



---


---

**CITY OF RIVIERA BEACH**

---

---

**TO:** HON. MAYOR AND CITY COUNCILMEMBERS

**FROM:** JONATHAN E. EVANS, CITY MANAGER, MPA, MBA, ICMA-CM 

**SUBJECT:** MUNICIPAL FACILITIES – FY 2020 – MEETING REQUEST

**DATE:** MARCH 10, 2020

**CC:** DEPARTMENT DIRECTORS  
LEGAL DEPARTMENT

---

The premise of this memorandum is to communicate a sense of urgency related to the multiple city facilities that need to be addressed expeditiously. City staff has begun convening to craft a comprehensive overview of the conditions plaguing the agency. Numerous facilities are at the end of their useful life, resulting in significant performance deficiencies related to HVAC systems, ventilation systems, fire suppression, dim or dull lighting, reduced space utilization, as well as inferior technology and limited flexibility. As specific departments begin to grow, and others become more efficient due to technology, it is critically important that we start the task of creating an identifiable and recognizable downtown corridor. However, to move the agency progressively and aggressively, the elected body needs to have multiple discussions to make necessary decisions on this matter. With the viability of limited economic growth as it relates to redevelopment and development projects, the city has a profound opportunity to spur a significant amount of private sector development that can complement and, in some cases, assist the agency in constructing much-needed public facilities.

**Funding** - when we look at the funding options, the city must consider an alternative delivery model to what has been traditionally deployed for the construction of municipal facilities. The reason why this model is necessary is that the timeframe would be shortened significantly, and more resources can be utilized to accomplish the Herculean task of addressing multiple facilities concurrently to modernize governmental facilities in Riviera Beach. However, there are still many topics of discussion that need clarity and perspective from the elected body and frank conversations with the community concerning alternative delivery models. As staff is exploring the feasibility of constructing a new treatment plant, it is contemplated that a 34% increase is needed to provide the capital necessary to fund the \$100 million project. Additionally, if the city were to embark on an additional \$150



million endeavor to address all the municipal facilities, it would place a severe burden on the taxpayer as it would necessitate a millage rate increase to fund such an effort. Other factors to consider are that the cost for government services continues to grow, and multiple collective bargaining agreements still must be resolved in subsequent years.

In summation, I believe that alternative delivery models should be considered to effectuate the change that I think you and the policymaking board would like to see come to fruition. As a result of these alternative models, control may have to be abrogated to the private sector. What I mean by that statement is that the city may enter into a lease agreement with an option to buy at the end of a specific term. Understanding the sensitivity related to that statement, we have to be practical and realistic if we are to deliver on the expectations previously outlined. As a responsible and accountable government steward, time is of the essence. The longer we procrastinate and shift the burden on to future taxpayers and generations to deal with the elements that we know exist today, the more costly the solution becomes.

1. Currently, the cost of construction in Palm Beach County ranges anywhere between \$850 to \$1,105 per square foot. Deferring construction will result in facilities costing millions of dollars more.
2. Furthermore, the leasing of space is becoming increasingly more challenging and costlier, especially considering that the city is expending proximally \$400,000 per year for the lease service payment at the port center. Additionally, because of the conditions of certain facilities, additional lease agreements will need to be considered as there are significant deficiencies in some of the facilities that are currently occupied by staff.
3. The city is also exploring other funding opportunities to assist in creating a diverse portfolio of funds to aid in the capital construction of facilities throughout the city. Parking revenue and fire assessment are merely two options that city staff is moving forward with instituting to facilitate capital construction projects.
4. Additionally, as attrition occurs in the organization, we will look at attempting to find recurring savings and operations to reduce the cost of government to provide for recurring savings to the agency as a result of a strategic alignment between the city council and city staff.

We must press forward and look to take a more aggressive approach as it relates to making decisions concerning the future location and plans for multiple city facilities that must be constructed within the next 5 to 10 years.

