

Riviera Beach Community Redevelopment Agency
Special Meeting
City of Riviera Beach Marina Village Event Center
190 East 13th Street
Riviera Beach, Florida
Thursday, October 8, 2020
6:04 p.m. to 9:46 p.m.

IN ATTENDANCE:

Chair Julia Botel

Vice Chair Douglas Lawson

Commissioner Shirley D. Lanier

Commissioner Tradrick McCoy

Commissioner KaShamba Miller-Anderson

Mayor Ronnie L. Felder

Interim Executive Director Jonathan Evans

General Counsel Michael Haygood

1 MR. HAYGOOD: All right, (inaudible).

2 CHAIR BOTEL: She was on the phone a minute
3 ago.

4 COMMISSIONER LANIER: Hello.

5 CHAIR BOTEL: Oh, good. You're here,
6 Commissioner Lanier.

7 COMMISSIONER LANIER: Yes.

8 CHAIR BOTEL: Thank you.

9 COMMISSIONER LANIER: Yes, yes, I'm here.

10 CHAIR BOTEL: Thank you.

11 THE CLERK: Vice Chair Lawson.

12 VICE CHAIR LAWSON: Present.

13 THE CLERK: Chair Botel.

14 CHAIR BOTEL: Here.

15 THE CLERK: Also present, Jonathan Evans,
16 Interim Executive Director; Michael Haygood, General
17 Counsel; and Tamara Seguin CRA Clerk.

18 CHAIR BOTEL: Thank you. We'll have a moment
19 of silence, followed by the Pledge of Allegiance, led
20 by Commissioner Lawson.

21 (Moment of silence observed. Pledge of
22 Allegiance recited.)

23 CHAIR BOTEL: Any person who would like to
24 speak on an agenda item, please complete a pink public
25 comment card, located at the outside on the table, and

1 give it to the staff prior to the item being taken up
2 by the Riviera Beach Commission for discussion. Members
3 of the public will be given a total of three minutes to
4 speak on all items listed on the consent agenda and
5 three minutes to speak on each regular agenda item.
6 The time limit for public comments may be reduced by a
7 vote of the Commission based on the voluminous nature
8 of public comment cards. In no event will anyone be
9 allowed to submit a comment card to speak on an agenda
10 item after the resolution is read and the item
11 considered.

12 Do we have any disclosures by Commission --
13 do we have disclosures by Commission members or staff?

14 Would anyone care to -- well, there's only
15 one item on the agenda. Could I ask for a motion to
16 accept the agenda?

17 VICE CHAIR LAWSON: Motion to accept the
18 agenda.

19 CHAIR BOTEL: We need a second, Commissioner
20 Lanier, to accept the agenda. Commissioner Lanier we
21 need a second to accept the agenda.

22 COMMISSIONER LANIER: I am here, and I hear
23 you, and I'm (inaudible) making a motion to second.

24 CHAIR BOTEL: Thank you. Madam Clerk.

25 THE CLERK: Commissioner Lanier.

1 COMMISSIONER LANIER: No.

2 THE CLERK: Vice Chair Lawson.

3 VICE CHAIR LAWSON: Yes.

4 THE CLERK: Chair Botel.

5 CHAIR BOTEL: Yes.

6 THE CLERK: That motion carries. With
7 Commissioner Lanier dissenting.

8 CHAIR BOTEL: Let the record show that
9 Commissioner McCoy has joined us.

10 Since you're in time for the vote,
11 Commissioner McCoy, we're voting to accept the agenda.
12 How do you vote?

13 COMMISSIONER McCOY: Yes.

14 CHAIR BOTEL: Thank you.

15 Do we have any public comment cards?

16 THE CLERK: We do not, Madam Chair.

17 CHAIR BOTEL: Thank you. We have no consent
18 agenda, so we can move right into regular business,
19 item number one.

20 THE CLERK: FHFC proposals.

21 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
22 Madam Chair and members of the Board, this item before
23 you this evening is to talk about two projects that the
24 City of Riviera Beach CRA is excited to bring forth for
25 your consideration. You will hear a presentation from

1 Ms. Annetta Jenkins to speak how the process is to be
2 carried through with the State and what is happening
3 this evening, as well as the work that staff has put
4 forth as it relates to the projects that you will be
5 hearing this evening.

6 Obviously, we are going to ask for direction
7 from the Board to proceed forward with selecting one of
8 these projects so we can be able to provide the
9 resolution necessary so one of these two entities can
10 pursue the program through the State as it relates to
11 low income housing tax credits.

12 So at this time, Ms. Jenkins is going to make
13 a presentation, followed by one of the entities that
14 are here to present.

15 MS. JENKINS: Thank you, Mr. Evans.

16 Good evening, Chair Botel and Commissioners
17 and other members of the public who are here.

18 This evening we're very fortunate to have
19 before us two projects that are seeking a loan or grant
20 as a demonstration of local government commitment to
21 their projects. This will maximize the application
22 score for an allocation of low income housing tax
23 credits with Florida Housing Finance Corporation. This
24 support is critical to these projects.

25 In a memo outlined by Mr. Evans on

1 September 25th, we put forth the process that we think
2 will allow you to make a decision for one of these
3 projects. The subsidy chosen will be conditioned upon
4 the award of tax credits to either of these groups for
5 the development of the proposed number of units of
6 housing affordable to residents with incomes of not
7 more than 80 percent of area median income, and our
8 commitment will not be disbursed until closing of the
9 entire transaction.

10 The two projects are Berkley Landing and
11 Island View Apartments.

12 Island View Apartments is a proposed new
13 development located at 2525 Broadway, near the Park
14 Manor neighborhood. This development will add 30 and a
15 half million dollars in development value on a property
16 currently assessed at a little bit more than \$880,000.
17 We project that it will generate an estimated \$257,786
18 in ad valorem tax revenue.

19 Florida Housing Finance Corporation's low
20 income housing tax credit program is among the most
21 competitive in the country, and the most sophisticated
22 developers are interested in maximizing the likelihood
23 for success, as the pursuit of such funding is costly.

24 The second project is Berkley Landing.
25 Berkley Landing is a proposed new development adjacent

1 also to the Park Manor neighborhood of Riviera Beach.
2 This proposed development will also add approximately
3 \$30.5 million in development value on a property
4 currently assessed at \$970,000. The project will
5 generate an estimated \$256,786 of ad valorem tax
6 revenue.

7 This project is consistent with the goals and
8 objectives of our adopted CRA Plan. Staff has reviewed
9 it and has identified the need to bring new residential
10 housing to the city. The project is located within the
11 Blue Heron north area and provides that as the area
12 develops, a wide mix of housing should be included.

13 Just a little bit about low income housing
14 tax credits. They are the nation's and the state's
15 best tool for the delivery and financing of rental
16 housing for working families. Since 1986, housing tax
17 credits have provided critical financing for more than
18 3.23 million rental homes.

19 Note that housing tax credit properties have
20 an average vacancy rate of 4.2 percent, compared to
21 10.6 percent in the overall rental market.

22 Foreclosures have occurred in less than one percent of
23 all low income housing tax credit properties since
24 1986, better than all other classes of real estate.

25 Tonight you'll hear presentations from both

1 developers. For the Island View Apartments, we have
2 representatives of the HTG Group. For Berkley Landing,
3 we have the Wendover Pinnacle Group.

4 The format will be as outlined in Mr. Evans'
5 letter of September 25th. We will have one hour,
6 total, for the HTG Group. They will do their
7 presentation. The Commission will have an opportunity
8 to ask questions. At the end of that hour, the HTG
9 Group will leave the room, and we'll bring in the
10 Pinnacle/Wendover Group, which has been sequestered
11 during this process, and we'll repeat it. At the end
12 of the second presentation, we'll have both groups in
13 the room and the Commission will be able to ask
14 questions of both groups.

15 And at the end of that questioning period, we
16 ask that you deliberate. And staff is requesting the
17 Board of Commissioners to approve our request to
18 provide a grant or loan to either Berkley Landing or
19 Island View Apartments and either to Wendover/Pinnacle
20 or HTG to construct a new residential community on
21 Broadway as outlined in the proposals that we presented
22 to you.

23 And be reminded that the award is contingent,
24 contingent upon the receipt of low income housing tax
25 credits. The project is consistent with the goals and

1 objectives of our adopted CRA Plan. And just to
2 clarify, we have two fine proposals before us, and
3 we're very fortunate to have them seeking to make an
4 investment in our city, but a local government can only
5 support one project for this allocation of funding.

6 And with that, we'll turn it over to the HTG
7 Group to present Island View Apartments. And you have
8 one hour, total. So if you will begin.

9 MR. FINNIE: Good evening.

10 CHAIR BOTEL: Good evening.

11 MR. FINNIE: My name is Bryan Finnie. Is
12 this on? Okay. My name is Bryan Finnie, and I am the
13 Vice President/Developer of the Housing Trust Group.
14 But I'd like to introduce members of our team before I
15 continue.

16 To my left is Jason Larson. He's the Vice
17 President of Development for HTG. As well as at the
18 far end is our strategic partner, Mr. Ron Davis, who's
19 the president of Mosnar Group. We are the team that
20 will manage the day-to-day activities of the
21 redevelopment of Island View. I want to emphasize the
22 fact --

23 CHAIR BOTEL: I just want to interrupt you
24 very briefly. Let the record show that Commissioner
25 Miller-Anderson and the Mayor are on the dais. Thank

1 you. Go ahead.

2 MR. FINNIE: I want to emphasize the fact
3 that the three people in this room make all day-to-day
4 decisions on this project. We are responsible for the
5 budgeting, we are responsible for the financing, we are
6 responsible for the selection of the contractors, we
7 are responsible for the checks. Now, the reality of it
8 is if the project does well, it's a great deal done by
9 the Housing Trust Group. If the project does not
10 perform well, it's the responsibility of Jason and
11 Bryan Finnie. So that goes with the territory.

12 I'm going to go through our presentation
13 pretty quickly so you can ask some questions, but just
14 a quick overview, if I can help -- it's not working.
15 All right. Next slide. No? Okay, then I'll just do
16 it manually until we catch up.

17 The Housing Trust Group, just the bottom
18 line, we have over 25,000 units of affordable housing,
19 primarily most in the state of Florida. Our occupancy
20 rates average a little bit north of 98 percent. We are
21 very comfortable with the state of Florida.

22 And our mission, our mission is to provide,
23 without compromise, the highest quality multifamily
24 residential communities in a professional environment
25 and ethical manner. This is very important because if

1 you've taken a look at our projects, and we do have a
2 project, we have a project in Riviera Beach, you will
3 notice that we have a market rate product. The same
4 product that you would rent and build on one section of
5 the city is the same project that we build wherever we
6 go. So we're pretty proud of that, and that is our
7 mission.

8 Our alternate mission is when people walk
9 into a community, we are very excited when folks say,
10 well, what is that? And we'll say that's affordable
11 housing. People say that's affordable housing? And
12 yes, because we build a quality product.

13 Now, I'd like to bring up Jason Larson, who
14 will talk to you more about the project location and
15 some details about the mechanics of the project.

16 Jason.

17 MR. LARSON: Thank you. Good evening.
18 Name's Jason Larson, Vice President with Housing Trust
19 Group.

20 So this development is to be located at 2525
21 Broadway Boulevard, which is across from the shopping
22 center which used to contain the Family Dollar. It was
23 a trailer park at one time, and had, in the mid 2000s,
24 a developer that had purchased it for development, has
25 cleared the trailers off when there was a financial

1 crisis and a foreclosure, and then it was sold by a
2 bank to a group that is very keen on doing
3 redevelopment and wants to see the Broadway corridor
4 redeveloped. And we're fortunate enough to have them
5 as a partner on the development.

6 So we're proposing new construction garden
7 style buildings, three stories, which is what the
8 current code allows for, 110 units, 26 one bedroom, 58
9 two bedrooms, and 26 three bedrooms.

10 So our project design you can see there. The
11 site plan that you see in the upper left-hand corner is
12 really more of a density study. What we do is when we
13 get the site, we come up with a concept, we want to
14 make sure that everything will fit on the site with the
15 required parking and the building constraints.

16 What we'll do is if we're funded, we're going
17 to work with staff very closely. We'll bring in
18 Wantman Group, who we worked with on the Heron Estates
19 development as planner and engineer, and we're going to
20 work with the community on the overall layout of the
21 site plan. And we're going to work with this body, and
22 we'd be happy to come in and do, you know, workshops
23 and community meetings on building layouts and things
24 like that.

25 We've got some proposed elevations here,

1 three story garden apartments with a clubhouse, full
2 range of amenities, a multipurpose room in the
3 clubhouse with a fitness room, resort style swimming
4 pool, playgrounds, computer room. We'll have an
5 outdoor grill area, professional on-site management.
6 We'll have washer and dryer hookups in every unit, open
7 floor plans, and we've got full sized energy star
8 appliances, as well as other green building features.
9 And the building will have an NGBS, which is a National
10 Green Building Standards, Silver Level.

11 So we'll offer some resident services for the
12 folks that are living there. Literacy programs,
13 employment assistance programs, we've got financial
14 management programs.

15 Now, we're also going to do what we call our
16 homeowner opportunities program, where if a resident
17 signs up, we will set aside five percent of the
18 resident's monthly rent in an account for them that
19 when they move out -- it will have a vesting period,
20 probably about a year. But it will accrue as long as
21 they're a resident at the property, and when they move
22 out, we will, you know, give them funds for a down
23 payment on a single family house or a townhouse or a
24 condo. And then we'll also do computer training in our
25 computer lab.

1 So our resident income mix, so we're going to
2 have a range of incomes. We're going to have 17 units
3 for folks earning as little as 30 percent of the AMI.
4 The bulk of the units will be at 60 percent of the AMI,
5 but we'll also have some 70 percent AMI units, 31 of
6 those, and then some 80 percent AMI units, ten of
7 those. And those higher AMI units are really, you
8 know, what we refer to as workforce. Especially the
9 80 percent AMI units, you could have, you know,
10 teachers and firefighters that will qualify for those
11 units. So a good mix of incomes.

12 We can go to the next slide.

13 Oh, monthly, yes, our monthly rent limits.
14 That's a little small for me to read, but let me pull
15 up mine.

16 MR. FINNIE: So while he's talking --

17 MR. LARSON: Yes, so the monthly rent limits,
18 to give you an idea, so these are based on the current
19 2020 rent schedules. And the way it works is based on
20 the area median income, the rent is 30 percent of
21 those, what they call the area median income groups, so
22 that folks aren't rent burdened. But we could have
23 units on the one bedroom from 494 at the 30 percent, up
24 to 1,318 on the 80 percent units. And then on the two
25 bedroom, as low as 593, and up to 1,582 on the

1 80 percent two bedrooms. And then on the three
2 bedrooms, as low as 685, and then up to 1,827 on the
3 three bedroom 80 percent set-aside units.

4 Go to the next slide.

5 MR. FINNIE: I want to go back, and I just
6 want to further emphasize a fact, a point that Jason
7 made. This home ownership initiative that we're
8 linking to this project is significant because we're
9 going to set aside money, we're going to match it.
10 We're going to set aside money and help people
11 transition from rental to home ownership.

12 The theme of what we're doing on this
13 project, the theme is going to be sustainability, the
14 theme is going to be transitioning to ownership.
15 That's a theme of this initiative that we'd like to
16 expand further in the future, but I'll get back to --
17 I'll talk more about this theme later.

18 But what you see in front of you now is a
19 list of projects that we've done, Luna Trails in
20 Titusville, fantastic three-story structure, 100
21 percent occupied, done in 2020.

22 Twin Lakes, phase one completed in 2019, 99
23 percent occupied. That's a joint venture with the
24 Housing Trust Group and the Lakeland Housing Authority.
25 Fantastic project. We're actually doing three phases.

1 Phase one and phase two -- or phase one is complete,
2 phase two is under construction, and hopefully we'll
3 get phase three done in the next year or so.

4 Osprey Pointe, again another project
5 completed 2020, 100 percent occupied.

6 What that all shows is that we have the
7 capacity to work on multiple projects simultaneously
8 and get them done and get them done well.

9 Now, what we have here, and I hope you can
10 see this, is the site plan for Heron Estates. It says
11 Heron Estates Family, but it just should say Heron
12 Estates. And I want to talk about this.

13 Four years ago, four and a half years ago I
14 drove by a site in Riviera Beach that was about 16
15 acres, and it was vacant. And I said: What is that?
16 And I talked to my development team, and what they
17 basically said is it's difficult to do business in
18 Riviera Beach. You can probably go somewhere else and
19 get more done quicker.

20 I didn't understand that. As a former City
21 Manager of a city, and you know, a former City Manager
22 of a difficult city, I couldn't understand what they
23 were talking about. And I got together with Ron Davis.
24 And I called Ron and I said: Ron, I want to do
25 something in Riviera Beach. And he said: What do you

1 want to do? And I said: Well, I want to partner with
2 you, and I want to go after this project called Heron
3 Estates with the Housing Authority up there. Can we do
4 it?

5 We had a meeting with the Housing Authority,
6 and after several months of discussions, we all agreed
7 to move forward and move this project forward. No one
8 thought we could do it, no one. The naysayers were all
9 over the place. But if you look at that site plan now,
10 it calls for a senior building with 101 units, and it
11 calls for 79 townhomes, garden style structures. That
12 site plan is real. The 101 unit seniors development is
13 built and it's high quality.

14 And yesterday, yesterday we closed on our
15 financing for the 79 units. So construction starts on
16 those 79 units; construction will start next week. I
17 think I just talked to Jason a few minutes ago, he's
18 already ordered the checks that we have to bring to the
19 City to get our permits. So that's not a fantasy,
20 that's not a dream, that's something that's real and
21 that's tangible and it's within a stone's throw of what
22 we want to do in Island View.

23 I won't bore you with -- you know, it's a
24 \$30 million project. Our leverage is good, and we have
25 the wherewithal. We're going to build 110 units, a

1 \$30 million project. We're looking for local
2 government, local government area opportunity request
3 of \$640,000. And we are looking not for a grant. We
4 intend to borrow this money and pay it back over
5 15 years. So we're not looking for a grant. We want
6 to borrow, we want to pay it back.

7 But this project is not about sticks and
8 bricks. We can build units. In fact, the easiest
9 thing about a project is building it. The hardest
10 element of a project is predevelopment, is getting it
11 financed, and most importantly, trying to find a way to
12 make an investment that enhances the people who live in
13 that community and get them involved in this project.
14 What we're doing now on this project is we're finding a
15 way to link private sector investment to meaningful
16 redevelopment activities by people in those communities
17 on this project.

18 Now, Mr. Davis, can you please, our minority
19 partner.

20 And just let me say for the record that
21 Mr. Davis is our partner. And I want to be very clear
22 on this. A lot of consultants get a monthly stipend.
23 Ron's compensation is based on success because he
24 invests his time into the projects. He's an equity
25 player in this deal. In all our deals, that's what we

1 try to do.

2 But our ultimate goal on this project, make
3 no mistake, our goal is to establish a prime contractor
4 joint venture with a Rivera Beach local contractor.
5 Let me say that again. A prime contractor joint
6 venture. What that means is that a local contractor
7 will be an owner of the construction of this project.
8 We're saying it on record.

9 This joint venture will work with the City,
10 as I've had discussions with the City, to establish a
11 procurement process that will do more than just looking
12 at subcontractors to work on the project. We also,
13 with \$30 million, we're going to spend millions of
14 dollars on supplies. We're going to make sure those
15 supplies are purchased on a competitive basis from
16 businesses in the city.

17 We're going to identify a process to identify
18 unskilled laborers. And I have a contract, and we are
19 under negotiations right now with the local labor
20 unions. We have a contract. The union has agreed and
21 -- I'll probably drop it. But we have a contract with
22 the local labor union, and they've agreed to help us
23 find and train unskilled labors for our project.

24 So we've got boots on the ground right now,
25 because we're doing Heron Estates Family. Although

1 this project is about Island View, we're also
2 establishing our labor force on a project that's about
3 to start next week.

4 I want to get back to the most important part
5 of this project. Our local contractor will be a
6 partner in this deal and will own one-third of the
7 joint venture. This takes the whole concept -- people
8 will say, well, what's your minority set-aside? What
9 are your goals? What's this, what's that? That's
10 good. But that is a ceiling; that's a ceiling. When
11 you become an owner, the ceiling is gone. If we keep
12 on playing this game about ceilings, we will end up
13 where we've always been, on the outside looking in.

14 We want to set a precedent here. And my
15 team, HTG, most importantly the owners of the company,
16 when I briefed them of what we wanted to do, they gave
17 me 100 percent for what I'm saying here today to you.

18 Ron, would you please bail me out here.

19 MR. DAVIS: Thank you, Bryan. And good
20 evening, members of the CRA Board. I'm Ron Davis. I
21 know all of you from our prior work experience both
22 here in the city, as well as in the private sector, and
23 it's a pleasure for me to discuss with you tonight what
24 we're proposing to do with the City of Riviera Beach,
25 and it will be the first time it's been proposed.

