about marketing, funding, and reporting

Mrs. Peerman commented that it was her understanding that the MCRA paid for the permitting fees as part of the incentive. Ms. Scarpetta said that was correct; the permitting fees would not be waived. Ms. Schwartz and Mr. Caggiano commented that the businesses should have some buy-in.

There was a short discussion about the maximum funding limits. It was suggested that the maximum funding limit should be \$50,000 of which the MCRA would reimburse up to 80 percent. Ms. Schwartz asked why the reimbursement amount was 80 percent while the MCRA's other façade grants were 50/50.

Ms. Schwartz commented that possibly \$10 million could be spent on the Shopping Center Improvement Program to improve 14 shopping centers. She asked whether there was a limit on the number of applicants that would be accepted each year. Mr. Scarpetta said it would be based on the amount allocated in the budget each year. Ms. Schwartz commented that in addition to having the outside of the buildings looking good, the sewer and water lines under a 50-year old plaza would likely also be in need of repair or replacement. She said she wanted the MCRA to have funds to make infrastructure repairs and she asked that be kept in mind when awarding large grants.

Chair Ruzzano asked if the program should be changed to a matching grant program. Ms. Schwartz asked why the interior grant would be 80/20 while the outside façade program was 50/50. Mrs. Peerman commented that it was meant to be an enticement for new businesses to come into the City. Ms. Schwartz said the deal should be equitable for the MCRA as well as the new business. She asked how the MCRA would recoup funds that were given to a business when they went out of business after a few months. Ms. Scarpetta said when the business was the property owner, a lien could be placed on the property; and if a tenant, a personal guarantee or promissory note would be required. Ms. Schwartz commented that a personal guarantee was only worth what one had in the bank.

David Tolces, CRA Board Attorney, said typically in the case of tenants, there would be a UCC (Uniform Commercial Code) financing statement put on the equipment, as well as a personal guarantee. He agreed with Ms. Schwartz that it was only as good as the paper it was written on, and it cost money to pursue. Ms. Schwartz said putting a lien on the property would not be advantageous because the MCRA could end up with unneeded equipment if the next tenant did not operate the same type of business. She said it was important to have safeguards in place to protect the taxpayer's money. Mr. May said the 50/50 requirement made more sense and Ms. Schwartz asked the guidelines be amended as such.

Chair Ruzzano suggested a limit on the number of grants be placed in the budget. Ms. Scarpetta said the program would be available on a first come, first ready, first served basis, depending on funding availability.

Ms. Schwartz asked whether the guidelines should also indicate that it would be made available based on need versus want, such as those that were not ADA compliant.

Chair Ruzzano asked whether credit reports would be done on applicants. Ms. Scarpetta said the requirements included that new businesses would need to provide their personal tax returns, and existing businesses would need to provide their corporate tax returns for the past two years to show that the businesses were solid. She said, if necessary, perhaps an underwriter would be needed to evaluate the numbers.

Ms. Schwartz clarified that the maximum grant amount would be \$50,000 and it would be available on a 50/50 basis so the maximum amount paid out would be \$25,000 per grant.

6. EXECUTIVE DIRECTOR'S REPORT

Sam May, Executive Director, referenced an email that he sent them which included a link to a test version of a database that included commercial property vacancies. He demonstrated how to sign in and navigate the site on their Ipads to view properties in Margate that were available for sale.

Paul Robinson, Business Development Coordinator, stated that it was a web based application and the map had tabs for the City, the MCRA, and Development Services.

Mr. May explained that the Board members attending the ICSC Conference in Las Vegas would have a postcard that they could distribute which had a link on it for the website. Mr. Robinson said they would be able to contact Development Services if they had questions and he could provide them with details such as owner, square footage, contact information, etc. He said the program was developed in-house and Development Services would be maintaining it.

Mrs. Peerman asked whether it also included tenant spaces in the MCRA. Mr. Robinson said it only included properties that were vacant or for sale. Mr. Robinson said that information about properties for lease could be added, as well as MCRA properties.

Mr. May commented that MCRA staff had missed the opportunity to purchase a few properties in the past. He said the last discussion with MCRA Board about allowing the Executive Director to enter into negotiations should have been taken a step further to allow the Executive Director the ability to enter into and sign contracts pending the MCRA Board approval. He said while it would not be a binding contract, and the properties might have been lost anyway, it would have given the negotiations more bite to move forward with the contracts.

