Meeting Minutes
Community Redevelopment Agency

Tuesday, August 22, 2023 | **7:00 PM** | **Commission Chambers**

CALL TO ORDER AND ROLL CALL

The meeting was called to order on the above date by Chair Bill Ganz at 7:56 p.m., in the City Commission Chambers, 150 NE 2nd Avenue, Deerfield Beach, Florida.

Present:
Mr. Todd Drosky
Mr. Michael Hudak
Mr. Ben Preston
Vice Chair Bernie Parness
Chair Bill Ganz

Also Present:
City Manager David Santucci
City Attorney Anthony Soroka
City Clerk Heather Montemayor

PLEDGE OF ALLEGIANCE

There was a moment of silence, followed by the Pledge of Allegiance.

APPROVAL OF MINUTES

Community Redevelopment Agency Meeting Minutes - April 11, 2023

MOTION was made by Mr. Hudak, seconded by Vice Chair Parness, to approve the April 11, 2023 minutes as submitted. Voice Vote:

Yeas: 5 - Mr. Drosky, Mr. Hudak, Mr. Preston, Vice Chair Parness, and Chair Ganz

Nays: 0

APPROVAL OF AGENDA

August 22, 2023

MOTION was made by Mr. Hudak, seconded by Vice Chair Parness, to approve the agenda as submitted. Voice Vote:

Yeas: 5 - Mr. Drosky, Mr. Hudak, Mr. Preston, Vice Chair Parness, and Chair Ganz

Nays: 0

GENERAL ITEMS

1. **CRA Resolution 2023/004 - A Resolution of the City of Deerfield Beach Community Redevelopment Agency (CRA), approving a work authorization with Carnahan, Proctor and Cross, Inc. in the amount of $50,000.00 for construction administration services for the S-Curve Streetscape Improvements Project; authorizing a budget transfer within the CRA Capital Improvements Fund in the amount of $50,000.00 from the infrastructure and capital improvements account to the lighting account; providing for execution and an effective date.** *(Funds from Account #190-1500-539-63-11 - Lighting)*

The Resolution was read by title only.

Kris Mory, Director of Economic Development, stated that the project is under construction, so this will be the final design expense for the project.

Mr. Hudak said construction costs are increasing daily, so delaying projects puts them at risk of not being completed; therefore, he spoke in support of the project.

Vice Chair Parness agreed, as delaying projects, increases costs. Further, he said beautifying the beach, enhances the City's greatest asset.

Chair Ganz opened the public hearing; however, there were none to speak and the public hearing was closed.

MOTION was made by Vice Chair Parness, seconded by Mr. Hudak, to approve Item 1 adopted CRA Resolution 2023/004. Voice Vote:

Yeas: 5 - Mr. Drosky, Mr. Hudak, Mr. Preston, Vice Chair Parness, and Chair Ganz

Nays: 0

2. **CRA Resolution 2023/005 - A Resolution of the Deerfield Beach Community Redevelopment Agency (CRA), approving an amendment to the Employment Contract with Mark DiMascio, the CRA Capital Projects Manager, to increase his compensation; providing for execution and an effective date.**

The Resolution was read by title only.

Kris Mory, Director of Economic Development, provided a brief overview of Mark DiMascio's tenure with the CRA, as well as his achievements. She stated that Mr. DiMascio is a contractual employee with the CRA, so his compensation is more competitive with the private sector market; nevertheless, as the CRA Director, she must ensure staff is properly compensated.

Mr. Preston spoke in support of the increase, as the City must retain good employees.

Mr. Hudak commented on the pay and class study; thereafter, he spoke in support of the item.

Chair Ganz opened the public hearing; however, there were none to speak and the public hearing was closed.

MOTION was made by Mr. Hudak, seconded by Mr. Preston, to approve Item 2 adopted CRA Resolution 2023/005. Roll Call:

Yeas: 5 - Mr. Drosky, Mr. Hudak, Mr. Preston, Vice Chair Parness, and Chair Ganz

Nays: 0

GENERAL ITEMS - CONTINUED

3. CRA Resolution 2023/006 - A Resolution of the City of Deerfield Beach Community Redevelopment Agency (CRA), approving an amendment to the CRA Director's Employment Agreement to clarify the benefits provided to the CRA Director consistent with the benefits provided to managerial employees of the City of Deerfield Beach; providing for execution and an effective date. *(Funds from Account #190-1500-552-23-00 -Insurance Services Allocation & Account #190-1500-552-10-03 - Longevity)*

The Resolution was read by title only.

