

**MEETING MINUTES OF THE COMMUNITY REDEVELOPMENT AGENCY
BUDGET WORKSHOP HELD AT THE SENIOR CENTER,
CITY OF BOYNTON BEACH, AT 6:00 P.M. ON THURSDAY, AUGUST 24, 2006**

Present:

Stormet Norem, Vice Chair
Rev. Lance Chaney
Jeanne Heavilin
Marie Horenburger
Guarn Sims

Lisa Bright, Executive Director
Robert Reardon, Assistant Director &
Chief Financial Officer

Absent:

Henderson Tillman, Chair
Steve Myott

I. Call to Order

Vice Chair Norem opened the meeting and the roll was taken. Three board members were present. Two more board members came in following Ms. Rivers' presentation. Chair Tillman was called away to another meeting and left before the workshop began. Vice Chair Norem presided in his absence, and called the meeting to order at 6:10 p.m.

Lisa Bright, CRA Executive Director, introduced Ms. Jody Rivers, Parks Superintendent with the City of Boynton Beach, who gave a talk on the present and future parks of Boynton Beach, with emphasis on the parks in the CRA area. The reason for this presentation was to acquaint the board with the parks in the CRA area for which the CRA would budget in the next few years. The parks were in the City's long-term Capital Improvement Plan.

II. Presentation of CRA Park Plan, Jody Rivers, Parks Superintendent

Jody Rivers, Parks Superintendent, distributed the Recreation & Parks Department's Strategic Plan (as it related to the CRA), with a Conceptual Parks and Recreation System Map showing existing and proposed parks, greenways and blueways, along with private recreation opportunities. Ms. Rivers presented information showing that the State of Florida had a deficit in parks and green space and forecasted it would take \$8.3B to develop the optimum number of parks and green spaces in the State. A statistic from this presentation was that 1,000 new residents come in to Florida each day. The population is expected to double by the year 2030. Also, 5 to 7% of the selling price of a house was said to be due to its proximity to a park. Parks enhance economic development by attracting businesses, tourists and retirees. Boynton Beach has 2.5 acres of land dedicated to recreation and open space per 1,000 residents and that was on the low side, statewide. The Bronx in New York City had 6 acres per 1,000 residents, for example. A contemplated revision of the Comprehensive Plan may allow a goal of 5 acres per 1,000 residents.

Existing Parks in the CRA Area:

*Bicentennial Park, Veterans Park,
and Town Square*

Ms. Rivers commented these parks would be critically important to the residents of the downtown. They would provide gathering places, a venue for a farmer's market, a place for small bands to perform, and so forth.

Existing Neighborhood Parks in the CRA Area: *Galaxy Park, Jaycee Park*

Galaxy Park was a diamond in the rough, with potential to be a major gateway into downtown Boynton Beach. Jaycee Park was on the Intracoastal Waterway south of 23rd Avenue. They were finalizing construction drawings for this park and with \$2.2M they planned to place a picnic shelter/restroom there.

Existing Community Parks in the CRA Area: *Wilson Center and Pool* (being replaced and expanded)

Wally Majors, Recreation & Parks Director, spoke of this seven-acre site as a significant facility for the northeast quadrant of the City and for the entire community. The original Wilson Center was built in 1960 with a pool, but the facilities became antiquated and the community decided to replace the center and pool. A bid opening was scheduled on September 11. The new center would encompass a two-story building of 14K square feet, a wide variety of activities, many historical programs, after school activities, and act as a venue for repasts and family gatherings. The new pool will be much shallower than the previous one and will be dedicated specifically to swimming lessons, water aerobics and such activities. The park itself will be beautified and made to accommodate the extension of the greenway, which would go by the facility on the C-16 canal. They intended to get it done in a year's time. They would like to open the facility as soon as possible as the after-school activities had been disrupted during the building process. They thought it would be the kick-off for the Heart of Boynton area and have quite an impact on the surrounding area.

New Community Parks in the CRA Area: *Intracoastal Park Clubhouse*

Ms. Rivers explained they were hoping to build a 14K square foot, two-story clubhouse on the Intracoastal. The ground floor would be used primarily for recreation programming and activities and the second for meetings, weddings, family reunions, and so forth. That portion would be a rental facility. Bids had been opened and Engineering was studying it. They hoped to move forward soon.

Special Use Facilities in the CRA Area: *Sara Sims Park, Barton Park*

Ms. Rivers explained both of these facilities were cemeteries. The Heart of Boynton Plan indicated a need to expand Sara Sims Park. Boynton Beach Memorial Park on Seacrest had 2 to 2.5 years left of active sales before it was sold out. There had to be dialogue about whether Sara Sims Park should be expanded or not. Barton Park was not an active cemetery. It was, however, quite amazing with its old style above-ground crypts. Ms. Rivers suggested a visit to see it and provided directions.

Ms. Rivers discussed the various greenways, bikeways, and trails throughout the City as well as the conservation/scrub land. She mentioned as these designated greenways, bikeways, and trails were developed, they wanted to make certain the developers made accommodations. Renaissance Commons was building a portion of the greenway running north and south from Gateway to Old Boynton Beach Road along the E-4 canal, and eventually that would start connecting with other greenways.

Current Projects:

Wilson Park	\$7,000,000
Jaycee Park	\$1,600,000
Intracoastal Park Clubhouse	\$2,500,000

Park Development Priorities:

1. Bicentennial Park
2. Veterans Park
3. Galaxy Park
4. Sara Sims Park
5. Palmetto Green Greenway
6. Barton Memorial Park
7. Heritage Park

Funding Sources:

1. Park impact fees
2. CRA
3. Grants
4. Debt financing
5. Naming rights
6. Partnerships
7. Cell towers
8. Special Taxing Districts

Ms. Rivers looked forward to working with the CRA.

Ms. Heavilin asked whether there were any more demonstration garden/parks planned or expansion of the existing ones. Ms. Rivers responded those were actually managed through Regenia Scott of Neighborhood Services. Ms. Bright indicated she and Mr. Reardon attended the Neighborhood Services meetings scheduled by Ms. Scott and if Ms. Heavilin emailed her interest to her, she would bring it up at the next meeting.

Vice Chair Norem asked how many of the 68 acres of undeveloped land had already been earmarked for parks. Ms. Rivers said a couple of the areas had old plans that were no longer appropriate. When development was imminent, they met with the residents to find out what they did and did not want. They just did a conceptual plan for Quantum Park, but it was only a bubble diagram. Vice Chair Norem confirmed with Ms. Rivers that Boynton Beach had 68 acres available for park development, if the money were available to do it.

Ms. Heavilin remarked a great article about parks had recently appeared in The Neighborhood Post. She also mentioned the CRA had been looking for an identity for Boynton Beach, and parks could contribute to that.

