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

CRA Executive Director Christopher Roog
City Attorney Kimberly Rothenburg
City Clerk Shaquita Edwards

City of West Palm Beach
Special Community Redevelopment Agency
PASS/FAIL Agenda
Monday, April 17, 2023
4:30 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.
- Any person desiring to address the Commission **shall** file a written request with the city clerk prior to consideration of the matter by the Commission or prior to the public comment portion of a meeting. The person wishing to speak **shall** complete a comment card for each agenda item the person wishes to address, which **shall** include the person's full name, address, and the numbered agenda item. The person will not be recognized if the comment card is not completed.

3. 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.

- 3.1. Resolution No. 23-10 authorizing an interlocal agreement between the City and the CRA regarding grant funding for The Spruce residential project; and

Resolution No. 23-11 approving a Tax Increment Incentive agreement with Northwood Partnership, LLP related to the development of The Spruce mixed-use project including workforce housing.

Originating Department:

Community Redevelopment Agency

Ordinance/Resolution:

RESOLUTION NO. 23-10: A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING AN INTELOCAL AGREEMENT BETWEEN THE CITY OF WEST PALM BEACH AND THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY FOR THE FUNDING OF A WORKFORCE HOUSING GRANT IN THE AMOUNT OF \$2,500,000 TO NORTHWOOD PARTNERSHIP, LLP RELATED TO THE DEVELOPMENT OF A MIXED-USE PROJECT INCLUDING WORKFORCE HOUSING, TO BE KNOWN AS "THE SPRUCE", LOCATED ALONG SPRUCE STREET BETWEEN 24TH AND 25TH STREETS WITHIN THE NORTHWOOD/PLEASANT CITY CRA DISTRICT; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

RESOLUTION NO. 23-11: A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING A TAX INCREMENT INCENTIVE AGREEMENT BETWEEN NORTHWOOD PARTNERSHIP, LLP AND THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY RELATED TO THE DEVELOPMENT OF A MIXED-USE PROJECT INCLUDING WORKFORCE HOUSING, TO BE KNOWN AS "THE SPRUCE", LOCATED IN THE NORTHWOOD / PLEASANT CITY DISTRICT; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Background Information:

Northwood Partnership, LLP intends to construct a mixed-use project located along Spruce Avenue between 24th Street and 25th Street to be known as "The Spruce". The project will consist of a multifamily, mixed income housing rental development comprised of approximately 270 units, ground level commercial space and garage parking. Project amenities planned to be offered include: rooftop amenity deck, game areas, and

gated off-leash dog park. The building is also planned to feature a club room, fitness facility, and co-workspace.

The Developer, the City of West Palm Beach (City) and the Community Redevelopment Agency (CRA) have negotiated multiple incentives in return for designating 30% of the project residential units as workforce housing as follows:

- **Workforce Housing:** The Developer has agreed that thirty percent (30%) of the residential units (a total of 80 units) shall be restricted as workforce housing. Ten (10) units will be reserved for qualified residents at 80% area median income (AMI) and 70 units will be reserved for qualified residents at 100% AMI. The workforce housing units will remain subject to occupancy only by eligible households for twenty (20) years. The workforce housing units shall be floating and shall not be clustered or segregated. The types and sizes of the workforce housing units shall be proportionally similar to the unit type mix and size of the market rate unit.
- **Community Benefits:** The Developer will 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 Developer shall utilize best efforts to work with the City to distribute the marketing materials to the prospective tenants.
- **Equal Opportunity:** The Developer will require its contractor to utilize best efforts to utilize City-certified minority and woman owned small businesses (MWBE) for construction and services for the project.

