

MARGATE COMMUNITY REDEVELOPMENT AGENCY BOARD

REGULAR MEETING February 10, 2021

MINUTES

Present:

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

Also Present:

Cale Curtis, Executive Director
David Tolces, Weiss Serota Helfman Cole & Bierman

The regular meeting of the Margate Community Redevelopment Agency having been properly noticed was called to order at 5:13 p.m., on Wednesday, February 10, 2021, by Chair Tommy Ruzzano. Roll call was taken. There was a moment of silence for Joseph Varsallone who had recently passed away. Mr. Varsallone was a longtime resident who had served the City of Margate for 28 years as a former Mayor, Vice Mayor, and Commissioner. The Pledge of Allegiance was recited.

This was a virtual public meeting held via Zoom. Board Attorney David Tolces expressed his condolences to the Varsallone family, and then read the Findings and Procedure for a Virtual Public Meeting. Those physically present in the Commission Chambers were: Chair Tommy Ruzzano; Board Member Arlene Schwartz; Cale Curtis, Executive Director; Joseph Kavanagh, City Clerk; and Rita Rodi, CRA Coordinator.

1A. MINUTES FOR APPROVAL - (1/13/2021 Regular)

After David Tolces, Board Attorney, read the item title, Ms. Schwartz made the following motion, seconded by Vice Chair 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.

2. PUBLIC DISCUSSION

No one from the public requested to speak.

3A. RESOLUTION 653: APPROVING THE LICENSE AGREEMENT FOR DEBRIS STAGING BETWEEN THE CITY OF MARGATE AND THE MARGATE COMMUNITY REDEVELOPMENT AGENCY FOR THE TEMPORARY USE OF MARGATE COMMUNITY REDEVELOPMENT PROPERTY

After David Tolces, Board Attorney, read the resolution title, Vice Chair Caggiano made the following motion, seconded by Ms. Schwartz:

MOTION: SO MOVE TO APPROVE

Cale Curtis, Executive Director, explained that it was an annual partnership agreement with the City to allow use of MCRA property for debris staging use in the event of a disaster.

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

3B. RESOLUTION 654: AUTHORIZING THE APPROVAL OF A TASK ORDER FOR CRAVEN THOMPSON & ASSOCIATES, INC., FOR PROFESSIONAL CONSULTING SERVICES FOR THE SERINO PARK PROJECT

After David Tolces, Board Attorney, read the resolution title, Vice Chair Caggiano made the following motion, seconded by Mr. Arserio:

MOTION: SO MOVE TO APPROVE

Cale Curtis, Executive Director, briefly explained the project and advised that the first step in the planning process was to have a survey done which showed the existing conditions and would help determine whether project the would be done as a design/build or design/bid/build project, and whether project would be done by multiple contractors.

There was a brief discussion about a recent vehicle accident that had occurred at the park.

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

4A. DISCUSSION & POSSIBLE ACTION: IMPLEMENTATION OF WAYFINDING SIGNAGE PROGRAM AND ISSUANCE OF SIGN REQUEST FOR PROPOSAL

David Tolces, Board Attorney, read the item.

Cale Curtis, Executive Director, introduced the item explaining that the Board had approved a wayfinding signage program in November, 2018. He referenced the master plan for signage throughout the City, a copy of which was included in the meeting back-up; the plan included gateway entry signs, neighborhood community signs, park identity signs, facility, and directional signs. He said the detailed plan broke the City into eight zones and included the plans for manufacturing and installing the signs within each zone.

He said two signs had been constructed and were almost completed: Winfield Boulevard; and, David Park. He said the MCRA had budgeted \$200,000 in the current fiscal year and following years to phase-in the signs. He was looking for direction from the Board on the issuance of a Request For Proposal (RFP) for a contractor to do the signs as well as direction on where to start with installing them. He recommended starting with the sign on the east end of Atlantic Boulevard that had been damaged by an accident last year.

Chair Ruzzano commented that it was a great program and he suggested the Board not focus on the exact signs and instead use them as preliminary drawings, noting that Winfield Boulevard was a mixture of sign elements. He said he wanted to see the David Park sign first. Mr. Curtis explained that the package was designed to be used with a RFP so the contractors could price accordingly. He said the Board could deviate from the package that was adopted in 2018 but it would add time to the sign project. He hoped to get specific locations from the Board that could be included in the packet for the first year such as zones 1 and 3, and a decision on which types of signs they wanted to start with.

