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RIVIERA BEACH
COMMUNITY REDEVELOPMENT AGENCY WORKSHOP

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Marina Village Event Center
190 East 13th Street
Riviera Beach, Florida
Wednesday, January 27, 2021
6:07 p.m. to 9:40 p.m.

- - -

IN ATTENDANCE:

- Chair Julia Botel
- Vice Chair Douglas Lawson
- Commissioner Shirley D. Lanier
(via videoconference)
- Commissioner Tradrick McCoy
- Commissioner KaShamba Miller-Anderson
(via videoconference)
- Mayor Ronnie Felder
- Executive Director Jonathan Evans
- General Counsel Michael Haygood
- Senior Project Assistant/CRA Clerk Tamara Seguin

1 BE IT REMEMBERED that the following Riviera
2 Beach Community Redevelopment Agency Workshop was had
3 at the Marina Village Event Center on Wednesday,
4 January 27, 2021, beginning at 6:07 p.m., with
5 attendees as hereinabove noted, to wit:

6 - - -

7 CHAIR BOTEL: I call to order the Riviera
8 Beach Community Redevelopment Agency Workshop for
9 January 27th. The time is 6:07 p.m.

10 Madam Clerk, please call the roll.

11 THE CLERK: Commissioner McCoy.

12 COMMISSIONER McCOY: Here.

13 THE CLERK: Commissioner Lanier.

14 COMMISSIONER LANIER: Here.

15 THE CLERK: Commissioner Miller-Anderson.

16 COMMISSIONER MILLER-ANDERSON: Present.

17 THE CLERK: Vice Chair Lawson.

18 VICE CHAIR LAWSON: Here.

19 THE CLERK: Chair Botel.

20 CHAIR BOTEL: Here. And others --

21 THE CLERK: Also present, Jonathan Evans,
22 Executive Director; Michael Haygood, General Counsel;
23 and Tamara Seguin, CRA Clerk.

24 CHAIR BOTEL: Thank you. Now we'll have a
25 moment of silence, followed by the Pledge of

1 Allegiance, led by Commissioner Lawson.

2 (Moment of silence observed. Pledge of
3 Pledge of Allegiance recited.)

4 CHAIR BOTEL: And please remember the passing
5 of one of our colleagues' mother recently. Tradrick
6 McCoy's mother passed recently, so we give him our
7 condolences.

8 Mr. Evans, you ready?

9 EXECUTIVE DIRECTOR JONATHAN EVANS: Madam
10 Chair and members of the Board and residents and
11 community members, the intent behind this discussion
12 this evening is to talk about Marina Phase II. Based
13 on the last conversation we had with the Board, there
14 was a desire to have a more substantive and robust
15 conversation about Marina Phase II.

16 In staff's conversations with the joint
17 development team, as well as the developers, APD-Tezral
18 Development, there were certain questions that were
19 proffered to staff that were substantive in nature and
20 required some policy direction as to how the Board
21 wished to proceed. So we thought that this particular
22 venue would be the opportune venue to have some
23 discussion with the Board. It is staff's intent to get
24 clear directives from the Board as to how we can move
25 this particular project forward, and then how we can

1 move into subsequent phases.

2 There are 16 questions that have been
3 provided for discussion this evening, as well as a
4 presentation from the developer to highlight some of
5 the aspects that may have been forgotten by some as it
6 relates to their particular project.

7 After consensus is provided by the Board as
8 it relates to the 16 questions and any other comments
9 that staff may have, it's our intent to look to move
10 into subsequent phases, whether it's individual
11 elements or it's looking at the project in its
12 entirety. The conversations that we have had have been
13 very productive. We have been able to find common
14 ground on some of the items that were discussed
15 previously.

16 And so through this presentation, there will
17 be parts where Mr. Scott Evans, as well as
18 Ms. Annetta Jenkins will provide some perspective and
19 clarity with regards to some of the items that were
20 discussed and some additional comments that we may need
21 from the Board to be able to move this particular
22 project forward.

23 In the memorandum contained in the agenda
24 packet, you've seen that this project has been going on
25 for a substantial amount of time in multiple

1 conversations. It is our intent to be able to leave
2 here with some deliverables, as well as a clear pathway
3 forward as it relates to this particular project.

4 This started in January 24th, 2018, and it is
5 our intent to look to move through this process as
6 responsibly and as swiftly as possible and provide all
7 of the assurances to the residents as well as the Board
8 that the negotiations, as well as these phases are done
9 so in an appropriate manner with transparency and
10 making sure that we do not put the community or any of
11 our resources at risk.

12 So at this particular moment, Madam Chair, I
13 would like to invite Mr. Tony Brown to commence with
14 the presentation from the development team, APD-Tezral
15 Development, and I believe his partners are also
16 attending via our online portal.

17 Mr. Brown.

18 CHAIR BOTEL: Thank you.

19 MR. BROWN: Thank you, Mr. J. Evans. And we
20 appreciate the opportunity to highlight the Board on
21 our plan, as well as the questions we presented to
22 staff that I think together, we're both looking for
23 direction.

24 Vaughn Irons, my partner, co-developer from
25 Atlanta, he has COVID related restrictions to travel,

1 and so he'll be joining us online as soon as he gets
2 from a doctor's appointment.

3 We also have online Jeff Pacy of Municipal
4 Acquisitions, and they've provided the financing
5 commitment for parking, which I'll go into.

6 And then in the audience you have my partner
7 Ezra Saffold. He's the other half of Tezral.

8 And then we also have two other partners,
9 Jill Lanigan from Song & Associates, who's our
10 architect. And then Josh Tonnesen, whom you'll hear
11 from me later they'll be our development partner. He's
12 with the Cornerstone Group, and they've done several
13 projects here in Rivera Beach, and particularly in
14 south Florida.

15 So with that, I'll just get started with the
16 presentation. I think they're pulling it up. I was
17 tap dancing long enough there. If not, I can give you
18 a -- while she's pulling it up, one of the things I
19 wanted to explain is who is APDS-Tezral, because you've
20 heard us say on a couple of occasions that we are not a
21 joint venture. We are actually co-developers. And I'm
22 going to explain what I mean by that.

23 And then also, our goals for this discussion
24 is to secure clarity and direction on key questions
25 that we've proposed, and I believe staff also has

1 questions. We want to get some feedback on the
2 conceptual design and our phasing plan. Clearly, where
3 we want to go and what we presented was pre-COVID. We
4 were directed -- as you know, APD and Tezral both
5 competed to do this project separately. We were
6 directed to take our individual plans and to merge
7 them, which we have, and so I think perhaps for the
8 first time you may be seeing the reconciled
9 presentation between both firms.

10 And we've gotten to know APD, and we thank
11 you for encouraging us to work together, because we
12 feel that together we're stronger than either of us
13 would have been separately. And I've had a chance to
14 visit Mr. Irons' projects in Atlanta, and he's seen
15 what I'm doing in other parts of this state, and we're
16 quite grateful and have built actually a great rapport
17 in working together, and you'll hear about what this
18 partnership entails.

19 So I'm just waiting on -- if we can go to
20 Goals for Discussion. You want me to give you the
21 PowerPoint? Okay. Excuse me.

22 As Mr. J. Evans explained, as we go through
23 the presentation -- and we're going to do it quickly,
24 and I think staff is going to come back with the
25 specific questions. But if there is something you see,

1 or if you have a question as we present, we'll take it.
2 I'll try to be brief and then maybe save the dialogue
3 for later. But we presented -- we structured our
4 presentation to answer some of the key questions that
5 were presented to us, and so without further ado, let
6 me go forward.

7 Next slide.

8 I talked about our goals for discussion, and
9 we hope that the outcome of this is that we'll get the
10 authorization to negotiate to begin Phase I, and we
11 will define what Phase I will be in this presentation.

12 As I mentioned, I'm going to tell a little
13 bit about who this co-development partnership is and
14 the responsibilities between us, which is important,
15 because the significant question you've asked is do we
16 have the financing capability to do this project. And
17 to know how we've assigned and separate our
18 responsibilities will let you know who's responsible
19 for doing what and which co-developer is responsible
20 for demonstrating their financing capabilities. And
21 then obviously, our questions will lead to your
22 guidance and that will define our next steps.

23 Next page. Previous page.

24 So the first question you've asked, does the
25 City and the CRA -- well, first question we asked of

1 your staff and of you: Do you understand the agreement
2 between us and our co-development process? So we have
3 paid for -- we have defined and paid for an operating
4 agreement that will define a limited liability company
5 to be formed. The structure is based pretty much on
6 guidance we got from your legal staff indicating that
7 they wanted one entity to be responsible for the master
8 development agreement, and we think that we have
9 accomplished that.

10 As co-developers, we have responsibilities
11 for the parts, and it's not a joint venture, and I'll
12 explain that. There's equal ownership between APDS and
13 Tezral. We're 50/50 owners. I am a co-manager with
14 Mr. Irons. And between Mr. Irons' company, APDS, and
15 our company that I have with Mr. Saffold, we own, or
16 the company is 75 percent minority owned.

17 Urban Retail is a venture partner of APDS,
18 and they are separately in an operating agreement, and
19 they have a 25 percent share of this entity. And we
20 have negotiated the responsibilities between us. And
21 so the agreement has been provided to Mr. Haygood, and
22 it's under review.

23 But we've went through a discussion of
24 assigning our development rights. So you can see in
25 the matrix to the right that Tezral is responsible for

1 the structure parking that we propose to be on elements
2 seven and eight. We also are responsible for the
3 residential mixed use development, also on elements
4 seven and eight, block seven and eight. Together with
5 APD, we're developing the hotel. And that is proposed
6 on site six.

7 Restaurant row along the waterfront, the
8 public market and food hall we've defined as element
9 five in the site plan, and I'll bring this up shortly.
10 And then there's an element, the ground floor
11 commercial in element seven. It's also intended to be
12 a sort of Festival Marketplace. And again, we
13 understand the challenges in this current COVID
14 environment, but we feel very strongly that our nation
15 will overcome this crisis and we'll get back to normal.

16 APD, again, because of their strength,
17 particularly with Urban Retail, is largely responsible
18 for everything else. And you can see going down their
19 column that we have assigned, even though we're
20 developing elements seven and eight, we will be working
21 with them to lease out the commercial space on the
22 ground floor in both of those buildings.

23 The hotel development is six. As I
24 mentioned, it's a co-responsibility. The restaurant
25 row is APD's responsibility. The public market/food

1 hall is APD's. The Event Center management and the
2 build-out is APD, along with activating Bicentennial
3 Park and the beach park.

4 And I'm looking in the back in case Mr. Irons
5 is on. If he's not on, I'll do his parts.

6 So the third question in our matrix was do we
7 have a consensus on the conceptual site plan. And as
8 I've mentioned -- next page -- you know, we had to
9 reconcile two visions into one, and we have. We
10 thought it was important in that you had invested
11 heavily in the Phase I infrastructure, and we wanted to
12 stay consistent to what was approved at the time as the
13 Marina master plan, and that as we develop in phases,
14 it allows us the flexibility to develop per a timeline.

15 And we understand the importance of the water
16 views. And our proposal, even at seven and eight, is
17 that at current, zoning goes up to eight stories. But
18 it's intended to be built on top of a parking deck, and
19 that enhances the water views east.

20 Our plan calls for 1,600 parking spaces, up
21 to 320 apartment units, 50 to 80,000 square feet of
22 retail or restaurant, a 130 room hotel, attractions at
23 Bicentennial Park and enhanced opportunities for local
24 entrepreneurs in the Festival Marketplace.

25 This, you can see it as part of a massing

1 diagram. The numbers reflect what I just said in the
2 previous slide. Element eight we know as Spanish
3 Courts. Element seven is your gateway into the Marina,
4 particularly at the south end, at Broadway and 13th
5 Street, and the Event Center is element zero.

6 Next.

7 This is an architectural rendering of the
8 site plan. Again, we've not dialogued with your staff,
9 and so the architectural guidelines is one that we
10 recognize will likely be a negotiable item. This is
11 shown just to give you an idea of scale.

12 The vision was that we would start with the
13 maximum density that zoning currently allows, at eight
14 stories with the public space, and then that we will
15 step down as we went closer to the water so that every
16 house or every resident on the east side could have,
17 for the most part, an unobstructed water view. The
18 residential sits on top of the parking garage.

19 Where you see number five, that's where we
20 see the Festival Marketplace, enhanced by a linear park
21 that would draw the commercial activity at the ground
22 floor in building seven, and with two horizontal
23 buildings flanking both ends of the lineal park that we
24 envision to be a great market opportunity for smaller
25 entrepreneurs that will really make the Marina that

1 vibrant.

2 One, two and three represents restaurant row,
3 and then APD had some great ideas for activating
4 Bicentennial Park.

5 Next.

6 So, a very important question, and one that
7 has come up repeatedly, do we have the financial
8 capacity to do what we've proposed. And so we're going
9 to just give two examples, element eight, and then
10 still looking to see if Mr. Irons is on, and he'll talk
11 about elements zero and one.

12 Again, this organizational structure is
13 probably more legalese and probably has more validation
14 or importance to Mr. Haygood, who needs to look at our
15 operating agreement and make sure that the City and the
16 CRA are protected.

17 But as co-developers, APD-Tezral will make an
18 assignment of development rights to a sub-development
19 entity. And in this case, Tezral is responsible for
20 element eight, and I'm going to give an example of what
21 we've put in place to demonstrate our ability to
22 develop element eight.

23 As I said earlier, we've brought together
24 what we think is a great team that know the city, that
25 have done development in Riviera Beach, that in our

1 respective fields, we're nationally recognized and
2 leaders, and we're committed to the city and residents.

3 So Tezral Partners, at the top of this
4 pyramid, is owned by Mr. Saffold and I.

5 Song & Associates designed both this building
6 and did the Phase I elements of the Marina. It is our
7 architect.

8 Municipal Acquisitions have provided the
9 financing commitment for the parking, and I have a
10 slide to deal with that.

11 And Cornerstone Group have developed and
12 managed over 15,000 housing units, is recognized
13 nationally as one of the top 15 affordable multifamily
14 developers. They developed Indian Trace and several
15 other properties in Riviera Beach and Palm Beach
16 County.

17 And All-Site has teamed up with Cast
18 Construction that has the bonding capacity for us to be
19 able to do element eight.

20 Clearly, the financing commitment regarding a
21 mixed use development, we sort of broke -- we break
22 down into a couple of parts. The parking commitment
23 from Municipal Acquisitions, the residential tower --
24 and I believe we're going to get into some
25 discussion -- we proposed it to be a workforce housing

1 development. And we'll get into more discussion, but
2 basically what that means is that the majority of the
3 units are priced to be affordable to moderate income
4 families. And there is a set-aside of a percentage of
5 units that's affordable to low income families. And we
6 know that the way we've done the income mix is that it
7 does qualify for a tax credit program.

8 Just this element alone deals with us getting
9 questions -- two, three, six, what -- eight particular
10 questions, nine questions that we've outlined in the
11 matrix. So to negotiate element eight will require us
12 to converse with your staff and come to an agreement on
13 questions three, four, five, seven, eight, twelve,
14 thirteen, fourteen and fifteen.

15 Next slide.

16 We were asked by your previous consultant to
17 demonstrate that we have financing commitment. In our
18 packet when we submitted our RFP, we provided a
19 commitment for up to \$67 million to finance parking.

20 Now, obviously we don't want to -- we
21 probably don't want to start with 1,600 parking spaces
22 at one time. The financing commitment does require --
23 it is public financing. It would be a public-private
24 partnership. It would require the City or the Port, or
25 potentially both, to master lease parking. Since the

1 City is master leasing parking, it would set the rates,
2 so you could charge for parking or you could have
3 parking free.

4 It obviously will require us to build the
5 housing and mixed use units. We understand that the
6 City has a lot of other things to do, and so its
7 financing capacity to be tied up on parking is not
8 prudent, and so we would sit down and show what our
9 housing development on element eight alone would
10 produce in the way of tax revenues. Then it's a
11 decision between you as the CRA and you as City Council
12 to determine how much of the tax revenues we generate
13 that gets allocated to the City to cover its risk in
14 parking.

15 And so we've provided that formula so that
16 the project TIF, the tax increment that's created -- so
17 think about it. At Spanish Courts, now you receive no
18 taxes on that property. And just from the residential
19 development alone, we're talking \$25 million worth of
20 taxable property. All of that can be assigned to pay
21 for the cost of parking. And so we expect that to be
22 part of the negotiations.

23 If you have questions, I believe Jeff Pacy
24 from Municipal Acquisitions is online, and I can
25 present questions to him. But that commitment letter

1 that you see is in our packet.

2 Next question. Next slide.

3 We've had conversations with staff, and we
4 know the vision, and we understand and we accept and we
5 think we can work with the vision that staff has
6 presented to you, and maybe even some of the direction
7 you want to give us tonight.

8 So I think it's important for the two blocks
9 that we're responsible to develop that we have
10 principles for housing development, the number of units
11 that are affordable to low income families, how many
12 units do we target for moderate and middle income
13 families, and so we try to meet the interests and
14 demands for your vision for how this project should
15 activate the rest of the Broadway corridor and some of
16 the other things that you want to accomplish.

17 This project should definitely be seen as a
18 spark plug to your vision for the Broadway corridor.
19 Whether we do market rate or workforce housing, I think
20 it's good public policy that a certain number of units
21 be set aside and be affordable for low income families
22 to demonstrate our commitment and your desire to make
23 sure that this community is enjoyed by all, regardless
24 of income levels.

25 And the question is is it best to go higher

1 and do high-rises, or do we go out to Avenue E and over
2 to Blue Heron? I think that is an opportunity, and
3 again, another policy discussion as to how should this
4 project spark the demand that the housing may create
5 and whether or not it is a catalyst for the development
6 along Avenue E.

7 And so this was to be Vaughn's slide. Is he
8 currently on? Okay. Vaughn, are you -- I'm looking up
9 in cyberspace. I'm looking up to the heavens.

10 MR. IRONS: Yes, Tony, I'm here.

11 MR. BROWN: Okay, Vaughn, I'll advance the
12 slide, and you can talk through the next few.

13 MR. IRONS: Wonderful.

14 Well, again, thank you, everyone, for your
15 time. We really appreciate the ability to be here with
16 you. And I also want to thank my partner for leading
17 us in this discussion.

18 In reference to the next phase of what we're
19 proposing to do, the question does come up related to
20 financial capacity and the ability to move forward with
21 what we're proposing. So an example of what we're
22 talking about is elements zero and one, zero being the
23 Event Center, and one being the first outparcel
24 restaurant.

25 So essentially, what we are looking to do is

1 to facilitate some momentum for the project by being
2 able to help fill vacant spaces and come up with a good
3 tenant mix in the Event Center that also takes
4 advantage of an ability to assist the existing tenants
5 with expansion or stabilization, depending on what
6 happens to be needed, and coming up with a
7 complementary tenant that can fuel more activity, not
8 just for the project, but for other existing businesses
9 in the area.

10 So an example of what we put in our original
11 proposal and what we continue to put forward is we
12 believe a great complementary tenant for the mix in the
13 Event Center would be a Topgolf Swing Suites. I'm not
14 sure if you all are familiar with the Swing Suites
15 product. We had the pleasure of working with Topgolf
16 on another location in our Stonecrest Mall development
17 project, and it's a great attraction.

18 But what it also does for the Marina project
19 is it gives us a national credit tenant with a high
20 profile brand name that will assist us in leasing other
21 spaces and attracting other tenants to the site, but
22 also sending an indication to general consumers of the
23 level of quality that's available at the Marina with
24 the rest of the development.

25 Now, the waterfront restaurant piece will be

1 element number one. We believe that with the Topgolf
2 implementation as an example, it would be easy to
3 attract a restaurant for that site. And the reason
4 that we're focused on elements zero and one in
5 particular is because until the parking solution is
6 qualified, there isn't enough additional parking spaces
7 to add more commercial space.

8 Just as a leading indicator, the rest of our
9 retail plan calls for between 50 and 80,000 square feet
10 of retail. Our strategy is to make half of that
11 destination retail and not just local retail, and the
12 other half of that would be focused on local
13 entrepreneurs and retail so that we can market and
14 promote the essence of Riviera Beach and the spirit of
15 Riviera Beach as a part of what attracts people to come
16 to the site.

17 And so we propose to do that through a public
18 market/food hall type of concept, which would be
19 anchored by some form of destination retail. In other
20 similar projects what we've done is, for the
21 destination retail, just to give you a sense of what
22 we're talking about, it would be something similar to a
23 Round One, which are generally 35 to 50,000 square feet
24 destination retail tenants. Round One is an amusement
25 center similar to a Dave & Buster's, if you're familiar

1 with that, or a SeaQuest, which is an aquarium. We
2 recognize that you all have a SeaQuest now in south
3 Florida, but when we began this project three years
4 ago, SeaQuest's preferred site was going to be the
5 Riviera Beach Marina, because we have a working
6 relationship with them.

7 So that just gives you an essence of what our
8 vision is, how we think we can evolve the site plan,
9 how it can be complementary with the other aspects of
10 what's there, and we hope that it continues to fit into
11 your desires and expectations for the site.

12 As you look there at the Event Center, you
13 can see where having elements such as that would help
14 activate the Event Center and attract people to the
15 complements.

16 As far as in retail development, we believe
17 in not only the law of attraction, but the power of
18 ten. And what that means is as we are successful in
19 adding ten elements to your particular site, what that
20 does is it gives people not just a reason to come for a
21 couple of hours in an afternoon, but ultimately a
22 couple of days, because every four attractions that you
23 put into a site gives people essentially a one day
24 visit to your location.

25 Now, the next piece that we sincerely want to

1 highlight is our capability. And we just wanted to
2 share with you that we presented in our package several
3 financing commitments. One of our financing
4 commitments, which is with an existing relationship
5 that worked with us on other projects, it's a group
6 called Four Corners Global Lending. They're based in
7 Lexington, Kentucky.

8 They've approved this project for up to
9 \$25 million specific to the retail/commercial
10 development. The only contingency on their commitment,
11 and the letter is here in the PowerPoint and it has
12 been previously presented, is the development
13 agreement. They just need to qualify what the terms
14 are of the development agreement before they take the
15 next steps in releasing any funds or furthering their
16 commitment.

17 It's issued jointly to APD and Urban Retail.
18 You all have heard from Tony and also in our proposal
19 understanding our relationship with Urban Retail. And
20 then ultimately, they're ready to be contacted and
21 embedded, and they're prepared to present a proof of
22 funds. So hopefully that will satisfy any questions
23 about our financing capability and our ability to move
24 forward.

