



CRA Board Special Meeting Minutes
Tuesday, January 29, 2019 – 10:00 a.m.
City Commission Chambers – 100 NW 1st Avenue
Delray Beach, FL 33444

STAFF PRESENT:

Jeff Costello
DJ Doody
Lori Hayward

Elizabeth Burrows
DJ Lee

Renee Jadusingh
Krista Walker

Teresa Hadjipetrou
Joan Goodrich

OTHERS PRESENT:

Neil Schiller
Sean Jones
Dorothy Ellington
Larry Abbo
Joseph Sanches
Harold Van Arnem
Timothy Boykins
Gabriella Jan Turko
Ramsey Smith
Joshua Turner
Lynnlea Frasier-Glenn

Sophia Nelson
Tim Hernandez
Germaine Barnes
Mayer Abbo
Bob Currie
Billy Cunningham
Christina Buckley
Willard Park, Jr.
Chuck Ridley
Howard Barr

Richard Jones
Andrew VanValin
Carlos Lorenzo
Scott Roberts
Bill Morris
Deliah Baker
Barry Silverman
Ernestine Holliday
Brian Rosen
George Long

Daniel Lebensohn
David Selznick
Sara Selznick
Craig Baptiste
Dwight Stephenson
Mikey Caruso
Limor Ben Ari
Morris Carstarphen
Rev. Joseph Dorgans
Rita Rana

1. Call to Order

Chair Petrolia called the meeting to order at 10:00 a.m.

2. Roll Call

Present: Chair Shelly Petrolia, Vice Chair Shirley Johnson, Deputy Vice Chair Angie Gray, Treasurer Bill Bathurst, Commissioner Ryan Boylston, Commissioner Adam Frankel, and Commissioner Pamela Brinson.

3. Approval of Agenda

Board Attorney DJ Doody outlined the procedure the special meeting would follow, allowing each developer 10 minutes to present their proposals, followed by 20 minutes for Board members to ask questions.

Chair Petrolia added instruction to the public and asked the Board members for any differences of opinion on the process before moving forward.

Motion by Deputy Vice Chair Gray, seconded by Vice Chair Johnson, to approve the agenda. The **motion** passed unanimously (7-0).

4. Presentations

Renee Jadusingh, CRA Assistant Director, gave an overview of the RFP and what would be included in the meeting, including presentations from the respondents and ranking of proposals for the SW 600-800 blocks West Atlantic Avenue properties.

Key elements within the RFP included:

- Provision of housing, including workforce housing on-site or off-site
- Inclusion of priority uses identified in the 2012 West Atlantic Area
 - Full-service grocery store (required use)
 - Health and wellness facility (urgent care, clinic, fitness center)
 - Family/social entertainment (sports bar, jazz club/lounge, amusement venues)
 - Financial institution (bank or credit union)
 - Pharmacy
- Relocation plan for existing businesses
- Space for local small businesses in the new development
- Local hiring and inclusion plan

Proposals were presented in alphabetical order by developer.

a. BH3

Presented by: Neil Schiller
Sophia Nelson
Richard Jones
Daniel Levenson

Neil Schiller opened the presentations on behalf of BH3, with a project titled Alta West. Alta West would be a multi-use redevelopment project with 165 residential units, restaurant and retail space, commercial offices for locals, and a new “Frog Alley” to bring the community together.

Mr. Schiller provided renderings, plans, and a movement plan for the project, which would be three-levels in height plus roof amenities. He provided a list of community benefits, which included job creation, a four-sided approach so no one faces a wall, and right-sized office and retail spaces for local small businesses.

Parking options in the plan include three (3) parking structures with 206 extra parking spaces. Frog Alley would serve as open space to create a destination, with weekend events planned. Eighteen off-site, recently renovated workforce housing units would be made available July 1, 2019.

Sophia Nelson with S.A. Nelson & Associates shared the BH3 plan for community inclusion.

Mr. Schiller outlined the financial proposal, which included an offer to negotiate terms, he further stated they are not requesting a subsidy and shared information on other BH3 projects in the area and a Delray Beach-centric team.

Board Questions/Comments

Commissioner Boylston asked why the plan included additional parking spaces beyond the requirements, as well as what was included in other proposals.

Mr. Schiller said the additional spaces were an attempt to capture some of the congestion on Atlantic Avenue.

Richard Jones, with Richard Jones Architecture, further addressed parking, saying the additional spaces would serve as a holding place for those traveling to other areas utilizing public transportation and reduce congestion west of downtown.

In response to a question from Commissioner Boylston, Daniel Lebensohn explained a land cost of zero was submitted because the company is reinvesting in the long-term benefits of the project rather than looking at a one-time input of cash. He said the money was embedded in the project rather than the land.

Vice Chair Johnson commended the addition of Frog Alley but expressed concern regarding the number of workforce housing units. She clarified that some of the housing was above the retail space and asked about plans for working with housing on 1st Street.

Mr. Schiller stated BH3 sees significant value in delivering the workforce housing units immediately and said they would be willing to negotiate additional units.

