

**Minutes**  
**Town of Lake Park, Florida**  
**Community Redevelopment Agency Board Meeting**  
**Wednesday, November 2, 2011, 6:30 p.m.**  
**Town Commission Chamber, 535 Park Avenue**

The Community Redevelopment Agency Board met on Wednesday, November 2, 2011 at 6:30 p.m. Present were Chair James DuBois, Vice-Chair Kendall Rumsey, Board Members Steven Hockman, Jeanine Longtin, Tim Stevens, Gladys Bryant and Christiane Francois, Executive Director Maria Davis, and Agency Clerk Vivian Lemley.

Chair DuBois led the Pledge of Allegiance.  
 Agency Clerk Vivian Lemley performed the Roll Call.

**ADDITIONS/DELETIONS/APPROVAL OF AGENDA**

Public Comment and F6. Discussion of the Tax Increment Fund (TIF) Interest repayment were added to the agenda.

**Motion: A motion was made by Board Member Francois to approve the Agenda as amended; Board member Stevens made the second.**

Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Gladys Bryant	X		
Board Member Christiane Francois	X		
Board Member Steve Hockman	X		
Board Member Jeanine Longtin	X		
Board Member Tim Stevens	X		
Vice-Chair Kendall Rumsey	X		
Chair James DuBois	X		

Motion passed 7-0

**Public Comment:**

1. *Susan Lloyd 220 Lake Shore Drive*, stated that she has asked the CRA Director numerous questions and has not received answers. She asked how much was the cost of the opening and then the closing of the Art Gallery, who is maintaining and paying for the building. She asked if the Gallery Director and assistant

receive a severance pay, and if so how much and who paid it. She asked since the CRA started providing grants to entice businesses, how many businesses have opened and how many are still operating, and how many of those that closed fulfilled their grant obligations. She asked for those that did not fulfill the grant obligation, did the CRA request the money back. She stated that the CRA is not self-funding as it states on the CRA website and that the wording should be removed. She stated that the CRA has put the Town in debt and that the CRA owns part of the Town. She also stated that she will continue to ask questions regarding the CRA until she receives answers.

Mayor DuBois explained that she may receive many of her answers during the presentation tonight.

2. *Tom Brown, 929 Park Avenue*, purchased an existing business in Lake Park with the intension to move the business, but met Jennifer Spicer and decided to keep the business in Town. He stated that it was great to have someone assist him with the process of doing business in the Town and appreciated her help.

Mayor DuBois asked what type of business he had and its name.

Mr. Brown stated that he bought an insurance business named A Auto Insurance World.

3. *Jack Batho, 836-850 Park Avenue*, stated that his 10 year long dream of opening a restaurant on the corner of 9<sup>th</sup> Street and Park Avenue has finally come true because of Jennifer Spicer and the CRA's help.

Mayor DuBois asked for the name of the business.

Mr. Batho stated "Casper's on Park".

4. *John Little, 2934 Westgate Ave., West Palm Beach*, has owned the properties from 929 through 934 Park Avenue for about 10 years and has seen a decline in the economy. He stated that the CRA was instrumental in bringing businesses to the empty lots. He spoke of the changes they were making to get those lot prepared for a restaurant to open with the installation of a grease trap. He liked the new alleyways behind his properties and the addition of the awnings in the front of the properties. He said hats off to the CRA and the Town Manager.
5. *Dick Yorsorsnoff, 801 Lake Shore Drive*, stated that he is an artist and had his work in the Gallery. He stated that he travels the world and had recently returned from St. Petersburg Russia where he visited the Heranitage Museum. He stated that the museum cannot compare to the Lake Park Gallery, but he had noticed an increase in art, visitors and purchases. He stated that people who had never heard of Lake Park were now aware of Park Avenue and the growing image of the art and culture. He stated that a plan had been developed for the area and that the Gallery was just turning a corner of success. He had read in the paper last week that an Art Center was opening at Mid-Town at the Gardens, he encouraged the Board to reconsider renting or selling the Gallery and asked them to find a way to

fund the Gallery. He cited his previous career as a chief, financial officer, and the importance of future priorities. He said put Lake Park back on a path that Lake Park citizens deserve.

6. *Guisseppi Cianflone, 850 Park Avenue*, stated that the CRA convinced him to open his business and thought the Town was committed to Park Avenue. He stated that he has people come from far away because the Gallery was important and it bought people to the Town. He urged the Board to be committed to the CRA as much as he is.

**CONSENT AGENDA:**

1. **CRA Board Meeting Minutes of April 6, 2011**
2. **CRA Board Meeting Minutes of September 21, 2011**
3. **Palm Beach County Sheriff's Office CRA Contract Modification**

Board Member Longtin requesting pulling each item for discussion.

**CRA Board Meeting Minutes of April 6, 2011**

Board Member Longtin stated that these minutes are six months old and could not recall the meeting and therefore was voting against the minutes.

Board Member Hockman stated that at the bottom of the first page of the minutes it shows a list of consent agenda items and January 5, 2011 meeting minutes is listed as January 5, 2010, he asked that the year be corrected on the minutes.

**Motion: A motion was made by Vice-Chair Rumsey to approve item 1 on the Consent Agenda as amended; Board member Francois made the second.**

Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Gladys Bryant	X		
Board Member Christiane Francois	X		
Board Member Steve Hockman	X		
Board Member Jeanine Longtin		X	
Board Member Tim Stevens	X		
Vice-Chair Kendall Rumsey	X		
Chair James DuBois	X		

Motion passed 6-1

## **CRA Board Meeting Minutes of September 21, 2011**

Board Member Longtin stated that the minutes should be more detailed because on page 8 it states that Board Member Francois asked during discussion where they were going to cut the \$69,000 of the TIF penalty. Finance Director Costello explained and Board Member Stevens gave an option, but the explanation and option were not included in the minutes.

**Motion: A motion was made by Vice-Chair Rumsey to approve item 2 on the Consent Agenda; Board member Francois made the second.**

Board Member Longtin stated that she would vote for these minutes, but by approving the minutes she is in no way approving the budget.

Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Gladys Bryant	X		
Board Member Christiane Francois	X		
Board Member Steve Hockman	X		
Board Member Jeanine Longtin	X		
Board Member Tim Stevens	X		
Vice-Chair Kendall Rumsey	X		
Chair James DuBois	X		

Motion passed 7-0

### **Palm Beach County Sheriff's Office CRA Contract Modification**

Executive Director Davis explained that this is a modification to the existing Palm Beach County Sheriff's Office (PBSO) contract with one less officer as a result of the budget reduction.

Board Member Longtin asked where in the CRA will this one officer be patrolling.

PBSO Lieutenant John Hill explained that the deputy would be patrolling within the boundaries of the CRA.

Board Member Longtin clarified by asking if the deputy would be patrolling the entire CRA.

Lieutenant Hill stated that the deputy would be patrolling “all the CRA”.

Board Member Hockman clarified by asking if other PBSO officers would also be patrolling the CRA area as well.

Executive Director Davis stated “of course”.

Board Member Stevens stated that it looked like a good deal at \$65,000 for 40 hours.

Executive Director Davis stated that the figures mentioned were only from October until March.

Board Member Stevens asked what it would be after that point.

Executive Director Davis stated that it would be \$112,000 for the year for 40 hours a week.

Board Member Longtin asked if the funds would be paid by the CRA.

Executive Director Davis stated “correct”.

**Motion: A motion was made by Board member Francois to approve item 3 on the Consent Agenda; Board Member Hockman made the second.**

Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Gladys Bryant	X		
Board Member Christiane Francois	X		
Board Member Steve Hockman	X		
Board Member Jeanine Longtin	X		
Board Member Tim Stevens	X		
Vice-Chair Kendall Rumsey	X		
Chair James DuBois	X		

Motion passed 7-0

**DISCUSSION AND POSSIBLE ACTION:**

**Grant for Don Ramon’s Baja Grill Cantina & Tequila Bar**

**Public Comment:**

*Susan Lloyd, 220 Lake Shore Drive*, was encouraged to hear the nice comments made earlier from the business district of the CRA many of which have received grants and low interest loans. She stated that the deal with Don Ramon's has been in the making behind closed doors for quite some time. She explained how the CRA was moving forward with this grant and that the Town Manager had stated that the money had become available when another project fell through. She asked if it was necessary for a successful businessman to take the taxpayers money to open a restaurant. She stated that she was not opposed to this business, only to the use of the grant funds. She referenced a zoning regulation against churches in the CRA district, and that yet it is welcoming bars and are even offering them tax money to set up shop. She stated that instead of it being an Art District, the CRA will become a great place to bar hop and if a train stop goes in, then people can stop in the CRA for a quick shop and a taco before the train arrives. She stated that the residents are going to love it. She stated that she is against Don Ramon's receiving a \$40,000 grant.

Executive Director Davis explained the item and stated that the Economic Development Director has been working for two years to bring this business into the Town and is an anchor restaurant for the CRA. She expressed her delight to have Mr. Juan Rubio coming to Lake Park. She explained that while doing the research for the presentation being delivered later in the meeting, she learned that all CRA provide incentives for businesses, which include grants, low interest loans and rent relief. She explained that the Town has one of the lowest levels of funding in the County and explained that it is CRA taxpayer dollars being used not taxpayer's dollars who live outside of the CRA boundaries.

Mr. Juan Rubio introduced himself and stated that he sees a lot of potential in the CRA for his business to do well in Lake Park and would answer any questions of the Board.

Board Member Hockman asked how much money was left.

Executive Director Davis explained that "this is it".

Board Member Hockman expressed his concern with the stipulations if Mr. Rubio decides to change restaurants or leave and asked what the CRA policy was for getting its money back.

Executive Director Davis stated that a promissory note would need to be signed, which provides that 20 percent of the grant is forgiven each year, which guarantees the CRA five years and after the fifth year the grant is forgiven.

Board Member Hockman asked what happens if they changes businesses and does the grant then get transferred to the new owners.

