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Council Slams the Brakes on A1A Widening Proposal

Jodie Wagner - Palm Beach Daily News

A plan to widen a portion of State Road A1A in the town's South End and expand a nearby recreation path was rebuffed by the Town Council at its regular meeting Tuesday.

Citing concerns about safety and loss of green space, council members said they would not support a proposal by the Palm Beach Transportation Agency for bicycle and pedestrian improvements to a 1.7-mile stretch of A1A between Lake Avenue and Ibis Way, just south of Phipps Ocean Park.

Instead, council members recommended limiting the Florida Department of Transportation-administered project to milling and resurfacing the roadway at its current dimensions, and rebuilding the asphalt recreation path.

But council members said they were open to a slight widening and lengthening of the recreation path, which sits on the west side of A1A between Lake Avenue and Ibis Way.

The path is separated from the western edge of roadway by a grass swale that varies from 4 feet to 10 feet in width, Town Engineer Patricia Strayer said, and continues north past Ibis Isle for just over 0.3 miles.

In comments to the council on Tuesday, Citizens' Association of Palm Beach Secretary Ronald Matzner said the organization would support widening the recreation path by 2 feet and extending it to the end of the 2000 building at Sloan's Curve. It now ends across from the building. The Citizens' Association represents the interests of residents in the South End.

"There's a lot more usage of that path than there used to be, say 10 years ago," Matzner told council members. "In some areas, it's not as wide as it is, for example, south of Lake Avenue. We suggest widening it, and we suggest extending the walking path."

FDOT will begin the engineering design for the project this year, according to the town. Construction is expected to begin in 2025.

In 2017, the TPA performed a study of opportunities to increase bicycle and pedestrian safety along the A1A corridor between Boca Raton and Jupiter. Where possible, the study recommended wider traffic lanes, the addition of bicycle lanes, and wider pedestrian paths.

The TPA has requested that the proposed bicycle and pedestrian improvements to A1A in Palm Beach be implemented as part of the FDOT project, Public Works Director Paul Brazil said. There are no current plans for any further extensions.

Proposed improvements include:

- Widening of the two traffic lanes on A1A from 11 feet to 12 feet

- Widening of the paved shoulder from 3 feet to 5 feet

- Increasing the width of the recreation path to 10 feet

The proposed project also includes the creation of a new bike lane for a limited distance that would not connect to an existing bike lane on the north or south side of the roadway.

Council members said they opposed that recommendation for safety reasons. "I question the wisdom of a bike lane that all of a sudden drops you off at one of the most dangerous curves in town," council member Ted Cooney said. "Bicyclists would no longer be protected."

Council members also objected to widening the traffic lanes on A1A, as the addition of asphalt would reduce the grass median between the roadway and the recreation path, and lead to more standing water after rainfalls.

Additionally, the project would require the removal, relocation or retrofitting of improvements within the FDOT right-of-way, including hedges, flower beds, pavers, lighting, irrigation and other equipment.

Any private improvements located within the FDOT right-of-way belonging to the condos would have to be done at the condo's expense, the town said.

"I think it's very generous of the TPA to offer to upgrade the roadway and surrounding areas, but it feels like it would be kind of a downgrade and kind of a road to nowhere with drainage issues," council member Julie Araskog said. "I don't support the plan, but I would really like to see a better pathway there."

FDOT will make the final decision on the scope of the project, Brazil said, though local municipalities' preferences will be considered.

Town Eyes Next Steps for Water Study

William Kelly

Communications Coordinator- Civic Association



Town officials are sketching a path and timeline for the next steps in their effort to determine a long-term future water supply for Palm Beach.

Now that a consultant's report is in its hands, the Town Council decided Tuesday to refer a study of its water source alternatives to its Public Works Committee on May 24.

The committee is chaired by Councilwoman Bobbie Lindsay. Its other member is council President Margaret Zeidman. The committee will ask specific questions to gain a deeper understanding of the alternatives, Zeidman said. Its decisions are recommendations to the full council.

The town hired engineering consultant Kimley-Horn & Associates in December 2019 to help it identify the best options for its water source after its supply agreement with West Palm Beach expires in 2029. Kimley-Horn delivered the report, which cost the town \$416,380, last month.

