

**MINUTES OF THE COMMUNITY REDEVELOPMENT AGENCY BOARD MEETING
HELD AT THE INTRACOASTAL CLUBHOUSE, 2240 N. FEDERAL HIGHWAY,
TUESDAY, SEPTEMBER 11, 2018, AT 6:30 P.M.**

PRESENT:

Steven B. Grant, Chair
Christina Romelus, Vice Chair
Justin Katz, Board Member
Mack McCray, Board Member
Joe Casello, Board Member

Mike Simon, Executive Director
Tara Duhy, Board Counsel

1. Call to Order

Chair Grant called the meeting to order at 6:30 p.m.

2. Invocation

Board Member McCray gave the invocation.

4. Pledge of Allegiance to the Flag

All members recited the pledge

3. Roll Call

All present.

4. Agenda Approval

A. Additions, Deletions, Corrections to the Agenda

Chair Grant requested to move item 13-B before announcements and awards.

B. Adoption of Agenda

Motion

Board Member Casello moved to approve the agenda as revised. Board Member Katz seconded the motion

Vote

Unanimously passed.

5. Legal-None

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

There were no disclosures

(Items 13B was discussed at this time)

7. Announcements and Awards

A. 2018 Florida Festivals & Events Sunsational Awards

Tracy Smith- Coffey, Marketing and Business Development Specialist, introduced Cindy Martin.

Cindy Martin serves as the Award Committee Chairperson. She explained the Florida Festivals & Events Association (FFEA) was a statewide organization of professional festival and event planners, managers and marketing from both the private and public sectors. FFEA is a not-for-profit association dedicated to supporting and promoting more than 3,500 festivals, events, and fairs in the state of Florida through education, networking and dissemination of information, and the cultivation of high standards.

Ms. Martin indicated nominations were accepted in nine categories: Printed Materials; Outdoor Advertisement; PR/Media Campaign; Photo; Promotional Item; T-shirt; Broadcast Media; Multimedia Marketing and Programming. Each category included three budget levels. A total of 140 events with 400 applications of their materials were submitted for consideration. Palm Beach County was well represented with FFEA Members. Ms. Martin advised Boynton Beach won 12 awards with only 3 staff members.

The Boynton Beach Community Redevelopment Agency received 12 Sunsational awards for the following.

1st Place - Social Media Campaign: Boynton Beach Haunted Pirate Fest & Mermaid Splash. 1st Place - Facebook Promotional Campaign: Boynton Beach Haunted Pirate Fest & Mermaid Splash. 1st Place - Outdoor Banner: Boynton Beach Haunted Pirate Fest & Mermaid Splash. 1st Place - Event Photo: Holiday Tree Lighting & Concert. 2nd Place - PR/Media Campaign: Boynton Beach Haunted Pirate Fest & Mermaid Splash. 2nd Place - Promotional Poster: Holiday Tree Lighting & Concert. 3rd Place - Stage Banners: Blarney Bash. 3rd Place - Event Recap/Annual Report: CRA Annual Report. 3rd Place - Radio Ad: Boynton Beach Haunted Pirate Fest & Mermaid Splash. 3rd Place - Promotional item: Boynton Beach Haunted Pirate Fest & Mermaid Splash. 3rd Place - Stage Back Drop: Boynton Beach MLK Celebration of Unity. 3rd Place - Outdoor Signage (4x4 street sign): Boynton Beach & Delray Beach Holiday Boat Parade

Board member McCray congratulated all for a job well done.

8. Information Only

- A. Marketing and Business Development Campaign
- B. Public Relations Articles Associated with the BBCRA
- C. Public Comment Log

9. Public Comments

Chair Grant opened the floor to public comment. Seeing no, one coming forward public comments was closed.

10. Consent Agenda

- A. Financial Report Period Ending August 31, 2018
- B. Finance Department Purchase Orders for amounts exceeding \$10,000 for the month of August 2018
- C. Approval of an Increase in Grant Funding for the Commercial Facade Improvement Grant Program in the amount of \$4,120 for Reflection Auto Body, Inc. d/b/a Bruno's Auto Body & Paint located at 217 NE 3rd Street
- D. Approval of an Increase in Grant Funding for the Commercial Facade Improvement Grant Program in the amount of \$4,120 for Reflection Auto Body, Inc. d/b/a Bruno's Auto Body & Paint located at 217 NE 3rd Street
- E. CRA Board Authorization for CRA Staff and Legal Counsel to release Request for Proposals, Request for Qualifications, and Invitations to Bid for Goods and Services in excess of \$25,000

Chairman Grant asked for a motion to approve the Consent Agenda.

Motion

Board Member Katz moved to approve the Consent Agenda. Board Member McCray seconded the motion

Vote

Motion unanimously passed.

11. Pulled Consent Agenda Items- None

12. Public Hearing-None

13. Old Business

A. CRA Board Discussion and Consideration of Executive Director's Annual Performance Review

Chair Grant requested a motion to remove from the table.

Motion

Board Member McCray moved to remove from the table. Vice Chair Romelus seconded the motion.

Vote

Motion unanimously passed.

Chair Grant noted the Board suggested researching comparable salaries to see other CRA Director salaries and benefits.

Board Member Katz made a recommendation to move the compensation in line with the City of Lake Worth and City of Delray Beach. Indicated the CRA have taken employees from other municipalities and was always at risk of losing high caliber employees to another agency. Board Member Katz stated he would like to see the difference between the City of Lake Worth and the City of Delray which would be about \$152,000. If Mr. Simon would like to increase the other expenses such as car and cell telephone it would reduce the base salary. Board Member Katz stated Mr. Simon was deserving of the increase.

Chair Grant suggested providing 10% wage increase, which would be \$13,500. The car allowance would remain the same. If needed the Board could discuss car and the cellular telephone increases next year.

Board Member Katz stated he was supportive of this line of thought.

Board Member McCray explained he was in favor of a salary increase, but wanted to caution there are other staff members which work with Mr. Simon. Board Member McCray stated employees may only receive 3%. He understands staff was being tugged between Delray and Lake Worth. When providing raises, the Board needs to be cognizance of all the raises not just those on the top.

Board Member Casello stated he understood the CRA was a team effort and Mr. Simon has been the quarterback for the team. Usually the quarterback receives a larger check.

The last time this was discussed, he stated Mr. Simon was a progressive thinker. Noted since Mr. Simon has come on board he has turned the CRA around 180 degrees. He praised Mr. Simon for saving the City more than \$100,000 for coming up with the idea to use a CRA space for the temporary Library site. He was in agreement with the increase between the City of Lake Worth and the City of Delray Beach.

Board Member McCray noted he was in agreement to provide a salary increase to Mr. Simon. Board Member McCray said Mr. Simon did everything except walk on water.

Chair Grant asked if Board Member McCray had any suggestions as it relates to percentage of an increase.

Board Member McCray suggested an 8% increase to the base salary.

Vice Chair Romelus noted she heard both sides of the story and concurred with Board Member McCray. She wanted to spread the wealth throughout the agency and she would make a counter offer of \$10,000 and maintain the current benefits. This would bring the Executive Directors salary up to \$145,000. This would not be an unfair increase to other staff members.

