

1 Riviera Beach Community Redevelopment Agency Regular Meeting

2 City of Riviera Beach Council Chambers

3 2nd Floor, Municipal Complex

4 600 West Blue Heron Boulevard

5 Riviera Beach, Florida

6 Wednesday, January 27, 2016

7 5:35 p.m. to 8:06 p.m.

8
9 APPEARANCES:

10 Chair Dawn Pardo

11 Vice-Chair Terence Davis

12 Commissioner Bruce Guyton

13 Commissioner KaShamba Miller-Anderson

14 Commissioner Cedrick Thomas

15 Attorney Michael Haygood

16 CRA Executive Director Tony Brown

17 CRA Administrative Director Darlene Hatcher

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1 CHAIR PARDO: Welcome, everyone, to the City of Riviera
2 Beach. Tonight we have our Riviera Beach Community
3 Redevelopment Agency meeting.

4 Ms. Hatcher, roll call, please.

5 (Upon roll call by CRA Administrative Director Hatcher the
6 following were present: Chair Dawn Pardo, Vice-Chair Terence
7 Davis, Commissioner Bruce Guyton, and Commissioner Cedrick
8 Thomas. Also present: Executive Director Tony Brown, Attorney
9 Michael Haygood.)

10 CHAIR PARDO: Let's all stand for a moment of silence,
11 followed by the Pledge, led by Commissioner Thomas.

12 (Moment of silence, followed by the Pledge of Allegiance.)

13 CHAIR PARDO: Okay. Mr. Brown, do we have any additions,
14 deletions or substitutions to the agenda?

15 EXECUTIVE DIRECTOR BROWN: Madam Chair, members of the
16 Board, we are deleting items 5 and 6.

17 CHAIR PARDO: Okay. 5 and 6 will be deleted.

18 Anything else?

19 All right. Do we have any disclosures by the commission or
20 by our staff? Anyone? Anyone?

21 Okay. Do we have a motion to adopt the agenda?

22 VICE-CHAIR DAVIS: So moved.

23 COMMISSIONER GUYTON: Second.

24 CHAIR PARDO: Properly moved and second. Madam Clerk.

25 (Motion passes unanimously.)

1 CHAIR PARDO: Thank you.

2 Any person who would like to speak on an agenda item please
3 fill out a blue public comment card located in the back of the
4 chambers and give it to staff prior to the beginning of the
5 meeting if possible.

6 Members of the public shall be given a total of three
7 minutes for all items listed on the consent agenda. Members of
8 the public will also be given three minutes to speak on each
9 regular agenda item. In no event will anyone be allowed to
10 speak on an agenda item after the resolution is read or item
11 considered.

12 Do we have a motion to accept consent with items 5 and 6
13 deleted?

14 COMMISSIONER GUYTON: So moved.

15 COMMISSIONER THOMAS: Second.

16 CHAIR PARDO: All right. Madam Clerk.

17 (Motion passed unanimously.)

18 CHAIR PARDO: Thank you.

19 We will continue now, regular business, item 9, Marina
20 Village development report presentation. All right. Mr. Brown.

21 EXECUTIVE DIRECTOR BROWN: Madam Chair, members of the
22 Board, I hope you will consider this to be a very positive
23 presentation.

24 Walter, my mic is not working.

25 I started talking too loud? That was the enthusiasm in my

1 voice.

2 I'm going to start the presentation -- it's that excitement
3 in my voice.

4 As we get started you're going to hear a number of P words
5 in my presentation. We're going to talk about parcels, property
6 swaps, parking, public market, private development, property
7 owners, and then plans and promotions. And when we talk about
8 plans and promotions the O'Donnell agency is going to come up
9 and talk about some wonderful things at the marina. But this is
10 to give you an update. And one of the positive outcomes since
11 we last met is really what I will call the positive
12 participation and communication that we're having even with the
13 Viking Group. And so what I'm intending to give to you is
14 pretty much an update as to where we are now, and then you'll
15 have some further action items as we meet in February. A number
16 of things we're going to try to shoot for for February 10th.
17 But if we don't make that deadline then we'll have these things
18 ready for you on February 24th.

19 So continuing with my P words and dealing with the issue of
20 parcels. As you recall at our last meeting Mr. Healey from
21 Viking indicated that they would sell us the Viking -- the
22 Yachtsman site for 4.85 million. You directed me to negotiate
23 the purchase of that property. We have since shared an
24 appraisal with them based on some other guidance and in talking
25 with you individually we made Viking a hard offer of 2.28

1 million and encouraged them to conduct their own appraisal and
2 to counter us with terms based on an appraisal that we could
3 review and have critiqued. The good news is I've been informed
4 that they are conducting such an appraisal. In addition to
5 that, as we talked about all the other things related to our
6 respective portfolios they have agreed to revoke the notice
7 terminating the Yachtsman parking lot lease, and have even
8 indicated a willingness to extend the terms.

9 Unless you direct me otherwise, I would recommend to you
10 that if you still feel that owning the Yachtsman site is in the
11 long-term interest of the city, that I would recommend that when
12 you sit as members of city council that you discuss the
13 parameters for purchasing the Yachtsman property, and then
14 perhaps direct the city manager to negotiate that acquisition.

15 COMMISSIONER GUYTON: Madam Chair.

16 CHAIR PARDO: Yes, sir.

17 COMMISSIONER GUYTON: On that particular issue, I just want
18 to put on the record that I have no interest in leasing that
19 property indefinitely. If we're going to use it, we need to buy
20 it or take other avenues to acquire it. So I have no interest
21 in leasing it indefinitely. Either we purchase it or use other
22 legal options to acquire it. That's my position.

23 CHAIR PARDO: Yeah, and I feel the same way. I'm not
24 comfortable getting into any more leases with Viking, especially
25 with the prior lease that we had and then they turned around and

1 they said that they were going to renege on it and we had, you
2 know, six months to get off of their land. I say if we really
3 need that property, we need to move forward with condemnation.

4 EXECUTIVE DIRECTOR BROWN: Okay. Well, I'll highlight what
5 we can do with it or around it.

6 CHAIR PARDO: Either that or attempt to get them to sell
7 it to us first.

8 EXECUTIVE DIRECTOR BROWN: But again, we at the CRA don't
9 have the resources so our recommendation is you have that
10 discussion as members of city council.

11 In terms of an update on the land swap agreements -- which
12 you'll see a formal package -- is that Viking has agreed to swap
13 land to allow us to construct the public market. They have
14 agreed to swap land that will allow us to construct more homes
15 in the Park Manor neighborhood.

16 And as I indicated, they have provided terms that will
17 revoke the early termination of the Yachtsman parcel. In
18 exchange for those, together we'll be recommending that we close
19 old 13th Street from Avenue E, which is across Broadway, to
20 Avenue C. That the terms consolidating the holdings you will
21 see in February is mutually beneficial to both parties. And the
22 real property exchange agreement is currently being reviewed by
23 Mr. Haygood and their respective attorneys.

24 COMMISSIONER THOMAS: Madam Chair.

25 CHAIR PARDO: Yes, sir.

1 COMMISSIONER THOMAS: Mr. Brown.

2 EXECUTIVE DIRECTOR BROWN: Yes, sir.

3 COMMISSIONER THOMAS: I am -- I have some concerns in
4 reference to the property swaps. Although I heard you say that
5 it's going to be beneficial to both parties, and I do believe it
6 is, I want to make sure that we're getting an apples to apples
7 swap. So if they're giving us some residential lots and we're
8 giving them commercial, that's not an apple to apple to me. So
9 I don't know what the formula would be for it. But if it's two
10 residential acreage, X number for however it is, I just want to
11 make sure that we're -- and I'm sure that you are. I just want
12 to put on the record that I have a concern about that. I want
13 to make sure that we're not giving up all of our commercial real
14 estate for residential real estate because I don't believe that
15 it's valued, you know, the same, and in those areas.

16 The other thing is, where would those scattered lots be
17 that they would offer in exchange for the -- this property?

18 EXECUTIVE DIRECTOR BROWN: And again we'll be prepared to
19 show you that presentation next month. But I think your
20 guidance that you're giving us is spot on; and I think we'll be
21 able to demonstrate to you that we are trading properties that
22 I'll use the term that are similarly situated. So for instance
23 if we're getting scattered site lots, that is pretty much what
24 we're providing Viking. And it for the most part centers around
25 the remnants of the parcels along 13th Street when the road was

1 recreated. And so we consider those to be similarly situated.
2 And we'll have an exhibit and we can compare.

3 What may slow down the presentation is there are a few
4 parcels that are being recommended that we've yet to appraise.
5 So you'll have an appraised value for all the parcels. And then
6 there are a couple others that were recommended by Viking as
7 part of the trade that we have never published for disposition.
8 And in order to stay current with state law and including your
9 policy, we have to publish those properties.

10 And I've asked Mr. Haygood to have a discussion with
11 Viking's attorney to determine whether or not we should pull
12 those out of the swap agreement or indicate some other
13 disclaimer that if someone makes an offer that is consistent
14 with our CRA plan, and is of greater benefit to them than us,
15 then we would want to be in a position for you to consider that.

16 COMMISSIONER THOMAS: So why are we offering those up in a
17 swap if somebody can come in and buy it?

18 CHAIR PARDO: Hold on a second. Just let the record
19 reflect that Commissioner Miller-Anderson is now on the dais.

20 I'm sorry, sir. Go ahead.

21 EXECUTIVE DIRECTOR BROWN: It only reflects on one or two
22 parcels. So it's not the total portfolio. Because those
23 properties have historically been published.

24 COMMISSIONER THOMAS: Okay. And on the actual purchase of
25 this agreement -- of the Yachtsman, since we've already gone

1 through the budget process on both sides, is there some type of
2 strategy to be able to purchase that particular property? I
3 mean or are you saying that this is going to be in limbo until
4 the next budget year's conversation to start?

5 EXECUTIVE DIRECTOR BROWN: We've had discussions with the
6 city about the resources to acquire the Yachtsman, including
7 resources to construct the parking garage. And so I think
8 that's why we're saying -- your conversations and the questions
9 are very appropriate, but they should also include feedback from
10 the city manager as well. But those conversations have been
11 had; and they understand that we've identified an amount closer
12 to about ten million in combination of financing a parking
13 structure at the marina and buying land. And so the issue that
14 I think will be presented to you from the City's side is that if
15 ten million is their financing capacity, do you spend it here or
16 are there other priorities that you would want considered.

17 COMMISSIONER THOMAS: Okay. Well, I just want to make sure
18 that I have a timeline of when we're speaking of discussing
19 this.

20 So, basically, for a number of that magnitude, that's going
21 to call for a true budget sessions and series; so we're not
22 looking to really do this or actually make any real movement
23 until after October, is what you're saying?

24 EXECUTIVE DIRECTOR BROWN: Well, the good news is that by
25 revoking the early termination, that Viking has eliminated for

1 us the time of essence. And not only have they offered to
2 eliminate the early revocation of that termination, they have
3 even asked us to give them a date to when either party would
4 want to consider an early termination. So if we -- which it's
5 all tied to the swap agreement so there are conditions. But the
6 good news is that I'm not sitting before you saying that we've
7 drawn a line in the sand and that we need to act quickly.

8 COMMISSIONER THOMAS: Well, I guess I'm just concerned that
9 right now is kumbaya, but what happens if there's no more
10 kumbaya. We saw that over the past 24, 26 months where it was
11 okay for a minute, everybody was playing nice, and then it got
12 really nasty. I just don't want somebody to be able to dangle
13 something over us and say, okay, you know, no more, if they get
14 upset with you, if you get upset with them, that type of thing.
15 I just want to make sure it's a smooth transition if we're going
16 to do this. Make sure it can't be broken or they can't just
17 take it back in the middle of a project. And I'm not saying
18 that they would. I'm just wanting to protect us.

19 EXECUTIVE DIRECTOR BROWN: And I think as Mr. Guyton and
20 Ms. Pardo said for the record, that they want to buy it,
21 including whether or not it would be condemned. And so I think
22 obviously the CRA doesn't have the power of condemnation or
23 eminent domain, so that conversation again at the city council
24 level will allow you to have a discussion of doing that.

25 With Viking revoking the early termination -- when you go

1 through a condemnation process there's two procedures: You can
2 do a quick take, which if they had drawn the line in the sand I
3 would be recommending that we pursue that route.

4 COMMISSIONER THOMAS: I'm not necessarily wanting to
5 discuss any strategy right now.

6 EXECUTIVE DIRECTOR BROWN: Right.

7 COMMISSIONER THOMAS: I just want to kind of give you where
8 I am with that. And we're just making sure that no one can do a
9 revocation or revoke it in the midst of us moving forward with
10 another plan. I just don't want to be thinking that we have
11 something and then a couple months later it's like, well, no.

12 And does this tie into the property swaps? Does this -- so
13 if it -- if it's tied into the property swaps then we kind of
14 need to understand the totality of the circumstance before we
15 move. And if not, why wouldn't we do it separately? Why are we
16 keeping it together like that? I mean personally I would feel
17 much better if we split it up, you know, and I have no problem
18 doing property swaps. But if you're going to tie the middle of
19 our project up, and we don't agree to the property swaps, or
20 someone comes in after we've advertised it and says I want to
21 buy it, and then they don't get a chance to buy it or
22 whatever -- there's just too many uncertainties in that so...

23 EXECUTIVE DIRECTOR BROWN: And I'm hopeful that Mr. Haygood
24 is taking that as guidance.

25 MR. HAYGOOD: Yeah, we understand that. And the way we are

1 negotiating, the terms that have been suggested and we're
2 negotiating are that they -- only once the agreement is signed
3 are they tied together. But once the agreement is signed we do
4 the swaps, the lease for the property is there, but it doesn't
5 prevent you from doing the term of the lease -- that is the
6 city -- and condemning it. But it's just trying to get a
7 comprehensive agreement to cover those outstanding issues
8 surrounding the marina. And parking, we have a -- there's a
9 provision there concerning parking not only on this property and
10 the Yachtsman but also on some other properties.

11 COMMISSIONER THOMAS: I get it. And they want a mandatory
12 abandonment as well, right?

13 MR. HAYGOOD: Well, that's part of the swap agreement.
14 That was the term that we had had before. It's conditioned
15 upon, the swap is conditioned upon the street, 13th Street,
16 being abandoned.

17 If it's not abandoned it really doesn't make any sense
18 because you have old 13th Street going down the middle of these
19 lots.

20 EXECUTIVE DIRECTOR BROWN: And in this presentation you're
21 going to see where we have strategies in the event that things
22 don't go as planned, that our redevelopment is not strangled.

23 COMMISSIONER THOMAS: Okay. That's all.

24 COMMISSIONER GUYTON: Madam Chair.

25 CHAIR PARDO: Yes, sir.

1 COMMISSIONER GUYTON: Very quickly. And to piggyback on my
2 colleague, Councilman Thomas, and very much to my surprise he
3 made some very good points. One of the good points that he made
4 was not tying these agreements together, where one depend upon
5 the other. I definitely agree to that.

6 The other one, other good point that he made, to my
7 surprise, was that he suggested ensuring that it's apples to
8 apples and not apples and oranges as it relates to the swaps.
9 And I heard Mr. Brown say that they would be similarly situated.
10 But I want to ensure that they are similarly valued as well.
11 That is going to be important to me; that not just the location
12 and the geographical location are similar but the value is also
13 similar.

14 The other thing that Councilman Thomas did mention or
15 express the concern about, where would we get the funds from.
16 One of the things that I've been thinking about is that should
17 we have the borrowing capacity on the City's side and if a
18 decision is made to use that capacity to either purchase the
19 land as necessary and build a garage, there has been some
20 discussion about going out for an RFP to bring in another
21 developer. And should that happen I would hope that there is
22 some clause in there that maybe require them to come in and
23 write a check and maybe provide an incentive for them to do
24 that.

25 And I think that we do have options that would allow us to

1 do what we need to do. If we bring somebody else in, make sure
2 that they have the resources to come in and hit the ground
3 running. And we can try to develop an incentive package that
4 would encourage them to do that. So I think that there are
5 options that will not keep us on the hook too long should this
6 work out right. We may have to put it up front. And then if we
7 have a strong financially situated developer and a builder to
8 come in, we can negotiate some of this down. So I would like to
9 keep those options open as well.