The town must notify the City of West Palm Beach of its intentions by 2027, Zeidman said.

Public Works Director Paul Brazil said staff will develop a report addressing the milestones and timelines for each alternative and present it to the council in June.

The options, Brazil said, are for the town to renew its agreement to buy water from West Palm Beach, on either a retail or wholesale basis; to purchase water from another utility, such as Palm Beach County or Lake Worth Beach; or to develop a town-owned water source and treatment plant. Another option, for the town to enter a partnership with a private water provider, has been discarded because there was no interest, Brazil said.

The staff report also will examine how the South Florida Water Management District would be able to regulate the town's water use in any of the alternatives being considered, he said.

Once the council receives the staff report and has heard from its Public Works Committee, it may want to schedule a public workshop to focus entirely on the water issue, Brazil said.

Once the town zeroes in on one or two of the best alternatives, it will begin a deeper examination of the costs, Zeidman said.

"It's a good start that you are suggesting," Zeidman told Brazil.

Zeidman said the town is getting advice from the Palm Beach Civic Association's nine-member Water Committee, co-chaired by Michael Pucillo, who is a former president of the Town Council, and by Leo Vecellio.

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EARTH DAY "RESTORE OUR EARTH"

The Earth Day celebration took place on Friday, April 22, 2022 at the Mandel Recreation Center.

Students from fifth and eighth grades discussed the positive impacts of owning native plants and other strategies that will help restore the planet.

First held in 1970, Earth Day is observed each year on April 22 to demonstrate support for environmental protection. It is coordinated globally by EarthDay.org and involves millions of people in nearly 200 countries.



HELPING OWNERS PAY SPECIAL ASSESSMENTS

One reason owners may oppose special assessments is that HOA boards can sometimes be "uncreative" in providing financing options. If you can go beyond the "pay it in full—now!" method by offering alternative financing, you're likely to get less resistance when you propose a special assessment.

Here, are ideas on how condominium and homeowner association boards crafted creative financing that helped them pass a special assessments and offer tips for funding your own special assessment.

Special Assessment Payment Options

No matter how big or small your special assessment, it may not be easy for all your owners to pay up. That's why many associations have offered a range of payment options.

"All kinds of payment options are being evaluated by associations," says Lisa A. Magill, a shareholder and association attorney at Becker & Poliakoff PA in Fort Lauderdale, Fla. "I've seen associations divide special assessments into 12-month, 3-year, or 5-year payments, or half now, half later. They understand that owners may not have sufficient cash flow to pay a large special all at once."

James R. McCormick Jr., a partner at Peters & Freedman LLP in Encinitas, Calif., who represents associations, has also seen clients offer staggered payment terms. "They might say, 'The special assessment is due on this date. However, we'll permit owners to pay over 12 months, interest-free, in this manner,'" explains McCormick.

"Another option is to break up the payments, with each due on a certain date. That changes who's responsible for payments if the unit is sold while payments are being made, which would normally be whoever owns the unit on the date the payment is imposed."

Before you offer payment terms over several years, check your governing documents. "In Arizona, some documents drafted years ago might state the assessment can't be extended for more than a year," says Kristen L. Rosenbeck, a partner at the Mulcahy Law Firm PC in Phoenix, which represents associations. "An association may be limited in collecting a special assessment only during the year it was assessed."

Offer Discounts for Early Payments

Another way to make owners feel more comfortable with a special assessment is to give them time to pay while offering a discount for paying in full. That may also allow your association to collect interest without running afoul of your state's usury laws, which dictate the maximum amount of interest that can be charged on a loan.

Leave Yourself Special Assessment Flexibility

If you're not sure how big a special assessment you'll need to pass or when you'll need the funds, consider passing a special assessment and requiring it be paid in amounts or increments to be determined.

"We've had associations pass special assessments in which a full assessment of, say, \$1,000 is approved but only \$250 is due at the time the assessment is passed, with certain triggering events and later amounts to be called due at the appropriate time," explains Drewes. "That way, boards don't need to pass a special assessment every time they need an additional \$250 per unit. That makes it easier if you have a capital improvement project planned and you generally know what you're going to need."