Attorney Duhy, CRA Attorney, informed the Board 10% would be \$13,500 and 8% would be \$10,800.

Board Member McCray inquired why the Board was provided with salary information but not operating expenses for each municipality. Mr. Simon replied staff was unable to ascertain this information. Mr. Simon stated he could not do anything without his team and could not imagine working with a finer group of people. He would certainly accept the proposed 8% salary increase.

Vice Chair Romelus inquired if he was good with the 8%. Mr. Simon replied he was.

Board Member Casello asked if CRA staff compensation was in line with the surrounding municipalities. Mr. Simon replied with the 2.5% increase from last year the staff was at the midpoint of the surrounding municipalities. Mr. Simon also stated with the additional ICMA staff were doing well.

Attorney Duhy suggested an amendment be made to the language in Mr. Simon's contract.

Motion

Board Member Katz moved to approve an 8% salary increase for the current fiscal year and amend the Executive Director contract clause. Board Member Casello seconded the motion.

Vote

Unanimously passed.

B. Discussion of the Goals and objective of the Neighborhood Officers Program, 2018/2019 (*heard earlier in meeting*)

Michael Simon, Executive Director Community Redevelopment Agency (CRA), as directed, Mr. Simon met with Chief Gregory, Assistant Chief DeGiulio and Major Michael Johnson. There was discussion of current goals and objectives for 2018/2019 for the Neighborhood Officers Program. Mr. Simon informed the Board Chief Gregory requested no changes should be made until he had an opportunity to interact with the officers in the program.

Board member Katz said he requested this information because the program has been in effect for a number of years. He respects the Chief's decision not to make any changes. He requested Chief Gregory come back the Board in 6 months for an update on the program.

Chair Grant advised there was a lot of negative things happening at the corner of Boynton Beach Boulevard and Federal Highway. He understands the program was not specifically for night time hours, but asked what can be done in this area after hours?

Board Member McCray informed the Board he spoke with Chief Gregory and the Chief had some plans which he called the second layer.

Motion

Board Member Katz moved to approve and requested Chief Gregory return to the CRA within 6 months for an update. Vice Chair Romelus seconded the motion.

Vote

Motion passed unanimously.

C. Consideration of Modifications to the Economic Development Grant Programs for FY 2018-2019

Chair Grant read the item into the record.

Mr. Simon indicated staff met to discuss the grants and applicant procedures. There are four grants for next year. The CRA staff was requesting changes such as combining exterior and interior improvements into one grant program. Redefining tier one business as any restaurant regardless of size or seating capacity, increasing 50% matching reimbursable funding for the tier one business to \$85,000 and tier two businesses to

\$50,000. Increasing the project time line from 120 days from permit approval to 180 days from permit approval. This would provide an opportunity to prepare one application for different programs. There was an increase eligibility for the roof as long as the item does not exceed 50% of the total renovation cost.

Mr. Simon suggested removing the following businesses from the ineligible list to eligible, Fitness centers, Kava coffee/tea bars, tattoo shops, and takeout food restaurants.

Vice Chair Romelus requested clarification on why the CRA decided these businesses were now eligible for grants. Mr. Simon replied it was because of the square footage for fitness centers, and tattoo piercing was a type of salon. Mr. Simon stated tattoos has gained acceptance over the years. It is more mainstream; it does not have a stigma today as it did in the past.

Vice Chair Romelus noted she was still a little leery of tattoo shops.

Board Member Katz informed the Board the City of Lake Worth was having this same discussion. He was surprised because of their Subculture City. He does not view it in the negative light. Noted tattoo parlors were a business like any other business. The City should not have an exclusion of businesses. Inquired if there were any legal ramification of not providing grants to a certain type of businesses. Asked if this could be considered a form of discrimination. Inquired if the CRA has total discretion to approve or disapprove businesses. Attorney Duhy replied the CRA has discretion.

Board Member Katz inquired was it fair to say, the City did not want a tattoo parlor on Ocean Avenue. He believes this type of business should be in a different area, inquired if that would be a problem. Attorney Duhy replied as long as the Board operates to implement the CRA strategic plan, which can dictate certain types of uses in certain locations and if it was tied to that, then it was up to the board's discretion.

Mr. Simon noted any of the uses which are in the City application default to the rules and regulations of Planning and Zoning. Mr. Simon suggested limiting assistance to no more than two grants per category per year.

Attorney Duhy responded to Board Member Katz's question regarding discrimination, stating this was not a black or white issue. The CRA has discretion to determine how much grant funding would be awarded and what type of business criteria was required. When the CRA Board set criteria standards in the beginning grants are easier to administer.

Chair Grant asked if it would be easier to have a tier 3 business that was conditional in order to receive the economic development grants. Inquired if this was something which could be done. Attorney Duhy replied yes.

Mr. Simon indicated this would be similar to a conditional use improvement.

Chair Grant asked if the CRA board could limit the new tier 3 to existing businesses. He provided some examples of multiple pawn shops in the CRA district. Chair Grant stated

it would behoove the City to help the pawn shops with the exterior façade of the building in the CRA district. He would like to recommend the CRA has a third tier which are conditional for those businesses such as the tattoos/piercing, fast foods, and coffee shops. Those businesses would need to show a reasonable basis to receive the grants. Attorney Duhy noted the CRA Board needed to show consistency with the CRA plan.

Chair Grant indicated the CRA can make it so that only one business from each category can receive the conditional tier 3 grant.

Board Member Casello inquired if the CRA will only allow a certain amount of businesses in the CRA district. Attorney Duhy replied that would be a City function. Chair Grant suggested that the CRA only provide one grant per category type, per tier. Board Member Casello indicated this would take care of this issue.

Board Member McCray stated he wanted to take out food establishments. They wanted this type of businesses to remain on the MLK corridor. He does not want to discourage fast food restaurants.

Board Member Katz noted Board Member McCray did not want to place the fast food establishments in tier three.

Chair Grant recommended takeout food restaurants to remain in tier two. The tier three would include kava coffee/tea bars, tattoo parlors, pawn, liquor stores, auto body and auto storage places.

Board Member Casello asked if there would be any zoning issues. Attorney Duhy responded the purpose of this grant was to incentivize the area. The CRA plan has zoning recommendations. These recommendations are tied to the CRA plan; the decision for zoning was through the City not the CRA board.

Board Member Katz asked about the matching funds increase. Mr. Simon replied the interior build-out was for \$40,000, and the \$25,000 was the maximum for the façade. Board Member Katz noted the CRA has allocated \$500,000 for grants and believes that \$50,000 and \$85,000 would limit the amount of grant recipients. He would like to see those amounts lowered. Mr. Simon replied staff could reduce the amounts of the grants. Indicated more grants could be provided to more businesses.

Board Member McCray inquired about businesses which received grants from the CRA, how many have gone out of business.

Mr. Simon stated about 1% of the businesses which received funding are no longer in business.

