



CITY OF FORT LAUDERDALE

DRAFT
REGULAR MEETING MINUTES
NORTHWEST-PROGRESSO-FLAGLER HEIGHTS
REDEVELOPMENT ADVISORY BOARD
CITY OF FORT LAUDERDALE
SEPTEMBER 12, 2023 – 3:00 P.M.
FORT LAUDERDALE, FLORIDA

<u>Board Members</u>	<u>Attendance</u>	Cumulative Attendance June 2023-May 2024	
		<u>Present</u>	<u>Absent</u>
Rhoda Glasco Foderingham, Chair	P	2	1
Dylan Lagi, Vice Chair	P	3	0
Jinny Bissainthe (arrived 3:15)	P	1	0
Sonya Burrows	P	2	1
Kenneth Calhoun	P	3	0
Lisa Crawford	P	3	0
Noel Edwards	P	3	0
Michael Lewin	A	2	1
Steffen Lue	P	2	1
Christopher Murphy	P	2	1
Alfredo Olvera	P	3	0
John Quailey	P	3	0

Currently there are 12 appointed members on the Board, which means seven (7) would constitute a quorum.

Staff

Clarence Woods, III, NPF CRA Manager
Lizeth DeTorres, Sr. Administrative Assistant
Bob Wojcik, Housing and Economic Development Manager
Eleni Ward Jankovic, Housing and Economic Development Manager
Vanessa Martin, Business Manager
Corey Ritchie, CRA Construction Manager
Jamie Opperlee, Prototype Inc. Recording Secretary

Communication to the CRA Board of Commissioners

None

I. Call to Order/Roll Call

Chair Foderingham

Chair Foderingham called the meeting to order at 3:00 p.m. and roll was called. A quorum was present.

II. Approval of Minutes

NPF CRA Board

- August 8, 2023 Minutes

Motion made by Mr. Olvera, seconded by Mr. Edwards to approve the Board's August 8, 2023 minutes. In a voice vote, motion passed unanimously.

III. Project Funding Update

Vanessa Martin

Ms. Martin provided an update in the Board's packet. She reminded the Board that the fiscal year would end on September 30.

IV. Funding Request Recommendations

CRA Staff

Recommended Funding to Sunshine Shipyard, LLC for the
Arcadian Project – 640 NW 7 Avenue – Development Incentive
Program - \$10,000,000
Recommended Changes to the Previously Approved
909 Sistrunk Project

Mr. Edwards, Mr. Calhoun, Mr. Murphy, Ms. Crawford, Ms. Burrows, Mr. Lagi, Mr. Qualey, Mr. Lue, Mr. Olvera, and Chair Foderingham disclosed that they had attended a meeting with the applicant.

Mr. Wojcik said the request was for a \$10 million Development Incentive Project [DIP] loan for the Arcadian, a new mixed-use project at 640 NW 7 Avenue. The project comprised a full City block, an area of 3.47 acres that was previously industrial and light industrial uses, including the Sunshine Auto Salvage Yard, which had been a blight on the neighborhood for many years.

The developer had rezoned the property to RAC mixed use east and the City Commission had approved the site plan with an affordable housing height bonus. The approved project was an eight-story mixed-use multi-family development with 480 residential rental units and 15,235 square feet of ground floor commercial space and 606 parking spaces. Of the 480 residential units, 48 would be permanent affordable units for residents with incomes less than or equal to 100% of the median family income in Broward County, with rents of \$1,680 to \$2,089 per month. The remainder of the units would be rented at market rate. The design was for two buildings with a central atrium in each building and two swimming pools. There would also be many amenities, including 24/7 security camera monitoring, bike racks, a kids' playground, pet park, fitness center, clubrooms, a kids' room, business center, mail/package room, a lounge area, and a 30-foot-wide pedestrian paseo.

Ms. Bissainthe arrived at 3:15.

First floor retail was primarily along Sistrunk Boulevard and Avenue of the Arts and three corners would include plazas that would allow for outdoor dining spaces. There would also be 2,500 square feet of commercial space reserved for the CRA or Invest Fort Lauderdale, the CRA's Economic Development Corporation [EDC] at a cost of \$12 per square foot NNN for 15 years. This would allow them to attract small businesses to the area at an affordable rent. Key sustainability features included a 75% Green Roof and electric vehicle charging stations. The developer had also committed to the building being National Green Building Standard (NGBS) Gold certified. The developer, Sunshine Shipyards LLC was an affiliated company of Fuse Group Investment Companies, led by founder and CEO Eyal Peretz, who had been investing in the CRA, specifically in the Sistrunk area for six years.