Executive Director Davis stated that it does transfer to the new owners if it is a restaurant.

Vice-Chair Rumsey welcomed Mr. Rubio and stated that he is very excited to have him coming to the CRA. He stated that he is glad to be proven wrong because he told Jennifer Spicer that the restaurant would never come to Lake Park. He asked Mr. Rubio to explain this new restaurant concept.

Mr. Rubio stated that it would be a combination of Cuban, Mexican and Spanish food. He stated that the plan is to be open seven days a week with outdoor seating and live entertainment and he will try to get a bar.

Vice-Chair Rumsey stated that he supports this and asked if this is approved how long is the build out time.

Mr. Rubio stated that they should be open in two months.

Chair DuBois stated that he concurred with the Vice-Chair and welcomed Mr. Rubio and wished him success.

Board Member Stevens is looking forward to eating at the restaurant and hoping that Lake Park residents will be hired, and knows how successful the business has been for Mr. Rubio.

Board Member Longtin asked if he would be hiring Lake Park residents.

Mr. Rubio stated that if residents are willing to apply, he would not have a problem with it. He stated that they would be hiring more than 10 and possibly 12 people to cover all the shifts.

Board Member Longtin asked if he owned the place on Military Trail in West Palm Beach.

Mr. Rubio stated that he did not.

Board Member Longtin appreciated the type of food and explained that she is not a proponent of Government redistributing taxpayers money and that she would be voting against the grant, but welcomed him to the Town and felt his business would do well.

Board Member Francois concurred with Vice-Chair Rumsey and welcomed him to the Town and agreed that his business will bring the CRA up and would like to see him succeed.

Chair DuBois stated that Lake Park is a walk-able community and that a person does not have to own a car to get around.

Mr. Rubio explained that a help wanted sign will be posted and he promised that Lake Park residents will get a shot at working at his restaurant.

**Motion: A motion was made by Vice-Chair Rumsey to approve a grant for \$40,000 for Don Ramon's Baja Grill Cantina & Tequila Bar; Board Member Francois made the second.**

Vote on Motion:

Board	Aye	Nay	Other
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Member			
Board Member Gladys Bryant	X		
Board Member Christiane Francois	X		
Board Member Steve Hockman		X	
Board Member Jeanine Longtin		X	
Board Member Tim Stevens	X		
Vice-Chair Kendall Rumsey	X		
Chair James DuBois	X		

Motion passed 5-2

**PRESENTATION:**

Complete Review of the CRA

Executive Director Davis explained that Vice-Chair Rumsey had requested a top to bottom analysis of the CRA and it has been very beneficial in showing where it needs to go in the future. She apologized for not providing the Board with the presentation before the meeting and stated that it was because it was such a tight timeline that she had completed the presentation this afternoon.

Chair DuBois stated that since it was such a large presentation it would be easier to ask questions as they went along instead of waiting for questions at the end.

Executive Director Davis stated that whatever the Board would like to do would be fine.

Vice-Chair Rumsey asked for clarification if that would be the only time for questions.

Chair DuBois stated that they would have an opportunity to ask questions at the end of the presentation as well as during the presentation.

Executive Director Davis began the PowerPoint presentation (see exhibit "A") with a Brief History of the CRA on slide 3. She reviewed the priorities established by the Board as shown on slide 4. She explained the Strategies as a result of the priorities established as shown on slide 6 and the implementation of economic development initiatives as shown on slide 7. She explained that as the next component of the strategies, the CRA established incentives as shown on slide 8. She explained the development of a marketing plan as shown on slide 9. She showed several slides of before and after pictures of the different areas of the CRA, which begin on slide 11 and continued through 13. She explained that the University of Miami Center for Urban and Community Design presented a design for the CRA, which is used as a manual. She explained the development of the grant incentives program as shown on slide 15.

Board Member Longtin asked if Centered LLC was still in business.

Executive Director Davis explained that all the businesses on slide 15 are current businesses.

Board Member Longtin asked what happened to the loan that was provided to Someplace Restaurant.

Executive Director Davis stated that it is still being paid.

Board Member Longtin questioned if Someplace Restaurant received a grant two years ago and they are now out of business, do they owned 60 percent of that grant.

Executive Director Davis explained that they did not sell the building, another restaurant is being run out of the building, therefore the grant transferred to that restaurant.

Board Member Hockman asked if the restaurant has to agree to the transfer of the loan and the grant.

Executive Director Davis stated that she would not speculate and would have to review the paperwork to provide an answer.

Board Member Hockman stated that he did not see that language in any of the documents.

Executive Director Davis stated that she would have to review the Promissory Note.

Board Member Hockman indicated that the Promissory Note only references if it is being sold that it would need to be paid back.

Board Member Longtin stated that she could not understand how the Town could force another business to take over the loan or grant obligation of another business. She asked for clarification that Someplace Restaurant had the grant, not the owner of the business.

Executive Director Davis stated that the grant was with the owner of the building, not Someplace Restaurant.

Finance Director Costello explained that the grant and the loan are with Crown Plaza Incorporated and secured by the piece of property, which does not have a mortgage. She stated that the grant and loan are billed to Crown Plaza Incorporated, which they pay monthly.

Chair DuBois asked if any have defaulted.

Executive Director Davis explained that none have defaulted and that she has a slide that will show that some businesses have backed out, but none have defaulted.

Board Member Longtin stated that she recalled giving someone \$8,000 to put in a grease trap, but they did not put the grease trap in.

Executive Director Davis explained that the trap was put in, but the business was having trouble with the contractor, but the trap was installed for Caspers on Park.

Executive Director Davis continued the presentation and explained that a recommendation was given that they established a Town green as shown on slide 17. She explained that the CRA and the property owner entered into a five year agreement during which the CRA maintains the property and uses the space for events. She explained that it was not a binding agreement and can be canceled at any time.

Board Member Longtin asked that the agreement be explained further.

Executive Director Davis explained that the property is maintained by the CRA and that no funds are exchanged.

Executive Director Davis explained that security has been increased as shown on slide 18 and that the contract was recently reduced by one deputy as of October 1, 2011. She stated that the CRA received a grant for video cameras to assist in securing the area. She explained that the cameras were being relocated to the Palm Beach County Sheriff's Office (PBSO) on 6<sup>th</sup> Street so that the cameras can be monitored.

Board Member Longtin asked how long the cameras maintain the images - 30 days.

Executive Director Davis responded "that's correct".

Board Member Longtin clarified that PBSO would not have one person sitting there watching the cameras all day long.

Executive Director Davis responded "absolutely not".

Board Member Longtin clarified that if something happened PBSO could go back and review the camera.

Executive Director Davis stated "that's correct". She continued the presentation and explained that an office was established for the CRA downtown as shown on slide 19.

Board Member Longtin asked how much the office is costing.

Executive Director Davis stated that it costs between \$550 and \$600 a month. She explained that a director was hired as shown on slide 20. She explained that there was a problem with store front vacancies, so window coverings were designed and installed as shown on slide 21. She explained a brief history of the Art on Park Studios and Gallery as shown on slide 22 and stated that it was heart breaking to close down the gallery on October 1, 2011. She stated that she has not given up on the art concept for the downtown.

Board Member Longtin asked when the building was purchased, how much it cost, and how much was spent on it.

Executive Director Davis stated that she did not have those numbers with her.

Board Member Longtin asked when was the building purchased.

Executive Director Davis stated that it was purchased in late 2008 and opened in March 2009.

Chair DuBois asked if a secondary plan was being formulated to rejuvenate the use of this building as an art center.

Executive Director Davis stated that she has it later in the presentation. She explained that an awning project was created as shown on slide 23. She explained that the former Mayor had several business merchant meetings and one of the clear messages that came out of those meetings was that wayfinding signs were needed as shown on slide 24. She explained that Foresteria Drive had multifamily homes that were problematic and the Board directed staff to purchase the parcel for future parking as shown on slide 25. She explained that in the meantime the parcel is being used as a community garden as shown on slide 26. She explained the new businesses on Park Avenue from slides 28 and 29. She explained that a Vietnamese Restaurant called Hot Pot will be opening around December 1, 2011.

Vice-Chair Rumsey stated that the loan for Hot Pot was given a year ago and yet a restaurant owner earlier in the evening stated that he could open his restaurant in a few months. He asked if in any of the loan documents include timeframes provided to open the business.

Executive Director Davis stated that she does not recall seeing any timeframes given.

Vice-Chair Rumsey stated that he wants, at a future meeting, those business loans back before the Board so that they can establish timeframe for those businesses that have not opened up. He stated that the money has been tied up and the businesses still have not opened.

Executive Director Davis explained that there was a problem with the Fire Department in the plan review process for the Hot Pot Restaurant and the Fire Department then came back after the walls were built and said they had to fix something, which cost \$30,000. She stated that due to that error it cause a delay of several months. She stated that the Vice-Chair had a great point in including timeframes in the projects.

Vice-Chair Rumsey stated that even if the documents stated what the timeframes are he would like them brought back to the Board so that they are made aware of the timeframes.

Board Member Stevens asked if every year 20 percent of the loan is forgiven.

Executive Director Davis clarified that the 20 percent of the grant is forgiven every year not the loan.

Vice-Chair Rumsey asked if a grant was also given to Hot Pot. Executive Director Davis stated "yes".

Vice-Chair Rumsey stated that 20 percent of that grant has already been forgiven and the restaurant still has not opened.

Finance Director Costello explained that the loan was approved in December 2010 but the owner did not start drawing funds from the loan until this summer, which is when the timeframe began for the 20 percent forgiveness on the grant.

Vice-Chair Rumsey stated that he wanted to see backup on Finance Director Costello's comments.

Finance Director Costello stated that she has copies of the checks.

Board Member Hockman clarified by stating that in other words the 20 percent does not begin until the restaurant is opened.

Finance Director Costello explained that the timeframe begins as of the time the money is drawn. She explained that until the business starts to take funds from the grant or loan, the Town does not start to bill them for the principal and interest and therefore the forgiveness of the 20 percent does not begin until they have drawn from the loan or grant.