Vice Chair Romelus noted she would like to help as many businesses as possible. Regarding the fitness centers, she believes this goes with subsidizing instead of

incentivizing. She believes the grant should be for small businesses and create jobs for the local economy.

Board Member Katz asked if the CRA has the ability to impose a cap based on the value of the business. Restrict the eligibility to non-corporations, or corporation which are in a certain tax bracket. Certain national chains clearly do not need the grant funds to survive. Mr. Simon responded Tsunami subs, Primo subs are a national brand, but are franchised. Mr. Simon informed the Board of the assets of Banana Boat which invested over \$2M in renovations and received a \$60,000 grant. Also Sunshine Square completed \$10M renovations and the CRA provided \$60,000 in grant funding. Staff can come back with a cap, size or gross profits for different businesses.

Vice Chair Romelus noted Banana Boat was a local entity with recognition. They have millions of dollars and she does not have an issue helping them. Inquired as to the ownership of Sunshine Square, Mr. Simon replied a real estate company.

Vice Chair Romelus advised she does not want to incentivize certain entities which clearly did not need the funding. Businesses would accept grant funding because the funds were available. The CRA needed to make sure the dollars go where it was needed the most. Mr. Simon replied he believed they were on the right track.

Chair Grant stated he did not agree; the CRA are limited funds for available grants. Any businesses which come to the City of Boynton Beach would employ Boynton Beach residents. The local residents support the businesses.

Board Member Casello noted some of the national chains such as Subway were operated by individuals who live, play and work in Boynton Beach.

Vice Chair Romelus clarified her original example such as LA Fitness. She agreed with a franchise owner. She wanted like to craft language which allows for the CRA to provide funding to deserving small businesses, not mega giants. She would prefer to redirect those funds to individuals who live here and pay taxes here.

Board Member Katz supports small businesses. He does not want to discourage big businesses but they need to incentivize small businesses.

Chair Grant indicated he does not know where the discussion was at this point.

Mr. Simon responded the Board suggested adding an additional tier three, which included conditional approvals to such businesses as Kava coffee shops, tattoo/piercing parlor, pawn shops, auto body, and auto storage. Reducing grants awards for the three tiers. Indicated the amounts have not been discussed, but he indicated a potential of \$50,000 for a tier one and \$25,000 to \$30,000 for tier two to help more businesses.

Chair Grant recommended making national business subject to their net assets to be made at a later date. Chair Grant suggested have the roof grant receive only 50% of the

total grant available. Chair Grant informed the Board he spoke with CareerSource about having an orientation or training period grant. This grant would provide certain businesses would be hired from the program to receive 50% funding for those attending the orientation.

Attorney Duhy, Board Counsel responded it was within the CRA discretion to prioritize which businesses would be given grants. This would allow more flexibility on a case-by- case basis.

Board Member Katz asked would this be something which could be exercised at any point during the fiscal year. As an example, there was only \$50,000 left and the Board had two applicants, can the board decide to award to the small business? Ms. Simon replied the board could award to the small business. The Board directs the use of priority of small businesses, local franchisee versus a non-local business. Board Member Katz asked if there was enough grant money left, and what was clearly a larger business, could the CRA board give the preference to the smaller business? Asked if it needed to be at the end of the "pot"? Attorney Duhy, responded the priority would be determined by the Board. Explained the language could say small businesses, local businesses bringing in a certain amount of employees.

Vice Chair Romelus requested some draft language at the next meeting as well as the grant amounts presented by Mr. Simon with the reduction of tier one and tier two.

Chair Grant requested a motion.

Motion

Vice Chair Romelus moved to approve with the changes made. Seconded by Board Member Katz.

Vote

Unanimously passed.

D. Consideration of Resolution N. R18-02 Adopting the CRA Budget for FY 2018 - 2019

Ms. Vicki Hill, CRA Finance Director, presented the budget. The only difference was the rollover amounts.

Board Member Katz inquired if there were additional funds which were not allocated. Ms. Hill replied the rollovers from 2017/2018 would rollover to 2018/2019.

Ms. Simon noted \$1.2M the Board has not seen. These were funds not re-allocated. This was the official budget approval.

Board Member Katz stated the Board had already discussed what rollovers would be kept.

Ms. Hill replied these are the rollovers that are final. The Martin Luther King (MLK) corridor have an additional \$400,000 added, now it was \$1.6M.

Board Member Katz indicated the Board has already discussed these items. For lack of desire to scrutinize what was already done, he wanted to move on.

Motion

Board Member Katz moved to approve with the rollover as described. Board Member McCray seconded the motion.

Chair Grant inquired about the business promotional event budget. Ms. Hill replied there were \$20,000 in rollovers. It changed to the amount to \$539,000 with an additional \$10,000 for the Marina Dive tournament event, which would bring the total to \$549,000. Chair Grant asked if the CRA were hosting a holiday tree lighting event this year. Mr. Simon replied this was not an event the CRA was doing this year.

Chair Grant inquired if the City of Boynton Beach was sponsoring a tree lighting event. Mr. Simon replied the City notified the CRA there would be a holiday parade, but nothing was mentioned or supported a tree lighting event. Chair Grant asked if this was something which the CRA could sponsor. Mr. Simon responded, he did not feel the event was closely related to economic development. He suggested having the City of Boynton Beach sponsor this event. He believed the City could put up some extra lighting.

Chair Grant said lights come cheap, the question was the manpower. If the Board could put in extra money toward the December 2018 Rock the Plaza with a tree with lights there, could this be possible.

Board Member Katz asked the location of the December 2018 Rock the Plaza event. Chair Grant suggested some possibilities such as Sunshine Square, One Boynton or Ocean Palm Plaza. Indicated all of them have trees and electrical outlets. He would like to continue the tradition of the annual tree lighting without the cost of \$70,000. Asked if this was ok to have an additional \$5,000 to go to the 2018 Rock the Plaza event.

Board Member Katz asked how the \$5,000 was being allocated. Chair Grant responded it was up to the CRA staff to find the lighting, pay for the electrical for the plaza owner. Board Member Katz asked about the date of the Boat Parade. Board Member Casello replied December 14, 2018. Board Member Katz asked if there was a way to try to incorporate some form of tree lighting, in conjunction with the Boat Parade. Mr. Simon replied the Board has given direction to stave with regards to incorporating the tree lighting into the Boat Parade event. He does not think it needs to be identified specifically for the budget approval. This was additional direction with existing events which would be

approved. Attorney Duhy indicated if a budget amendment was necessary at that time, this item can come back to the Board.

Motion

Chair Grant motion for the budget approval with the direction of a tree lighting to be available at the Holiday Boat Parade. Commissioner McCray seconded the motion.

Attorney Duhy wanted to clarify the motion for approval was for Resolution No. R18-02 Adopting the CRA Budget for FY 2018 – 2019 and providing for an effective date which has been presented.

Board Member Casello asked if the costs for the Holiday Boat parade were being shared with any other Cities. Mr. Simon replied the City of Delray was matching all of the marketing expenses related to the joint effort. Each City was taken care of costs on their own site. Board Member Casello noted he like the idea of the tree lighting at the Boat Parade. The most successful tree lighting was after the holiday parade with a large number of people.

