

**MINUTES OF THE COMMUNITY REDEVELOPMENT AGENCY BOARD MEETING
HELD ON TUESDAY, OCTOBER 11, 2011 AT 6:00 PM IN
CITY COMMISSION CHAMBERS, CITY HALL,
100 E. BOYNTON BEACH BLVD., BOYNTON BEACH, FLORIDA**

PRESENT:

Jose Rodriguez, Chair
Bill Orlove, Vice Chair
James "Buck" Buchanan
Woodrow Hay
Steve Holzman
Mark Karageorge

Vivian Brooks, Executive Director
James Cherof, Board Attorney

ABSENT:

Marlene Ross

I. Call to Order - Chairman Jose Rodriguez

Chair Rodriguez called the meeting to order at 6:29 p.m.

II. Pledge to the Flag and Invocation

Mr. Karageorge gave the invocation followed by the Pledge of Allegiance to the Flag. Chair Rodriguez announced Ms. Ross was unable to attend the meeting.

III. Roll Call

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

IV. Agenda Approval

A. Additions, Deletions, Corrections to the Agenda

Mr. Karageorge requested hearing New Business Item 11 B before Item 11 A.

Chair Rodriguez pulled Consent Agenda Item E.

B. Adoption of Agenda

Motion

Mr. Holzman moved to approve the agenda. Mr. Hay seconded the motion that unanimously passed.

V. Informational Items and Disclosures by Board Members and CRA Staff:

A. Disclosure of Conflicts for Items Presented to the CRA Board on Agenda Items

There were no disclosures made by the members.

B. Informational Announcements

Mr. Hay spoke about the Literacy Coalition "Read for the Record" program at the various schools. He read to fourth and fifth graders and it was well received. He hoped the program would continue.

Vice Chair Orlove noted a very positive newspaper article in the Sun Sentinel about the Community Redevelopment Agency in which Mike Simon, Development Director, and Susan Harris, Finance Director, were paraphrased. Vice Chair Orlove thanked staff for the positive press.

Mr. Karageorge attended the Chamber Luncheon when Jorge Pesquera, Chief Executive Officer, Palm Beach County Convention and Visitors Bureau, outlined the County's Sales and Marketing plan. He commented the plan included Boynton Beach and the luncheon was very informative.

He commented he attended the Tri-City Expo where the Boynton Beach Community Redevelopment Agency had an exhibit. There were about 300 attendees and the event was well staffed. He complimented the CRA staff as they did a great job providing information about upcoming events and programs in Boynton Beach.

Mr. Karageorge also thanked the Board and Agency for allowing him to represent them at the Palm Beach County Business Development Board Gala. It was a very elegant affair, and it featured the Boynton Beach High School Dimensional Harmony Choir. At the reception, the Choir received a standing ovation after each song and it was great for the Choir to receive such positive exposure. There were over 500 attendees and the Choir put Boynton Beach in a very positive light. The Business Development Board acknowledged outgoing president, Val Perez, and Fabiola (Fab) Brumley, the new Chair. He noted Ms. Brumley was only the second woman to become Chair in the organization's 29-year history.

Mr. Karageorge announced the Chamber of Commerce would be holding a luncheon at Bethesda Hospital featuring all the non-profits in the greater Boynton Beach area. Additionally, many of the Board members and staff would be attending the Florida Redevelopment Association meetings on the 19th to the 21st.

VI. Announcements & Awards:

A. Downtown Open Market – October 16th

Kathy Biscuiti, Special Events Director, felt badly that Sunday “FunDay,” their first event of the season, had to be cancelled due to inclement weather. The weather changed at the ninth hour and many individuals were arriving for the event, but were turned away due to the cancellation. The event would continue once a month. She noted the petting zoo was a big draw so she was attempting to have the petting zoo in November. This event would have a pilgrim and Indian theme, and there would be lots of fun things for the kids. Staff was also considering fishing themes for summer activities.

Mr. Hay requested having signs regarding parking, as he had received some inquiries. Ms. Biscuiti stated the flyer indicates where parking was located; however, she could add that parking was also available in the parking garage.

Next Sunday would be the first downtown open market event. It would be held both inside and outside the Civic Center. There would be seven to ten gourmet food trucks with their own specialties, amazing crafters, vintage goods, arts and specialty pet items, as well as other unique items. It would be fun for the entire family. They will use the pumpkins they had planned to use at the cancelled *Sunday FunDay* event and would have children decorate and take home their pumpkins. In the event of inclement weather, all the vendors could be housed indoors. A band would play for a few hours outside during the middle of the day.

B. Seacrest Ribbon Cutting – November 3, 2011

On November 3, 2011, the Seacrest Ribbon Cutting would be held for the streetscape and art feature. The event would take place by the art feature on the SW corner of MLK and Seacrest at 5:00 p.m.

