

**CITY OF RIVIERA BEACH
PALM BEACH COUNTY, FLORIDA
MINUTES OF THE CITY COUNCIL WORKSHOP HELD
DECEMBER 18, 2017, 2017 6:00 P.M.
RIVIERA BEACH EVENT CENTER**

CITY CLERK CALL TO ORDER

CHAIRPERSON MILLER-ANDERSON: All righty. I want to call to order the Riviera Beach City Council Workshop, December 18, 2017, 6 p.m. Madam, roll call?

ROLL CALL

DEPUTY CITY CLERK BURGESS: Mayor Thomas Masters?

COUNCILPERSON PARDO: Where's the Mayor?

COUNCILPERSON DAVIS: He won't be here.

DEPUTY CITY CLERK BURGESS: Chairperson KaShamba Miller-Anderson?

CHAIRPERSON MILLER-ANDERSON: Present.

DEPUTY CITY CLERK BURGESS: Chair Pro Tem Tonya Davis Johnson?

CHAIR PRO TEM DAVIS JOHNSON: Here.

DEPUTY CITY CLERK BURGESS: Councilperson Lynne Hubbard?

COUNCILPERSON HUBBARD: Here.

DEPUTY CITY CLERK BURGESS: Councilperson Dawn Pardo?

COUNCILPERSON PARDO: Present.

DEPUTY CITY CLERK BURGESS: Councilperson Terence Davis?

COUNCILPERSON DAVIS: Here.

DEPUTY CITY CLERK BURGESS: Interim City Manager Karen Hoskins?

INTERIM CITY MANAGER HOSKINS: Here.

DEPUTY CITY CLERK BURGESS: Deputy City Clerk Jacqueline Burgess is present. City Attorney Andy DeGraffenreidt, III?

CITY ATTORNEY DeGRAFFENREIDT: Here.

DEPUTY CITY CLERK BURGESS: You have a quorum.

CHAIRPERSON MILLER-ANDERSON: All right. We'll have the -- a moment of silence followed by the Pledge led by Councilwoman Davis Johnson.

COUNCILPERSON PARDO: Somebody forgot the flag again.

INVOCATION

PLEDGE OF ALLEGIANCE

(Everyone stood for a Moment of Silence with the Pledge of Allegiance being led by Chair Pro Tem Davis Johnson).

CHAIRPERSON MILLER-ANDERSON: All right. We have a Discussion and Deliberation by Council, item number 1.

AGENDA Approval: Additions, Deletions, Substitutions AGENDA ITEMS

DISCUSSION AND DELIBERATION BY COUNCIL EACH COUNCIL MEMBER WILL DISCUSS INITIATIVES, REPORTS AND/OR PROJECTS IMPACTING THEIR DISTRICT AND/OR THE ENTIRE CITY.

1. **AMRIT WELLNESS RESORT AND SPA PROJECT, 3100 N. OCEAN DRIVE.**

INTERIM DEPARTMENT DIRECTOR: JEFF GAGNON (561) 845-4060

CHAIRPERSON MILLER-ANDERSON: All right. Miss Hoskins?

INTERIM CITY MANAGER HOSKINS: Madam Chair?

CHAIRPERSON MILLER-ANDERSON: Yes.

INTERIM CITY MANAGER HOSKINS: Staff is prepared to give a presentation on the project; however, since we have three projects listed as discussion items, I recommend that we limit the time for each item to about 45 minutes each. So the -- if we would wrap up discussions on the Amrit Project around 7:15 and then the next project about 7 -- around 7:55, if you all are in agreement with that.

CHAIRPERSON MILLER-ANDERSON: Okay.

COUNCILPERSON PARDO: That's fine.

CHAIRPERSON MILLER-ANDERSON: Okay.

INTERIM CITY MANAGER HOSKINS: I'll call Jeff Gagnon up first.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Thank you, Madam Manager. Jeff Gagnon, Acting Director of Community Development. So what I want to do tonight is run through the agenda item summary backup and really summarize verbally what was stated there.

CHAIRPERSON MILLER-ANDERSON: Can you pull your mike over a little bit, too?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: I'm sorry. Yes, is this better?

CHAIRPERSON MILLER-ANDERSON: Okay. Yeah.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: I always have microphone issues.

CHAIRPERSON MILLER-ANDERSON: Yes. We do, too.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Attached to that agenda item was also a link to the previous city council agenda back from October 12th of 2015 where the Amrit Development approval was originally granted by city council. Additionally, as backup there is a letter from, I believe it was November 21st, which is correspondence from city staff to the Amrit development team regarding both specific condition of approval and also project valuation, which has been determined by the City of Riviera Beach, specifically the authority vested in the building official, to be at \$175 million. Again, that letter was issued on November 21st and the City has not received a formal response to that letter at this point in time.

However, there have been ongoing discussions with both the Amrit development team and other parties associated with the projects. I also want to make note that this item was added during the December 13th Special City Council Meeting. So that's how it ended up in this workshop.

So with those most recent discussion points itemized in that November 21st letter, it's really most importantly the project valuation that's being discussed. It seems as if the Amrit development team does not agree with that specific valuation. That fee associated with the \$175 million valuation is approximately \$2.8 million.

I will say that previously the Amrit development team did provide permit fees associated with a different permit application. That was back in January of this year. That was based off of a building permit application for two towers and amenities, and that stated a project valuation of \$50 million. So associated with that were approximately \$830,000 of permit fees. However, again, there's still approximately \$2 million of fees due according to that \$175 million project valuation.

So during the ongoing discussions with both the Amrit development team and other associated entities, parties with that Amrit development, we've really tried to come up with a solution to really make everyone happy. The reality of the situation is the Florida

Statutes vests the authority in the Building Official to provide the project valuation, and that authority is binding.

So I just wanted to make it very clear that even if there is discussion of alternate valuation methods, there is an appeal process which would go through the Florida Building Commission, and that's the State-defined appeal process for any project valuation or for any determination made by the City's building official. So that would be my recommendation as far as appealing that valuation, and again, that's supported by the state statute. So I'm here to answer any questions you may have and thank you for your time.

COUNCILPERSON PARDO: Madam Chair?

CHAIRPERSON MILLER-ANDERSON: Yes.

COUNCILPERSON PARDO: Okay. So Jeff, can you tell us how much the Amrit has paid the City so far for building permits?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Yes, ma'am. Approximately \$830,000 associated with the building permit valuations submitted that valued the project at approximately \$50 million.

COUNCILPERSON PARDO: Okay. And in return for that money what did they get?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: With that it initiated all plan review services from the City. So it -- again, the City accepted that application, even though there is a condition of approval that speaks to submitting a full application packet which would be full fees associated with that project valuation. So we had been moving forward. We've reviewed the plans submitted. So it -- it did initiate that process. And that's, I guess, what they have received to date for that fee.

COUNCILPERSON PARDO: Okay. And for them to get a foundation permit, they would have to satisfy everything? The valuation of the project would have to be agreed upon so they could pay the rest of the building permit fees prior to them getting a foundation permit?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Right. So there is a section of the Florida Building Code that allows a permit to be issued for a foundation --

COUNCILPERSON PARDO: Okay.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON:

-- separate of the other review process. However, there is a condition of approval than the resolution. It's specifically condition number 3. And for the record, it states, "Building permit application and associated plans and documents shall be submitted in its entirety

and shall not be accepted by city staff in a partial or incomplete manner per the Florida Building Code."

So my analysis and understanding of that condition of approval was that the full submittal was to be provided to the City so that way it wasn't piecemeal or partitioned as far as how the development approval was to proceed.

COUNCILPERSON DAVIS: Section what?

COUNCILPERSON PARDO: Section 3. Okay. And then my other question is the -- or the valuation that you and the rest of your staff are putting together, does that take into account just hotel rooms, hotel rooms and condominiums or hotel rooms and resort units? What are you using? Because I know that you have that -- the chart in the back.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: So -- yes, ma'am. So --

COUNCILPERSON PARDO: Right.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON:

-- attached to that November 21st letter to the Amrit team --

COUNCILPERSON PARDO: Right.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON:

-- the International Code Council provides a building valuation table, and that's dated August 2017 so that's the most recent valuation table we have available.

COUNCILPERSON PARDO: Right.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: So we're utilizing the information within that data table, as well as regional information. We're -- we're lucky in some ways because we have other ongoing developments in the region.

For example, Harbor Point just recently applied. They submitted the full fee associated with their project valuation. They were issued a foundation permit. Vista Blue is -- is also recently being completed. So we have other regional data, also developments in -- in North Palm Beach, West Palm Beach. So we've been drawing from those regional pools to gain other data sources to create that valuation.

COUNCILPERSON PARDO: Okay. So I'm asking that question because the Vista Blue, the -- the Harbor Point, 5000 N. Ocean, the project that will be constructed will probably come -- be coming back to us shortly -- at the bottom of the bridge, the projects in North Palm Beach that you're talking about, those Kolter projects, those are all condominium projects.

So the Amrit, from what I understand, is -- they're building hotel units and then resort units. So I had a conversation with Mr. Barot because I was under the impression -- and you know, I'm also a realtor -- so from what I was hearing, they were looking to build condominiums. But after the discussion with him, the condominiums aren't being built. It's the resort units, which are something that the City approved back in, what, 2004, that -- you know, when they rezoned all of the parcels along the beach from the Marriott south, right?

So they could build resort units. So I would think the valuation would probably be less for a resort unit and hotel than for a condominium. So I just want to know, are you taking that into consideration? And is that why your numbers are different than what the representative from the Amrit (unintelligible) say?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: You are correct, Councilwoman Pardo, as far as that resort hotel zoning. That was implemented approximately 10 years or so ago.

COUNCILPERSON PARDO: Yeah. Longer than that.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Twelve, 13.

COUNCILPERSON PARDO: As part of a lawsuit.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Yeah. Right.

COUNCILPERSON PARDO: So that was probably, like, 14 years ago.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Right. There actually is a major difference between the two types of development where oftentimes the for-sale units are not necessarily built out completely where the hotel units are really finished. It's a finished product where you don't have individual buyers coming in and -- and retrofitting or designing units to meet their own personal tastes.

So the valuation is already provided within that overall cost while you may have a condominium unit come in and say, Well, the owner, when they purchase the unit, is going to pull additional building permits to completely renovate the interior. And that, of course, would generate additional building permit fees based on that value of work. So being that it has that hotel designation, it's kind of a complete package, I guess we'll say, as far as what's being completed initially.

COUNCILPERSON PARDO: Okay. So that valuation doesn't take into account with a condominium you can homestead a condominium?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Correct.

COUNCILPERSON PARDO: Right? If it's your primary residence. So you could homestead it. With a resort unit you can't homestead a resort unit.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Correct.

COUNCILPERSON PARDO: So that is a difference, right? So the resort units are really looked at as hotel units?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: As far as their valuation for --

COUNCILPERSON PARDO: In terms of valuation.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON:

-- they're finished. Yes, ma'am.

COUNCILPERSON PARDO: In terms of valuation.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Yes, ma'am.

COUNCILPERSON PARDO: Okay. So when -- when you and your staff were doing the evaluation, you're looking at all of these units, whatever he's building, 300 units or whatever it is. So you're looking at all of those units as a -- hotel units, not as condominiums?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Right. And actually the scope goes beyond just the units, because this development approval, again, it's -- it's a wellness resort and spa so there's a spa component. There's a commercial component.

COUNCILPERSON PARDO: Sure.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: The parking garage component where there's stacked parking that's being proposed. So all of those project elements are really considered by staff and form that overall project valuation.

COUNCILPERSON PARDO: So then why is there such a difference in the valuation between what we're coming up with and what the representatives from the Amrit are coming up with?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: That's a really good question. I don't think I have the final answer, unfortunately. But again, we have other regional information, for example, Harbor Point.

COUNCILPERSON PARDO: Right. Exactly. But we're going back to Harbor Point.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Just --

COUNCILPERSON PARDO: Right. So you're looking at that. Right.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON:

-- just for -- for --

COUNCILPERSON PARDO: But that's a -- that's a condominium.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Right.

COUNCILPERSON PARDO: And we're talking what? Forty units? Which I guess the number of units wouldn't make a difference. Right?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Right. So -
- so just for --

COUNCILPERSON PARDO: It wouldn't make a difference. It's a formula. But --

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON:

-- a square foot valuation ratio.

COUNCILPERSON PARDO: Right.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: So Harbor Point came back -- and again, it's not identical but it's -- it's similar and it's very close. So as far as any sort of empirical data that -- that staff can look at, we definitely want to look at that. So that valuation for Harbor Point was approximately \$162 per square foot. The current Amrit project valuation is approximately \$160 per square foot, as well.

So as far as comparing apples to apples, it may not be perfect but as far as development in the region, we feel as if it's very similar. And I guess my question would be to the Amrit development team, why exactly that is, as far as having such a great disparity in between what staff is valuing the project at and actual buildable costs. So going back to the original building permit that was submitted, their original valuation proposed was only 50 million. So I think that was significantly undervalued. So --

COUNCILPERSON PARDO: But was that for one unit, for one building, or for both buildings?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: So the building permit application specifically stated two towers and amenities for 50 million, which I don't think is possible.

COUNCILPERSON PARDO: And how long ago was that?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: That was in January, I believe.

COUNCILPERSON PARDO: Of 2017?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Yes, ma'am.

COUNCILPERSON PARDO: Okay. All right. So that's all I have right now. Thank you, Madam Chair.

CHAIRPERSON MILLER-ANDERSON: All right. Anyone else have any questions for Mr. Gagnon? Miss Hoskins, did you say Amrit were wanting to do a short presentation, as well?

INTERIM CITY MANAGER HOSKINS: Yes. We have Mr. Gary Hines from the Business Development Board that would like to speak and also Mr. Don DeLaney and Mr. Dilip Barot from Amrit.

CHAIRPERSON MILLER-ANDERSON: All right. Is there any other -- are there any questions for Mr. Gagnon at this time before we bring anyone else up?

COUNCILPERSON DAVIS: I'll wait until after the presentation.

CHAIRPERSON MILLER-ANDERSON: All right. So who's going to come next?

INTERIM CITY MANAGER HOSKINS: Mr. Gary Hines.

CHAIRPERSON MILLER-ANDERSON: All right.

GARY HINES: Good evening, Madam Chair.

CHAIRPERSON MILLER-ANDERSON: Good evening.

GARY HINES: Council members, Madam Manager. For the record my name is Gary Hines. I'm senior vice president of the Business Development Board of Palm Beach County. Also for the record I'm not employed by Amrit. My employer is the Business Development Board of Palm Beach County. But I am here to speak in favor of this project.

The primary mission of the Business Development Board has been for its 35 years of existence -- and I've been there 29 years -- is three-fold: to track companies, jobs and capital investment into Palm Beach County from outside of Florida. We assist companies relocating from outside our state. We also spend as much or more time helping companies here in our back yard grow and expand, all for the same bottom line: to bring tax revenue to the county and to municipalities, to bring jobs for our residents and to bring potential demand for products and services by other companies in Palm Beach County.

There are many investors around the country and in the U.S. that are looking for suitable locations for investing, creating exciting projects, jobs, capital expenditures that will greatly benefit the selected investment location. I give you a case in point: Just up the road, a beautiful project called Harbourside Place in Jupiter. That was \$150 million capital investment, a great coup for Town of Jupiter to land that. This is significant. \$100 million of that capital investment came from EB-5 money out of China.

For the past year I've met with two different delegations from China here representing wealthy -- very wealthy investors in China looking for investment opportunities. It's exciting. They could be looking anywhere in the United States, anywhere in the world. They've been here in Palm Beach County. Where are there opportunities for our clients to invest their money? Monies trying to flee from Asia or from other parts of Asia. And we have an opportunity to capture some of that investment opportunity.

In preparation for this meeting I went back through our records at the BDB for -- from 2010 to March of this year. So almost seven years. Our records indicate 15 corporate projects are assisted by my staff, our staff, landed in Riviera Beach. Some were relocations, some were expansions of companies that have been here some time like Lockheed Martin, for example. A great company. Congratulations to Riviera Beach for landing that blue-chip company.

The 15 projects account for a total of 1,085 new jobs and a combined capital investment of \$57.3 million. Six of those projects were assisted by our staff at the BDB in obtaining grants from the State of Florida to the tune of 13 and a half million dollars, primarily through the Qualified Target Industry Program. And they were qualified by the State for those incentives because they all were bona fide competitive projects. When I say competitive project, they had an opportunity to go to Georgia, North Carolina, California --

COUNCILPERSON PARDO: That's right.

GARY HINES: -- elsewhere. They didn't necessarily automatically have to locate in Riviera Beach. They were competitive. There were other companies. When my staff, when my team is in New York or Chicago knocking on doors, trying to convince companies to relocate here, guess who's in our back yard every day? I guarantee they're in Riviera Beach knocking on the door of Lockheed Martin, North Carolina, Tennessee, Alabama, throwing millions of dollars of incentives at those companies if they will leave this community, Palm Beach County, and our cities to relocate. So those were truly competitive projects, and we were successful in -- in retaining those businesses and those expansions here in Palm Beach County.

And in the case of those six particular here in the City of Riviera Beach so congratulations to the City. The three largest projects of those 15 in terms of new jobs were -- I'll name them -- TECOMET, Sancilio and Company, and Lockheed. Those three large projects, the largest three of the 15 I mentioned, created -- and are in the process of creating 653 new jobs. Now, listen to this. One project, the Amrit project, will create 659 full-time jobs here in Riviera Beach. Full-time year round jobs here in Riviera Beach. And they're going to look to hire people from this community.

One project is going to create more full-time jobs than the three largest that were assisted this past -- past several years by the BDB. All 15 projects that were assisted from this past March combined for 53 -- I'm sorry, \$57.3 million in capital investment. Building buildings, expanding buildings, leasing space, buying products and services.

That doesn't include the tax revenue they'll pay every year, each and every year to the City. But get this. Okay.

Again, those 15 projects account for \$57.3 million in capital investment. The Amrit project is going to have a capital investment here in Riviera Beach of more than double the investment of all 15 of those projects combined. More than double their combined investment. Mr. Barot and his investors want to make a major investment here in Riviera Beach. And already, as you heard from the previous speaker -- they've already spent some considerable dollars trying to move this project forward.

The City's agent CAP approved the Amrit project's foundation permit one year ago this month. A year ago your representative, your -- your -- your -- your agent approved the permit, the foundation permit, and they sent a letter to Amrit, said, It's ready to pick up. Here we are a year later. They don't have the foundation permit.

Now, I -- I didn't take Mr. DeLaney's word for it or anybody's word for it. I -- I said, I need to check this out. Is that allowed? Can you issue a -- in Florida can you issue a foundation permit before the final building permit? The answer is yes, you can. I -- I called Doug Wise who is the chief building official for Palm Beach Planning & Zoning Building. I said, Doug, can you do this? He said, Yes, Gary, you can do this. Done all the time. It's in the Florida Code. I said, Okay. There's one answer.