Mr. Jones said greenways are used to soften the project and connect with the historical significance of the area, making the development more inviting to those outside of the development.

Deputy Vice Chair Gray asked how much the group spent on acquisition of the properties which would be used for workforce housing.

Mr. Lebensohn explained approximately \$2 million was spent on the acquisition (pre-renovation) and said BH3 has multiple properties within the community.

In response to a question from Deputy Vice Chair Gray asking if negotiation was an option, Board Attorney DJ Doody said the proposal would have to be considered and accepted or rejected as-is.

Mr. Schiller asserted any of the proposals would require negotiations.

Commissioner Bathurst said he was intrigued by the Frog Alley project and noted some of the other proposals did not include enough retail. He asked if companies had approached BH3 about moving into the development.

Mr. Schiller clarified the retail square footage number included food and beverage and said a CRA consultant had estimated the project could be absorbed into the market within two (2) years. He said he did not believe they had been approached regarding tenancy at this time.

Commissioner Frankel said he liked the community benefits in the project and asked representatives to explain what makes their project a destination over other proposals.

Mr. Schiller said there were three (3) main items which made the project a destination:

- Main Street Coastal vernacular would do a tremendous job of spurring redevelopment
- Frog Alley pays historical homage, getting people more interested in local history and providing a community gathering space
- Unique mix of options available to the community, with no rear to the project. A community project by the community, for the community

In response to a question from Chair Petrolia, Mr. Schiller said the plan included a tenant relocation program heavy on communication.

Mr. Levenson said the relocation plan would not be limited to the development itself but would also include other BH3 properties in the community.

Chair Petrolia said nothing is more important than keeping traffic from going into the downtown corridor and noted the additional parking should be weighed heavily.

b. Jones New Urban Delray, LLC

Presented by: Sean Jones
Tim Hernandez
Andrew VanValin

Sean Jones, partner in Jones New Urban Delray, LLC opened his presentation with an overview of the development team. The team includes Milton Jones Development Corporation (Fort Lauderdale), Sean Jones Corporation (Fort Lauderdale), and New Urban Communities Corporation (Delray Beach), with a combined 130 years of development industry experience.

Mr. Jones said the planner/designer is Marcela Camblor and Associates, who has worked with the City of Delray Beach on the downtown master plan and CBD design guidelines. Agreements are in place with two (2) African American contractors.

Mr. Jones outlined the design objectives, including:

- Create an active, walkable community consistent with the essential character of the City and The Set – a “Village by the Sea”
- Superior site design, architecture, and quality of public and private spaces
- Provide a range of housing opportunities close to employment
- Provided needed neighborhood services – grocery, healthcare, financial
- Be a catalyst for further redevelopment activities in the neighborhood
- Build wealth in The Set and give former Set residents and their families a reason to return to live and/or work
- Create opportunities for neighborhood participation before, during, and after construction

Mr. Jones explained that as licensed contractors, the team could control costs. He shared photos of previously completed projects in Delray Beach and Fort Lauderdale.

Tim Hernandez, partner in Jones New Urban Delray, LLC, said their project was fundamentally different from the others and provided an overview of the development concept.

Mr. Hernandez said it has long been a conversation that Delray Beach needed to scale while addressing the character of the community. He outlined the community inclusion aspects of the proposal, including the establishment of The Set Foundation, contributing \$500,000 over 10 years toward community youth programs, executed agreements with two (2) local construction companies, and a three (3) percent price advantage to local suppliers and subcontractors.

Mr. Hernandez presented images of the project’s master use plan, land use plan, and circulation plan. In addition, he shared renderings to share an identifiable place complementary to downtown Delray Beach with a seamless transition to the neighborhood.

Board Questions/Comments

Deputy Vice Chair Gray asked for clarification on the proposed parking fronting on Atlantic Avenue.

Mr. Hernandez said the grocery store would be at the intersection of SW 9th Avenue, with parking in front of the store. A portion of the parking would be facing Atlantic.

Deputy Vice Chair Gray asked regarding community engagement, whether the project had spoken with clergy people within the community. She listed a number of clergy in the area.

Mr. Hernandez said the team had spoken with a variety of leaders throughout the community including a few members of the clergy but had not spoken to Deputy Vice Chair Gray’s full list.

Commissioner Bathurst asked the team’s basic philosophy regarding retail and residential space.

Mr. Hernandez responded that they provided more residential, because it is not the responsibility of this project to provide all the retail space in the area. He said the partners felt more residential would create the 24-hour activity that is sought.

Commissioner Frankel asked what made the proposal a better destination than the others.

Mr. Hernandez said not only were they meeting the community needs but integrating the development in a way that made it more useable. He said because they were not building a parking structure, they were keeping the costs down.

Mr. Hernandez said these three (3) blocks are the catalyst to create a destination in the area, and no one (1) block would be a destination in itself.

Vice Chair Johnson said downtown Delray runs from I-95 to the ocean, contrary to statements made in the presentation.

In response to a question from Vice Chair Johnson, Mr. Hernandez said the past projects of the partners have held up well within the community. He stated they have been innovators within the community.

