

City of Delray Beach

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Minutes - Draft

Tuesday, November 14, 2017

6:00 PM

City Commission/CRA Joint Workshop at 6:00 PM

Delray Beach City Hall - 1st Floor Conference Room

City Commission

Mayor Cary Glickstein

Vice Mayor Jim Chard

Deputy Vice Mayor Shirley Ervin Johnson

Commissioner Mitchell Katz

Commissioner Shelly Petrolia

Pursuant to Section 3.12 of the Charter of the City of Delray Beach the Mayor has instructed me to announce a Workshop Meeting of the City Commission to be held for the following purposes:

- WS.1.** [17-913](#) JOINT SESSION WITH COMMUNITY REDEVELOPMENT AGENCY (CRA) TO DISCUSS THE FOLLOWING:
1. PROPOSED LEGISLATION PERTAINING TO CRAs - HOUSE BILL 17 & SENATE BILL 432
 2. CRA NON-PROFIT FUNDING EXPECTATIONS FOR FY 2018-19
 3. PROPOSED DBMC-CRA TOURISM IMPROVEMENT DISTRICT/FEES
 4. PUBLIX PROJECT TERMINATION WITHIN CRA AT ATLANTIC AVE. & SW 6TH AVENUE

Sponsors: Community Redevelopment Agency

Attachments: [11-14-17 -ML&JC - CRA-City Commission Joint Workshop Memo](#)

[D. Tolces Memo to CRA Board re HB 17](#)

[D. Tolces Memo to CRA Board re SB 432](#)

[FY 2016-17 2017-18 NP Funding](#)

The Joint City Commission/CRA Workshop was called to order at 6:00 p.m.

City Commission members present were:

Mayor Cary Glickstein
Commissioner Shelly Petrolia
Deputy Vice Mayor Shirley Johnson
Vice Mayor Jim Chard
Commissioner Mitch Katz

Others members present were:

Mark R. Lauzier, City Manager
R. Max Lohman, City Attorney
Katerri Johnson, City Clerk

ITEM 1 PROPOSED LEGISLATION PERTAINING TO CRAs - HOUSE BILL 17 & SENATE BILL 432

Mr. David Tolces, CRA Attorney, gave an opening update on House and Senate Bills in Tallahassee affecting Community Redevelopment Agencies. He explained that both bills introduced in the legislature, if passed, will eliminate some current language. Mr. Tolces said the proposed change will limit the CRA's ability to expend funds. He also noted that the current Delray CRA sunset is 2045. Mr. Tolces said one of

the objectives of the proposed House bill was to focus on bricks and mortar. He noted that the Senate bill was early in its process. Mayor Glickstein asked what suggestions Mr. Tolces had to make things more palatable. Mr. Tolces said the most difficult items would be those related to monies being spent in the CRA district, as well as home rule.

Commissioner Petrolia inquired what would happen if only one of the bills passed. Mr. Tolces commented that representatives of both legislative chambers would need to determine the language contained in the final legislation. Commissioner Petrolia also noted that the least restrictive of the two bills was the House Bill. Mayor Glickstein stated that the City already had lobbyists to assist with these efforts. He asked what the CRA's position was relative to the current bills. Jeff Costello said that the bill was presently in the House and CRA staff would keep a close eye on the proposals in both houses. Deputy Vice Mayor Johnson asked whether anyone had an anticipated timeframe for passage of the bills. Mr. Tolces said that the likely effective date would be July 1, 2018. Mr. Costello stated that he would bring a resolution to the CRA Board regarding the proposed bills to their next meeting. Mr. Costello said CRA staff would appreciate it if the City Commission could also consider a resolution regarding both proposed bills. He urged the appropriate parties to contact their legislators regarding the proposed legislation.

CRA Board Chairperson Annette Gray suggested that the City of Delray Beach step forward as a leader sharing the City's strategies for doing things well. She suggested sharing the Delray Beach CRA's transparency with other interested cities. Vice Mayor Chard said he had similar thoughts about looking at audit and annual reports, years of rewards, and best practices. Commissioner Petrolia inquired what credibility the City had being that the City had a premier Community Redevelopment Agency, bringing in quite a bit to the community. Vice Mayor Chard said that the Delray Beach CRA had specific leases, performance standards, financial statements and so forth. Vice Mayor Chard inquired whether the proposed bills were being followed by the Florida League of Cities. Mayor Glickstein noted that the sooner the City could get what was needed from Mr. Costello and the CRA Board, the sooner it could be passed along to the City's lobbyists. Mayor Glickstein also stated that he would ask the City's lobbyist where it makes the most sense for the City to direct its efforts.