Mr. Wojcik said the total development budget was over \$153 million and the CRA funding represented 6.5% of the budget; developer equity was 29.3% and lender financing was 64.2%. The \$10 million [DIP] loan would include an \$8 million forgivable loan, forgiven once the entire project obtained a certificate of occupancy and a \$2 million DIP loan, at 0% interest, repaid by the developer at \$200,000 per year for 10 years following the certificate of occupancy. The DIP loan repayments would be assigned to Invest Fort Lauderdale for reinvestment back into the CRA area. Community benefits from the project included over 1,600 jobs, including 68 permanent jobs, over 1,400 direct and indirect jobs from construction and 142 jobs from resident spending, and an estimated \$154 million in economic activity from construction, retail and resident spending. The project was also estimated to generate up to \$31 million in real estate taxes over the next 15 years. Mr. Wojcik stated increases in construction costs, insurance premiums and interest rates made CRA funding critical. In order to fund this project, the CRA, at the request of Fuse Group would take the \$4 million approved for the office and retail project at 909 NW 6 St LLC (A Fuse Group subsidiary) under the DIP Program and reallocate the funds from that project to the Arcadian project.

The \$4 million for the 909 Sistrunk Project was approved by the CRA Board on 12/7/21. The \$16.5 million project included a contemporary signature four story building at the northwest corner of Sistrunk Blvd and NW 9th Avenue with over 3,600 square feet of restaurant, over 7,600 square feet of retail, over 18,000 square feet of office, and 44,000 square feet of parking garage with more than 80 parking spaces. On that project, \$200,000 in rental subsidies were being set aside to allow entry level start-up neighborhood businesses the ability to afford new retail or other commercial space in the building. This project was unanimously recommended for approval by the CRA Advisory Board at their 1/12/21 meeting.

Mr. Wojcik said although the 909 Sistrunk Project was near shovel ready, an opportunity existed to create a larger and better project without the need for additional CRA funding beyond the original \$4 million CRA commitment. Fuse Group proposed to partner with Boca Paila, LLC (the same partner as the Arcadian Project) along with 639 NW 9th Avenue, LLC, led by Developers Tal Levinson and Eric Malinasky, who purchased the property to the north on NW 9th Avenue and would expand the project to add

approximately 178 units of workforce housing, which would be available to families at or below 120% of the area median income (AMI). The footprint of the project would expand from a 26,265 square foot site to a 63,339 square foot site with a total project cost of approximately \$58.9 million. This change in project scope would require additional time to secure development approvals and increase the start date of the project that was estimated to occur in December 2023. To accommodate the project changes, this project will return to the CRA Board and would be recommended to be funded from the CRA TIF in fiscal year 2024-2025 tax increment revenues.

Recommendations:

Mr. Wojcik recommended the CRA Advisory Board approve a Motion recommending that the CRA Board:

- 1) Approve a \$10,000,000 Development Incentive Program loan to Sunshine Shipyard, LLC for the Arcadian project, consisting of a \$8,000,000 forgivable loan and a \$2,000,000 zero interest loan repaid over 10 years with CRA loan payments assigned to Invest Fort Lauderdale, the CRA's Economic Development Corporation, and
- 2) Approve changes to the 909 NW 6 St LLC project, including scope, schedule and source of CRA funds.

Eyal Peretz, developer, provided a presentation on the projects, a copy of which is attached to these minutes for the public record. He also distributed printed copies.

Ms. Burrows asked about the EDC and Mr. Woods stated the EDC was active and the board had been meeting since March, but they were awaiting the tax-exempt status from the IRS.

Motion made by Mr. Lue, seconded by Mr. Olvera to approve the changes staff recommended to the Arcadian and 909 NW 6 St LLC projects. In a roll call vote, motion passed 11-0.

New Board member Jinny Bissainthe introduced herself.

V. Request for Funding Increase

CRA Staff

V&R Family Enterprises, Corp.

1227 Sistrunk Boulevard, Fort Lauderdale, FL 33311

\$400,000 CRA Property and Business Improvement Program

Ms. Ward reminded the Board that on September 3, 2020, V & R Family Enterprises, was granted \$350,000 for the renovation, modernization and build-out of their existing building located at 1227 Sistrunk Boulevard. This was a two-story 5,246 square foot building that was constructed in 1959 on a 6,039 square foot site. The request was for the build-out of a mixed-use development with commercial space on the ground floor and five rental units on the second floor. Parking for the building was in the rear of the property on a separate lot also owned by the developer. In addition to the business and event space on the ground floor, the applicant planned to renovate five 450-square foot, one-bedroom,

affordable rental units on the second floor. The space would be managed by Tommy Bolden, who has extensive experience managing the family portfolio of rental properties. The applicant projected a positive income stream from the first year of operations.