Ms. Bright indicated this presentation on parks was to have been presented to the CRA in November of the previous year. As the board was going into strategic planning, she felt it was important for the board to have knowledge of these plans. When the board saw items on the current and future budget pertaining to parks, they would already have some knowledge of what the park plans were. The CRA was going to work with Jody Rivers and Wally Majors and when they told the CRA they were ready to do Sara Sims Park, for example, they might ask the CRA for support. The City had been working with Mr. Reardon on the strategic plans for parks. Veterans Park had initially been earmarked for the \$200K found in the budget, but since there was now more of a push to do Bicentennial Park, the focus was there now.

Ms. Horenburger asked if Recreation & Parks also looked at the northern and southern entranceways to the City and whether or not small pocket parks are considered. Ms. Rivers said that was annotated on the map she had given out, although it was not very legible. Ms. Horenburger asked to have a discussion at the next regular board meeting about the entranceways into the City at each end. Commissioner Ensler mentioned they had recently discussed the City's northern and southern entranceways, and Public Works Director Jeff Livergood had \$100K to look at that, so they might want to discuss it with him to put a plan together. Ms. Heavilin confirmed this was citywide, not just CRA.

III. Discussion of Strategic Plan

Ms. Bright distributed a Master List of 34 CRA goals and staff assigned to work on them for 2006. She declared that in May, the CRA had embarked on a strategic planning process and the board had been provided with a framework of what were considered to be the CRA initiatives. That was tied in to some of the budget methodology. Staff was looking for suggestions, recommendations, and prioritization before final adoption of the CRA budget and strategic plan. Ms. Bright confirmed for Ms. Heavilin that the list was not finalized. Ms. Heavilin did not think the goals and staff assigned conformed to the job descriptions of the persons listed. Ms. Bright responded the names listed were point people only and they all had tasks and worked together in collaboration with each other.

Ms. Heavilin asked to add the component of *retention and expansion of existing businesses in the CRA* to Goal #10, "to develop and implement economic development marketing strategies to lure businesses to Boynton Beach." Ms. Bright responded one of their initiatives was to revive the Small Business program to make it more inclusionary. Ms. Heavilin thought this should be a separate strategy, since it was critically important.

Ms. Bright stated she had been at the International Convention on Shopping Centers and worked on the ideas of keeping Boynton's current retail, so staff had dialogued a lot on this. They had also considered going back to downtown business partners. There had been some talk the Chamber might be considering moving out west to Congress where the core of the retail component was located. She spent a lot of time at the conference with Jim Comparato and the representatives from Renaissance Commons about how they could create an economic development initiative where they could interface with, but not replicate, what they had on Congress Avenue. In the next year, staff would be bringing a revision to the board about getting the Small Business program up and running. That included the incubator that was a part of the Heart of Boynton Plan and working with the Small Business Administration. Ms. Heavilin did not see it in the goals and wanted it to be included.

Ms. Heavilin pointed to goals 6 and 8 in reference to working with the CDC and she inquired which CDC was designated. Ms. Vivian Brooks, Planning & Development Director, mentioned the R.M. Lee CDC had not done any housing like that and the Faith-Based CDC already had a program to help people improve their homes.

Ms. Horenburger asked about goal #1, "HOB - provide gap funding to the developer of Ocean Breeze to ensure 100% affordability." She inquired if the board had voted on that. Ms. Brooks indicated it should have said to ensure affordability up to \$100K. Ms. Horenburger thought there had been some confusion since the RFP was a very defined area, which she now called "The Heart of the Heart of Boynton Area." The Heart of Boynton was big and there were comments made the recent RFP covered the Heart of Boynton area in total and it did not. It was just a lynchpin for it. They could not put all the affordability they needed just in that one corridor; it was needed in the whole Heart of Boynton, the rest of the CRA and the City. Ms. Bright said she had also encountered having to explain she had to develop the whole Heart of Boynton Plan and that only one segment was accounted for with the master developer.

Ms. Heavilin noted when the Heart of Boynton Plan had been done, they had broken it into fourteen neighborhoods. They now tried to compress that into four neighborhoods. Mr. Norem confirmed the neighborhoods had different plat names. Ms. Heavilin thought they might want to start identifying sections by those neighborhood names to define them geographically. Ms. Bright advised Ms. Scott was working to increase communications between the City and those neighborhoods and the process was just beginning with all the neighborhood associations. Ms. Heavilin thought that it would be good to define specific areas by those names rather than using Heart of Boynton as a "catch-all." Ms. Horenburger suggested putting up nice, regulated signs in the neighborhoods. Mr. Reardon responded they were looking into that.

Ms. Heavilin did not see anything on the list about the Land Trust or specifically, a land trust. Ms. Bright felt that was included in item #12, "Create and maintain a program of affordable housing initiatives." Ms. Bright had been discussing this with Mr. Bressner. The board had previously discussed the importance of doing this jointly with another municipality, because the cost of administering the land trust would be very high. Also, the amount of properties they would need to make it worthwhile and the need to keep the properties affordable would point to a need for having a property management entity. Ms. Horenburger had heard of some cities joining together to form a land trust. Ms. Heavilin recalled a discussion about the possibility of piggybacking with Delray Beach, and Ms. Bright confirmed that. Ms. Bright envisioned partnering with Delray Beach and paying a fee to their land trust to administer Boynton's land trust. The CRA did not have enough staff or technical background to do that. Ms. Horenburger suggested trying other cities, and Ms. Bright responded she was also working with Lantana and others. The board members asked this be put on the agenda for an upcoming meeting.

Ms. Horenburger noted there was nothing in the 34 initiatives that spoke to the master development agreement and oversight of the project in the Heart of Boynton. Mr. Reardon stated there was a followup discussion in the budget that might clear that up.

Ms. Heavilin mentioned some of the goals seemed to be ongoing ones. Ms. Bright responded it was her intention to factor in the suggestions and input from the board, and bring this document back at board meetings for discussion. If the board concurred, the suggestions would

be put into their larger document that included 1 year, 3 year, 5 year, and 10 year timeframes. Mr. Norem thought it would be better to bring this up when there was more representation on the board.

IV. Review and Discussion of 1st Draft Budget FY 2006-07

Mr. Reardon presented a different budget from the one the board had been given by the former Director. He explained he had received input from each of his colleagues and had broken the budget down into six categories. The CRA budget for the 2006-07 Fiscal Year was \$9,813,000.00. In the General Fund, there were department categories that delineated each sector of importance such as legislature, administration, and debt service.

Ms. Horenburger did not see any contingency funds. Mr. Reardon directed her to the Index, where it could be seen on page E12. He had entitled the category "Contractual Expenses." He explained that many times during the previous year, the board was pressed for issues and expenditures that had not been budgeted. He did not believe anything was ever denied that was put before the board on a contingent basis. Each time that occurred, he was concerned about where he would get the money. This time, the board would be able to dictate this itself, from its own pool of contingency funds.