Vice Chair Johnson asked how the Board of Directors of The Set Foundation would be selected, and for further information on the requested matching funds from the CRA.

Mr. Jones said the foundation would be made up of community members and community organizations. He said the partners would maintain an active role but would leave the community to know its own needs. Further, he said the matching funds were a lofty goal.

Commissioner Boylston said the Board had been hoping Atlantic Grove would be a catalyst to spur economic growth in the area around it and asked what the group learned from that project.

Mr. Hernandez said they learned that once momentum starts, it is important to keep it going. He said the lack of a piece that could be easily added on was important. He noted the economic crash began immediately after the completion of that project.

Continuing, Mr. Hernandez said he would argue there needed to be more density in housing than was included in Atlantic Grove.

Vice Chair Johnson asked if the plan would be to sell the development.

Mr. Hernandez explained the project would be managed by the group, including the residential rentals and the retail space.

Chair Petrolia said the 27 units of workforce housing onsite was an important selling point for the project, but the number of jobs created was weak. She noted a discrepancy in the presentation regarding the number of jobs created.

Continuing, Chair Petrolia noted the project was broken up into small buildings, which made it more adoptable in the future.

Chair Petrolia asked for clarification on the calculated amount per household spent and said she did not think it was realistic to expect all of that money to be spent in Delray Beach. She said the

biggest concern she had was that this project be a destination, to bring people into the area, and noted a residential-heavy project did not meet that for her.

Deputy Vice Chair Gray asked if there were any letters of intent for the medical facility.

Mr. Hernandez said there is not a letter of intent in place, but the partners have relationships with several medical providers in the community and feel they will have choices.

c. Kayne Anderson Real Estate

Presented by: David Selznick
Dorothy Ellington
Germaine Barnes
Carlos Lorenzo
Sara Selznick

David Selznick, Chief Investment Officer and Partner at Kayne Anderson Real Estate, spoke on behalf of the Boca Raton-based company. He said many of those involved live in Delray Beach, giving them a vested interest in making sure the project is done right.

Mr. Selznick said the company owns over 500 units across the country and will bring all of their experiences and best practices to this project. In addition, he noted the company is considering moving the 50-person Kayne Anderson Real Estate headquarters from Boca Raton to the project if selected.

Continuing, Mr. Selznick outlined how their proposal would fit with the historical significance of the area. He said they had put together a “best in class” team that would be passing the project every day on their way to work.

Dorothy Ellington, President of the Delray Beach Housing Group, shared her experience in Delray Beach she brings to the table and said she is excited to have been invited to participate. She said the proposal is strong, with 54 units for sale as workforce housing, exceeding the requirements of the RFP, and additional contributions to the community.

Architect Germaine Barnes explained the vision for the project. He said it was important to redevelop without displacement, keeping the individuals in the neighborhood there. He noted incorporating the vernacular of the community would help to bring people in to the development.

Mr. Barnes said it was important to recognize this was historically a black neighborhood, and to continue that legacy into the new development, with an identity of its own.

Carlos Lorenzo, representing Kaufman Lynn Construction, a large local contractor, discussed his firm’s background in the multi-family market within Delray Beach. He said Kaufman Lynn has the local experience required to exercise a project of this size, something none of the other proposals can represent.

Board Questions/Comments

Deputy Vice Chair Gray asked Ms. Ellington to outline the affordable housing within the proposal.

Ms. Ellington explained 54 of the units will be sold to people with 80 to 140 percent of the local median income. Total cost of the units would be between \$250,000 and \$300,000 with subsidies required to make them affordable. She said a number of partners have been identified to support the plan.

In response to a question from Chair Petrolia, Ms. Ellingson said the affordable townhomes are off-site, located at SW 10th Street.

In response to a question from Mr. Bathurst, Mr. Barnes said there are 142 residential rental units on-site.

Mr. Selznick said an additional 54 units are for sale off-site, adding a significant wealth creation opportunity for the neighborhood. Continuing, Mr. Selznick said the project includes 75,000 feet of commercial space, including a business incubator, retail, and grocery space, and additional community and green space.

Sara Selznick from Thrive Delray said she did outreach with the five (5) property owners that are affected by the footprint of the development. She said they discussed different scenarios, including becoming partners in the new project and getting first priority for the workforce housing units.

Commissioner Frankel said it goes without saying there is a great group making this presentation, but he is looking for what makes the proposed project a major destination.

Mr. Selznick explained the project incorporates the community in every aspect, not just multi-family housing. He said the business incubator and co-working space set it apart in a way that is thoughtfully curated to fit the community.

Mr. Barnes said the full-service community center and ability to live in the community and work within the co-working space make the project stand out.

Vice Chair Johnson asked who would be responsible for the upkeep of the grounds.

Mr. Selznick said his company would own the investment for at least 10 or 12 years and would provide a property manager to be responsible for upkeep.

Ms. Selznick said the team used a different approach to the community inclusion aspect of the project and wanted a piece to be long-term programming. She said Thrive is committed to that programming long-term, making sure that minority businesses are supported.

