



Deerfield Beach Community Redevelopment Agency Meeting

Special Meeting
Thursday, April 30, 2009
5:30 P.M.

City Commission Chambers, Deerfield Beach City Hall

The meeting was called to order by Chair Noland at 5:30 p.m. on the above date in the City Commission Chambers, City Hall.

Roll Call:

Present: Mr. Bill Ganz
Mr. Joseph Miller
Mr. Martin Popelsky
Vice Chair Sylvia Poitier - late
Chair Peggy Noland

Also Present:
Michael Mahaney, City Manager
Andrew Maurodis, City Attorney
Ada Graham-Johnson, CMC, City Clerk

APPROVAL OF THE AGENDA

TAPE 1, COUNT 24

April 30, 2009

MOTION was made by Commissioner Miller and seconded by Mr. Ganz to approve the agenda as submitted.

Voice Vote: YEAS: Mr. Ganz, Mr. Miller, Mr. Popelsky, Vice Chair Poitier and Chair Noland. NAYS: None.

OLD BUSINESS

ITEM 1

TAPE 1, COUNT 36

Cove Master Plan Phase 2 – Staff authorization to prepare and advertise a RFP/[RFQ] for public/private parking garage. **(Tabled from April 21, 2009 meeting.)**

GENERAL ITEMS – CONTINUED

Chair Noland gave a brief summary of what happened at the last meeting.

Vice Chair Poitier entered the meeting.

Michael Mahaney, City Manager, said that Mr. Ganz submitted nine (9) questions, in addition to the differences between an RFQ and a RFP. He forwarded e-mails today regarding other cities that have recently built a parking garage; the answers are self explanatory and if the Board proceeds without a significant public/private partnership investment, it will place a financial strain on the CRA.

Chair Noland asked if everyone had read their e-mail.

Mr. Popelsky asked that the City Manager read the e-mails that were forwarded to the Board.

Mr. Mahaney stated that the price given the Board was \$16,500 per space.

Chair Noland stated that the City of Hollywood built a parking garage in the amount of \$37,000 per space, completed in 2008. There are 400 spaces with Hollywood operating the facility.

Vice Chair Poitier asked if questions were asked of Broward County and Hallandale.

Mr. Ganz said that he received information from the City of Naples, at \$27,300 per space, not including the property, as it was already owned by them.

Mr. Popelsky asked to allow someone from the audience to address the Commission regarding the cost of a parking garage.

Bill Bodenhamer, USA Parking, said that they build and manage garages throughout the nation. He said that an efficient garage today would be \$16,500; however, with the market, it is possible to pay \$15,000. If the City requires more landscaping, there is additional cost. In the garage business, you lose money in the first five (5) years, the next five you make enough money to pay for the first five (5) years. Thereafter, revenue can be substantial. Further, with banking today, it is very difficult to go into the private market place. He said that with their current Deerfield Beach garage, it is valued at \$10 million, but you would only be able to mortgage \$4.5 million. He said that if the garage were \$8.5 million, it is very difficult to get a loan today. He offered to assist the City.

Mr. Popelsky said that \$16,500 seems to be a reasonable number.

Vice Chair Poitier said that Mike O'Leary is present and said that she contacted the company that he mentioned and asked that he provide an address to a company,

GENERAL ITEMS – CONTINUED

Finrock, which only specializes in parking garages. She also advised that she met with Mr. O’Leary because of his expertise. She said that real estate is much cheaper now. She further commented that she contacted Broward County and the City of Hallandale for information on joint ventures.

Mr. Miller asked that the City Manager meet with the property owner to discuss how much the property will cost, to determine if purchasing the property is viable.

Scott Nielson, 222 N. Pompano Beach Boulevard, stated that they are currently working with the City of Pompano Beach to build their new beachside restaurant/banquet at the pier. He agreed with Mr. Bodenhamer with the price that he quoted. He said that he will be building 800 to 850 spaces and will build one floor below grade, which makes the cost a little more.

In response to Vice Chair Poitier’s question, Mr. Nielson replied that many of the condos have natural dunes, so they can put it easily underground. He is utilizing all stainless steel hardware so that it will be operational for 50 years. After that term, they will return it to the City of Pompano Beach. He said Finrock is a highly qualified garage contractor.

Mr. Ganz asked Mr. Nielson why he was present this evening and whether he had spoken with anyone on the Board.

Mr. Nielson said that he spoke with Mr. Miller at an event and he discussed what type of business he does. He said that he has four (4) condos within 1,000 feet of his project on the beach and he will utilize stainless steel augers, which are screwed into the ground, versus pounding them in. Although more expensive, they save a lot of time and are not disruptive to neighbors.

In response to Mr. Popelsky’s question, Mr. Nielson replied that it depends on the soil/boring work, to determine what depth is necessary. He said that the company is in Oakland Park and is the latest technology in installing pilings.

Mr. Popelsky asked Mr. Nielson if he was building a free standing garage.

