



CRA Board Meeting Minutes
Thursday, January 26, 2021 – 4:00 p.m.
Arts Warehouse
Delray Beach, FL 33444

STAFF PRESENT:

Renee Jadusingh	Christine Tibbs	Tara Toto
Ivan Cabrera	Danielle Arfin	Lori Hayward
Kim Phan		

OTHERS PRESENT:

Neil Schiller	Daniel Lebensohn	Gregory Freedman
Taylor Levy	Zack Purdo	Avram New
Max Van Arnem	Daniel Rosemond	DJ Doody

1. Call to Order

Chair Johnson called the meeting to order at 4:00 p.m.

{Audio breaks}

2. Roll Call

{Not included in audio}

All present, per participation in conversation later in the meeting.

Present: Chair Shirley Ervin Johnson, Vice Chair Adam Frankel, Deputy Vice Chair Angie Gray, Commissioner Ryan Boylston, Commissioner Juli Casale, Commissioner Kelcey Cordell Brooks, and Commissioner Shelly Petrolia.

3. Approval of Agenda

{Not included in audio}

4. Approval of Minutes

a. December 10, 2020 – Regular Meeting Minutes

{Not included in audio}

b. December 17, 2020 – Special Meeting Minutes

{Not included in audio}

5. Meeting PowerPoint Presentation

{Not included in audio}

6. Public Comments on Agenda and Non-Agenda Items

{Audio breaks – pick back up during public comment, already started}

Andrea Brewton, 703 Place Tavant, spoke against the BH3 project, stating it did not provide generational wealth for the community and she would rather wait to get it right. She added that if it takes another five (5) years, at least in 40 years it will be right for the children, and noted the number of townhouses available for purchase in the plan was a problem.

Gina Pierre, Manager of Amazon Hub on Atlantic Avenue, announced a community fish fry on 6 to 9 p.m. on Friday, January 27.

Alex Dusenard, 1095 Miami Boulevard, spoke in support of the development project moving forward. He spoke to his positive experience with the character of Daniel Lebensohn and noted communication issues could be worked out. He stated he did not want to see another 20 years go by and nothing happen with the property.

Bill Morris, No Address Given, stated he had spent the last 20 years of his life working on and being responsible for the largest public/private partnership in Delray Beach. He commented on the obligations of that project and the fulfillment of those obligations despite rising costs. He stated the delays of the BH3 project and changes to the project to the detriment of the CRA showed there was something wrong. He encouraged the Board to do what was right for the area.

Name Unclear, Blanc Fresh Cut Barber Shop, 704 W Atlantic Ave, stated it had been a long time waiting for the project in the community, and said he supported the BH3 project because it would support jobs and development in the community.

Chris Caesar, 332 NW 10th Ave, asserted he had a lot of respect for all sides involved, but based on his conversations it was time to build. He stated he was in full support of the Fabrik Project and BH3. He said the developers were listening to the community.

Gary Lucian, 229 SE 2nd Ave, stated the project had been a longtime coming and said the BH3 project would be a good thing for everyone. He asked that the extension be approved so it could move forward.

Gary Broydus, 98 SE 6th Ave, spoke in support of the BH3 project. He stated the principles were professionals in both residential and commercial real estate and were the right people to bring the project to fruition. He added that he understood the frustration, but that everything costs more and takes longer than is anticipated. He stated the project would bridge a gap in the community and was wanted and needed.

Chris Redding, Let's Talk Innovation, stated he had recently had the opportunity to sit down with individuals from BH3. He asserted they are in support of bringing innovation to young entrepreneurs in the Black community. He stated the project would bring a lot of resources for small businesses.

Pastor Carla May, 712 E Blvd Chatelaine, stated they had taken time to speak to people in the community, and stood for them to speak. She asserted that she totally supported the BH3 project and was behind them 100 percent.

Bill Caesar, 712 E Blvd Chatelaine, stated he was behind the BH3 project, and explained he had gotten to know them over the summer while working on meal giveaways. He stated there are so many vacant lots that need to be built and people in need of jobs and food, so there was no time to wait.

John Brewer, 501 NW 13th St, discussed previous projects completed by BH3. He noted everything goes on east of Swinton, and asserted it was time for that to stop. He stated the project was a great opportunity to get commerce and people mixing.

Shirley Dujust, stated she had gone door to door organizing in the community ... {audio breaks.}

{Audio breaks – pick back up with telephone comment}

Daniel Rosemond, CEO of East to West Development Corporation, spoke regarding item 8A. He stated he was present in December to provide comments, but the item was deferred, so staff was present for the current meeting. He asserted East to West Development Corporation had received the highest score from the scoring committee and had capacity to complete the project within the timeline. He provided background on the team. He stated the General Contractor was a local contractor from Delray Beach with a wealth of experience, and noted the project hoped to exceed the 15 percent local hiring requirement. He asked that the Board vote to affirm the scoring committee's results and award the Carver Square project to East to West Development Corporation.

Sandra Ramsey, No Address Given, spoke in support of the BH3 project. She stated she was happy to have development coming to the committee and noted the convenience of shopping and jobs would be outstanding.

Tanya Stilwell, 333 NW 6th Ave, stated she was in favor of the BH3 project bringing jobs and opportunity to the neighborhood.

Justin Elian, 118 SW 8th Ave, stated he was in support of the BH3 project due to opportunity for the community and specifically for young men like him that live in the community. He added that he wanted to be a part of what was going to take place.

Dan Paulis, 1215 Wallace Drive, spoke in support of the BH3 project and stated he hoped the City understood with the COVID-19 crisis and financial markets and granted an extension. He stated many local teams had worked hard to make the project a reality.

Chair Johnson recognized an additional in-person public comment.

Max Van Arnem, 265 NE 5th Ave, stated he had a few questions for the Commission. He stated the project had decreased in size significantly and asked if the Board had taken the lost tax dollars under consideration. He asserted that most of BH3's projects in Fort Lauderdale and Miami had not scaled back and asked why Delray Beach was different. He asked what happened to the parking garage included in the original project, and said he was wondering how the City would recoup those dollars.

Zack Purdo, 8 Surf Road, Boynton Beach, stated that working at BH3 he had spent countless hours getting involved with the community getting feedback, listening to the Board during the Workshop in July, and working tirelessly to secure the grocery, the team had worked very hard and had a lot of challenges with COVID-19 but was here and ready to deliver. He asked that the Board grant the extension.

William Cunningham, Parkview Realty, stated that Uptown could be in the ground in 24 months, and asserted the Board should reconsider.

