

**LAKE WORTH COMMUNITY REDEVELOPMENT AGENCY  
WORKSHOP MEETING  
CITY OF LAKE WORTH  
CONFERENCE ROOM  
TUESDAY, JUNE 24, 2014  
6:00 P.M.**

**I. ROLL CALL:**

The Recording Secretary called the meeting to order at 6:00 p.m. on the above date in the City of Lake Worth Commission Chambers located at 7 North Dixie Highway, Lake Worth, Florida.

Present were CRA Members Kim Hanson, John Paxman, Leah Foertsch, Sue Stevens, Chip Guthrie & Cary Sabol.

Also present was CRA Director, Joan Oliva

**II. PLEDGE OF ALLEGIANCE:**

**III. AGENDA – ADDITIONS/DELETIONS/REORDERING:**

**IV. PUBLIC PARTICIPATION ON NON-AGENDAED ITEMS (3 minute limit):**

**V. PRESENTATION AGENDA:**

**a. Property Values & TIF Funding**

The CRA's ad valorem property tax revenue is based on two components, the net assessed value (assessed value – homestead exemption) of property in the district (as of January 1st) and the millage rate established by the City. The CRA gets paid on the net assessed value amount that exceeds the base year value (TIF). The source of this funding comes from both, the City and the County.

The TIF revenue for the CRA has increased by double digits in the past two years after seeing a significant drop from Fiscal Year (FY) 2010 through FY 2013. Besides property values falling, the CRA was impacted significantly by changes that went into effect in FY 2010. These include an amendment voted in by Florida voters raising the Homestead Exemption from \$25,000 to \$50,000; an agreement by the City with Palm Beach Fire Rescue exempting the County MSTU from paying into the redevelopment fund and; the City (in response) significantly reducing the millage rate. Property values have risen over the past few years due to market stabilization and the \$23 million grant that the CRA used to put foreclosed, abandoned and vacant property back on the tax roll.

Other changes occurring include:

- In comparing the Residential values to Commercial values we are seeing Residential values slowly increasing in its percentage share. It is now at 27.39% compared to its low point of 26.13% in FY2010.
- With market values going up, homestead exemptions are going up as well. This will continue until property values exceed the \$50K homestead allowance. The number of residential properties with an assessed value of \$50K or below is 1,518. That is 42% of the total properties in the CRA district.
- There is a slight decrease in the following:
  - o Number of properties exempt from taxes
  - o Number of properties with no tax value
- There were numerous NSP2 homes completed and sold, as well as homes still in the developmental stage, that did not make it onto the tax roll this year because they were completed or started after January 1st. The majority of these properties should be on next year's tax roll.

Based on the estimated tax values received from the Palm Beach County Property Appraiser's

Office, the CRA's ad valorem tax revenue for FY 2015 is projected to go up 18.51%. If the millage rate for both the City and County stays the same, TIF revenue will increase by \$215K, approximately \$100K from the County and \$115K from the City.

Although there will be an increase in revenue this fiscal year, our spending must remain conservative. The CRA has two major debt obligations that still need to be satisfied. The final loan payment on the 2004 bond issue of \$1,734,712 is due in FY 2016 and our contractual obligation to the Lucerne (TIF rebate) has a balance owed of \$550K.

**b. NSP- West Village**

The CRA reached consensus to move forward with this project.

**VI. ACTION AGENDA:**

**a. Design & Engineering Continuing Services- Approve RFQ**

In the interest of meeting specific legal requirements and expediting CRA infrastructure projects, Staff will be issuing a Request for Qualifications (RFQ) for Design and Engineering Services.

Rather than issuing project specific RFQ's and going through the tedious process again for upcoming projects, Staff will advertise *RFQ 03-13/14 Professional Design & Engineering Services* to hire at a minimum three qualified firms to provide design, engineering, surveying and architectural services for future infrastructure projects.

Contractual agreements with the selected firms will be in effect for one year with an option to renew for two successive one year periods.

The benefit of this 'continuing contract' approach is that the CRA will be able to select more than one firm and can then go directly to negotiations on future projects. As a result of this RFQ, the CRA will be able to issue a simple request for letters of interest to the hired firms when we desire services involving design and engineering.

If the Board approves the attached draft RFQ, Staff will publicly advertise the announcement for a minimum of 30 days. Proposals will then be ranked by a review committee and selections will be brought back to the CRA Board for final review.

This process will help jumpstart design services for the 5<sup>th</sup> Ave. South Bikeway project and will expedite future design services for other capital improvements.

Staff recommended the Board review the attached RFQ (including standard agreement) for professional design & engineering services.

**Action:** Motion was made by Mr. Paxman to authorize staff to publicly bid out an RFP for Design & Engineering Continuing Services seconded by Ms. Stevens.