I said, I'm going to take it one -- one step further. I contacted Mr. Robert Brown, who's the building official for your neighbor to the south, City of West Palm Beach. I said, Mr. Brown, you're the building official. What does the codes say as far as a municipality issuing a foundation permit before the final permit? He says, Gary, it's done all the time. Yes, the code allows for that to be done. Here we are a year later. This company does not have their foundation permit.

Let me just wrap up and say this: We entertain prospects from around the country, around the world, every week. There are companies, as I said earlier, looking for investment opportunities. They're looking for a city that says, We welcome you. You're a clean business. You're going to bring capital investment. You're going to hire people from our city. We'd love to have you here. Unfortunately that's not the message that's been going out to -- to this project. I just wonder, you know, if down the road, potential investors -- it's not -- it's not my job. We -- we never steer a project to any particular city. Our mission as the Business Development Board, since we're a county-wide organization, is to get them into the 2,500 square miles that we call Palm Beach County. That's our market.

If the -- if the prospect that I'm working with says, Gary, I want to look into Jupiter. I want to look into Boca. I want to look in Belle Glade, fine by me. Okay? I just have one question to ask. And in light of the investment this company's already made, Mr. Barot and his investors, and the time that's passed by, you know, what are the next steps? They need your help, council members. And I think they're just asking one thing. I think Amrit is just asking to be treated fairly and justly. And that's all I ask this evening. Thank you very much.

CHAIRPERSON MILLER-ANDERSON: Thank you.

COUNCILPERSON PARDO: Thanks, Gary.

CHAIRPERSON MILLER-ANDERSON: All right. Who's next?

INTERIM CITY MANAGER HOSKINS: Mr. Don DeLaney.

CHAIRPERSON MILLER-ANDERSON: Okay.

DON DeLANEY: We've got a PowerPoint. I'm sure your staff will help boot it up. Thank you, Mr. Gagnon. My name's Don DeLaney. I pretty much met all of you. And I'm going to ask for your leadership and your direction to your staff to help them facilitate three things: One is the issuance of the foundation permit that my colleague Mr. Hines was just discussing. Two is to help them follow through on selecting an independent third party to address the building valuation to allow that to move forward. And three, for you to serve in a role of Solomon and give them guidance how to reconcile any differences that come about in that building valuation project. Reconciliation is going to be very important. First thing on the screen is a letter from the City's consultant of record, a year and three days ago saying, "Foundation permits are being issued now." Now, the development community, they see this, they believe it. And they move forward based on that the City's own consultant said they're ready to go. Nothing happened. Next slide, please. One more. Thank you.

So I thought maybe people got distracted over the holidays. I don't know. So phone calls were made, I'm sure, back and forth and February 1st you see -- 2017 -- CAP, your consultant, says, "Foundation work could proceed. We are processing the submitted package for permit today." That's back in February. No foundation permit. Nothing. So I thought, well, my God. I kind of do this professionally. I work with international investors. I work with cities all over the state of Florida and all over the nation, really. Jeff, could we go to the next one? Let's just make sure the South Florida Building Code says you can do this. So if you look here it says -- Section 105.13, "The building official is authorized to issue a permit for construction of foundation or any other --" on and on and on. Then it says, "The holder of such permit, though, should proceed at their own risk building operation without any assurance they're going to get their final permit." Okay. Let's look at another section of the State of Florida Building Code.

It says, "The building official is authorized to issue a permit for the construction of foundations or any other part of a building." But as you see highlighted again in yellow, it says, "The holder of such permit of foundation knows that it proceeds at its own risk without any assurance that the final permit be granted." All right. Well, that's customary. Mr. Hines just talked about that and this is -- this is the way it should be done. This is the way it is done. This is the way the state law says it's to be done.

Let's go and let's take a look at the next slide and say, I wonder if the City of Riviera Beach wrote something in its own code of ordinances that said, No, we don't want to do what state law does. We want to do something different. Well, no. Section 104.45, Special Foundation Permit. And you see right here, you can issue it. But the holder of

such special permit knows that they proceed at their own risk. I said, Well, gee, that's city code. They -- they ought to follow their code. And I was thinking.

So I went to Mr. Barot and his team. I said, Okay. You're right. I'm right. The code's right. This is the precedence. This is what other cities do. This is what other counties do. Maybe the city just want to get a letter from you saying, City, we -- we -- we -- we -- we understand we proceed at their own risk. Maybe the city wanted that. Say, I know the code says it. I know the state law says it, but you need to write us a letter before we're going to issue the permit that you understand you proceed at your own risk. Next slide.

Well, there it is. December 15th of 2016. The City writes, "We understand pursuant to the City Code, Chapter 1 -- Chapter 22, Section 32, the holder of such a special permit proceeds at his own risk." Still no permit. Next slide.

Now while we're looking at the checks they wrote, Mr. Hines pointed out, you know, they've been -- and Chairwoman Pardo also asked, "They paid 830 or \$40,000 and you haven't even issued the most basic permit?" So that goes into the three things I'm going to ask for. I'm going to ask for this board to give guidance to their staff to say, State law says it. Our code says it. The developer acknowledges they have their own risk. Other cities and counties do it. We'd like to be progressive in at least following the law.

You -- you may have had to ask your staff to be even more progressive and let's get people to invest in Riviera Beach, pay tax dollars here. 'Cause it's tough to juggle budgets. Hire folks here. Because jobs are hard to find. So that's what I'm looking for, the first main thing as I go through the next few things is to -- I'm going to ask you, give your staff guidance because staff may think -- some staff may think, well, we may do this and we may do that. And they may.

But what they -- what they shall do is what the elected officials guide them and says, This is our policy. This is our policy. And that comes from you. Because there's a stalemate here that none of us understand. Next page.

Now, let's go to valuation. Something interesting happened that I -- I never really experienced before. I was in a meeting with staff. And one of the interim city managers and Mr. Hines and I were there. And the staff said to me -- said to all of us, We're not going to issue the foundation permit until you agree on our building valuation number and write the check. That's not the way it's done. That's not the way it's done other places. You don't want to hold someone hostage to something like that. But that's actually what was said.

And I said, Wow, I gotta do some more homework. So I went back to Dilip's staff and I went to the city staff and I said, I need to look at what -- what have you all been -- been doing? Did you issue any valuation? And I found here on June 30th of this year an initial valuation done by a Mr. Terrence Bailey. Turn the page if you would.

Mr. Bailey did his homework. He did his best interpretation of the project which could be negotiated 'cause Councilwoman Pardo, you hit it right about hotel rooms as

opposed to condos and -- and homesteading. But that could have been reconciled if all the parties would have sat down. He did his math. Now, what you're seeing is the math is from that ICC code which is a normalized code that you use. Everybody plays by the same playbook. Then there's a regional multiplier. See on the top there? It says you take the number for construction, then you multiply it for what it costs to build in the region you live in. And he used that.

He used the Miami one and -- and if they would have sat down -- or if I'd have been representing this deal I'd have said, Oh, there's actually one for West Palm Beach. We can use that. But he came up with a number between 130 and 143 million. So 35 to 45 million less than the staff issued five months later. That confused the heck out of everybody and it started to create some uncomfortable feelings as to, Well, there's no building permit. It's -- it's -- it's hard to figure what's going on with the staff sometime in a few places. Let's go to the next slide. Now, this is the regional multiplier. It simply says if something costs \$100 to build in New York, Chicago or San Francisco, in West Palm Beach it costs \$82 and something cents. Now, let's remember that because that's going to be a big point in about two minutes. Mr. Bailey used the regional multiplier. He showed his work. He did his math. Things could have been interpreted there and I think we could have -- could have reached some type of compromise. So let's go forward to the next one.

This is when I got involved. Mr. Hines, my colleague there at the BDB, had some questions about the economics, the impact, and Mr. Barot said, Don DeLaney was our economist on this deal two years ago. I stood in front of whatever elected officials were here two years ago and did my economic pro forma. So he calls and I said, Absolutely. Let me come in and take a look. Now, I have as my clients, folks, two multi-national investment groups. One owns property in your city now and is asking me, Do some due diligence. See what they're like to deal with. 'Cause I'm in Europe. And should I just let the property go or should I invest it or what should I do? So my job is to do the homework and I'm paid and retained to do so. And say, Riviera Beach is a fair -- Gary, what's the word you do? Fair and --

GARY HINES: And just.

DON DeLANEY: -- and just place to deal with, or they've got some implementation issues or -- or what? I'm -- that's my job. The other group I have is some -- it's an oil money family from South America who wants to put money into the United States. And they look at the -- the Google satellite photos of Riviera Beach and the intercoastal and all and they said, Here. We -- and you're the guy so here. So I'm commissioned to do homework for them.

I was surprised by all this. So I got -- I got more involved. I said, Well, this is a good real case study for me to show my clients on an international level -- 'cause this is an international project -- that Riviera Beach has an international spotlight on it, how are they doing business? And I wasn't pleased with some of the -- the -- the disagreements -- just different vantage points I had with the staff. Didn't understand it at all. So I wrote this letter.

Now, I've met with several of you board members and this was my humble way to write something to the board and say, I think if I can get to the council and just talk to them, they may say, We're going to show some leadership and we're going to make a decision. So here's what I wrote. I wrote that, "The WRS team has been working diligently for a year trying to get their foundation permit."

Then I talked about all the letters I just showed you, that the first consultant said foundation work could proceed. The second consultant said it's ready. And that was nine months ago. Then I wrote, "I understand the city staff is holding up the foundation permit until the building evaluation amount is determined," which isn't what other cities and counties do. It's not what the state law says you have to do, which I just showed you. It's not my opinion. It's not what the city code adopted, which we just showed you, 'cause that's not my opinion. And we've been having trouble getting the city to provide exact figures.

The only ones they provided were the ones that I think could have been a decent starting place, which were Mr. Bailey's back in June. Next, please, if you would, please. So then I point that one out. I said WRS did, however, receive a building valuation amount in the 130 to \$143 million range from City staff in June 30th and the City has done a couple of its own contracts. Their original number several years ago was in the low 90s and their number earlier this year was at 104 'cause costs are going up. And here's what I was going to send to -- to council right away. And I'm confident if we could get -- if the council could order everybody to get in a room and say, You've got to come here with a spirit of goodwill. You've got to compromise. We're going to take the first one the City put up there, and we're going to take yours, and we're going to try to come up with something to move forward, and we're going to agree on a reconciliation in case there's a difference and you're going to move forward. You're going to issue the permit and move forward and Mr. Barot and your international investors, keep putting your money in, keep creating the jobs. Pay the 2 to \$3 million a year in taxes to this city 'cause they're carrying a lot of a load here. And I was going to just send it directly to council and I said, Stop. Stop. I want to give staff one more try.

And so I decided to send it to the interim manager, my old colleague, Mr. DeGraffenreidt, all the city staff. And I said, Let's try -- in fact, Jeff, could you go back one more page again? And so you see there the -- in the -- in the -- the black type ahead, here's what I wrote, "Dear colleagues, I developed this strategy as a way that we can continue forward towards a timely resolution to WRS permitting. My initial idea was to take it straight to council, but I believe we'd be better served if we consider it at a professional level initially. I'm asking that each of you review it, discuss it, but I do want to make sure that you're aware that this promise lingered for almost a year and if any -- without anyone articulating a way forward."

You -- you gotta -- you gotta have a solution. And that's what we're here for you all to give us now, the guidance. I have ideas but I had no power. "I look forward to your timely feedback and I hope we could reach a very quick meeting of the minds." Okay. Go forward to the next slide. And then the next one again. For a couple of months I heard nothing. Nothing. Then Miss Hoskins came on and she's put in, like, 29 years.

She's serious about this community. Once I sat and started talking with her and because I couldn't get any communication out of the staff -- just nothing -- I started meeting with council members. I met with several of you. I've gotten to know most all of you. Some I know through your profession. Some I know through sitting directly and you say, Mr. DeLaney, I've seen this slide show because you showed me all this, 'cause it's just the facts. It's just everything in public record.

Finally, though, with Miss Hoskins and Mr. Gagnon, we did get a response. We got this letter and at least open dialogue. And I want to applaud Miss Hoskins and Mr. Gagnon for finally responding because nobody else would for months and months. Now, what you see here, this is the 175 the City talks about. What you're going to notice is they didn't use a regional multiplier. They just took the straight ICC code as if the Amrit was building in New York City. Also, you see kind of on the bottom of the -- middle bottom of the right page where it talks about 5000 Ocean and 37 N. Ocean, which is Vista Blue, and they give their numbers for that, well, I asked for -- and I know Mr. Barot asked for -- 'cause he showed me the memo. I said, "You gotta show me everything in writing."

I said to the staff, "Could you show us your math on that so we can compare to the calculations on ours because it's just been a number. You jump from 130 to 140 to 175. You never showed us the number. Can you show us those two valuations?" I even did a public records request. I thought, no, I could go up and just wait my turn and -- nothing. Never seen the math on that. I wrote and asked again. Hand-delivered letters. I know all your staff by name. I had hot chocolate and I -- you know, but nothing. Nothing. Nothing.

So one of the things I would ask in addition to a foundation permit for this investor is ask them to show us the math. It's public record to show the math on how they did the other two. Maybe explain why they didn't do the valuation

with -- next page -- with what? The regional multiplier which is what you're supposed to use in the ICC code. Okay. So we weren't getting anywhere. We don't want to fight. We want solution.

So with Miss Hoskins, Mr. Hines, Mr. Gagnon, we sit down just like Thursday -- Thursday? Yes. Just the other day -- and said, Let -- let's -- let's find a way to work forward. Let's ask the City -- and I -- and I met with council on this, too. Everyone who wanted to meet with me. Met with council members and said, What if we picked a -- what if the City picked a third-party independent, professional that's qualified, and they come up with a valuation? And can't speak for the council, but I -- you vote how you want to vote, but that Solomon strategy as we discussed, it seemed to make some sense to people.

Like, You know what? There's obviously a disagreement somewhere. Someone's not responding. We're -- we're public officials. We're -- we're -- we're serving the public. We want the jobs. We want the project to move. We want the investment. We -- we would appreciate having another 2 million, \$3 million in tax revenue to help take care of our city.

So Miss Hoskins and -- and -- and Mr. Hines and Mr. Gagnon and I reached an agreement that, Okay. Oh, and I -- I always go -- I always circle back. Mr. Barot, I've -- I've never left you out, right? I always circle back. And I said, He has to agree to this. And so when we met last Thursday I said, At 3:30 I will be leaving here and I will be at his office and say everything that we all agreed upon to there and he's agreed that, yes, an independent -- fine, absolutely. And we came with an idea that the City would nominate three qualified. Mr. Barot would have the right to bump one and then the other two would do it and then average their two scores, their valuations and that would be it moving forward.

Now, this is where reconciliation -- and that is great. Now, the City worked really hard and in one day they didn't get all that done but they were able to come up with a list of nominees. They put it in writing. Mr. Gagnon handed it to me and Miss Hoskins. By Friday at 5 something he was leaving the building. So there -- there's a beginning of -- of a discussion, of a -- of a compromise to have an independent qualified entity do the math, show the math, reach a compromise, go forward. Now, that's what we all wanted. And I -- I think you might be pleased with that progress. Still need the building -- still need the foundation permit. That -- we shouldn't be here for that at all. Still need to have -- to pick the two independent ones and they're working on that and we'll talk about that in a minute. But what I need also guidance for is so the children don't fight when the adults leave the room, is how reconciliation would work.

Now, the ICC code says -- and someone tell me if you think I'm wrong -- the ICC code says itself it's not supposed to be the Bible. The ICC code says, If you can have a contractor, regional contractor who's qualified gives a real number of what they'd build the project for, that's supposed to be the deciding factor. Now, what I'm concerned about, even with all this progress we've made quickly, is that if Miss Hoskins and Mr. Gagnon and the Amrit WRS team comes up with a good list of people and they end up picking the two, that there could be some disagreement about, Well, there -- there was the -- the 175, even though the City didn't use the regional multiplier. That's out there. And then there was the first one.

We gotta find a way to say, No, this is the number and Mr. Barot, I spoke with you about this. You have to be willing to -- here -- here's what I've -- what I told him, what I suggested they do. What number they reach with the independent building valuation, those two numbers get averaged. Mr. Barot has to write a check for that amount, and the City and Mr. Barot have a chance to reconcile what that final amount is once it's built and an audit is done. This is simple accounting. And if it's higher than that compromised number, Mr. Barot, you've agreed to pay a higher amount?

DILIP BAROT: Yes.

DON DeLANEY: He's agreed to that. And if it's lower, this is where the City needs to be prudent, too. Because if it's lower, the City needs to give back the difference. So that's my humble Solomon strategy for reconciliation.

CHAIRPERSON MILLER-ANDERSON: All right.

DON DeLANEY: So my suggestion is if this council would consider saying, Staff, we're giving you policy guidance. I know we're in a workshop but we're giving you policy guidance to issue the foundation permit.

Oh, and there was a condition. In the letter -- Jeff, could you go back two? If you'll look at the -- the first paragraph on the left side, the City rightly states for you have -- you owe us a unity in title. Mr. Barot, you owe us a unity in title, which costs about \$28 and was filed today. So that's done. Done.

If this council would consider directing them to issue the foundation permit -- 'cause that's the condition that was there. It was the only one there. That's done. If they would continue to support Miss Hoskins' leadership, which I think this was -- it was very productive. Mr. Hines, you would agree when we -- when Mr. Gagnon and Miss Hoskins and I sat down, said, Let's get a list. Pick a third party. Let's take the pressure off the staff. We're not making any progress. The fighting isn't good. Names aren't good.

And if this council will give guidance to the staff saying, Whatever those two numbers are, you average them, and Mr. Barot's held accountable for writing that check for that amount before he gets his CO. Before he gets his CO. But then it gets --

CHAIRPERSON MILLER-ANDERSON: All right.

DON DeLANEY: -- an accountant. You review it. And I would -- Mr. Barot, sorry about this one, but you should hire the accountant. He should be answerable to you and you should pay at least half the fee.

CHAIRPERSON MILLER-ANDERSON: All right.

DON DeLANEY: I mean, I think that's fair. So those -- those are the -- that's my ask.

CHAIRPERSON MILLER-ANDERSON: Okay. All right. We've gone over a little bit. I just want to be able to give everyone an opportunity to speak before we come back. The amount of time that we allotted for this time has passed about five minutes. Mr. Dilip still wanted to have an opportunity to come up and speak, as well? Who was next? Was there one more person or no? That's it? You're --

DILIP BAROT: Thank you very much. My name is Dilip Barot and I'm affiliated with Amrit Wellness Spa Resort.