Executive Director Davis continued the presentation with slide of new businesses from slide 31 through 34.

Vice-Chair Rumsey asked when did K-Patt Production open.

Executive Director Davis stated that the Economic Development Director recruited them shortly after she was hired in 2009. She explained that some of the businesses were recruited by the director and others came in on their own. She explained some of the challenges as shown on slides 36 through 38. She explained that One Park Place has been vacant on Park Avenue since she started working for the Town five years ago, and that several attempts have been made to purchase the property, but it is caught up with the bank in foreclosure.

Board Member Longtin asked if the owner has the final say with selling the property.

Executive Director Davis explained that the building belongs to Mr. Richard Ahrens and that it is very difficult to know who has final say because a developer was brought in with a check book and the bank told the developer that the property was in the early stages of foreclosure and did not want to speak with them.

Executive Director Davis continued with the presentation and explained another business that has been a challenge, which is PA Bar-B-Que as shown on slide 40. She explained

that the property owner has recently starting putting flooring down, but it has taken many years to get something started with this property.

Board Member Hockman stated that he has noticed work being done to the building and was wondering if they have a permit and asked what work does the permit specify.

Executive Director Davis stated that they do have a permit and that it only states that it is for tile work in the front porch. She explained that she sent Code over when they noticed all of the activity and they do have a permit for tile work in the front porch.

Chair DuBois asked if there are any Code violations that are outstanding.

Executive Director Davis explained that no Code violations are outstanding.

Board Member Longtin asked who is responsible for the parking area and that it would be great if they would beautify the parking area.

Executive Director Davis stated that they are responsible for the parking area, and agreed that it would help if the parking area was beautified.

Board Member Longtin asked if there were no Code violations with the parking area currently.

Executive Director Davis stated that she did not know and would have to check with the Community Development Department. She continued the presentation and explained that there is limited bank financing for small business and that the Town had a hard time getting a loan recently as shown on slide 41. She stated that there were some setbacks as shown on slide 42.

Board Member Longtin asked if Kelsey Market wanted to bring back the plan they showed the Board, could they do so.

Executive Director Davis explained that they could come back with the plan, but that there is no money to offer a grant or a loan to them. She explained that another challenge is the reduction in revenue and the Tax Increment Funds (TIF) as shown on slide 43. She explained the History of the TIF as shown on slide 44 and stated that the CRA lost the TIF funds for many years and in 2008 the Town began a payment plan to pay back the CRA.

Board Member Longtin stated that she takes issue with the statement that "we lost the Tax Increment" because we never had it. She stated that you cannot say you lost it, things just changed. She stated that things changed mainly during the housing boom and that you cannot count on anything you did not have. She stated that it was the verbiage used.

Vice-Chair Rumsey asked when will the TIF be completed repaid.

Executive Director Davis stated 2013.

Vice-Chair Rumsey indicated that the next budget would be the last repayment.

Executive Director Davis responded "that is correct".

Vice-Chair Rumsey clarified that the CRA has forgiven the penalty which would be split over two years.

Executive Director Davis stated that it was taken all in one year. She referred back to the presentation and explained some of the eliminations as a result of the reduced revenues as shown on slides 45 and 46. She compared the Lake Park CRA to other CRA's in Palm Beach County as shown on slide 48 and the TIF base year as shown on slide 49. She showed the 2009-2010 budget for each of the CRA's in the County as shown on slide 50. She showed the revenues per acre on slide 51.

Chair DuBois asked how the total per acre was calculated.

Executive Director Davis explained that it was the TIF budget. She explained on slide 52 the total number of staff members for each CRA in the County.

Chair DuBois stated that the other municipalities have administrative charges that they charge back for services.

Executive Director Davis stated "that is correct".

Board Member Stevens asked to go back to the History of the TIF, which is slide 44, and asked what the plan is going to be for 2014 because according to the slide the TIF will only collect about \$400,000.

Executive Director Davis explained that the budget is very tight and they may have to recommend cutting staff and selling parcels. She explained that things are dire. She referred back to the presentation and spoke of the future plans for the CRA. She stated that Don Ramon's will be a huge factor in the future of the CRA. On slide 54 she provide some future plans and stated that the corner of Park Avenue and 10<sup>th</sup> Street needed an anchor restaurant.

The Board discussed the exact location of the parcel which the Executive Director mentioned. The vacant parcel is behind the alleyway on 10<sup>th</sup> Street and Park Avenue on the northeast side.

Executive Director Davis explained the rest of the future plan as shown on slide 54.

Board Member Stevens asked what the yearly debt service is on 800 Park Avenue.

Executive Director Davis stated \$36,000.

Board Member Longtin asked about the rest of the CRA.

Executive Director Davis stated that she is still following the plan and the plan was specific to focus on Park Avenue first. She stated that day to day the Economic Development Director and the Community Development Director are dealing with CRA businesses. She stated that just because the presentation focused on Park Avenue does not mean that the rest of the CRA businesses are not being assisted.

Board Member Longtin asked where on the website is the master plan.

Executive Director Davis stated under the CRA website and she stated that she also has hard copies if anyone needed a hard copy.

Board Member Longtin stated that the closing of the Gallery was a unilateral decision by the Executive Director and that during the presentation she stated that she saw no other solution other than closing the Gallery. She stated that she knew nothing about the closing of the Gallery and knew that it was not doing well, but felt that it could be the thing to develop the area. She stated that she was concerned that it was closed without discussion with the Board. She stated that in the incentives slide, it could have shown how the permit process has been made easier, or the cost would be lowered. She stated that incentives does not always have to mean money. She stated that for the salary of the one director, two employees can be hired. She stated that the Gallery was purchased in 2009 at \$293,000 and does not know how much was spent on build-out and improvement costs. She stated that the community garden is \$1.5 million in the three parcels and understands that \$1 million was spent on the demolishing of the building that were on that property. She stated that she has a concern regarding the community garden because of the \$2.5 million spent and what is going on with the money there.

Chair DuBois recapped that Vice-Chair Rumsey spoke of timelines with loans and grants. He stated that he would be interested in a phase II of this presentation with the other areas of the CRA including the residential areas.

Vice-Chair Rumsey started off by saying that he supports the CRA and felt that some of the comments made by residents and the business owners earlier sounded like some of the Board members do not support the CRA. He stated that he supports that CRA and they have a responsibility to continue CRA projects and believes the CRA can work in the Town. He stated that someone spoke earlier and said that the "Gallery was just turning the corner of success" and he agreed with that statement. He stated that the gallery closed down and that no one fought to keep it open, it just closed down. He disagreed with Board Member Longtin in the respect that they all voted to close it down. The Executive Director recommended it and they all voted on it. He stated that he agrees with the grant and loan program. He referred to the presentation as how positive steps in the CRA have been done and how well things have turned out. He stated that he disagreed with the awning project and how it looks. He agreed with the Community Garden and how it brings community together. He felt that some things can be done with 918 Park Avenue and would like to see the Board create incentives for the new businesses that go into 918 Park Avenue or One Park Place. He suggested allowing them to not pay their taxes for a certain amount of time, anything that could be used as an incentive to anyone that goes into those buildings. He explained a business incubator as many small businesses working together as one business to help each other. He referred

to slide 45 and 46 "Because of Reduced Revenue" and stated that all of those items stir economic development. He stated that right around the time that West Palm Beach stopped running the Northwood District was the time when Northwood started doing really well because an economic development firm was hired to run the CRA, and suggested looking into the same for our CRA. He stated that he does not agree with the negative comments that crime is bad in Lake Park and that Lake Park does not look good. He stated that they need to have pride in Lake Park and speak positively about living in Lake Park because unless you live in Lake Park you do not know how safe it is to live here. He stated the following comments: he disagreed with the closing of the gallery; does not agree with the list of businesses that did not go through with their loans or grants and felt it was the responsibility of the Economic Development Director to see it through; all CRA businesses should receive the same attention; E-blast should be proofread before being sent; vacant business space should be promoted on E-blast; suggested having fan tours and the possibility of going to current property owners and have them get their businesses ready to be shown for new businesses to open. He stated that this was not personal but that the Town has spent a quarter of a million dollars over the past few years for the Economic Development Director and does not feel that the Town is getting the return for its money. He stated that the CRA should be in a state of urgency and if there is more push to those property owners who can prepare their properties, the CRA would have a better chance for success. He stated that he would like to see the Gallery reopened immediately even if just on the weekends. He suggested going to schools and having them do shows and explore other opportunities to reopen the Gallery. He suggested restructuring the Economic Development Director's salary and possibly a commission-based salary. He suggested that the CRA Board meet monthly and have monthly reports on what is going on in the CRA.

Board Member Hockman had no comments.

Board Member Bryant had no comments.

Board Member Longtin asked if the presentation would appear on the website.

Executive Director Davis stated that it can be and that it would also be included as backup to the minutes.

Board Member Longtin stated that the presentation answers many questions of the residents. She stated that the University of Miami Design Approach Manual that currently appears on the website ends on page 50 and asked that it be rescanned to the website. She stated that she agreed with Vice-Chair Rumsey that we should look into a company running the CRA. She explained that when she was first elected she recalled Board Member Hockman stating that some businesses in the CRA had been complaining and how some of the members pounced on him for it, yet now other members of the Board are also reporting that businesses are not happy.

Chair DuBois asked for a copy of Vice-Chair Rumsey's notes for the record. He recapped the comments made by Vice-Chair Rumsey. He suggested reviewing to see why those businesses did not open. Vice-Chair Rumsey referred to roundtable discussions with CRA businesses held by the former Chair. Chair DuBois stated that he held a roundtable

discussions, which were advertised, but they had a poor turnout. He referred to Vice-Chair Rumsey's statement regarding E-blast going out without being proofread and advertising of open business space on E-blast; touring the commercial retailers; considering giving the grants to property owners instead of business owners; considering the Economic Development Director's compensation with commission versus salary. He stated that the comments made by Vice-Chair Rumsey were great. He stated that Erin Flaherty of the Community Garden has been doing a fantastic job and felt he is due a proclamation by the Commission.

