



CRA Board Meeting Minutes
Tuesday, January 15, 2019 – 1:30 p.m.
City Commission Chambers – 100 NW 1st Avenue
Delray Beach, FL 33444

STAFF PRESENT:

Jeff Costello	David Tolces	Teresa Hadjipetrou	Joan Goodrich
Caryn-Gardner Young	Renee Jadusingh	Lori Hayward	Elizabeth Burrows
Kristyn Cox			

OTHERS PRESENT:

Evelyn Dobson	Alice Vince	Ernestine Holiday	Willie Parks
Michael Wynn	Patricia Wright	Loren Dobson	Jane Bassa-Tolliver
Marusca Gatto	Neil Schiller	Mike Monaco	

1. Call to Order

Chair Petrolia called the meeting to order at 1:30 p.m.

2. Roll Call

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

Commissioner Adam Frankel was absent.

3. Approval of Agenda

Deputy Vice Chair Gray asked that items 10 E, F, and G be moved to the beginning of the meeting.

Chair Shelly Petrolia stated the items should remain in New Business and asked if there was any objection to moving the items to 10 aa, 10 bb, and 10 cc.

Motion by Commissioner Boylston, seconded by Vice Chair Johnson, to approve the agenda as amended. In a roll call vote, the **motion** passed unanimously (6-0).

4. Approval of Minutes

a. November 13 CRA Workshop Meeting Minutes

Items A and B were approved together.

b. November 13 CRA Regular Meeting Minutes

Items A and B were approved together.

Motion by Commissioner Bathurst, seconded by Vice Chair Johnson, to approve the minutes from the November 13 CRA Regular Meeting and November 13 Workshop Meeting. In a roll call vote, the **motion** passed unanimously (6-0).

5. Public Comments on Non-Agenda and Consent Agenda Items

Jane Bassa-Tolliver, invited the Commission and residents to the 14th Annual African Diaspora. She stated a number of Delray Beach residents will be honored.

Marusca Gatto, Director of the Cornell Art Museum, shared regarding current exhibitions and upcoming events, including the Arts on the Square program. She noted the program has been in existence for three (3) years to bring in funds for museum programs.

Neil Schiller, West Palm Beach Attorney, spoke on behalf of BH3. He stated after sitting through the selection committee meeting, his client felt there were comments not passed along, and they would suggest the Board see additional projects.

Ernestine Holiday, stated she had two (2) complaints. The first was regarding the ongoing discussion over signage, and the second was the alleyways. She stated the grass and weeds in the alley behind her house are taller than her four (4) foot fence and need to be maintained. She said the City clearly stated they would be responsible.

Mike Monaco, Chief Technology Officer for Downtowner, spoke regarding a potential contract with the CRA to provide point-to-point services. He expressed concern with the concept of an advertising company running mobile billboards in the community, and with the technology limits of companies being considered. He stated he hopes the City goes to a competitive RFP on the project.

6. Presentations

a. Presentation – PMG Associates, Inc. report – SW 600-800 blocks West Atlantic Avenue – measurement of economic impacts of proposal for development

Attorney David Tolces clarified the Board was reviewing proposals at a future meeting, and discussion of comparisons would be appropriate at that time. He noted the purpose

of today's presentation was the results of the review of proposals on the SW 600-800 block project by PMG Associates, Inc. only.

Jeff Oris, PMG Associates, spoke on behalf of the company. He stated his firm was tasked with reviewing the project proposals for the SW 600-800 blocks of West Atlantic Avenue for economic impacts.

Mr. Oris noted five (5) of the six (6) companies provided financial information as requested. A sixth company, Land America, did not provide financial information, so review of that company could not be completed. Mr. Oris stated the five (5) companies which could be reviewed were all in good to great financial health and had the resources available to take on the project.

Continuing, Mr. Oris reviewed the criteria used to make a recommendation regarding proposals, including land purchase offers. He stated five (5) of the six (6) companies offered around \$4 million for the property, with BH3 seeking a land donation.

Mr. Oris provided background on the estimation of the taxable values of each project, using construction costs to determine valuations. He pointed out phasing in each project and the impacts that would have.

Continuing, Mr. Oris explained how the return to City line was determined. He stated the projects were all in the same ball park, with a range of \$95,000 to \$135,000 annually.

Mr. Oris stated the estimated jobs created ranged from 107 to 331, with variations due to some projects focusing on housing and others on office space. He said the firm believes all projects could be absorbed into the community without much issue.