10 EXECUTIVE DIRECTOR BROWN: And I will be highlighting some
11 of that for you tonight as well.

12 COMMISSIONER GUYTON: Thank you, Madam Chair, I'm done.

13 CHAIR PARDO: Okay. Mr. Brown, you want to continue?

14 EXECUTIVE DIRECTOR BROWN: So we wanted to give you a
15 snapshot of where we were nearly a year ago, or at least in
16 December. So the -- with the current land swaps as it relates
17 to the public market, we can go back to the original design
18 where the market was going to be in two buildings, sort of as an
19 anchor at Broadway and Avenue C, a second building that was
20 going to go alongside 13th Street. And the benefit is that with
21 the swap it benefits Viking as well because they begin to
22 consolidate holdings north of 13th Street. So this is a good
23 example of what we're swapping here are similarly situated. We
24 have previously done appraisals and they are similarly valued.
25 So we know that this is not an issue and it's mutually

1 beneficial to both parties.

2 I'm going to tell you three options that we looked at.

3 Option one is where might we build the garage if we build
4 the public market separately. And in this example to the right,
5 that the original plan sort of post swap would indicate that we
6 would build the garage at Spanish Courts.

7 And option two, if you considered that if post swap if we
8 did the public market, that the western half of what we call the
9 13th Street gateway is undeveloped. And so we've presented to
10 Viking as we've talked about the swaps, is that post swaps, what
11 if -- and I'll give you some highlights -- that we then purchase
12 the remainder half, and that Viking in retaining development
13 rights would then as a partnership would develop the 13th Street
14 gateway. And in the presentation I'll go through that slide
15 show.

16 So Mr. Thomas asked the question earlier well what happens
17 if we go through this or as we talk about it, and given your
18 direction we say we want to remove the Yachtsman from the swap
19 agreement, and there are other things that we do that Viking
20 says no, or for whatever. What you see in option number three
21 is that we can still go forward and build the parking structure;
22 Marine Way becomes a development site; Market Court, because of
23 the Yachtsman and the 13th Street gateway, because we haven't
24 swapped property, remains under developed properties. Either
25 party could do something, but not to the maximum of the

1 conceptual master plan that was created. And because I'm
2 reporting to you that Viking has been participatory and has been
3 positive, that at present we do not recommend option number
4 three. But if things do fail, in an effort to keep from choking
5 the redevelopment opportunity that Restaurant Row provide us,
6 that we are moving forward with a parking structure at Spanish
7 Courts. And to Mr. Guyton's comments that because it could
8 contain an element of private development it too would provide a
9 positive increment to help pay for parking. And I'll come back
10 to that.

11 COMMISSIONER THOMAS: Madam Chair.

12 CHAIR PARDO: Yes, sir.

13 COMMISSIONER THOMAS: Can you go back one slide? I just
14 want to make -- no, no, no. Go back to where you had the
15 options up there.

16 Option three, you're saying that you're not recommending?
17 But option three would be the third bullet point?

18 EXECUTIVE DIRECTOR BROWN: Option three is -- we could do
19 that now.

20 COMMISSIONER THOMAS: Okay. But why are you saying you're
21 not recommending that?

22 EXECUTIVE DIRECTOR BROWN: If you allow me to go forward
23 with the presentation I think you'll see the -- I'll highlight
24 the pros and cons of why.

25 COMMISSIONER THOMAS: Okay.

1 EXECUTIVE DIRECTOR BROWN: And the biggest reason is
2 because Viking has indicated that it is to do land swaps that
3 are beneficial to both parties. So they're not being obstinate
4 in this process.

5 So option one is sort of what we could do post swap. And
6 it requires a land swap with Viking. We would still look to
7 build the parking structure at Spanish Courts. The public
8 market will be built on land swapped with Viking. And then we
9 have a proposal from CBRE to lead a private development
10 solicitation, at Spanish Courts as well as Marine Way. And the
11 benefit of this development at Spanish Courts would give us over
12 a thousand parking spaces. It shows about 56 residential units
13 and 16,000 plus square feet of retail office space. It leaves
14 the market court and the 13th Street gateway partially
15 developed. But with the public market it's not an island, if
16 you will. But the Marine Way will still provide a sizable
17 parcel to put out to the market for development ideas.

18 Option two is the proposal that we gave Viking that post
19 swap, if you have no plans for the western half of the post swap
20 property then why don't we just come together and do the 13th
21 Street gateway. In this scenario, which is the CRA preferred
22 scenario, I can't say it's Viking's preferred, but it's the
23 CRA's preferred -- and I will say that based on my conversation
24 with Mr. Healey, he is getting an appraisal on the other portion
25 of the land and this proposal is under consideration. In this

1 proposal we can move forward together with what we call the 13th
2 Street gateway. It requires the CRA to acquire the 13th Street
3 gateway post swap. We have an appraisal so we have an idea what
4 that will cost. We propose that Viking retains development
5 rights --

6 COMMISSIONER GUYTON: Madam Chair. Quick question. On
7 that point, retain development rights. To what parcels?

8 EXECUTIVE DIRECTOR BROWN: It would just be 13th Street
9 gateway. It would be just this development I'm talking about.
10 And in the proposal to them we said --

11 COMMISSIONER THOMAS: Madam Chair. You said they retain --
12 what are they retaining? I thought we were done. You can't
13 retain something that you don't have.

14 EXECUTIVE DIRECTOR BROWN: Well, in this proposal we swap
15 property, so Viking owns the western half of this block. And so
16 once we swap, so -- what if they put a convenience store here on
17 this corner? So there are still elements to what Viking has
18 remaining to develop. I don't know what the zoning says. I
19 mean what if they put a gas station? I'm just giving things
20 that --

21 COMMISSIONER THOMAS: They own that property.

22 EXECUTIVE DIRECTOR BROWN: After the swap they own this
23 part.

24 COMMISSIONER THOMAS: Okay. I'm uncomfortable with you
25 saying they're retaining some type of rights to do --

1 VICE-CHAIR DAVIS: No, he's saying pending.

2 EXECUTIVE DIRECTOR BROWN: In this proposal they would --
3 and subject to your approval, obviously -- they would retain --
4 they would sell us this and they would retain the rights to
5 develop under a concept that we propose. And what I was about
6 to highlight is the concept. So they're not going to retain
7 development rights and say okay we want to build a 30-story
8 tower --

9 COMMISSIONER THOMAS: Are you saying that they'll swap a
10 piece of property that now will belong to us but we would still
11 say you can develop on it?

12 EXECUTIVE DIRECTOR BROWN: No. What I'm saying, in this
13 example they're going to swap the property -- we're going to put
14 the public market -- but they still own the remainder. They
15 still own the remainder. So to incent them to develop I've
16 asked them to sell us the remainder; and that in a concept that
17 we could then build 58 residential units and 16,000 square feet
18 of office retail. So they have the responsibility to develop
19 the apartments and the retail. Nothing grandiose. This is what
20 Song & Associates, our architect, said is currently within
21 zoning that could be done on this block. And so we are then
22 modifying the public market concept so that we could create a
23 block development.

24 CHAIR PARDO: All right. Wait a second. Wait a second.

25 EXECUTIVE DIRECTOR BROWN: I mean if the Board is not

1 interested in --

2 COMMISSIONER THOMAS: I'm just interested in understanding
3 it.

4 CHAIR PARDO: Yeah, me too. So it seems like we're going
5 to swap, and part of the swap is we're going to allow them to
6 develop Spanish Courts.

7 EXECUTIVE DIRECTOR BROWN: No, that's not what I'm saying.

8 CHAIR PARDO: That's what it sounded like you were saying.

9 EXECUTIVE DIRECTOR BROWN: Okay. Let me read the bullet
10 points so we're clear.

11 So we swap the land with Viking so we can still do the
12 public market.

13 In swapping the land, option one, Viking still owns the
14 remainder of Broadway and 13th. And we can do this and we'll be
15 done and Viking can come later and decide what they want to do
16 on 13th Street.

17 COMMISSIONER THOMAS: Okay. Walk back through that again,
18 please. Just that part that you just said.

19 EXECUTIVE DIRECTOR BROWN: We swap.

20 COMMISSIONER THOMAS: What are we swapping?

21 EXECUTIVE DIRECTOR BROWN: So right now the current
22 ownership is in, I'll call this the 13th Street gateway block:
23 Broadway, 13th Street, Avenue C. We own the northern one third.
24 Viking owns --

25 COMMISSIONER THOMAS: The green?

1 EXECUTIVE DIRECTOR BROWN: The green is what Viking owns.
2 And so from Broadway to the Yachtsman site is green. So they
3 own this entire sliver of land.

4 COMMISSIONER THOMAS: Okay. From Broadway all the way into
5 the marina?

6 EXECUTIVE DIRECTOR BROWN: All the way into the marina.

7 And we just had the conversation about the Yachtsman and
8 the preference to acquire the Yachtsman and to not make it part
9 of this deal. And so we got that direction clearly. So now
10 we're dealing with the 13th Street gateway. And so in this
11 block we own a third. And what you see in the white is old 13th
12 Street. And then they own the southern two-thirds. North of
13 13th Street, we own half --

14 COMMISSIONER THOMAS: I thought you said they own all of
15 the green.

16 EXECUTIVE DIRECTOR BROWN: South of 13th Street, in this
17 block, they own all of the green.

18 COMMISSIONER THOMAS: So we own some of that green?

19 EXECUTIVE DIRECTOR BROWN: No. We own the blue.

20 CHAIR PARDO: So that on the north is where we're split.

21 EXECUTIVE DIRECTOR BROWN: So if we swap property, if we
22 swap property -- I don't have a slide to show what it looks like
23 post swap. But basically if we swap the property we own nearly
24 half of the eastern portion of that block and Viking owns half
25 of the western portion of the block.

1 COMMISSIONER GUYTON: Madam Chair.

2 CHAIR PARDO: Go ahead.

3 COMMISSIONER GUYTON: Now the Marine Way portion, did you
4 say that they retained development rights?

5 EXECUTIVE DIRECTOR BROWN: No, they do not. I'm saying
6 that CBRE would lead a solicitation at Spanish Courts for this
7 development.

8 So let's just say that we're not going to do anything with
9 Viking. What option three says is that we can do our mixed use
10 development and parking structure at Spanish Courts; and that we
11 have a development pad represented as Marine Way that is
12 consolidated and is of value and attraction that a developer
13 would probably respond to. Because there's mixed ownership in
14 Market Court -- so here for the most part Viking through
15 Yachtsman owns the postage stamp; and we own the blue that's
16 represented as an L shape. So we could do something here but it
17 would have to be done around the Yachtsman site.

18 Then we get west of Avenue C, in this block, we really
19 don't have enough to put a building on. It could be a landscape
20 buffer. It can be a number of things. But what's represented
21 in this block when we look down the road, that the Market Court
22 and 13th Street remains somewhat undeveloped because site
23 control for us as well as Viking is somewhat restricted. So in
24 the swap agreement, and having similarly situated properties,
25 instead of saying -- and let me go north. Also north of 13th

1 Street we own about half of this parcel represented in blue.
2 And in this parcel Viking can't do much except maybe on
3 Broadway, on this parcel. But then we can't, nor they, can do
4 much east of this block along 13th Street. So this proposal,
5 which you approved back in December of 2014, is allowing us to
6 swap land in these two blocks, that consolidate the property,
7 that allow us -- and you can see here -- that allow us to build
8 our public market. And these dashed green lines, then Viking
9 begins to own these, and so Viking now owns the western portion
10 of the 13th Street gateway, and now they own the sliver of this
11 parcel north of 13th Street.

12 COMMISSIONER THOMAS: If we abandon the street for ourself,
13 does that give us enough property to build on?

14 EXECUTIVE DIRECTOR BROWN: Yes. And that was what delayed
15 this because Viking also wanted guarantees that the City
16 wouldn't, just wouldn't abandon it for us but that we abandon it
17 for them too. And this example shows that old 13th Street is
18 abandoned for the benefit of both parties.

19 MR. HAYGOOD: And I stand to be corrected by Pam, but I
20 think under the abandonment statute you can't abandon half of the
21 street. And by law when you abandon a street, half goes to the
22 joint property owners, from the center line.

23 COMMISSIONER THOMAS: If it's our street we're not really
24 abandoning it; we're just closing it, correct?

25 MR. HAYGOOD: No, abandoning and closing are two different

1 things.

2 COMMISSIONER THOMAS: I know.

3 MR. HAYGOOD: It's closed now.

4 COMMISSIONER THOMAS: Okay. It's closed.

5 MR. HAYGOOD: It's closed now but it's not abandoned. So
6 now it's still designated as a street. So you can't build in
7 it, you can't transfer title to it. So the abandonment would
8 give you half of the street from the center line would go to the
9 adjoining property owners.

10 So the theory is that on the abandonment it was to be able
11 to assemble the block as it's shown. So -- and this is the deal
12 that was actually -- has been signed. We still don't have the
13 agreement for that. The problem has become -- well, it's not a
14 problem. The swap is moving along pretty smoothly. I think
15 where the confusion, your questions came, was the suggestion or
16 the proposal what are we going to do, how are we going to
17 develop the rest of the block.

18 And I think I can explain it to you. So what Mr. Brown was
19 suggesting is that we would do the swap. When he says post
20 swap, that means that's the way the property will look at this
21 point that we do this next deal. He's suggesting that the
22 western part of the property, you would then buy that property
23 from Viking. This is post swap. You've done all the swaps and
24 everything; that deal is done. That you would buy the property
25 from Viking, in consideration of Viking building, retaining the

1 right to build on the block.

2 COMMISSIONER THOMAS: But why does it seem like we're just
3 giving the farm away?

4 MR. HAYGOOD: I'm just trying to explain what the deal was.

5 COMMISSIONER THOMAS: I understand it very clearly. We're
6 going to swap and then we're still going to give them money
7 after the swap for some more of their property and still give
8 them the right to build?

9 EXECUTIVE DIRECTOR BROWN: Well, I don't know if we're
10 going to give. We're going to buy the land and then we're going
11 to incent them to develop. I mean it happened in West Palm with
12 Clematis, it happened down in Boca with Mizner Park. The city
13 bought the land fair market value and then worked a deal with
14 the developer.

15 COMMISSIONER THOMAS: Mr. Brown, and I believe that's what
16 CRA's should do. However, we've had a relationship that's been
17 a little rocky at best for the past 12 or 14 years. That's all
18 I'm saying, is this was something I said we're going to hit,
19 we're going to go, we're going to move.

20 I don't mind businesses making money, I don't mind it, but
21 at this point I'm just feeling like we're not -- we're giving
22 more away, throwing like good after bad is really what I'm
23 feeling.

24 EXECUTIVE DIRECTOR BROWN: I'm not asking for an action
25 item. I am giving the Board an update and the status on the

1 myriad of negotiations I'm having with Viking. Part of what I'm
2 doing in this process is I'm sort of understanding the party on
3 the other side. And in understanding the party on the other
4 side, between the Yachtsman and 13th Street gateway, between
5 this green sliver, the property records show that Viking spent
6 eight million dollars assembling that land. The market value at
7 best is four million. The only way they begin to make that back
8 is to develop. And you've said, our public has said, that the
9 investment in the marina is to spark redevelopment at the
10 Broadway corridor. So, yes, we achieve a part of a goal to swap
11 the land and build a public market, achieve a goal of building a
12 parking garage at Spanish Courts, that we solicit a developer
13 who would then come in and take ownership and create a deal for
14 how they would develop the 56 residential units of property at
15 Spanish Courts. But then we're done.

16 So then in this scenario, option one, Viking is to the
17 south, as represented here on Spanish Courts; and they're to the
18 north. The previous plan that they had called for major
19 high-rise condos along the Broadway corridor; and we told them
20 that doesn't work. So then I'm saying to your option one is we
21 can do this. And hearing the comments, if you think that
22 Viking -- and Viking may say to me that, no, Tony, we have other
23 interests in the plan and we have no interest in doing option
24 two.

