

COMMUNITY REDEVELOPMENT AGENCY BOARD

SPECIAL MEETING July 15, 2019

MINUTES

Present:

Arlene Schwartz
Antonio V. Arserio
Joanne Simone
Anthony Caggiano, Vice Chair
Tommy Ruzzano, Chair

Also Present:

Cale Curtis, Interim Executive Director
Brian Sherman, Goren, Cherof, Doody & Ezrol, P.A.
Robert Massarelli, Assistant Executive Director
Cotter Christian, Project Manager
Jeffrey Oris

The special meeting of the Margate Community Redevelopment Agency having been properly noticed was called to order at 6:04 p.m., on Monday, July 15 2019, by Chair Tommy Ruzzano. Roll call was taken. There was a moment of silence followed by the Pledge of Allegiance.

1A. **RESOLUTION 604:** APPROVING AN EMPLOYMENT AGREEMENT WITH JEFFREY ORIS AS THE EXECUTIVE DIRECTOR OF THE MARGATE COMMUNITY REDEVELOPMENT AGENCY AND APPOINTING A DESIGNEE IN THE ABSENCE OF THE EXECUTIVE DIRECTOR

Brian Sherman, Board Attorney, read the resolution title and he suggested that the designee be named first. Chair Ruzzano said he and the Board wished to ask Mr. Oris a few questions prior to making a decision. Attorney Sherman agreed that the Board could ask questions first.

Jeffrey Oris came up to the podium. Chair Ruzzano stated that the position was advertised as part-time and he understood that Mr. Oris wanted to have health insurance. Mr. Oris said that initially he did want it but that he did not want it to be an issue and it could be revisited in the future. He said that he was okay with the agreement as it stood. Cale Curtis, Interim Executive Director, explained that the contract that had been sent to the Board the previous week was a starting point for discussions but the matter had been since resolved and the contract before them was acceptable to Mr. Oris.

Chair Ruzzano asked Mr. Oris if he wanted the position to be full time and Mr. Oris said he would see how it went and that it was not really where he wanted to go. He said that during his time in the MCRA, he would like to find the right person who would be able to take over if or when that time came.

Chair Ruzzano asked whether the current staffing level was adequate and Mr. Oris said he would need to evaluate the work load and projects first. Chair Ruzzano asked Mr. Oris if he had any affiliation with New Urban Development and Mr. Oris said that he did not.

Mr. Arserio asked Mr. Oris if he worked or consulted with New Urban or 13th Floor Lennar and Mr. Oris said that he did not.

Mr. Oris referenced the agreement and pointed out that he had the right to do some outside consulting. He said he would provide the list of his current clients and that he did not see any conflict of interest with any of them.

Chair Ruzzano asked Mr. Oris if he had a recommendation on a person to serve as his back-up to which Mr. Oris said he did not. He suggested the Board choose a person for immediate purposes and then revisit it over the course of the following month.

Attorney Sherman referenced section 7 of the agreement which stated that Mr. Oris was entitled to perform consulting work provided it did not conflict with his duties as the MCRA Executive Director, the goals and objectives of the MCRA, and the City of Margate. Under section 2D, he said the MCRA Board would evaluate his performance at the November, 2019 MCRA meeting for purposes of any adjustment or amendment to the agreement.

Chair Ruzzano asked Mr. Curtis if he had a recommendation for the designee. Mr. Curtis said it could remain as his name until such time that Mr. Oris had a chance to evaluate and make another selection recommendation.

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

MOTION: SO MOVE TO ADD CALE CURTIS AS DESIGNEE

Dara Kustler, resident, asked Attorney Sherman to speak a little slower.

Mr. Oris asked if the starting date in his agreement could be changed to July 22, 2019 due to some prior commitments.

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

In reference to the employment agreement, Ms. Schwartz made the following motion, seconded by Mr. Caggiano:

MOTION: SO MOVE WITH AGREEMENT TO BEGIN ON JULY 22, 2019

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

2A. **DISCUSSION & POSSIBLE ACTION:** PRESENTATION AND DISCUSSION ON THE FISCAL YEAR 2019-2020

Ms. Schwartz suggested allowing additional time for the Board and Mr. Oris to review the budget. Cale Curtis, Interim Executive Director, explained that the intent was to have that evening's discussion be a workshop to discuss the contents of the budget and that it would come back to them in the future for further discussion and then adoption. Several Board members commented on the format, timing, and the variances in some of the costs.