Margee Walsh, Marketing Director, pointed out in addition to the Seacrest Ribbon Cutting Ceremony, they learned the Gulfstream Gardens project on South Federal will hold a groundbreaking ceremony that morning. It was not an event staff was hosting, but one the Board may want to participate She contacted the developer, Rick Lococo, who advised the event would be held at 10:30 a.m. Ms. Walsh agreed to provide further details as she received them.

The art for the new WalMart would be installed this week and Ms. Walsh would alert the Board when it would take place as it was a great photo opportunity. The night before any WalMart Grand Opening, there is a team-building event to welcome the team members. The next morning, the store would open. The date of the team-building event was Wednesday, October 26, at 5:30 or 6:00 p.m., and the standard Grand Opening was on Thursday, October 27th at 7:30 a.m. She hoped to include the City Commission/Community Redevelopment Agency Board at the team-building event so they could meet the new staff.

VII. Consent Agenda:

- A. Approval of Minutes – CRA Board Meeting September 13, 2011
- B. Approval of Period Ended September 30, 2011 Financial Report
- C. Monthly Purchases Orders
- D. Consideration of Approval of Extension of Time for Commercial Façade Grant to Rainbow Colors, Inc. d/b/a RCI Painting & Waterproofing
- E. Consideration of Approval of HR Manual – Definition Revision

This item was pulled by Chair Rodriguez.

VIII. Pulled Consent Agenda Items:

- E. Consideration of Approval of HR Manual – Definition Revision

Chair Rodriguez inquired if the manual would pertain to hourly employees. Susan Harris, Finance Director, responded there are two hourly employees, but the manual would pertain to both hourly and salaried employees. Ms. Brooks explained the CRA had considered cutting hours to 36 hours. They had conferred with the City's HR Director and in order to preserve ones benefits, 36 hours was considered full time. It was a minor revision.

Chair Rodriguez suggested making the manual specific to hourly and exempt employees. After brief discussion, there was agreement Ms. Harris would confirm with the City HR Director that the document was consistent with the City manual.

Motion

Mr. Holzman moved to table the item. Mr. Karageorge seconded the motion that unanimously passed.

IX. Information Only:

- A. CRA Policing Activity Reports
- B. Public Comment Log
- C. Request to Palm Beach County to Demolish Dive Shop Building Per Easement

X. Public Comments: (Note: comments are limited to 3 minutes in duration)

Willie Aiken, 726 NE 1st Street, President of the Heart of Boynton, was present to represent the community regarding the Heritage Celebration. He requested the Agency's support, and he was aware there was a surplus of funds but no funds designated for the event. Mr. Aiken expressed there were five churches and three schools involved in the event. Thousands of individuals were now aware of the event, which draws individuals all the way from Miami to Palm Beach County. They obtained supporters who come to Boynton Beach because of the Celebration. He noted the event was never put on the agenda. He commented with all the ongoing events, the Heritage Celebration was never considered a primary or secondary event. He asked the Board to help the community bring the event back to Boynton Beach.

Sondra Franklin Herbert, 7110 Brunswick Circle, commented regarding the proposed Ocean Breeze project. She applauded the Agency's efforts to provide affordable housing in Boynton Beach; however, she had concerns and questions about the Land Trust as the persons purchasing the homes would only own the home and not the land. She stated the arrangement negates benefits of homeownership. She had several questions and she urged the Community Redevelopment Agency to reconsider the proposal. She suggested connecting with the community and proactively seek its feedback. There are a number of organizations to provide feedback who understand and consider the wants and needs of the community.

Sarah Williams, 1331 SW 27th Avenue, Director of the Boynton Beach Community Forum, stated Boynton Beach was known for having a pleasing livability and special charm. She applauded the Agency's redevelopment efforts, but whatever was done would have a serious impact, economically and socially. She stated Habitat for Humanity should not be permitted to build massive amounts of homes in less integrated areas as it destroys the land value and causes problems. The homes constructed by the Boynton Beach Faith Based Community Development Corporation on Seacrest with the metal roofs should be continued to maintain the quality and character. Habitat should also not be permitted to build on a main artery, on the Gateway to the Gulfstream. Additionally, she requested the police station not be located on Seacrest Boulevard. She implored the Board to consider the community's prosperity and posterity.

Doris Jackson, 531 NW 10th Avenue, spoke about the Ocean Breeze project. She opined it was not good if the individual did not own the land. Homeownership means owning the home and land. She inquired if the property on Ocean Breeze is a Land Trust. Chair Rodriguez commented they would get back to her and answer her questions. She also indicated the community does not want the Police Department on Seacrest Boulevard. It would detract from the community and it should stay with City Hall.

