

**MINUTES OF THE COMMUNITY REDEVELOPMENT AGENCY  
CONTINUATION OF NOVEMBER 8, 2005 MEETING AND WORKSHOP MEETING  
HELD IN THE CHAMBER OF COMMERCE CONFERENCE ROOM, UNIT #109,  
639 E. OCEAN AVENUE, BOYNTON BEACH, FLORIDA, ON  
THURSDAY, NOVEMBER 17, 2005 AT 6:30 P.M.**

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**Present:**

Jeanne Heavilin, Chairperson  
James Barretta  
Don Fenton  
Marie Horenburger  
Steve Myott

Lisa Bright, Interim CRA Director  
Ken Spillias, Board Attorney

**Absent**

Alexander DeMarco  
Henderson Tillman, Vice Chair

**I. Call to Order**

Chair Heavilin called the continuation of the November 8, 2005 meeting to order at 6:30 p.m.

**II. Roll Call**

The Recording Secretary called the roll and declared a quorum was present.

**III. Agenda Approval**

- A. Additions, Deletions, or Corrections to the Agenda

Ms. Bright requested additions to the Agenda under New Business: Item C, Consideration of the purchase of Geographical Information Software, and D, Consideration to Extend the CRA Trolley Contract.

- B. Adoption of Agenda

**Motion**

Ms. Horenburger moved to approve the agenda as amended. Mr. Myott seconded the motion that passed 5-0.

**IV. Public Comments**

No one from the public appeared to speak.

**V. Old Business – Postponed Items from November 8, 2005 CRA Board Meeting**

- A. Resolution 05-06 to establish 401 (a) Contributions for Salaried Staff

Ms. Bright reported that at the November 8, meeting, Attorney Spillias had advised this type of contribution is usually expressed as a percentage and that it had to be the same for each individual. Mr. Reardon, Finance Director, indicated legal advice from Lewis and Longman's attorney in Tallahassee also dictated that the vote should be unanimous.

Also, Mr. Hutchinson promised Ms. Brooks, Planning Director, 10% or \$6,000 per year for this contribution. Mr. Reardon confirmed he had seen documentation between the former Director and the former Controller, Susan Vielhauer, for 10% per year. The former Director extended the same offer to Ms. Brooks.

Mr. Fenton voiced the opinion that in matching plans, it was customary to have a percentage such as the Consumer Price Index (CPI) plus 2%, or about 4%, but 10% was too much. He believed Ms. Brooks was entitled to it, but did not know how to go about resolving it legally.

The Board discussed various ways of resolving this. Mr. Reardon confirmed the percentage was the employer's contribution. Staff can put in whatever they decide, up to the legal limit of the Internal Revenue Service.

Mr. Fenton supported a rate of CPI plus 2% for the employer's basic contribution. The current CPI is 2% to 2.5%, so this would be like the norm or about 5%. The goal was to beat the inflation rate by a decent percentage. Ms. Horenburger favored a flat percentage instead of having it tied to the index. The Board decided to tie the employer's contribution to the CPI for a year at a time, beginning on October 1 each year.

**Motion**

Mr. Fenton moved to establish a percentage of employer contribution for 401 (a) accounts for salaried staff tied to the Consumer Price Index as published by the Wall Street Journal plus 2% as of October 1 each year. Mr. Barretta seconded the motion that passed 5-0.

**Motion**

Ms. Horenburger moved to calculate an annual increase in salary equal to what Ms. Brooks would be receiving if she were being compensated the promised 10%. Mr. Barretta seconded the motion that passed 5-0.

**Motion**

Ms. Horenburger moved to make the salary increase for Ms. Brooks in the previous motion retroactive. Mr. Barretta seconded the motion that passed 5-0.

Mr. Reardon will amend the Resolution to reflect the second motion.

- B. Consideration to allow CRA Staff to opt out of major benefits and potentially receive 50% of the savings

Ms. Bright declared some staff members wished to save the CRA money in the form of benefit payments, since they had other options for health, life, and medical insurance. If they opted out, she inquired whether they would be able to receive 50% of the savings. The CPA and the Board Attorney declared this was a standard business practice called cafeteria compensation.

**Motion**

Mr. Barretta moved approval for CRA staff to opt out of major benefits except 401 (a), per the Agenda Item Request form in the packet. Mr. Fenton seconded the motion that passed 5-0.

- C. Consideration of HR Recruitment for a Planner

Ms. Brooks said the projects coming into the CRA office were not slowing down and staff needed help. The Development Atlas needed to be updated and tracked to assist in revenue projections. Some help was also needed in doing day-to-day database management. CRA staff time is largely devoted to

meetings with developers. They also need someone who can use G.I.S. or Arcview to produce the maps they need for marketing. They had to be able to show on maps where development was occurring in the CRA area. The person in this position would be writing technical reports to the Board and reviewing the projects on a technical basis. Ms. Horenburger asked Ms. Brooks why the City made the presentations for the Public Hearing items, since Ms. Brooks was the Planning Director. She wanted to see this done by CRA staff instead of the City. Ms. Brooks stated she had made that recommendation to Quintus Greene and Michael Rumpf many times and their response had been the lawyers dictated it had to be done the way it is.

A discussion ensued about exactly what details had to be presented on Public Hearing items. Attorney Spillias indicated that as an advisory Board to the City Commission, the Public Hearings were City functions rather than CRA functions. The City's review, decisions and presentation are the evidence from the City's viewpoint on which the Board is required to make a decision. To the extent the information City staff presents to the Board, upon which the Board makes its decisions, is not equally available to the public, a question could be raised about whether the public had heard the information in order to make an intelligent rebuttal if desired. If decisions were to be made primarily based upon the information in the agenda packets, some kind of system of making that information available to the public would have to be set up before voting.

Chair Heavilin said in the past, an agreement had been reached where City staff would present information about the request and their recommendation. The CRA had asked them to eliminate everything in between unless the Board had questions. Some of the new staff needed to realize this. It seemed that reading the eight criteria in the case presentation was not necessary. Attorney Spillias felt the eight criteria were the basis for making a decision. If practically everything else were left out, this should not be left out.

