



**West Palm Beach
Community Redevelopment Agency**

AGENDA

**August 12, 2019
4:00 P.M.**

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
CHAIR
KEITH A. JAMES**

CITY COMMISSION

**PRESIDENT CHRISTINA LAMBERT
COMMISSIONER KELLY SHOAF COMMISSIONER CORY NEERING
COMMISSIONER RICHARD A. RYLES COMMISSIONER JOSEPH A. PEDUZZI**

**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:

CONSENT:

2. **Minutes of the Special Community Redevelopment Agency Meeting of June 17, 2019.**
[Agenda Cover Memorandum No.: 22024](#)

Staff Recommended Motion:

Approve the Minutes of the Special Community Redevelopment Agency Meeting held on June 17, 2019.

3. **Minutes of the Community Redevelopment Agency Meeting of July 1, 2019.**
[Agenda Cover Memorandum No.: 22025](#)

Staff Recommended Motion:

Approve the Minutes of the Community Redevelopment Agency Meeting held on July 1, 2019.

RESOLUTIONS (4-6):

4. **Resolution No. 19-33 approving and authorizing execution of a grant agreement, pursuant to the Strategic Investment Streetscape Program (SIP) for \$50,000.00, with Pescatore Restaurant Group, LLC for renovations and improvements to the property located at 1600 N. Dixie Highway.**

A RESOLUTION OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING AND AUTHORIZING A GRANT UNDER THE STRATEGIC INVESTMENT STREETScape PROGRAM TO PESCATORE RESTAURANT GROUP, LLC, FOR IMPROVEMENTS TO THE PROPERTY WHICH PARCEL IS LOCATED AT 1522 N. DIXIE HIGHWAY; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

[Agenda Cover Memorandum No.: 22026](#)

Staff Recommended Motion:

To approve Resolution 19-33.

Background:

On November 7, 2005, the Community Redevelopment Agency (CRA) adopted the Strategic Finance Plan for the Northwood/Pleasant City CRA District. This consolidated plan includes redevelopment initiatives, programs and incentives designed to attract private investment and redevelopment activities that expand the tax base, create jobs, enhance the urban design, and add to the quality of life within the Northwood/Pleasant City Community Redevelopment Area.

The Strategic Investment Program (SIP) is designed to enhance the pace, content and quality of development in the Northwood/Pleasant City area. The program's focus is to support the CRA's goals and those of area stakeholders. It specifically addresses the infrastructure needs to create the environment necessary to attract private investment capital. The amount of assistance received via the SIP is based on a formula that considers the amount of tax increment generated from each project. Commercial and mixed-use projects up to \$5 million may be eligible for funding for interior and exterior improvements to the property or structure. The maximum amount allotted under this program is \$50,000.

The intent of the SIP is to:

- Serve as a catalyst to stimulate private investment
- Reduce or eliminate financial gaps in development projects
- Support the development of new economic generator activities in mixed-use environments/facilities
- Generate leasing activity for retail, office and restaurant uses as well as residential uses
- Encourage quality design and secure key anchor tenants to enhance the marketability of adjacent properties

Applicant:

The subject grant application is being sought by Turgut Kaytmaz (T.K.) of Pescatore Restaurant Group, LLC, lessee of 1600 North Dixie Highway, to assist in exterior and interior improvements of the building and property. The owner of the property, Paul Raucci of 1600 N Dixie, LLC, has authorized permission of the proposed improvements. The property is highly visible in the both the Pleasant City and Currie Corridor CRA target areas. This project supports the CRA mission of reducing slum and blight and will strengthen the economic base through needed site improvements along Dixie Highway to stimulate new commercial expansion, employment and economic growth. Additionally, along this stretch of North Dixie Highway, there is a high commercial vacancy rate in general and more specifically, a lack of businesses operating into the late evening hours. The restaurant will be within walking distance to the Slade, Villa Lofts, Flagler Pointe and Good Samaritan Medical Center, as well as various offices and other new and proposed developments.

The property will be redesigned into Pescatore Ristorante, a full service, relaxed dining restaurant concept firmly rooted in the successful tradition of T.K.'s original West Palm Beach eatery Pescatore on Clematis and its successor Café Centro in Northwood Village. Pescatore Restaurant Group, LLC represents the collaboration of four restaurateurs with over 100 years combined experience in the food and beverage industry.