Discussion ensued about the zones and sign designs to start with. Mr. Curtis said the location of the gateway signs would be limited by the median space available. Chair Ruzzano suggested placement of the south gateway sign at Serino Park. Mr. Curtis said the locations in the sign packet were not in stone, but there were factors such as the right-of-way that would need to be reviewed.

Mr. Curtis suggested the Board focus on the gateway signs and he would work with Cotter Christian, to identify what would be needed to identify locations. Ms. Simone asked if Board was set on the gateway signs having water features and she commented on the additional work and cost needed for the Winfield Boulevard sign. She also asked about the cost for maintaining the signs with water features as well as the possibility of having an electronic sign at Calypso Cove.

Vice Chair Caggiano agreed with doing the gateway signs first and he expressed a concern about the maintenance costs for the water features that would be further increased through vandalism. Chair Ruzzano said he would really like to see water features on the signs on the major roads at the north and south end, noting that the Serino Park neighborhood was self-policing.

Ms. Schwartz suggested limiting the number of signs with water features and not placing a sign with water features on Rock Island Road and Southgate Boulevard. She agreed with placing them on the north and south ends to limit maintenance costs and to keep them being special. Ms. Simone agreed with limiting the number of signs with water features because of the expense, maintenance costs, and potential for vandalism.

There was a short back and forth discussion about the cost of the sign on Winfield Boulevard, and Chair Ruzzano explained the circumstances and said signs with water features should not be discounted in general. Ms. Schwartz suggested the installation of good cameras.

Mr. Curtis commented that there would always be people who vandalized things and he had not heard of issues with other water feature signs in the City. He said the plan called for six large gateway signs with water features; he asked the Board if they wanted to change the number.

Mr. Arserio commented that there were defoaming products that could be placed in fountains. He said he was fine with using water features and that he had not encountered problems with soap in fountains in his work experience. He agreed with limiting the number of gateway signs with water to two at the north and south ends of State Road 7 to see how it worked out.

Vice Chair Caggiano said the signs with water features were beautiful and he hoped his concern about the maintenance and vandalism were unwarranted. He agreed with limiting the signs to the north and south at first and then working on the east to west signs. He suggested using netting on top to protect from debris blowing into them.

Chair Ruzzano commented that Serino Park had water on site so the cost for water service would be less. Mr. Curtis said the plan included a park identity sign at Serino Park.

Ms. Schwartz commented that she would like to see one of each type of sign. After a gateway sign, she suggested doing the Sports Complex sign, and then a park identity sign.

Mr. Curtis referenced the image of a large gateway sign that was planned for the median at the south end of Margate. Chair Ruzzano and Mr. Arserio said it lacked a "wow" factor. Mr. Arserio said other cities had big signs on the side of the road as opposed to being in the median. Ms. Schwartz noted that other cities had gateway signs on walls.

Mr. Curtis said the large gateway sign on the south end could be potentially swapped out for a large gateway sign with a water feature. Chair Ruzzano said the Winfield Boulevard sign would work nicely at an entryway into the City. He suggested waiting until the Winfield Boulevard sign was done.

A short discussion ensued about whether the signs should include the City logo or the City seal, noting that the logo meant nothing and could change whereas the City seal never changed. It was also pointed out that back of the signs were blank except for the logo.

Mr. Arserio suggested a Workshop be held, as well as a revealing ceremony for the Winfield sign. He agreed with Ms. Schwartz about using the City seal versus the logo. He also commented that the MCRA should view the signs as a return on its investment, similar to the parks improvements. He said information from the Broward County Property Appraiser indicated that Margate was in the top three cities for the percentage of increase in property values.

Mr. Curtis commented that the gateway signs in the wayfinding signage plan did not appear to meet the Board's expectations and he asked if there were others that they liked. Chair Ruzzano suggested waiting to see the completed signs for Winfield Boulevard and David Park and maybe then hold a Workshop. He suggested having the locations investigated for signs on the north and south ends of State Road 7, Atlantic Boulevard east and west, and Royal Palm east and west.

