

City of Palm Bay, Florida

BAYFRONT COMMUNITY REDEVELOPMENT AGENCY

Special Meeting 2021-05

Held on Wednesday, the 11th day of May 2021 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 Chairman Medina at approximately 6:00 p.m.

ROLL CALL:

CHAIRPERSON:	Rob Medina	Present
VICE-CHAIRPERSON:	Kenneth Johnson	Present
COMMISSIONER:	Donny Felix	Present
COMMISSIONER:	Jeff Bailey	Present
COMMISSIONER:	Randy Foster	Present
COMMISSIONER:	Peter Filiberto	Absent
COMMISSIONER:	Aaron Parr	Present
BAYFRONT CRA ATTORNEY:	Patricia Smith	Present

Vice-Chairperson Johnson attended the meeting via teleconference.

STAFF MEMBERS:

Joan Junkala-Brown, Bayfront CRA Administrator; Danielle Crotts, Agency Secretary; Suzanne Sherman, City Manager; Patricia Smith, City Attorney

CONSENT AGENDA:

There were no items under the Consent Agenda.

ADOPTION OF MINUTES:

1. Bayfront CRA Special Meeting 2021-03

Motion by Commissioner Parr, seconded by Commissioner Felix, to approve the minutes under Items 1 and 2 as presented. Motion carried unanimously.

2. Bayfront CRA Special Meeting 2021-04; March 31, 2021

The minutes were approved under Item 1, Adoption of Minutes.

PUBLIC COMMENTS (NON-AGENDA ITEMS):

There were no Public Comments.

OLD BUSINESS:

1. Consideration of an amendment to the Redevelopment Incentive Agreement between Bayfront CRA and Northshore Development, LLC

Mrs. Junkala-Brown stated in April, the City received a request from Northshore Development, LLC (Northshore) to amend the Agreement as follows: authorization for an 18-month extension to the completion date of Phase 2 commercial development; a reduction in the total proposed commercial square-footage to a minimum of 30,000 for which the developer would take out a bond in the favor of the City; allow for the bifurcation of the residential and commercial projects to be two separate legal entities; and have the Ad Valorem Tax (AVT) rebate be bifurcated as such. Staff made a recommendation for the Board to reject the requested amendments but allow staff to work with the Developer to bifurcate the residential and commercial components.

Andrew Steel, Miguel Reynaldos, and Franz Hanning from Northshore addressed some of the Board's questions regarding the reduction in commercial square footage, delays in construction due to negative impacts of COVID-19, expansion of stormwater drainage and securing commercial end-users. Mr. Hanning expressed his frustration about failed commitments made by previous City staff members regarding infrastructure improvements along Robert J. Conlan Boulevard and additional development in the area.

There was additional discussion regarding Northshore's commercial development conceptual plans, bond amount, and anticipated project timeline. A visual was displayed for the Board's review which portrayed a "street market" type facility that would include a craft brewery, various food vendors and indoor/outdoor seating.

Ms. Smith provided a legal recommendation to the Board on how to proceed with the proposed amendments.

Commissioner Parr mentioned that he would like to see language added that allowed for the maximum square footage of commercial development, not the minimum.

Mike McGarry, resident, said that due to the complexities of COVID-19 and current retail development, he did not feel it was unreasonable to grant an extension to Northshore with any additional terms the Board desires.

Motion by Commissioner Parr to authorize staff to work with the City Attorney's Office and Northshore on the amendment to develop language that provided for the maximum allowable commercial square footage to be bonded by the Developer in favor of the City.

Commissioner Felix suggested making a motion to approve the extension while also allowing for staff and City Attorney to continue working with the Developer on strengthening the language, as well as adding language for the maximum allowable square footage for commercial development rather than the minimum.

Motion by Commissioner Parr, seconded by Vice-Chairman Johnson, to amend the motion to include the bifurcation of the residential and commercial projects to be two separate legal entities and have the Ad Valorem Tax (AVT) rebate be bifurcated as such.

Commissioner Bailey did not feel COVID-19 played a part in the delay of the project as there were other development projects which were not affected. He said there should be more contingencies considered by the Board and the City before deciding to move forward with granting an extension, and that no AVT abatement rebate for the residential portion should be given until a certificate of completion was obtained for the commercial portion.