Ease the Way for Owners to Get Loans

Another option is to work with local lenders to lay the groundwork for owners to get personal loans. "An association we represent imposed a special assessment of \$80,000 per unit," recalls McCormick. "That's a chunk of change to be writing a check for."

McCormick's client consulted with local banks. "The board went to the banks and said, 'We might have owners who need to borrow. Can we set up a deal for those who want to come in?'" he explains. "Then the association told owners, 'We've greased the wheels, and these lenders are aware of our situation. But we can't guarantee your credit will qualify you for a loan.'"

Get an Association Loan

Another option is for your association to get its own loan. "Many financial institutions offer favorable loans to the association, giving the association immediate funds to complete a project and allowing members to pay for the project over 5-10 years or more," says Magill. "I've seen terms as long as 15 years on several-million-dollar loans. Owners might not have \$7,000, but they probably can pay that amount over several years as part of their monthly assessment payments."

There are benefits to owners with association loans. "Members have the benefit and enjoyment of a completed project," says Magill, "and aren't paying for something that may never happen or advance funding for something they may not benefit from if they relocate."

Ask Your Vendor for Financing

In a slow economy, vendors may also be willing to let your association make payments over time. "I've seen that start to happen more frequently now

because of the economy and vendors needing the work," says Rosenbeck. "They might permit payments to be made over time, but if several owners go into foreclosure, the association is still on the hook for the full payments."

SURFSIDE TRAGEDY RATTLES FLORIDA CONDO INSURANCE INDUSTRY

Within days of the partial collapse of Champlain Towers South in Surfside, insurance companies sent letters to owners of condominiums 40 years and older in South Florida, asking for proof that their buildings have passed all inspections, or they will lose their coverage.

The deadly collapse of the 136-unit high rise has spooked an industry that had already considered older condos on the coast — with their hurricane exposure, their common ownership structure and reputation for delaying maintenance — a high risk, experts say.

Now, if a building can't comply with the insurance requests, the insurer can cancel the policy with a 45-day notice, or choose not to renew the policy, said Isidro "Izzy" Guillama, chief executive officer of ProCom Insurance Underwriters, a Miami-based independent insurance agent who specializes in condo insurance.

But many insurers are not waiting, he said.

"Everybody has moved very quickly because they have a lot of liability, and a lot of risk," Guillama said. "They're looking at any building that is showing more than 40 years of age, and they're asking for the recertification of the building."

But the action letters could have a ripple effect across the state if they result in policies being dropped and a tightening of the insurance market.

Half of all Floridians live in property covered by a condominium or homeowners association, and there are more than 50,000 community associations in the state, said Travis Moore, lobbyist for Community Associations Institute.

"This is a game changer and the conversation has completely changed in a week," he said. The condo insurance industry "was already in disarray and has been in disarray since Hurricane Irma hit," said Mike Clarkson, president of All Lines/Hilb Group Insurance in Clearwater, an independent insurance agent who represents 750 condominium associations throughout the state. Since January, two companies that insured condos left the state and one was declared insolvent, he said.

"If the board, which makes the decisions for the whole association, did not make the right decisions on behalf of the safety and protection of the condo owners, those policies are going to be affected," he said. "Because if the directors and officers knew of a problem and did not act, they are liable."

Normally, the policy limits for a standard liability policy for all directors and officers on condo board is \$1 million, Guillama said. It is intended to cover issues such as "you picked the wrong contract on a painter's job, or like little things. Nobody expects a building to go down."

Costs likely to rise

If some carriers drop coverage for condo buildings because of their failure to show proof of recertification, that increases the possibility that costs will rise for everyone, Guillama said.

"The No. 1 budget issue for every condo is their insurance and as that goes up there is less money for other things," Moore explained. "It's constantly a threat because that market is shrinking."

There are only five admitted carriers currently writing insurance for condos in Florida so property and liability coverage for many buildings are covered by the unregulated surplus line carriers, he said.

