

Marina Phase II Project: Update Report Joint Work Team (JWT)

August 25, 2020



Agenda Item: CRA Board Review of Report by Financial Advisor PFM

Project:

The Marina Village Phase II project is a partnership between the City of Riviera beach, and the CRA. Together they have formed a Joint Work Team (JWT) to manage and implement negotiations, and CRA & City Council directives. The Phase II Marina village redevelopment project is designed to build upon the infrastructure and public investments that were included in the first phase. The next phase of development is a tremendous opportunity for the City to attract a significant number of new jobs, tax revenue, local business opportunities, and new economic development. The City and CRA have been working collaboratively to ensure that the City receives the best outcomes from the proposed new development.

Current Status:

At the City Council workshop on December 14, 2019, the Council directed the Joint Work Team (JWT) to proceed with a process to hire Financial Advisors to conduct a financial review and analysis of the proposed development team/proposal from the combined development team. On March 18, 2020 the City Council approved the City Manager to contract with PFM financial advisors to complete the requested financial analysis for the JWT.

The Report from PFM has been provided to the Council/Board providing recommendations and options. The CRA Board will review the report and summary presentation by PFM on August 26, and deliberate and determine whether to proceed with further negotiations with the proposed combined development team or to re-issue the opportunity for development of the Marina Village Phase II project.

Timeline of Recent Actions:

August 18 – The JWT continued review of the legal comments provided by the Developers, One CRA Commissioner required that the review of the PFM report move forward on August 26 although review was still underway, the JWT agreed to move forward and would provide the Board/Council the relevant related materials as they were completed/finalized in advance of the meeting.

August 13 – The Developers attorney transmitted a response to the JWT Attorney Michael Haygood, following review of this document the JWT began to work through the legal comments raised by the response.

August 12 – CRA Board requested that the Review of the Financial Advisors report proceed at the next available meeting having received no response from the developers as of the date.

August 5 – CRA Board & City Council approved the refinancing of all existing CRA debt saving the Agency over 2 million dollars and providing the new funding to complete the strategic property acquisition approved on July 22, 2020

July 22 – CRA Board approved the acquisition of the Yachtsman property from Viking completing the site control for the final critical piece to allow the comprehensive redevelopment of Marina Village.

July 21 – The JWT circulated the Final PFM Report to the Developers requesting to meet to discuss and for them to provide comments.

July 6 - The JWT held one on one meetings with the Council/Board to allow PFM to present their findings.(following the submittal of materials by the Developer and review by PFM Financial Advisors) and following those meeting circulated the draft final PFM report to the City Council.

May 4 – Coordination Meeting JWT & PFM with APDS-TEZRAL

April 23 – Coordination Meeting JWT & PFM with APDS-TEZRAL and Request for Information to complete Financial Review provided to Developer by PFM

April 8 – Final Contract Completed – PFM Immediately Begins review of RFP and Development Proposals and Submittals.

April 2 – Contract & Draft scope with PFM finalized and circulated for City Council Comments

March 27 – JWT Meeting to prepare and discuss the Contract for PFM

March 18 – City Council approved for the City Manager to contract with PFM Financial Advisors the existing Financial Expert

March 12 – A CRA Commissioner submitted a special meeting request for a meeting on March 25 for a CRA Agenda that includes a presentation by APDS-TEZRAL.

March 11 -JWT: Agenda Item prepared for City Council to provide direction on Financial Advisor Procurement: see current status above.

March 11 - APDS-TEZRAL submitted Draft Development Agreement and request to present to the CRA and City Council. The draft agreement is in the form previously advised to APDS-TEZRAL as NOT appropriate for this development agreement. The JWT looks forward to negotiating with APDS-TEZRAL as soon as appropriate and directed by the CRA/City Council. Negotiating a draft agreement in a public forum including public presentation of drafts of documents not reviewed or analyzed by the JWT is not the recommended method for this process to proceed.

February 21 – JWT: Conference Call with Association for Improvement of American Infrastructure to review the Draft RFP for Financial Advisor.

February 13 – JWT Phone Conference with APDS-TEZRAL – provided a status update on the current process and timeline for Financial Advisor

February 12 – CRA Board: Votes to select Commissioner Botel as member of the JWT to represent the Board.

February 5 – CRA: Attorney forwards proposal to City and CRA with response to APDS-TEZRAL that the proposed agreement model will NOT be appropriate for use in this project.

February 5 - APDS-TEZRAL: Submits email with basic proposal to begin negotiations now based on an agreement model used by Viking and the CRA previously to CRA Attorney.

January 30 - – JWT: Conference Call with Association for Improvement of American Infrastructure to review their recommendations for procuring advisory consultants for our future public private partnerships and discussing our immediate need for a Financial Advisor. JWT initiated drafting RFP following this meeting.

January 22 – CRA Board: Approves Purchase Contract with Viking Developers to acquire key property within the Marina District on the South Side of 13th Street adjacent to Broadway. The CRA will now control the entire associated block for redevelopment

January 8 – City Council: Approves the abandonment of Old 13th Street creating the opportunity to create the larger development parcels as approved in the Marina District Master Plan and as shown in the approved Phase One Site Plan that are capable to attract the large scale development needed for the project.

December 14, 2019 – City Council considered the current status of the Marina Village Phase II project, which is a partnership between the City/City and a future private development partner. The Council directed the JWT to engage a financial advisor to evaluate the proposed combined development team and proposal.

JWT/JB:SE