1 Bryan and I met with the City Manager a
2 couple of months or more ago to respond to the City's
3 desire to utilize, better utilize its local
4 contractors. In that proposal we talked about the
5 possibility of using local prime contractors, minority.
6 We talked about the level of minority subcontractor
7 participation. And so the model we proposed, we're now
8 in the process of implementing that model,
9 demonstrating how all the slots are filled.

10 We have a team that's going to be highly
11 competitive. My firm, Mosnar Group, minority owned
12 firm, is a co-development partner with HTG, and I'm
13 very pleased with that opportunity. And this is not
14 the first project I've worked with HTG on.

15 Also, now we're coming forth to the City with
16 a joint venture to have a local minority contractor, a
17 prime contractor involved in the project. And we have,
18 I like to say and I'm pleased to say that we are --
19 we'll be utilizing and working with All-Site
20 Construction, Ezra Saffold as the principal of that
21 firm. I'm not sure -- Ezra's out of town, but I think
22 his son may be here. There are representatives of
23 All-Site. They will be working with -- they'll be an
24 owner of the project, a one-third owner of the project
25 as the local joint venture partner to build the

1 project, along with the rest of our team.

2 We also will have people, reputable firms
3 here locally, such as Brown Electric or Greener to
4 Green, Wesley, minority contractors. We have wrapped
5 our arms around them already. Working with Ezra and
6 All-Site, we're going to identify and bring in
7 additional local minority contractors to this project.
8 So therefore, we'll not only have a local general
9 contractor as a prime, we'll also have local
10 subcontractors, really bringing activity to the city at
11 a level that's never been achieved before.

12 As a minority business myself, I am extremely
13 pleased with the progress that we're demonstrating. We
14 committed to City Manager Evans that we're going to try
15 to do this in response to the Council's desire to have
16 a way to elevate minority contractors and participation
17 in this city and have input into that process. So
18 that's where we are. We are committed to that. We
19 think in taking progressive, affirmative actions to
20 make that process come into fruition.

21 We're also, as Mr. Bryan mentioned, working
22 with local labor unions as well as doing community
23 outreach regarding this project. So I think that we've
24 set, established a new bar that no one has met the
25 standards that we're establishing in this project. I

1 think all of you would have to admit to that, that no
2 one has ever been able to do this. We think that it's
3 a good thing for the city, and we're very proud of the
4 opportunity to work with you.

5 MR. FINNIE: In closing, I just want to
6 revisit one more issue. The idea -- I'd like to thank
7 the Council. The idea for this project, this idea for
8 the strategy came from you. We had a briefing on
9 Rivera Beach Housing Authority, and in that briefing we
10 were challenged as to how we could work with the City
11 to develop a meaningful program to link local residents
12 to development in the city. Based on that discussion
13 and that challenge, we've developed this initiative.

14 So I'd like to thank you for giving us the
15 time to present before you, and I appreciate you all
16 taking the time to listen to us and looking to move
17 forward.

18 And by the way, I have a signed agreement
19 with All-Site Construction, which is a letter of
20 interest for a joint venture. I will give that signed
21 document to the Clerk for public review if necessary,
22 if that's okay. Thank you very much for your time.

23 CHAIR BOTEL: Thank you.

24 Do we have any questions from the Commission?

25 VICE CHAIR LAWSON: Yes, Madam Chair.

1 CHAIR BOTEL: You're recognized, Mr. Lawson.

2 VICE CHAIR LAWSON: Thank you.

3 Gentlemen, thank you so much for the
4 presentation, the interest to continue to work with the
5 City. I'm very excited about the project, and I just
6 wanted to address a few topics that you guys have
7 outlined for us.

8 Home ownership program, you stated that the
9 funds will be a match, one for one for what they
10 contribute out of that five percent?

11 MR. FINNIE: Five percent of their rent will
12 be matched by us one for one, yes, sir.

13 VICE CHAIR LAWSON: How long of a timeframe?

14 MR. FINNIE: Well --

15 VICE CHAIR LAWSON: Does that start day one
16 that --

17 MR. FINNIE: -- we'd like, at least like --
18 we haven't finalized it yet, but we at least want the
19 tenant to be there for one year. But after one year,
20 you get vested, and so on one year plus 30 days, if you
21 leave --

22 VICE CHAIR LAWSON: The 13th month they can
23 take the --

24 MR. FINNIE: Yes, sir.

25 VICE CHAIR LAWSON: -- vested interest to use

1 as a down payment?

2 MR. FINNIE: Yes, sir.

3 VICE CHAIR LAWSON: If they decide to move
4 and they don't purchase a home, do you still vest the
5 money?

6 MR. FINNIE: That's a good question. I don't
7 know. We're going to have to work that out. The
8 assumption is that they were going to -- if they decide
9 to move, they will be able to take their contribution.
10 We have to figure out what we're going to do with our
11 contribution.

12 VICE CHAIR LAWSON: Okay. If they're just
13 not prepared to purchase at that time, so understanding
14 that if they're not prepared at that 13th month to
15 purchase and then decide that they want to buy another
16 year from then, two years from that timeframe, the
17 funds that you are matching, I just want to know if
18 that's still going to be contributed to a down payment
19 or if that's not going to be --

20 MR. FINNIE: I think that we will be -- and I
21 hate to use this phrase because it gets all -- we'll be
22 liberal with -- no. We will be pragmatic with the use
23 of our funds, and they will have access to the use of
24 their funds.

25 VICE CHAIR LAWSON: Okay. Does that purchase

1 have to be in the City of Riviera Beach, or is that
2 just for home ownership anywhere that they move to?

3 MR. FINNIE: It can be anywhere. You know,
4 our tax credits are federal tax credits. We couldn't
5 prohibit that.

6 VICE CHAIR LAWSON: Okay. Next question is
7 the equity partnership. One of the things I do love
8 about this presentation is that you've used a model
9 that I've studied on. Maynard Jackson from Atlanta,
10 former Mayor, created a program of equity home
11 ownership versus something called jobs or paychecks.

12 MR. FINNIE: Maynard?

13 VICE CHAIR LAWSON: Maynard Jackson.

14 MR. FINNIE: Oh, yes.

15 VICE CHAIR LAWSON: So this is a model that
16 I'd love to see, because the disparities that we've
17 seen in the community can't just be addressed in
18 regards to jobs and handouts to individuals. Disparity
19 studies are only going to address kind of the equity
20 that's being spent, but the ownership is something that
21 we have to start to address.

22 So I'm very appreciative that ownership
23 within this project is going to minority local
24 businesses. So I wanted to get a little bit more
25 information in regards to the ownership shares, of how

1 that's going to relate to Mr. Ron Davis and the
2 organizations, All-Site and then some of the
3 subcontractors that are here as well. Are they going
4 to have ownership, or are they just going to be subs --

5 MR. FINNIE: No, sir.

6 VICE CHAIR LAWSON: -- on your project? How
7 dose that work?

8 MR. FINNIE: The only entity that will be an
9 owner will be All-Site Construction.

10 VICE CHAIR LAWSON: Okay.

11 MR. FINNIE: All-Site Construction will own
12 one-third of the construction JV. We expect the total
13 construction cost to be a little bit around 15 to
14 \$16 million of a \$30 million project.

15 VICE CHAIR LAWSON: How do we guarantee that
16 that percentage will trickle down to our subs?

17 MR. FINNIE: We're not going to guarantee
18 that because what happens is --

19 VICE CHAIR LAWSON: Sorry? I couldn't hear
20 you.

21 MR. FINNIE: We can't guarantee that, because
22 what happens is that All-Site will sit down in the
23 joint venture and determine the scope of the project.
24 Now, the scope of the project could be a roof. A roof
25 could cost a million dollars. Landscaping could cost

1 200,000. So contractors, subcontractors will be paid
2 to install a roof. So if -- so you get paid for the
3 work you do on a roof. You're not a partner. See what
4 I'm saying?

5 VICE CHAIR LAWSON: Correct.

6 MR. FINNIE: So --

7 VICE CHAIR LAWSON: So how do we confirm that
8 they will use local participation, because All-Site is
9 just one organization. Our goal is to make
10 multimillionaires here in our community out of the
11 projects that we're creating. So just one organization
12 benefited versus a majority of the subs. I need some
13 type of reassurance -- I know that you can't, but we
14 need some type of reassurance, because All-Site can say
15 they're going to do something. I'm pretty confident in
16 Mr. Ezra Saffold to do what he says he's going to do,
17 but before we just issue these bonds and allow for this
18 project to go out, we need to be confident that our
19 businesses are going to be supported in the community.
20 So how do we get some type of reassurance?

21 MR. FINNIE: Sir, and you know, let me take a
22 step back.

23 VICE CHAIR LAWSON: Yes, sir.

24 MR. FINNIE: All-Site will be an owner of the
25 construction JV. That's over here. All-Site will work

1 on the JV to identify the subcontractors who work on
2 the project.

3 VICE CHAIR LAWSON: Yes, sir.

4 MR. FINNIE: All right. So for instance, our
5 landscaping contract will be around \$250,000. We'll
6 give that contract -- we've already identified, we know
7 where that contract goes. So that landscaping
8 organization will get that contract. That's a pretty
9 big deal for a small contractor.

10 Our submit contract -- what you're asking is
11 difficult to do because we have -- when we do our
12 project costs, we have to submit our budget to Florida
13 Housing. Florida Housing takes a look at our budget,
14 and they look at each line item and they say, you know,
15 your budget is too high, your budget is too low.

16 So our budget is scrutinized by Florida
17 Housing, but our subs get paid off of the budget item.
18 So I can't say to a sub I'm going to make sure that you
19 get one-third of the project profits, when the item
20 that you work on could be five percent of the total
21 project costs. Can you follow me.

22 VICE CHAIR LAWSON: I understand construction
23 and development. I understand the process, and it's
24 not difficult to do. Our responsibility is to
25 guarantee and ensure that we're going to impact the

1 community. And how we do that is demanding that it's
2 done. So the bottom dollar has to be done to where at
3 least one-third -- and I appreciate the 30 percent
4 going to these organizations, but we have to find a way
5 to make sure we're impacting these small businesses,
6 these minority businesses and these women businesses in
7 the community.

8 MR. FINNIE: Are you suggesting that
9 one-third of the contract should be minority contracts?

10 VICE CHAIR LAWSON: I'm sorry?

11 MR. FINNIE: Are you suggesting that
12 one-third of the contracts should go to minorities?

13 VICE CHAIR LAWSON: Well, that's what --
14 we're looking for an equity share, and an equity share
15 which you've already brought in with a local and
16 minority participation. So with your local
17 participation, you've brought in Ezra Saffold as a
18 third owner, correct?

19 MR. FINNIE: As a third owner of the joint
20 venture. There's only one joint venture. There's no
21 other than joint venture.

22 VICE CHAIR LAWSON: He's a local and minority
23 contractor, correct, or partner, actually?

24 MR. FINNIE: He's out of the contracting mode
25 right now. He's --

1 VICE CHAIR LAWSON: He's a local equity
2 owner.

3 MR. FINNIE: Yes, sir.

4 VICE CHAIR LAWSON: Okay. So what we're
5 looking for is a percentage to make sure that our local
6 businesses are impacted as well out of that third of a
7 contract or out of what percentage that we can use
8 local.

9 So the next question is going to be the
10 supplies, because you did mention the supplies would be
11 purchased from the city. What percentage of supplies
12 will be purchased from businesses here in the city?

13 MR. FINNIE: As much as possible. We don't
14 have a threshold. We're going to sit down with the
15 City and put together a list, and we're going to target
16 it as much as possible.

17 VICE CHAIR LAWSON: Okay. If approved, when
18 would we project for ground breaking.

19 MR. FINNIE: If I can use Heron Estates
20 Family as a model, usually it's 12 months after
21 approval that we start construction.

22 VICE CHAIR LAWSON: Thank you, Madam Chair.

23 CHAIR BOTEL: Thank you.

24 COMMISSIONER MILLER-ANDERSON: Madam Chair.

25 CHAIR BOTEL: You're recognized, Commissioner

1 Miller-Anderson.

2 COMMISSIONER MILLER-ANDERSON: Good evening.
3 With home ownership, so if a tenant continues to live
4 there for two, three years before they buy their home,
5 you all will continue to match them for that amount of
6 years?

7 MR. FINNIE: Yes; yes, ma'am.

8 COMMISSIONER MILLER-ANDERSON: So there's no
9 limit on the amount of years that you'll continue to
10 match?

11 MR. FINNIE: Yes, ma'am.

12 COMMISSIONER MILLER-ANDERSON: And then you
13 said when they get ready to leave, you would give them
14 their five percent back if they don't decide to --

15 MR. FINNIE: The scenario was --

16 COMMISSIONER MILLER-ANDERSON: -- to purchase
17 a home?

18 MR. FINNIE: The scenario was that if they're
19 there for three years, they want to leave, but they
20 don't want to buy a home, I said that we'd give them
21 their five percent back.

22 COMMISSIONER MILLER-ANDERSON: Even though
23 that was part of their rent? So you're giving them
24 basically a deduction in their rent?

25 MR. FINNIE: You know what? That's a gift,

1 isn't it?

2 COMMISSIONER MILLER-ANDERSON: Yes, that's a
3 nice gift.

4 MR. FINNIE: Yes. Let me think that through.
5 I'm getting myself in trouble. Thank you.

6 COMMISSIONER MILLER-ANDERSON: I mean that's
7 nice. I just want to be clear that's what you're
8 talking about doing, because --

9 MR. FINNIE: Yes, you should have left me
10 alone, you know.

11 COMMISSIONER MILLER-ANDERSON: I just want to
12 make sure --

13 MR. FINNIE: You have me on the record.

14 COMMISSIONER MILLER-ANDERSON: -- that's what
15 you're going to do.

16 MR. FINNIE: Thank you, Jesus; thank you.

17 COMMISSIONER MILLER-ANDERSON: Because you
18 know I will ask you later on, right?

19 MR. FINNIE: Okay, there goes my bonus. My
20 bonus is gone. Thank you very much.

21 COMMISSIONER MILLER-ANDERSON: No, that was
22 very generous of you. The other thing, I notice with
23 the market rate units, and the appraisal was done in
24 May of 2020, and on some of them you're projecting to
25 charge a little more than that? Is that accurate? I

1 have to find the page.

2 MR. LARSON: Yes, so what we did, we knew
3 that the City might be interested in doing some market
4 rate units, and we looked at the 80 percent AMI income
5 levels and rent levels, which does still qualify as
6 workforce housing under the program. But we took a
7 look at those rents, and then we took a look at the
8 market rents from Riviera Beach which we got from our
9 Heron Family appraisal, and they roughly matched up.
10 The 80 percent maximum rents were a few dollars above
11 the current market rents.

12 But what happens is when we were funded, we
13 go back into underwriting, say a year from now, they'll
14 do a -- we'll do another appraisal, project specific.
15 And so what they consider the market rents, you know,
16 probably will have come up a little bit. That's what
17 we're anticipating.

18 COMMISSIONER MILLER-ANDERSON: Okay. So this
19 price here is not in stone.

20 MR. LARSON: Yes. And so I mean obviously,
21 you know, just because you can charge, let's say 1,800
22 for a three bedroom, the market may say, hey, it's
23 1,700. And that's why we have some of the 70 percent
24 AMI rental rates, which are a little bit lower, you
25 know, at that time might be a little more in line with

1 market.

2 It's actually what we did at Heron Family.
3 So we have the 70 percent rents. We didn't do any 80s
4 there, but, you know, we think that by the time we're
5 ready to break ground here, you know, with the way the
6 rental market's been going, that the 80 percent rents
7 might -- will probably be, you know, market rate.

8 COMMISSIONER MILLER-ANDERSON: Okay. Thank
9 you. Now, the other thing about the subcontractors
10 that fall under All-Site, is there a guarantee that
11 these subcontractors will be used, or is there an
12 opportunity for them to be shut out and others brought
13 onto the project?

14 MR. LARSON: Well, I will just add that on
15 Heron Estates Senior, we did use Greener to Green as
16 our --

17 COMMISSIONER MILLER-ANDERSON: Yes, I'm very
18 familiar with the whole process.

19 MR. LARSON: Yes, and on Heron Family, we are
20 again using Greener to Greener. And we've got Brown
21 Electric that is absolutely going to be a part of it,
22 so --

23 COMMISSIONER MILLER-ANDERSON: So you all
24 have already had some sort of contract or something
25 that you're going to --

1 MR. LARSON: Yes, there's certainly for those
2 two, I --

3 COMMISSIONER MILLER-ANDERSON: -- guarantee
4 that?

5 MR. LARSON: I don't see any reason why --
6 we've already got a track record with working with
7 them, and we know they're competitively priced and
8 competent. Certainly for those two line items, we
9 don't see any reason why those would not --

10 MR. FINNIE: Well, let me take a stab at
11 this.

12 MR. LARSON: Yes.

13 MR. FINNIE: One of the -- the beauty of
14 having a local contractor as a partner is that when we
15 make those procurement decisions, those subcontractor
16 decisions, that person will be at the table.

17 Now, I learned a lesson on Heron Family.
18 When we went out to procure minority contractors, we
19 eliminated one minority contractor because their bid
20 was high. When we took time to figure out why their
21 bid -- why that bid was so high, we found out that the
22 contractor misinterpreted the bid doc. And so it was
23 high because he thought -- he put something in there
24 that he thought we wanted and we didn't want. When we
25 took it out, we realized his bid was competitive.

1 By having a prime contractor on the ownership
2 team is an opportunity for some of these subs to
3 discuss their bids conceptually with an owner, because
4 this business, despite what everybody says, is
5 relationship driven. And unfortunately, historically,
6 minority contractors have not had the relationships
7 with the majority contractors. And to me, that's the
8 key to succeed, is those business relationships and
9 being able to talk to the people who make decisions
10 that will improve your chance for success.

11 COMMISSIONER MILLER-ANDERSON: Okay, thank
12 you so much.

13 CHAIR BOTEL: Mr. McCoy, you're recognized.

14 COMMISSIONER McCOY: Thank you, Madam Chair.

15 Commissioner Lawson actually was starting
16 exactly where I was going to go. It kind of seems that
17 it would be premature to kind of even negotiate for an
18 equity partner, not even knowing those project costs at
19 this point, and even being able to even suggest what
20 that percentage is if we're still early in the phase.

21 The only site plan that I seen, and I'm sure
22 there's probably going to be more planning later, as I
23 think you said you're engaging Wantman, was very kind
24 of -- I guess it was -- it wasn't to scale, it was kind
25 of --

1 CHAIR BOTEL: It's the fifth page.

2 COMMISSIONER McCOY: Yes, it's kind of hard
3 to really figure out exactly what's going on here
4 because it's so small. But, you know, my concern is I
5 appreciate the equity partner, but I don't really know
6 how is it that you can really commit an equity partner
7 to bringing on certain subs at this point, so early in
8 the game. That just seems very premature, Mr. Finnie.

9 COMMISSIONER LANIER: (Inaudible)
10 necessarily.

11 CHAIR BOTEL: Commissioner Lanier, Mr. McCoy
12 is speaking.

13 COMMISSIONER LANIER: Oh, okay. Hold on, I
14 got -- hold on.

15 CHAIR BOTEL: Mr. McCoy has the floor. I'll
16 recognize you in a few minutes when he gets an answer
17 to his last question.

18 COMMISSIONER LANIER: I'm sorry. Thank you.

19 MR. FINNIE: Shall I answer? Shall I answer?

20 CHAIR BOTEL: Yes, please.

21 MR. FINNIE: Okay. Affordable housing, the
22 math in affordable housing is backwards in your
23 conventional deal. We do a lot of work in order to
24 prep our application in order to make an application
25 for funding that once we get our funding, then we spend

1 a half a million dollars to design and to identify what
2 the costs are.

3 But here's what we can do. We can identify a
4 contracting partner when we look at what they've done
5 and their experience. And we can say that Florida
6 Housing has a cap on profit on each deal. So we know
7 hypothetically that the most profit you can make on
8 this deal is 16 percent of construction.

9 So we can say that you'll be a one-third
10 partner of that 16 percent construction. That
11 construction can be 15 million, that construction could
12 be 5 million. So we can do that. The important
13 element here is does the company you're working with
14 have the ability to perform as a general contractor.
15 And we believe that Saffold does have that ability.

16 COMMISSIONER McCOY: Okay. And, you know, I
17 appreciate that. I guess my next question would have
18 been -- I guess it's perhaps already been more or less
19 answered, but how do we monitor this for compliance,
20 you know? Fifteen years in, the market changes, you
21 know, HTG management arm of this organization chooses
22 to sell the property. What happens? I mean do we -- I
23 mean like realistically, right, I can imagine if you
24 look at some of the communities here in Riviera Beach,
25 they may have had some very interesting incentives to

1 first start with, but ownership has changed hands three
2 or four times, you know.