25 It is I who proposed to Viking option two.

1 And that in a typical deal like this, is that if they
2 desire to develop, then we're giving them the development
3 rights. Not under some grandiose plan, but if we owned the land
4 what we would do today. That's the proposal to Viking. It's
5 not 15 stories. It's if you want to do this, if you think that
6 this is beneficial to you, that we would modify our plans for
7 the public market and that we would create a development that
8 would allow you to build 58 residential units and 16,000 square
9 feet of office retail; and we then have created a property that
10 between the two parties would be 46 to 56 million dollars in
11 development. It would contribute \$390,000 in additional TIF.
12 If we just put a parking garage there then we have no
13 development to even pay for the garage. So this one was without
14 going out to the market with an RFP. It's saying that instead
15 of keeping half the block undeveloped, if Viking's interest, if
16 Viking's desire is still to go vertical, then if you have no
17 other plan for this then here's a concept that allow us to
18 continue to work together.

19 I have always said that Viking does not have to be master
20 developer for us to work together to develop the Broadway
21 corridor. And this is one example of how that can be
22 accomplished.

23 If they say no, that's fine, we move forward with option
24 one and we're done. If they say yes, we're still moving forward
25 under option two, because now -- and I think if they say yes

1 here and we make the assumption that the City acquires the
2 Yachtsman site, so now when we engage CBRE, CBRE has three major
3 pads that they can develop or market for some developer to come
4 in and do.

5 (Vice-Chair Davis left the meeting.)

6 So this one allows us to continue to achieve the
7 significance of the marina district plan and yet still provides
8 an option for Viking to earn through the land that they've
9 acquired, if it's their intent to develop.

10 I'm just sharing with the Board the conversations we're
11 having. I hear the concern. And I'm sure Viking is watching
12 the meeting; they hear your concerns. But there is no action
13 item brought before you yet, other than me letting you know what
14 we're still trying to do as we still try to effect redevelopment
15 along the Broadway corridor.

16 So with that, and the conversation -- and I felt the need
17 to show you the various options because as you asked me to come
18 up with plan B, plan B would be if we move with option one, that
19 we would engage CBRE to see if there is a developer interested
20 in doing the mixed use development on Spanish Courts and to come
21 up with a plan for Marine Way.

22 If Viking decides -- and you like the terms of the
23 development agreement, then CBRE will go out still with an RFP,
24 where Spanish Courts is a clean slate, where Marine Way is a
25 clean slate, and the Market Court assuming we've acquired the

1 Yachtsman is also a clean slate, and we can go forward with the
2 parking garage now as opposed to waiting to the outcome of the
3 RFP process.

4 And so as we look at what is the opportunity, and some of
5 the direction that we'll need to get, and some of the direction
6 that you'll need to give the city manager is are we going out
7 with an RFP for Marina Village only. And that might be option
8 one or option two. Or it could be option three. Who knows.

9 And then do we also in the solicitation want to include the
10 Broadway corridor, which would be about another three acres of
11 property to be developed.

12 Just by way of reminder, we have been looking at the
13 Broadway corridor, and what you see in this graphic is Blue
14 Heron to the north, 11th Street to the south; and in working
15 with the Treasure Coast Regional Planning Council we looked at
16 Broadway between -- we looked at development sites between
17 Avenue E and Broadway; and then we identified where there were
18 clusters of ownership and vacant land, and we put it into five
19 what we call redevelopment areas. And so in this plan we look
20 at what could be done under the current code, that someone could
21 come in and do in-field development. And so if the City was
22 inclined, either with us or a separate agreement with CBRE, or
23 with someone else, were to market the opportunity of City owned
24 land in the Broadway corridor, we've recommended that part of
25 the solicitation could be area two.

1 As I understand, area two was once city hall. It's an
2 entire block. Based on the Treasure Coast plan it could be a
3 potential six-story development at a little under 159,000 square
4 feet. The question that CBRE asked to us, are we selling the
5 property or would we lease the property. So that question has
6 to be answered.

7 And then the evaluation of selecting a developer, our
8 recommendation would be we would leave open the highest and best
9 use; we would grade the developer or their timeline to get to
10 construction. We'd evaluate it based on their opportunity to
11 increase property tax values; whether or not they got a proposal
12 that's going to increase jobs or an array of goods and services;
13 how does the project make it attractive to Broadway and Avenue
14 E; and what is the potential that that project would be
15 catalytic for additional development.

16 The other things I've heard from you is that this is an
17 opportunity to include local ownership, whether it's
18 individuals -- this could be a small enough project for a small
19 developer; or that we would design the RFP that if the
20 investment group included local minority ownership, that all
21 those things could be embodied into the RFP.

22 Ms. Pardo, you grabbed your mic. Do you have a question?

23 CHAIR PARDO: Well, yes. With regard to the City property,
24 I think at this point you need to stay out of that. My opinion
25 is you need to focus on the marina area, and we need to have the

1 discussion on the City's side with regard to what we're going to
2 do. And, you know, if the City decides to move forward then we
3 can engage CBRE. But I think right now the pressing issue is
4 the marina development, what's going inside and outside, and
5 Spanish Courts; and my feeling is that's where we need to focus
6 at this time. Spanish Courts especially.

7 COMMISSIONER GUYTON: Madam Chair.

8 CHAIR PARDO: Go ahead.

9 COMMISSIONER GUYTON: To a degree I do agree with we need
10 to focus on the marina. But I think we also need to have a
11 broader vision of where we're trying to go ultimately. And if
12 we can pull that vision out now and then the city land that we
13 have to discuss, whether we like that vision or not we can have
14 that discussion. But I think it's helpful for me to have the
15 overall vision of that area of where we're trying to go and then
16 the respective jurisdictional authorities, be it the City or the
17 CRA, we can have the discussion with respect to which areas we
18 actually own. But I would like to see the overall vision, be it
19 from the CRA, or from the City, or we need to come together,
20 this is where we're trying to go --

21 CHAIR PARDO: Yeah, absolutely.

22 COMMISSIONER GUYTON: -- ultimately; and then we start
23 discussing if that's the vision that we want to maintain; and if
24 it is, how do we get there. If it's not the vision where we
25 ultimately want to go then we start making modifications. But I

1 do think this is helpful for me to see where we're ultimately
2 trying to go with this and how we can get there.

3 CHAIR PARDO: Sure. And that's why the City needs to be
4 part of it. This isn't Mr. Brown's vision. You know, the City
5 needs to be part of it.

6 COMMISSIONER GUYTON: Absolutely. And we may need to have
7 a joint meeting where we discuss the overall vision where we're
8 going. Because if we're only planning for two, three, four,
9 years, that's detrimental. I think that we need a longer vision
10 so that we can map out a plan to get there incrementally, where
11 we're going to be in five years, ten years, 15 years, this is
12 where we're trying to go. And the short term visions I don't
13 think would give us the maximum return that our residents
14 deserve.

15 So I would love to have a joint meeting with the City, our
16 City staff in here, and come up with more of a long-term vision,
17 as opposed to what are we just going to do the next two or three
18 or four or five years.

19 CHAIR PARDO: Right. And, you know, if we're going to have
20 that meeting we really need to think about what we want that
21 Broadway corridor to look like.

22 COMMISSIONER GUYTON: Absolutely.

23 CHAIR PARDO: All right? So we had a plan from Treasure
24 Coast and, you know, we thought we knew what we wanted and then
25 all of a sudden someone was coming in and trying to build low

1 income housing on the west side of Broadway. Right? They came
2 to us. They're trying to work out a deal right now with the
3 developer.

4 And at one point the City wanted to build city hall over
5 there but, you know, they don't have the money to do that.

6 Years ago we were talking about, when Rybovich said that
7 they were going to come into Riviera, there was a lot of
8 discussion about turning the south end of Broadway, from Blue
9 Heron south, into this Marina Mile, which would compliment the
10 marine businesses that we already have along the Broadway
11 corridor. So there's, you know, there's great opportunity on
12 that site to do something with, you know, marine related
13 businesses.

14 So I think everyone really needs to think about what we
15 want to see on Broadway. Do we want low income housing? Do we
16 want marine? Do we want city hall on Broadway? So I would say
17 everyone start thinking about that and then we have a workshop
18 between the City and the CRA so, you know, we all have a unified
19 vision; and also it lets the developers know what they can
20 expect along the Broadway corridor.

21 COMMISSIONER GUYTON: If I may, Madam Chair?

22 CHAIR PARDO: Sure.

23 COMMISSIONER GUYTON: I think that we also need to remain
24 mindful of the fact when we're dealing with private property we
25 cannot dictate to them; we can have our vision as much as we

1 want but if our codes and ordinances allow a certain use, that
2 is something that would be hard to defend in my opinion to
3 reject. If we have a vision or direction and we can map it out
4 in our codes and ordinances, that's the place to do it. But if
5 we have allowable uses, and if it's low income housing that is
6 allowable, I'm not going to sit here and vote against it because
7 that wasn't the vision that we had. So we need to decide
8 whether we need to revisit our code and ordinances.

9 CHAIR PARDO: Right.

10 COMMISSIONER GUYTON: And if we should do that, that will
11 be a much longer process obviously.

12 But when we're dealing with private property, they still
13 have their property rights.

14 CHAIR PARDO: Right.

15 COMMISSIONER GUYTON: And if they comply with our codes, I
16 for one would not sit here and reject it based on it wasn't a
17 vision that we thought they should do on their property.

18 CHAIR PARDO: Right. So, again, that could be part of the
19 workshop, you know, going back to, you know, what do we want to
20 be.

21 EXECUTIVE DIRECTOR BROWN: And so, again, not a decision
22 item. I'm negotiating the work plan for CBRE. And so the
23 question actually to the City, and it was a question posed to
24 the City, is that would it include the parcels along Broadway.
25 And all those things that you mentioned could be accomplished.

1 But I think that decision is one that we're asking guidance from
2 the City because CBRE will be marketing the marina to national
3 developers; and so the interest of national developers -- and we
4 would propose to have it written so that it also is attractive
5 to local developers. We don't think we need a master developer
6 to do this. It may be a major developer. It may be multiple
7 developers. And so the question is the what.

8 As Treasure Coast did to the Broadway plan, I will also
9 indicate to you that they did speak with the City on their land.
10 And so the concept isn't just out of the air; it took into
11 consideration other property owners.

12 If we were to do -- or after the workshop if you thought
13 that the solicitation of the other land owned by the City would
14 be part of a marketing effort, then area three we also think has
15 major redevelopment potential and could also be a game changer
16 for the look and feel of Broadway and Avenue E.

17 This area is a little different. Even though the City has
18 that half a block that is west of Miami Subs, what you have are
19 major investments underway or major property owners that their
20 property is under utilized. And so in this area it includes the
21 City, Rybovich, and Millennium One, who happens to be our
22 landlord. And you know that the properties west of the building
23 are underutilized; and even south, where they have those multi
24 lane drive-through tellers, have been unused for the four or
25 five years that I've been here.

1 So in this case if that was provided it would still be the
2 same solicitation and the evaluation of the ideas for highest
3 and best use. And as you can see in that last bullet point
4 would be ownership involvement of local or minority investors.
5 And so that could also allow us to put area three of the
6 Broadway corridor plan into action.

7 As a point of clarification, is the direction to just focus
8 on the marina development or would you want to have a joint
9 workshop with the City to determine if the solicitation of ideas
10 of the Broadway corridor should be part of the marketing effort
11 of CBRE?

12 COMMISSIONER GUYTON: Madam Chair.

13 CHAIR PARDO: Yes, sir.

14 COMMISSIONER GUYTON: My position is the latter. To have
15 just a limited focus on the marina, I think that we're missing
16 an opportunity to tie the Broadway corridor into what we're
17 going to do at the marina. So it's my hope that we have a
18 broader vision to look at how does Broadway help stimulate the
19 marina; and to do that we need to consider the uses that we
20 would like on Broadway as well. And it's my hope that we would
21 have a broader vision to include Broadway, and have that
22 discussion with the City, and hopefully come to a longer vision
23 that will stimulate our economy for years to come.

24 Thank you, Madam Chair.

25 COMMISSIONER THOMAS: Madam Chair.

1 CHAIR PARDO: Yes, sir.

2 COMMISSIONER THOMAS: Mr. Brown, I think what's going to
3 happen is we're going to have a failure to communicate with each
4 other because the priorities for the two different agencies are
5 different. It would be -- with the needs of new buildings,
6 fire, police, city hall, it's going to be hard I think for
7 Ms. Jones to say okay well we will dedicate that particular land
8 to do something else, but still have a need to satisfy the
9 requirements for these increasingly ill buildings that we're
10 operating in. So I believe that that would be it.

11 And then also I want to make sure that, you know, as we sit
12 as the CRA board, you know, we're looking at the CRA area; but
13 when you're sitting as the City board you have to look at
14 city-wide and some of the other issues and problems that need to
15 be resolved in that.

16 But with that being said, of course we need to work
17 together on something. But I'm going to find it hard-pressed to
18 say okay we need a new city hall, we need a new fire station,
19 police station, all of those other things, but we're going to
20 give up that particular property without having a justification
21 for how we're going to fix the problems that we currently have
22 on the City side. Not saying it can't be done. But it would
23 need to be more of a, the City bring their needs and goals, the
24 CRA brings their needs and goals, and see how we can work it; or
25 it's going to be like two rams going at each other.

1 So if we're going to do it with both of those things in
2 mind I have no issue. But I would be giving you a great, you
3 know, recommendation, evaluation if you come and you bring that;
4 but I won't be giving Ms. Jones one if she doesn't come and
5 bring what she needs; and vice versa, Ms. Jones does the same
6 thing I'll be giving her a great one but not you if you don't
7 bring what's needed. So I mean it's a tough thing, we got to
8 think through it some more. But I do want to make sure that
9 we're operating and we're thinking what both parties needs in
10 mind.

11 EXECUTIVE DIRECTOR BROWN: And I do want to say for the
12 record when we did the Broadway corridor study, and if you
13 can -- we can get the Board members another copy. But it did
14 take into consideration moving city services to area two, and
15 the potential for a fire station at area three. So Treasure
16 Coast has scenarios that included city services as well as for
17 private development. So it wasn't done in isolation. I just
18 wanted to put that for the record.

19 COMMISSIONER THOMAS: Okay.

20 CHAIR PARDO: Ms. Miller-Anderson.

21 COMMISSIONER MILLER-ANDERSON: I think I've stated this
22 before when we're having to be in two spots in trying to make
23 these decisions on the City side and the CRA side. I agree with
24 Mr. Thomas in terms of making sure that we're able to cover
25 what's important on the City side but also what's important on

1 the CRA side. In doing so though, you know, I continue to say
2 about the Broadway and Avenue E area not really getting a whole
3 lot of attention; so I certainly think that this would be one of
4 my priorities, to make sure that that area is developed. And
5 which way we go with it, we would have to take a look at it; as
6 Mr. Guyton stated, we want to have a long-term vision for it.
7 But I think it does go along with the marina, we don't want to
8 develop that area and then the area right up the street is
9 dilapidated and, you know, run down and to a point where it
10 seems like no one is caring about their area. So we want to
11 make sure that we tie that in as well.

12 But, again, we're going to have to look at both sides and
13 determine which way we want to go. But in doing that I want to
14 make sure that we don't neglect this area any longer.

15 CHAIR PARDO: All right, sir, you have your marching
16 orders?

17 EXECUTIVE DIRECTOR BROWN: I have direction.

18 CHAIR PARDO: All right. Thank you very much for the
19 presentation. Are you done now?

20 EXECUTIVE DIRECTOR BROWN: Actually I'm getting ready to
21 segue.

22 So in essence whether it included the Broadway corridor or
23 not, the timeline for engaging CBRE is that we would like to
24 bring a work order either at the February 10th meeting or
25 February 24th. We feel it might be important for the Board to

1 opine on the RFP scope. What I'm doing now, I'm segueing into
2 what you asked me to present is sort of the plan B for the
3 process to solicit for private development. So based on the
4 direction today it would not include or potentially would not
5 include blocks one and two. But what you see here is the six
6 plus acres in the marina development; so the timeline doesn't
7 change, it's just a matter of what they're soliciting for. And
8 the aggressive timeline in our conversations with CBRE is that
9 we could get the work order and scope to you by the end of
10 February. They take 60 days to market the properties. And then
11 we'll take about up to another 60 days to evaluate and qualify
12 all proposals received. Make a presentation to the Board in
13 July. And, again, depending on what and how much, take a couple
14 of months to develop the development agreements and close the
15 transaction.