Ms. Schwartz suggested having message boards for the kiosk signs and said she questioned the sizes of some of the signs in the plan. She also asked if there might be something more innovative than stone that might provide that "wow" because stone was being used everywhere. Chair Ruzzano said stone was classic. She agreed but suggested the consideration of different colors or sizes.

Vice Chair Caggiano suggested having the face of the signs be perpendicular to the road rather than parallel to it, and he mentioned Winfield Boulevard as an example. He suggested using the taller signs on State Road 7 because the center medians were narrower. Chair Ruzzano agreed and noted that the Winfield sign was a neighborhood sign. He said he would love to see an angled sign on State Road 7 coming over the bridge near Dandee Donuts where the median was wider that said "Welcome to Margate" upon entry to the City and "Thank you for visiting Margate" on the other side upon leaving. Vice Chair Caggiano suggested adding, "Together We Make It Great" to the sign. Mr. Arserio suggested a workshop to discuss. Chair Ruzzano commented about waiting for the two signs to be completed, and he agreed with Ms. Simone's comment about a digital sign at Calypso Cove.

Chair Ruzzano directed Mr. Curtis to look into sign locations.

Eduardo Acevedo, 1316 N.W. 58th Terrace, owner of Flynn's Arcade, asked whether the sign at the corner of Margate Boulevard and State Road 7 that listed the Ace Plaza tenants would be given priority over other signs that did not assist Margate businesses. Mr. Curtis said the sign was planned as part of the Ace Plaza improvements project and it was separate from the signs being discussed. Joey Ruiz, 6217 Margate Boulevard, owner of Way Back When, shared the same comment.

Michael Sirjue, 6811 N.W. 4th Street, asked if the new signs would continue to use solar panels. Ms. Schwartz said that each sign would have a solar feature which Mr. Sirjue was happy to hear.

4B. DISCUSSION & POSSIBLE ACTION: COMMON AREA MAINTENANCE

David Tolces, Board Attorney, read the item title.

Chair Ruzzano commented that the item could have been titled differently. He commented that improvements had recently been made to Ace Plaza and discussions had taken place about improvements to the Chevy Chase Plaza and he asked for any ideas about things that might be wanted for the future or information that should be communicated to the tenants.

Mr. Arserio spoke about the need for improved communications with the tenants in the MCRA owned plazas and that advance notice should be given to the tenants anytime there was something that might affect their business. He also suggested that the topic be discussed at a Workshop. He said he had previously asked to have Common Area Maintenance (CAM) costs, Consumer Price Index (CPI) fees, or other similar charges looked into. After giving it a lot of thought, he said he preferred going with CPI over CAM because it was an industry standard and would have the least economic impact to the businesses. Mr. Arserio made the following recommendation: implement a CPI effective immediately for new businesses coming into the plazas; and, for existing tenants who extended their leases, or the 14 tenants who had expired leases and entered into a 3-year lease or greater, the CPI would be waived initially. In other words, current businesses would not be affected if they extended their existing leases or signed a new lease within six months of implementation of CPI.

Vice Chair Caggiano commented that CPI should begin immediately for new leases and there was no reason to wait 3-5 years to implement CPI. He noted that a lot of money had been spent making plaza renovations and it was fair to adjust rents annually by at least the CPI.

There was a short discussion about providing advance notice to the tenants, and Ms. Schwartz commented that the discussion that evening should not take place since not all tenants had the ability to comment. Chair Ruzzano said he wanted to hear from those tenants that had called in to speak.

Chair Ruzzano commented about past promises made by the MCRA to the tenants during the He said the plaza had been improved and it was a thriving plaza that was supposed to have been taken down. He said the plaza was making money but he did not think the MCRA really needed the one percent right now given what was happening in the world. He said he was in agreement with Mr. Arserio's comment about holding off [CPI]. He said the Ace Plaza was almost at capacity and the MCRA should be warm and welcoming to the current businesses. He said he was in agreement with tenants signing three-year leases knowing there would be no CPI or CAM during that time.