Anthony Soroka, City Attorney, explained that Ms. Mory serves as the CRA Director, and the Economic Development Director, whereby, her time has recently increased in the economic development role. Further, as a result of the pay and class study, an executive benefit package was established; therefore, it is being suggested that she be entitled to the executive benefits. Mr. Soroka stated that there is no change in the compensation, only benefits.

In response to Mr. Hudak's question, David Santucci, City Manager, replied that the position is one pay grade in the pay grade system.

Mr. Hudak said if the positions are considered equal, then the benefits should be equal as well.

Mr. Preston commented on Ms. Mory's tenure and her responsiveness; thereafter, he spoke in support of the item.

Chair Ganz opened the public hearing; however, there were none to speak and the public hearing was closed.

MOTION was made by Mr. Hudak, seconded by Vice Chair Parness, to approve Item 3 adopted CRA Resolution 2023/006. Roll Call:

Yeas: 5 - Mr. Drosky, Mr. Hudak, Mr. Preston, Vice Chair Parness, and Chair Ganz

Nays: 0

4. Presentation regarding the proposed Fiscal Year 2024 Deerfield Beach Community Redevelopment Agency Budget.

Kris Mory, Director of Economic Development, highlighted a brief PowerPoint presentation. The new tax increment revenue is $5.7 million and the estimated carryover from FY23 is $6.6 million for an overall budget of $12.5 million; however, debt service, agency administration, programs, and professional services are deducted, leaving $9.5 million to be allocated to specific projects. Thereafter, she outlined the programs offered by the CRA: community policing, special events, public art, and commercial façade. Further, she suggested implementing a ride share pilot program, which is becoming standard in entertainment districts, and can eventually be launched citywide but staff is recommending that it be done in the CRA area first, to address issues. Ms. Mory said the budgeted amount will not be enough; however, staff recommends partnering with CRA businesses to support part of the service, as they will reap the benefits.

Mr. Hudak temporarily left the meeting at 8:13 p.m. and returned at 8:15 p.m.

Furthermore, Ms. Mory reiterated that $9.5 million can be allocated to specific projects; however, $2 million has been set aside for the S-Curve Utility Undergrounding and Streetscape Improvements contract and $60,000 has been set aside for the design; therefore, $7.4 million remains. Thereafter, photographs of the S-Curve Project and the proposed Sawgrass to Seagrass Center at Sullivan Park were displayed. Further, she said the Sullivan Park Project is at 90% design, and is estimated at $9,671,000, which includes the contingency, insurance, bonding, etc.; whereby, the cost estimator advised that if the project is put on hold another year, costs would increase by another 8%. Ms. Mory reiterated that the remaining budget to be allocated to specific projects is $7.4 million, whereby, construction costs for the Sullivan Park Project - $9.7 million and the associated design contract - $371,320, leaving a deficit in FY24; however, other options are available, waiting until 2025, so the project is self-funded, but costs will increase by $774,000; value engineering, resulting in a 5 - 10% reduction; CRA budget cuts, i.e. programming, public art, etc.; or financing the gap and commencing in 2024 by borrowing money, on a short term basis, from the

GENERAL ITEMS - CONTINUED

City's unencumbered fund balance, which could be done through an Interlocal Agreement. Ms. Mory said if the Board decides to move forward with the project, $400,000 would remain in capital to assign in 2025, which could be used as a savings year to discuss subsequent projects but if it is decided not to borrow money from the City, then $10 million would remain in capital and the project could be self-funded in 2025.

Lastly, Ms. Mory stated that the motels on the corner of A1A and Hillsboro Boulevard are back on the market for $4.5 million. She reminded the Board that the CRA has a real estate policy, whereby, the real estate acquisition strategy allows us to only pay 10% over the appraised value; nonetheless, the Board could not move forward until 2026. Thereafter, she asked the Board to provide direction on how they wish to move forward in 2024.