16 So this -- and many of you have been getting phone calls
17 from developers. You're referring developers to me. And so
18 this is the slide that if you approve the work order and the
19 scope we would go to market as early as March, and would hope to
20 be able to present to you a developer or developers that would
21 develop the marina. And if the City decided to do something
22 separate that could potentially even include the Broadway
23 corridor.

24 So that's the marina update. And with that --

25 CHAIR PARDO: We'll go to item 10, presentation of the

1 Marina Village logo.

2 EXECUTIVE DIRECTOR BROWN: And I'll bring Carey up. From
3 that she's also going to segue into item 11, the CRA website
4 redesign.

5 MS. O'DONNELL: Correct, yes.

6 Good evening. Carey O'Donnell, president of the O'Donnell
7 Agency.

8 CHAIR PARDO: Good evening.

9 MS. O'DONNELL: Tony, do I have this up?

10 Okay. Good. Thanks. So now we're moving into -- you
11 know, we're getting there, bit by bit; one way or another we
12 will get to a beautiful redeveloped marina.

13 And we're here to talk tonight about the logo and the
14 branding for that marina and what we hope it will achieve. We
15 have worked for four months on this process. We were contracted
16 for five options and we delivered 30. We just couldn't stop.
17 And we brought them to a group of, a very informed group of
18 stakeholders and debated them. CBRE has seen them. CRA staff
19 has seen them. I think the many committees that work with CRA
20 have seen them and voiced opinions. But our core group were
21 people who truly understood the marina and understood that this
22 was going to be a destination for residents and visitors and
23 that we need a logo that will communicate the experience and
24 experiences, the brand promise, what you will experience at the
25 redeveloped marina.

1 So what you're going to see over the next few slides on the
2 right-hand side are not the -- these are choices that were
3 favorites of some of the people that were involved in this. But
4 you're going to see the final choice that we are recommending
5 for your review tonight at the end of my slides.

6 So the rationale here is that the logo that we chose really
7 has to establish in a very distinct powerful way that this is a
8 new visitor destination packed full of fun. No one is going to
9 go to this new marina to do their taxes. They're going to go
10 because they're looking for a way to unwind at the end of the
11 day, visit a restaurant, hang out in a bar, do some shopping,
12 meet up with friends, water sports, sailing, fishing, outdoor
13 healthy activities. That's kind of the DNA and the core
14 components of the marina.

15 So it also needs to reflect that this is distinctly Riviera
16 Beach. This is not CityPlace. This is not the Clematis
17 district that grew out of an historic core. This is an amazing
18 location on the water that is at the nexus of the Peanut Island
19 area, the inlet, the intracoastal, and the ocean; with the Port
20 right smack next door, the economic engine of the city. It's a
21 working waterfront, it's real and authentic. So it isn't just
22 like a -- I mean I'm not dissing CityPlace, but CityPlace was
23 manufactured out of absolutely nothing except for the core of
24 the Harriet Himmel Theater, the only original structure there.

25 So we have a lot of good infrastructure that we're building

1 up and around, and so that informs somewhat what we build and
2 what the experience is going to be.

3 So we want to express the promise of a great experience,
4 relaxing leisure experience there, with an exciting, very
5 contemporary and authentic looking logo that is going to have a
6 broad appeal. Very important to have a broad appeal.

7 Again, these logos on the right were favorite choices but
8 not the ultimate choice.

9 So we're marketing to the visitor but yet this new logo has
10 to feel real to the people who live and know Riviera Beach.
11 They must be able to feel at home. This is going to be a
12 completely new marina like nothing that they've ever known
13 associated with our Riviera Beach Marina. So the logo has to
14 signal vibrancy and the versatility of the marine experience,
15 everything from water sports to, as I said, leisure, hanging out
16 with friends, playing with kids, Bicentennial Park wrapped all
17 in that. And it's very important that it attracts people from
18 every walk of life. So we're communicating to local, national
19 and international visitors, residents and business owners, and
20 prospective tenants who might consider investing in this marina
21 and building a hotel, restaurant, residential, etc.

22 Reasons to believe. So we're creating a face for the
23 marina, without people having been there before. You've got to
24 imagine this logo in an ad; and maybe there's a photo of some
25 aspect of the marina, it could just be people eating out on the

1 Palm Deck up on the Event Center. So they're going to imagine
2 based upon this logo and the branding what the experience is
3 going to be there.

4 So the reasons to believe that this is going to be such an
5 amazing waterfront experience is its location, the spectacular
6 waterfront. And it's a working waterfront, a lot of authentic
7 interesting activity going on around. Eco-tourism with diving
8 and proximity to Peanut Island. And then, again, as I said, it
9 is not a manufactured experience, it's born from the real
10 existing waterfront.

11 The design has to define it as a visitor destination in a
12 contemporary modern way but yet not lose what was there before,
13 not lose that equity, the DNA of Riviera Beach in itself.

14 The thoughtful use of color and font selection is very
15 important. We know that we are a waterfront city, so blue is
16 the dominating color for everything that we do.

17 This is the new logo. When you look at it I want you to
18 understand that looking at any good logo -- think about the best
19 logo in the world, besides Coke, which had to extract from
20 hundreds of year old original logos, is Nike, that Nike swoosh.
21 When you look at that swoosh, you don't know what you're looking
22 at so your mind opens a little bit. That's what this does.

23 This image is to some people -- most people, they see a
24 fisherman. Some people see sailboat. A lot of people see wind
25 surfer. But everyone sees the fluidity, the motion of the

1 ocean. They see sunrise on the left hand side, with the various
2 scales and values of yellow. And they see fun and happiness.

3 This is a custom font that does not exist anywhere else,
4 the bottom two, Marina Village, is a custom font that we
5 designed, because we think that the font also should communicate
6 fun and leisure. At the same time it has a bit of a Bahamian
7 vibe to it.

8 Here are some other font options; and you see it changes
9 the whole nature and the experience quite a bit if you look
10 at -- if we change the font. If we go back to what we're
11 recommending to you to look at, you see that the heavy thick
12 Marina Village almost extends the -- it almost looks like now
13 a -- it looks like a shape in its own right, with Marina Village
14 almost being part of the ocean, picking up on the sky. And
15 that's actually the water, but it's wrapped and it's much more
16 cohesive than when you break it up with a different kind of
17 font.

18 So that is our beautiful new logo for your consideration.

19 CHAIR PARDO: I love it.

20 MS. O'DONNELL: Good.

21 CHAIR PARDO: I love it. I get it.

22 MS. O'DONNELL: So does everybody --

23 CHAIR PARDO: I get it.

24 MS. O'DONNELL: -- at the CRA staff.

25 CHAIR PARDO: The font I love.

1 MS. O'DONNELL: It's all yours, nobody else in the world
2 has that.

3 CHAIR PARDO: I love it. I love it. I think it's
4 fabulous.

5 MS. O'DONNELL: Good. Great.

6 CHAIR PARDO: It's fabulous. And I do see a fisherman but
7 first I thought of, you know, someone on a sailboat.

8 MS. O'DONNELL: It's also the rope -- we actually call this
9 guy String Fellow. And we think he's Tony Tyson's older
10 brother. But also the rope is -- because of marina and rope,
11 rope is such an essential component and element and part of the
12 marine experience. That's what the genesis with the artist who
13 did this started with.

14 CHAIR PARDO: And also, you know, if you're a fisherman and
15 you take a look at it it looks almost like you're getting ready
16 to tie a knot.

17 MS. O'DONNELL: That's right. You see the knot there, you
18 see the fisherman pulling in something, the beautiful ocean
19 movement.

20 CHAIR PARDO: Right. All right.

21 COMMISSIONER GUYTON: Madam Chair.

22 CHAIR PARDO: Yes, Mr. Guyton.

23 COMMISSIONER GUYTON: When I first saw it I thought it was
24 the sail of a sailboat, which also enumerates the water and our
25 environment. I like it too.

1 But one thing I know about a democracy, no matter what you
2 put up here somebody is not going to like it. It's not going to
3 resonate with them.

4 MS. O'DONNELL: That's why logos are done in -- it isn't
5 really done in a democratic way.

6 COMMISSIONER GUYTON: Yeah, yeah. So keeping that in mind,
7 because you can bring us a thousand different ones and there's
8 going to be a thousand different opinions about what they like
9 and what they don't like. But I think that this does accentuate
10 what I feel would send a message just by looking at it, because
11 it's thought provoking, people see different things up there.
12 And as you indicated, that's what you intended for it to do.

13 MS. O'DONNELL: So that your mind dwells on it and that is
14 a bigger impact.

15 COMMISSIONER GUYTON: Yeah. So I like the originality of
16 the font.

17 But, again, there are going to be the critics that, no,
18 this is -- it doesn't move me.

19 CHAIR PARDO: It's okay.

20 MS. O'DONNELL: If I could -- a cardinal rule of marketing
21 and identity development is that the bigger the sphere of people
22 that try -- well-meaning people trying to help you create the
23 logo is you start with an amazing artistic vision that will open
24 your mind and intrigue you and make you look at it even deeper,
25 but then you have an accountant and an engineer and a guy that

1 works on a sailboat, or whatever, all from their different
2 perspectives, because we all see things from our own
3 perspective, they say no that doesn't look like a sailboat, that
4 looks like a ballet dancer, or whatever, so you have to take off
5 that part. So what happens is it starts with a big strong
6 artistic memorable vision and as you work on -- as people pick
7 it apart it comes down to from an A, it comes down to a C minus,
8 and it becomes an ordinary logo with not the same caliber -- not
9 the same power or memory; it doesn't -- that big vision is gone
10 and it's a logo that nobody has a problem with, instead of an
11 extraordinary logo that everybody remembers.

12 COMMISSIONER GUYTON: And let me just say, I know you
13 brought it before and you were sent back because of all of the
14 different opinions and what people thought. And you did have
15 input from the stakeholders, not just the professionals but the
16 regular people, as I remember, didn't you --

17 MS. O'DONNELL: Oh, quite a few. I think we were at least
18 twelve of the group that I worked with, but then the CRA staff
19 themselves also sourced it and got input from other people that
20 they were working with, all Riviera Beach stakeholders.

21 COMMISSIONER GUYTON: Yes.

22 Okay. At this point I'm ready to move forward, because we
23 can send it back and keep sending it back and keep sending it
24 back but I think that this hits the mark for me.

25 CHAIR PARDO: Yeah.

1 COMMISSIONER GUYTON: And it's time for us to move forward
2 so we can start marketing our city and start -- and sometimes,
3 like some food, you have to acquire a taste for it; and for this
4 logo that's probably going to be the same with some people. But
5 once it starts resonating and it's unique and no one else has
6 it, then it will begin to become more clear that, okay, this is
7 identifying Riviera Beach and its uniqueness.

8 So I'm ready to move. I think it's a good design. We have
9 good professionals working on it. We've had input from the
10 stakeholders. And in a democracy it will never be 100% support
11 for anything.

12 CHAIR PARDO: Okay. Does anyone else have any comments?

13 COMMISSIONER THOMAS: Yes.

14 CHAIR PARDO: Okay. Go ahead, Mr. Thomas.

15 COMMISSIONER THOMAS: Okay. I've been looking at it, and
16 thinking and visualizing, and it's one of those things that I
17 think is a statement definitely. I'm curious to make sure that
18 we're always going to maintain those colors?

19 MS. O'DONNELL: Oh, yes, yes. I mean unless you want to
20 see it in different color palettes, but those blues need to --

21 COMMISSIONER THOMAS: No, I don't. I just want to make
22 sure that we're going to maintain that color scheme.

23 I also was trying to visualize it without having the words
24 on it, just to see how that would play --

25 MS. O'DONNELL: I should have showed that.

1 COMMISSIONER THOMAS: -- in my mind. And it does, it makes
2 we feel like it can be our Nike swoosh --

3 CHAIR PARDO: I agree.

4 COMMISSIONER THOMAS: -- you know, or just that emblem. If
5 you didn't have the words and I saw that it would make me think
6 of --

7 MS. O'DONNELL: On a hat.

8 COMMISSIONER THOMAS: Right. So I was looking at that as
9 well.

10 You know, I know that you had a tough job in doing this but
11 personally I think you hit the nail right on the head.

12 MS. O'DONNELL: Good, good.

13 COMMISSIONER THOMAS: I do. I think it's a -- I think it's
14 a statement. And if what you're telling us is that that is our
15 own font --

16 MS. O'DONNELL: That's yours.

17 COMMISSIONER THOMAS: -- which you have no reason not to
18 represent to us that it's not. I mean, yeah, that's what I was
19 about to say, can it be trademarked, can it be anything that --
20 so that it does not continue to go out, that would be ours? Is
21 there any way that we can do that so that it is ours?

22 MS. O'DONNELL: For those letters, yes, we can trademark
23 those. We didn't create any other letters except that that's
24 included in Marina Village.

25 COMMISSIONER THOMAS: I just want it to be ours. I just

1 want it to be ours. Because like I'm hearing Harbourside in
2 three, four different counties, it's like everybody's using it,
3 everybody -- I just want this to be ours, you know.

4 MS. O'DONNELL: Right.

5 COMMISSIONER THOMAS: I don't want to go to another place
6 and --

7 MS. O'DONNELL: Compare this logo to Harbourside.

8 COMMISSIONER THOMAS: Oh, no, there's no comparison. I
9 think you did a fine job.

10 CHAIR PARDO: All right. Ms. Anderson.

11 COMMISSIONER MILLER-ANDERSON: Well, as I was listening to
12 you you sold it, even if we were not sold on it. You know, you
13 used a lot of terminology that just made you want to say this is
14 what it is, and it made you -- I tell you when I looked at it
15 originally I did see a guy on a sailboat and the water at the
16 bottom, that's what I've always seen. But then you talked about
17 the sun, that never resonated to me. And I usually -- I'm one
18 of those people that sit there and look at puzzles and play with
19 things and get real deep with them, but I didn't see a sun. And
20 so you sold me on that in a way that I was able to look at it
21 from a different perspective.

22 Mr. Thomas just stated about the font. That would be great
23 if we could do that because I -- at one time I was thinking that
24 almost looked like the Brady Bunch logo. But I looked it up.
25 It is not the Brady Bunch logo. I had to check that, because it

1 put me in that mindset.

2 But, you know, the colors -- will these colors be
3 throughout the marina or -- is that what we went with?

4 EXECUTIVE DIRECTOR BROWN: You see the light blue and the
5 dark blue. I don't know the last time you've been by but if you
6 look at the concession stand, the light blue and the dark blue
7 is right at the park. And then the restrooms and the Event
8 Center sort of follow the bottom blue that looks like the ocean.
9 It's sort of a lighter blue; and even a lighter, lighter blue.

10 COMMISSIONER MILLER-ANDERSON: Right. Okay.

11 EXECUTIVE DIRECTOR BROWN: So the answer is yes for the
12 blues.

13 COMMISSIONER MILLER-ANDERSON: Okay. Great. Alrighty.
14 Well, it looks good to me. Thank you.

15 CHAIR PARDO: Well, kudos to you.

16 MS. O'DONNELL: Good. I'm delighted you like it.

17 CHAIR PARDO: Thank you so much. I love it.

18 MS. O'DONNELL: And the CRA staff -- and we really took a
19 long time to walk through. There were others that were very,
20 very good and had a lot of viability to them, but we made the
21 hard decision to put them face down. You know, Mr. Brown was
22 part of the -- and Darlene was part of the process. And we
23 whittled it down, and everyone was unanimous.

24 COMMISSIONER THOMAS: Do we need to take a vote to accept
25 this?

1 CHAIR PARDO: Yeah. Why don't you make a motion.

2 COMMISSIONER THOMAS: I move that we accept this particular
3 design that's on this screen right now, adding a photo of what
4 we have inside of the original minutes, to be accepted as our
5 new logo for the marina.

6 CHAIR PARDO: Is there a second?

7 COMMISSIONER MILLER-ANDERSON: Second.

8 COMMISSIONER GUYTON: Could there be one modification to
9 see if we can get the font trademarked?

10 COMMISSIONER THOMAS: I'll add that.

11 CHAIR PARDO: All right.

12 (Motion passed unanimously, with Commissioner Davis absent.)