CHAIRPERSON MILLER-ANDERSON: Good evening.

DILIP BAROT: I just wanted to clarify for fact that Mr. Gagnon mentioned that he wrote that letter on November 21st and there has been no response. Actually there are multiple responses, and if needed I will send copy to everyone again. The one response I sent immediately on November 22nd, it was copied to Miss Hoskins, also. Then afterward

we met again on November 29th. I wrote you again for the response on November 30. So Mr. Gagnon, I have responded to that. So just for record. I'm always respectful to return or reply within a day. That's just my usual nature following Gandhi's way of life.

All we are looking for is what Mr. Hines said, fair and just treatment, really. Nothing more than that. And I had told Miss Hoskins this thing which I can share. To show our good cooperation, that our city does not, and I think I'm part of this city. Does not look bad that in the event that the reconciliation -- if Amrit has paid less than what it was supposed to pay, there has to be a penalty on Amrit. And I had voluntarily told Miss Hoskins that Amrit will pay 10 percent more than it was supposed to pay. So in the event -- and that's self-imposed penalty I have taken on myself in a good-faith negotiation with Miss Hoskins.

So I want to clarify that, what I said, is that if the initial valuation came out, let's say, \$120 million, but at the end of the project, if the cost came out \$130 million, then \$10 million is the additional cost and upon which the permit fee has to be paid. Amrit will agree to pay 10 percent more of that additional portion Amrit has to pay. It's showing the good faith that the number we are saying is true and that I just want to clarify for record. Miss Hoskins, I had mentioned to you that if you remember. Thank you. I -- I have nothing else. I'll be happy to answer question.

CHAIRPERSON MILLER-ANDERSON: All right. Thank you. Thank you. Yeah, we're going to get to the council so that we can respond so that we can wrap up.

DON DeLANEY: Can I just --

CHAIRPERSON MILLER-ANDERSON: One minute? All right.

DON DeLANEY: One minute?

CHAIRPERSON MILLER-ANDERSON: One minute.

DON DeLANEY: One minute. Mr. Barot, I -- I wasn't aware of that communication between the two of you. You can't do that because the government cannot punish once they set a policy. I know that's good faith and in business, but once a dollar amount is agreed upon with a certain protocol or a certain permit or a certain -- a ticket, they can't penalize you above and beyond. So that might have been in good faith, but you're putting them in a position to where they have to respectfully -- 'cause Mr. DeGraffenreidt would be doing it if I didn't -- they can't punish you so that's all I wanted to say.

CHAIRPERSON MILLER-ANDERSON: All right. Thank you. All right. Anyone have any questions, comments?

COUNCILPERSON PARDO: Madam Chair?

CHAIRPERSON MILLER-ANDERSON: Go ahead.

COUNCILPERSON PARDO: Okay. So this is for staff. Why did CAP send Mr.

Barot that letter stating that, "You can come by and pick your foundation permit up"? Were we aware of that? Was staff aware of that at the time?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Thank you. Once again, Jeff Gagnon, Acting Director of Community Development.

COUNCILPERSON PARDO: Thanks, Jeff.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: I want to answer your question. Also when -- when I said that the Amrit team didn't respond, I guess there wasn't a formal written response. So there has been communication and we -- we've met on the letter since then. But just for the record, I wasn't saying there was no response. Just not formal response in letter form. So just to clarify that.

So I looked back and -- and I was presented with the correspondence from CAP, as well. And technically being that there were conditions of approval specifically to that unity of title that says no building permit can be issued until this unity of title is completed and recorded, I don't know if CAP wasn't aware of that so I don't know if they were just not fully aware of all the conditions of approval. Again, this was back about a year ago now.

COUNCILPERSON PARDO: Right.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: There's been some significant employee shifting and -- and changeover. So I can't necessarily comment for CAP, but for my perspective, maybe they didn't have all the information associated with that resolution at the time.

COUNCILPERSON PARDO: Okay. So what stopped CAP from giving them the permit? Did staff --

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: I don't know. I -- I believe --

COUNCILPERSON PARDO: -- realize that there were other hurdles for them to cross? Did they realize the unity of title was still an issue? You know, at -- what happened at that point? So CAP sends them a letter saying, Hey --

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Right.

COUNCILPERSON PARDO: -- your permit is ready to be picked up, and then the next thing, everything is halted?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: I -- I've never seen correspondence from CAP or -- or had a conversation with a CAP employee that specifically identifies what the reasons were to retract that statement.

COUNCILPERSON PARDO: Were you aware of the letters that I believe Mr. DeLaney put up there from CAP to WRS saying, Your permits are ready to be picked up?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Retroactively, yes.

COUNCILPERSON PARDO: Were you aware or --

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: At that point in time, no. I was functioning in -- in a different capacity at the City.

COUNCILPERSON PARDO: Okay.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: So I wasn't directly involved with it.

COUNCILPERSON PARDO: All right. So no one knows why he didn't get his permit when CAP told him the permit was ready. And that was also after he paid the \$860,000?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Well, that - that valuation was reviewed by staff, and it was declared to be undervalued for the entire amount that were proposed. So they -- separate timelines, I believe.

COUNCILPERSON PARDO: Okay.

CHAIR PRO TEM DAVIS JOHNSON: Madam Chair?

COUNCILPERSON PARDO: All right. So I'm just saying it's -- you know, if we don't know why CAP issued the letter and then stopped, you know -- just stopped in the middle of issuing the permit, you know, in a way I can understand the frustration. And CAP isn't here, right? We have no one from CAP here?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: No, ma'am.

COUNCILPERSON PARDO: Okay. Thank you.

CHAIRPERSON MILLER-ANDERSON: All right. Who's next? Miss Davis Johnson then Miss Hubbard.

CHAIR PRO TEM DAVIS JOHNSON: My question is how is it that we put these conditions in the resolution if the code -- if the state code and the city code speaks differently with regards to not having everything submitted in totality versus being able to accept certain documents in order to issue that foundational permit? Can we speak to that?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Yes. So the special city council meeting that approved that resolution back in -- I think it was October

12th of 2015, the meeting itself there was -- there was active participation from council members, from the applicant group, manipulating the resolution, manipulating the conditions. So I can say that all the conditions initially provided by staff were not necessarily accepted or agreed upon by both parties.

I believe the initial intent of providing that condition was really associated with the history of the project. It originally went back all the way to 2004. It could have predated that. But around 2004 there was a variance that was granted for a site plan. I believe 2005 there was an initial site plan approval, as well. So there was a 10-year gap in between that 2005 approval and the 2015 resolution approval. So I believe that it was council's intention to add that condition to ensure that when the developer came in for permits, that to the greatest extent possible everything was submitted together in a uniformed manner, which doesn't guarantee that the project is going to move forward, but at least provides a better platform for success.

CHAIR PRO TEM DAVIS JOHNSON: Does that -- does that today pose any problem for us with that language in the state code and in the city code? Does that -- that language that was instilled in the resolution, does that pose a problem for us now?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: I don't think it poses a problem for staff. I think it -- it provides directive for staff. So the conditions and the abilities that were cited by the Amrit development

team -- and even in my initial presentation I noted the fact that a building permit specific with your -- for the foundation can be issued at the discretion of the building official. So that's a "may." It's not a "shall." So I think that that specific condition of approval on the resolution in 2015 provided guidance two years down the road where we're at now.

CHAIR PRO TEM DAVIS JOHNSON: And what did we ever do from a staff perspective with regards to the valuation that Mr. Bailey provided at the 143 million versus the most recent valuation that we've come? Was there a discussion between staff to talk about all of the factors that were involved in reaching that dollar value?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Right. And -- and from a purely legal perspective from the building code, the only individual that has the authority to make that valuation decision is the building official.

CHAIR PRO TEM DAVIS JOHNSON: Did he make that in advance of our building official being hired? Was that --

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: I -- I don't believe so, no.

CHAIR PRO TEM DAVIS JOHNSON: -- was it --

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: And from my perspective -- again, I don't want to speak for other employees, but I think that -- I also want to go back a step because I want to make sure that -- that city staff doesn't seem,

you know, villainized in this process.

I think that we have met more times than I can remember with the development people in good faith to try to come to a resolution and a solution for this project moving forward. So I just want to state that on the record, as well, because I don't think that -- that angle was really visited so far. But from my perspective, whenever I do something in e-mail communication, it's really for discussion purposes. It's not something that I'm necessarily intending to be binding by any -- any means. Someone else may have a different interpretation of that, but for example, when -- when I mentioned the final letter, you know, it's on official city letterhead. It's signed. It's not just e-mailed communication where it could have been following an informal meeting and it's just discussion points.

So from my perspective -- again, I don't want to speak on somebody else's behalf, but from my perspective, if it's not on official city letterhead, if it's just an e-mail correspondence, I think it's just for discussion purposes to get to that formal point of a resolution. I guess the other -- the other item to consider is if the development team thought that that was a fair price at the time, why didn't they move forward at that point in time just for consideration?

CHAIR PRO TEM DAVIS JOHNSON: Thank you, Madam Chair.

CHAIRPERSON MILLER-ANDERSON: Miss Hubbard?

COUNCILPERSON HUBBARD: Mrs. Davis Johnson asked the question, the same one I was going to ask. So that isn't -- that's one of the things I wanted to say, Madam Chair. The other question that I have, Mr. Gagnon, is this. The resolution that - that you explained a minute ago is what staff is following?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Yes, ma'am.

COUNCILPERSON HUBBARD: And that's -- that's why you're requiring all the -- the -- the entire package prior to issuing the foundation permit?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Right. It -- it's my interpretation of that condition and my understanding that everything needs to be submitted. That would include any fees associated with the project, as well.

COUNCILPERSON HUBBARD: And the \$800,000 that they paid so far was on the initial valuation of 90 when --

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: I'm sorry. It was -- the valuation was -- was 49, I believe, so 50.

COUNCILPERSON HUBBARD: -- was 50 million?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Yes, ma'am.

COUNCILPERSON HUBBARD: The project was 50 million. So subsequently the

plans changed and the price increased or it went from 50 million to --

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: From -- from my perspective, the initial building permit application just undervalued the project. Significantly undervalued the project.

COUNCILPERSON HUBBARD: Okay. So if the -- did Mr. Barot and the City agree that the 50 was under -- undervalued, the project was undervalued?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: It -- it -- yeah.

COUNCILPERSON HUBBARD: So -- okay. And -- and let me restate it, then. The \$800,000 payment was based on the \$50 million valuation?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Yes, ma'am.

COUNCILPERSON HUBBARD: So somehow that -- it was concluded that that was undervalued. So that's why --

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: The most -
- the most --

COUNCILPERSON HUBBARD: -- they have \$800,000 in the hole toward whatever the agreed-upon valuation turns out to be?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Yes, ma'am. I think the most recent --

COUNCILPERSON HUBBARD: So they have that in the hole?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: -- I'm sorry. I think the most recent valuation provided by the development team was 104 million.

COUNCILPERSON HUBBARD: 104 million.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Yes, ma'am.

COUNCILPERSON HUBBARD: Okay. So what I was trying to understand is about the \$800,000 and where it went and, you know, what -- what happens with that.

And the other thing, I just want to go back to what Councilwoman Pardo was saying about CAP issuing those two letters stating that they could come over and pick up their -
- the permits. But once they got there, CAP didn't have the permits ready. But they never told them or you why the permits was not ready?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: I never received word from CAP. I haven't seen correspondence that indicates what the reasons were.

COUNCILPERSON HUBBARD: Okay. So I'm -- I'm just trying to -- to find out about those -- oh, what were you saying? About those two -- about

those -- about the -- about the two letters. And I guess also contingent upon the resolution or the -- or having the whole package (unintelligible) again. Okay. So just trying to get some of these moving parts lined up and straightened out. I'll concede --

CHAIRPERSON MILLER-ANDERSON: All right. Mr. Davis, did you have anything?

COUNCILPERSON DAVIS: Yes. This kind of a situation is a matter of seasons with just a slight difference between winter and fall, I may suggest. When we look at what has taken place up in 2016 to that December when CAP made the -- made a decision as in the operating building official at that time, then January 2017, if I -- if I stand corrected, that that's when we had our building official who was officially hired. Is that correct? In January 2017? Okay.

INTERIM CITY MANAGER HOSKINS: Yes.

COUNCILPERSON DAVIS: So there was some things based upon what staff is saying has taken place that there was a big line of communication that were never taken place, according to what Mr. Gagnon is stating here now. So CAP was making decisions. Gagnon wasn't -- wasn't aware of it, like he stated. CAP was operating as our building official because we haven't had one at that time until the next month. So my next question is how do we address the issue in Section 3 which I think we need to address more than anything since we're the policymakers that was suggested by Vice Chair Davis Johnson about the language, is it consistent with the state code. Did we ever address that issue?

CHAIR PRO TEM DAVIS JOHNSON: Uh-uh.

COUNCILPERSON DAVIS: I think that's the issue that we need to address with our responsibility as a policymaker. And that's one thing we can do because the building official has an authority and within that authority certain things we can and cannot do with the building official.

But as far as the policy and the code -- and the code, we didn't -- I -- I would like to kind of harp on that discussion with this Section 3 on how do we make this consistent if required by the state code that was brought up by -- from Vice Chair Davis Johnson. So Madam Chair, can I continue?

CHAIRPERSON MILLER-ANDERSON: Yeah.

COUNCILPERSON DAVIS: Okay. 'Cause like I said, this stuff take -- took place prior to Miss March being hired as our building official. So we need to address the things that took place prior to her getting here, which is the Section 3 here. Please help us out here.

LADI MARCH: Good evening. My name is Ladi March. I am the building official

for the City of Riviera Beach.

CHAIRPERSON MILLER-ANDERSON: Good evening.

LADI MARCH: Let me take you back to -- I can only speak to January 11th when I came on board and prior to. But I think it was interesting to take a look at the e-mail that was sent that Mr. DeLaney referenced that more or less built around a December 1st date.

Interestingly enough, Mr. Dilip indicated in some subsequent meetings that we've had that he had a contact in Miami that had a contact with CAP. There was a conversation and that is reflected in the e-mail where the architect -- he only showed you a segment of the e-mail -- is inquiring about the status of this foundation permit. And if you read the entire e-mail and if it's provided to you in totality, basically Carlos is saying to them the permit is ready. But Carlos is the CEO and he's heading his operations in Broward and Miami Dade.

The proper way to have identified if the permit was, in fact, ready for issuance would have been for Carlos to contact a point of contact here at the City, cc all of the pertinent parties, and then between December 1 and January 11th when I got here, issue the permit if, in fact, they should.

I'd also like to point out that the code is being misinterpreted in the space of ironically both Mr. Gagnon has made mention -- I think he referenced the fact that the code says in both state code and city code that the building official "may." The building official is "authorized." That comes with conditions. And typically what happens is, as a direct result of what we've seen in this city by way of precedent, premature issue of a foundation permit without necessarily being certain that the structural documents are in order can put you in a situation where it's problematic. The valuation became a problem -- and I believe there's a section of our code that stipulates that that is big. When I realized that the application had been taken in and that the fees had been paid based on \$50 million, there was a halt put to the issuance of the permit. In addition to that, the permit approval that later came on the February date from CAP spoke about the foundation permit being issued with assumptions.

So Commissioner Pardo, your answer to your question is, why wasn't the permit issued? It was directly related to the language that was there. But the unity of title was critical to the issuance of their permit. As Mr. DeLaney pointed out a \$28 gesture was just completed on today. You have two parcels who haven't formally been joined by way of record and you're going to put a foundation across them both. It would not work.

With regards to the valuation, we started out at 50 million. Mr. Dilip and his team was given an opportunity to issue a second valuation by way of third party. It came in at 102 in a meeting that I believe Mr. Gagnon, Mr. Bailey, myself and other members of the team were present. He physically crossed out the 102 and said he could do it at 85 or 90. Then we got a contract that specifically said 104 million, but when you look at the contractors, the individual on the AIA document indicates one contractor that differs from the contract of record, Vance Two [phonetic], which differs from the original contract

South Construction.

South Construction had come into the office and asked to be pulled off of the permit, and they were going to utilize another general contracting firm. So I got to digging and looking at the valuations and you've got \$49 million, then you got, Okay. We'll do 80. Then you got, Okay. We'll do 102. I go back and look at some of the presentations, and ironically Mr. DeLaney did the presentation for you guys back in August or October of 215, and his numbers indicated that it was going to be \$215 million. Phase one was going to be approximately \$96 million. Phase two would be \$68 million. Hard cost and soft cost would be 215.

They said, Well, no, that's just marketing tactic. Well, the problem is our code also lays out the fact that while we cannot minimize the impact of the Florida Building Code, as a local entity, you can always strengthen it. Permit fees have not gone up or the table hasn't gone up for the City of Riviera Beach since 2010 or 2012. So because it's held constant since I've been in the seat I've tried to pretty much tackle the valuations as the only way to kind of make an adjustment to the fact that you aren't raising fees every year like every other municipality.

With that, the valuation itself was critical. They had to be within what was happening with the other projects. Our other projects were coming in 160, 150. On September 6th I also spoke with Doug Wise at the County, and while I didn't make reference to who or what I was asking about, he did indicate that their per-square-foot cost is a base 128. They don't make consideration for market values. They only do self-improvement. So at 128 when they were still hovering in the \$90 million spot, we were already at 130.

When Mr. Bailey issued the e-mail, Mr. Bailey issued the e-mail utilizing a 2015 table, which he pointed out. The permit index or multiplier was not used, and I didn't use it in their favor. Because if you look at -- forget the regional modifier is one option. You have Marshall Swift. You have RSMeans and you have the ICC table. And then you have empirical data as it relates to what's going on around you. I played around with all of them.

The regional modifier, because everything is going up -- when you looked at the fact that I had other developers side by side coming in at 160 and willfully paying and remitting the money, I didn't want to set a precedent for allowing them a pass, doing something we've never done historically, take the project, put money in escrow, pay on the back end. It's never been done. And create a pond where all the developers are asking for the same thing. Or create a situation where they allow for, We want, you know -- we want -- we can build it at \$90 a square foot. Vista Blue admitted to \$202. You had Kolter come in and remit payment at about 165.

With regards to the math, I purposely left the permit multiplier off only because the manner in which you use to get the formula for the permit multiplier would have been more harmful to them. They would have been essentially in that \$200 million mark.

Lastly I'll point out Mr. Hines sent over an e-mail wherein as he validated, via SB - the -- the Small Business Development Board, that the valuation of the project was 375 million. That more or less fell in line with what was in print and whatnot. But I did not push the issue. He's saying that the job -- he later wrote me back and said, This is a mistake. However, it's interesting, he utilized the number of jobs, 659. The number of indirect jobs, 422. Those numbers stayed the same. But the 375 million valuation did not. So you have \$50 million in valuation that they stated initially. You have \$85 million in valuation when they were in a space of what they think is compromise. You have \$104 million that they just recently, within weeks, inserted with their contract that they said is what it is.