Attorney Spillias felt it was more of an issue if City staff recommended denial because ultimately, the burden of proving the right to approve an application is on the applicant. When City staff recommends approval and gives a general overview, the applicant is given an opportunity to answer questions. In this case enough information would be provided to support a finding of approval. When recommending denial, it was more important for City staff to put into the record the reasons they were recommending denial. In cases where City staff recommended denial, they should make a full and fair presentation to preserve the record. Attorney Spillias acknowledged that in some cases, the statements from City staff about the reason for recommending denial would be sufficient.

#### **Motion**

Ms. Horenburger moved approval of Recruitment for a Planner to provide professional support for the Planning Director. Mr. Barretta seconded the motion.

Mr. Fenton believed the pay was high. Up until this meeting, the Planning Director was getting \$60K. If the Planner were to get \$65K, this would be inequitable. He would rather see the Planner get \$45K and the Planning Director \$55K. Ms. Bright commented there would be a presentation from the H.R. Consultants later in the meeting and the pay study would be addressed. Mr. Myott agreed, saying the required two years of experience was low in light of this kind of salary.

#### **Motion**

Ms. Horenburger moved to table this item until after the H.R. presentation was concluded. Mr. Fenton seconded the motion that passed 5-0.

- D. Consideration of Implementing a Mechanism for Employee Recognition and Accompanying Resolution 05-09.

Ms. Bright said the administrative procedures audit showed there was no mechanism in the CRA procedures for recognizing and rewarding exceptional staff initiative above and beyond the call of duty such as happened recently during the hurricane.

Ms. Horenburger was not very comfortable with the policy, since it ended up being one person's opinion and could make uncomfortable staff situations. Mr. Fenton agreed.

Attorney Spillias said normally, bonuses and severance pay were considered extra compensation after the services have been provided, unless by contract or by a Resolution passed specifying the circumstances in which bonuses could be given for performance beyond the normal job requirements or to recognize excellence. The drafted Resolution leaves this decision in the hands of the Director. The program could be changed to leave the decision in the hands of the Board. The Board agreed the authority to make this decision should be vested with the Board, upon the recommendation of the Director. Attorney Spillias will change the language in Section I of the Resolution to reflect that upon the Director's recommendation and Board approval, this could be applied.

**Motion**

Ms. Horenburger moved for passage of Resolution 05-09, subject to the Chair and the Attorney making the agreed to changes. Mr. Barretta seconded the motion that passed 5-0.

Ms. Horenburger asked if giving staff a bonus could be considered at this meeting.

**Motion**

Ms. Horenburger moved to reconsider the adoption of the agenda. Mr. Fenton seconded the motion that passed 5-0.

Ms. Horenburger asked to add under New Business, Item E, an item concerning approval of a storm bonus for CRA staff. Mr. Barretta wanted to add to the agenda reconsideration of Mr. Hutchinson's consulting contract under Old Business, Item F.

**Motion**

Mr. Myott moved to approve the agenda as amended. Mr. Barretta seconded the motion that passed 5-0.

E. Consideration of a Boynton Beach CRA Cellular Telephone Policy

Ms. Bright commented with the recent hurricane, it became evident that communications were difficult and staff was utilizing their personal telephones not only for contacting fellow employees, but also for dealing with the public. There was no plan in place to reimburse staff for use of their personal telephones for business.

**Motion**

Mr. Barretta moved approval of the Administrative Policy covering a Cellular Telephone Allowance Policy. Mr. Myott seconded the motion.

Chair Heavilin asked if this meant there would be no more CRA cell phones, and Ms. Bright responded it did not. Some CRA cell phones were definitely needed. There were now two cell phones in the agency. Chair Heavilin asked if there were any two-way radios and the response was in the negative.

The motion passed 5-0.

F. Reconsideration of Consulting Contract for Douglas Hutchinson

Mr. Barretta called for reconsideration of this contract that was rejected at the previous meeting with the following changes: 1) No minimum salary paid to Mr. Hutchinson; 2) Contract on as-needed basis only, for no set period of time; 3) Payment at the rate of \$85 per hour; and 4) No retainer. Mr. Barretta's negative vote at the previous meeting was a protest because he did not think the agreement came back in the form the Board requested in its motion of the previous meeting. He did not want to deny CRA staff access to Mr. Hutchinson, if needed. Mr. Barretta was trying to offer a compromise on which the Board could agree, for the benefit of staff. He did not know if Mr. Hutchinson would agree to this. Various members felt it was important to provide a mechanism whereby the CRA staff could receive assistance during the transition period.

**Motion**

Mr. Barretta moved to amend the consulting contract for Doug Hutchinson to reflect no minimum amount to be paid, no retainer, on an as-needed basis as determined by the Interim Director, for an open-ended length of time, for an hourly rate of \$85.00 per hour. Staff is hereby directed to draw up a revised contract with these amendments and offer the amended contract to Mr. Hutchinson. Mr. Myott seconded the motion that passed 4-1, Mr. Fenton dissenting.

**VI. New Business**

- A. Consideration of an Amendment to the Agency's Administrative Manual Section 06.06.01 – Correction to vacation accrual rate

A discussion ensued on this topic. The policy regarding two weeks vacation initiated by Mr. Hutchinson did not match the written policy and this action would correct that. Ms. Horenburger asked if there were a feature in the policy covering "gifting" of one's vacation and/or sick time to others, and upon hearing there was none, commented it could be very useful in cases of extreme illness. The Board felt this could be done within the agency, but not with the City. Ms. Bright will investigate the "gifting" policy with Attorney Spillias, including the inter-agency angle, and bring it back to the Board.

**Motion**

Mr. Fenton moved to adopt 3.08 hours per pay period as the standard vacation accrual. Mr. Myott seconded the motion.

