

# COMMUNITY REDEVELOPMENT AGENCY BOARD

## SPECIAL MEETING September 27, 2018

### MINUTES

#### Present:

Arlene Schwartz  
Lesa Peerman  
Joanne Simone (via telephone)  
Anthony Caggiano, Vice Chair  
Tommy Ruzzano, Chair

#### Also Present:

David Tolces, Goren, Cherof, Doody & Ezrol, P.A.  
Robert Massarelli, Assistant Executive Director

The special meeting of the Margate Community Redevelopment Agency having been properly noticed was called to order at 6:07 p.m., on Thursday, September 27, 2018, by Chair Tommy Ruzzano. Roll call was taken followed by a moment of silence and the Pledge of Allegiance.

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#### 1A. **RESOLUTION 573:** APPROVING FISCAL YEAR 2018-2019 ANNUAL BUDGET

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

#### **MOTION:** SO MOVE TO APPROVE

Mr. Caggiano asked about the increase in Professional Services-Legal. Robert Massarelli, Assistant Executive Director, stated that the MCRA wanted to ensure it had adequate funds if the legal process on the City Center was accelerated.

Mr. Caggiano asked for an explanation of the Sinking Fund. Mr. Massarelli explained that the funds were to pay on the principal and interest for the two bonds issued.

Mr. Caggiano said it was his understanding that the MCRA was going to use ten percent as the calculation for determining design fees for the capital projects, yet almost all the projects exceeded that percentage. He said he was hoping to free up funds for other projects. Mr. Massarelli explained that each project had different aspects to it which might require environmental permits and studies and those costs would exceed ten percent. He explained that a parking garage was not a simple design and it would cost more due to the engineering involved. Mr. Caggiano asked if there were plans at this time to design it or whether the design fees could remain at ten percent so the funds could be used elsewhere. Mrs. Peerman said it could be done but she cautioned against crossing the line.

Ms. Schwartz referenced page 22 [City Center-Enhanced Bike/Pedestrian Crossings], and questioned the expenditure of \$1 million dollars over a three-year period to paint crosswalks at existing intersections. Mr. Massarelli said in addition to the striping, it also included curbing, handicap accessibility, signage, lighting, sidewalk improvements, etc., along State Road 7 and the downtown area. Ms. Schwartz commented that the City was mandated to do curb cuts for handicap access and had done them over the years. Mr. Massarelli explained that it was an estimate that would be further defined once a detailed evaluation was done. She said it was her hope that if City staff could provide the services for less, the MCRA would use them and arrange for reimbursement to the City through an interlocal agreement. Mr. Massarelli agreed that the MCRA would look at other resources, including grants and City staff, as it got more involved in each specific project. He explained that it was a high level budget for their review.

Mr. Caggiano asked if the budgeted numbers could be reviewed midway through the year to see if adjustments could be made. Mr. Massarelli said there would be opportunities to do budget transfers during the year. He said there would be a budget amendment in November that would include the fund balance of close to \$1 million from the current fiscal year and it would be an opportunity to review priorities further.

Chair Ruzzano asked whether the collective budget for the City Center project was real. He asked whether the money the MCRA would receive from the sale of the parcels was the same money that had been budgeted. Mr. Massarelli directed him to page 13 of the budget which showed a five year summary of the capital improvement projects. He said the line for Land Sales showed a projection of \$4 million in 2020 and \$3.3 million in 2022. He emphasized that the MCRA was able to fund \$6 million worth of non-City Center projects in fiscal year 2019-2020, but thereafter, all of the available funds would be allocated to the City Center. He said there would be no projects outside the City Center area.

Mrs. Peerman asked if the incoming Tax Increment Financing (TIF) funds were also included. Mr. Massarelli said it was being estimated at \$2.2 million in TIF because although \$7 million was received, \$5 million was taken up with fixed costs. He said each year, the Board will evaluate where it stood in terms of its costs and the status of the litigation and it would make adjustments accordingly. Mr. Massarelli said he was told when he started that the MCRA had a lot of money to spend but he learned that there were a lot of commitments that tied it up.

