

COMMUNITY REDEVELOPMENT AGENCY BOARD

REGULAR MEETING

March 11, 2020

MINUTES

Present:

Arlene Schwartz
Antonio V. Arserio
Joanne Simone
Anthony Caggiano, Vice Chair (via phone)
Tommy Ruzzano, Chair

Also Present:

Jeffrey L. Oris, Executive Director
Chanae Wood, Weiss Serota Helfman Cole & Bierman
James Nardi, Advanced Asset Management

The regular meeting of the Margate Community Redevelopment Agency having been properly noticed was called to order at 7:07 p.m., on Wednesday, March 11, 2020, by Chair Tommy Ruzzano. Roll call was taken. There was a moment of silence followed by the Pledge of Allegiance.

Chair Ruzzano asked the Board members if they were in agreement with moving item 4A to be heard first, and general consensus was given.

4A MOTION: ACCEPTANCE OF THE MCRA'S INDEPENDENT AUDITOR'S REPORT FOR FISCAL YEAR 2019

After Chanae Wood, Board Attorney, read the item title, Ms. Schwartz made the following motion, seconded by Mr. Caggiano:

MOTION: SO MOVE TO APPROVE

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

1A. MINUTES FOR APPROVAL - (2/12/20 Regular)

After Chanae Wood, Board Attorney, read the item title, Ms. Simone made the following motion, seconded by Mr. Arserio:

MOTION: SO MOVE TO APPROVE

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

2. PUBLIC DISCUSSION

Alex Ameng, Latin Café, requested three things from the Board: to erect a flag pole to display the American flag and their national flag; to have a tree that was located in the front of the building either removed or trimmed back because it covered their signage and impeded visibility; and, to add their restaurant name to the marguee in front of the plaza.

Mr. Ameng's son, Angel Ameng, commented that their business had been struggling the past eight months and they were looking at different ways to generate business. He said he looked into putting flags on top of the building but the cost was \$400 each. He said they would like to have two or three flags: American, Cuban, and maybe Puerto Rican. He commented about how the tree blocked their sign for people traveling south on U.S. 441.

Jeffrey L. Oris, Executive Director, commented that he knew nothing about the tenant's issues and that they should have come through staff before going before the Board. Alex Ameng apologized and said that he did not know the procedure. He said he had always communicated with Jim Nardi, the property manager, but did not think about bringing it up to him earlier.

Mr. Arserio asked to have the tree checked out. He said he was not opposed to the flag pole and that Mr. Ameng should work with staff as he would need to go through the proper channels in order to put up a flag pole.

Ms. Schwartz asked the location of the flag pole and Angel Ameng said there was a patch of grass in the front right where the tree was located. She commented that a flag pole would block their sign like the tree did. He said they could look at putting it on the other side. She asked about their hours and he said they had tried opening in the evening but they had issues with staff and had to discontinue being open at night.

Chair Ruzzano asked the Board for consensus on having the MCRA look into purchasing a large flag and having it installed on CRA property. Ms. Simone did not agree and said it would start to set a precedent. Mr. Caggiano commented that what the Chair was asking did not address the tenant's issues. Chair Ruzzano said he was not addressing the tenant's question; rather, he was asking about a flag pole in general to be placed on the MCRA property, maybe close to U.S. 441. Mr. Caggiano said he had no problem with the MCRA looking into it, but he wanted to talk to the tenant about his issue.

3A. **RESOLUTION 630:** APPROVING THE BUSINESS LEASE AGREEMENT BETWEEN THE MCRA AND MARGATE BOULEVARD HARDWARE STORE, INC., FOR THE PROPERTY LOCATED AT 5833B, 5841, 5861, AND 5865 MARGATE BOULEVARD; AND APPROVING THE BUSINESS LEASE BETWEEN THE MCRA AND MARGATE BOULEVARD HARDWARE STORE, INC. FOR THE PROPERTY LOCATED AT 5823 MARGATE BOULEVARD.