Vice Chair Romelus asked about the \$100,000 in the contingency fund.

Ms. Hill replied this was for hurricanes and other disasters. This fund rolls over each year. Board Member Katz asked if there were restrictions if the board would try to do something on the bridge. Mr. Simon responded there are many different agencies which must be coordinated in order to do anything with the bridge. Chair Grant stated the intracoastal bridge was part of the Federal Government.

Chair Grant acknowledged there a motion with a second on the table.

Vote

Unanimously passed.

E. Consideration of Responses to a RFP/RFQ for Redevelopment of CRA-Owned Properties within the MLK, Jr Boulevard Corridor

Attorney Duhy stated after the presentation staff could do a summary, and choose the appropriate respondent. A ranking sheet has been provided for board rankings.

Presentations:

Michael Pecar, Neighborhood Renaissance, Inc., Real Estate Development Director, thanked the board for the opportunity to present the proposal of the MLK corridor. Mr. Pecar provided some information on Neighborhood Renaissance, Inc.

Currently Neighborhood Renaissance was working with the CRA in the City of Lake Worth completing the construction of Westwood Art lofts. This was a community of 8 townhomes for sale to artistic and creative households, four of these townhomes are available for low income households through the purchase assistance program which Neighborhood Renaissance were awarded through the County. Also included was a 200 square foot commercial building which was being offered at an affordable rent to attract established new innovative businesses in the City of Lake Worth. In August construction began on Mango Cove, a 36 apartment unit community on Florida Mango Road which will be ready for occupancy in 2019. The rents will be below market value. These units are affordable to households earning less than 120% of the area median income. Their partner was Palm Beach County.

Mr. Pecar introduced his team to the Board. Stated the executive team has more than 90 years of experience in all aspects of commercial and residential development.

The proposal consists of a mixed use, mixed income project with three components: Commercial space, affordable apartments, and infill homeownership opportunities. The commercial component consists of two 4,300 square foot buildings, built in two phases, within the CRA-owned parcels located at the northwest portion of the corridor. The commercial/retail component consists of a mix of retail/cafe shops, restaurants, exercise classes and personal care services, office space, daycare or pre-school, and/or neighborhood services with affordable rent preference for local businesses and initial offering to other nonprofit/community based organizations. On the CRA-owned parcels, south of MLK Jr. Boulevard. Neighborhood Renaissance has proposed 80 affordable multi-family rental units, and six attached "live-work" townhouse units with studios on the ground floor fronting MLK Jr. Boulevard. Neighborhood Renaissance has also included single-family homeownership opportunities of \$180,000 to mid \$220,000's, up to 120% of Area Median Income (AMI) and a 15-year maintenance of affordability period, for the remainder of the CRA-owned parcels scattered throughout the eastern portion of the corridor. The overall project design is generally consistent with the CRA's urban and architectural design guidelines.

Financing was proposed using CRA owned parcels with \$1.2 million in CRA funds plus an additional \$400,000 in CRA funding as a loan for construction of the commercial portion of the project. Financing for the 80-unit apartment complex would be either through SAIL (State Apartment Incentive Loan) funding, 4% Low Income Housing Tax Credit (LIHTC) funding, non-competitive tax-exempt bonds, or CRA Tax Increment Revenue funding (TIF), depending on various conditions and assumptions. If SAIL funding is used in conjunction with tax exempt bonds and 4% LIHTC. The townhouses would be built as "for sale units". The applicant, Neighborhood Renaissance, intends to lease the commercial space at below market rents and encourages the creation of an urban gardening program and other community engagement activities to take place within the area. Local hiring and training and community benefit programs and goals have also

been incorporated into the proposal utilizing a local nonprofit to provide outreach and resources to and from the community.

A comprehensive approach to the redeveloped of the Martin Luther King corridor includes three components, affordable rents, attractive commercial and retail usage and home ownership. This proposal includes a commercial retail building on the CRA's north parcel which will provide economic growth opportunity to local entrepreneurial and business owners as well as needed goods and services to the existing and new residents of the Heart of Boynton. There will be an apartment complex, which will be affordable to household income which would be less than 60% of AMI. There is a mix of homeownership, single family and townhomes. South of the retail are six live work lofts. The plan was to develop all three components at the same time for maximum impact. This approach has worked in the past. The cost of this development was over \$27M. Neighborhood Renaissance was asking the CRA for the investment of land, lump sum contributions, loans and annual tax increment funding. The commercial building and plaza will need an investment of \$1.6M, the apartment complex which has from 80 to 100 units, would have a variable investment, it was dependent on whether or not they receive Florida Housing Financing funding as the SAIL around as low as \$2.8M to as much as \$6.8M if they are unsuccessful with Florida Housing Finance. The construction of ten homes and townhomes will require purchase assistance to the buyers of approximately \$34,000 each. This was a large commitment. If the entire program was implemented this would be a catalyst for future private investment in the corridor and in the Heart of Boynton. The CRA and the community return of its investment will yield many economic and community benefits.

Mr. Pecar indicated the apartment development was a maximum of four story building. The parking was hidden from the public street and sidewalks behind the building. The building was setback from the property line in order to accommodate water, sidewalks, canopy, trees, landscaping, street parking and new street lighting. The apartment complex would be completed November 2021. The proposal required acquiring private property. It is and was included in the costs. There have been conversations with the private owners and if selected their plan was to enter into negotiation with the private owner during the due diligence period to have a purchase contract in place to make an application with the Florida Housing Finance. The financing strategy would include making the SAIL application November 27, 2018 for approximately \$6.2M of SAIL funds to be used with 4% tax credits and bonds. If they are unsuccessful they could use the CRA tax increment revenues in the amount \$625,000 per year with 4% tax credits and bonds. The other alternative would require no contribution except for land from the CRA. This would require to wait one year for the next round of 9% tax credits. The current 9% tax credits were due October 25, 2018. In all cases they would pursue other financing and subsidy sources including the impact fees that the County has for affordable housing each year.

The first phase of commercial development includes a 4400 square foot retail building and a public plaza. The parking was behind the building. The plaza could be used for farmers and craft markets and entertainment events during the year. They hope to be able to attract people from the Heart of Boynton and outside as well to introduce them to what they have to offer. The retail building includes three to four micro retail units which were as small as 250 square feet and can be leased for a period as short as one week to 6 months. This will give the opportunity for the entrepreneur the ability to test their concepts. They see them being leased by craftsman's, artist, inventers, smoothies, ice cream or bakery shops. Mr. Pecar indicated this could be done by June 2020. The financing strategy would be the rents will support a \$300,000 first mortgage, a CRA contribution of \$1.2M, a 20-year loan from the CRA of \$400,000 and a tax increment funding for 15 years at \$12,000 per year. An alternative was called an opportunity fund, which provides equity and loans at a blended rate of 3.2%, which brings down the cost of financing.