Vice-Chair Rumsey requested consensus from the Board to conduct a monthly meeting because the Board is not being kept abreast of everything that is taking place in the CRA.

Chair DuBois agreed with a monthly meeting and gave his consensus.

Board Member Longtin agreed with a monthly meeting and asked if it would be conducted before a Commission Meeting.

Vice-Chair Rumsey stated that it would be conducted before a Commission Meeting.

Board Member Stevens agreed and gave his consensus and stated that time is of the essence considering that the CRA budget is falling off a cliff with \$900,000 this year, \$700,000 next year, and \$400,000 the following year.

Board Member Hockman agreed with a monthly meeting and gave his consensus.

Board Member Bryant agreed.

Board Member Francois agreed and stated that before the April meeting the Board was meeting monthly.

#### **Interest Repayment on the Tax Increment Fund (TIF).**

Board Member Longtin stated that it had been requested that this item be brought back in October and it had not been and had hoped it would be on this agenda. She asked what is the current interest rate in this TIF repayment.

Board Member Stevens stated that it was 12 percent.

Board Member Longtin had requested that it be dropped to 4 percent and someone else said they would be amenable to with 6 percent and if there is any discussion she offered to make a motion that it be brought to 6 percent, which would be more in line with today's interest rates.

Board Member Francois stated that since there will be less TIF money in the next coming years she suggested that it remain at 12 percent.

Board Member Longtin stated that its easy for someone that does not live in Town to make a comment like that, since they don't see the rest of the Town hurting for cash.

Board Member Stevens stated that it has less to do with the interest rate and more to do with forgiving the interest altogether that is owed. He stated that there is only one year left to pay the delinquency, so it is less than an interest percentage and how much of the \$300,000 that is still owed do they want to pay the CRA in 2013.

Board Member Longtin suggested that they do away with the interest, but did not feel she would get consensus.

Vice-Chair Rumsey stated that he is in favor of reviewing the interest rate. He suggested that the item be brought back at the first December meeting and show budget implications on both the CRA and the general budget for this year.

Board Member Longtin agreed and stated that if it is being implied that the CRA Board will meet at the first meeting each month, she recapped that the item be brought back with the implications to the General fund and the CRA budget with 12 percent, 6 percent, 4 percent and zero percent.

Chair DuBois asked if the motion was to continue the item with a fuller discuss at the first meeting in December.

**Motion: a motion was made by Vice-Chair Rumsey to continue the item to the first meeting in December with a fuller discussion; Board Member Hockman made the second.**

Board Member Longtin asked if the item would be discussed further.

Board Member Stevens stated that he agreed with the staggered rates of interests and would like to see the total amount owed to the CRA in delinquent TIF and what amount of that is from interest on the delinquency.

Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Gladys Bryant	X		
Board Member Christiane Francois	X		
Board Member Steve Hockman	X		
Board Member Jeanine Longtin	X		
Board Member Tim Stevens	X		
Vice-Chair Kendall Rumsey	X		
Chair James DuBois	X		

Motion passed 7-0

### **COMMENTS BY BOARD MEMBERS AND EXECUTIVE DIRECTOR**

**Board Member Bryant** agreed that there should be a cap on the loans. She stated that she has owned a business on Park Avenue for the past seven years and saw the turnaround of the community and supports the CRA. She asked who determines the types of business that come to the CRA.

Executive Director Davis explained that the Town's Code of Ordinances determines the types of business that come to the Downtown District.

Board Member Bryant stated that she was wondering if there was a cap on the types of businesses because there are seven beauty salons on Park Avenue and as a business owner it does not make sense.

Executive Director Davis stated that it is a problem and asked the Community Development Director or the Town Attorney to assist with the question.

Community Development Director Nadia DiTommaso explained it is something that they have tried to look into because of the legalities of preventing one owner having one type of business versus another owner. She stated that she would have to discuss this issue with the Attorney.

Agency Attorney Baird stated that the zoning Code determines the kind of uses that they can have and that there are some limited circumstances, either by State Statutes or Town Code to establish separation requirements between the businesses, however there would have to be some health and safety aspects doing that and it is generally not done. He provided an example of separation requirements that are done such as community residential homes in residential neighborhoods and that is because that type of use is more of a multi-family use than a single-family use.

Board Member Bryant disagreed with the Code.

**Board Member Hockman** was against closing the Gallery and did not approve the budget because of it. He stated that he has nothing against helping businesses, but the grant given earlier of \$40,000 could have been used to keep the Gallery open. He felt other changes could have been made to keep the Gallery open, especially after an article about the Gallery had been written the week before. He stated that the heart of the Town had been closed. He stated that certain Board members are made aware of things before the rest of the board. He gave the example that Vice-Chair Rumsey stated he knew that Don Ramon's was being pursued for the past two years and yet it was kept a secret. He indicated that he is in favor of doing whatever it takes to get the Gallery to reopen. He referred to an email he sent questioning why the Town was going to hire a full-time Recreation Director when the previous person did not have enough to do and would assist the CRA Director. He suggested using the salary set aside for the Recreation Director can go to the Gallery. He stated that the loan documents have concerned him over the past few years especially when the loan is transferred to the next business owner. He gave the

example of Someplace Restaurant and how it is no longer in business and a new business owner is now running a restaurant out of that location. He felt that the requirements for being a Board member should clearly state that a person must be a business owner, not just a property owner in the CRA. He stated that the Kelsey City Grill does not have a business license.

**Vice-Chair Rumsey** responded to a comment made by Board Member Hockman regarding knowing that Don Ramon's was coming to the CRA two years ago. He stated that he saw the Economic Development Director touring with Mr. Rubio and he asked her who was she showing the CRA to and she responded Don Ramon's. His response to her at the time was "he will never come" and that was the extent of their conversation. He suggested that Board Member Bryant speak to the property owner of her salon regarding placing another hair salon so close to her shop.

Board Member Bryant stated that she did speak with the property owner and was told that there are so many different property owners in that area and that they are all desperate to rent out their space.

Vice-Chair Rumsey stated that it was very unfortunate.

**Chair DuBois** stated that towards the end of the last minutes it states that Agency Attorney Baird read Florida State Statute 163.356 (3)(b) regarding the criteria for being a CRA Board member and how it was determined that the Board member was eligible to be a member. He stated that he approved the minutes earlier in the meeting that states this information.

Board Member Hockman stated for the record "if you go back and listen the Attorney also did say that owning the building does not, make you capable of being on the Board. You must have a business operating a business and when she was operating Someplace Restaurant she had an operating business, that is where that came from".

Chair DuBois stated that he voted to approve the minutes that state that Board Member Francois meets the requirement to stay on the Board.

**Board Member Stevens** stated that since the Board will be meeting next month he will make his comments quick. He stated that we need to support new businesses and existing businesses. He stated that there are some great things in the PowerPoint and what the CRA has done, but that there is always room for improvement.

**Board Member Longtin** asked former Commissioner Osterman's husband to stop speaking negatively about Lake Park. She stated that if anyone is asking for information to copy the Commission on it, so that she can follow up and have the request filled. She hoped to have the presentation on the website and the Design manual be re-uploaded in its entirety. She agreed with Board Member Bryant, but does not know what can be done. She stated that she agreed with Vice-Chair Rumsey's response to Board Member Bryant regarding her dilemma. She is not sure if anything can be done to assist with having so many of the same types of businesses in the same area. She stated that she did not vote to close the Gallery, she voted on the budget and felt the gallery should have been a separate

discussion. She stated that she is confused on how people get up to speak at the beginning of the CRA meetings extolling the virtues of Jennifer Spicer when the subject of her job comes up and does not know why they come forward, (but hopes they do at every meeting.) She wondered what was prompting them to come and speak on her behalf and is concerned by it. She thanked everyone for their patience.

**Board Member Francois** supports the CRA. She stated that she has been in the CRA for five years. She feels the loans and grants are not a waste because they help businesses come to the CRA. She stated that the community garden is a great thing. She agreed with Vice-Chair Rumsey that they need to be more positive. She stated that with Jennifer Spicer, there are people who are against her for some reason, but she does her job and does go around and promote business. She stated that comments have been made that she gets paid a lot, but other cities pay their employees more and she is only one person working in the CRA. She stated that they should look hard and long at either changing her or getting a company in to do what she does, but it could cost more than her salary.

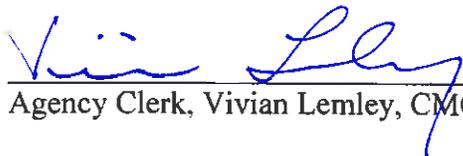
**Executive Director Davis** stated that on November 12, 2011 the 2<sup>nd</sup> Annual Seafood Festival will be from 11:00 a.m. through 5:00 p.m. and congratulated Jennifer Spicer for all the work she has done on putting this festival together.

### ADJOURNMENT

There being no further business to come before the CRA Board and after a motion to adjourn by Vice-Chair Rumsey and seconded by Board Member Stevens, and by unanimous vote, the meeting adjourned at 9:12 p.m.



