



CITY OF RIVIERA BEACH

TO: HON. MAYOR AND CITY COUNCILMEMBERS

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

SUBJECT: PEANUT ISLAND – UPDATE AND REQUEST FOR DIRECTION

DATE: AUGUST 5, 2020

CC: GENERAL PUBLIC

Background:

This memorandum contains information about Peanut Island. As previously discussed, staff members have communicated the City's desire to control the 4.3 acres of property that contain the President Kennedy Nuclear Fallout Bunker, the boathouse, and the Coast Guard facility. Based on the previous legislative action communicated by the City Council on February 5, 2020, the City received a term sheet from the Port of Palm Beach on Wednesday, July 22, 2020. City staff members are in the process of reviewing the term sheet and submitting revisions for consideration. However, the staff would like to reaffirm the position articulated by the Board in February: that there is still a desire to move forward with acquiring a portion of the property referred to herein as the Peanut Island Facilities. Based on the nuances of the term sheet, the Port will abrogate the risks and responsibilities associated with the facilities solely to the City. Other caveats require virtually unfettered control over the City's actions and require approval by the Port of Palm Beach to move forward with multiple activities. In addition, the most contentious and controversial element is that renovations are necessary to secure the property.

City staff members are working diligently to review the proposed term sheet and proffer recommendations amenable to the City. The anticipated cost to address the immediate deterioration of the facility could be \$15,000-\$25,000. In addition, there are outstanding code compliance-related issues that, in the opinion of administration, must be resolved before the City considers accepting the property. Moreover, there is a cost associated with remediating the damage that has occurred over the years, which the City must resolve before acceptance. Obviously, these are elements of the negotiations that must ensue over the next few weeks.



In the staff's opinion, this property still possesses extreme value to the City and, should the City proceed, could represent a unique public/private opportunity to secure assistance. However, in the environment created by the COVID-19 pandemic, City staff wants to confirm the ongoing desire to move forward with the project. If this desire exists, the staff can resolve the elements on the term sheet within the next 30-45 days.

If the City Council approves proceeding, the action plan is as follows.

- A. Negotiate term sheet
- B. Ensure terms are approved by the Port of Palm Beach and City of Riviera Beach
 - a. Release Intent to Negotiate (ITN) – Competitive Solicitation Process
 - b. Draft a modification to Ordinance 2001 – 83 – and Resolution 2009 – 0722 – Port of Palm Beach
 - i. Begin repairs
- C. Submit a joint resolution by the Port of Palm Beach and the City of Riviera Beach to modify the legislation adopted by Palm Beach County
- D. Perform the following upon approval
 - a. Land Use – Make zoning changes
 - b. Proceed w/ annexation * If applicable
- E. Submit applications for local, state, and federal funding
- F. Complete planning, designs, and engineering
- G. Complete construction
- H. Host grand opening, etc.

Clearly, this list is not all-inclusive, but its contents highlight the staff's intended approach, assuming we are successful in terms of these major decision points.

Citywide Goals:

Riviera Beach 2030 – Goal(s): strengthen community engagement and enhance government stewardship

Budget/Fiscal Impact:

No monies have been expended as of yet, however, some costs are anticipated to be incurred if the City is successful in moving forward with the acquisition of the property articulated in the memorandum.



Recommendation:

City staff recommends that the City Council provide direction to staff should they desire to move forward with obtaining a lease agreement between the Port of Palm Beach and the City of Riviera Beach for Peanut Island.

Attachment(s):

None