

GREATER BOCA RATON BEACH & PARK DISTRICT
MINUTES OF A REGULAR MEETING OF THE BOARD OF COMMISSIONERS
SUGAR SAND PARK - 300 SOUTH MILITARY TRAIL, BOCA RATON
May 1, 2017

The MEETING was called to order by CHAIRMAN Robert K. Rollins, Jr. at approximately 5:15 p.m.

COMMISSIONERS PRESENT: Craig F. Ehrnst
Steven M. Engel
Robert K. Rollins, Jr.
Susan Vogelgesang
Erin A. Wright

CHANGES TO AGENDA: None

PUBLIC REQUESTS:

Tom Thayer
4821 N. Dixie Highway, Boca Raton

Mr. Thayer extended an invitation to the Board to attend the Boca Raton Federation of Homeowners meeting on Tuesday, May 2, at 8:30 a.m. at the Boca Raton Community Center. Mr. Koski will update the audience on the Ocean Breeze property acquisition.

Judith Teller Kaye
2405 E. Maya Palm Drive, Boca Raton

Ms. Kaye, the co-founder of Boca Citizens for Fiscal Responsibility gave a brief historical background on the Ocean Breeze property. She proceeded to express her opinion on several issues regarding the Ocean Breeze acquisition: the District has not made appraisals public; the District has accepted Lennar's offer to acquire the property for \$24 million even though the property has been appraised at \$6 million; deed restrictions prohibit Lennar from developing the property other than as a golf course; the District has the option to acquire the property through eminent domain proceedings; no evidence has been provided to explain why the City and/or District needs to go into the hotel business to make the purchase viable and why the District needs to be the owner; no financials have been provided regarding revenue and expense projections for operating a 27-hole golf course; no financials have been presented detailing renovation costs. She suggested that the District needs to review its past transactions with Lennar. In her opinion, the District is not acting like a steward of the public good. She urged the Board "not to be so quick to waste the taxpayer's money".

Chairman Rollins responded to Ms. Kaye that he wished she had attended District Board meetings over the past twelve months as many of her concerns would have been answered. He further advised that a joint meeting is scheduled for May 8th at 4:30 p.m. with the Boca Raton City Council and at that time, many of the issues she raised will be discussed.

Robert DuKate

5351 NW 3rd Terrace, Boca Raton

Mr. DuKate reiterated the fact that the 2016 Palm Beach County Golf Financial Report states that Osprey Point Golf Course, located west of S.R. 441 in Boca Raton, had net operating revenues of approximately \$2 million. He commented on the valuation of the Municipal Golf Course, west of the City, noting that the City has received offers to sell it for up to \$73 million. In his opinion, the Boca Teeca homeowners are saving City and District taxpayers \$50 million by exercising their right to maintain the deed restrictions on the Ocean Breeze property. He noted that in 2007, the deed restrictions were partially amended at a cost of \$350,000 to the residents. He felt that it would not cost Lennar a large amount of money to amend the deed restrictions which would substantially increase the value of the property.

Angelo Sands

7348 E. Country Club Blvd., Boca Raton

Mr. Sands has been the Florida Atlantic University Head Men's Golf Coach for eleven years. At the conclusion of the 2016-2017 season, he will be retiring. He instituted the FAU Slomin Autism Championship. He advised that Boca Teeca was the home of FAU golf for students, faculty and staff to play for many years. Due to the demand for golf in the spring, his students travel to Abacoa in Jupiter to play which is approximately one hour away. The proximity of FAU to Ocean Breeze makes it convenient for his team to play there; the cross-country team would also use it. He supports the Ocean Breeze acquisition.

Commissioner Wright asked if Lynn University has the same issues of traveling around to find golf courses. Mr. Sands responded that at one time Lynn played at Ocean Breeze, but has since moved to Osprey Point (Lynn University also has a membership at Seagate in Delray Beach). He commented that Osprey is fine to play in the fall; however, in the spring, FAU could not practice on weekends.