I had a conversation with Vance Two who now said he spoke with Mr. Dilip last week and indicated, you know, when we did the first estimate and we were at 130, I couldn't get the job because you said I needed to be at 80. If you look at the cost per square foot, some of the proposals relative to what they're saying they're going to build luxury construction for, it does indicate that those units -- some of those units are -- according to their own admission, 700,000 to 4 million.

I'm not quite sure how you can build at \$90 a square foot when our affordable housing rates are hovering around 135. And that has been the resistance for me to prematurely issue the permit. That and as of June 2nd, the last time -- or 22nd when we did the -- the last round of comments, there are still some structural elements of their project that waive -- or raise concerns. We just have not had the ability to address that because we've been toying around with the valuation.

For Mr. DeLaney to say that there has been no progress is absolutely untrue in the space that we meet at least two or three times per week and cannot address the functions of the building department that are priority as a result of us trying to flex this valuation. It's not that the valuation is off. It's not that the valuation is done improperly. The valuation is not what they like. And if they don't like it they have recourse by way of the Florida Building Commission.

COUNCILPERSON DAVIS: Madam -- okay. So I have a question. I'm trying to - could you please help me with Section 3 as it relates to -- that was put in the resolution? It -- and it talks about 31-60(b) and they talk about the Code of Ordinance with -- and -- and also mentions -- says, "Shall not be accept (unintelligible) --" okay.

LADI MARCH: Yeah. I'm going to defer to him. I'm Florida Building Code. He'd know the ordinance.

COUNCILPERSON DAVIS: Right. So I want to make sure I really -- and thank you. But as I moved everything is I still want to deal with Section 3, making sure this is consistent with the Florida Building Code, which is my -- before I move on to the issues as suggested by Miss March.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: So would you like me to read it in full for the record?

COUNCILPERSON DAVIS: Please. Yes. Yeah.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: So -- so Section 3 --

COUNCILPERSON DAVIS: Uh-huh.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: -- excuse me. Within Section 2 of Resolution 143-15, condition number 3 reads, "Construction must be initiated within 18 months of the effective date of this resolution in accordance with Section 31-60(b) of the City's Code of Ordinances. Demolition, site preparation or land clearing shall not be considered construction. Building permit application and associated plans and documents shall be submitted in its entirety and shall not be accepted by City staff in a partial or incomplete manner per the Florida Building Code."

COUNCILPERSON DAVIS: So -- so when it references "in its entirety," [sic] is that consistent with the state's building code?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: I believe that the condition language is different than the Building Code. And I think again that that was put there previously by council when the resolution was approved in order to ensure that the entire building permit application was submitted together.

COUNCILPERSON DAVIS: I remember when -- I remember when we was in discussion of this resolution, but this was never a part of the discussion and this -- this section, which is 3. So my concern is I want to make sure that this is consistent and very clear, not to this project but to any project moving forward.

If we're going to put any language in there, that it's consistent and not just a matter of interpretation by either me or staff but universal, as everybody understand where we're going with this here. So if -- if the State allows us to do this, then I'm done with the conversation. Now, if the state code says that "shall" or "may," I need to know what's the difference between the two. Does it say "may"?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: So this specific condition of approval as any condition of approval can be put on a project --

COUNCILPERSON DAVIS: Uh-huh.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: -- again, as you can remember, there was a lot of discussion --

COUNCILPERSON DAVIS: But -- okay. Okay.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: -- back and forth between the board and the applicant during that meeting. That specific condition as it's provided now was agreed to by both parties. And it's really a condition that was agreed to at that time. So the State Florida Building Code, State Statute allows --

COUNCILPERSON DAVIS: So this is just a special condition for -- that we entered into, regardless of what the building code was?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Yes, sir.

COUNCILPERSON DAVIS: And both parties was aware of it?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Yes. There was active participation by both parties during that meeting.

COUNCILPERSON DAVIS: Mr. Barot -- thank you. That's that.

COUNCILPERSON PARDO: Yeah.

COUNCILPERSON DAVIS: You -- you -- so you -- thank you. So --

CHAIRPERSON MILLER-ANDERSON: I just want to make note. I know this is a very important topic that we're discussing. It is 8:00 and we did have the other two items that we were to cover. Now maybe at some point we might want to either hold off on one of the others or, you know, that's something just to keep in mind of our time.

COUNCILPERSON DAVIS: What --

COUNCILPERSON PARDO: Okay. Thank you.

COUNCILPERSON DAVIS: -- what's our time frame for this?

CHAIRPERSON MILLER-ANDERSON: Well, we were supposed to stop this one at 7:15 and it's 8 now.

COUNCILPERSON PARDO: Yeah, this is too important.

CHAIRPERSON MILLER-ANDERSON: So I mean, if -- we can continue on, obviously.

COUNCILPERSON DAVIS: Okay.

CHAIRPERSON MILLER-ANDERSON: But just keep in mind that we do have these other two and we can make a decision about what we want to do with those.

COUNCILPERSON DAVIS: Okay. Okay. Okay. Mr. --

DILIP BAROT: Yes, sir.

COUNCILPERSON DAVIS: -- please (unintelligible) --

DILIP BAROT: Particularly --

COUNCILPERSON DAVIS: -- I just want to know with Section 3 that's -- Mr.

Gagnon's talking about, the special condition --

CHAIRPERSON MILLER-ANDERSON: Section 2, item 3.

DILIP BAROT: Yes, sir. Item 3.

COUNCILPERSON DAVIS: Yeah. Section 2, item 3. I'm sorry.

DILIP BAROT: If you read the -- yes, sir. If you read the last sentence where he's focusing on Section 3 --

COUNCILPERSON DAVIS: Uh-huh.

DILIP BAROT: -- "Building permit application and associated plan and documents shall be submitted in entirety and shall not be accepted by the staff in a partial or incomplete manner," per the Florida Building Code. What we understood that if whatever Florida Building Code allows, that's what we will comply with. It's not that Florida Building Code -- if it is allowing us to submit, we will do that way. And that's what we have done. The -- and we were told by previous building official that yes, he will issue the foundation permit. All we need to do is submit the plan for the entire project, which we did, also.

COUNCILPERSON DAVIS: Okay. Thank you.

DILIP BAROT: Okay. And -- and one more -- one more thing I just wanted to clarify, we don't want to argue about the valuation. What we are saying is at the end of the project, City can do the -- whatever reconciliation by hiring the CPA. And if the cost is lower than what we have paid, we'll pay additional fee. You don't issue the CO.

COUNCILPERSON DAVIS: Okay.

DILIP BAROT: And if we have paid more just refund us. That's all we are requesting. Nothing -- nothing more than that.

COUNCILPERSON DAVIS: Okay. Thank you, Mr. -- thank you, sir.

DILIP BAROT: Thank you.

COUNCILPERSON DAVIS: So Miss March, you mentioned earlier that you haven't done the multiplier yet so -- so I think we're -- at least we are at a position where either Miss March or someone needs to do -- do one, use the multiplier so we can know exactly what that number is, because right now -- but to -- to your own credit you said , you know --

LADI MARCH: If you look at -- if you look at the ICC table --

COUNCILPERSON DAVIS: Uh-huh.

LADI MARCH: -- and here's where it's tricky. The multiplier is determined by the total value of construction that's brought into the city, and it's divided by a number that

represents the percentage of our budget that we use to enforce the code. Now, the problem would be for them if I were to bring that multiplier into play --

COUNCILPERSON DAVIS: Uh-huh.

LADI MARCH: -- we've gone over our budget. We've pulled money from where we are to pay CAP. You guys have been present.

COUNCILPERSON DAVIS: Uh-huh.

LADI MARCH: In some instances quite a bit. So it takes our multiplier --

COUNCILPERSON DAVIS: Uh-huh.

LADI MARCH: -- that multiplier that they think they would like for me to apply, it will take it over the -- they won't be a .83 or a .75. We'd be 1 and some change because we're over. And so we have not done that.

COUNCILPERSON DAVIS: Okay.

LADI MARCH: And that's just where we are. It would take getting with Finance to figure out exactly what that looks like but I just know based on where we are, we --

COUNCILPERSON DAVIS: And see, I was --

LADI MARCH: -- it's not in their best interest.

COUNCILPERSON DAVIS: -- and see, it was my understanding that we actually done that. So we haven't got to that stage yet. So we have two options.

LADI MARCH: You do.

COUNCILPERSON DAVIS: You can do that, find the real number, or we can go with the number that's on the table and --

LADI MARCH: I would like to go on record as saying --

COUNCILPERSON DAVIS: Uh-huh.

LADI MARCH: -- \$175 million --

COUNCILPERSON DAVIS: Uh-huh.

LADI MARCH: -- is, in fact, a compromise. If they choose to move in the space of us applying the multiplier, I'm fine with it. But it will be, Mr. DeLaney, more closely related to what you presented perhaps in August of 2015, 215 million. It may even get you closer to 375.

DON DeLANEY: I'd like to respond since I (unintelligible).

LADI MARCH: Yeah. That's no -- no, no, no.

COUNCILPERSON DAVIS: No, no, no. Let's --

LADI MARCH: I addressed you. No, I'm fine.

COUNCILPERSON DAVIS: -- Madam Chair?

CHAIRPERSON MILLER-ANDERSON: Yes?

COUNCILPERSON DAVIS: I don't -- Mr. DeLaney, with all due respect, I want some -- remain focused on where we're trying to go. So I do want to hear what you have to say, but let's remain focused on that. Okay? 'Cause we want to get somewhere today.

DON DeLANEY: It's on the multiplier.

CHAIRPERSON MILLER-ANDERSON: All right. So --

COUNCILPERSON DAVIS: Well, here -- here --

CHAIRPERSON MILLER-ANDERSON: Hold on one minute. Hold on.

COUNCILPERSON DAVIS: -- so -- so here's -- here's where we are, 'cause I know we -- I know Mr. -- Madam Chair says has to -- has to go and I'm going to refrain from my comments at this point. Whatever the multiplier that's required to use, whatever that is -- I'm not asking who's right and who's wrong. That multiplier need to be put in place and we need to get a number back to this board. So until we do that, the only thing we can do is take the number that's sitting there, and then they will appeal to the State to see if that number's fair. And then we have to reimburse the difference if the State allows that to happen. But until we do the multiplier, I would like to see that done, which -- which is whatever the multiplier is that's required by the State of Florida. I want to see that done before we do anything. And because that will tell us where we are.

LADI MARCH: I'm not opposed to that.

COUNCILPERSON DAVIS: I think that's fair to everybody.

COUNCILPERSON PARDO: That holds up the whole project.

CHAIRPERSON MILLER-ANDERSON: Okay. So we're going to have them do - - use the multiplier and I'll let Mr. DeLaney come up for about one-, two-minute rebuttal. And -- and then we can make a decision from the board where we're going to go with this, if we need to bring it back or what.

DON DeLANEY: Thank you.

CHAIRPERSON MILLER-ANDERSON: Uh-huh.

DON DeLANEY: Miss March and I are talking about two completely different types

of multipliers. She's talking about a state law that restricts building officials and building -- city and county building departments from being revenue centers, for trying to hike up everybody's fees and make a bunch of money. There's a governor's set. She's talking about that multiplier. Would you screen forward some, please? Keep going. Go to Mr. Bailey's work. Continue. Right there. Stop.

Can you look at the top of the screen where it says the .82 something? That's the Miami multiplier. That, ladies and gentlemen, is the regional multiplier saying if you build something in New York, it costs \$100 a square foot, but if you build it in Miami or West Palm it costs 80 some dollars a square foot. That -- next slide, please -- is what I kept showing you -- kept showing you that tries to make it fit your regional economy. It's not my idea. It's best practices. It's what's done. It's because if you build something in Ocala, it doesn't cost as much as if you build it in San Francisco. That's the multiplier.

She's talking about a state law -- I -- I don't believe I heard a building official actually do this and I'm having to come and correct this -- state law that keeps you from using a building department -- a city from using a building department to generate a bunch of revenue. And also the Shock-Trooper approach to say, Well, the council hasn't raised our fees since 2005. And I want to generate us some more money.

Well, the council gets to decide if the policy is to be a Shock Trooper and start gouging people coming in. Now, they've got rank and they're going to decide. I'm sure not. But I don't get a feeling from this city that you want to just start charging people a fortune. You -- if you do, you'll do that.

CHAIRPERSON MILLER-ANDERSON: Okay. So you made your point on which one you were talking about. I do think we need to go ahead and wrap this up.

COUNCILPERSON PARDO: Madam Chair?

CHAIRPERSON MILLER-ANDERSON: Yes. Let me just say this. I think we're missing the key point of CAP, since they were here. I -- I really think that at some point we need to hear from them and what their thinking was and what their involvement was, being that they were here and they were doing the job probably before Miss March arrived. And -- and I would like a little more clarification.

I heard both sides. I mean, I couldn't tell you yay or nay on either one of them, but I would like to make sure that we can get someone to -- a third party to at least try to decipher which is which. Because I'm hearing two different things right now and I honestly don't know which one it is.

LADI MARCH: (Unintelligible) ordinance -- even though, again, Florida Building Code allows for you to have a standard. As you go down into the local and county municipalities, you get an opportunity to tighten the reins. We're not price-gouging. We don't -- we -- that -- that's not even anything that this municipality would do.

CHAIRPERSON MILLER-ANDERSON: Right.

LADI MARCH: But I would caution you to look at the ordinance. In addition to what our Florida Building Code says, because the fees haven't been raised by way of permit fees, our city ordinance says that we charge for material, labor. Typically it stops right there with the building code.

But in addition to that your ordinance has been written so that it is reflective of the fact that we will also charge in addition to material and labor -- we charge for fixed equipment. They have car-stacking parking lots and some -- some pretty elaborate finishes. We charge for architectural and design fees. But we also made a provision to charge for profit and overhead.

And while that has not been defined to make the determination between contractor profit and overhead or developer overhead and profit, it's there in the ordinance. So this is not the only method, the modifier, that you can use. Again, you can use a Marshall Swift method. You can use RSMeans. You can rely on the ICC table. But if you look at that table, it will tell you when you read the verbiage that this is not written in stone, because while it doesn't cost \$82 or \$2 to build in Ocala what it does here, to build along the intercoastal, A1A, the cost is not going to be what it is XYZ. And so that's all I have to say there. I think the -- Mr. DeGraffenreidt will probably be able to reinforce what I'm telling you. If they need relief the statute is very, very clear that they can't get it from the dais. They have to get it from the Florida Building Commission.

CHAIRPERSON MILLER-ANDERSON: All right. Thank you. Oh, go ahead.

COUNCILPERSON PARDO: All right. Madam Chair?

CHAIR PRO TEM DAVIS JOHNSON: Let me just -- I -- I --

CHAIRPERSON MILLER-ANDERSON: Hold on. Miss Davis Johnson, then Miss Pardo.

CHAIR PRO TEM DAVIS JOHNSON: I want to --

COUNCILPERSON PARDO: I thought I was next.

CHAIR PRO TEM DAVIS JOHNSON: -- thank Miss March for her chronology from the time that she sat in the seat. I think it would probably have been important for us to have it, because what you gave us was quite a bit to --

to -- to digest.

But we have, as our -- our chair has said, CAP is a missing component in this with having suggested and sent the letters indicating that the permits were going to be ready and that they were going to be found. And we do need to have a correspondence, I believe, from -- from Carlos and his team as it related to what they intimated to WRS for them to be able to come in and to pick up their foundational permit.

So we did say today that the unity of title has been completed. The question then

goes to with that being done, Miss -- Madam Building Official, with the unity of title having been made today and discussion about the valuation, where does that put us?

LADI MARCH: The code -- your ordinance also talks about the fact that permits can't be issued until the valuation is determined. The code, Florida Building Code, and local code, although it does allow for phase development, they opted out of that. And while it does say the building official is authorized to issue a foundation -- foundation permit, I will just about -- this is not our first rodeo with the issuance or premature issuance of foundation permits.

And what's happened is we've had entire facilities constructed. If we do not follow a certain set of protocol, I think you will have some issue. We still need to resolve about 20 percent of what's related to their structural plan so that we can be sure when we issue the foundation permit that the structural permits are not too far behind. You know, I'm constantly riveted with concerns from the residents now about, you know, activity going on or whatever the case may be and some of the adverse impact it may or may not have.

And the only thing I want to ensure for the project, you know, it -- it's -- I want to just make sure that all the dot -- I's are dotted, all the Ts are crossed. And the only thing I can say is only CAP can speak to why they told them the permit was ready in December and why I got here in January and it had not still been issued. But the fact is when I did get here and as we started to look into the matter, I'll just tell you right off the bat, understating the value of a permit is reason in and of itself to deny the permit in its entirety. And that's not anything we did. That's in the state code. That is in your city ordinance.

Right now, because valuation is still open and, you know, open-ended, we have to come up with where they are. I've given the valuation based on, again, Harbor Point, 5 - the Gateway project anticipated. I looked at what was happening out in Arbor Parc. I'm looking at Blue Heron Estates, which is workforce housing and senior housing, at 135. I'm looking at North Palm Beach, spoke with the former building official here, 155 a square foot. There's just too much out there for me to sign off on a permit and have it go out the door at anything less than that. And that is the position.

And if there's any other -- anything else that I should be doing different, you know, again, perhaps Mr. DeGraffenreidt can advise. But at this point I think that I'm more than confident that I'm following the code to the letter.

CHAIRPERSON MILLER-ANDERSON: All right. Anything else, Miss Davis Johnson?

CHAIR PRO TEM DAVIS JOHNSON: No. We just need to make it better.

CHAIRPERSON MILLER-ANDERSON: All right. Miss Pardo?

COUNCILPERSON PARDO: Okay. So the first thing I want to say is, Jeff, I heard you, and please don't think that anyone is trying to throw you under the bus, Miss March. I've met with you guys numerous times over this, and I appreciate all of the meetings and the feedback and the whole bit. And you know, at the end of the day, you guys are here

to represent us.

The resolution, once again, it just goes to show when a resolution comes in front of us we should not entertain changing it at a council meeting. And I recall when this issue came to us, and if you look at the resolution, I voted against it because there were too many people changing Section 1, Section 2, and all of that. The Amrit attorney was involved in it. The city council was involved in it. We had the public even involved with changing it. And now there's some issues with that resolution.

I just want some clarification from Miss March. So I heard that there are municipalities -- right? I think Mr. DeLaney mentioned that there are municipalities in the county that will issue a foundation permit while they're still going through other parts of the project and other parts of the permit. And I'm asking that because the unity of title has been taken care of now.

LADI MARCH: Right. I'll say this. We issued a foundation permit to 5000 N. Ocean but we issued it because there was no trepidation on value.

COUNCILPERSON PARDO: Okay.

