

**MINUTES OF THE COMMUNITY REDEVELOPMENT AGENCY BOARD
HELD ON TUESDAY, SEPTEMBER 8, 2009 AT 6:30 PM
IN CITY COMMISSION CHAMBERS, BOYNTON BEACH, FL**

PRESENT:

Jerry Taylor, Chair
Woodrow Hay, Vice Chair
Marlene Ross
Jose Rodriguez
Ron Weiland

Lisa Bright, Executive Director
Jim Cherof, Board Attorney

I. Call to Order

The meeting was called to order at 6:30 p.m.

II. Pledge to the Flag and Invocation

Vice Chair Hay gave the invocation.

III. Roll Call

The Recording Secretary called the roll. A quorum was present.

IV. Agenda Approval:

- A. Additions, Deletions, Corrections to the Agenda

It was noted there was a typographical error on the agenda. The New Business *agenda item* regarding Estella Jones should read *Jones* and not *Jenkins*.

- B. Adoption of Agenda

Motion

Vice Chair Hay moved to approve the agenda as amended. Ms. Ross seconded the motion that unanimously passed.

V. Announcements & Awards:

None.

VI. Consent Agenda:

- A. Approval of Minutes - CRA Budget Workshop August 10, 2009

This item was pulled by Chair Taylor.

B. Approval of Minutes - CRA Board Meeting August 11, 2009

The following changes were made:

Page 3, "While the terms of the original contract allowed Mr. Sims to sublet the property, the Board was not aware . . ."

Page 14, "Chair Taylor noted September 9th would be the last Community Redevelopment Agency Board meeting to be held prior to the City's Community Redevelopment Agency's final budget hearing of September 29."

Motion

Ms. Ross moved to approve. Mr. Weiland seconded the motion that unanimously passed.

F. Approval of Entering into a Mortgage and Note with Women's Circle in the Amount of \$100,000

Vice Chair Hay inquired about the amount of the item as the appraisal depicted a slightly higher amount than the Board agreed to fund. Ms. Brooks explained the appraisal was based on comparables and the Woman's Circle ordered the appraisal. The amount was based on what was sold, not what the Property Tax Appraiser appraised it for. Staff was recommending approval of the transaction.

Motion

Vice Chair Hay moved to approve. Ms. Ross seconded the motion that unanimously passed.

H, Approval of Denial of Commercial Façade Improvement Grant Program Application Submitted by Boynton Isles Neighborhood Association

Mr. Rodriguez noted there was an email sent which was not presented to the Board.

Ms. Bright responded the correspondence pertained to the request being an incomplete application. She explained it was not an incomplete application; rather, it did not meet the program guidelines.

Mike Simon, Development Manager, explained the email was not included in the meeting materials because the requested action was to approve the denial of the application as presented by Mr. Scully. The criteria for denial was the application did not meet the requirements of the program.

Mr. Rodriguez explained updates and information pertinent to a decision should be provided to the Board.

Attorney Cherof; however, advised the Board has discretion on how to allocate it's resources.

Motion

Mr. Rodriguez moved to table the item until the information was provided.

Attorney Cherof read the email from Tammy Lang to Lisa Bright and Mike Simon regarding Boynton Isles Community Redevelopment Agency Façade Grant application into the record as:

"We have recently learned that the application that was filled out by our previous president, Mr. Scully was noted to be incomplete. As the information was never mentioned in the letter we received from the Community Redevelopment Agency and Mr. Scully is no longer the president of Boynton Isles, as acting president, please accept the attached complete application for the Board's consideration. The proposed improvements are to include repairing, refacing the existing 30-year old monument sign, adding new lighting and landscaping at the entranceway Thank you for your consideration. Boynton Isles, N.A. Inc. Tammy Lang, Acting President." Attorney Cherof noted there was a document attached to it. The email was sent Monday, September 7, 2009 at 6:45 p.m.

Discussion followed the request did not meet the program requirements. The program was for commercial properties and businesses, and had no bearing on a Homeowners' Association entrance sign. Mr. Rodriguez believed the Board had the discretion to discuss the opportunity to support the Homeowners Association that is within the Community Redevelopment Agency district, and the association was not a fee-based association. He added if the request did not fall under the program, supporting it could be considered with general funds as it was a development that had a large tax base.

There were approximately 40 other homeowners associations. It was also noted that Mr. Rodriguez lives in that area. Mr. Rodriguez had no objection to recusing himself but expressed he had an obligation to advocate for his district. He thought doing so would increase property values. He did not know why the board would not support the effort. Ms. Bright explained in July, all the Residential Improvement Grants and Façade Grants were brought back to the Board, reviewed and made more restrictive.