25 And then this last slide, if you've never

1 been to a Topgolf Swing Suites, it's a very interactive
2 location. It's a regional draw similar to the larger
3 Topgolfs. It's a festive location where groups of
4 people can come together, and it has food and beverage
5 components. And on the right-hand side what you'll see
6 there are the renderings for the Topgolf that we
7 developed in Stonecrest, Georgia, and the development
8 plans are below it.

9 So we're happy to answer any questions and
10 continue to work with staff to refine (inaudible) and
11 what we believe that something like the Topgolf we can
12 absolutely get done in 2021 so that we can show
13 momentum while these other details of the project are
14 being negotiated.

15 And then the next slide.

16 MR. BROWN: And as Mr. Irons has highlighted
17 his responsibilities, we know from past meetings that
18 we've had with you, and even conversations, that we've
19 been at this for three years. February will be the
20 three year anniversary as to when the RFP was first
21 referenced. And Mr. J. Evans, in his memo, highlighted
22 all the key steps that we've went through just to get
23 to this point.

24 So we know from hearing from you that you
25 want action, and you wanted it yesterday. And so the

1 final slide that we have is our proposal or request in
2 order to activate the action we think you want and what
3 we think we can do immediately.

4 So obviously, there has to be some legal
5 agreement between us. And I've had conversations with
6 Mr. Haygood, and we know previously that the agreement
7 template that you have with Viking was not a typical
8 master development agreement, but what it did do, it
9 highlighted the expectations for development and when
10 it could occur. And if it didn't occur at the pace
11 that you wanted, you could give us notice. And if we
12 weren't ready, then you could relieve us of our
13 responsibilities and bring in whomever you want.

14 And as you know, I was your CRA Director at
15 that time, and we did give Viking notice, and they
16 subsequently resigned. So we feel, to demonstrate our
17 commitment, that we're willing to go under the same
18 agreement. And based on the pace of our phases, if you
19 feel that we are not working diligently to improving
20 your property, then you could relieve us of that
21 responsibility. And that's what this agreement says,
22 and frankly, we provided the first draft, and we
23 think -- I shouldn't speak for your attorney, but
24 possibly it could be back to you within 60 days.

25 We're prepared. We think all of the elements

1 at Spanish Courts, element eight, are really defining.
2 I think it will define what we do about the land,
3 whether we buy it, whether we lease it, how much of a
4 parking garage do we build for the current Marina, for
5 future uses for the residential.

6 We'll sit down with your staff, and our first
7 proposal, as we would like the parking garage to be
8 public, we expect to contribute revenues for the
9 residential piece. And then obviously, your staff
10 would not make a recommendation to you to build a
11 public garage if we haven't demonstrated that we're
12 ready to go vertical with the housing, because you
13 obviously need the tax revenues to pay for it, and so
14 all that comes together. And that's what we say. If
15 you authorize negotiations for element eight, we think
16 that we could be able to have a strong, bona fide
17 development agreement within 90 to 120 days.

18 You heard Mr. Irons talk about the Event
19 Center. We've heard you talk about wanting to get a
20 restaurant sooner than later. We know Rafiki Tiki have
21 talked about expansion. We think that the Event Center
22 is one of those low hanging fruit, and that with APD's
23 capability, along with his partner APD, that they could
24 clearly negotiate a commercial broker agreement and
25 provide you a national strategy to secure a tenant.

1 And I heard from Mr. Irons, who talked about Topgolf
2 Swing Suites as one possibility of a national tenant.

3 The restaurant pad site A is, again,
4 expansion of the Event Center. Even with this
5 pandemic, most people are looking for outdoor
6 restaurants. I know that I get tired of being home,
7 and I'm always looking for a restaurant that's
8 outdoors. And so we think that even in this pandemic
9 environment, that the development of pad site A should
10 be attractive.

11 The issue, obviously, is your 50 year ground
12 lease limit, and you can't sell the land. So there are
13 economic issues to be resolved between us, because as
14 investors, we can't say that this is a 99 year site
15 control and base the economics on the 99 year plan.
16 And so having a discussion about what the City's
17 expectations are for developing the restaurant site is
18 going to be replicated on the rest of the pads.

19 And then in talking with staff and in hearing
20 from some of you, we know that there is a vision to
21 make this section of Riviera Beach great and to exceed
22 expectations. And we want to be part of that. And
23 we're prepared to collaborate on the vision to do just
24 that.

25 Whether we go up or out, I think that that

1 can be determined by a planning study to determine how
2 do we position our lifestyle community, if I use that
3 term intentionally, with the other choices that your
4 population have in areas immediately north, south and
5 west of us. And so if we get direction on those
6 actions, we'll be ready to roll up our sleeves and
7 bring you something that is actionable and detailed,
8 that allow us to move forward together.

9 Thank you for your time.

10 EXECUTIVE DIRECTOR JONATHAN EVANS: Madam
11 Chair, if there's any questions on the presentation
12 that was just provided by Mr. Brown; if not, we can get
13 into the discussion on the questions that have been
14 proffered.

15 CHAIR BOTEL: Any questions? Mr. --

16 COMMISSIONER LANIER: Madam Chair.

17 CHAIR BOTEL: I'll come to you next,
18 Councilwoman -- Commissioner Lanier.

19 Commissioner McCoy.

20 COMMISSIONER McCOY: Thank you, Madam Chair.

21 So I want to go back to element eight,
22 Mr. Brown, that you spoke about. I think element eight
23 is the Spanish Court site. Is that correct? Yes?

24 MR. BROWN: Yes, sir.

25 COMMISSIONER McCOY: One of the slides

1 provides for 320 units. Is that all going to be
2 contained in element eight?

3 And the second part of the question is: How
4 do you establish the valuation of -- I wrote it down
5 here somewhere -- \$25 million proposed assessment for
6 property value?

7 MR. BROWN: So we've -- and I'll maybe even
8 ask Josh from Cornerstone to join me. We've done a
9 pro forma for 135 units of development on this site,
10 and I think the conceptual site plan from Song &
11 Associates initially had 175. So between Cornerstone's
12 experience and what they think they can do with tax
13 credits, we have done a model for 135 units. And so
14 what I've articulated, I think the \$26 million -- feel
15 free, Josh, to come up -- is the total cost of
16 development.

17 MR. TONNESEN: What Tony said is -- pretty
18 much sums it up pretty well, that is it will be the
19 total cost. We sized amount of units based on the
20 amount of subsidy we believe we would be able to get
21 from Florida Housing through their tax credits. That's
22 how we got our number.

23 MR. BROWN: It does not include the cost of
24 parking. The general rule of thumb is that for every
25 parking space costs about \$25,000 a space. So a 100

1 space parking garage is 2.5 million. If we did,
2 obviously, 500 parking spaces, you can play with the
3 numbers. If I'm not mistaken -- one, two, three,
4 four -- that is nearly \$5 million, if I did that
5 right -- five, six, seven -- \$8 million to do parking
6 if we -- if we did 500 spaces.

7 And Jill, you can help me on that site. How
8 many floors of parking do we have? And I believe --
9 and the diagram we showed you is illustrating, I
10 believe, 800 parking spaces.

11 MS. LANIGAN: That's correct. It's just
12 under 800 spaces in five levels of parking, and that's
13 surrounded by the other uses wrapping around.

14 MR. BROWN: So 500 spaces would be
15 \$12,500,000 just for parking alone. And that would be
16 just enough parking for special events at the Event
17 Center, pretty much the current demand that the City
18 outlined. And not if we remove parking in the later
19 phase, if we eliminate it. For instance, if we went
20 forward with the Festival Marketplace and the hotel,
21 which we're showing as sites five and six, I think
22 that's going to eliminate about 400 parking spaces in
23 the surface lot.

24 So the question becomes as we phase, right,
25 what do we need in order to activate the waterfront for

1 the restaurants. And then once we do future phases and
2 we eliminate surface parking, we need to make up those
3 spaces. So I imagine the conversation around parking
4 with staff is going to be significant and very
5 critical.

6 Mr. McCoy, did I answer your question? I
7 know I added some more elements to that answer.

8 COMMISSIONER McCOY: Yes, actually you did.
9 I was going to ask, obviously, if you're talking 500
10 spaces, 135 units, there's going to be a public parking
11 component which that's what you're proposing to be
12 master leased by the City, or the CRA, I should say.

13 MR. BROWN: So, and just Jeff Pacy's on line
14 too, and if -- Jeff, if you can hear the question, if
15 you want to say something, just holler.

16 MR. PACY: Yes, I'm here. Can you hear me
17 okay?

18 MR. BROWN: Yes, we hear you fine.

19 So Jeff Pacy is a principal with Municipal
20 Acquisitions.

21 Mr. McCoy raised a question about parking,
22 and I forget the second part of that question,
23 Mr. McCoy. Was it related to the cost or the
24 sufficiency?

25 COMMISSIONER McCOY: Well, obviously, number

1 eight is going to have to have a public parking
2 component because that would seem only practical since
3 you only have 135 units. And am I seeing something
4 incorrect, because, you know, number eight seems
5 like -- I don't know where the parking starts -- one,
6 two, three, four, five. But it seems that we have
7 eight stories, and that stretches the length from
8 Broadway all the way down to Avenue C, and that's only
9 135 units?

10 MS. LANIGAN: Correct, yes. They range --
11 let me take this off so you can hear me better.

12 They range from one, two and three bedrooms,
13 so there's a mix of unit sizes within there. And you
14 can see that up above the parking level, up above the
15 fifth floor, then you have units that front to the
16 amenity deck, as well as to the external sides of the
17 site. And then there's units on the floors below,
18 wrapping the parking.

19 COMMISSIONER McCOY: Follow-up, Madam Chair.

20 CHAIR BOTEL: Go ahead.

21 COMMISSIONER McCOY: So my question now goes
22 back to the valuation. So you suggested the concept of
23 how we decide what is market rate versus affordable or
24 a combination thereof. Wouldn't that drive, I guess,
25 the -- not even your development costs, but the

1 valuation, I guess, subsequent years?

2 MR. BROWN: And I will have Cornerstone join
3 me too.

4 What will likely happen when we negotiate
5 sort of the property taxes with the property appraisal
6 is not so much the development costs, but we will show
7 probably net operating income and put a cap rate to it.
8 And so it's because we're using tax credits and the
9 cost of development is being subsidized, in all
10 likelihood, the valuation is going to be less than our
11 development costs, and it's going to come from a net
12 operating income capitalization rate that we would be
13 negotiating as to what is the taxable value for the
14 property.

15 COMMISSIONER McCOY: Thank you. Yield.

16 CHAIR BOTEL: Thank you.

17 Commissioner Lanier, was that you earlier?
18 Commissioner Lanier?

19 COMMISSIONER LANIER: Yes.

20 CHAIR BOTEL: You're recognized.

21 COMMISSIONER LANIER: The first question I
22 ask, and this is for my colleagues, the first question
23 I'm asking is what do we do when we find or when a
24 consultant finds that these developers are not
25 financially capable of financing the deal that we are

1 proposing?

2 We still have not gotten to the part -- we're
3 having this workshop, and of course, I was against
4 having this workshop because I wanted to find out one
5 fundamental question, and that was the developers --
6 were they financially capable of financing this project
7 that they proposed. And we have not gotten that
8 information, we have not had a consultant, a financial
9 expert to justify that.

10 So I'm just curious to know from the Board, I
11 mean what do we do if the financial consultants deem
12 that the developers cannot provide the financial
13 wherewithal for the projects that are proposed?

14 That's just one question, but I'm posing that
15 to the Board, because I just really want to get some
16 idea of how we're going to proceed, because we're
17 talking as if this is a done deal, and we're talking as
18 if the information presented by the developers in terms
19 of financing is what we're going to allow, and of
20 course, we cannot do that. We have to rely on an
21 outside entity, expert, to determine if the developers
22 can finance and financially take care of the deal that
23 they're proposing.

24 So I'd just like to get some feedback from my
25 colleagues. And that's just only one of the questions

1 that I have. I have some other questions as well.

2 VICE CHAIR LAWSON: Madam Chair.

3 CHAIR BOTEL: You're recognized.

4 VICE CHAIR LAWSON: I'll take the lead on
5 answering that question.

6 Councilwoman Lanier, page 13 has a commitment
7 letter from Municipal Acquisitions in regards to
8 funding for this project. On page 18 there's a
9 commitment letter from Four Corners Global. So if we
10 need a financial consultant to read these letters to
11 us, then we have an issue. We see the commitment
12 letters here. I don't really have much of an issue
13 with those commitment letters.

14 CHAIR BOTEL: Thank you.

15 COMMISSIONER LANIER: I understand, Madam
16 Chair, I understand that they're commitment letters
17 from whomever. We are not financial experts, and I
18 don't think that I need anyone to read me anything.
19 But what I do need to happen is I need to be able to
20 know that from a financial expert, that the proposal
21 that is being presented to us, that the developers can
22 finance this.

23 And this was a question, and this was
24 something that we went forward with. The Board agreed
25 that we needed a financial consultant/expert in this

1 area to be able to assure the City, especially given
2 the magnitude of this deal. You know, \$300 million
3 is -- two letters is not going to get it for me. We
4 want to make sure we are not entering into this deal
5 blind.

6 So that is one of my questions. And no, I'm
7 not going to be satisfied with two letters from someone
8 who I don't know and there has not been any background
9 and there has not been any due diligence by the CRA to
10 make sure that this is the case. So that's that.

11 And I understand if Mr. Evans can provide me
12 some information as to the status of that financial
13 consultant.

14 CHAIR BOTEL: Mr. Evans.

15 EXECUTIVE DIRECTOR JONATHAN EVANS: Madam
16 Chair, if I may?

17 CHAIR BOTEL: Yes.

18 EXECUTIVE DIRECTOR JONATHAN EVANS: We have
19 issued a solicitation that is due back on February 4th
20 for expertise regarding P3 arrangements. That goes
21 from legal services all the way to financial services.

22 One of the things that I think is important
23 for the discussion this evening and is contained in the
24 questions that have been proffered is: Does the Board
25 wish to see the financial capacities of the firm

1 demonstrated per element?

2 That is important to provide clarity to
3 staff, because originally when the financial consultant
4 was hired, they were looking at the totality of the
5 project. And so anytime you look at a project that
6 vast that has a \$200 million plus capital outlay, that
7 is challenging for many firms. And there are many
8 firms that, you know, probably a handful of them that
9 have the ability and capabilities of coming forward
10 with a \$200 million particular project.

11 As it relates to the financial consultants,
12 once they are on board, they will review the elements
13 that have been provided to the financial adviser in the
14 past. But providing clarity as it relates to these
15 questions allows for us to narrow the focus, so the
16 financial consultant as well as our legal consultant
17 can look at the nuances based on the direction that the
18 Board wants to go and then provide you a sound
19 recommendation.

20 It is not staff's intention or anyone's
21 intentions to bypass the financial consultants as well
22 as the other expertise that's necessary to ensure that
23 we enter into a contract that looks at risk mitigation.

24 If you look at the discussion that we're
25 having as it relates to the individual elements, please

1 note that if you get into arrangements with the
2 individual elements in mind, it does not preclude you
3 from, if you don't like the arrangement based on
4 subsequent phases, that you can, similar to how
5 Mr. Brown articulated, sever the relationship.

6 We are going to make sure, by virtue of any
7 agreement that we get into with any developer, that we,
8 as the City and CRA, have a contract that doesn't
9 expose us to significant risk and that we don't have a
10 situation that puts us in a precarious situation. So
11 those reviews and that analysis will all be completed
12 before we get into a discussion as it relates to a
13 contract that then allows for the activation of those
14 particular areas.

15 So we're not bypassing it, but we do need
16 clarity from the Board if you are willing to allow for
17 each of the individual elements to be reviewed on their
18 individual merits themselves and then to move forward
19 with negotiations on those particular elements.

20 And I think -- Mr. Brown, correct me if I'm
21 wrong -- that was the intent from the onset of the
22 proposal, especially with the relationship with your
23 development partner, that you're not a joint venture,
24 you're co-developers, and that that was contemplated in
25 your submission and the review that you were thinking

1 was going to occur.

2 MR. BROWN: Mr. Evans, you're absolutely
3 correct. And I think I said in my presentation, and
4 it's the fourth bullet on the slide, you're going to
5 require us to demonstrate that we can go vertical.
6 That's how you're going to pay for everything. And if
7 we can't demonstrate to you that we're prepared to
8 close and all the financing is in place, you don't
9 approve it, and you relieve us. It's just that simple.

10 COMMISSIONER LANIER: Madam Chair.

11 CHAIR BOTEL: Are you finished, Commissioner
12 Lanier?

13 COMMISSIONER LANIER: No, I am not.

14 But we're basically here negotiating now.
15 We're negotiating these questions, we're negotiating
16 what the original RFP stood for. You're saying that
17 now we're going to look at each individual element of
18 the proposal. This is a master development plan. When
19 you say that there is only a couple of firms that could
20 do this, then that's what we need. We need a firm that
21 can afford to do this. So now we're looking at
22 breaking all of this out. If that will be the case, we
23 might as well parcel it out and let other people get
24 involved, other developers get in involved in each of
25 these pieces.

1 The deal was that we were going to do a
2 master development plan, which means that that's what
3 it means, master development. They would do it all.
4 And now we're having negotiations about breaking it up
5 into pieces. So that's one of the other questions.

6 Another question I had too was when you guys
7 talked about -- meaning the developers, when they
8 talked about these partners, I've never heard of these
9 partners before tonight. You mentioned a financial,
10 another financial partner, you mentioned an architect,
11 you mentioned a developer. How is it that I've only
12 heard of Urban Retail before tonight, and then now I
13 hear of different other people involved in this venture
14 now as well? That's one question.

15 Now, on this agreement, when you talk about
16 co-developers and it's no joint responsibility, so are
17 you saying that this one team does not have anything to
18 do with the other team, and so are you co-guaranteeing
19 all elements, meaning if one doesn't complete a
20 project, the other will?

21 It's very confusing with that bifurcation,
22 because now you're saying that each of you guys are
23 responsible for a different element. So what happens
24 if one part of it doesn't get finished? Will the other
25 partner come in and do it, or does the City have to

1 come in and do it? That has been my question, you
2 know, initially too with this whole thing, is that, you
3 know, this whole bifurcation of co-ownership.

4 And I understand that, you know, this was
5 originally brought to the developers as a deal, as
6 something that they could put together as a
7 co-developer. But my question is what happens if one
8 entity does not fulfill their part of the bargain? So
9 that's another concern that I have. So that means
10 that, you know, it's very risky for the CRA to be put
11 in a position where one part of the co-development team
12 does not carry out their responsibility. Then who is
13 responsible for that?

14 I also have a couple of other questions,
15 and -- but I will wait, because I have a list of
16 questions I've written because of this presentation
17 that has been presented to us. I'll wait until the
18 next phase or whatever is happening here with the next
19 presentation. But I do have several additional
20 questions.

21 CHAIR BOTEL: Mr. Evans, did you want to
22 respond to any of that?

23 EXECUTIVE DIRECTOR JONATHAN EVANS:
24 Certainly. Thank you, Madam Chair.

25 With regards to the master developer --

1 COMMISSIONER LANIER: I would like the
2 developers to respond to the questions that I asked.
3 It's for them.

4 CHAIR BOTEL: Okay. Mr. Brown.

5 MR. BROWN: I apologize, Ms. Lanier. I
6 wasn't sure to whom your question was posed.

7 Mr. Haygood has a copy of our operating
8 agreement, and it outlines the conditions with which
9 one developer will step in. And we've been as
10 transparent as we can be, and if those terms are not
11 protective to the City, we would expect -- we expect
12 that we would see some proposed changes in the language
13 to ensure that the City safeguards are in place.

14 Our operating agreement also anticipates that
15 even the assignment of the development rights require
16 concurrence from the City and the CRA, so you have the
17 belts and suspenders to ensure that your interest is
18 protected.

19 COMMISSIONER LANIER: So what about the
20 people that you brought -- you're talking about tonight
21 which we -- I know I haven't heard of them. I'm not
22 sure this Board has ever heard of any of these
23 individuals that you brought to the table.

24 MR. BROWN: If you're referring to Urban
25 Retail, APD, in their proposal, originally talked about

1 their partnership with Urban Retail. That is not new.
2 In our proposal --

3 COMMISSIONER LANIER: No, that was the only
4 one that wasn't new to me, was Urban Retail, because I
5 heard them before. I just wanted to know about the
6 developer, the financier, the architect, because it
7 seems as if these are some of the people that the CRA
8 could have solicited.

9 MR. BROWN: All of those entities, Madam
10 Chair, members of the Board, all of those entities were
11 in our original proposal.

12 COMMISSIONER LANIER: No, they were not, sir.

13 MR. BROWN: The exception was Cornerstone.
14 Uptown Rentals was our residential partner when we were
15 going to do market rate. They don't -- they do not
16 specialize in affordable housing or workforce housing,
17 so we replaced them with Cornerstone. But everyone
18 else is in our original proposal.

19 COMMISSIONER LANIER: Well, I'm going to
20 disagree with that, because I read the original
21 proposal, and it wasn't there. But we can go ahead and
22 go to the next phase, because I do have several other
23 questions.

24 And let me be clear here. I'm not trying to
25 get into a combative or a back and forth with the

1 developers. I just want my questions answered. And
2 for you to say something like, you know, transparency,
3 I'm not trying to attack anybody here. I'm here to ask
4 questions because I have been entrusted with the
5 taxpayers' dollars and been elected to be able to make
6 decisions about the money that they pay in taxes.

7 So I'm not here to try and attack or I'm not
8 here to try and go back and forth. I just want my
9 questions answered, and I want to be able to move
10 forward in my thinking about this whole deal. And I
11 still have some issues with the fact that now we're
12 talking about different elements being looked at
13 instead of the whole development deal, master
14 development plan that was originally in the RFP. But
15 proceed.

16 CHAIR BOTEL: Mr. Lawson, do you have a
17 question?

18 VICE CHAIR LAWSON: No, thank you, ma'am.

19 MR. PACY: Tony. Jeff Pacy. Could I make a
20 quick comment?

21 CHAIR BOTEL: Please do.

22 MR. PACY: Yes, this is Jeff Pacy with
23 Municipal Acquisitions. And you have a copy of our
24 commitment letter. Just as an investor, we have a
25 \$450 million portfolio. Our top ten investors are

1 typically life companies, mutual funds, insurance
2 companies, pension funds, et cetera.

3 I'll give you a quick sample. Bank of
4 America, (inaudible) Management, Sunlight, Vanguard
5 Group, J.P. Morgan Asset Management, Fidelity
6 Investments, National Guardian, Navy Mutual. Those are
7 about eight of our top investors.