13 CHAIR PARDO: Thank you.

14 I can't wait to see the t-shirts.

15 MS. O'DONNELL: And the hats and everything.

16 CHAIR PARDO: And the hats and everything. Thank you,
17 thank you. Very exciting.

18 Okay. Item 11, presentation on the new Riviera Beach CRA
19 website. Good evening, Tony.

20 MR. TYSON: Good evening. Tony Tyson, O'Donnell Agency.
21 My title is senior brand manager.

22 I'm sorry I've only got a website to show you, not a
23 beautiful logo but --

24 CHAIR PARDO: Will the logo be on the website?

25 COMMISSIONER THOMAS: Well now it should.

1 MR. TYSON: It will.

2 What we're going to show you tonight is the CRA's website
3 itself. We're in discussions for a separate website,
4 destination website, for Marina Village itself. They will not
5 resemble each other. The Marina Village website would resemble
6 the logo.

7 CHAIR PARDO: Okay.

8 MR. TYSON: This is the old CRA website. We started
9 development of the new website about a year ago. Clearly you
10 can see some of the design here, it's outdated; it's kind of
11 hard to tell because it's wide, but we'll go through it. It has
12 an outdated design. The layout is really inadequate for what
13 we're trying to address now. And even the information on the
14 website is structured in a way that's not really conducive for
15 viewers to follow, look for the information they're trying to
16 find.

17 This is the new CRA website we designed; beautiful colors
18 of the CRA itself, that we've been using in the marketing
19 materials.

20 And I'll switch over here and just real quick run through
21 some of the options.

22 What you can't see here, that you could, is on a wide
23 screen there are beautiful yellow bars on either side, that you
24 can't see when it's four by three. It's really a modern design;
25 mobile responsive for people on smart phones, it comes up just

1 like this on your smart phone as it does on a browser. That was
2 not the way the old website was.

3 It's very easy to navigate. You can see some of the things
4 here, and I'll run through them. It's also better organized.
5 It's easy for people to follow. It has an intuitive design
6 that's just kind of naturally easy for people to find what
7 they're looking for.

8 And finally all of the information is updated. The old
9 website was very outdated information. This is all brand new
10 and easy to update.

11 I'll just run through some of the tabs real quick. We have
12 here the about the CRA tab, which includes mission and history,
13 the staff, get involved.

14 One of the features here, the boundary map, I'll show you
15 real quick. This has an interactive map that can kind of show
16 you some of the different elements within the CRA. And down
17 here, as you scroll through, each of those has a description and
18 then it also shows you the borders of the CRA itself.

19 There's a projects tab. Transforming neighborhoods is one
20 element. Transforming places is the other.

21 For neighborhoods, I'll show you Riviera Beach Heights. We
22 have a little bit of copy describing what the CRA is doing to
23 transform the neighborhood, and the outcome.

24 And then we have individual projects going through here,
25 starting with what they were and what they've become.

1 Transforming places. These focus on the individual
2 properties within the CRA. We have the marina district. Again,
3 a slide show. This will be updated, you know, as the project is
4 finished. We have contact information for booking events there.

5 Programs. Community safety programs. Here is the Clean
6 and Safe. Again a little summary of what the outcome is, what
7 the goals are. Pictures of the team. We separated it into the
8 Clean Team and their duties, the Public Safety Ambassadors and
9 their duties. We go down to statistics, monthly statistics,
10 which will be updated.

11 This doesn't show up well but there is a form where
12 residents can submit issues that the ambassadors can address.

13 Incentives. Talks about some of the incentive programs
14 offered by the CRA.

15 Things to do. There's a list of vendors and activities at
16 the marina that you can take part in. It includes an
17 interactive map with directions. For boaters we have the
18 geographic location there and then it lists all the vendors.
19 You can find out things to do at the marina.

20 The news tab. It has news, which are press stories, new
21 stories, press releases issued by the CRA.

22 And then the blog entries by Tony Brown. And we'll be
23 writing more of those in the future.

24 The agendas, easy to find here with dates.

25 Finally the contact us tab. We have some general

1 information, with location here, about the CRA. Over on the
2 right side, we're going to make public records requests. If
3 you're interested in planning and development, here's who you
4 contact. For neighborhood services. And then we have the
5 contact the Clean Team as well.

6 We think the site is really beautiful, clean, easy layout
7 both for residents and potential investors; you can find what
8 you need very quickly, all the information is right there, easy
9 to identify.

10 CHAIR PARDO: Can you go to the commissioners tab,
11 please --

12 MR. TYSON: Yes.

13 CHAIR PARDO: -- and show us what that looks like?

14 All right. So everyone's e-mail address is there?

15 MR. TYSON: Yep, everyone's e-mail address. They're
16 organized by district at this point.

17 CHAIR PARDO: Okay. And you'll organize them by title?

18 MR. TYSON: Yes, yes, yes.

19 COMMISSIONER THOMAS: Good gracious.

20 MR. TYSON: And in the near future we'll be working on some
21 new photographs too.

22 MS. O'DONNELL: I wanted to horn back in. I think it's so
23 important that the photographs are all uniform; super important
24 that they have a very nice Riviera Beach style background,
25 ideally a nice medium blue like this; and that it's taken with

1 the same light values, etc., so that it looks super
2 professional.

3 CHAIR PARDO: Okay. All right.

4 MR. TYSON: Any questions?

5 COMMISSIONER GUYTON: Madam Chair.

6 CHAIR PARDO: Go ahead.

7 COMMISSIONER GUYTON: Quick question to him.

8 And I might have missed it because I stepped out. I see
9 the contact us. Is that where residents can make comments or
10 requests, beyond the public records request? Where can the
11 residents just make general comments if they have some comments
12 to make regarding the CRA?

13 MR. TYSON: We do have the phone number up. We don't have
14 a generic e-mail address for the CRA. That's something we could
15 potentially create.

16 COMMISSIONER GUYTON: I would like, if my colleagues agree,
17 for those who would like to communicate electronically with the
18 CRA -- I don't know. Is there any objection?

19 CHAIR PARDO: Well, who's going to be in charge of it?
20 Who's going to monitor? And who's going to answer?

21 EXECUTIVE DIRECTOR BROWN: Mr. Guyton.

22 COMMISSIONER GUYTON: We have sixteen employees over there.

23 CHAIR PARDO: No. So I'm asking. We don't have it.

24 COMMISSIONER GUYTON: He's got sixteen employees. I
25 mean --

1 CHAIR PARDO: So they need to tell us who is going to be in
2 charge of receiving the information and distributing it.

3 COMMISSIONER GUYTON: Well, what I'm trying to do is
4 develop multiple -- well, that's only two avenues to contact
5 them, if we only have a phone number here or an e-mail. I mean
6 what -- that is not uncommon in today's --

7 CHAIR PARDO: Right.

8 EXECUTIVE DIRECTOR BROWN: I think, Mr. Guyton --

9 CHAIR PARDO: It's just who's going to get it, that's it.
10 Everyone's cool with it.

11 COMMISSIONER GUYTON: And that's for the director who has
12 16 employees to figure out. I mean that is just a suggestion so
13 that our community can communicate with us.

14 CHAIR PARDO: All right. So we're good.

15 Anyone else?

16 COMMISSIONER THOMAS: Yes. That shouldn't be a hard --

17 CHAIR PARDO: Right.

18 COMMISSIONER THOMAS: The same way you do it on the City's
19 website, where they can e-mail us and it comes directly to our
20 phones, iPads, whatever, just create an e-mail address.

21 MR. TYSON: Easy enough.

22 COMMISSIONER THOMAS: And that way nobody has to monitor
23 it, it will come right to us.

24 COMMISSIONER MILLER-ANDERSON: Well, I think that part is
25 there.

1 CHAIR PARDO: Right. That part is in there already.

2 MR. TYSON: Your e-mail addresses specifically are on
3 there. The Board members are right here and you can click it
4 and it will open up.

5 COMMISSIONER THOMAS: Oh. You put our Riviera Beach
6 addresses on there.

7 MR. TYSON: Correct.

8 COMMISSIONER THOMAS: Okay. All right. That's fine.

9 One other question. Is anybody going to do any Photo
10 Shopping? I'm looking a little rough on that. Can you Photo
11 Shop that one?

12 MR. TYSON: You know, it's funny, at least since we've been
13 with the agency we don't have a lot of photographs of Board
14 members at activities. There were some that were not
15 appropriate or showed old Board members.

16 COMMISSIONER GUYTON: Not appropriate?

17 COMMISSIONER THOMAS: If you can make me look a little
18 better, please do.

19 COMMISSIONER GUYTON: Did you catch us swinging from
20 chandeliers?

21 CHAIR PARDO: All right. Tony, thank you very much. Good
22 job.

23 O'Donnell Agency, you guys are doing great things. Thank
24 you so much.

25 All right. We're going to move on now to item 12, a

1 resolution of the Board of Commissioners of the Riviera Beach
2 Community Redevelopment Agency approving the first amendment to
3 the exclusive listing agreement between CBRE and the agency to
4 extend the terms of the agreement and adding Parcel A to the
5 agreement; providing for an effective date.

6 All right. Go ahead, Mr. Brown.

7 EXECUTIVE DIRECTOR BROWN: Just by background, if you
8 recall when we --

9 COMMISSIONER GUYTON: Madam Chair. There was not a motion
10 put on the floor. Isn't there normally a motion?

11 CHAIR PARDO: If you want to do a motion, we'll do a motion
12 at the end.

13 COMMISSIONER GUYTON: So moved.

14 CHAIR PARDO: Is there a second?

15 COMMISSIONER THOMAS: Second.

16 CHAIR PARDO: All right. Go ahead.

17 EXECUTIVE DIRECTOR BROWN: Just for background, if you
18 recall, we -- this is I guess the second or maybe third
19 amendment with CBRE. Initially they had a listing for just the
20 Event Center, and then when we weren't able to reach terms on
21 ground lease rates with Viking we gave them a lease agreement to
22 market pad sites B and D, somewhat short term, nine months. And
23 then after Viking resigned they gave us notice that they were
24 not interested in developing pad site A, and so we needed to
25 include that.

1 And so the modification includes pad site A. We're also
2 asking the board's consideration to extend the term until
3 December 2017. And the reason for that is as we're talking to
4 restaurant prospects we're telling them that for the most part
5 we're not -- we want a pre-lease, but they cannot start
6 construction until we have identified the location of a parking
7 structure and have submitted to the City a building permit for
8 the garage; and so we know that's going to take a while before
9 we build the parking structure so the agreement sort of reflects
10 a reasonable timeline that all of the conditions would be in
11 place in order to close a restaurant lease.

12 COMMISSIONER GUYTON: Madam Chair.

13 CHAIR PARDO: Yes.

14 COMMISSIONER GUYTON: Mr. Brown -- and that was something I
15 noticed when I read the memo -- under the request for Board
16 action the date to extend is December 2017. But when I read
17 under the agreement and commission terms -- are you with me,
18 Mr. Brown? It's something that you need to see. Under the
19 agreement and commission terms, would you look at the dates that
20 you have there?

21 MR. HAYGOOD: Is it in the agreement itself?

22 COMMISSIONER GUYTON: No, this is in the memorandum, on the
23 second page, under agreement and commission terms. You've asked
24 under the first paragraph to extend it through 2017, but each of
25 these has 2016. Is there a reason why? Is that a typo or --

1 EXECUTIVE DIRECTOR BROWN: The memo is incorrect. The
2 amendment is -- I think the amendment is to 2017. So we did not
3 correct the memo. So the agreement would be to 2017.

4 COMMISSIONER GUYTON: So it's not the '16?

5 EXECUTIVE DIRECTOR BROWN: That's correct.

6 COMMISSIONER GUYTON: Okay. The other thing in this that I
7 noticed was that right now there is a retainer fee. And is
8 there a suggestion to go to straight commission now?

9 EXECUTIVE DIRECTOR BROWN: We're still honoring the first
10 part of the agreement where for nine months we're providing them
11 a retainer to offset costs; and we are able to recoup this
12 investment by netting out the commission. So it's paid up front
13 but the terms and condition of the agreement, which hasn't
14 changed, is that we recover -- we recoup our retainer from the
15 net commissions paid.

16 COMMISSIONER GUYTON: I read that at the end.

17 MR. HAYGOOD: And it remains only through June of 2016.
18 Even though the term is being extended, the retainer ends -- was
19 only for nine months, even in the modification. So it will end
20 in June of 2016.

21 COMMISSIONER GUYTON: Okay. The other thing that I read,
22 either in this one or the next item -- I get them confused --
23 was that they would get a portion of the base rate; one was six
24 percent, if I recall, the first six years; and then four percent
25 the remaining four; is that correct?

1 MR. HAYGOOD: I'm not sure without looking at it but, yes,
2 there was a distinction between -- the commission was lowered
3 for the longer the lease went; so for the first few years it was
4 higher and then the next few years it was lower.

5 COMMISSIONER GUYTON: Okay. So when they're getting a
6 portion of -- once they secure an occupant, and they come on,
7 the lease is signed, they have a commission for 10 years. My
8 question is --

9 MR. HAYGOOD: It's calculated on ten years.

10 COMMISSIONER GUYTON: Calculated on ten years.

11 What would be -- has there been -- has it been established
12 the duration of the leases and what they will be?

13 EXECUTIVE DIRECTOR BROWN: Yes. So it's -- I believe most
14 cases it's five years with one five-year renewal.

15 MR. HAYGOOD: No, it's two years.

16 EXECUTIVE DIRECTOR BROWN: Well, Mark, will you please?

17 MR. BLOMEKE: That is correct, the current LOIs that we've
18 generated, the initial term is for ten years or 120 months.

19 COMMISSIONER GUYTON: Excuse me, Mark. When you use
20 acronyms, some of us know letter of intent; but kind of, for the
21 people that are listening --

22 MR. BLOMEKE: My apologies.

23 So the letters of intent, the term that is within those
24 letters of intent, the initial term is for ten years or 120
25 months. And then provided that the lessee is current and has

1 done a good job in our eyes, at the end of that term there is an
2 option for two five-year renewals.

3 COMMISSIONER GUYTON: So the initial lease is for ten
4 years?

5 MR. BLOMEKE: Yes, sir.

6 COMMISSIONER GUYTON: Then there is an option for how many
7 years?

8 MR. HAYGOOD: Two five-year.

9 MR. BLOMEKE: Two five-year renewals.

10 COMMISSIONER GUYTON: Now what if the lessee does not make
11 it through the first ten years? Do we have a commitment to CBRE
12 to pay them commission as if it were a ten-year lease? Or does
13 that commission stop if the lessee doesn't work out?

14 MR. HAYGOOD: Paid up front.

15 COMMISSIONER GUYTON: So we pay them for ten years. If the
16 lessee doesn't --

17 MR. HAYGOOD: If there is a default --

18 COMMISSIONER GUYTON: Then we're out of --

19 MR. HAYGOOD: -- you don't get your money back.

20 COMMISSIONER GUYTON: -- how many other years that we've
21 paid up front? If the lessee make it through four years, six
22 years remaining, we've paid for --

23 MR. HAYGOOD: Ten years.

24 COMMISSIONER THOMAS: Well, I'm going to have a problem
25 with that one.

1 COMMISSIONER GUYTON: See -- and what I'm getting at is
2 that we definitely appreciate all of the work that CBRE is
3 doing, and they do good work, but there need to be some
4 conditions to deal with default in case that does happen. In my
5 opinion it should stop where we're getting the funds; if our
6 funds stop in four years, I think that commission should stop in
7 four years; and then you go out and find somebody else to occupy
8 that space, then it will restart. But if we're paying for ten
9 years, and they default in four, and they're keeping six years,
10 I don't know, that's --

11 EXECUTIVE DIRECTOR BROWN: What will happen, Mr. Guyton --
12 and we've had that discussion in terms of what the tenant will
13 pay in terms of deposit and other things. So basically what
14 happens is that the tenant's deposit will cover our commission.

15 COMMISSIONER GUYTON: Ten years?

16 EXECUTIVE DIRECTOR BROWN: Yes, for the commission rate
17 that is paid for that term.

18 COMMISSIONER GUYTON: So when they come on board they're
19 going to give us a deposit that would cover ten years of
20 commission, is that how I'm to understand that?