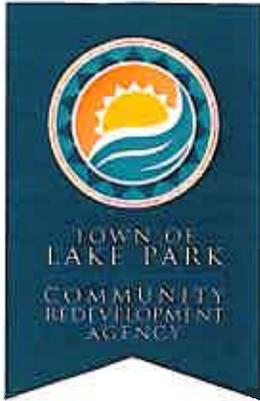
Chair, James DuBois



Agency Clerk, Vivian Lemley, CMC

Town Seal

Approved on this 7 of December, 2011



# AGENDA

Community Redevelopment Agency Meeting  
Wednesday, November 2, 2011, 6:30 pm  
Lake Park Town Hall  
535 Park Avenue

<b>James DuBois</b>	—	<b>Chair</b>
<b>Kendall Rumsey</b>	—	<b>Board Member</b>
<b>Steven Hockman</b>	—	<b>Board Member</b>
<b>Jeanine Longtin</b>	—	<b>Board Member</b>
<b>Tim Stevens</b>	—	<b>Board Member</b>
<b>Christiane Francois</b>	—	<b>Board Member</b>
<b>Gladys Bryant</b>	—	<b>Board Member</b>
<hr/>		
<b>Maria V. Davis</b>	—	<b>Executive Director</b>
<b>Thomas J. Baird, Esq.</b>	—	<b>Agency Attorney</b>
<b>Vivian M. Lemley, CMC</b>	—	<b>Agency Clerk</b>

PLEASE TAKE NOTICE AND BE ADVISED, that if any interested person desires to appeal any decision of the Town Commission, with respect to any matter considered at this meeting, such interested person will need a record of the proceedings, and for such 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. *Persons with disabilities requiring accommodations in order to participate in the meeting should contact the Town Clerk's office by calling 881-3311 at least 48 hours in advance to request accommodations.*

A. **CALL TO ORDER**

B. **PLEDGE OF ALLEGIANCE**

C. **ROLL CALL**

D. **ADDITIONS/DELETIONS - APPROVAL OF AGENDA**

E. **Consent Agenda:** All matters listed under this item are considered routine and action will be taken by one motion. There will be no separate discussion of these items unless a Board member or person so requests, in which event the item will be removed from the general order of business and considered in its normal sequence on the Agenda. Any person wishing to speak on an Agenda item is asked

to complete a public comment card located on either side of the Chambers and given to the Agency Clerk. Cards must be submitted before the item is discussed.

**Consent Agenda Items Recommended For Approval:**

- |   |       |
|---|-------|
| 1. CRA Board Meeting Minutes of April 6, 2011                   | Tab 1 |
| 2. CRA Board Meeting Minutes of September 21, 2011              | Tab 2 |
| 3. Palm Beach County Sheriff's Office CRA Contract Modification | Tab 3 |
| <b>F. <u>DISCUSSION AND POSSIBLE ACTION:</u></b>                |       |
| 4. Grant for Don Ramon's Baja Grill Cantina & Tequila Bar       | Tab 4 |
| 5. Complete Review of the CRA                                   | Tab 5 |
| <b>G. <u>BOARD MEMBER COMMENTS</u></b>                          |       |
| <b>H. <u>EXECUTIVE DIRECTOR COMMENTS</u></b>                    |       |
| <b>I. <u>ADJOURNMENT</u></b>                                    |       |

# An Analysis of Change



TOWN OF  
LAKE PARK  
COMMUNITY  
REDEVELOPMENT  
AGENCY

# HISTORY



TOWN OF  
LAKE PARK

COMMUNITY  
REDEVELOPMENT  
AGENCY

- 1996 – CRA Finding of Necessity;
- 1999 – Redevelopment Trust Fund was established;
- 2007 – Original CRA Plan Revisited;

# PRIORITIES ESTABLISHED WITH BOARD

- Focus on Park Avenue first;
- Make Park Avenue  
“Pedestrian Destination;”
- Develop an Arts District to  
capitalize on and support  
existing business.

# STRATEGY



TOWN OF  
LAKE PARK  
COMMUNITY  
REDEVELOPMENT  
AGENCY

# CHANGE DOWNTOWN'S IMAGE / APPEARANCE

- Beautify Park Avenue;
- Landscape & Repave 10<sup>th</sup> Street;
- Refurbish Alleyways;
- Develop Façade Design Criteria.

# IMPLEMENT ECONOMIC DEVELOPMENT INITIATIVES

- “Brand” the Downtown as an Arts District;
- Combat “high crime” image/reputation;
- Create safe, comfortable environment for residents and visitors;
- Create a “green space” for public gatherings

# ESTABLISH INCENTIVES

- Façade Improvement Grant and Loan Program;
- Business Development Grant and Loan Program;
- Low Interest Revolving Loan Program.

# DEVELOP A MARKETING PLAN

- Establish a CRA Office downtown;
- Hire an Economic Development Director to conduct business outreach and support for existing businesses;
- Reintroduce downtown through special events;
- Promote business opportunities;
- Recruit select businesses/anchors.

# ACCOMPLISHMENTS



TOWN OF  
LAKE PARK  
COMMUNITY  
REDEVELOPMENT  
AGENCY

# Park Avenue Streetscape



# Repave & Landscape 10<sup>th</sup> Street



# Downtown Alleyway Restoration

**BEFORE**



**AFTER**





# Developed Loan Incentive Program

## Business Development Loan Program 9/30/2010

Date	Payee	Amount
11/06/09	Someplace Restaurant	50,000.00
01/12/10	Confusion Records	6,000.00
02/03/10	Centered, LLC	14,000.00
12/01/10	Casper's on Park	10,000.00
12/15/10	Hot Pot Restaurant	50,000.00
01/05/11	Caspers on Park	10,000.00
09/30/10	Total	<u>140,000.00</u>

# Developed Grant Incentive Program

Business Development/Facade Grant Program  
9/30/2010

Date	Payee	Amount
06/18/09	Brown Baggin It	3,357.00
11/06/09	Someplace Restaurant	12,500.00
12/16/09	Batho Trust	8,030.00
02/03/10	Centered, LLC	5,000.00
12/15/10	Hot Pot Restaurant	25,000.00
01/05/11	Totally Wireless	4,000.00
	MosArt Theatre Sign Grant	<u>3,458</u>

# Established Town Green (Public Gathering Space)



# Increased Security in the District

- Hired 2 deputies for the CRA;
- Eyes on Park Avenue Security Camera Project.



# Established Downtown CRA Office



# **Hired Economic Development Director**

**June 2009**

# Designed & Installed Window Coverings for Vacant Property



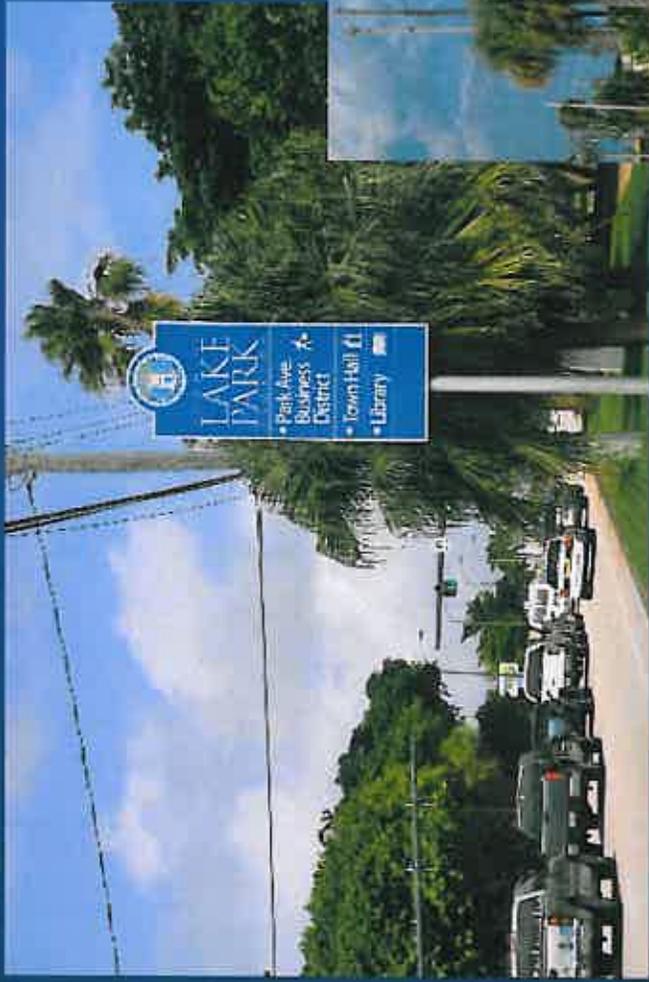
# Purchased, Renovated and Developed Art on Park Studios & Gallery