Libby Stroud, 132 NE 13th Avenue, thanked the Board for the ongoing redevelopment projects. They were happy about their efforts; however, the Heart of Boynton (HOB) Neighborhood Association met and had concerns. They inquired why two-way streets were being converted to one-way streets. The residents would like to be homeowners and landowners. Even with the recession, they still would like to have the Heritage Celebration, and with the restorations occurring within the City, the community would like the Board to restore their trust in the HOB, restore funds to the HOB, and restore the communication and projects on MLK.

Victor Norfus, 261 N. Palm Drive, inquired about the Land Trust and about its purpose. He commented housing quality has improved but there were homes on 12th that did not look anything like the new homes constructed.

He noted there was a newspaper article indicating the CRA had a surplus of funds and was looking for projects to fund. He suggested the Heritage Celebration was one of the community events that should be funded as it provided community outreach and good will. The Community Redevelopment Agency was supposed to support local community activity. In prior years, the event was held during Black History month but it was still a Black African Celebration. The cost of the event was about \$10,000 and the community was trying to enlist local vendors. Each year when individuals come to the City, especially African Americans, they talk about the Celebration. He noted an event on Ocean Avenue cost the Agency \$100,000. They were seeking only one tenth of the money, and they were doing all the work. He requested the Agency's support of the activity and community. He noted there was no communication from the Community Redevelopment Agency to the community about the Land Trust, nor did staff ask the community's opinion. At one time the Community Redevelopment Agency spoke about forming a community committee, which has not occurred.

Regina Tyson, 116 NE 13th Avenue, had her home built by the CDC, and she owns the house and the land. She was opposed to the Police Department coming to the neighborhood. She commented her son was falsely arrested by the Boynton Beach Police Department, and her home was searched without a warrant. The Department should have better communication and they are nasty. When one tries to get information from the Department, residents are told the police can do whatever they want to do. It would be wrong to put the Police in the neighborhood because they do not have a lot of trust with the community.

Sonny Garcia, 1631 NW 3rd Lane, commented about the Ocean Breeze project. He stated when the City assists homeowners with rehabilitations, they lien the home. He requested the Board reconsider the Land Trust. If the homes were sold with the property, the City would receive more tax dollars. The money for the Ocean Breeze project should be borrowed from the bank to construct the homes and the Agency should put a lien on the property, but sell the property to the person. He noted staff sends out flyers for their events, but not what was occurring in the neighborhood. He expressed City Hall and the Police Department should stay in the same area. There were substations that were being closed, and they should not be separate from one another. He referenced the City Commission should have kept the PALs program going because now the youth are on the street.

Dr. Martha Meeks Light, 225 NW 6th Avenue, agreed with the concerns voiced by Sarah Williams regarding the Ocean Breeze Land Trust. She appreciated things the Board has accomplished in the area, but communication was missing. The Board had previously stated they would get in contact with someone from the area and discuss the project. She stated the project was last minute because they did not know any of the details. She was present when the Board discussed Habitat for Humanity and she appreciated they involved the CDC because the CDC homes are nice. If the Habitat for Humanity homes were in the area, the homes should be the same as the CDC homes. She pointed out a meeting with a group is better and that was why the lack of understanding about the Land Trust and Ocean Breeze was being addressed.

Melinda Collins, 514 NW 3rd Street, shared the concerns raised by the prior speakers about the roads. Traffic gets blocked because of the dividers and the buses cannot turn onto Seacrest. There were more people and more homes, but the streets were substandard. While the streets were beautiful, they were not user friendly. She noted there are dividers in the median on Seacrest going north, and she questioned why they do not continue heading south.

Chair Rodriguez closed the public comment and stated the Executive Director would provide the Board with notes why the project was proceeding in its current manner. Additionally, at the last meeting the City Commission decided to focus on keeping City Hall and the Police Station at its present site. The Seacrest location was off the table.

Vice Chair Orlove spoke about communication with the community and pointed out the City Commissioners and Community Redevelopment Agency Board members have telephone numbers that are public information and if contacted, he would make arrangements to speak with the caller. The agendas and meetings are public. When the community asks for meetings in the public for items such as what was brought up, the meetings are the forum to hear them. The Ocean Breeze West project was discussed for the last four months. While not putting the onus on the public, the information is available. If there are concerns, they would be addressed. In terms of communication, only one member can attend a HOB meeting and address the

members. He was more than happy to take emails and phone calls and address them with staff.

Ms. Brooks addressed all calls. When invited to meetings, she has attended them. Chair Rodriguez also commented the public can contact their Commissioners.