7. Consent Agenda

- a. CRA Financial Report – October 2020**
- b. CRA Financial Report – November 2020**
- c. CRA Monthly Progress Report – January 2021**
- d. Approve Repurchase Agreements – Delray Beach Community Land Trust – 215 NW 8th Avenue and 21 SW 13th Avenue**
- e. First Amendment to the Agreement for Professional Architectural Design Services for the Corey Jones Isle Workforce Housing Development Project Between the Delray Beach Community Redevelopment Agency and Pasquale Kuritzky Architecture, Inc.**
- f. Second Amendment to the Consulting Work Assignment Between the Delray Beach Community Redevelopment Agency and Song & Associates, Inc.**
- g. Reinstatement and First Amendment to Site Development Assistance Funding Agreement – Law Offices of Herman Stevens, Jr. & Associates**
- h. Fourth Amendment to Commercial Lease Agreement – 135 NW 5th Avenue, Unit C6**

i. Interlocal Agreement with City of Delray Beach for the Digital Inclusion Initiative

Motion by Vice Chair Frankel, seconded by Commissioner Petrolia, to approve the Consent Agenda as printed. In a roll call vote, the **motion** passed unanimously (7-0).

8. Old Business

a. Request for Proposals: CRA No. 2020-01 for Development and Disposition of CRA Owned Properties in the SW Neighborhood for Workforce Housing (Carver Square) Determination

Tara Toto, CRA Redevelopment Manager, explained the item before the Board was determination to accept a proposal for Request for Proposals (RFP) 2020-01 created for development and disposition of CRA owned properties in the SW Neighborhood for Workforce Housing, known as Carver Square. She provided a brief history of the project, which was to include 20 single-family homes in CRA District Sub-Area 8, and outlined the program objectives, including:

- Stabilize and preserve neighborhoods through redevelopment and the elimination of blight.
- Provide decent, affordable/workforce housing for residents who are of very low to moderate income level.
- Assist homeowners in relocating as a result of CRA redevelopment projects and land acquisition.
- Create housing opportunities for a mix of ages and income levels within the CRA district.
- Encourage the creation of affordable housing by the private sector.

Ms. Toto stated the CRA Redevelopment Plan for Carver Square includes four (4) phases:

- Initial soil testing.
- Acquisition of the properties, resident relocation, and demolition.
- Environmental testing and remediation.
- Construction of the new affordable/workforce housing units.

Ms. Toto explained phases one (1) through three (3) had been finished, and the CRA was currently in phase four (4). She noted that in January 2018 the CRA had engaged Brooks and Scarpa, a design consultant, to design new affordable/workforce housing for Carver Square and staff had worked with the consultant to develop design documents. She stated the design documents were complete and ready to submit to the Building Department for review and approval.

Continuing, Ms. Toto showed photos of the property and outlined the options for the Carver Square construction strategy in the RFP, including contracting with a nonprofit to construct and sell the homes, contracting with a Construction Engineer and General

Contractor, or partnering with a for-profit developer to fulfill County or City Workforce Housing Program requirements.

Ms. Toto explained the Board had asked staff to conduct additional information gathering regarding the third option. She stated following the June 2020 meeting, staff reached out to developers and contractors and received varying levels of interest. Subsequently, at the July 28, 2020 meeting, the CRA Board directed staff to publish an RFP with the option of partnering with a for-profit developer to fulfill County or City Workforce Housing Program requirements for the Carver Square project.

Ms. Toto stated the CRA received four (4) proposals in response to the RFP by the submittal deadline. Three (3) of the four (4) proposals met sufficiency requirements and were provided to the evaluation and selection committee on November 18, 2020. She stated those proposals were from Azur Equities, LLC; East to West Development Corporation; and Pulte Home Company, LLC.

Continuing, Ms. Toto shared a chart comparing the key elements of the proposals. Each proposer agreed to the RFP requirements for sales price, local hiring, and income qualification and offered an 18-month construction schedule following closing.

- Azur Equities, LLC
 - Offer/Purchase Price (CRA Properties) – \$0
 - Four Models, all 2 story, mix of 2, 3, and 4 bedroom
 - 1,450 – 2,000 square feet (sf)
 - Three models with one car garage, one model with two car garage
 - Sale Price \$267,960; \$287,280; \$313,040; and \$338,850
 - Variation in models not specified
 - Homebuyer qualification through Delray CDC
- East to West Development Corporation
 - Offer/Purchase Price (CRA Properties) – \$800,000 (\$40,000 per lot)
 - Four Models, 1 and 2 story, all 3 bedroom
 - 1,325/1,705 – 1,656/2,092 sf
 - All models with one car garage
 - Sale Price \$0 – \$331,888
 - 2 story – 12 units, 1 story – 8 units
 - Homebuyer qualification through collaboration with local agencies
- Pulte Home Company, LLC
 - Offer/Purchase Price (CRA Properties) – \$200,000 (\$10,000 per lot)
 - Four Models, 1 and 2 story, mix of 3 and 4 bedroom
 - 1,447/2,028 – 1,850/2,339 sf
 - All models with two car garage
 - Sale Price \$166,110 – \$308,490
 - 2 story – 12 units, 1 story – 8 units
 - Homebuyer qualification with assistance of PBC

Ms. Toto showed elevations and street views for each of the projects, as submitted. She outlined the evaluation criteria, which included:

- Qualifications, experience, and financial capacity (30 points)
- Development and construction plan and local hiring (35 points)
- Offer price, development costs, and home sale prices (35 points)
- Optional Task: CRA architectural plans and homebuyer qualification (4 points)

Ms. Toto stated the projects were scored as follows:

- Azur Equities, LLC – 304 points
- East to West Development Corporation – 354 points
- Pulte Home Company, LLC – 344 points

Ms. Toto stated staff recommendation was for the Board award and accept a bid for the Carver Square project.

Renee Jadusingh, CRA Executive Director, stated that based on the CRA's procurement rules, the selection committee was convened, and the results were being brought before the Board to ultimately make a determination. She explained that based on the RFP, the Board reserved the right to select the proposal most advantageous to the CRA.

Ms. Jadusingh explained the options before the Board were to:

1. Accept the selection committee results and award the bid to the highest rank proposer, OR
2. Reject the selection committee results and select the proposer that serves in the best interest of the CRA, OR
3. Cancel the RFP at any time, and/or reject all submitted proposals and/or reissue the RFP, OR
4. Choose a CRA contract with a General Contractor and Construction Engineering Inspector, utilizing the full set of construction plans ready to submit for permit as prepared by the CRA.

