

CITY OF PALM BAY, FLORIDA
BAYFRONT COMMUNITY REDEVELOPMENT AGENCY
Regular Meeting 2019-02

Held on Tuesday, the 26th day of February 2019, at City Hall Council Chambers, 120 Malabar Road, SE, Palm Bay, Florida.

This meeting was properly noticed pursuant to law; the minutes are on file in the Bayfront Community Redevelopment Agency Office, City Hall Annex, Palm Bay, Florida.

The meeting was called to order by Chairperson Capote at approximately 6:30 p.m.

ROLL CALL:

CHAIRPERSON:	William Capote	Present
VICE-CHAIRPERSON:	Brian Anderson	Present
COMMISSIONER:	Harry Santiago, Jr.	Present
COMMISSIONER:	Jeff Bailey	Present
COMMISSIONER:	Kenny Johnson	Present
COMMISSIONER:	James Ritter	Present
COMMISSIONER:	Aaron Parr	Present

STAFF MEMBERS:

Lisa Morrell, City Manager; Joan Junkala, Bayfront CRA Administrator; Andy Anderson, Interim Deputy City Manager; Danielle Crotts, Agency Secretary; Patricia Foutt, Agency Secretary.

CONSENT AGENDA:

There were no consent items.

PUBLIC COMMENTS (NON-AGENDA ITEMS):

There were no public comments.

NEW BUSINESS:

1. **Introduction of the new BCRA Administrator, Joan Junkala.**
 - a. **Joan A. Junkala Resumé**

Mr. Andy Anderson introduced the new Bayfront CRA Administrator, Joan Junkala. He stated the minutes were up-to-date and were in the review process.

Ms. Junkala introduced herself and discussed her experience in Economic Development, redevelopment, brownfields, and FIND grants.

Ray Walton, resident, welcomed Ms. Junkala to Palm Bay. He stated that he felt Mr. Andy Anderson had a significant role in her appointment, since they both held positions in Economic Development in different municipalities at the same time. He discussed Ms. Junkala's resume and positions that were held by Ms. Junkala. He provided a brief history of the former Bayfront CRA Administrators and the Bayfront CRA. He stated the position of the Bayfront CRA Administrator was a full-time job and asked Ms. Junkala if she could assure the citizens of Palm Bay that her continued employment in both of her part-time positions would not create such a demand on her time and energy that the City's interests would become a lower priority and lend itself to concerns about conflict of interest, should potential real estate transactions involving the City and other clients or associates of her firm arise. Mr. Walton asked Ms. Junkala if she planned to continue as both a realtor and business owner, and if she had read the Bayfront CRA Redevelopment Plan. Ms. Junkala stated that she had read the Bayfront CRA Redevelopment Plan. She stated her resume was published as it was received by the City during her application for the Bayfront CRA Administrator position and did not reflect the current status of her employment, which was full-time with the City of Palm Bay. She stated there was no intent to continue to practice real estate or consulting and both of those items were in the process of being shut down.

2. Northshore Tri-Party Utility Agreement.

a. Water and wastewater system agreement for Northshore at Palm Bay, Phase I (Multi-Family)

Mr. Andy Anderson discussed the previous negotiations with Mr. Shonkwiler and Northshore. He discussed the utility impact fees and the outstanding 2006 bond proceeds that could be applied to a private activity bond. He discussed the benefits of the Agreement and the economic impact of the fees that remained within the district to be used for water and sewer upgrades. He stated that Northshore did not request any incentives on Phase II of the Northshore project.

Jim Shonkwiler stated that he discussed Northshore's work with the Utilities Department and provided the estimated date of connection to the utility system. He said the utility lines and hydrants had been installed. He discussed Phase I of the project and provided details of the project. He stated the Utility Agreement had been reviewed and Northshore was prepared to sign the agreement and pay the connection fees.

Commissioner Ritter discussed the time frame for the reimbursement of the property taxes to Northshore. He discussed the Tax Increment Funding (TIF) money and Mr. Shonkwiler advised the return had been amended from 90% to 85%.

Maryann Civil, resident, discussed the waiver of fees and stated the waiver was not permissible under local ordinance and State legislation. She discussed compliance and asked the total percentage of the bond and annual TIF the proceed would take. She stated

her concern that money would not be available for other Bayfront CRA projects since it was allocated for five (5) years and she wanted assurance that the rest of the Bayfront CRA was not adversely impacted because of the Northshore Development project.

Mr. Andy Anderson discussed the options that had been available to the Bayfront CRA. He stated that any waiver of impact fees had to be by moratorium, which waived impact fees across the state. He discussed the bond proceeds and how they could be used.

Commissioner Bailey requested the amount of the projected revenue that was available to the Bayfront CRA. Mr. Andy Anderson stated that outside of the debt obligation, the only other obligations were staffing and insurance, but he did not have specific amounts.

Commissioner Ritter discussed the TIF money. He requested the amount of money that was earmarked for Northshore Development for the next five (5) years and an additional five (5) years if the Bayfront CRA was extended. Commissioner Bailey stated the amount was in the area of \$3.1 million in the original memo and if the Bayfront CRA was extended the amount would be approximately \$4 million. Commissioner Ritter stated he felt it was a lot for one developer to receive that kind of incentive.

Motion by Commissioner Anderson, seconded by Commissioner Santiago, to approve the Northshore Tri-Party Utility Agreement.