3 But I mean that's a great idea, to offer five
4 percent, but like realistically, I don't want you to
5 sit here and suggest or even represent to the body that
6 this is going to occur in perpetuity for the next
7 25 years. It's not.

8 MR. FINNIE: If I may, our promises and
9 commitments on the contracting phase of the project is
10 short-term.

11 COMMISSIONER McCOY: Sure.

12 MR. FINNIE: It's from the breaking ground to
13 building the building.

14 COMMISSIONER McCOY: To C.O.

15 MR. FINNIE: And during that process, we'll
16 have to come back to the City for permits, and we got
17 to get our permits now. So there's -- and inspections.
18 So there's a number of ways that the City can
19 communicate to us if we're not living up to what we
20 promise. Trust me, there's a number of ways to do
21 that. But in terms of long term, we have to sign an
22 affordability document which says that this project has
23 to remain affordable for -- I don't know, 30 years?

24 UNIDENTIFIED SPEAKER: It's 50 years.

25 MR. FINNIE: Fifty years. That's federal

1 government law. So even if the project does change
2 hands, if we have deposits from tenants who are in a
3 home ownership initiative, those will be protected.
4 And if the project changes hands, it will still be
5 affordable. But understand, HTG has 25,000 units. We
6 don't sell -- this company does not sell their
7 properties. That's not part of our business plan.

8 COMMISSIONER McCOY: Okay. I guess I would
9 suggest that in terms of the tenants' five percent and
10 the match component, like do we realistically expect
11 that HTG is going to honor this arrangement 20 years
12 from now, is what I was asking. Not so much the
13 contractors or the equity partners portion.

14 MR. FINNIE: We'll put it in writing. It
15 will be -- we'll put it in writing.

16 UNIDENTIFIED SPEAKER: Put it in the record.

17 COMMISSIONER McCOY: Okay. So does anybody
18 have the -- know what the zoning currently is for this?
19 Was this suggested, Ms. Jenkins, or is it in the
20 backup, because I -- no, I think I heard something
21 there and I want to get some clarification on before we
22 even go further, because it was mentioned you have to
23 maintain affordability, and I don't want that to be
24 construed with our zoning of affordable housing, which
25 we do have a zoning provision of affordable housing.

1 CHAIR BOTEL: Mr. McCoy, I see that Mr. Evans
2 is here, Mr. -- of the Evans brothers.

3 Mr. Scott Evans, do you happen to know the
4 zoning in that area, Mr. Evans?

5 MR. SCOTT EVANS: It's downtown (inaudible).

6 CHAIR BOTEL: Thank you, which means how much
7 height does that allow them?

8 MR. SCOTT EVANS: I believe that has a three
9 story (inaudible).

10 CHAIR BOTEL: Thank you.

11 COMMISSIONER McCOY: Well, so members, if you
12 can recall, and I don't even know -- again, I was on
13 the P & Z Board, so I don't remember exactly where I
14 experienced this, but we made a specific zoning
15 designation for our community at 1555. I can't recall
16 the new name, but it's formerly Stonybrooks. They have
17 a specific zoning for affordable housing. That's not
18 what I mean. That's not what we are to expect to occur
19 from this one, because they have some parking
20 restrictions which are associated with affordable
21 housing, and I can't recall specifically, but I don't
22 want that affordability provision that's mandated by
23 Florida Finance Housing Corporation to be misconstrued
24 as the zoning is some kind of way going to need to be
25 changed.

1 Do you follow what I'm saying, Mr. Evans?

2 MR. SCOTT EVANS: No, not (inaudible).

3 COMMISSIONER McCOY: Okay. Well, if we can
4 defer, I'll pull it up in a minute. But we set aside
5 specific zoning for Azure Estates because they had a
6 problem where they didn't have enough parking spaces.
7 And we set aside a zoning regulation called -- it was a
8 new zoning change. And I'm sorry, we go to so many
9 meetings here --

10 CHAIR BOTEL: Yes, right, you're right. I'm
11 trying to remember. I know that we did something for
12 them. We gave them some benefit because they didn't
13 have enough parking spaces with the renovations because
14 they wanted to put that community center in the
15 middle --

16 COMMISSIONER McCOY: Correct.

17 CHAIR BOTEL: -- and so they had to reduce
18 the number of parking spaces.

19 COMMISSIONER McCOY: Correct. But that's not
20 what I'm looking for, and I don't want that to be what
21 we should expect. Because it almost seems like in some
22 respect it almost becomes, seems synonymous. I'm going
23 to find it here in a second, so if I could --

24 CHAIR BOTEL: Okay, thank you.

25 Commissioner Lanier, do you have questions or

1 comments?

2 COMMISSIONER LANIER: I did. I do have
3 questions, but I would like to hear the other
4 presenters first, because some of the questions may
5 apply to both groups. So I know that we're going
6 through the questions for this particular entity, but I
7 want to be able to hear the other group before I ask
8 both of them questions. Thank you.

9 CHAIR BOTEL: Okay, okay, thank you.

10 COMMISSIONER McCOY: Then I'll defer. I
11 think what I was looking for might have been in our
12 first e-mail system, unless Mr. Evans has the answer
13 down there for me.

14 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS: I
15 do not have the answer. But I just wanted to inform
16 the Board, there's approximately about 15 minutes left
17 in their presentation. At the conclusion of the other
18 presentation, they will both come back for additional
19 questions.

20 CHAIR BOTEL: Thank you. I have a question
21 or two. I'm enamored of the notion that you would
22 identify unskilled labor and that you want to work with
23 the union to find and train unskilled laborers. I
24 really like this idea. I wonder, have you done any of
25 that in the past at any other project, and have you

1 done any of that at the Heron Estates project?

2 MR. FINNIE: We have not done it, done any of
3 that in the past in Riviera Beach. We've done it in --
4 I've done it before down in Miami. One of the reasons
5 why we're talking to the union right now is I'm talking
6 to them about Heron Estates Family. So we're going to
7 bring them on Heron Estates Family, and then hopefully
8 migrate that group to Island View.

9 CHAIR BOTEL: Great. And do you use an
10 apprenticeship model where you've got unskilled workers
11 coming on and getting paid as apprentices?

12 MR. FINNIE: Those are under discussions.

13 CHAIR BOTEL: Under discussion. Thank you.
14 Any other questions?

15 MR. FINNIE: Excuse me. Jason.

16 MR. LARSON: Yes, we, on Heron Estates
17 Senior, we did do a job fair in partnership with the
18 Housing Authority, and we also had, you know, section
19 three requirements, part of the financing where, you
20 know, we want to bring in local folks. And there were
21 some subcontractors that did hire. And I know that the
22 general contractor did do reports on all that stuff.
23 We could probably get it for you. But, you know, there
24 is a big demand for labor and skilled labor, so they're
25 absolutely worth some hires.

1 CHAIR BOTEL: How many people -- what kind of
2 turnout did you get at that job fair?

3 MR. LARSON: I'd have to go back and take a
4 look. I mean it was a pretty good turnout though.

5 CHAIR BOTEL: Okay.

6 COMMISSIONER MILLER-ANDERSON: I believe,
7 Madam Chair, I think we did one in every district --

8 UNIDENTIFIED SPEAKER: Did one in every
9 district.

10 COMMISSIONER MILLER-ANDERSON: -- right?
11 Yes. So I mean I don't know how many came at the
12 others, but we may have had maybe about ten --

13 MR. FINNIE: We did one --

14 COMMISSIONER MILLER-ANDERSON: -- maybe here
15 from my district.

16 MR. FINNIE: Some were, you know, 20 people,
17 and some were three.

18 COMMISSIONER MILLER-ANDERSON: Yes.

19 MR. FINNIE: You know, and we went in every
20 district and --

21 CHAIR BOTEL: Yes, okay. Thank you.

22 Any other questions from Council -- or
23 Commission?

24 COMMISSIONER LANIER: Madam --

25 CHAIR BOTEL: Commissioner Lanier, you're

1 recognized.

2 COMMISSIONER LANIER: Yes, I was going to --
3 I'm still going to wait until after, but to Mr. McCoy's
4 point, was he looking for something like the overlay
5 district?

6 CHAIR BOTEL: I think he was looking for
7 something. When we discussed the parking situation at
8 Stonybrook, we did something with zoning. We
9 potentially did something with zoning over there, and I
10 can't remember what it was. That's what he was trying
11 to --

12 COMMISSIONER LANIER: Okay.

13 MR. LARSON: Yes, I know that there is a
14 provision in the City code that does allow for reduced
15 parking for affordable housing. But that will --
16 anything that related to that will, you know, be under
17 your purview, you know, from a formal submittal on a
18 site plan, and it's not tied to the financing. So
19 you're still going to have full review and approval of
20 the site plan and all that stuff when we come in.

21 COMMISSIONER McCOY: Right. And Madam
22 Chair -- and that's, Mr. Larson, respectfully, that's
23 what I was trying to get at, because I'm looking at the
24 site plan, which I can't hardly see unless I got a
25 magnifying glass, and then in terms of the number of

1 units, trying to see what the parking ratio is.

2 Because you're correct that affordable
3 housing provision that we -- the zoning that we created
4 for affordable housing does allow for reduced parking
5 for certain affordable housing communities. And I
6 thought we almost more or less did a specific for Azure
7 Estates, Stonybrooks, in that there was no other place
8 that it would apply.

9 And before we take on a commitment such as
10 this, I want to make sure that, you know, your parking,
11 what's proposed in your site plan isn't something that
12 we're going to expect to come back in a fashion of us
13 now looking to apply that zoning district or looking to
14 do a zoning amendment or something like that for the
15 property.

16 MR. LARSON: Well, what we do as part of the
17 up-front due diligence when we make the application is
18 we do this density study that you're looking at. I
19 know it's just a small copy. But, and then we meet
20 with Planning, and we say: Hey, from a zoning
21 standpoint, does it look like what we've got here lines
22 up with your current zoning? And we do have a site
23 plan, I think, that shows up to 130 units which has a
24 lower parking, but this 110 unit plan does meet the
25 parking requirements, you know.

1 UNIDENTIFIED SPEAKER: (Inaudible.)

2 MR. LARSON: Oh, yes, it's a six and a half
3 acre development. But any parking reduction would be
4 something that the, you know, Council would approve.
5 And, you know, that's something that we take into
6 account too, because we want to make sure there's
7 enough parking for everybody that's living there,
8 because, you know, it's going to be working folks, and
9 if there's not enough parking, it could be a, you know,
10 marketing issue.

11 So yes, we -- you know, and sometimes if, you
12 know, we've got a three-story building, you know, we
13 can fit all the parking. But, you know, maybe Council
14 decides that, hey, we'd like a little bit more green
15 area, and maybe instead of two to the unit, we can do,
16 you know, 1.9 or something.

17 So those are all discussions we can have when
18 we -- you know, if we're funded, we come in with a full
19 submittal. And that kind of goes back to the workshop
20 part I was talking about, that, you know, we'd be happy
21 to come in, and you know, workshop it with the CRA, and
22 you know, have the public involved and all that stuff.

23 CHAIR BOTEL: Thank you.

24 Ms. Jenkins, I think we've had all the
25 questions we're going to have. Thank you.

1 MS. JENKINS: Chair, are there any more
2 questions? We have a few more minutes.

3 We want to thank the HTG team for a very fine
4 presentation, and you'll be escorted across the hall.
5 And after the second presentation, we'll bring you
6 back. We'll just ask that all of the HTG team members
7 will please depart the hall.

8 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
9 And Madam Chair, if we can have about a five minute
10 recess to be able to set the room for the next
11 presenter.

12 CHAIR BOTEL: Thank you.
13 Walter, we're taking a recess.
14 (Recess in the proceedings.)

15 MS. JENKINS: Thank you, Chair Botel. And
16 we're now ready for our second presentation with the
17 Wendover/Pinnacle Group, so we'll turn it over to them.

18 MR. DEUTCH: Good evening. My name is David
19 Deutch, and I am Pinnacle Co-Founder and Partner of
20 Pinnacle Housing Group. A little protocol. With the
21 social distancing, is it --

22 CHAIR BOTEL: That's fine.

23 MR. DEUTCH: -- okay to remove the mask or --

24 CHAIR BOTEL: Yes, thank you. You can take
25 it off.

1 MR. DEUTCH: It's a Dolphin mask, absolutely.
2 Well, that was in honor of Mr. Stevenson tonight.

3 COMMISSIONER MILLER-ANDERSON: Oh, yes.

4 MR. DEUTCH: Mr. Mayor, Madam Chair, esteemed
5 CRA Board members, again, my name is David Deutch.
6 Delighted to be here. I am Co-Founder and Partner of
7 Pinnacle Housing Group, a company I formed in 1997 to
8 primarily engage in rejuvenating neighborhoods and
9 affordable housing. We are based in Miami, Florida.

10 And I'm really excited to be here tonight for
11 a few reasons. First of all, this is the first public
12 appearance I have had since March, and it is a pleasure
13 to have a little bit of normalcy tonight, because we
14 haven't had much normalcy. So being able to do this
15 and the way you've set this up, I feel immanently
16 comfortable, and thank you for that.

17 Number two, I must tell you, you have a great
18 choice tonight between two very fine firms that are
19 competing for your support to go compete at the Florida
20 Housing Finance Corporation later this month. And to
21 have two really high quality firms that are really,
22 really, really, really anxious to work with you and
23 your city and try and improve the lives of your
24 residents is only good for everyone here. So that, to
25 us, is a blessing.

1 But what's really exciting is I have the
2 pleasure of introducing a joint venture that tonight is
3 coming together to you, but has been together for many,
4 many, many years. This is not a Johnny-come-lately
5 group.

6 Wendover and Pinnacle have been doing
7 business together for over 20 years, a long-term
8 relationship between the firms really working hard to
9 advance affordable housing throughout Florida together.

10 And I've been partners with Dwight since
11 probably about 2004 when we built our first
12 development, Dwight Stephenson -- excuse me -- and D.
13 Stephenson Construction. And we started a -- we built
14 a development in Pompano Beach together and have
15 subsequently formed a company called PCDS Construction,
16 PC for Pinnacle Communities, DS for Dwight Stephenson.
17 And we broke ground last week on a project in
18 Miami-Dade County for senior housing in a seven story
19 112 unit affordable housing development.

20 And so this is a team that has a lot of years
21 together, a lot of experience together, that's worked
22 together a long time, and I hope tonight we impress you
23 and share with you the vision we have for Rivera Beach.

24 So with that, I will turn it over to my
25 partner, Mr. Tim Wheat, and let him begin the fun.

1 Thank you.

2 MR. WHEAT: Chairperson, Councilmen and
3 Mayor, City Manager, Annetta and everyone here tonight,
4 I want to thank you for the opportunity and echo
5 David's thoughts about this is a great opportunity for
6 Rivera Beach to begin further activating the Broadway
7 corridor.

8 And you do have a choice between excellent
9 companies, and we want to -- hope you'll indulge us and
10 try to demonstrate to you why we think we have the
11 competitive edge with what we're proposing to do
12 tonight, called Berkley Landing.

13 You'll be meeting the rest of the team, my
14 counterpart, Kevin Kroll, from Wendover, will take over
15 part of the presentation this evening, and then we'll
16 also hear from Dwight Stephenson and Joe Sanchez about
17 our construction plans and also our plans for local
18 hiring here in Riviera Beach in connection with Berkley
19 Landing.

20 But first, if we go to the next slide,
21 please. Yes, okay, there we go.

22 Just to give you some of the particulars
23 about the location, we're at 3100 and 3124 Broadway.
24 The site's about four acres in size. And what we're
25 proposing is a 110 unit mixed income and mixed use

1 development, three stories in height, with one, two and
2 three bedroom units available at a variety of income
3 levels ranging from 30 percent to market rate rentals,
4 and with a lot of unique features and amenities, which
5 we have tried to locate directly on the Broadway
6 corridor for our narrow amount of space that we are
7 directly facing on Broadway to activate it, to give the
8 feeling that there's activity and excitement.

9 And we do that through a variety of ways with
10 our fitness and cyber cafe, a clubroom, our leasing
11 facility, two live/work lofts, which I'll talk about a
12 little bit later, and then also a public plaza.
13 Actually, we'll have two public plazas, one on Lake
14 Shore Drive, and the main one on Broadway.

15 We have a great team of professionals, some
16 of which we've already talked about, but a larger group
17 that includes the Palm Beach County based Richard Jones
18 Architecture, the Gunster law firm that will help us
19 with legal advisory services, Urban Design Studio for
20 urban planning, and Wendover's management arm. These
21 represent best in class professionals. We'll be adding
22 to the team as we move this development forward, but
23 we're off to a great start in terms of getting the best
24 and the brightest to work here in Riviera Beach.

25 The Pinnacle team, you met David. Two other

1 partners, Louis Wolfson, III and Mitch Friedman, have
2 been together since 1997. I've been with Pinnacle
3 since 2002. I'm a native of West Palm Beach, and I
4 keep an office here in Palm Beach County.

5 Jonathan Wolf is the principal for Wendover,
6 and I've known Jonathan going back 25 years. It's like
7 an old reunion. Like I know Jason Larson from HTG, and
8 you know, he and I used to work together. We all, in
9 the affordable housing business, have all crossed paths
10 many times. But I've had the pleasure of working with
11 Jonathan and knowing him for many years. They share
12 the same corporate DNA we do, which is trying to create
13 the best in class type developments.

14 We are approaching 10,000 total units. We've
15 always had a focus on urban and infill redevelopment,
16 and we focused in the past in doing public-private
17 partnerships, either with nonprofit organizations, with
18 public housing authorities, and recently we've taken
19 advantage of the 2015 public-private partnership law to
20 work directly with cities like we did in the City of
21 Hollywood, which you'll learn a little bit more about
22 in a second, where we submit a public-private
23 partnership proposal and go through a P3 procurement
24 process.

25 So a little bit of background about Mitch and

1 Louis and David. Very accomplished. Mitch has got a
2 long career in development. Louis is -- he's the
3 inspiration for our art in public places program, which
4 I'm going to tell you about. And David is David, but
5 he's also our numbers guy. He makes sure everything
6 works financially.

7 So some of the highlights of developments
8 we've done, experience with mixed income housing on the
9 Brickell corridor in Miami called Brickell View Terrace
10 right there at the Brickell Station for Metrorail, a
11 beautiful community with 100 affordable units and 76
12 market rate units, one of the greatest income mixing
13 examples you will find in the southeastern United
14 States.

15 We also do luxury housing, and we recently
16 built a new development called LaVida in the Blue
17 Lagoon Corporate Center near Miami International
18 Airport. It's been immensely successful. Finished
19 last year.

20 Caribbean Village was a development we did in
21 partnership with Miami-Dade County along the bus way,
22 so we have for seniors immediate access to transit.

23 And Pinnacle of Peacefield is the one I
24 referenced a little bit about taking advantage of the
25 P3 law. In a lot of ways, this is sort of similar in

1 scale to what we're proposing at Berkley Landing,
2 because we're at three stories of height, we have
3 buildings out on the street, activating an urban
4 corridor that had had some blight, neglect in the CRA.
5 And we developed on CRA and City owned land, in fact,
6 and finished this development just about three months
7 ago. And it already is 100 percent full, proving that
8 even during the pandemic, the demand for affordable
9 housing, particularly for fixed income seniors, is very
10 robust.

11 Cannery Row at Redlands Crossing is a
12 development that David mentioned that we have the
13 construction joint venture partnership with PCDS
14 Construction. That closed last week. There's actually
15 an article in the South Florida Business Journal today
16 about it. And I'm sure that Dwight Stephenson and Joe
17 Sanchez with D. Stephenson Construction will tell you a
18 little bit about their role in that as that moves
19 forward, and we hope to have that finished in late
20 2021.

21 I'm going to turn over the microphone to my
22 friend and colleague, Kevin Kroll, who's going to tell
23 you about Wendover and their experience. And we
24 appreciate you indulging us as we familiarize each of
25 you with us and our accomplishments. And then Kevin

1 will take you through the nuts and bolts of what we're
2 proposing at Berkley Landing. I'll come back and tell
3 you a little bit about the human services program, our
4 home ownership effort and then introduce you to the
5 construction piece, and then we'll wrap up. Thank you
6 very much.

7 CHAIR BOTEL: Thank you.

8 MR. KROLL: Thanks, Tim.

9 Good evening, Chairperson, Commissioners.
10 Thank you very much for your time and your dedication
11 to the City and your consideration tonight. As Tim
12 said, it's a wonderfully terrible problem you have here
13 in trying to choose here between one of these two
14 communities for here for Rivera Beach.

15 A little background of Wendover Housing
16 Partners. We are a vertical integrated apartment
17 developer, have been in business now for about
18 30 years. Our principal, Jonathan Wolf, was one of the
19 early tax credit housing developers in the state of
20 Florida.

