



AGENDA

**RIVIERA BEACH COMMUNITY
REDEVELOPMENT AGENCY
REGULAR MEETING**
Wednesday, August 23, 2006
7:00 p.m.

Location:
City of Riviera Beach
Council Chambers
Second Floor
Municipal Complex

CALL TO ORDER

ROLL CALL
INVOCATION
PLEDGE OF ALLEGIANCE

ADDITIONS AND DELETIONS

ADOPTION OF THE AGENDA

RECEIPT OF PUBLIC COMMENTS

CONSENT AGENDA

- ** 1. *Request for Approval of Minutes:
August 9, 2006 - Regular Meeting
(See Attachment 1)*

- ** 2. *Request for Approval of Consultants'/Vendors' Invoices
(See Attachment 2)*

UNFINISHED BUSINESS

- **** 3. *Approval of Terms and Conditions for Disposition & Development Agreement (DDA) with OMRD - Ocean Mall Project
(See Attachment 3)*

- **** 4. *Performance Evaluation – Executive Director, Riviera Beach Community Redevelopment Agency
(See Attachment 4)*

REPORT OF THE EXECUTIVE DIRECTOR

DISCUSSION OF THE BOARD

ADJOURNMENT

**** Item requires Board action**

Please take notice and be advised that an audio recording of the Community Redevelopment Agency's Board of Commissioners meeting is available. An appeal of any decision made by the Board may need to ensure that a verbatim record is included in the testimony and evidence upon which the appeal is to be based.

3. APPROVAL OF TERMS AND CONDITIONS FOR DISPOSITION & DISPOSITION AGREEMENT (DDA) WITH OMRD - OCEAN MALL PROJECT

The attached represents points of agreement among the City, CRA and OMRD incident to the development of the Ocean Mall project. Approval is recommended by all three (3) parties so that negotiations may now continue for a Disposition & Development Agreement (DDA) regarding the same. It is anticipated that a DDA will be presented for approval at the meeting of September 13, 2006.

SEE ATTACHMENTS

Handwritten notes:
CRA
Ocean Mall

8-15-2006

**Terms and Conditions of the DDA
Between
City/CRA of Riviera Beach & ORMD, LLC.
For Re-development of the Ocean Mall
8/17/06**

The following represents the major deal points between the City of Riviera Beach (City), the Community Redevelopment Agency ("CRA") and ORMD, LLC (ORMD)

- 1) OMRD LLC shall be appointed the Developer of the CRA Ocean Mall Project (the "Mall"). Developer will proceed to develop the Mall in accordance with the project plan description as shown in Exhibit "A".
- 2) Developer agrees to participate in the actions described in the **Community Benefits Partnership Program** attached as Exhibit "B"
- 3) Developer/CRA tenant leasing assistance Program: Existing Mall tenants will be offered by the Developer a one time "right of first offer" to lease space in the redeveloped mall retail/commercial portions. During the first five (5) years after construction, existing and other prospective qualified local tenants may be offered a subsidy allowance from the City/CRA to be derived from the land rents being received from the developer's land rent payments. The City/CRA granting of such proposed subsidies for up to twenty (20) percent of the retail space, shall be in their sole discretion consistent with a policy to be established by the City/CRA in cooperation with the Developer and defined within Landlord/Tenant lease.
- 4) Developer will construct the Proposed Development subject to receiving two (2) acceptable 50 year leases with 49 year renewal terms (one for the retail and surface parking and one for the Resort Hotel property) and all necessary governmental non-appealable approvals and being granted from the City of Riviera Beach (the "City").
- 5) Development description: (Please see Mall site plan attached as exhibit "A" to this document.)
 - a) Phase I A- Retail/commercial: Phase I will consist of approximately 60,000 square feet of retail/office space open to the public with approximately 400 surface retail and beach parking spaces. Phase IA - Retail shall be constructed in two (2) or more sections beginning with the redevelopment of the vacant north section, Phase IA North, to allow continuous operation and relocation of existing tenants currently occupying the south sections. The subsequent phase(s), Phase IA South 1&2, will begin immediately upon existing tenants vacating. All of Phase IA of the development will provide walkways during and after construction, for public access to and from the beach area and provide access to the retail space along the East side of the retail buildings.

The developer and the City/CRA will work in cooperation with one another to design and complete the beach improvements East of Phase IA. Developer will consult in the beach design at no charge to the City/CRA. The City/CRA will pay for all of the outside consultants that are engaged by them for the beach design and construction of the proposed improvements.

- b) Phase IB, Hotel, Resort Condominium Residences will consist of a mix of approximately 125 Hotel Rooms and 250 Resort Condominium Residences contained in one building of 300 foot (maximum) with approximately 600 car parking facility. The Hotel portion will include 7,000 to 10,000 square feet of banquet /meeting space, restaurants, and associated amenities for public and guest use. The Hotel Flag and Management Company shall be that of a quality level hotel.
 - c) Future Mall Phases II & III: Future Mall Phases of development (or components there of) will be developed, or as a last resort eliminated from the Mall plan, at a later date should the developer not be able to acquire the necessary land parcels on acceptable economic terms in its sole discretion. Should Developer acquire the acceptable parcels, plans will be submitted at that time to City/CRA in compliance with applicable land development and zoning regulations. (Current zoning of Phases II & III is CG which has a maximum FAR of 2.0 with a set back of 15 feet from neighboring residential properties.)
- 6) Ground Lease Terms: There will be two separate ground leases for Phase I. (one for Phase IA –Retail/Commercial; and one for Phase IB – Hotel /Resort Condominium Residences) The City will receive land rental payments as follows:
- a) Phase IA – Retail/commercial: The City/CRA will receive annual lease payments calculated as a percentage of Landlord's base rental income (exclusive of tenant expense reimbursements) on April 1st (the "rent payment date") following each calendar year ending December 31st. The percentage is agreed to be Four percent (4%) for the years 1 through 20; Six percent (6%) for the years 21 through 40; and Eight percent (8%) for years 41 through 99.