Chair Heavilin inquired whether a person had to be employed for a certain period of time before they were eligible for vacation. Mr. Reardon stated if a person accrued 3.08 hours of vacation, he or she could take it the following week. Chair Heavilin thought the Board could consider at another time whether there would be any minimum amount of time allowed for taking vacation. In some businesses, employees are only allowed to take vacation in time increments of at least half a day, for example. Ms. Bright said this could be considered in the next wave of housekeeping for the H.R. procedures.

The motion passed 5-0.

- B. Consideration of the CRA Police Program Contract Renewal

Ms. Bright explained CRA staff had been meeting for several months with members of the Police Department. Major Wendy Unger was present to answer questions relating to this dialogue. Ms. Bright declared the program was about one year old and they had heard the voice of the community, especially from the Heart of Boynton area, that they did not feel the CRA Police unit was really addressing challenges in their neighborhood. The Police Department brought up the fact this was not an automatic renewal and Ms. Bright believed it was important to bring the item back to the Board for reconsideration.

One of the Board members recommended the CRA consider allowing the CRA-owned building at 119 Martin Luther King Boulevard to become home to the CRA Police program. This brought up discussions between the CRA and the Police Department about leadership, coverage, and so forth. At a minimum, Ms. Bright wanted the Board to consider moving the CRA Police program to the MLK building. It could not be made into a substation, since it had to be manned 24 hours a day, seven days a week. Considering discussions between the CRA and Major Unger, the Board might want to consider allowing the City to re-absorb the four CRA Police Officers. She, personally, did not have the technical ability or expertise to manage a Police program. Major Unger had discussed this with the Police Chief and Mr. Bressner in addition to CRA staff. She asked for direction from the Board.

Mr. Barretta did not believe the CRA needed its own Police force or presence. The Police should take care of the entire City, which includes the CRA. In attending numerous seminars, some international in scope, the bottom line was that crime reduced in relation to the number of people in an area. When there were people on the streets, crime would go down. The Police presence alone was not sufficient. He had heard comments from people in the CRA area who were unaware of the CRA Police unit and when made aware, did not believe they had made a noticeable difference in Police presence. Also, the CRA Police Program was costing the CRA \$500K a year and he thought the money could be used better in other ways.

Ms. Horenburger agreed, favoring some kind of Service Center in the area whether staffed with Police or other kinds of service personnel. In terms of community policing and the need for 24/7 occupancy, she mentioned the unit at the Boynton Beach Mall, which was not 24/7. Ms. Bright deferred to Major Unger, who believed the MLK building could possibly be made into an actual substation. Ms. Horenburger said she would support some CRA funding for part of this effort.

Major Wendy Unger stated the new administration in the Police Department was very excited about this amicable relationship between the Police and the CRA. The idea of having a facility in the Heart of Boynton merged with what they were trying to do with their community policing policy and programs. She thought the previous CRA administration had created this program in good faith, but four officers would not afford the ability to make an impact in the neighborhoods that were included in this discussion. The neighborhoods liked the face-to-face interaction with officers on bikes.

Major Unger continued, saying the current Police Department was about 86K square feet under where they were supposed to be at its current facility. A 24-hour substation should not be left empty from 6:00 p.m. to 6:00 a.m. They did not want a monument to their absence, but if they could have a traffic unit with Community Service Officers coming in and out, that would be good. The Community Service Officers are non-sworn personnel who start work at 6:00 a.m. There are also DUI cars that operate until 3:00 a.m. Given their current budget constraints, they would be looking to the CRA for funding since the facility would have to be secured. Chief Immler was looking forward to an open dialogue with the CRA to see what could be worked out regarding the potential substation.

Ms. Horenburger wanted to see a person there who could answer questions or take complaints, whether paid for by the CRA or the City. Mr. Fenton did not want to pay for it, but favored giving the Police the property, leasing it to them for \$1 per year, letting them run it, and having the CRA stay out of it.

Chair Heavilin asked about the condition of the building. Ms. Bright stated it needed paint, the kitchen had to come out, and a secure room had to be constructed. The parking lot was good. She did not believe any really expensive repairs would be required. If the Board agreed to have the four CRA officers re-absorbed by the Police Department, Ms. Bright asked them to consider returning the Police cars and all equipment as well. If the Board directed staff to proceed with the substation idea, staff could come back to the Board with an outline of the dollar amount required to utilize the building in the fashion desired by the CRA. Mr. Reardon preferred the Board move at this meeting to secure the building and put \$5-10K of repairs into it, if they decided not to renew the current contract, which had actually expired. He also

asked that the motion address all the equipment including the cars, weapons, bikes, ammunition, and anything else the CRA bought for the Police.

Mr. Myott thought rather than tying the CRA to any improvements, a dollar amount could be given as a gift to the Police Department to make its own improvements.

**Motion**

Mr. Fenton moved to lease to the City of Boynton Beach Police Department for \$1.00 a year in perpetuity the CRA-owned building at 119 Martin Luther King Boulevard and make a gift to the Police Department of all relevant equipment the CRA had purchased for the benefit of the CRA Police. Mr. Barretta seconded the motion.

Ms. Horenburger asked that Mr. Fenton consider amending his statement about "in perpetuity" since it was still a redevelopment site. Mr. Fenton agreed to delete, "in perpetuity" and Mr. Barretta agreed also.

The motion passed 5-0.

Ms. Horenburger commented she wanted to see the estimates for renovating the building brought back to the Board when available. Mr. Reardon asked for and received clarification this referred to repairs to the building.

*At approximately 7:45 p.m., Mr. Myott explained he had to leave for the balance of the meeting.*

C. Consideration of the Purchase of Geographical Information Software

Mr. Reardon explained he had been asked by the Planning Director to purchase the G.I.S. software. He spoke to City staff, who informed him the only software they would allow in their system was E.S.R.I., a sole source manufacturer.

**Motion**

Ms. Horenburger moved approval of purchase of the G.I.S. software. Mr. Barretta seconded the motion that passed 4-0.