After Chanae Wood, Board Attorney, read the resolution title, Mr. Caggiano made the following motion, seconded by Ms. Schwartz:

MOTION: SO MOVE TO APPROVE

Ms. Simone asked for staff's recommendation. Jeffrey L. Oris, Executive Director, said staff's recommendation was iffy on it because it offered limited financial benefit to the MCRA but the reordering of the tenant spaces was beneficial. Mr. Arserio asked whether the proposed lease agreement covered the MCRA's costs since their rent was very low. Mr. Oris said it depended on the numbers used to analyze the costs, but it was probably close to breakeven. He pointed out that they were the anchor tenant for the plaza.

Mr. Oris showed a diagram of the Ace plaza tenant spaces on the Mondopad and he explained how the tenant would be relocating its business from some of its current spaces to other spaces in the same plaza and the associated lease terms. He said the overall cost of the lease would not be changing as the tenant was swapping out 3,200 square foot for 3,200 square foot.

Noor Vallyani, Ace Hardware, said that they had been located in Margate for 60 years. Chair Ruzzano thanked him for continuing to be an anchor tenant at the plaza and for being in the City for 60 years. Mr. Vallyani said he would be putting in five air conditioners at his expense and he asked if the MCRA could pay for the permitting fees. Chair Ruzzano said he did not think the MCRA could pay the fees but he would not have a problem with reimbursement of the fees. Chair Ruzzano passed the gavel to Ms. Schwartz and made the following amendment to the motion, seconded by Mr. Caggiano:

AMENDMENT: TO INCLUDE PERMIT FEES FOR AIR CONDITIONERS FOR REIMBURSEMENT BY THE MCRA

There was a short discussion about the cost of the permit fees and Mr. Oris said they would be about \$1,000.00. He said it was not included in the lease because staff had given the tenant a rebate of one month's rent on all of their spaces which had an approximate value of \$7,000.00.

Mr. Oris explained that Mr. Vallyani had come before the Board previously and an agreement that had been reached but Mr. Vallyani had not moved forward on it, and this was a new deal. Mr. Vallyani said the Board had agreed to handle the permit fees last year.

Mr. Arserio said he appreciated the tenant's 60-year history but the MCRA was giving away the space below cost at \$7.00 per square foot, and it could easily get three times as much.

ROLL CALL

ON AMENDMENT: Ms. Simone, No; Mr. Arserio, No; Ms. Schwartz, Yes; Mr. Caggiano, Yes; Mr. Ruzzano, Yes. The motion passed 3-2.

**ROLL CALL ON
MOTION AS
AMENDED:**

Ms. Simone, No; Mr. Arserio, Yes; Ms. Schwartz, Yes; Mr. Caggiano, Yes; Mr. Ruzzano, Yes. The motion passed 4-1.

3B. RESOLUTION 631: APPROVING THE EMPLOYMENT AGREEMENT WITH JEFFREY ORIS

After Chanae Wood, Board Attorney, read the resolution title, Ms. Schwartz made the following motion, seconded by Ms. Simone:

MOTION: SO MOVE TO APPROVE

Mr. Arserio commented that the contract should be allowed to expire as it would allow for a fairer hiring process. He said he had spoken with Cale Curtis and he said he would be able to manage the MCRA during the job search. Chair Ruzzano asked when the contract was set to expire, and Jeffrey L. Oris, Executive Director, said he thought it was March 21, 2020. Chair Ruzzano said some applications had been received for the position and he understood Mr. Arserio's comment about a fair selection process.

Ms. Schwartz said it would likely take two months to get someone else, and she preferred to keep Mr. Oris until such time someone else was found, if that were the choice.

ROLL CALL: Ms. Simone, Yes; Mr. Arserio, No; Ms. Schwartz, Yes; Mr. Caggiano, No; Mr. Ruzzano, No. The motion failed 2-3.