8 We have virtually an unlimited access to
9 capital. We have a very unique focus where we only
10 invest in state and local municipal projects, colleges
11 and universities and nonprofit health systems.

12 So if you haven't heard about -- we're not a
13 name brand organization to everyone. I just wanted to
14 provide a little bit of backdrop to our company and
15 what --

16 COMMISSIONER LANIER: That's fine, sir. The
17 issue here is that we have entered -- we will enter
18 into an agreement with a financial consultant and
19 expert. And you're talking about your company, and of
20 course you're going to say, you know, what you need to
21 say for your company. It could be true. I don't know
22 that. I don't know you. I don't know any of the
23 players here in terms of financial capability.

24 That is the reason why we hire experts. We
25 want to be clear, we want to be sure that the agreement

1 that we are entering into has been vetted. And I have
2 no doubt that, you know, your company is what you say
3 it is. We just need to make sure that we have the
4 people who are going to be involved in this endeavor
5 have been vetted and have the financial capabilities to
6 be able to do the proposed project.

7 CHAIR BOTEL: Thank you.

8 COMMISSIONER LANIER: Too, why weren't you
9 here previously in all the other meetings before?

10 CHAIR BOTEL: I'm sorry, say that -- I missed
11 that, Commissioner Lanier.

12 COMMISSIONER LANIER: I was asking the
13 gentleman who just talked that, you know, we were
14 talking about -- we've been talking about financing for
15 the longest, and I hadn't heard from -- were you just
16 retained by this company? I don't know, because, you
17 know, we've been talking about financing.

18 The last consultant that we had, you know, we
19 didn't get any information in regards to this
20 particular entity, so I was wondering why tonight he's
21 here, and you know, that -- I've just never heard from
22 you before. But that's all I'm saying, and the fact
23 that these commitment letters must be reviewed by our
24 consultants before we proceed with anything. But you
25 go ahead.

1 CHAIR BOTEL: I do have a question to
2 piggyback on yours, Commissioner Lanier.

3 Mr. Evans, the Jonathan version, do we have a
4 history with Municipal Acquisitions, or does the CRA
5 have a history?

6 EXECUTIVE DIRECTOR JONATHAN EVANS: We
7 haven't entered into any situation or relationship with
8 Municipal Acquisitions, whether on the City or CRA
9 side. But they are, like the gentleman stated, they
10 are -- their bread and butter is municipal activities,
11 college, university. They are very prominent in the
12 state and in the nation for these types of projects.
13 So it's a known commodity, and when you look at
14 situations whereby public infrastructure is looking for
15 financing, most times they are one of the entities that
16 are involved.

17 CHAIR BOTEL: And were they in the original
18 proposal?

19 EXECUTIVE DIRECTOR JONATHAN EVANS: They -- I
20 believe the initial packet that was submitted for
21 review by Dr. Fishkind did contain information from
22 Municipal Acquisitions, as well as there was
23 correspondence that was circulating, I think, early on
24 about their involvement.

25 CHAIR BOTEL: And if we decided as a

1 Commission to look individually at segments of this
2 project, and if we were to look at the parking in this
3 particular segment, it would -- we would just be
4 looking at Municipal Acquisitions' ability to provide
5 the financing, right?

6 EXECUTIVE DIRECTOR JONATHAN EVANS: Correct,
7 Madam Chair, you would be looking at specifically what
8 element that we would look to move forward with on. So
9 whatever that relationship would be, if the Board says
10 that you want us to look at each element, if they stand
11 alone, that would be where Municipal Acquisitions would
12 provide the information for the purposes of the
13 financial review.

14 One of the things also I do want to state,
15 Madam Chair, is that you can still have a master
16 developer and allow for phasing of the project. It's
17 not uncommon for those types of things. And one of the
18 things that I think -- one of the items that I think is
19 germane to the discussion that the Board's having this
20 evening is you're going to have a profoundly different
21 relationship for the projects that are on the east side
22 of Avenue C, because you have the stipulation with
23 regards to the lease of that property. You have
24 restrictions that say you cannot lease anything for
25 over a term of 50 years.

1 So the properties that are on the west side
2 of Avenue C can be handled profoundly differently. So
3 you're going to have different agreements, just by
4 nature of the mixture of the properties and the
5 stipulations that are communicated in the Charter.

6 CHAIR BOTEL: Thank you. In your opinion,
7 given your expertise and background in this kind of
8 project, is it safer for the City to divide this up so
9 that we can take a look at the first phase, if you
10 will -- I don't want to confuse us with Phase I and
11 Phase II of the whole Marina project, but you know what
12 I'm saying. Is it safer for the City to divide it up
13 into segments so that we can know that one segment is
14 done and done well before we move on to the next?
15 Would that be your opinion?

16 EXECUTIVE DIRECTOR JONATHAN EVANS: From my
17 perspective and from, you know, what I've had
18 conversations with my colleagues about in the field is
19 that it's not uncommon for these types of arrangements
20 where it is looked at element by element.

21 Also, it does provide a situation that
22 reduces your risk from the standpoint if the developer
23 is incapable of moving forward completing the one
24 element that has been negotiated, you would not enter
25 into a relationship for subsequent phases. So it does

1 provide you an opportunity to say to the developer, by
2 virtue of the contract, show us what you're capable of,
3 and if you're capable and successfully deliver on this
4 project, then it opens the opportunity for subsequent
5 elements in the overall project.

6 The other side of it is it provides the Board
7 an opportunity to renegotiate as you look to add
8 additional phases. For instance, if we were looking at
9 the Ocean Walk right now and that was another phase and
10 we knew that the first arrangement was a lease payment
11 of \$65,000 annually, I bet that this Board would say
12 subsequent phases would be eight or ten times that
13 amount. So that provides you opportunities to say I
14 want to renegotiate the agreement. I want to add
15 different elements contained in that.

16 So it gives you opportunities to go back to
17 the negotiation table as if you negotiated all of it at
18 once. It is what it is. And then you have a situation
19 that we find ourselves in with the Ocean Walk. There's
20 no opportunities to go back to the table unless
21 additional elements are provided in that particular
22 project.

23 So that is a real example of the
24 opportunities that you do have if you look to have
25 element by element, plus it allows for what this Board

1 has communicated very clearly, to get shovels in the
2 ground. It allows for you to move a lot quicker to
3 move the project forward if that's the desires of the
4 Board.

5 CHAIR BOTEL: Thank you.

6 And I have a question for Mr. Haygood. Is it
7 entirely ironclad in this contract that we would enter
8 into that we could terminate our agreement with the
9 developers if we're unsatisfied with the phase that
10 they've entered into?

11 MR. HAYGOOD: Well, yes. Although we
12 actually have not gotten to the point of drafting the
13 agreement, but the intent would be that the CRA would
14 have the opportunity, if, in fact, the developer did
15 not meet the terms of the agreement, both as far as
16 timing on developing or being able to show for another
17 phase, then the agreement could be terminated. Now,
18 the devil's in the details --

19 CHAIR BOTEL: Sure.

20 MR. HAYGOOD: -- when we get into default
21 provisions and so forth. But yes, that was the concept
22 that we're moving forward with.

23 CHAIR BOTEL: Okay, thank you.

24 Did you have a question?

25 COMMISSIONER MILLER-ANDERSON: Madam Chair.

1 CHAIR BOTEL: Yes --

2 COMMISSIONER MILLER-ANDERSON: I just wanted
3 to request if someone can e-mail me the PowerPoint
4 slides that Mr. Brown had. I don't have all of those
5 at all.

6 CHAIR BOTEL: I'll do that right now, or
7 maybe we can -- would you e-mail the presentation to --
8 thank you. Take care of that. Oh, sorry.

9 COMMISSIONER LANIER: Madam Chair.

10 CHAIR BOTEL: Yes, you're recognized. Sorry.

11 VICE CHAIR LAWSON: Madam Chair.

12 COMMISSIONER LANIER: (Inaudible) as you -- I
13 was going to ask about --

14 CHAIR BOTEL: Commissioner Lanier, could we
15 hear from Commissioner Lawson first and then I'll come
16 back to you? He hasn't had an opportunity to speak.

17 COMMISSIONER LANIER: Yes.

18 CHAIR BOTEL: Thank you.

19 VICE CHAIR LAWSON: Thank you, Madam Chair.

20 Mr. Brown, you stated that the income level
21 is for moderate income families for the housing
22 development, which is going to be workforce housing.
23 Do you know what the estimated income level is at that
24 moderate income currently?

25 MR. BROWN: I'll ask Josh to help me, but

1 typically it's at 80 percent of area median income.

2 VICE CHAIR LAWSON: Roughly, do you know what
3 that is now?

4 MR. BROWN: Eighty percent. So Palm Beach
5 County's median family income, if I'm not mistaken, is
6 a little under \$69,000. And so if you take 80 percent
7 of that, 54? \$54,000 is the household income that
8 we're targeting. And then typically a HUD formula
9 indicates that a person's income at 30 percent of that
10 is what's affordable, it's what's affordable to rent.

11 And I don't know, Josh, if you have the range
12 of apartment rents that we had projected in the
13 pro forma.

14 EXECUTIVE DIRECTOR JONATHAN EVANS: And Madam
15 Chair, Ms. Jenkins does have all that information once
16 we get into the housing element --

17 CHAIR BOTTEL: Okay, thank you.

18 EXECUTIVE DIRECTOR JONATHAN EVANS: -- as
19 part of the presentation.

20 MR. TONNESEN: Just want to say that the area
21 of median income in Palm Beach I think is about 80,000,
22 79,000 and change, so that actually lets us get up
23 to -- what's that? Is that 65,000-ish?

24 VICE CHAIR LAWSON: Okay, thank you. And I
25 believe Mr. Evans stated that when we get into the

1 housing aspect, that Ms. Annetta Jenkins will be giving
2 us that information, so we'll delve into that a little
3 deeper.

4 Mr. Evans, you talked about phasing. Do we
5 ever phase our projects? I know you had mentioned that
6 it is a recommendation, a possibility, but have we done
7 that before?

8 EXECUTIVE DIRECTOR JONATHAN EVANS: Yes,
9 Councilman.

10 VICE CHAIR LAWSON: So we have phased our
11 projects in the past. And in this proposal that was
12 presented, there is a 50,000 to 80,000 square feet of
13 retail and restaurant. In the current market and
14 economy, what we've seen is there's been a shift in
15 regards to square footage of space, retail. So
16 wouldn't it be in our best interests to phase this
17 project based upon the transition and change with the
18 economy and the community over the next three, five,
19 ten years?

20 EXECUTIVE DIRECTOR JONATHAN EVANS:
21 Councilman -- or Commissioner, I do agree. I think
22 because of the nature of the market and as well as the
23 pandemic, it allows for you to mitigate risk and
24 exposure as you move phases. We know that housing is
25 in great demand.

1 Your retail component, how that comes back
2 and what that looks like is something that certainly is
3 going to take a little bit of time and research, as
4 there's still, there's significant risk as it relates
5 to the retail component.

6 But to answer your question directly, yes, it
7 would provide another opportunity for us to, in
8 essence, slow roll this to make sure we don't have
9 empty suites or empty retail space because we
10 overdeveloped the area.

11 VICE CHAIR LAWSON: And a follow-up with
12 Mr. Haygood, you said that we were able to sever
13 ties --

14 MR. HAYGOOD: I'm sorry?

15 VICE CHAIR LAWSON: We are able to sever ties
16 with the development team at any time if we did decide
17 to phase this project, as long as it's outlined within
18 the agreement, correct?

19 MR. HAYGOOD: That's the intent. It would
20 be, number one, obviously we negotiate it. When, in
21 fact, we would expect him to start the next phase, if
22 in fact, the next phase, they were not prepared to move
23 forward, we would then be able to terminate the
24 agreement. Now again, terminate all the agreement,
25 terminate (inaudible) on that particular phase, but all

1 that's going to be subject to negotiations.

2 VICE CHAIR LAWSON: Okay.

3 MR. HAYGOOD: And then if we aren't -- if you
4 aren't pleased with his performance on a phase that you
5 agreed to, you would have the right to terminate.

6 VICE CHAIR LAWSON: Gotcha. Also, either
7 Mr. Evans. In the original agreement -- I believe for
8 transparency and clarity's sake there was a statement
9 made by my colleague, Councilwoman Lanier, in regards
10 to these partners that were outlined in the agreement.
11 Mr. Brown stated that the only partner that was added
12 was Cornerstone. Were all of these other partners
13 originally in the proposal that was submitted to the
14 previous consultant and previously submitted?

15 EXECUTIVE DIRECTOR JONATHAN EVANS:
16 Councilman, I would have Scott Evans respond to that.

17 MR. SCOTT EVANS: Yes, I believe -- I think
18 it was referencing Municipal Acquisitions, and they
19 were in the original proposal.

20 VICE CHAIR LAWSON: Well, Councilwoman
21 Lanier's concern was page 11 of the individuals that
22 Mr. Brown outlined. So we're trying to have some
23 clarity of these individuals, if they were part of the
24 proposal, because I want clarity and transparency with
25 every step of this to see who was actually added to

1 this and what timeframe, because I think that's
2 Councilwoman Lanier's concern with the additions of
3 individuals, which are typically part of a negotiation.
4 But I just don't want any missteps or misstatements by
5 anyone.

6 MR. SCOTT EVANS: The only other one would be
7 Cast Construction. I'm not sure if they were on the
8 original.

9 VICE CHAIR LAWSON: Okay. And I believe
10 Mr. Brown did state that that was recently secured.

11 So Mr. Brown, you stated that Cornerstone was
12 the only one, but also Cast Construction as well?

13 MR. BROWN: No, Cast was in our original
14 proposal as well; Cast was in our original proposal.

15 VICE CHAIR LAWSON: So that's conflicting.

16 Mr. Evans, Scott Evans, was Cast originally
17 in the proposal or not?

18 MR. SCOTT EVANS: It's been some time since I
19 looked at that original proposal from --

20 MR. BROWN: Our construction managers that we
21 proposed at the time, with All-Site leading the charge,
22 was Cast Construction and White's Construction or
23 White's Contractor. And we have since settled in on
24 Cast. If you look around the city, if you see most
25 multifamily high-rises, you see a Cast sign. And so we

1 felt that Cast had a deeper portfolio as it related to
2 multifamily properties than White's. But they both
3 were in the proposal.

4 We substituted Uptown Rentals with
5 Cornerstone in that our first product was going to
6 involve low income housing tax credits, and Uptown
7 Rentals, they do market rate development.

8 VICE CHAIR LAWSON: Thank you for that
9 explanation. I'm very familiar with actually all of
10 these partners, so thank you, Mr. Brown.

11 I guess the last question was in reference
12 and related to the parking garage. Mr. Brown, what
13 exactly are you asking the City in reference to this
14 current proposal for parking and the City's involvement
15 for parking?

16 MR. BROWN: And I don't want to pretend to
17 try to negotiate publicly, but in the information that
18 we were asked to submit, we would negotiate the
19 parking, at least the first garage be a public parking
20 garage so we could take advantage of Municipal
21 Acquisitions' financing and that we proposed a number
22 of consultants that this City may consider. I know in
23 the past the City has used Desman Parking to do a
24 parking pro forma. The CRA has used -- remind me,
25 Scott -- Walker Parking.

1 And so I think from Municipal Acquisitions'
2 standpoint, they're looking at the strong triple A
3 credit rating of your City as their creditworthy
4 tenant. Knowing Mr. Sherman as well as I do, he's
5 going to want to make sure that as a developer, that we
6 have the resources that are coming that will cover the
7 lease payment so that your taxpayers do not.

8 And so we've recommended in a more deeper
9 proposal that we look to hire one of the City's two
10 parking consultants to confer on the amount of parking
11 revenue that can be developed based on rates and terms
12 that the City may outline.

13 And then in the question that Mr. McCoy
14 asked, we should determine what is the minimum value of
15 this property that's going to generate tax revenue, and
16 then I think we'll back into the number of parking
17 spaces that we should do that would be reasonable.

18 VICE CHAIR LAWSON: Final question, Mr. Brown
19 and Mr. Evans. Given approval by the Board to move
20 forward and if we do phase this project out, we'll be
21 able to have shovels in the ground within the next six
22 months?

23 MR. BROWN: I think realistically our goal
24 would be to have a shovel in the ground at least this
25 time next year. We don't control your permitting

1 process, but I --

2 VICE CHAIR LAWSON: -- to get to that part.
3 That would take a year if we gave approval today.

4 MR. BROWN: Yes. I think our goal is -- I
5 had a slide up earlier that talked about the timeline.
6 If you assume that we go through a period of up to 90
7 days to negotiate -- what page is that, Dr. Botel?

8 CHAIR BOTEL: Twenty-one?

9 MR. BROWN: Actually, I think it's the last
10 slide or second last slide.

11 Yes, so obviously, we have time to negotiate
12 with staff, and then staff will need to package it and
13 present it to you. So we put a 90 to 120 day timeframe
14 on the negotiating process. Using Spanish Courts as an
15 example, if it's important for us to get tax credits to
16 do the project, one of the things that we need to do in
17 this 90 to 120 day period is to negotiate the terms by
18 which we're either going to lease Spanish Courts or
19 purchase it.

20 We will not score with Florida Housing
21 Finance Corporation if we can't demonstrate site
22 control, and we expect that the next round of tax
23 credits for low income housing tax credits will be
24 spring or summer. So we're motivated on Spanish Courts
25 to at least negotiate leasing or purchase terms so that

1 we can demonstrate site control.

2 Then after that, it's just a matter of
3 shoring up our financing commitments after we know
4 specifically what the City's expectations are for
5 rental income and other guarantees.

6 VICE CHAIR LAWSON: I guess that's my
7 concern, Mr. Brown, serving on the dais for 19 months
8 and having the same discussions over and over and over.
9 We literally either need to see shovels in the ground
10 or figure a different approach.

11 And to negotiate for the next 90 days, to
12 discuss this again, to go back and forth for another 90
13 to 120 days, I'm familiar with the proposals here, I
14 understand commitment letters, I understand financing.
15 It's not going to take long for us to come to an
16 agreement as a dais to get something moving.

17 We, as a Council, have to make a
18 determination, and based upon the recommendations that
19 I've heard tonight, even with Mr. Evans with phasing
20 this project, we can have Phase I started. And if it's
21 going to take us a year to get shovels in the ground, I
22 think we need to expedite that timeline just to show
23 that we have the commitment from your organization and
24 our organization to get it done.

25 It's like I'm wasting my time up here. And

1 unfortunately, we didn't come here to just kind of play
2 around with discussions and constant conversation,
3 going back and forth, hiring consultants, having these
4 discussions. This is a product that's going to impact
5 our grandkids, yes, but we also want to make the
6 decisions and move forward with our city.

7 MR. BROWN: I --

8 VICE CHAIR LAWSON: As a kid -- Mr. Brown,
9 listen. As a kid, the community looks the exact same
10 from when I was growing up. It's actually a little bit
11 less than, because I had certain things that are not
12 here in this community right now.

13 I don't want to die without having those same
14 opportunities for social engagement in my community,
15 with housing opportunities for residents to be able to
16 fly into the community and people to be able to live
17 here, development without displacement for our seniors
18 in this community. So right now we keep talking, and
19 I'm tired of the discussions because I'm wasting
20 another two hours having the same discussion I had 18
21 months ago.

22 So Mr. Brown, we need a solution today. We
23 need an option today.

24 Mr. Evans, the same thing for you, sir. We
25 have to find a solution, us to work together amicably

1 for both parties to move forward. Otherwise, we cut
2 ties and we continue to find another process to get it
3 done. And --

4 MR. BROWN: Mr. Lawson, I think I can commit
5 to you, and Mr. Irons is on the phone and he'll commit
6 as well, we will commit to you that we will not be the
7 impediment to delay. The one critical element in the
8 construction process that we do not control is your
9 permitting process, and what we're hearing from other
10 developers is that it is not expedited.

11 VICE CHAIR LAWSON: And that's actually part
12 of why I spoke with Mr. Evans and the Council that I
13 will be assisting with the expedited permitting
14 process. I'm actually the Chair for that department.
15 So I'm working with our Development Services Director
16 on providing that process. So the minute that we have
17 this negotiated, we will hopefully have a virtual
18 seamless process for you to go through. So it's not
19 another excuse that I want to hear, because I'm working
20 on that personally.

21 So Mr. Brown and Mr. Evans, we need to get
22 this done.

23 Thank you Madam Chair.

24 EXECUTIVE DIRECTOR JONATHAN EVANS: Madam
25 Chair, if I may.

1 CHAIR BOTEL: Yes.

2 EXECUTIVE DIRECTOR JONATHAN EVANS: I think
3 it's also important that if -- the purpose for this
4 workshop is because invariably if we did not have this
5 discussion in this forum, we would still continue going
6 back and forth with e-mail correspondence related to
7 this particular project. This gives us the opportunity
8 to get the directives and the perspective from the
9 Board immediately, so then we can move into subsequent
10 phases.

11 The other side of it is, and I think
12 Mr. Brown and his partner can communicate, is that the
13 retail component can come online a lot faster than the
14 residential element. And certainly if you all, or if
15 Mr. Irons can speak to that, in the event that we move
16 into subsequent phases, how quickly and swiftly can the
17 retail component come online to see some activity and
18 some synergy that we're looking to see on the site.

19 MR. BROWN: Mr. Irons, did you hear the
20 question?

21 MR. IRONS: Absolutely. Can you hear me?

22 MR. BROWN: Yes.

23 MR. IRONS: Can you --

24 MR. BROWN: Yes. Yes, we hear you well.

25 MR. IRONS: Yes, you hear me?

1 MR. BROWN: Yes.

2 CHAIR BOTEL: Yes.

3 MR. IRONS: So absolutely, brief comments
4 we're going to share. But one of the things I wanted
5 to jump in to share is that we believe that we still
6 have retail and entertainment tenants that are very
7 interested in your site, which is why we keep
8 underscoring destination retail and why we continue to
9 bring up Topgolf, because we believe that that is an
10 imminent opportunity.

11 So the goal would be while these negotiations
12 are happening and while permitting and things of that
13 nature are being conducted, we will move forward by
14 showing momentum on the site by activating your Event
15 Center and getting your pad site A, which is element
16 number one, undergoing so that we can then show that
17 there's some new activity to the site and create a new
18 draw.

19 We believe that would be positive, not only
20 from a perception standpoint by the residents and the
21 visitors to the site, but economically, because it will
22 make the Event Center more economically feasible by the
23 rents being paid by new tenants. And we also feel
24 additional spaces beyond -- we use Topgolf as a
25 representation, but we do have a handful of others that

1 have been at the table for more than a year, interested
2 in coming to your site.