Mr. Nielson replied yes, further, this is Phase 2. Phase 1 involves the oceanfront restaurant on the pier; Phase 2 is the parking garage, which is part of his Phase 1 bid. He said his needs consist of 800 parking spaces, retail on the bottom floor, assist the City with a new library, community center, BSO substation; on the top, they are proposing a viewing area to overlook the ocean. He said that no condos will be built on top. Additionally, he suggested that they check with Delray Beach, who completed a garage in either 2007 or 2008.

Vice Chair Poitier asked if it is design built or land built, and whether there would be a partnership with the City of Pompano Beach.

GENERAL ITEMS – CONTINUED

Mr. Nielson replied that it is a partnership with Pompano Beach because it is the City's land. He explained that they would work with the City if they decided that they want an additional community center or library.

Vice Chair Poitier asked if the City of Pompano Beach is requiring him to follow the City's procurement code.

Mr. Nielson replied that he has already underwent the bidding process for the original; however, the lease indicates that they will have the first right of refusal to negotiate with the City to build the garage, as well as work on other facilities, such as the new fire station they are building.

Mr. Popelsky said that Mr. Nielson mentioned that his partnership with the City was for 50 years, and asked if his return on investment would be charging for parking spaces.

Mr. Ganz said that the situation that Mr. Nielson described is different than our situation because CRA funds are available, but the land is not owned by Deerfield Beach. He said that prior to determining an RFQ/RFP; the Board should decide whether it wishes to proceed with a parking garage.

Chair Noland said that the Board can obtain a price from Mr. O'Leary, the property owner, and then decide, or make a decision this evening on moving forward.

Mr. Ganz said that Mr. O'Leary owns the property and he has plan for a portion of the property. If we build a parking garage, Mr. O'Leary would have no place to park with the exception of the parking garage. We are limited with height and space; thus, there will be a limited number of spaces that could be built. In order to be fair, we would have to save spaces for his facility. That limits the number of spaces we have for public use. He expressed concern that the cost per space will far exceed the expected cost with CRA dollars. He said that it will financially strap the City with one single project and tying up CRA dollars for a very long time.

Chair Noland agreed with Mr. Ganz that CRA funds are limited. She said because the CRA receives \$3 million per year and the pier project will cost over \$700,000.00, we are not ADA compliant with restrooms; there are other big ticket items that are soon to come and must be considered. She said she is not comfortable at this time and if the Board wishes to proceed to determine the cost that is acceptable. Currently, Cove parking is free and that the parking spaces would have to be metered in order for people to begin using the parking garage. Further, she said the Board can consider building the garage on the land we already have.

Additionally, Chair Noland stated that if it pleases the Board, Mr. O'Leary can provide a price for the land or review building it on their own property. She reiterated that other projects that must be done in the CRA area; i.e. pier repairs and the bathrooms must become ADA compliant.

GENERAL ITEMS – CONTINUED

Vice Chair Poitier asked for clarification regarding Chair Noland's comments regarding the private owner.

Chair Noland clarified her remarks that Mr. Nielson would be building the garage with his own funds, but went into partnership with Pompano Beach. *Chair Noland stated that Mr. Nielson agreed for the record.* If this is a project that Mr. Nielson would like to undertake in the Cove Shopping Center, Mr. O'Leary already owns the property.

Vice Chair Poitier said the first thing would be to have Mr. Nielson speak with Mr. O'Leary. She said that we will have to go to a design/build. A design would not cost the City anything. She said that the Cove belongs to the City and we must think about what is best long term. As well as consider a sensible plan, and a design/build. If you suggest that Mr. O'Leary communicate with Mr. Nielson they will go sole source.

Mr. Miller said that there are two (2) issues that are not mutually exclusive. One, the value of the land that adjoins our public property lot; he said we can buy the land without necessarily building a parking lot. He said that it does not cost anything to determine how much the land cost. He directed the City Manager to speak with the land owner to determine how much the land will cost. He said that everything is speculation because the City does not own anything in that parcel.

MOTION was made by Mr. Miller and seconded by Vice Chair Poitier to direct the City Manager to meet with the property owner.

Roll Call YEAS: Mr. Miller, Vice Chair Poitier and Chair Noland. NAYS: None. Mr. Ganz and Mr. Popelsky.

NEW BUSINESS**ITEM 2****TAPE 1, COUNT 910**

Discussion by the Board regarding employing someone to manage CRA operations on a full-time basis.

MOTION was made by Vice Chair Poitier and seconded by Mr. Miller to table Item 2 until May 19th.

Voice Vote: YEAS: Mr. Ganz, Mr. Miller, Mr. Popelsky, Vice Chair Poitier and Chair Noland. NAYS: None.

BOARD/ADMINISTRATION/COMMENTS

Mr. Ganz – No Report.

BOARD/ADMINISTRATION/COMMENTS – CONTINUED

Mr. Miller – No Report.

Mr. Popelsky – No Report.

Vice Chair Poitier – No Report.

Chair Noland – No Report.

ADJOURNMENT

There being no further discussion, the meeting was adjourned at 6:05 PM.

PEGGY NOLAND, CRA CHAIR

ATTEST:

ADA GRAHAM-JOHNSON, CMC, CITY CLERK