21 We have a portfolio of about 4,000 units that
22 we built up over that span throughout the southeast,
23 primarily here in Florida. We develop, own and manage
24 everything ourselves, and that's for one main reason.
25 We take great pride in what we build and what we

1 manage. We don't see ourselves as real estate
2 developers as much as servants of our residents, and
3 that's why we take great pride in what we build. Our
4 property management company is there not just to
5 service the property, but to service the residents.

6 Jonathan. Gave you a little bit of
7 background on him.

8 Some of the community highlights of our
9 properties. Haley Park, an affordable 80 unit senior
10 community down in Tampa, this was near the Haley
11 Veterans Hospital, and I'll touch a little bit on this
12 component as well, on our relationship with the U.S.
13 Department of Veterans Affairs and how we're going to
14 incorporate that here in Rivera Beach at Berkley
15 Landing. We have more than 25 veterans living there
16 currently. Five of them were previously homeless. And
17 that's thanks to the efforts that our property
18 management company has led there in Tampa with the V.A.

19 Marcis Pointe up in Jacksonville, another
20 affordable community for seniors, just a few minutes
21 from downtown. These properties, the finishes, the
22 amenities, very similar to what we're incorporating
23 here at Berkley Landing in what we have planned.

24 Weston Park is a testament here to teamwork
25 and working with a number of different organizations to

1 bring communities to fruition. Weston Park was a
2 transit oriented development in a suburb of Orlando,
3 Lawnwood, at a commuter rail station there. We worked
4 with the Federal Transportation Administration, the
5 Department of Transportation here in Florida.

6 It was a true public-private partnership to
7 bring this community to fruition and is emblematic of
8 kind of what we are commonly seeing now throughout in
9 many municipalities and something that I think we
10 anticipate incorporating here as well with the CRA,
11 with the City, in terms of the public-private
12 partnership and the ongoing work together and the input
13 that we are seeking. You know, this is not -- we're
14 not seeking to develop Berkley Landing unilaterally.
15 We want your input in the entire process here.

16 Wellington Park, another affordable community
17 up in the Orlando area for families, very similar to
18 some of the amenities that we're going to have here at
19 Berkley Landing, a pool, full fitness center. We have
20 community learning centers on the property. We have
21 free wi-fi throughout for the residents, with free
22 computers to use for the residents. A great tool for
23 the families. And we'll touch a little bit on some of
24 the programs that we regularly offer as well that are
25 included.

1 As for the Berkley Landing site itself, an
2 elevation here, this is the Broadway elevation showing
3 kind of the commercial space in the front. We have a
4 leasing office, some of the amenities that I touched on
5 previously, as well as the live/work units. And we'll
6 discuss those a little more in depth also. But this is
7 one of the focal components really of Berkley Landing
8 and something that we're really excited about here in
9 terms of the potential for this community to
10 reinvigorate the Broadway corridor.

11 The aerial. You guys are probably familiar
12 with the property. It spans the entire acreage between
13 Broadway and Lake Shore Drive there. On site here --
14 and I'll show you on the next slide the amenity
15 layout -- we have a three story building here planned,
16 parking, all to City code.

17 I think what is unique to the Berkley Landing
18 site in particular here and offers, you know, a lot of
19 opportunity is the site immediately adjacent to the
20 north there, more commonly known as the AT&T site. We
21 have been in discussions with the current owner there
22 about the potential to develop that property in the
23 future, and that's something that we hope to do as a
24 later phase of development here. But I think that's
25 one of the core, you know, advantages, distinct

1 competitive advantages here that Berkley Landing has
2 here, is the potential for future additional
3 development that could be spurred here as well.

4 Here you have kind of an aerial view of the
5 site plan here. A pool in the center, kind of a full
6 resort style pool.

7 In terms of the communities we build, these
8 are class A quality apartment communities. And I'm
9 going to touch a little bit on the income ranges and
10 the mix of income levels that we have here, but we have
11 everything from market right down to affordable and
12 very low income rents here.

13 And in spite of that though, this is a full
14 class A level apartment community. When you think of
15 affordable housing, you know, what we are building in
16 our portfolio these days is far different than the
17 common conception from years past.

18 We have a full resort style pool on site
19 here, tot park, dog park with a pavilion, full outdoor
20 amenities. As you see there, we're spanning both sides
21 between Broadway and Lake Shore, as I said, so we have
22 the commercial space there fronting Broadway. And here
23 you see the amenities. A view here of the pool.

24 We use builder grade, durable, energy
25 efficient features throughout, you know, the highest

1 quality that you're going to find, no matter if it's a
2 high, you know, the highest luxury product, there's
3 really no difference here.

4 As for the unit amenities, we've got impact
5 resistant doors and windows throughout, hard surface
6 countertops and floors, energy star rated appliances,
7 we have island kitchens, as well as some of the newest
8 technology available, USB ports, for instance, and as I
9 said, wi-fi throughout the property as well. These
10 images are all from our current portfolios just to kind
11 of give you guys an idea of some of the finishes that
12 we typically incorporate.

13 As for the community amenities, again, the
14 cyber lounge, we have community meeting rooms that we
15 make available for local community and civic
16 organizations. It's part of our ongoing efforts to
17 kind of marry our property with the local community and
18 enhance what is available in the local community.

19 Resort style pool, fitness center, outdoor
20 recreation, like I said. We have full security
21 throughout, electronic surveillance, controlled access.
22 We also work closely with the local Police Department.
23 We always offer a unit free of charge for a local
24 community officer to live in so there's a presence, not
25 just for the benefit of the property, but really for

1 the surrounding area. We want to be able to -- for the
2 residents to engage with their local community
3 officers. So we always work with the local police,
4 local fire in terms of design, site plan and building
5 design.

6 We get down to the nuts and bolts of the
7 project. We have a total development cost here of
8 roughly \$30 million. Of that, about \$18 million of
9 hard construction costs going directly into the local
10 community.

11 How this is going to be financed. A
12 permanent mortgage -- and also, I should point out
13 about \$1.2 million of impact and utility connection
14 fees also going directly into the local community, both
15 the City, obviously, and the County.

16 In terms of the capital structure, a
17 permanent mortgage of 6.1 million. The Local
18 Government Area of Opportunity funding that we're
19 discussing here tonight is 640,000, private tax credit
20 equity of roughly 22 million. And then we, as the
21 developer, are going to defer the max amount of fee as
22 allowed per housing tax credit code. That's 50 percent
23 of the total developer fee, so roughly \$2 million we
24 defer and leave as a source in the development budget.

25 Now, Berkley Landing's unit mix is top heavy,

1 as you'll see, with market rate equivalent units, and
2 is the result of an in-depth market analysis. It's our
3 stated goal to achieve as wide of an income spectrum as
4 possible, as I said. The exact unit mix and proposed
5 rents are a result of Pinnacle and Wendover's extensive
6 analysis, including the engagement of a market study
7 completed by the local Zillah Tarkoe Associates.

8 This market study concluded that the
9 achievable market rents in Riviera Beach are equivalent
10 to the 80 percent median income of Palm Beach County.
11 For a two person household, that equals about \$70,000
12 -- sorry. For a four person household, that's about
13 \$70,000 a year, about \$56,000 a year for a two person
14 household.

15 This income level is considered market
16 rate/workforce and it targets the demographic that's
17 most commonly underserved by quality rental housing.
18 Specifically, this demographic includes essential
19 services personnel, such as health care workers, first
20 responders, teachers, government workers, skilled labor
21 and young professionals.

22 And it's that demographic that we're most
23 excited about in bringing to the Broadway corridor, to
24 the CRA here. You know, there has not been any
25 quality, any new apartment inventory built in Riviera

1 Beach in the market, in any of the latest market
2 cycles, and so this product represents kind of
3 something that is really catalytic development for
4 Riviera Beach for many reasons, but really for the kind
5 of demographics and renters and incomes that we're
6 going to be bringing here, not just low income, but
7 really expanding it.

8 It's going to include 25 tax credit funded
9 units at the 80 percent AMI, with rents equivalent to
10 the market rate, as I said.

11 In addition, we'll have two live/work units
12 with no income or rent restrictions. And those are
13 these, the live/work units on the ground floor at
14 street level, like I talked about. And we're excited
15 about those, because that really brings a lot of
16 opportunity for small business incubation in the area.
17 You know, the whole live/work factor where you're
18 bringing folks in who have the ability to incubate, to
19 create local jobs and are not putting a burden
20 otherwise on transportation or other resources.

21 In addition, with the possible consideration
22 by the City of amendments to the existing zoning code
23 that might permit more height on the site -- right now
24 we're limited, as per the zoning, to three stories, as
25 we show in the site plan there. We also would like to

1 consider a yield of more total units, which would be
2 strictly market rate units as well. So additional
3 market rate units potentially, if we could enhance the
4 zoning here and gain some more density.

5 Now, in terms of serving our residents and
6 the populations we're targeting here, I touched a
7 little bit on essential services personnel.

8 Veterans' families. When we talk about
9 veterans, historically you're always thinking seniors,
10 but the fact of the matter is that age group has
11 expanded so much over the last few years, veterans
12 now -- veterans' families are not just elderly anymore.
13 They skew much younger.

14 Wendover understands that the (inaudible) to
15 the overall success of Berkley Landing, the needs of
16 individual tenants must be understood and on a constant
17 basis. And due to the Berkley Landing's close
18 proximity to the Palm Beach Veterans Affairs Medical
19 Center, we aim to serve a high number of veteran
20 residents, and we look forward to building upon our
21 company's experience and stellar reputation for serving
22 not only this particular demographic, but all-needs
23 residents.

24 Wendover recently completed Haley Park in
25 Tampa, as I just showed you, where veterans constitute

1 a significant portion of the applicants. And I'm going
2 to tell you a little bit about how the process worked
3 there.

4 The Wendover management team immediately
5 reached out to the Veterans Affairs Office in the James
6 A. Haley Hospital there in an effort to craft and
7 provide appropriate support services for these new
8 residents.

9 And as such, VASH vouchers were allocated and
10 procured for these qualifying tenants. A local
11 organization provided move-in assistance, home goods,
12 furniture free of charge to these new residents. And
13 then we had a visit from the U.S. Secretary of Veterans
14 Affairs, Robert McDonald, who personally made a visit
15 to Haley Park and lauded its ability to not only house,
16 but also to enhance the lives of veteran residents.
17 And I believe in the package that was provided to each
18 of you previously, there was a letter of support in
19 there from the V.A. Office.

20 That is one of the reasons we are so excited
21 about the potential for Berkley Landing, is because of
22 its proximity to the large V.A. Medical Clinic here in
23 Riviera Beach and the potential it has to home -- to
24 house veterans' families.

25 We continue to work successfully with these

1 HUD VASH offices throughout the state of Florida. And
2 upon nearing completion of Berkley Landing, we'll work
3 with the Palm Beach County HUD VASH supervisor to begin
4 identifying these local veterans that will qualify to
5 become residents.

6 All the approved referrals to the property
7 will be directed to the community through one of the
8 housing specialists from this local office, and our
9 staff, which includes case managers, clinicians -- or
10 sorry. Our staff will work with the HUD office,
11 including the case managers, clinicians and housing
12 specialists for a variety of veteran support tasks.
13 This includes a system with security deposits,
14 prorates, electric and utility deposits, furnishings
15 and other accessories and as well as supplemental
16 rents.

17 There's other portions of the population too
18 that are equally important. Persons with special needs
19 and extremely low income households typically face a
20 unique set of challenges when it comes to qualifying
21 for and remaining in high quality affordable housing.
22 Wendover Management is adept at assisting these PSN and
23 ELI households with every stage of the housing process,
24 from application through move-in, as well as providing
25 ongoing rental assistance programs.

1 We'll work closely with the Palm Beach County
2 Housing Authority and the Department of Community
3 Services, as well as the Riviera Beach Housing
4 Authority to identify and contact potential residents
5 individually beginning about a year before Berkley
6 Landing is ready for leasing and provide them with the
7 best opportunity to move into new, high quality
8 apartments.

9 And with that, I'm going to turn it back
10 to -- I'm sorry, no. There's one more area I'll touch
11 on here as well.

12 So obviously, some of the programs that I
13 mentioned that we offer free of charge to all
14 residents, adult literacy, employment assistance and
15 referrals, financial management and budget counseling,
16 parenting skills, health and nutrition classes, a
17 computer lab that I talked about, life skills courses
18 and tutoring assistance for the children.

19 I think one thing that's really important for
20 us to realize here, the residents that are going to be
21 living here at Berkley Landing, these are not residents
22 that are going to be coming from far away. They're
23 already right here in our community.

24 The truth of the matter though right now is
25 the fact that these residents are currently spending

1 more than half of their annual income on housing, and
2 most often, that housing is substandard or dilapidated
3 in one way or the other or substandard to the needs.
4 What Berkley Landing is providing here is brand new,
5 quality apartment housing for these families.

6 But in addition, and most importantly
7 perhaps, they're going to be spending about half as
8 much annually on rent. That frees up a lot of
9 discretionary income. They're going from spending 50
10 to 60 percent of their annual income down to a maximum
11 of 30 percent. And when you quantify that, that frees
12 up over a million dollars of discretionary income
13 annually just at Berkley Landing. And that income
14 typically always flows directly to the local
15 businesses.

16 So that's really, at the end of the day, you
17 know that, as affordable housing providers, is really
18 the biggest impact that we see in every community.
19 It's not just the revitalization of the community and
20 the catalytic effect that a community like Berkley
21 Landing will have in terms of further development, but
22 in terms of the local economy, that is the main
23 catalytic effect that the residents are bringing with
24 them.

25 I believe the next slide, I'll turn it back

1 over to Tim. No, I'm sorry.

2 The heart of the matter here, the consistency
3 with the Riviera Beach CRA master plan. So currently
4 an estimated 40 percent of the property within the CRA
5 is vacant or derelict. Riviera Beach has a 65 percent
6 residential rental rate due to lack of new housing
7 construction in the city over the last 20 years.

8 These are facts that are brought to us
9 through many mediums, one of which was the market study
10 that we conducted. But we see these facts evidenced
11 everywhere. As a result, the lack of affordable rental
12 housing has been (inaudible) to the greatest challenge
13 currently facing the City.

14 A key component of the CRA's 2008 updated
15 Master Plan was a long-term redevelopment strategy for
16 the district north of Blue Heron, adjacent to Broadway,
17 at the heart of which is Berkley Landing. The City
18 adopted a new Comprehensive Plan, including form based
19 zoning codes that seek a wide range of uses to create a
20 more diverse downtown area which encompasses the CRA
21 district. One of the main objectives of this overhaul
22 is to create more affordable senior housing within the
23 district.

24 Other initiatives adopted by the CRA for the
25 district, all with direct correlation to the

1 anticipated success of Berkley Landing, our development
2 will be crucial to this success through many
3 initiatives, including enhancing the working
4 waterfront, attracting new residents to the city and
5 elevating the quality of housing for existing
6 residents, will create both construction and permanent
7 jobs that we're going to get a little more in depth
8 into here in a minute, and it will provide a catalyst
9 for further residential investment and development.

10 We're also empowering a future -- a base for
11 future long-term city homeowners through our home
12 ownership opportunities program that Tim is going to
13 touch on here, and we're going to be removing the
14 living expense burdens that I just discussed on
15 existing residents of Riviera Beach through offering
16 more affordable rents.

17 At the end of the day, you're expanding the
18 tax base. You're allowing for the CRA to capture this
19 tax increment to invest in more change making
20 development. We're talking about an incremental change
21 to the ad valorem taxes of about \$125,000 a year to the
22 City.

23 MR. WHEAT: Thanks, Kevin.

24 We know how important it is for Riviera Beach
25 to not only grow the workforce, but also to see the

1 economic benefits of development such as Berkley
2 Landings stay within the city. So we've looked at some
3 of the metrics here in trying to calculate that
4 economic benefit, and we relied on a number of sources
5 that we cited in our response to you.

6 And we expect that for a development of about
7 18 million, you could see 110 to 122 new job, full-time
8 job equivalence. We'll have five full-time positions
9 created. And a study by the National Association of
10 Home Builders that looks at periodically the impact on
11 rental housing, workforce and affordable housing, we
12 look at multipliers. And that multiplier tells us that
13 this development will ultimately create 30 full time
14 new positions.

15 And the thing that Kevin and I have touched
16 on is these two live/work lofts. I remember speaking
17 with Ms. Jenkins a while back, mentioning that the City
18 is creating a small business incubator at the old bank
19 building on the northeast corner of Blue Heron and U.S.
20 1. And in our thinking about this development, we've
21 thought about a way we could further activate the
22 corridor and be truly mixed use, and we came up with
23 the idea of doing two live/work lofts.

24 Coincidentally, those would be the two market
25 rate units in the development, completely income

1 restricted, so any entrepreneur who may come from your
2 incubator or any other resource that we can identify
3 can live above and then work and have a private
4 stairwell and enter the workforce below.

5 It's a strategy that we used in a
6 redevelopment called Casanas Village at Frenchtown
7 Square in Tallahassee where we developed in the
8 historic Frenchtown community. Two exciting things
9 about that is one is that we named it after a community
10 change maker named Aurelius Casanas, whose daughter,
11 Aquilina Howell, wound up being the Assistant
12 Superintendent in charge of integrating the Leon County
13 schools in the 1960s and 1970s. So he was a musician.
14 Put a fun statue of him playing his clarinet at our
15 development as part of our art in public places.

16 But the second aspect of it is we did these
17 two live/work lofts, and they've proved to be
18 enormously popular and they've created businesses in
19 the community. So that's one way that we'll, at
20 construction at Berkley Landing and afterwards, we'll
21 be a job creator.

22 So I'm going to turn over the program here,
23 if I can click on the next slide. Yes.

24 So our commitment here is for a goal of
25 25 percent participation by locally owned NBE, WBE,

1 SMWBE and SBEs here. And our partnership with
2 D. Stevenson Construction and Dwight and Joe, who are
3 going to speak to you in just a moment, will work with
4 us to achieve or exceed that goal. And typically, in
5 working with those kind of similar set-asides, they
6 have exceeded those goals in the past.

7 One of the things that we also want to do is
8 not only hire local contractors, but also give people
9 opportunities, apprenticeship and jobs.

10 And one of the things that we've done at
11 Pinnacle is done job fairs. Periodically, and
12 oftentimes more than once in a great many of our
13 developments -- actually, that's a picture from a job
14 fair a few years back in Fort Myers that was immensely
15 successful. And it was at a very difficult economic
16 time in the city, and we wound up having hundreds of
17 hires from the local community, many of whom wound up
18 being permanent hires by the contractors and
19 subcontractors they worked with.

20 So there's a strategy, and Dwight and Joe
21 Sanchez are going to explain it to you, and I'm going
22 to -- I don't want to go back. I'm going to turn the
23 program over to them.

24 Dwight.

25 MR. STEPHENSON: Thanks, Tim.

1 Like everyone else, we're very excited to be
2 here this evening. We'd like to thank you for giving
3 us the opportunity to present. A little bit more.
4 Myself, Dwight Stephenson, I'm CEO and Co-Founder of
5 D. Stephenson Construction. Along with my wife, we
6 founded the company 28 years ago. It's we employ about
7 33 people. We are the largest black owned construction
8 management company in the state of Florida, and we take
9 pride in doing a good job.

10 Again, some of the projects that we've done,
11 one project that we just finished up probably about a
12 year ago was also in the multifamily, multidwelling.
13 It was located in the City of South Bay. It's 133
14 units, about 22 million of construction project.
15 D. Stephenson was the prime contractor on that.

16 And as mentioned earlier, we done -- we've
17 had a standing relationship with Pinnacle Housing Group
18 for the last 15 years. We did Pinnacle Village, which
19 was in the City of Pompano, and we've been involved
20 with two or three of their other projects, as well as
21 we're going to be doing Cannery Row, which is what Tim
22 and David mentioned earlier, located in southwest Dade
23 County and is about -- that's about 133, hundred and
24 some units as well and stuff.

25 But again, this is not a relationship that we

1 just got together to present. It's one of a
2 long-standing relationship, and we want you to know
3 that, and we're excited to be here to be a part of the
4 team.

5 And community has always been involved, been
6 very, very important to me and to my company and stuff.
7 And Joseph Sanchez, who's a Partner and President of
8 D. Stephenson Construction, he's going to tell you how
9 D. Stephenson, you know, is committed to the community
10 and how we want to see the community and give back to
11 the community and be a part of this project for us.

12 Joe.

13 MR. SANCHEZ: Thank you, Dwight.

14 So as Dwight mentioned, we have done a number
15 of affordable housing, a number of sizable projects in
16 the past and been involved in the community for a long
17 time. In fact, I'm on the Board of Directors for the
18 Black Chamber of Commerce, and I'm actively,
19 consistently looking for black owned businesses to help
20 build up in our community. We also previously were
21 awarded the Corporate Partner of the year by the Palm
22 Beach County Business Matchmakers. So that's just to
23 talk about our commitment and our history doing that
24 kind of work.