Mr. Oris said all proposers agreed to the requirements within the RFP, such as having a grocery store included in the project.

Deputy Vice Chair Gray stated she wanted to reconsider having all proposers present before the Board.

The Commissioners discussed whether to review in-person presentations from all six (6) proposers.

Vice Chair Johnson stated it would be her recommendation that Land America not be allowed to present, as they refused financial information to the review firm.

Chair Petrolia asked how the vetting board utilized criteria to make recommendations regarding the project proposals.

Jeff Costello, Executive Director, provided background on how the list of projects was narrowed down. He stated the consultant made a presentation to the selection committee and they examined the criteria.

The Commissioners and Mr. Oris discussed how numbers within the report were determined, and how density in residential and office space within the proposals was compared.

In response to a question from Deputy Vice Chair Gray, Mr. Costello clarified incentive programs offered in the RFP, as well as by the CRA. He noted specific minimums were stated in the RFP for economic development, including local hiring and space for local businesses.

Chair Petrolia asked for a consensus regarding whether to review all proposals.

Commissioner Boylston asked for legal input regarding the number of proposals which would be seen by the Board, noting it was stated in the RFP only the top three (3) would be invited to present.

Mr. Tolces stated the decision was up to the discretion of the Board.

The Commissioners and staff discussed the amount of time each proposer would be allotted, as well as the selection process and the pros and cons of reviewing all proposals.

Chair Petrolia opened a public hearing on the matter.

Ernestine Holiday, stated she agreed with Commissioner Boylston and felt the Board needed to stop changing its mind.

Chair Petrolia closed the public hearing.

Motion by Vice Chair Johnson, seconded by Deputy Vice Chair Gray, to allow all six (6) proposers to make their presentations before the Board. In a roll call vote, the **motion** passed (5-1). Commissioner Boylston voted no.

The Commissioners and staff discussed the format for the presentations.

b. Work Assignment update – Synalovski Romanik Saye, LLC – 98 NW 5th Avenue renovation

Manny Synalovski presented regarding the proposed improvement to 98 NW 5th Avenue. He stated the proposed redevelopment would utilize the ground floor for office, commercial, or retail to improve pedestrian connectivity with the building.

Mr. Synalovsky stated his firm recommended shared work space on the second floor of the building and reviewed different ways that space could work.

Continuing, Mr. Synalovsky explained the building is approximately 50 years old, and is a strong structure. He said the look of the neighboring building would be carried over into the design.

Mr. Synalovsky discussed lifting the ceiling of the building and possibilities for opening the space up, then shared drawings of the shared work space concept.

Chair Petrolia stated the designers had done a good job of matching the Housing Authority building next door.

In response to a question from Deputy Vice Chair Gray, Mr. Synalovski stated alternate colors could be reviewed.

Deputy Vice Chair Gray said the shared space was a needed element in the community, and said she was excited to see it.

Commissioner Bathurst stated he was not 100 percent sold on the totally open space, as some budding entrepreneurs would want more private office space and shared conference rooms. He asked the designers to look at another office space in the community for ideas and to see what was most utilized.

Mr. Synalovski broke down the number of spaces available in each category, including private offices, dedicated offices, and hot desks. He stated the design was done in such a way that it was very possible to provide separation.

Mr. Costello stated comments would be taken into consideration as development of the project moved forward.

Commissioner Boylston asked if the designers had considered flipping the project, so the office spaces were upstairs, and the co-working activity was on the ground floor to activate the street during nights and weekends.

The Commissioners discussed ways to keep activity on the street, ensuring that no first floor office uses front NW 5th Avenue.

Chair Petrolia expressed her interest in having more of a mix of office spaces to hit all the people looking for different types of space. She stated she appreciated staff hearing the Board's opinions in developing the project.

c. Work Assignment update – Song & Associates, Inc. – 95 SW 5th Avenue design

Mark Clay with Song & Associates presented the design for the 95 SW 5th Avenue development. He shared images of the site proposal, along with images of a low-cost housing project in Fort Lauderdale which was used to influence the concept. He stated the façade would be push-pull to give the building look reticulation rather than being flat, with either tilt-up concrete or stucco.

Mr. Clay shared two (2) options. He stated the first would be a build-out to complete the project inexpensively and then do finishings once the project is leased, and the second would be to complete the building before leasing. He noted the project was designed for flexibility, with the ability to complete all at once or in phases. He presented video of options.

Mr. Costello stated the CRA is discussing parking options with the adjoining church. He said as the site plan applications are prepared, that issue will be addressed further.