In consideration for the creation of workforce housing, the City and CRA have agreed to provide:

- **Grant Funding:** Grant the Developer the sum of Two Million Five Hundred Thousand Dollars (\$2,500,000) on a reimbursement basis for eligible project costs in connection with the construction of the project. The grant funding will be provided as follows:
 - \$1,000,000 by November 30, 2023
 - \$1,000,000 by November 30, 2024
 - \$500,000 by November 30, 2025

The Grant agreement between the City and the Developer was approved by the City Commission on April 3, 2023 through Resolution No. 78-23. Through Resolution No. 80-23, the City Commission approved an interlocal agreement between the City

and the CRA for the grant funding. CRA Resolution No. 23-10 is now presented for the CRA Board approval of the interlocal agreement between the CRA and the City for the funding of the grant. The CRA has committed \$500,000 a year for five (5) years for this grant; however, due to the need to provide the grant funding to the Developer in a short term (3 years), the Housing and Community Development Department (HCD) will provide an additional \$500,000 in year one and two. The CRA will reimburse the HCD contribution in years four and five.

- TIF Incentives (Resolution No. 23-11): The CRA is proposing a Tax Increment Financing incentive agreement to refund to the Developer, on an annual basis, from Legally Available Funds, a TIF refund incentive equal to Fifty Percent (50%) of the tax increment revenue generated by the Project for a term of twenty (20) years, not-to-exceed Six Million One Hundred Thousand Dollars (\$6,100,000).

In addition to the grant and TIF incentive, the City approved, through Resolution No. 78-23, additional incentives in the form of fee waivers or reductions, which include but are not limited to, expedited permitting, utility capacity fee reduction, and other incentives detailed in the agreement.

The terms of the proposed grant agreement and TIF agreement were presented to the CRA Advisory board last March 31, and the proposed agreements were approved (8-2)

Commission District 1: Commissioner Cathleen Ward.

Fiscal Note:

Grant disbursements scheduled to begin FY23/24.

TIF funding will be allocated when the project enters the tax rolls.

4. RESOLUTIONS- APPROVED

- 4.1. Resolution No. 23-5(F) adopting amendments to estimates of expenses for the fiscal year commencing on October 1, 2022 and ending September 30, 2023 in the Downtown/City Center District.

Originating Department:

Community Redevelopment Agency

Ordinance/Resolution:

RESOLUTION NO. 23-5(F): A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY AUTHORIZING THE APPROPRIATION OR TRANSFER OF CRA FUNDS IN FISCAL YEAR 2022/2023 FOR THE

PURPOSE OF AMENDING THE COMMUNITY REDEVELOPMENT AGENCY FUND BUDGET TO PROVIDE FOR INCREASES IN OPERATING EXPENSES AND ALLOCATIONS FOR ADDITIONAL PROJECT FUNDING IN THE DOWNTOWN/CITY CENTER DISTRICT, PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Staff Recommended Motion:

Approve Resolution No. 23-5(F).

Background Information:

This item was presented at the April 10, 2023 Mayor/Commission and CRA Work Session.

Sections 163.370 and 163.387, Florida Statutes, allows the annual budget of a CRA to provide for innovative policing efforts and the installation or reconstruction of utilities, and other initiatives identified in the Redevelopment Plan, as supplemented by the Strategic Finance Plan.

Subsequent to the approval of Resolution No. 22-45(F) adopting the final estimates of revenue and expenditures for the fiscal year October 1, 2022 to September 30, 2023, the CRA has identified the following items, which warrants amendment of the FY 2023 budget and request approval for the following items:

Reclassification/Reallocation of Funding Previously Approved

- Transfer funding for capital improvement projects from Repairs & Maintenance to Fixed Assets:
 - Funding for the refurbishment of Clematis Street North Alleyway: \$4,030,119.
 - Funding for Douglass Ave lighting project: \$981,171.
- Reallocation of funding for the TOD Project to cover needed repairs at the Seaboard Train Station, approximately 50% of which will be reimbursed to the CRA. These funds will be transferred to the Real Estate Management Fund (Fund 139): \$345,000.

New Allocations Not Contemplated in the FY 2023 Budget Exercise

- Allocations of \$121,400 for innovative policing to fund a request from the Police Department to purchase six (6) electric bicycles which will be used exclusively to support the Historic Northwest Community (\$29,400) and to cover the cost of FUSUS (allows real time streaming of commercial video directly into the crime center), LPR software licenses, and First Due software (provides for social media

monitoring and real-time identification of crime threats) to be used in the downtown district (\$91,000).