21 EXECUTIVE DIRECTOR BROWN: Do you want to explain how --

22 MR. HAYGOOD: He's trying to capitalize -- he's trying to
23 cover the costs with that.

24 But it's not that you pay them every month. When you close
25 you pay them the full amount.

1 COMMISSIONER GUYTON: I understand that. And you pay them
2 for ten years.

3 MR. HAYGOOD: It's calculated on ten years, yes.

4 COMMISSIONER GUYTON: But it's calculated on us having an
5 occupant for ten years.

6 MR. HAYGOOD: The assumption is that you would have an
7 occupant.

8 COMMISSIONER GUYTON: Yeah. So I'm saying what if that
9 assumption does not play out and we're not generating that
10 revenue that we are --

11 EXECUTIVE DIRECTOR BROWN: Well, that decision is ours. I
12 mean they -- if we don't think that the tenant is credit worthy
13 and is going to survive then we shouldn't execute the lease.

14 COMMISSIONER GUYTON: No, no. You're missing my point.
15 Let me clarify. Let me clarify. Because I think this is
16 important, because we as residents are going to be on the line
17 for paying -- or missing out on revenue that I think should be
18 coming to us and not paid if we're not getting the revenue from
19 somewhere else.

20 If they go through all of the credit checks, everything
21 checks out, things look good, they seem to be credible, it seems
22 to be that they'll make it through the ten years, but like
23 things happen in life sometime, you know --

24 MR. HAYGOOD: The economy goes under.

25 COMMISSIONER GUYTON: Things happen. I won't say it like I

1 want to say it, but it happens.

2 MR. HAYGOOD: Yes.

3 COMMISSIONER GUYTON: My point is that if we have not made
4 provisions for the unforeseen, that they don't make it through
5 the ten years, even though they have good credit, they made it
6 through everything and it appears they will, but things happen,
7 I don't see that we have made a provision for that, so that
8 we're not stuck paying you ten years of commission and we only
9 get four years of rent, from which you're supposed to get the
10 commission. Am I making any sense.

11 MR. HAYGOOD: Oh, you're making plenty of sense.

12 COMMISSIONER GUYTON: All right. Because some are looking
13 at me like I have three heads.

14 MR. HAYGOOD: No, no, no. We understand. And I think it's
15 an issue that most people would have.

16 COMMISSIONER GUYTON: Yeah, that's the issue that most
17 people would have and that Bruce Guyton has when I read this.

18 MR. HAYGOOD: Right. But -- I don't know how to explain it
19 other than it's customary in the industry. I don't know how
20 else to explain it to you.

21 COMMISSIONER GUYTON: I guess my question is, can we talk
22 to CBRE to see if they'll work with us on some of the default
23 provisions, that won't leave us hanging with six years or
24 whatever it is? Maybe if they make it through six years or
25 seven years, maybe it would be okay. But for somebody to

1 default within five years, and then they've got five years of
2 commission calculated on these people being there for ten years,
3 and we're not generating that revenue, I just think that's an
4 issue with me from an economic standpoint and protecting the
5 interests of the residents. That's just me.

6 CBRE are good people. I'm ready to work with them.

7 But as responsible to watch how these funds are generated
8 and spent, I just have an issue with that.

9 EXECUTIVE DIRECTOR BROWN: Well, the way we're protected --
10 we've had this conversation. And I just pulled up a spread
11 sheet, because I asked CBRE to give an illustration how it would
12 work, including with percent rents. And so the commission is
13 based on what would be the annual term. But the way that we
14 manage our rents is what we require the tenant to pay in the
15 form of a deposit. And so the lease terms are such that in
16 essence when a, when a prospect basically goes hard, and it goes
17 from the letter of intent to the date that they execute the
18 lease, they're responsible for paying a deposit that will be the
19 equivalent or more of the commission that we pay.

20 COMMISSIONER GUYTON: Okay. That was my question, and you
21 said no. My question was, in the deposit do they pay ten years
22 worth of commission?

23 EXECUTIVE DIRECTOR BROWN: Yes.

24 COMMISSIONER MILLER-ANDERSON: Where does it say that?

25 COMMISSIONER GUYTON: Is that somewhere in writing? I

1 didn't see that.

2 EXECUTIVE DIRECTOR BROWN: Well, you don't see a copy of
3 the lease. So in essence, and in terms of the lease, the way
4 it's structured in the lease, and when a respective tenant says
5 yes I commit to the terms, they have to issue a deposit.

6 COMMISSIONER GUYTON: Understood.

7 MR. HAYGOOD: The deposit doesn't say now -- you're not
8 going to find a nexus where the deposit says, and this equals.

9 COMMISSIONER GUYTON: No, no, no, no, no, no, no, no, no.
10 What I'm trying to convey -- and maybe it's not being conveyed
11 clearly.

12 COMMISSIONER THOMAS: It is.

13 MR. HAYGOOD: It is. We got it.

14 COMMISSIONER THOMAS: Everybody understands it.

15 COMMISSIONER GUYTON: I don't want to take a loss by paying
16 ten years up front and we're not getting the revenue that we are
17 anticipating from them to be there for ten years.

18 COMMISSIONER THOMAS: Everybody understands what you're
19 saying.

20 COMMISSIONER GUYTON: So how do we deal with it? Or do we
21 just take the loss?

22 MR. HAYGOOD: Well, let's put it this way: To be honest,
23 yes, we're taking a loss; but the money is going to be there,
24 rather than you going in your pocket.

25 COMMISSIONER GUYTON: Wait, wait, wait. Now how can we

1 take a loss but the money is going to be there? Explain that.

2 MR. HAYGOOD: Because the deposit is used for the --

3 COMMISSIONER GUYTON: That sounds like an oxymoron to me.

4 MR. HAYGOOD: No, because the deposit isn't for the
5 purpose -- for our purpose it is. But the deposit has other
6 purposes under the lease. I'm going to confuse this.

7 COMMISSIONER GUYTON: So if those other purposes kick in
8 and eat at that deposit, then that portion that was --

9 MR. HAYGOOD: He's trying to get around having exposure in
10 the budget.

11 COMMISSIONER GUYTON: Understood.

12 And another issue that I have, now that you mention it --
13 and I'm going to be done. But if we're requiring this ten-year
14 commission that also -- I mean in deposit, but it won't be said
15 like that, and it's for other things too, so if those other
16 things kick in it's going to start eating away at that;
17 notwithstanding that, we also have been trying to ensure that
18 some of our locals and regular restauranteurs can also compete
19 for space; and if the deposit is insurmountable, you have to put
20 up ten years of commission, how would that prevent some of --
21 well, not some, maybe one or two, because we're going to have,
22 you know, only I think four pads -- would that be cost
23 prohibitive to other than major franchisees, that we can help at
24 least one local? Or how would that play?

25 EXECUTIVE DIRECTOR BROWN: Well, I mean so you're getting

1 into what are the challenges. The --

2 COMMISSIONER GUYTON: Yeah, I know, and we need --

3 EXECUTIVE DIRECTOR BROWN: Well, I'm trying to answer the
4 question.

5 COMMISSIONER GUYTON: -- to discuss them and air them out
6 so that we'll understand.

7 EXECUTIVE DIRECTOR BROWN: Okay. So CBRE is as concerned
8 about the credit risk as we are, and the capabilities of the
9 tenant to perform. Even when they sign a letter of intent, they
10 have to complete CBRE's application. And so we're making a
11 credit decision on whether or not the restaurant that we're
12 putting in there has the capability and the skills to sustain
13 itself. The commission is not payable until we have an executed
14 lease. And an executed lease requires the tenant to pay a
15 deposit. And we've already looked at that. As I've negotiated
16 with it we were requiring that the deposit is going to be of a
17 size that is sufficient to cover my commission risk, period. We
18 may abate the rent and the CAM, but at the very least I'm going
19 to get enough money to pay my commission.

20 COMMISSIONER GUYTON: Okay.

21 EXECUTIVE DIRECTOR BROWN: Okay?

22 COMMISSIONER GUYTON: And certainly I support that.

23 And the last thing, I think that there needs to be a better
24 default provision that does not leave us, the City and the
25 residents, exposed of not getting funds, and we're paying funds

1 up front based on an anticipated revenue that we end up not
2 getting. I think that we need to go back and look at those
3 default provisions that doesn't leave us exposed.

4 That's all I've got.

5 COMMISSIONER THOMAS: Madam Chair.

6 CHAIR PARDO: Mr. Thomas.

7 COMMISSIONER THOMAS: A couple things really quick on that.
8 First, is there a way that they can get paid annually their
9 commission?

10 EXECUTIVE DIRECTOR BROWN: Yes. I mean everything is
11 negotiable.

12 COMMISSIONER THOMAS: Well, I'm just throwing some ideas
13 out there. If that will make everybody comfortable.

14 CHAIR PARDO: I'm comfortable right now.

15 COMMISSIONER THOMAS: Okay. Secondly, everyone knows that
16 restaurants are probably one of the hardest businesses that
17 there are. Of course I don't like to speak bad things over it
18 but in the event that someone has to, you know, move on, and
19 CBRE is still the actual individuals who will be doing this, and
20 they re-rent it again, is there some type of thing to say, okay,
21 well, you've gotten paid for ten years on this first one, do you
22 get paid for another ten years on the second one? And if there
23 are, then I definitely think it needs to be some type of delayed
24 payment, some type of something. I don't want a business going
25 out of business in the first year, or the first two years, and

1 then they negotiate again and they get another one and we pay
2 another ten years up front again, you know. I mean because
3 those first five years, those first two to five years, or one to
4 five years, are going to be essential to any business, but
5 definitely, you know, a restaurant business at this time. So I
6 want to know is that what happens, if they lease another one, a
7 new restaurant, do we still pay them an additional commission on
8 that?

9 MR. HAYGOOD: Mr. Thomas, I would I say that unless
10 something is changed that, yes, they would be paid, unless it
11 was negotiated.

12 Now what I also say is, is that I think the way the
13 realtors look at it is that I have delivered a client, a tenant
14 to you, they've executed the lease, I've done what I was
15 responsible for doing; it's your risk if the tenant doesn't work
16 out. I'm saying that's how they look at it, I'm not saying it's
17 right.

18 COMMISSIONER THOMAS: I get it.

19 MR. HAYGOOD: We can go back to them and discuss that
20 instance specifically.

21 COMMISSIONER THOMAS: Well, to be honest with you, every
22 time we run for office we go in front of this organization
23 that's called the Realtors Association; I'm willing to just take
24 the time to contact them and see if I can understand this a
25 little bit better, see if there's ways to work through this.

1 My concern is that -- I believe that CBRE is a very
2 reputable company, I see them all across the country. I don't
3 want to be insulting to them but also I don't want to just be
4 putting out there where we're just hemorrhaging monies.
5 Definitely in restaurants that are of this magnitude, when
6 they're going to be paying the rents that are as high as they
7 are, you got to plan for, you know, somebody not being, you
8 know, being unsuccessful in their endeavor. So that's the way
9 that I would look at it.

10 Are we going to give them some type of timeline to get
11 something going? Like June, July, say, hey, we got to have
12 somebody, it's time?

13 EXECUTIVE DIRECTOR BROWN: Yes. And we've been very
14 aggressive on the Event Center timeline.

15 As I said, they could bring us a lease tomorrow and a
16 restaurant would be ready to start construction on pad site B.
17 But I would have to tell them, well, no, you're not going to get
18 a building permit for pad site B because our parking studies has
19 indicated that until we build a parking garage we only have
20 sufficient parking for the Event Center. And then I'm going to
21 explain to you what we propose to do with pad site A. So we
22 already know, which is one of the reasons why we're proposing
23 the longer term, that basically the best they can do for us to
24 is to pre-lease the site, and that with the terms and conditions
25 saying that once we give them notice that there is sufficient

1 parking, and then all parties can then apply for a building
2 permit.

3 I went to the commission schedule, Mr. Thomas, if I may go
4 back to a question that Mr. Guyton raised --

5 COMMISSIONER THOMAS: Yeah, please hurry, because I still
6 have another question.

7 EXECUTIVE DIRECTOR BROWN: So the commission is payable 50%
8 upon execution of a lease. So we're going to cover at least
9 that based on the deposit. And once the tenant executes the
10 lease, that's when everything triggers. 25% of the commission
11 is paid when the tenant opens for business. So if a tenant
12 signs the lease and for whatever reason they change their mind,
13 we're only out 50%. So their commission is not earned if they
14 have to get a replacement tenant. So they pay 25% upon the
15 opening of the business and 25% upon the tenant commencing the
16 payment of rent. And so we've protected ourselves.

17 COMMISSIONER THOMAS: And the other 25%?

18 EXECUTIVE DIRECTOR BROWN: 50, 25 and 25. 50% when the
19 lease is executed, 25% when the tenant opens for business, and
20 25% when the tenant commences the payment of rent.

21 COMMISSIONER THOMAS: Okay. Hold on. I still got the
22 floor.

23 Okay. That's fine. I hear how it is. I do think you need
24 to negotiate.

25 But let me ask you this right here: If we're taking on all

1 of the risk, we're taking on this risk because we're becoming
2 the developer of these restaurants. If a developer developed
3 them, then they would have to take the risk, correct?

4 MR. HAYGOOD: Correct.

5 COMMISSIONER THOMAS: Which will still cause a problem
6 because we don't have anywhere for them to park?

7 MR. HAYGOOD: Correct. We have to provide the parking.
8 Well, I take that back. It depends on the development
9 agreement. If we do get a developer, we certainly would try to
10 put the burden on him of also providing the parking.

11 COMMISSIONER THOMAS: But there would be no place for them
12 to park.

13 MR. HAYGOOD: What do you mean? I'm sorry.

14 COMMISSIONER THOMAS: If we don't have the parking now,
15 where would we give them to park, unless we build a parking
16 garage?

17 MR. HAYGOOD: Well, no, we can make them responsible for
18 building the parking garage. We have to provide the property.

19 COMMISSIONER THOMAS: Okay. All right. So I remember
20 saying this probably about a year ago, that until we correct our
21 parking issue, that all of this is really just a little glitz
22 and glamor.

23 MR. HAYGOOD: Other than the Event Center, you are correct.

24 COMMISSIONER THOMAS: So to be honest with you -- I mean
25 it's all good, we're here meeting and we need to do these type

1 of things but it seems like our priority should be on the
2 parking garage?

3 MR. HAYGOOD: You got it.

4 COMMISSIONER THOMAS: I mean it doesn't take a rocket
5 scientist or a Bruce Guyton to figure that out. No, I'm just
6 messing with you, Bruce. No, we need to go ahead and be
7 aggressive on a parking garage because it makes no sense to be
8 paying these commissions or anything when they're not going to
9 open.

10 CHAIR PARDO: We're trying.

11 COMMISSIONER THOMAS: But the CBRE -- and they're in
12 business to make money -- they're going to get their 50%, you
13 know. So I think that we should -- I think that we should be
14 aggressive. I think there should be some type of plan
15 immediately on a parking garage one way or the other.

16 That's all for me.

17 CHAIR PARDO: Yeah. And, you know, Mr. Brown can get into
18 that, but I can tell you that we're trying to be extremely
19 aggressive with identifying funding sources for the parking
20 garage.

21 COMMISSIONER THOMAS: Okay. We are?

22 CHAIR PARDO: And maybe Mr. Brown can have that
23 conversation with you guys.

24 COMMISSIONER THOMAS: Okay. Let me ask you this,
25 Mr. Brown, why are we not tying both of these together with

1 Marine Way? Why are we not tying the restaurant and Marine Way
2 together and figuring out a parking solution for both?

3 EXECUTIVE DIRECTOR BROWN: Well, we are. Hot off the
4 press, I have our parking demand study from Walker. I mean what
5 we have right now with the Phase I development, during the
6 weekday we have a surplus of 32 parking spaces. If Viking had
7 terminated the lease and we lost 89, 90 spaces, then we would go
8 into a deficit of the 32 minus 89. And this assumes, right,
9 we've got a parking demand for Bicentennial Park, the Event
10 Center, Newcomb Hall, the meeting space, marina operations,
11 marina slips, and Peanut Island. So we know that right now if
12 someone booked on a weekday, if someone booked a 200 person
13 meeting in the Event Center, with the restaurants open, we don't
14 have a problem.

15 On the weekend -- I'm looking at the demand study. On the
16 weekend we do have a deficit. On the weekend when the
17 utilization is assumed to be close to 100% in some cases, when
18 you add Peanut Island and the other exterior things, then we
19 have a deficit of 129 spaces.

20 And if Viking had removed the Yachtsman --

21 COMMISSIONER THOMAS: Mr. Brown, I get it, I understand
22 your study. I get it. But what I'm telling you is, if there is
23 not a significant amount of parking, those businesses will fail,
24 period.