**Vote:** All Ayes

**b. 29 South J Street- Renew lease**

The CRA entered into a five year lease agreement with the owner, Bruce Kodner, at 29 South "J" Street in May of 2007. In 2010, the CRA negotiated a new lease that would occupy the attached space (31 "J" Street) in addition to the original space (29 S. "J" Street). The extra space was used for NSP Staff, much needed conference facilities for NSP partner meetings and intake and NSP file storage. The total rent increased from \$2500 to \$3350 per month. In May 2013, the CRA extended this lease up to September 30, 2014.

Although the original NSP-2 grant period has expired, Staff continues to acquire and

rehabilitate homes within the NSP area along with our partners. The ability to do intakes, application and credit reviews, counseling and financing is crucial to the success of the program.

The CRA expended approximately \$80K in 2007 for the build-out of the current space. The cost-benefit of this expansion becomes important when thinking about moving the CRA office. Although Staff believes that moving the CRA offices in the short - medium term may benefit redevelopment efforts in other areas of the City, the funds already expended on this build-out in addition to savings we reap from not moving and servicing a new building currently outweigh that benefit.

However, because Staff seeks to reduce costs while improving effectiveness, discussions with the landlord have led to the development of a fourth amendment to the lease. The total overall lease payment is calculated at \$3000 per month.

By continuing to use the existing, built-out, office space, the CRA will be able to continue its work on NSP, LULA and other programs without interruption or additional costs that would be associated with moving. Over the past several years, more and more businesses have moved to "J" Street and we have built close relationships with many of them. In addition, our relationship with the property owner remains a good one, as we have never paid any increase in rent since 2007 and we have always received service when needed.

**Action:** Motion was made by Mr. Paxman to approve the fourth amendment to the commercial lease at 29-31 South "J" Street. The lease will commence on October 1, 2014 and terminate September 30, 2015 with an option to renew for one additional year seconded by Ms. Stevens.

**Vote:** All Ayes

**c. L Street Parking Lot- Renew lease**

In May, 2005, the CRA executed a lease agreement with Paul and Lois McConnaughay for the use of twenty-six (26) parking spaces between "L" and "M" Streets, just south of Lake Avenue and the Chamber building. These spaces are to be used for public parking. The term of the original agreement was for three years. The agreement was extended for an additional three years in October of 2008 and again in 2011. The Lease will expire on September 2014 unless the Board executes another amendment to the lease. The property owner has agreed lease the lot for another 3 years at \$1000 per month. Associated costs for the lot include taxes and maintenance which total \$2200 per year. These associated costs and the lease payments will be included as expenditures in the 14/15 budget if approved by the Board. A third amendment to the original agreement has been prepared.

The provision of public parking continues to be an item of importance to the CRA parking is an important element of any redevelopment program because it often determines the feasibility and costs of proposed projects. In order for the downtown to thrive adequate, safe and accessible parking is a necessity. A shopping district cannot thrive unless there are adequate and affordable parking opportunities for residents, patrons and employees.

**Phil Materio-** Mr. Materio stated that there is a high price to pay for free parking. The money that is collected in the meters should go back to the downtown businesses. Look into charging higher prices to park on the main thoroughfares and less on the side streets. Mr. Materio also thanked CRA Staff and requested that the following things be considered:

- Fund a Dixie Highway Code Compliance Officer
- Create a visioning committee that will brand the Dixie Hwy. and the nodes of commerce
- Look into funding and economic development study with the MPO
- Beautification grants for Dixie Hwy.
- Wayfinding signage on Dixie Hwy.

**Action:** Motion was made by Ms. Stevens to authorize the Chair to execute the addendum to the agreement for an additional three year term for the use of twenty-six (26) parking spaces owned by Paul and Lois McConnaughay, located between “L” and “M” streets seconded by Mr. Paxman.

**Vote:** 5 Ayes, 1 Nay

**VII. EXECUTIVE DIRECTORS’ REPORT:**

Staff stated that the CRA and LULA will be hosting a film series in the Cultural Plaza the months of July & August. The MPO has issued available funding for “implementable projects” for 2016. Possible projects may include:

- Wayfinding (Design)
- Completing the Bicycle Network Plan
- Shuttle/Trolley Service for Lake Worth

**VIII. BOARD MEMBERS’ COMMENTS:**

**John Paxman-** Learning & listening.

**Kim Hanson-** No comment.

**Chip Guthrie-** Would like a resolution passed to discourage bars on commercial property windows. This item was discussed at the Dixie Highway Merchant Association meeting and all that attended agreed. If we are able to extend bus routes we must have one that goes to the beach and throughout the downtown. The Dixie Highway Merchants are looking to get businesses together to buy urns for Dixie Highway.

**Leah Foertsch-** Echoed Mr. Paxman’s comments.

**Sue Stevens-** Thanked Staff.

**Cary Sabol-** Urged the Board to keep ideas for visioning sessions.

**IX. ADJOURNMENT:**

Meeting adjourned at 7:44 p.m.

Minutes Approved \_\_\_\_\_

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Cary Sabol  
Chair, CRA Board

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Emilia Theodossakos  
Recording Secretary