Brian Sherman, Board Attorney, explained that the meeting was originally scheduled as a Workshop but was changed to a Special meeting to include the approval of an agreement with Mr. Oris.

Robert Massarelli, Assistant Executive Director, explained that the purpose of the workshop meeting was to identify the Board's priorities, i.e., capital projects, grants, debt reduction, etc. He said there would be more detailed discussions in August prior to budget adoption in September, and he would work closely with Mr. Oris on it.

Mr. Massarelli proceeded with a PowerPoint presentation on the proposed budget for fiscal year 2019-2020. Some of the highlights were:

Revenues—he showed a slide that identified the various revenue sources including tax increment funding, rental receipts, and interest income. There was a short discussion about the possibility of charging Common Area Maintenance fees which would affect rental revenues. Overall he said there was a projected increase in revenues of \$500,000.

Operating Fund Expenditures—he showed a slide that broke expenses out by category. He explained that the City Offsets amount was provided by the City which he said would be affected by potential staffing changes in the MCRA. Chair Ruzzano asked about the large increase in City Offsets since 2017. Mr. Massarelli said a detailed summary of the Cost Allocation Study could be provided. He said he would work closely with Mr. Oris on reviewing the Study and the calculations. In the past, he said that the City Offsets was a number that was given to and accepted by the MCRA. Jeffrey Oris advised the Board that the numbers would be thoroughly reviewed and he said that he had a template from another city that he would share which outlined when it was appropriate for the MCRA to give money to the City for MCRA activities.

Mr. Massarelli spoke about some of the other adjustments that were being proposed for the Operating Funds accounts which included reductions in Professional Services-Legal, and Marketing and Events due to elimination of Groove and Green, slight increase in Property Maintenance, reduction in Grants, and an increase in Contingency to give Mr. Oris some flexibility to refine the budget.

He commented that there might be about \$830,000 remaining from the Operating Fund to transfer to the Capital Projects account.

He showed slides that summarized the expenses associated with Marketing, Promotions & Events, Property Maintenance, and Grants. A short discussion ensued about the current grant programs and the need to specify deadlines for any prospective applicants in order to budget accurately. Mr. Massarelli explained the challenge of budgeting for grants a year out because the businesses that might apply was an unknown. Mr. Oris said he would look at the grant programs and ensure there were deadlines as part of the guidelines.

Debt Service--he explained that it was used to pay the debt service on the loan the MCRA took years earlier.

Capital Projects Revenue—he explained it included interest, a transfer from the remainder in the Operating Funds account, and a transfer from Fund Balance. In total, he said there was approximately \$9 million available for capital projects. He identified the major capital projects which included the Sports Complex at about \$3.5 million, Chevy Chase Plaza improvements of \$607,950, Atlantic Boulevard improvements, and Wayfinding signage. He said the balance was tied up with the City Center projects and he showed a list of them which totaled \$3.2 million. He said they had been adjusted for inflation. He said an additional \$5 million was allocated for the Parking Garage. He said he would be working closely with Mr. Oris on how to best allocate funds for the City Center and other capital projects.

Chair Ruzzano asked the status of the Sports Complex. Cotter Christian, Project Manager, said a price of \$3.2 million had been received from the top choice contractor and staff would be meeting with them the following Thursday to evaluate the price in detail. Chair Ruzzano asked that it be finalized as soon as possible.

Chair Ruzzano asked why no funds had been budgeted for Neighborhood signs. Mr. Massarelli explained that there were limited funds available and that some of the monies budgeted for Wayfinding Signs could be used for Neighborhood Identification signs.

Chair Ruzzano questioned why \$8.2 million was being held for the City Center and Mr. Massarelli responded that it was being held aside at the recommendation of the MCRA attorney.

Ms. Schwartz questioned the capital projects that had been budgeted for in 2019 but were not budgeted for in 2020. Mr. Massarelli explained that the Public Art project was deemed to be complete as direction had been received from only two Board members; the Copans Road project had been completed; the Colonial Drive project had been completed; and funds for the Winfield Boulevard sign would be encumbered in 2019.

Mr. Arserio questioned why funds had not been budgeted for additional Copans Road landscaping. Mr. Massarelli explained that the project had been completed properly and that the purpose of the workshop was to determine what projects the Board wished to budget for in the next year. He explained the steps that would be needed with the County for additional landscaping. Chair Ruzzano commented that the process with the County should not be an issue. Mr. Massarelli mentioned several other possible landscaping projects in the MCRA including landscaping on the east side of State Road 7 at the former Swap Shop to deter trucks from parking there. Ms. Schwartz suggested that staff come back to the Board with recommendations, particularly for the major medians that are gateways to the City where new signage was planned. Mr. Massarelli said there were limited funds available but staff would come back to the Board with a list of potential projects and costs for them to prioritize.

