

6F-3

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY

|                      |                                     |                                    |   |
|----------------------|-------------------------------------|------------------------------------|---|
| <b>Meeting Date:</b> | August 17, 2010                     | <input type="checkbox"/> Consent   | <input checked="" type="checkbox"/> Regular |
|                      |                                     | <input type="checkbox"/> Ordinance | <input type="checkbox"/> Public Hearing     |
| <b>Department:</b>   | Facilities Development & Operations |                                    |   |

**I. EXECUTIVE BRIEF**

**Motion and Title:** Staff recommends motion to approve: the proposal submitted by Transit Village, LLC in response to the Request for Proposals to develop the Wedge Property.

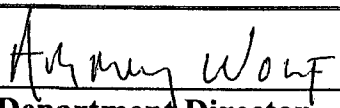
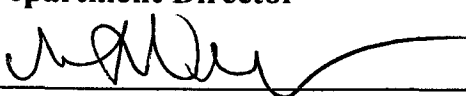
**Summary:** In January of this year, the County issued a Request for Proposal to develop the "Wedge" property, which is approximately 5.7 acres bounded by Banyan Boulevard, the CSX railroad tracks and Clearwater Drive. Only one (1) proposal was received, from Transit Village, LLC. The uses proposed by Transit Village include Commercial Office, Education, Hotel, Retail and Market Rate, Student and Workforce Housing. Total square footage of the Project ranges from 600,000 – 950,000 sf., with an additional 200-400 hotel rooms, 15-25 market rate housing units, 20-120 student housing units and 20-120 workforce housing units. Transit Village proposes to pay \$100,000 for the land and other rights to build and own/operate the Project. This amount may increase to the extent that grant funding is obtained to offset Project costs. A Selection Committee consisting of representatives from FDO, Engineering, Palm Tran, West Palm Beach, TCRPC, FDOT and SFRTA met to review the Transit Village proposal and deemed it responsive, but felt that two (2) issues required further study before a recommendation for selection could be made: potential conflicts with the physical layout of the Intermodal Transfer Facility (ITF) and traffic circulation and operational impacts on Clearwater Drive. In response, Transit Village submitted a revised site plan which eliminated the conflicts with the design and layout of the ITF. Transit Village has requested that further analysis of the transportation issues be analyzed after selection. Staff recommended and the Selection Committee concurred that Transit Village's proposal be selected providing that Transit Village perform a transportation impact study immediately following selection. Upon completion of said transportation study showing an acceptable level of impact, the County would then commence contract negotiations with Transit Village. **(PREM) Countywide (HJF)**

**Background and Policy Issues:** The RFP was structured to be conducted in 2 phases. Staff had predicted a low response but hoped that there would be at least two (2) responses to the RFP and that more detailed responses would assist in evaluating the proposals. In the first phase, the Respondents were to provide: 1) a preliminary master plan concept of the proposed development, including the anticipated uses, tenant mix, intensity of uses and integration of the project with the ITC and elevated pedestrian rail crossing; 2) proposed financial terms including, purchase/lease price, provision for at least 250 parking spaces for Tri-Rail, inclusion of workforce housing, reimbursement of FTA and FDOT land acquisition contributions; and 3) developer qualifications.

Continued on Page 3

**Attachments:**

1. Location Map
2. Disclosure of Beneficial Interest in Transit Village, LLC

|                        |  |        |
|------------------------|--|--------|
| <b>Recommended By:</b> |   | 8/4/10 |
|                        | Department Director  | Date   |
| <b>Approved By:</b>    |  | 8/7/10 |
|                        | County Administrator   | Date   |

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

| Fiscal Years                                   | 2010                       | 2011  | 2012  | 2013  | 2014  |
|--|----------------------------|-------|-------|-------|-------|
| Capital Expenditures                           | _____                      | _____ | _____ | _____ | _____ |
| Operating Costs                                | _____                      | _____ | _____ | _____ | _____ |
| External Revenues                              | _____                      | _____ | _____ | _____ | _____ |
| Program Income (County)                        | _____                      | _____ | _____ | _____ | _____ |
| In-Kind Match (County)                         | _____                      | _____ | _____ | _____ | _____ |
| <b>NET FISCAL IMPACT</b>                       | <u><i>\$ See below</i></u> |       |       |       |       |
| <b># ADDITIONAL FTE POSITIONS (Cumulative)</b> | _____                      | _____ | _____ | _____ | _____ |