Homeownership includes six live/work townhomes which are adjacent to the apartment complex and across the street from the retail plaza. They have up to four townhomes or single-family homes on the balance of the block would be offered for SAIL to the owner/occupant for the price of \$180,000 to \$220,000, which was affordable for households earning less than 120% of the area median income (AMI). It would require a subsidy of approximately of \$34,000 per unit. Mr. Pecar stated they have a good track record on their homeownership projects of obtaining Federal, County and local funds for down payments assistances for the buyers. The completion time would vary. They would be working with the Faith Based Community Development Corporation (CDC) for community input during site plan and building design. The CDC will implement the local hiring and procurement program to use local workers for the projects.

The benefit would be an increase in real estate tax bases by an investment of \$27M, and increase the availability of affordable housing in the area. They want to create a homeownership market in and around the MLK corridor. The new community serving uses would be valuable, including the retail commercial and office space which was being provided. Economic development by bringing in jobs during construction and permanent employment during the operation of the retail commercial stores.

Board Member McCray asked if the Neighborhood Renaissance was awarded the contract when they would begin to schedule meetings to hear what the community wants. Mr. Pecar replied they will work with the CDC. Neighborhood Renaissance has been in the City of Boynton and they will work with the Coalition of Clergy along with the other neighborhood groups.

Board Member McCray asked how fast would Neighborhood Renaissance meet with the community. Mr. Pecar advised as soon as they are selected.

Board Member McCray inquired who was responsible for the advertisement. Mr. Pecar responded they would be responsible with the help of the local CDC. They take full responsibility for all the advertisement of community input meetings.

Board Member Casello inquired if he could go over the finance plan and what was he looking for from the CRA. What was the best and worst scenario?

Mr. Pecar replied for the retail they need \$2M in construction for a 4400 square feet building. The affordable rents; they rent would support a first mortgage of \$300,000 and in addition they need to make up \$2M. They are requesting \$1.2M of CRA contributions, \$400,000 a loan of 20 years to be paid back to the CRA. And the TIF created by the project, that would be \$12,000 per year for 15 years.

Board Member Casello indicated he wanted to clarify what was needed, \$1.2M in cash, \$400,000 loan, and \$12,000 per year of TIF funding.

Board Member Katz asked if that included the CRA land as well.

Board Member McCray asked how successful they had been with receiving tax credits.

Mr. Carlos Toledo, Development Manager noted the 9% tax credit process was extremely competitive. Explained sometimes it has taken years to complete a project. Local government contributions are required, which was usually \$600,000 and there was competition against other municipalities and other Counties. It was difficult.

Board Member Casello stated the last one that they went through was with Ocean Breeze East there were 34 applicants. Once they won they had to go to court to verify. Mr. Toledo stated 34 within the six large County area. For each county there was a certain amount. The local government match was \$600,000.

Mr. Pecar said there are three different opportunities during a 12-month period. There was the 9%, there was the SAIL which was due November 22, 2018, that was not as competitive as the 9%, there was another one, which applies to redevelopment agency. The fourth one was they try to go on their own, the CRA tries to fund the project

Board Member Katz asked for the best and worst case scenario. Mr. Pecar replied this was for the commercial not residential. The apartment development was an 80 to 100 unit building. This was a \$27M project.

Board Member Katz summarized the total financial break down. If 9% tax credit was used the CRA would need to pay a certain percentage. Board Member Katz stated he would like to see a side by side comparison.

Mr. Pecar stated he had most of the parameters. If they received \$6.2M from the State for the SAIL fund, the request to make up the gap would be \$200,000 per year. About

\$2.8M was the present value. Without any help from the State they would need \$6.8M which is essentially what the SAIL would have provided.

Board Member Katz indicated the CRA does all the heavy lifting. He likes the idea of what was done for Ocean Breeze East. If the tax credits fail, they would be able to move the project forward.

Board Member Casello asked the value of the land owned on MLK. Mr. Pecar stated the estimated value of the land was \$800,000.

Chair Grant noted Neighborhood Renaissance did not include the area east of Northeast 9 Avenue or NE 3rd street. This was a current vacant lot CRA owns. Mr. Pecar asked if this was near the railroad tracks. The budget was part of the MLK Corridor. Mr. Pecar stated it was zoned Commercial and the Community Caring Center was going to build a facility there.

Chair Grant noted there was still uncertainty about the Community Caring Center. Asked if this was something he was willing to work with the Community Caring Center, Mr. Pecar agreed there was a lot of opportunity to work with the Community Caring Center.

Board Chair noted he has been speaking with people regarding moving the historic Woman Center of Boynton Beach. Currently that facility has 22 parking spaces, which was not enough parking. He believes this would revitalize that area. Inquired if that was something his company was willing to do.

Mr. Pecar confirmed they would definitely make it available.

Chair Grant indicated he has gone to the Grandview Market and they have revitalized the area. He does not think the small retail spaces will revitalize the area. The community has been asking for a grocery store or a larger consignment shop.

Board Member McCray did not agree with moving the Women's Center to the MLK corridor. He wanted to see an analysis.

(Vice Chair Romelus left dais at 8:16 pm)

Paul Bilton, Centennial Management, thanked the CRA for the opportunity to bring a vision of La Brisas Estates to the City of Boynton Beach. Centennial Management has been in the affordable housing business and the development business for almost 40/ years. They have developed more than 3000 residential units, most of which were affordable. Centennial Management has partnered with the City of Hallandale Beach, Miami, and Town of Davie to complete affordable housing communities. They have worked with the City of Boynton Beach CRA to create Ocean Breeze East. Centennial Management has the ability to do everything from A to Z, from acquisition, development, which includes a construction division, as well as property managers. They specialize in

multisource financing, provided letters of commitments from various banks and various options. Centennial Management current portfolio includes 3000 residential units, 900 square feet of residential and commercial buildings. Part of the plan was to approach Florida Housing Finance Corporation for tax credit funding, or SAIL funding.

Centennial Management was committed to providing 2500 square feet of commercial space. The site plan would vary based on the number of units which the CRA would prefer them to pursue.

The maps are where they show which properties can be acquired by private owners and the CRA. The most viable financing option was 1-A. Centennial Management would build 90 units, apply for tax credits to do so without acquiring land from anyone else. If they fail to get the tax credits they would move on to SAIL funds. If that did not work, they would speak with the City about TIF fund. Centennial was willing to purchase the lots on the North and South for \$2M, if the City of Boynton Beach CRA would give them up to three years to go through the application cycle. Centennial Management were willing to give the CRA a reverter clause so the property would go back to the City.

Chair Grant stated the 13th option, the CRA would not get any of the Florida Housing Tax Credits, Centennial Management has the option of the CRA grant of \$1.2M plus the CRA tax incremental revenue for 15 years for a total of \$1.5M. Mr. Bilton replied yes. Chair Grant asked if that was the worst case scenario. Mr. Bilton stated that was one which would not be talked about when you see the TIF amount. This would be the worst case scenario.

Chair Grant stated there are so many different options available. Asked if there was anything else other than the financing for the MLK corridor. Chair Grant indicated the CRA was looking for retail. Asked about the Bell property which included Robinson Barbeque. Chair Grant stated he believed the property was zoned MU1 not MU2.