There was a short back and forth discussion between the Chair and Vice Chair about when to implement CPI. Vice Chair Caggiano commented that there was a huge different between CPI and CAM and that there should be no issue with a CPI increase annually. Chair Ruzzano said he agreed with him about the CPI but he wanted to have improvements made to Chevy Chase Plaza before implementing it

Manny Yabar, Manny's Bakery, asked which plaza \$1 million had been spent and Chair Ruzzano explained the improvements made to Ace Plaza. He said roof repairs alone to the Chevy Chase Plaza would be \$400,000-\$500,000. Mr. Yabar commented about providing tenants with advance notice. He said the restaurant and food businesses had seen big decreases due to the pandemic. Mr. Arserio said he would not be affected for the current three years of his lease, and if he extended his lease under his proposal, he would secure his rent without the increase for longer. Mr. Yabar said it was a good idea to have signed leases with all the tenants as it would increase the value of the property.

Steve Strouse, 5833 Margate Boulevard, Pete's Barbershop, said the barbershop had been in the same location for 56 years, longer than any business in either plaza. He said he managed his business to be able to meet its obligations,

pay its rent on time, and to make repairs without having to request assistance from the MCRA. He said he had always followed the codes and guidelines. He said he had been trying to get his lease renewed since March, 2020. He replaced the air conditioner and had been assured at that time that his lease would be renewed. He said he had made several attempts to get his lease renewed but had been put off pending the possibility of CAM charges. He commented positively about the improvements to the plaza. He said he business was down about 30 percent due to COVID-19 and he did not think it was the time to put additional expenses on the tenants. He thanked the Board for the rent relief provided previously and respectfully asked they reconsider CIP until they were back to pre-COVID levels.

Chair Ruzzano said he hoped a decision could be made that night versus holding a Workshop. He asked Mr. Strouse if he were okay with Mr. Arserio's suggestion to implement a CPI in three years. Mr. Strouse said he would consider it but he wanted to negotiate his lease because he paid more than anyone in the plaza for the smallest space.

Mr. Arserio said he was confident that 10 of the 14 businesses without leases would sign a lease if they knew the CPI would increase one percent each year unless they signed a new lease that did not contain CPI within the next few months. He said he had previously suggested holding a Workshop based on concerns expressed by some tenants, but the tenants that were in attendance were the most vocal and usually spoke on behalf of the others. He said he was fine with making a decision that night if they were in agreement.

Chair Ruzzano restated Mr. Arserio's recommendation which was if the tenant signed a three-year lease, there would be no CPI increase for those three years. Mr. Arserio agreed and said if a business had a lease with one year left and if they signed an extension for an additional three years, CPI would not be built into their lease either. He said a window in which the current tenants had to renew was needed to create a sense of urgency, for example, three months. He said any new business coming in would be subject to CPI immediately.

Chair Ruzzano said there were businesses in current negotiations with Mr. Nardi that should also get a 30 or 60-day window. Mr. Arserio agreed that it would only be for businesses already entertained in negotiations.

Michael Sirjue, 6811 N.W. 4th Street, commented that he did not support raising rent during COVID. He said he loved the businesses in Margate and that low rents allowed new businesses to come in and flourish, and it was sad to see brick and mortar stores disappear.

Joey Ruiz, 6217 Margate Boulevard, Way Back When, said he agreed with Mr. Arserio. He was opposed to continuing to go back and forth on the idea of CAM or CPI. He said he would like a five-year renewal. He said he loved living in Margate and he felt there were a lot of opportunities in the City. He would like to see a Workshop and to have five-year leases be considered. He said the plazas were currently Margate's downtown. It was understood that there would be a CPI in 3-5 years but he would also like to have a Workshop held with the tenants. He expressed appreciation for the MCRA's help in the past. He said it was not the time to think about a CPI but, if so, then they needed to get leases signed so the tenants would be prepared for it in the future. Chair Ruzzano said the Workshop would only prolong the decision of when to implement a CPI and it was something that could be resolved that night. He commented that he could agree to either three or five years, but he wanted the tenants to be able to sign a contract by the end of the following month. Mr. Arserio said it could be five years; it just needed to be three or more years.

Eddie Acevedo, 5869 Margate Boulevard, commented that the costs of everything increased such as cost of living, taxes, inflation, etc. He said he spoke to several tenants and the consensus was that it [CAM/CPI] came out of nowhere. As a realtor, he said he understood CAM and he was opposed to it. He said the CPI was more acceptable, and he hoped there would be some type of annual cap. He said he had two leases: one would be up in one and one-half years; the other was new and had three years on it. He liked that the CPI would not be implemented until their next renewal and he asked whether the option to renew early allowed him to renew three years in addition to the three years available on his new lease, a total of six years. Chair Ruzzano said he would not have a problem with it. Mr. Arserio commented that one of the reasons he pitched the idea was because it was incentivizing. He asked Mr. Acevedo if he would consider extending his lease on the unit where he had one and one-half years left, if he knew he would be protected for an additional three years. Mr. Acevedo said he would if his business partner was in agreement.