Mr. Karageorge commented he has attended HOB meetings and taken calls from HOB members. He supported Heritage Fest financially and by physically attending the event. He gets upset when he hears they do not communicate. He pointed out both he and Mr. Hay had attended a HOB meeting a few months ago. If there were issues about the Community Redevelopment Agency, residents should call him. If it is a City matter, residents should contact their City Commissioner or City Manager. He was always available to the public and he took offense to the community's claim.

Mr. Hay echoed Mr. Karageorge's comments and added when the concept of Habitat for Humanity homes in a concentrated area arose, he pushed for the CDC being involved. There were misconceptions about what he stated. Since then, he insisted the Habitat for Humanity homes be the same size, and be compatible with the CDC homes so they would be acceptable to the community. The homes would be between 1,200 and 1,800 square feet. The homes would not be as bad as what the community was envisioning them to be, but he did have a concern about the Land Trust.

Ms. Brooks explained the design of the homes must be approved by the Board. The Land Trust was appealing to the Board due to the control over the maintenance since there was concern raised by the community about maintaining the property. If someone was not being a good homeowner, the Land Trust would maintain it. The community was also concerned about the properties being rented, which the Land Trust prevents. There is a large Land Trust in Delray Beach and in West Palm Beach. The concept exists in Palm Beach County and the homes sell because there is a need. Nobody would be able to distinguish it was a Land Trust and the owner did not own the land. The concept had been used across the country for the last 50 years. Habitat for Humanity appeared before the Board to explain how it would work. There were no other areas in Boynton Beach that used the concept.

XI. Old Business:

C. Renegotiate the Terms/Fees with the Palm Beach County Commission on Ethics

Mr. Karageorge explained if the Board participated in the Palm Beach County Commission on Ethics, the Board would have to pay for it while they are held to the State guidelines, and there are no charges for the State service. He felt in this economic climate, the Board should not negotiate with the County and all ethical questions should be turned over to the State, thereby not incurring any cost. He felt the funds could be used for redevelopment and that was the action the Board should take.

Vice Chair Orlove inquired if the Board was bound by the County's Code on Ethics. Attorney Cherof responded the enacting Ordinance was adopted by referendum and it did not extend the County's jurisdiction to special districts, such as the Community Redevelopment area. In order to avail itself to the jurisdiction, the Board would have to enter into an interlocal agreement with the County. He noted the Lake Worth Community Redevelopment Agency just did so and to his knowledge was the only Community Redevelopment Agency in the County to enlist the County's services. Vice Chair Orlove agreed it did not make sense to spend money on something if it could be addressed on the State level.

Chair Rodriguez pointed out the Board discussed the item, but stopped the discussion due to the cost. There was now a model for the Community Redevelopment Agency to follow on a per case basis as opposed to an hourly rate. The rate for the Lake Worth agreement contained two options. One was for an hourly rate as follows: Director \$89, Attorney \$40, Investigator \$45, and Administrative \$40. On a per incident basis on a complaint made and brought to final hearing and settlement, the cost would be \$2,050 which encompassed \$300 to review the complaint, \$1,000 to investigate, and \$750 for settlement or final hearing. The Board would have no control over frivolous complaints, and it would cost the Agency money.

Vice Chair Orlove suggested this item be put on the agenda for the next meeting. Attorney Cherof would bring back information about the Interlocal Agreement between Lake Worth and the County Ethics Commission listing the pro's and con's, so the members could consider them prior to the meeting. It would solidify the alternatives to the Board.

A question was posed if the County Commission on Ethics were involved in a complaint, if it could be appealed to the State. Attorney Cherof responded it would not be an appeal to the State. It was a unilateral option to go to the State.

Motion

Mr. Holzman moved to table the item. Mr. Hay seconded the motion for discussion. It was mentioned there was no discussion on a motion to table. Mr. Hay withdrew his second and requested Attorney Cherof include in his report if there was a difference in response times between the County and State. Mr. Buchanan also requested including information about entering into an agreement on a case-by-case basis or if the Board could select which cases would be heard by the County in the report.

Motion

Mr. Holzman moved to table. Vice Chair Orlove seconded the motion to table and bring back all the concerns, questions, and options the Board had on the issue. The motion unanimously passed.

A. Jones Cottage Restaurant Proposals

- i. Review of Proposals Received
- ii. Presentations by Respondents

Ms. Brooks explained an RFQ/RFP was issued on August 18th and two proposals were received. She noted neither respondent included 100% of the requested information. A side-by-side comparison was distributed to the Board. She pointed out both respondents were experienced business operators who were currently operating. The businesses were not start up businesses.