Chair Ganz spoke in support of the ride share program, as it will have a huge impact in the CRA area. Thereafter, he spoke in support of reducing costs and financing the gap for the Sullivan Park Project.

Mr. Hudak said the Sullivan Park Project must move forward; therefore, he spoke in support of value engineering, as well as entering into an Interlocal Agreement with the City.

In response to Vice Chair Parness' question, Ms. Mory provided a brief explanation of the ride share program.

In response to Mr. Preston's question, Chair Ganz replied that one of the main issues down by the beach is traffic and parking congestion; whereby, this program would be extremely impactful to the residents of Deerfield Beach as it would allow people to reach the entertainment district safely and inexpensively.

Mr. Preston said although he understands the thought process, he expressed concerns with utilizing city money for a CRA project, whereas, CRA money cannot be used outside of the CRA area.

Ms. Mory explained that it will be a short-term use of city funds, whereby, 100% would be refunded back to the City, as well as interest, if desired.

Mr. Preston said interest would not be needed, but the concept as a whole does not sit well with him.

Mr. Drosky spoke in support of the City financing the gap, as the alternatives, i.e. bank loan or waiting until 2025, provide no benefits; nevertheless, the number must come down which can be done through value engineering and eliminating the ride share program this year and implementing it in 2025. Further, he is unsure where meaningful cuts could be made regarding the other programs, whereby, the commercial façade program enhances the area, public art and community policing are relatively small, and special events is needed. Lastly, he reiterated his suggestion to implement the ride share program in 2025 and use gap financing and value engineering to fund the Sullivan Park Facility Project.

Ms. Mory clarified that there are currently no upcoming commercial façade projects, so removing $100,000 will not negatively impact the program.

Vice Chair Parness said although the Sullivan Park Project may not impact the entire community, it will be a beautiful asset to the City; thereafter, he spoke in support for the project.

Mr. Hudak agreed with reducing the commercial façade program as it will not adversely affect individuals. Further, the money allocated for the ride share program is just a placeholder, as the total cost is unknown and will hopefully be reduced through sharing the cost with businesses. Mr. Hudak said this facility will be for the entire city and the money being used will be paid back; therefore, he reiterated his support for the project.

Mr. Preston said although he supports using city funds for the Sullivan Park Project, as it makes sense, he reiterated his concerns with not being able to use CRA funds in non-CRA areas. Further, he spoke in opposition to waiting a year to implement the ride share program, as it could be extremely beneficial to the community.

Chair Ganz said temporarily suspending the commercial façade program for one year will not negatively impact the program. Further, implementing the ride share program will be extremely impactful to the residents and will alleviate some of the issues in that area and could potentially bring a positive program to the entire city, if it works. Chair Ganz agreed that using city funds isn't the best option, but since it's temporarily coming out of the reserves, and

GENERAL ITEMS - CONTINUED

not out of city programs, he supports it.

MOTION was made by Mr. Preston, seconded by Mr. Hudak, to approve the FY24 CRA Budget as amended, moving forward with the ride share program, and using value engineering and gap financing through the City. Roll Call:

Yeas: 4 - Mr. Hudak, Mr. Preston, Vice Chair Parness, and Chair Ganz

Nays: 1 - Mr. Drosky

ADMINISTRATION COMMENTS

Monthly Change Order Report - Kris Mory, Director of Economic Development, advised that the report is for informational purposes only.

BOARD COMMENTS

MAYOR GANZ

CRA Projects - Chair Ganz said there have been projects the Board has received push back on, but were constructed better than ever and are thriving, i.e. Sullivan Park, Cove Brewery, etc. He urged the Board to remind naysayers of the positive impacts this board continues to make.

There were no other board comments.

PUBLIC COMMENT

Daniel Shanetzky, 34 Keswick B, Deerfield Beach, commented on the fires in Maui, and flooding and earthquakes in California.

Chair Ganz reminded the public that comments must be specific to the CRA.

ADJOURNMENT

MOTION was made by Vice Chair Parness, seconded by Mr. Hudak, to adjourn the meeting at 8:59 p.m. Voice Vote:

Yeas: 5 - Mr. Drosky, Mr. Hudak, Mr. Preston, Vice Chair Parness, and Chair Ganz

Nays: 0

BILL GANZ, CHAIR

Heather Montemayor, City Clerk