Vice-Chairman Johnson physically joined the meeting at this time.

Vice-Chairman Johnson rescinded his second to the motion.

There was additional discussion on the extension, delays in construction, and AVT rebate.

Motion by Commissioner Parr, seconded by Vice-Chairman Johnson, to amend the motion to have staff and the City Attorney focus on key aspects of potentially holding the residential rebate, potentially adding the maximum commercial square footage, and potentially adding the bond usage to guarantee negotiations for the City's best interest with the Developer, and bring a revised amendment back to the Board for review. Motion carried unanimously.

1. Consideration of purchase offers for Pelican Harbor Marina parcels

Ms. Junkala-Brown presented two offers received from Space Coast Marinas, LLC and Adelon Real Estate Manager, LLC for the purchase of the three parcels which made up the Pelican Harbor Marina and provided the terms of the purchase contracts.

Mike Timmons from Space Coast Marina's, LLC addressed a question by Vice-Chairman Johnson regarding whether Mr. Timmons had commitments from any restaurant or partnership on the project.

Jonathan Cohen, Arie Fridzon and Daniel Berman from ADELON Capital answered some of the Board's questions regarding upholding a lease with the site's current tenant Paddling Paradise, additional land assemblage needed for the project, hotel brands with which they were looking to partner, construction timeline, building height, retail attraction, down payment amount and terms, and the length of the due diligence period. They displayed a rendering of what the project would look like if they were unable to obtain all surrounding parcels.

Mike McGarry, resident, felt preservation of the waterfront and utilizing the property as a true marina facility, as proposed by Space Coast Marinas, LLC, would serve its full potential to all residents of the city for boating, kayaking, or boat rentals.

Motion by Commissioner Parr, seconded by Vice-Chairman Johnson, for staff to accept the offer from Space Coast Marinas, LLC and allow staff to bring forth a final purchase contract for the next regularly schedule City Council meeting. The motion failed due to a tie vote with Board Members voting as follows:

Chairperson Medina: Nay

Vice-Chairperson Johnson: Yea

Commissioner Felix: Nay

Commissioner Bailey: Nay

Commissioner Foster: Yea

Commissioner Parr: Yea

A brief recess was taken after which time the meeting resumed.

There was further discussion regarding maintaining public access along the waterfront by having the Developer construct and maintain a boardwalk connecting to Goode Park in which the City would have an easement over in perpetuity. It was noted that Space Coast Marinas listed construction and maintenance of the public boardwalk in Additional Terms of the purchase contract while Adelon Real Estate Manager's purchase contract did not reference the public boardwalk. Adelon representatives verbally agreed to construct and maintain the public boardwalk and provide an easement to the City in perpetuity.

Commissioner Parr asked for clarification on the timeline challenges if a rezoning occurred. Ms. Smith addressed the question.

ADELON Capital mentioned looking at other properties in the Bayfront area that would better fit their project if the Board's decision was not to accept Adelon's offer.

Motion by Commissioner Parr, seconded by Vice-Chairman Johnson, for staff to accept the offer from Space Coast Marinas, LLC and allow staff to bring forth a final purchase contract for the next regularly scheduled City Council meeting. The motion failed due to a tie vote with Board Members voting as follows:

Chairperson Medina: Nay

Vice-Chairperson Johnson: Yea

Commissioner Felix: Nay

Commissioner Bailey: Nay

Commissioner Foster: Yea

Commissioner Parr: Yea

The Board agreed to have staff bring back this item at a future Board meeting with all Board members present.

COMMISSIONER REPORTS:

Board members expressed their gratitude to both applicants for the Pelican Harbor Marina purchase.

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Commissioner Parr mentioned Bayside High School's softball team would be attending regional finals. He also mentioned a golf tournament fundraiser for Bayside High School's athletic programs to be held on July 4th, 2021.

ADJOURNMENT:

The meeting was adjourned at approximately 9:41 PM.

Robert Medina, CHAIRPERSON

ATTEST:

Danielle Crotts, AGENCY SECRETARY