3 COMMISSIONER LANIER: Madam Chair.

4 VICE CHAIR LAWSON: A follow-up.

5 CHAIR BOTEL: Commissioner Lawson is
6 following up.

7 VICE CHAIR LAWSON: It was just a follow-up
8 to Mr. Irons.

9 Thank you, Mr. Irons, for that information.
10 And I believe one of the biggest issues or concerns
11 that Mr. Brown, yourself and Mr. Evans has always
12 stated is that we have to focus on the parking. We
13 currently can't even address the influx of residents
14 currently with the lack of parking we have there, so
15 that has to be the first step that we discuss in a
16 cohesive working unit with the restaurant pad, with the
17 potential of the Topgolf and the housing.

18 So I know parking -- I do not want that to be
19 the issue that holds up the progress of this project,
20 so working out a creative means of getting the parking
21 done through Mr. Brown and Mr. Evans and the City
22 through negotiations.

23 I think, colleagues, parking has to be the
24 initial focus, parking, housing, and we can definitely
25 focus on the restaurant pads, because if we spur

1 additional retail and restaurants and activity there,
2 there's nowhere for our residents or for our tourists
3 to park.

4 So if we don't actually have the parking and
5 focus on that as the first and foremost step, then
6 we're not going to be able to spark any growth over
7 there. So I think Mr. Brown has constantly discussed
8 the parking, and I appreciate Mr. Evans pushing back on
9 us not paying for it has been the fact that that is the
10 priority.

11 So instead of us pushing back or instead of
12 us not coming to a solution or an amicable solution, I
13 believe that's one of Mr. Evans' questions for the
14 night that we need to address as a dais, are we as a
15 City going to pay for parking so that we can get a
16 structure put up immediately, or are we going to allow
17 for this to delay the process, or are we going to
18 require our developers to put it up themselves. That's
19 part of the discussion I believe we have to have
20 tonight, and then that will address what Mr. Irons
21 stated this afternoon in reference to the restaurant
22 pads and the Topgolf and the housing that we want to
23 have.

24 EXECUTIVE DIRECTOR JONATHAN EVANS: Madam
25 Chair, if I may.

1 COMMISSIONER MILLER-ANDERSON: Madam Chair, I
2 just need the PowerPoint --

3 CHAIR BOTEL: Mr. Evans has the floor. I'll
4 call on you as soon as he's finished.

5 COMMISSIONER MILLER-ANDERSON: I just need
6 the PowerPoint while I'm trying to have these
7 discussions so I can refer to it.

8 CHAIR BOTEL: Oh, I'm sorry, KaShamba. Did
9 we get that to Commissioner Miller-Anderson?

10 COMMISSIONER MILLER-ANDERSON: No, they
11 haven't.

12 THE CLERK: I'm trying to find out.

13 CHAIR BOTEL: She's going to try again. I'm
14 sorry.

15 EXECUTIVE DIRECTOR JONATHAN EVANS: With
16 regards to the parking, that's obviously part of the
17 negotiation process, and you know, there is going to be
18 efforts on staff's part to work out an agreement. We
19 don't need to necessarily get into the specificities
20 because we want to negotiate those, but the great thing
21 about any of those arrangements that Municipal
22 Acquisitions has done is that that's all public record,
23 and we can see what those arrangements look like. And
24 that can shore up and that can speed up the process as
25 it relates to the arrangement related to parking.

1 The other side of it is parking goes up very
2 quickly, and you can utilize it very quickly. If we
3 are able to move forward with the permitting process,
4 you can build parking that can be utilized five and six
5 months after while continued vertical construction
6 occurs.

7 There's been projects I've been involved with
8 where we've activated and allowed for parking to be
9 utilized in a parking garage while there is still
10 structural construction that's occurring on top of the
11 parking. So there is ways to allow for things to
12 happen concurrently to be able to accommodate the
13 demand if we see more activities associated with this
14 particular project.

15 And then obviously, we would have
16 conversations with the Port, because there is
17 discussions about the cruise entity coming back, coming
18 with one ship. And then we know that there is a good
19 number of folks that end up visiting our community. So
20 there is opportunities for revenue generation and to be
21 able to get that parking garage up sooner rather than
22 later.

23 CHAIR BOTEL: Thank you.

24 Commissioner Miller-Anderson, did you get
25 that PowerPoint?

1 MR. BROWN: I tried to forward it from my
2 phone that I sent to Scott, but it wouldn't allow the
3 attachment, so --

4 (Discussion held off the record.)

5 COMMISSIONER MILLER-ANDERSON: No, I don't
6 have it, but I think Scott just texted me.

7 MR. BROWN: I just want to add to what
8 Mr. Jonathan Evans said about parking and the passion
9 from Mr. Lawson. One thing that is significant to
10 bring out of Municipal Acquisitions' term sheet is that
11 they're allowing for 100 percent financing. And so
12 once we sit down with the City and -- and the issue is
13 I want to sit -- I don't expect the City to pay for
14 parking. They will, if they accept Municipal
15 Acquisitions' proposal, they will be liable for
16 parking.

17 Obviously, the exercise is between parking
18 revenues and going vertical with the housing, what is
19 the comfort level that the City wants to see that there
20 is enough revenue being generated that it protects them
21 from the parking liability. And I think that's the
22 exercise that we'll go through.

23 And so I just wanted to clarify that and
24 affirm that Mr. Jonathan Evans is correct, we can
25 expedite the design of parking, but the other critical

1 part is that the residential is going on top of the
2 parking deck, and so though we don't have to do them
3 simultaneously, that the construction and the design of
4 it has to be coordinated so that we know that the
5 parking deck, once it's delivered, that then Tezral and
6 Cornerstone are ready to go vertical with the housing.
7 But you're correct, we can expedite the parking and a
8 discussion of the terms to get your feedback.

9 CHAIR BOTEL: Thank you.

10 Anything else, Mr. Lawson?

11 VICE CHAIR LAWSON: No, Madam Chair. Thank
12 you.

13 CHAIR BOTEL: Commissioner Lanier, did you
14 have other questions or comments?

15 COMMISSIONER LANIER: I did. I wanted to
16 ask -- I really think that if you're going to do this,
17 parking should be done concurrently with housing and
18 retail and not just public parking alone.

19 But to speak to Commissioners Lawson's
20 passion about moving forward and moving forward
21 quickly, I can understand that. But several months ago
22 where we talked about -- of course, you know, on this
23 project, I have been the lone vote on not agreeing with
24 how this is progressing.

25 And one of the reasons was because people

1 were dragging their feet because we didn't have any
2 financial documents to know that the project was going
3 to be financially feasible or for what was proposed.
4 Some of the other issues included it's been three
5 years, things are changing from the original RFP.

6 I said three, four months ago that we should
7 look at having these in elements, but not just with one
8 contractor. I think that it would be safer for the
9 City to do this in elements, to do this in phases, but
10 with different solicitation. It protects the City and
11 opens up the opportunity for other developers to be
12 involved with this process.

13 To have a master developer and to have to
14 negotiate a deal, even in phases, number one, it has
15 got us, you know, potentially four years without
16 nothing happening and we were able to go back to the
17 drawing board. These same elements that we're having
18 conversations about, have open solicitation for these
19 elements. We can get shovels in the ground in six
20 months.

21 That is because we have opened this up to
22 other developers, other solicitations so that we can
23 move forward, because then we won't have to rely on
24 this piece is going to push this piece, and we got to
25 do this to be able to get TIF dollars to be able to

1 finance this. We can have other developers and other
2 solicitations to open this up, and we can move forward
3 all at one time with different solicitations.

4 So I don't have aversion, or I don't not like
5 the project. I just don't like the fact of how it's
6 been moving. And for the last three and plus years, it
7 has not moved anywhere. And that is because we're
8 negotiating with a slow developer, when we can just
9 open this thing up, let other developers have an
10 opportunity to solicit with these different elements,
11 and we can do this quickly.

12 Because if this is what we're wanting, if we
13 want to move forward quickly, nothing has happened --
14 nothing hasn't happened here in the city. There is no
15 shovels in the ground, and we're potentially looking at
16 a whole other year before we even get to that phase.
17 We can change that.

18 We can look at opening up solicitation so
19 that all of these different elements can be competed
20 for and completed at the same time, different
21 intervals, different developers. And we can get this
22 done quickly, because the way that this is going, it
23 won't be next year, it will be the year after because
24 of all of the issues that have plagued this project
25 from day one. This project has been plagued. We have

1 been sitting here. This is, I don't know, the
2 umpteenth meeting that we've had in regards to these
3 same exact issues.

4 And if we're going to move forward, we have
5 to be bold in doing it. We have to not say that if we
6 -- you know, it could be a situation where the, you
7 know, the Board is saying, well, you know, we started
8 out with this and we should finish out with this. We
9 don't have to. We can move forward boldly, put these
10 solicitations out and start this phase and start these
11 elements moving. And that is one way that we can do
12 that. And it could happen very quickly.

13 So I do agree, Mr. Lawson, with your passion
14 in terms of having this to move forward quickly and
15 having different ideas on how to do that. And that is
16 one way that we can do that. The City of Delray has
17 moved forward with a food and market, and they have
18 moved forward at lightning speed.

19 So we are not any different from any other
20 city. We have the same capabilities, we have the same
21 intelligence, we have the same will and passion to move
22 this project forward. But it may not go forward in its
23 current form because, look, it's been three years. And
24 particularly a fourth. So what does that mean? That
25 means that currently the way that it is set up is not

1 working for us.

2 And we keep going down this same road. We
3 need to sit here and figure out how we're going to put
4 this out with different solicitation to get this
5 project moving, because it has been proven, this is
6 just not Shirley talking, this is three years talking
7 that this project has gone nowhere. So we want to do
8 something about it, then we need to think boldly and
9 act quickly to be able to do it. That's my comments
10 for now.

11 CHAIR BOTEL: Thank you.

12 Mayor Felder, you're recognized.

13 MAYOR FELDER: Thank you, Madam Chair.

14 Mr. Evans, this group that's here tonight,
15 has it always been a 4/1 vote?

16 EXECUTIVE DIRECTOR JONATHAN EVANS: I don't
17 know if it's always been a 4/1 vote.

18 MAYOR FELDER: At least a 3/2?

19 EXECUTIVE DIRECTOR JONATHAN EVANS: There's
20 always been consensus -- or direction from the Board
21 and an affirmative vote to move forward.

22 MAYOR FELDER: So what I'm hearing tonight,
23 or I've been hearing is if we're going to move forward,
24 as both Commissioner Lawson and Commissioner Lanier
25 states, what's holding up to make the decision if it's

1 going to be a 3/2 or a 4/1 every time we come back? If
2 that doesn't change, what's prolonging us from putting
3 it on the table for a vote?

4 EXECUTIVE DIRECTOR JONATHAN EVANS: And
5 that's what got us to this point. We, as staff, can
6 only take it so far, and the developers as well. And
7 so we need clarity from the Board on these items so
8 then we can know which areas the Board wishes to have
9 us complete and focus on and then move into subsequent
10 phases.

11 And so from my opinion, in conversations with
12 the developer, and they can provide some insight, I
13 think this is the most critical discussion and probably
14 a discussion that should have happened a long time ago
15 to get to a point today where we can find where there's
16 common ground to where there's some additional
17 information, and then this is, in essence, the spark
18 that can move into -- allow for us to move into
19 subsequent phases.

20 Because if not, it then allows for a
21 situation whereby staff has to provide what we believe
22 the Board's intent is, and that just becomes a slippery
23 slope and then adds for meeting and clarity and
24 discussion after discussion, versus a situation where
25 we have 16 questions, and if the Board says yes, no or

1 indifferent, we know exactly where you stand, so then
2 we can move to whatever the next phase of the process
3 is.

4 MAYOR FELDER: Okay. So in essence, the
5 Board can make a decision to say let's go and phase it
6 out. Can that decision be made tonight, or does there
7 have to be another meeting?

8 EXECUTIVE DIRECTOR JONATHAN EVANS: Our
9 intent, Mr. Mayor, is that the Board make that decision
10 this evening, because the financial review and the
11 reviews and the work that the consultants will work on
12 will be predicated on the items and the questions and
13 the actions that the Board takes tonight.

14 So if the Board says phase the project, we
15 want the financial capabilities to be looking at each
16 phase exclusively, then that would be the scope of work
17 that we will define for the individual that will be or
18 the firm that will be looking at the financial
19 capability. So the more clarity and direction the
20 Board provides us this evening, the faster we can move
21 through the process.

22 MAYOR FELDER: So now it's on the Board. One
23 of my concerns is maybe somebody from the economic,
24 Palm Beach Economic Board, one of the things that we're
25 going to be facing is developers don't want to come to

1 Riviera Beach. I think we have a chance to change that
2 narrative.

3 But piggybacking on Commissioner Lawson is do
4 we have to spend another two or three hours discussing
5 this, because I know some Board members would just say
6 let's put it out for a vote and then it goes. Is that
7 something that could be done, or do we need to go
8 through this whole presentation? And my concern is we
9 still don't come up with a -- any kind of answer
10 tonight.

11 EXECUTIVE DIRECTOR JONATHAN EVANS:

12 Mr. Mayor, based on the comments that the Board has
13 shared this evening, there are certain questions that
14 you've already addressed. So there may be a handful,
15 maybe half a dozen of the questions that still need
16 some additional clarity. But some of the items that
17 were intended to get addressed tonight, by virtue of
18 the conversation, seems to be that the Board can come
19 to an amicable resolution on some of those items pretty
20 quickly.

21 MAYOR FELDER: Okay, thank you.

22 CHAIR BOTEL: Thank you.

23 COMMISSIONER LANIER: Madam Chair.

24 CHAIR BOTEL: Commissioner --

25 COMMISSIONER LANIER: I'm just --

1 CHAIR BOTEL: Commissioner Miller-Anderson,
2 did you want to comment?

3 COMMISSIONER LANIER: That was Commissioner
4 Lanier.

5 CHAIR BOTEL: Okay, but I'm --

6 COMMISSIONER MILLER-ANDERSON: No, she can --

7 CHAIR BOTEL: Excuse me. Commissioner
8 Miller-Anderson hasn't commented yet. I just wondered
9 if she was waiting to get the presentation or if she
10 wanted to make a comment now.

11 COMMISSIONER MILLER-ANDERSON: We still have
12 more information to be presented, correct? Did I hear
13 something about Ms. Annetta Jenkins was speaking as
14 well?

15 CHAIR BOTEL: Yes.

16 COMMISSIONER MILLER-ANDERSON: Yes, I would
17 like to hear everything (inaudible).

18 CHAIR BOTEL: Mr. Evans, do --

19 COMMISSIONER MILLER-ANDERSON: I have the
20 PowerPoint now.

21 CHAIR BOTEL: Okay. Mr. Evans, do we have
22 another presentation?

23 EXECUTIVE DIRECTOR JONATHAN EVANS: We do,
24 Madam Chair.

25 COMMISSIONER LANIER: I have not stopped.

1 I'd like to ask one more question, please.

2 CHAIR BOTEL: Commissioner Lanier, you're
3 recognized.

4 COMMISSIONER LANIER: I think this is the
5 purpose of a workshop, is it not, to be able to --

6 CHAIR BOTEL: Absolutely.

7 COMMISSIONER LANIER: -- have this free
8 flowing conversation about where we need to go, how we
9 need to get there? And just like I said before, we
10 have an opportunity here tonight. We can provide
11 Tezral with one of the elements, the other elements
12 that we can put out, and we can start this ball
13 rolling.

14 We don't have to wait and negotiate all these
15 parts with one developer. We can provide them with one
16 element, we go out for the rest of them, and we can
17 start doing these things simultaneously, right away.
18 And I see that that is the -- not the only way forward,
19 but the quickest way forward.

20 I think that we can all agree that we are
21 like fed up with all of these meetings in regards to
22 we're sloshing through these development deals. We're
23 sloshing through what this means, we're -- I mean it's
24 just, it's overwhelming at this point. People who look
25 at these meetings say: What are they doing?

1 So we need to decide that we're going to move
2 forward and we're going to move forward quickly and
3 boldly, which means that we provide Tezral with an
4 element, and the rest of the elements we start looking
5 for developers to be able to come in and do this work
6 and get this Phase II of the Marina done. And I
7 believe we can do that.

8 And as I said before, my reservations with
9 this has been because having this master development
10 plan, having this whole big plan and having to go back
11 and forth and figure out, they do this part, can they
12 do this part, we're going to do it in elements, we're
13 going to do it in these pieces. Just give them a
14 piece, give the rest of it out, and let us move on.
15 It's just that easy.

16 I mean what I said before about the City of
17 Delray, they started last year, and they're almost
18 finished. We can do the same thing. I just think that
19 we need to make some decisions, we can move forward.

20 And I, like Commissioner Miller-Anderson, I
21 would like to hear the rest of the presentation so I
22 can know that we're going to the right direction and we
23 have the right information. But I believe that the
24 only way forward for us to do it is to provide a
25 portion of this development deal to Tezral and move

1 forward with the rest of it and have solicitations and
2 get this work done.

3 CHAIR BOTEL: Is that it?

4 COMMISSIONER LANIER: Yes, that is it.

5 CHAIR BOTEL: Thank you.

6 Mr. Evans, could we have the next
7 presentation, please.

8 EXECUTIVE DIRECTOR JONATHAN EVANS: Yes,
9 Madam Chair.

10 This next part of the presentation is the
11 presentation that we spoke of that has the questions
12 that have been proposed by the developer and has been
13 reviewed by staff. And so as each of these questions
14 are before you this evening, there's some questions
15 that you have spoken about and spoken to, and so
16 there's some additional components that we may need
17 some additional clarity so we can move through the
18 process.

19 So without further ado, we'll get into the
20 questions. And selected staff persons have been tasked
21 with the responsibility of leading the discussion as it
22 relates to that.

23 The first question: The co-developers have
24 demonstrated financial capacity to develop what is
25 proposed?

1 I think before I get into my comments, I
2 think it's important for Mr. Brown, if you can speak to
3 the intent behind that particular element, and then I
4 can share some of the comments that, you know, we had
5 at the staff level with regards to it.

6 MR. BROWN: The short answer from our
7 standpoint is yes, absolutely. Our package concluded
8 over \$92 million worth of financing commitment. We
9 have to finalize our discussion on the housing type
10 that you want that will finalize our housing plan, and
11 we're ready to go.

12 The question was how soon can we put a shovel
13 in the ground. If you define that as a project that
14 has been properly designed and permitted, I don't know
15 any developer that can do that in six months. So, yes,
16 we can demonstrate the financing commitment, and any
17 and everything that you do and agree to do, you should
18 predicate it on our ability to demonstrate that we can
19 finance it.

20 EXECUTIVE DIRECTOR JONATHAN EVANS: And Madam
21 Chair --

22 MR. IRONS: Tony, I'd like to also concur
23 with you, since there are actually two developers here
24 collaborating on your project.

25 The APD team, collaborating with Tezral, not

1 only has the financing capacity, but we've presented
2 the ability to finance the entirety of the retail
3 component. Not only did we provide a financing
4 commitment letter, but our financial investor partner
5 is willing to not only verify their commitment letter,
6 but provide a proof of funds.

7 That information has been provided to your
8 previous consultant on more than three occasions. They
9 just didn't reach out to verify. So we don't have any
10 concern about whether or not you're going to find that
11 our financing is in place and ready to go.

12 EXECUTIVE DIRECTOR JONATHAN EVANS: Madam
13 Chair, to speak on that from staff's perspective,
14 that's why it is so important that the Board provide
15 direction as to how they would like to see this overall
16 project reviewed. Do you want it to be looked at in
17 its entirety, or is the Board willing to look at this
18 based on each of the individual elements?

19 With regards to the agreements and documents
20 that would accompany this, obviously, we're going to
21 look to mitigate any risk to the CRA and the City and
22 that we will negotiate from a point of strength, if at
23 all possible, in every element associated with this
24 particular endeavor. Nonetheless, it is a partnership.
25 There is going to be give and take.

1 It is not uncommon for these types of
2 situations to see a project looked at element by
3 element. You can structure an agreement, as was
4 stated, that provides for outs in the event that the
5 product that the Board is looking to deliver is not
6 acceptable and then move into subsequent solicitations
7 or relationships with other parties to develop the
8 other phases of this particular project.

9 From staff's perspective, either way provides
10 for an opportunity for the project to move forward, but
11 I can tell you if you're looking at it in its entirety,
12 that is going to be something that will take an
13 extensive amount of time, more research, more
14 discussions and more conversations.

15 If you do look at it element by element, it
16 allows for us to have laser focus on that specific
17 element. It allows for us to work through some of
18 those pinch points and be able to bring you agreements
19 that finalize the relationship to allow for vertical
20 construction to commence.

21 So from staff's point of view, it is a policy
22 decision. But if you wanted to look at a conservative
23 approach, the approach would be to look at it based on
24 element by element. It allows for you to move faster,
25 but also it allows you to have lessons learned in the

1 process and then allows for you to see the type of
2 development standards and the synergy that is created
3 associated with the first phase and then to say that
4 you wanted to renegotiate the terms and conditions in
5 subsequent phases.

6 I just don't want to see a situation whereby
7 we enter into a holistic agreement and then we find out
8 five or six years later that we have left millions of
9 dollars on the table. And so we do want to negotiate
10 from a point of strength, and I think allowing for to
11 look at it element by element provides a little bit
12 less of a risk, but also allows for things to move a
13 lot quicker.

14 And it's the same type of process that you
15 would look to enter into with a master developer,
16 because conceivably, you would not want development to
17 happen on that parcel concurrently, all at the same
18 time. It would devastate your Marina operation, it
19 would impede your existing tenant, and you would have
20 very little to no use at the Marina Event Center,
21 because just the nature of construction, people avoid
22 it.

23 So you would have to phase the construction
24 to start off anyway as a result of the project. So
25 this is merely a policy decision and where staff is

1 asking for clarity from the Board as to how they wish
2 to proceed.

3 CHAIR BOTEL: Thank you, Mr. Evans.

4 I think at this point we might want to have a
5 motion that we move forward in a phased approach,
6 element by element. I hate to do this in the absence
7 of one of my colleagues.

8 COMMISSIONER MILLER-ANDERSON: This is a
9 workshop, right?

10 CHAIR BOTEL: You're recognized.

11 COMMISSIONER MILLER-ANDERSON: This is a
12 workshop?

13 CHAIR BOTEL: Oh, that's right, we can't.
14 I'm sorry, you're right. Thank you.

15 So how are we going to do this?

16 EXECUTIVE DIRECTOR JONATHAN EVANS: And Madam
17 Chair, we just need to -- the major focus is does the
18 Board want the co-developers' demonstrated financial
19 capacity to be reviewed element by element. And so is
20 there consensus from the Board to accept that as the
21 approach for when the financial consultant is going to
22 review the capabilities of the co-developers?