Ms. Ward said when this project was approved in 2020, the total project cost was estimated at \$735,755 and the CRA was going to contribute \$350,000, representing approximately 47% of the total project cost. Since the initial approval, the cost of construction, materials, and equipment had significantly increased, increasing the total project costs to approximately \$1,119,000. The Applicant was requesting an additional \$400,000 to be able to cover the increase. The CRA's total contribution to this project would represent 67% of the total project cost. The applicant's own contribution of \$369,268 represented the remaining 33%.

Mr. Ritchie said there had been delays due to the pandemic and seeking additional funding, but the drawings had already been approved by the Building Department

Mr. Murphy asked why the family had allowed the property to become a blight on the community. Tommy Bolden, property owner, recalled his pioneer parents had paid \$320,000 for the property in 2007 but they had been unable to develop it. Mr. Calhoun asked why the City's share had increased so much and Mr. Woods noted an applicant could apply for up to 90%. He stated the Boldens had put a significant amount of money into the project.

Mr. Ritchie said construction should take approximately nine months.

Mr. Edwards asked about maintaining affordable housing. Mr. Woods said the rent would be tied to Area Median Income.

Motion made by Mr. Edwards, seconded by Ms. Burrows to approve the recommended funding increase to V&R Family Enterprises, Corp. In a roll call vote, motion passed 10-1 with Mr. Murphy opposed.

VI. Request for Funding Increase

CRA Staff

Omegas In Broward, Inc.

1108 Sistrunk Boulevard, Fort Lauderdale, FL 33311

\$235,000 CRA Property and Business Improvement Program

Ms. Ward recalled that in December 2020 the Omegas had been granted a forgivable loan in the amount of \$225,000 under the PBIP program, and \$125,000 under the Commercial Façade Improvement Program to renovate and modernize their existing building located at 1108 Sistrunk Boulevard. The proposed renovation and build-out of the structure was for the creation of a modern meeting and event space for the local community and South Florida at large. Initially, the total project cost was estimated at approximately \$400,000. The originally approved CRA funding in the amount of \$350,000 represented approximately 87% of the total project cost. Since the project's approval, the

cost of construction, materials, and equipment has significantly increased and now totaled approximately \$650,000. The developer was requesting a forgivable loan funding increase in the amount of \$235,000 to cover the additional costs. The total CRA contribution would be \$585,000, representing 90% of the total project cost. The developer's contribution of \$65,000 represented the remaining 10%. Omegas In Broward, Inc. planned to rent out the renovated and modernized space to the community as a business and event center. The Omega board members have over 20 years of experience in event planning and coordination and planned to hire event professionals and employees from the community. The company's personalized customer care service would ensure superior event planning and supervision. In addition to event planners and staff, the developer planned to hire a facility manager, event coordinator and a custodian to maintain the facility and set up events as needed.

Mr. Ritchey said this project had been delayed by the pandemic. He stated they had already negotiated the price with the general contractor and plans had been approved by the Building Department. They could begin construction 30 days after receiving the funding.

Anthony Wright stated the event space was 1,200 square feet and could accommodate 100 people; the conference room was approximately 400 square feet and could hold approximately 50 people. He stated there was a parking lot adjacent to the property with approximately 25 spaces, as well as on-street parking.

Mr. Wright stated they had a verbal agreement with the City regarding the parking lot to the west. Chair Foderingham pointed out this was public parking.

Motion made by Ms. Burrows, seconded by Ms. Crawford to approve the recommended funding increase to Omegas In Broward, Inc. In a roll call vote, motion passed 11-0.

Chair Foderingham stepped out of the meeting and Vice Chair Lagi took over.

VII. Communication to CRA Board of Commissioners
None

CRA Staff

VIII. Old/New Business

Ms. Burrows asked about Food and Friends Catering. Ms. Ward stated they were still working on a development agreement with the tenant. Mr. Woods stated parking and dumpster issues were also delaying the agreement. He said they needed to change the zoning in the rear to Northwest RAC to get room for a dumpster in the rear, as well as parking.

Chair Foderingham returned to the meeting.

Mr. Lagi asked about recaptures and Mr. Woods said everything was moving forward.

Chair Foderingham announced she would be unavailable to attend the October meeting.

IX. Public Comments

None

X. Adjournment

There being no further business to come before the Board at this time, the meeting was adjourned at 4:25 p.m.

The next regular NPF-CRA meeting will be held **Tuesday – October 10, 2023.**

Any written public comments made 48 hours prior to the meeting regarding items discussed during the proceedings have been attached hereto.



