



**West Palm Beach
Community Redevelopment Agency**

Special Meeting

AGENDA

February 26, 2018

6:30 P.M.

Following the commission meeting

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, FLORIDA 33401, {(561) 822-1210}

**MAYOR
GERALDINE MUOIO**

**CITY COMMISSION
PRESIDENT CORY NEERING**

**COMMISSIONER SYLVIA MOFFETT
COMMISSIONER KEITH JAMES**

**COMMISSIONER PAULA RYAN
COMMISSIONER SHANON MATERIO**

**ADMINISTRATION
CRA EXECUTIVE DIRECTOR, JON WARD
CITY ATTORNEY, KIMBERLY ROTHENBURG
TREASURER, MARK A. PARKS
CITY CLERK, HAZELINE CARSON**

1. ROLL CALL

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.

COMMENTS FROM THE PUBLIC FOR NON-AGENDA ITEMS:

COMMENTS FROM THE BOARD:

ADDITIONS / DELETIONS / REORGANIZATION OF AGENDA:

RESOLUTION (2):

2. **Resolution No. 18-9 approving the Ground Lease and Development Agreement with Navarro Lowrey, Inc., as part of the overall redevelopment of the Helen Wilkes site and Old City Hall property.**

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING THAT GROUND LEASE AND DEVELOPMENT AGREEMENT WITH NAVARRO LOWREY, INC., AND NAVARRO LOWREY WATERFRONT, LLC; APPROVING THE BOUNDARY OF THE RESTAURANT COMPONENT; WAIVING THE CLOSING REQUIREMENTS FOR ALL GOVERNMENTAL APPROVALS; PROVIDING FOR AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

[Agenda Cover Memorandum No.: 1529](#)

Staff Recommended Motion:

Approve Resolution No. 18-9.

Background:

In October, 2009, the West Palm Beach Community Redevelopment Agency (“CRA”) purchased the real property located at 201 North Flagler Drive, commonly known as the “Helen Wilkes site” from WCI Communities, Inc., as a strategic acquisition of a key parcel that would further the redevelopment of the City waterfront and provide additional open space in the downtown, as well as maintaining the view corridor from the City Hall parcel and enhance the value of the City Hall site for future development. Amendment No. 10 to the Strategic Finance Plan for the Downtown/City Center CRA District identifies the redevelopment of the Old City Hall site and adjacent Helen Wilkes property

as a significant initiative within the Banyan Boulevard target area. The City of West Palm Beach and the CRA issued Request for Proposals No. 13-14-214 for the purchase or lease of the City Hall Property and Helen Wilkes site and the development and completion of a unified, mixed used development on the two parcels of land.

Navarro Lowrey intends to purchase the Old City Hall Site and lease the Helen Wilkes site in order to develop an approximately 443,361 square foot commercial project, consisting of a hotel, a mixed-use building with residential and commercial components, a parking garage, and a restaurant on the Old City Hall and the Helen Wilkes sites (the "Project"). By Resolution No. 16-54, the Board of Commissioners of the CRA approved the Agreement to Enter into a Lease of Real Property, dated February 24, 2016 (Contract No. 14586.002) for the lease of the Helen Wilkes Property (the "Agreement to Lease"). The City of West Palm Beach, at the Developer's request, agreed to abandon a portion of Narcissus Avenue, for the benefit of the CRA, and which shall be included within the property subject to the Lease. One of the conditions for closing the sale of the Old City Hall property is the negotiation of an lease for the Helen Wilkes site. City staff have negotiated a Ground Lease and Development Agreement with Navarro Lowrey and seek approval of that Lease Agreement so that development of the Project can commence.

Significant terms of the Lease include:

- (a) A lease term of fifty (50) years with an option to extend the lease term for the Restaurant Component for an additional twenty-five (25) years;
- (b) The leased property includes the abandoned portion of Narcissus Avenue;
- (c) The Developer shall construct the Restaurant Component on the south 82 feet of the site, consisting of a restaurant with a minimum size of 5,000 square feet (currently proposed to be approximately 7,187 square feet) with the second floor to be used as gallery and/or retail and/or office spaces for lease to third parties, along with a rooftop observation deck. The restaurant may utilize that portion of the Open Space immediately north of the restaurant for outside seating. The restaurant shall be a high end, full service restaurant which shall serve the residents, guests and invitees of the Project, along with the general public;
- (d) The Open Space shall be an urban open space area and may include outdoor seating for the restaurant, shaded/covered area for weddings or special events, shaded area and seating for use by the general public, open event area or plaza, tropical landscaping and public art. The Open Space shall generally be open to the public, but may be closed to the public on weekends for up to 300 hours annually, and on weekdays for up to two hundred 200 hours annually, for private events and up to 40 hours annually for maintenance. Lessee shall have the right during Palm Beach Boat Show, Sunfest and Fourth on Flagler, to erect "booths" on the event lawn in the area for retail display and sales of food and/or merchandise;
- (e) Narcissus Avenue will remain open for traffic and pedestrians, and may be closed to public access only when the Open Space is closed to public access;

- (f) Lessee agrees to use commercially reasonable efforts to keep the restaurant space in continuous operation throughout the Lease term;
- (g) Developer will commence construction no later than December 31, 2018, and substantially complete construction 28 months thereafter; and

The Property Development Agreement requires the Developer and other developer entities to record a Master Declaration of Covenants, Conditions, Restrictions and Easements over the Old City Hall property to provide, in part:

- (a) Granting the easements and rights of mutual and reciprocal access for the purpose of ingress and egress, parking, drainage and utilities as required by Planning and Zoning and other City Approvals;
- (b) Providing that all structures, uses and parking areas on the Property are and will be part of a single unified planned development, regardless of ownership;
- (d) Providing for the maintenance of stormwater facilities for the Development which are installed in Narcissus Avenue;
- (d) Granting the City the authority to enforce the above-referenced terms of the Master Declaration; and
- (e) Providing that the Master Declaration will remain effective and shall not expire or terminate during the life of the Development.

Subsequent to Developer's receipt of the Planning & Zoning governmental approvals, the Developer requested an increase in the size of the restaurant component area from the south 75 feet of the Property to the south 82 feet of the Property. Inclusion of this additional area in the Development will require the Developer to obtain transfer of additional TDRs, along with a minor amendment to the Site Plan approval for the revised site plan and additional FAR. The Developer desires to close the transaction, including execution of the Lease and completion of the sale of the Old City Hall site by the City, on February 28, 2018. Because the Sale and Purchase Agreement requires the Developer to have all Planning & Zoning approvals prior to execution of the Development Agreement, and the Agreement to Lease requires execution of the Development Agreement, the CRA will be required to waive this requirement in order for the closing to occur prior to receipt of the Planning & Zoning approvals for the additional development area for the restaurant component.

Resolution No. 18-9 approves the Ground Lease and Development Agreement; approves the increase area for the restaurant component and waives the requirement for all Planning & Zoning approvals. Pursuant to the Seventh Amendment to the City's Sale and Purchase Agreement, the Closing shall occur on or before March 1, 2018.

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.