Mr. Norem asked what Mr. Reardon wanted in the way of direction from the three members present. Mr. Reardon informed the board the recommended budget would be put on the agenda for adoption at the September 12, 2006 meeting. They were trying to ascertain the wishes of the board and possibly make changes to the budget that would be submitted in final form at that meeting. Ms. Bright offered to contact the board members not present to discuss this prior to that meeting. She remarked the significant point about this budget was that it was 50% larger than the previous year. The tax increment financing (TIF) revenues had increased from \$6M to \$9M. Ms. Bright had made recommendations about where that extra money should be spent and she sought input from the board on the proposed budget. Due to the downturn in development and projects coming in for site plan extension, they did not forecast a need for any large, significant increases in the budget.

Mr. Sims arrived at 6:54 p.m.

Mr. Reardon addressed pie charts showing how the budget was broken down into categories of spending. In addition to this budget, there were two funds: 1) General Fund, and 2) Project Fund. They were starting a Debt Service Fund for accounting purposes, so debts could be paid and interest kept accumulating in the Bond Reserve Fund. Mr. Reardon elaborated on the General Fund, and then touched on the General Fund Expenses and Revenues. The majority of revenues were from the TIF. The last area was the Project Fund Expense Budget. The pie chart on project expenses depicted expenses adopted at the last board meeting for the Project Fund. \$10M was coming from Bond 2 and \$1.550M from the balance of Bond 1.

Vice Chair Norem noted a "Donations" category on the Revenue chart, and asked where the donations came from. Mr. Reardon stated Ms. Adelsperger had been successful in soliciting donations from people who supported the concert series, for example. This was like sponsorships. Mr. Norem responded the CRA was not a 501(C)(3) organization, and Ms. Bright responded that could become a reality. They recently received \$2,500 donated by a developer

for fireworks at the Pirates festival. Now that the CRA was partnering with the City on the larger events, the CRA might have to address the 501(C)(3) issue. They might also be able to obtain grants for events.

Since Ms. Horenburger had to leave soon, she asked some questions from the Reference Booklet. She noted that under Conferences, Palm Beach County Days was not listed, and she felt it was important for all the board members to attend. Mr. Reardon responded that this item could be covered in the CRA Director's Budget under Various Events.

Mr. Norem liked the budget and the way Mr. Reardon had put it together. He especially liked the fact that all the "meat" was in the first page and all the details were in the supplemental (Reference) booklet. He suggested going through that document schedule by schedule to solicit comments or changes.

Ms. Horenburger asked about the Insurances category, which showed computers and software and an item for \$1,800 for insurance. Mr. Reardon responded the CRA had a \$30K software program for its finances. They also had a \$2K GISMO product and a server for \$10K. Ms. Horenburger was satisfied with that explanation.

Under Professional Services (Contractual Expenses), Ms. Horenburger asked for an explanation of the \$126K allotment. This category covered professional services such as architects, guest speakers, consultants, and similar items. Mr. Reardon stated in light of the expenditures to date, it was not high.

Under Legal Contracts, Ms. Horenburger asked if the \$300K was just for services. Ms. Bright responded that this was budgeted for \$120K the previous year and by April 2006 they were already at \$250K. That figure included Lewis Longman's two-year increase. Ms. Horenburger felt the board could easily have an in-house lawyer for that amount of money. Mr. Norem believed having an in-house lawyer would be good as long as that firm was able to assist in all the specialized areas to which the board might need to have access, based on what the board was trying to do. Mr. Reardon mentioned they used Ken Dodge on land purchases and anything to do with land acquisition. Ms. Bright mentioned the contracts for Ms. Amy Dukes' and Mr. Spillias also.

Ms. Horenburger brought up the idea of having a separate contract with a lobbyist. Her other comment was a recommendation to budget for code enforcement, whether in partnership with the City or as a CRA dedicated code enforcement individual. There were some places along Federal Highway, the Fairfield Apartments for example, that were very bad.

Ms. Christine Francois was part of the public audience and mentioned there was a lot of trash being dumped at the Boynton Motel site and she did not know how to stop it. Ms. Horenburger recommended having a dedicated clean-up crew for the CRA. She remarked that in Delray Beach, years ago, they had just cleaned up the properties and liened them. Ms. Heavilin was not sure the CRA should take on all the City services. Ms. Bright would discuss this with the City Manager and the Public Works Manager.

Ms. Horenburger asked if the CRA was receiving grant money for the trolley next year. Mr. Reardon responded, no. Their vendor was unwilling to comply with the Federal requirements,

saying they would drop the contract first. Mr. Reardon stated it would be paid from the TIF revenue. They could go out to bid and make it a requirement that they accept the Metropolitan Planning Organization's requirements if the board desired.

Mr. Norem started at the beginning of the Reference booklet and went through the budget category by category for purposes of discussion, comments, or changes.

Rev. Chaney arrived at the meeting at 7:05 p.m.

CRA Board – Code 51010

Ms. Heavilin commented there were a number of areas where they had prior year expenditures, but the new budget had zero. She wondered if those things had been switched to another account number. Mr. Reardon said in the previous year's budget, there were two conference line items, so he took one out. That accounted for most of the zeroes. Ms. Heavilin praised Mr. Reardon and staff for a very well done budget.

CRA Director – Code 51230

Mr. Norem noted that under 225, Conferences, Meetings & Seminars, there was an item for the FRA Conference, but not the IDA Conference in October. Ms. Bright stated that it was included under Various Events in the same category and Mr. Reardon added there were too many to list individually. Mr. Reardon will amplify this in the final document. Mr. Norem noted that the board members had 50% less than the CRA Director for conferences. Ms. Bright stated it was an average.

Rev. Chaney did not understand the Contractual Expenses, 200, item. Mr. Reardon noted things came in that were numerous and unexpected. For example, last year the N.A.A.C.P. asked for a contribution that was unbudgeted. He admitted that was not a good example, since it was not really a contract, but these expenses were more like what you would have in a Contingency account. The consensus was to make another account and call it Miscellaneous Expenses. Ms. Heavilin noted some items that called for less money than what had been spent the previous year and she questioned this. Mr. Reardon responded he had taken the former Director's budget, identified better categories for the money, and that accounted for the reduced amounts in some areas. The Miscellaneous category would be a contingency fund for every department.

Auditor – Code 51320

No questions.

Finance – Code 51325

Ms. Heavilin asked about the car allowance (115) and whether it was somewhere else previously. Mr. Reardon confirmed that was the case. It was formerly in the Administrative line. Generally, zeroes meant the item had been moved from one line to another.

Mr. Sims asked who did the annual audit and Mr. Reardon responded, Dufresne & Associates. Mr. Reardon added this firm had come from Jacksonville and the decision to deal with a vendor

from such a distance had been made by the former Director. Their contract was up in another year and if the board so desired, an RFP would be done targeting local vendors.

Ms. Bright said some changes had been instituted when they selected their marketing company. The former vendor was from Tallahassee and did not really know the existing market. They had the trolley issue also, so staff was very aware of that.

