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Mayor Keith A. James
Commission President Christy Fox (District 3)
Commissioner Cathleen Ward (District 1)
Commissioner Shalonda Warren (District 2)
Commissioner Joseph A. Peduzzi (District 4)
Commissioner Christina Lambert (District 5)

CRA Executive Director Christopher Roog
City Attorney Kimberly Rothenburg
City Clerk (Interim) Jacqueline Mobley

**City of West Palm Beach
Community Redevelopment Agency
PASS/FAIL Agenda
Monday, February 6, 2023
3:30 PM**

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, FL 33401, (561) 822-1210.

1. CALL TO ORDER

2. 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.

3. COMMENTS FROM THE PUBLIC

Public comments are limited to 3 (three) minutes. Anyone wishing to address the Commission should complete a "Comments by the Public" card and present it to the City Clerk prior to the Public Comments. When you are called to speak, please go to the podium and state your name and address for the record prior to addressing Commission. The Commission will not discuss the matter nor respond to the comment this evening. Comments made will become part of the record and may be addressed at a later date.

4. COMMENTS BY THE MAYOR AND CITY COMMISSIONERS

5. ADDITIONS / DELETIONS / REORGANIZATION OF AGENDA

6. PRESENTATION - PRESENTED

- 6.1. Recap presentation of the Winter in Paradise community engagement event held in December 2022.

Originating Department:

Community Redevelopment Agency

Fiscal Note:

No fiscal Impact.

7. CONSENT CALENDAR - APPROVED

All items listed under the consent calendar are considered routine and will be enacted by one motion. There will be no separate discussion of these items.

- 7.1. Minutes of the Community Redevelopment Agency Meeting of January 9, 2023.

Originating Department:

Mayor's Office

8. RESOLUTIONS - ALL APPROVED

- 8.1. Resolution No. 23-1 approving a Tax Increment Finance incentive with NL 512 LLC for the construction of workforce housing at 512 Clematis Street.

Originating Department:

Community Redevelopment Agency

Ordinance/Resolution:

RESOLUTION NO. 23-1: A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING AN AGREEMENT FOR PURCHASE AND SALE OF A PORTION OF 500 CLEMATIS STREET FOR WORKFORCE HOUSING AMONG NL 512 LLC, THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY, AND THE CITY OF WEST PALM BEACH, WHICH PROVIDES FOR A TAX INCREMENT REFUND; AUTHORIZING THE CHAIR TO EXECUTE THE AGREEMENT; PROVIDING AGENCY FUNDS FOR THIS PURPOSE; PROVIDING FOR AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Staff Recommended Motion:

Approve Resolution No. 23-1.

Background Information:

Last February 8, 2022, Spina O'Rourke and Partners submitted an application on behalf of 512 Clematis LLC., for a site plan approval of a

new five-story residential building located at 512 Clematis Street consisting of 88 apartments and 4,280 square feet of retail space. The proposed project site included a 25-foot wide strip of land currently owned by the City of West Palm Beach and located immediately east of the 512 Clematis Street site. The City accepted the applicant to include the City-owned parcel in its application with the understanding of further negotiations for the purchase and sale of the property once the project was approved.

The project obtained site plan approval last October 7, 2022, and since then, the City engaged in negotiations with the Developer (now NL 512, LLC) for the purchase and sale of the property.

Considering the City's interest in providing affordable housing units within the Downtown area, the Developer, the City, and the CRA staff worked on a proposal that conveys the property to the Developer in exchange for affordable housing units. The terms of the proposed agreement include:

- The Developer will reserve 15% of the residential units (13 units) as workforce housing for families with incomes at 100% AMI or less.
- The workforce housing units shall be restricted for occupancy only by eligible households for twenty (20) years.
- In consideration for the creation of workforce housing units, the purchase price for the 500 Clematis Street property would be Ten Dollars (\$10).
- In the event that the Developer does not construct the workforce housing units in accordance with the terms and conditions of the agreement, or fail to commence vertical construction of the project within nine (9) months of issuance of the building permit, the Developer agrees to pay the City the appraised value of the property at \$500,000.

In addition to the discounted purchase price, the CRA is proposing a Tax Incremental Finance (TIF) Refund incentive equal to 50% of the tax increment revenue generated by the project annually for a term of fifteen (15) years, not to exceed \$1,200,000.

The Developer has agreed to utilize best commercial efforts to pre-market the project's restricted units to employees of the City of West Palm Beach no later than sixty (60) days prior to marketing the project's rental units to the general public.

The CRA support for the construction of workforce housing units is identified as one of the goals of the Strategic Finance Plan for the Downtown/City Center District. Staff presents this agreement as consistent

with and in furtherance of the CRA's goals and objectives for removal of slum and blight, economic development, and public benefits, as authorized by the Florida Redevelopment statutes under F.S.163.358(4) and further defined under F.S. 163.370(c)(1); and, as consistent with Amendment No. 17 to the Strategic Finance Plan for the Downtown/City Center CRA District. Additionally, the tax increment incentive offered complies with the requirements of Section 163.387(1), Florida Statutes.

Resolution No. 23-1 approves the purchase and sale agreement, which includes the agreement for a TIF Refund.

The City Commission companion item is Ordinance No. 5031-23.

Commission District 3: Commissioner Christy Fox.

Fiscal Note:

TIF payment will start once the project is completed and taxes are paid by the project. The refund will be a maximum of 50% of the ad valorem tax paid by the project every year for 15 years up to a total maximum of \$1,200,000.

- 8.2. Resolution No. 23-3 regarding the construction of a new mixed use building at 800 N. Tamarind Avenue; authorizing the negotiation of a purchase and sale agreement with Rose Trolley, LLC; and authorizing the engagement of professional services for design of the building.