23 CHAIR BOTEL: So because we're not taking a
24 vote, a motion, taking any action at this meeting,
25 would you like each of us to let you know how we feel?

1 EXECUTIVE DIRECTOR JONATHAN EVANS: We
2 certainly would. And then what would happen, Madam
3 Chair, at your next regular meeting of the CRA Board,
4 we would memorialize it in a resolution to then have
5 the specific directives. Staff is taking notes
6 regarding these particular questions.

7 CHAIR BOTEL: Okay, thank you.

8 Mr. McCoy how do you feel about considering
9 this element by element?

10 COMMISSIONER McCOY: I agree. I don't
11 believe that there's any other way. Obviously, the --
12 I think it was stated, and I was going to suggest it,
13 because of the limitations on the Charter for City
14 owned property, there will be totally different terms,
15 just given the amount of time that we have that any
16 kind of ground lease can occur on City property. So I
17 don't know how you can compare those elements that's
18 owned by the City into what's owned by the CRA. So I
19 certainly support, you know, doing it by each element.

20 CHAIR BOTEL: Thank you.

21 Commissioner Lanier, how do you feel about
22 this element by element?

23 (No response.)

24 CHAIR BOTEL: Commissioner Lanier?

25 (No response.)

1 CHAIR BOTEL: Commissioner Lawson, we're
2 trying to get a sense from the Commission about doing
3 this element by element. How do you feel about
4 approaching this on an element by element basis?

5 VICE CHAIR LAWSON: Approaching the phases of
6 development?

7 CHAIR BOTEL: Yes, right.

8 VICE CHAIR LAWSON: I'm going to go with
9 Mr. Evans' recommendation that he stated that this
10 would be the best approach, to go in a phased approach.

11 CHAIR BOTEL: Thank you.

12 Commissioner Miller-Anderson, how do you feel
13 about doing this element by element?

14 COMMISSIONER MILLER-ANDERSON: When you
15 speak, could you come off the mic a little bit, because
16 it's really muffled. I can't really make out what
17 you're saying, but I do know what you're saying.

18 I just want to know, this is not going
19 against any of our procurement processes where
20 someone -- well, they would (inaudible) -- did bid on
21 it, but there wouldn't be an issue where someone will
22 come back to us later on down the line saying that we
23 changed up how we were going to do it from the original
24 bid release?

25 MR. HAYGOOD: Commissioner Miller-Anderson,

1 this is Mike Haygood. My opinion, it would not. I
2 think at all times we considered that we have phased
3 development. I don't think it ever contemplated that
4 it would be all developed at one time.

5 CHAIR BOTEL: Did you hear that, Commissioner
6 Miller-Anderson?

7 COMMISSIONER MILLER-ANDERSON: Yes, I heard
8 him.

9 CHAIR BOTEL: Okay.

10 COMMISSIONER MILLER-ANDERSON: Yes, so I
11 would not have an issue with it, with us going element
12 by element.

13 CHAIR BOTEL: Okay. Commissioner Lanier.

14 COMMISSIONER LANIER: Yes, and I agree with
15 that, and, you know, piggybacking off of even the Mayor
16 and Lawson in terms of, you know, moving this forward.
17 The way that this is going now, this is going in
18 phases, this is going in elements, one piggybacks off
19 the other. It will be five years down the road.

20 We provide Tezral Development, we take the
21 other elements, we put them out, and we could have
22 construction going on simultaneously, because the way
23 that this is set up, it is set up where one phase
24 piggybacks off of the other. This gets done, then that
25 gets done.

1 We could ask Tezral what phase that you --
2 what element do you feel comfortable with, you feel
3 comfortable in terms of financing. We provide them
4 with that. We move forward and we put this out, and we
5 could have construction going on simultaneously, and we
6 could get this done quickly.

7 As I said before, for the City of Delray, it
8 broke ground in November. They are about to be
9 finished with what they have going on. It was a huge
10 project. And we could do the same thing.

11 CHAIR BOTEL: Okay.

12 COMMISSIONER LANIER: There's nothing that's
13 stopping us from doing the same exact thing.

14 CHAIR BOTEL: Thank you.

15 I agree that we should --

16 COMMISSIONER MILLER-ANDERSON: Madam Chair.

17 CHAIR BOTEL: Commissioner Miller-Anderson,
18 you're recognized.

19 COMMISSIONER MILLER-ANDERSON: I'm a little
20 confused on what Ms. Lanier is saying. Now, when we're
21 saying that we're going to put it out, we're going to
22 do -- phase it out by element, we're still saying with
23 Tezral and APD.

24 CHAIR BOTEL: Yes.

25 COMMISSIONER MILLER-ANDERSON: We're not

1 talking about putting out new RFPs, are we?

2 CHAIR BOTEL: No.

3 COMMISSIONER LANIER: That's what I was --

4 VICE CHAIR LAWSON: That's what --

5 COMMISSIONER MILLER-ANDERSON: Yes, that's
6 what she's saying.

7 CHAIR BOTEL: That's her opinion. I'm not
8 sure that that's the sense I'm hearing from the rest of
9 the Commission.

10 COMMISSIONER LANIER: No, this is me. This
11 is Commissioner Lanier talking.

12 CHAIR BOTEL: Right.

13 COMMISSIONER LANIER: And given the
14 Commissioners, all the Commissioners, all of us here
15 have gotten to the point where this is three years in,
16 potentially four years in, everything is phased and
17 piggybacking off of the other. We can provide Tezral
18 with an element. We could provide other local, other
19 local developers an opportunity for the other element
20 to be able to be completed simultaneously. We can move
21 forward with this very quickly with that.

22 But the way that it is going, the way that it
23 is set up, the way that we're talking about, it will be
24 next year before we put a shovel in the ground for one
25 of the elements, and that element may take two to three

1 years to get done. It piggybacks off of another
2 element, which is another two or three years. It will
3 be five to seven years before we finish this project.

4 We can get this project done quickly if we
5 look at the element, have expertise and experts,
6 developers in those particular element areas, have them
7 to do the work, put the solicitation out, open it up.
8 That also includes other local developers, and we can
9 move forward.

10 VICE CHAIR LAWSON: Madam Chair.

11 CHAIR BOTEL: You're recognized, Commissioner
12 Lawson.

13 VICE CHAIR LAWSON: Thank you, Madam Chair.

14 While I hear Councilwoman Lanier's position
15 of trying to get another RFP out, I believe what we
16 should focus on is Phase I of moving this project
17 forward, and with the CRA focusing on some of the other
18 projects that we need to get off the ground.

19 In the last 18 months, 19 month we've erected
20 our Incubator Program, which I'm excited for. But we
21 have a building on the corner of Blue Heron and
22 Broadway, we have power lines and cable lines that need
23 to be sunk and that we've been talking about, we have
24 Avenue E that we need to address.

25 I don't want to put another RFP and put

1 additional strain on the CRA to say, hey, let's focus
2 on Marina Phase II now. Let's focus on Phase I -- I'm
3 sorry, Phase II of the Marina, but part one of
4 Marina --

5 CHAIR BOTTEL: II-A.

6 VICE CHAIR LAWSON: II-A, right. And then
7 have the CRA focus on some of the other things and
8 concerns that are going to allow for spurring
9 development in the CRA. If we can't get this done
10 within three to six months, we can put out another RFP.
11 If we can't get these negotiations done, we can
12 absolutely do that.

13 But I don't want our CRA to start focusing on
14 an additional RFP today when we have a number of
15 projects that we have to work on that have to spur
16 economic development, that have to work on the growth
17 and development of our community. And those are things
18 that the CRA can focus on, which is Avenue E, which is
19 those power lines, which are the building that we
20 purchased for 2.3 million on the corner of Blue Heron
21 and Broadway.

22 These are all projects that we can do as a
23 CRA and the CRA staff should be working on and giving a
24 certain timeline of three to six months to get this
25 project negotiated and discussed, or we cut it off if

1 we can't get that done within that timeframe. I
2 believe the longest period that we had outlined was 180
3 days. That's six months.

4 At that point, Councilwoman Lanier, I would
5 give then an opportunity to say let's go ahead and put
6 out some additional RFPs. But I don't want to stretch
7 our staff when we still -- and we haven't got anything
8 accomplished. So I can't just say it's just Phase II.
9 There's a lot of stuff across the board we have to do,
10 and I don't want to stretch our staff that we're
11 putting another RFP to work on another proposal when
12 there's other things in the CRA they need to accomplish
13 now.

14 CHAIR BOTEL: Thank you.

15 Mr. Evans, do you have what you need?

16 COMMISSIONER LANIER: I want to respond to --
17 Madam Chair, I want to respond to Mr. Lawson --

18 CHAIR BOTEL: Go ahead, Commissioner Lanier.

19 COMMISSIONER LANIER: -- (inaudible) I
20 totally agree with you. But I really think that you
21 underestimate the CRA staff. I think that we can walk
22 and chew gum at the same time. We can do this deal.
23 We can do this. We have things that have been going on
24 since we came in the door and before. We have to be
25 bold in how we're going to look at this project and all

1 of our projects.

2 And we can do it. I mean I don't see why we
3 could not do it. I don't think that we'll be
4 stretching the staff thin. I don't think that -- I
5 think that the staff is very capable of doing these
6 multiple projects at one time. They're doing it now.
7 And so we're going to move forward. And if we're going
8 to wait in phases, and this is three years, and this is
9 two years, and this is another year, we'll never get
10 there, Councilman Lawson.

11 I'm just basing my observations on your
12 frustration with this project not moving. And I think
13 that all of us around the table have voiced this
14 frustration of this project not moving. And I think
15 this is an opportunity we can do it, and I think that
16 the staff that we have is capable of doing it.

17 CHAIR BOTTEL: Thank you.

18 Commissioner Lawson, you're recognized.

19 VICE CHAIR LAWSON: And to that point, I'll
20 use my infamous line of walking and chew gum. I
21 completely agree. I'm not second-guessing my staff. I
22 believe that they can accomplish it. But there's so
23 much that needs to be accomplished, let's put their
24 efforts and energy on trying to get the corner of Blue
25 Heron and Broadway done. Let's focus that energy on

1 making sure that we can --

2 COMMISSIONER LANIER: Yes, I took that from
3 you.

4 VICE CHAIR LAWSON: Let's get these lines put
5 underground on Broadway that we've talked about from
6 day one. We've said we're going to sink our power and
7 utility lines, and we haven't done that yet. Let's
8 talk about Avenue E that we've discussed from the very
9 beginning.

10 So I'm very confident in my CRA staff and
11 that they can do all of these projects, but let's be
12 realistic that in 18 months we've only erected a 400
13 square foot Incubator Program. So now you want to add
14 additional facets to a Phase II of the Marina, which I
15 think that's -- I want to be cautious with how we do
16 that.

17 Let's let these developers get this out of
18 the way. Let Mr. Evans work with them in the next
19 three to six months, and let's really focus on some of
20 the things and discussions we've been having, because
21 I'm frustrated not just because of Phase II, I'm
22 frustrated because there's a lot of work in the Marina
23 and the CRA that hasn't been accomplished.

24 And holistically, you're saying that they've
25 been doing it. I haven't seen it yet. A 400 square

1 foot building on the corner of Blue Heron and Broadway
2 with an Incubator Program that we approved the second
3 meeting of the CRA, and literally 19 months later is
4 not what I expected our CRA to be doing.

5 So that's my concern, Councilwoman Lanier.
6 And I think that we just need to start here and really
7 put some additional pressure on the additional efforts,
8 because if we can sink those lines, power lines on
9 Broadway, if we can work on Avenue E, that's going to
10 assist with spurring development in that corridor.

11 CHAIR BOTEL: And with that, I think we'll
12 close off the discussion of question number one and
13 move on to question number two, if you have what you
14 need, Mr. Evans.

15 EXECUTIVE DIRECTOR JONATHAN EVANS: Yes,
16 Madam Chair.

17 CHAIR BOTEL: Thank you. Question number
18 two.

19 MR. HAYGOOD: As we discussed earlier, I have
20 read the operating agreement. A lot of the (inaudible)
21 modifications made to it, depending on discussions and
22 negotiations on the development (inaudible) itself,
23 such as default provisions, when, in fact --

24 CHAIR BOTEL: Could you speak a little closer
25 to your mic?

1 MAYOR FELDER: Sorry.

2 CHAIR BOTEL: Thank you.

3 MR. HAYGOOD: When, in fact, the -- if, in
4 fact, there's a default, what will be the remedy, how
5 much time will the developer have to remedy the
6 defaults and so forth. Yes, the basic agreement is
7 okay, but again, there's going to be devils in the
8 details.

9 CHAIR BOTEL: Thank you.

10 MR. BROWN: That's customary. We would have
11 no objections.

12 CHAIR BOTEL: Any comments about that from
13 Commissioners?

14 Question number three.

15 EXECUTIVE DIRECTOR JONATHAN EVANS: The next
16 question is: Do we have consensus on the conceptual
17 site plan? If not, what should be changed?

18 Obviously, we talked about some of the retail
19 as well as the residential elements that are contained
20 in the conceptual site plan. At this particular
21 moment, I will ask for Ms. Jenkins to provide some
22 additional clarity and information concerning the
23 housing element, because she has done some research and
24 has had some conversations with the development group
25 and has looked at what a mixture would look like and

1 then what is, similar to the comments that the Board
2 has provided to staff, what is the element that we can
3 allow for more inclusion in our community and to ensure
4 that our residents are participatory members of the
5 development and making sure they're not displaced as a
6 result of the opportunities that we're looking to
7 achieve here.

8 So Ms. Jenkins has done some extensive work
9 and research and has worked with the development group
10 to bring you something this evening that speaks to the
11 housing element. Ms. Jenkins.

12 MS. JENKINS: Thank you, Mr. Evans, and good
13 evening, Chair Botel, Commissioners, Mr. Mayor and
14 Mr. Evans and Mr. Evans.

15 I took the liberty, after being asked, to do
16 some research on conditions here in Riviera Beach. And
17 there were some questions about the median income and
18 what is needed.

19 And I know that Mr. Jonathan Evans has talked
20 with you all about engaging someone to do a market
21 study, which is one of the recommendations that staff
22 is bringing forward that we definitely need to have.
23 So I'm going to share some information and make a
24 couple of comments in conjunction with the proposals
25 from the developers, and then if you have questions,

1 please ask.

2 We all know that we have a tremendous need
3 for affordable housing. And I'm going to come back to
4 that term, because sometimes affordable housing can be
5 controversial, but we need to understand it and define
6 it for our community.

7 We need decent, safe, attractive and
8 resilient housing for all of our residents at all
9 income levels, including rental and home ownership.
10 Those issues have only been exacerbated by COVID-19
11 because of challenges with rental.

12 We know that we have a low home ownership
13 rate in our city. And according to the U.S. Census,
14 the most recent information, we have a home ownership
15 rate that is around 53 percent for all housing types.
16 But in some of our neighborhoods in the city, that
17 drops to around 35 percent, which is very critical.

18 Our households are very high cost burden.
19 And that means that our residents are spending more of
20 their income for housing than they should be in order
21 to have stable housing.

22 Market rents -- and there was a question, I
23 think, a meeting or two ago about where would the rents
24 be in this particular project. In Palm Beach County,
25 market rents start at \$2,000 and they go up. An

1 average market rent is more than \$3,000, and you'll
2 find a lot of developments where it's 4,000 a month.
3 And that's not affordable for residents here.

4 We have, in fact, in terms of cost burden
5 renters in the city, we have a proportion of 63 percent
6 of our residents are cost burdened. They're paying
7 more than they really can afford for housing. And if
8 you add housing and transportation, that number
9 combined is about 57 percent.

10 Over the last several years we have actually
11 lost single family and multifamily units. Not only do
12 we have a great need for it, but we've lost units.

13 Now, with our population and the number of
14 households, we know that we have more people residing
15 in a residence than the average household in the
16 county, where on average, there are 3.03 persons per
17 household. And when you add that to vacancy rates,
18 cost burden, et cetera, that means that our residents
19 are living in overcrowded, overvalued situations.

20 The median value of owner occupied housing
21 here in the City is \$189,500. And that sounds very
22 good perhaps, but when you compare it to the median
23 value in Palm Beach County, Palm Beach County as a
24 whole is \$283,600, more than 50 percent more in terms
25 of the median value outside of the city. When you look

1 at median gross rents in the city, it's 1,177. In the
2 county it's about \$1,400.

3 CHAIR BOTEL: Do you mind taking questions as
4 you go?

5 MS. JENKINS: I'll take them.

6 CHAIR BOTEL: Just a quick one. Can you
7 disaggregate that data and show it by Singer Island
8 versus mainland? And my concern about that is I think
9 Singer Island rents and values tend to skew things in
10 the direction that maybe you don't really see the
11 real --

12 MS. JENKINS: The burden.

13 CHAIR BOTEL: -- burden.

14 MS. JENKINS: Exactly. And we have to do
15 some further research and commission some research
16 based on census block data, because from the aggregated
17 data, we're not able to tell that. Our Planning
18 Department perhaps can help us with that. But you're
19 exactly right about the higher values, higher incomes
20 on Singer Island are skewing our median income and
21 median values. You're exactly right.

22 CHAIR BOTEL: Excuse me. Commissioner McCoy
23 had a question.

24 MS. JENKINS: Yes.

25 COMMISSIONER McCOY: Thank you, Madam Chair.

1 So to that same point, Ms. Jenkins, that's
2 exactly what I was thinking. But help me understand,
3 because, you know, this is where we start creating more
4 and more bureaucracy.

5 Your first statement that staff is going to
6 bring forward for recommendation to the Commission a
7 market study, why? Can't that just be done already
8 within the authority of the CRA Executive Director?
9 And obviously, it would just make perfect sense. I
10 mean you almost have to do it in order to be able to
11 set the framework and to negotiate the City's position
12 when it comes to the overall Phase II development.

13 So the idea of suggesting that we know how
14 that information can be parsed will go hand in hand
15 with a market study overall as far as what the market
16 demands for the Phase II in the immediate area therein.

17 MS. JENKINS: I would ask Mr. Jonathan Evans
18 to respond about where the market study discussion is.

19 EXECUTIVE DIRECTOR JONATHAN EVANS: Yes,
20 Commissioner, we can certainly look to do that. And
21 the only reason that it would come back before the
22 Board is in the event that we anticipate the study
23 costing over \$25,000. I don't think we'll get to that
24 point. But we will move forward with the study,
25 assuming that, you know, the information does come back

1 under the purchasing threshold. But we don't
2 anticipate bringing it back to the Board for
3 consideration unless it exceeds the purchasing
4 authority.

5 COMMISSIONER McCOY: Follow-up.

6 CHAIR BOTEL: Go ahead.

7 COMMISSIONER McCOY: I would certainly like
8 that, Mr. Evans. And, you know, aside from the
9 recommendation, if it gets close to that, I think you
10 should definitely bring it back at the meeting. But,
11 you know, this whole December meeting really blew up
12 because we had a consultant's report that determined
13 that this wasn't -- that the project should be changed
14 and the market drives it without even having any kind
15 of justification or support.

16 So I would certainly ask that the CRA
17 Executive Director starts this process, because it only
18 merely guides where we're going, and it really
19 complements what Ms. Jenkins is now suggesting.

20 So that's all I have.

21 CHAIR BOTEL: Thank you.

22 MS. JENKINS: There was a question about
23 the -- I'm sorry.

24 COMMISSIONER LANIER: Madam Chair, I've got a
25 question.

1 CHAIR BOTEL: You're recognized, Commissioner
2 Lanier.

3 COMMISSIONER LANIER: Well, I -- actually, it
4 was a statement. And I hear Ms. Jenkins providing this
5 information, which is excellent information. But, you
6 know, whatever that needs to be developed by the
7 developers, the developers should bear the cost of
8 this. I don't think that this is something that the
9 CRA should be bearing the cost of a study. This is
10 the -- these are the elements or these are the housing
11 that the developer wants to provide to the City, and
12 studying that and getting market costs and market
13 research should be done and borne by the developer and
14 not by the CRA.

15 CHAIR BOTEL: Anything else?
16 Please continue.

17 MS. JENKINS: I wanted to point out that the
18 official fiscal 2020 area median family income -- and
19 the HUD and Florida Housing Finance has not released
20 the 2021 numbers. We'll see those in March or April.
21 The median family income for the county is \$79,100.
22 That's very high. The median household income in
23 Riviera Beach is \$47,000.

24 CHAIR BOTEL: And that includes Singer
25 Island.

1 MS. JENKINS: Yes.

2 CHAIR BOTEL: So it's even --

3 MS. JENKINS: Yes. I wanted to go over some
4 definitions that the County uses. And I know at some
5 point in the near future we'll have a deeper discussion
6 around housing in the city. The County defines
7 extremely low income as households earning less than
8 30 percent of the county's median household income.
9 Very low income are households earning between 31 and
10 50 percent of the county's median household income.
11 Low income are households earning from 51 to
12 80 percent.

13 Moderate income are those households from 81
14 to 120 percent, and middle income, moving to market, is
15 121 to 140, and market would be higher than that. And
16 based on the median family income, even the low income
17 households, that's quite a bit that people have to have
18 for housing. And we can share the charts and
19 everything with you.

20 The maximum sales price for programs working
21 with the County, 331,288. And things like that are
22 important when you start looking for sources to assist
23 with subsidized housing.

24 There was something else I wanted to mention
25 about. I'll come back to that.

1 Some conclusions just from these facts are we
2 have a great --

3 (Brief interruption.)

4 CHAIR BOTEL: I don't know who that is. But
5 it's Commissioner Miller-Anderson? Sounded like her
6 voice, didn't it?

7 COMMISSIONER MILLER-ANDERSON: No, that's not
8 me. No, I'm --

9 CHAIR BOTEL: Who -- well, go ahead. I don't
10 know who that was.

11 MS. JENKINS: Just some conclusions from the
12 data that we have. There's a great need for rental and
13 ownership housing. We know that. Median housing
14 values in Riviera Beach are 66.8 percent of Palm Beach
15 County values. Riviera Beach median income is 59.7
16 percent of the County median income. Mixed income
17 properties are desirable, and they're desirable not
18 only from building community, but also in terms of
19 financing projects, because we have multiple goals for
20 economic development, social goals, et cetera.