If carriers drop condos, they could turn to Citizens Property Insurance, the state-run insurer of last resort. "Unfortunately, you're probably talking three times the cost," Clarkson said.

Guillama said he has received letters for his clients from insurance companies Sampo, Great American Insurance — which insures Champlain Towers South — American Coastal Insurance and ICat Insurance, each asking for proof of recertification for buildings that are 40 years or older.

"If the client doesn't turn around and do what they want, they're going to send out a cancellation notice even midterm," Clarkson explained.

Need for reserves

Guillama, Clarkson, Moore and advocates who have tried for years to expand Florida's building inspection laws for coastal property, all said one of the most important things the state can do is to require condominium associations to maintain reserves so they can promptly pay for needed building repairs.

Guillama and Clarkson said that most of the condos they work with have few, if any, reserves and that contributes to their inability to move quickly to manage maintenance problems.

Florida law requires that condo associations produce an annual budget that determines how much to fund a reserve budget for "capital expenditures and deferred maintenance."

Projects covered include roof repairs, elevator maintenance and cement and foundation damage and other life-safety issues. However, once the reserve budget has been determined, state law also allows a majority of the members at a condominium board meeting to waive the reserve requirement. When that decision is made, it must be disclosed to owners on the first page of the annual budget.

Editors Note:

The Town and Palm Beach County are waiting for State to move however plans are in the works should the State not move forward.

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The concern, Robaina said, is that with every condo association it's "a bunch of volunteers that don't have any experience making decisions on the integrity, the structural integrity of these buildings."

He said that most are reluctant to impose a special assessment that will raise maintenance payments on their members because, like politicians, they don't want to be voted off the board of directors, Robaina said. "So every condo in Florida pretty much just waives their reserves."

Robert Nordlund, whose company, Association Reserves, specializes in reserve studies and budget counsel for condominium homeowner associations, said boards must assess the rate at which their building is deteriorating to determine how much money needs to be set in reserves. He said boards are often made up of individuals who don't necessarily have expertise on running a building.

"Fundamentally, it's a not-for-profit organization, a multi-million dollar not-for-profit organization," Nordlund said. "They need to surround themselves with a team so they can make policy decisions."

Mary Ellen Klas
Times/Herald Bureau
Tampa Bay Times
July 5, 2021



PALM BEACH
CRIME WATCH

2022 Palm Beach Police Teen Academy

Palm Beach Crime Watch educational programming will begin again in 2022! We are excited to announce the Palm Beach Police Teen Academy which will take place from June 6-10, 2022.

We appreciate your support of Palm Beach Crime Watch, and are offering you the opportunity to pre-enroll before we open enrollment to the Town of Palm Beach. If you have or know a teenager(s) that would be interested in this program, please contact us at your earliest convenience to reserve your spot.

- Date: June 6-10, 2022 (Monday through Friday)
- Times: 9:00 am – 4:00 pm
- Age: Teens from 12 – 16 years of age (Teens that will turn 12 before the start of the new school term in September 2022 are eligible to take part)
- Place: Palm Beach Police Department, 345 S. County Road
- Applicants should live in or attend school in the Town of Palm Beach
- Teens must be available to attend all five days
- Program Fee of \$250.00 (Made payable to Palm Beach Crime Watch)

Town's Water - Continued from page 2



Lindsay expressed confidence in the process. "We have very fine minds looking into these things," she said. "We need to turn over every stone."

The town began the study years before its water agreement with the city expires in 2029 because some of the alternatives would take years to design and build. Some would be hugely expensive, reaching into the hundreds of millions of dollars while requiring streets in town or in West Palm Beach to be torn open for the installation of new distribution pipes, according to the report from Kimley-Horn & Associates.

The town wants a water source that would be less vulnerable to toxins such as the cyanobacteria that last spring briefly contaminated the city's treated water supply. Cyanobacteria, also known as blue-green algae, can appear in surface water supplies but is not typically found in groundwater such as the Floridan aquifer.

The City of West Palm Beach relies on surface water that comes partly from heavily polluted Lake Okeechobee and travels through canals into the Grassy Waters Preserve, where it is filtered before being drawn into Clear Lake and processed in the city's water treatment plant.

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