Vice Chair Norem was unfamiliar with the current auditors, but felt the fee was reasonable for the amount they had to do.

Mr. Sims asked about Career Development (229), software training and tuition for schools. Was that a registration fee for a seminar? Mr. Reardon said as they brought on any other modules for their software, he would have to fly someone in to instruct staff on the way to use the software.

Ms. Horenburger asked Mr. Reardon to retitle Auditor to External Auditor, and Mr. Reardon agreed to do so.

Insurances – Code 51410

Ms. Horenburger inquired whether the CRA put riders on basic policies for events and concerts, and Mr. Reardon responded affirmatively. Mr. Norem asked for the limits on Directors and Operators insurance, and the response was, \$1M for each staff and board member, per occurrence.

Professional Services – Code 51420

Ms. Heavilin remarked the CRA paid \$30K for its share of the City's lobbyist. She questioned the \$50K. Mr. Reardon stated that was an attempt by the CRA to get its own, dedicated lobbyist. Staff felt its own lobbyist could better represent the CRA, but that would be a policy decision. Ms. Horenburger said a decision had to be made about whether the CRA intended to piggyback on the City's contract or not. She mentioned the CRA had not gotten information on what was going on with the Florida Association of Counties, who passed a bill she had not heard about until the session ended and the bill affected CRAs. Even if the number were dropped to \$50K, it would still behoove the CRA to secure the services of its own lobbyist. For example, some of the legislation about threatening CRA's for not doing affordable housing was an issue and a dedicated lobbyist could keep the CRA informed about this.

Ms. Heavilin did not have a problem with having a lobbyist dedicated to the CRA, but did not want to have both a shared and an individual arrangement. Ms. Bright remarked that information was relayed to her secondhand via Mr. Bressner, even though the CRA funded 50% of the support. Mr. Reardon declared the CRA would have to let the City know before the end of the fiscal year if the CRA was going to have its own lobbyist. The consensus of the board at an earlier meeting was to go out for an RFP for a lobbyist to report directly to the CRA. The impact of having its own lobbyist would lower the expense totals by \$30K and the City's revenues by \$30K, or an agreement could be worked out with the City clarifying the lobbyist's role. Ms. Horenburger did not mind the shared arrangement with the City, but the lobbyists had to understand they were working for the CRA and not just the City. That was not clear at the

moment. It was agreed to leave the \$80K in place until this was worked out. Ms. Bright suggested the \$50K be moved into the Contractual category and they could roll it out of there if they obtained the services of a lobbyist at some point in time.

Mr. Norem asked why they paid guest speakers. The board recalled several instances when they had to pay a guest speaker, such as at the CRA dinner.

Professional Services – Code 51440

None

Planning – Code 51440

Mr. Norem asked why there was \$300 under new equipment and whether it was enough. Ms. Horenburger asked about Equipment Leases – Copier, 208, \$11K. Mr. Reardon declared the former Director had signed a five-year contract with a postage company for copiers, Pitney Bowes. The technology was old. The new equipment, Minolta, served as a color copier, a fax machine, a scanner, and so forth. Ms. Bright mentioned the board's auditor advised her they were using a color printer as their color copier. Their office supplies were over \$14K a year because the cartridges for that color printer were expensive. Staff did an analysis and decided it was cheaper to lease a color copier, which was much less expensive to operate. They no longer used the original color copier. Mr. Norem inquired about the contract for the original printer, and Ms. Bright stated they only had 2.5 years left to the end of the lease (or at least the point where they could opt out of the contract and start a new one). They could buy it out, but would have to buy out the whole lease, which would be disadvantageous.

Buildings – Code 51620

Mr. Norem asked about the Promenade annual maintenance cost per City - \$100K, \$10K for maintaining all CRA property, and \$40K in additional cleanup costs. The City estimated the maintenance of the long strip that went out to the Intracoastal would require \$100K a year to keep it in perfect condition, hard and soft scape. Rev. Chaney asked why the other maintenance was so low, \$10K. Mr. Reardon responded that was for mowing vacant lots. Ms. Bright mentioned that because of the hurricanes and safety hazards of blowing trash, they had to clean things up. Mr. Reardon said they had hired some people to clean things up. Ms. Bright could not see charging neighborhoods for the "fly dumping" going on. The City cannot pick up a lot of what is found there. Someone mentioned a youth initiative, but Ms. Heavilin thought it went beyond that. A Bobcat would be necessary.

Mr. Reardon mentioned he had been with Public Works' employee Norm Turner in a neighborhood where, across the street from a well-maintained home, stood a huge pile of junk including refrigerators, sofas, tree limbs, and cars with no license plates. Mr. Reardon went to Code Enforcement, who would be going to every pile of junk on 9th, 10th, and 11th Streets. Code Enforcement would send a notice to the landowner, wait ten days, and if the area was not cleaned up, they would use the contract the City had and have the contractor go out and scoop the junk up with a claw truck, rake it, clean it up, and pay them. Mr. Norem asked if this was on CRA property, and Mr. Reardon replied it was on private property. Ms. Horenburger thought placing a lien on the property might produce results. Mr. Reardon stated there could be an

elderly person on a fixed income, and in the middle of the night, someone could come along and dump a sofa on their lawn(s). Ms. Bright said in connection with the residential façade grant, there were a lot of citizens who were not physically able to maintain their properties. Mr. Reardon proposed taking before and after pictures and talking to Rev. Chaney and the Community Development Corporation about how he could reach out to the community to secure their assistance. The neighborhood could watch for license plate numbers of the people doing the dumping and report them to the CRA. Mr. Reardon indicated it was unreasonable to expect a neighborhood to turn around when it was continually dumped on.

Mr. Norem mentioned the idea of putting in hidden cameras to try to record the people who were doing the dumping and give the person making the tape \$100. The board liked that idea. Rev. Chaney asked Mr. Reardon to explain the difference between the City's and the CRA's responsibility in this matter. Mr. Reardon stated the City picked up bulk trash once a week. The City had come after the CRA for a lot that needed cleaning up and the fine was \$60.00. This was a piece of CRA property that had a lot of trees on it and was not easily cleaned up. Mr. Livergood of Public Works told Mr. Reardon to do whatever he could because his department could not get it done. Mr. Reardon offered to bring pictures of the lots in question to the next meeting. Ms. Heavilin stated if the amount of refuse were especially large, the City would pick it up if called, for a special charge.

Mr. Sims said according to the residents, the biggest problem was the property owners were not the ones putting the trash there. In the case of an elderly person who was not doing the dumping, that was a problem. Mr. Reardon stated the CRA's mission was to remove slum and blight. He felt large trash piles lent the wrong atmosphere to the neighborhoods they were trying to turn around. Mr. Reardon and Mr. Turner would be working on this together. Mr. Reardon was going to check on how long it took for the piles of garbage to return after being cleared up. Then he would know what it really cost. He wanted to work with Mr. Zimet at the CDC and possibly Rev. Chaney to find out if this could be discussed in a church newsletter.

