



**Deerfield Beach Community Redevelopment Agency
MEETING MINUTES**

Tuesday, October 11, 2011, 6:30 P.M.
City Commission Chambers, Deerfield Beach City Hall

The meeting was called to order by Chair Noland at 6:28 p.m. on the above date in the City Commission Chambers, City Hall.

Roll Call:

Present: Mr. Bill Ganz
Mr. Joseph Miller
Mr. Ben Preston
Chair Peggy Noland

Also Present: Burgess Hanson, City Manager
Andrew Maurodis, City Attorney
Samantha Gillyard, Deputy City Clerk

Absent: Vice Chair Martin Popelsky - Excused

APPROVAL OF MINUTES

DIGITAL TIME STAMP: 6:28:20

Special CRA Meeting Minutes - August 30, 2011
CRA Meeting Minutes - September 13, 2011

MOTION was made by Mr. Miller and seconded by Mr. Ganz to approve the August 30 and September 13, 2011 minutes as submitted.

Voice Vote: YEAS: Mr. Ganz, Mr. Miller, Mr. Preston, and Chair Noland. NAYS: None.

APPROVAL OF THE AGENDA

DIGITAL TIME STAMP: 6:28:31

October 11, 2011

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

Voice Vote: YEAS: Mr. Ganz, Mr. Miller, Mr. Preston, and Chair Noland. NAYS: None.

GENERAL ITEMS**ITEM 1****DIGITAL TIME STAMP: 6:28:56****Request to authorize CRA Director to enter into an agreement with the Utilities Department to design and install fire hydrants ***

Kris Mory, CRA Coordinator, outlined Item 1, to install nine (9) fire hydrants for an amount of \$59,405.00; which was included in the CRA's adopted Five Year Capital Improvement's Plan and the FY 2012 Budget. When this project was originally budgeted, Staff anticipated installing the hydrants over a course of 5 years.

Mr. Preston left the dais temporarily at 6:29 PM.

Continuing, Ms. Mory said that now that there is a project manager on staff, the installation will be consolidated into one project to save money on mobilizations and design.

Chair Noland said that it is very costly to install hydrants, but this is the older area of the City.

Mr. Ganz said that the estimated savings, based on the original estimate, is approximately \$27,000.

Mr. Preston returned to the dais at 6:30 PM.

Ms. Mory said that the total savings will exceed that; however, the cost of design is approximately \$27,000. Additionally, she said that she does not have the overall total savings as she was more focused on the savings from not having to hire a consultant for design.

MOTION was made by Mr. Ganz and seconded by Mr. Miller to approve Item 1.

Roll Call: YEAS: Mr. Ganz, Mr. Miller, Mr. Preston, and Chair Noland. NAYS: None.

ITEM 2**DIGITAL TIME STAMP: 6:31:39****CRA Resolution 2011/022 - A Resolution of the Community Redevelopment Agency of the City of Deerfield Beach, Florida, revising the Real Estate Acquisition Policy.**

Keven Klopp, CRA Director, outlined Item 2, to revise the CRA Acquisition Policy. He said that there is one (1) item that he would like revised; however, one may require additional discussion. The first came to light as they were negotiating with the Chamber of Commerce, to purchase 1601 E. Hillsboro Boulevard, which entailed obtaining an inspection report prior to contract, which should have been provided to the Board 10 days prior to closing. There is one (1) sentence added to section b4 on the first page. On the second page, it indicates that the contract, as it is being transmitted, will not

GENERAL ITEMS - CONTINUED

include an inspection date as that would be settled once the contract is in place. The last line of the policy requires a vote to revise the policy. He said they may want to discuss this when the full board is present; nevertheless, there have been questions as to whether that will work for the Board in the future, the scrutiny of the number of votes needed to change the policy.