LADI MARCH: They said, Okay. What's the declared value? Let's sit down. Let's talk about the numbers. They came in and paid for the permit in its entirety. We released the foundation permit with assurity that we were comfortable enough with the plan review that the structural plans were coming out. As a matter of fact, they were stamped today and ready for issue. We are looking for big business, good business.

The question isn't relative to qualifications, anybody having or harboring any hard feelings. The expectation is that you come to the City of Riviera Beach and you do here in this municipality what you'll do in another, Boca, Jupiter, North Palm Beach.

COUNCILPERSON PARDO: Sure.

LADI MARCH: That's all we're looking for.

COUNCILPERSON PARDO: Okay. So -- all right. So other municipalities.

LADI MARCH: We issued the foundation permit. What they said --

COUNCILPERSON PARDO: Right. They had issued it but --

LADI MARCH: -- is correct.

COUNCILPERSON PARDO: -- other cities also have issued it. Right?

LADI MARCH: Yeah. They do.

COUNCILPERSON PARDO: Without --

LADI MARCH: They do. Typically two things happen. Either phased construction

is agreed upon at the very beginning, and you know how it's going to go. I'm under -- I wasn't here at the time, but I'm under the impression that they opted out of phase construction at the very beginning at one of these roundtables.

UNIDENTIFIED SPEAKER: Uh-huh.

LADI MARCH: In addition to that the foundation permit, when it's issued and when it's been issued historically, it's because the valuation for the entire project has been paid for in its entirety.

COUNCILPERSON PARDO: Okay. So what is the harm with issuing the foundation permit?

LADI MARCH: Here's what happens with the foundation permit. I'm not quite sure how this particular contract is set up. But typically in large developments like this, you have a percentage of -- you have a project and it comes online. You typically sell the project or the notion of the project.

COUNCILPERSON PARDO: Right.

LADI MARCH: You get the investors. They may do a certain percentage to sign in.

COUNCILPERSON PARDO: Right.

LADI MARCH: At foundation pour, they do another percentage.

COUNCILPERSON PARDO: Right.

LADI MARCH: And then down the line. The harm in the foundation permit is if the foundation permit is issued and nothing else ever happened, the only thing you have to do to keep the permit alive is call in an inspection every 180 days. So technically without anything else happening for months on months and months, this is what you can have.

On this particular project we haven't even issued a foundation permit, and they've already gotten exemption from the State for the Zika virus which gives them 500 and some odd days to do whatever. And so knowing that those type of impediments are present, I want to issue the foundation permit when I am assured it's jam tight, when the valuations are -- that are due to the City have been collected and there is reassurance that the structural permits coming in behind it are where they need to be so that we can move forward with going up and out of the ground. And again, unity of title being recorded today when it was a primary requirement is --

COUNCILPERSON PARDO: Exactly. But still --

LADI MARCH: -- an issue.

COUNCILPERSON PARDO: Right. But we never issued a permit or anything.

LADI MARCH: No.

COUNCILPERSON PARDO: So -- all right. So they moved forward with the unity of title.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Yeah. I -- I also wanted to add --

COUNCILPERSON PARDO: Uh-huh. Go ahead.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: -- in response to your question, Councilwoman, so there are very few guarantees in the development world.

COUNCILPERSON PARDO: Absolutely.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: I think that -- I -- I think that the one benefit of, again, having that condition, requiring that complete submittal, including valuation associated with the submittal, what it does is it doesn't guarantee that the development's going to move forward. But it provides a very good indicator to the City and to staff that it is.

So if we were to issue a foundation permit only at this point, there's a very good chance that the development approval would have vested rights for just the foundation permit being that a permit was issued. Those vested rights would continue in perpetuity, and there would be little to no recourse that staff would have to compel the development team to move forward. So it's very similar if we collected the full valuation.

However, if we collect the full valuation, we're again getting this semi guarantee. At least an indicator that the development team is -- is going to move forward with the full project, being that this project is an exceptionally large project. It's -- it could be one of the biggest projects that the City sees over the next 20, 30, 40, 50 years. So if there is trepidation about the additional 2 million required for building permit fees, the question is, is there proper capital to move forward with the rest of the project, or will we just issue this foundation permit, have the project vested in perpetuity and have a foundation and no further action.

COUNCILPERSON PARDO: Right. But if you really think about it, if they put the foundation in, then I would think they're -- they're going to move forward rather quickly --

COUNCILPERSON DAVIS: Uh-huh.

COUNCILPERSON PARDO: -- trying to find the additional funding to build the development. You know, remember, they -- 14 years ago, maybe, the City gave them a variance to put those -- you know, incorporate those two parcels. And then they -- they sat on it. Right? They didn't do anything. And the City had no recourse until they were

ready to do something.

So either the City, at this point -- we just continue to sit there and -- and not just the City, the -- the Amrit also, and just go back and forth and back and forth, you know, or issue the -- the foundation permit so at least something is moving forward while you guys figure out how, you know -- reach a happy medium on the -- the -- the valuation. You know, I would rather see something than nothing, because like Mr. Hines said, a lot of people -- a lot of investors know what's going on here. And I'm getting calls all the time.

We have a meeting tomorrow, staff, about, you know, other investors, you know, questioning some things. But like I said, I would rather, at this point -- I would rather see something than nothing. I would rather see the foundation than a hole in the ground. And if they put the foundation in -- and can't we say, You have 180 days to put that foundation in or we'll pull the permit? Or we can't say that?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: No.

COUNCILPERSON DAVIS: Yes, we can. We put conditions on everything else.

COUNCILPERSON PARDO: So we can't put a condition on the foundation permit. So we can --

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: No.

COUNCILPERSON PARDO: -- give them -- so we can tell him, Okay. Here's your foundation permit, and then he just sits on it in perpetuity?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Yes.

COUNCILPERSON PARDO: And if he decides 20 years from now that he finally has the money to build two 20-story towers, then he can do it?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Yes.

COUNCILPERSON PARDO: Seriously?

COUNCILPERSON DAVIS: That's all we gotta say.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Seriously.

CITY ATTORNEY DeGRAFFENREIDT: Madam Chair?

COUNCILPERSON PARDO: Yes.

CHAIRPERSON MILLER-ANDERSON: Yes.

COUNCILPERSON PARDO: I'm sorry. I -- I -- I'm sorry.

CHAIRPERSON MILLER-ANDERSON: You're on a roll.

CITY ATTORNEY DeGRAFFENREIDT: If I'm understanding this correct, the substantive dispute involves an interpretation of the building official relative to the valuation of the project. Am I getting that straight?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Yes, sir.

CITY ATTORNEY DeGRAFFENREIDT: That's it?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: That's it.

CITY ATTORNEY DeGRAFFENREIDT: Okay. Section 553.775 was legislated to address expressly these types of disputes. They deal with interpretations of the building official. And like Jeff said earlier, it's a matter that's presented before the Building Commission. And I'm trying to figure out what's the problem in doing that because it's mandated that it has to be brought to fruition, the adjudication of the dispute in interpretations within a 21-day period. So -- so why are we going through all this?

If they could have just gone -- I don't like the interpretation. I disagree. File. In a month you would have known. And it also says this is the exclusive remedy that's legislative for disputes with the building official. So there is not a lot you can do from a legislative perspective to really address that interpretation. If they think our building official's wrong, the remedy's in the statute. And it's not a cumbersome remedy and it seems to be an expedited one.

COUNCILPERSON PARDO: Right. But that's just on the valuation. I'm talking about the --

CITY ATTORNEY DeGRAFFENREIDT: But the valuation, if I'm understanding, is driving everything else.

CHAIRPERSON MILLER-ANDERSON: Come up to your mike, Miss Pardo.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Right. If it -

COUNCILPERSON PARDO: Go ahead.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: -- and if the -- the permit fee is associated with the valuation that was provided to the city staff --

COUNCILPERSON PARDO: Right.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: -- I think that that would allow the city staff to move forward with releasing the foundation permit and continued permits as the project progress.

COUNCILPERSON PARDO: Okay. So say they come back and say, Okay. We're going to pay you 160 -- you know, the valuation is \$160 a square foot. And we give them the valuation so they pay and, you know, say it's -- they have to pay an additional \$400,000 for that initial permit. And they pay it. Now they have the permit. And still they don't have to move forward with it. Correct?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Correct.

COUNCILPERSON PARDO: So the City keeps the money until they're ready to move forward with it?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: The -- the City would receive --

COUNCILPERSON PARDO: What's --

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: -- the full value, all the fees due.

COUNCILPERSON PARDO: Right.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: And it wouldn't be as discussed by the development team, some payment in the future based off of current conditions in the future. It would be a pay in full now for the project valuation.

COUNCILPERSON PARDO: Right. And if they decided not to move forward with it the -- okay. So the City has that money. Do we pay interest on that -- those funds?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Do we pay interest to --

COUNCILPERSON PARDO: You know, if we're going to keep it and the developer decides not to move forward with the permit, you know, with building --

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: We have --

COUNCILPERSON PARDO: -- what do they do? Give the --

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: -- I believe we have the ability if a developer has applied and they don't wish to move forward with the project --

COUNCILPERSON PARDO: Right.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: -- I believe it's a 50 percent reimbursement. I believe that's the current standard operating procedure for staff.

COUNCILPERSON PARDO: Okay.

CHAIRPERSON MILLER-ANDERSON: Miss -- you're finished, Miss Pardo?

COUNCILPERSON PARDO: Yeah, I am. Is there -- you know, can we just hear from the Amrit to see why they're not pursuing the Florida Business -- or the --

CHAIRPERSON MILLER-ANDERSON: Hold on one minute. Let me let Miss Hubbard say something and then we'll come back to that.

COUNCILPERSON PARDO: Thank you.

COUNCILPERSON HUBBARD: The --

CHAIRPERSON MILLER-ANDERSON: Pull your mike up.

COUNCILPERSON HUBBARD: -- based -- based on both explanations that I've heard, with the foundation permit, in order to receive the foundation permit certain things have to take place and have to be adhered to. So are there outstanding -- are any of those -- forget about the valuation. Let's talk about the things that it takes to get the foundation permit.

My understanding, if I heard you correctly, that some of those things are still outstanding that won't even allow us to move forward with the foundation permit? Was that what you were saying, Mr. Barot, or -- or you, Jeff?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: I believe that Miss March made comment on the completeness of the submittal and to verify that all of the associated building plans would allow for construction of the building based off the -- the foundation permit itself.

So what we wouldn't want to do is issue a foundation permit and not have a complete enough set of plans to really demonstrate that the project can move forward as proposed. I believe that was the discussion point that was brought up previously.

COUNCILPERSON HUBBARD: So after plan review, the plan -- you're saying after the plans are reviewed, you need to be able to tell that it will pass the next inspection and the next inspection -- inspection, because of what you have reviewed initially?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Right. So - - so my understanding is that the plans provided today and the amendments to date may allow for the foundation permit to be issued so long as the full --

COUNCILPERSON HUBBARD: Okay .

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: -- valuation is paid to city staff. If that's not correct then the building official can -- can correct me. But it would allow for plan amendments if required to be made as we move forward.

COUNCILPERSON HUBBARD: Uh-huh. I see. Okay. So unity of title was the

item that y'all were referring to?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: That -- that was one condition of approval. I still have not seen the recorded document as demonstrated tonight.

COUNCILPERSON HUBBARD: I mean, it --

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: It -- it was recorded as according to development team. I haven't seen the document yet but that was one condition.

COUNCILPERSON HUBBARD: -- so after a plan review, is there a written document that lists what the Amrit team needs to go back and do and get done?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Absolutely.

COUNCILPERSON HUBBARD: And the unity of title was one of the things or only -- the only thing?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: One of the things.

COUNCILPERSON HUBBARD: Okay. Oh, okay. Thank you.

CHAIRPERSON MILLER-ANDERSON: All right. Miss Pardo? Were you calling Mr. Dilip up?

COUNCILPERSON DAVIS: Yeah.

DILIP BAROT: Again, this is Dilip Barot. Unity of title, if you read the resolution, it does not say that we have to record it. It says we have to provide it to the staff, which was provided to staff in month of May. So I just want to let you know that that's what we had understood. Staff asked us recently record it. That was on November 22nd or 21st. This month we recorded it in a week or two. So the -- the resolution does not say it has to be recorded, so just for record I want to mention to you it's -- clearly states that we have to just provide it to the staff, not recording to county. What's the -- what? Yes. It -- it is to be provided to the City. It does not say it has to be recorded with the County.

COUNCILPERSON DAVIS: Okay.

DILIP BAROT: That's number 9. Second thing to answer Miss Pardo's point. To show spirit of cooperation we will be happy to show that if foundation permit -- which, in my opinion, was -- was done by private provider and the law says -- and Mr. DeGraffenreidt can check the law -- says that within 30 days of a private provider, submit the -- accept the drawing and provides the City -- City must issue the permit. So that's my understanding of the law.

I'm not here arguing law or anything. Showing the spirit of cooperation, because this is as much my city as anybody else in this town hall because I started my career here. And we will agree that if foundation permit is issued and work is not completed in six month, it can be canceled or we can get the penalty. So we will be happy to accept that.

And as Mr. DeGraffenreidt has mentioned, that if he wants us to reach the Florida Building Council, we'll be happy to go there. We just thought we'd rather resolve our issue in house rather than going out. There are other remedies going to the court but we don't believe it. My sincere effort was to find a solution internally. But we'll be happy to do -- take that route, also.

COUNCILPERSON DAVIS: Madam --

DILIP BAROT: And we were also talking about hiring a third party, but looks like that's something also City is not interested in doing it. Fine. Then we have to -- please don't feel bad that we took the approach which was more formal. But for foundation permit, Miss Pardo, we are agreeing to six month like you are suggesting. It's self-imposed. We will do that.

CHAIRPERSON MILLER-ANDERSON: Okay. Mr. Davis, were you saying something?

COUNCILPERSON DAVIS: I was going to -- I think what Mr. Dilip already stated what he would self-impose on this project if that's legally -- that's something that he can do, I can truly support. Because this project is different because of it's an EB-5 project. It's probably the only one we have in town where the funds have been raised from international -- from across seas.

DILIP BAROT: Yes.

COUNCILPERSON DAVIS: And those sources of funding, they have -- they have a window of how long they're going to raise money before the projects choose to send the money to other projects, to other regional -- regional EB-5 centers across the country. And so what they're doing now is they -- they love Riviera Beach location and they're -- and it's -- and it's a big red light going off. So people sending money this way.

But at some point we have to -- well, the developer has to start producing jobs. If they can't produce jobs, the EB-5 funnel will now move to another location in the United States. This what makes this project so unique. I do believe that, you know, we have -- between now and the council meeting Wednesday, there should be some strategy put in place to where there can be an evaluation agreed upon with the -- the condition that Mr. Dilip has self-imposed himself so we can at least get the foundation permit.

But do recall -- do remember, we still have the C -- well, we, the city, the building official still has the CO as the arm that allows them to stay in control of what we can do, making sure that we receive the maximum amount of what's being evaluated at that time. So I think we all can get everything that we want. I think the City can get the money, the taxes, the jobs. The developer can get a project that can be funneled in.

It's just a matter of -- of going over and beyond for all parties to do what's in the best interest of the people that's sitting around this community looking for some work. Right now you could look at the holidays right now. I guarantee you you got a couple hundred people in this town wishing they had somewhere they can go and work to feed their families. And we cannot lose -- I'm not saying anyone's doing that. We cannot lose focus. And that's everybody, the developer, us, staff. We cannot lose focus on everybody winning.

And I think that's something between now and the council meeting on Wednesday that you -- you guys should be able to get in a room and come to an agreement. It -- 'cause I know we're time-sensitive, but we do have another council meeting on Wednesday night where we can also discuss this item 'cause we still gotta move forward on something else. But we -- we need to do something because at some point the -- the -- we -- I don't want to see us lose this project. It would be a tragedy to this community. It would be a tragedy to the developer. It would be a tragedy to the business community. It would be a tragedy to -- to everyone.

No one wins if this project is -- is not done. I'm not saying give nobody a break. What I am saying is if there's a foundation permit to be issued, let's agree to a number. Let's get that done. Mr. Dilip, that's something that, you know, you -- between now and Wednesday, you -- you go to your staff and you need to come down with a number. I mean, our staff has put together 175. But we talk about that -- so I can finish up here -- what was that called? The -- help me out.

CHAIR PRO TEM DAVIS JOHNSON: (Unintelligible) ITC?

COUNCILPERSON DAVIS: ITC? Is that what it is, Miss March?

LADI MARCH: The ICC table (unintelligible).

COUNCILPERSON DAVIS: IC -- say it -- say it again.

LADI MARCH: It's ICC.

COUNCILPERSON DAVIS: ICC?

LADI MARCH: That's a (unintelligible).

COUNCILPERSON DAVIS: Okay. The ICC, whatever that is, we need to get that done so we can go ahead and get the number that's suggested like Miss March is talking about so we can go on ahead and -- and get a foundation permit, because we still have the CO -- C -- the CO that we can protect this city on. But until we do that we've been talking about it -- because the only thing CAP is going to do is do what they wanted to do. And we all found out that cost us a lot of money in the process.

But we got this measurement, this tool that we're -- I hope -- it seems though that we all are bonded by it to -- to be transform -- well, everyone sees uniform, that will let us get to the number that we need. And if that number's even more like Miss March stated,

they're just going to have to come up with the money. But to wait to this point to not have done that, I think, you know, we need to go ahead and make that correction and get that in front of us.

COUNCILPERSON PARDO: Right. But -- Madam Chair?

COUNCILPERSON DAVIS: Uh-huh.

CHAIRPERSON MILLER-ANDERSON: Go ahead.

COUNCILPERSON PARDO: Okay. But I -- right. So I don't think they're going to be able to come up with a valuation by Wednesday.

COUNCILPERSON DAVIS: Okay.

COUNCILPERSON PARDO: So if --

COUNCILPERSON DAVIS: So what you suggest? **COUNCILPERSON PARDO:** -- yeah. So what I'm suggesting is if Amrit agrees that, you know, he has six months to start that foundation and you have a certain period of time to get it through or we're going to pull the permit --

COUNCILPERSON DAVIS: He said 180 days.

COUNCILPERSON PARDO: Yeah. Then --

COUNCILPERSON DAVIS: Three months.

COUNCILPERSON PARDO: -- you know, I would be okay with that.

COUNCILPERSON DAVIS: Hold on.

COUNCILPERSON PARDO: But you know, that's something that Mr. DeGraffenreidt has to, you know -- he's going to have to craft that. We're not going to just --

DILIP BAROT: Agree.

COUNCILPERSON PARDO: -- you know, sit here and --

DILIP BAROT: Agree, ma'am.

COUNCILPERSON PARDO: -- you know, and talk about it.