Motion

Vice Chair Hay moved to support approval of the denial of the Commercial Façade Improvement Grant. Mr. Weiland seconded the motion that unanimously passed.

- I. Approval to Support the Schoolhouse Children's Museum 2009 Annual Dinner Dance

Ms. Ross wanted to ascertain the Board's thoughts for one or more members to attend. Ms. Bright explained last year the City supported the event. Ms. Ross indicated she would like to attend and wanted to know if she should go as an individual or as a Community Redevelopment Agency Board member. Chair Taylor explained it was up to the Board.

Mr. Weiland explained he was in support of purchasing a table and wanted to donate his seat to someone who could not afford it.

There were two events; however, Ms. Ross noted she could not attend the Saturday event.

Motion

Ms. Ross moved to approve (purchase of) a table for 10 for \$950. Vice Chair Hay seconded the motion that unanimously passed.

J. Approval to Support the Business Development Board 2009 Gala

Mr. Rodriguez did not believe spending \$2,300 on a Gala for the Business Development Board was warranted when the Community Redevelopment Agency already supported them through membership fees, and tax dollars. He thought it sent a wrong message.

Motion

Mr. Rodriguez moved to decline. Vice Chair Hay seconded the motion.

Ms. Ross thought the event was important as it recognized economic development accomplishments. Awards would be given and the event had value. Mr. Weiland suggested sending a letter to the Board indicating they cannot attend.

Vote

The motion unanimously passed.

VIII. Information Only:

- A. CRA Policing Activity Report for the Month of August 2009 and District Statistics for the Months of July and August 2009
- B. Public Comment Log Monthly Update
- C. CRA Media

VIII. Public Comments: (Note: comments are limited to three minutes in duration)

Chair Taylor opened the floor to public comments. No one coming forward, Chair Taylor closed the public comments.

X. Public Hearing:

Old Business:

New Business:

XI. Old Business:

- A. Continuation of FY 2009/2010 Budget Discussion

Susan Harris, Finance Director, explained last month, the Chair requested this item be put on the agenda for discussion in anticipation of the final budget adoption to be held on September

29, 2009. The final millage rate for the City would not be known until September 22, and the County's millage rate would not be known until September 21, 2009. How much monies would be received was still unknown. A budget projection worksheet was included and updated.

The police budget was reduced by \$50,000 next year and was further clarified it would be reduced \$50,000 each year for the next three years.

The Special Events budget was increased by \$5,000 as the Board discussed adding a possible event in the southern portion of the district.

The Old High School placeholder was added for \$500,000 as motioned by the Board, with a match from the City.

Funds for the marina's construction were added because they were entering the first phase of the construction. If the Board opted, they could continue construction of the marina next year by allocating funds, if available.

Project and program options were included for the Board's review and were discussed on August 10, 2009.

The information provided three scenarios regarding the millage rate, which Chair Taylor reviewed. If the \$500,000 placeholder for the Old High School were removed, the figures would change. The motion for the placeholder for the Old High School was based on the City matching the amount, which it had not done. Chair Taylor explained the City Commission would make a decision regarding placing the financing of the Old High School on the March referendum so the taxpayers could decide how to proceed. It was suggested putting the Police Station on the referendum as well. If the Old High School marker were removed and the millage rate stayed the same, the budget would, essentially, be balanced.

Mr. Rodriguez discussed the \$1.8 million dollars that was allocated for the Police Station. If that amount were eliminated, the budget would be flat. Mr. Rodriguez also inquired where the videotaping was included in the budget. Ms. Harris explained it was in the project fund, professional services. Mr. Rodriguez requested additional clarification of the item prior to the next meeting.

Staff was seeking direction on some of the budget items. Ms. Bright had the verbatim minutes of the prior discussion and requested direction ahead of time in order to allow staff to distribute the information to the Board and be prepared to answer any last minute questions the Board had. Mr. Rodriguez differed and expressed it was a matter of making motions and funding, and he indicated he intended to present ideas on how to be more efficient at the final budget meeting.

Ms. Bright explained that was what they were trying to avoid. She had planned for the Board to spend the bulk of the meeting on what staff had prepared. If a new budget was going to be presented based on a Board member, it would take much more time. Mr. Rodriguez reiterated it would just be a matter of voting on motions that would not be any longer than 30 minutes. After discussion, it was decided to move the final budget hearing up to September 24th.