Deputy Vice Chair Gray stated her property is adjacent, so she was recusing herself in view of potential conflict.

Mr. Tolces noted he would assist Deputy Vice Chair Gray in getting a conflict of interest form.

Mr. Clay said he would develop both options with the approval of the Board, and decisions could be made later about which options to accept.

7. Consent Agenda

a. CRA Monthly Progress Reports, December 2018

Deputy Vice Chair Gray asked for additional information regarding Economic Development within the progress report and asked that it be given directly to the Board by presentation in the future.

Mr. Costello clarified her request and made note for future meetings.

Chair Petrolia asked that a chart be created to show the CRA's status on different projects throughout the year.

Mr. Costello stated staff is working on that request.

b. Clean and Safe Program Monthly Report, November 2018

c. Curb Appeal Grant – 701 SW 9th Court (Miley)

d. First global modifications and amendments to the Delray Beach CRA Mortgage and other loan documents, and to the Housing Finance Authority of Palm Beach, Florida mortgage and other bond documents

Motion by Deputy Vice Chair Gray, seconded by Vice Chair Gray, to approve the Consent Agenda as amended. In a roll call vote, the **motion** passed unanimously (6-0).

8. Old Business

a. Discussion – Point-to-point transportation services

Mr. Costello provided a summary of what had been discussed at the joint meeting regarding the point-to-point transportation services. He stated based on those comments, the CRA is moving forward with the most recent RFPs of other municipalities, specifically Hollywood, which was awarded to Free Ride.

Continuing, Mr. Costello stated the details of the Hollywood agreement were in the Board backup materials. He said staff is recommending a pilot project limited to the CRA area only, with review after six (6) months based on ridership data.

Mr. Costello stated staff was looking at a 10-day bid process to expedite the project, with award to be considered in March. He said a piggy-back on the Hollywood RFP could also be done.

Chair Petrolia opened a public hearing on the item.

Mike Monaco, Downtowner, stated the City put out an RFP for the program last summer, and while several companies went through that process, nothing ended up happening. He stated he has five (5) years' worth of data that could be provided to the Board today. Mr. Monaco gave background on efforts Downtowner has made to share rides and move more people in Delray Beach.

Laura Simon, Downtown Development Authority, stated she recommends moving forward with an RFP for a pilot program rather than piggy-backing.

Chair Petrolia closed the public hearing.

Mr. Costello stated the time period for a full RFP could be as abbreviated as possible. He outlined the possibility of an expedited process.

Vice Chair Gray said she was confused regarding what happened with the RFP that was done by the City and how the CRA started looking at the project.

The Commissioners discussed the details of the need for transportation and the handoff from the City which landed the issue with the CRA, along with the potential of subsidies from advertising.

Commissioner Bathurst asked Mr. Monaco to clarify what vehicles the Downtowner would be willing to offer in Delray Beach.

Mr. Monaco gave information on a combination of vehicles, as well as the pros and cons of the open-air vehicles.

Mr. Costello stated the Board had discussed open-air GEM cars because Uber and Lyft are also options, and the CRA wanted to offer something different with character.

Mr. Monaco stated Downtowner used the GEM cars in their Aspen operation. He noted the company is happy to subsidize the transportation with advertising.

In response to a question from Chair Petrolia, Mr. Monaco stated the previous Downtowner operated from 11 a.m. to 11 p.m.

Commissioner Bathurst stated the purchasing rules for the CRA are difficult when it comes to changes and noted he would like to consider creating a different rule for transportation purchasing.

Chair Petrolia stated she thinks the RFP should be opened to allow anyone who would like to give it a try and should have a reduced timeframe.

Motion by Deputy Vice Chair Gray, seconded by Commissioner Johnson, to authorize the issuance of an expedited RFP as outlined by the Executive Director. In a roll call vote, the **motion** passed unanimously (6-0).

10. New Business

aa. Resolution No. 2019-02 – Agreement for Purchase and Sale – 242 NW 6th Ave

Mr. Tolces read the Resolution by title only.

Ms. Kristyn Cox, presented the item. She stated the purchase would allow the CRA to continue its workforce housing efforts per the Board's long-term plan.

Chair Petrolia opened a public hearing on the Agreement for Purchase and Sale, however there being none to speak, she closed the public hearing.

Motion by Commissioner Boylston, seconded by Deputy Vice Chair Gray, to approve the Agreement for Purchase and Sale. In a roll call vote, the **motion** passed unanimously (6-0).

bb. Letter of intent to lease commercial space – 606 W Atlantic Ave – Johnson's Memorial Chapel

Mr. Costello stated the background information on the lease was in the Board backup materials. He said the site was vacated in anticipating of demolition at the end of 2016.