Originating Department:

Community Redevelopment Agency

Ordinance/Resolution:

RESOLUTION NO. 23-3: A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY REGARDING THE CONSTRUCTION OF A NEW MIXED USE BUILDING AT 800 N. TAMARIND AVENUE; AUTHORIZING THE NEGOTIATION OF A PURCHASE AND SALE AGREEMENT WITH ROSE TROLLEY, LLC; AND AUTHORIZING THE ENGAGEMENT OF PROFESSIONAL SERVICES FOR DESIGN OF THE BUILDING; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Staff Recommended Motion:

Approve Resolution No. 23-3.

Background Information:

Amendment No. 17 to the Strategic Finance Plan for the Downtown/City Center CRA District includes the goal of promoting the redevelopment of the Tamarind mixed-use area.

Last November 14, 2022, the CRA Board approved Resolution No. 22-56 authorizing staff to advertise a notice of disposition for the CRA-owned property located at 800 N. Tamarind Avenue. The notice asked for offers for a mixed-use building, which houses a local transportation operations business to serve the neighborhood and surrounding area.

The notice of disposition was advertised in the Palm Beach Post on November 15, 2022. The CRA received one (1) proposal from Rose Trolley, LLC. No other proposals were received.

Rose Trolley, LLC.'s response addresses the notice of disposition as follows:

- Includes an offer to purchase 800 N. Tamarind Avenue upon construction of the mixed-use building.
- The purchased price offered is an amount up to \$550,000.
- Provides for the relocation of a transportation operation business (Rose Trolley) to serve the neighborhood and the surrounding community.
- The transportation service will be offered as a free service to the community.

Based on the offer submitted by Rose Trolley, LLC. expressing its interest on purchasing 800 N. Tamarind Avenue upon completion of construction of a new mixed-use building by the CRA, the CRA staff is requesting authorization to start negotiations with Rose Trolley, LLC. for a purchase and sale agreement.

CRA staff also seeks approval to engage professional services for the design of the new building.

As further background, Rose Trolley, LLC. was included in the cohort of businesses that applied to purchase property offered through the Styx Promenade project. Unfortunately, after being selected, the sale could not be completed. Due to zoning code restrictions, a transportation service is not permitted to operate out of the Styx Promenade properties. The location at 800 N. Tamarind Avenue is a site where trolley operations are permitted use under the City's zoning code.

Funding for the construction of the new mixed-use building will be proposed in Fiscal Year 2024.

Commission District 3: Commissioner Christy Fox.

CRA District: Downtown/City Center District.

Fiscal Note:

Staff will process a budget transfer in the amount of \$49,500 from Wayfinding Signage to a newly created project line.

- 8.3. Resolution No. 23-4 approving an interlocal funding agreement between the West Palm Beach Community Redevelopment Agency and the City of West Palm Beach for funding Phase 1 of the City's Banyan Parking Garage Redevelopment study, not to exceed \$76,500.

Originating Department:

Community Redevelopment Agency

Ordinance/Resolution:

RESOLUTION NO. 23-4: A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING A PROJECT FUNDING INTERLOCAL AGREEMENT BETWEEN THE CITY OF WEST PALM BEACH AND THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY FOR THE FUNDING OF CONSULTING SERVICES FOR THE REDEVELOPMENT OF THE BANYAN GARAGE; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Staff Recommended Motion:

Approve Resolution No. 23-4.

Background Information:

The Banyan Garage is located at 200 Banyan Boulevard and services approximately 400 public parking spots and storage for community events.

Amendment No. 17 to the Strategic Finance Plan for the Downtown/City Center CRA District identifies the redevelopment of the Banyan Garage as a project goal for the Downtown core area.

On April 26, 2021, Staff presented to the CRA Board a proposal to begin the necessary steps to investigate the redevelopment of the Banyan Garage (Garage). The Garage was built over thirty (30) years ago and is a candidate site for redevelopment.

After conducting a procurement for real estate consulting, three (3) firms were identified to assist the City with strategic real estate redevelopment initiatives in order to provide guidance to staff and the City Commission. The three (3) firms identified include: (1) Concourse Group, (2) JLL, and (3) BDO. Concourse Group was selected for this Garage project.

Concourse Group's scope of work for the garage project is broken into three (3) phases should the City Commission choose to move forward. Phase 1 is the due diligence phase, which includes options on the types of

projects that can be pursued. After review of the information, the City Commission can choose to move onto Phase 2, which would include the drafting of a formal public solicitation for redeveloping the garage. Assuming the City Commission selects a developer at the conclusion of Phase 2, Phase 3 would include assisting staff in the negotiation of a development agreement. The City has requested that the redevelopment project for the garage be formed in a manner that utilizes private sector financing and expertise. Because a Public Private Partnership (P3) model may be desired for the garage project, it is critical to have a consulting firm familiar with P3s work with the City each step of the way to ensure a proper project, process, and long-term agreement are conducted to maintain the interest of the City.

The Interlocal Agreement requires the approval of the City Commission to proceed with the next phase and the appropriation of sufficient funds by the CRA Board, before proceeding with each subsequent phase of consulting services.

The CRA has allocated \$76,500 for Phase 1 of this project. Should the City Commission desire to move onto Phase 2, the CRA will include the cost in the Fiscal Year 2023-2024 budget, which will be presented in August 2023.

Resolution No. 23-4 approves the Funding Interlocal Agreement.

The City Commission companion item is Resolution No. 37-23.

CRA District: Downtown/City Center District.

Commission District 3: Commissioner Christy Fox.

Fiscal Note:

Any outstanding dollars not spent will be allocated to Phase 2 should it move forward.

9. 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