Mr. Sims applauded Mr. Reardon's efforts, and agreed it was time to reach out to the community to help resolve this issue. He was concerned that the cleaning up done by the CRA would actually reinforce the dumping issue because people might rely on it.

Commissioner Enslar felt they really had to have a policy of treating all residents equally and have Code Enforcement put liens on property. They had to be careful not to say they would lien some properties and not others. Mr. Reardon stated that these people were not being treated equally by the "fly dumpers." The residents of Leisureville, for example, did not get this kind of dumping. Mr. Norem commented his property was 200 feet from Leisureville, and one morning they found an old refrigerator and range in their construction dumpster. Dumping was a problem all over the City.

Rev. Chaney wondered initially why the CRA was cleaning up property it did not own, but he understood when he heard Mr. Reardon's remarks about the mission of the CRA being to clean up slum and blight throughout the CRA district. Had there been some collaboration between the CRA and the City for that neighborhood to come up with some plans? Ms. Bright noted she and Mr. Reardon had been invited to a meeting for Neighborhood Services held by the City. Every department head was invited to talk about all of these initiatives. They were given direction that they were supposed to clean up things like this prior to hurricane season because

the loose debris became hurricane hazards. Mr. Livergood advised the CRA it could not wait until hurricane season to get the debris cleaned up. Rev. Chaney thought part of the strategy might be to have some neighborhood meetings and ask the residents of the affected neighborhood(s) for their opinions.

Mr. Reardon commented the dumping was taking place every 40 feet on both sides of the streets in the referenced neighborhood. Rev. Chaney indicated if there had to be fines for the property owners, and he agreed this had to be dealt with across the board equally, and it was an ongoing problem, it would behoove the property owners to watch to see who was putting the trash there and try to get some license plate numbers. Ms. Bright stated another vehicle would be to work with Neighborhood Services, Ms. Regenia Scott.

Mr. Norem believed Mr. Reardon should follow through as planned, and at the same time meet with the neighborhood groups. He was in favor of something like hidden cameras that were put in areas known for illegal dumping. He believed they should start taking pictures and follow through on it.

Ms. Brooks noted there were a lot of vacant lots, which were like magnets for dumping. If those lots were developed, there would be less dumping.

Rev. Chaney thought the neighborhood strategies were vitally important. When he was a kid, the City would hire young people, have a crew supervisor, and go in and clean places up. It gave young people a sense of pride in the neighborhood. Once someone cleaned it up, they would be motivated to watch it also. One strategy to handle this issue would be to hire some kids during the summer with a supervisor. Mr. Reardon said they had \$40K and could afford to hire them year round.

Rev. Chaney thought \$40K was great, but it might need to be increased. Ms. Brooks mentioned \$25K had been approved for a Heart of Boynton program to work with the CDC, who had an active youth involvement program already. Staff would bring this back to the board in the interest of community improvement. To fix the amount for this line item, Mr. Reardon needed time to do his "on-scene" research and he hoped this would be a sinking line item.

Ms. Christine Francois asked if fences around the vacant lots would help, but it was felt they might not deter dumping and could come down and become another maintenance problem.

Marina – Code 51630

Ms. Horenburger left the meeting at 7:50 p.m. Before she left, she told Mr. Reardon he had done an excellent job on the budget.

Mr. Reardon mentioned Ms. Horenburger had been a big supporter of the 500 Ocean project (then called The Arches). There had been some unanticipated expenses since the budget was put together. The Promenade and the 500 Ocean projects had both lapsed on their incentive agreements. There was a \$2M up front incentive raised in this year's budget 2005-06. He had set that money aside. There was uncertainty as to whether that incentive agreement was still valid. It would be brought to the board in September for its final arbitration. If the board felt the projects would not be built until 2008 and that the developer should now go under the new

incentive regulations, he could use that \$2M to fund the failed eminent domain initiative. The CRA still had to pay the legal fees of \$1.2M from that event. Ms. Horenburger wanted to know more about the legal issues and timing on the eminent domain item. She was hearing that the CRA might have been able to do some of that eminent domain except for some of the work that was not done either timely or properly. She asked for a full report on that.

Ms. Bright mentioned the 500 Ocean project, saying there had already been a site plan extension and now there was another request for site plan extension, so staff needed direction on this and The Promenade incentive agreements. The CRA had already carried \$2M in the current year and would be carrying it again until the buildings went up, currently expected in 2008.

Mr. Norem asked whether enough had been allocated under the Marina from 200 through 400. Mr. Reardon replied his philosophy was that the Marina would bring in about \$120K. He had put \$39K down, but he had never run a marina and he would know better next year what really needed to be spent. If he needed more money, he would recognize the revenue side and bring it into the expense. Mr. Norem confirmed with Mr. Reardon that he had not recognized the revenue in the budget yet. Mr. Reardon commented they wanted to feel their way through. If they were lucky and got the gas station, the profit the vendor would make from it could be considered. They could possibly use that person as a dockmaster and let him pay his own salary through the operation of the gas station and make it no-profit to the CRA.

Central Communications – Code 51650

None

Software & Technology – Code 51680

Under 210, City IT Support, Mr. Norem asked about the second year of \$18,540. Was that just one payment? Mr. Reardon stated it was an annual amount, paid quarterly. Mr. Norem asked why it was not included in the current fiscal year as opposed to extending beyond it. Mr. Reardon responded that was the interlocal agreement and this could not be changed. He tried to make every cycled contract or interlocal agreement conform to the fiscal year, but the City would not allow it. When it came up for renewal in January, Mr. Reardon would have it go from January 1, 2007 to September 30, 2007 and start all over again.

Contingent Account – Code 51990

Mr. Norem commented this had been addressed earlier and Mr. Reardon would be adding things to that from some of the areas as needed.

Police Overtime – Code 53120

This covered overtime paid on events, the Promenade, the Marina, and security. Mr. Norem confirmed with Ms. Bright that this was not just for the Police. It was also for security. Ms. Heavilin felt the contractual expenses on this were very high at \$120K. Ms. Bright responded it was for a full-time Police detail from midnight to 6:00 a.m. for the Marina area. Ms. Heavilin

said they had previously decided contractual was like miscellaneous. Mr. Reardon agreed, but said this had been identified.

Transportation – Code 55110

A question was raised about whether the four to five other cities not renewing the trolley would affect trolley costs. Mr. Reardon responded, not necessarily. The increase in the trolley costs was for the fuel. Mr. Norem thought this included the grants they were not going to get, but Mr. Reardon replied the expenses of the trolley were the same regardless of the revenue side. If the revenue side were in, this would be \$80K lower overall. They could piggyback on the contract for the current trolley operator, which was awarded in West Palm Beach. If the board did not want to do that and wanted to go out for a bid for a vendor that would comply with the Federal transportation guidelines, they could. However, they were familiar with the current trolley operator and it worked. Ms. Bright said the only caveat with the trolley system was the interest in the County for regionalization. Delray Beach had already approached Ms. Bright about this. Staff would continue to look for efficiencies, but Delray Beach wanted to do linkage with Boynton Beach on the Federal Highway Corridor with a relay trolley they were starting. They were moving into the new level of transportation, from a regional perspective.