# Awning Project



# Designed & Installed Wayfinding Signs



# Removal of Foresteria Tenements for Future Parking

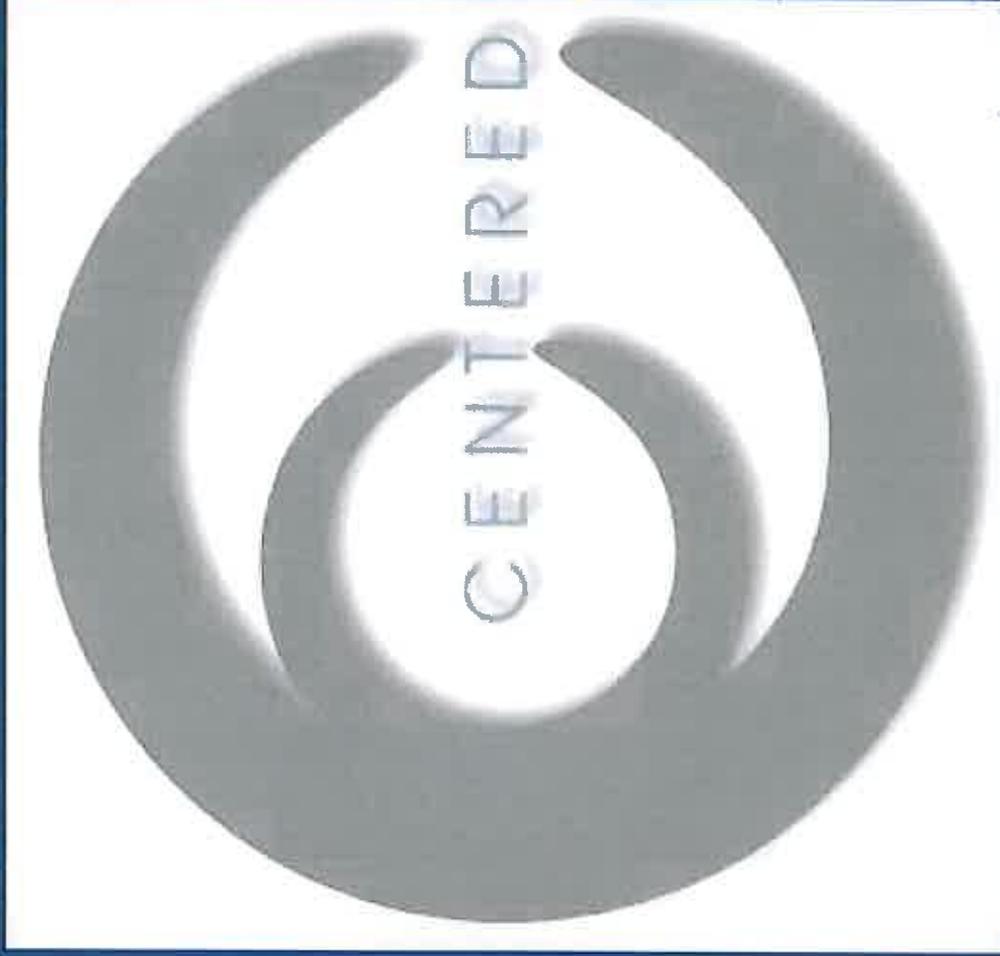


# Seeds of Hope Community Garden



# **New Businesses on Park Avenue**

# Centered, LLC



# Casper's on Park



# Hot Pot



# Gifts & Uniforms



# Silver Spoon



**Silver Spoon**  
 The Best Jamaican Restaurant in Town!  
 104 W. 11th St. Ft. Lauderdale, FL 33304  
 Tel: 561-882-2400

**OPEN / CLOSED**  
 Monday - Sunday  
 11 AM - 11 PM

**NO BIRTHDAYS!**  
 CATERING FOR ALL OCCASIONS  
 Party Catering  
 Wedding Catering  
 Corporate Catering  
 Social Catering  
 Call for details

**FAST TO BOXES**  
 Monday - Sunday  
 11 AM - 11 PM

**THE BEST JAMAICAN RESTAURANT IN TOWN!**  
 Monday - Sunday  
 11 AM - 11 PM

**561-882-2400**

# K-Patt Productions



**Don Ramon's**  
**Baja Cantina Grill**  
**and Tequila Bar**

# CHALLENGES



TOWN OF  
LAKE PARK  
COMMUNITY  
REDEVELOPMENT  
AGENCY

# High Vacancy Rate

- 66 Spaces
- 52 Occupied (79%)
- 14 Vacant (21%)

# Poor Image to Overcome

Lake Park ice cream man  
murdered in his truck

By JASON SCHULTZ

Palm Beach Post Staff Writer

Wednesday, December 03, 2008

After months on the lam,  
Lake Park thrift store shooting  
suspect arrested

By ELIOT KLEINBERG

Palm Beach Post Staff Writer

Friday, September 19, 2008

# LIMITED MARKET APPEAL

- Types of existing structures and uses;
- Unattractive building façades;
- Limited parking on Park Avenue.

# ONE PARK PLACE



# PA BAR-B-QUE

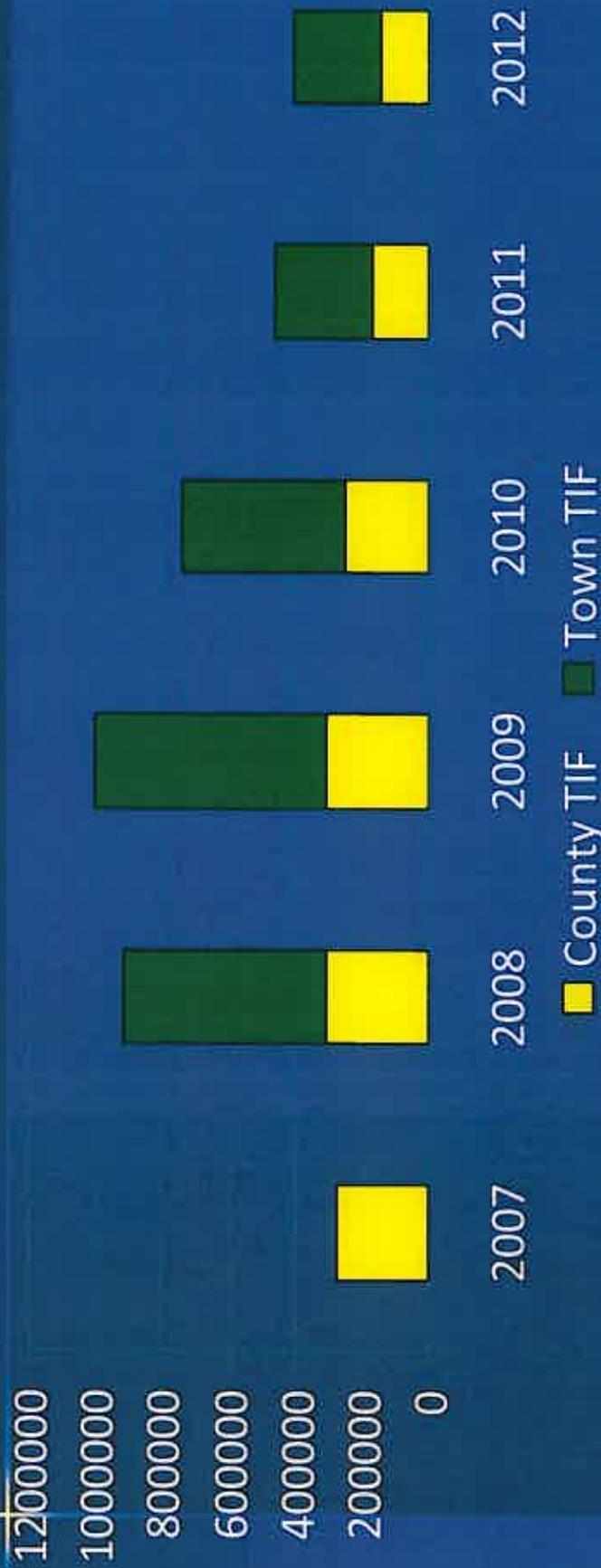


# LIMITED BANK FINANCING (FOR SMALL BUSINESS)

# SETBACKS

Date	Grantee/ Borrower	Grant	Loan	Status
2/3/10	Los Burritos	20,000	-0-	Cancelled/No Draw
7/14/10	Kelsey Market	25,000	75,000	Forfeited/No Draw
7/14/10	Dockside Grill/Trappy's	20,000	40,000	Cancelled/No Draw
1/5/11	Metro Cafe	5,000	5,000	Cancelled/Repaid w/Interest

# Tax Incremental Funds (TIF)



<b>TOTAL TIF</b>	<b>273,775</b>	<b>915,375</b>	<b>999,575</b>	<b>741,960</b>	<b>460,950</b>	<b>405,875</b>
Town TIF	-0-	612,200	692,350	491,600	295,900	259,850
County TIF	273,775	303,175	307,225	250,360	165,050	146,025

# History of Tax Increment Funds (TIF)



<b>TOTAL TIF</b>	<b>273,775</b>	<b>1,415,375</b>	<b>1,249,575</b>	<b>991,960</b>	<b>710,950</b>	<b>905,875</b>
Del. TIF	-0-	500,000	250,000	250,000	250,000	500,000
Town TIF	-0-	612,200	692,350	491,600	295,900	259,850
County TIF	273,775	303,175	307,225	250,360	165,050	146,025

# Because of Reduced Revenues...

- Eliminated a PBSO Deputy
- Eliminated funding for incentives;
- Insufficient funds to operate the Gallery;
- Eliminated funding for special events;

# Because of Reduced Revenues...

- Eliminated funding for marketing;
- Eliminated funding for newsletter;
- Eliminated funding for capital improvements.