25 EXECUTIVE DIRECTOR BROWN: You're absolutely correct.

1 COMMISSIONER THOMAS: Everything over there, it will fail.

2 So to me at this point our Achilles heel is that parking garage,
3 and I think that you should put your foot on the accelerator.

4 And if I was going to be here a little longer, that would
5 be what I would be pushing for is to get a parking garage built
6 and get it built yesterday; or we're going to be sitting here
7 with some buildings that are -- okay. I'll talk on this side of
8 the Board -- we're going to be sitting here with some buildings
9 that are empty. You know, it's going to be empty. They're
10 going to be pretty buildings, with nice logos on there, but no
11 one is going to come because there's not going to be anywhere to
12 park. And that's going to get out first: I can't go down there
13 because there's nowhere to park. You know, I don't want to
14 walk. It's the same thing with Clematis, you know, no one wants
15 to go down there. And these parking lots are going to turn into
16 I'll charge you five dollars an hour to park in here, these
17 vacant lots and everything, and it's just not going to be what
18 we're desiring.

19 So we need to go ahead and push on the accelerator for a
20 parking structure or a parking plan better than that.

21 You're not going to have restaurants on this water and say
22 during the week we're not going to have a problem. When the
23 Tiki was open they were complaining about parking, you know,
24 during the week or whenever. We hope that this becomes vibrant;
25 and I think you can't do it without a parking issue corrected

1 immediately.

2 That's all for me.

3 CHAIR PARDO: Okay. And I just want to let you know -- and
4 maybe Mr. Brown can have individual conversations with you
5 all -- but he has been working, and I've been working with him,
6 extremely aggressively, trying to identify funds for the parking
7 garage. I would suggest that, you know, instead of making all
8 of this public right now, that he have individual conversations
9 with you. But he has been and continues to be extremely
10 aggressive. So I just wanted to put that out there.

11 All right. Anything else?

12 COMMISSIONER GUYTON: Madam Chair. Yes, very quickly.

13 Commissioner Thomas made a point about if we don't have
14 adequate parking the businesses will fail. It gets worse than
15 that. If we don't have adequate parking they don't get a permit
16 to build. It never goes up. Before they can even build, we
17 need to show that there is ample and adequate parking to
18 accommodate it. So it's not that they're going to go up any way
19 and if we don't have parking nobody will come. No, there will
20 be no buildings there.

21 So it is my position, and I've said it before, and I agree
22 with Mr. Thomas, that should be our priority, not just on this
23 side of the equation but also on the City side. If we have some
24 borrowing capacity and we can do it ourself, that's what we need
25 to do. And we need to direct staff to do that, and we can

1 always figure out a way to get it back on the back end.

2 So, but I'm not comfortable with not having an adequate
3 default clause in this lease right here as it relates to CBRE.
4 We're going to be on the wrong end if -- when these people start
5 defaulting, because that's just the nature of restaurant
6 businesses. And I'm not prepared to give ten years and then we
7 don't have the revenue source that's going to repay us on that.
8 So unless that issue is dealt with in the leases, I will not be
9 supporting this.

10 CHAIR PARDO: All right. Great. All right. So we're
11 good? What else?

12 COMMISSIONER THOMAS: No, there is a live motion on it. I
13 just want to make sure that we're going to be -- you're going
14 back to negotiate and you're going to bring back the negotiated
15 contract back to us or --

16 EXECUTIVE DIRECTOR BROWN: Well, I don't know what
17 direction I'm given.

18 So to Mr. Guyton's concerns that the commission is paid up
19 front but it's not paid -- 50% is paid when they execute the
20 lease. There is a deposit. So we're paying our commission with
21 the tenant's money. Then I just explained that, you know, we
22 can't do anything until we do parking. Because everything has
23 to be built, the next time that we pay the commission is when
24 the business opens; and so then that means in this case the
25 building has to be built. So when they sign a lease, we pay the

1 commission with the deposit. The tenant, if they go down the
2 path and they spend all this money to build, or we build, and
3 they open the business, then we know that the tenant is open for
4 business, that they've made the investment and the working
5 capital and the other things, then we pay 25% of what's due. If
6 to get the business we give them a one year abatement, then the
7 next time we pay the commission is when the tenant pays us. So
8 then if we give the tenant one year before they pay us, then we
9 pay the final 25% when the tenant pays us.

10 COMMISSIONER GUYTON: Okay. Mr. Brown, what you just said
11 in your scenario -- and I'm going to just cut right to what you
12 said. We still pay 100% within the first year of that tenant
13 being there, in commissions, is that correct?

14 EXECUTIVE DIRECTOR BROWN: And may I --

15 COMMISSIONER GUYTON: Is that correct?

16 EXECUTIVE DIRECTOR BROWN: That is correct.

17 COMMISSIONER GUYTON: So my point is, we're paying ten
18 years, within the first year of that tenant being there, in
19 commission. All I'm saying is let's have some discussion about
20 the default clauses if the tenant -- because we're basing it on
21 the tenant being there ten years --

22 EXECUTIVE DIRECTOR BROWN: Well, no, we're not. I'm
23 saying -- I'll say it a different way. We're going to pay the
24 commission with tenant's money.

25 COMMISSIONER GUYTON: Okay. You said --

1 EXECUTIVE DIRECTOR BROWN: Okay. I said that. And to put
2 it in relative terms, for the Event Center, over the ten-year
3 period, that equates to paying CBRE \$36,000. Based on just the
4 base rent on the Event Center we earn nearly a million dollars.

5 So is there a risk? Yes, sir, there is a risk.

6 How do we manage that risk? Because we select the tenant,
7 right? And the commission schedule is based on when they
8 operate and when they pay us.

9 COMMISSIONER GUYTON: Okay. Mr. Brown, I'm not going to go
10 back and forth and debate this too much longer. The deposit
11 that we're relying on, from which the commission is supposed to
12 be paid, there are other things within that lease that could eat
13 away at that deposit. Mr. Haygood, is that correct?

14 MR. HAYGOOD: The deposit is for the purpose of covering
15 certain risks that you have in the lease, such as --

16 COMMISSIONER GUYTON: Beyond the commission?

17 MR. HAYGOOD: Yes.

18 COMMISSIONER GUYTON: That was my question.

19 MR. HAYGOOD: Yes.

20 COMMISSIONER GUYTON: We're sitting here thinking that --
21 or suggesting or inferring that when that deposit come it's
22 going to be reserved for the commission, and they're going to
23 pay it. And that's not the case, because there are other things
24 that are in that lease that could eat away at that, and then
25 that commission -- well, I'm done. I told you my position. If

1 they don't discuss another default clause that could protect us,
2 I won't be supporting this.

3 COMMISSIONER THOMAS: Question, Madam Chair.

4 CHAIR PARDO: Yes, go ahead, Mr. Thomas.

5 COMMISSIONER THOMAS: So that -- in that initial deposit,
6 that's going to be for whatever minor repairs or whatever needs
7 to happen during the course of that lease?

8 MR. HAYGOOD: It's to cover certain default possibilities
9 on the part of the tenant; including, I think it's nonpayment of
10 rent, it also includes damage to --

11 COMMISSIONER THOMAS: So what would that initial deposit
12 be? What's the number? Give me a number of what that would be.

13 EXECUTIVE DIRECTOR BROWN: Michael, you've got your laptop.
14 Can you pull up the lease that you --

15 COMMISSIONER THOMAS: No, I'm talking about the deposit
16 that they would have to pay, not the commission.

17 MR. BLOMEKE: I do not have it with me.

18 COMMISSIONER THOMAS: Are you serious? Nobody can tell me
19 what the payment --

20 MR. HAYGOOD: I think it's like two months' rent.

21 MS. FONTAINE: It is.

22 MR. HAYGOOD: It is two months' rent.

23 COMMISSIONER THOMAS: I am really bothered that nobody can
24 give me that particular number and we've been working on this
25 for years.

1 EXECUTIVE DIRECTOR BROWN: Ms. Fontaine, will you come to
2 the podium?

3 COMMISSIONER THOMAS: Who is Ms. Fontaine?

4 EXECUTIVE DIRECTOR BROWN: Ms. Fontaine represents CBRE.
5 And we apologize that we're not prepared to answer these
6 questions.

7 MS. FONTAINE: I'm Nicole Fontaine from CBRE. I'm doing
8 the leasing for Marina Village.

9 So one thing that I did want to bring up that might help
10 ease your concern about the commission is also we ask for a
11 guarantee from these prospects. So if they default, they are
12 responsible for the rent that they were supposed to pay for the
13 entire year. So that is another way for you to kind of minimize
14 your risk.

15 Another thing is we are extremely, extremely concerned
16 about the tenants that we bring into Marina Village. We're
17 qualifying them to the T and making sure that they are going to
18 be successful there, that they are going to last, that they are
19 financially capable of handling a bad year, because the first
20 year as we all know is very hard for new businesses.

21 Another thing that we've been offering other prospects is
22 lower base rent, but a percentage rent, so once they start doing
23 well the City starts doing well.

24 COMMISSIONER THOMAS: I got it. But, Ms. Fontaine -- I
25 don't want to interrupt you. I just wanted to get that number.

1 What is the deposit that would have to be paid?

2 MS. FONTAINE: So it varies of course on the size, the
3 rank.

4 For the Event Center specifically, the two-story Event
5 Center, I believe it's probably around like \$46,000.

6 COMMISSIONER THOMAS: \$46,000 is the deposit?

7 MS. FONTAINE: Yes.

8 COMMISSIONER THOMAS: And of that deposit what would be the
9 commission for CBRE?

10 MS. FONTAINE: I never calculate commissions beforehand,
11 but I think --

12 COMMISSIONER THOMAS: It's like a bad luck thing. I get
13 it. But just in case it does happen.

14 EXECUTIVE DIRECTOR BROWN: You gave me a schedule. It
15 would be \$36,000.

16 COMMISSIONER THOMAS: So they're going to put up 46,000 and
17 we're going to give you 36,000 of that 46,000?

18 EXECUTIVE DIRECTOR BROWN: 50%.

19 COMMISSIONER THOMAS: Let me see. We're going to give you
20 50% of the --

21 MS. FONTAINE: At lease signing, yeah. At lease signing.

22 COMMISSIONER THOMAS: Right. So but we're going to give
23 you 36,000 basically?

24 MS. FONTAINE: Mmhmm.

25 COMMISSIONER THOMAS: Okay. Of the 46,000 we're going to

1 give you 36,000. Listen, that's a good business model. I get
2 you. But what I'm trying to figure out, do you all stay on the
3 hook for if we have to replace furniture, lights, you know,
4 whatever has to come --

5 MS. FONTAINE: The tenant is responsible for that. Not the
6 landlord.

7 COMMISSIONER THOMAS: The landlord is not responsible for
8 any of the upkeep, the repairs?

9 MS. FONTAINE: No.

10 MR. HAYGOOD: No.

11 EXECUTIVE DIRECTOR BROWN: Triple net.

12 MR. HAYGOOD: Triple net.

13 COMMISSIONER THOMAS: Oh. Okay. So let me ask you this
14 right here: We're going to give you 50% of that 36,000 -- is
15 that 18,000 -- at the time that you sign them up?

16 MS. FONTAINE: Mmhmm.

17 COMMISSIONER THOMAS: If they don't actually go to the next
18 steps, do you keep that 18,000?

19 MS. FONTAINE: No, we would give it back to you. At lease
20 signing if they did not move forward, we would give it back.

21 COMMISSIONER THOMAS: So we don't lose the 50%?

22 MR. HAYGOOD: We need to put that in the lease.

23 COMMISSIONER THOMAS: Of course we're going to put that in
24 the lease.

25 You got to understand something. We haven't done this

1 several times before.

2 MS. FONTAINE: Right. No. Absolutely.

3 COMMISSIONER THOMAS: And we're trying not to enter into
4 something right now that future councils and future managers and
5 CRA directors are going to have to deal with.

6 MS. FONTAINE: Sure.

7 COMMISSIONER THOMAS: So I know that you're probably very
8 comfortable with, you know, what the discussion that you've been
9 having with Mr. Brown; and I'm sure they're fruitful and that
10 you all understand this. But we're trying to make sure that we
11 have that. And I just want you to understand that we appreciate
12 you being on board. We're paying you, so obviously you're doing
13 a good job. Well, we're paying you. I don't know if you're
14 doing a good job or not. But hopefully you are.

15 MS. FONTAINE: I only get paid when there's tenants that
16 open for business.

17 COMMISSIONER THOMAS: Cool. I just want to make sure, are
18 you leasing these at the \$22.50 a square foot?

19 MS. FONTAINE: That's for the pad sites. As Tony had
20 mentioned, we're not really marketing the pad sites. I mean
21 we're still marketing them but we're not giving a big push for
22 them; we're really focusing on the Event Center.

23 COMMISSIONER THOMAS: I thought we had tenants for them
24 already.

25 MS. FONTAINE: Well, we have prospects for the pad sites,

1 but we're not signing anyone up because we need the parking
2 situation --

3 COMMISSIONER THOMAS: Got it. Got it. Are we getting it
4 at the \$22 a square foot?

5 MS. FONTAINE: That's hard for me to say because it's
6 relative, every deal varies.

7 COMMISSIONER THOMAS: Ms. Fontaine, you just don't want to
8 tell me no.

9 MS. FONTAINE: No. Because every tenant has certain needs.
10 Some tenants need build out money. Some tenants want a lower
11 rent. So it's really hard for me to say that you're going to
12 get twenty-two fifty.

13 COMMISSIONER THOMAS: It's hard for you to say what you've
14 been negotiating for the --

15 MS. FONTAINE: Oh. I haven't been negotiating for the pad
16 sites.

17 COMMISSIONER THOMAS: No, no, I'm saying for the Event
18 Center.

19 MS. FONTAINE: Oh. The Event Center we're asking \$18 a
20 square foot interior, and then 14 for the second floor patio.

21 COMMISSIONER THOMAS: Wow. Okay.

22 MS. FONTAINE: And that benefits you guys to have the lower
23 base rent because then you're not paying me as much in
24 commission but you're making it up with the percentage rent of
25 the tenant; and I'm not getting a piece of that.

1 COMMISSIONER THOMAS: Well, that's pretty good because it
2 seems like you're getting a pretty good piece of that in the
3 beginning. And I think it's a fair deal. We just want to make
4 sure that we're not going to, you know, have to -- it just puts
5 all of the risk on us, especially if you're getting all of the
6 down payment, so to speak, the deposit, if you're getting the
7 majority of that.

8 And if they default or leave or whatever, and you rent that
9 same place, are you asking for another ten-year commission?

10 MS. FONTAINE: Yes. Mmhmm. Because in -- well, I'll tell
11 you why. It's because we're in partnership here. So if I bring
12 you a tenant and we both agree that they're financially viable,
13 we like their business plan, we believe that they can succeed
14 here, and say a year from now they fail, well that's on both of
15 us. So CBRE still spends a lot of money marketing. I'm putting
16 in a lot of time and effort, a ton of time and effort. So I
17 certainly feel that I should be compensated if I do bring you
18 another tenant that we again feel would be a good fit for the
19 marina.

20 COMMISSIONER THOMAS: Okay. So I'm going to let you and
21 Tony negotiate this, because the only way I'm going to support
22 it is if you all agree to negotiate some of these things. And
23 it may not iron out right now. But if a tenant fails within the
24 first 24 months and you have to bring somebody else in, I mean
25 would there be any type of -- I mean because this would become a

1 business in itself for you, you know, just re --

2 MS. FONTAINE: No, it wouldn't, because you guys wouldn't
3 hire -- that would -- it would look poorly on me. So of course
4 that's not what I want to do.

5 But like I mentioned earlier, keep in mind, so say I bring
6 you a tenant, they default, we are asking for personal
7 guarantees; and we are making sure that they are financially --

8 COMMISSIONER THOMAS: And who picks up the cost of the
9 chase to sue these people for the personal guarantees?

10 MS. FONTAINE: Well, that would be the CRA. But you would
11 put that cost on the tenant once you get a settlement.

12 COMMISSIONER THOMAS: But we won't have it because we would
13 have given most of it to you for your commission.

14 MS. FONTAINE: Well, hopefully you would have made some
15 money during the rent period that they were there.

16 COMMISSIONER THOMAS: I understand. I mean I'm willing to
17 support it but I do want to see you guys agree to -- no, we had
18 a motion.