Ms. Schwartz explained to Mr. Acevedo that the CPI was set by the federal government and was currently 1.2 percent. Mr. Arserio agreed that there should be a cap placed on the CPI.

Chair Ruzzano said the current focus should be on the extension of the leases rather than CPI. Vice Chair Caggiano disagreed and said CPI was critical to the conversation in order to get tenants to sign leases within 30-60 days; otherwise, if the tenant did not sign, the CPI would go into effect. Chair Ruzzano said the CPI should be addressed at

the time it would become effective. David Tolces, Board Attorney, clarified that the point being made was that if the tenant did not sign a lease to extend for 3 or 5 years, they would be required to sign a lease that included CPI. Vice Chair Caggiano said he was asking for the window of time within which the tenant would have to sign their lease. Ms. Schwartz suggested the CPI be implemented in year 3 rather than signing a 5-year lease because the cost of everything else continued to increase. If going with 5-year leases, she suggested starting CPI in year 3 because of the need to factor in the cost of doing business, noting that she had never seen the CPI go over two (2) percent.

Mr. Arserio commented that there were three things that needed to be decided that evening: the amount of time ("window of opportunity") a tenant had to sign a lease, i.e., 30 days, 60 days, etc.; the cap for the CPI; and, the time period that CPI would be not be included in the lease, i.e., 3 or 5 years.

Mr. Acevedo commented about the need to provide ample time for the property manager to execute the leases. James Nardi, Advanced Asset Management, said the MCRA used a standard lease form and if the Board approved a new standard lease, the 14 expired leases could be done within one week, and 60 days would be more than needed.

Chair Ruzzano asked Mr. Nardi if he was discussion with any prospective tenants that might be affected. Mr. Nardi said he had told every new tenant since October, 2019, that the MCRA had been considering CAM charges, as well as any prospects. Chair Ruzzano suggested if be left up to the Executive Director and the property manager to determine the date when CPI would be implemented for those businesses currently in negotiations so they would receive the same 3-year benefit.

Mr. Arserio asked Mr. Nardi if there were a fair cap he would recommend based on his commercial real estate experience. Ms. Schwartz interjected and read the United States CPI averages since 2016 which were always below 2.1 percent. Mr. Nardi said there were different CPI's by region and standard language that the Board Attorney could provide.

Alexander Ameng, Angel's Latin Café, spoke about their costs to remain open during the pandemic. He said the plaza was not attractive and it had not changed much in the four years they had been there, noting that he was aware there were plans for improvements. He said they tried opening at night but it was dead and they closed Sunday's after the pandemic. He thanked the MCRA for the three month's rent reprieve and said they likely would have closed without it. He said they had been trying to sell the business but prospects were not interested in a three-year lease. He would like five-year leases or extensions to be considered. He commented that tenants should have been notified, and on the good relationship they had with the MCRA, the fair rent, and their hope to be able to open nights and on Sundays again. He said they were the number one Cuban spot in the area and they loved the City and the people and wanted to grow.

Mr. Arserio asked Attorney Tolces if 5-year leases were allowed under the Development Agreement. Attorney Tolces deferred to Mr. Nardi on the language in the leases that addressed future development plans. He said he would need to look at it to make sure the MCRA's action would be consistent with its obligations. Mr. Arserio said his proposal was for any lease 3-years or longer, but he was not opposed to 5-year leases.

Mr. Nardi stated that he took some responsibility for not giving notice to the tenants. He said he thought the discussion that evening was to be amongst the property owners first to discuss how they wanted to proceed with an evaluation of potential CAM charges which would be followed up with a Workshop meeting. He briefly explained the history of tenant lease terms and said that all current leases carried a 12-month termination clause. Chair Ruzzano said he would prefer it not be in the leases, and Attorney Tolces explained that it was needed to provide for the ability to deal with the potential future development. There was a short back and forth discussion about whether the provision was required. Attorney Tolces said he would work with the tenants and Mr. Nardi to ensure there was consistency with the Development Agreement. Chair Ruzzano concurred with Mr. Nardi's comments about the lack of notice.

