



**West Palm Beach
Community Redevelopment Agency**

PASS/FAIL AGENDA

**February 10, 2020
4:00 P.M.**

IN ACCORDANCE WITH THE PROVISIONS OF THE AMERICANS WITH DISABILITIES ACT (ADA), PERSONS IN NEED OF A SPECIAL ACCOMMODATION TO PARTICIPATE IN THIS PROCEEDING SHALL, WITHIN THREE DAYS PRIOR TO ANY PROCEEDING, CONTACT THE CITY CLERK'S OFFICE, 401 CLEMATIS STREET, WEST PALM BEACH, FLORIDA 33401, {(561) 822-1210}

**MAYOR
KEITH A. JAMES**

**CITY COMMISSION
PRESIDENT CHRISTINA LAMBERT**

**COMMISSIONER KELLY SHOAF
COMMISSIONER RICHARD A. RYLES**

**COMMISSIONER CORY NEERING
COMMISSIONER JOSEPH A. PEDUZZI**

**ADMINISTRATION
INTERIM CRA EXECUTIVE DIRECTOR, ALLISON JUSTICE
CITY ATTORNEY, KIMBERLY ROTHENBURG
TREASURER, MARK A. PARKS
CITY CLERK, HAZELINE CARSON**

1. ROLL CALL

CIVILITY AND DECORUM: The City of West Palm Beach is committed to civility and decorum by its officials, employees and members of the public who attend this meeting. The City Code, Secs. 2-31(8), 2-31(18) and 2-31(22), provides in pertinent part:

- Officials shall be recognized by the Chair and shall not interrupt a speaker.
- Public comment shall be addressed to the City Commission as a whole and not to any individual on the dais or in the audience.
- Displays of anger, rudeness, ridicule, impatience, lack of respect and personal attacks are strictly prohibited.
- Unauthorized remarks from the audience, stamping of feet, whistles, yells and similar demonstrations shall not be permitted.
- Offenders may be removed from the meeting.

COMMENTS FROM THE PUBLIC FOR NON-AGENDA ITEMS:

COMMENTS FROM THE BOARD:

ADDITIONS / DELETIONS / REORGANIZATION OF AGENDA:

CONSENT (2-4): ALL CONSENT ITEMS (2-4) APPROVED

2. **Minutes of the Community Redevelopment Agency Meeting of January 13, 2020.**
Agenda Cover Memorandum No.: 22066

Staff Recommended Motion:

Approve the Minutes of the Community Redevelopment Agency Meeting of January 13, 2020.

3. **Minutes of the Special Community Redevelopment Agency Meeting of January 27, 2020.**
Agenda Cover Memorandum No.: 22072

Staff Recommended Motion:

Approve the Minutes of the Special Community Redevelopment Agency Meeting of January 27, 2020.

4. **Resolution No. 20-12 approving an Assignment and Assumption of Lease and Landlord's Consent to Assignment and Assumption of Lease between Library Donuts, LLC, Southeast Enterprise Holdings, LLC and the West Palm Beach Community Redevelopment Agency and a Landlord's Estoppel Certificate for the lease of the City Center Cafe space located at 407 Clematis Street.**

A RESOLUTION OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING AN ASSIGNMENT AND ASSUMPTION OF LEASE AND LANDLORD'S CONSENT TO ASSIGNMENT AND ASSUMPTION OF LEASE WITH SOUTHEAST ENTERPRISE HOLDINGS, LLC, AND A LANDLORD'S ESTOPPEL CERTIFICATE FOR THE LEASE OF THE CITY CENTER CAFÉ SPACE LOCATED AT 407 CLEMATIS STREET, WEST PALM BEACH, FLORIDA; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Agenda Cover Memorandum No.: 22067

Staff Recommended Motion:

Approve Resolution No. 20-12.

Background:

Pursuant to Resolution No. 12-32 and 16-91, the approximately 900 sq. ft. City Center Cafe located at 407 Clematis Street is currently leased to Library Donuts, LLC for operation of a Dunkin Donuts. The tenant, Library Donuts, LLC, is under contract to sell its entire network of Dunkin Donuts franchised restaurants in the south Florida market to Southeast Enterprise Holdings, LLC.

Library Donuts has requested that the CRA approve an Assignment and Assumption of Lease and Landlord's Consent to Assignment and Assumption of Lease between Library Donuts, LLC ("Assignor") and Southeast Enterprise Holdings, LLC ("Assignee") and the West Palm Beach Community Redevelopment ("Landlord"), and execute a Landlord's Estoppel Certificate. The current lease expires December 31, 2020 and has (2) remaining 5-year options to renew the lease, with a current annual rental rate of \$16,603.30 and escalations to remain at 3% on an annual basis.

The lease agreement requires the CRA's consent to any assignment of the lease.

CRA staff has evaluated the Landlord Estoppel Certificate in connection with the Assignment and Assumption of Lease and found that the status of the lease, including terms, rent commencement date, rent payment address, minimum rent, additional rent are current.