Commissioner Petrolia referenced the range in purchase price for the land in the proposals, which was from \$0 to \$800,000, and asked if each of the proposers understand the CRA would not be assisting in any way with the cost of the bill and the sale. She stated it seemed odd to her that East to West Development Corporation would be offering \$800,000 for the land and then building the intricate plans shown and selling for the prices required under the RFP.

Ms. Jadusingh clarified that it was stated on page 14 of the RFP that no funds or subsidies would be offered to the proposer by the CRA.

Commissioner Petrolia pointed out that Pulte Homes was offering a \$237,000 marketing fee back to the CRA, bringing the total to \$437,000. She noted there were two (2) car garages on the Pulte Homes proposal, a mix on the Azur proposal, and one (1) car garages on the East to West proposal.

Continuing, Commissioner Petrolia clarified the square footage of each project, under air and total, and pointed out the differences in maximum sales price on each project. She stated the purchase prices made a difference for her and noted the Pulte Homes proposal gave a great range for people in different price categories to qualify for.

Commissioner Petrolia stated she liked the look of the East to West homes best, but on the qualification page, there was only four (4) points given to architectural design. She stated her biggest concern was that people at the low and low-moderate income levels were able to qualify for homes.

Chair Johnson thanked Commissioner Petrolia for her analysis.

Commissioner Casale asked for clarification regarding the marketing fee offered by Pulte Homes.

Ms. Jadusingh showed the slide showing the marketing fee offered by Pulte Homes was \$237,300 (\$11,865), equal to five (5) percent of the sale price.

Commissioner Casale added together the sales prices of each project and asserted if the Board were taking into account what Commissioner Petrolia had said about qualifying people for homes, Pulte presented the most desirable case with respect to affordability. Commissioner Casale stated she was concerned, as Commissioner Petrolia had expressed, with the range in sale prices under the East to West proposal. She asserted that if they had specified prices, it would be different.

Deputy Vice Chair Gray stated East to West and Pulte both had wonderful designs. She asserted affordable housing was really needed in the Northwest/Southwest community, noting there is a lot of Workforce housing attached to new builds, but not enough affordable housing. She stated at the level of \$166,000 (the lowest priced Pulte home), that is affordable. She added that the Pulte home was a nice size unit, noting there were issues with the rooms in Community Land Trust homes being smaller, but these were larger. She stated she was definitely impressed with the two (2) car garages, because homes do not have enough storage space.

Deputy Vice Chair Gray noted the maximum price on the Pulte Homes proposal was perfect and stated she would be supporting Pulte Homes. She added that looking at their experience, Pulte Homes had been doing a lot of work in the area. Continuing, Deputy Vice Chair Gray stated that with the East to West proposal, the builder had all the experience but not too much the developer. She asserted she was a little bit concerned about that, but the price is what did it for her.

Commissioner Boylston thanked his colleagues for clarifying a few things he had questions about. He stated his main issue was the \$0 – \$331,888 under the East to West proposal, and not really defining that. He asserted one (1) of the homes provided by Pulte Homes was literally half that number, and they all knew the need and the vision of the project. Commissioner Boylston stated he was surprised by the average under-air comparison for each home, as Commissioner Petrolia had pointed out, and said he thought that was really

important. He asked if the applicant, East to West Development, was asked to clarify the price range. He stated he was guessing they were not going to do too many units at \$0.

Ms. Jadusingh explained the proposals were reviewed based on the document, there is no outside information. She stated what is bid is what is reviewed by staff and the committee.

Commissioner Boylston stated that while he appreciates East to West ranking first with the selection committee, he could not approve moving forward with them with this little information regarding the sale price of the units. He added that he understood this was a staff concern, as well.

Chair Johnson stated she was disappointed in the proposals as received. She noted Azure Equities did not seem to understand what the CRA was about, and East to West Development, in a nutshell, their offer price would be recouped if they sold each house for \$332,000, so that was a wash. She stated the Pulte Homes proposal, she was concerned with the architecture compared to what the CRA had laboriously gone over and thought would be a little spark to the community.

Chair Johnson asserted she was not in favor of cookie cutter homes and wanted something that was going to be a standout in the community. She stated that she would go for the CRA contract, since they already had the architecture and were just waiting to do it themselves. She noted that she did not see any numbers but thought the CRA could best the proposals.

Motion by Commissioner Petrolia, seconded by Deputy Vice Chair Gray, to reject the recommendation of the selection committee and select the proposal which would best meet the needs of the CRA, which was Pulte Homes. In a roll call vote, the **motion** passed (5-2). Chair Johnson and Vice Chair Frankel voted no.

{Audio breaks, but it does not appear any business was missed}

b. Project Description Variation – BH3 Management, LLC for the Development of SW 600-800 Blocks of West Atlantic Avenue

Ms. Jadusingh explained that in November 2020, BH3 Management, LLC sent a request letter to the CRA seeking amendments to the Purchase & Sale Agreement for the development of the SW 600-800 blocks of West Atlantic Avenue, including amending the project phasing, project composition to reduce the overall size of the project, and to extend the approval date by 10 months. She stated the Board discussed the request letter at two (2) meetings in December and directed staff to negotiate a fourth amendment, which was the following agenda item as 8c.

Ms. Jadusingh stated that since December, staff had been in negotiations with BH3 regarding the terms of the amendment and obtained an appraisal for the properties based on the proposed project, which came back at about \$19 million.

Ms. Jadusingh shared a slide outlining the project variations, showing the original AtlaWest project submitted on April 22, 2019, the Fabrick project submitted on February 27, 2020, and the New Fabrick project contemplated at this meeting, including:

- Residential Units
 - AtlaWest – 165
 - 135 Market Rate
 - 30 Workforce
 - Fabrick – 167
 - 137 Market Rate
 - 30 Workforce
 - New Fabrick
 - 69 onsite, 18 offsite
 - 65 Workforce Rental Units
 - 5 For Sale Workforce Townhomes
 - 18 Offsite Workforce Rental Units
 - Percentage Change Fabrick to New Fabrick -58.58%
- Commercial Office
 - AtlaWest – 21,600 sf
 - Fabrick – 22,056 sf
 - New Fabrick – 22,630 sf
 - Percentage Change Fabrick to New Fabrick +2.60%
- Retail (including Food and Beverage):
 - AtlaWest – 43,300 sf
 - Fabrick – 47,500 sf
 - New Fabrick – 23,500 sf
 - Percentage Change Fabrick to New Fabrick -50.53%
- Parking
 - AtlaWest – Required plus 206 public parking spaces
 - Fabrick – 768 spaces (including 206 public parking spaces)
 - New Fabrick – Required plus 24 spaces, plus \$200,000 paid to CRA for public parking improvements
- Open Space
 - AtlaWest – 40,000 sf
 - Fabrick – 38,041 sf
 - New Fabrick – 30,868 sf
 - Percentage Change Fabrick to New Fabrick -18.86%
- Grocery
 - AtlaWest – 33,000 sf
 - Fabrick – 34,911 sf
 - New Fabrick – up to 33,000 sf
 - Percentage Change Fabrick to New Fabrick – at least -2.60%

Ms. Jadusingh explained that per the Purchase & Sale Agreement, any project change of 10 percent or more requires CRA Board approval, which shall not be unreasonably withheld. She stated just before the meeting it was discovered the numbers used had a

slight discrepancy, so Neil Schiller, attorney for BH3, would be making a brief presentation to correct the record.