Raul Travieso

1037 West Royal Palm Road, Boca Raton

Tobias Kaye

6327 NW 24th Street, Boca Raton

Mr. Travieso stated that he is the Boca Raton Ambassador for the U.S. Pickleball Association. He thanked the Board for tinting the window at the Fieldhouse. He would like to provide senior citizens more time to play indoors and also provide dedicated courts outside which are currently unavailable in Boca Raton.

Mr. Kaye stated that he was representing the community of Pickleball players. He asked the Board to consider: 1) better utilization of the existing facility by making the Fieldhouse available for Pickleball on a regular basis during school hours [the facility is currently available for Pickleball play Mon.-Fri. during the morning hours]; 2) provide outdoor lighted Pickleball courts; and 3) lower the \$5 non-resident fee for senior citizens to encourage and promote the activity.

Chairman Rollins advised that Mickey Gomez of the City's Recreation Services Department is aware of their Pickleball requests. Some effort is being made at the hockey rink [which is lighted]

to accommodate Pickleball. For informational purposes, he noted that non-residents pay a fee of \$12.50/per hr. to play tennis. He suggested that the Pickleball organization continue to work with Mr. Gomez and his staff as they arrange the scheduling for the facility. He commented that it would probably be helpful to provide Mr. Gomez with a list of players to determine the size and scope of their operation

APPROVAL OF MINUTES OF PREVIOUS BOARD MEETINGS:

MOTION was made by Commissioner Engel and seconded by Commissioner Vogelgesang to approve the minutes of the regular meeting of April 17, 2017.

MOTION UNANIMOUSLY APPROVED

REGULAR BUSINESS:

1. Ocean Breeze Contract

Mr. Arthur C. Koski, Executive Director, provided a copy of the agreement for the purchase and sale of the Ocean Breeze Property. *Contract specifics:* the purchase price is \$24 million; the closing is anticipated to be at the end of October; it provides that the District may exit their commitment from the contract at any time; the contract is specifically subject to the City of Boca Raton agreeing to the interlocal agreement and the funding needed for the acquisition. At this point, the agreement does not have to be signed.

In an effort to correct some of the misinformation and innuendo circulating about the District's participation in acquiring the Ocean Breeze property, Mr. Koski reviewed the history of the property. For clarification purposes, he stated that he never represented to anyone that the Ocean Breeze property could be purchased for between \$7 and \$12 million. However, he indicated on the public record that it would take between \$9 and \$10 million to improve the property; not to acquire it. Although the site contains an existing hotel, the District is engaged in conversations with the City to consider civic buildings and/or a community center, or other types of buildings that would enhance the neighborhood other than a 130 to 140 room hotel. The District is not interested in owning and operating a hotel, however, if it was possible for the District to enjoy income from a ground lease or the sale of the property it is worth exploring and considering. Even though the Greg Norman Group has provided input in the process, the District is legally obligated to put out a Request for Proposals for the project and it will do so.

Commissioner Wright questioned whether the City would be willing to contribute funds to renovate the property, or if the renovation amount would be included in the bond.

Chairman Rollins stated that he would bring the City contribution/gift issue up for discussion at the May 8th City Council meeting.

Commissioner Wright inquired about the land values of a park versus a golf course as both are green space.

Mr. Koski responded that the land values would be equivalent, however, the Boca Teeca residents would have to remove the golf course restricted covenants.

Commissioner Wright stated that she does not want to remove the golf course covenants, but perhaps tweak them to allow for recreational space [without buildings] if, for some reason, a 27-hole course is not workable.

Mr. Koski stated that he had asked the members of Boca Teeca if, in order to get the deal done, if they would allow a portion of the property to be a public park instead of a golf course; a negative response was received.

Chairman Rollins, a golfer, advised that a 27-hole course offers more rounds of golf and that is a factor in calculating the revenue. It is also a lot easier to stage more active play by having 27-holes.