Ms. Selznick outlined the three (3) companies:

- Paragon – a Community Development Financial Institution (CDFI) which serves small minority businesses that have had limited access to financial services, is interested in relocating from West Palm Beach
- Money Matters Consulting – a local small business with an interest in moving into the development as well as providing discounted services within the development
- Uplift Solution – a nonprofit that works with underserved communities to bring in the highest quality grocer option and could also develop a marketplace or coop if that is the preference of the community.

Chair Petrolia said the team was strong, and said she liked the idea that additional affordable and workforce housing was included.

Chair Petrolia asked for legal comment regarding site plan approvals of the projects.

Mr. Doody gave brief information on the process that would need to be followed and referred the Board to the individual developers for information on where they were in the process.

Mr. Selznick said moving forward, the project would be open to community input on subjective matters such as aesthetics.

The Board took a break from 10:43 a.m. to 10:48 a.m.

d. Prime Investors and Developers

Presented by: Larry Abbo
Mayer Abbo
Scott Roberts
Craig Batiste

Larry Abbo thanked the Board for the opportunity to present their project and noted the proven performance illustrated by the Fairfield Inn & Suites the group previously executed on the neighboring lot. Mr. Abbo said the Fairfield continues to maintain a local hiring rate of 58 to 60 percent of jobs.

Continuing, Mr. Abbo showed examples of projects the group is currently building across the country. Recent completions included affordable and workforce housing, hotels, and parking structures.

Mr. Abbo said the group would serve as manager and investor and would invite local contractors. He said Village Lifestyle Center would make The Set a better place to live and improve the community as a whole.

Mr. Abbo addressed ways the Fairfield partners with the community, hosting events and providing rooms for events, displaying artwork, and sponsoring.

The group's proposal included a Home 2 Suites by Hilton Hotel, supermarket (with letters of interest from Aldi and Sprouts), retail with office space above, a training hub, community space, apartment homes, and workforce apartment homes.

Mayer Abbo, project architect, outlined the goals of the project, including:

- Connect the neighborhood to Atlantic Avenue
- Enhance and promote walkability
- Create public spaces for the community

Larry Abbo discussed the project's streetscapes, including 1.2 acres of civic and park space open to the community.

Board Questions/Comments

Commissioner Boylston said many hotels are relocating to downtown Delray Beach and asked why they felt the CRA should assist with this project.

Larry Abbo said the team wanted to make Village Lifestyle Center a destination and being able to invite people to stay and spend their money in this area is vital. Mr. Abbo addressed the analysis of the project by the consultant, saying he felt \$4 million in impact to local businesses was missed.

In response to a question from Chair Petrolia, Larry Abbo said a change in the number of jobs listed from the original proposal was a correction to the number of employees to the hotel.

Chair Petrolia agreed the calculation was flawed.

Commissioner Boylston asked about plans to make sure the right type of local businesses was involved in the project.

Mr. Abbo said the office space is already committed at 50 percent leased. He noted the team has a commitment to work with local businesses.

Deputy Vice Chair Johnson asked about economic development, and noted it was difficult to find affordable hotel rooms for sports tournaments coming into the community. She asked how incentives to the community would look.

Mr. Abbo said the plan brings a training and mentoring opportunity to create higher paying jobs and the ability to train for a career within Delray Beach and outside. He addressed using hotel rooms to draw people into the community.

Deputy Vice Chair Johnson asked for examples of non-profit organizations who have been impacted by the Fairfield Inn.

Delray Beach Fairfield Inn and Suites, General Manager Scott Roberts said the hotel has hosted the Fire Department as emergency headquarters during hurricanes, provided meeting space for the CRA and City, and housed events for local churches and organizations. They also display art from the Milagro Center.

Mayer Abbo addressed the project's place in the community, noting Atlantic Avenue is not just a gateway to downtown to them, but an active pedestrian thoroughfare tying the area into the community.

Commissioner Bathurst clarified the number of housing units was 94 rentals, with no for sale units, plus a hotel with 107 rooms.

Commissioner Frankel said he understood the value of hotels in the community and commented on adding to the transient nature of the neighborhood by building a second hotel. He asked Mr. Abbo to explain the "wow factor" of the project in comparison to other proposals.

Larry Abbo said the hotel would be an extended stay hotel, with most people staying 10 or more days, and some over 30 days, reducing the transient nature of the project. He said this would create an opportunity for people to live, work, and play in the three (3) blocks, and spend money in the community.

Chair Petrolia said the rendition was beautiful. She expressed concern about the parking garage abutting the community on the back, but said the community space on the other two (2) blocks was a nice feature that would invite people in.

Continuing, Chair Petrolia noted there are at least three (3) hotels currently coming up in the City of Delray Beach, and she wants to be sure a hotel row is not being created.

Craig Baptiste addressed the training program which would be integrated into the project, offering mentorship programs in hospitality, aviation, automotive, and technology fields.

Mr. Baptiste further stated the Prime group is different because they maintain their own assets and have no interest in a five (5) or 10-year window.

