

The Town Council  
Town of Palm Beach

Dear Ladies and Gentleman:

RE: ZON-22-111 239 S County Rd STE 2A and 1D Special Exception Request

My wife and I reside at 200 Phipps Plaza, the 1924 Landmark Mizner building next to the Carriage House Club. We continue to believe that the scale and scope of the Club will negatively impact the value of our property. The expansion of Club operations across South County Road increases that scale and scope and is well beyond what was agreed to when the Town and Club signed the Declaration of Use in March 2019. It is a violation of the DOU.

I was involved in the negotiation of the DOU. I participated in the final meeting organized by Josh Martin on March 12, 2019. The Town was represented by Josh as well as Wayne Bergman and Skip Randolph. Grier Pressly represented the Sea Street neighbors, Bradley Geist and our Attorney John Eubanks joined me in representing Phipps Plaza neighbors. The Club was represented by Michael McCarty and Maura Ziska. I have a crystal clear recollection of the issues, items agreed to and items dropped and most importantly the overall spirit of the Agreement.

Condition 1 of the DOU limits the Club to the 264 and 270 South County buildings. It is interesting to note that Condition 2 of the DOU allows the Club to use the second floor of 270 for office space. The Club ignored that opportunity to provide the Club owner with an apartment within the Club. The employee facilities now located at 239 S County could have been accommodated in this space within the approved footprint of the Club.

When we were negotiating in good faith with the Club representatives we had no idea that the Club would use a bifurcated corporate structure (Carriage House Properties Partners and Palm Beach Club Services) to evade and blunt the limitations and obligations under the DOU. Very clever lawyering but clearly a sham. Both entities are clearly one in the same with common ownership, common purpose and common activities. No doubt we will next hear that the

people working at and for the Club are not employees of the Club and therefore exempt from being included in DOU parking rules and 264/270 capacity limits.

I'm stunned to see that the Club ignored the DOU to lease first floor space at 239 S County then again ignored the DOU to lease second floor space and now comes to the Council seeking a "special exemption" to zoning limits related to the prohibited space.

There is no option under Condition 31 to try to renegotiate the DOU to allow for these blatant violations. The Club is prohibited for two years to seek any revisions. It would appear that the Town is starting that period as of the date of the Club's Certificate of Occupancy which was May 19, 2022. The Club has yet to operate at anything near normal operations so one could challenge that as the "open" date.

The Council should deny the Club's use of 239 S County as a violation of the DOU. The Council should further deny any attempt to make any changes to the DOU until May 2024. That was the Agreement we all, in good faith, agreed to...period end of story.

I have specific concerns and experience with the Club's operations to date and their impact on the Phipps Plaza neighborhood. I will address these in a separate communication if the Council continues to entertain any premature modification of the DOU, including yet another "Special Exception" request, which is currently on the October meeting agenda. Hopefully the Council will avoid that hearing by making it clear there will be no modification of the DOU until at the earliest May 2024.

Thank you for your time and consideration

John Schaefer  
September 6, 2022