Chrissy Benoit, stated her company, Adventurous Palate Food Company, owns Havana Hideout in Lake Worth, which was a small, fun, restaurant and bar. Adventurous Palate Food Company also owns a production kitchen concept, which is in its second year of development, to assist small businesses to start up and grow in the food industry.

The idea with the Ruth Jones Cottage was to build a rustic, Florida-style café to enjoy the outdoors, acoustic music, boutique beer, and eclectic, small-plate dishes using local produce and foods.

She thought with Havana Hideaway having a sustained following and because it was only five miles away, the business would have a solid following. The average guest frequents the restaurant three times per week and stays for 1.5 to 2 hours. They are very connected with local musicians and they have an open microphone every Tuesday night. She wanted to use those activities and incorporate them into the new location. Havana Hideaway was just over five years old, and Ms. Benoit wanted to create a concept that would draw people to the area. Her restaurant was unique and different. Havana Hideout had a reasonable menu, and they make everything from scratch. She wanted to maintain the Florida feel, small plates, beers, and relaxing good times.

Ms. Brooks explained the Agency was looking for an operator with operating capital to ensure success and to help offset the interior build-out equipment. Ms. Benoit stated she did a 12-month sales forecast analysis, and she anticipated she would break even at the end of the first year. It was noted there appeared to be a discrepancy in some of the documentation not included in the agenda backup. She stated she was comfortable with her customer base. She had also done a profit and loss projection.

Ms. Benoit used a conservative approach with her customer base and she explained her methodology. Ms. Benoit had proof of \$200,000 in start-up funding. Her banker from Mercantile Bank was present. She was under the assumption it was a matching grant. She had \$100,000 in a capital line of credit and a Letter of Intent. The figures for start-up costs to match the \$100,000 were being distributed to the Board. If she received the keys to the building, she anticipated she needed 90 days before the business would be operational.

The sketch of the café was reviewed, which included how the brewery would be laid out. The new layout was compatible with the building. She had included figures for breakfast in her projections. The Community Redevelopment Agency was looking for someone to come to the table with \$200,000, but staff had received inquiries if they could do their own build-out. The respondents indicated it would be less expensive for them to do the build out because staff was using brand new equipment. Staff anticipated the build-out would cost \$254,000. Most small business owners thought the amount was very high.

Mr. Holzman inquired if the brewery aspect would be a deal breaker if it was not available because of zoning. Ms. Benoit responded it was not, but it would reduce some of the start-up costs. Mr. Holzman disclosed he frequents her restaurant and enjoys the décor, but he did not discuss the RFP opportunity with her.

Chair Rodriguez inquired what the cost would be if Ms. Benoit handled the interior build-out. If she did not purchase the brewery equipment, there would be sound and security equipment needed. She anticipated spending \$60,000. Ms. Brooks commented the cooler, HVAC, restrooms and hood would not be included, but the covered patio, and grease trap would be provided. Ms. Benoit adjusted her figures and thought she could build the interior for \$85,000, or under \$100,000. The big-ticket item was a \$20,000 cooler. Ms. Benoit had a contractor for HVAC, who also works on hood systems. Staff or Ms. Benoit could pull the permits. If Kaufman Lynn, the Construction Manager at Risk was used, 15% would be added to the cost.

Mike Simon, Development Director, stated the parking lot will be completed next week and the landscaping was in. They did not submit the drawing for the interior build out. It was anticipated the building was 20 days from being ready to have the interior work started.

Vice Chair Orlove was concerned about the micro-brewery, and did not see how it could be housed. He thought the Magnuson House might be a more suitable location. Ms. Benoit commented the micro-brewery was small, about the size of two barbeques. Havana Hideout also features one of the best selections of American craft beers. They sell many great boutique beers. Ms. Benoit had considered the Magnuson House but felt the Ruth Jones cottage was a better fit. If needed, she could use her production kitchen. She had the opportunity to offer dynamic menus.

Mr. Karageorge disclosed he had eaten at Havana Hideaway and it was an enjoyable, eclectic experience with no two visits alike. Ms. Benoit confirmed she could do the interior for under \$150,000 and she would provide lunch and dinner, but breakfast only on the weekend in a brunch style.

Bruce Zipes, President of Bruce's Bakery and Restaurant in Great Neck, New York stated the eatery was a home-style, upscale, diner-type establishment offering comfort food. They serve breakfast, lunch and dinner. They offer mini-rolls, mini-danish, and mini-muffins on the table and staff encourages patrons to take them home in the goody

bag they provide. In this space, they could have a small assortment of sweets while waiting for their meal to be provided. They feature meatloaf, macaroni and cheese, chicken pot pies and more.