Mr. Arserio asked why a more holistic approach was not taken when projects were done such as including pressure cleaning of sidewalks and curbing or trimming surrounding trees. Mr. Massarelli explained that MCRA funding could not be used for general government maintenance operations. Mr. Arserio suggested that the MCRA coordinate its activities with the City.

Grants--Mr. Massarelli said there was \$1.1 million available in Grants and about \$5 million in Capital Projects. He said if additional capital projects were desired, funds would need to be taken from Grants, and he would work closely with Mr. Oris to achieve the right balance. He said the City Center projects would be looked at as well. Also, he commented that the City Offsets would be reviewed closely, noting any adjustments that might be needed would affect the City.

Mr. Ruzzano told Mr. Oris that the three areas of most interest to him were the \$8 million that was being held for the future development of the City Center, Grants, and City Offsets. He said he would like to see some beautification done on the south end of Margate.

Each of the Board members either congratulated or welcomed Mr. Oris as the new Executive Director.

Mr. Oris said he was in the process of scheduling a meeting with the attorneys on the City Center project to understand the restrictions that applied to both State Statute and the litigation. He mentioned that he had a template used in Fort Myers that could assist with the City Offsets and ensure the MCRA had proper documentation. He said he would see if the Florida Department of Transportation (FDOT) would be able to provide financial assistance for beautification projects.

Several Board members shared their thoughts with Mr. Oris. Ms. Simone expressed a concern about the projected legal fees for the upcoming year. Mr. Arserio commented that he was a big proponent of landscaping because curb appeal was one of the cheapest ways to increase property values. Ms. Schwartz recommended architectural standards and a color palette.

Mr. Ruzzano suggested arranging a shade meeting so that Mr. Oris could be brought up to date on the litigation. Brian Sherman, Board Attorney, said that Mr. Oris would be meeting with attorney's Doody and Tolces to discuss the New Urban litigation at which time the Board's comments about a shade meeting would be shared, and then a request could be brought back to the Board to hold shade meeting.

Julie Jones, 7871 N.W. 1st Street, commented that she had introduced a woman, Latisha, to Chair Ruzzano and she said told him that the landscaping in the City of Margate needed improvement.

Manny Lugo, 1129 East River Drive, commented that it was his understanding the Community Redevelopment Agency was established as a housing program yet it did not seem to be helping any of the residents in the district. He said consideration needed to be reoriented from businesses and beautification to the residents of the MCRA. He said the canals and waterways in the MCRA needed to be evaluated. Ms. Schwartz commented that homes in the MCRA had been rehabilitated in the past. Mr. Lugo said there were many more that needed to be rehabbed, and help was needed particularly with the canals.

Dara Kustler, 551 N.W. 76th Terrace, suggested the MCRA reach out to the University of Florida's Master Gardener's program through the Institute of Food and Agricultural Science (IFAS) for assistance with Florida friendly landscaping.

Steve Wherry, 200 East Broward Boulevard, said he aware that the MCRA had been working on a new business incentive program for the past several months and that it was almost done. He said there were businesses that were very interested and they were waiting for it to be finalized. He asked for clarification on the grant reimbursements levels and/or amounts as well as the timetable for release of the program.

Mr. Massarelli said the program's reimbursement amount was for five percent (5%) up to \$500,000, and the program would be brought back to the Board at the August meeting. Chair Ruzzano asked if the program could come back to the Board sooner because Mr. Wherry had a business that was interested in it. He asked if the Board had any problem moving the program up to ten percent (10%) or \$500,000, noting that another MCRA grant program offered 80 percent up to \$750,000. Mr. Massarelli noted that another major difference between programs was the inclusion of land costs.

Chair Ruzzano asked if the other program [80% up to \$750,000] had been sunset. Mr. Massarelli said the Board's direction was to sunset it at the end of the year, adding that Carolina Plaza was still being pursued and that the owner had hired an engineer to assist with the application. Ms. Schwartz suggested that the program be placed on next month's agenda to discuss.

5. BOARD MEMBER COMMENTS

None of the Board members had comments.

There being no additional business, the meeting adjourned at 7:38 p.m.

Respectfully submitted,

Transcribed by Rita Rodi, CRA Coordinator

Tommy Ruzzano, Chair