Commissioner Ensler thought the trolley was a folly. It was so limited in where it went and the number of people using it was, he was told, very small. Mr. Reardon stated that was a misnomer. Commissioner Ensler thought the \$654K was better spent in the Heart of Boynton. Ms. Bright responded the people living in the Heart of Boynton were the ones who used the trolley the most. Commissioner Ensler pointed out the projected revenue for the trolley was \$10K. Mr. Reardon said the former Director had put \$95K in the previous year and had gotten a company from Tallahassee and they never showed the CRA \$1, but took \$85K for the contract. He did not know if they would make any revenue this year. Perhaps they would get \$90K in revenue. He put in \$10K and hoped they could get that. They had data from the trolley as to ridership. Every person who got on the trolley was recorded and a large number of people were using them. They used them to get to work from the Heart of Boynton, to the Mall, to the train station, and so forth. When the trolley did not show up, their secretary fielded a great many calls until they asked the trolley operator to handle them. Out of respect for the Commission, Mr. Reardon would get the actual figures on ridership. Ms. Bright commented they did not want the trolley when it first came into play, but it took awhile to build ridership. It had only been in operation for one year. She agreed it seemed an exorbitant amount, but it took time to build a transit system. They spoke of doing advertising on the trolley and the marketing manager was working on a new initiative that would be launched soon.

Mr. Norem asked who the recipient was of the \$84K for trolley marketing, and Ms. Bright responded, AMBIT, whose goal was to create the revenue. They had a great deal of experience and were working on a plan to sell ads. They had just taken over the contract recently. Ms. Heavilin believed for redevelopment in general, they had to have transportation in place as part of that effort. She thought the trolley was important and she overhead a property manager in her office say someone had rented a unit up in Quantum Park and the reason they rented it was because the trolley went by. It was working.

Ms. Brooks mentioned there was a Transportation Concurrency Exception Area (TCEA) in the downtown, which allowed them to redevelop at a very high density. They did not have to meet

traffic concurrency to develop. However, in order to retain that designation and develop to a high density, they had to meet certain standards including affordable housing and the provision for different kinds of transportation. They were behind on the affordable housing. If the TCEA designation went away, the CRA's development potential went away.

Mr. Sims wanted the board to consider the public relations repercussions to the CRA if they took the trolley away now with redevelopment and put it back three years later when most of the people had been relocated. He was not happy with the expense either, but with the new strategies, especially from a marketing standpoint, he wanted to see this given some time. Mr. Reardon said if they expanded to link up with Delray, it would add another \$400K to the expense. Ms. Heavilin stated an employer in Quantum Park was excited about the trolley system because it insured him he could hire people who could get there if they had the trolley for transportation.

Rev. Chaney asked if the statistical information had numbers for tourists. Ms. Bright responded they did and that a lot of people went from the Holiday Inn Catalina down to the waterfront. Rev. Chaney asked if they were going to use that as part of the marketing strategy for tourism. He noted when they put people at the Hampton, some of them had gotten on the trolley to go the Mall. Ms. Bright commented they had a different initiative with Small Town Downtown and Visit Florida to do that and make people aware that Boynton Beach offered a trolley system. Some people did not drive. They looked for places to live where they could get around without a car. Ms. Heavilin thought the trolley was almost an attraction and that families got on it with their children because it was something to do.

Mr. Norem asked about the one-time changes to Web site and hurricane postings under Transportation. Mr. Reardon did not know what the Web site changes would be since there was a different trolley company involved. They wanted money so if there was a hurricane posting, it could be put on the trolley company's Web site. They had used this once during Hurricane Wilma.

Grants Program – Code 57200

Mr. Norem asked about 237 and 238, the façade programs. Ms. Brooks indicated the Residential Façade Program was not something they were going to be doing. That was what was in place now. They would be doing a Residential Improvement Grant funded through Bond 2, except for the administration of that grant which was done through General Revenue. They planned to keep the commercial one, but wanted to make some recommendations to change to concentrate on targeted businesses, to maximize the impact of the improvements. They wanted to concentrate on the Ocean Avenue Corridor with the Town Square and New College, and try to fill in with some restaurants and so forth. Mr. Norem asked if the \$200K for restaurants could be taken out then. Mr. Reardon commented if they could not find money for the eminent domain legal fees, a lot of the programs would go away anyway. The board had the entire month of December to make changes in the budget.

Ms. Bright explained the Residential Façade Grant was a very controlled program. It was very limited and they did not reach the right sources, so they did not draw on it. They were going to go out through the CDCs, who would implement it. Ms. Brooks was rewriting the program. For example, the program they were trying to create would help an elderly woman who was 75

years old and could not do the necessary work. Ms. Bright stated they were redoing the whole Heart of Boynton and this was a perfect area to help people draw down the money, to help get people to paint their exterior, landscaping, sidewalk, and so forth.

Ms. Bright expanded on her experiences with commercial façade grants in Delray Beach. When they wanted a restaurant, they would partner with Palm Beach County Community Development to get them resettled. When businesses were given \$100K for their business development, it had a huge impact. The CRA put in \$50K and Palm Beach County Community Development put in another \$50K. That was how they got in so many nice businesses on Atlantic Avenue in Delray Beach. Mr. Norem thought if they wanted to keep the \$200K in there, the Residential Façade Program should be reclassified. Ms. Bright responded the budget had been prepared and printed on August 8 and they did not want to reprint anything. It was approved as a Residential Improvement Program so that would be the new name.

In relation to community improvements, Mr. Norem thought this might be a place to pull in some of the community service clubs. He was in the Rotary Club of Delray Beach and once a year they designated a Saturday where they did Paint Up and Fix Up for selected homes chosen by something like the CRA, for people who did not have the money or the ability to do the needed improvements. It would also give pride to the community and was another thing the youth could do. There were a lot of avenues through which the supplies could be purchased if a group could do the work. Ms. Heavilin remarked that the psychological impact on a community of having even one block fixed up and cleaned up was incalculable. The whole energy of that little community changed.

Ms. Bright pointed to 239, the Youth Enhancement Grants, and that related to the clean up they had talked about earlier. The Small Business Assistance program was also discussed, and they were going to revise that. Ms. Heavilin asked about the three Youth Enhancement Grants shown in the budget. Ms. Brooks said that would be reprogrammed into the Heart of Boynton and that the number three was a typo and should come out. Mr. Norem could see a Cub Scout or Boy Scout Troop wanting to help fix up and clean up in return for enough money to go to camp, for example. Ms. Bright mentioned that was another program that was not drawn down because no one knew how to use it. Ms. Heavilin said it took years for the Façade Grant program to take off, until the CRA took it over. The City was not able to get people to apply for it. Mr. Norem was glad they had zeroed out 240, Direct Incentive Programs. Rev. Chaney thought it was fine to use the Boy Scouts and Cub Scouts, but he thought they needed to task some of their kids with these jobs, as one way of keeping them out of trouble.