Mr. Schiller presented the request from BH3. He stated that Board approval of the project design and architecture would put the issue to rest and explained that BH3 agreed with the terms of the CRA's fourth amendment. He noted there were previously open issues regarding the deposit, but that was resolved, as BH3 was willing to accept the terms proposed and negotiated by the CRA staff.

Continuing, Mr. Schiller outlined terms of the amendment BH3 was agreeing to, including:

- Putting \$1,000,000 in total at risk with time frames and amounts
- \$200,000 contribution to the CRA parking fund
- Waiver of Force Majeure claims up to the date of execution of the amendment
- Failure to meet a date will result in work product being handed over to the CRA
- Extension of approval date by 10 months

Mr. Schiller outlined the project description as follows:

- 87 residential units (100% workforce/affordable)
 - 26 – one bedroom
 - 30 – two bedroom
 - 8 – three bedroom
 - 5 – townhomes (for sale)
 - 18 workforce units on 6th Ave
- 3,189 sf of residential amenities
- 23,506 sf of ground floor retail space (does not include 600 block)
- 22,680 sf of commercial office space
- 30,732 sf of open space
 - 8,672 sf of “Frog Alley”
 - 5,310 sf on 800 block
 - 2,222 sf on 600 block
 - 14,528 sf of open space (water)
- 321* parking spaces (no on-street)
 - 197 on 700 block and 800 block
 - 124 on 600 block *(grocer)

Mr. Schiller shared photos of four (4) projects representative of those BH3 had completed or were in process on, including FATCity, Prive at Island Estates, the Hendrik, and Hillsboro Beach Resort. He discussed BH3's activity in the community, including donating more than 3,000 meals and sponsoring community activities such as jazz in the park.

Mr. Schiller shared renderings and a drawing of the site plan, noting there were some slight updates to the numbers presented by staff.

Mr. Schiller outlined community benefits of the project, including the planned pricing for the workforce multifamily residential units, with five (5) units listed based on an income qualification under 60 percent of median income, eight (8) units at 60-80 percent of

median income, and the remaining 51 units priced based on 80-120 percent median income. The rental prices ranged from \$988 to \$2,740.

Continuing, Mr. Schiller stated additional community benefits included a national grocer that would raise local property values, a low rise, less dense project to fit into the neighborhood, and meeting community needs such as a grocer, financial institution, community space for meeting and small business. He noted the project would also include a We-Work style community space for meetings, small and local businesses, entrepreneurs, and startups.

Mr. Schiller explained that as the project shrank in size due to a number of factors, so did the parking demand. He outlined the proposed parking, including:

- 800 block: 93 spaces
- 700 block: 104 spaces
- 600 block: 124 spaces

Mr. Schiller stated the list did not include 69 on-street spaces. He explained the total parking required for the size project after shared parking analysis was 254, so the project was providing 67 spaces above the required parking. He noted that BH3 had also agreed to contribute \$200,000 to the CRA parking fund, which he described as an equivalent of 42 spaces. Mr. Schiller provided an image highlighting the parking plan.

Continuing, Mr. Schiller outlined additional benefits to the community provided by the Fabrick project estimated based on the research of a CRA consultant, including:

- New Jobs
 - Total – 433 full-time equivalent (FTE)
 - Grocery – 133 FTE
 - Retail, Food & Beverage – 108 FTE
 - Professional Office – 192 FTE
- Annual employee spend in immediate area of the project - \$1,879,696
- Annual Estimated Sales Tax
 - Florida – \$693,174.14
 - County – \$115,529.02
- Annual Retail Sales by Residents: \$1,016,853

Mr. Schiller stated there was a 2017 Yale University study by William Van Fossen called “The Effect of Supermarket Entrance on Nearby Residential Property Values in the United States from 1997 to 2015” which concluded that properties within one (1) mile of a grocery store usually see an increase of approximately \$8,000 in property value.

Mr. Schiller outlined ways in which the project was compatible with the neighborhood, including the low-rise project being the right amount of change for the neighborhood, and the addition of the uses desired by the neighborhood such as a grocer, medical clinics and office, financial institution, and workforce and affordable housing. He asserted the

workforce and affordable housing would allow local residents to live there, which would limit gentrification, and added that the townhouses created ownership.

Mr. Schiller shared a slide which outlined ways in which the Fabrick project delivered on the guiding principles and action strategies of the West Atlantic Master Plan. He closed by stating BH3 was in full agreement with staff's proposed terms for the fourth amendment to the Purchase & Sale Agreement.

Chair Johnson asked Ms. Jadusingh if it was possible to match the chart presented by staff with the information Mr. Schiller had provided.

Ms. Jadusingh explained the staff chart further and stated the current proposal from BH3 had been received immediately before the meeting so there had not been time to integrate the new information.

Ms. Jadusingh reviewed the numbers and stated that even with the changes Mr. Schiller brought forward just before the meeting, the variation was still plus or minus 10 percent and would require Board approval.

Chair Johnson asked that the numbers be read aloud so Board members could correct their packets.

Ms. Jadusingh read the changes as follows:

- Residential Units
 - Remain unchanged
- Commercial Office
 - Staff presented: New Fabrick – 22,630 sf
 - BH3 correction: New Fabrick – 22,680 sf
 - Staff presented: Percentage Change +2.60%
 - BH3 correction: Percentage Change +5.0%
- Retail (including Food and Beverage):
 - Staff presented: New Fabrick – 23,500 sf
 - BH3 correction: New Fabrick – 23,506 sf
 - Staff presented: Percentage Change -50.53%
 - BH3 correction: Percentage Change -45.71%
- Parking
 - Staff presented: New Fabrick – Required plus 24 spaces, plus \$200,000 paid to CRA for public parking improvements
 - BH3 correction: Required plus 67 spaces, plus \$200,000 paid to CRA for public parking improvements
- Open Space
 - Staff presented: New Fabrick – 30,868 sf
 - BH3 correction: New Fabrick – 30,732 sf
 - Staff presented: Percentage Change -18.86%
 - BH3 correction: Percentage Change -23.17%
- Grocery

- Staff presented: Up to 33,000 sf
- BH3 correction: Up to 30,000 sf
- Staff presented: Percentage Change – at least -2.60%
- BH3 correction: Percentage Change – at least -9.01%

Vice Chair Frankel stated there was an assertion made during public comment that this had gone from a \$100 million to a \$30 million project. He asked Ms. Jadusingh if this was correct.