Mr. Zipes anticipated he would have a positive cash flow after 24 months as it would take that long to establish his client base. His investment in the restaurant was to carry it. His mother was the owner; however, he runs the restaurant. They would invest \$100,000 to carry the business, not to build or equip the business. His breakeven point would be about \$15,000 per week and it would take at least two years to earn up to \$22,000 per week. He anticipated free rent for two years and would then pay \$5 per square foot for years two to five. His carrying costs would be the overhead with insurance, accounts, attorneys, and utilities. There was discussion about the available funds they had. Ms. Harris stated personal information was provided on the owner and there was in excess of \$500,000; however, only \$100,000 would be allotted to carry the business during the two years.

This restaurant would be similar to the one in New York, which was 100 seats and about 30 feet of bakery cases. They manufacture the baked goods and sell them in the bakery, which was connected to the restaurant. It could not be done at this location, but it could be a small version of the New York restaurant. Sandwiches would be pastrami, brisket, and other deli items that could be found but were not the same quality as exists in New York. Mr. Zipes envisioned his clientele would be family business and young business. They offer something for everyone. The business in New York was climate controlled, but at this location, there would be seating outside.

Mr. Zipes envisioned the outdoor area to have an awning and a heating device. Inside, there would be stools and a countertop. After lunch the countertop would be turned into a bar offering specialty wines and beers from across the country. They would also offer a tapas menu after dinner.

Discussion followed if his projections did not materialize in the first year, if he could survive. It was noted it was crucial the business survive as it was an integral part of the downtown. Discussion turned to the demographics supporting the business. Mr. Zipes did not have any businesses in Florida. As to market research, he noted there was no walking traffic at that location. Mr. Zipes commented he believes he can build the business in two years, and his draw would be from Boca Raton, Delray Beach and West Palm. He believed individuals would travel for the business but market research had not been conducted. There was a large Jewish community and his diner appeals to the Jewish population.

Vice Chair Orlove stated Palm Beach County has the fourth largest Jewish community in the country. He thought the concept brings something to the community and he believed patrons would drive and come out of their way to frequent the diner. Mr. Zipes explained most of his customers from Great Neck were in Florida for the winter. The equipment space would be worked out and there was space for a convection oven.

Most baking could be done on site along with the meals. He would offer catering, which could be done on site. Mr. Zipes first store in Great Neck was 1,400 square feet and was at the location about 30 years. The eatery had 16 feet of showcase and a 55-seat restaurant. Every inch was calculated, as space is expensive, especially in New York.

Mr. Karageorge expressed concern. The Boynton Beach version of the restaurant would offer less than one-third of his dishes. Mr. Zipes' gross sales in the New York store were about \$2 million annually. Chair Rodriguez inquired if he was not selected for the Ruth Jones Cottage, would be interested in the Magnuson House as it was bigger. Since Mr. Zipes was not counting on foot traffic, it may be more suitable to have a larger location.

There was discussion there is a large Jewish contingency in the County and there are niche stores on the west side of the town that supports that market. He would be competing against them. He commented the restaurant industry was very competitive. Mr. Hay inquired about catering. Mr. Zipes commented catering cannot be relied on as it comes and goes. In New York they do about \$150,000 to \$200,000 in catering.

It was noted Ms. Benoit's gross sales at Havana Hideout were about \$700,000 this year. Each year they grow, but this year they had eight weeks of rain, so last year was slightly better. She anticipated she could do about half that in one year. She did not see why the business could not meet the same numbers as she had with Havana.

iii. Selection of Respondent to Begin Negotiation Process

After brief discussion about concepts, locations and investments, the members were polled and the majority supported the Adventurous Palate business. There was also agreement staff should work with Mr. Zipes to find a location for him.

Motion

Mr. Holzman moved to enter into a contract with the tenant. Mr. Buchanan seconded the motion.

Ms. Brooks commented the Oscar Magnuson house would take more of an investment and the more they save, the more funds they have for the next project.

Mr. Karageorge requested confirmation a draft contract would come back to the Board. As to another location for Mr. Zipes, Margey's Restaurant was now available and Las Ventanas also had space for a deli. The Community Redevelopment Agency has interior build-out and rent-subsidy grants available, which could be stacked. Margey's Restaurant could receive rent subsidy for a year, but there were issues with the parking.

Mr. Hay requested confirmation the motion was to move ahead with negotiations and bring a contract back to the Board for review and approval.

Vote

There was a vote on the motion which passed unanimously.

- B. Renegotiate the Terms/Fees with the Palm Beach County Commission on Ethics

This item was discussed earlier in the meeting.

XII. New Business:

- A. Consideration of Budget Amendment to Increase TIF by \$220,000 to \$5,730,000 and Increase DIFA Payment to The Promenade by \$40,000 to \$432,224.