DILIP BAROT: Agree. And --

COUNCILPERSON PARDO: And I would be okay with that if --

DILIP BAROT: -- thank you.

COUNCILPERSON PARDO: -- everyone agrees that, you know, you're going to have a certain period of time to come up with that valuation, also. To agree either go, you know, to that committee, the Florida Building --

DILIP BAROT: Yes. We'll be happy to go.

COUNCILPERSON PARDO: -- Committee or something.

DILIP BAROT: We --

COUNCILPERSON PARDO: You need to do something.

DILIP BAROT: -- we will definitely go there. And we have requested, Mr. Gagnon -- I requested on November 22nd to give us an ICC calculation they have done for 5 000 N. Ocean Drive showing \$160 per square feet and also Vista Blue, \$200 per square feet.

We will be willing to pay -- match the same calculation and willing to pay same value for the Amrit. But we want to see that calculation, how that \$160 and \$200 was established, and we'll apply the same method for Amrit. And I'll do that calculation myself and present it to you. I feel very comfortable to be reasonable or more than reasonable. So I want only fair and just treatment. That's all I'm requesting. So please, if you can direct Mr. Gagnon to provide me that calculation, how he has calculated that -- well, \$160 and \$200, specifically for that project in ICC matter.

COUNCILPERSON HUBBARD: Madam Chair?

CHAIRPERSON MILLER-ANDERSON: Yes.

COUNCILPERSON HUBBARD: Okay. I -- I -- I heard that request, but what I was going to ask you when my turn came around, Mr. Barot, was after the plan review --

CHAIRPERSON MILLER-ANDERSON: Pull up your microphone.

COUNCILPERSON HUBBARD: -- the list -- after the plan review, the list of things that you were given that would have helped to facilitate the foundation permit, have you met those things? Do you still have the list that was generated after the plan review?

DILIP BAROT: I have numerous e-mail requesting city staff if there is any open item on the plan, please provide us. We have complied with all the technical requirement. Our team is on standby. We will agree.

I have an e-mail dated May 27, 2017, from Miss March saying that only issue open is the valuation. And that e-mail also I -- I'll send it to the council. So if there is still open item, we are happy to comply with. That's what I'm saying. Regardless of what e-mails we have from the staff, we'll still comply with it. If there is any open item on the plan which needs to comply with the code, we'll do it. But I -- I'm not aware of any. And again, those plans were certified by the private provider. So -- and by law, if they do that, that -- then that should be honored by the building official.

COUNCILPERSON HUBBARD: If the plans were certified by the --

DILIP BAROT: -- private provider.

COUNCILPERSON HUBBARD: -- private provider. Okay. After the review -- well, based --

DILIP BAROT: And I'm talking about the foundation plan.

COUNCILPERSON HUBBARD: -- I'm talking about the foundation plan.

DILIP BAROT: Yes, ma'am.

COUNCILPERSON HUBBARD: After the review, based on what Mr. Gagnon and Miss March is saying, there was a list outside of the valuation of things that needed to be done before they could issue a -- the foundation permit. I think before we come back on Wednesday, I think that is a list that you need to avail yourself of so that you can, you know --

DILIP BAROT: Yes.

COUNCILPERSON HUBBARD: -- ask them or -- what those items were.

DILIP BAROT: Yes, ma'am. If they can send us that list for foundation drawing, what needs to be corrected or complied with, we'll comply with it. And the permit can say that, that it's subject to complying or the -- you know, so just to protect City's interest, as Mr. D will draft it. He will add that provision in that.

COUNCILPERSON HUBBARD: Okay. And I guess staff will come back with the ICC valuation for next -- for next -- I mean, for Wednesday's meeting?

CHAIRPERSON MILLER-ANDERSON: Wednesday.

COUNCILPERSON HUBBARD: And --

DILIP BAROT: For this, too, project Vista Blue and 5 -- 5 --

COUNCILPERSON HUBBARD: No. I'm talking about the request that was made for your project, staff was going to use the ICC valuation. I think my colleagues asked them to go ahead and do that calculation. So Wednesday we can, you know, further discuss your permit -- your foundation permit and the -- the actual value -- the actual valuation. Is that what you said, Mr. Davis and Miss Pardo?

COUNCILPERSON DAVIS: Yes, I said that, if that can be done by that time. Whatever tool that's supposed to be used, I want to make sure that we can -- we're all consistent on whatever that tool is for -- for that. So --

CHAIR PRO TEM DAVIS JOHNSON: Madam Chair?

CHAIRPERSON MILLER-ANDERSON: Yes.

CHAIR PRO TEM DAVIS JOHNSON: The -- using the valuations for the two projects that you're speaking of, are those adequate comparisons? Are they different in nature? Is it -- is it going to be an apples-to-apples kind of comparison, or are we looking at something different that may potentially push you out of what was used for their valuation?

DILIP BAROT: ICC code will clarify that if there is some leveling we -- they call it in construction industry -- to be done. But if -- they are like oceanfront high-rise project so they will be close to that, our project. So I -- you know, if there is minor -- it's just meant to be done. There are building official -- we can take that input and provide you a second opinion.

CHAIR PRO TEM DAVIS JOHNSON: Madam Building Official, what say you? What say you with with regards to my question?

DILIP BAROT: Did I answer your --

CHAIR PRO TEM DAVIS JOHNSON: And the comparison -- yes. But --

LADI MARCH: The project is the -- what was used and what they're asking, it's pretty much the type usages is the same. The only variance in between the two is if they are, in fact, condos or hotels. Condos would kind of put them in another space. They know what they were approved for as opposed -- as to what's being marketed.

But I'm willing to utilize the lower end, the hotel element of it, to give you what you need. But when you look at construction type and you look at size with regards to square footage, you have Vista Blue which was somewhere around 400,000 square feet. You've got Harbor Point, which is a third of the size of the Amrit project. And then you've got Amrit coming in at a million square feet; 800,000 is under air. And then you've got another 200,000 or so that's terrace, garage, etc., etc. They've got upgrades to the garage.

I mean, for as much as there is this perception that we are working against the project, we have Vista Blue who has owned up to their \$202 million valuation. We have Harbor Point who walked the check in without any hesitation at their 165 point. We've got Blue Heron Estates who's agreed to their valuation. The only issue we have is there seems to be some concern about the manner in which it's calculated. I'm fine with us falling back on the multiplier system. Modifier system. If we have a -- access to Marshall Swift and RSMMeans if we need to get that, we can do so.

CHAIR PRO TEM DAVIS JOHNSON: Continue.

LADI MARCH: Bottom line is the math that we've presented thus far and how we got to the numbers, we've done it consistently across the board.

CHAIR PRO TEM DAVIS JOHNSON: Okay.

CHAIRPERSON MILLER-ANDERSON: All right. So for this item here we need to try to come to a conclusion on what we're going to do here tonight so that we can either decide to move on or -- or adjourn. So what is the direction for them? You all are wanting them -- I -- I -- you know, I did say that I thought we needed to bring CAP in. I still think we need to hear from them at some point because they were here. And I was okay with the third party coming in. But if we are now moving to having this on the agenda for Wednesday, what are we looking for them to do? What's the direction?

COUNCILPERSON PARDO: Well, I'll tell you where I'm looking to go. If you want to bring CAP in Wednesday night I'd love to hear from them.

CHAIRPERSON MILLER-ANDERSON: Yeah.

COUNCILPERSON PARDO: I mean, since they're still on the payroll we should be hearing from them.

CHAIRPERSON MILLER-ANDERSON: Uh-huh. They should have been here.

COUNCILPERSON PARDO: But what I would --

CHAIRPERSON MILLER-ANDERSON: I don't know why he isn't.

COUNCILPERSON PARDO: -- at this point what I would suggest is, you know, work out an agreement between the Amrit and have Mr. DeGraffenreidt craft it, you know, giving them a certain period of time to pour the cement and to come to a conclusion on the valuation.

CHAIRPERSON MILLER-ANDERSON: But I thought that's what's been going on all this time and it's been --

COUNCILPERSON PARDO: It's been a stalemate.

CHAIRPERSON MILLER-ANDERSON: Right.

COUNCILPERSON PARDO: That's why I brought it up at the council meeting last week.

CHAIRPERSON MILLER-ANDERSON: So -- right.

COUNCILPERSON PARDO: You know, saying that we need to address it.

CHAIRPERSON MILLER-ANDERSON: So how are they going to rectify it now?

COUNCILPERSON PARDO: Because now he knows he has 21 days. If he doesn't meet with staff this week and they come to some kind of conclusion, he has 21 days to get his, you know -- to get the valuation. And then the -- you know?

CHAIRPERSON MILLER-ANDERSON: But is -- isn't that what he's been trying to do for --

LADI MARCH: Here's what I will tell you.

CHAIRPERSON MILLER-ANDERSON: -- a while now?

COUNCILPERSON PARDO: No.

CHAIRPERSON MILLER-ANDERSON: I mean --

COUNCILPERSON PARDO: He -- no. They've been, like, going back and forth.

LADI MARCH: And kind of my, you -- you know --

COUNCILPERSON PARDO: And -- yeah, go ahead.

LADI MARCH: -- the only thing that I'm concerned about is precedent and -- and what you establish by way of your practice in -- in -- in this space. He has remedy. He has the option of relief but he has to get that relief in a certain element.

I've polled the local contractors with regards to just standard regular residential construction. No upgrades, no -- and they -- even them in comparison to the table are coming in higher than what they offered. We also have a situation wherein we have provided them the opportunity to give us a valuation that was within reason on several occasions. We started at 215. Somewhere out there is a 375 number. We came in at the beginning and put 50 million on the application and then we've kind of meandered around until we get to this space here. And so I'm comfortable with where the valuation is but, I mean, I don't think that there's anything preventing them from taking advantage of whatever remedies they have available to them.

CHAIR PRO TEM DAVIS JOHNSON: Madam Chair?

CHAIRPERSON MILLER-ANDERSON: Yes.

CHAIR PRO TEM DAVIS JOHNSON: So what is it your -- what -- what is your intention, Mr. Barot? You said you wanted to see the valuations for -- I think it was Vista Blue and --

DON DeLANEY: 5000 Ocean.

CHAIR PRO TEM DAVIS JOHNSON: -- 5000 Ocean.

CHAIRPERSON MILLER-ANDERSON: Miss March, can you move over a little bit, let --

CHAIR PRO TEM DAVIS JOHNSON: So in -- but I -- I -- I -- I want her to kind of remain.

CHAIRPERSON MILLER-ANDERSON: Who you want? Oh, you --

CHAIR PRO TEM DAVIS JOHNSON: Both of them, actually.

CHAIRPERSON MILLER-ANDERSON: Oh.

CHAIR PRO TEM DAVIS JOHNSON: All right. Because is there an expectation?

DILIP BAROT: All right. Sure.

CHAIR PRO TEM DAVIS JOHNSON: So you see -- you see those valuations and you see the formulas that they use to get to where they got to. And it shows then what - how are you prepared to respond if it shows that your valuation should be higher? How are you prepared to respond if the valuation that has been provided is accurate? What - what's your plan there? Because that's where we really need to get to.

DILIP BAROT: Correct. Very good.

COUNCILPERSON DAVIS: Good question.

DILIP BAROT: Miss March just now told you that Vista Blue is 400,000 square feet. And the valuation of Vista Blue is \$40 million. That's gross square feet. That's \$100 a square feet. Here it is shown \$200 per square feet in the letter. And the reason is -- there is nothing wrong because these are made square feet which is sellable square feet. So if you take the Vista Blue sellable square feet, it will come out \$200 like Mr. Gagnon has said in his letter. But what Miss March mentioned is the gross square feet.

And what I mean the difference is, the square feet that -- that's why I want to show it to you and present it to you and staff that give me that -- exactly how you calculated. But I know what has happened here. So Miss March, when she mentions 400,000 square feet and \$40 million will be \$100. You just do the simple math. But on letter it's 200 because the sellable square footage -- footage are only half of that. So we want to do that exactly comparative and present it to you. That's what we want to do, ma'am. Did I answer your question?

CHAIR PRO TEM DAVIS JOHNSON: Uh-huh.

DILIP BAROT: Okay.

CHAIR PRO TEM DAVIS JOHNSON: Pretty much.

LADI MARCH: I just want to say for the record, the \$40 million valuation that's indicated on the initial permit for Vista Blue, as opposed to -- as to what they're using for the math, Vista Blue is different in the space of I have the e-mail from the individual responsible for the construction management there. Vista Blue was a project wherein as the shell is completed, each unit, 28 units, they're given a value but they're built up to a certain point.

And as each owner comes in, in addition to the \$40 million revenue we collect in, each condo owner comes in and they do renovations, 500,000 a unit, 6, 700,000 a unit, upward a million. That is factored in. It's not factored in another the beginning for Vista Blue because Vista Blue initially builds the shell of the building and the initial unit.

Mr. Barot's project is different in the sense that his project is being built out to turnkey. And so the valuations are not captured at a space or stage wherein as completion gets to a certain point, individual owners buy the units and they come back and they get -- or pay more. He has a million plus square feet. 800,000 of it is what it is. 200,000 of it is garage, pavement, civil, terrace, etc., etc. You have a project where Vista Blue's acknowledged \$202 a square foot and it's not associated with sellable value. He wanted to calculate his 436,000 square feet of sellable space -- Mr. Barot, he wants to do 436,000 square feet of sellable space at the 200 because that'll put him at 8, but you have a million square feet. 800,000 which is under air and usable space. The other is miscellaneous, so to speak.

The breakout with regards to cost per square foot is then utilized by relying on the table. You've got \$189 at 600 and some thousand square feet, a little variations for the utility and miscellaneous construction at \$75 a square foot, where some was previously calculated different. It's a lot to it. Again, whichever you guys decide by way of what you want to allow them to do is all well and good. But I've used, consistently, across the board, the same methodology by which to come up with the values.

The other thing is, none of the other developers have given us this much push-back. So they pay. They get their foundation permit. They demonstrate that the remaining of the project is well underway and we go forward. This has not been this case. We have been in this space for as long as we've been in this space because we had issues. The foundation permit by way of what was issued by CAP or what they said they would issue, they have yet to mention that it did say it was approved with assumptions. This is an e-mail past the one that you demonstrate that we actually received. And everyone was included on. The correspondence between Carlos and the architect that Mr. Barot had December 1, we knew nothing about up until recently. So that's another whole situation in and of itself. The bottom line is we've used the same method across the board.

DILIP BAROT: I just want to clarify two things. And I know you have been very kind to give us the time. But if I don't speak truth I will not be doing right thing. Two things. The different number Amrit has provided to the city staff is because they ask us differently each time the question. We have in writing. I'll be happy to provide you. How 50 million came, how 90 million came, how 104 million came. And these are the various e-mails from the different acting city manager. So that's the one thing.

Second thing, Vista Blue project and Amrit, as far as the unique finishes, both are same because they are advertising the same thing, and Mr. Brown can provide you and Miss Pardo has -- in -- in real estate, (unintelligible) and marketing business. She will know that what you put out on -- in your prospectus, you have to provide that.

We are not providing any different in our units for finishes than they are providing, Vista Blue is providing. So two point I want to clarify. And I can present in one-page summary of this calculation showing you next to Vista Blue what our calculation should be. And to show our good faith, we said at the end of the project, if the project is costing more than what we have said, you charge us 10 percent penalty like I said. And I think I

will work with the city attorney to allow that penalty on me to show my good faith. So I know exactly what my facts are. It's not ICC matter. It's the fact of reality.

LADI MARCH: So do you want to use the ICC or do you want to use facts and reality? Which one are we going to do?

COUNCILPERSON DAVIS: ICC. He don't have that authority. No.

DILIP BAROT: Okay.

COUNCILPERSON DAVIS: It's changed form.

DILIP BAROT: You -- we are happy to use ICC matter, what you have applied here in this particular \$160 and \$200, how you calculated that. You give us that, we will apply that same formula to our project.

CHAIRPERSON MILLER-ANDERSON: Okay. Yes.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Thank you, Madam Chair. You know, for a lot of active discussion and debate, and I think we're all trying to get to a resolution point, I've been intimately involved in this process, project, since really prior to 2015. I think at this point until the Florida Building Commission provides their determination on value, I don't know if we're going to be able to proceed. It -- it's a very circular conversation right now.

The Florida Statute provides a remedy for the valuation. As Mr. DeGraffenreidt indicated earlier, there is somewhat of an expedited process. Personally we -- we've been having this similar or same conversation for well over that 21-day period and that's the same time allotment that the state would have to make a final ruling. So if there was a third-party review, multiple third-party reviews, if the valuation was equal to 175, I don't know if that would change the development team's approach.

If it was less than 175, it would be contradicting the State Statute authority that the building official has. If it's above 175, then it further exacerbates the issue we're dealing with. So I think until it's actually heard by the Florida Building Commission and we receive a ruling on the final valuation, it's going to be difficult to move forward.

COUNCILPERSON DAVIS: Madam Chair.

CHAIRPERSON MILLER-ANDERSON: Yes.

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: But that's just my two cents.

COUNCILPERSON DAVIS: So -- so Mr. Gagnon, you're telling me that if our building official chose a third party that -- that the developer would have to pay for and whatever that number is, you -- you think the developer would have a problem with it? Is that what you're suggesting to us?

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: What -- what I'm saying is the -- the building official is provided statutory authority. And she's made --

COUNCILPERSON DAVIS: No, I -- I --

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: -- a ruling on the valuations so --

COUNCILPERSON DAVIS: -- I -- I -- I get that. But what I'm trying to --

ACTING DIRECTOR OF COMMUNITY DEVELOPMENT GAGNON: Yes, sir.

COUNCILPERSON DAVIS: -- you -- I'm just -- at the end of that you stated that no matter if that number was higher than 175, he would have a problem with what's suggested. What I'm saying is if our building official chose a third party with the developer paying for it and the developer agreed to pay whatever that third party says, what's the issue?

LADI MARCH: We gave the developer an opportunity under the direction of the former city manager to secure a third-party review.

COUNCILPERSON DAVIS: Okay.

LADI MARCH: And that is where the review came in at 102 million and that is the same review the estimate where Mr. Barot crossed it out and wrote 92.

COUNCILPERSON DAVIS: So who chose the third party?

LADI MARCH: We allowed them to choose the third-party reviewer. And I spoke with the individual, Vance Two, who is the contractor of record right now.

COUNCILPERSON DAVIS: Okay.

LADI MARCH: He did verify to me that he had sharpened his pencil and came in at 130 and ultimately lost the contract because he would not validate the 80, \$90 million space. So my concern is when does it become --

COUNCILPERSON DAVIS: Okay.

LADI MARCH: -- the real deal?

COUNCILPERSON DAVIS: So this is the first time I've heard that ever, that a third party was already chosen and agreed upon. So that's true?

LADI MARCH: By them.