Mr. Ganz said he has no problem with the first half of the proposal, but has an issue with changing the unanimous vote midstream since we are in the process of doing bids and acquiring properties. Further, he said that we are making a bid on a property and there is not a unanimous vote, so they will be changing the rules; therefore, he does not agree with it. By changing the rule, in the middle of negotiations, you are essentially circumventing the process. Lastly, he said that he would hope that the Board can work on building a consensus to make it unanimous. He reiterated that he is not comfortable changing this midstream.

Mr. Preston agreed that the policy should not be changed, and it would be wrong to vote on it now considering that Vice Chair Popelsky is absent. He said that we can continue with the other items.

Mr. Miller said that he is good with the inspection. Mr. Miller asked if the current policy requires that any acquisition have a unanimous vote.

Mr. Klopp said that it would not be an acquisition, but doing an acquisition that does not follow the policy would require five (5) votes.

Andrew Maurodis, City Attorney, said it would be five (5) votes to waive the rule.

Continuing, Mr. Klopp said that if you follow the rule, it is a majority vote.

In response to Mr. Miller's question, Mr. Klopp provided an example for clarification.

A brief discussion pursued between Mr. Miller and Mr. Klopp for clarification on the proposed change and current policy.

Mr. Miller clarified that the unanimous vote pertains to changing an existing rule in the policy.

Mr. Klopp replied correct.

Mr. Miller asked if a simple or super majority was required to make a purchase.

Mr. Klopp replied that it is a simple majority if the purchase follows the policy.

In response to Mr. Miller's question, Mr. Maurodis replied that if you apply the rule, you can buy the property with three (3) votes; following the policy, requires a majority vote. The rules currently state that you can only buy at a certain price based upon an average

GENERAL ITEMS - CONTINUED

of the appraisals. If the CRA decided to purchase the property knowing that it does not fall within the average of the appraisals, the Board would have to waive that rule, and a unanimous vote would be needed. The proposal would allow you to waive the rule with a majority vote.

MOTION was made by Mr. Miller to table Item 2 until Vice Chair Popelsky's return.

Mr. Ganz asked if that creates a problem on the first half or if the item can be split.

Mr. Miller said that he would not mind passing the first half.

Mr. Klopp said that it would not present an issue.

Mr. Miller amended his motion.

MOTION was made by Mr. Miller and seconded by Mr. Preston to approve Item 2 as amended, change to portion B4 and F; and no change to portion H.

Roll Call: YEAS: Mr. Ganz, Mr. Miller, Mr. Preston, and Chair Noland. NAYS: None.

ITEM 3**DIGITAL TIME STAMP: 6:39:43****Discussion regarding the purchase of 1701 Riverview Road**

Keven Klopp, CRA Director, said that he has been in negotiations with the seller and they have closed the gap on the purchase of 1701 Riverview Road, but have not reached an agreed upon price.

Mr. Miller said that they are approximately \$75,000 from making this deal happen. Under the current regulations, you will need a unanimous vote to pay the additional \$75,000.

Mr. Klopp said that the cost is \$75,000 apart from the top offer that he made; not at the maximum, but close to it.

Mr. Preston asked if a proposal could be made to split the difference of the \$75,000.

Mr. Klopp replied yes, depending on whether the difference falls within the limit. Currently, the price is at \$2,175,000. The price received from the seller is \$2,250,000. If the difference were split, it would be at approximately \$2,212,000. The 10% maximum of three (3) appraisals averaged is \$2,218,000; thus, we would be able to split the difference and not require the policy to be revised.

Mr. Preston said that he believes we should consider this because the Board is showing the owner that the Board has seriously considered their offer. If there is movement, hopefully, the owner will have the same spirit and move as well; thus showing fair and

GENERAL ITEMS - CONTINUED

equitable negotiations. He said that this would put us in a position to finalize the deal and it would be fair to both sides.

Mr. Miller asked if no compromise were possible, would the Board have to have a unanimous vote to pay the \$75,000 overage.

Mr. Preston replied yes.