19 CHAIR PARDO: No, we didn't.

20 COMMISSIONER GUYTON: Yes, we did.

21 COMMISSIONER THOMAS: Yes, we had a motion.

22 CHAIR PARDO: Did we?

23 COMMISSIONER THOMAS: Yes.

24 MR. HAYGOOD: The motion is to approve.

25 COMMISSIONER MILLER-ANDERSON: No.

1 EXECUTIVE DIRECTOR BROWN: Mr. Thomas, I think Ms. Fontaine
2 can tell you negotiating with me is pretty painful.

3 And as I said -- I mean we have risks. We built the Event
4 Center without a tenant. That's an eight million dollar risk.
5 So your risk is, at the ribbon cutting it stays open. We've
6 still got that cost.

7 Our risk isn't the commission. We've structured this that
8 I'm going to pay this from the tenant's money. Our risk is not
9 to have a business there to cover our common area maintenance
10 expense, which is going to be a million dollars. And that
11 million dollars gets spread out over the tenants. So you're
12 right, I've got to focus on the garage, I've got to focus on
13 getting tenants to the marina, because our big risk, the big
14 carrying cost, isn't the commission. It's the ground lease I'm
15 paying the City. It's the common area maintenance that I'm
16 paying FP&L, the utility, and the people that we pay to cut the
17 grass. And we eat that cost until we get tenants to share in
18 that cost. So, yes, we need her to be aggressive. We need to
19 make sure that we get a tenant that can sustain itself.

20 COMMISSIONER THOMAS: Do we have an out in this contract?

21 EXECUTIVE DIRECTOR BROWN: Yes. I mean if they're not
22 performing...

23 MR. HAYGOOD: Well, it's an exclusive agreement for the
24 length of the term. I mean you can't come up next week, in
25 theory, and say you're out of here.

1 COMMISSIONER THOMAS: Okay. Well, the fact that we can't
2 do that right now is going to cause me some pause. I want you
3 to negotiate that, give us -- give me some type of comfort
4 saying that this is not going to be a revolving door where CBRE
5 is going to just be the only one that's benefitting from this.
6 That's just me.

7 MS. FONTAINE: We're not benefitting.

8 COMMISSIONER THOMAS: You will. You will.

9 MS. FONTAINE: In what way?

10 COMMISSIONER THOMAS: Well, if you sign a lease, you're
11 going to get paid actually all of your money up front at that
12 point. So you're going to get 18,000 now and you'll get the
13 other 18, or the other 9,000 and 9,000 over the next two years
14 it seems like by the time they get -- no, the building's got to
15 be built. So I understand that.

16 What I don't want is, over that two years, somebody can
17 come and say, you know what, it's been two years, it's a
18 different forecast for me, or it's been a year, it's a different
19 forecast for me, I don't -- I'm just not going to do it any
20 more, and then you --

21 MS. FONTAINE: Would it help you if we did a projection of
22 what you would be making on the rent in those two years?

23 COMMISSIONER THOMAS: No. What would help me is that we
24 actually get the rent in, you know.

25 MS. FONTAINE: Oh, absolutely. But just to help you

1 understand the risk is minimal to you at that point, say it's
2 two years from now. I mean would that help you in any way?
3 Because I would be more than happy to do that for you if you
4 found that helpful.

5 COMMISSIONER THOMAS: What would help me is I would support
6 this knowing that you all are going to negotiate. If you're
7 telling me right now it is what it is, then I'm not comfortable
8 with it. If you're going to go and negotiate and come up with
9 something that's going to make me a little more comfortable --

10 MS. FONTAINE: Tony has negotiated with me plenty so...

11 EXECUTIVE DIRECTOR BROWN: Point of clarification, if I
12 may.

13 Let's give a couple of examples. So, my Board approves a
14 lease for a tenant to go into the Event Center; and under terms
15 that we gave them one year abatement on rent and CAM, and
16 they're responsible for the build out. So let's say we sign
17 them up, they pay the deposit, but three months, four months
18 later, they didn't finish the build out and they just walk away.
19 Are we still liable for paying you the 50% of the commission for
20 that tenant?

21 MS. FONTAINE: No.

22 COMMISSIONER THOMAS: No, she said they will return that.
23 She said that. But it's the initial 18,000 that I'm saying. So
24 what -- why would CBRE -- I won't say Ms. Fontaine because
25 Ms. Fontaine, I'm sure, is the consummate professional. But

1 what would be the motivation for them to say let's make sure we
2 got somebody who will go all the way through this process?
3 Because if they fail, it's almost better for them because
4 they're going to get another 18,000.

5 CHAIR PARDO: But it's on us also.

6 EXECUTIVE DIRECTOR BROWN: But the way we structured
7 this -- so let's say we don't get it. So let's say a year from
8 now no one is in the Event Center. We're still paying utilities
9 for an empty space. We're still paying the common area
10 maintenance for an empty space.

11 COMMISSIONER THOMAS: I get it. So you're saying at the
12 Event Center it doesn't matter. But you're going to have this
13 contract as well for those pad sites.

14 EXECUTIVE DIRECTOR BROWN: So the same thing. So the pad
15 sites -- so we're marketing the pad sites. So the reason -- so
16 if a restaurant signs up and says, okay, we'll give you your
17 ground lease rent and then we are going to build our own
18 building. Right? So when they sign for the ground lease
19 they're still going to give us a deposit.

20 The letter of intent has a time table: When they have to
21 give -- submit a building permit, when they have to complete
22 construction, and when they have to open for business. So in
23 the example of a pad site, right, so if a particular business
24 who says that they're going to build their own leasehold
25 improvement, two million dollars, that they're going to build

1 their own two million, they would have spent money with the
2 architect in order to submit a building permit, so they are
3 vested at that point.

4 Now if something happens for whatever reason -- because we
5 won't even sign it unless we know that they have the ability to
6 build the two million dollar restaurant. But let's just say
7 anything can happen. So midway between getting the building
8 permit approved, that something happens that they cannot finish
9 the commitment, in that scenario we would have only been out 50%
10 of the deposit, which the tenant would have paid and covered.
11 And then the fact that the building didn't get constructed or
12 that they didn't open for business, then they forfeit the
13 remainder.

14 COMMISSIONER THOMAS: And every lease is going to be ten
15 years?

16 EXECUTIVE DIRECTOR BROWN: I think that's generally --

17 MS. FONTAINE: Yeah. I mean it's to your benefit, the
18 longer that they're committed to the project, it's to your
19 benefit that it's a longer lease.

20 But I also wanted to mention -- I know in your mind you
21 think, oh, CBRE, they'll make money if one restaurant goes out,
22 but it's a lot harder to lease out a restaurant space,
23 especially in this kind of market, when a tenant has failed,
24 because it's a new project; so it's going to be harder for me to
25 lease it out because people are going to have trepidations, why

1 did that person fail. It's going to be more difficult. So it's
2 not something that --

3 COMMISSIONER THOMAS: But if we get it for a five-year
4 period that will be less commission we have to pay you, correct?

5 MS. FONTAINE: Yeah. Absolutely. But then you don't have
6 a tenant committed -- because the City is also putting money
7 into the build out as well. So you're not going to have a
8 tenant committed to you as long. I mean potentially they'll
9 renew at an option. But if their lease is up in five years
10 they're going to try and re-negotiate.

11 COMMISSIONER THOMAS: So there's only two restaurants that
12 you can potentially do right now, correct?

13 MS. FONTAINE: Correct.

14 COMMISSIONER THOMAS: All right. I'm okay.

15 CHAIR PARDO: So we had a motion and a second. Madam
16 Clerk.

17 COMMISSIONER MILLER-ANDERSON: No. Madam Chair.

18 CHAIR PARDO: Go right ahead.

19 COMMISSIONER MILLER-ANDERSON: So we're going with ten
20 years, is that what we're doing right now?

21 EXECUTIVE DIRECTOR BROWN: So it appears that the leases
22 that we're negotiating is a ten-year term and then two five-year
23 renewals. And so CBRE's commission schedule is based on a
24 ten-year term; and it's payable based on certain milestones
25 being met by the tenant.

1 And what I would submit to this Board is that our
2 commission risk gets paid for by the tenant; and that long-term,
3 as a real estate developer, as a property owner, we still have
4 the risk of a tenant getting in and not paying us. That is a
5 real risk, and that can happen.

6 COMMISSIONER MILLER-ANDERSON: Now CBRE's term has to match
7 the tenant's terms of -- they have to be ten years as well as
8 the tenant be ten years?

9 EXECUTIVE DIRECTOR BROWN: No.

10 MR. HAYGOOD: That --

11 EXECUTIVE DIRECTOR BROWN: Go ahead.

12 MR. HAYGOOD: I was going to say, that is our policy, that
13 is our negotiating policy, for ten-year leases. If someone came
14 in here and said give me a five-year lease, and they're credit
15 worthy and everything else, I don't think we're going to turn
16 them down.

17 MS. FONTAINE: No.

18 MR. HAYGOOD: So they would just be paid for the five
19 years.

20 But really, you know, a lot of this is being driven by what
21 kind of terms we can get people to agree to, where it's still
22 economically feasible for the CRA.

23 So as it stands, what's before you is an executive listing
24 agreement which is for three years.

25 COMMISSIONER MILLER-ANDERSON: So if we did five years, and

1 the business is doing well -- you know, nobody goes into
2 business expecting to fail. But it happens. If we did a
3 five-year and they're doing really well, I'm sure they're going
4 to renegotiate or extend their lease for another five years.

5 MR. HAYGOOD: I was just going to say though from our
6 standpoint, from a landlord's standpoint, you really want a
7 longer term, you really want ten years, regardless of the fact
8 that they're going to get another commission, because this
9 person is committed, he's put up his deposit, the guarantor is
10 on the line, so you want as long a lease as you can get.

11 If someone came in and said well I'll give you a 20-year
12 lease and we've got escalation clauses, we would be jumping
13 through hoops. Because that lease is probably also financial,
14 you can probably take that 20-year lease, you've got a triple A
15 tenant in there, and that's going to look good also from your
16 standpoint on what you have on your books.

17 COMMISSIONER MILLER-ANDERSON: I understand that. With
18 this being such a whole new development in itself, we don't -- I
19 mean, again, we expect it to do really well, but we don't know
20 that. And because it is so brand new, I have a problem with
21 making such a long-term commitment, not knowing all of the
22 unknowns such as the parking, you know, all of the additional
23 things that we've talked about all night.

24 MR. HAYGOOD: I understand. But we haven't really brought
25 a lease to you yet as far as what the term is going to be. And

1 as it relates to their contract, it's only a variable.

2 You've already agreed, you have a contract through June
3 regardless, under the terms that we've already discussed. So
4 what we're talking about is an extension of those terms through
5 2017, and adding an extra pad to it. So I mean some of your
6 concerns where they are germane to what we're talking about
7 aren't really going to be answered by this action today.

8 So if we bring you a lease say in July, and the lease says
9 it's going to be in the Event Center, and the person says they
10 want to do ten years, I guess it might be relevant then when you
11 say, well, no, we don't want to do ten years, we want to do
12 five, I can tell you staff will be jumping off the roof saying
13 no, no, no, we want to go ahead and do ten.

14 COMMISSIONER MILLER-ANDERSON: So this tonight is only to
15 extend it until December 2017?

16 MR. HAYGOOD: Extend their exclusive listing agreement on
17 the terms that we currently have, which include whatever the
18 commission was and everything else, and adding pad A.

19 COMMISSIONER MILLER-ANDERSON: Okay.

20 CHAIR PARDO: Okay. Madam Clerk.

21 COMMISSIONER THOMAS: Madam Chair, I withdraw my second.

22 CHAIR PARDO: Okay. So we had a motion. Is there a
23 second?

24 COMMISSIONER GUYTON: I'm withdrawing my motion.

25 CHAIR PARDO: Okay. So it fails.

1 COMMISSIONER THOMAS: It doesn't fail.

2 CHAIR PARDO: Well, no, we had a motion and a second; they
3 were removed, so there's no motion.

4 EXECUTIVE DIRECTOR BROWN: For CBRE's understanding, so
5 what is happening, they have a contract, so we're still
6 marketing pad sites B and D through June. Period.

7 COMMISSIONER THOMAS: And I would suggest that you all get
8 together to try to get this so that it's comfortable to bring
9 back.

10 CHAIR PARDO: All right. We have no public comment cards.
11 Report from the executive director?

12 EXECUTIVE DIRECTOR BROWN: Just two reports. One, as a
13 compliment to CBRE, I want to thank them for tomorrow, we're
14 having an open house for restaurant prospects that they have
15 solicited on their own; and that we've invited a handful of
16 financial institutions to talk to the prospects that they have
17 generated, to see those who are willing to build their own
18 leasehold we have some local banks who will be talking with
19 those prospects.

20 And in addition to that, some of you may recall about four
21 years ago we hosted the board of the Community Reinvestment
22 Fund, a national financial intermediary, one of our largest CDFI
23 organizations, on whose board I served, they'll have their
24 winter board meeting here as well. And we've been talking about
25 other strategies for them to finance Restaurant Row under the

1 CDFI fund bond guarantee program.

2 So I think we can still move forward with the listing
3 agreement that we have for B and D. I put up the rendering,
4 what was important for us relative to parcel A, in that
5 Viking -- since Viking has returned that parcel. One of the
6 impediments -- if the consensus from the Board is okay based on
7 what I'm about to propose -- we have three very strong prospects
8 for the Event Center. When I mentioned to them the possibility
9 of tying parcel A as a tenant to the Event Center, but not for a
10 full restaurant but for an open air Tiki type bar, in the
11 illustration that you see, that is tied, all three prospects
12 went from maybe to absolutely. So we are almost prepared, and
13 we've been working aggressively, to try to bring you the lease,
14 or at least the letter of intent for probably three prospects,
15 that you'll have a chance to look at, that would not only rent
16 the Event Center but would have lease terms on parcel A that
17 would have doubled what Viking would have paid us for parcel A.

18 So I want to talk some more with CBRE, and we'll continue
19 to work aggressively to get the Event Center leased, and to be
20 in a position to hopefully announce -- our goal was to announce
21 at our ribbon cutting on February 25th at least who was coming.
22 And so we are working aggressively because we can do the Event
23 Center and parcel A with three very credit worthy tenants. And
24 I can assure you that we feel very comfortable that the
25 commission risk is not there.

1 And then also to my update is just to remained this Board
2 that your calendars should be marked for the February 25th
3 ribbon cutting for the Event Center and Bicentennial Park and
4 the improvements made. I commend Weitz and team, they are
5 working diligently and on weekends to have the Event Center
6 prepared. Along with the improvements at the park, I was told
7 that the landscaping will go in next week. You can see that the
8 parking lot and the central parking lot at 13th Street probably,
9 had it not rained today, the asphalt would have been poured.
10 But we're pleased that the marina will be substantially
11 completed in time for the ribbon cutting on February 25th at
12 4:00 p.m. And I think you all have it on your calendars. And
13 so we're excited about that potential.

14 CHAIR PARDO: Thank you.

15 Mr. Haygood, do you have anything?

16 MR. HAYGOOD: No, ma'am.

17 CHAIR PARDO: Okay. Ms. Miller-Anderson? Anything?

18 COMMISSIONER MILLER-ANDERSON: Not at this time.

19 CHAIR PARDO: Mr. Guyton?

20 COMMISSIONER GUYTON: Nothing.

21 CHAIR PARDO: Mr. Thomas?

22 COMMISSIONER THOMAS: Nothing.

23 CHAIR PARDO: I have nothing. At this time there is
24 nothing left on the agenda. We are adjourned.

25 (Proceedings concluded at 8:06 p.m.)

C E R T I F I C A T E

THE STATE OF FLORIDA)
)
COUNTY OF PALM BEACH)

I, Claudia Price Witters, Registered Professional Reporter,
certify that I was authorized to and did report the foregoing
proceedings at the time and place herein stated, and that the
foregoing is a true and correct transcription of my stenotype
notes taken during said proceedings.

IN WITNESS WHEREOF, I have hereunto set my hand this 3rd
day of February, 2016.



CLAUDIA PRICE WITTERS
Registered Professional Reporter