Is Item Included in Current Budget: Yes \_\_\_\_\_ No \_\_\_\_\_

Budget Account No: Fund \_\_\_\_\_ Dept \_\_\_\_\_ Unit \_\_\_\_\_ Object \_\_\_\_\_  
 Program \_\_\_\_\_

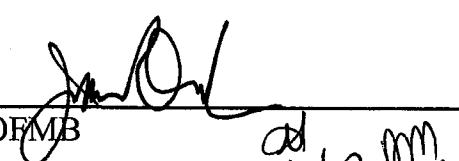
**B. Recommended Sources of Funds/Summary of Fiscal Impact:**

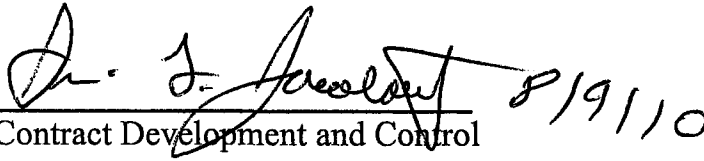
\* No fiscal impact from this item. Fiscal impact will be identified at the time that a final agreement is negotiated with Transit Village, LLC and presented to the Board for approval.

**C. Departmental Fiscal Review: \_\_\_\_\_**

**III. REVIEW COMMENTS**

**A. OFMB Fiscal and/or Contract Development Comments:**

  
 \_\_\_\_\_  
 OFMB  
*ad 8/5/10 MM 8-5-10*

  
 \_\_\_\_\_  
 Contract Development and Control  
*8/9/10*

**B. Legal Sufficiency:**

  
 \_\_\_\_\_  
 Assistant County Attorney  
*8/9/10*

**C. Other Department Review:**

\_\_\_\_\_  
 Department Director

**This summary is not to be used as a basis for payment.**

## **Background and Policy Issues:**

In the Phase 2 submittal, the Respondents would be required to submit: 1) a more detailed master plan; 2) transportation network and circulation studies; 3) parking plan including operational plan identifying location of Tri-Rail/Palm Tran spaces and describing access controls for said spaces; 4) identify strategies for increasing mass transit ridership potential; 5) demonstrate impacts of the Project on operation of the ITC; 6) describe economic impact of proposed development including number of workers during development, estimated value of construction, local and SBE participation, market study and financial feasibility analysis and amount of taxes generated; and 7) contingencies to closing.

In light of the fact that only one proposal was submitted, the rationale for requiring a Phase 2 submittal to provide a basis for comparative and competitive evaluation was weakened. Since the County's primary interests in this transaction are 1) ensuring that operation of the ITC is not negatively impacted by the design and construction of the Project; and 2) that the 290 spaces required by Tri-Rail/Palm Tran are provided and are operated in a manner to facilitate and enhance Tri-Rail's/Palm Tran's use thereof, the Selection Committee recommended that Staff obtain further information from Transit Village regarding how Transit Village proposed to address these concerns prior to finalizing the Committee's recommendation for selection of Transit Village's proposal.

