

MARGATE COMMUNITY REDEVELOPMENT AGENCY BOARD

REGULAR MEETING March 13, 2024

MINUTES

Present:

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

Also Present:

Cale Curtis, Executive Director
Larry Vignola, Assistant 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 7:02 p.m., on Wednesday, March 13, 2024, 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 was also accessible virtually through Zoom technology.

1A. MINUTES FOR APPROVAL - (2/14/2024 Regular)

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

MOTION: SO MOVE TO APPROVE

ROLL CALL: Ms. Simone, Yes; Mr. Arserio, Yes; Ms. Schwartz, Yes; Mr. Caggiano, Absent; Mr. Ruzzano, Yes. The motion passed 4-0.

2. PUBLIC DISCUSSION

No comments were made by the public.

3A. RESOLUTION 722: AUTHORIZING A TWO-YEAR EXTENSION TO THE CONTINUING SERVICES AGREEMENTS BETWEEN THE MARGATE COMMUNITY REDEVELOPMENT AGENCY AND CALVIN, GIORDANO & ASSOCIATES, INC., CHEN MOORE & ASSOCIATES, INC., KEITH ENGINEERING, INC., AND KIMLEY-HORN AND ASSOCIATES, INC., FOR GENERAL ENGINEERING SERVICES

After David Tolces, Board Attorney, read the item title, Ms. Schwartz made the following motion, seconded by Mr. Arserio:

MOTION: SO MOVE TO APPROVE

There was no discussion.

ROLL CALL: Ms. Simone, Yes; Mr. Arserio, Yes; Ms. Schwartz, Yes; Mr. Caggiano, Absent; Mr. Ruzzano, Yes. The motion passed 4-0.

3B. RESOLUTION 723: AUTHORIZING A TWO-YEAR EXTENSION TO THE CONTINUING SERVICES AGREEMENTS BETWEEN THE MARGATE COMMUNITY REDEVELOPMENT AGENCY AND CPZ ARCHITECTS, INC., SALTZ MICHELSON ARCHITECTS, INC., STILES ARCHITECTURAL GROUP, AND WALTERS-ZACKRIA ASSOCIATES, FOR GENERAL ARCHITECTURAL SERVICES

After David Tolces, Board Attorney, read the item title, Ms. Schwartz made the following motion, seconded by Mr. Arserio:

MOTION: SO MOVE TO APPROVE

There was no discussion.

ROLL CALL: Ms. Simone, Yes; Mr. Arserio, Yes; Ms. Schwartz, Yes; Mr. Caggiano, Absent; Mr. Ruzzano, Yes. The motion passed 4-0.

4A. DISCUSSION AND POSSIBLE ACTION: FPL UNDERGROUNDING PROJECT ON STATE ROAD 7

Cale Curtis, Executive Director, said the MCRA had budgeted to underground utility lines and had been working with FPL to get a ballpark estimate which would require engineering, surveying, and schematic designs. Kimley-Horn had been engaged and asked to provide a Task Order to help facilitate that process. The Task Order would produce a feasibility analysis that would generate an opinion of probable cost and a schematic survey of the utilities from Atlantic Boulevard to Coconut Creek along State Road 7. He said the report would be very helpful in several ways. Firstly, it would give an opinion of probable cost should the MCRA want to undertake the project. Secondly, it would be a useful tool in assisting with developer negotiations for the downtown project. Undergrounding of utilities was a requirement in redevelopment and developers usually looked for waivers in those situations. He said being equipped with an opinion of probable cost would allow the MCRA to make better informed decisions in that regard.

Mr. Arserio said it was always a good idea to be well informed and had no problem doing a feasibility study. He said it could be advantageous to know the cost of the project and would help the MCRA to be a better negotiator. Ms. Schwartz said she was a great believer that all utilities should be underground as they were unsightly and could be a hazard. She asked for clarification if the survey would locate where the lines would go underground and in whose easement. Mr. Curtis said it would. He said there were a variety of different public and privately owned properties, different widths between sidewalks, roads, and available areas along State Road 7. He said all those details would be identified in the study to get a true cost estimate.

Chair Ruzzano said the feasibility study would be a great tool and asked if it were also possible to work with FPL with regards to furnishing some upscale streetlights in the new downtown development. Mr. Curtis replied that it would.

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

MOTION: TO APPROVE THE TASK ORDER WITH KIMLEY-HORN

ROLL CALL: Ms. Simone, Yes; Mr. Arserio, Yes; Ms. Schwartz, Yes; Mr. Caggiano, Absent; Mr. Ruzzano, Yes. The motion passed 4-0.

4B. DISCUSSION AND POSSIBLE ACTION: TENANT LEASE RENEWALS

Cale Curtis, Executive Director, said the MCRA had entered 36-month leases with most of the tenants back in 2021 and they were coming up for renewal at the end of April 2024. The Board gave prior direction to add a Consumer Price Index (CPI) adjustment, however direction was needed as to when specifically it should be applied. Additionally, there were two tenants that property manager, Jim Nardi, recommended for non-renewal of their leases.

Mr. Arserio said at the time the Board gave the direction to add the CPI to the new leases back in 2021, there were people who were renting but were not on a lease and there were a lot of vacancies in both plazas. The Board offered to waive the CPI increases if the tenants signed three-year leases. That strategy had proven successful.

Jim Nardi, Advanced Asset Management, also reminded the Board that at the last meeting they approved extending the leases for up to five years. He said his recommendation would be that the CPI released in November each year, up to three percent maximum, would be applied annually on January 1 of the following year to all new and renewing tenants. Ms. Schwartz asked if the CPI was implemented instead of common area maintenance (CAM). Mr. Arserio said it was and CAM meant the tenants would share the burden of the insurance and taxes based upon the amount of square footage they were leasing. He said the Board had decided the CPI would be fairer to the tenants. Some discussion ensued about the difference between CPI and CAM charges.