DILIP BAROT: Yes, sir. That was asked by the previous city manager and we had provided and we were okay to honor that from that time. We had agreed to that

number.

COUNCILPERSON DAVIS: So -- so -- so --

LADI MARCH: That number, unfortunately, came back even at the 102 that it came back --

CHAIRPERSON MILLER-ANDERSON: Move over to the microphone.

COUNCILPERSON DAVIS: So you're say -- okay.

LADI MARCH: Even at the \$102 million that their provider came --

COUNCILPERSON DAVIS: Okay.

LADI MARCH: -- back at, you're still looking at essentially \$102 per square foot. And so then the problem became -- and your problem is going to be moving at -- moving out. If I accept \$102 per square foot for this, what happens to the developer who came in prior to and remitted their fees based on 160?

Then we get into a space of everybody being treated the same as Mr. Barot has asked, and we need to make adjustments to the funds that were already collected so that it's equal across the board. You -- I -- I'm telling you, I've polled all of the local minority contractors, all of the big contractors, all of -- and you can't construct at what they're proposing for \$104 a square foot and we just keep going round and round.

Think about it. You're going to build it \$104 a square foot, but then it's going to be something that end sales at 4 million. Just think about it. It's not a decision that I'm comfortable backing up off of based on all of the empirical data. And if they need a remedy again, the statute does provide them one, and they can go through the process of appealing through the Florida Building Commission. And at that point I have to yield to what the State suggests. At this space where we are now, there's just too much information out there for me to accept what they've provided. There have been too many attempts for them to provide it so that it tables out and that has not happened.

CHAIRPERSON MILLER-ANDERSON: All right. Board, let's make a decision on what we're going to do here. Are we going to have them go through that process? Are we going to have them sit down and go through an amount? What -- what do we want to do right now?

COUNCILPERSON DAVIS: Madam Chair?

CHAIRPERSON MILLER-ANDERSON: Because we're just going around and around and round.

COUNCILPERSON DAVIS: Exactly. Madam Chair?

CHAIRPERSON MILLER-ANDERSON: Yes.

COUNCILPERSON DAVIS: At -- at this time I -- I agree. There's a lot of new information that's come out in this meeting that I wasn't aware of. I will be making contact with CAP to get some more background. But I would definitely be open to hearing or getting an update on the meeting on Wednesday to see where they are. But -- but unless something changes -- and I'd like to see a foundation permit done.

But at the same time, I would like to see the developer come to an agreement on a number. So I -- it was my understanding that, you know, what was suggested to have a third party, that was the first time it was done. I didn't know that this was already done before, a third party. See, I didn't know that. At some point you gotta agree to a number. And what that number is, you know --

CHAIRPERSON MILLER-ANDERSON: All right.

COUNCILPERSON DAVIS: -- but up until today I just want to move forward to the next item and --

CHAIRPERSON MILLER-ANDERSON: So we're going to --

COUNCILPERSON DAVIS: -- and get an update on Wednesday meeting.

CHAIRPERSON MILLER-ANDERSON: -- have them -- you all can try to work it out. Just give us an update on Wednesday, and from Wednesday we'll just -- you all go whichever way you're going to go, whether it's going through the commission, whether you've worked something out where we can issue the foundation permit, but we do need to try to move on or at least address these other two issues, what we're going to decide to do with these two because they do need to be addressed, as well.

COUNCILPERSON DAVIS: Yes.

CHAIRPERSON MILLER-ANDERSON: Or we can make a decision to put one of them off, at least. So that's it for Mr. Barot?

CHAIR PRO TEM DAVIS JOHNSON: Well, are we defining it or we're just leaving --

CHAIRPERSON MILLER-ANDERSON: Defining what?

CHAIR PRO TEM DAVIS JOHNSON: Are we defining what the actions are? Are we giving direction for them to go and -- an appeal through the State? Are we providing them with the documentation that they've asked for as it relates to 5000 Ocean and Vista Blue?

COUNCILPERSON PARDO: Vista Blue.

DILIP BAROT: And 30 -- and 3730 Ocean Drive.

COUNCILPERSON DAVIS: Yes.

CHAIR PRO TEM DAVIS JOHNSON: Uh-huh. So --

DILIP BAROT: Actual calculation done.

CHAIR PRO TEM DAVIS JOHNSON: -- I just think that we need to be really specific as to what it is that we want to do because --

COUNCILPERSON DAVIS: I agree.

CHAIR PRO TEM DAVIS JOHNSON: -- we don't want to end up back here having this same conversation. So --

COUNCILPERSON PARDO: Right.

CHAIRPERSON MILLER-ANDERSON: I agree. But the -- the -- the option to go through the commission, that's on them. We don't have to give them direction on that part. Now, we --

CHAIR PRO TEM DAVIS JOHNSON: I'm talking about staff.

CHAIRPERSON MILLER-ANDERSON: -- I thought we had already decided earlier to get -- provide the documentation for the other places, right?

DILIP BAROT: Mr. Gagnon? Mr. Gagnon?

CHAIRPERSON MILLER-ANDERSON: Mr. Gagnon? Who did you ask to do that, Miss Davis Johnson?

CHAIR PRO TEM DAVIS JOHNSON: Well, I believe the request was just made of staff.

COUNCILPERSON PARDO: Staff.

CHAIR PRO TEM DAVIS JOHNSON: So Mr. Gagnon, you and staff can provide as requested those two valuations. But the bottom line is we've got to get to what the true valuation of the project is so that we can move forward. Because we -- we just seem to be at a stalemate about the -- about the valuation and the releasing of the foundational permit.

COUNCILPERSON HUBBARD: Madam Chair?

CHAIRPERSON MILLER-ANDERSON: But -- but does the --

CHAIR PRO TEM DAVIS JOHNSON: I -- I just don't know, you know, what -- what we're doing here.

CHAIRPERSON MILLER-ANDERSON: -- but that's the thing. They're both standing firm on their position and if we can't say, Go this way or go that way, the other option is to file their -- go through the commission to make the decision. And then to me,

just telling them to go to -- try to work it out, I think that's what they've been trying to do all along and that hasn't worked.

CHAIR PRO TEM DAVIS JOHNSON: Right. I wasn't suggesting that we just go with a "Go and work it out." I --

CHAIRPERSON MILLER-ANDERSON: Well --

CHAIR PRO TEM DAVIS JOHNSON: -- I wanted us to have something definitive in place.

CHAIRPERSON MILLER-ANDERSON: -- I -- I don't know that we have any --

LADI MARCH: It has -- it has been defined. It is very, very black and white. The final valuation for the building rests with the building official without any interference from any party, up to and limited to the Florida Building Commission. Mr. DeGraffenreidt can probably find a more eloquent way to put it or read precisely what the statute says.

But there is -- with all due respect, we've tried to work in a space of compromise. And you are right. We have met or found ourselves at an impasse. At this point the statute is very, very clear about who can interfere, who cannot, who can make what determinations, who cannot. We have an ongoing situation outside of this project that centers around some of the very same principles. And so with that, relief can be found with the Florida Building Commission if, in fact, they are not in agreement with the \$175 million valuation that I have already assessed.

I assessed that valuation on empirical data, what is happening across the board, having discussed the per-square-foot cost associated with other municipalities, checking it with the building official at Palm Beach County as they've indicated. Everything that we have mentioned or talked about with regard to a means to get where they are, the bottom line is we are here and they are there. There hasn't been any movement. And the only person or body at this point who can make the determination is the Florida Building Commission, because where I'm seated, the space of compromise is 175, just based on what everybody else is doing.

COUNCILPERSON DAVIS: Madam Chair?

CHAIRPERSON MILLER-ANDERSON: Yes.

COUNCILPERSON DAVIS: Is that -- does that conduct with the 82 percent? That's how -- did you use that?

LADI MARCH: That -- we didn't -- I didn't use a regional modifier, because a regional modifier wasn't applied to the other projects. So in a space to remain consistent, we looked at a very simple equation. Square foot total versus --

COUNCILPERSON DAVIS: Oh, I -- I -- I --

LADI MARCH: -- valuation.

COUNCILPERSON DAVIS: -- I got that. I was trying to find out does other cities use the regional modifiers or do everybody just kind of --

LADI MARCH: They -- other cities utilize the interpretation of the building official. And when that interpretation is not agreed upon, then they are directed to the Florida Building Commission. What we are attempting to do is unprecedented. It is quite frankly, according to the statutes, out of order. And you know, I wish I could do something different.

But if I am going to -- it's really, really simple. If I am going to harp on cost to install a door, cost to install a window, cost to put in a driveway and apply the building code fairly across board. It has to be done to the owner builder and it has to be done to small, medium and large developer. There is no fluctuation between how the code is interpreted. And unfortunately, lately there is the feeling that I have a very rigid interpretation of the code, but that approach is for and in the best interest of the entire construction community. It is not popular and I'm quite uncomfortable, you know, having to be in this space. But it is what it is. I have consistently applied the methodology across board to all of the projects and will continue doing so with the projects moving forward.

COUNCILPERSON HUBBARD: Madam Chair?

CHAIR PRO TEM DAVIS JOHNSON: Yes, Commissioner Hubbard. Councilwoman Hubbard. I'm sorry.

COUNCILPERSON HUBBARD: A couple of -- a couple of things. If you -- on -- I feel that we are at an impasse. I would like to see you guys talk about two things, what it takes to get the foundation permit and the valuation and come back on -- on Wednesday.

The other thing, if you -- if you -- if the only recourse we have is for them to go to - - to the Florida State Commission, then so be it. Because -- and I tell you that -- I tell you that only because if -- if the other building -- builders that are -- are in the process of building that have paid their fees now and the ones that we have on line that's coming decide that they don't want to pay or they're not going to pay, then what we'll have to do, I guess, from the beginning is offer them that recourse as opposed to drawing it out for - - at an -- for an extended period of time. I know we say that 175 is the compromise fee because we feel like it's really supposed to be closer to the 200. So somehow we've gotten -- we've passed the 90 and then the 102 and we're at the 175. But Mr. Barot, you don't feel that the 175 is -- is a compromise?

DILIP BAROT: Ma'am, I --

UNIDENTIFIED SPEAKER: Madam Chair.

DILIP BAROT: -- if you apply what you have done for Vista Blue --

COUNCILPERSON HUBBARD: Uh-huh.

DILIP BAROT: -- Amrit is identical project. Vista Blue is \$100 a square feet. In - on paper. I'd like to show it to you. Amrit has 815,000 square feet. At \$100 a square feet, if you do the simple mathematics, it's 81.5 -- \$81.5 million. On top of that, there is about 224,000 square feet of terrace. Terrace is a hard-floor podium. It can be done for \$6 a square feet. We have a bid, actual bid. So if you add 6 -- instead of 6 you add \$20 a square feet, that's still \$4 million. You add on 81.5, \$4 million, it's 85.5 million at the best. I am not -- I'm really -- I'm good in mathematics. I'm really not getting fair and equal treatment here. That's my biggest worry.

COUNCILPERSON HUBBARD: One last question to you on that note. In the explanation that Mrs. March gave, the reason yours is different is because they're building a shell. We're getting their money on the -- we're getting a portion of the money on the front-end. When the -- when the owner purchases the unit and builds it out, that would be the other portion of it. That's the difference in what they're doing and what you're doing.

DILIP BAROT: No, ma'am.

COUNCILPERSON HUBBARD: What do you say to that?

DILIP BAROT: I want to show you actual evidence to prove it to you that is not true. Amrit only 81,000 square feet of hotel room is different than -- than -- from the Vista Blue. Everything else in Amrit is equal to the Vista Blue. Vista Blue itself is advertising same thing, what we are advertising. They are getting finished floor. They are getting cabin -- kitchen cabinets. They are getting appliances. We are not doing different than Vista Blue is doing. So I'm really surprised that this -- some of the things are being told here from podium. And I hope we -- we say truthful things and which can be documented by evidence.

COUNCILPERSON HUBBARD: Well, when --

DILIP BAROT: I --

COUNCILPERSON HUBBARD: -- I guess when -- by the time we get back Wednesday with what you forward to us and what Miss March forward to us, hopefully, you know --

DILIP BAROT: -- if --

COUNCILPERSON HUBBARD: -- if y'all don't -- if y'all don't agree to anything other than the fact that, you know, we have to move forward to the State level then --

DILIP BAROT: -- agree. Agree, ma'am.

COUNCILPERSON HUBBARD: Yeah.

DILIP BAROT: We want to present it to you, our best case, and then if that -- with your blessing, things don't work out, we'll go to the State level. That's fine. And I offered

even at the end of the project, again, do the cost certificate and if we have paid less, you can charge 10 percent more for the difference. So I'm willing to go extra mile. But I'll put it in writing to you.

If what I have said sounds reasonable, give us the guidance. If not, we'll definitely go to State. But for the foundation part, also, I went -- I agree with Miss -- Miss Pardo's thinking that we will agree the way she said and I'd be happy to work with Mr. DeGraffenreidt while we work out the valuation. I'd like to break it up in two part.

CHAIRPERSON MILLER-ANDERSON: All right. Are you --

COUNCILPERSON HUBBARD: I'm -- I'm done.

COUNCILPERSON DAVIS: Wednesday.

CHAIRPERSON MILLER-ANDERSON: Okay. Miss Hoskins is next.

COUNCILPERSON DAVIS: Wednesday.

INTERIM CITY MANAGER HOSKINS: Madam Chair, what I had offered during our first meeting with Mr. Barot was that he pay the \$2.8 million based on the \$175 million valuation and once he takes it to the Florida Commission, if that valuation comes back lower than what Mrs. March has estimated, then we'll refund him that difference. But --

LADI MARCH: And that is historically what has been happening. If developers have, in fact, had an issue -- I think Miss Hoskins and I were dealing with one earlier in the week. If they've had an issue with a valuation, they pay the valuation. They move forward with their project and any adjustments come on the back end.

CHAIRPERSON MILLER-ANDERSON: Well, wasn't that one -- they agreed to do that at some point?

LADI MARCH: No.

CHAIRPERSON MILLER-ANDERSON: Didn't they say that --

LADI MARCH: They agreed --

CHAIRPERSON MILLER-ANDERSON: -- that was never a -- one of the things they suggested?

LADI MARCH: -- they -- they wanted to do the reverse. They want to pay what they've stated, build out. If it comes back more, put the money in escrow was one recommendation. Another one was we hold the CO if we're able when we need to collect the difference, which if I did that this time I would need to do that for everybody. So you would have everybody, every developer coming to town wanting to hold on the valuation, hold the CO as leverage when we get to that point, and then you have the issue of what fees and what basis are you going to use to pay for the costs associated with enforcing

the code. How -- you -- you can't do it in the reverse.

CHAIRPERSON MILLER-ANDERSON: So Mr. Barot, is that the -- the option that Miss Hoskins just described, is that something you're willing to do to pay the higher amount and -- and should it come back where it's lower, you would get the refund or however that will go?

DILIP BAROT: Yes, ma'am.

CHAIRPERSON MILLER-ANDERSON: Okay.

DILIP BAROT: We are -- we are open about that.

CHAIRPERSON MILLER-ANDERSON: Okay.

DILIP BAROT: And I -- shown indication. And the number -- dollar amount we had talked about, we will consider paying \$130 million. This was a discussion between Miss Hoskins --

CHAIRPERSON MILLER-ANDERSON: Oh, the 130, not the 170?

DILIP BAROT: No. That -- the way -- way we talked about -- I'm trying to say that.

CHAIRPERSON MILLER-ANDERSON: Oh.

DILIP BAROT: What I said.

CHAIRPERSON MILLER-ANDERSON: Uh-huh.

DILIP BAROT: That \$130 million, even though it is a lot higher than what was our number --

CHAIRPERSON MILLER-ANDERSON: Uh-huh.

DILIP BAROT: -- and the -- and if the -- the valuation comes out higher than \$130 million, we can put some money in -- in separate escrow where the valuation comes out --

CHAIRPERSON MILLER-ANDERSON: Okay. That's what she just said. That's what you're --

DILIP BAROT: Yes. So -- so --

CHAIRPERSON MILLER-ANDERSON: But I thought I was -- I -- one -- in one of my briefing meetings I thought I was under the impression that I was told --

DILIP BAROT: So --

CHAIRPERSON MILLER-ANDERSON: -- they would -- were -- you all were willing to pay based on the figures that the City is giving. And if that amount later on where -- the time was if a third party came in and did it and estimated it to be much lower, y'all would get your refund. If they said it was much higher, than you would pay more. Is that not what I understood from before?

DILIP BAROT: Correct. That was the discussion. We pay \$130 million.

CHAIRPERSON MILLER-ANDERSON: Not 130. Whatever the City said, the higher number --

DILIP BAROT: I -- okay. I would -- hear me out, please.

CHAIRPERSON MILLER-ANDERSON: -- whatever the City said.

DILIP BAROT: What -- what --

CHAIRPERSON MILLER-ANDERSON: Well, I think the conversation I had with Mr. DeLaney so I -- I thought that was what you stated was that whatever the City's high number was, they would be willing to pay for that and then if it was lower, then we would give the refund.

DON DeLANEY: (Unintelligible) to that question.

CHAIRPERSON MILLER-ANDERSON: Okay. And we are going to wrap this up because we do have to move on.

DON DeLANEY: Can I answer it?

CHAIRPERSON MILLER-ANDERSON: You can answer that because I -- that's the conversation I thought I remember having, based on the higher number that the City provided.

DON DeLANEY: At the time that we met, this one 175 number was never documented. We didn't have that in our hands.

CHAIRPERSON MILLER-ANDERSON: Okay. So when --

DON DeLANEY: So we had -- we had -- the ICC code has been run twice. The formula's been run twice. When we met it was just the one done by Mr. Terrence Bailey, which was pretty darn close, and it was that 130 to 140 something number.

CHAIRPERSON MILLER-ANDERSON: Okay. And so --

DON DeLANEY: And so what I suggested was -- what I suggested -- actually Solomon -- was to say the 130 to 140 number, the 90 to 104 number, come in the middle, which comes to 117.25. Make him pay for that.

CHAIRPERSON MILLER-ANDERSON: Okay. So the 175 came after the

conversation?

DON DeLANEY: It came -- yeah, because they never showed us the math. So I was saying, I can't bring investors here unless you actually show the math. So they ran the -- I -- of the 175.

CHAIRPERSON MILLER-ANDERSON: Uh-huh.

DON DeLANEY: They kept saying it but never showed the math. They finally showed it. Didn't use the multiplier. Referenced 5000 Ocean and Vista Blue and we've been begging -- as an independent party, have been begging, Show me your math.

CHAIRPERSON MILLER-ANDERSON: Okay.

DON DeLANEY: And they never have. They never -- in fact, you just asked for it again, too. They -- for -- transparency is the key to good governance.