In response to a question from Vice Chair Johnson, Larry Abbo said the working name of the project was Village Lifestyle Center.

e. Uptown Delray LLC

Presented by: Joseph Sanches
Bob Currie
Bill Morris
Dwight Stephenson
Harold Van Arnem
Billy Cunningham
Deliah Baker

Joseph Sanches, President of D. Stephenson Construction, a local general contracting company, spoke on behalf of Uptown Delray LLC. He opened by giving background information on the partners within the development team and representative past projects.

Mr. Sanches said the design of their proposal is green, contemporary, gateway, and an expansion of downtown Delray Beach that is pedestrian friendly and walkable. He shared the master plan and images of the project from all angles.

The Uptown Delray LLC plan included:

- 71,990 sf of commercial space
- 112 residential units
- 390 parking spaces

Mr. Sanches stated several grocery store operators have shown an interest in leasing space to operate within the project, with requirements ranging from 20,000 to 25,000 square feet. He said immediately upon securing a purchase contract, Uptown Delray LLC is 100 percent committed to bringing in a grocery operator.

Tenant mix the Uptown Delray LLC plan incorporated:

- Grocery store
- Bank/financial services
- Real estate/insurance office
- Existing CRA tenants
- Pack and Ship
- Pharmacy
- Dunkin Donuts
- Pizza
- Restaurants

Mr. Sanches addressed inclusion priorities which came out of four (4) years of focus group meetings within the community, including:

- 22 workforce housing units (spread throughout the development and inclusive in the site)
- Hire a minimum of 30 local workers
- Hold a minimum of 2 job fairs
- Local general contractor (partnered with D. Stephenson Construction)
- Hire local sub-contractors (committed to hiring a minimum of six)
- Community engagement in design and other factors
- Small business incubator
- Honor existing CRA tenant leases

Continuing, Mr. Sanches said the project will include a fitness center, computer/business center, two (2) tot parks (one for the community and one private for the residents), a basketball court, and a pocket park.

Mr. Sanches said the Uptown proposal has a serious competitive advantage in that it is the only shovel-ready project, showing the team had gone through all site plan and conditional use approvals, and had approval from the Chamber of Commerce, Pineapple Grove, WARC, DDA, Parking Management Advisory Board, and the CRA Board, a process that took four (4) years.

Mr. Sanches shared a chart reflecting added value to the CRA because the project had already gone through the steps, estimating the total value at \$1,518,000 over the first four (4) years.

To complete his presentation, Mr. Sanches shared a video rendition of the project. He said work would begin with the 600 and 800 blocks to allow the existing tenants to transition before construction on the 700 block begins.

Board Questions/Comments

In response to a question from Chair Petrolia, Bob Currie, the project architect, said the townhouses consists of flats on the first floor and two townhouses above.

Vice Chair Johnson asked if the previous owners, the Flynn family, were still involved in the project.

Bill Morris explained this is the same project with new ownership.

In response to a question from Vice Chair Johnson, Harold Van Arnem gave information on the style that was used in the project. He said it was contemporary and used several environmentally sound construction methods and materials.

Deputy Vice Chair Gray asked the plan for existing tenants.

Mr. Sanches said construction will be sequenced to allow the existing tenants to move into the 800-block building at a reduced rate if they choose to do so. He noted there will be affordable retail space and office space for local and small businesses.

In response to a question from Deputy Vice Chair Gray, Dwight Stephenson said he has a great track record of working with local and minority participation and tracks the commitment by zip code.

To further address the issue of inclusion, Mr. Sanches introduced Deliah Baker, the inclusion director on the project, and said she was available for any questions the Board may have.

Commissioner Bathurst commented the architecture was very pleasant and asked for clarification on the breakdown of rental and for sale units.

Mr. Morris said the townhouses would start as rental and would likely be converted to for sale in the next few years.

Commissioner Bathurst noted the Board does need to think about the previous approvals being in place for this project.

Chair Petrolia said she agreed it was the right step to look at all of the projects, but she is fearful of what could happen with the economy in the time it would take other projects to get moving.

Mr. Morris addressed the time frame and said Uptown would be ready to get permits in place and start on utility work within five (5) to six (6) months. He said the overall project construction should take around 20 to 22 months.

Commissioner Frankel asked why this project is the destination the CRA is looking for.

Mr. Van Arnem said Uptown offers a sense of place, expresses who we are, and looks to the future.

Mr. Morris added there are a number of things which make it a destination, including putting the grocery store on the east end to offer a strong link with the community, a balance of enough retail to encourage people to come, and a design open to the south.

Mr. Sanches noted the community would have the opportunity to rename the development.

Commissioner Boylston said this project was the only submission that did not match the RFP and asked why an adjustment was not made to make the project a maximum of three (3) stories.

Mr. Currie said they did not make changes because permits are in place until 2020. He added that the hotel adjacent is four (4) levels and the project matches, stepping down to three (3) and then two (2) stories on the 600 block.