Mr. Bilton responded the representative for the Bell properties was asking \$2M for a property which would generate only 12 units.

Board Member McCray inquired how Centennial received the project name. Indicated they are not a Spanish District. The Board want the MLK corridor to be a vibrant place with various shops, they do not want a housing project.

Ms. Swezy indicated the City was investing a lot of money to revitalize the area.

Board Member McCray said he understands and wants to go for a thriving City. He cannot support a housing project on MLK Boulevard.

Board Member Katz said the potential residential units has the potential to have some retail units.

Mr. Swezy stated they would be more than happy to do that. Many times they build them and they remain empty. They are willing to close on the land to help the City recoup the money they have already invested and provide a beautiful new community redevelopment with new apartments.

Board Member McCray stated when you build them they may come. The Board was looking for retail.

Chair Grant indicated there was a cost to have retail that was something that could be discussed. The Board was trying to select a partner to move forward with the MLK corridor.

Mr. Bilton stated in order to fund the retail portion, they were willing to pay \$2M. There was a lot of flexibility.

Board Member McCray stated he understands they are willing to work with staff and the City. But what he does not hear was that they were willing to work with the citizens.

Vice Chair Romelus thanked Mr. Bilton for the financial breakdown. First of all, this project was missing the homeowner aspect. The City wants to create affordable housing, but also create a vibrant business community. Vice Chair Romelus felt there was no honor being given to an historically black community. Stated there was a lot of work which needed to be done. She was not sure if it was on the CRA part, but she was expecting something different.

Board Member Casello stated he does not feel they should go on a racial divide. The City can build some property and the property remain empty. We are trying to break down the racial barriers. It was for the good of the whole City. It was not about the Black community versus the White Community. People from all districts should be able to shop. Board Member McCray stated they are not trying to racially divide the City. Every City in America has a historically black community. They have their own identity. Many things were taken away from the Black people in Boynton Beach. We have heritage, this was not racially divided. Vice Chair Romelus pointed out Board Member Casello was a person of non-black origin, and did not have that experience. This was never a black or white issue. This was historically a black neighborhood. She believes they have an obligation to attract other people when they come to see a historically black area. Vice Chair Romelus wanted to honor community. She was not asking for a divide. They are asking for the revitalization of their neighborhood

Board Member Katz related in regards to the cultural component, he assumed the cultural component would be the art component. He believed that plaques pay homage. He has a couple of concerns. He liked both companies; having those dollar comparisons would be nice, some type of comparable, which may change the dynamic. CRA staff direction should provide a comparison. He would like to see it side by side. There was no urgency to approve now versus 30 days from now. The \$2M for the Bell property would

produce 11 units, was mind blowing. He said personally, in supporting any proposal, that if the CRA would not put in some heavy funding, if they were not willing to negotiate a reasonable cost.

Vice Chair Romelus asked what they were willing to change about the proposal, such as homeownership aspect, incorporating more retail space, single family housing. Mr. Swezy said currently their plans did not incorporate those lots. They can build single family housing. Vice Chair Romelus asked about the adjacent lots to build single family housing for home ownership. Mr. Swezy replied they can build some townhomes. Vice Chair Romelus asked about retail on the first floor. Mr. Swezy indicated it was possible to have some retail space. Centennial Management was willing to work with the City.

Chair Grant said looking at the RFQ, on CRA property, the future land use map which was given was mix use low. What controls the mix use low at density cap 20 units per acre? The mistake was made with 40 units. Mr. Swezy replied the CRA staff requested a review on those recommendations on both the east and west side. In the new zoning matrix, there was a one, two and three. There are areas which allow for a 30, 40 units. This was something which could be discussed.

Chair Grant stated MU2 was not in the current future land use. Mr. Swezy stated they needed to do a land use change. The City Commission and the process governs the City's direction.

Mr. Swezy stated the vision in the plan was for multiple units.

Chair Grant asked if they were moving forward with the ranking. They have the ranking system which the CRA staff completed. Board Member Katz said as it pertains to the ranking system, the board never ranked any of the proposals which staff completed. It seems the impetus of more control, to provide an opportunity to do this. He has a personal philosophy, they are elected officials, political and objective. He viewed the ranking to be an expert analysis, which was political and objective. He was not going to complete the scoring form. He lacks any expertise to evaluate applicants on this level. He believes this was the responsibility of staff. Board Member McCray said he was on the same avenue as Board Member Katz. In his opinion a lot was lacking in both presentations. He did not see any retail. He needed to rely on staff. The first one did not give any comparison, the last one did not emphasize retail. They need more time to go through this again. He was not satisfied. Chair Grant agreed with Board Member Katz. He would prefer staffs' ranking. Board Member McCray asked staff if they have seen the presentations or were they as confused as the Board.

Mr. Simon responded there was potential in whichever organization would be selected to begin some discussion. Staff will take the comments tonight and bring back more details or begin some discussion in greater detail with the selected respondent.

Board Member McCray asked when staff will meet with the citizens in Boynton to find out what they want. There need to be dialog. We needed to make sure that we are on the same page.

Mr. Simon envisioned this process being similar, once a company was selected, to discuss the different options and what they were willing to commit. As with Town Square they had four or five meetings with the citizens regarding the themes. There was an opportunity to engage the community with the developers, rather than just trying to have the developer to figure it out.

Board Member McCray noted when all of this started the CRA, held charrette in District 2. The citizens in District 2 met several times.

Mr. Simon responded the CRA have the records from 2014 and 2016. Board Member McCray stated they met in the 90's. Inquired if anyone have those records.

Vice Chair Romelus stated she would not be ranking the individuals. She believes this process was a wash. She does not feel that either applicant brought back what the Board was looking for. She believes they need to go back to the drawing board.

Board Member Katz stated as a reflection and a recommendation, Mr. Simon described this project, as having a number of variables, unlike Ocean Breeze East. The proposal cast a large net. The Board said they did not want to bind or restrict the market demands. Both companies are highly qualified applicants. When too many options are given it becomes detrimental. Board Member Katz stated he trusts Mr. Simon and his staff. He would recommend coming back before the Board within 30-90 days to narrow the scope.

Attorney Duhay stated the board has options. One would be to have staff to do an analysis and make a more detail presentation of the financial options. would be possible for the Board to agree on criteria or assignments and ask each of the proposer to give them a certain period of time, during which time they could present different proposals for development.

Motion

Vice Chair Romelus indicated she would take the Board Attorney's advice in terms of having a 60-day period to allow for both applicants to come back with something which was more amenable to the Board; such as homeownership, retail, and honoring the black community.

Board Member Casello thanked both applicants for responding to the RFP. He understands it takes a lot of hard work and time to put this type of thing together. His question was it help the applicant to have some talks with the community and come back with more of a focus or idea what the community wanted. Board Member Casello stated they know what the board wants, but they would know what the community was asking.

Mr. Simon stated there was public here this evening and they could add to the discussion.

Board Member McCray seconded the motion.