Ms. Brooks explained when staff drafted the budget, the millage was not set and they budgeted at the current millage rate for the City and County. If the millage changed, staff would have to come back to the Board. The increase was \$220,000 gross. Staff would have to allocate additional monies for the Direct Incentive Funding Agreement between the Community Redevelopment Agency and the Promenade of about \$40,000. As the millage increased, so did the DIFA payment. The net was \$180,000.

The Board held discussions about how to concentrate funds to achieve the most significant impact as funding revenues continue to decline. Ms. Brooks had ideas for the downtown core, which was the area of Ocean Avenue from 6th Avenue North to 6th Avenue South.

Ms. Brooks stated there is an RFP/RFQ for the Old High School; however, refurbishing it was difficult due to the cost. The current RFP/RFQ differed from past RFPs/RFQs as the City's consultant recommended giving the building away, or long-term lease it for next to nothing so the acquiring party would get a benefit for the investment. Ms. Brooks suggested using the funds as an incentive for someone to come forward. The structure would have a significant impact on Ocean Avenue and help the downtown.

Chair Rodriguez agreed. Development of the Old High School was a huge undertaking and developers would have to bring money to the table. He expressed the Agency has an obligation to support the redevelopment. Mr. Holzman agreed and stated if a respondent comes back and the City Commission decides not to move forward with the proposal, the monies will return to the Board to be used as another avenue to revitalize the downtown. The funds are being used as a placeholder.

Vice Chair Orlove agreed on the need to focus on the downtown but pointed out there were other items the Community Redevelopment Agency were focusing on. He suggested waiting to see what occurred with the RFP as they did not need to make the

decision right now, and he noted there may be other incentives available to the developer. He suggested tabling the item and providing Ms. Brooks with ideas of what the members would like to see occur.

Chair Rodriguez felt there should be some monies available to assist prospective developers. Vice Chair Orlove suggested at least \$100,000 be used for the incentive. Ms. Brooks commented if the developer was a taxable entity, a DIFA was an option. Mr. Buchanan agreed and felt some monies should be set aside for other items. He pointed out there were five gateways to Boynton Beach and the north entrance on Federal Highway from the north was bad. He suggested using funds to help clean up a canal and camouflaging the Amerigas business. He thought \$150,000 for the high school and \$30,000 for other projects may be appropriate.

Mr. Hay agreed with Mr. Buchanan on the need to focus on the Old High School, and to use some of funds for other projects. He liked setting aside the \$150,000 and he commented the Old High School should be the priority.

Mr. Karageorge inquired if the DIFA for Cornerstone would be increased. Ms. Brooks responded the developer did not construct any new units. Accordingly, it would not be on the tax roles until next year. He also liked setting aside the \$150,000 for the Old High School and if the monies were not used within one year, the monies roll over to a dedicated account for the Old High School the next year.

There was consensus to set aside \$150,000 for the Old High School. Vice Chair Orlove suggested matching funds for the Heritage Celebration and if the Kinetic Art Symposium, planned by the Arts Commission, was held in the Community Redevelopment Agency District, he would like to see funds used to support that event as it would be a good draw for the community. He had also discussed having functional art benches along Federal Highway.

Motion

Mr. Holzman moved to set aside \$150,000 for the Old High School RFQ and the Board members provide options to staff for the remaining \$30,000. Mr. Buchanan seconded the motion that passed 5- 1 (*Vice Chair Orlove dissenting*).

B. Consideration of Purchasing Art Pieces for Marina Entry Area

Ms. Brooks explained the Agency was going to use rotating art to support the Avenue of the Art's program at the Marina. Under the Avenue of the Arts program, artists transport and display their artwork on the Avenue for free. The idea was to market the art so someone might purchase it. There are two pads in the Marina entry area and Ms. Brooks thought it would be better to purchase art. She had looked at the *Dragonfly* and

the *Lace Bass* and they were compatible with the area, and more in-line with their budget. The Avenue of the Arts was on Ocean Avenue. The artwork on MLK and Seacrest was purchased through the Neighborhood Stabilization Program Federal Recovery monies.

Ms. Brooks had discussed the artwork with Ms. Coles-Dobay, Public Art Administrator, and the Public Art Ordinance requires a percentage of the project cost to be used for public art. The Arts Commission selects the art to go along the Avenue. Chair Rodriguez noted the Marina was not the Avenue of the Arts.

Vice Chair Orlove commented there was art in the City lobby that would be more appropriate with the Marina theme than a Dragonfly and a guitar. He wanted to ask the Arts Commission for their input, and inquired why they were not considering the manatee.