25 On the screen you see we actually were

1 involved in and was a joint venture partner in building
2 this facility here that we're in today. And that
3 project, we were one of the first projects that
4 implemented the City's apprenticeship programs. And we
5 will make sure that we have relationships with local
6 union businesses, union organizations, as well as
7 nonunion organizations, labor forces, to make sure we
8 employ individuals and got them the skills that they
9 need to create a lifetime opportunity for them. And on
10 that project we had 13 Riviera Beach companies involved
11 in that project.

12 On the South Bay Village project that Dwight
13 spoke about, the \$22 million project, we had a job fair
14 there, and over 300 people showed up to that job fair.
15 We had over 30 percent local workforce and over 35
16 percent local business participation.

17 So as mentioned, this is about an \$18 million
18 hard cost project, and we implement a S.H.A.R.E program
19 on all our projects. S.H.A.R.E is an acronym. It
20 stands for Seek, Help, Access, Report and Evaluate. We
21 seek out firms through various databases. We go
22 through the County's database, the School District's,
23 the City's, and we look up firms. And then we have
24 outreach events, whether that's virtual or in person,
25 to make sure we identify firms and make sure they are

1 aware of the opportunity.

2 We help them; we help them to get
3 pre-qualified with us. We help them to get certified
4 with different agencies and to make sure that they have
5 access to the information, which is the next word,
6 access to drawings so they can have those documents in
7 their hands so they can know what they're going to be
8 required of doing. They can form partnerships if they
9 need to in order to make sure that they're ready to get
10 ready for the project.

11 And then we report. We provide monthly
12 reports back to the City, to the CRA, to let you know
13 how we're doing, to make sure that we're meeting our
14 commitments. And then E evaluate. We make sure that
15 there's real participation, it's not just on paper,
16 people are benefiting, they're getting out of the
17 program what they expect to get out of it.

18 So we do all these things to make sure that
19 we are a conduit and we're facilitating development in
20 our communities. That's our number one goal. We want
21 to make sure that we leave the community better off
22 than when we found it.

23 So through job creation, through creation of
24 helping and developing small businesses, we've done
25 that consistently. In fact, over 40 percent of our

1 business -- we committed 25 percent, at minimum, on
2 this project, but over 40 percent of our subcontracts
3 currently go to small minority business throughout
4 D. Stephenson's portfolio.

5 MR. WHEAT: Thank you, Joe and Dwight.

6 So we're trying to tie all this together, all
7 of the positive benefits of the development. And one
8 that I can't -- we don't want to overlook is inspiring
9 the community, inspiring new and exciting and
10 innovative development. And one of the things that's
11 sort of been Pinnacle's moniker is art in public
12 places.

13 So we do it in all of our developments, and
14 we will do it here at Berkeley Landing. It will be
15 donated by Pinnacle's partners, and it will be in both
16 of the community plazas. You know, we find that it
17 inspires people and inspires our residents, it gives
18 them a sense of belonging and a sense of place.

19 And it really will help, between the activity
20 we'll put on the corridor with our amenities, and
21 people working out, and people walking, and people
22 conducting small businesses, and art, with a hardscape
23 that we'll work with the CRA and the Planning staff at
24 the City to craft, we can create a really exciting feel
25 on the corridor. It's just something that we at

1 Pinnacle, and I know Wendover shares this view too,
2 we're really passionate about art in public places.

3 The Romero Britto piece, you may, if you've
4 been driving down to Miami to head to the airport or a
5 Miami Heat game, you'll see that right at the 195
6 Expressway on the east side. So people seem to sort of
7 recognize that as a signature. But, you know,
8 sculpture pieces, and you know, murals, we've done all
9 kinds of things.

10 And our partner, Louis Wolfson, has donated a
11 lot of his time and energy now to murals depicting
12 various social justice causes in the Miami area and
13 throughout south Florida. So it's something we think
14 will really separate us and make Berkeley Landing
15 really exciting when people in the city drive by and a
16 source of enormous community pride.

17 Berkley Landing, Kevin talked so eloquently
18 about all of the programs we do. What we're trying to
19 do is have residents be a stepping stone. It's good
20 for the development. A vibrant development involves
21 some level of turnover, that people feel like they're
22 living in a place where they can step higher. And we
23 want to see them and you want to see them be at Berkley
24 Landing, enjoy quality living, benefit from the
25 programming we'll do through Wendover Management, but

1 then also move to home ownership.

2 So we have pledged to rebate five percent of
3 the rent for our residents who qualify for a home
4 buying program here in the city. So we're going to
5 take the proceeds that they've paid us and reinvest
6 back in the city of Riviera Beach.

7 But first we're going to give them the proper
8 home buyer education and counseling. We'll set up
9 programs with organizations such as Community Partners.
10 And I'm actually the President of the Board of
11 Directors of the Community Land Trust in Palm Beach
12 County. I helped found that back in 2007. And first
13 time home buying is a passion for me, and that's how I
14 spend my volunteer time.

15 So I really want to see our residents
16 transition into home ownership, and Pinnacle and
17 Wendover are putting our money where our mouth is and
18 will help double down, because you have home buyer
19 education programs through your CDC and also assistance
20 programs. So this is, in essence, the doubling of the
21 investment. We can combine what the City does with our
22 investment and spur more home ownership.

23 So I just wanted to give you a quick rundown
24 on the key dates. You probably know from our written
25 proposal and that of our esteemed competitors that you

1 can only choose one development for this Local
2 Government Area of Opportunity designation, and if you
3 make a choice tonight, that winner will apply to
4 Florida Housing on October 20th, and hopefully there's
5 a Board approves the rankings in this calendar year.
6 But usually there's an appeal process that takes a
7 number of months, gets sorted out by the spring. So
8 shovel in the ground we think in the late first or to
9 the end of the second quarter of 2022, and then
10 completion about 15 months thereafter.

11 And the return on your \$640,000 investment,
12 which is, of course, can be a loan, and we will repay
13 it in full, that is leveraging \$48 of other investment
14 in a \$30.5 million development.

15 And flowing the construction costs and the
16 tax value, and I think what Kevin pointed out is really
17 important too, is that we're giving people who are cost
18 burdened, who may be living in substandard housing or
19 having double or triple up in market rate and
20 overpriced housing, to live in a development where they
21 can save and have discretionary income and spend that
22 discretionary income here at the Marina waterfront or
23 elsewhere with local businesses in the city and also
24 save for their future and future home ownership.

25 So in closing -- no. Well, thank you, in a

1 second. In closing, I think that we've hoped that
2 we've conveyed to you tonight that this is a merging
3 together of best in class companies with best in class
4 thinking and long-term partnerships and relationships
5 that we all sort of come together and said the time is
6 right for doing what we're proposing. And Pinnacle and
7 Wendover are long-term hold owners. We'll be in this
8 deal for 50 years.

9 We're partnering with a fantastic company
10 like Dwight Stephenson, we're delivering a class A
11 looking development that matches everything that our
12 collective companies do. It's in our corporate DNA to
13 be best in class and make affordable or workforce or
14 mixed income housing indistinguishable from any other
15 type of housing.

16 And we do believe in public spaces. And we
17 believe very strongly in place making, and we think
18 Berkeley Landing is just an amazing opportunity for a
19 place making and for investment and growth in your
20 community.

21 So whatever you decide tonight, we want to
22 really thank you for your time. You've been very
23 gracious. And we know this has been on a very trying
24 time schedule, but we really appreciate the immense
25 effort that Mr. Evans and his staff have put together,

1 very thoughtful questions and thoughtful analysis in
2 scheduling this meeting. And we're humbled by the
3 opportunity to present before you tonight, and we do
4 thank you for your time. And we're certainly available
5 for any questions you have. So thank you again.

6 CHAIR BOTEL: Thank you.

7 Any questions from Council? Mr. Lawson,
8 you're recognized.

9 VICE CHAIR LAWSON: Thank you, Madam Chair.
10 Gentlemen, first and foremost, I want to
11 thank you guys so much for coming here to the City to
12 present. Both teams, both presentations were amazing,
13 and we're very excited, because we're focused on
14 development here in the community. So first and
15 foremost, thank you so much.

16 I want to go into just a few quick questions.
17 Property ownership. The projects that you have worked
18 on, do you develop, manage and own them yourselves?

19 MR. DEUTCH: Yes. So Pinnacle has built
20 almost 10,000 affordable housing multifamily units in
21 three states. We own and we construct. The one area
22 we third party is property management. We didn't feel
23 we had the skill sets and the requisite experience to
24 do that, so what we did over the course of a number of
25 years is hire four or five different best in class

1 companies, and figured out who was the best, and they
2 manage a good portion of our portfolio.

3 In this case, we have best in class with
4 Wendover, and that's the beauty of what you're getting
5 with these three firms. You're getting three
6 experienced firms for really the price of one. And so
7 we're long-term owners. We're long-term operators. We
8 hire best in class management companies, and we stand
9 behind our developments. And some of our developments
10 today are 20 years old, and they look brand new.

11 MR. WHEAT: I'm just going to add or remark
12 we own a development in West Palm Beach called Pinnacle
13 Palms. It's a perfect example. And I'll let Kevin
14 answer for Wendover. You probably might recognize it
15 because it's on the east side of I-95 if you're headed
16 northbound, right before the Palm Beach Lakes exit. So
17 a series of brightly colored four, five, six and seven
18 story buildings. We built that in 2002 and just
19 conducted a multimillion dollar face-lift of it. And
20 so not only do we maintain long-term ownerships, when
21 we refinance and recapitalize our properties, we invest
22 back in them.

23 So Kevin.

24 MR. KROLL: Yes, the short answer is
25 absolutely, yes. We own everything, still to date,

1 that we have built to date. Very seldom have we ever
2 sold a property. As I said, we have a very large
3 portfolio that's been built over a number of decades
4 now. And so we manage everything that we build
5 ourselves.

6 We self-manage everything for a number of
7 reasons. But I think more importantly, I would take
8 you back to step one of the process, and that's
9 construction. You know, we build everything for the
10 long term. So we're not building it just to flip it.
11 We know we're going to own it for a long time.

12 And so I would venture to guess, only because
13 I speak from experience, I know that our hard costs are
14 typically always higher than the competition's because
15 we are putting extra into it from the start. We're
16 building that property to be a class A property for a
17 long time because we know we're going to be the ones
18 owning it and maintaining it.

19 VICE CHAIR LAWSON: Thank you. So a
20 follow-up with that management and the property
21 management of the property, security, property
22 management, local management, tell me a little bit
23 about the management of who's going to be operating
24 property management at the site.

25 MR. WHEAT: Sure, yes. Property management

1 is always local. The property manager themselves will
2 most likely be, if not a native, certainly a resident
3 of Riviera Beach. We always look locally. We start
4 right at the epicenter and go from there in terms of
5 the radius in selecting the best talent possible. We
6 want somebody that is familiar with the market, with
7 the potential residents, and then ongoing, has
8 relationships with the residents ongoing.

9 You know, we have families here, we have
10 elderly people. We're going to have every, every age
11 bracket, every demographic imaginable, so we want
12 somebody that has experience and has roots in that
13 local community. And we do that at every property in
14 our portfolio, that is the same case.

15 VICE CHAIR LAWSON: Okay, thank you so much.
16 And you mentioned -- I'm sorry.

17 CHAIR BOTEL: No, no, go ahead.

18 VICE CHAIR LAWSON: You mentioned
19 enhancements in possible densities, if enhancements did
20 come in the near future, that these would be market
21 rate units. Why would these be market rate units
22 versus workforce units?

23 MR. WHEAT: It just comes down to in terms of
24 tax credit financing, it's a long algorithm in terms of
25 how many units can be tax credit eligible. And then

1 after that, they're not income restricted or tax credit
2 eligible.

3 In terms of the look, the feel of the units,
4 they're identical. You don't know a difference. We
5 mix incomes. As you saw on our properties, these are
6 all mixed income properties, and they range everywhere
7 from 30 or even 22 percent AMIs up to 120 percent AMIs
8 sometimes. And so, you know, you've got some people
9 might be paying \$3,000 a unit, and the guy in the next
10 unit might be paying a few hundred dollars a unit.
11 There's no difference in the quality of the unit or in
12 the way it's managed.

13 VICE CHAIR LAWSON: Right, and we understand
14 with both companies, we know that the quality is going
15 to be A-1 across the board.

16 So my concern is that we're trying to create
17 enough workforce units and workforce housing in our
18 community to make it affordable. We have to protect
19 the integrity of the community. We cannot allow for
20 (inaudible) to happen on our corridor. So we need to
21 make sure that we have enough housing to provide
22 housing for our firefighters, our police, for our local
23 workforce within our community.

24 And this would be a great project for them to
25 start off, especially transitioning to the home

1 ownership, which I'm going to ask about next. But
2 that's my thought process when it comes to the
3 difference between the market rate, which may not be
4 affordable for some of our workforce compared to the
5 workforce housing if we did increase or possibly talked
6 about densities later on.

7 I know with this tax credit that we have to
8 only fit within the guidelines. And the current zoning
9 is three stories. But if this discussion would come up
10 in the near future, making sure that our developers are
11 going to be flexible with increasing the densities,
12 with allowing for us to add additional height, but also
13 making sure they're directly impacting what we need,
14 which is the workforce.

15 MR. WHEAT: We want to affirm on behalf of
16 our team that we understand that flexibility, and we
17 would agree. And you know, what we're talking about is
18 a speculative possible future adjustment in zoning.

19 VICE CHAIR LAWSON: Of course, of course.

20 MR. WHEAT: Our proposal calls for 110 units
21 of units restricted at various income levels. If there
22 was a future change that might allow a few more units,
23 we would certainly think that part of any negotiation
24 or discussion with the City, and the Council, in its
25 wisdom, approving that, that we would agree, you know,

1 to a stratification of income that the Council felt was
2 appropriate, and staff.

3 VICE CHAIR LAWSON: Again, that's just for my
4 own personal edification. It hasn't been passed, not
5 even in discussion. So that's just in the means of
6 we've had previous discussions with this dais about
7 possible increases of densities and intensities, so
8 that's why I asked that question.

9 MR. DEUTCH: If I could just say one other
10 thing though to your point --

11 VICE CHAIR LAWSON: Please, thank you.

12 MR. DEUTCH: -- is that we have flexibility
13 okay? So we did a market study, and we felt that we
14 could -- we believe in mixed income. I mean we even
15 put 100 units of affordable, 76 market rate.

16 VICE CHAIR LAWSON: Yes.

17 MR. DEUTCH: And a lot of people thought we
18 were crazy, and they thought we were going to build
19 poor doors, and they thought we were going to create
20 really two developments in one. And we didn't.
21 Everybody rides in the same elevator, everybody parks
22 in the same garage. There's no such thing as a poor
23 door. And we successfully implemented what we thought
24 was a wonderful mixed income opportunity.

25 We're doing 80 percent units here. We can do

1 70 percent units, but we felt for workforce housing we
2 wanted to, and we believe we can accomplish 80 percent
3 units, which, by and large, are market rate units. The
4 beauty of market rate units are you have no income or
5 rent restrictions. The difference is with 80 percent,
6 you have to fit within the program guidelines. So we
7 were looking for some flexibility with those live/work
8 lofts.

9 But if we all sat down and added some density
10 or talked about ideal unit mix, we could put in some
11 70s, we can do 80s. We thought the 80s were the most
12 attractive option to mix with the affordable, but of
13 course, we're open to working with you all and settling
14 in on that. That is not decided at the time of
15 application, so there's flexibility, okay?

16 VICE CHAIR LAWSON: And that's a concern.
17 It's just making sure we have the flexibility with --

18 MR. DEUTCH: You have it.

19 VICE CHAIR LAWSON: -- the developers and the
20 partners, because we're excited about development here
21 in the community. So making sure that we can work with
22 you hand in hand and say this is what the community
23 needs are, please address them.

24 MR. DEUTCH: And we share that vision. We're
25 just giving you our ideas, but it is a collaboration,

1 of course.

2 VICE CHAIR LAWSON: Okay. Just two more
3 questions, Madam Chair.

4 CHAIR BOTEL: Go ahead.

5 VICE CHAIR LAWSON: Thank you.

6 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
7 Madam Chair, you have two minutes.

8 CHAIR BOTEL: Oh, really? Yikes.

9 VICE CHAIR LAWSON: One more question.

10 CHAIR BOTEL: One more and then --

11 VICE CHAIR LAWSON: Just one more.

12 Local participation --

13 COMMISSIONER LANIER: Madam Chair.

14 CHAIR BOTEL: Commissioner Lanier, Mr. Lawson
15 wants --

16 COMMISSIONER LANIER: Mr. Lawson, go ahead.

17 VICE CHAIR LAWSON: (Inaudible.)

18 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
19 They're going to come back. But you have two minutes
20 till their presentation part is over, and then both
21 teams will come back.

22 CHAIR BOTEL: Okay. Ask one, and then I'll
23 go to each --

24 VICE CHAIR LAWSON: Thank you.

25 And just quickly, local participation is a

1 priority for our community. I see that 25 percent was
2 outlined for minority, women based and local
3 participation, SB, but please give some details on how
4 we can address them and what locals have you already
5 engaged with here in the community?

6 MR. SANCHEZ: Yes, as I mentioned, we've --
7 on the last project, which was this project that we did
8 with the City, we engaged 13 companies, including, you
9 know, we brought all of our -- well, actually on South
10 Bay Village we bought all of our doors from Builders
11 First Source. But also we had -- Anderson was involved
12 in our project, All-Site was involved in our project.
13 We had Newbolt was involved in our project, we had
14 Farmer & Irwin was involved.

15 So all those companies have been involved
16 previously, and they're on our bid list, and we will
17 reach out to them again. What we would do is once we
18 have the drawings engaged at the certain level, we will
19 invite those firms in, all the local firms in, make
20 sure they have an opportunity to bid on the project.
21 We want to make sure -- we want to give them as best
22 advantage to participate in the project as possible.

23 But we did not -- we're not signing
24 agreements until we have competitive bids and working
25 with them to help them be competitive. But we also

1 want to make sure they have the best opportunity, but
2 not forcing them to be extremely low bidders or stuff
3 like that. So we're going to work with them, come with
4 the right numbers, and make sure that they're involved
5 with the project.

6 And we've done that, and that's the success
7 that we've had. And not by just overcommitting to
8 firms that we can't -- that won't be able to -- that we
9 won't be able to deliver at the end of the day, but
10 also we want to make sure that they're involved from
11 the very beginning with the pricing and everything and
12 make sure that they have the understanding that it's
13 necessary to get them involved. And we've been very
14 successful doing that. Like I said, over 40 percent
15 participation.

16 CHAIR BOTEL: Thank you, I think I was just
17 handed the hook.

18 MR. SANCHEZ: Okay, I'm sorry.

19 COMMISSIONER LANIER: Madam Chair, just one
20 question, Madam Chair.

21 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
22 Madam Chair, if I may, because this process is outlined
23 the way in which it is and it's such a competitive
24 process, if there are follow-up questions, both groups
25 will be in the room, so you can ask additional

1 questions of whatever team --

2 COMMISSIONER LANIER: Okay.

3 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:

4 -- and so if we can move into that phase, it would be
5 better.

6 CHAIR BOTEL: Okay, thank you, let's do that.
7 Do we need a two minute break first?

8 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:

9 They're going to be both in here, both of them.

10 VICE CHAIR LAWSON: Have one sitting here and
11 one sitting over there then?

12 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:

13 Yes, they can -- you know, one team can convene over
14 there and one team can be here at the podium.

15 VICE CHAIR LAWSON: Thank you.

16 COMMISSIONER MILLER-ANDERSON: If I could
17 just put something on the record right quick? I just
18 want to put something on the record. I know that
19 Mr. Sanchez mentioned about reaching out to those firms
20 that helped out with the previous one. Anderson
21 Construction will not be one of them. That was my
22 company prior to me getting on the Board. So they
23 won't be reaching out to us.

24 CHAIR BOTEL: Okay, I never put that
25 together.

1 COMMISSIONER LANIER: Madam Chair, Madam
2 Chair.

3 CHAIR BOTEL: Councilwoman --

4 COMMISSIONER LANIER: Are we going to take a
5 two or three minute break to get everybody back in the
6 room?

7 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
8 Yes.

9 CHAIR BOTEL: Yes, we're going to get
10 everybody back in the room right now, and then you can
11 ask questions of the whole group.

12 COMMISSIONER LANIER: Thank you.

13 CHAIR BOTEL: So we'll take a two minute
14 break to get everybody back.

15 (Recess in the proceedings.)

16 CHAIR BOTEL: The Commissioners will ask some
17 questions.

18 Mr. Evans, you want to explain the process?

19 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
20 Yes, Madam Chair.

21 Just to explain the process as it relates to
22 the Q and A portion of the meeting is that we allow --
23 we request that the Council, any questions -- or the
24 CRA Board, any questions that you may have, if you
25 could pose those questions to both groups and allow for

1 them to share their point of view and perspective.