Board Member Katz directed staff to give applicants 60 days to fine tune their presentation.

Mr. Simon stated having a few specific items the Board would like the applicants to work on was the key to releasing the companies.

Chair Grant asked can they extend the RFP and the cone of silence for another 30 days based upon the new requirements.

Attorney Duhy stated there was no need to extend the cone of silence because there was no selection made. All of the dates were variables. It purposed the board could come back in October. The cone of silence applied until a decision is made. Mr. Simon was directed to recite the criteria to both applicants.

Chair Grant stated Centennial Management was speaking about a November tax credit, and if we extend this they would not be able to get any type of housing tax credit for this fiscal year. They would need to wait until the next fiscal year.

Vice Chair Romelus stated she was not in a rush, especially since one of the applicants was proposing to try to get the 9% tax credit. There was no rush. Chair Grant stated he feels there was a rush to get development on MLK. Vice Chair Romelus stated she agreed, but she wanted it right.

Board Member Katz clarified the new information required to select a name to pay homage to the local community and culture, incorporate mixed use to allow for additional retail commercial development on the first floor, to allow for a walkable avenue, affordable housing is preferred. He does not know what to do in regards to the homeownership opportunities because when building multifamily units and four stories it becomes harder to sell condos in economically depressed area versus renting them. He does not know if this was being a conversion at a later date. He does not know what the direction of the Board would be in regard for homeowner opportunities when you are talking about not building single family units or townhomes versus the condos/apartments. These are the things he believes need to be fine-tuned.

Vice Chair Romelus noted she would like to hear from Mr. Simon if there was anything which needed further clarification.

Board Member Casello noted the applicants have direction.

Chair Grant stated he agrees with Board Member Katz regarding the homeownership opportunities. The CRA has provided homeowner opportunities in the Cottage District. There were 11 new homes available on N.W. 11 Avenue. Advised multifamily housing

and affordable homes do not work well in the same area. Vice Chair Romelus responded she would like to be given options.

Chair Grant requested a breakdown. Mr. Simon replied Board Member Katz presented the opportunities: review of the cultural neighborhood, component of the mixed use, walkability component, some type of possibility of a townhouse or some other type of homeownership within the zoning areas. In addition to those he would add further detailing of the financial planning, recognizing it maybe several options. As a development community, he would expect them to hone in on the best ones. It does not matter if it was 5 or 6, 13 was too much, 2 was not enough. Which would be easier to do with the additional time being allotted.

Chair Grant inquired about the deadline for staff to review. Attorney Duhuy stated it was November 11th would be 60 days.

Chair Grant asked how much time would staff need for the November 11th meeting. Mr. Simon responded by October 26. Mr. Simon stated 60 days to bring back to the Board was November 13th.

Chair Grant asked how much time would staff need. The Board would not look at it until October 29th. Mr. Simon stated the Board will direct the same evaluation committee to work together.

Vice Chair Romelus noted this was being reviewed by staff. Mr. Simon indicated yes. Chair Grant stated he would like to see their numbers.

Chair Grant stated there was a motion for 60 days to be extended based upon the new requirements.

Attorney Duhuy believed the motion was to approve direction to proposers as stated by Executive Director Simon.

Vote

Motion unanimously passed.

Board Member Katz noted to the two applicants he knows everything which was said will drive up the costs of the project. Don't be dissuaded from the discussion. There was consensus on the Board to try to move this project forward, they are looking to invest, if the price tag goes up and what the community wants and it fits, then they will move forward.

Mr. Simon stated they placed an additional \$400,000 in next year's budget, it was \$1.6M instead of \$1.2M.

Vice Chair Romelus suggested doing their homework on this community.

F. Update Regarding the Sunrise City CHDO and the CRA Owned Properties Located at NE 4th and NE 5th Avenues, a/k/the Cottage District

Thuy Shutt, Assistant CRA Director indicated since the last meeting they have met with Sunrise Cities once face-to-face and once on a conference call. Sunrise City proposal was to presell all the units using section 8 vouchers, for the homeownership component, and give the CRA back \$1M and also the board direction was to make sure to maintain the price point at low to mid \$200,000 for those units. Since that time in August their team has added and subtracted numbers to their partnership and that was a concern. The changes are listed as change of Miller Land Planning, Inc. to be replaced by Aaron Taylor, Prof. Land Planner. Resignation of Eugene R. Fagan III, Technical Principal, Assante Architects. Addition of Bryan Fenney, Financial Consultant. A Bio has been requested but has not been received.

Ms. Shutt stated the CRA staff met with representatives of the Sunrise Cities CHDO (SCC) team to discuss the number and types of units, the proposed financing option (Section 8 Homeownership Voucher Program) or alternative which would provide the same price points (without the Section 8 Vouchers), and the overall feasibility of the project, including but not limited to, the funding commitments, amount and timing of the payment for the CRA-owned properties, and the overall project schedule.

The Sunshine City original proposal indicated that all the units will be sold prior to breaking ground through the Section 8 Homeownership Vouchers and a payment of \$1,065,000 to the CRA for the CRA-owned properties. Upon further discussion with representatives of Sunrise City, it was confirmed that only Public Housing Authorities (PHA) are able to give or administer the Section 8 program and that only 10-15% of the 61 total units (6-9 units) will be funded by the vouchers. SCC also indicated that there is no current partnership with a Palm Beach Count Public Housing Authority (PBC) PHA to commit to funding the required project based Section 8 Vouchers for the Cottage District Project, but they have had talks with a PHA serving the Deerfield/Boca area. Alternative financing options were mentioned by SCC for the remaining units (52 units). These include financing from a Community Development Finance Institution (CDFI), a loan, contribution from the CRA, home pre-SAILs, and private equity investors. Commitment letters from participating lenders or funding sources were both requested by CRA staff as well as the additional documents listed in the August 20, 2018 meeting notes.

Staff performed due diligence on Sunrise City Community Housing Development Organization (CHDO) representative projects in Pompano and Broward County and its financial capacity. Staff's research of the public records indicate that the two units have been completed, however, construction on the remaining two units have not begun and is out of compliance with the executed 2016 development agreement.

Staff has concerns with the team's turnover rate and departure from the original submission as the negotiation process is limited to the terms and conditions which are substantially similar to the original proposal. Unless otherwise directed by the CRA Board, staff will continue to work with SCC during the negotiations process to develop terms and conditions which are consistent with the RFP/RFQ and are in the best interest of the CRA.

Sunrise City stated they will have the \$1M at the end of the sale of the 61 units. Staff did some due diligence regarding their projects. The other partnership they had was with 5 nonprofits in the Sunrise area. Out of the 23 which were in the package, 19 were given back to those nonprofits, only 6 has commence construction.

Staff has some concerns about their financial stability. The Board has the option to end the contract negotiation. Staff could go to the next proposer or reject all proposals. Board Member Katz stated they were going to provide the money now only after the pre-sale of all units would they do that. Ms. Shutt indicated they are reconsidering the 100% section 8 voucher program.