21 And some suggestions from our staff studies
22 are projects where there's a mix of incomes between 30
23 and 80 percent, units that are between 80 and 120
24 percent, and then units that are 120 percent to market
25 rate. And that is also in line with some of the

1 discussions that this Board has had over the last few
2 months.

3 Subsidies from a variety of sources will be
4 necessary to meet income targeting. Financing is
5 difficult, you know, and I'm saying that because if
6 there's a desire to build all market rate units, then
7 you can go for conventional financing. But you also
8 have to have a market for those units. In order to
9 meet not only the needs of some of our residents as
10 well as the surrounding area, any project that is
11 developed will need an assortment of financing relief
12 subsidies.

13 Riviera Beach has lost ownership in rental
14 units over the last few years, with high vacancy rates
15 with our rental, which strongly suggests that our
16 residents are priced out of the market and are living
17 in overcrowded conditions.

18 And if I may, there was a question, I think
19 question 16 that the developers asked, if the Riviera
20 Beach CDC would be interested or are you looking for
21 the nonprofit to work with the development. I polled
22 the CDC's Board, and they would be interested in
23 participating in the project, perhaps to attract some
24 of those soft dollars, depending upon what is decided
25 upon. And we've already talked about the fact that a

1 market study is needed.

2 So I'll stop and see if there are any
3 questions.

4 CHAIR BOTEL: Thank you. Any questions?
5 Comments?

6 Well it sounds to me that it's clear from
7 your perspective that we need to have a mixed, a
8 mixture of opportunities for people going from almost
9 affordable to market rate, and that would be the best
10 use of this for this project, yes.

11 Any comments from the gallery above,
12 Commissioner Miller-Anderson or Lanier? Okay, so --

13 COMMISSIONER LANIER: Yes, I have some
14 questions, but I'll wait. There's another
15 presentation. Am I correct?

16 CHAIR BOTEL: That was the end of the
17 presentation on the -- on item number three, which is
18 consensus on the conceptual site plan. In other words,
19 they want to know are we okay with doing a mixture of
20 affordable versus -- from affordable to market rate.
21 And it sounds like that's the best -- it sounds to me
22 like that's a good recommendation. Does anybody have
23 an objection?

24 COMMISSIONER LANIER: I don't have an
25 objection to it. I mean, of course, that seems about

1 the way that the City should be going in terms of the
2 population that we have here. But let me ask this
3 question. Are we -- this is not for Ms. Jenkins. Are
4 we going to go through all 16 of these questions
5 tonight?

6 CHAIR BOTEL: Yes, we are, if we can keep our
7 comments brief.

8 COMMISSIONER LANIER: Good Lord. I mean
9 that's -- this should have been two meetings, because
10 16 -- okay.

11 CHAIR BOTEL: Okay, so Mr. Evans, do you
12 have -- I think there's a consensus that the Council --
13 or the Commission, rather, would like to see a mix of
14 housing types. Anybody object to that?

15 Okay, item number four.

16 COMMISSIONER LANIER: Wait a minute; hold on.
17 I would also like to say that, you know, sometimes, you
18 know, especially our community, market rate is
19 considered to be -- it's considered to be luxury
20 housing. So I think that we also should be talking
21 about the income levels of the families that live in
22 the city as well.

23 CHAIR BOTEL: Okay, thank you.

24 Item number four.

25 MR. SCOTT EVANS: The item number four, the

1 question is: Are we in agreement with the order of
2 redevelopment, the phasing and the timeline for the
3 target start of construction?

4 The developers have proposed to proceed with
5 element eight, which is Spanish Courts, which is a
6 residential project and parking garage, as well as
7 building out the Event Center and then pursuing pad
8 site A, putting one restaurant on our promenade.

9 And phasing is very important because we have
10 to ensure continued parking for the Event Center, for
11 our wet slip Marina, for the operations of those. We
12 need laydown area for construction, we need vehicle and
13 pedestrian access to the areas of the Marina that will
14 remain open, including Bicentennial Park and our beach
15 vendors.

16 And so staff's opinion is that these elements
17 would be the ones that we could achieve with the least
18 amount of interruption of parking and operations and
19 still have a Phase I that's a substantial size to
20 create tax revenue and complete the project quickly.

21 And in regards to the targeted start of
22 construction, I think that the -- I know that I've
23 heard comments tonight that we would like to make that
24 happen as quickly as possible.

25 CHAIR BOTEL: Yesterday would be good.

1 MR. SCOTT EVANS: And I think the developers'
2 proposal that we spend the next 90 to 120 days to
3 negotiate the first elements, I think during that time
4 that we need to report back to this Board with a
5 combined timeline and construction schedule so that we
6 can try and identify how we can speed it up and
7 hopefully get this Board support as we negotiate to
8 pursue an as aggressive schedule as possible.

9 CHAIR BOTEL: Thank you.

10 Does anyone object to staff's recommendation?

11 VICE CHAIR LAWSON: Madam Chair, can we --

12 COMMISSIONER LANIER: Yes, I have a question.

13 CHAIR BOTEL: Go ahead, Commissioner Lanier.

14 COMMISSIONER LANIER: The Event Center is
15 pretty much, you know, in terms of expansion, the Event
16 Center is pretty much done. But the Event Center was
17 not a part of the original master development. Why are
18 we including that in a part of the master development
19 in terms of the Event Center? The Event Center is
20 basically, all intents and purposes, on its own. I
21 mean it can do its own expansion. Why are we roping
22 this into the development plan?

23 MR. SCOTT EVANS: The spaces inside the Event
24 Center that are unfinished were included in the RFP for
25 a master developer, and they have provided proposals

1 which they referenced briefly, including the Swing
2 Suite and to complete it. And we have vacant space on
3 the second floor and then the first floor also.

4 COMMISSIONER LANIER: -- talking about the
5 whole entire thing. They were not talking about the
6 rooms. You're saying that the rooms were a part of the
7 master development plan, but there is nothing a part of
8 the plan about this large expansion. I didn't see it.
9 It was not a part of that.

10 CHAIR BOTEL: Mr. Evans, Scott.

11 MR. SCOTT EVANS: Mr. Brown, perhaps if you
12 want to come up and just go over element zero, the
13 Event Center, and of course the building that we're
14 currently in --

15 COMMISSIONER LANIER: -- have to go over it.
16 It wasn't a part of the original plan.

17 MR. IRONS: Well, this is Vaughn Irons. And
18 in our original proposal and every subsequent proposal,
19 we did include leasing the vacant space as triggered by
20 the request in your original RFP. So what we're
21 referencing today in element zero and element one have
22 consistently been a part of all of our submissions.

23 COMMISSIONER LANIER: The rooftop was not a
24 part of that.

25 MR. IRONS: Absolutely it was.

1 COMMISSIONER LANIER: It was not.

2 MR. BROWN: To Ms. Lanier's question or
3 concern, the original RFP asked the developers to
4 respond to their approach to finishing the development
5 and management of the Event Center, and so --

6 COMMISSIONER LANIER: And it was not a part
7 of their proposal. I disagree, but you can go ahead.

8 CHAIR BOTEL: It should be a matter of fact.

9 VICE CHAIR LAWSON: Madam Chair.

10 CHAIR BOTEL: You're recognized, Commissioner
11 Lawson.

12 VICE CHAIR LAWSON: Councilwoman Lanier, it
13 was absolutely a part of the original proposal because
14 I brought to the Council the option of expanding the
15 Rafiki Tiki six to eight months ago, and counsel
16 advised us that as part of Phase II discussions, we
17 could not have an expansion of the Rafiki Tiki because
18 it's part of the proposal that we're discussing. We're
19 finishing the interior building and the rooftop. So we
20 actually discussed that aspect of the proposal about
21 eight months ago.

22 COMMISSIONER LANIER: Right, you discussed
23 it, but it was not a part of the original proposal,
24 sir. We discussed it. You may have added it, but it
25 was not a part of the original proposal. But we can

1 move on.

2 VICE CHAIR LAWSON: Madam Chair, if I could
3 make a recommendation that we require 90 days with
4 weekly -- or, I'm sorry -- biweekly updates from staff
5 for the timeline that was discussed on the asked for 90
6 to 120 days, we getting biweekly updates at our
7 Council -- at our CRA meetings to see the progress from
8 our Executive Director and allow for us to have a
9 discussion agreement within the next 90 days.

10 CHAIR BOTEL: Does anyone object to that?
11 We're not going to vote, but --

12 COMMISSIONER LANIER: Yes, I do.

13 CHAIR BOTEL: Anyone else object? Sounds
14 like you have a consensus.

15 Is that all we have on item four?

16 MR. SCOTT EVANS: Yes, Madam Chair.

17 CHAIR BOTEL: Okay.

18 COMMISSIONER LANIER: -- everybody agrees,
19 you can have a consensus of the majority of the Board.
20 That's what you should say, Madam Chair.

21 CHAIR BOTEL: I'm sorry, I couldn't
22 understand you.

23 COMMISSIONER LANIER: You're saying you have
24 a consensus. You have a consensus of the majority of
25 the Board, not the entire Board.

1 CHAIR BOTEL: No, not the entire Board.
2 That's not -- we don't have -- if we had a vote, I have
3 a sense -- if we were voting in a regular meeting, not
4 a workshop, my sense is that we would have at least a
5 three person vote to obtain those kinds of
6 presentations from staff.

7 COMMISSIONER LANIER: Right, and that would
8 be a consensus of the majority of the Board, not the
9 entire Board.

10 CHAIR BOTEL: Right. Item number five.

11 VICE CHAIR LAWSON: Quick question, Madam
12 Chair.

13 Mr. Jonathan Evans, is it possible to get our
14 colleagues and speakers on the screens as well, please?

15 EXECUTIVE DIRECTOR JONATHAN EVANS: I'm
16 not -- I would have to defer to Mr. Stephens. Is that
17 a capability?

18 COMMISSIONER MILLER-ANDERSON: Well, for me,
19 I will not be coming on camera tonight.

20 MR. STEPHENS: (Inaudible.)

21 EXECUTIVE DIRECTOR JONATHAN EVANS: That was
22 the request, yes.

23 MR. STEPHENS: (Inaudible.)

24 CHAIR BOTEL: Okay, that's not going to
25 happen, I think.

1 Item number five.

2 MR. SCOTT EVANS: Question number five is:
3 Do we have agreement on land use regulation and zoning?
4 If not, what should change?

5 The current zoning and plans in the area
6 currently allow mixed use within the Marina, which
7 allows flexible development. The current zoning is
8 limited to eight stories, and we've asked the
9 development team to investigate the feasibility of
10 constructing higher and to work with us to determine
11 what any other changes that might be required in order
12 to complete the project.

13 We are going to embark upon a review of our
14 overall density in the Broadway corridor and throughout
15 the CRA, and that will look at other various components
16 of the Marina. In order for us to move as quickly as
17 possible, and the first element being element eight, I
18 believe that that particular site is best suited as it
19 is right now, which is for an eight story limit, with
20 maybe some potential changes to the land development
21 regulations to make sure that we can build it as
22 planned.

23 But we would like to study increasing the
24 zoning and heights throughout the CRA and the Broadway
25 corridor, and we're proceeding with that. And we just

1 wanted to poll the Board to see if they were accepted
2 with the concept plan, but specifically if you found
3 that the eight stories for that first project was
4 acceptable.

5 In our discussions with the development team,
6 we also identified that if we were to go higher for
7 some elements, future elements of the project, once you
8 go above that eight story height limit, of course, the
9 cost of construction goes up. So they really need to
10 look -- they said that they're going to look at it
11 carefully to see if that's feasible. And since element
12 eight is going to include workforce housing, increasing
13 the cost of that project might make it not feasible.
14 So we think that element eight is ideally designed at
15 eight stories.

16 MR. BROWN: And we fully concur. We fully
17 concur and will be very cooperative in that visioning
18 process.

19 CHAIR BOTEL: Any comments or questions from
20 Commissioners?

21 COMMISSIONER LANIER: Madam Chair, could you
22 have the CRA Director send me a copy of that original
23 proposal now, please?

24 CHAIR BOTEL: I'm sorry, could you say that
25 again?

1 COMMISSIONER LANIER: I need to get a copy
2 now. I know I have it somewhere, a copy of the
3 original proposal. Send that to me now, please.

4 CHAIR BOTEL: Mr. Evans, can you do that now?

5 EXECUTIVE DIRECTOR JONATHAN EVANS: I will
6 pull it up.

7 Madam Chair, and just quickly on the
8 particular item that Mr. Evans just spoke about, based
9 on the last Board's action, we did talk about --

10 COMMISSIONER LANIER: We're having a
11 discussion about the original --

12 CHAIR BOTEL: Can we let Mr. Evans finish,
13 please.

14 EXECUTIVE DIRECTOR JONATHAN EVANS: I wanted
15 to speak briefly on the comments with regards to land
16 use and zoning, and we talked about density, intensity.
17 Obviously, the Board did provide direction at your last
18 meeting to proceed forward with engaging --

19 COMMISSIONER LANIER: (Inaudible) original
20 proposal?

21 CHAIR BOTEL: Is she talking to us?

22 COMMISSIONER LANIER: Yes, I was saying -- I
23 didn't mean to cut Mr. Evans off, but is someone going
24 to send me a copy of the original proposal?

25 CHAIR BOTEL: I think he's working on it,

1 Commissioner Lanier.

2 COMMISSIONER LANIER: Okay, thank you.

3 CHAIR BOTEL: Thank you.

4 Mr. Evans.

5 EXECUTIVE DIRECTOR JONATHAN EVANS: Yes, so I
6 did want to state on the record that the Board did
7 provide us direction to move forward with Treasure
8 Coast for the looking at the densities and intensities
9 in our land use and zoning with regards to this
10 particular project. So we are moving forward with that
11 particular element, working with them to assist in the
12 process.

13 CHAIR BOTEL: Okay.

14 EXECUTIVE DIRECTOR JONATHAN EVANS: So that's
15 going to be an expeditious process because we don't
16 have to go through the competitive solicitation
17 process, as we can get into an interlocal because they
18 function as a government entity.

19 CHAIR BOTEL: Okay, so you don't need
20 anything else from us on this item, right?

21 EXECUTIVE DIRECTOR JONATHAN EVANS: No, Madam
22 Chair.

23 CHAIR BOTEL: Okay, item number six.

24 EXECUTIVE DIRECTOR JONATHAN EVANS: With
25 regards to both items six and seven, it is an element

1 that should be discussed and negotiated as part of
2 subsequent phases, but it talks about the desires with
3 regards to a ground lease or an outright sale of the
4 parcels.

5 It's staff's recommendation that both six and
6 seven are subject to the negotiations. And then we can
7 bring two options that gives the Board the opportunity
8 to look at if there was a sale of the property or if
9 there was a ground lease. That can be something that
10 can be further fleshed out. But we just wanted to see
11 if the Board had any objection or issue with either of
12 those, or if you wanted to see what both those options
13 would look like.

14 CHAIR BOTEL: Any objections? I hear none,
15 Mr. Evans. Item number eight.

16 MR. SCOTT EVANS: Item number eight, in this
17 particular -- the question is: Is there agreement on
18 parking, all or some spaces? Should it be owned by the
19 City? And I think this has already been subject to
20 quite a bit of discussion earlier tonight.

21 Staff believes that we do have a specific
22 demand for public parking, and our position is that the
23 City should provide some funding to help build the
24 public parking that we need for this project. And we
25 need the public parking to be integrated into the

1 parking garage so that we can develop our current
2 parking areas, which are on the surface.

3 So I think that we need to move forward to
4 negotiate that mix. Obviously, the developers are
5 proposing to do some private elements, which they'll
6 need to provide parking for, but we need to negotiate
7 how much that mix is between the public parking we need
8 for the Marina, Bicentennial Park and the Event Center,
9 and then add additional parking for the other private
10 elements, retail and the housing.

11 CHAIR BOTEL: Thank you.

12 Any Commissioners object to that?

13 COMMISSIONER LANIER: Madam Chair.

14 CHAIR BOTEL: You're recognized, Commissioner
15 Lanier.

16 COMMISSIONER LANIER: If we have a lease, the
17 CRA, we need to have a split of the revenue.

18 CHAIR BOTEL: Mr. Evans.

19 MR. SCOTT EVANS: I think I heard that we
20 should split the revenue on the parking? Is that --
21 and I think that that's something we have started
22 already discussing with the development team.

23 CHAIR BOTEL: So that's to be negotiated.

24 Anything else?

25 COMMISSIONER LANIER: How can we negotiate

1 splitting the revenue? We have to make money too.

2 MR. SCOTT EVANS: Yes, our negotiations would
3 include revenue sharing for those parking spaces.

4 COMMISSIONER LANIER: And what is the
5 estimated cost, or what is the estimated percentage?

6 EXECUTIVE DIRECTOR JONATHAN EVANS: With
7 regards to the parking, it was stated that based on the
8 preliminary assessment, that there's roughly about
9 1,600 parking spaces when you look at complete
10 build-out. Those are elements that we would still have
11 to do a comprehensive parking analysis, because it is
12 quite expensive for parking. We would look at a
13 situation --

14 COMMISSIONER LANIER: You don't have a
15 percentage now that we're talking about, that we're
16 negotiating?

17 EXECUTIVE DIRECTOR JONATHAN EVANS: We --

18 COMMISSIONER LANIER: There is no percentage
19 in the air that we're talking about in terms of this
20 split?

21 EXECUTIVE DIRECTOR JONATHAN EVANS: We
22 haven't gotten down to the granular level with regards
23 to the split because we still need to find out what
24 that number is as it relates to parking to be able to
25 accommodate the development.

1 COMMISSIONER LANIER: That surely needs to be
2 a part of the lease, splitting the revenue.

3 CHAIR BOTEL: Okay, we're absolutely going to
4 consider that.

5 Item number nine.

6 MR. SCOTT EVANS: Item number nine: Is there
7 an agreement on the management of the uplands property
8 and the public sources for payment of common area
9 expenses?

10 The Board -- this is an item for Board
11 consideration. I'll just provide a little bit of
12 comment. Our approach in developing the RFP is that
13 the developer should take over management and
14 coordination of the uplands once we have a development
15 deal that ensures all of the public access and the
16 public assets we've already developed are protected.
17 This is important because we're trying to create a
18 destination property, and that requires managing
19 multiple business owners, multiple developments and
20 creating a customer experience that is critical to
21 trying to create an environment where you can attract
22 both visitors, residents and people who are visiting
23 from outside the state.

24 So we think that we should work towards
25 creating a situation where the developer manages the

1 overall experience of the development, but of course,
2 the City, as you know, would always remain the owner of
3 the land and we would also participate on all of the
4 committees and the management of those resources.

5 So I believe that this is an item that the
6 Board needs to make a decision on, and we're hoping for
7 some direction if we could proceed in that pathway.

8 CHAIR BOTEL: Okay, comments from
9 Commissioners.

10 COMMISSIONER LANIER: Madam Chair.

11 CHAIR BOTEL: You're recognized.

12 COMMISSIONER LANIER: So what would that
13 phase come in, in Phase II, Phase III? Where would
14 that come in?

15 CHAIR BOTEL: Mr. Evans.

16 MR. SCOTT EVANS: That's a good question. I
17 think that we would be working towards the next phase
18 at the end; at the completion of the next phase, that
19 that would begin. And obviously, we're going to have
20 to coordinate to ensure that the construction period is
21 managed.

22 But during that construction period, I think
23 we'll have limited events. We'll just be trying to
24 stay open, not trying to grow our visitorship. So at
25 the completion of the first next phase, which is

1 Spanish Courts and the build-out of the Event Center
2 and restaurant pad A, I think at that time it's
3 critical that we start to create that destination
4 interaction.

5 COMMISSIONER LANIER: So I would -- I mean if
6 we don't have a timeline, I think that this question is
7 premature.

8 CHAIR BOTEL: Mr. Evans.

9 MR. SCOTT EVANS: I think it's up to the
10 Board. If you determine that you want to decide that
11 later, then we can do that.

12 COMMISSIONER LANIER: We would have to. The
13 question is premature. We don't know what phase is
14 going to come in, we don't know the timeline, so how
15 could we make a decision about it right now?

16 MR. SCOTT EVANS: I think the reason we're
17 asking the question is because during our negotiations
18 with the developers, that's going to inform some of the
19 outcomes that we bring back to this Board to consider.
20 So we were trying to poll the Board to see what your
21 opinion of -- so that if we moved in that direction,
22 then we could be productive in our discussions with the
23 developers towards that.

24 VICE CHAIR LAWSON: Madam Chair.

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

1 VICE CHAIR LAWSON: Mr. Evans, I believe that
2 some of the issues of the additional progress and
3 development are going to have to be independent of this
4 first negotiation. So we can't have those discussions
5 of those uplands without actually -- because I know
6 that would be better for the developers, but as a City,
7 we can't include that until our negotiations and
8 discussions because we don't know if they'll complete
9 or process or get through Phase II, part A, that we're
10 calling it right now. So once we get through that
11 facet, then we can have these discussions of the
12 uplands. But right now, if it's not part of this
13 initial discussion, I think we should move on to
14 question ten.

15 CHAIR BOTTEL: Are we all okay postponing --

16 MR. IRONS: Do you mind me just offering just
17 a bit of perspective on this particular point? If you
18 want to recruit national credit tenants and destination
19 retail, one of the questions they're going to ask in
20 their leasing arrangements is who is the property and
21 the experiential manager. So whether you negotiate,
22 you know, with us at this point, it will have to be
23 solved before we can effectively produce the tenant mix
24 that you're looking for and signed leases for any
25 destination tenants or national credit tenants.

1 CHAIR BOTEL: Thank you.

2 Mr. McCoy.

3 COMMISSIONER McCOY: Madam Chair, question
4 for APD-Tezral.

5 The proposed -- well, I guess can you
6 describe them, the uplands Marina property? Is it
7 those identified one through five?

8 MR. BROWN: So the question is can we
9 describe the uplands property?

10 COMMISSIONER McCOY: Yes, based off of the
11 site plan, the conceptual site plan that you --

12 MR. BROWN: So it's basically the City owned
13 Marina between Avenue C and the waterfront, between
14 Bicentennial, or including Bicentennial Park, and as
15 far south as the Port, east of Avenue C. North of the
16 Port, north of the Port, whatever that road. I think
17 that's 11th Street. So do we have the best map?

18 So the uplands property is the City owned
19 property east of Avenue C. Now, there is, I guess, the
20 parcel that the CRA haven't acquired, Viking's parcel
21 that used to be inside the Marina, so there is a parcel
22 exception. But I think in general, we define the
23 uplands property to be east of the water -- I'm
24 sorry -- west of the water and east of Avenue C between
25 Bicentennial Park and north of the Port.