Chairperson Capote discussed the economic, financial and business impacts of the Northshore Development, and the vision of the Bayfront CRA. Commissioner Santiago discussed the Robert J. Conlan Boulevard area and the growth that would result from the Northshore project. Vice Chairperson Anderson discussed the property tax incentive and the economic impacts of Phase II. Commissioner Bailey discussed the TIF tax abatements and suggested that the reimbursement was held until the completion of the project. Commissioner Parr discussed the economic future for the City from the development. Chairperson Capote discussed the write-off of the bond for Mr. Ciancio and the economic impact of a development of a luxury apartment complex geared to millennials. Commissioner Bailey requested the fiscal impact of the bond that had been written off for Mr. Ciancio. Chairperson Capote replied that the amount was approximately \$35 million. Commissioner Bailey stated there was a zero-fiscal impact on the City. Commissioner Anderson discussed the incentives and the impact on the tax rolls.

Commissioner Parr discussed the error in the incentives that the City had made in the original Agreement and the correction of the error. Mr. Andy Anderson discussed the original Agreement and stated that no unofficial agreements were made outside the decision-making authority of the Bayfront CRA Board. Commissioner Bailey shared that both parties had previously agreed on the terms of the agreement.

Motion carried with voting as follows: Chairman Capote, yea; Vice Chairman Anderson, yea; Commissioner Santiago, yea; Commissioner Bailey, nay; Commissioner Johnson, yea, Commissioner Ritter, nay; Commissioner Parr, yea.

3. Consideration of proposal from Boy Scouts of America to engage in an Eagle Scout Service Project Plan to provide landscaping and beautification efforts at Castaway Point.

a. Eagle Scout Service Project Proposal

Mr. Andy Anderson stated that numerous messages had been left for Mr. Colben Maher, Eagle Scout Candidate, with no response to date.

Motion by Vice Chairperson Anderson, seconded by Commissioner Bailey, to table the item to the next meeting. Motion carried unanimously.

COMMISSIONER REPORTS:

Commissioner Ritter stated the previous Bayfront CRA Administrator had been instructed to have Read Real Estate Assets do a presentation on the services they offered. He discussed the length of time the Pelican Harbor Marina property had been with the current realtor, Waterman Real Estate, and the lack of potential buyers. He stated he had discussed asking for another realtor with the City Manager and he felt that Mr. Tom McCarthy would be better suited to promote the property. He discussed the contract with Waterman Real Estate. He stated the previous City Manager had agreed to quitclaim deed the property to the Bayfront CRA. He discussed the Request for Proposal (RFP) that was to be put out for developers to provide ideas for the property, and that the RFP had never materialized. He stated he was advised by the City Manager that one piece of property could not be taken out of the Waterman Real Estate contract and given to another realtor. He suggested the City Manager sign the quitclaim deed in order that the property became the Bayfront CRA's property, so that no contract was broken. He discussed how Waterman Real Estate had marketed the property as a marina only and not as a multi-use or Bayfront Mixed Use (BMU). He asked the Board if the City Manager should be directed to sign a quitclaim deed. Mr. Andy Anderson discussed the quitclaim deed and the State procurement laws. Chairperson Capote discussed that the Bayfront CRA wanted a realtor who specialized in marinas and would perform national searches for a buyer. Commissioner Ritter asked if the Bayfront CRA preferred another marina on the property and Chairperson Capote said it was preferred for the property to be developed as such. Commissioner Bailey discussed the Waterman Real Estate contract, its expiration, and extensions. Mr. Andy Anderson provided the expiration date of the contract. Commissioner Bailey stated the Board should see what could be done to open the contract to other realtors. Mr. Andy Anderson stated the contract could be amended and reopened in September. Mrs. Morrell discussed the thirty (30) days out clause in the contract that allowed either party to cancel the contract without reason. She advised that

the City could go out for another RFP and the property types could then be divided and a multi-award be done. She stated that all administrative issues with the property had been corrected. Mrs. Morrell stated she had the direction for the quitclaim deed on her desk and would move forward. She discussed the preference of the highest and best use of the property and would comply with any of the Board's directions for an RFP for real estate services, quitclaim deed the property, combine the properties for a larger parcel, or present any offer that was received to the Council. Commissioner Santiago discussed a commercial appraisal to determine the highest and best use for the property. He asked Ms. Junkala if it was best for the Bayfront CRA to perform their own analysis of the property or let a real estate agent handle the analysis. Ms. Junkala recommended that the Board allow someone with expertise in that specific field handle the analysis and the appraiser should be advised if the Board wished to look at other uses for the property. Commissioner Ritter stated that the previous Administrator had been directed to quitclaim deed the property to the Bayfront CRA. Commissioner Parr asked if the City could request that Waterman Real Estate forego the one parcel in order to seek out an additional firm to list the property. Mrs. Morrell stated that the question could be asked to Waterman Real Estate. Commissioner Santiago stated he did not want to limit the property to just one use and discussed the need to explore avenues that may provide the best return. Commissioner Bailey requested the date of the last appraisal on the property and Mr. Andy Anderson advised it was 2016.

Vice Chairperson Anderson advised the Evans Center's grand opening was March 9th. He stated the Hyatt had started construction. He said that he hoped to receive an answer by the next BRCA meeting regarding the release of the Pelican Harbor Marina property by Waterman Real Estate.

Chairperson Capote commented on the completion of past minutes and stated that some of the concerns about the derelict boats had been addressed.

OTHER AGENCY BUSINESS:

There was no other agency business.

ADJOURNMENT:

The meeting was adjourned at approximately 7:40 p.m.

William Capote, CHAIRPERSON

Patricia Foutt, AGENCY SECRETARY