Ms. Jadusingh responded that the CRA had not received revised project costs. She added that she was not quite sure where the \$30 million figure came from. She asked Mr. Schiller if he had that information.

Mr. Schiller stated his clients advised him the project has been reduced by about \$25 million, from \$100 million to \$75 million.

Chair Johnson asked for clarification if that meant the cost of the project to the developer had gone from \$100 million to \$75 million.

Mr. Schiller stated that was correct.

Commissioner Casale asserted Vice Chair Frankel was asking about the taxable value.

Deputy Vice Chair Gray stated while she appreciated all the hard work everyone had done in making sure that BH3 agreed to the terms of the amendment by addressing the bond and parking, she still had an issue with the affordable housing. She asked what the plan was for affordable and Workforce Housing.

Deputy Vice Chair Gray asserted the project had been reduced by more than 100 units and BH3 knew that it was an issue, yet they were not doing housing. She stated she was confused by that and that something needed to be worked out to get more Workforce housing units to support the businesses that are there already.

Mr. Schiller thanked Deputy Vice Chair Gray for her question and asked Taylor Levy to come up to help him address it.

Chair Johnson declined, stating the Board would rely on Mr. Schiller for responses.

Deputy Vice Chair Gray added that what she had seen with parking and bringing additional dollars in, she would be amenable to doing something similar with housing. She stated the Delray Beach Housing Authority and Community Land Trust came to the CRA every year for funding, and she would like to propose something with them. She stated there had to be more housing in the project.

Continuing, Deputy Vice Chair Gray pointed to the community leaders who had spoken during public comment and stated she was also a community leader, and they needed more housing. She noted BH3 knew that.

Mr. Schiller asked to confer with his client.

Chair Johnson stated as long as they did not prolong it, stating this was the third go-round and they were giving the same answers.

Mr. Schiller spoke briefly with BH3 representatives and then stated that he had to beg to differ on the Workforce housing issue a little bit, primarily because the project had been turned into a 100 percent Workforce and affordable housing project. He asserted it was 69 units being built plus an original 18 which are now occupied. He stated that was 87 Workforce housing units that previously did not exist and added that they were on West Atlantic Avenue, where there is little residential.

Continuing, Mr. Schiller stated that not only was the Workforce housing a 150 percent increase from what was originally proposed, they were very serious for providing real housing opportunities for the public. He noted a public speaker had said these units weren't for them, but BH3 had followed the Workforce housing guidelines and met with members of the community.

Deputy Vice Chair Gray asserted that the answer was nothing more and stated Mr. Schiller was not answering her question. She asked that they continue with the vote.

Mr. Schiller stated as far as monetary contributions to differing agencies, that was something that BH3 would like to further explore, but they did not have anything to commit to at this point.

Commissioner Petrolia commented that it was unsettling for her to be considering something so outside of what the original bid was all about. She stated that even though the Board had that opportunity, it was something that was disingenuous because there had been other bidders who had brought forward plans with what the CRA had put out for Request for Proposals (RFP) and now it had changed tremendously. She noted the percentage changes discussed earlier in the meeting and stated that was concerning.

Continuing, Commissioner Petrolia stated at the last meeting she had made a clear statement that the way BH3 could get her vote was to have \$1 million that could be lost. She asserted what they had done was take bits and pieces of other deposits and added it in to get to the \$1 million and said she did not find that to be palatable for her. She explained she was fixed on this because she wanted BH3 to perform, but for her to say that all of a sudden, they were going to be ready to deliver was difficult.

Commissioner Petrolia stated the project had not moved out of ground zero with the exception of changing what it looks like. She added that for two (2) solid years, they had seen no movement. She asserted that now in order to buy her trust, BH3 had to put a big amount on the line that was losable, and that was why she was so insistent that there be real money lost if they did not meet certain time frames. She added that the most being pushed out at the beginning and very little money being left at the end also didn't work, and she felt the most should be at the end to make sure they were meeting those conditions.

Commissioner Petrolia asserted she was looking at the earnest money proposed by BH3 and what CRA staff wanted and seeing a very big disconnect there. She asked Ms. Jadusingh to explain why there was a disconnect and where it was.

Ms. Jadusingh clarified that the CRA currently had \$250,000 in escrow for the public benefit, which was provided previously.

Commissioner Petrolia confirmed that meant if they choose not to do any community benefit, the CRA keeps \$250,000.

Ms. Jadusingh stated that was correct.

Commissioner Petrolia asserted the CRA was giving millions of dollars' worth of land over, and BH3 was going to have \$250,000 riding on the contract. She stated she wanted to make sure that was clear.

Ms. Jadusingh stated the CRA had that \$250,000, and BH3 was proposing to add \$750,000 into escrow to make the \$1 million requested. She added that from what she understands, there is no longer a discrepancy on the release of the funds.

Commissioner Petrolia stated they were now talking about what the CRA staff had presented. She asked what date the deposits would be forfeited on each of the markers.

Ms. Jadusingh stated the first date was the application date, where if they don't meet the application date, which was six (6) months from when the fourth amendment was signed, they would forfeit the \$1 million and the CRA would have the right to terminate with no cure period.

Board Attorney DJ Doody explained that date was estimated to be July 30, 2021. He noted the application date was the only time the cure period burns off, as it comes back for the approval date.

Commissioner Petrolia asked for clarification regarding how much would be lost.

Mr. Doody stated BH3 would lose the entire \$1 million if they did not meet the application date.

Commissioner Petrolia asked if they meet the July 30 date, what happens after that, and whether they could lose money at other points.

Ms. Jadusingh stated the next date would be at the full site plan approval, which would be 10 months after the signing of the fourth amendment. She noted that upon meeting that deadline, the CRA would release to them \$100,000.

Commissioner Petrolia asserted the information would have been easier to understand in the format, as she was looking for the dates BH3 was actually losing if they did not meet the goals. She clarified that this information was what staff had put together.

Ms. Jadusingh stated that was correct, based on the discussions at the Board meetings in December 2020.

Commissioner Petrolia asked what happens if BH3 could not deliver a grocer. She stated she noticed in the amendment it stated there was a \$325,000 release for the grocer and asked what happened if they could not secure it.