**Planning / Zoning** - obviously, with the intent of moving forward with such major projects, the city would need to look at future land use maps and its zoning code to provide for increased flexibility and an incentive to lure private sector investment. We must look



at the densities and intensities, and consider where to locate city facilities optimally to help spur economic growth and redevelopment.

Unfortunately, a lot of long-term planning has been secondary, stifling the opportunity for economic growth within certain parts of our city by doing so. Additionally, to see these projects to fruition, a new vision may necessitate comprehensive plan amendments. The community will also need to embrace and assist in championing the initiatives, as it will require ample community support to move in the fashion in which the city is considering. Therefore, multiple charities and community conversations are necessary to ensure community support.

Furthermore, we must identify the optimal locations and ensure that the political will and community support are present to develop on those sites. In the past, there have been concerns expressed by the elected body in the community related to the selection of sites for construction, so city staff needs to look at what options can be offered concerning this. For this project to be successful, the city staff is diligently working to receive unanimous consensus and direction from the Council throughout this ongoing process. Your active buy-in reflects an understanding and willingness to move in a progressive direction toward an ultimate beneficial resolution to the current situation. Although none of us were involved in creating this challenge, this opportunity may only happen once in a generation, where a group of elected officials has the fortuity to develop a sense of place that has never existed before. The project legacy will be one of good government stewardship.

**Legal** - the city's legal team, with the procurement and finance staff, is working on determining the most appropriate course of action and what expertise is necessary to facilitate a comprehensive and complete process that protects the city's interest and delivers practical and fiscally responsible solutions . Additionally, it will do everything to mitigate risk while creating economic opportunity and development. Legal will work to ensure that staff is compliant with the statute concerning alternative delivery methods and models. This will include but is not limited to reviewing the contract for lifecycle cost, lease agreements, and service agreements. Procurement will be tasked with crafting a document that will require both internal and external expertise so that the contemplated alternative arrangement is communicated transparently and clearly in the procurement documents. Not many municipal governments have entertained such a mammoth task, which will require expertise from outside of the city. Such knowledge will most likely need to be retained to facilitate a smooth, productive, and transparent process.

**Department Directors** - city department directors have been tasked with looking at facility needs from a different perspective to what they have traditionally examined. City staff will look at needs versus wants, and right-size designs and plans related to facilities that they would like to see constructed. With the increased use in demand for technology, we are looking to become a smarter, more efficient government versus one that does not adapt and



evolve to society's changes. Consequently, we are contemplating essential components in determining the optimal facility design and layout to assist the end-user in providing a service to the public, such as

- How we construct our facilities,
- How we maintain them, and, ultimately,
- How they operate when the public utilizes them.

Now, we have to look at operational efficiencies and include utilizing technology, and more strategically placed facilities that may modify operational hours to ensure access is maintained or, more importantly, improved.

As a result, the city needs to act swiftly. We will be looking to schedule an all-day retreat with the City Council, and secure expert testimony about the most optimal process to address the facility concerns of the city as well as provide some additional information and clarity concerning the needs of the city.

### **Action Steps:**

1. Workshop Retreat – City Facilities
  - a. Needs – Facilities Needs Assessment
  - b. Location – Site Identification – CRA District
    - i. Zoning – Comprehensive Plan
    - ii. Densities and Intensities
    - iii. Future Land Use Map (“FLUM”)
  - c. Funding
    - i. Bonding/Borrowing
    - ii. Alternative Delivery Methods - public-private partnership
    - iii. Repayment Models
  - d. Operational Arrangement
    - i. Business Case(s)
  - e. Legal
    - i. Risk Mitigation
  - f. Timelines
    - i. Procure, Review, Construct

Unfortunately, time is of the essence. Though none of us were involved in creating this challenge; however, I am confident that collectively, we will be the group to address these challenges and deliver multiple city facilities of which the community will be proud. In closing, thank you for indulging staff concerning this particular issue as we must make significant progress to move forward with these projects.