1 MR. SCOTT EVANS: And I would just amend that
2 because the Marina Village District is larger and the
3 parking sources for all of the restaurants would be in
4 the parking garage. I think we'd also be looking to
5 include those, sites seven and eight, in that overall
6 management approach.

7 MR. BROWN: And I guess you're seeing the
8 benefit of my historical knowledge. The reference to
9 the upland Marina has Charter requirements, meaning
10 what you are allowed to lease, the term of that lease
11 and what you may or may not be able to sell. So we
12 were using sort of, I think, the legal reference to the
13 limitations on the uplands Marina as it relates to
14 restrictions, leasing and selling, per your Charter.

15 CHAIR BOTEL: Thank you.

16 Mr. McCoy, you're recognized.

17 COMMISSIONER McCOY: Thank you, Madam Chair.

18 So Mr. S. Evans, so that would not include
19 number seven and eight because those aren't subject to
20 the Charter provision. So obviously then if number
21 eight, the proposed residential, and seven on the
22 Spanish Court site, that wouldn't be inclusive of the
23 Marina upland by definition anyways. Now, if you're
24 suggesting a separate management component of seven and
25 eight, that's just not described in the definition of

1 Marina uplands. Is that accurate?

2 MR. SCOTT EVANS: Yes. And these questions
3 were posed by the developer, and so that
4 specifically -- and Mr. Brown was suggesting, you know,
5 the upland definition per City. But since we were
6 talking about management of the whole experience and
7 destination, I just wanted to include that. We need to
8 consider items, elements seven and eight because
9 they're going to contain the parking that's critical to
10 the restaurants and the experience we're providing on
11 the whole waterfront.

12 MR. BROWN: Correct.

13 CHAIR BOTEL: So this is a pretty serious --
14 item number ten is a pretty impactful conversation.
15 And although it seems like there is a desire on the
16 part of the developers to have us have this
17 conversation this evening, I'm not sure I have enough
18 familiarity with the pros and cons of having them
19 manage it versus having us manage it, and I'd like to
20 have a little bit more information from staff as to
21 what they feel are the benefits to allowing them
22 managing it as against us.

23 So in my mind, I think if we could postpone
24 this just for a bit, not necessarily postpone it for a
25 matter of months, but postpone it to another time when

1 we could be provided with a little more information,
2 guidance from staff, I would appreciate that. Do my
3 colleagues agree?

4 COMMISSIONER MILLER-ANDERSON: I agree with
5 that part.

6 CHAIR BOTEL: All right, thank you.

7 Item number 11.

8 VICE CHAIR LAWSON: No, 10.

9 CHAIR BOTEL: I'm sorry, I thought that was
10 10.

11 VICE CHAIR LAWSON: Was it?

12 CHAIR BOTEL: I think that was 10. Oh, no,
13 sorry. That was nine; it was nine. Okay, number 10.

14 I feel the same -- actually, I feel the same
15 way about item number 10. I think these two items,
16 nine and ten, are so impactful that I would like to
17 have more information from staff and staff's
18 recommendation as to which way they think we should go.
19 Anybody disagree?

20 VICE CHAIR LAWSON: Madam Chair.

21 CHAIR BOTEL: Yes.

22 VICE CHAIR LAWSON: Mr. Irons did make some
23 comments that stated that the discussions of the
24 developers and the progress. Is this going to delay or
25 hold up the discussions of what we're going to

1 encompass in this first phase of negotiations?

2 MR. BROWN: No, I think I interpret the
3 Board's direction is that we could have the
4 conversation with staff, and from that conversation,
5 they'll hear our points, and then from there, they can
6 formulate a recommendation to you.

7 CHAIR BOTEL: Yes.

8 VICE CHAIR LAWSON: And to that point --

9 CHAIR BOTEL: Quickly.

10 VICE CHAIR LAWSON: To that point, Madam
11 Chair, I just don't want to delay or --

12 CHAIR BOTEL: Yes. No, I agree; I agree.
13 No, this is something I would like to have us see back
14 in the very short-term.

15 MR. BROWN: No, and I imagine not only is it
16 important for you to determine who's managing it.
17 Obviously, the development of private development means
18 you have another contributor to covering the cost of
19 your common area maintenance.

20 CHAIR BOTEL: Right.

21 MR. BROWN: And if I'm not mistaken, I think
22 in the CRA budget, it's costing you a million dollars,
23 or close to, to manage the uplands property. So
24 getting private development quickly will offset that
25 expense.

1 CHAIR BOTEL: Okay.

2 VICE CHAIR LAWSON: And to that point, Madam
3 Chair, cities should not be in the business of managing
4 these properties, so private sector should be
5 definitely handling that. But we're not, of course,
6 just going to give it away. So that's a part of the
7 negotiation/discussion. But I do agree with Madam
8 Chair in regards to just getting some more insight to
9 determine how we move forward.

10 CHAIR BOTEL: Thank you.

11 Item number 11.

12 MR. SCOTT EVANS: The question submitted for
13 11 is: Post pandemic, what's the vision to activate
14 public spaces, Bicentennial Park, boardwalk, including
15 the amount and sources required to market and promote
16 Marina and special events?

17 The Board in the past several years has
18 reduced the marketing and promotions that the CRA has
19 been engaged in on the site. And during COVID, I think
20 that that's a reasonable expectation. But even before
21 COVID, the Board's direction was that the CRA limit the
22 number of events that we put on at the Marina Event
23 Center and on the upland properties.

24 I think it's critical that we attract
25 residents and visitors to the Marina. And if the

1 development team wanted to manage and implement a
2 series of events and marketing, I think it's important
3 that we participate in that, not only to ensure that
4 this new destination gets launched correctly, but also
5 to help ensure that we can include some public events
6 in that plan that the community wants.

7 So I would just say that we're looking for
8 direction of the Board if we wanted to expand what the
9 CRA does for event programming for the next phase of
10 the project, or if you wanted us to work with the
11 developers to have them produce a plan and would the
12 Board like us to consider contributing dollars to that
13 combined to marketing that.

14 CHAIR BOTEL: Any comments from my
15 colleagues? Yes? No? Yes?

16 VICE CHAIR LAWSON: Madam Chair.

17 CHAIR BOTEL: Mr. -- was that a no? Yes,
18 that was a yes.

19 Commissioner McCoy, and then Commissioner
20 Lawson.

21 COMMISSIONER McCOY: Thank you, Madam Chair.

22 So the question is kind of -- is pretty
23 loaded and is really unpredictable at this moment. I
24 mean to kind of start a discussion on what's going to
25 drive this, I mean speaking of years down the line, you

1 know, I don't know, is there some reason that we need
2 to have some direction on this now? Because I mean
3 this is really subject to change. We don't know what's
4 going to happen in March.

5 Obviously, you know, this
6 is -- it doesn't really, for me, constitute something
7 that's a negotiable item at this point. Unless you
8 have some other premise on why you presented this
9 question, it's just really hard for us to set forth
10 what we can expect in six or nine months, or even two
11 years from now relative to how we promote.

12 MR. BROWN: Mr. McCoy, a lot of these
13 questions was raised when your previous consultant was
14 asking us to present a proposal related to the whole
15 development of the entire Marina. And we made
16 proposals that we made certain assumptions that we
17 didn't receive concurrence or denial on. And so we
18 just said that these are the open questions that really
19 is going to determine or stage our process of
20 negotiating.

21 And I'm certain that staff has a position and
22 an idea, and they'll consult with you. And then
23 eventually when it's important to know how we're
24 marketing the Marina and the Event Center and the park
25 and who's paying for it and all those things, I think

1 when the time is right, we'll have those discussions
2 and it will be part of a holistic management agreement,
3 if I'm not putting words into Mr. Irons' ears or mouth.

4 But I think his vision for how -- if in the
5 agreement that the management of Marina Village -- I
6 won't reference it as the upland property. If the
7 management of Marina Village is the responsibility of
8 the private partner, then obviously we want to drive
9 tourists to the site and we want to encourage residents
10 and all the wonderful things that I've seen come out of
11 the CRA in terms of special events. We want to talk
12 about how do we maintain that and even strengthen it,
13 and then how we pay for it between charging tenants,
14 making it a developer responsibility or a partnership
15 between us and the City or CRA, as other areas do it.

16 MR. IRONS: And Tony, I would definitely
17 agree with the statements that you made, but I think
18 everyone also has to understand that we will have a
19 responsibility of going out nationwide in recruiting
20 tenants and putting together a strong tenant mix for
21 the site.

22 And so, you know, we're going to have to go
23 to Vegas to ICSC, we're going to have to go to New York
24 where the big restaurants, retailers and entertainment
25 groups go in order to negotiate their contracts. And

1 one of the questions they're going to ask is who's the
2 management, is it a respectful private management. And
3 that's the benefit of bringing in Urban Retail to take
4 that part on.

5 But they're also going to ask specifically
6 about marketing at the site, general foot traffic and
7 who the attractions and the anchors are. And so our
8 ability to effectively answer that question is going to
9 produce a tenant mix at a different level, but will
10 have direct economic implications to the site and to
11 the revenues that you all will have the ability to
12 share.

13 CHAIR BOTEL: I just want to add that we
14 currently have -- I have a group of about 60 industry
15 leaders that make up a tourism task force, that we're
16 developing a tourism master plan. A couple of people
17 in this room are on that task force, Mr. Evans and
18 Mr. Sherman back there and one or two others. And
19 we're going to come up with some recommendations for
20 how we promote tourism in general in Riviera Beach. So
21 I think that might inform the answer to this question
22 as well.

23 Do you agree, Scott?

24 MR. SCOTT EVANS: Yes.

25 VICE CHAIR LAWSON: Madam Chair.

1 CHAIR BOTTEL: Yes, you're recognized.

2 VICE CHAIR LAWSON: Thank you, Madam Chair.

3 Mr. Evans, would you be able to just bring
4 back to the Board some information on who is managing
5 and operating, overseeing -- Mr. Jonathan Evans --
6 boardwalks and bicentennial parks in the Tampa area,
7 Baltimore, Atlanta, just some of the larger municipal
8 areas throughout the country?

9 Tampa has a beautiful municipal park, has a
10 beautiful park, a boardwalk, beautiful bicentennial
11 park, and even some of the local ones in Palm Beach
12 County, just to kind of get some insight as to what
13 they're doing, who's doing management, how they're
14 operating so that we can make an educated decision in
15 how we move forward with the management of our
16 boardwalk.

17 EXECUTIVE DIRECTOR JONATHAN EVANS:
18 Absolutely.

19 CHAIR BOTTEL: Okay, so we can put this aside
20 a little bit, right? Okay, item number 12.

21 MR. SCOTT EVANS: The question submitted for
22 number 12 is what additional infrastructure investments
23 are required for the Marina and who should pay for
24 these items? What accommodations are required to
25 relocate the Marina offices and showers and the source

1 of funds to offset these expenses?

2 And I believe that the development team is
3 going to need to assess our existing infrastructure.
4 Following tonight's meeting, I think they'll have a --
5 we'll have a very good idea of what elements they're
6 going to need to develop first, so they'll have to
7 assess our existing plans, our as-built drawings to
8 come up with what we need to add to the project.

9 I think the creation of a new 12th Street and
10 additions and improvements to the entrance to the
11 Marina at 13th Street and potentially those
12 connections, those pedestrian connections to the
13 waterfront are areas of public infrastructure that I
14 think that the City is going to need to look at making
15 improvements to.

16 The Marina offices and related amenities will
17 be relocated to the waterside of the Marina as a part
18 of the next phase of that project, so that's not
19 something that I believe that the developers need to
20 make accommodations for.

21 And we were just looking for this Board's
22 feedback on the creation of a new 12th Street and
23 enhancements to 13th Street as a part of this overall
24 project.

25 CHAIR BOTEL: So clarify, please, what it is

1 you want from us.

2 MR. SCOTT EVANS: Well, that's sort of what I
3 see it. 12th Street and 13th Street are the major
4 public access ways that I think that we're going to
5 need to contribute to. Obviously, we've talked about
6 parking also as a major infrastructure component, and
7 then I would let the developer, Mr. Brown clarify what
8 else he's looking for.

9 MR. BROWN: And we recognize there's a
10 comfort level and then there's a discomfort level. And
11 I think we just have to be reasonable in our thinking
12 and understand what's going to spark development and
13 allow for the type of Marina development that you want
14 and that we can develop and that is reasonable in terms
15 of closing gaps. I think that's the bottom line.

16 CHAIR BOTEL: Okay. Anything?

17 VICE CHAIR LAWSON: Madam Chair.

18 CHAIR BOTEL: You're recognized.

19 VICE CHAIR LAWSON: Recent conversations that
20 we had at the joint Council meeting with Lake Park and
21 some of the insight that they gave was capital
22 contributions to community, and I believe it was
23 1.8 million, with an annual increase to the tax roll of
24 1.7 annually. And that based upon the development on a
25 five lot parcel.

1 I would love to see some type of contribution
2 towards infield infrastructure with the development
3 that we have going on there and assisting with
4 closures, if necessary, creating larger block parcels
5 for development between 12th and 13th, but doing
6 something that's going to be impactful for the
7 community where we can have some funding to assist with
8 development, because the City is cash strapped when it
9 comes to growing and building, but we want to see
10 development.

11 So we're willing to invest in infrastructure,
12 assisting with things necessary, expedited permitting,
13 zoning intensities and densities. The Board has been
14 consistent with discussions about height densities as
15 long as it doesn't impede on our residents.

16 So there's a lot of things that the City can
17 do when it comes to policy making, but I know that the
18 capital contribution that Lake Park received for their
19 development. We do also understand that they're going
20 up to 26 stories, so that's a major factor when it
21 comes to the developers and the cost revenues they're
22 going to receive.

23 But if there can be some capital
24 contributions to the infrastructure that we have in
25 that area, that we need to work. I discussed earlier

1 some of the lines, the portable lines, FP&L and Comcast
2 being sunken. Those are something that we want to
3 expedite. And I'm sure that we're going to need
4 funding to support that process as well in addition to
5 Avenue E, so --

6 MR. BROWN: Well, and to your credit, and I
7 think this is one of the points that Mr. Irons made, is
8 that Phase I was a substantial investment in
9 infrastructure. Avenue C was rebuilt. I think we made
10 a contribution or the CRA made a contribution to
11 upgrading the utilities that ran along Avenue C. As we
12 were trying to attract a restaurant along restaurant
13 row, one of the things that we probably didn't do well
14 is I think it was sized for a one inch grease line and
15 experienced restaurateurs feel like they need a bigger
16 grease line.

17 But to your credit, there was a huge
18 investment made to jump-start private development at
19 the Marina. And there's some things that you have
20 since corrected, like the wall, the seawall. We
21 probably need to look at the second floor and whether
22 or not that should be a solid wall or something that
23 you can see the park and water.

24 So I think those are the things that when we
25 start talking about visitors' experience and taking

1 advantage of the waterfront, we did some things right
2 and other things need to be tweaked. But to your
3 credit, I think the investment you made in Phase I was
4 intended to spark private development, and you did a
5 pretty good job.

6 VICE CHAIR LAWSON: And that's part of the
7 concern that I don't want us to make a misstep with
8 when it comes to that development. The Marina should
9 be three and four stories so that we could have a
10 better view of the water. But we have this beautiful
11 Marina. So, but to have the sidelines and the viewing
12 of this Intracoastal, one of the most beautiful
13 Intercoastals in the south, that we want to take
14 advantage of it.

15 That's why we have to have these discussions
16 on -- which was one of the questions earlier about the
17 zoning, the densities, the intensities, which we've
18 constantly talked about. So infrastructure-wise, just
19 to get this first phase going, to address, like
20 Mr. Evans kind of stated, 12th and 13th Street, and I
21 think that we need to focus there.

22 CHAIR BOTEL: Anything else? You're okay?
23 Item number 13.

24 EXECUTIVE DIRECTOR JONATHAN EVANS: Item
25 number 13: What contributions, if any, is the CRA

1 willing to make for predevelopment expenses, such as
2 studies, legal, land use, planning, site assessments
3 and other public realm investments, such as
4 streetscape, landscape and other to be negotiated?

5 It's staff's perspective that this is
6 something that we should look to do. As you look to
7 collect impact fee moneys or moneys associated with the
8 TIF that will be derived from certain projects, it's
9 always good to reinvest back into the impacted areas.
10 Obviously, it's required by statute, but the other side
11 of it is there is ways to improve physical
12 infrastructure to be able to accommodate some of the
13 things that would occur in that particular area.

14 And so we know that there is a desire from
15 the Board to look at land use and look at changing our
16 densities and intensities. And that's looking at it
17 holistically. And as we look at it, we certainly are
18 going to bring recommendations to the Board as it
19 relates to these parcels, as well as other parcels
20 within the City of Riviera Beach to create an
21 opportunity that allows for redevelopment of the
22 Broadway corridor.

23 Also, we know that we're going to be moving
24 forward with a housing study, looking at what the need
25 is in our community and how do we address that. And

1 certainly as we look to make some improvements to the
2 pedestrian as well as the vehicular experience, there
3 is going to be physical infrastructure improvements
4 that are going to have to be made, so hardscape,
5 streetscape and the like.

6 But it is our intent that this is, in
7 essence, a cost of doing business, and I think it is
8 something that as we find funds available as it relates
9 to this particular project, that it should be
10 reinvested in the project to increase the overall
11 experience, because we want folks to see and have a
12 good time in our community, and we think by reinvesting
13 in the project, it will allow for additional synergy to
14 occur.

15 So it's staff's recommendation that items
16 that are going to increase the community aesthetics,
17 increase the opportunities for our residents in our
18 community to socialize and have activities, but also to
19 address the physical infrastructure improvements, this
20 is something that certainly we should reinvest moneys
21 that we collect associated with the development that is
22 contemplated on the site.

23 CHAIR BOTEL: Does anyone disagree with
24 staff's recommendation?

25 VICE CHAIR LAWSON: Madam Chair.

1 COMMISSIONER LANIER: I do.

2 CHAIR BOTEL: You're recognized.

3 Commissioner Lawson, and then Commissioner Lanier, it
4 sounded like.

5 VICE CHAIR LAWSON: I agree. Just to recap,
6 Mr. Evans, the land use updates, buried utilities, road
7 closures and focusing on Avenue E, some of the factors
8 that I think will help spur that development there and
9 of the entire Broadway corridor. So I completely agree
10 with Mr. Evans.

11 CHAIR BOTEL: Commissioner Lanier.

12 COMMISSIONER LANIER: Well, I agree with the,
13 you know, the Avenue E and the other items, but not for
14 this particular project. If we're going to be spending
15 money, it needs to be in our existing projects that
16 we're trying to get off the ground, not for this
17 particular project.

18 CHAIR BOTEL: Okay. Item number 14.

19 EXECUTIVE DIRECTOR JONATHAN EVANS: This
20 particular item is speaking on the inclusion of the CDC
21 as a development partner for workforce housing
22 concepts. And so you did hear from Ms. Jenkins with
23 regards to the housing concept and what we think will
24 work in our community, and this is to seek direction
25 from the Board. Does the Board wish to have the CDC

1 participate as a development partner for the workforce
2 housing element?

3 COMMISSIONER MILLER-ANDERSON: Madam Chair.

4 CHAIR BOTEL: You're recognized.

5 COMMISSIONER MILLER-ANDERSON: So what would
6 that look like? I know she had briefly stated it, but
7 what are we exactly talking about, what type of
8 involvement?

9 MR. BROWN: As Ms. Jenkins --

10 CHAIR BOTEL: Ms. Jenkins is getting to a
11 microphone.

12 MS. JENKINS: If I may, Commissioner, it has
13 to be negotiated. But generally in developments of
14 this type, there is some role for the nonprofit. If
15 there are tax credits, sometimes depending upon the
16 request for proposals from the State, a nonprofit can
17 enhance the scoreability of an application. The
18 nonprofit can apply for dollars that a private entity
19 or local government cannot.

20 For instance, the Rivera Beach CDC is
21 qualified as a CHDO organization. There is some
22 foundation fund where some philanthropic organizations
23 are interested in redevelopment areas that would be
24 interested in working with a nonprofit. But in terms
25 of what the actual development agreement would look

1 like, that's something that would have to be
2 negotiated.

3 COMMISSIONER MILLER-ANDERSON: Okay, so for
4 me, I don't want to commit to anything today with that
5 (audio disruption) information.

6 MR. BROWN: It obviously will be something
7 that I'll discuss with Cornerstone. But what I've seen
8 in other agreements is that at the end of the tax
9 credit compliance period, the property could revert to
10 a nonprofit or have the first right. As Ms. Jenkins
11 indicated, there are grant funds and forgivable loans
12 that are available if the nonprofit is part of the
13 redevelopment.

14 And in addition to that, and Cornerstone has
15 shown exceptional insight to community amenities where
16 they provide even down payment assistance funding to
17 tenants so that when they decide to go from being a
18 renter to a homeowner, those things can be programmed.
19 So there is just so many different ways that we can be
20 creative to take care of all your residents in this new
21 development that I think it will be an exciting
22 discussion to have.

23 COMMISSIONER LANIER: Madam Chair.

24 CHAIR BOTEL: You're recognized.

25 COMMISSIONER LANIER: As Commissioner Lawson

1 a little too earlier in the discussion, the CRA and the
2 CDC, you know, already have projects that aren't
3 getting done. I think we need to make those our
4 priority. The CRA can basically play that role, but we
5 need to make sure that the projects that are on the
6 table with the CDC, the projects that the CRA is
7 currently undertaking, those need to be a priority as
8 well.

9 And to -- and as Commissioner Lawson put it
10 so eloquently, to overburden these departments with
11 this project is something that we need to have some
12 serious discussion and consideration for.

13 And then too, that's -- again, you know, that
14 again changes the proposal. I'm looking at it now.
15 That again changes how we -- the original proposal that
16 was submitted. So we can -- I can see the CDC
17 assisting with the down payment and getting individuals
18 involved, but other than that, I don't think that we
19 should be having that conversation right now about
20 being a partner.

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

22 COMMISSIONER McCOY: Thank you, Madam Chair.

23 So exactly, you know, I don't know that it
24 does do anything to the proposal because the CDC is
25 completely independent of the City. While some of the

1 efforts are parallel, the CDC has absolutely nothing to
2 do with our work as CRA Commissioners nor as City
3 Council members. I yield.