Ms. Jadusingh stated in the next agenda item there was discussion of the fourth amendment, and that included a proposed grocer timeline. She stated she believed it was one (1) of the events of default and asked Mr. Doody to speak to the issue.

Mr. Doody asserted that the CRA would not close on the 600 block and BH3 would not be entitled to title to the property if they could not deliver a grocer.

Commissioner Petrolia asked how the CRA makes sure that once BH3 procured a grocer, the grocer actually came in. She asked if it was tied to a period of time in order to make sure the place was for a grocer only, because it was one (1) of the most important parts of the entire development.

Mr. Doody stated the way it would be handled would be through the termination date in the contract. He noted that if they had not completed all three (3) phases by the termination date, the CRA would terminate the provision. He added that there was no penalty to BH3 for failure to provide a grocer.

Commissioner Petrolia stated that was a problem for her, reiterating that it was one (1) of the most important parts of the contract. She asked Ms. Jadusingh to confirm that there was no payment for the land.

Ms. Jadusingh confirmed that there was no payment for the land in the agreement.

Commissioner Petrolia stated she wanted to make sure that was up front so that everybody understood that the Board was talking about giving the land over, and what they were getting back for it.

Chair Johnson added that the land was just reappraised at \$19 million, and the discussion had been \$17 million before.

Commissioner Petrolia stated she wanted to mention to her colleagues that she thought the project that came forward is a better project than what was originally in front of them with respect to its size and intensity, but they were losing on the total spaces of parking. She noted that the \$200,000 only came to about \$970 per space in lieu of the spaces lost, but changes to the calculation had been made during the meeting.

Commissioner Petrolia finished by saying she was leery about it and understood they had come to the table with some of the things that had been asked for, but she didn't think this was the time to negotiate.

Commissioner Boylston stated that with all of the conversations and phone calls he had had, whatever decision the Board was going to make was probably going to evenly disappoint and please people, because it seemed pretty split in the community. He noted the public comment had leaned one (1) way, but the conversations he had had were split.

Commissioner Boylston asserted that it was a difficult situation and he wished that they weren't here. He noted he wasn't sure how much of it had to do with community input, and how much was COVID-19, economics, or the grocer requirement, but as mentioned by one of the public speakers, part of the problem was the process. He stated the CRA had to take some ownership with that, as the process had not been ideal. He noted if they look back at the RFP, it feels dated, as far as it referred to grocers and how the market has changed, opportunity zones, office space, affordable and Workforce housing, and others. He pointed to a speaker who had mentioned that they should think 2040.

Commissioner Boylston stated he wanted to think that way, but every two (2) years into a project, they couldn't take what they'd learned and hit the reset button on the project. He asserted they had to take what they had learned and bring it to the next project, as that was how they were going to move forward.

Continuing, Commissioner Boylston stated one (1) of the deciding factors for him was that he had pulled up all of the old plans that were presented to the Board and put them in front of a community partner at the County level who had done affordable home projects all over the United States and asked which project worried him the least when it comes to gentrification of a neighborhood. He asserted the partner had pointed to this project, the current version of the New Fabrick that they were looking at today.

Commissioner Boylston stated that although it has less housing, going from 167 units, only 30 of those were Workforce housing. He noted that he had asked if the partner had ever seen a project with 100 percent affordable and Workforce housing gentrify an area, and he couldn't think of one. Commissioner Boylston asserted the partner was more concerned about the grocery store, which was interesting because Mr. Schiller provided a statistic that the grocery store does raise the property value.

Commissioner Boylston explained the partner was going to get back to him, but he could not think of one (1) project in the United States he had worked on that was 100 percent affordable and Workforce housing that sparked gentrification of a neighborhood. He stated that information combined with a narrative that was very interesting, noting that when he speaks to the youth and what they are looking for, they want to be part of downtown. They are entrepreneurs and want access to space for their business. He asserted Delray Beach doesn't really have affordable space for that demographic that wants to live downtown, walk to the grocery store and go to coworking and community space to continue to work on their business.

Continuing, Commissioner Boylston stated those were the two (2) elements that really became clear for him, as he had been torn all week. He added that at the end of the day, gentrification was a big concern of his, and when thinking about the youth and the product the CRA was putting forward, there was nothing like it in Delray Beach to live that lifestyle.

Commissioner Boylston stated he agreed with what Deputy Vice Chair Gray said about 187 units down to 87, but that could be flipped to say they had gone from 30 units of affordable and Workforce housing all the way up to 87. He noted he would agree with Commissioner Petrolia's assertions regarding the \$1 million and stated he had been clear in support of the idea. He noted the first date was six (6) months from now, and he would stand with that. He added that he thought that was important.

Vice Chair Frankel thanked the members of the public for their input, noting there were many speakers he greatly respects. He noted as Commissioner Boylston had said, there was a very split community opinion on the issue.

Vice Chair Frankel stated his issue was that in 2019, as the first public comment of the evening had pointed out, the Board took a vote and selected the fourth ranked project. He noted that at the time he saw the project as a destination and referenced another public comment about how difficult it is to bring all members of the community past the Swinton Avenue line. He asserted that at the Frog Alley as destination was what did it for him, but it was a lot different than what it is today.

Continuing, Vice Chair Frankel referenced the project variation chart prepared by staff and directed attention to the change from the original proposal to today. He noted the differences on each line and added that thanks to a public comment the Board had learned Fabrick went from a \$100 million project to a \$75 million project. He stated he knows each member of the Board got a lot of flack for giving away the land and asserted he could not in good conscience "give away the land" when so much was being taken away.

Vice Chair Frankel stated he and Chair Johnson had voted against moving forward at the last meeting and added he would be continuing that vote.

Chair Johnson stated she also hadn't changed her mind but had been given additional reasons why she could no longer support the project. She indicated the chart showing the variances in the project and spoke volumes as to the fact that the project started in one (1) place with all good intentions, BH3 said they could provide it, and periodically there was a chipping away and chipping away. She asserted that if the land was worth \$19 million and the project was only going to be \$75 million, she didn't see the added value to the City.

Continuing, Chair Johnson stated they were giving \$200,000 for parking spaces when the Board request was that it be provided on the project and added that she was overwhelmed with what they started out with and what they ended up with. She stated this was not the 2019 proposal that the Board had accepted and asserted that unfortunately the Board may have chosen a developer that couldn't quite get there. She stated that the CRA had gone out on a limb and asked if they could, and they said that they could, but here they were today.

Chair Johnson asserted that she could not support the project, that the developers had lost her confidence, and that the variance was just an added example to her that she made a wrong choice.