# COMPARISONS

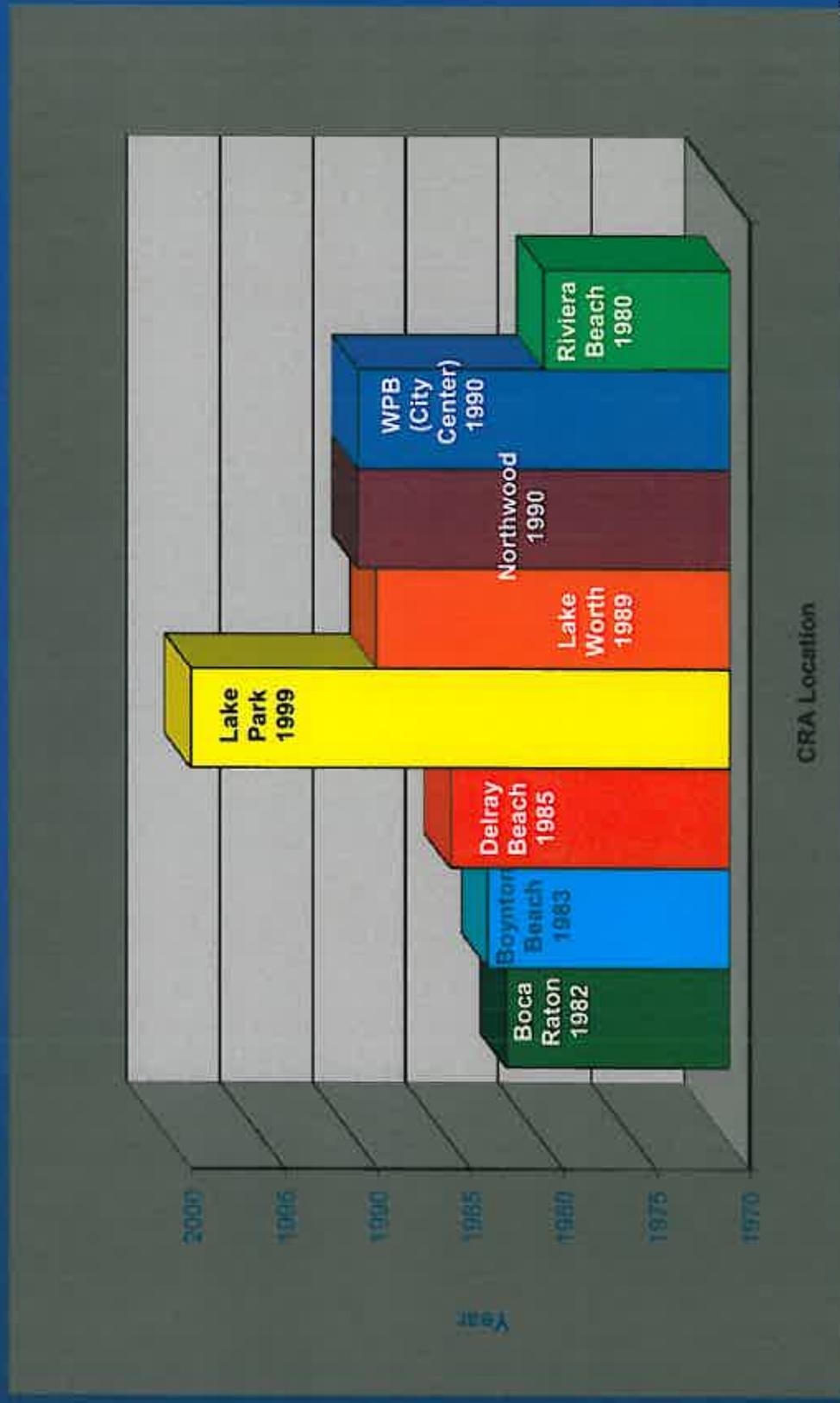


TOWN OF  
LAKE PARK  
COMMUNITY  
REDEVELOPMENT  
AGENCY

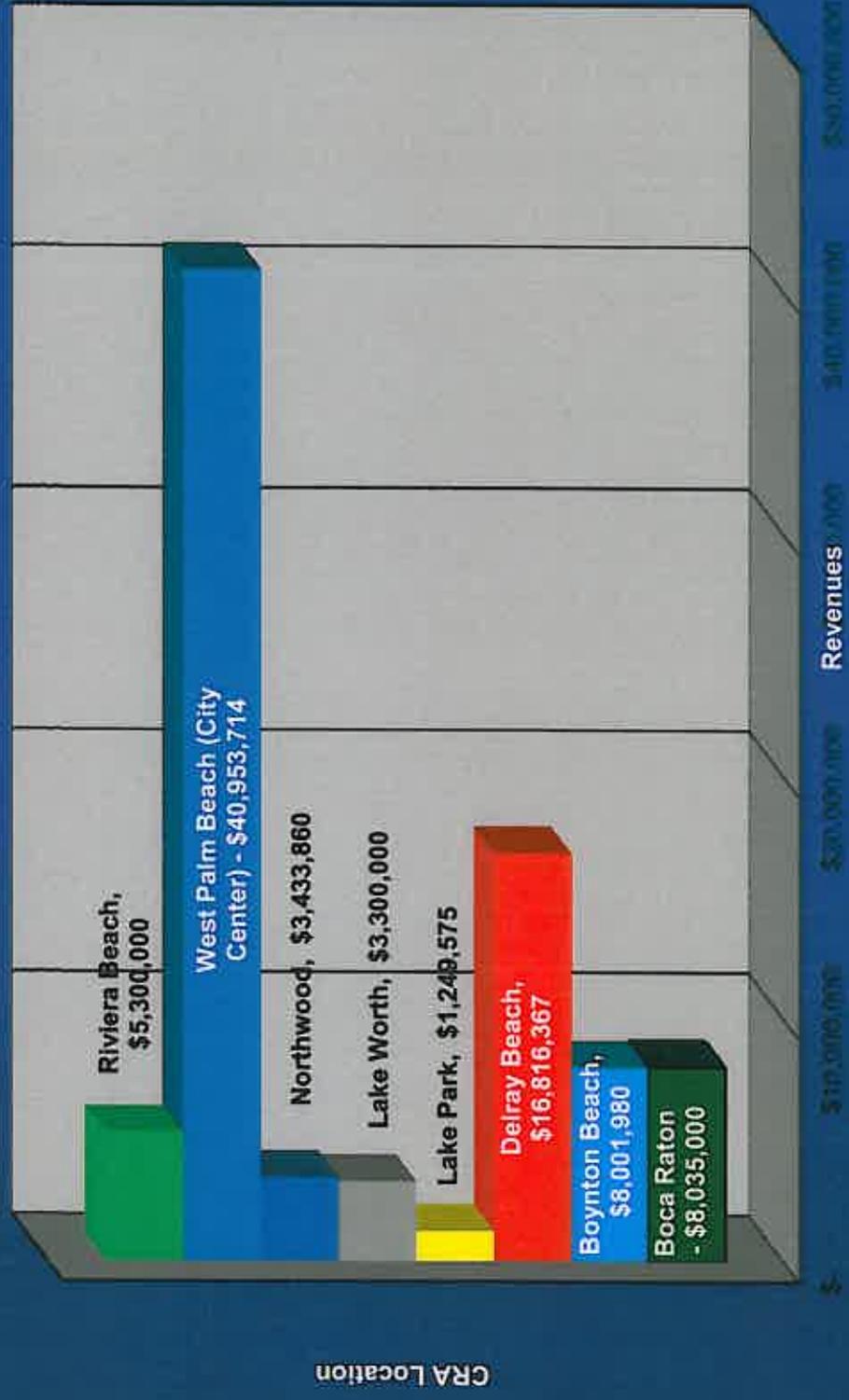
# 7 Palm Beach County CRAs

- Boca Raton
- Boynton Beach
- Delray Beach
- Lake Park
- Lake Worth
- Northwood/Pleasant City
- West Palm Beach City Center
- Riviera Beach