D. Consideration to Extend the CRA Trolley Contract

Mr. Reardon realized that shortly after he was hired, this contract expired. He did not see anything in it that addressed extensions. He preferred the Board allow CRA staff to extend the contract until January 31, 2006 to give the Interim Director an opportunity to consider it.

**Motion**

Ms. Horenburger moved approval of extending the Trolley contract to January 31, 2006. Mr. Barretta seconded the motion.

Ms. Horenburger requested a report on the marketing of the trolley. She asked why a South Florida firm was not chosen. She wanted to know how long the contract was for, when it expired, and what they had done so far. She asked to see ridership and advertising details also.

Ms. Horenburger amended the previous motion to extend the contract to February 26, 2006. Mr. Barretta seconded the motion.

Mr. Fenton responded the firm in Tallahassee was so much more qualified than the only South Florida firm that applied.

Ms. Bright offered to analyze the trolley situation, saying she had been less than pleased with the lack of advertising on it. She had given the trolley company notice she needed to see some results. She wanted to have three months of data (December, January, and February) for a true picture of ridership during the season. Ms. Horenburger asked where the trolley had been advertised and the response was, "on the City's Web site." Ms. Bright had advertised in the newspaper. Chair Heavilin said that to cover season, it should be done for January, February, and March. Mr. Reardon was opposed to a longer term, since it was costing the CRA \$41K a month. Ms. Horenburger thought data for January and February would be sufficient. Ms. Bright said there was no statistical data for the advertising and she was disappointed in that. She will prepare an analysis of the marketing for the Board's January 10 meeting and they would continue to focus on the ridership data and present it at a later time.

The motion passed 4-0.

E) Consideration of Mechanism to Award Staff Bonuses

**Motion**

Ms. Horenburger moved to approve \$500 bonuses to each staff member due to their efforts during the hurricane to keep the agency going under difficult circumstances. Mr. Fenton seconded the motion.

Chair Heavilin asked if this would cover all employees on the payroll at present and Ms. Horenburger affirmed it would.

The motion passed 4-0.

**VII. Comments by Board Members**

1) Ms. Horenburger expressed her understanding the hotel feasibility study had not been done and CRA staff confirmed this. Ms. Horenburger and several CRA staff members were at a recent Economic Summit in West Palm Beach. They heard a comment there that former City Commissioner Zaccaro, who had the World Trade Center rights, was involved with holding up the CRA's feasibility study. She was pursuing this. Ms. Brooks responded ex-Commissioner Zaccaro had been looking for a site for the World Trade Center, which is a franchised business he owns. Mr. Hutchinson thought it would be a good fit for the Marina I project. He wanted the hotel feasibility study company to go back and look at whether having the World Trade Center in the Marina would change the outcome of the feasibility analysis. CRA staff met with the developers and they did not feel very comfortable at all with committing to the concept of having the World Trade Center. The World Trade Center leases your building for you and unfortunately, this group does not have that experience or knowledge. Ms. Horenburger asked if Ms. Brooks believed that was what held up the study, and Ms. Brooks responded affirmatively. The last committed delivery date was November 1 and the study consultant did not appear, provide the study, or call to discuss it. A termination of the contract was being drafted for non-delivery of services. Mr. Reardon hoped a discussion would take place about recouping the \$18K deposit.

2) Mr. Barretta asked for an update on the design guidelines, mentioning the consultant's lack of performance and the action plan to address it. Ms. Brooks indicated the consultant was coming to see the CRA staff on the day after this meeting with the original digital documents. One of the holdups was the lack of finalization of the design guidelines. The second joint City Commission/CRA workshop was to be held on November 29. The City and the CRA had to agree on the changes to be made to the Land Development Regulations. Mr. Barretta inquired why the City had to agree to the CRA's guidelines. Ms. Brooks said the CRA's design guidelines were based on the City's Land Development Regulations. Mr. Barretta knew they were meant to work in conjunction with them, but still did not understand why the CRA needed the City's approval on this. Ms. Brooks responded the CRA did not need the City's approval, but the two parties had to agree on what districts they would have and where they were going to be.

Mr. Barretta referred to a question by Mr. DeMarco about how much had been paid to the consultant to date. Mr. Hutchinson agreed to research this and get back to the Board, but this had not taken place. Mr. Reardon stated he had given that information to Mr. DeMarco and would provide it to Mr. Barretta. Mr. Barretta asked whether the CRA had gotten its money's worth or was owed money by RMPK, the consultant. Ms. Brooks said they had paid for 80% of the contracted amount. As to whether they got their money's worth, Ms. Brooks would comment when she had seen the digital documents. Right now, she would say no. The hurricane was the reason they did not have the digital documents yet. The Plan had to go before the CRA, the City Commission, and then be sent on to the State. Mr. Barretta asked if they would be able to vote at the upcoming workshop. If the CRA and the City reached consensus at the workshop, it was Ms. Brooks' hope the Board would direct staff to start working on the Land Development Regulations, so they could be made ready to go to DCA for the necessary Comprehensive Plan amendments.

Ms. Bright said the City Manager was depending on the CRA to take the lead at the Joint CRA City Commission Workshop. Consensus was critical because all three initiatives had to move forward together: the CRA Plan, the Design Guidelines, and the Land Development Regulations. It was also important because developers were waiting for concrete word of where and how much of a particular designation was to be located such as where MU-L3 goes and how much of it there is. They were stymied in the development arena until these initiatives moved forward.

Ms. Horenburger asked if a feasibility analysis had ever been done for the approved Heart of Boynton Plan. If so, she asked if a consultant such as Florida Atlantic University or Florida International University could apply the cost of construction to the various densities and number of residential units called for in the Heart of Boynton Plan. She believed it was very important to have the CRA's cost exposure on this determined before issuing an RFP. Ms. Horenburger was not talking about the cost of land, but wanted the cost of construction to build the densities and amounts of residential called for in the Plan. Ms. Horenburger felt the CRA would be embarrassed if no one responded to its RFP because the Plan was not feasible. Ms. Bright confirmed with Ms. Horenburger that she was looking for an analysis based upon the density and number of units called for in the Heart of Boynton Plan in terms of construction cost, land cost excluded. Mr. Barretta asked if this could be done after November 29, since that date was critically important.