Mr. Van Arnem stated none of the other projects are including a half-acre park, which is now a requirement in the new LDRs, so everything should be judged by the same criteria.

Commissioner Boylston clarified that the list of projects used as examples were done by the members of the group, not by the group as a whole.

Commissioner Boylston challenged the assertions Mr. Van Arnem made in a previously received letter to the CRA, stating that staff (Selection Committee) was lacking in experience and the CRA did not represent the best interests of the community.

In response to a question from Vice Chair Johnson, Mr. Van Arnem clarified the location and status of the Hampton Inn project on North Federal.

Deputy Vice Chair Gray asked if local contractors would be specifically from Delray Beach.

Mr. Sanches said he participated in the Go Build Conference and looks forward to further developing relationships with local contractors.

Chair Petrolia thanked everyone for the presentation and noted that changing the plans would have eliminated the benefit of bringing the project in complete. She said she thought it would have been fool hearty to forego that advantage, but also noted that the original project did not pass muster previously with the CRA, so it was a gamble.

Vice Chair Johnson thanked each of the developers for taking their time and their interest in Delray Beach. She said she was told no one was interested in developing the West Atlantic, because it is a difficult project. She noted she lives in the neighborhood and would be driving by this project every day for the rest of her life.

Chair Petrolia noted that it had been helpful to see all the presentations, allowing the Board to look at things differently.

Board Attorney DJ Doody reminded the Board a cone of silence remains in effect and asked those present not to approach the Board members at any time until after selection has taken place.

5. Recess

The Board recessed from 12:57 p.m. to 1:30 p.m. All Board members were present when the meeting reconvened.

6. Old Business

a. Request for Proposals – SW 600-800 Blocks West Atlantic Avenue Properties – Final Ranking of Proposals

Renee Jadusingh, CRA Assistant Director, made some housekeeping announcements and proceeded with the presentation of the Ranking of Proposals. She again reviewed the properties included within the project and the RFP requirements.

Chair Petrolia opened the public hearing.

Mikey Caruso, 2115 South Ocean Blvd., spoke in support of his longtime friend Billy Cunningham, associated with the Uptown Delray proposal.

Timothy Boykins, Vision of Peace, said he was very concerned with the development and felt the community residents should have a say. He said adding a Publix would be a benefit to the people of the neighborhood and added hiring local developers was a way of empowering locals and giving the community a chance.

Christina Buckley, 250 Congress Park Drive, asserted her support for the Kayne Anderson Real Estate proposal. She said her business plans to offer low-cost or no-cost tax and financial services to the residents of The Set and has written a letter of intent to Kayne Anderson. In addition, she noted they are bringing their own money and partnering with the local community.

Barry Silverman, Bear's Food Shack, thanked the CRA for kickstarting the project, and spoke on behalf of his neighbor BH3. He said the partners in BH3 are energized about the community and discussed the impact they have already had, as well as the value of being shovel ready.

Limor Ben Ari, People of Delray.com, said in talking to people around Delray Beach she noticed a division between the east part of the community and the west part of the community and addressed her experience working with BH3.

Gabriella Jan Turko, said she is interested in the BH3 proposal because she sees it as a way to enhance the vibe of the entire Avenue, not just the west side. She said it gives people coming off the highway the proper impression of the Town and would decrease traffic.

Willard Park, Jr., 135 NW 7th Ave., spoke on behalf of Florida Youth Foundation, and said none of the proposals spoke much about the youth and how it would impact them. He said he would support whichever project helps youth organizations within those blocks.

Ernestine Holiday, 40 NW 9th Ave., spoke as president of the West Side Heights Homeowners Association. She said the CRA Board members kept speaking about “destination,” but there was nothing in the RFP about “destination.” Continuing, she said one of the CRA Commissioners previously said if anyone met with the community they would be disqualified, and in that case, all of the proposals should be disqualified. Ms. Holiday said the community was being ignored on this matter except by Commissioner Boylston.

Morris Carstarphen, 619 SW 7th Ave., said he was a small business owner hoping to be involved in the project whoever ended up with it. He said Prime had previously used local contractors, but not from The Set, and he hoped contractors could be used from The Set. In closing, he said the community had asked that the project not be walled off, but the Uptown Delray LLC proposal was walled off.

Ramsey Smith, Virgin Islands Coffee Roasters, said his business currently has a location in Boynton Beach and has spoken with Kayne Anderson about opening a wholesale/retail operation within their project. He said they are excited to be involved.

Chuck Ridley, 220 NW 2nd Ave., spoke in support of the developer than can get a grocery store in the community. He said the design of the Uptown Delray LLC project was not conducive to getting a grocery store in place and asked the Board to drill down on the grocery store as the number one need.

Brian Rosen, 106 NE 16th St., works as a commercial real estate developer in Delray Beach and encouraged the Board to look at track records of the proposers. He said the BH3 partners have the wherewithal and creativity to make this project happen.

Rev. Joseph Dorgans, 14721 Bonnaire Blvd., spoke on behalf of St. Paul Missionary Baptist Church, where he is Executive Pastor. He said the area has many challenges, most of which are systemic, and the church is working on ways to holistically support the area. He said D. Stephenson Construction has been a major contributor to those efforts and is already invested in upgrading the community.