CHAIRPERSON MILLER-ANDERSON: Okay. So let's --

LADI MARCH: I have --

DON DeLANEY: I'd love to see the math, ma'am.

CHAIRPERSON MILLER-ANDERSON: Thank you.

COUNCILPERSON DAVIS: Yeah.

CHAIRPERSON MILLER-ANDERSON: So Miss Davis Johnson, you're instructing Mr. -- you asked Gagnon to provide the -- that information for those other properties or are we just going to --

CHAIR PRO TEM DAVIS JOHNSON: Well, based on the --

CHAIRPERSON MILLER-ANDERSON: -- go with them going to the State Commission so we can --

CHAIR PRO TEM DAVIS JOHNSON: -- well, based on the comments from our building official, she's standing firm at that valuation of 175. And it seems the only recourse at this point is to have them go through the State. But the suggestion of going ahead and paying the dollar value and possibly having that refunded does not --

CHAIRPERSON MILLER-ANDERSON: But he's talking about 1 -- off of 130, not the 175.

CHAIR PRO TEM DAVIS JOHNSON: I -- I'm -- yeah. I'm clear.

CHAIRPERSON MILLER-ANDERSON: Uh-huh.

CHAIR PRO TEM DAVIS JOHNSON: I'm just saying perhaps that's a

consideration for you and your team to move forward in order to have the foundational permit released, and we can deal with whatever comes back from the -- the building -- the State Building Commission --

COUNCILPERSON DAVIS: Uh-huh.

CHAIR PRO TEM DAVIS JOHNSON: -- versus what our valuation is and then we can go from there. Is that -- you are not willing or -- you are absolutely not willing to do that?

DILIP BAROT: Ma'am, we respect this council so much. If you suggest us we will honor it. But we want to have a proper agreement in place.

CHAIR PRO TEM DAVIS JOHNSON: And what is meant by a proper agreement?

DILIP BAROT: That what you are just saying, that in the event -- if we can convince our stakeholder to pay instead of 130, which we were talking about 130 we pay -- the difference of 45,000 remains in escrow. So \$130 million worth of permit fee is paid to the City. The \$45 million remains in escrow. And if the building -- for the Florida Building Commission comes out and said, Okay. This is what the valuation is, portion of that money goes to City and portion of that money goes back to the stakeholder. So still there is a -- there is a hundred and -- we are honoring your -- your suggestion. But we are breaking it up in two part, which is what I had spoken to Miss Hoskins.

CHAIR PRO TEM DAVIS JOHNSON: But if we're putting the -- the question that I have is if we're putting the 43 million in escrow, could we not just make that payment towards the -- towards the valuation, and then on the back

end --

COUNCILPERSON DAVIS: Reimburse them.

CHAIR PRO TEM DAVIS JOHNSON: -- because we don't want to set a different precedent. We want to treat you fairly. We want to be able to see the -- the project move. It's important to us as a city. So if we're -- if we're putting it in escrow, could we not just combine it with the 130 million that you are willing to pay towards to pay for the permitting fees to move the foundational permit on?

DILIP BAROT: And -- and that the -- you'll refund us if the Florida Building Commission's decision is that the valuation should be 130, then excess will be refunded within X day?

CHAIR PRO TEM DAVIS JOHNSON: If that is the standard practice that we have been employing, absolutely. I would imagine that this board could agree to that.

COUNCILPERSON DAVIS: Yeah. Absolutely. That makes sense.

DILIP BAROT: I'll write a letter to council and if you -- if you -- if I have understood

correctly and if I get blessing I'll -- I'll take it to the stakeholder. That's what I told Miss Hoskins.

CHAIR PRO TEM DAVIS JOHNSON: Okay?

COUNCILPERSON DAVIS: Yeah.

DILIP BAROT: Okay?

CHAIRPERSON MILLER-ANDERSON: All right.

CITY ATTORNEY DeGRAFFENREIDT: In order -- in order that I understand the discussions before you, there's \$130 million that the developer does not dispute.

CHAIRPERSON MILLER-ANDERSON: Right.

CITY ATTORNEY DeGRAFFENREIDT: Am I correct?

CHAIRPERSON MILLER-ANDERSON: Uh-huh.

CITY ATTORNEY DeGRAFFENREIDT: So if he gave it to us, that would be our money. It's 45 million that we would be disputing. And we would return to that to him if the State agrees with his figures as opposed to ours.

COUNCILPERSON DAVIS: Correct.

CITY ATTORNEY DeGRAFFENREIDT: But the 130's ours?

COUNCILPERSON DAVIS: Yes.

CITY ATTORNEY DeGRAFFENREIDT: Okay.

COUNCILPERSON DAVIS: Well, really, all of it's ours unless the State say something different.

CITY ATTORNEY DeGRAFFENREIDT: Yeah.

COUNCILPERSON DAVIS: That's all.

CITY ATTORNEY DeGRAFFENREIDT: Okay.

COUNCILPERSON DAVIS: Same thing.

DILIP BAROT: So --

CITY ATTORNEY DeGRAFFENREIDT: But the 130's not in dispute, in other words?

DILIP BAROT: -- so I'll write a letter to city manager and then copy to you. And if

that is agreement I'll take it to the stakeholder. Thank you.

CHAIRPERSON MILLER-ANDERSON: Thank you.

COUNCILPERSON DAVIS: And that's attached to the foundation permit.

CHAIRPERSON MILLER-ANDERSON: Yes.

COUNCILPERSON DAVIS: Okay.

CHAIRPERSON MILLER-ANDERSON: All right. Miss Hoskins and the board. So we have the One Cent Surtax.

CHAIR PRO TEM DAVIS JOHNSON: (Unintelligible).

CHAIRPERSON MILLER-ANDERSON: Say that again.

CHAIR PRO TEM DAVIS JOHNSON: No, go ahead.

CHAIRPERSON MILLER-ANDERSON: The One Cent Surtax Implementation and then the Summer Youth Employment.

INTERIM CITY MANAGER HOSKINS: Yes, ma'am.

CHAIRPERSON MILLER-ANDERSON: For next -- for next summer.

INTERIM CITY MANAGER HOSKINS: Yes, ma'am. I'll refer to staff. Which one --

CITY ATTORNEY DeGRAFFENREIDT: It's in the 553 --

INTERIM CITY MANAGER HOSKINS: -- Valerie is -- Valerie's next?

CHAIRPERSON MILLER-ANDERSON: No, she was number three and

so --

INTERIM CITY MANAGER HOSKINS: So are you the (unintelligible)? She was number three?

CHAIRPERSON MILLER-ANDERSON: -- sales tax was --

INTERIM CITY MANAGER HOSKINS: Okay. Sales surtax.

CHAIR PRO TEM DAVIS JOHNSON: Madam Chair, in light of the hour I would request, can we identify -- can we identify another date in the not-so-distant future to --

CHAIRPERSON MILLER-ANDERSON: Nothing in December. I don't see anything in December. I don't know. You talking about for a workshop?

CHAIR PRO TEM DAVIS JOHNSON: Well --

COUNCILPERSON DAVIS: Ain't nothing -- ain't nothing left in December. Ain't nothing left.

INTERIM CITY MANAGER HOSKINS: No.

CHAIRPERSON MILLER-ANDERSON: You're talking about in January?

INTERIM CITY MANAGER HOSKINS: Nothing's left in December.

CHAIR PRO TEM DAVIS JOHNSON: Yes.

CHAIRPERSON MILLER-ANDERSON: Okay.

CHAIR PRO TEM DAVIS JOHNSON: If we could look at our calendars
to --

CHAIRPERSON MILLER-ANDERSON: But is there something pressing with the sales tax?

INTERIM CITY MANAGER HOSKINS: Well, we had --

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: No. No.

INTERIM CITY MANAGER HOSKINS: Just the library.

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: And that's what I was going to say. I think the -- you know, the more pressing one would be to get the information on the Summer Youth Program.

The sales tax money's not going anywhere and, you know --

INTERIM CITY MANAGER HOSKINS: Well, just the library grant that's tied to the sales --

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: Just the library grant.

INTERIM CITY MANAGER HOSKINS: -- surtax.

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: That would be the only issue.

CHAIRPERSON MILLER-ANDERSON: Which -- what's the --

INTERIM CITY MANAGER HOSKINS: The library grant ends June of 2019, but in order for us to get the \$500,000 grant, we would have -- have started construction and

completed construction of the library by that date. So --

CHAIRPERSON MILLER-ANDERSON: So is that not -- that's something we need to talk about now or we can -- January is -- or is that too long?

COUNCILPERSON DAVIS: Madam Chair?

CHAIRPERSON MILLER-ANDERSON: Yes.

COUNCILPERSON DAVIS: I think that's something -- the January meeting is something we can discuss that item in with the understanding that we're going to Tallahassee --

CHAIRPERSON MILLER-ANDERSON: Okay.

COUNCILPERSON DAVIS: -- Palm Beach County Day with a plan with those that make the decisions to ask for an extension if we have a plan to take up to Tallahassee with us.

CHAIRPERSON MILLER-ANDERSON: Okay.

CHAIR PRO TEM DAVIS JOHNSON: Madam Chair?

CHAIRPERSON MILLER-ANDERSON: Yes.

CHAIR PRO TEM DAVIS JOHNSON: And can we -- with regards to the Summer Youth Program, could we do a Saturday morning workshop on the 30th of December or is that encroaching upon your holidays?

CHAIRPERSON MILLER-ANDERSON: No. I can't do Saturday. I -- I can't do Saturday. No.

COUNCILPERSON HUBBARD: Let me check for -- if --

CHAIR PRO TEM DAVIS JOHNSON: I'm sorry. I can't hear you, Miss Hubbard.

COUNCILPERSON HUBBARD: I'm going to check.

CHAIR PRO TEM DAVIS JOHNSON: Okay.

INTERIM CITY MANAGER HOSKINS: A Saturday morning workshop in January?

CHAIR PRO TEM DAVIS JOHNSON: I was -- I was thinking in December but perhaps January.

COUNCILPERSON DAVIS: Yeah. Go January.

CHAIR PRO TEM DAVIS JOHNSON: The first Saturday?

CHAIRPERSON MILLER-ANDERSON: In January or December 30th?

CHAIR PRO TEM DAVIS JOHNSON: I was asking for December 30th but I'm -- you said you were not in agreement with that.

CHAIRPERSON MILLER-ANDERSON: No, I have an event to go to that day so I can't go. I won't be available on the 30th.

CHAIR PRO TEM DAVIS JOHNSON: Well, what about January 6th?

COUNCILPERSON DAVIS: (Unintelligible) they might be out of town if they got a -- if they're on vacation and staff's here or not.

CHAIR PRO TEM DAVIS JOHNSON: January 6th?

CHAIRPERSON MILLER-ANDERSON: For both of these items? Which -- which one are you -- the two items?

CHAIR PRO TEM DAVIS JOHNSON: For the -- for our Summer Youth Program. And I think we'll -- we just need to have a conversation, I thought, briefly about --

CHAIRPERSON MILLER-ANDERSON: Well, let me --

CHAIR PRO TEM DAVIS JOHNSON: -- the grant?

CHAIRPERSON MILLER-ANDERSON: -- I mean, I -- I know we're going to this - - why do we have to do Saturday? Do -- are we not open to doing any during the week?

CHAIR PRO TEM DAVIS JOHNSON: I selected a Saturday. It can be any day during the week. I was just selecting a Saturday. It is a little difficult to make it to the 5:30 workshop sometimes based on scheduling. So I thought we could look at a Saturday morning for a workshop.

INTERIM CITY MANAGER HOSKINS: One more thing, Madam Chair. As it relates to the library grant, we did speak with our lobbyist, the state lobbyist, and asked for direction from him as it relates to an extension. And he stated that the -- talked about the climate in Tallahassee and that maybe we should move forward with issuing -- issuing an RFP for the -- I think it's the architectural services and an extension, you know, will -- would be considered. The further we are along with the grant, the better chances it would be of us getting an extension.

CHAIRPERSON MILLER-ANDERSON: Uh-huh. Okay.

COUNCILPERSON DAVIS: That makes sense. Yeah.

INTERIM CITY MANAGER HOSKINS: So staff would have to issue an RFP for -

COUNCILPERSON DAVIS: Architectural design.

INTERIM CITY MANAGER HOSKINS: -- those services and then there is a quarterly report that is due, I believe, at the end of this month that we would have to turn in as it relates to the grant.

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: Yeah. Yeah.

CHAIRPERSON MILLER-ANDERSON: Okay.

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: And -- and just for clarification, we have an architect under contract. This would be for construction.

COUNCILPERSON PARDO: Who's the architect? Madam Chair?

CHAIRPERSON MILLER-ANDERSON: Uh-huh.

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: Yeah.

COUNCILPERSON PARDO: Who's the architect?

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: BEA. You awarded that --

COUNCILPERSON PARDO: Oh, they were the ones that made the presentation to us?

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: Yes. Yeah.

CHAIRPERSON MILLER-ANDERSON: Okay. So for the -- the workshop meeting on the 10th -- I'm not sure if we're meeting with CRA on the 10th. Can we find out --

INTERIM CITY MANAGER HOSKINS: Of January?

CHAIRPERSON MILLER-ANDERSON: -- can we find out from them and then if we're not having a meeting on that day --

INTERIM CITY MANAGER HOSKINS: Then that Palm Beach County Day is --

CHAIRPERSON MILLER-ANDERSON: -- I'm not -- oh, is that when you all are going to be gone?

INTERIM CITY MANAGER HOSKINS: It's Palm Beach County Days.

COUNCILPERSON PARDO: Yeah.

CHAIRPERSON MILLER-ANDERSON: What's the date for that?

INTERIM CITY MANAGER HOSKINS: 9th and 10th.

CHAIRPERSON MILLER-ANDERSON: Okay.

INTERIM CITY MANAGER HOSKINS: I'm not sure what your travel dates are.

CHAIRPERSON MILLER-ANDERSON: What about the 11th?

CHAIR PRO TEM DAVIS JOHNSON: We'd just be coming back.

CHAIRPERSON MILLER-ANDERSON: Huh? No?

CHAIR PRO TEM DAVIS JOHNSON: We'd just be coming back.

COUNCILPERSON PARDO: Yeah, we'll be coming back on the 11th.

CHAIRPERSON MILLER-ANDERSON: That morning or that evening?

COUNCILPERSON PARDO: I'm driving so that's going to be hours.

COUNCILPERSON HUBBARD: I don't know what time I -- what time I get back.

CHAIRPERSON MILLER-ANDERSON: Oh. I'm thinking Orlando.

COUNCILPERSON PARDO: 16th?

CHAIRPERSON MILLER-ANDERSON: No, not Tuesday. Not the Tuesday. What about the 8 -- well, the 15th, I -- no, that's a holiday. Are we doing -- did we decide on -- what did we say about the Utility District meeting? Did we say what we were going to do for January?

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: Yeah.

CHAIRPERSON MILLER-ANDERSON: What did we say we were moving it to?

CHAIR PRO TEM DAVIS JOHNSON: I thought that's (unintelligible).

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: We -- we were about --

CHAIRPERSON MILLER-ANDERSON: But that's -- it's a holiday that --

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: Yeah.

CHAIRPERSON MILLER-ANDERSON: But it's a holiday that day so the -- is it --

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: We're -
- we're about ready to bring back the rate study regarding Mangonia Park.

CHAIRPERSON MILLER-ANDERSON: Uh-huh.

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: The town has asked to meet on Thursday the 18th; is that right?

CHAIRPERSON MILLER-ANDERSON: Yeah.

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: That sound right?

CHAIRPERSON MILLER-ANDERSON: That -- that's a --

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: Okay. Rather than Monday the 22nd. They have asked for Thursday the 18th. So Monday the 22nd would actually be your normal Utility District meeting.

CHAIRPERSON MILLER-ANDERSON: No, that's the -- not really. That's the fourth Monday. The 15th would be the regular one.

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: Oh, okay. But that's the holiday.

CHAIRPERSON MILLER-ANDERSON: But that's the holiday.

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: We would -- we would (unintelligible) that, right.

CHAIRPERSON MILLER-ANDERSON: So that's what I'm saying.

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: Okay.

CHAIRPERSON MILLER-ANDERSON: Have we decided to move it to another day? Another Monday?

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: Well, yeah. They've asked for the 18th. And Mr. Horton was going to bring it up at Wednesday's Utility meet -- this Wednesday's Utility District meeting.

CHAIRPERSON MILLER-ANDERSON: So January 18th?

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: January 18th.

CHAIRPERSON MILLER-ANDERSON: So can we -- is that the only -- is that only -- you're not aware of what else would be on there, huh?

DIRECTOR OF FINANCE & ADMINISTRATIVE SERVICES SHERMAN: No, I -- I don't.

CHAIRPERSON MILLER-ANDERSON: Is that something we could maybe look at?

INTERIM CITY MANAGER HOSKINS: January 18th?

CHAIRPERSON MILLER-ANDERSON: Uh-huh.

INTERIM CITY MANAGER HOSKINS: Okay.

COUNCILPERSON HUBBARD: I have to look and see.

CHAIRPERSON MILLER-ANDERSON: Okay. So everybody okay with that, looking at January 18th?

COUNCILPERSON DAVIS: Yes, ma'am.

CHAIRPERSON MILLER-ANDERSON: Okay.

INTERIM CITY MANAGER HOSKINS: And that's a workshop to discuss the Summer Youth Employment and the --

CHAIRPERSON MILLER-ANDERSON: Yes.

INTERIM CITY MANAGER HOSKINS: -- One Cent Sales Tax?

CHAIRPERSON MILLER-ANDERSON: Uh-huh.

INTERIM CITY MANAGER HOSKINS: Okay.

CHAIRPERSON MILLER-ANDERSON: All right. Anything else? Motion to adjourn?

2. ONE CENT SURTAX IMPLEMENTATION.

DEPARTMENT DIRECTOR: RANDY SHERMAN (561) 845-4040

3. SUMMER YOUTH EMPLOYMENT PROGRAM FOR FY18.

INTERIM DEPARTMENT DIRECTOR: KAREN HOSKINS (561) 845- 4010

ADJOURNMENT

COUNCILPERSON DAVIS: So moved.

CHAIRPERSON MILLER-ANDERSON: Have a second?

CHAIR PRO TEM DAVIS JOHNSON: Second.

(CONCLUSION OF WORKSHOP)

Transcribed by: slw/slw

APPROVED:

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MAYOR

KaSHAMBA L. MILLER-ANDERSON
CHAIRPERSON

ATTEST:

CLAUDENE L. ANTHONY
CERTIFIED MUNICIPAL CLERK
CITY CLERK

TONYA DAVIS JOHNSON
CHAIR PRO TEM

LYNNE L. HUBBARD
COUNCILPERSON

DAWN S. PARDO
COUNCILPERSON

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L. HUBBARD _____

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DATE APPROVED: FEBRUARY 7, 2018