3C. RESOLUTION 632: APPROVING THE FIRST AMENDMENT TO THE AGREEMENT FOR THE PURCHASE AND SALE AGREEMENT FOR THE SALE OF THE PROPERTY LOCATED AT 6280 WEST ATLANTIC BOULEVARD WITH IGS HOMES, LLC TO PROVIDE A CHANGE IN THE NAME OF THE PURCHASER TO 6280 WAB, LLC

After Chanae Wood, Board Attorney, read the resolution title, Ms. Simone made the following motion, seconded by Mr. Arserio:

MOTION: SO MOVE TO APPROVE

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

5A. DISCUSSION AND POSSIBLE ACTION: APPEAL OF DISALLOWED GRANT REIMBURSEMENT FOR THE TRUONG PROPERTY MANAGEMENT, LLC (VO AN RESTAURANT)

After Chanae Wood, Board Attorney, read the item title, Jeffrey L. Oris, Executive Director, explained that the petitioner, Truong Property Management, had submitted a reimbursement request for windows and the contract between the business owner and the contractor indicated a deposit of 50 percent with most of the remaining funds due at the time of installation, and \$1,000 due upon final inspection. He said the petitioner received approval of the grant in March, 2019, signed it in May, 2019, but the deposit on the windows was placed in November, 2018 and the remaining balance was paid in December, 2018 before the grant was received. He further explained that there were several other instances where deposits were made prior to when the grant was made, however, it was opined that those deposits would be allowed for reimbursement due to the way in which the grant was worded provided that the work had not been done. He said he, the Finance Department, and the MCRA's legal representation had concerns about paying for the windows because they had been paid in full before the grant was approved.

Ms. Schwartz said she initially was not in favor, but after she reread the application and program, she saw that the program had been in existence prior to the time the petitioner had bought and paid for the windows, and those expenses would likely have been reimbursed had they been in the proper timeframe.

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

MOTION: TO APPROVE THE DISALLOWED AMOUNT FOR THE WINDOWS AT THE LEVEL ALLOWED BY THE PROGRAM

Mr. Caggiano asked for clarification on staff's recommendation, and Mr. Oris said staff did not recommend approval.

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

5B. DISCUSSION AND POSSIBLE ACTION: APPLICATIONS FOR EXECUTIVE DIRECTOR POSITION

After Chanae Wood, Board Attorney, read the item title, Chair Ruzzano commented that copies of 19 job applicants, including one for Jeffrey Oris, had been distributed to the Board. He asked the Board members for their ideas on how they wanted to handle them.

Mr. Arserio commented that he would like use a ranking process similar to what was done for the city attorney where each Board member selected their top three candidates and whoever had the most tally's got interviewed. Chair Ruzzano asked the Board about holding a short meeting the following week to determine the top three. Mr. Arserio suggested having staff distribute tally sheets to the Board members to mark up and then submit to the Executive Director [Acting] or to Human Resources and they could set up interviews. A meeting could then be held to decide.

Ms. Schwartz commented that the job application needed to be redesigned because it was not a useable document if someone did not include their resume.

Ms. Simone said that one of the most important questions about knowledge of Chapter 163 was not on the application.

Mr. Arserio suggested they continue to accept applicants, but rate the applicants that they currently had and if they did not agree on someone from within the group, they could continue with the new round of applicants without losing time.

Chair Ruzzano asked the Board if they were agreeable with using the City Manager to move forward with the process. Mr. Arserio said he spoke with Cale Curtis and while he would be able to do it, he might want to designate it to Human Resources. There was additional back and forth discussion about the process and the number of applicants to rank.

Chair Ruzzano summarized that the Board members were to select and rank their top five and they would be tallied. He said the names of their top five would be presented at the next MCRA meeting and then they would move forward with the interview process.

5C. DISCUSSION AND POSSIBLE ACTION: SPONSORSHIP FOR THE CITY OF MARGATE'S 65TH BIRTHDAY CELEBRATION

There was a short discussion about the number of large potential sponsors that were available locally and in Broward County that should be considered such as JM Lexus, Publix, Walgreens, AutoNation, the casinos and FPL.