Ms. Schwartz questioned the Land Sales total of \$7,385,200 and said that she had always understood that it was a \$10 million land sale. Mr. Massarelli explained that it was five-year projection and phase three would occur after the five year period. He confirmed that there were three separate sale dates and closings and three separate payments. David Tolces, Board Attorney, referenced the critical path schedule (Exhibit D of developer agreement) and he said there were separate closings for each of the three phases.

Mr. Caggiano commented that the MCRA would have no funds remaining for other projects if the City Center project moved forward. Mr. Massarelli acknowledged there would only be funds for maintenance available. Mrs. Peerman commented that the MCRA would start earning TIF on the buildings as well as the land. Attorney Tolces clarified that the property would not come on the tax roll until a Certificate of Occupancy was received. There was a short discussion about private public partnerships.

Chair Ruzzano asked about the status of the Sports Complex bids. Mr. Massarelli said the current budget was for \$2 million and the bids ranged from \$3.4 million to \$4.3 million. He said staff would do a thorough review of the bids to fully understand the costs and he suggested waiting until November when the Fund Balance was available and to then review other priorities to see where monies could be shifted. He said Consultants' Competitive Negotiation Act (CCNA) requirements also needed to be taken into account before proceeding. Chair Ruzzano said he did not understand how the number increased so much and he asked how it was bid. Mr. Massarelli said staff needed to review it to understand all the components that were included in the bid.

Mrs. Schwartz questioned the difference in funding allocated for the Ace and Chevy Chase plazas and Mrs. Peerman explained the rationale. Ms. Schwartz asked if paving would be part of the Ace plaza improvements. Mr. Massarelli spoke about the various improvements that were planned, noting that some things were critical and others were aesthetic. He said the MCRA might not be able to do as much façade work as it would like, but a summary of the issues and costs would be presented to the Board to prioritize improvements.

Ms. Schwartz asked Chair Ruzzano what he thought paving Ace plaza would cost. Chair Ruzzano said he had recommended to the Executive Director to get separate contractors for paving, painting, and the façade work versus getting a general contractor as it would be less expensive. The number he said he heard being discussed for the asphalt was about \$100,000. He said the painting might be \$70,000-\$80,000 for the painting and \$100,000 to wrap the columns in stone. He said the Executive Director indicated that the improvements could be handled as repairs and, if so, the project could be done by January 1, 2019. He said the Chevy Chase plaza might be done differently because it had other issues such as roofing.

Mr. Caggiano commented that the City had a bathroom that had been paid for that could possibly be sold or leased to the MCRA for use at the Sports Complex or David Park. Mr. Massarelli said he would look into it.

Ms. Simone asked if an answer had been received on the condition of the underground infrastructure at Ace plaza. Mr. Massarelli said the camera work had been completed but the MCRA had not received a report as of yet.

Ms. Simone said she had spoken with a resident about the Winfield Boulevard roundabout not being done and the resident said it was needed and asked what would be done to slow the traffic. She said she had asked that a traffic study be done. She questioned whether a roundabout would slow traffic and, if not, was there another solution were funds available in the budget for it. Mr. Massarelli said that Police Chief Shaw was conducting a traffic study to

identify the problem. He said there were alternate methods to address traffic calming and the issue would be discussed further based on Chief Shaw's evaluation.

Ms. Simone asked Mr. Massarelli his opinion about whether the roundabout would slow traffic. Mr. Massarelli said a roundabout on the eastern end of Winfield Boulevard would not do much to slow traffic on the west end which had a long, straight run and was more apt to have speeding issues. He noted that the west end and much of the area was outside the MCRA so its ability to provide assistance would be limited. She said a solution was needed for the residents and the solution needed to be included in the budget. Chair Ruzzano said the rumble strips were about \$100 apiece plus installation and they were movable. He said the beautification of the entryway and the rumble strips could be incorporated together. She suggested adding a sign that showed one's speed and/or adding blinking lights might work as deterrents and expressed a concern about having available funds in the budget. Chair Ruzzano said funding would be found.

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

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There being no additional business, the meeting adjourned at 6:51 p.m.

Respectfully submitted,

Transcribed by Rita Rodi, CRA Coordinator

Tommy Ruzzano, Chair