2 The reason that we want to ensure that the
3 same questions are asked and both entities are provided
4 the opportunity to respond is that this is such a
5 competitive process, and there is opportunities for the
6 process in which we have outlined to be challenged.
7 And so we want to make sure that there is consistency
8 and uniformity.

9 Once all the questions have been asked and
10 the Board has no further questions, the closing
11 remarks, we would allow each group three minutes in the
12 same order in which they presented to provide closing
13 remarks to the Board before you deliberate amongst
14 yourselves as to which project you would like to
15 support.

16 CHAIR BOTEL: Thank you.

17 COMMISSIONER McCOY: Ma'am Chair.

18 CHAIR BOTEL: Mr. McCoy, you're recognized.

19 COMMISSIONER McCOY: So Mr. Evans, Interim
20 Director, explain this process that potentially can be
21 challenged, because I didn't know that there was
22 specific, I guess provisions regulating this other than
23 the discretion of the body.

24 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
25 As it relates to once the Board selects which project

1 they want to support, there is an opportunity, when
2 they go before the State to receive the credits, there
3 is a window of opportunity for the process to be
4 challenged, because this is such a competitive process
5 that there is opportunities where if even just
6 something as simplistic as the Chair's signature
7 doesn't look consistent with previous documents, that
8 can be an item that is challenged. So that's why we're
9 trying to be very consistent and uniform in the
10 approach that we're taking. So that's the intent
11 behind the items that I've communicated and the process
12 that we've outlined.

13 COMMISSIONER McCOY: Madam Chair.

14 CHAIR BOTEL: You're recognized.

15 COMMISSIONER McCOY: Well, I'm at a
16 disadvantage, because the pro tem took up all the time
17 in asking questions.

18 CHAIR BOTEL: You can take as much time as
19 you need, Mr. McCoy.

20 COMMISSIONER LANIER: I agree; I agree.

21 CHAIR BOTEL: We'll get to Ms. Lanier.

22 COMMISSIONER McCOY: Thank you.

23 CHAIR BOTEL: The floor is yours, Mr. McCoy.

24 COMMISSIONER McCOY: Oh, oh. Well, thank
25 you. I guess I'm really stuck, because I wanted to ask

1 some questions specific of number two, but I guess it
2 will apply to both.

3 So Pinnacle, I believe your slide suggested
4 that utilities were included in that market rate
5 analysis. Is that correct?

6 MR. LARSON: Yes (inaudible).

7 COMMISSIONER McCOY: Okay. Can that question
8 be answered by the first?

9 CHAIR BOTEL: Why don't we -- if I could
10 suggest that we have the first group of presenters use
11 that microphone, and that way we don't have to worry
12 about cleaning the mics quite as much.

13 COMMISSIONER MILLER-ANDERSON: (Inaudible).

14 COMMISSIONER LANIER: Madam Chair, Madam
15 Chair.

16 CHAIR BOTEL: Yes, Commissioner Lanier, I
17 hear you.

18 COMMISSIONER LANIER: I just wanted to make
19 sure that both groups were available at their own mics,
20 because the questions that I have may apply to both
21 groups.

22 CHAIR BOTEL: Yes. They've just moved to
23 their own microphones, and Mr. McCoy has the floor.
24 So Mr. McCoy.

25 COMMISSIONER McCOY: Thank you. And I guess

1 I was waiting on the initial group, the first group to
2 answer.

3 MR. LARSON: Yes, yes (inaudible). Yes, so
4 (inaudible) water and sewer and electric, internet
5 cable. But --

6 COMMISSIONER LANIER: That mic is very, very
7 low. I can very barely hear them.

8 MR. LARSON: How's now?

9 CHAIR BOTEL: That's better.

10 COMMISSIONER LANIER: Yes, that is.

11 MR. LARSON: So the way we do it is the
12 tenant pays their own water and sewer and electric.
13 However, there is an allowance given to them because
14 they're paying their own utilities. So it's sort of a
15 discounted (inaudible). So you start with the first
16 rental rates, and then you give them (inaudible) for
17 water, sewer and electric. And then there's a
18 (inaudible) tenant pays. And the reason we have the
19 tenants pay water and sewer is because it promotes
20 conservation.

21 COMMISSIONER LANIER: Madam Chair, if I can
22 interrupt. I cannot -- I can barely hear them. I
23 don't know if it's the microphone or if it's where they
24 are. I'm not sure.

25 MR. LARSON: How about this? Is that better?

1 CHAIR BOTEL: To me, that sounds the same.

2 COMMISSIONER LANIER: Oh, excellent,
3 excellent, excellent.

4 MR. LARSON: This one might be tied in, so --

5 CHAIR BOTEL: Okay then.

6 COMMISSIONER LANIER: Excellent.

7 MR. LARSON: All right, so I'll repeat. So
8 the way we do it is the tenants pay their own water,
9 sewer and electric. And we give them an allowance for
10 that off the -- there's what you call a gross rental
11 rate, and then we give them allowance. They pay their
12 own water, sewer and electric, and then there's a net
13 rental rate that they pay to us as the owner. And the
14 reason we do it that way is because it promotes
15 conservation with the tenants so that they're not, you
16 know, excessively using water, things like that.

17 CHAIR BOTEL: Go ahead.

18 MR. WHEAT: Councilman, if I could respond,
19 that's absolutely correct. And the chart that we
20 showed you, I'm sorry for any misunderstanding, that
21 reflects that chart in our presentation was the net
22 rents, net of this utility allowance that Mr. Larson
23 described. So we agree.

24 COMMISSIONER McCOY: Okay. And while you're
25 there, representative from Pinnacle, thank you for that

1 clarification. You know, I thought it was very, you
2 know, I was very much inspired by the idea of the five
3 percent rebate of the rent. Like how do you -- where
4 did that come -- how do you arrive at that? Like is
5 that something that's now trending in the industry
6 because of, you know, more transitioning from rentals
7 to home ownership? How did you guys come up with that
8 idea?

9 MR. WHEAT: Well, I actually will give
10 Florida Housing Finance Corporation credit for it,
11 because it used to be a mandated thing that they
12 required of all developments until about 2012, I
13 believe, they stopped requiring their five percent
14 rebate. They have a series of what we call in the
15 industry check-the-box resident services you could do,
16 and that was one that Pinnacle, we always used to check
17 when it was among the requirements. But they stopped
18 doing that a number of years back.

19 We have still continued it in the
20 developments where it was mandated, and even have done
21 it in some that it's not, including our development in
22 Tallahassee that I mentioned where it was not required.
23 We opted to do it.

24 What's interesting about that, and I'm glad
25 you asked about it, is during the great recession, we

1 had an out-migration out of our properties. And David
2 and I were talking about this before the presentation.
3 Our residents have good credit, and they have
4 disposable income. And they took advantage when the
5 housing market crashed, and we wrote a sizable amount
6 of checks for the first time home buyer rebate program.
7 We thought it would be a perfect fit here, and that's
8 why we proposed it. Hope I answered your question.

9 COMMISSIONER McCOY: Yes, you did.

10 CHAIR BOTEL: Now we have to ask the same
11 question of -- I mean you have to give them -- I
12 believe you have to give them an opportunity to
13 respond.

14 MR. LARSON: Yes, that's correct. Actually,
15 our proposal, and when we sent the Council the long
16 form written, is taken directly from the old Florida
17 Housing program. So then this was something that, yes,
18 that's correct, they stopped doing it like in 2012, but
19 something that again, we thought would fit well here.
20 You know, it's a priority for the Council, so --

21 CHAIR BOTEL: Thank you.

22 MR. FINNIE: I just want to elaborate that --
23 can you hear me? I just want to elaborate that for a
24 bit. This is an old Florida Housing --

25 CHAIR BOTEL: Keep it close; keep it very

1 close.

2 MR. FINNIE: Hello.

3 CHAIR BOTEL: Yes.

4 MR. FINNIE: Yes, I want to elaborate a bit
5 on that. This was an existing Florida Housing program.
6 But the discussion in-house was so we got the memo from
7 the City Manager's Office. They asked us about our
8 home ownership initiatives, and we said what can we do
9 to meet this threshold. And in those discussions, we
10 said we should set up a program whereby we will set
11 aside a portion of the rent as down payment assistance
12 in the future with these tenants.

13 And then subsequent to that conversation,
14 someone said, well, you know, Florida Housing had this
15 program about ten years ago. So that's how we backed
16 into this. I just want to be clear that we backed into
17 it without really knowing this program had existed, at
18 least from my standpoint, and that's how we got it.

19 CHAIR BOTEL: Thank you.

20 Anything else, Mr. McCoy?

21 COMMISSIONER McCOY: One last question, and
22 since they're already there, so the HTG Group, are
23 there any social programs that's going to be
24 associated, like community based programs for the
25 development of the community, such as any kind of

1 parenting skill plans or homeowners or home buyers
2 education programs, because, you know, I see that
3 there's often a trend to kind of, you know, address
4 some of the societal disadvantages throughout the
5 community. So are there any plans for those type of
6 social needs?

7 MR. LARSON: Yes. So we do have some
8 standard programs that we offer that was in our
9 PowerPoint. However, we're certainly open to do more.
10 If, you know, anyone in the community or the Council is
11 aware of a good nonprofit that does programs or has any
12 ideas, we'd certainly incorporate it into our program
13 over and above what we have on our PowerPoint here.

14 MR. FINNIE: I'd like to add a little bit to
15 that. While we were waiting for the second
16 presentation, we were having discussions about the
17 project, what we'd like to do in the future, and one of
18 our partners said, you know, we do things --

19 COMMISSIONER LANIER: Madam Chair, Madam
20 Chair, can I interrupt? I'm so sorry. Because I am
21 doing this virtually, if people could say who they are
22 representing when they answer the question, it would
23 help me out, because I'm seeing you guys, but I'm not
24 really seeing you guys. So if you could at least tell
25 us who you are when you answer a question, that could

1 help me out.

2 CHAIR BOTEL: We'll do that. Thank you.

3 MR. FINNIE: My name is Bryan Finnie. I'm
4 the Vice President of the Housing Trust Group.

5 As I was indicating, we had a quick
6 discussion, and one of the things that we're going to
7 take a look at is one of our local contractors spends
8 dollars to support local athletic programs, local
9 educational programs, things of that nature. This is
10 more customized, more than just a standard
11 fill-out-the-box program.

12 And so we're going to take a strong look at
13 that, because that tends to be more focused and more
14 effective. And we do have the resources to make those
15 type of community based involvement programs to really
16 especially get our youth in educational and active
17 activities.

18 CHAIR BOTEL: Thank you. And we'll hear from
19 Pinnacle/Wendover.

20 MR. WHEAT: Yes, we think that the resident
21 based programs are a linchpin of what we're trying to
22 do. And not only when we talked about this more in our
23 written response than we had a chance to tonight, but
24 all the things, we'll do it, like parenting skills,
25 home buyer education, financial management, we will

1 offer those to our residents.

2 But as space becomes available, especially
3 once we get out of this COVID world, we will make them
4 available to the broader community on our campus,
5 because we'll have a wonderful facility. So we want to
6 be a resource to the community as well when we can, on
7 a space available basis, do these programs, which we
8 will do very frequently.

9 I want Kevin to talk again about some of the
10 targeted populations he talked about passionately,
11 particularly with regard to veterans.

12 MR. KROLL: Yes, certainly the veterans
13 programs, the outreach in the social service programs
14 we offer to veterans' families is -- we want to put a
15 strong emphasis on. That is really, it's one of the
16 many reasons, but why we have remained so dedicated to
17 the Berkley Landing site for five years now. I don't
18 think I mentioned it earlier, but we've had this site
19 under contract now and have been working with the City
20 for five years now to bring this community to fruition.
21 And because of our ongoing relationship with the V.A.
22 and the close proximity here to the V.A. Hospital, that
23 is why we are so bullish on Berkley Landing.

24 You know, and I'll just mention this: I
25 think Commissioner Miller-Anderson, Commissioner Botel,

1 I've stood before you guys before. The other
2 Commissioners are newer. But you know, we had a couple
3 years ago, two or three years ago, I believe, when the
4 local high schools played a State championship up in
5 Orlando, we hosted, kind of to showcase our property up
6 there, we had two or three buses of local residents and
7 City Commissioners who came, toured the property and
8 showcased and saw the resident services that we were
9 offering there. It was warmly received. So I know
10 there is existing support here locally on the ground.
11 There has been for a number of years now. That's why
12 we're so dedicated to seeing this community come to
13 fruition.

14 CHAIR BOTEL: Thank you.

15 Finished? Thank you.

16 Ms. Miller-Anderson.

17 COMMISSIONER MILLER-ANDERSON: I just had --

18 CHAIR BOTEL: Shall I go over there?

19 COMMISSIONER MILLER-ANDERSON: Well, no, I
20 had one question. It was actually for them, but the
21 other group can answer it as well, although I think I
22 already got their answer.

23 In regards to the loan, what were the
24 repayment terms? I don't think I saw that in the
25 slide.

1 MR. KROLL: We're very flexible that, you
2 know, whatever the City's desire is, we have the
3 ability. The fact of the matter is this government --
4 this funding is not necessary from a financial
5 standpoint. It's necessary from the standpoint of
6 being competitive at Florida Housing. We have to have
7 it, obviously, to be able to apply for Florida Housing.
8 After that, it's really up to you guys. We intend to
9 fully repay it on your terms. And in addition, it does
10 not need to be funded in the near term. This does not
11 need to be funded until the property is placed in
12 service. So this is not something we're looking for
13 next year. You have time to get it in the budget.

14 MR. WHEAT: Just because I'll be the
15 technocrat here, the local -- and this is Tim Wheat
16 with Pinnacle. I'm sorry for not -- and that was Kevin
17 Kroll of Wendover speaking.

18 Florida Housing calls this a Local Government
19 Area of Opportunity Loan or grant. As we said, we have
20 no issue with a full repayment loan and terms to be
21 decided by the City. The only term that matters to
22 Florida Housing is that loan disbursement has to be
23 disbursed in full 90 days after the development
24 construction is complete. So if you game it out, but
25 pursuant to the schedule we presented, it might not be

1 until 2023 until you actually have to make the loan.

2 We would probably close -- David and I and
3 Kevin would figure out that our initial construction
4 closing we would have a placeholder for the City's
5 mortgage and note, and you would be acting just as any
6 other lender, and you would have security for your loan
7 in second position behind the primary first mortgage
8 private lender, which would be an institutional lender.

9 COMMISSIONER MILLER-ANDERSON: Okay, thank
10 you.

11 CHAIR BOTEL: Thank you. The other group.

12 MR. LARSON: Hi, this is Jason Larson,
13 Housing Trust Group.

14 Yes, so we're actually proposing a balloon
15 payment within 15 years of the City funding the loan.
16 One thing that's important to the first mortgage lender
17 is that any loans on the property come due after their
18 loan. So typically they do a 15 year first mortgage,
19 and then the second mortgage is -- typically the term
20 is 15 years plus six months, you know, depending on
21 when that loan is funded.

22 And we could make interest payments. We
23 propose interest only payments kind of currently as
24 we're operating, so the City could get some return on
25 its money, and you know, we could pay, you know, at

1 least a couple percent or something. It would be
2 certainly more than what you're getting on probably
3 your cash deposits.

4 MR. FINNIE: Bryan Finnie, the Housing Trust
5 Group.

6 Bottom line is that we will pay the money
7 back, and the terms are, as we mentioned in our
8 presentation, negotiable by the City. But we do not
9 want a grant. We want to pay the money back.

10 COMMISSIONER MILLER-ANDERSON: So the
11 15 years is not -- that's negotiable still? You're not
12 holding to that?

13 MR. FINNIE: Yes, ma'am.

14 COMMISSIONER MILLER-ANDERSON: And I just
15 wanted clarification for the 2525 Broadway. Is that
16 correct? That shows in front of Walgreens.

17 CHAIR BOTEL: Yes.

18 COMMISSIONER MILLER-ANDERSON: How is that --

19 MR. LARSON: Actually, I think it's 2825.

20 CHAIR BOTEL: Okay, yes.

21 MR. LARSON: So there's several parcels. A
22 couple of the parcels are addressed. And the 2825, if
23 you go on Google, is the one that shows up actually
24 like where the site is.

25 CHAIR BOTEL: I had the same --

1 COMMISSIONER MILLER-ANDERSON: So it's 2825.

2 MR. LARSON: And it's across from the
3 shopping center that used to have, I think it was the
4 Family Dollar.

5 CHAIR BOTEL: Yes, okay.

6 COMMISSIONER McCOY: Madam Chair.

7 CHAIR BOTEL: I'm sorry?

8 COMMISSIONER MILLER-ANDERSON: That's it for
9 me. Thank you.

10 CHAIR BOTEL: Mr. McCoy, you're recognized.

11 COMMISSIONER McCOY: I'm sorry, I got to pull
12 down my mask because I want you to see my --

13 COMMISSIONER LANIER: Madam Chair.

14 COMMISSIONER McCOY: I was just about to ask
15 is Commissioner Lanier on, because I can assure you if
16 it comes to any outstanding money that's owed, she's
17 not going to give anybody --

18 CHAIR BOTEL: Commissioner Lanier, did you
19 hear that?

20 COMMISSIONER LANIER: You are correct.

21 CHAIR BOTEL: Commissioner Lanier, would you
22 like to respond to that taunt from --

23 COMMISSIONER LANIER: I just wanted to say
24 that he is absolutely correct. When it comes to money
25 that is owed to the City, the CRA and the City in

1 general, we would like to (inaudible).

2 CHAIR BOTEL: It's an "in" joke. Okay, thank
3 you, Mr. McCoy, thank you.

4 Commissioner Lanier.

5 COMMISSIONER LANIER: I have some questions.

6 CHAIR BOTEL: Commissioner Lanier, you're
7 recognized.

8 COMMISSIONER LANIER: Okay, thank you so
9 much. I have a couple of questions, and it can be to
10 either of the groups. Both of the groups had excellent
11 presentations.

12 I really, really appreciate the fact that the
13 City Manager has made this a competition. We often
14 get, and I would say all the time get entities that
15 come into the City that is a one sided event, but this
16 being a competition really has made me take about two
17 or three pages of notes. I will try and not go through
18 all of them, but I wanted to ask would each of the
19 groups, what else financial funding have you guys
20 pursued other than the City's money?

21 CHAIR BOTEL: We'll start with Wendover.

22 MR. WHEAT: Commissioner, it's Tim Wheat with
23 Pinnacle. Thank you for the question.

24 We actually applied to the County for the
25 Local Government Area of Opportunity. They had a

1 competition. Berkeley applied, but the County had a
2 preference for funding a project in the Glades, and
3 that's what they wound up doing. They wound up
4 choosing a development in the Glades.

5 So we have sought other sources of funding
6 for this Local Government Area of Opportunity Loan,
7 which again, as we remind you, allows us to leverage an
8 investment of 23 million, give or take, in housing tax
9 credits. So it's a stepping stone to leveraging equity
10 by getting this designation.

11 Anything to add?

12 MR. KROLL: I would add that in terms of all
13 the financing is in place. There were terms letters
14 that were included in the package you all received for
15 both the equity partner, as well as the lender. So all
16 financing is in place. This is just the last piece of
17 the puzzle.

18 CHAIR BOTEL: Thank you.

19 MR. LARSON: Hi, Jason Larson, Housing Trust.

20 So we actually did procure some impact fee
21 funding, impact fee, I guess, exception funding from
22 the County. So the County has a program they put out
23 every year, and we did apply for the site, and we got
24 about 350,000 from the County in impact fee exemptions.
25 Of course, the, you know, 75 percent of the funding for

1 the development will come from the tax credit award,
2 should we be awarded.

3 And we've got partnerships with Raymond
4 James, who we work with a lot, who will be the tax
5 credit purchaser, and we have a funding letter from
6 them. I mean they'll contribute probably up to
7 \$20 million towards the development. And then also
8 Chase Bank would be the construction lender and first
9 mortgage lender, and they are the bank that we worked
10 with on Heron Estates, both phase one and phase two.

11 CHAIR BOTEL: Thank you.

12 COMMISSIONER LANIER: Okay. Another question
13 is this: The Pinnacle Group said that they were
14 looking at, I don't know if they said two when they
15 talked about market rate units. And I wanted to ask
16 the Pinnacle Group or any other group about market rate
17 units. I think you said two, but I really wanted to
18 look at how the both groups look at market rate units
19 and the mix of them in the -- quote, unquote --
20 affordable type of methodology or type of model.

21 MR. WHEAT: It's Tim Wheat with Pinnacle
22 again. I'll be brief.

23 Yes, we did propose two entirely unrestricted
24 market rate units. Those two units would be paired
25 with a live/work space, so those residents would have a

1 ground floor commercial office bay with an interior
2 stairwell to an upper bay. So in addition to those two
3 completely rent unrestricted units, we have a mix of
4 income stratification, including units restricted at
5 80 percent of the area median income that are what we
6 call near market rate units. And I'll let Kevin take
7 it from here.