Ms. Horenburger apologized that she would not be able to be present for the December 13 meeting.

Chair Heavilin believed the design guidelines for the Heart of Boynton had to be reviewed also. She cited the example of Ocean Breeze who had been asked to provide metal roofs that were much more expensive than the other roofs in the area and not required of anyone else in the City. She thought this requirement on the developer worked against the Board's desire for affordable housing. Mr. Barretta responded there was a way to do the Floribbean architecture without metal roofs. The developer was asked to remove cheap asphalt shingles and put on metal. He could have come in with a flat roof design that did not require shingles or metal and it could still have been Floribbean in design.

Chair Heavilin was concerned and had heard comments from the community about projects that had received site plan approval but were abandoned and sitting vacant. She asked staff to determine whether the Board could put in a time limit by which demolition would have to occur, at the time of site plan approval. She expressed concern about the Boynton Motel, for example. Major Unger responded the Police had been at the Boynton Motel right before the hurricane hit and the contractor was there, ready to take the Boynton Motel down. Attorney Spillias commented that most City Codes had a time limit after which construction had to start following site plan approval. Chair Heavilin was not talking about start of construction but vacant properties and demolition. Ms. Brooks commented she did not believe anyone would be able to demolish a building without a building permit, but she would research it and bring it back to the Board.

Mr. Fenton said there was a performance code regarding incentives and this was the hard thing about the new bond issue. There was no activity at all on two major projects that had been approved. He did not know how the CRA would project T.I.F. income in this case. In his business, this was called "phantom income." Phantom income was a hard thing to pay taxes on. It was also hard to factor into cash flow analysis for repayment of principal and interest on the bond. This was his single biggest worry about the new bond issue. Mr. Barretta did not recall ever factoring in T.I.F. income. It was always T.I.F. income based on the prior year. Mr. Fenton agreed, but said \$6M would not cover \$30M in debt plus the current obligations.

Chair Heavilin's requested all Board members to funnel requests for the CRA office to do research or other things through Ms. Bright. This is because of the volume of work in front of the CRA staff at present and Ms. Bright's knowledge of workload and priorities.

Mr. Barretta stated he thought the Arches project was supposed to start construction by November 1. Ms. Bright stated she would address this in Item IX, Comments by Staff.

#### **VIII. Comments by Board Attorney**

None

#### **IX. Comments by Staff**

Ms. Bright reported she and the Planning Director had met with Ryan Weisfisch of Boynton Ventures 1, LLC, and agent for The Arches. The Arches is now known as 500 Ocean Plaza. The vinyl signs were up and Mr. Weisfisch was trying to get the demolition permit, hoping for the current buildings to be down by December, with a sales trailer going up on the SaleFish site. They had hired the marketing team and were trying to move forward with it. Ms. Bright said she had to know when the money had to be paid to them, so there had to be a regular dialogue on the subject with her so she could inform the Board. Mr. Barretta believed he was to start construction by November 1 or lose the \$2M. Ms. Bright thought that too, but had been looking through the Direct Incentive and she had not come across that. She will investigate this and report back to the Board.

Ms. Bright also reported staff had met with Ocean I and would have to move out of the Chamber of Commerce building, so staff would start looking for space. A new developer will be doing a project preview for the Board. Ocean I was moving forward aggressively.

They also met at length with In Town Development. There was a previous perception with them that the CRA was bidding up properties and she and Ms. Brooks denied property negotiations like that. There were two individuals in the Heart of Boynton who were trying to pit In Town Development against the CRA, so this was cleared up for both sides. They were advised to come to the November 29 meeting also.

Many developers had called about feeling pressured to get their site plans on the ground.

Chair Heavilin asked about status on The Promenade. Ms. Bright indicated she spoke back and forth with Jeff Krinski, who was concerned a building was going up at 250 feet high, an idea Ms. Bright squashed. He did not really provide a status of their position and she is still pursuing it. She understood the price of construction, the delay of Wilma, Pakistan, and the price of concrete and steel were problems affecting this project. If the developers did not hedge against these prices, they would not be able to hold their price on the units down.

Heritage Club of Boynton was moving forward aggressively. They met with Ram Real Estate for Sunshine Square and they will be presenting a project preview to the Board in January. She did not get a response

back from Gulfstream Lumber for status on that project. She was going to stay in touch with developers regularly so she could answer questions for the Board.

Ms. Brooks said while Mr. Hutchinson was Director of the CRA, some property owners had come in under self-assembly in Phase I of the Heart of Boynton area and he had endorsed it. Now, an Eminent Domain Resolution passed and there were six property owners negotiating to sell the land to other people. Their properties were not included in the Eminent Domain Resolution. There would now be a parcel with "holes" in it, which would not be attractive to developers.

A lengthy discussion ensued about this and ultimately, the Board directed CRA staff to make formal offers to the six property owners and bring the results back to the December meeting. There was still time to add them to the Eminent Domain Resolution if the Board so desired. Ms. Horenburger was concerned about the legal ramifications of pending legislation that would affect Eminent Domain for private development. Not all the self-assembly property owners had operated in good faith and for that reason, Ms. Bright favored Eminent Domain if it became necessary. Mr. Barretta did not want to do an RFP for a parcel with "holes" in it. Mr. Fenton wanted staff to examine past offers to property owners to determine the percentage offered above fair market value and make these offers on the midpoint.

Chair Heavilin noted it was late and confirmed the Board members wanted to address the entire workshop agenda. The decision on the salary for the Planner was deferred until the Continuation meeting reconvened after the workshop.

***The continuation meeting was recessed for the Workshop at 8:30 p.m.***

***CRA Board Workshop  
Thursday, November 17, 2005***

The CRA Board Workshop was called to order at 8:31 p.m.