4 CHAIR BOTEL: Thank you. Anyone else?

5 I have no problem with having the CDC work
6 with the developer.

7 COMMISSIONER McCOY: Right, but Madam Chair,
8 follow-up. We don't have any say in that, right?

9 CHAIR BOTEL: Yes, I --

10 COMMISSIONER McCOY: So --

11 CHAIR BOTEL: We need to --

12 COMMISSIONER McCOY: So if the opportunity
13 presents itself where the developer has the ability to
14 partner with the CDC, that's not a decision that's
15 driven by us. So I mean, you know, I certainly would
16 appreciate that they're working with a group that is
17 within our community that we know so well, but it's not
18 a --

19 CHAIR BOTEL: It's not up to us to decide,
20 yes.

21 COMMISSIONER McCOY: Thank you.

22 COMMISSIONER LANIER: But it is up to us to
23 decide, because Ms. Jenkins works for the CDC, but the
24 CRA pays her salary. So it does concern us, and it
25 should be for further discussion.

1 CHAIR BOTEL: Does anyone else have an
2 objection to the developer working with the Riviera
3 Beach CDC as a partner for the workforce housing? We
4 hear you, Commissioner Lanier, that you have an
5 objection. Does anybody else have an objection?

6 COMMISSIONER LANIER: And I have an objection
7 as well.

8 CHAIR BOTEL: I think that we hear that.
9 Mr. Evans, there's one objection to this.
10 So item number 15.

11 EXECUTIVE DIRECTOR JONATHAN EVANS: Item 15
12 on --

13 COMMISSIONER MILLER-ANDERSON: There was two
14 objections.

15 CHAIR BOTEL: I'm sorry. Thank you. There
16 are two objections.

17 EXECUTIVE DIRECTOR JONATHAN EVANS: Okay.

18 Madam Chair, what community benefit components should
19 be negotiated along with the development elements?

20 It's staff's recommendation that we take that
21 based on an element by element approach. That gives us
22 an opportunity to look at what specific community
23 benefits that we want to see, realize as a result of
24 the development that is contemplated. So our intent is
25 to look at that individually versus looking at it

1 holistically.

2 CHAIR BOTEL: Okay, so you don't need
3 anything from us.

4 EXECUTIVE DIRECTOR JONATHAN EVANS: If it's
5 the Board's concurrence with that approach.

6 CHAIR BOTEL: Does anybody object?
7 Commissioner Lawson.

8 VICE CHAIR LAWSON: No, not an objection, but
9 I guess I just want clarity on the question.

10 It's asking what community benefit component.
11 So we are going to just take it piece by piece, but
12 what are the actual components of that with the first
13 piece that we're going to do? And I think that's part
14 of -- and I guess just for clarity and understanding so
15 this doesn't come back before the Board, are we having
16 the discussion of what community benefit components or
17 the fact that we're just going to take it per phase?

18 EXECUTIVE DIRECTOR JONATHAN EVANS: It's
19 staff's recommendation to take it per phase, and then
20 based on what that particular phase looks to deliver,
21 then to speak to specifics as it relates to that
22 particular element. So taking it separate and apart
23 versus looking at it holistically.

24 VICE CHAIR LAWSON: So in laymen's terms, in
25 the event that it's housing in Phase I, we may be

1 looking at down payment assistance for community
2 residents. If it's social engagement, it may be
3 something else.

4 EXECUTIVE DIRECTOR JONATHAN EVANS: Correct.

5 VICE CHAIR LAWSON: Thank you, Mr. Evans.

6 Thank you, Madam Chair.

7 CHAIR BOTEL: Thank you. Okay, Number 16.

8 EXECUTIVE DIRECTOR JONATHAN EVANS: Yes, does
9 the CRA intend to use Riviera Beach CDE to raise
10 private capital through new market tax credit programs
11 if the program is extended?

12 This is a question that's been proffered by
13 the developers, so I will allow for the developer to
14 provide some additional insight with regards to that
15 particular ask, and then staff can follow up with some
16 additional comments.

17 MR. BROWN: With the CARES Act, the new
18 markets tax credit program was extended another five
19 years. It's an arsenal in your toolbox, and it's one
20 in which other communities have used extensively in
21 order to subsidize the cost of development. Whether
22 the Riviera Beach CDE wants to pursue its own
23 allocation, it doesn't particularly matter because
24 there are other entities that have received tax
25 credits.

1 The only issue is when you pursue tax credits
2 from another entity, we have to be shovel ready. If
3 Riviera Beach successfully -- and it is competitive --
4 successfully secured its own allocation, then it's a
5 more patient source of capital as we work through the
6 development agreement for the hotel, restaurant row,
7 and it is largely used to provide private capital for
8 commercial, small business uses. And that's it in
9 general.

10 EXECUTIVE DIRECTOR JONATHAN EVANS: Madam
11 Chair.

12 COMMISSIONER LANIER: Madam Chair.

13 CHAIR BOTEL: You're recognized,
14 Commissioner. I think it was Miller-Anderson I heard.

15 COMMISSIONER LANIER: Lanier.

16 CHAIR BOTEL: Oh, sorry. Lanier.

17 COMMISSIONER LANIER: I disagree with this.
18 The CDE is supposed to have been closed out by now
19 anyway. Second of all, if there's money to be gotten
20 from the CDE, I think the City and the CRA should be
21 getting the money and not a developer.

22 COMMISSIONER McCOY: Question.

23 CHAIR BOTEL: Commissioner.

24 COMMISSIONER McCOY: I'm not sure if I
25 understand how the Commissioner's question and response

1 relates to what we're saying, but --

2 COMMISSIONER LANIER: Well, the next
3 application --

4 COMMISSIONER McCOY: Can I --

5 CHAIR BOTEL: Mr. McCoy has the floor.

6 COMMISSIONER McCOY: The CDE is the only
7 enterprise that's able to go to the private markets to
8 raise money. In the event that, for instance, this
9 Board decides that we want to pursue financing, the CRA
10 will be prohibited. So that's exactly what the CDE's
11 purpose is. We're not suggesting closing out the CRA
12 because -- I'm sorry. We're not suggesting closing out
13 the CDC (sic), at least that's what I -- I don't
14 believe the question is. But there are dollars that's
15 in the CDE, and I think, aren't they associated with
16 this building, Mr. S. Evans?

17 MR. SCOTT EVANS: The existing CDE does have
18 assets, yes.

19 COMMISSIONER McCOY: And the purpose was
20 relative to, I guess, the -- is it the Marina Event
21 Center rental payments, or isn't that how that works?

22 MR. SCOTT EVANS: Yes. Through the new
23 market tax credit transaction, they -- the CRA pays
24 them a lease payment, and then they utilize that lease
25 payment to pay some of the debt. So, and that process

1 does create some additional revenue each year that we
2 could utilize.

3 COMMISSIONER McCOY: But the suggestion to
4 collapse or to dissolve the CDE is not what's being
5 asked in Number 16. Mr. S. Evans, is that your
6 understanding?

7 MR. SCOTT EVANS: Well, Number 16 was
8 submitted by -- that question was submitted --

9 COMMISSIONER McCOY: Right. But obviously,
10 you know, I guess I don't understand. Commissioner
11 Lanier is suggesting that there's some sort of
12 collapse. But that's not how we have our CDE set up to
13 operate in a fashion that it will be dissolved or
14 there's some mechanism to dissolve it or need to
15 dissolve, I should say.

16 MR. SCOTT EVANS: Well, of course, the
17 transaction does change after the seven year period,
18 and that timeline is coming up. I believe it's in July
19 of this year. So what we do with the CDE following
20 that transformation of that agreement, I would ask for
21 additional comments from the developer.

22 MR. BROWN: Yes, the broader purpose of the
23 program was designed so that low income communities
24 like Riviera Beach can use it to attract private
25 capital. And billions of dollars are allocated each

1 year. And the Riviera Beach CDE was structured in
2 order to do that. Private capital typically flows to
3 areas that are affluent with high growth. And so
4 communities across the United States have used the new
5 markets tax credit program to raise capital, to put
6 restaurants in place, to develop hotels.

7 And to Ms. Lanier's concern, the tax
8 credits would -- if Riviera Beach CDE applied and won
9 an allocation, they would own the tax credits. They
10 control the utilization. They sell those tax credits
11 and they make money. The benefit to the developer is
12 that it attracts private capital to lower the cost of
13 development in markets that are untested. And it is a
14 great program.

15 Whether we, as the developers, look to
16 complete the application (inaudible) or not, there are
17 other people that would -- the CRA's track record could
18 probably do a good job of helping the CDE secure tax
19 credits so that it could attract private capital in
20 order to do different elements in the Marina, the
21 Festival Marketplace, the hotel, the restaurants.

22 COMMISSIONER LANIER: Madam Chair.

23 CHAIR BOTEL: You're recognized.

24 COMMISSIONER LANIER: Mr. McCoy, what I was
25 alluding to was that all of the CDEs dissolve after

1 seven years, not just our CDE.

2 The next application is in September of this
3 year, and a decision won't be known until next year,
4 2022. The CDE is, of course, a tool of the City and
5 the CRA. And, you know, one of the questions I've been
6 wanting to ask is we don't even know who the Board
7 members -- I don't know who the Board members of the
8 CDE are.

9 And I think that this is a very -- even
10 though this is going to be possibly dissolved in July,
11 this is an item that needs to have some serious
12 discussion in regards to how the City wants to use this
13 entity. And I think that right now it's just not
14 timely for us, given the last 15 questions that we've
15 had. There are some issues that we just can't make a
16 decision on tonight given the complexity of them. So I
17 think this is one of those issues.

18 CHAIR BOTEL: Anybody else?

19 Mr. Evans, do you need an answer on this
20 tonight?

21 EXECUTIVE DIRECTOR JONATHAN EVANS: If it's
22 the Board's desire to discuss this in a subsequent
23 item, we can bring it back to you --

24 CHAIR BOTEL: Okay.

25 EXECUTIVE DIRECTOR JONATHAN EVANS: -- if

1 it's the pleasure of the Board.

2 MR. BROWN: Madam Chair, and I think the only
3 point I'm making is you have this tool in your toolkit,
4 and it's an effective tool, and it should be utilized.

5 VICE CHAIR LAWSON: Quick question, Madam
6 Chair.

7 CHAIR BOTEL: Yes.

8 VICE CHAIR LAWSON: Mr. Evans, when does the
9 CDE sunset?

10 EXECUTIVE DIRECTOR JONATHAN EVANS: I believe
11 we have it set to, I think September.

12 VICE CHAIR LAWSON: September.

13 EXECUTIVE DIRECTOR JONATHAN EVANS: Yes.

14 VICE CHAIR LAWSON: And --

15 COMMISSIONER LANIER: I thought Mr. Scott
16 Evans just said July.

17 MR. SCOTT EVANS: So the transaction was
18 approved seven years ago in July for the new markets
19 tax credits. So I believe that's when that transaction
20 transforms and some of that debt is forgiven. I'm not
21 sure if the CDE is automatically dissolved though.

22 MR. BROWN: Right. And Mr. Evans is correct.
23 The CDE has no -- doesn't dissolve legally. It's tied
24 to whether or not Congress allocates new markets tax
25 credit programs, and with the recent CARES Act, they

1 extended it another five years. So \$5 billion gets
2 allocated every year for folks to competitively apply.

3 I think as I explained in the last meeting,
4 we used new markets tax credits to finance this
5 building. The CRA had budgeted four or five million
6 dollars to build the Event Center. Once we added a
7 second floor and other elements, it extended the budget
8 to like seven or eight million.

9 And so Key Bank became the investor with
10 Mr. Haygood's structuring. The CRA made a loan to a
11 nonprofit it created and controls in order to attract
12 the 1.5, nearly \$2 million from Key Bank. Key Bank
13 makes its money on the tax credits, a total of
14 \$7 million.

15 So at the end of the seven year compliance
16 period, instead of repaying Key Bank, they're going to
17 take the note and give it to the CRA. And so you'll
18 forgive it, and so in essence, through the tax credit
19 program, Key Bank subsidized the construction of the
20 Event Center with \$2 million or about a million and a
21 half.

22 And so that's the value of being able to
23 structure new markets tax credits. Particularly with
24 the CRA as a tool, it becomes a very innovative way to
25 jump-start private development at the Marina.

1 VICE CHAIR LAWSON: Follow-up, Madam Chair.

2 CHAIR BOTEL: Go ahead, yes.

3 VICE CHAIR LAWSON: So in the event that this
4 is a tool that we use for additional capital for
5 funding and support for the City and for development, I
6 would absolutely like to see the City explore the
7 ability of using the CDE as an option for additional
8 funding.

9 I do not want this to be a delay in the
10 process of negotiations or discussions with funding as
11 a requirement, but if it's an additional vehicle or
12 tool to assist with additional funding, then
13 absolutely. But it's not going to be contingent upon
14 us obtaining funds or the CDE obtaining funds. But
15 absolutely, if it's something that can benefit the City
16 in a way that's going to bring additional funding and
17 support for this project to get it done, then by all
18 means.

19 MR. IRONS: And if you guys don't mind me
20 just adding, where this also becomes important, as you
21 were talking about the subsequent residential tower and
22 the possibility of increasing height and densities on
23 that site, yes, the costs will increase by doing that.
24 But using a tool like the CDE can be infused into the
25 project in order to subsidize additional costs in order

1 to gets an outcome that you want.

2 If there's a national credit tenant that you
3 really want at the site or some type of cultural
4 attraction that needs to be subsidized in order to be
5 brought to the site but will increase foot traffic, you
6 can then use these type of dollars in order to create
7 the difference for, close the gap for a but-for gap in
8 order to do something that you want.

9 So it's not really purely a tool in order to
10 generate profits for the developer, it's really a tool
11 to have at the table so that we can all be collectively
12 more creative about producing the outcomes that you
13 want at the Marina.

14 CHAIR BOTEL: Okay, so what's the downside?
15 I don't see a downside.

16 COMMISSIONER LANIER: Madam Chair.

17 CHAIR BOTEL: Yes. You're recognized. I'm
18 sorry. Getting tired.

19 COMMISSIONER LANIER: Thank you. I think
20 that this needs to be reviewed and closely looked at
21 before we do anything with this.

22 Now, my question is does the CDC hold any
23 funds now, and what is coming in the very near future?
24 We need to know what is there now and what is coming in
25 the very near future and make a decision about how that

1 will be able to relate to development, and not this
2 particular development, but we have other developments
3 in the city and the CRA that is going on that we also
4 need to prioritize as well.

5 So if we're going to have a discussion about
6 the CDE, we need to know where we stand with it now,
7 what money is there now, what money is potentially
8 coming to it, and look at how we're going to utilize
9 those funds, not just for this particular project, but
10 our other prioritized projects that we have in the CRA.

11 CHAIR BOTEL: But does that preclude our
12 saying that we want to use it for this project?
13 Because you want to use it for other projects, does
14 that stop you from using it for this project?

15 EXECUTIVE DIRECTOR JONATHAN EVANS: Madam
16 Chair, if I may?

17 CHAIR BOTEL: Yes.

18 EXECUTIVE DIRECTOR JONATHAN EVANS: We can
19 bring -- we don't have that data available at this
20 particular moment, but we can certainly bring that
21 under discussions and deliberations under the Executive
22 Director Report at your next Council meeting to provide
23 additional clarity with regards to the activities
24 associated with the CDC, who sits on the CDC --

25 CHAIR BOTEL: CDE.

1 EXECUTIVE DIRECTOR JONATHAN EVANS: -- CDE,
2 sorry. And what that mechanism can be utilized for.

3 COMMISSIONER LANIER: Excellent.

4 CHAIR BOTEL: Okay. Okay, thank you.

5 COMMISSIONER McCOY: Madam Chair.

6 CHAIR BOTEL: You're recognized, Mr. McCoy.

7 COMMISSIONER McCOY: So no objection. I just
8 wanted to go further on the point of the moneys that's
9 being held in the CDE, because I guess I just looked it
10 up on SunBiz, and I guess for all intents and purposes,
11 it defines the composition of what -- who makes up --
12 who initially made up the CDE.

13 But Mr. Evans, Scott Evans, can you speak to
14 the moneys that's being held, what the source is, and
15 you know, around about what that balance is?

16 MR. SCOTT EVANS: I would have to bring the
17 balance back at the meeting referenced by Mr. Evans.
18 But the source of the funds is the CRA leases the Event
19 Center at an annual rate, and then the CDE and their
20 Riviera Beach LLC, which is another -- Event Center,
21 LLC, which is a subcomponent of that, then pays debt
22 payments. And the difference between what we lease the
23 Event Center for and the debt payments creates a
24 revenue source for the CDE.

25 COMMISSIONER McCOY: So this arrangement, the

1 margins that was, I guess, agreed upon between the
2 Marina Event Center, the CDE and the CRA, how's that
3 established, by a resolution? Because I mean
4 obviously, we don't represent the CDE. Like in -- I
5 don't even know what to say.

6 But ironically, you're the only registered
7 Director on the CDE on SunBiz as of current. So I want
8 to know like do you make the sole -- I'm sorry. So
9 does the Executive Director make the sole decisions,
10 because that's not what's called for in the bylaws.

11 MR. SCOTT EVANS: So yes, the Executive
12 Director of the CRA is the president of the CDE. So
13 that needs to be updated.

14 MR. HAYGOOD: And there are four additional
15 Board members that had to be qualified under the CDE
16 regulations, basically business people who live within
17 the area. And I think it's currently made up of the
18 Executive Director, one person from the city, one
19 person -- two business people, and a third, I think,
20 City employee or CRA employee.

21 We're going to be bringing information back
22 to you because the compliance period is up in July, as
23 was stated. So we're going to bring you a memo to
24 explain exactly what's going to happen, what funds are
25 still within the CDE, and give you just a complete

1 background on that. And we retained the bond counsel
2 who actually set up the program, who gave us a tax
3 opinion to bring the procedures back to you.

4 But again, that will be coming in July. It's
5 not really a City -- in fact, it was specifically
6 prohibited from having any elected officials on it. So
7 we'll be bringing that back though to you for your
8 information.

9 EXECUTIVE DIRECTOR JONATHAN EVANS: Madam
10 Chair.

11 COMMISSIONER McCOY: Follow-up.

12 CHAIR BOTEL: You're recognized.

13 COMMISSIONER McCOY: So, yes, I certainly
14 want to see the balance, right, because that would seem
15 to be able to cover some of these existing things that
16 we're speaking of, like the common area maintenance,
17 like the moneys that's being owed to the City that
18 would call for debt or to go right back into being
19 reinvested right back into the upland properties.

20 But if the money's just sitting there, right,
21 what's really the purpose if we've earned the money
22 as -- well, the CDE has earned the money, or should I
23 say in the role as the Executive Director, who will be
24 the President, earned that money, or obviously the CDE
25 earned that money.

1 We need to be reinvesting that back into the
2 very Marina or bring that to the table as a point of
3 discussions or a point to negotiate those dollars,
4 because it does nothing just sitting there, because I
5 guess what I was trying to arrive at is that there is
6 no functional expenses that we can expect that comes
7 out of the CDE every, you know, monthly or quarterly or
8 even annually.

9 MR. SCOTT EVANS: They just have the regular
10 expenses that were created when we first created the
11 CDE and completed the new market tax credit
12 transaction, such as insurance, we have to pay to -- an
13 accountant to file taxes, just very limited other
14 costs.

15 COMMISSIONER McCOY: Right. But those are
16 already absorbed in the amount of the rental payments
17 and all of that is accounted for --

18 MR. SCOTT EVANS: Yes, sir.

19 COMMISSIONER McCOY: -- in the regular
20 agreement between the Marina Event Center -- did you
21 say Marina Event Center, LLC?

22 MR. SCOTT EVANS: Event Center, LLC.

23 COMMISSIONER McCOY: Event Center, LLC, okay.

24 MR. HAYGOOD: It was a very complicated
25 transaction. But there will be -- there was a

1 management fee also paid to the CRA. And so all the
2 CRA -- the money will go back to the CRA, whatever's in
3 the CDE, except for trying to keep money in for nominal
4 expenses.

5 COMMISSIONER LANIER: Madam Chair.

6 CHAIR BOTEL: You're recognized.

7 COMMISSIONER LANIER: Madam Chair.

8 CHAIR BOTEL: Yes. Is that Commissioner
9 Miller-Anderson?

10 COMMISSIONER LANIER: Yes, I just also
11 want --

12 CHAIR BOTEL: Lanier, go ahead. It's hard to
13 distinguish, I'm sorry. Go ahead.

14 COMMISSIONER LANIER: That's fine.

15 Yes, we need to get a report about where that
16 money is and how much is in there. A part of that
17 Board has to be a low income resident. And given that
18 professional services fees are paid out of that money,
19 Mr. Haygood could very well be paid out of the -- be
20 paid or could be paid out of those funds as well.

21 So it's a very complicated -- not
22 complicated, but it's a process. And it's an entity
23 that the Board needs to have more information on. We
24 need to be well versed in it, and we need to know what
25 it means and what it means for us as a Board to be able

1 to either put these funds out, put them to where we
2 want them to be put, but we need to have some
3 background and information about exactly what the CDE
4 is and what our role in it is as a Board.

5 CHAIR BOTEL: So Mr. Evans, you're going to
6 bring us back something at the next opportunity, right?

7 EXECUTIVE DIRECTOR JONATHAN EVANS: Yes,
8 Madam Chair.

9 CHAIR BOTEL: Thank you. Have we addressed
10 all of the questions?

11 EXECUTIVE DIRECTOR JONATHAN EVANS: That
12 concludes all of the questions.

13 CHAIR BOTEL: Is there anything else? We
14 don't have comments from CRA Director or staff. So if
15 there is nothing else, this meeting is adjourned.

16 (Whereupon, at 9:40 p.m., the proceedings
17 were concluded.)

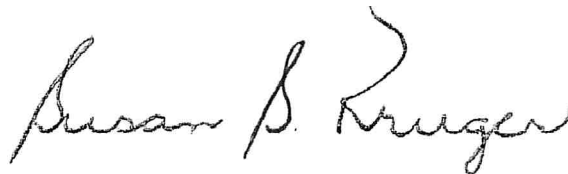
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C E R T I F I C A T E

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4 THE STATE OF FLORIDA)
5 COUNTY OF PALM BEACH)
6
7

8 I, Susan S. Kruger, do hereby certify that
9 I was authorized to and did report the foregoing
10 proceedings at the time herein stated, and that the
11 foregoing pages comprise a true and correct
12 transcription of my stenotype notes taken during the
13 proceedings.

14 IN WITNESS WHEREOF, I have hereunto set my
15 hand this 9th day of February, 2021.
16
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21 _____
22 Susan S. Kruger
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ADJOURNMENT

The CRA Workshop was adjourned at 9:40 P.M. The minutes were approved by the Board of Commissioners on _____.

Shirley Lanier, Chairperson

Executive Director Jonathan Evans

/cw
Florida Court Reporting