Joshua Turner, 28 NW 13th Ave., spoke in support of Billy Cunningham with Uptown. He said they have been close since the third grade and he has never been let down.

Howard Barr, 46 SW 10th Ave., said this day is challenging, because he is connected with most of the developers in one way or another. He said the developer that is ready to move forward may need some adjustment, but it is time to move forward.

George Long, 46 N. Swinton, said all of the projects were good and he was glad he didn’t have their job. Mr. Lowen addressed the experience of the Board members and said they would make a good choice.

Rita Rana, 50 East Road, asked that the Board do something to ensure that the project selected brings jobs to the community rather than just providing lip service.

Lynnlea Frasier-Glenn, 3827 W. Atlantic Ave., said she raised her children in Delray Beach. She said she thinks it is time to marry Swinton to 95, and Uptown is shovel-ready and ready to go.

Chair Petrolia closed the public hearing and turned to Mr. Doody for next steps.

Mr. Doody reminded the Board that they do not have to make a selection and asked that they adhere to the terms presented in the proposals when making decisions. He offered options for how the Board could move forward in making a selection.

Chair Petrolia turned to the Board to decide how to proceed. She suggested a blank ballot as a way to start and determine where they are all coming from, or a short conversation.

The Commissioners discussed preferences for the process and decided on a conversation followed by a ballot.

Chair Petrolia reviewed the high points for her, which included creating a destination, creation of jobs, green space, timing, financial return, land value, and addressing parking issues.

Commissioner Frankel said three (3) things stood out for him. He said he questioned whether they had gotten “the best” in any of these proposals and said there was a lack of discussion of arts and culture, which was a disappointment. Continuing, Commissioner Frankel said the previous proposal was turned away in part because it wasn’t a destination, and he’s not sure any of these really gave that feel. He said there were a couple of good projects, but none of them blew him away.

Commissioner Boylston said he thinks too often the words arts and culture are put together, and he especially commends Kayne Anderson for incorporating the local culture in their project. He said several of the projects blew him away, noting he doesn’t think there is anything like BH3’s Frog Alley in the County.

Continuing, Commissioner Boylston said what is most important to him is the developer’s ability to execute and deliver, and that it was the best project put in front of the Board. He said there were several great options before the Board today which could do that, and it would be hard to decide.

Commissioner Boylston said BH3 was not selected by the selection committee as one of the top three (3) projects and outlined some of the reasons why, but noted they were willing to give more than 200 additional parking spaces in an area that needs them. He continued by saying he was surprised Jones New Urban came in as the top pick but had the least amount of retail and least amount of office. He said he was hoping the proposal would help to convince him, but it did not, and the comments about not creating a destination did not meet expectations.

Regarding to Prime, Commissioner Boylston said the project checks all the boxes, but national chains the developers were connected to would not fit the transformation plan. In addition, the RFP did not ask for a hotel and there are several coming on board without help from the CRA.

Commissioner Boylston said Kayne Anderson checks all the boxes, including several he didn't think anyone else could check. He noted they thought outside the box when it came to the grocery store and co-working space, had more letters of intent, a well-thought-out design, and a potential headquarters relocation. Commissioner Boylston said development time is a little drawn out, but if you look at their track record, they consistently don't miss a date.

Commissioner Boylston said he was not considering Uptown. He noted they were ahead of everyone else and had time to adjust the proposal to meet the requirements but chose not to. In addition, he said they got a preview of what the relationship would be like when the CRA received a letter from the head of their organization.

Deputy Vice Chair Gray said she agreed that Kayne Anderson had a lot of elements for the community but had concern with the design of the buildings. She noted Uptown is shovel-ready and utilizes minority contractors, as well as offering community benefits such as a local hiring commitment and relocation of tenants.

Regarding Prime, Deputy Vice Chair Gray said the other new hotels coming on are boutique hotels, so would have a different clientele. She said BH3 was the proposal that was most a destination. She noted the requested incentives were a concern, as well as the zero-cost land.

Commissioner Brinson said she was really looking for what captures the charm of Delray, to keep the uniqueness of the Town intact. She said all of the presentations were wonderful, each bringing something that was vital, but at the end of the day the Board had to incorporate something for the community that everyone could benefit from.

Continuing, Commissioner Brinson said what stood out was Jones New Urban and Kayne Anderson, but she had not made her decision yet.

Commissioner Bathurst said when you look at the project from a macro standpoint, it was interesting how different the proposals were. He said from a destination-as-criteria standpoint, BH3 was the most fitting, but he would ask if it was Delray.

Commissioner Bathurst noted the decision is not made in a vacuum, and the Board had to look at what best serves over time. He said the first question is what you want, and the second is who you are dealing with, because you want someone with experience, a track record, and someone who can get it done.

Referencing Commissioner Boylston's comments about Jones New Urban projects, Commissioner Bathurst said he disagreed, and thought some of their previous work was among his favorite in the community. He agreed their proposed project was not a destination but said it did a good job of becoming part of the Village by the Sea.