James Nardi, Advanced Asset Management, concurred with what Mr. May had just said. He added that the MCRA Board would still have the opportunity to disapprove. Mr. May said it would show property owners that the MCRA was serious. Mr. Nardi said there was a form contract provided by the MCRA attorney's office that could be used. David Tolces, CRA Board Attorney, said there would be a specific condition precedent in the contract during the inspection period that would require that the contract come to the MCRA Board for their consideration and approval. Mr. Nardi suggested it could also include a certain dollar amount for the escrow deposits as well.

Mr. Caggiano asked that all the Margate inspections be done by the time it came to the Board for a decision. Mr. May said that typically the MCRA was looking for buildings that it would tear down in which case it would conduct the environmental studies. If it were a building that would remain, he said the inspections would be done. Chair Ruzzano asked the Board members if they were in agreement and the Board members each gave consensus.

Mr. May said Diana Scarpetta had reached out to Florida Power and Light (FPL) to obtain a pricing for undergrounding all electric power lines in the MCRA area. Diana Scarpetta, CRA Project Specialist, said she requested a cost proposal from FPL for undergrounding the utilities. She said it would take between 8 to 12 weeks to receive. She said FPL said the MCRA could reach out to Comcast and AT&T after they provide their estimate.

Mr. Schwartz suggested that the Executive Director speak to the City Manager about talking to FPL about working out the situation regarding the FPL easement at one of the City's fire stations.

Mr. May asked the Board members that had not reviewed the artwork for the utility boxes to do so the MCRA could proceed with the project.

6A. TENANT UPDATES

James Nardi, Advanced Asset Management, advised that there were seven tenants that still owed May rent, and two tenants that also owed for April. He said both had been given three-day notices.

He said the vacant restaurant had been shown a few times in the past 30 days but nothing further.

Ms. Schwartz asked if Sweet Spot had opened yet. Mr. Nardi said it had not but inspections had been completed and they were supposed to be opening by week end.

Ms. Schwartz asked if a month's free rent was given to everyone. Mr. Nardi said in general it did not but in the case of the barber shop, their lease was being renewed and they had just done their floors. He explained that the MCRA had paid for an air conditioner repair 18 months ago and it spread the expense over the balance of their lease and they paid it, so their base lease rent remained the same.

7. BOARD MEMBER COMMENTS

Mrs. Peerman asked whether the MCRA could finish the wall on both ends of Atlantic Boulevard because it currently went up to the bridge and stopped and the other side of the bridge looked bad. On the north end, she said it also looked incomplete. Sam May, Executive Director, said he would speak with the Director of D.E.E.S. to see if there was any reason that would prevent the MCRA from doing so. There was a short back and forth discussion about the areas where the wall needed to be finished and it was agreed that it was from the traffic light at N.W. 76th Avenue going west to N.W. 77th, and from the bridge up to N.W. 69th. Ms. Schwartz commented that it had been a 50/50 project with Broward County and she suggested Mr. May contact them. Mrs. Peerman said the MCRA would have to get agreement from the homeowners. Ms. Schwartz said the School Board of Broward County refused to allow the wall by Margate Middle School and the homeowner across the street from the school also refused to allow it.

When asked by Chair Ruzzano if he was in agreement with the wall, Mr. Caggiano said he felt walls did the opposite of what they were intended to do in that they trapped people instead of giving them freedom. Ms. Simone said she was in agreement with the extending the wall.

Ms. Simone said she was excited to see things moving in the right direction including the wayfinding signage, the City wide design guidelines, and the shopping center and business incentive programs.

Mr. Caggiano said he was sad to have to say good-bye to Adam and he wished him good luck and thanked him for his years of service.

Chair Ruzzano wished Adam good luck, thanked him for his service and said he had enjoyed working with him.

Chair Ruzzano commented about the overhead power lines at the former Swap Shop property, a site for future development. Mr. May said U.S. 441 and the commercial area would be part of the plan to underground the utilities.

There being no additional business, the meeting adjourned at 10:32 p.m.

Respectfully submitted,

Transcribed by Rita Rodi, CRA Coordinator

Tommy Ruzzano, Chair