B. Reconsideration of Lease Renewal with Glaston Sims d/b/a Alex Sims Barber Shop

Mr. Simon explained this item was brought back at the request of the Chairman. Mr. Weiland did not agree with allowing the property to be sublet with a \$10-a-year lease. Mr. Rodriguez pointed out there was a direct benefit as a result of the Community Redevelopment Agency owning the building. Ms. Bright clarified the arrangement was made by the former Community Redevelopment Agency director which was approved by Goren, Cherof and Doody, P.A.s. The lease was the only lease of this type.

Mr. Guarn Sims, 3021 S. Seacrest Blvd., stated when the lease was originally created, the owners of the Sim's Barber Shop and Ruby's Beauty Salon were made aware of the lease provisions. He requested the Board consider either keeping the lease in its current form or as the primary business on the lease, they eliminate language relative to the sub-lease. In July, Mr. Sims indicated it was their intention to operate and expand the business after planned development occurred. They were currently partnering with cosmetology schools and offering an internship program for students seeking to obtain their licenses. To make that work, they needed both facilities: the barbershop and Ruby's Beauty Salon. The community was in need of a program like this. Mr. Sims explained they would cease charging the sub-lease and would forgo the other rent.

Attorney Cherof clarified the lease was a month-to-month lease, and the sub-lease had the same terms. The Board had the right to remove any restrictions on the sub-lease, but he did not believe it was the recommendation of the Community Redevelopment Agency staff, with respect to protecting the interest of the sub-tenant.

Mr. Sims reiterated the arrangement was about helping the community. Vice Chair Hay inquired if both tenants were charged the same rent, who would be responsible for the maintenance, insurance, utilities and other items. Mr. Sims responded in the past, whatever they needed to address was addressed. The cost of maintenance was further discussed and Mr. Sims explained the costs were usually split. Since they acquired the building, the Community Redevelopment Agency spent about \$5,000 on maintenance over and above what the tenants had repaired.

Evangeline Mack-Sullivan, 909 N. Seacrest Blvd., Ruby's Beauty Center, explained she pays about \$159 per week and approximately \$600 per month. She also pays for insurance and utilities for her half of the building, which fluctuates. She was renting under a verbal contract.

Motion

Mr. Rodriguez moved the property be sublet equally at the current rate to both tenants.

Discussion ensued about building maintenance. Ms. Bright explained the subject property was not being charged market rent and the Board made the repairs. Mr. Simon recommended when having two businesses operating under the Community Redevelopment Agency's ownership, they should both be paying.

Motion

Mr. Rodriguez moved to support staff's recommendation. Mr. Weiland seconded the motion.

Further discussion ensued about needed repairs. Mr. Simon sends notification about items needing repair or deficiencies in the building to the tenant. The item would be a budgeted item, but it would be a wash. Changing the terms and proposing a lease date for October 1, 2009 was recommended. Both tenants would have a lease with the Community Redevelopment Agency, similar to other tenants the Community Redevelopment Agency has. The rate established would be the market rate, established on current market rates. Attorney Cherof would bring back language regarding who would be responsible for different items. Mr. Sims would pay \$728 per month and Ms. Sullivan's would be \$600.

Vote

There was a vote on the motion which passed unanimously.

- C. Boynton Harbor Marina Slip Reconstruction Project
 - 1. Recommendation of Contractor - Shoreline Foundation, Inc.

Ms. Brooks explained the RFP was issued and seven responses were received. Ms. Brooks reviewed the scoring methodology. The top three proposals were from Shoreline, Murphy, and Custom Built Marine. One on one interviews were conducted and the criteria was clear. Based on the interviews and scoring, staff believed Shoreline was the best bidder for the job. The staff members who reviewed the proposals were Ms. Brooks and Mr. Simon.

Jason Bator, MEC proprietor, explained when the RFP was issued he put together a team and promulgated his best price. He was the low bidder and had a complaint about the scoring process.

Attorney Cherof clarified the cost was only one element in the scoring process. Mr. Bator explained the contractor receiving the bid had a price 27% higher than theirs. Ms. Brooks explained there were other mechanisms used to help ameliorate highs and lows in the scoring process.

David Perry, MSCW, reviewed the responses for compliance with the RFP requirements. There were certain criterion requiring every respondent to provide them with specific forms and responses, which they used to rank the proposals. MEC's bonding capacity was found to be non-compliant and there were other issues as well. Some items were missing; a letter of financial capacity was not submitted, which was important. Key employees were to be identified. The firm's project manager was found to be working for another company. Other items they reviewed were timeliness of the construction activities in regard to shutting down operational businesses when the construction occurred.