Commissioner Ensler thought there was still a commitment on the Direct Incentive Program. Ms. Bright responded it was a policy decision. When the site plan extension was approved last year, they tied the incentive to that site plan extension. Now, it was a policy decision about whether or not to grant another extension with the incentive. It would be brought to the board to see if they wanted to keep with the current program or have the developer come under new guidelines.

Special Events – Code 57400

Mr. Norem said since AMBIT was in so many of these items, he asked for a report on the total dollar amount to be paid to AMBIT. Mr. Reardon added the reason the contingent account was

there was during the last year, they wanted to have another concert and there was no money for it.

Commissioner Ensler asked about the money for 219, Festivals and Events, and whether it was a joint project between the City and the CRA. Mr. Norem responded it was the Pirates Event, the Holiday Concert, Tree Lighting and Parade, Holiday Staff Party, Marina Seafood and Pineapple Fest, State of the CRA, Two Georges Fishing Tournament, HOB Back to School Bar-B-Que, and HeritageFest Super Weekend. Ms. Bright indicated most of the listed events were joint events between the CRA and the City. The City and the CRA were leveraging their dollars in terms of sponsorship to make the events bigger. They expected to see cost reductions from partnering with the City.

Economic Development – Code 57500

Mr. Reardon stated Personnel Services, 100, represented 51% of the salary for the person they would share with the City.

Signage – Code 58000

Mr. Reardon referred to the tip that came out at this meeting about signing the 14 different neighborhoods in the HOB area. It was also for Marina signs and additional CRA property signs. Rev. Chaney asked if the money would be used if the signs were vandalized and had to be replaced, and Mr. Reardon responded affirmatively.

Heart of Boynton – Code 58200

No comments.

Development Projects – Code 58300

Mr. Norem commented on the eminent domain for Ocean One issue. Mr. Reardon explained there were two aspects to Ocean One. The CRA had to pay the City's Attorney for the eminent domain that was tried and not successful. Also, if they wanted Ocean One to go forward, they had to pay for the buyout with Ocean One in partnership somehow with the people who had been holdouts.

Mr. Reardon briefly reviewed the items in this category. One of the goals last year was to purchase the Sea Mist property and they still wanted to do that. This would buy 90 or 100 feet to allow the CRA to own the entire Marina. Ms. Bright said if the contract was approved for the land on which they were now doing due diligence, they couldn't buy the Sea Mist, because they did not legally have a place for parking.

Employee Benefits – Code 59000

Mr. Norem asked if there were anything in this item that would not be customary and normal in government agencies, and Mr. Reardon responded there was nothing.

Transfers to Debt Service Fund – Code 59800

Mr. Reardon stated the General Fund raised the principal and interest for the annual payments of the mortgages. They would have three. They had the Bank of America loan, on which he successfully had the interest rate lowered. They had Bond 1 and Bond 2 and the \$2M loan from The Related Group. It is raised in the General Fund and pumped over to the Debt Service Fund to pay the bills. Ms. Heavilin asked for the term on the Bank of America note. Mr. Reardon responded they had approximately 11 years left out of 15. Mr. Norem asked if it was fixed principal or amortized, and Mr. Reardon responded it was amortized. The amount due The Related Group was \$500K for principal a year and in four years it would be over. If they got a huge amount of windfall that was not needed elsewhere, they could retire the debt. Mr. Norem asked what the rates were on the existing mortgages. Mr. Reardon responded the best rate they had was The Related Group at 5%. The non-taxable rate was approximately 4% and the taxable rate was approximately 5%. Mr. Norem confirmed with Mr. Reardon that they were locked in to the various rates.

Mr. Norem commented that he did not know how they were looking at the revenue and TIF, but his concern was the CRA was putting in a lot of expenses that were known and this was part of growing. However, there would be some ongoing expenses and those would increase just because services did increase, plus they would be adding on more. With the slowdown in building, he wanted to be sure they were not projecting too much TIF income to the point they would be upside down. Mr. Reardon responded the TIF calculation was based on the County. He lowered his expectation on the County millage to 7%. He asked Commissioner Ensler about the City's millage rate, and Commissioner Ensler responded it was 7.1%, but it would not be finalized until next month. Mr. Norem asked if that were the rollback rate, and Commissioner Ensler responded it would probably go at 7.1% unless Mr. Bressner found more money, when it could go down to 7%. Mr. Norem asked what the rollback rate was. Commissioner Ensler said there was no rollback rate and they could not go higher than 7.2% legally. Mr. Norem thought 10% was maximum, and Commissioner Ensler agreed it was but he was speaking about this year.

Mr. Reardon noted if they did not have Ocean One and the Sea Mist, \$1.7M would be available. He did not believe their TIF would grow this much again. However, this TIF number (\$9M) did not include the majority of The Related Group's two tower Marina Village. It did include a piece of it. The temporary Certificate of Occupancy was just achieved for the garage. None of the tower properties had come on line, so when they did, it could go up another \$700K. Tower One was scheduled for sometime this month. Tower Two was not scheduled in this economic period. What happened last year was that the County had the right to increase assessments and this number was below the County and City projections. He would rather err on the side of caution. The TIF could go to \$9.3M. When The Related Group came on between now and December 31, this could go to \$9.7M. By law, at the end of this fiscal year, anything that was left over had to go to debt service. There could be no fund balance. It helped cash flow, but could not be set aside for other than debt. They knew the Promenade and Ocean Avenue were not coming up. Ms. Bright stated everyone was coming forward with site plan extensions or asking for back-end incentives or help to do a homebuyers' assistance program, some of which would be seen in September. Mr. Norem wanted to be sure Mr. Reardon had taken all of the above into effect in the budget, and Mr. Reardon agreed, saying he was under budgeting. Next year, they would

not see the \$800K for Ocean One and they would not see the Sea Mist. If the grants Ms. Brooks was getting were lumped with that, there would be \$2M. He doubted the TIF would go down from \$9M.

Mr. Reardon was hoping to get \$500K from the County for the fuel dock. If they did not get that, there would be "hole" in the budget. If he did not get it, he would spend the money on the expense side, but not get the money on the revenue side. He planned to book it as a receivable in the current fiscal year. The County had the money in its budget. He was hedging his bets. If they got the \$2M from the County and they did not allow the CRA an additional \$570K for the fuel dock, the money that was left over and got pushed into next year would be the source from which he would take \$500K and put it towards debt service. That would cover the fuel dock. The County Commission had it on the agenda and Mr. Reardon planned to be at the meeting. Rep. Anne Gannon offered to lend support for the CRA's request at the County Commission level. Mayor Taylor and various others in County government were also working towards that end on behalf of the CRA.