B. Boynton Beach Boulevard Promenade Restroom Facility – Final Design Approval

Ms. Brooks displayed an artist's rendering of this project. Staff did not think the original design for the restroom facility was in line with the existing Pete's Pond structure. Kimley-Horn came back with a design where the roof color of the restroom facility matches the pavilion colors at Pete's Pond. The originally designed Police substation will not be here. There will be two restrooms and a storage area, which would provide storage for special events equipment. Upon Board approval, application will be made for a building permit. The restroom facility will be located right before the turnaround on the Promenade.

The Board liked it and recommended approval by consensus.

C. Human Resources Study of Job Descriptions and Classification & Pay Presentation – Florida Employer Solutions – Lee Ricci, HR Solutions Director and Maria Legarda, Chief Operations Officer

**Lee Ricci of Florida Employer Solutions** presented the results of a study her firm had prepared based on a request from the CRA in April of 2005. That request asked for an analysis of compensation and pay, organizational charts, and job descriptions in the CRA, including a Human Resources manual. The Human Resources manual was not completed, pending the Board's decisions at this meeting. The salary survey was to be conducted within the appropriate public and private job markets to assure pay grade assignment and salary structure were commensurate with the job assignment. All the CRA organizations in the State of Florida were surveyed for purposes of this report.

*Salary Survey*

The salary survey was done using a Market Pricing Analysis method. The following CRA positions have actual average salaries with a variance of at least 10% below market median rate:

PLANNING DIRECTOR

Current Salary: \$60,000	50 <sup>th</sup> Percentile: \$84,792	Difference: -30%
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FINANCE DIRECTOR

Current Salary: \$50,000	50 <sup>th</sup> Percentile: \$74,513	Difference: -33%
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Ms. Ricci strongly recommended the Board take a look at these two positions, regardless of the persons currently in those positions. This would be necessary in order to obtain and retain the kind of personnel the CRA requires.

There were no CRA positions with actual average salaries with a variance of 10% above market median rate. Overall, the CRA's current salary averages for benchmark jobs are below the market median by 6%.

Ms. Ricci mentioned the Marketing Manager Position showed preliminary numbers ranging from \$28K to \$52K. She was not comfortable with the numbers and will get the revised numbers to CRA staff. She recommended an annual review of the CPI and a pay study every two years.

Mr. Fenton asked if the market data were time weighted, reflecting the average amount of time spent in a position. Ms. Ricci said they were not time weighted, but were averages of averages. Where people fall in the range depended on performance or years of service and those were philosophical decisions for management. Her firm was engaged to present a picture of where the CRA stood in relation to the market and not to specifically address philosophical issues. That being said, the CRA Board would need to decide the philosophical question of whether they wanted to lead or lag behind the market in terms of compensation.

The Consumer Price Index for Urban Wage Earners and Clerical Workers for the month of July 2005 reflected a rate 3.73% higher than the previous year and that was expected to continue during 2006.

Ms. Ricci addressed a concern she heard about the range for the Planner position, which was \$48K to \$65K. The maximum was higher than the current salary of the Planning Director, and that did not seem fair. It seemed the Planning Director's salary was out of adjustment.

*Organization Chart*

Ms. Ricci displayed a potential organization chart for the CRA. Florida Employer Solutions believed, supported by the opinion of the current Interim Director, there was a strong need for a Business Development group in the CRA in the near future. Some of that work was now contracted. All CRAs handled this in a different way.

Job descriptions were included for the CRA Executive Director, Receptionist, CRA Assistant Director, Finance Director, Bookkeeper, Planning Director, Planner, Real Estate Administrator, Project Coordinator, Marketing and Communications Manager, Small Business Development Manager, Small Business Development & Grants Specialist, and a Grants Coordinator.

Ms. Ricci and Ms. Bright had agreed the Human Resource Manual could be done separately.

Ms. Horenburger asked about the Assistant Director position where it called for Legal interface with CRA matters. It did not say this under the Executive Director position. She wondered why. Ms. Bright said there was some overlap, but this was included in her duties when she came on board with the CRA. Ms. Ricci's personal feeling was the Executive Director should handle the legal interface on CRA matters. Ms. Horenburger said the attorney was the Board's attorney and not the Director's or staff's attorney and this was one way to keep that clear. She thought the Director should interface with Legal on the Board's behalf.

Chair Heavilin pointed out a typo in the Job Description for the Receptionist. It now said: "High school diploma or equivalent, and *less than six (6) months* of relevant general office/clerical experience, or an equivalent combination of training, education and experience." Ms. Ricci will adjust it to say, "at least six months."

Ms. Horenburger asked whether the Real Estate Administrator would report to the Planning Director or the Planner. Ms. Bright said he would report to the Planner. Ms. Horenburger felt the Real Estate Administrator should report to someone else. Ms. Ricci thought one option was to put it under Business Development and another was to put it under the Finance Director.

Ms. Horenburger noted the Planning Director job description said that position "performs general clerical tasks, which may include answering telephone calls, making copies, sending/receiving faxes, filing documents, or processing incoming/outgoing mail." This will be amended.

Mr. Fenton asked Ms. Ricci's opinion on the top two priorities for hire and Ms. Ricci responded, Planner and Small Business Development. If the Board did not wish to bring someone in for Small Business Development, it should solidify a contract with someone whose loyalty would be to the CRA and not to the contract. Ms. Bright said an intern was trying to carry the CRA's Business Genesis program forward, but the CRA was clearly under served in that area. The intern is part time and does not have the necessary business experience. Chair Heavilin thought there was a lot of overlap in the Small Business Development job description, and Ms. Ricci responded it was a matter of how quickly the CRA grew and in what direction. Organizations and job descriptions could change with the needs of the community.

Mr. Barretta felt the first priority for hire should be a Planner but they really needed a CRA Assistant Director. He believed Ms. Bright's job was overwhelming at present and would probably become more so in the future. The Board had always wanted an Assistant Director for when the Executive Director was not able to be there and now they were in that position and did not have an Assistant Director. Mr. Barretta was not in favor of hiring a Small Business Development Director, thinking that could be contracted out.