Timeline for Approval: The District will make a presentation on the acquisition of the Ocean Breeze property on May 8th at 4:30 p.m. A formal approval and adoption to assist in the funding of the Ocean Breeze acquisition is anticipated at the May 9th City Council meeting.

2. Ocean Breeze Financial Projections

Mr. Koski furnished financial information which will be presented at the joint City/District meeting on May 8th. The District is now engaged in performing a financial analysis using comparable revenues and expenses of golf courses in the immediate area to determine what the District can reasonably and conservatively expect to generate in income should the property be acquired. By May 5th, Mr. Koski anticipates furnishing to the Board a copy of the presentation that will be made to the City on May 8. He is confident that the presentation will indicate, based upon reasonable assumptions and reasonable projections and based on comparable facilities, that if the property is acquired and improved by the District it can produce a net income of \$1 million per year; potentially approaching \$2 million per year.

3. Executive Director Job Description

Mr. Koski provided a copy of the job description for the District Executive Director position. Due to other District priorities, it was the consensus of the Board not to issue an RFP for the position at the present time. The Association of Special Districts will be contacted to provide additional information on a typical compensation package.

4. Patch Reef Park – Calvin, Giordano & Associates – Execute Agreement

Mr. Koski presented the Agreement for Services between Calvin, Giordano & Associates, Inc. and the District for the design of three artificial surface rectangular athletic fields at Patch Reef Park. He recommends approval.

MOTION was made by Commissioner Vogelgesang and seconded by Commissioner Engel to execute the Agreement for Services between Calvin, Giordano & Associates, Inc. and the District.

MOTION UNANIMOUSLY APPROVED

APPROVAL OF INVOICES:

MOTION was made by Commissioner Vogelgesang and seconded by Commissioner Engel to approve the invoices as presented totaling \$2,011,892.13.

Discussion:

Secretary-Treasurer Vogelgesang noted that the series of check numbers presented were corrected to indicate a listing of check numbers 1974 through 1982.

MOTION UNANIMOUSLY APPROVED

REPORTS AND DISCUSSION ITEMS:

Executive Director- None

District Counsel-None

Commissioners

Swim & Racquet Center

Commissioner Vogelgesang inquired about the status of the subject project. Mr. Koski responded that he has received all of the plans and the project is ready for permitting. Permitting for demolition of the building is underway. He is still awaiting the technical portion of the specifications to go out to bid.

Commissioner Rollins would like the tennis players at the S&RC informed of the progress of the project to assure them of a minimum of disruption during construction.

Sugar Sand Park Lighting Improvements

Commissioner Engel requested an update on the subject project. Ms. Briann Harms, Assistant District Director advised that Grainger has reviewed the lighting on site and is going to redo the design previously done. Cost estimates will be presented the next meeting.

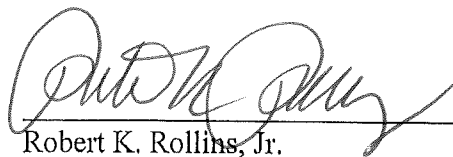
FUTURE AGENDA ITEM -

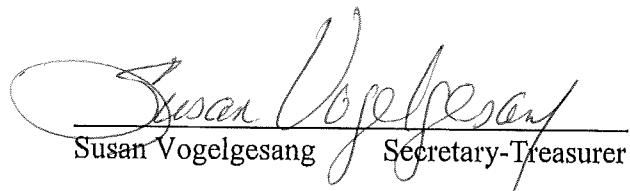
May 8 - Ocean Breeze - City/District Joint Mtg. 4:30 p.m. – 6500 Building
May 15 Sugar Sand Park Lighting Improvements Cost Estimate

ADJOURNMENT:

MOTION was made by Commissioner Engel and seconded by Commissioner Vogelgesang to adjourn the meeting at 6:45 p.m.

MOTION UNANIMOUSLY APPROVED


Robert K. Rollins, Jr. Chairman


Susan Vogelgesang Secretary-Treasurer