Therefore, CRA staff recommends approval of Resolution No. 20-12 authorizing the Chair to execute all documents necessary to effectuate the Assignment and Assumption of Lease and to execute the Estoppel Certificate.

COMMISSION DISTRICT: The property is located in Commission District No. 3, Commissioner Richard Ryles.

RESOLUTIONS(5-8):

5. **Resolution No. 19-56 APPROVED approving the Guaranteed Maximum Price (GMP) for construction of the proposed above ground improvements known as the Heart & Soul Park located between 7th Street and 8th Street along Rosemary and Henrietta Avenue in the Historic Northwest CRA District and the First Amendment to the Construction Contract with Burkhardt Construction establishing the GMP.**

A RESOLUTION OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY, APPROVING THE FIRST AMENDMENT TO THE CONSTRUCTION MANAGER AT RISK CONTRACT FOR HEART AND SOUL PARK BETWEEN THE WEST PALM BEACH CRA AND BURKHARDT CONSTRUCTION TO ESTABLISH A GUARANTEED MAXIMUM; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Agenda Cover Memorandum No.: 22068

Staff Recommended Motion:

Approve Resolution No. 19-56.

Background:

The CRA's Strategic Finance Plans for the City Center/Downtown CRA District, Amendment No. 12, identifies the Sunset Lounge as a performance art destination. The Stull and Lee Report completed in 2002 encouraged the development of a small neighborhood park in front of the Historic Lounge. In 2015 the CRA purchased the Sunset Lounge along with the properties where the park will be located. Existing dilapidated Multiple Family buildings were removed.

The design of the park was completed with deliberate and focused community engagement and the park design improvements were approved by the City Commission through Resolution 397-19. Approval of the contract amendment and GMP will allow construction of the planned improvements.

Guaranteed Maximum Price (GMP) was received January 9th at \$3,363,916.48. Funding is budgeted as part of the Series 2019 Bonds and 2020 Finance Plan.

This Project is located in Commission District 3: Richard Ryles.

6. **Resolution No. 20-11(F) APPROVED authorizing a transfer of \$700,000 of CRA funds in Fiscal year 2019/2020 to provide funding for the Old City Hall performance incentive.**

RESOLUTION NO. 20-11(F): A RESOLUTION OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY (CRA), AUTHORIZING THE APPROPRIATION OR TRANSFER OF CRA FUNDS IN FISCAL YEAR 2019/2020 FOR THE PURPOSE OF AMENDING THE COMMUNITY REDEVELOPMENT AGENCY FUND BUDGET TO PROVIDE APPROPRIATIONS FOR THE OLD CITY HALL COMPLETION INCENTIVE; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Agenda Cover Memorandum No.: 22069

Staff Recommended Motion:

Approve Resolution 20-11(F).

Background:

The City of West Palm Beach and the West Palm Beach Community Redevelopment Agency issued Request for Proposals No. 13-14-214 for the purchase or lease of the City Hall Property and the land formerly occupied by the Helen Wilkes Hotel and the development and completion of a unified, mixed used development on the two parcels of land.

Resolution No. 16-54, approved an agreement to enter into a lease of the former Helen Wilkes site owned by the CRA.

By Resolution No. 18-9, the CRA Board approved the Property Development Agreement and the Ground Lease with Navarro Lowry which documents provided that if substantial completion of construction occurred before the Completion of Construction deadlines, a completion incentive of \$1,000,000 would be provided by the West Palm Beach CRA. The provision provides:

9.1 Completion Incentive. Provided Completion of Construction of the development of the Hotel Component has obtained Substantial Completion on or before the Completion of Construction date for the Hotel Parcel set forth in Section 6.1 , and Completion of Construction of the development on the Mixed Use Component and Parking Component have obtained Substantial Completion on or before the Completion of Construction date for the Mixed Use Parcel set forth in Section 6.1, and Completion of Construction of the Restaurant Component has obtained Substantial Completion on or before the Completion of Construction date for the Restaurant Component as set forth in the lease for the Helen Wilkes Property, and Completion of Construction of the Development of the Open Space Component has obtained Substantial Completion on or before the Completion of Construction date for the Open Space Component as set forth in the lease for the Helen Wilkes Property, the CRA shall pay the Developer a completion incentive in the amount of One Million Dollars (\$1,000,000), which shall be payable within ninety (90) days following:

- i) issuance of any certificates allowing for occupancy of the Development, including the Hotel Component, Mixed Use Component, Parking Component, Restaurant Component and Open Space Component; and
- ii) the opening for business of the Hotel.

The Property Development Agreement and the Lease provided that the development must have had construction commenced by December 31, 2018 and be substantially complete no later than 28 months after commencement of construction. Navarro Lowrey began construction on the Old City Hall Site in Fall 2018. It has been determined that the developer will meet the construction deadlines set forth in the Development Agreement and the Lease.

Therefore, the incentive will be funded by the CRA. The 2019/2020 FY Budget did not include this incentive payment and the CRA wishes to amend the budget to fund the \$1,000,000 incentive.