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

MOTION: TO HAVE THE CPI THAT WAS ISSUED ON NOVEMBER 1 APPLIED ON JANUARY 1 THE FOLLOWING YEAR AS RECOMMENDED BY MR. NARDI

ROLL CALL: Ms. Simone, Yes; Mr. Arserio, Yes; Ms. Schwartz, Yes; Mr. Caggiano, Absent; Mr. Ruzzano, Yes. The motion passed 4-0.

Mr. Curtis said there were two tenants to whom Mr. Nardi was recommending issuing notices of non-renewal – Wings Your Way and The Sweet Spot. Mr. Nardi said that from a delinquency standpoint there had been a consistent issue with those two tenants. Out of 33 payments, one tenant had been late 23 times, and the other 22 times. He said there was also the issue of their respective hours of operation. He said Wings Your Way had very sporadic operating hours in the winter months, and the tenant advised Mr. Nardi that he was trying to find a buyer for his business. Unfortunately, none of the potential buyers had been qualified to date but he had at least been trying to remain on a regular opening schedule in the last month or so. Mr. Arserio noted that perhaps he wanted a lease renewal to increase the potential to sell his business. He said that being late with the rent was not enough to not renew the lease and he added not opening the business on a regular basis was not a good look for the plaza.

Mr. Nardi said that he did not make the recommendations lightly. He said the tenants of the plazas had been given an opportunity to grow their business where maybe they would not have had that opportunity elsewhere. He said the Board had talked about the plazas being business incubators. He added that perhaps these tenants were holding someone else back that could take advantage of those same opportunities.

Ms. Simone also referenced the fact that some tenants still did not have current local business tax receipts (LBTR). Some discussion ensued about having the necessary licenses in place needed to operate leased business premises. Chair Ruzzano said that he was not initially in favor of voting for non-renewal but that he had changed his mind after listening to Mr. Nardi and the other Board members that evening. He noted the Board had been very lenient.

Mr. Arserio made the following motion, seconded by Ms. Simone:

MOTION: TO FOLLOW MR. NARDI'S RECOMMENDATION FOR NON-RENEWAL OF THE TWO LEASES

ROLL CALL: Ms. Simone, Yes; Mr. Arserio, Yes; Ms. Schwartz, Yes; Mr. Caggiano, Absent; Mr. Ruzzano, Yes. The motion passed 4-0.

5. EXECUTIVE DIRECTOR'S REPORT

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

Wayfinding Signage - He said the bid packages for proposals went out and bids were due back by the end of March. He said he would report back to the Board when he had more information at the next meeting.

Southgate Boulevard Median Improvements – He said the design package was completed and the bid documents would be going out by the end of March. Chair Ruzzano asked if the Southgate Boulevard sign was part of that project and Mr. Curtis said it was.

5A. TENANT UPDATES

Ms. Schwartz asked Mr. Nardi to explain the small differences in the rental amounts each month. Jim Nardi, Advanced Asset Management, said the sales tax was decreased by a percent in December. Letters were sent out to the tenants to explain the new rental amount and there was also an increase with the CPI which went into effect on January 1. Instead of looking at the letter, some tenants looked at last month's rent check and wrote the incorrect amount for their rent. He said it would get corrected, but it would take a month or two. She asked about the space recently vacated by Ivy's Furniture and he said there had been some interest.

Ms. Simone asked about Mr. Nardi's recommendation regarding granting lease renewals to businesses without a current LBTR. David Tolces, Board Attorney, said the tenants were obligated to comply with all rules, regulations, and codes under their current lease. If they did not comply, then they could be handed a notice of non-compliance with their lease and, if they did not remedy the situation, the Board would have the right to end the lease.

Ms. Schwartz asked how much time was given to remedy something like that. Mr. Nardi responded that it was 30 days and, once their lease expired, they could face an eviction in 15 days.

6. BOARD MEMBER COMMENTS

Ms. Simone: She said she had received concerns about the timing of lights being too short at US 441 and Winfield Boulevard. She asked if anything could be done to allow more cars to pass through before the light changed. Additionally, she asked about the possibility of having grids painted on the same intersection to stop cars from blocking it. She said traffic backed up and blocked the intersection so that people could not leave the neighborhood. Mr. Curtis said he would investigate the matter.

Mr. Arserio: He said he was looking forward to the installation of the wayfinding signs.

Ms. Schwartz: She reminded everyone about the Spring Clean Up on Saturday, March 16 from 7am to 12 pm.

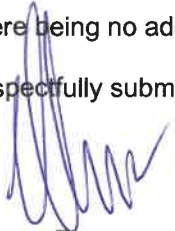
Chair Ruzzano: Mentioned the possibility of installing a camera system at the Covered Sports Field so concerts could be broadcast on TV. He also asked for an update on the lighting situation on Atlantic Boulevard.

Cale Curtis, Executive Director, said that no bids came in when it was last put out to bid other than the original bid which was considerably high. He said he would scale back the scope to get a modified quote. Some discussion ensued that perhaps a local contractor could undertake the work since the conduit had already been laid, and the sprinklers were fixed. Mr. Curtis said the issue with a local contractor might have been that they would not be set up to do the required management of traffic (MOT) for work in the middle of Atlantic Boulevard.

David Tolces, Board Attorney, commented that with respect to the New Urban matter, outside counsel was going to discuss the issues with the opposing counsel later that week and would have a further update soon. He wished everyone a Happy St. Patrick's Day.

There being no additional business, the meeting was adjourned at 7:49 p.m.

Respectfully submitted,



Tommy Ruzzano, Chair

Transcribed by Fiona Christmas, CRA Coordinator