- Funding support for a pilot Summer Jazz Series to be introduced at the Waterfront by the Community Events Division during June, July and August: \$40,000.
- Consultant fees for overseeing the construction administration of the Nora Streetscape project on behalf of the City's Engineering Department: \$121,160.
- \$50,000 contribution for initial funding of a mobility coalition between the City, the CRA and the DDA. This engagement will be brought back to the Board for approval at a later date.
- \$25,000 for the installation of purchase and installation of two city cameras in the Subculture Alley, and additional capacity to support sensors for the mobility intelligence system.
- Additional appropriation of \$50,000 to cover the cost of professional services relative to property acquisition activities (i.e. topical surveys, environmental studies, etc.).
- Additional funding for retroactive security services provided at the Sunset Lounge (Resolution No. 66-23).
- Repairs required for awning replacement and graffiti cleaning due to vandalism at Heart & Soul Park: \$25,000.
- \$48,000 increase in the purchase price of 610 Douglass (Hot Box Properties) due to property liens acquired on foreclosure purchase. These funds will be payable to the City.
- Concept, design and architectural fees for three (3) upcoming construction projects, inclusive of a historical restoration project, in the Historic Northwest. Each of these projects will create additional affordable housing units in the community:
 - 800 N. Tamarind: \$100,000
 - 708 3rd Street: \$250,000
 - 623 Division Avenue: \$300,000

The above appropriations will result in a decrease in reserves for the current fiscal year of \$1,171,560.

The City Commission companion item is Resolution No. 92-23(F).

Fiscal Note:

The discussed appropriations will result in a decrease in reserves for the current fiscal year of \$1,171,560.

- 4.2. Resolution No. 23-6(F) adopting amendments to estimates of expenses for the fiscal year commencing on October 1, 2022 and ending September 30, 2023 in the Northwood/Pleasant City District.

Originating Department:

Community Redevelopment Agency

Ordinance/Resolution:

RESOLUTION NO. 23-6(F): A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY AUTHORIZING THE APPROPRIATION OR TRANSFER OF CRA FUNDS IN FISCAL YEAR 2022/2023 FOR THE PURPOSE OF AMENDING THE COMMUNITY REDEVELOPMENT AGENCY FUND BUDGET TO PROVIDE FOR INCREASES IN OPERATING EXPENSES AND ALLOCATIONS FOR ADDITIONAL PROJECT FUNDING IN THE NORTHWOOD/PLEASANT CITY DISTRICT, PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Staff Recommended Motion:

Approve Resolution No. 23-6(F).

Background Information:

Sections 163.370 and 163.387, Florida Statutes, allows the annual budget of a Community Redevelopment Agency (CRA) to provide for expenses related to the redevelopment of property, and other initiatives identified in the Redevelopment Plan, as supplemented by the Strategic Finance Plan. Subsequent to the approval of Resolution No. 22-43(F) adopting the final estimates of revenue and expenditures for the fiscal year October 1, 2022 to September 30, 2023, the CRA has identified the following items, which warrant amendment of the FY 2023 Budget and request approval for the following items:

- Reclassification of \$1,562,791 allocated for consulting services for Currie Commons/Streetscape/Infrastructure project from Repairs & Maintenance to Improvements other than Buildings, in order to properly classify these expenditures as Fixed Assets.
- Allocation of funding to conduct a market study and potentially identify an urban grocer to be located in the Northwood/Pleasant City target area. The estimated \$38,000 cost of the study will be redirected from previous allocations for marketing and special events in the Northwood Business District Target Area.

- Allocation of \$35,000 to conduct a planning and zoning study in the Broadway mixed-use district. Funding will be redirected from previous allocations for marketing and special events in the Broadway target area.
- Allocation of \$50,000 for demolition services to remove derelict buildings from property acquired in the NPCCRA. Funding will be redirected from previous allocations for landscaping improvements in the same target area.
- Allocations from Reserves for Future projects of \$184,100.
 - \$9,100 of this amount will be used cover the cost of Public Works charges for servicing the trash cans in the City ROWs in the Northwood/Pleasant City.
 - \$125,000 will be used to fund a place-making, inclusive of potential operating models for Currie Park post-construction.

Fiscal Note:

The discussed appropriations will result in a decrease in reserves for the current fiscal year of \$134,000.

5. 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.