The space is a total of 3,100 sq. ft. in total, 2,500 sq. ft. of which is devoted to service, with an additional 150-200 sq. ft. of patio seating, allowing for 150-160 total guests to be served at any given time. The restaurant will feature a semi-open kitchen design and an open concept for the floor which will facilitate easier guest interactions with both guests as well as staff. On the north side of the dining room will sit a 27' bar, high top tables with seating for 12 guests, and an enclosed climate controlled wine room. In the southwest corner of the dining room, adjacent to the pizza kitchen, will be a private party room with seating for 16 guests. Once open, Pescatore will immediately create 10-12 full-time positions and 4-5 part-time positions, with more to be added in the 2019-2020 season.

The scope of work will include a full interior restaurant buildout, including plumbing, electric, floors, A/C, commercial kitchen equipment, carpentry, a wine cellar, dining room seating, and other interior finishes, as well as exterior upgrades to the parking lot, lighting, signage, irrigation and landscaping.

The total construction cost for this application's improvements is estimated to be approximately \$533,400.00. The petitioner received two (2) licensed contractor bids, as required for each scope of the project. The petitioner is requesting a grant contribution of \$50,000.00, the maximum CRA grant allowed under the Strategic Investment Program.

Project and Funding Criteria for SIP:

The criteria for the final determination of projects approved for funding and the specific amount allocated to each project under the SIP follows a three-step process. The initial step relates to the project's ability to meet specific CRA-related objectives. The objectives are presented in order of importance, and a corresponding numerical weight is attached to each, as shown in detail in the application. The proposed project's level of adherence to the CRA's objectives was weighted at a 10. The numerical score fell within the range of 10.0 – 14.0: the project should be funded if resources are available.

The second step was a financial and business plan analysis, which included a review of the proposed business plan, development pro forma and lease agreement. After evaluating the documents, the CRA looks favorably on the business merits of this project and determined that funding should be awarded.

The final step was to determine if the project met the investment criteria, as determined by the following formula:

Projects that are \$500,001 - \$1,000,000 range (Quote for renovations to the property is \$533,400.00)

Formula: (Projected new assessment – current assessment) x .80 x current city/county millage rates x 15 years = total incentive

$\$533,400 \times .80 \times 13.065 = 5,575.10 \times 15 = \$83,626.45$

$\times .10$ (for the creation of 5+ jobs) = \$8,362.65

Total: \$91,989.11

Maximum Amount Allowed under the Program is \$50,000

This project falls under Commissioner Kelly Shoaf's District 1. Staff recommends approval of awarding Pescatore Restaurant Group, LLC \$50,000 via the SIP for improvements to the property located at 1600 N. Dixie Highway.

Fiscal Note:

Funding is budgeted in Currie Corridor Target Area.

5. **Resolution No. 19-32 approving a Third Amendment to the Project Funding Interlocal Agreement between the City of West Palm Beach and the West Palm Beach CRA for funding of the Clematis Alleyway (300 Block) project.**

A RESOLUTION OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING THE THIRD AMENDMENT TO THE PROJECT FUNDING INTERLOCAL AGREEMENT BETWEEN THE CITY OF WEST PALM BEACH AND THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY FOR THE FUNDING OF THE CLEMATIS STREETScape / ALLEYWAY PROJECTS TO PROVIDE ADDITIONAL FUNDING FOR THE CLEMATIS ALLEYWAY (300 BLOCK) PROJECT; PROVIDING FOR AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

[Agenda Cover Memorandum No.: 22027](#)

Staff Recommended Motion:

Approve Resolution 19-32.

Background:

The CRA's Strategic Finance Plans for the City Center/Downtown CRA District, Amendment No. 12, identifies the downtown core as a target area with focus on the Downtown Alleyways/Passageways. The Plan specifically states that funding will be provided to design and beautify Clematis Street and the alleys.

The City and CRA are working together on the design and construction of the Alleyway projects, which are currently focused on the 300 Block, South of Clematis Street and will include the 100 and 200 Blocks south of Clematis Street as future phases.. As part of the City right of way, the City will be responsible for construction of these projects. The attached interlocal agreement commits funding from the CRA for project construction.