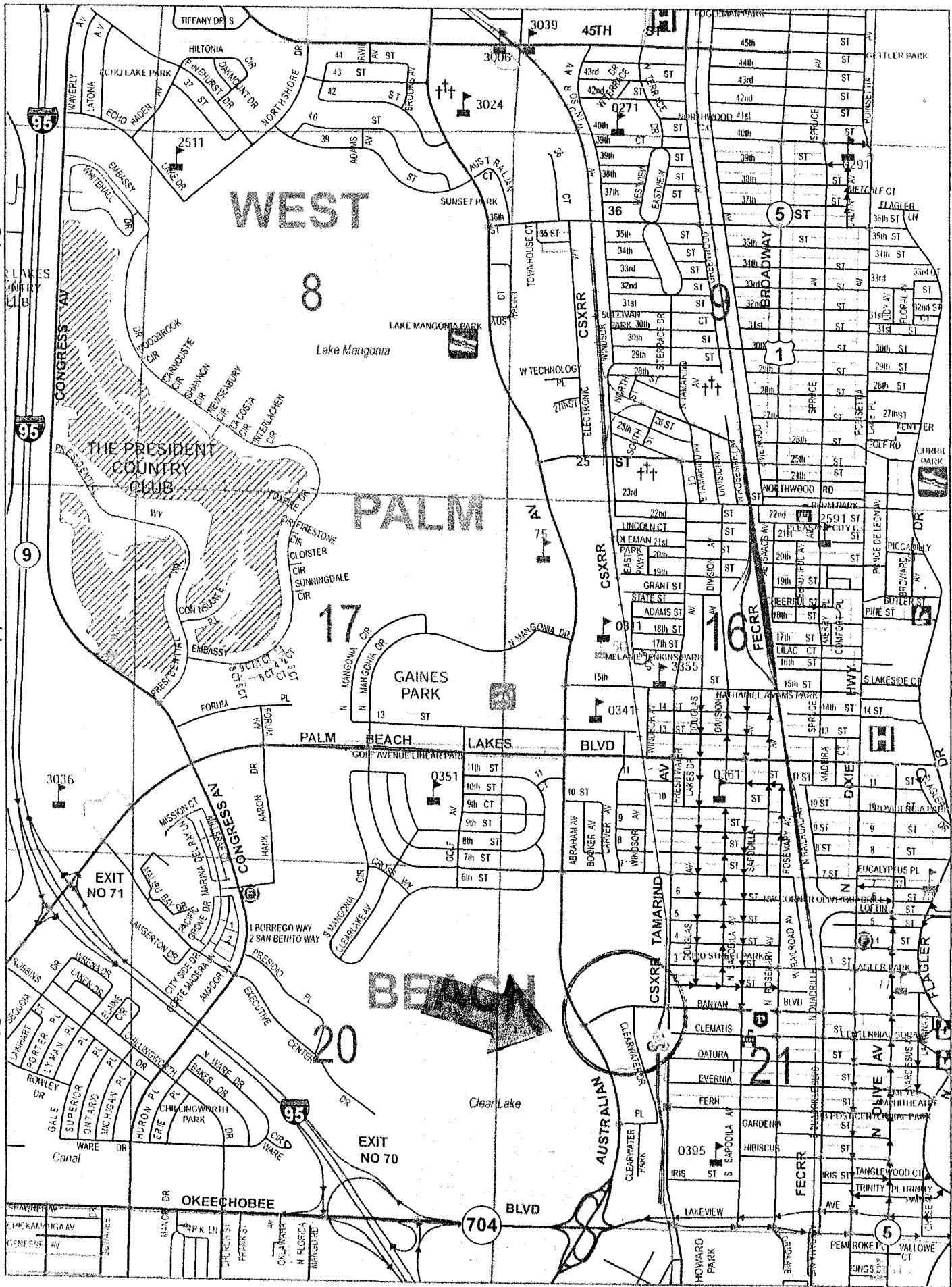
In response, Transit Village prepared a revised detailed conceptual design for the first floor of the Project which, if adhered to in subsequent design phases, appears to accommodate the ITC and avoid circulation conflicts within the Project. However, Staff remains concerned with the traffic circulation out of the Project onto Clearwater Drive and at the Clearwater/Australian and Clearwater/Banyan intersections. Transit Village resisted requests by Staff to perform a detailed study of circulation and transit delays in the immediate area of the Project and ITF. As a result, County Traffic Division ran a micro simulation program to analyze traffic on Clearwater Drive. The study identified significant congestion warranting a more detailed (and costly) study. Transit Village is willing to perform a further more detailed study, but wants to know it will be selected to develop the Project before it expends the money for this study. Staff believes this is reasonable, but recommends that the study be commenced immediately after selection and satisfactorily concluded before contract negotiations commence. Staff recommends an end milestone of 6 months be established to complete this transportation study and report back to the Board on the results.