8 MR. KROLL: Sure. Yes, so as Tim was saying,
9 this is a true, you know, it's a multiuse development,
10 both commercial and residential from the aspect of
11 those live/work units. And I'm trying to think what --
12 thanks. Yes, so we've got, what, 25 units that we
13 consider market rate, at the market rate level, the 80
14 percent AMI level. That's that market rate/workforce
15 level. So roughly about 20, over 20 percent of the
16 project, including those two live/work units.

17 MR. DEUTCH: Truly the -- David Deutch with
18 Pinnacle.

19 The difference between the 80 percent AMI
20 units and the market rate units are just some of the
21 rules and regulations associated with the program of
22 procuring tax credits. So with the market rate units,
23 we have no restrictions on anything, income or anything
24 else of that nature, as opposed to the 80 percent, we
25 have income limits and we have to live within the

1 guidelines as prescribed by Florida Housing, even
2 though the rent differential between the live/work and
3 the 80 percent units we believe will be de minimis.

4 CHAIR BOTEL: Thank you.

5 Do you want to address the issue of market
6 rate?

7 MR. LARSON: Sure. Jason Larson with Housing
8 Trust Group.

9 So we approach the market rate units by and
10 in a similar fashion, doing units that are set aside at
11 80 percent of the AMI, as well as 70 percent of the
12 AMI. You know, and with those rents getting up on the
13 80 percent side, on a three bedroom up to about 1,827
14 on a gross basis, and then subtracting out the utility
15 allowance that we've discussed, 1,706, and on the
16 70 percent side, 1,477, that kind of puts it right in
17 between, you know, let's say a \$1,600 rate rent. And
18 so there's units, even though they qualify as
19 affordable, they are effectively market rate. So, and
20 we've got 41 of those units.

21 So, yes, and these are units that teachers
22 and firefighters could qualify for, and you know,
23 probably starting policemen. I mean, you know, the
24 salary for an 80 percent three bedroom could go up to
25 like \$81,520 on a three bedroom.

1 COMMISSIONER LANIER: So for both groups, so
2 my question is this. We're talking about affordable
3 housing. I'm thinking teachers, firefighters, police
4 officers. So I want to be able to ensure that those
5 group of people are able to be a part of this
6 development. And when we say affordable housing, we're
7 not talking about public housing. We're talking about
8 housing that is affordable. But I want to make sure
9 that the teachers, the firefighters, the police
10 officers who work for the City of Riviera Beach, who
11 live in the city, who want to live in the city are a
12 part of this development. How can you ensure that?

13 CHAIR BOTTEL: Go ahead.

14 MR. FINNIE: Happy to. Bryan Finnie, Housing
15 Trust Group.

16 One, Councilperson, yes, this is not public
17 housing; this is not public housing, you're absolutely
18 correct. In terms of incomes, we have income ceilings.
19 And teachers, firemen and police at the 80 percent AMIs
20 are within that income ceiling, which is regulated by
21 the State of Florida. So they will be -- if they would
22 like to live in our properties, they can apply and they
23 will be eligible to live there.

24 CHAIR BOTTEL: Just for our edification, could
25 you attach a dollar amount to that 80 percent? I think

1 you said it was 60.

2 MR. FINNIE: Going up to --

3 MR. LARSON: Yes, hi. Jason Larson.

4 So the 80 percent could go, you know, what
5 they say for a one bedroom, 49,200, and up to \$81,520
6 for a three bedroom.

7 CHAIR BOTEL: Thank you.

8 Commissioner Lanier.

9 COMMISSIONER LANIER: Yes --

10 CHAIR BOTEL: I'm sorry, we have to let the
11 other Pinnacle/Wendover.

12 COMMISSIONER LANIER: Okay, just one more
13 question; just one more, just one more.

14 CHAIR BOTEL: No, Commissioner Lanier, we
15 need to let the other group answer and then you can --

16 COMMISSIONER LANIER: Okay. Can I come back
17 and ask some other questions, because --

18 CHAIR BOTEL: Yes, yes, the floor is yours.
19 Well, as soon as they finish.

20 COMMISSIONER LANIER: Okay. All right, very
21 good. Thank you, Madam Chair.

22 MR. DEUTCH: David Deutch with Pinnacle.
23 I'll be brief.

24 So our whole goal was to accomplish the
25 workforce element was the reason we did so many

1 80 percent units. It's because we want to target
2 teachers, firefighters and those you are describing,
3 Commissioner. So that is exactly our thinking in terms
4 of developing our strategy for this development.

5 CHAIR BOTEL: Thank you.

6 Commissioner Lanier.

7 COMMISSIONER LANIER: Yes. Can I ask one
8 more question?

9 CHAIR BOTEL: Yes.

10 COMMISSIONER LANIER: Yes, okay. One of the
11 questions is this, and it may be not for the two
12 groups, but for the City Manager and the people who put
13 this package together for both groups. I'm looking at
14 a clawback provision.

15 Now, based on the paperwork that has been
16 sent in and that is attached to the agenda item, it
17 appears that ground breaking or things in terms of
18 development won't happen until 2022. That's two years
19 from now, which means it may take three to five years
20 for a development to happen. I want to know what is
21 the clawback provision that the City has in terms of if
22 it doesn't happen in a certain amount of time, what
23 happens to our money.

24 CHAIR BOTEL: They're ready to answer
25 (inaudible).

1 MR. KROLL: This is Kevin with Wendover.

2 COMMISSIONER McCOY: Madam Chair.

3 CHAIR BOTEL: I'm sorry?

4 COMMISSIONER McCOY: I think since this is
5 more or less a procedural question, can we allow our
6 attorney to answer that as opposed to the applicant?

7 CHAIR BOTEL: Sure. Why not?

8 MR. HAYGOOD: Yes.

9 COMMISSIONER LANIER: Sure. Thank you,
10 Councilman --

11 CHAIR BOTEL: McCoy.

12 COMMISSIONER LANIER: -- I'm sorry,
13 Councilman McCoy, for that.

14 CHAIR BOTEL: Go ahead.

15 MR. HAYGOOD: Yes, the grant/loan is
16 conditioned upon the participants actually getting
17 awarded these funds the next cycle. So it doesn't go
18 over. Unless they get in this next cycle, unless
19 they're awarded the tax credits, then there is no deal.

20 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
21 And Madam Chair, just to add onto that, the
22 appropriation or the expenditure would not be present
23 until your fiscal year 2022 budget. So the moneys
24 would be earmarked and restricted in the event that
25 there is a successful entity that receives it, then

1 that will go forward. If not, it will then just remain
2 as fund balance.

3 CHAIR BOTEL: Commissioner Lanier, anything
4 else?

5 COMMISSIONER LANIER: One more thing, and
6 then I'll give -- I'll acquiesce to my other
7 colleagues. One more thing.

8 I wanted to ask both of the groups: Both of
9 you talked about how you're going to help the people
10 who are in these apartments, or in this complex, or by
11 this complex or whatever the case may be in terms of a
12 resident assistance. How much money are you talking
13 about in terms of financial literacy, in terms of home
14 ownership information, in terms of -- because a lot of
15 developers come to the City, they throw out all these
16 figures about, you know, we're going to help the people
17 who are there and talk about the five percent, but tell
18 me exactly what are you talking about in terms of
19 funding, in terms of getting people who, guess what, in
20 a year or two they may not be able to buy the property,
21 they may not be able to be even qualified for it. How
22 are you going to ensure that the people who come into
23 this property are able to at least at some point buy a
24 home?

25 MR. FINNIE: Bryan Finnie, Housing Trust

1 Group.

2 Thank you, Commissioner, that was a good
3 question. There are two aspects, there are two parts
4 of that question, so let me go with the first one,
5 resident services. When we do our analysis on the
6 project, we figure out the operating cost of each unit.
7 Units may cost \$5,000 a year to operate a unit in one
8 of our projects. In that number is also the cost that
9 we incur of resident services, so we build in that cost
10 into our operations. So of all the social services
11 programs that we provide, those are free services out
12 of our operating budget to the tenants.

13 Now, in terms of home ownership, all we can
14 do is make home ownership programs available for our
15 tenants and give them the opportunity to pursue a home
16 if they'd like to, and also enroll them in our down
17 payment assistance program. Their decision to acquire
18 a home is solely their decision. We will support them,
19 but they have to make that decision.

20 MR. DEUTCH: David Deutch with Pinnacle.

21 Commissioner, every month when I look at the
22 financial statements of each of our properties, the one
23 line expense that makes me the happiest is how much we
24 spent on down payment assistance every month. And it
25 varies. And right now we're putting out a lot of money

1 because right now interest rates are very low and our
2 residents are trying to take advantage of this very
3 nice financing that exists in the mortgage world today.

4 So we backstop it with the good faith and
5 credit of Pinnacle, meaning you have to rely on the
6 developer to be upstanding, because at the end of the
7 day, we're the ones writing the checks for the down
8 payment assistance and handing to our residents when
9 they leave our community and go purchase a home. But
10 to me, it is the single most enjoyable expense we incur
11 every month and every year on each of our properties,
12 and the smiles we see from our residents are world
13 class.

14 COMMISSIONER LANIER: Okay, thank you. I'll
15 acquiesce now to my other colleagues. I have a couple
16 other questions, but I don't want to monopolize the
17 time that we have, so I'll stand down until the end of
18 the questioning session.

19 COMMISSIONER McCOY: Well, stand by as well.
20 I mean if you're going to stand down --

21 COMMISSIONER LANIER: I'm just standing by.

22 CHAIR BOTEL: Good one. Do you have any
23 other questions, Commissioner McCoy? Commissioner
24 Lawson, any other questions?

25 COMMISSIONER McCOY: I surrender.

1 CHAIR BOTEL: That was very good.

2 COMMISSIONER MILLER-ANDERSON: Madam Chair, I
3 just had a follow-up question. In terms of reaching
4 out to those teachers and firefighters and all of that,
5 what type of outreach programs would you all be doing
6 to get those people to the table?

7 I do believe there was a project some years
8 ago in Pleasant City where those -- that development
9 was built, I think for nurses or someone in the medical
10 field, but I don't believe they had a really good
11 turnout. So what would you be doing to attract those
12 people that we're looking to put in there or give an
13 opportunity to?

14 MR. DEUTCH: So before we -- first of all,
15 this is going to be a high -- David Deutch with
16 Pinnacle, excuse me.

17 This is going to be a high profile
18 development, and so from the outset we are going to
19 have signage, we are going to have brochures, we're
20 going to have information informing the public as to
21 what our timeline is, when we expect to deliver the
22 units, and what our outreach is going to be.

23 We are going to be very mindful of Fair
24 Housing, okay, to reach out to everybody and give
25 everybody a fair shot. So we will advertise in local

1 newspapers, we will be online, we will use social
2 media, we will use all kinds of tools that we implement
3 in order for everyone to know exactly when we're going
4 to deliver the units when we start the lease-up.

5 If we feel we're going to have very strong
6 demand and be outstripped in terms of the number of
7 units versus the demand, what we've gone to in the past
8 is a lottery type situation so that we're very fair and
9 very equitable and mindful of Fair Housing. But in
10 terms of just outreach, we can go to local nonprofits,
11 we will advertise, we will do social media, all the
12 things that you would normally expect of a community to
13 announce the timeline for lease-up and give everybody
14 an opportunity to participate.

15 COMMISSIONER MILLER-ANDERSON: Thank you.

16 The other group?

17 MR. KROLL: Sorry. Kevin with
18 Pinnacle/Wendover as well.

19 And in terms of the direct outreach we do, we
20 coordinate directly with the School Boards, with the
21 police, firefighters' unions, with the hospital
22 organizations, doctors' offices. So we are doing
23 direct outreach within their offices of all these
24 different groups to target these potential residents.

25 MR. FINNIE: Bryan Finnie, the Housing Trust

1 Group.

2 Just to reiterate what they just discussed,
3 the Fair Housing guidelines provide guidelines to us as
4 to how we post and notice that our apartments are
5 available. However, because we have Heron Estates
6 Senior and because we're going to have Heron Estates
7 Family, we have a full sales office in the city of
8 Riviera Beach. And that office is going to reach out
9 to churches, going to reach out to the School Board,
10 going to reach out to nonprofit organizations and going
11 to reach out to the networks that we already have.

12 We have one building that's completely
13 filled. And we have another building. As soon as we
14 announce it next week, I'll give it a month, and you'll
15 have over 100 applications for 79 units. And that's
16 just the beginning. So we have an existing network
17 here, and we'll move forward aggressively.

18 COMMISSIONER MILLER-ANDERSON: Thank you,
19 Madam Chair.

20 CHAIR BOTEL: Thank you.

21 Mr. Lawson.

22 VICE CHAIR LAWSON: Thank you, Madam Chair.

23 Just one question for both teams. The home
24 ownership program, as you guys know, is very important
25 to us, local participation, home ownership. Who

1 manages and operates the home ownership program within
2 the organization? Is it the actual owner or the
3 property management company? And in addition to that,
4 how do we guarantee the home ownership is going to
5 actually apply to our residents, allowing for them to
6 purchase here in our community?

7 MR. FINNIE: HTG's fiscal department will
8 manage the assets of the home ownership program. And
9 we can guarantee that residence of Rivera Beach will
10 participate in the program because the program will be
11 limited to residents in our project, and our project is
12 in Riviera Beach. I want to make sure I'm answering
13 your question.

14 VICE CHAIR LAWSON: Well, do they have to
15 purchase in Riviera Beach?

16 CHAIR BOTEL: No.

17 MR. FINNIE: No, they do not have to
18 purchase, because if I'm using federal money and I
19 cannot -- I cannot restrict them to just Rivera Beach.

20 VICE CHAIR LAWSON: Same question.

21 MR. DEUTCH: I want to be careful. David
22 Deutch, Pinnacle.

23 We are offering this program not through the
24 Florida Housing checking-the-box requirement.

25 VICE CHAIR LAWSON: Correct.

1 MR. DEUTCH: So as such, what we proffered to
2 you all, okay, was that the down payment assistance
3 program would be for purchase of Rivera Beach homes.
4 Now, we can broaden that reach.

5 I don't want to contradict Mr. Finnie,
6 because maybe he knows something I don't know. But
7 because this is a self-imposed program and not
8 involving federal tax credits, but just something that
9 we're offering as a resident program out of our own
10 proceeds, our own dollars, we think we have the
11 flexibility to cater the program to make it a local
12 program as opposed to something broader.

13 Now, if you all deem that we should broaden
14 it and allow the down payment assistance for our first
15 time home buyer program to be for folks beyond the City
16 limits of Riviera Beach, we would do that. Normally we
17 have a program where we do not restrict the down
18 payment assistance proceeds to a specific area, but we
19 know you all are very pro Riviera Beach, for obvious
20 reasons, and as such we are willing to cater our
21 program to something similar.

22 VICE CHAIR LAWSON: And that was my question,
23 because I saw I had a different answer from both
24 organizations. That's why I was asking is the funds or
25 are the funds going to be restricted to home ownership

1 here in the city, and that's why I just wanted some
2 clarity with that question as well.

3 CHAIR BOTEL: I have a follow-up to that.

4 VICE CHAIR LAWSON: Please go ahead.

5 CHAIR BOTEL: I have a follow-up to that just
6 while we're on the topic of that program. I'd like to
7 know the history. You've already touched on it, your
8 history in operating that kind of a homeowner -- the
9 five percent program.

10 MR. FINNIE: HTG's history or my history
11 with --

12 CHAIR BOTEL: The organization's history.

13 MR. FINNIE: So I'm the former Director of
14 the Miami-Dade County Office of Community Economic
15 Development. And OCD gives out about \$40 million a
16 year for home ownership programs in Miami-Dade County.
17 And I'm the former President and CEO of the Camden
18 (inaudible) New Jersey. I can go on and on and on.

19 We have a history of -- step back.

20 This program that we're talking about, which
21 was from Florida Housing, from what I understand hasn't
22 been active for over the last ten years. So when we
23 came up with the program, it was based on our internal
24 experiences of our activities before in the Overtown
25 section, in Camden, New Jersey, and some things in New

1 York that we've done in the past. So again, in answer
2 to your question, it's very limited, but let me get
3 myself in real trouble here. I'm going to get myself
4 in real trouble here and I'm going to be honest with
5 you.

6 Our initiative is about economic freedom.
7 And if we sit with a tenant and we say that we will
8 match the money set aside for your home ownership
9 program, that tenant has the right to buy wherever he
10 or she wants to. I don't want -- it always happens in
11 our communities that we get restricted and people take
12 freedoms away from us. We're not doing that. If you
13 put your money aside and we match it, you have the
14 right to spend your money wherever you feel you need to
15 spend your money. And that's a principle that we will
16 go down with, but I think it's the right thing to do.

17 CHAIR BOTEL: Thank you.

18 Anything else, Mr. Lawson?

19 VICE CHAIR LAWSON: Yes. Mr. Evans,
20 Mr. Jonathan Evans, how can we award both of these
21 firms and get this going, because this mandate is
22 restricting us to two great organizations. So what can
23 we do over the next couple of years, because this is
24 something that is a tough decision for us. Because
25 like I told both organizations, we are very

1 appreciative for these presentations. You guys have
2 done phenomenal jobs, and it shows that we're adamant
3 about moving forward and we're committed to this and
4 I'm excited that you guys even came to us. So
5 Mr. Evans, what can we do?

6 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
7 We, as staff, had the same challenge. Hence, why we
8 put forth the program that we went through today,
9 because it was so challenging to effectively try to
10 weigh out which project would be the superior project.
11 Both projects -- and I have shared with both teams, I'd
12 love to have them both.

13 VICE CHAIR LAWSON: Right.

14 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
15 And so whomever moves forward in this process,
16 certainly we're going to support them and want them to
17 be successful, but I would hope that in the event that
18 one of the firms is not successful in this process,
19 that there is additional conversations that can ensue
20 to see what the CRA and the City can do collectively to
21 work together with regards to a development
22 opportunity, because it is such a critical need in our
23 community that we don't want to let folks that are
24 here, willing and committed to seeing economic
25 redevelopment and revitalization in our community occur

1 to walk away.

2 So we certainly will enter into other
3 conversations with the other firm, you know, to look at
4 what other options and alternatives are available to
5 effectuate economic development and growth within the
6 corridor.

7 Unfortunately, this program that both
8 entities are pursuing is so challenging, and it takes
9 the best of the best. And that's what you saw this
10 evening, two strong proposals. We posed very
11 challenging questions. They answered those questions
12 in a short amount of time. And we wanted to make sure
13 all the things that were articulated by the Board were
14 addressed as part of the presentations, and you saw
15 that this evening.

16 So I guess to make a long story short, we're
17 going to have to do some real soul searching over the
18 next couple of days to see what opportunities or what
19 initiatives that we can spin up to help facilitate in
20 some form or some fashion, because we don't want to
21 lose the opportunity.

22 And I think we're excited about the process
23 and excited to work with whomever is selected. But as
24 it relates to the process that they have to go through,
25 it's one of those situations that people see the value

1 in our community, which is exciting, and they're
2 willing to work with this Board and staff. And so that
3 says something for your leadership, and people know
4 that Rivera Beach is really open for business and
5 they're willing to put 30 plus million dollars --
6 you've got \$60 million worth of projects that are in
7 front of you this evening, and you have to make a
8 decision on which one that you like to move forward.
9 And that's a good place to be, and that's a long road
10 that we all have traveled to get to this point. So
11 we'll do what we can on our side, but the decision
12 resides with the Board this evening.

13 CHAIR BOTEL: Thank you. I do have one --

14 COMMISSIONER LANIER: Madam Chair.

15 CHAIR BOTEL: I was going to ask --

16 COMMISSIONER LANIER: Madam Chair.

17 CHAIR BOTEL: Go ahead, Commissioner Lanier,
18 you have the floor.

19 COMMISSIONER LANIER: Yes, I just wanted to
20 say, and Mr. Evans is absolutely right, this is a
21 competition and it is up to the Commission to make this
22 decision about which of the competitors that we want to
23 go with. I want to make sure that it is understood
24 that it is a competition.

25 There were two proposals that were presented

1 tonight, and they were excellent, both of them. And
2 this is what I like to see for the City of Riviera
3 Beach, competition that someone and some people could
4 come to the City and say that this is what we have to
5 offer, and we as a Council, could make a decision. I
6 can appreciate that. Thank you, Mr. Evans.

7 CHAIR BOTEL: Thank you, Commissioner Lanier.

8 I have one final question. Maybe it's not
9 the final. Somebody else might have a final. If you
10 are not selected this evening, what are your plans for
11 your project? What would you like to see happen going
12 forward if you're not selected?

13 MR. FINNIE: Again, Bryan Finnie, the Housing
14 Trust Group.

15 As I mentioned earlier, our project is more
16 than just sticks and bricks. Our project is about a
17 local business initiative. With the nine percent tax
18 credit program, it gives us the financial liquidity to
19 be more -- to embrace more undercapitalized local
20 contractors and to bring them into the project. So for
21 us, we really need this funding facility to make our
22 whole plan work, which is more than just sticks and
23 bricks.