Through Resolution 18-22, the CRA entered into an Interlocal agreement with the City of West Palm Beach to fund \$1,260,000 for the 300 Block Alley. Upon receipt of the Guaranteed Maximum Price, the CRA wishes to commit an additional \$500,000 toward the alleyway project for additional hardscape improvements. This funding has already been approved as part of the Series 2019 Bond Proceeds, received and recorded on July 29, 2019. The Guaranteed Maximum Price for the initial phase of this project is: \$1,904,685.90. Public Utilities is committing \$500,000 for underground utility work associated with this project.

Companion Resolution 215-19 will be presented to the City of West Palm Beach Commission.

This project is in Commission District 3: Richard Ryles.

Fiscal Note:

Project funded with Series 2019 Bond Proceeds.

6. Resolution No. 19-28 approving amendments to the Downtown/City Center District Merchant Assistance Program.

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE WEST PALM BEACH COMMUNITY REDEVELOPMENT AGENCY APPROVING AMENDMENTS TO THE MERCHANT ASSISTANCE PROGRAM FOR THE NORTHWEST NEIGHBORHOOD TARGET AREA WITHIN THE BOUNDARIES OF THE DOWNTOWN/CITY CENTER REDEVELOPMENT AREA; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

[Agenda Cover Memorandum No.: 22019](#)

Staff Recommended Motion:

Approve Resolution No. 19-28.

Background:

By Resolution No. 09-01 adopted on July 13, 2009, the West Palm Beach Community Redevelopment Agency (“CRA”) adopted the Merchant Assistance Program (the “Program”) for the Downtown/City Center District as an additional incentive program for existing merchants located in the Downtown/City Center CRA Area for business retention purposes.

Pursuant to Amendment No. 13 of the Strategic Finance Plan, the CRA continuously increases efforts to attract and retain new businesses and operators to the Historic Northwest within the Downtown/City Center District. Further, by Resolution 15-47 adopted on November 9, 2015, the CRA previously amended existing incentive programs, including but not limited to the Façade and Exterior Improvement Program, the Paint, Pave and Plant Program in the Northwest Neighborhood Target Area within the Downtown/City Center Redevelopment Area.

However, the CRA recognizes the continued challenges to redevelopment in the Northwest Neighborhood Target area and after further review of the amount of renovations necessary on various properties within the Northwest Neighborhood Target area and the Program’s existing requirements and maximum funding, staff recommends modifications to the Merchant Assistance Program as it applies to the Northwest Neighborhood Target area to benefit its current business make-up and to effectuate improvements in the neighborhood.

More about the Merchant Assistance Program:

The Merchant Assistance Incentive Program (Program) is designed to assist merchants in increasing sales through training and merchandising techniques. The Program is available only to restaurant and retail businesses located in the Downtown/City Center CRA.

The incentive is limited to the following activity; re-merchandise an occupied space, evaluate and create a marketing strategy for the business, train restaurant and retail business operators in advertising, marketing, promotion, sales and service techniques and other related tools, and to stimulate sales for business retention purposes.

Criteria

- Must be an established restaurant or retail business for a minimum of three (3) consecutive years in this location and be located in the Downtown/City Center CRA.
- Must be able to justify economic distress and/or outside factors that are negatively affecting sales/cash flow and sustainability.
- Business owner must be willing to attend courses or work one-on-one with a retail consultant provided by the CRA in merchandising, advertising, promotion and related training.
- Business owner must continue to use materials provided including materials for display, visual representation of merchandise, and other instruments recommended by the consultant.
- Business owner must attempt to implement recommendations related to sales and customer service techniques.

Program Goals

- Create a more viable merchandise mix.
- Provide interior renovations that have a substantial visual impact.
- Provide training to merchants and their employees.
- Increase sales of existing business to ensure viability and retention.
- Attract additional business to the district by upgrading the existing.

Program Specifications

The CRA provides grants of up to \$15,000 per business inclusive of consultant's time to be used for training as well the aesthetic improvements to the interior of a business including but not limited to painting, lighting, accessories, interior decor and display materials.

Staff's proposed modifications to the Merchant Assistance Program for the Northwest Neighborhood Target area as follows:

- Amend eligibility Criteria to eliminate the 3-year in business minimum Requirement:
- Amend Program Specifications to increase the maximum grant amount from \$15,000 to \$25,000;
- Amend Program Specifications to allow for the use of funding as deemed appropriate on a case by case basis.

Resolution No. 19-28 will approve the foregoing three (3) modifications to the Program's criteria and specifications as it relates to the Northwest Neighborhood Target area.

Fiscal Note:

The Program remains subject to funding availability.

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.