Additionally, the City, as Lessor under the lease on Phase IA (the Retail), shall be granted the option to purchase the leasehold interest of the Lessee at the end of the thirtieth (30) year of the lease term based upon a capitalization formula to be set in the DDA.

- b) Phase IB – Hotel Resort Residences: The City/CRA will receive a single up front lump sum land rental payment of \$20,000 per Hotel/Resort Condominium unit payable upon issuance of the building permit for the Tower construction (estimated to be \$7,500,000). An additional rent payment of \$10,000 per condominium resort unit shall be paid after the sale of 90% of the resort units are closed (estimated to be \$2,500,000)

- c) The City/CRA will participate in the revenue stream from the operation of the hotel from the defined cash flow. Said revenues shall be used for and go towards The Community Benefit and Partnership Program.
- d) Common Area Maintenance Expenses: Developer will pay all common area maintenance (CAM) operating and capital costs for all surface parking including resurfacing, security, lighting, water, electric, landscaping, irrigation, maintenance, , and other expenses not reimbursed by mall tenants. This will be a true Net Lease with no costs to the City/CRA for maintenance and repair from normal operations. .
- 7) **On-Site Development Expenses:** Developer shall proceed with the development phases pursuant to its approved development schedule, subject to market, financial, and material availability and other conditions to be defined within the DDA. Developer shall pay all on-site and building development costs including: demolition, site infrastructure and utility improvements, impact fees, financing fees, legal fees, , acquisition of existing tenant lease(s), parking lot improvements, and other related on-site development costs.
- 8) **Project Milestones:** The City/CRA and the developer will use their best efforts to adhere to the following milestones:
- a) Presentation and approval of the Terms and Conditions of the DDA between City/CRA & Developer - at the CRA meeting and Specially called City Council meeting on August 23, 2006
 - b) Approval and execution of the DDA and execution of all new ground leases- at a Specially called CRA and Council meeting for September 6, 2006.
 - c) City Shall initiate the charter amendment process to allow for the a lease of 50 years with an option period for an additional 49 years at the City Council meeting of September 6, 2006.
 - d) Developer's Phase IA (retail) site plan submission within six (6) months and Phase IB (Resort Condominium Hotel) within 12 months of the effective date of their respective new ground lease.
 - e) Upon site plan approval, Developer will commence design and construction drawings for the respective Phase
 - f) Phase IA Retail site construction drawings to be completed and submitted within six (6) months of site plan approval
 - g) Phase IB Resort Condominium Hotel site and construction drawings to be completed and submitted within twenty four (24) months of site plan approval
 - h) Construction to commence on North portion of Phase IA Retail within 90 days of approval and issuance of building Permits by City/CRA
 - i) Construction of Phase IB Resort Condominium Hotel to commence within 60 months of site plan approval and issuance of building Permits by City/CRA.

Upon approval of the developer's proposed Plans the City/CRA will cooperate with the developer in applying for permits and approvals to all other government agencies required

for the project to be built.

If Construction on Phase IB has not commenced within Forty-Eight (60) months after site plan approval, the lease for this component shall enter a penalty phase to be further detailed in the DDA

- 9) TIF BONDS/ City/CRA IMPROVEMENTS; The City/CRA will arrange to have issued TIF Bonds to finance certain civic improvements, including but not limited to those listed below.... The Developer will advance the funds for the certain civic improvements agreed to between the parties; all of which will be refunded by the City/CRA upon the receipt of the TIF bond proceeds by the City/CRA.

TIF Bond proceeds will be committed for the use of, but not limited to the following items:

- a) Beach surface parking of 400 cars – City/CRA to pay for 200 cars @ \$5,000 p/car. (estimated budget - \$1,000,000)
- b) Beach Improvements (estimated budget -\$1,500,000)
- c) Reimbursement of prior CRA BAN funded investment (estimated budget - \$3,000,000)
- d) Repayment of all Developer's pre-funded civic improvements.
- e) Off-site Utility improvements
- f) Off-site landscape and beautification.

[Signature Page to follow]

IN WITNESS WHEREOF, the Parties unto this Agreement have set their hands and seals on the day and date first written above.

CITY OF RIVIERA BEACH

RIVIERA BEACH COMMUNITY
REDEVELOPMENT AGENCY

BY: _____
MICHAEL D. BROWN
MAYOR

BY: _____
ANN ILES
CHAIRPERSON

ATTEST:

ATTEST:

BY: _____
CARRIE E. WARD, MMC
CITY CLERK

BY: _____

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

BY: _____
PAMALA H. RYAN
CITY ATTORNEY

BY: _____
MICHAEL HAYGOOD
CRA ATTORNEY

OMRD, LLC

BY: _____
DANIEL S. CATALFUMO
PRESIDENT

ATTEST:

BY: _____