24 Now, with the Housing Trust Group, we love
25 this project. We will never give up on trying to

1 develop this project. I don't know how we're going to
2 do it, but that's what we do. But again, sticks and
3 bricks are not the priority of this project. It's the
4 inclusiveness that is the most important aspect of it.

5 CHAIR BOTEL: Okay, thanks.

6 MR. FINNIE: And I hope I answered your
7 question. I'm not sure I did.

8 CHAIR BOTEL: I'm not sure you did either,
9 but --

10 MR. FINNIE: All right, so --

11 COMMISSIONER McCOY: Madam Chair, stand by.

12 CHAIR BOTEL: Stand by.

13 MR. FINNIE: The project will change
14 dramatically if we have to go to another facility. And
15 then we have to figure out how you do that, and at this
16 point in time, I just don't know. The project --

17 CHAIR BOTEL: But it's not going to die. You
18 will find some way to --

19 MR. FINNIE: I'm sure both projects will not
20 die. I'm sure both developers will find a way to -- I
21 mean that's what we do.

22 CHAIR BOTEL: Okay, thank you.

23 MR. KROLL: Thank you. Kevin Kroll with
24 Pinnacle/Wendover.

25 Both of these developments are in the same

1 predicament. You do have to have a nine percent tax
2 credit award to make them feasible. And that is for
3 the foreseeable future. It's going to be a number of
4 years before either of these two sites are eligible for
5 nine percent tax credits again; at least probably four
6 or five years. It's determined by HUD in what they
7 call the qualified census tracts, and the fact of the
8 matter is this is not in the qualified census tract
9 anymore going forward.

10 That being said, we've been working on this
11 site now for five years, as I've said. We've been at
12 the mercy of a landowner for those five years who's
13 been working with us. I can't say going forward what
14 his intentions are, but it is our intention to see this
15 project through one way or the other eventually. I
16 hope not to be standing here five years from now still
17 working on it, but we still absolutely would invite
18 your invitation to collaborate on it. But for the
19 foreseeable future, there is nothing else that's really
20 possible without the nine percent tax credits this
21 year.

22 CHAIR BOTEL: Thanks.

23 Any other questions?

24 COMMISSIONER MILLER-ANDERSON: Yes, Madam
25 Chair.

1 CHAIR BOTEL: Commissioner Miller-Anderson.

2 COMMISSIONER MILLER-ANDERSON: With Pinnacle,
3 I know you say you were here about five years ago, and
4 I believe that is the same property that you were here
5 for, asking for before, so you weren't able to move
6 forward when you didn't get it before. So if that
7 happens again, you won't be able to --

8 MR. KROLL: Well, actually, the reason we --

9 COMMISSIONER MILLER-ANDERSON: Because -- let
10 me just say this. All of these -- both of these
11 projects are in my district, and so it would be very
12 nice if we could see something happen. And I was
13 excited when we had that going on. We thought it may
14 have happened.

15 MR. KROLL: Right.

16 COMMISSIONER MILLER-ANDERSON: So that was --
17 and then it just disappeared.

18 MR. KROLL: Yes, yes.

19 COMMISSIONER MILLER-ANDERSON: So now we're
20 here again.

21 MR. KROLL: And I gave you my word then that
22 I would keep working on it --

23 COMMISSIONER MILLER-ANDERSON: You sure did.

24 MR. KROLL: -- and I will always keep that
25 word. We've only had this -- call it this award, the

1 Local Government Area of Opportunity funding award from
2 the City once before, in 2017 I believe it was. It
3 just so happened that year that the City also awarded
4 that award to HTG, what became the Heron Estates
5 property.

6 COMMISSIONER MILLER-ANDERSON: Right.

7 MR. KROLL: And so it came down to -- as it
8 happened, the City did not know that they were giving
9 two awards that year. It went to the State level. HTG
10 had a higher lottery ball number, so they were selected
11 as the winner.

12 The State was about to rule us both
13 ineligible because technically, one municipality cannot
14 give the same award to two different developments. And
15 we said no, we're not -- we don't want that to happen,
16 let's let the Housing Authority and HTG move forward.
17 We don't want the City left with nothing here.

18 So we were willing to take a step back. We
19 want to see something come to fruition in Riviera
20 Beach, and we're glad that that community has come to
21 fruition. Now I guess we're just hoping for karma to
22 kind of be on our side.

23 COMMISSIONER LANIER: Madam Chair.

24 COMMISSIONER MILLER-ANDERSON: If he --

25 MR. FINNIE: Excuse me, excuse me, excuse me.

1 Wow. How do I respond to that?

2 COMMISSIONER McCOY: Stand by. Or even stand
3 down.

4 CHAIR BOTTEL: You're going to milk that now.

5 MR. FINNIE: In the spirit of cooperation, we
6 agree with everything he just said except there were a
7 couple of some minor nuances that are a little bit
8 different. In that process, both of our applications
9 were deemed ineligible by Florida Housing, all right.
10 So, but what we did was we did two applications. We
11 applied for four percent sale and nine percent. And we
12 were fortunate to win the four percent award. So I
13 just want to make the record clear, and that's why we
14 won, because we were aggressive; we were very
15 aggressive. We are aggressive in our efforts to get
16 our projects funded. So I just wanted to say that for
17 the record.

18 CHAIR BOTTEL: Thank you.

19 Are we good to go?

20 COMMISSIONER LANIER: Madam Chair, I just
21 wanted to say -- I'm sorry.

22 CHAIR BOTTEL: Go ahead.

23 COMMISSIONER LANIER: I just wanted to say
24 one thing. I like both of the projects sincerely,
25 because both of them are going to help Riviera Beach go

1 to another level. But I would like to say that one
2 thing that I did notice with the Pinnacle Group is that
3 they deferred almost 2 million in development fees
4 versus the 500 from HTC (sic). For whatever it's
5 worth, I just wanted to put that out there. But I like
6 both proposals, but I did recognize that piece for
7 Pinnacle.

8 CHAIR BOTEL: Thank you.

9 Commissioner Miller-Anderson, anything else?

10 COMMISSIONER MILLER-ANDERSON: No.

11 CHAIR BOTEL: Would someone like to make a
12 motion?

13 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
14 Madam Chair, if I may. If you can provide both groups
15 three minutes for closing remarks.

16 CHAIR BOTEL: Oh, yes, thank you. I forgot.

17 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
18 And we would start with the group that presented first,
19 which is HTG.

20 CHAIR BOTEL: Thank you.

21 MR. FINNIE: First of all -- Bryan Finnie,
22 HTG -- I'd like to thank the Council for giving us the
23 opportunity to come here and present tonight. We've
24 worked on this proposal for quite a while, and this has
25 been an interesting process and a good process and we

1 thank you for the opportunity.

2 I know when it's time to drop the mic, and
3 now is a good time for me to drop the mic. And I'll
4 give it to Ron Davis for him to summarize as we step to
5 the side.

6 MR. DAVIS: Thank you, Bryan.

7 I'm Ron Davis of Mosnar Group, the local
8 minority development partner with HTG, and also a local
9 person who has worked in this community for a number of
10 years.

11 I think while I admire the effort of Pinnacle
12 and their team, I think there are stark differences
13 between the proposals away from the fact of the sticks
14 and bricks, as Bryan expressed. I think the fact that
15 the HTG/Mosnar Group, even as private business persons,
16 put on their policy hats, because both Bryan and I are
17 former black City Managers for this state and came
18 forth to your City, this City, our City and met with
19 City Manager Jonathan Evans with a local initiative
20 contract proposal which was not on the table, which has
21 not been on the table, but the aspects of it has always
22 been mentioned in part by various members of Council as
23 something they were trying to do and grappling to do
24 with how you accentuate and elevate local minority
25 contractors.

1 We put a policy program in writing and put it
2 on the table, discussed it with the Manager, hashed it
3 out, reviewed it, improved it, then discussed it with
4 you, and that's how we got to where we are. Where we
5 are now is about local contractors. Anybody can build
6 this project, but everybody has not put forth the
7 commitment that we've put forth to bring in a joint
8 venture with a local prime contractor who is a local
9 minority, a local African-American that lives here in
10 Riviera Beach.

11 We have also put forth our commitment to
12 bring from our project at Heron Estates local
13 subcontractors who are also residents of Riviera Beach
14 minority. That demonstrates a commitment that no one
15 has put on the table in this City, not before tonight
16 and not even tonight. So I ask that you consider that.

17 We have been here. We have demonstrated our
18 commitment to this community. We've already invested
19 over \$40 million in this community in prior projects,
20 and we're coming to the table now with another 30
21 million. So you're not dealing with strangers. We
22 have done this. We have worked with you, and we have
23 delivered for you. And I think we have earned your
24 support. Thank you.

25 CHAIR BOTEL: Thank you.

1 MR. WHEAT: It's Tim Wheat with Pinnacle.

2 First of all, I want to say that it's -- I've
3 been doing community development, started in the public
4 sector, then in the nonprofit sector and in the private
5 sector for 35 years, and I have to tell you how
6 refreshing it is to come and have a discussion about
7 high minded ideas and doing business and doing it with
8 civility and with facts and with information.

9 That is something that is lacking in our
10 discourse in this country nowadays, and I applaud each
11 of you individually and the City Manager and the staff
12 at the CRA and the City for organizing such a fantastic
13 process that allowed both of us to put all of our cards
14 on the table in a very organized fashion to go after
15 what is very competitive money.

16 And I know that I speak for Wendover and
17 Mr. Wolf and Kevin and the team at Wendover and for
18 David and the partners at Pinnacle and for Dwight and
19 Joe and everyone at D. Stephenson Construction where we
20 give you our heartfelt thanks and gratitude. And we're
21 humbled by the opportunity to have participated.

22 The difference maker is that Riviera Beach
23 has a bright future. I live not very far from here,
24 and I drive by this site every day on my way to work
25 from where I live. And the day has come now because of

1 your leadership to create placemaking communities so
2 people like me aren't just driving by, that people are
3 stopping, that they're enjoying, that they're living,
4 that they're investing and that they're growing your
5 community, okay. And with Berkeley Landing, we're
6 going to create a placemaking development that not only
7 invests in the city, but invests in its citizens and
8 invests in our residents, which is your most precious
9 resource.

10 And we've all been doing this a long time.
11 And yes, it's our debut here as Pinnacle/Wendover and
12 D. Stephenson as a team. But we have a proven track
13 record of revitalizing communities, of creating transit
14 development. You know, no one in the early 2000s would
15 bother going to Wynwood neighborhood in Miami. It was
16 a wasteland. And then Pinnacle came and built Pinnacle
17 View, and it changed the dynamics of that community.

18 An affordable housing development was the
19 first stepping stone to greater things. And we're
20 asking you tonight to give us that opportunity to
21 invest in your community in a way that will be
22 placemaking, change making, dynamic and culturally
23 significant with public art and public plazas where
24 people will enjoy.

25 And I think that day has come, and I hope

1 that you'll choose our team, because our approach on
2 human services, on construction services, on home
3 ownership is superior. And I thank you for your time.
4 We're grateful.

5 CHAIR BOTTEL: Thank you.

6 Well, we need to have a motion, and that
7 motion could be made by any of you to select one team
8 or the other. And then we'll vote on that, and if that
9 team is successful, we're done for the night. If it's
10 not successful, then someone will have to make a motion
11 that the other team be selected.

12 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
13 Yes, Madam Chair, and after you conclude with your vote
14 and we read the, of course, the title of the resolution
15 with the entity and the address, and then that
16 resolution is ultimately passed, then we, of course,
17 recess and convene as the City Council to effectuate
18 the same.

19 CHAIR BOTTEL: So would someone care to make a
20 motion?

21 COMMISSIONER LANIER: Madam Chair, Madam
22 Chair, I would like to make a motion. And even though
23 both of these entities, they are both representative of
24 what we're trying to see in the City of Riviera Beach,
25 I think that HTC (sic) said it best when they said

1 that, you know, people said no, we're not going to do
2 business with the City of Riviera Beach, it is too much
3 confusion, it is too much going on over there. So I
4 really want to be able to move forward with these
5 entities, and I just want to make a motion to have
6 Pinnacle as the developer for this project.

7 CHAIR BOTEL: Would someone care to second
8 that motion? I'll pass the gavel and second that
9 motion. I second.

10 COMMISSIONER McCOY: Question. Madam Chair,
11 question. So I was actually going to try to get some
12 clarification from our Interim Director, or perhaps
13 even our attorney about the logistics of what we're
14 being asked to do as far as our role as Commissioners,
15 but where ultimately does the money come from when the
16 commitment is fulfilled? Is it going to be CRA dollars
17 or City dollars?

18 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
19 The resolution before you says that it would be an
20 effort that through the City of Riviera Beach that the
21 moneys would be remitted. As it relates to the entity
22 that would be providing the funding, the grant or the
23 loan, it would be my recommendation that the moneys do
24 come from the CRA, as the TIF, the increase of the TIF
25 is substantial.

1 Currently, as it relates to those two
2 properties, the City of Riviera Beach collects about
3 \$15,000 in ad valorem revenue. If those developments
4 go on line, the revenue that would be experienced by
5 the CRA would roughly be about \$250,000 annually, where
6 the City would still receive the \$15,000. So it would
7 be the recommendation of staff that effectively the
8 contribution be appropriated as part of the CRA budget
9 once that time does come.

10 COMMISSIONER McCOY: Thank you.

11 VICE CHAIR LAWSON: Any other questions?

12 Motion's been made, properly seconded.

13 Madam Clerk.

14 THE CLERK: Commissioner Lanier.

15 COMMISSIONER LANIER: Yes.

16 THE CLERK: Commissioner McCoy.

17 COMMISSIONER McCOY: No.

18 THE CLERK: Commissioner Miller-Anderson.

19 COMMISSIONER MILLER-ANDERSON: No.

20 THE CLERK: Vice Chair Lawson.

21 VICE CHAIR LAWSON: Yes.

22 THE CLERK: Chair Botel.

23 CHAIR BOTEL: Yes.

24 THE CLERK: That motion carries, with
25 Commissioner Miller-Anderson and Commissioner McCoy

1 dissenting.

2 CHAIR BOTTEL: Thank you; thank you. We've
3 made a decision.

4 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
5 Madam Chair, at this time what staff will do is if you
6 can give us about 30 seconds, we can write in the
7 information into the resolution and read the title into
8 the record.

9 CHAIR BOTTEL: Walter, we'll take a break, a
10 brief break.

11 (Recess in the proceedings.)

12 CHAIR BOTTEL: We are back in session, thank
13 you.

14 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
15 We've got to pass the resolution.

16 COMMISSIONER MILLER-ANDERSON: For CRA.

17 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
18 CRA.

19 CHAIR BOTTEL: Yes, don't leave. You can't
20 leave.

21 Is the clerk going to read the resolution?

22 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
23 Whenever you're ready, Madam Chair.

24 CHAIR BOTTEL: Yes. Madam Clerk, would you
25 please read the resolution.

1 THE CLERK: A resolution of the Board of
2 Commissioners of the Riviera Beach Community
3 Redevelopment Agency finding that the Berkeley Landing
4 project, located at 3100 and 3124 Broadway, is
5 consistent with the adopted Community Redevelopment
6 Plan, approving the contribution in conjunction with
7 the City of Riviera Beach to be used as a local
8 contribution and loan in the amount of \$640,000 local
9 match and support of an application for low income
10 housing tax credits to support the project, authorizing
11 the Chairman and Executive Director to execute the
12 agreement with the City of Riviera Beach for the
13 contribution for the purpose of a local match,
14 providing an effective day.

15 COMMISSIONER MILLER-ANDERSON: So moved.

16 VICE CHAIR LAWSON: Second.

17 CHAIR BOTEL: Thank you.

18 COMMISSIONER LANIER: Madam Chair. I'm
19 sorry, I didn't hear the motion. Could she please
20 repeat that, please?

21 CHAIR BOTEL: The motion restated the
22 original motion, but it included the names of the
23 Pinnacle/Wendover developers.

24 COMMISSIONER LANIER: Thank you, Madam Chair.

25 CHAIR BOTEL: You're welcome.

1 Madam Clerk.

2 THE CLERK: Commissioner Miller-Anderson.

3 COMMISSIONER MILLER-ANDERSON: Yes.

4 THE CLERK: Commissioner McCoy.

5 COMMISSIONER McCOY: No.

6 THE CLERK: Commissioner Lanier.

7 COMMISSIONER LANIER: Yes.

8 THE CLERK: Vice Chair Lawson.

9 VICE CHAIR LAWSON: Yes.

10 THE CLERK: Chair Botel.

11 CHAIR BOTEL: Yes.

12 THE CLERK: That motion carries, with
13 Commissioner McCoy dissenting.

14 COMMISSIONER McCOY: So I mean we just really
15 basically redid the same thing. I mean --

16 CHAIR BOTEL: Yes, now we have to do it
17 again.

18 COMMISSIONER McCOY: Well, I guess my
19 question was, and this is to the gentlewoman from the
20 Second District, I mean do we change our vote now that
21 we just included the name in the title? Is that what I
22 understood just happened?

23 COMMISSIONER MILLER-ANDERSON: For me?
24 You're asking about my vote?

25 COMMISSIONER McCOY: I mean is there -- help

1 me understand what was significant about us reading the
2 resolution as basically restating our same position
3 that we've already taken, correct?

4 COMMISSIONER MILLER-ANDERSON: For me? No,
5 it wasn't, because there was only one person we're
6 doing now. Before there was two. So my vote changed
7 because that's the only one we have in front of us
8 that's --

9 COMMISSIONER McCOY: I thought the purpose of
10 her reading the resolution was codifying the action
11 that we just did so that there's a formal vote, there's
12 a formal resolution. Am I correct?

13 CHAIR BOTEL: Mr. Evans, you want to explain
14 that?

15 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
16 No, Councilman, the intent was for the Board to
17 effectively select which project they wanted to move
18 forward, and that's why the resolution was proffered
19 with blanks, because once the Board did select the
20 entity, then we would fill in the blanks, which we did,
21 and then bring the resolution with the firm represented
22 in the resolution for the purposes of effectuating the
23 desires of the Board.

24 COMMISSIONER McCOY: Okay. You know, I
25 sometimes have a very difficult time in understanding

1 this. This is why I ask so many questions. Clearly,
2 that resolution wasn't laid out to us, nor was it in
3 the backup documentation, so I just really --

4 COMMISSIONER MILLER-ANDERSON: It was in
5 there. We had it. It was on the backup. It had --

6 COMMISSIONER McCOY: Well, I'm sorry, I got a
7 paper copy. But it clearly only said --

8 COMMISSIONER MILLER-ANDERSON: They were
9 blank, we just didn't have the name in there.

10 COMMISSIONER LANIER: It was in there; yes,
11 it was.

12 COMMISSIONER McCOY: Okay, so, you know, I
13 thought we were just basically restating this. So I
14 guess it is what it is. The record is -- I mean it's
15 moving forward, so thank you.

16 CHAIR BOTEL: In any case, we're done with
17 our business for this evening in this meeting, and
18 we're going to --

19 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
20 That is correct, Madam Chair.

21 CHAIR BOTEL: -- we're going to adjourn. So
22 could we have a motion to --

23 VICE CHAIR LAWSON: Motion to adjourn
24 meeting.

25 CHAIR BOTEL: A second?

1 COMMISSIONER MILLER-ANDERSON: Did we have
2 any comment cards or anything? Or --

3 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
4 Any comment card?

5 COMMISSIONER MILLER-ANDERSON: It was a
6 meeting, right?

7 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
8 Yes it was meeting. She said no public comment.

9 COMMISSIONER MILLER-ANDERSON: So none at
10 all?

11 THE CLERK: No, there are no public comments.

12 INTERIM EXECUTIVE DIRECTOR JONATHAN EVANS:
13 No comment cards.

14 CHAIR BOTEL: Did someone second the motion
15 to --

16 COMMISSIONER MILLER-ANDERSON: So moved.

17 CHAIR BOTEL: Thank you.

18 Madam Clerk.

19 THE CLERK: Commissioner Miller-Anderson.

20 COMMISSIONER MILLER-ANDERSON: Yes.

21 THE CLERK: Commissioner McCoy.

22 COMMISSIONER McCOY: Yes.

23 THE CLERK: Commissioner Lanier.

24 COMMISSIONER LANIER: Yes.

25 THE CLERK: Vice Chair Lawson:

1 VICE CHAIR LAWSON: Yes.

2 THE CLERK: Chair Botel.

3 CHAIR BOTEL: Yes.

4 This meeting is adjourned.

5 (Whereupon, at 9:46 p.m., the proceedings
6 were concluded.)

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ADJOURNMENT

The CRA Special Board Meeting was adjourned at 9:46 P.M. The minutes were approved by the Board of Commissioners on _____.

Julia Botel, Chairperson

Interim Executive Director Jonathan Evans

/cw
Florida Court Reporting