Ms. Brooks explained part of it was cost. Under the Ordinance, they must spend up to 1% for art. The turtle and manatee were quite a bit more. Vice Chair Orlove raised the issue because plop art was often placed at locations even though it did not fit in with the surroundings. He viewed the two pieces as plop art. He requested more of a process. Messrs. Holzman and Buchanan also agreed there should be more of a process. Mr. Buchanan felt the dragonfly might be appropriate but not necessarily the guitar, while Chair Rodriguez felt the guitar might be appropriate, as there is music at the Marina.

Barbara Ready, Chair of the Arts Commission, clarified the Avenue of the Arts program is a year-long, on-loan program, but each artist is given a \$1,000 stipend to transport and remove the art. The two pieces under discussion were displayed on the Avenue last year. There is a process for determining art at site-specific locations. The Arts Commission has a Visioning Plan and art is selected based on the site. Whether the pieces would reflect the Marina was unknown. The purpose of the program was to help artists sell their art. Her understanding was the concrete pads were installed at the Marina to become part of the rotating art program, but the pads were not large or sturdy enough for the rotating art. The pads were only 2' x 2'.

Motion

Vice Chair Orlove moved this item go back to the Arts Commission for their review and discussion and for them to forward to the Community Redevelopment Agency a recommendation. Additionally, since the Community Redevelopment Agency purchased the art, they could also give them alternate locations in the Community Redevelopment Agency area or City that might be a better match.

Ms. Brooks clarified the Marina entry is subject to the Public Art Ordinance so the Community Redevelopment Agency has to either pay the fee or install the art. The dollar amount to spend was \$2,900 and they have two pads. The total project cost was

\$295,000 and the required fee was 70% of 1% of the project cost. The Community Redevelopment Agency was spending about \$4,000.

Chair Rodriguez requested a motion to allow the Arts Commission to review and make recommendations to the Board on the art at the Marina. The budget for the two pieces would not exceed \$4,200.

Mr. Buchanan seconded the motion.

Ms. Brooks commented the Arts Commission does not select the art. The developer presents the art he wants and as long as the art was from a public artist, it met the criteria. She explained the WalMart art was reviewed by the Arts Commission. Ms. Ready explained Ms. Brooks was correct, but this was a City project and the Community Redevelopment Agency was the developer. Mr. Buchanan felt it would be ideal if the Arts Commission's suggestions were forwarded to the Board regardless of the cost and then the Board would rank and select what they could afford. There were surplus funds that could be used.

C. Consideration of Contribution to Galaxy Elementary School Project

This item was added by Mr. Karageorge. The School Board has a 501(c)(3) organization and they were seeking the platinum Leed Certification for the new Galaxy School. They are looking for donations and just received a large pledge from Quantum for a match. Ms. Brooks explained she did not support the request because last year the Board decided they were not going to make charitable donations. The City has strongly supported Galaxy Elementary School by keeping the School in the City when the School Board wanted to close it down. The City also swapped lands with the School Board so the new school could be built. The Community Redevelopment Agency even painted the school and was always supportive, but the Board made a statement they do not want to donate to 501(c)(3) organizations. She did not see a nexus and donating would open a Pandora's box. There was diminishing revenue, but the school was moving forward and was being constructed.

Chair Rodriguez expressed in the future, he would be supportive of funding startup or activities in the school after the school was built, and he agreed the Board must concentrate on removing blight and slum. He noted other schools were forming 501(c)3 corporations.

Vice Chair Orlove, commented as Board members, they could support the school in their own way.

Motion

Vice Chair Orlove moved to deny CRA funding for the Galaxy Elementary School project as sponsorship. Mr. Hay seconded the motion that passed 4-1 (*Mr. Karageorge dissenting*).

XIII. Executive Director's Report

A. Project Status Update

Ms. Brooks commented the move to the new office was working well. They were still putting furniture together. She wanted to improve the Amerigas site and had written letters to their main headquarters but received no response. It was thought it could be painted. The car rental business on the north side was also contacted but there was no response.

Ms. Brooks summarized staff would work with Ms. Benoit for a draft lease agreement for the Ruth Jones Cottage and would bring back a term sheet. Ms. Brooks requested to speak to the Board members individually. Ms. Benoit was amenable to what was discussed, and staff would also work with Mr. Zipes to find a location for him. There was agreement Ms. Brooks would bring back an RFP for the Oscar Magnuson House.


Mr. Karageorge learned former Commissioner and Community Redevelopment Agency Board member Mack McCray's brother passed. He announced funeral services would be held on Saturday at 3:00 p.m. at St. John Missionary Baptist Church.

XIV. Future Agenda Items:

A. Consideration of Options for VIP Area at Public Events (Tabled 4/12/11)

XIV. Adjournment

There being no further business to discuss, the meeting was adjourned at 9:28 p.m.


Catherine Cherry
Recording Secretary
101211