Motion by Vice Chair Frankel, seconded by Deputy Vice Chair Gray, to disapprove of BH3's project description variation of the development of the SW 600-800 blocks of West Atlantic Avenue.

Chair Petrolia made a point of order asking if he meant to "not approve" with the motion, and Vice Chair Frankel confirmed he meant disapprove, and added the words "or not approve" to the motion.

Chair Johnson confirmed a yes vote would be in favor of disapproving the project variation.

Motion by Vice Chair Frankel, seconded by Deputy Vice Chair Gray, to disapprove, or not approve, of BH3's project description variation of the development of the SW 600-800 blocks of West Atlantic Avenue as of January 26, 2021. In a roll call vote, the **motion** passed (5-2). Commissioner Casale and Commissioner Boylston voted no.

c. Fourth Amendment to the Purchase & Sale Agreement with BH3 Management, LLC for the Development of SW 600-800 Blocks of West Atlantic Avenue

Commissioner Petrolia asked legal counsel if the amendment needed to be acted on.

Mr. Doody stated given the action of the Board to not approve the revised project, the discussion was back to the project approved with the third amendment and the option of a fourth amendment became moot for this meeting. He added that it did not need to be taken up at this time, but if they chose to act for the purpose of clarification of the record, they could consider a motion to deny the fourth amendment.

Motion by Commissioner Petrolia, seconded by Commissioner Boylston, to deny the fourth amendment to the Purchase & Sale Agreement with BH3 Management, LLC. In a roll call vote, the **motion** passed unanimously (7-0).

d. Notice of Default – BH3 Management, LLC for the Development of SW 600-800 Blocks of West Atlantic Avenue

Mr. Doody explained the next item before the Board was consideration of declaring BH3 in default based on the status of the current contract and the three (3) amendments. He stated the developer was required to obtain application approvals by January 17, 2021, and that date had come and gone. He noted there were approvals received by BH3.

Mr. Doody stated consequently he would recommend the Board consider declaring BH3 in default, which would necessitate a letter to BH3 to initiate the 30-day cure period.

Motion by Commissioner Boylston, seconded by Vice Chair Frankel, to declare BH3 Management, LLC in default. In a roll call vote, the **motion** passed unanimously (7-0).

9. New Business

None.

10. Other Business

a. Comments by Executive Director

Ms. Jadusingh updates on current projects. She stated Corey Jones Isle was moving along well, and staff had just heard they may be finishing ahead of schedule, with the 10 homes being anticipated complete hopefully by April. She added that staff was planning a ribbon cutting / housewarming for the first three (3) houses and showed side-by-side images of the renderings and actual homes.

Commissioner Petrolia stated she wanted to comment about the renderings compared to the actual. She asserted they were so spot on, it almost looked like they were actually pictures of the mock-ups.

Ms. Jadusingh stated staff was excited to get the project underway, noting it was much needed housing in the neighborhood and telling the Board to look out for the invitation for the ribbon cutting / housewarming in February.

Ms. Jadusingh explained the CRA was continuing its business workshops with Palm Beach County, and shared information regarding upcoming workshops related to equal business opportunity, including:

- Starting a Business in Palm Beach County – February 3
- Accessing Capital – February 10
- Registering for Business with the County – February 24

Ms. Jadusingh stated the first series had been held in late 2020 and had been well received, so the CRA hope to keep the project going every few months.

Continuing, Ms. Jadusingh shared a series of virtual and limited seating author talks in collaboration with Spady Cultural Heritage Museum and Arts Garage on the topic of the impact of race on American society, including:

- Jason Reynolds – February 20
- Tina K. Sacks – March 24
- Richard Rothstein – April 29

Ms. Jadusingh explained the event flyer was available for distribution and the information was on the CRA website. She noted there were books to be distributed for each of the

authors, and stated staff was excited to partner with the community to lead the discussion on racial equality.

Ms. Jadusingh shared information on two current series on display in the Arts Warehouse called Citizens on Watch and Reflections. She noted the featured photographer was on the Code Enforcement Board.

Continuing, Ms. Jadusingh shared the calendar of events at the Delray Senior Resource Center pop-up located at 708 W. Atlantic Avenue, and showed images of the SW Neighborhood Improvement Project, noting it was going well and on time. She stated a large investment into the Osceola Park Neighborhood Improvement Project, which would total about \$10 million, was moving forward. She shared details of a monthly public outreach meeting to be held on January 27 via Microsoft Teams.

b. Comments by Board Attorney

Chair Johnson thanked Mr. Doody for his support through the meeting.

c. Comments by Commissioners

Vice Chair Frankel told Ms. Jadusingh his niece and nephew reported the YouTube feed for the meeting had worked well.

Deputy Vice Chair Gray asked for an update on the Pompey Park bathrooms. She asked where they were with the project and why it was taking so long, since the funding was in place.

Ms. Jadusingh stated the CRA had provided the City with an Interlocal Agreement with included \$400,000 for intermediary repairs to Pompey Park, which included the bathrooms. She noted that last staff heard, there had been no changes and the City did not yet have a contractor to repair the bathrooms. She stated she believed they were working with the Finance Department to get the proper authorizations, release the funds, and award the project to a contractor. She added that the update was current as of that day and there had not been a change in about one (1) month.

Deputy Vice Chair Gray asked if it takes that long.

Ms. Jadusingh responded that she did not know that and would have to check with the Finance Department to see what their process is, but that was the update from the Public Works Assistant Director.

Deputy Vice Chair Gray asked that those on the City Commission stay on top of it.

Commissioner Boylston assured that they were. He noted that Ms. Jadusingh had said Finance, but it was in Procurement, and they were taking care of it.

Ms. Jadusingh stated that she had seen the cost estimates and it was going through the process, it just takes a little bit of time.

Deputy Vice Chair Gray asked that the City work on these Departments, stating that some of these things were ridiculously slow and she did not understand what was taking so long. She reiterated that they just had to stay on top of it. She added that from permits all the way down to having the money, they still could not get some simple bathrooms done.

Commissioner Boylston stated he would get a breakdown of the timeline for the project, and what the timeline was for a proper procurement process. He asserted it was not something done in weeks, and of course the CRA knows that. He added that they did not want any issues with something not being done properly.

Continuing, Commissioner Boylston stated that if they obtained a proper timeline, in the future they could have expectations regarding how long a project would take. He added that setting expectations was a good idea, so they were not out there wondering.

Ms. Jadusingh responded that she would follow up with Public Works. She stated staff was not provided with a timeline but would ask if there was one available now because they had more detail than when first discussed. She noted there was a detailed scope broken down of exactly what work they were doing.