On page R2, zero was budgeted for the trolley grants. He did not like getting the grant, but could not force the trolley vendor to comply with TCEA rules and neither could four other communities. They had never received any money. Ms. Bright confirmed that, saying this was moved from one federal agency, the Federal Transit Administration. Unlike New York, Florida says, "You can have this grant. Start your program." You start it, but when it comes time to get the money, they pull it. Mr. Reardon asked them how they could do that when they had pledged the money and was given an equivocal response. In New York, if the County said you were going to get a grant, it was in writing, and you had the promise up front and all that had to be done was the things you had agreed to do. Mr. Norem asked if the pledge of the grant was in writing. Mr. Reardon said they it was not. Mr. Reardon would be meeting with Mayor Taylor and Mr. Bressner to get as much support behind this as possible.

Mr. Norem stated with rising interest rates and a 50% increase in TIF, why were the figures so close to what they had already received? Mr. Reardon said that was because when he first started calculating the interest, he never dreamed the TIF would increase by 50%. If he recast the interest, he would recast the expense and put that money somewhere. He could not expend \$9M. Mr. Norem would rather he was more conservative on this and have the income coming in, but on the other hand, wanted to make sure it was in the proper investments to get the most out of their money. Mr. Reardon stated he was a conservative budgeter.

Ms. Heavilin pointed to page R1, bond interest earnings, and felt \$10K was not enough in light of what was expended in the previous year, \$451,908.00. Mr. Reardon said at the beginning of last year, there was \$15M in this item and now he had \$2M. By the time they get to the end of this fiscal year, it would be \$1.5M.

They considered page E1, bond project expenses, which all came from the balance of Bond #1 and Bond #2. Ms. Bright mentioned the only thing on page E1 was the MLK design cost, \$250K, was a CRA initiative under the bond, and it was probable as they moved toward the MLK developer agreement, that they would have a different streetscape. They did not want to incur that \$250K of expenses. The CRA was originally going to do Phase 1 and Phase 2. They would leave that in until that agreement was complete and then move it to affordable access or land acquisition in the Heart of Boynton. Also, in regard to Seacrest Boulevard, an FDOT road, staff

did not recommend pursuing those costs, but would prefer to create an urban form along Seacrest with an interesting sidewalk, medians, and so forth. Burdkhardt Construction estimated it would cost a great deal more than \$10M to bring about the kinds of improvements they had in mind for Seacrest Boulevard. Ms. Brooks stated the County was not going to let them do anything that would slow traffic very much, since Seacrest Boulevard was a hurricane evacuation route. About the only thing they could do was put a median down along Seacrest. The private sector could do the sidewalk and streetscapes. Mr. Bright said if it would not have an overall beneficial effect in the community, they would be better off spending it in other ways.

Rev. Chaney noticed there was zero for Heart of Boynton Phase 1 but under 451, there was Phase 1 relocation costs. He thought the developer would do that. Mr. Reardon said this was Bond #1. Most of the Heart of Boynton expenses were coming from Bond #2. The reason they had to pay relocation costs was that The Urban Group was still involved and they were under federal guidelines. If the CRA bought a house or commercial property, it had to move the owner and pay the bill for that. He still had the remnants of that. In the future, the CRA was going to try to purchase empty properties so this did not have to be incurred. Ms. Heavilin stated the CRA had spent well over \$1M on relocation. Ms. Brooks mentioned they had anticipated receiving some Section 108 money this year and that never happened. Ms. Heavilin believed it was just as well they had done it the way they did from the standpoint of community relations.

Mr. Reardon declared salaries represented about 5% of their budget. They checked with Delray Beach and they had about the same size staff and same expenses, but twice the TIF. Their salary to revenues was 3% because they received \$18M in TIF.

Ms. Bright confirmed for Mr. Norem there was nothing in the salaries that was outside the scope of the norm for governmental agencies. They had decided they did not want to lead or lag the market in terms of salaries and believed they were within those parameters.

Boynton Beach CRA Fiscal 2006/07 Budget Presentation – Robert Reardon

Mr. Reardon gave a PowerPoint presentation dealing with 1) Big Ticket Priorities with Unfunded "Mandates"; 2) MLK Developer Agreement Costs; 3) Eminent Domain; 4) Ocean One/Waterpoint Park; 5) Old High School Project; 6) Current Incentives; and 7) Defunct Initiatives. The presentation is available as part of the minutes. If there was discussion on a particular item, it is included in these minutes.

In regard to eminent domain item, Ms. Bright indicated CRA staff was trying to negotiate these fees downwards to the actual hourly fees instead of the total amount they had submitted to the judge. They could not predict, however, what the judge would ultimately decide.

In regard to Waterpoint Park, Ms. Bright advised this was the parcel north of the CVS store and it had originally come in as a complete project. Appraisals were coming in on the auto parts site as well as the parking, regardless of which developer prevailed. This meant it could cost as much as \$3.5M for those parcels along the railroad tracks to create expansion of the Bicentennial Park and a parking structure. Mr. Reardon commented the money for this did not exist. Ms. Bright responded if they were going out on voluntary acquisition, they would either

negotiate with the developer by giving them incentives or activate the redevelopment through other means. Even though they were pushing this redevelopment, the budget was tied to other priority initiatives so this one might be delayed.

They discussed the fact that the HOB and Old High School were both large projects and their staff might be strained by doing them both, and they might ask for a project manager at some future date. They discussed leasing or buying and Ms. Heavilin asked the board be given a comparison between these two options.

The Promenade incentives would come back before the board at its September 12 meeting. The attorney was working on this and was confident the Promenade incentives had lapsed and were no longer in effect.

The 500 Ocean Avenue incentive was discussed earlier in the meeting. It was felt this project's failure to produce had delayed the downtown, because the developer had missed the market trend. The CRA board had to decide what to do about this. This had been a difficult learning project for the CRA and Mr. Reardon felt the most onerous part was the CRA giving the developer \$2M. The developer put in a foundation and then flipped the project. What defined vertical? The definitions in the agreement were so shabby that vertical could be one course of block. The incentive guidelines and what was expected were so lax he hoped the board chose not to extend the upfront loading. It put the CRA in a precarious position. It would be possible to say the CRA would give them \$500K for four years until the project was in the ground. This item would be up for a vote at the September 12 meeting. Ms. Bright believed if the developer had performed in the stated timeline, it might have been all right. In retrospect, they had not given an incentive to The Related Group and they were finished and out of Boynton Beach looking for new projects. The two groups to which they gave incentives had not performed.

V. Adjournment

Since there were no further topics of discussion, the board duly adjourned at 8:55 p.m.

Respectfully submitted,

Susan Collins
Recording Secretary
(082506)