




MEMORANDUM

TO: Honorable Chair and Members, CRA Board of Commissioners
City of Riviera Beach, Florida

FROM:  Scott Evans, AICP, Interim Executive Director, Riviera Beach CRA

DATE: January 16, 2019

CC: Michael Haygood, CRA Attorney

SUBJECT: Approval of a Request for Proposal for the Disposition of CRA Property for the Purpose of Providing Public Parking and Implementing Redevelopment of Property.

Request for Board Action

The Community Redevelopment Agency Board (CRA) is requesting approval of an RFP for property disposition of CRA property located at 2441 and 2431 Beach Court, Riviera Beach. The property consists of two adjacent lots that total .1292 acres or 5,628 square feet (.0861 & .0431). The Agency has identified the need for more public parking to be located adjacent to the Municipal Beach Park and Ocean Walk Development owned by the City of Riviera Beach. The property was originally acquired for the purpose of becoming a component of a future public parking solution/redevelopment for the area. The attached



parking study identifies the need for an additional 151-186 parking spaces. The subject properties are available for a redevelopment project that would include the provision of the above required parking. Interested developers are requested to provide a proposal to acquire the properties and utilize them to provide public parking within a new redevelopment project. The PCN are 56434227040004250 and 56434227040004230.

Consistency with CRA Policy & State Statutes

The Adopted Community Redevelopment Plan authorizes the acquisition and disposition of property within the Community Redevelopment Area pursuant to Chapter 163, Part III, Florida Statutes ("CRA Act"). To

effectively carry-out redevelopment projects designed to address the goals and objectives of the CRA, the Agency may consider the assemblage of property to make projects feasible and the disposal of property it owns to facilitate project development. Section 163.380, F.S. addresses the sale and disposal of property in a community redevelopment area.

The CRA Plan contains goals and objectives regarding the need for commercial revitalization, public parking to support redevelopment, and projects designed for the prevention of the development or spread of slums and blight within the CRA Area. To implement the CRA Plan, real property may be acquired to implement projects in the CRA Plan as was completed for the subject property. The Board's approval of the disposition opportunity is a critical step in attempting to partner with potential local property owners to provide needed public parking to support the area and promote future growth and redevelopment. This property is directly across the street from the City/CRA award winning Ocean Walk development and beach park. After completing the acquisition and demolition redevelopment of the properties on Beach Court the Agency is seeking to utilize these properties as a part of a potential larger development to provide public parking and needed property redevelopment in the area. The CRA received an unsolicited proposal from Fred Villari, nearby property owner, and is making this property and the opportunity to redevelop it an open public process. The goal of this project is to provide public parking, and achieve redevelopment to enhance property values in the Singer Island revitalization target area.

The Subject Property



The site (shown above) consists of two properties is a total of 5,628 square feet and is located on the West side of Beach Court, across from the Ocean Walk (Mall) and Beach Park.

Recommendation & Summary

Staff recommends that the Board approves this RFP for property disposition for the purpose of providing needed public parking and property redevelopment in the area to achieve economic development, future adjacent development, and enhance property values in the CRA.

Frederick Villari
2 Firestone Circle
West Palm Beach, FL 33401

April 27, 2018

Scott Evans
Riviera Beach CRA
2001 Broadway #300
Riviera Beach, FL 33404

RE: Sands Hotel

Dear Mr. Evans:

As you know, the Villari Group which has owned the Sands Hotel has been an owner of property on Singer Island for quite some time. I have seen Singer Island on the verge of significant and important development numerous times only to see that development fail for a litany of reasons. These include use restrictions which have curbed development, as well as simply being the victim of the economic downturn which essentially crushed development and growth in South Florida for the better part of a decade.

Over the past few years, the overall real estate market has improved. The real estate market on Singer Island has also significantly improved. As a person who has seen all of the new condominiums and/or mixed use buildings come out of the ground along the ocean, I am encouraged about the future of Singer Island and all residents of Riviera Beach. I believe this new economic revival has created a rare opportunity where the interests of the Island residents and the Mainland residents may be aligned. Let me explain:

SINGER ISLAND

For many years, Singer Island was resistant to growth and development. The residents for many years spearheaded a campaign to limit heights, limit the development of new properties (which would provide parking and access), and limit business opportunities. It was essentially a "stay the same" policy. I am not casting aspersions on these people as they simply wanted to maintain the appearance and allure of the Island that they called home. This is and was understandable.

However, as an unintended consequence of the "stay the same" policy, the Ocean Mall was underdeveloped, there was and is an underdevelopment of parking and beach access, there was and remains an underdevelopment of basic retail services such as grocery, restaurants, and merchants that could service the Singer Island residents as well as Palm Beach Shores

and the tourist economy. It also lead to the proliferation of half way houses and rehabilitation centers on the Island which could not be effectively regulated out. The rehabs and half way houses are undoubtedly the result of the law of unforeseen consequences.