Ms. Horenburger wanted to make a decision after the workshop on the two positions whose salaries needed adjustment: the Planning Director and Financial Director.

D. Retail Demand Analysis Presentation: The Chesapeake Group

**Howard Kohn of the Chesapeake Group** reported his firm had done a retail analysis of the CRA area, using a particular process that involved a great deal of contact and reconnaissance with the surrounding areas and stakeholders.

Congress Avenue and Military Trail were not going away. They were in a dominant market position and would continue to be in that position for the future. Mr. Kohn compared it to WalMart, saying, "Don't try to compete with them – do something different."

The Chesapeake Group tracked the number of retail businesses in Boynton Beach over time based upon the Federal government's regulations. They also did a survey of businesses in the community and a

telephone survey of residents in Boynton Beach and surrounding areas in the County. They looked at the City's plans and the CRA's plans and believed they were on the right track for most of the area. They look at planned development also. Retail is not a leader; it follows. The more new rooftops in a City, the more retail.

Mr. Kohn noted the program the CRA had in place, Business Genesis, had not been particularly effective. There are businesses in the CRA that do want to expand that could be lost to Boynton Beach, and there is no reason for that to occur. There needed to be increased communication and dialogue with them on a regular basis in order to facilitate a process that keeps them here.

The Chesapeake Group did a comparative assessment, looking at businesses that might serve the whole County and others that might just serve the local population. They compared Boynton Beach to like communities over a broad range of features such as population, access to transportation, and so forth. They developed the CRA's business database and then repeated it with the communities chosen as like communities. They looked for gaps in what the CRA area had and what other, similar areas had. Some business types came up. It did not mean the City wanted them, but there were less of them in Boynton Beach than in like communities. If all the other communities have 10 tropical fish stores and Boynton Beach only has 2, there is probably a gap.

They then did demand forecasting including a telephone survey. They separated the markets as Boynton Beach residents and other residents of Palm Beach County. The trends in Palm Beach County are critical since they are a secondary market and important factor. Household growth is taking place and will continue. The market is comprised mainly of people migrating to Boynton Beach from other areas of Florida. In the past, the market was made up primarily of people immigrating into the State of Florida from elsewhere. They believed from the data that the migration to Boynton Beach was coming primarily from the southeastern parts of Florida.

Growth would continue in Boynton Beach into the future. The negative side is the City will run out of virgin land. From the CRA's standpoint, this would mean that redevelopment was increasingly the option. When examining the number of units scheduled in the area and where that growth was likely to occur, it can be seen in the immediate future the CRA will be one of the two dominant places where new housing is going to be built in the community. There is a continued high level of demand for residential. The projects on the ground or planned are likely to be sustained by the continued growth in the area for the next five to seven years, at a minimum. Even if the real estate bubble were to break, the CRA was not at that level. In looking at the price ranges for housing along the waterfront, especially, the prices were still lower than in other areas.

Demographic changes are taking place. Families are moving into the area. The proportion of seniors has diminished as growth continues and this will continue. Office employment is growing to an extent also. In the CRA projects coming in now, there are only about 32K sq. ft. of office space proposed and roughly, 2,600 proposed housing units. In doing their forecast, they only dealt with growth.

Mr. Kohn felt the CRA area was likely to absorb 20 to 50% of the new growth in rooftops in Boynton Beach, unless there were annexations in the future. The penetration level in Palm Beach of just growth, not taking a single dollar from anyone at this time, was estimated to be an average of only about 4%. This means the amount of retail being attracted for Palm Beach County is statistically insignificant.

The residents of the CRA area are likely to have a higher average income in the future than what they have at the present time. The biggest factor going for Boynton Beach was its location on the waterfront.

They defined about 50 categories for various types of retail in the area and certain types that could be attracted to the area. This did not preclude the relocation of the background restaurants in the area at

this time, but was in addition thereto. The retail ranges from about 144K to 189K sq. ft. of space broken down by specific kinds of businesses.

They thought it was important the growth be phased. The retail could not be added until the new rooftops were in place. They did not believe the area should end up with a bunch of "pads" all over the place. Retail needed to be integrated into the buildings. Restaurant activity was one area that should increase in the area. The problem is that space has to be prepared up front, ahead of time, for a restaurant in order for the restaurant to go there. It has to be built into whatever design guidelines/regulations the CRA was considering. The waterfront needs to be maximized. Having a restaurant with a water view is phenomenal but not as it seemed to be evolving now, which was as separate, individual "pads."

The Chesapeake Group felt the Chamber of Commerce should play the lead role to keep businesses in Boynton Beach, with CRA as a backup to that activity. It seemed the Chamber of Commerce had not taken a strong interest in this area in the retail component, and they really should.

They had outlined a Business Recruitment Strategy to bring in businesses. They believed the CRA should be in the lead on this and do it. It should not be left up to the individual developer because a developer concentrates on what will make him the most money, not what is right and appropriate for the area. The CRA can bring the tenant to the table. It also opens up the possibility of that tenant getting a better offer because it could be brought to three or four different developers simultaneously.

It was very important that Federal Highway not be designed as or try to become Congress Avenue. It would not be able to compete. The design is the critical factor that will make it different. The CRA area has to have a different feel and be pedestrian oriented.

They looked at the housing market and the office market. They thought there was tremendous opportunity for growth in the office market in Palm Beach County, of which Boynton Beach could take a significant share. The advantage of having additional office space along with the residential, right in the CRA area, is that it would bolster a number of businesses that depend on having an evening trade and a lunchtime trade. It provides foot traffic out on the street.

The report was going to be transmitted via E-mail to Ms. Brooks, who could distribute it to the Clerk and the Board members.