Mr. Miller clarified that if the Board makes an offer to split the difference, then a unanimous vote would be needed, but if the owner rejected it, then there is a risk of not getting a unanimous vote.

Mr. Ganz asked what the offer would be.

Mr. Miller replied \$2,212,000.

Andrew Maurodis, City Attorney, said that this allows the Board to make a formal offer in a standard real estate contract, providing the appropriate protection that council requires.

Mr. Ganz expressed concern about voting on this when a board member is absent. Additionally, he said that he does not believe the seller has another buyer; however, there has been a goodwill gesture during the process and that there is logic to Mr. Preston's comments although he is still undecided.

Mr. Preston said that in this economy, it benefits both sides. The Board has a vested interest in the property and the seller wants to sell it. He further said whether there is another buyer or not, it shows that there is fairness on the Board's part to look at the offer. He explained that \$2,212,500 is fair to both sides. In closing, he said just presenting an offer could bring an end to this, even though it is unsure whether they will accept the offer.

Chris Metzger, Cushman & Wakefield, said that they have approximately \$4 million in the property and he convinced them to lower it to \$3,250,000. Additionally, he said that they have had discussions with other buyers, but when the City came along, he wanted to make that an option. Continuing, Mr. Metzger said that the property is assessed for \$2,352,000; the appraisal is for \$2,480,000. Averaging those together, with 10% on top of that, totals \$2,350,000. He said that he asked the seller if they would be amenable to splitting the difference, and has been authorized to accept a 50/50 compromise.

Mr. Ganz clarified that the offer would be \$2,212,500.

MOTION was made by Mr. Preston and seconded by Mr. Miller to approve Item 3.

Roll call: YEAS: Mr. Ganz, Mr. Miller, Mr. Preston, and Chair Noland. NAYS: None.

GENERAL ITEMS - CONTINUED

Mr. Klopp said now they will do an inspection report; nevertheless, there are still other items that need to be worked on.

ITEM 4**DIGITAL TIME STAMP: 6:52:16****Presentation regarding management and operation of Deerfield Beach Green Market at the Cove**

Kris Mory, CRA Coordinator, said that Item 4 is a follow up from last month's meeting. She said that she met with members of the Cultural Committee, Judith Stanich and City Staff, Mickey Gomez, and they completed a business plan. Ms. Mory outlined the changes that will be made for the Green Market; from Sullivan Park to the Cove Shopping Center. The market will be on the main entry way, on Hillsboro Boulevard for visibility. The Cultural Committee will set up a volunteer steering committee to plan each market which will be held every two (2) weeks, starting in December, then from January till April. Each market will have a different theme; i.e. December - lighting theme, January - health and wellness theme, and so on.

Continuing, Ms. Mory said that the Cultural Committee put together a budget for the event including marketing and promotions; however, they are requesting \$10,000, which was budgeted for the Green Market. They will also be funding the event through vendor sales, renting spots, and may consider sponsorships. She said that the business plan incorporates a lot of lessons learned from last year.

Mr. Preston asked what the primary venue for communication is in the marketing strategy.

Ms. Mory said that there is not one primary communication venue; listed in the budget are various outreach opportunities, printed material, postcards, posters, directional signs on the day of the event, banners, etc. She also listed other newspapers that they will advertise with, i.e. The Observer, The Pelican, Art Serve, etc.

Mr. Preston suggested that this information be displayed in District 2 with the pastors, as they should be aware of the event. This will be a good tool to get the information out to District 2.

Chair Noland said that St. Ambrose has a bulletin, and suggested putting a flyer on the bulletins of District 2's churches. Chair Noland said that the location will be a huge factor.

Mr. Preston said that this will be a good thing for the City, but for District 2 to be involved, pricing should be considered, as these types of purchases can be less expensive elsewhere.

Mr. Miller said that with the Green Market, he thinks of produce, but asked if it is economical or more expensive.