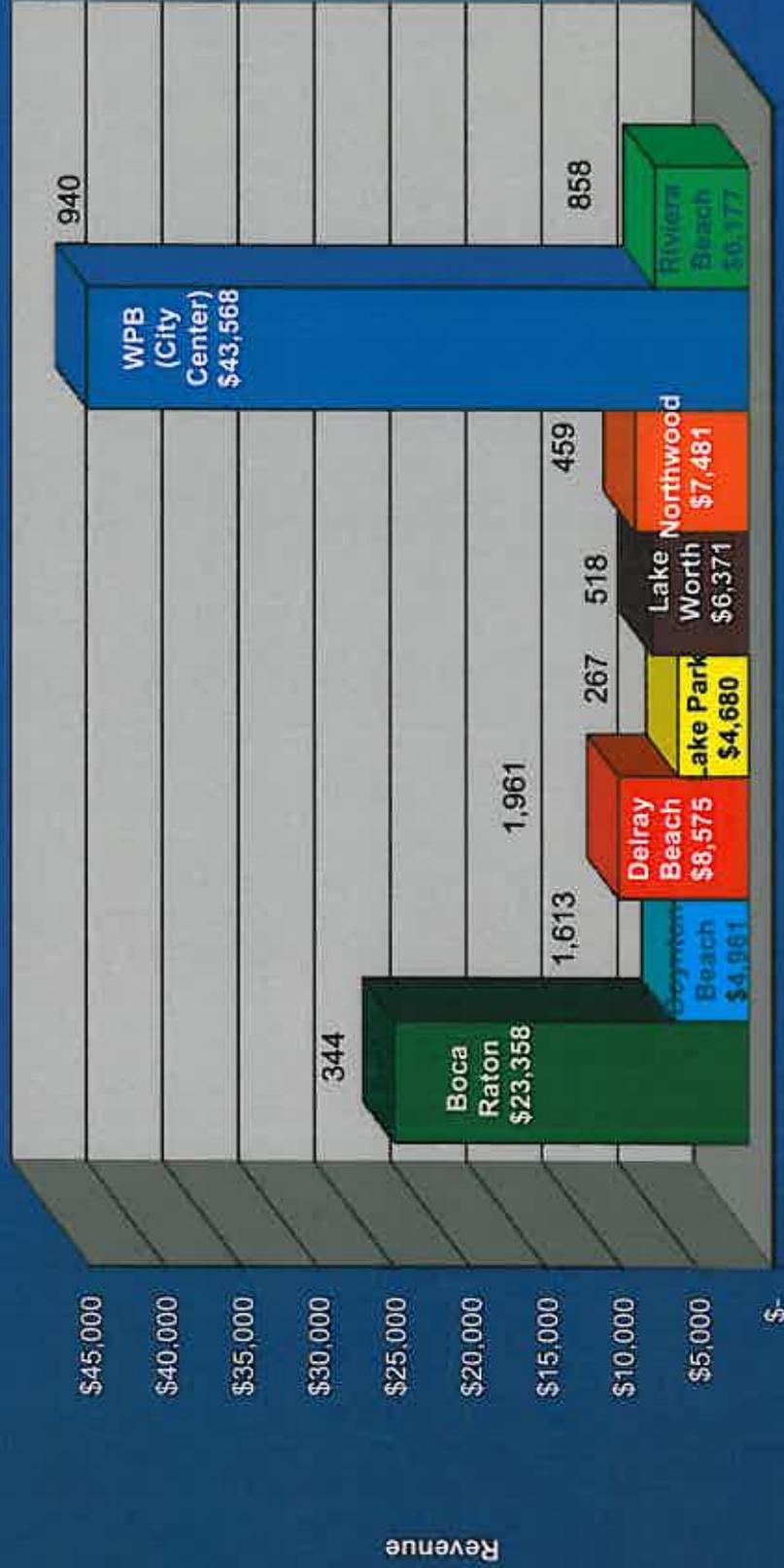
# TIF BASE YEAR



# 2009-2010 BUDGET

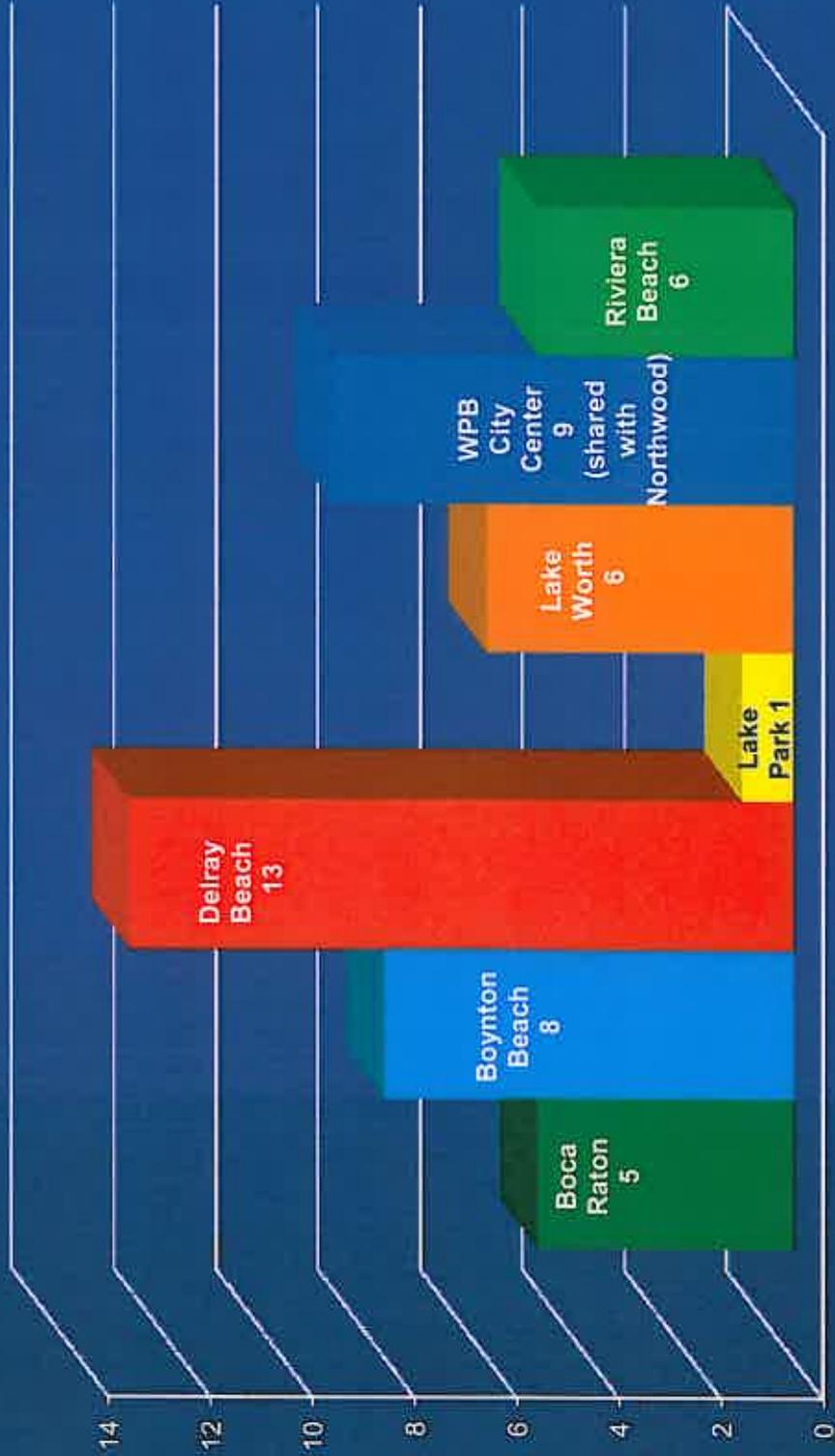


# Revenues Per Acre



CRA District

# FULL TIME STAFFING



# FUTURE PLANS



TOWN OF  
LAKE PARK

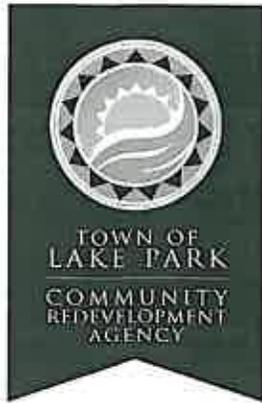
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COMMUNITY  
REDEVELOPMENT  
AGENCY

- Secure an anchor for the Park & 10<sup>th</sup> Street Intersection;
- Continue to recruit specific types of businesses that attract pedestrian traffic along Park Avenue;
- Continue to promote the arts and arts related uses as focus for the downtown;
- Recruit an arts related business/ organization to rent the Art on Park Studio building.

**Discussion  
And  
Possible  
Action**

# TAB 2



**CRA  
Agenda Request Form**

**Meeting Date: December 7, 2011**

**Agenda Item No. *Tab 2***

- |                          |                             |                                     |                   |
|--------------------------|-----------------------------|-------------------------------------|-------------------|
| <input type="checkbox"/> | Public Hearing              | <input type="checkbox"/>            | Resolution        |
| <input type="checkbox"/> | Ordinance on Second Reading | <input checked="" type="checkbox"/> | <b>Discussion</b> |
| <input type="checkbox"/> | Ordinance on First Reading  | <input type="checkbox"/>            | Bid RFP/Award     |
| <input type="checkbox"/> | General Approval of Item    | <input type="checkbox"/>            | Consent           |
| <input type="checkbox"/> | Presentation                | <input type="checkbox"/>            | Other             |

**SUBJECT: Interest on Delinquent TIF**

**RECOMMENDED MOTION/ACTION: Provide Direction**

**Staff Signature** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Approved by Executive Director** *McGowan* \_\_\_\_\_ **Date:** *12/1/11*

<p><b>Prepared By:</b></p> <p align="center"><b>Finance</b></p>	<p><b>Costs: \$</b></p> <p><b>Funding Source:</b></p> <p><b>Acct. #</b></p>	<p><b>Attachments:</b></p> <p><b>Interest Calculation Schedule &amp; Budget Projections</b></p>
---	---	---

**Summary Explanation/Background:** At the direction of the Governing Board, staff has provided calculations at various rates of interest on the delinquent tax increment funds (TIF). Florida Statutes 163.387(2)(b) provides for interest to be paid on the amount of the unpaid increment revenues equal to 1 percent for each month the increment is outstanding.

Repayment of the delinquent TIF obligation commenced with Fiscal Year 2008. Payments have been applied first to the principal portion of the obligation to reduce the cost of interest accrued. The final principal of the delinquent TIF in the amount of \$140,019 is paid in full with the Fiscal Year 2012 payment. The balance of the payment, \$359,981 is applied to outstanding interest. Any change to the interest rate will have a direct impact on the CRA budget for next year and possibly create a budget shortfall for the current fiscal year depending on the action taken by the Board. A reduction in the interest rate would lower the obligation from the General Fund to the CRA for the outstanding interest and increase the level of reserves in the General Fund.

**Town of Lake Park  
Community Redevelopment Agency  
Interest Rate Analysis on Delinquent TIF**

Fiscal Year	Del. TIF Principal	12% Int.	10% Int.	8% Int.	6% Int.	4% Int.	2% Int.	No Int.
2000	10,622	10,197	8,498	6,798	5,099	3,399	1,700	-
2001	25,604	21,507	17,923	14,338	10,754	7,169	3,585	-
2002	55,603	40,034	33,362	26,689	20,017	13,345	6,672	-
2003	88,521	53,113	44,261	35,408	26,556	17,704	8,852	-
2004	121,402	58,273	48,561	38,849	29,136	19,424	9,712	-
2005	249,597	96,017	80,014	64,011	48,008	32,006	16,003	-
2006	326,952	133,099	110,916	88,733	66,549	44,366	22,183	-
2007	511,718	247,823	206,519	165,215	123,912	82,608	41,304	-
<b>Total</b>	<b>1,390,019</b>	<b>660,063</b>	<b>550,052</b>	<b>440,042</b>	<b>330,031</b>	<b>220,021</b>	<b>110,010</b>	<b>-</b>

Payments								
FY 2008	(500,000)							
FY 2009	(250,000)							
FY 2010	(250,000)							
FY 2011	(250,000)							
FY 2012*	140,019	660,063	550,052	440,042	330,031	220,021	110,010	-
	(140,019)	(359,981)	(359,981)	(359,981)	(359,981)	(359,981)	(359,981)	(359,981)

Balance to be Paid FY  
2013 or FY 2012  
(Shortfall)

(359,981)

(249,971)

(139,960)

(29,950)

80,061

190,071

300,082

110,010

220,021

330,031

440,042

550,052

(359,981)

(249,971)

(139,960)

(29,950)

80,061

190,071

300,082

110,010

220,021

330,031

440,042

550,052

660,063

550,052

440,042

330,031

220,021

110,010

300,082

190,071

80,061

(29,950)

(139,960)

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(359,981)

\*Note: Payment made FY 2012 pays off the remaining principal of the delinquent TIF and the balance will be applied to outstanding interest.

**Community Redevelopment Agency  
FY 2013 Budget Projections**

**2013 Revenue Projections:**

Town TIF	260,000
County TIF	146,000
Delinquent TIF Payment (balance at 12%)	300,000
<b>Total Projected Revenue</b>	<b><u><u>706,000</u></u></b>

**Expenditures:**

Debt 2008 Loan	169,525
Debt 2009 Loan	91,325
Total Debt Service	<u>260,850</u>

**CRA Salaries (incl. Benefits)  
Liability Insurance**

	147,625
	11,720

**PBSO - CRA  
Maintenance Contracts**

	112,350
	92,500

**General Fund Offsets:**

Salaries & Benefits  
Administrative Fees  
PBSO - One Deputy

	110,000
	72,050
	84,250

**Total Expenditures**

	<b><u><u>891,345</u></u></b>
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**Projected Budget Shortfall FY 2013**

**(185,345)**