Board Member Katz asked how many days are left on the initial negotiation in terms. Ms. Shutt responded another month.

Board Member Katz's recommendation was to continue to work through that time frame. If staff does not improve their outlook on the viability of the firm to complete what they allege they were capable of doing, including maintaining the price point he believes at the end of the negotiated term and staff was not satisfied, then move on to the second applicant.

Vice Chair Romelus stated in her opinion she feels the applicant has showed their true colors. She does not know what happened to this applicant. They seem to have a good layout. Now everything was falling apart. Their entire message states they have fallen apart. This decision was based on what was proposed and that has since changed. They have not kept up their part of the bargain. She does not want to give them an additional 30 days. She believes they should cut ties and move on to the next applicant.

Board Member Katz stated he was in agreement with Vice Chair Romelus. He would like to go to applicant #2

Motion

Vice Chair Romelus moved to end the contract negotiation with Sunrise City and move forward with the second applicant, Neighborhood Renaissance. Board Member Katz seconded the motion

Chair Grant opened to Public Comments.

David Katz 7 Midwood Lane recommended not moving on to the second applicant. At the end of the RFP he recalls seeing pictures of cottages. They are high density townhomes and Home Owners Association (HOA). Single family homes for home ownership. The Board should reissue the RFP. Stated this goes back 8 or 9 years. It was a slap in the face to the City to build another project. The biggest cost of any project was the land. Suggested the Board offered the land at no charge.

Susan Oyer, 140 S.E. 27 Way, stated this was the City of Boynton Beach shining jewel. Suggested keep it to cottages. She was assuming they would have a lot of traffic once Town Square was built. There are pockets in Boynton Beach and each are unique and they will create their own little neighborhood. Please go lower density, single family homes.

Perry Ecton, Executive Director of Sunrise City, stated the density was too high. Having 25-30 single family homes does not require rezoning. It could be done in 18 months. He would agree not to move to the second applicant. He would place this back on the street for single family housing with 30 units or less. The right thing to do was a single family. We will come back we have private finance in place, if this community was asking for single family, small density.

Minister Bernard Wright, 713 NW 2 Street, contended this cottage district has been in place for a long time. This was a residential area of family homes. He spoke with some of the residents. He would not want to wake up and see a big building. The American dream is to have a single family home. He stated he would like the community to have single family homes. Minister Wright stated he would like to see cottages as opposed to skyscrapers.

Board Member Katz wished these speakers were at the previous meeting to advocate. This was exactly what the number two firm purposed a project with winding residential streets, almost exclusively single detached units, maybe there were 6 or 8 townhomes out of 31 homes. This was described as not being a cottage district.

Ms. Shutts stated the original Neighborhood Renaissance had 39 units, 21 single families one stories, 18 townhomes with two stories, all the amenities which were requested. The one thing which was identified was the City capacity for a fee waiver. If the Board wants to move forward with Neighborhood Renaissance to negotiate converting to single family or reject all bids.

Board Member Katz stated per the motion on the table to go with the second firm, the Board can direct the second applicant. If the desire was to reduce or eliminate the townhomes that would drop the price of the project because the density was being reduced. They have heard residents advocating scrapping and starting from square one. One of which was the company which was selected and produced an undesirable product. He has no intention of recasting another RFP to allow the selected firm to reapply. He will not vote for a company that they must redo the process. As Vice Chair Romelus stated, the Board has seen their product and it was not going to happen. The

Board has a sound company which came in second place by a single point, which was the preferred choice of staff, per the recommendation or desire was to reduce or eliminate townhomes and make sure the façade on those properties are in the style of cottages. He believes the number two company was fully capable.

Vice Chair Romelus requested clarification of the financial implication to the CRA for the Boards' second choice. Ms. Shutts responded the CRA contribution would be the land donation at a cost of \$1.12M, an additional infrastructure cost of \$1.2M and the infrastructure waiver fee. The \$1.25M of infrastructure cost through negotiation could be vetted out. Neighborhood Renaissance was asking for \$2.3M for the CRA portion. The Neighborhood Renaissance have financial commitments for construction of revolving loan funds, to build as they sell them. There was commitment from Florida Community Loan to fund the construction costs.

Mr. Pecar responded the cash out of pocket was \$1.4M which goes toward infrastructure, improving the streetscape, lighting and the rest goes towards land value. The townhomes could be split into single family homes. As far as design change in materials and use of hip roofs. He believes reducing the total number of townhomes would bring down some of the construction cost.

Ms. Shutt noted there was a 11.5% Neighborhood Renaissance developers fee versus Sunshine City 6% contractor's profit that would need to be negotiated.

Chair Grant asked if the Attorney Duhy felt everything was in order. Attorney Duhy stated to wrap it up.

Chair Grant indicated the motion on the floor was to end the contract negotiation with Sunshine City and begin negotiations with Neighborhood Renaissance.

Vice Chair Romelus indicated her motion stands. She would like to reiterate as staff moves into negotiations with Neighborhood Renaissance, she would like to provide as much opportunity for as many people as possible to provide homeownership. She does want the cottage appearance. She was willing to support Neighborhood Renaissance.

Vote

Motion unanimously passed.

Chair Grant directed staff to see how much the cost would be for moving Magnuson House to the Cottage District.

Board Member Katz stated the price of the move would be a deterrent in regard to that parcel.

Chair Grant stated there was consensus.

14. New Business

- A.** Consideration of Interlocal Agreement between the Boynton Beach CRA and City of Boynton Beach for Funding Associated with the Sara Sims Park Improvement Project

Attorney Duhy requested any motion made was subject to legal approval.

Motion

Board Member Katz moved to approve. Vice Chair Romelus seconded the motion subject to legal review.

Vote

The motion unanimously passed.

15. CRA Advisory Board

- A.** CRA Advisory Board Agenda - September 6, 2018
- B.** CRA Advisory Board Meeting Minutes - August 2, 2018
- C.** Consideration of Registration and Travel Expenses to Attend the Florida Redevelopment Association 2018 Annual Conference on October 24-26, 2018 in Fort Myers, Florida

Attorney Duhy informed the Board the CRAAB Board decided to send one member to attend the annual conference on October 24-26, 2018.

D. Pending Assignments

- 1. Consideration and Discussion of the Letter Submitted by the Community Caring Center Boynton Beach, Inc. (CCC), for their property located at 145 NE 4th Ave, Boynton Beach, Florida

E. Reports on Pending Assignments

- 1. None

F. New Assignments

- 1. None

16. Future Agenda Items

A. 211 E. Ocean Avenue Block Project.

B. Discussion and Consideration of Amendments to the 2016 Community Redevelopment Plan, Modifying Future Land Use Recommendations for Properties Located in the Federal Highway Corridor District South (Totaling Approximately 5.7 Acres), Correcting Errors in the Heart of Boynton District, and Updating the Implementation Guide

17. Adjournment

Motion

There being no further business to discuss, Vice Chair Romelus moved to adjourn. Board Member Katz seconded the motion that unanimously passed. The meeting was adjourned at 9:51 p.m.



Queenester Nieves
Deputy City Clerk