Transit Village has proposed to provide 290 spaces in its parking garage for use by Tri-Rail/Palm Tran at no cost. While additional detail on how the garage will be operated will need to be provided, this logically would take place at a later stage of the Project.

The County's goal in this Project was always to develop the property in manner that enhances transit ridership. Monetary benefits were projected to be limited due to the very limiting site constraints. The determination as to whether the proposed compensation is sufficient will be heavily influenced by the FTA's review of the negotiated contract and determination that the Project will in fact enhance transit ridership sufficient to sign off on the development of the land that was previously purchased with 80% federal grant funds and protected by grant conditions. FTA approval will be a contract contingency.

Assuming that the parties are able to develop a workable management plan for the traffic issues and move on to contract negotiations, the complexity of this Project will require an artful balance allowing the developer substantial flexibility in pursuing design changes to meet regulatory approval requirements while protecting the interests of Palm Tran, SFRTA, FDOT and FTA. Staff contemplates that, in order to achieve that balance, the contract will contain numerous contingencies on the parties obligations to proceed with the transaction.

Transit Village, LLC provided the Disclosure of Beneficial Interest attached as Attachment 2. The entity structure of Transit Village is extremely complex, but in essence the ownership interests are comprised of several publically traded banks and the Masanoff family members. Michael Masanoff has been the primary contact with Staff on this Project.



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# LOCATION MAP

II



DISCLOSURE OF BENEFICIAL INTERESTS

TO: PALM BEACH COUNTY CHIEF OFFICER, OR HIS OR HER OFFICIALLY DESIGNATED REPRESENTATIVE

STATE OF FLORIDA  
COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority, this day personally appeared, Michael D. Masanoff, hereinafter referred to as "Affiant", who being by me first duly sworn, under oath, deposes and states as follows:

1. Affiant is the Manager (position - i.e. president, partner, trustee) of Transit Village LLC (name and type of entity - i.e. ABC Corporation, XYZ Limited Partnership).

2. Affiant's address is: 350 Camino Gardens Boulevard  
Suite 102  
Boca Raton, Florida 33432

3. Attached hereto, and made a part hereof, as Exhibit "A" is a complete listing of the names and addresses of every person or entity having a five percent (5%) or greater beneficial interest in Transit Village LLC (entity) and the percentage interest of each such person or entity.

4. Affiant further states that Affiant is familiar with the nature of an oath and with the penalties provided by the laws of the State of Florida for falsely swearing to statements under oath.

5. Under penalty of perjury, Affiant declares that Affiant has examined this Affidavit and to the best of Affiant's knowledge and belief it is true, correct, and complete, and will be relied upon by Palm Beach County relating to its sale of the property.

FURTHER AFFIANT SAYETH NAUGHT.

Michael D. Masanoff, Affiant  
(Print Affiant Name)  
Michael D. Masanoff

The foregoing instrument was sworn to, subscribed and acknowledged before me this 10th day of February, 2010, by Michael D. Masanoff who is personally known to me or [ ] who has produced \_\_\_\_\_ as identification and who did take an oath.



COLLEEN S. ROBICHAUD  
MY COMMISSION # DD 571658  
EXPIRES: August 16, 2010  
Sanded Thru Budget Notary Services

Colleen Robichaud  
Notary Public

Colleen Robichaud  
(Print Notary Name)

NOTARY PUBLIC  
State of Florida at Large

My Commission Expires: 8/16/2010

**EXHIBIT "A"**

**SCHEDULE TO BENEFICIAL  
INTERESTS IN (entity)**

You are only required to identify five percent (5%) or greater beneficial interest holders. If none, so state. You must identify individual owners. If, by way of example, an entity is wholly or partially owned by another entity, such as a corporation, you must identify such other entity, its address and percentage interest, as well as such information for the individual owners of such other entity.