Deputy Vice Chair Gray asserted it had been four (4) months.

Chair Johnson asked if the CRA was obligated to use the City for anything. She stated she recognized that it was their property, so maybe that was the tie-up. She asserted the CRA could have found someone who could have done it faster, but it seems to be the habit that the CRA provides the funding. She stated she did not know how many times she heard the former Executive Director say he was just the fiduciary source and had no control over the project.

Continuing, Chair Johnson added that she did not quite understand why the CRA was always going to the City if their record was not good, and noted she was speaking as a City Commissioner. She asserted it was unfortunate the City's record was not good for getting projects off the ground and asked if there was a way the CRA could say if the City did not do it in three (3) months, the CRA takes their money back, goes out to find someone who can do it and goes to the City Commission for approval. She asked if that was outside the bounds of what could be done.

Chair Johnson stated people were hurting for work, so she didn't think it was that. She noted contractors were out there hurting and would be happy to do whatever the CRA asked them to do. She stated that she didn't want the CRA to completely take on everything, but maybe the City would recognize that if they were not on the ball the CRA was going to bypass them and the money was not going to be there.

Commissioner Boylston responded that he would like Ms. Jadusingh to please clarify the process.

Ms. Jadusingh explained the City owns the facilities and roadways, just as much as someone could not come into your home and start breaking down walls and tearing up

pipes, the CRA cannot just step into a City facility and start tearing things down or hiring contractors. She noted in the sense of being a fiduciary they are, because they provide the funds, however the CRA and City work together.

Continuing, Ms. Jadusingh stated when there are meetings about CRA projects, CRA staff is present. She added that they get updates, are invited to all planning meetings, and work hand in hand with the City, but it is not just that the CRA can say they will do it themselves. She stated that if they wanted to do that, they would have to have an Interlocal Agreement and assume the liability. She asked if the CRA, with its 14 member staff and small district, would want to take on the liability of things the City can do, and said probably not. She added that if that was something the Board wanted to do, they could open up that discussion.

Ms. Jadusingh asserted that the CRA was there every step of the way, and the City staff was doing a great job. She acknowledged there were some things that were slow but stated she did not think it was extraordinarily slow compared to what it would normally be.

Deputy Vice Chair Gray stated Ms. Jadusingh was being kind. She noted that through her staff the CRA had improved the relationship with the City and the Board was thankful for that, but she thought some things got hung up and the Department Heads need to make sure they are really paying attention to the work. She agreed that it might help if they were given a timeline and stayed on top of the projects. She stated it was not just projects, it was permitting, and she heard about permitting all the time. She asked what the CRA Board was going to do about permitting, noting they were not interjecting there.

Chair Johnson thanked Deputy Vice Chair Gray for her comments and stated she thought when the independent CRA was dissolved, she had hoped there would be a better relationship between the CRA Board and the City Commission and the City. She stated she did not know if that was what had happened, and added that Miss Jadusingh does the best she can, but if all the CRA does is provide the money and they are at the mercy of the City, perhaps that was something the Board should take up with the City Commission.

Ms. Jadusingh stated staff could request to add an item to the agenda.

Commissioner Petrolia stated she wanted to make sure everyone recognized that the Interlocal Agreement had just come on the agenda at the January meeting. She noted that a way that the CRA could make sure their projects are really front and center is by pressure of the Commissioners. She added that she knew the Planning and Zoning Department was absolutely slammed, with so much business going on that it is very easy for CRA deals to go to the back because they are trying to take care of everybody else's, but that is not OK because the CRA deals are helping the citizens as a whole.

Deputy Vice Chair Gray asked if the CRA did not have a staff member to facilitate the CRA projects with the City.

Ms. Jadusingh responded that the CRA pays for a position in the Public Works Department, an engineer to work on projects like the Osceola Park improvements. She noted that was not in permitting or anything like that.

Commissioner Petrolia stated the Commissioners could put the pressure on.

Ms. Jadusingh noted that as part of the backup each month staff provided the Board with a report which listed all of the projects if they ever wanted a quick reference on which projects to put pressure on.

Chair Johnson stated she had always been curious as to what gets attention in the City. She noted the squeaky wheel gets the oil, so maybe a bit more squeaking on behalf of the CRA would help.

Commissioner Boylston thanked Ms. Jadusingh for the update on Corey Jones Isle. He stated it was well timed, as the Board needed great news. He added that he was shocked to see how close they were to the renderings, even the paint color. He thanked staff for the speaker series and said he hoped it was a step toward in person workshops in the future and hoped the CRA could still support those in the future.

Commissioner Boylston stated that whatever happens with the 600-800 blocks of South Atlantic Avenue, he thought he and his colleagues on the Board all needed to be on the same page as to what their expectations are. He noted he had said this before, but he could understand the mentality of having given the land for free and therefore the developer should build a bunch for the CRA, but there was also the mentality that they had given the land for free so the developer should be able to build more community quality into the project.

Commissioner Boylston stated he could see both sides of it, noting a lot of CRAs built for their tax base on they had done that for years, but now they have a healthy budget, so he leans more toward getting possibly less of the density or height and more of the quality and community benefits. He stated he thought if the Board could define what they were looking for prior to jumping back on the market and try as best they could to be on the same page, it would be really important.

Commissioner Brooks thanked everybody for opening their arms to him and stated he was glad to see everyone was doing well.

Chair Johnson wished everyone a Happy New Year and thanked the staff and Mr. Doody for all of the work they did over the holidays regarding the BH3 project. She stated she thought the CRA worked hard as a group to give as much leniency as they could to the developer, and thanked staff for the work. She noted it pained her and Vice Chair Frankel to be in the position, but she thought why prolong it. She pointed to Corey Isles as an example that it can be done. She asserted that she hoped the Board would consider that when looking at what they decided to do next.

Chair Johnson stated Commissioner Boylston had said something about quality, and encouraged each of the Board members to investigate the 18 Workforce housing units BH3 had put in.

Mr. Doody reminded the Board that the CRA was still under contract with BH3 and the legal result was that they were now in Notice of Default to meet the terms of the contract, but they were still bound by the contract as is the CRA. He stated that respectfully, he would not speak in the past tense and would be circumspect in honoring the contractual relationship that the CRA has. He noted the Board would be considering potential action at the next meeting in the event that BH3 was unable to cure, and at that point they would have another major decision with respect to the terms of the contract.

11. Adjournment

There being no further discussion, the meeting was adjourned at 6:36 p.m.

Renee Jadusingh, Executive Director

Shirley Ervin Johnson, Board Chair