Continuing, Mr. Costello stated Mr. Johnson would like to establish a funeral chapel at the site for a period of two (2) years, with a month-to-month agreement after that time. Mr. Costello provided background on recommended terms.

Mr. Costello noted a second letter of intent was received earlier on the day of the meeting from a Boynton Beach company called Cornerstone Services. He stated given the receipt of that letter, he would recommend issuing a 30-day notice of intent to lease, allowing other interested parties an opportunity to step forward.

Chair Petrolia stated she saw a potential for disappointment if the sale of the building went through faster than expected. She clarified the City or CRA would not be responsible for any repayment and would not be taking on the burden of relocation.

Mr. Costello read the terms of the agreement which addressed Chair Petrolia's concerns.

Vice Chair Johnson stated she did not want to hamper the developers by signing a lease agreement with a company for the space.

Deputy Vice Chair Gray asked if Mr. Johnson was sure he wanted to move forward without knowing the status of the development process.

The Board and Mr. Johnson discussed his temporary use of the property while he purchased another location.

In response to a question from Commissioner Brinson, Mr. Costello explained permits were not yet approved for use of the building.

Mr. Tolces explained the requirements of the 30-day notice and the requirements of the Board to review other offers.

The Board and staff discussed the requirements.

Motion by Commissioner Bathurst, seconded by Vice Chair Johnson, to authorize the issuance of a 30-day intent to lease on the property. In a roll call vote, the **motion** passed unanimously (6-0).

Chair Petrolia opened a public hearing on the item.

Darrell Johnson, stated no one said anything about public notice at the beginning of the process.

Tony Austin, Cornerstone Services, stated he submitted the second letter of intent, and noted the building could have been leased a long time ago. He said he had been the funeral director at that location from 2010 to the time of closure, and that he had an exit strategy if approved for the short-term lease.

Mr. Wesley Potts said it was his father's building being discussed, and he was concerned whether a building engineer was going to find out what was going on inside. Continuing, Mr. Potts stated the building was to be knocked down, and said he did not think this short-term lease made sense.

Chair Petrolia closed the public hearing.

Mr. Tolces stated any Board member could offer a motion to reconsider the original motion considering the public hearing, or the motion could be left to stand.

Seeing no objection, Chair Petrolia called for the next item on the agenda.

cc. Request to amend Site Development Assistant Grant agreement – Ceasar’s Catering and More, LLC (37 SW 5th Ave.)

Commissioner Brinson recused herself from the discussion.

Ms. Elizabeth Burrows presented a request from Ceasar’s Catering and More to amend their site development assistance agreement. She stated the Board approved an agreement in June 2017, but the project had faced delays and additional costs, so the owners are requesting an amendment.

Ms. Burrows pointed the Board to their backup materials for information regarding the amendment, including additional changes proposed for the exterior. Ms. Jadusingh stated staff is supporting the request, as it is consistent with the goals of the program.

Continuing, Ms. Burrows explained places the request varied from the precedent regarding fund limits and disbursements.

Chair Petrolia opened a public hearing on the item.

Yvonne Odum, stated she gladly supports this effort. She said the owner has probably given away more BBQ to the community than the funding would cover. She stated it would be a good investment to give this local resident support.

Ron Gilinsky, stated the Ceasar’s are a staple in the Southwest neighborhood, and these young people are doing a great job to increase economic development.

Stephen Johnson, said he was the project manager for the build. He said as a former CRA Director, he could say these business owners have a sense of resilience in the face of issues which would have made others quit.

Chair Petrolia closed the public hearing.

Vice Chair Johnson stated she was in full agreement that the CRA wants to help businessmen and women in targeted areas. She said she grew up next door to Mr. Ceasar’s grandmother, and the family had been in the neighborhood for a long time.

Commissioner Boylston stated he was fully supportive of supporting this business owner but wanted to know the total exceptions being made on this project.

Ms. Burrows said no exceptions had been made at this point, but this approval would require deviations be made.

The Commissioners and staff discussed the reimbursement process of the program the Ceasar’s were utilizing, as well as the maximums.

Commissioner Boylston stated he would be in support of the changes, up to the \$50,000 maximum. He expressed a concern with the precedent of breaking other rules.

Deputy Vice Chair Gray stated she would be in support of giving the full funds requested and outlined the benefits of the business in the community.