Mr. Ameng commented that the beautiful improvements made to Ace Plaza and he looked forward to the improvements planned for the front plaza. Ms. Schwartz commented that better communication of their changes in hours would help their business; Mr. Ameng agreed and explained their staffing limitations.

Noor Vallyani, Ace Hardware, 5843 Margate Boulevard, commented about the excellent work that was done on the plaza. He said he appreciated the proposal and option to extend his lease. He spoke about having a loan on the business and the importance of a longer lease. He expressed his appreciation and said he used the three months of free rent to put in new air conditioners and make inside improvements. He commented about the future being unknown. Chair Ruzzano commented on the nice inside improvements made by Mr. Vallyani and several other tenants.

Cale Curtis, Executive Director, sought consensus from the Board on the implementation of an annual CPI for all new tenants. **Chair Ruzzano polled each Board member and consensus was given by voice vote.**

Mr. Curtis sought consensus from the Board on giving existing tenants that had expired leases 60 days to sign a new lease before the CPI would go into effect. Mr. Arserio asked about tenants with existing leases that wanted to extend them. Mr. Curtis said it would be an option for the Board to consider whether to give them 60-days to extend a new 3-year term. Mr. Arserio said any tenant currently doing business should receive the 60-day opportunity. Mr. Curtis restated his previous request so that any tenant would be given 60 days to renew for a 3-year period. Ms. Schwartz asked if that would be allowed for a tenant whose lease ended in 2027; Mr. Curtis said it would not be necessary.

Chair Ruzzano polled each Board member and consensus was given by voice vote.

Mr. Curtis said one of the most common CPI's used, and also the one used by the City, was the All Urban Consumers CPI for the Miami/Fort Lauderdale/West Palm Beach area. He said the 12-month change from January to December was 1.1 percent in December. He asked the Board if it was a fair CPI to use. Mr. Arserio agreed with use of that CPI and said a decision was also needed on whether to cap it. Attorney Tolces said language could be included in the leases about rent increases on an annual basis based on the specified CPI up to an amount not to exceed a specified percentage rate. Mr. Arserio suggested being consistent with the cap for Homestead Exemption of three percent.

Chair Ruzzano polled the Board and consensus was given by voice vote.

Mr. Curtis suggested placing a minimum on the CPI because sometimes it could be a negative number. **Chair Ruzzano polled the Board about placing a minimum cap of zero and consensus was given by voice vote.**

Mr. Curtis asked for consensus from the Board about giving the option to change the standard lease terms from three years to five years. Chair Ruzzano asked the Board if they wanted to remove the 12-month termination clause. Vice Chair Caggiano was opposed. Mr. Arserio said he thought it should be removed if the MCRA were not bound by law to have it in the leases because it was hurtful to businesses and provided protection if the property were sold. Attorney Tolces recommended that it remain if it were required by the Development Agreement.

Mr. Curtis said there was a suggestion made about changing the standard lease agreement from a three-year term to five-year term. Currently all leases were for three years with one or two exceptions. Mr. Arserio said he was fine with either but he wanted to have the CPI protection capped at a maximum of five years. **Vice Chair Caggiano stated he preferred three years. Ms. Simone and Ms. Schwartz agreed with three years as well.**

Mr. Nardi said the 12-month termination clause had always been a sticking point in the past and the MCRA combatted it by offering lower rents. He said removal of the 12-month clause and the extension of the lease to five years with CPI but no CAM could limit the MCRA's ability to charge fair market rent should it regain the property in the future. **Chair Ruzzano and Mr. Arserio both said they would like it to be five years but they would go along with the consensus for three years.**

Mr. Nardi said it was likely that most tenants would request a new lease. Mr. Arserio asked Mr. Nardi to contact every tenant to communicate to them about the outcome of that night's meeting. Mr. Nardi said they be noticed by the upcoming Friday.

Ms. Schwartz commented about one tenant that did not want to have a signed lease since 2013. Attorney Tolces said they would need to sign a lease, otherwise, they would continue on a month-to-month basis. Mr. Nardi said every tenant should want to have a signed lease as it protected their interests. He explained the reason that particular tenant did not want to sign a lease had to do with payment of a security deposit. Mr. Arserio suggested that they be given notice as required by law and then have them start paying the CPI immediately. Mr. Nardi said he thought they might take advantage of signing a new lease based on that night's meeting.