Mr. Barretta directed a question to Ms. Brooks. He asked how much retail space the CRA had in Delray Beach. Ms. Brooks did not know the answer but believed there was about eight miles of it. The reason Mr. Barretta asked that question was 144K to 189K sq. ft. of retail did not sound like a lot of retail. The CRA had been told by some very credentialed planners the way they need to look at downtown was to determine the kind of retail environment they wanted, the kind of restaurants, the amount of retail, and then based on the amount of retail we want, determine the densities they need to achieve it. What they did in Boynton Beach was the "dartboard" approach. They said, "this is the amount of residential we want." Now, The Chesapeake Group was telling them this would yield 144K to 189K sq. ft. of retail. Was that enough to give a vibrant downtown? Mr. Kohn responded they had not been engaged to re-write the CRA's Corridor Plans. Given what they know is likely to happen, they knew what it was likely to yield. This amount of retail would double when uses not considered retail were counted in. In the Related Group's development, for example, the first floor is designed for retail, but only about half of it really falls into retail categories. The spa is a personal service and not retail. Mr. Barretta did not think that kind of use attracted people to the downtown as much as the restaurants and the retail.

Mr. Barretta commented that right now, there was a projected residential density for downtown Boynton Beach and the City Planning Department was trying to reduce it. Mr. Kohn's advice was to raise it. Mr. Barretta wanted to know by how much it should be increased. From Mr. Kohn's perspective, it should be

raised to the point where the construction costs dictate a different height structure and the cost of the unit had to be raised. This might happen to the point the CRA would be in "the bubble" and have a problem. Mr. Barretta asked if Mr. Kohn could give the CRA a recommendation of the amount of retail and restaurants necessary to attract people and activity and make a vibrant downtown. Mr. Kohn offered to talk to Ms. Brooks about this. Mr. Kohn commented if he doubled the level he gave, it would more than double the capture of retail since the critical mass would have increased so much.

Ms. Horenburger stated in Delray Beach, they had kept the heights and densities low and it had been a huge success. Ms. Bright said there was a corridor in Delray Beach that went from I-95 to the beach, and now they were going non-linear. Ms. Bright mentioned the 144K to 190K sq. ft. and asked which corridor that was. Mr. Kohn responded it was primarily the Federal Highway Corridor from Gateway to Gulfstream.

Mr. Barretta said the density reductions would be discussed at the Joint CRA/City Commission meeting on November 29 and hopefully, they would come to consensus. They needed the information from Mr. Kohn before that meeting.

Chair Heavilin was concerned that the Chamber only had one representative at this meeting and this was an important discussion. Mr. Kohn responded the Chamber of Commerce's job was to provide services to the business community membership. There is a certain feeling of antagonism towards government and government intervention with many of these small business people. This came through loud and clear in the survey. It goes back to Eminent Domain and the use of it. The public is relatively upset about it

Ms. Bright agreed with Mr. Barretta's comments. From her meeting with a restaurant representative, she knew the top 100 restaurants in Palm Beach County, three of which were in Delray Beach. They had approached Ms. Bright because they wanted to be in Marina Village. If they could not get the Chamber to take the lead on this, they would have to make a financial commitment in the coming budget year to do a Small Business Recruitment program. Right now, the CRA was only running one little program and she agreed it had not been effective.

Ms. Horenburger said Chambers of Commerce, by their very nature, had fears in an emerging downtown area. The fears are about competition or being put out of business. When they first put up bricks in Delray Beach on Atlantic Avenue, people were pretty upset and angry and said it was useless, pointless, and did not help their businesses. A lot of those businesses are gone, but there is always conflict with changes.

Mr. Fenton asked for clarification on Mr. Kohn's use of the term "pads," saying the CRA had tried to get mixed use. Mr. Kohn remarked he did not think the CRA would be successful from the restaurant or retail perspectives if they continued to just have "pads." Mr. Kohn was referring to mixed use when he said "pads." He said they had to create a different atmosphere.

Mr. Kohn suggested Panera Bread on Congress Avenue would be a good candidate for the area, but it would not happen if they felt they would be drawing from the same audience.

Mr. Barretta asked if the Board could authorize the Interim Director to get whatever information she needed for the meeting on the 29<sup>th</sup>. Ms. Bright said this is all they would be doing next week. The Board expressed strong interest in inviting Mr. Kohn to the Joint CRA/City Commission meeting on November 29.

Mr. Kohn stated they were still developing an Appendix with a list of businesses with contact information that might be appropriate for this area, restaurants that like urban centers and are seeking locations in Florida.

The Board appreciated the information provided to them and felt it was very timely.

*The Continuation of the November 8, 2005 meeting reconvened at 9:30 p.m.*

**V. Old Business**

**(C.) Consideration of HR Recruitment for a Planner**

**Motion**

Mr. Fenton moved to remove this item from the table for discussion. Mr. Barretta seconded the motion that passed 4-0.

Chair Heavilin thought the initial issue was the pay range. She saw some fairly major adjustments that had to be made on salaries. Ms. Bright indicated they could probably not afford to hire a Planner with only two years of experience. They needed a skilled, experienced person who could come in and "hit the ground running." Knowledge of Boynton Beach would be a plus. Ms. Horenburger said the CRA needed this person immediately. Chair Heavilin's preference was to leave the salary up to Ms. Bright and Ms. Brooks, using the midpoint of the market study.

The motion passed 4-0.

Ms. Horenburger wanted to address the two salaries that seemed most out of line: the Planning Director and the Financial Director. They were also talking about some proposed job title changes such as Director of Planning and Director of Finance & Operations. Using the average 50<sup>th</sup> percentile referenced in the market survey, Ms. Horenburger added them up and divided the two. On the Planning Director, the salary would be \$85K and for the Director of Finance & Operations it would be \$74K.

Attorney Spillias suggested deferring this item to the next agenda. Chair Heavilin concurred. The Board wanted to have the whole Board decide this if possible.

**X. Adjournment**

Since there was no further business before the Board, the meeting was duly adjourned at 9:45 p.m.

Respectfully submitted,

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Susan Collins  
Recording Secretary  
(111805)