Please note the following: (i) If the disclosing entity is registered with the Federal Securities Exchange Commission whose interest is for sale to the general public then the disclosure need only state: "\_\_\_\_\_ is an entity registered with the Federal Securities Exchange Commission whose interest is for sale to the general public, and therefore, it is exempt from disclosing its beneficial interest pursuant to Section 286.23(3(a)) Florida Statutes." and (ii) If the disclosing entity is a not-for-profit corporation then the disclosure need only state: "\_\_\_\_\_ is a 501C3 not-forprofit corporation."

| <b>Name</b>                                       | <b>Address</b>  | <b>Percentage of Interest</b>   |
|---|---|---|
| TOD Advisors, LLC                                 | 102 W. Whiting Street, Suite 600, Tampa, FL 33602             | 100% of Transit Village, LLC  |
| CRP II-TOD Advisors, LLC                          | 102 W. Whiting Street, Suite 600, Tampa, FL 33602             | 51% of TOD Advisors, LLC (51% of Transit Village, LLC)  |
| RDJ V, LLC  | 350 Camino Gardens Boulevard, Suite 102, Boca Raton, FL 33432 | 49% of TOD Advisors, LLC (49% of Transit Village, LLC)  |
| Community Reinvestment Partners II, LP ("CRP II") | 102 W. Whiting Street, Suite 600, Tampa, FL 33602             | 100% of CRP II-TOD Advisors, LLC (51% of Transit Village, LLC)  |
| TIAA-CREF   |   | 33.162% of CRP II (16.91% of Transit Village, LLC). TIAA is an entity registered with the Federal Securities Exchange Commission whose interest is for sale to the general public, and therefore, it is exempt from disclosing its beneficial interest pursuant to Section 286.23(3(a)) Florida Statutes. |

|                                  |  |  |
|----------------------------------|--|--|
| Regions Bank                     |  | 16.581% of CRP II (8.46% of Transit Village, LLC). Regions Bank is an entity registered with the Federal Securities Exchange Commission whose interest is for sale to the general public, and therefore, it is exempt from disclosing its beneficial interest pursuant to Section 286.23(3(a)) Florida Statutes.     |
| Wachovia Bank (Wells Fargo Bank) |  | 11.054% of CRP II (5.64% of Transit Village, LLC). Wells Fargo is an entity registered with the Federal Securities Exchange Commission whose interest is for sale to the general public, and therefore, it is exempt from disclosing its beneficial interest pursuant to Section 286.23(3(a)) Florida Statutes.      |
| SunTrust Bank                    |  | 11.054% of CRP II (5.64% of Transit Village, LLC). SunTrust Bank is an entity registered with the Federal Securities Exchange Commission whose interest is for sale to the general public, and therefore, it is exempt from disclosing its beneficial interest pursuant to Section 286.23(3(a)) Florida Statutes.    |
| Fifth Third Bank                 |  | 11.054% of CRP II (5.64% of Transit Village, LLC). Fifth Third Bank is an entity registered with the Federal Securities Exchange Commission whose interest is for sale to the general public, and therefore, it is exempt from disclosing its beneficial interest pursuant to Section 286.23(3(a)) Florida Statutes. |

|  |   |   |
|--|---|---|
| Synovus Bank                                   |   | 8.567% of CRP II (4.37% of Transit Village, LLC). Synovus Bank is an entity registered with the Federal Securities Exchange Commission whose interest is for sale to the general public, and therefore, it is exempt from disclosing its beneficial interest pursuant to Section 286.23(3(a)) Florida Statutes.   |
| Northern Trust Bank                            |   | 5.527% of CRP II (2.82% of Transit Village, LLC). Northern Trust is an entity registered with the Federal Securities Exchange Commission whose interest is for sale to the general public, and therefore, it is exempt from disclosing its beneficial interest pursuant to Section 286.23(3(a)) Florida Statutes. |
| Held by Others                                 |   | 3% of CRP II (1.53% of Transit Village, LLC) <sup>1</sup>   |
| Faye. S. Masanoff Revocable Trust <sup>2</sup> | 7900 West Upper Ridge Drive, Parkland, FL 33067 | 90% of RDJ V, LLC (44.1% of Transit Village, LLC)   |
| Held by Others                                 |   | 10% of RDJ V, LLC (4.90% of Transit Village, LLC) <sup>1</sup>  |

<sup>1</sup> Not required to be disclosed.

<sup>2</sup> The Beneficiaries of the Trust are the family members of Faye Masanoff, including her husband Michael D. Masanoff