ITEM 2 CRA NON-PROFIT EXPECTATIONS FOR FY 2018-19

City Manager Mark Lauzier stated that this was a heads-up about potential upcoming impacts of legislation on budgets relative to non-profit allocations. Mayor Glickstein said that the legislation would not apply to non-profit budgets until October 1, 2018. Annette Gray commented that

perhaps the A-guide needed to be revisited so as to not go outside of the guidelines to be consistent with the City's budget. Mayor Glickstein requested that the City Manager and the CRA Executive Director better understand what was going on with Old School Square in terms of budgetary matters. Mayor Glickstein also noted that the Achievement Center had been asked to take on all school academy programs, while some program funding was reduced over the years. Vice Mayor Chard asked whether the City Commission needed to look at extending the bonds at the present time. Mr. Tolces stated that the existing bonds would not be called or effected at any time in the near future.

ITEM 3 PROPOSED DBMC-CRA TOURISM IMPROVEMENT DISTRICT/FEES

Mr. Costello stated that the Community Redevelopment Agency plan to provide funding of \$58,000.00 to the Delray Beach Market Cooperative, was being held in abeyance until the next steps were determined. He noted that the hotel owners had been bringing this matter to the Mayor's attention. Mayor Glickstein said that he had spoken to every major hotelier in the city and they do not support this proposed funding in any way, shape or form. He also said that better communication with the City Commission was needed relative to this matter. Mayor Glickstein noted that hotel and business owners were disappointed that they had not been notified by the Community Redevelopment Agency about the proposed changes in marketing. Mayor Glickstein said that he was very displeased to have been blindsided on this matter.

Commissioner Petrolia said that it was pretty normal in other cities to have a bed tax paid by visitors. Commissioner Petrolia stated that she did not share the opinion of the local hoteliers regarding the DBMC. Ms. Gray noted that the DBMC was charged with destination marketing for the City of Delray Beach. She said that the main question was why this expense was not being paid for by the City, rather than the CRA. Deputy Vice Mayor Johnson suggested moving ahead on the matter, rather than just talking about it. Vice Mayor Chard noted the importance of having agencies become financially independent from the City as soon as practical. He suggested that the proposed contract could be cut off at any time. Ms. Gray said that the CRA Board could decide where the money would be expended from a potential bed tax. Mayor Glickstein stated that hoteliers did not have positive information about the proposed bed tax. He further noted that none of the major hotels had been contacted about the proposed tax. Mr. Straghn said that information was given out at CRA Board meetings in the recent past and was available to all interested parties. Vice Mayor Chard stated that something may have slipped through the cracks in the process. Mayor Glickstein commented that

establishing a taxing district took on a far greater level of significance than other matters. He asked that the CRA staff reach out to local hotels about the potential taxing district.

ITEM 4 PUBLIX PROJECT TERMINATION WITHIN CRA BOUNDARIES AT ATLANTIC AVENUE AND SW 6TH AVENUE

Mayor Glickstein said that the Publix Real Estate Committee had recommended disapproval of the proposed project on West Atlantic Avenue. Mayor Glickstein explained that the President of Publix knows this site and they are willing to consider repurchase in the future, given the right terms and conditions. Mayor Glickstein noted that Publix wanted to buy the property and they will seek a site plan approval with a commencement date of December, 2022. Mayor Glickstein said that Publix did not mind being a pioneer, just not a pioneer by themselves. Mayor Glickstein said in talking further with the developer, Publix had never utilized all of the requested time when considering the development of stores in the past. Mayor Glickstein said that the ask was to take the proposal back to the Publix Real Estate Committee in order to see whether there was some way to shorten the time frame for moving forward with the project. He stated that the site was no longer under consideration at this site on West Atlantic Avenue. Deputy Vice Mayor Johnson noted that another supermarket might also demonstrate interest in the site on West Atlantic Avenue in the future. Mayor Glickstein suggested keeping Randy Hollihan, representing Publix through Pasadena Associates, engaged in the ongoing processes and dialogue.

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