Mr. Bator explained he felt the scoring process was set up with MSCW performing two fifths of the scoring and that they were in a position of picking who they wanted to work with. He also noted if a company did not subscribe to Dunn and Bradstreet, they do not report on them

Motion

Vice Chair Hay moved to approve Shoreline Foundation Inc. to be selected as the general contractor to perform the construction associated with Boynton Beach Marine Slip Construction Project. Chair Taylor passed the gavel and seconded the motion.

Mr. Weiland was not 100% in favor of moving forward with the project at the present time. Attorney Cherof advised the Board could table the item or ask staff to provide further analysis or other options.

Preston Searles, 2608 Meadows Road, Palm Beach Marine Construction, explained he understood the Board wanted to retain the most qualified contractor, but there were individuals on the list that were qualified for the job that were not reviewed because of their point score. Mr. Searles did not understand how the scoring worked. Mr. Searles was disputing the scoring process. There was a discrepancy in the number of individuals scoring the proposals noted. Six individuals were supposed to score the RFP and only five scored.

Ms. Brooks explained the engineer's estimate for the job was \$838,000. Staff received fair pricing and there were contractors that would not normally come in for a job this small, which may have skewed some of the scoring. Some contractors were familiar with working with municipalities and others were not. It was explained the level of review was a different level of review and was different than considering the price only. There were other factors that were part of the analysis as well.

Mr. Searles explained most of their ongoing jobs were for municipalities and they were familiar with the requirements. He thought not being considered was a smack in the face to their firm. Ms. Bright reiterated the request was not a bid process. The Community Redevelopment Agency was not seeking competitive bidding; rather, they were looking for the most qualified bidder. The cost was only one aspect.

Mr. Rodriguez expressed the builder was rated zero in several categories and he did not understand how that could be when the builder has done work in the past.

Mr. Perry explained in a standard RFP process, if forms are required and they are omitted, in fairness to the other respondents, it is considered non-compliant. With respect to Shoreline, what added to their favor was they had constructed the marina on the north side. They knew the project and had previously worked on the site. From a construction, project and expertise capability aspect, they showed a great deal of experience, above many others.

John Cleon, Shoreline, explained the process was clear and that Murphy and Custom Built also were aware of what was required to be included. The responses had to be predicated to meet the requirements of the job. To be penalized for meeting the requirements would be unfair. The firm was in business for 26 years. He further listed several of the projects the firm was currently working on.

Mr. Weiland stated he liked to see the small guy get a chance and he would be voting against his personal feelings as to what he would like to see, versus what staff was asking for.

Vote

There was a vote on the motion that unanimously passed.

2. Consideration of Entering into Contract with Shoreline Foundation, Inc.

Mr. Weiland left the dais at 8:19 p.m.

Motion

Mr. Rodriguez moved to approve. Vice Chair Hay seconded the motion that passed 3-1. (Mr. Weiland not present for the vote.)

- D. Consideration of Purchasing Vacant Lots Located on NE 4th Avenue from CDC in the Amount of \$300,000.

Ms. Brooks explained this item was previously before the Board. A PowerPoint presentation was given showing where the property was located. A value analysis was conducted in May showing the property value at \$299,000. An appraisal done on behalf of the lender in June reflected an appraised value of \$300,000. The Community Redevelopment Agency obtained their own appraisal, which also reflected the value at \$300,000. With the additional property, the parcel size the CDC had was nearly an acre. The balance with their lender was \$533,000. The lender, Local Initiatives Support Corporation indicated they would sell at the current appraised value.

Mr. Weiland returned to the dais at 8:21 p.m.

With the acquisition, the Community Redevelopment Agency would own 75% of the block, or 5.35 acres, thereby providing a greater redevelopment potential in that area. REG provided a redevelopment concept for a single-family cottage type development. It was noted this item would be funded from the \$1.6 million earmarked from the Heart of Boynton area.

Motion

Mr. Weiland moved to approve. Vice Chair Hay seconded the motion that unanimously passed.

XII. New Business:

- A. Consideration of Entering into a Purchase Agreement for a Vacant Lot Located on NE 1st Street in the Amount of \$105,450.00 with Thelma Marshall

Ms. Brooks reviewed a PowerPoint presentation.

Motion

Mr. Weiland moved to approve. Vice Chair Hay seconded the motion that unanimously passed.