A BRIEF RECESS WAS TAKEN. THE MEETING RECONVENED AT 7:52 PM

5. EXECUTIVE DIRECTOR'S REPORT

Cale Curtis, Executive Director, provided the following capital project updates:

David Park – Stated that the project was substantially complete. The installation of Christmas palms trees had been completed. There was still some work that needed to be done on the modified retention area. He said a ribbon cutting would be scheduled in the near future.

Margate Boulevard Improvements – Staff met to discuss planned improvements starting with a survey of existing conditions of the roadway, crosswalks, and pavers.

Winfield Boulevard Sign – There were a few minor touch-ups needed on the sign. Installation of the pump for the water fountain would be completed once Florida Power & Light set the meter. He said the sign had been subject to some vandalism and it was currently secured until the project was completed and landscaped after which time an unveiling would take place.

Serino Park Renovations – A task order to conduct a survey had been approved.

5A. TENANT UPDATES

There was a short discussion about the status of rent for one tenant in Chevy Chase Plaza that had made a partial payment for January and owed rent for February. Cale Curtis, Executive Director, said he would ask Jim Nardi to follow up with the tenant.

6. BOARD MEMBER COMMENTS

Ms. Simone: Extended her condolences to the Varsallone family and to the family of Paul Cohen who was a well-known musician and member of the Senior Center. She commented that both men would be missed and they were very good assets to the City.

Mr. Arserio: Extended his condolences to the Varsallone family and offered any assistance. He complimented the Board and staff for their teamwork in developing a solution on the Common Area Maintenance agenda item.

Ms. Schwartz: Commented that she had known Joe Varsallone since 1989 and she extended her condolences to the Varsallone family. She said a day of remembrance would be held on February 14, 2021 in honor of the massacre at Marjory Stoneman Douglas starting at 5:00 p.m. at the Sports Complex.

She asked whether a new drive-through coffee shop [Clutch Coffee] opening in the Crossroads shopping center would be subject to the new architectural design standards that were in the process of being finalized. She said she watched the Planning and Zoning (P&Z) meeting and learned that the intention was to leave the building exactly as it were as a bank building with three drive-thrus. She expressed a concern about sending mixed messages by not expecting more than a fresh coat of paint. She commented that the drive-thru would be open at 5:00 a.m., and she expressed a concern that someone could get stuck underneath it and be unable to get out due to the bollards. She said she was disappointed that the P&Z Board did not have an issue with it and it was her opinion that the business should be subject to the design standards and be upgraded. She understood the plaza was in the process of being sold with the out parcels being sold separately. She said she did not want to send the message that the proposed look was acceptable to Margate's vision.

David Tolces, Board Attorney, said the MCRA could make recommendations but it did not have the ability to adopt and enforce guidelines; it could make recommendations to the City and the City could adopt them.

Mr. Arserio commented that the City could grant a special exception and could make it with conditions.

Mr. Caggiano: Expressed his deep sympathies to the Varsallone family and "papa Joe". He commented that he was a special person and that he would be missed.

Mr. Ruzzano: Commented that Joe Varsallone had served the City for 28 years and that he would be missed. He shared a memory from a past Veteran's Day event, and expressed his sympathies to the family.

In reference to Clutch Coffee, he said he hoped the City would implement a lighting upgrade. Ms. Schwartz said the topic has been discussed.

He asked the Board members if the MCRA meeting time of 5:00 p.m. was acceptable. Vice Chair Caggiano and Mr. Arserio both said the 5:00 p.m. start time was fine.

Chair Ruzzano commented about possibly coordinating the grand opening of David Park with an upcoming Special Olympics event. He mentioned that access from the bocce ball courts to the restrooms might not be need to be adjusted to accommodate special needs.

Vice Chair complimented the Board members on their accomplishments over the past few years and said he looked forward to the MCRA's future plans. Chair Ruzzano agreed and thanked the Board and staff. He asked staff to work on getting a plaque for Ace Plaza.

There being no additional business, the meeting adjourned at 8:12 p.m.

Respectfully submitted,

Transcribed by Rita Rodi, CRA Coordinator

Tommy Ruzzano, Chair

DRAFT