Chair Ruzzano commented that the City was looking for a place to hold its 65th birthday event and he suggested that the MCRA sponsor the property where it would be held and to pay for the cost of police security. Mr. Caggiano and Ms. Schwartz agreed. Mr. Arserio suggested that in addition to the cost of security, also included should be anything else health and safety related.

There was a short discussion about the date and Chair Ruzzano commented that the City should look into doing it on July 4th, noting that the date might need to change depending on the situation with the coronavirus. Ms. Simone commented that it should be incorporated into the July 4th parade.

6. EXECUTIVE DIRECTOR'S REPORT

Jeffrey L. Oris, Executive Director, provided the following updates:

DAZK restaurant [Octagon Financial Services]: had sold its interest in the space to another restaurant, and the MCRA was able to recoup all past due rent, legal fees, etc.

New Leases: The MCRA signed three new leases: Sneaker Connect at 6213 Margate Boulevard; Alex's Sausages at 6209 Margate Boulevard, and Valencia's restaurant at 5801 Margate Boulevard.

Budget Transfer: A \$25,000 budget transfer was done from the Contingency account with \$15,000 going to Renovations and Construction for the buildout and relocation of the MCRA office to the second floor, and \$10,000 for Office Furniture and Equipment.

Culver's: A meeting was held with Culver's to discuss the reimbursement process to ensure the MCRA would not encounter some of the problems it had experienced in the past.

Annual Report: The annual report would be submitted by the end of March.

April MCRA meeting: The meeting needs to be rescheduled due to a conflict with Passover, and Rita Rodi would contact them to review other dates.

ICSC Conference: Mr. Oris recommended to the Board that they not sign up for the ICSC Conference in Las Vegas May 17-19, 2020, due to the coronavirus. He suggested they consider waiting until the Florida conference in August.

6A. TENANT UPDATES

James Nardi, Advanced Asset Management, provided the following updates:

Chevy Chase Plaza

Three tenants owed rent including Sweet Spot's which had a current past due amount was \$1,600, plus March's rent. He said they were continuing to pay towards their past due balance but not on a timely basis. Secondly, Pop's Chicken and Waffles vacated their space and the total amount owed was being sent to the attorney's office to follow-up with a final judgement. Lastly, Thrift Addiction owed for March, however, their lease expired and their automatic payment had not been submitted. He said their lease would be renewed after the Workshop.

Mr. Arserio suggested Sweet Spot's payment history be considered when their lease came up for renewal.

Ace Plaza

One tenant owed rent for March.

6. BOARD MEMBER COMMENTS

Ms. Simone: No comments.

Mr. Arserio: Commented about the need to charge Common Area Maintenance (CAM) fees, noting that some of the CRA tenants paid very low rent, and the MCRA was missing out on revenue. He said many improvements were made to Ace Plaza and other maintenance improvements would be made to Chevy Chase which should attract better tenants. He spoke about an initiative to incentivize the current tenants to renew their leases and receive reduced CAM charges.

Ms. Schwartz: Commented that it had been a pleasure working with Mr. Oris, and that she would vote for his job application.

Mr. Caggiano: Reminded everyone about the St. Patrick's Day parade the following week. He asked about having a nice entrance sign at Ace Plaza and said he would like to discuss it at the next meeting.

Mr. Ruzzano: Commented about a potential coffee shop coming to Margate at the location of the former BB&T bank drive-thru on Coconut Creek Parkway and State Road 7. He asked Mr. Nardi whether the MCRA recouped the monies owed to them by Octagon Financial Services. James Nardi, Advanced Asset Management, said the monies owed were recouped 100 percent. Chair Ruzzano suggesting using the funds to set up hand sanitizer stations at the shopping plazas. Mr. Nardi said he would discuss it with the Executive Director.

There being no additional business, the meeting adjourned at 8:15 p.m.

Respectfully submitted,

Transcribed by Rita Rodi, CRA Coordinator

Tommy Ruzzano, Chair