Commissioner Bathurst stated this was a high impact project, and he would be going with staff's recommendation.

Chair Petrolia said she applauded Commissioner Boylston for his thought process, as she also was concerned with going outside the intent in several ways, however in some situations that review is warranted.

Motion by Commissioner Boylston, seconded by Commissioner Bathurst, to direct staff to draft an amendment with the requested terms and authorize Chair Petrolia to execute the agreement. In a roll call vote, the **motion** passed unanimously (5-0). Commissioner Brinson abstained.

a. Budget amendment No. 1, FY 2018-2019

Lori Hayward presented the budget amendment, pointing to a full list of modifications in the Board packet.

Mr. Tolces read the Resolution by title only.

Chair Petrolia opened a public hearing on the budget amendment, however there being none to speak, she closed the public hearing.

Motion by Commissioner Boylston, seconded by Deputy Vice Chair Gray, to approve the budget amendment as amended. In a roll call vote, the **motion** passed unanimously (6-0).

b. First amendment to CRA/City Interlocal Agreement for funding construction/professional services FY 2018-2019

Mr. Costello stated the agreement was being amended to include the traffic signal at South 1st Street and Swinton Avenue, as carried over from last year.

Chair Petrolia opened a public hearing on the amendment however there being none to speak, she closed the public hearing.

Motion by Commissioner Boylston, seconded by Commissioner Bathurst, to approve the amendment. In a roll call vote, the **motion** passed unanimously (6-0).

c. Delray Beach Community Land Trust Second Mortgage Subsidy Request of \$25,000 for purchase of 23 SW 14th Ave. by JoAnn Gordon

Ms. Cox presented the item, which was regarding a house currently under construction. She explained the difference between the mortgage and the total cost at closing would be loaned as a zero percent second mortgage.

Ms. Cox stated requests like this one had been approved in the past, and there was money available in the budget. She said staff was recommending approval.

Chair Petrolia opened a public hearing on the subsidy, however there being none to speak, she closed the public hearing.

In response to a question from Vice Chair Johnson, Ms. Jadusingh explained the transferability of the program.

Motion by Commissioner Boylston, seconded by Deputy Vice Chair Gray, to approve the subsidy. In a roll call vote, the **motion** passed unanimously (6-0).

d. Delray Beach Community Land Trust – letter of intent to acquire and develop CRA-owned properties – 21 SW 13th Ave and 246 NW 8th Ave

Ms. Cox stated the request was for the Community Land Trust (CLT) to build homes on three (3) parcels at a cost of \$1,000 per lot. She said there are a number of qualified buyers in place.

Ms. Cox said a 30-day notice is required, and staff is recommending approval.

Chair Petrolia opened a public hearing on the sale, however there being none to speak, she closed the public hearing.

Motion by Deputy Vice Chair Gray, seconded by Commissioner Boylston, to negotiate the purchase and sale agreements. In a roll call vote, the **motion** passed unanimously (6-0).

Motion by Deputy Vice Chair Gray, seconded by Commissioner Boylston, to post the 30-day notice on the project. In a roll call vote, the **motion** passed unanimously (6-0).

e. Resolution No. 2019-02 – Agreement for Purchase and Sale – 242 NW 6th Ave

Item previously addressed.

f. Letter of intent to lease commercial space – 606 W Atlantic Ave – Johnson’s Memorial Chapel

Item previously addressed.

g. Request to amend site development assistant grant agreement – Ceasar’s Catering and More, LLC (37 SW 5th Ave.

Item previously addressed.

10. Other Business

a. Comments by Commissioners

Deputy Vice Chair Gray asked for an update on the NW 7th Avenue project.

Mr. Costello stated staff will has a meeting this week with the property owner and the Board Attorney is in the process of drafting an agreement. He said negotiations are in process with Hatcher Development and the owner of the property.

The Commissioners discussed the negotiations and whether the Board would have input on the architecture.

Chair Petrolia stated she likes the idea of having some areas in the West Atlantic Corridor where the CRA is able to control rents.

b. Comments by Board Attorney

Mr. Tolces wished everyone a Happy New Year.

c. Comments by Executive Director

Mr. Costello stated the CRA was losing a valuable team member, Kristyn Cox, and thanked her for eight (8) years of service. He wished Ms. Cox all the best in her new endeavors.

d. Comments by Staff

None.

11. Adjournment

There being no further discussion, the meeting was adjourned at 4:16 p.m.



Jeff Costello, Executive Director



Shelly Petrolia, Board Chair