In recent years, as the real estate market has recovered from the downturn, Singer Island has approved and constructed many new residential condominiums and mixed use hotel/condo projects. In fact, there are at least two large scale buildings that are under construction today. This has changed the constituency of Singer Island. These new residents have and will continue to express demand for the amenities and services on Singer Island which have been prevented as a result of the "stay the same" policies of the past. The new residents are demanding change.

THE MAINLAND

For at least an equal number of years, the mainland residents have felt that Singer Island has taken an active position to block access to the City's number 1 resource; the ocean and beaches. The lack of adequate parking, shops, restaurants and amenities gave the unspoken message that "you are not welcome on our Island". The mainland residents have been demanding changes to the access and amenities that are available on Singer Island.

The commonality between the Mainland and Singer Island resident has emerged because both want and need more parking, more shops, more restaurants and more amenities.

THE CITY AND CRA'S NEEDS

The City needs to serve its citizens. What is there now on the south end of Singer Island does not serve the citizens. Anyone driving across the Blue Heron bridge can plainly see that what is there does not match the kind and type of area that all of the buildings and the ocean now represent. Anyone can also see that the south end of Singer Island, where the best beaches on the Island (and perhaps in Palm Beach County) are located and where there should be plentiful parking and plentiful businesses; the residents and visitors are met with "substandard" parking, businesses and amenities.

The citizens should have better.

THE CRA'S MISSION IS SIMPLE

Promote the increasing of property values through redevelopment. It is its mission and the way it creates revenues. It gets the additional property taxes from the raising of the property

values within the CRA areas.

Based on the fact that the CRA can not eminent domain property for private development, a new "City Place" on the Blue Heron corridor can not happen on what is now private land. This means that a CRA must now do things through cooperation and creating an environment for development as opposed to "developing".

THE POSSIBLE SOLUTION

Most people would like to see a better Singer Island and not the same old Singer Island. To do that, the Blue Heron corridor and the areas around the Ocean Mall need to have the ability to be developed in a way that encourages real and significant investment by the private property owners. The practical problem is that most of the parcels on the Blue Heron corridor are separately owned and may be too small to be individually developed with enough usable parking for development to make sense. Around the Ocean Mall, the biggest need is for parking and beach access. The Ocean Mall property is leased and bound by height restrictions and bound by the conditions of the original land grant. This makes further development at the Ocean Mall difficult, if not impossible for the near future. The solution requires more parking and potentially the notion of greater heights on non-city owned lands.

As discussed, the Ocean Mall's parcel is restricted by the land grant, the Charter and Lease, making it a poor candidate to be the "driver" for re-energizing the area. However, if you look immediately to the west of the ocean mall, you will find the Sands.

The Sands is not government owned. The Sands is a short walk to the beach that naturally connects to the Ocean Mall. The Sands and the adjacent properties also provide a great location to walk to Blue Heron and even the Palm Beach Shores. I have the ability to assemble the entire block without using any eminent domain to create a new parking structure that can serve the entire area. I am proposing that I develop the entire block and lease it back to the CRA as a completed project. I envision the site being used primarily as a parking garage (with perhaps some ground-level retail or office type space). In my view, if the site is developed as primarily as a parking garage, virtually every area around it would benefit and many problems would be solved.

The construction of a parking garage on the Sands site solves the following specific problems:

1. It gets rid of the Sands, which most people would prefer;
2. It provides the parking needed for the residents right now;
3. It provides the possibility of better development on the Blue Heron Corridor, as those surrounding properties could "reserve" parking in the garage to meet

- site plan requirements. This would lead to better buildings, better amenities, higher property values, and more property taxes; and
4. The Ocean Mall's Tenant could also potentially "reserve" spots in the new garage (which would offset the lease costs) and at the same time permit the maximizing of the actual permitted heights at the Ocean Mall without having to worry about parking complying with site plan requirements, and still hold its current parking spaces (required by the land grant).

If this gets support: it helps the residents on Singer Island who would like their amenities raised, it helps the mainland residents as it provides much better access and parking to enjoy the south end beaches, it helps the land owners by having higher values, and it helps the CRA by higher taxes on these properties. It does not help the "status-quo".

I would propose that:

1. This matter be brought up for discussion to determine if the CRA board has any appetite for such a project;
2. If the CRA believes in this project, then perhaps a workshop to get citizen input as to whether it is a parking garage or retail/parking garage mix. From there, a non-binding letter of intent to clarify the project that the CRA is looking to complete. After the letter of intent, an actual lease and constructions terms can be discussed.

Thank you in advance for your consideration.

Sincerely,

By

Frederic Villari

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