MARGATE COMMUNITY REDEVELOPMENT AGENCY BOARD

SPECIAL MEETING August 24, 2021

MINUTES

Present:

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

Also Present:

Larry Vignola, Assistant Executive Director David Tolces, Weiss Serota Helfman Cole & Bierman Joshua D. Rydell, P.A.

The special meeting of the Margate Community Redevelopment Agency having been properly noticed was called to order at 5:36 p.m., on Tuesday, August 24, 2021, by Chair Tommy Ruzzano. Roll call was taken. There was a moment of silence followed by the Pledge of Allegiance.

The meeting was held in the City Commission Chambers and also accessible virtually through Zoom technology.

1A. **DISCUSSION & POSSIBLE ACTION**: BROWARD COUNTY FAIR, INC.

After Chair Ruzzano read the item title, <u>Board Attorney David Tolces</u>, explained that the Board had previously authorized negotiations with the Broward County Fair and they were coming back before the Board to seek approval.

<u>Joshua Rydell</u>, 633 Southeast Third Avenue, Suite 203, Fort Lauderdale, on behalf of the Broward County Fair, provided an update. He explained that he came before them previously to obtain consensus to consider moving forward with the event. He said an email had been received by Attorney Tolces very recently withdrawing the Cease and Desist letter in regards to the pending litigation [from New Urban Communities] and that there was no objection to use of the property. As a result, he said an amended Temporary Use Agreement was submitted; however, he stated that an oral amendment was being made to section 1.03 based on discussions with his client. The amendment was to amend the rental fee from \$25,000 to \$50,000. He stated additional concessions they were offering as incentives included 75 student admissions, and ten 10x10 areas free to any MCRA business to promote their businesses. He said the concessions were in additional to those they had previously committed to such as police and fire overtime, sanitizing treatments, etc.

Mr. Rydell said they were requesting use of the majority of MCRA owned property on the corridor [State Road 7]. The fair event would be held on the east property and the properties across the street would be used for parking; a site plan would be submitted if approved.

Mr. Rydell said there had been a significant amount of conversations and negotiations held to get the request to its current point. The two outstanding issues that would need to be addressed were the noise ordinance and the length of time the properties would be used. He said his client maintained that they had a very good relationship with Margate in the past and they looked forward to continuing the relationship long into the future. He asked the Board if they had any questions.

Ms. Schwartz said she had heard from others about the need to weigh risk versus reward. She commented about the noise ordinance and expressed a concern about the Fair ending at 12:00 a.m., Sunday-Thursday, because it was close to residential areas and seniors, and children needed to get up early to attend school during the week. She said past fairs were not allowed to operate until 12:00 a.m. She commented about that the initial rental fee offering of \$100,000 or 10% of the gate admissions, and the withdrawal of the Cease and Desist, and said she had an issue rewarding the party that was suing the MCRA.

Mr. Rydell said the issue concerning an exception for the hours would be on a future City Commission agenda and he would be happy to bring in his client to address it. He said he understood and respected her hesitancy with regards to risk versus reward. He explained that his client had two other Broward County location options to choose from but they strongly chose Margate. He said his client assured him they would not bring any damage to the property.

Vice Chair Caggiano expressed a concern about the appearance of the grass after having equipment on it for two weeks. Chair Ruzzano said the property was used for hurricane staging in 2017 and the grass grew back naturally.

Ms. Simone commented about the loss of \$50,000 in revenue and that the inclusion of MCRA businesses should have been included from the beginning. She said the inclusion of the businesses and the free student's admissions were no bonus. She said the residents that she had spoken with did not want a carnival, and that was the reason they had been discontinued.

Larry Vignola, Assistant Executive Director, said the item would need to go the City Commission for the noise ordinance as well as the length of time to use the property as the Code limited it to 21 days and the request was for a total of 33 days.

Mr. Arserio commented that he hoped the item would pass and, while the rent amount was reduced, the MCRA was getting \$50,000 and there would be an economic gain to the surrounding businesses and it would have a positive impact on the City. He thanked Mr. Rydell for reaching out to him to address his concerns.

Vice Chair Caggiano said the residents he had spoken to have regularly asked when the carnivals were coming back because it provided affordable entertainment in Margate. He commented about the reduced amount and the additional concessions. He said he was glad they chose Margate and that they were willing to help showcase the businesses.

Chair Ruzzano asked how the rent proceeds from the carnival could be used. Attorney Tolces responded that they would need to be used in conformance with the MCRA Plan and Florida Statutes.

Mr. Arserio asked if the \$50,000 was only the initial payment. Attorney Tolces said Section 1.03 of the Agreement indicated that the rent would be \$50,000 payable on December 1, 2021. He asked Mr. Rydell to confirm the compensation. Mr. Rydell clarified that he was in the capacity of trying to make the event happen. He said his client submitted the original Temporary Use Agreement independent of counsel or advisement without understanding there were possible entitlement issues. He said once he was retained and the history of the property was explained, the numbers changed in order to enable it to move forward. He said a \$50,000 lump sum payment was the most that could be offered, and it did not include any overtime costs for police and fire. He acknowledged that the initial application indicated a payment of \$100,000 or 10 percent of proceeds, whichever number was greater.

Chair Ruzzano asked if the proceeds could be put under a separate line item as a donation and used in other ways than a MCRA use. Attorney Tolces said it was his opinion that it needed to be spent within the MCRA since it was a MCRA expenditure, in accordance with statutory restrictions.

Chair Ruzzano thanked Mr. Rydell for all his efforts, and Mitch Pellecchia for suggesting the idea. He was looking forward to the opportunity to showcase the City, if the item passed.

Ms. Schwartz asked who would pay for police overtime because she did not see it in the agreement. Mr. Rydell said it would be paid for by his client and it would be included in the security plan that would be done in conjunction with the City's police department. He also mentioned that they would likely not need to be on the property for 33 days; he anticipated that it would be 25 or 26 days.

Ms. Schwartz suggested resolving the issue concerning the time at the present meeting rather than approve the item and pass the issue on to the City. She said the noise and amount of hours were issues because of the location and proximity to residents. Mr. Rydell said he was not prepared to address those issues at that time without speaking with his client. He said they were very particular about the dates and there would not be school on many of the week days. Ms. Schwartz said it was still a concern because residents in the area probably had to get up for work in the morning.

Mr. Rydell said there were a few residual issues on the application and he suggested the Board approve the Temporary Use Agreement for the Broward County Fair pending final revisions to be determined by the applicant and Attorney Tolces.

Vice Chair made the following motion, seconded by Mr. Arserio:

Chair Ruzzano asked whether they would need to come back to the Board if there were an issue with the time change that resulted in them wanting to renegotiate the amount. Attorney Tolces said his recommendation would be to bring it back to the Board if there was an amendment to the agreement that was already approved.

Ms. Schwarz asked about the sale of alcohol at the event. Chair Ruzzano said it was not on the application. Mr. Vignola said there was a check box for alcohol beverages on the application and it had not been checked.

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

Mr. Rydell thanked the Board for their consideration. He told Ms. Schwartz that he would work with his client to quell her concerns prior to it being an item for consideration on the City Commission agenda. Chair Ruzzano said he was fine with the hours.

There being no additional business, the meeting adjourned at 6:11 p.m.

Respectfully submitted,

Transcribed by Rita Rodi, CRA Coordinator

Tommy Ruzzano, Chair