Commissioner Bathurst said the Board gets a lot of comments about other projects being too big, and it's important to look at the scale and what best embraces the community. He asked if it was possible to clarify the public comment regarding Uptown's ability to bring in a grocery store.

Jeff Costello, Executive Director of the CRA, said the comment was in reference to a previous iteration of the project and a particular grocer.

In response to a question from Commissioner Bathurst, Bob Currie, the architect with Uptown Delray LLC, said the design was built for a grocery store called Lucky's to meet their specifications, but that company was subsequently purchased by Kroger.

Commissioner Bathurst said it comes down to scale, and whether the CRA Board wants something more village like, or something that is a big project. He asked the other Board members to keep that in mind.

Vice Chair Johnson said they were asking for a grocery store but did not hone in on it because everyone checked it off. Secondly, everyone came up with housing, including Prime.

Continuing, Vice Chair Johnson said she thought parking was a concern, and she would be leaning toward whoever could address that problem creatively. She said community involvement was key, and it is up to the Board to determine if the developers did enough. Finally, she said she wanted to be able to drive past this development and be pleased.

Chair Petrolia said she would like to cherry-pick things she loved from each of the developments and is working to decide which one is the best benefit for the community. She noted it is an interesting predicament, as they are comparing apples to oranges.

Chair Petrolia asked the Board to complete a blank ballot with first and second choices.

The Board members completed their written ballots and handed them to Ms. Jadsuingh.

Vice Chair Johnson asked that the negotiation process be reduced from 90 days to 60 days, and the Board discussed that option with legal counsel.

Ms. Jadusingh read out the ballots, which were scored as follows:

1. Uptown Delray
2. BH3

1. BH3
2. Uptown Delray

1. Jones New Urban
2. Uptown Delray

1. Uptown Delray
2. Prime Investors & Developers

1. Kayne Anderson Real Estate
2. BH3

1. Uptown Delray

2. BH3

1. BH3

2. Kayne Anderson Real Estate

Commissioner Boylston asked that those who selected Uptown Delray – which was ranked fifth by the steering committee – as their first choice share some of the benefits that caused them to rank it in that way.

Chair Petrolia said the Board did not have confidence in the steering committee results, which was the reason behind having the presentations before the Board. She said she didn't see this as a time for debate.

Chair Petrolia said prior to this meeting she was not going to consider BH3, but after their presentation they became one of her top picks because she was absolutely blown away. She said it was a public/private partnership that would relieve the City of the need to build a parking structure.

Continuing, Chair Petrolia said Uptown had the ability to provide a beautiful mix which was acceptable to the community up to a certain point, including workforce housing, a large number of parking spaces, a great number of jobs.

Commissioner Boylston said Uptown had the least number of parking spaces, less than half that of BH3.

Vice Chair Johnson said her reasons were that they had a grocery store, housing, parking, community involvement, and when she drives by, she'll be happy.

Commissioner Boylston said the developers all included the items on the list.

At the request of Chair Petrolia, Ms. Jadusingh provided a tally of the scores from the ballots.

Commissioner Boylston said to be clear, Uptown had the least amount of retail, the least amount of grocer space, least amount of office, least amount of residential if you give Prime credit for the extended stay hotel rooms, the least amount of parking, no parking garage, and was not aligned with The Set plan, and the least amount of green space.

Continuing, Commissioner Boylston said other teams say they can get it done in approximately two (2) years and have a track record of doing it 70 times in a row, while Uptown has done it zero times as a team.

Motion by Commissioner Boylston, seconded by Vice Chair Johnson, to move forward with BH3. In a roll call vote, the **motion** passed (4-3).

Petrolia – NO

Johnson – YES

Gray – NO

Bathurst - NO

Boylston – YES

Frankel – YES

Brinson – YES

Commissioner Boylston asked if the cone of silence was over and received affirmation from legal counsel.

Commissioner Brinson said there was too much going on and made a motion to reconsider.

Motion by Commissioner Brinson, seconded by Commissioner Frankel, to reconsider. In a roll call vote, the **motion** passed (5-2).

Petrolia – YES	Boylston – YES
Johnson – NO	Frankel – YES
Gray – YES	Brinson – YES
Bathurst – NO	

Mr. Doody explained the matter was now back before the Board for discussion.

Chair Petrolia clarified all Board members understood the motion and the process.

Motion by Commissioner Boylston, seconded by Vice Chair Johnson, to accept BH3. In a roll call vote, the **motion** passed (4-3).

Petrolia – NO	Boylston – YES
Johnson – YES	Frankel – YES
Gray – NO	Brinson – NO
Bathurst – YES	

Chair Petrolia congratulated the winners and said the CRA Board was looking forward to a great project. She thanked everyone for their time.

7. Other Business

None.

11. Adjournment

There being no further discussion, the meeting was adjourned at 3:15 p.m.

Jeff Costello, Executive Director

Shelly Petrolia, Board Chair