- B. Consideration of Entering into a Purchase Agreement for a Vacant Lot Located at 124 NW 11th Avenue in the Amount of \$45,000 with Estella Jones

Ms. Brooks explained the item was at the request of Quintus Greene, Development Director. The City was assembling properties and Ms. Jones agreed to sell the property for the appraised value. The City was land banking but had no funds for land acquisition.

Motion

Mr. Weiland moved to approve. Vice Chair Hay seconded the motion that unanimously passed.

- C. Consideration of Entering into a Purchase Agreement with Johnny & Betty Roberts for Property and Business Assets Located at 1002 MLK Blvd. in the Amount of \$345,000.

Ms. Brooks explained a concern of the Community Committee was the ability to attract new businesses and residents to the area. Individuals tended to loiter where they can purchase food stuffs. The subject property was on the SE corner of MLK and Seacrest Boulevard and was a small family-owned business. The City and Community Redevelopment Agency owned land there and were redoing Seacrest. A land appraisal reflected the land value at \$250,000. A value analysis of the business reflected the value of the business at \$95,000. The owners agreed to sell for the total of \$345,000. Purchasing the property would set a comparable for future purchases at a realistic price.

Ms. Bright explained if the Board moved forward with the item, they could make a determination about what to do with the Jesus House of Worship building. The purchase was attractive because they could demolish both of the structures. Closing could occur within 30 to 45 days. Vice Chair Hay suggested improving the building exteriors at very little cost, and then demolishing them.

Ms. Bright explained normally, if the building was sound, staff usually allowed them to remain. The reason why the demolition was suggested in this instance was because it was less of an insurance cost, public safety hazard or other factors of that nature. If the structure could be retrofitted, they did so.

Mr. Rodriguez expressed concern about the message being sent. If property was in disarray and there was illegal activity occurring there, it sent a message the Community Redevelopment Agency would pay top dollar to acquire it.

Ms. Brooks explained the property owners were originally seeking \$650,000 because that was what Auburn Development offered them. Ms. Bright explained the Board did not support the acquisition of the Brandom property. The Community Redevelopment Agency police sergeant indicated that particular property had a great deal of crime occurring on site. Staff offered the appraised value of the property to the owner and the owner refused it.

The Board was now recommending acquisition at appraised value and staff was receiving mixed messages. Ms. Bright put it on record they had properties they brought forward a few months ago that were appraised at \$50,000 and other individuals were purchasing them at \$70,000.

Vice Chair Hay explained there may be some instances when paying higher than appraised value would be warranted. He suggested considering each instance individually.

Mark Karageorge, 240A Main Boulevard, explained when the Community Committee met, they identified quality of life issues as paramount. They reviewed three crime nodes in District 2. The subject property was identified as one of the three nodes. To obtain the property at appraised value was worth it. There were 523 calls for service since 2004 and 134 individuals arrested on the property. When the property was identified as a crime node, they hoped to obtain the property at appraised value, and they should do so. It would rid the area of a hangout and enhance the area. He recommended purchasing the property.

Sergeant DiGiulio, Community Redevelopment Agency Policing Unit, explained once property was demolished, crime is displaced. In the last five years, there were 1,692 calls generating reports. The police would have control over who enters the premises. Ms. Brooks was proposing to tear down the structure and grass it.

Ms. Bright inquired if there was a crime issue after they put up signs at Platinum Gold. Sergeant DiGiulio responded it alleviated the issue.

Gertrude Sullivan, 201 NE 6th Avenue, requested the Board purchase the property.

Motion

Vice Chair Hay moved to approve purchasing the property for \$345,000. Mr. Weiland seconded the motion that unanimously passed.

XIII. Future Agenda Items

- A. Consideration of GreenCaptive Addendum to Direct Incentive Funding Program
- B. Property Exchange between CRA and City

XIV. Comments by Staff

None.

XV. Comments by Executive Director

None.

XVI. Comments by CRA Board Attorney

None.

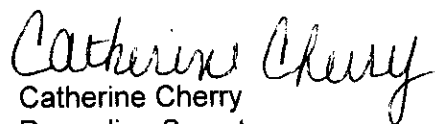
XVII. Comments by CRA Board

Ms. Ross reviewed the media section of the book and commended Ms. Walsh for the press releases and articles. She expressed it had great information and the press releases and articles receive attention. Ms. Ross complimented Ms. Walsh.

Chair Taylor complimented staff and the Board for a great agenda and a lot of good information. He thanked all.

XVIII. Adjournment

There being no further business to discuss, the meeting properly adjourned at 8:42 p.m.


Catherine Cherry
Recording Secretary