Funds are hereby appropriated within the CRA as follows:

FUND 105 – COMMUNITY REDEVELOPMENT AGENCY FUND EXPENDITURES

- Reserve for Future Projects 105-012400-580-500928-00000000 (\$300,000)
- 314 Clematis (Operations) 105-012410-559-500490-30376607 (\$400,000)
- Redevelopment Incentives 105-012410-559-500816-09260002 \$700,000

COMMISSION DISTRICT: Commissioner District 3: Richard A. Ryles

CRA DISTRICT: City Center/Downtown.

Fiscal Note:

Approval will provide \$700,000 towards Old City Hall Redevelopment Incentives

- 7. **Resolution No. 20-13 APPROVED authorizing the execution of a Purchase Agreement for the sale of State Tax Credits between the West Palm Beach CRA and RELX US Holdings Inc.**

RESOLUTION NO. 20-13: A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING THE SALE OF STATE TAX CREDITS AND AUTHORIZING THE EXECUTION OF SALES AGREEMENT BETWEEN THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY AND RELX US HOLDINGS, INC. RELATED TO THE VOLUNTARY CLEANUP OF THE NORTHWOOD BROWNFIELD SITE A.K.A. ANCHOR SITE.
Agenda Cover Memorandum No.: 22070

Staff Recommended Motion:

Approve Resolution No. 20-13.

Background:

Pursuant to Section 376.30781, Florida Statutes, the West Palm Beach Community Redevelopment Agency is the owner of one (1) Florida Voluntary Cleanup Tax Credit Certificate issued in the amount of \$58,981.07. The Certificate was issued in Fiscal Year 2018-2019 and is further described as Certificate #942 of Voluntary Cleanup Tax Credit Certificate ("VCTC") Application #937. The Florida Department of Environmental Protection ("FDEP") issued the certificate for costs incurred associated with environmental site remediation to said CRA owned properties:

- 550 Northwood Rd (PCN: 74434309050520500)
- 610 25th Street (PCN: 74434309050480050)
- 604 25th Street (PCN: 74434309050480010)
- 2401 Broadway (PCN: 74434309050480030)
- 2501 Broadway (PCN: 74434309050480110)
- 609 24th Street (PCN: 74434309050480080)
- 701 23rd Street (PCN: 74434309050530010)
- 2501 Pinewood Avenue (PCN: 74434309050530040)
- 2425 Broadway (PCN: 74434309050490010)
- 2505 Broadway (PCN: 74434309050480010)

Otherwise known as; Northwood Brownfield Site (a.k.a. "Anchor Site")

Resolution No. 20-13 approves the Purchase Agreement for the sale of State Tax Credits whereby the CRA will sell the tax certificate to RELX US Holdings Inc. for the purchase price of \$54,852.40, or \$0.93 for each dollar of tax credits. The Agreement provides that RELX US Holdings, Inc. ("RELX") will deliver the purchase price to the CRA once the FDEP issues new certificate to RELX and all due diligence items within the agreement have been satisfied. Clocktower Tax Credits, LLC has a separate agency agreement with the CRA and will act as the transaction broker in the Sales Agreement for State Tax Credits.

Commission District 1: Kelly Shoaf.

8. **Resolution No. 20-14 APPROVED approving an interlocal agreement with the City of West Palm Beach regarding funding for the City's Centennial Fountain Renovation project.**

RESOLUTION NO. 20-14: A RESOLUTION OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY, APPROVING A FUNDING AGREEMENT BETWEEN THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY AND THE CITY OF WEST PALM BEACH FOR THE CENTENNIAL FOUNTAIN RENOVATION PROJECT; PROVIDING FOR AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Agenda Cover Memorandum No.: 22071

Staff Recommended Motion:

Approve Resolution No. 20-14.

Background:

The CRA's Strategic Finance Plan for the Downtown/City Center District identifies target project areas and specific redevelopment activities and funding mechanisms for such projects. Amendment No. 14, identifies the downtown core as a target area with focus on Clematis Street. The Plan specifically states that funding will be provided to design and beautify Clematis Street. Part of the Clematis Streetscape project included the renovation of Centennial Square and Centennial Fountain between the 100 Blocks of North and South Clematis. Funding was approved for Clematis Street and the plaza as part of the Series 2019 Bond issuance.

The interlocal agreement will allocate \$1,000,000 of CRA funds out of the Clematis Streetscape project to fund a portion of the Centennial Fountain renovation, with the remainder of the funding allocated from the City's 2016B Capital Improvement Bond.

Companion Resolution No. 26-20 and Resolution No. 27-20 will be presented to the West Palm Beach City Commission for approval.

Commission District 3: Commissioner Richard A. Ryles.

ADJOURNMENT:

NOTICE: IF ANY PERSON DECIDES TO APPEAL ANY DECISION OF THE CITY COMMISSION AT THIS MEETING, THAT PERSON WILL NEED A RECORD OF THE PROCEEDINGS AND FOR THAT PURPOSE MAY NEED TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED. THE CITY OF WEST PALM BEACH DOES NOT PREPARE OR PROVIDE SUCH A RECORD.