GENERAL ITEMS - CONTINUED

Ms. Mory said that the produce in green markets is normally higher priced, but there was one vendor last year who was less expensive than Publix and was organic. She said that the best market with the cheapest produce is on Sistrunk Avenue and Broward Boulevard; there is a market there every week although it is not local for City residents. She said that making it more into a theme will be value added wherein it will not only be about the produce, but about the health fair or holiday bazaar.

In response to Mr. Miller's question, Ms. Mory said that there will also be music this year at each market.

MOTION was made by Mr. Miller and seconded by Mr. Preston to approve Item 4, for giving \$10,000 to the Cultural Committee.

Roll Call: YEAS: Mr. Ganz, Mr. Miller, Mr. Preston, and Chair Noland. NAYS: None.

Chair Noland thanked all for their assistance.

PUBLIC INPUT

Trash Receptacles - Jean Pfister, 1631 Riverview Road, Deerfield Beach, asked if the trash receptacles were moved from 7-11 because it never happened. Lastly, he suggested advertising with Dunn's Run for the Green Market.

Kris Mory, CRA Coordinator, said that she has been working on the receptacles for a year now. Last year, much time was spent working with 7-11 and the neighboring property, Antilla Plaza, to open the backyards of those properties to move the dumpsters to the rear and allow those properties to share dumpsters. Everything had been worked out, but at the last minute, legal council advised Antilla Plaza that they did not feel comfortable with the amount of liability of having 7-11's trash being stored on their property; the deal then fell apart. Since then, Antilla Plaza has completed their site plan; 7-11 has an approved site plan with the City, which shows a fully enclosed dumpster in the front of their parking lot, since they are unable to access the back of their property. Additionally, Staff had been talking with them about coming into compliance with their currently approved site plan. Although this is not an ideal location, it is better to have an enclosed dumpster. She said that there has also been discussion on landscaping the dumpster area.

Chair Noland asked if any aesthetic changes can be made. She outlined various examples of what can be done to improve the dumpster area. She asked that Staff review various options for the dumpster.

Ms. Mory said that along with changing the dumpster, she wants them to improve their façade as it is outdated and is now out of character with the rest of the area.

Mr. Miller said that he has also spoke with Ms. Mory about the dumpsters and hopes that 7-11 will use façade money to hide the dumpsters as best as possible.

BOARD/ADMINISTRATION COMMENTS

Cove Signage - Mr. Miller said that they previously discussed signage at the Cove for 2 hour parking and since then, he asked Keven Klopp, CRA Director, to look for a nicer, updated sign to fit with the investment that was just made. He asked for comments from the Board.

MOTION was made by Mr. Miller and seconded by Mr. Preston to authorize Mr. Klopp to look into an updated sign.

Voice Vote: YEAS: Mr. Ganz, Mr. Miller, Mr. Preston, and Chair Noland. NAYS: None.

Delray Beach CRA - Mr. Ganz said that there was an article on Delray Beach CRA and some of their incentives. He said that they have done many fiscal improvements to their City and they are now using their funds for economic development and tax incentives. He suggested reviewing their processes and look at tax incentives to not only help existing infrastructure and businesses, but to entice more people to come to the City; i.e. rent incentives for new businesses.

Mr. Ganz said that with the current project in the Cove, there was a former commission candidate who claimed to be an engineer. He said he gave the gentleman an opportunity to work with the City and allow the City to fix any errors. He explained what the gentleman did and expressed dissatisfaction with his actions; i.e. contacting City contractors for contracts, Staff pulling contracts for his review. Mr. Ganz apologized to Keith & Associates for the individual's actions. He said that this person does not represent him, nor does he have the authority to use his name. He said that the individual did not show up to the meeting to review the item. He again apologized for the person's actions.

ADJOURNMENT:

There being no further business, the meeting adjourned at 7:13 p.m.

PEGGY NOLAND, CRA CHAIR

ATTEST:

ADA GRAHAM-JOHNSON, MMC, CITY CLERK