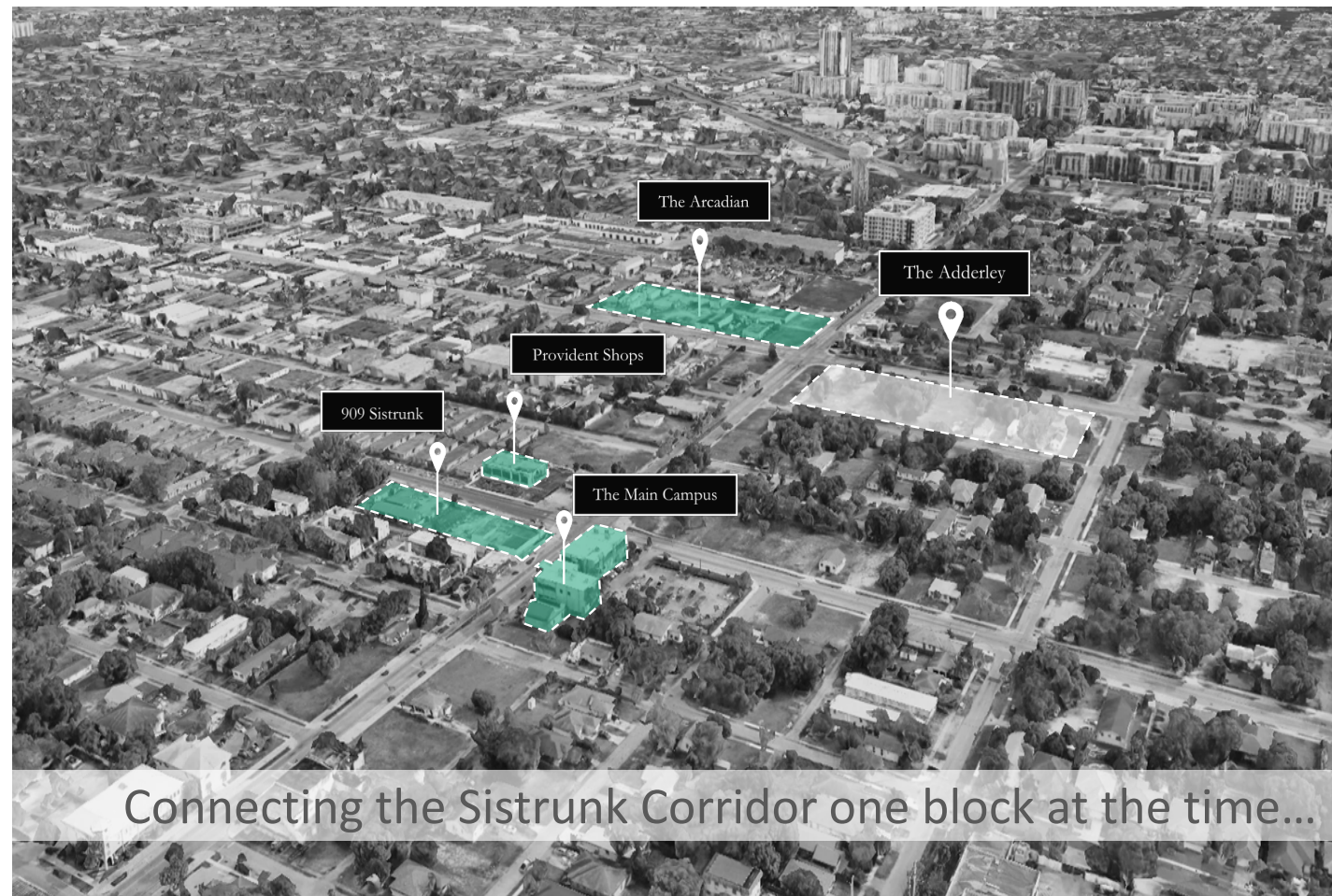
CRA Board Presentation

September 12, 2023

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Current development commitment on Sistrunk:

656 residences

226 Workforce/Affordable

41,000 SF ground retail

950 parking spaces

33,900 SF Office

The Main Campus



The Main Campus

Renovated in **2019**

7,500 SF ground retail

13,900 SF Office

98 Parking

Tenants

900 Building

Fuse Group Investment Companies HQ
Outcome Engenuity (Business Consulting)
Checkmate Barbershop
State of Mind Spaces (Executive Offices)
Provident Market (Bodega/Market)
Podcast Studio

914 Building

Community Redevelopment Agency (CRA)

930 Building

Future Tenant



Provident Shops



Provident Shops

Renovated in **2021**

4 Retail Bays

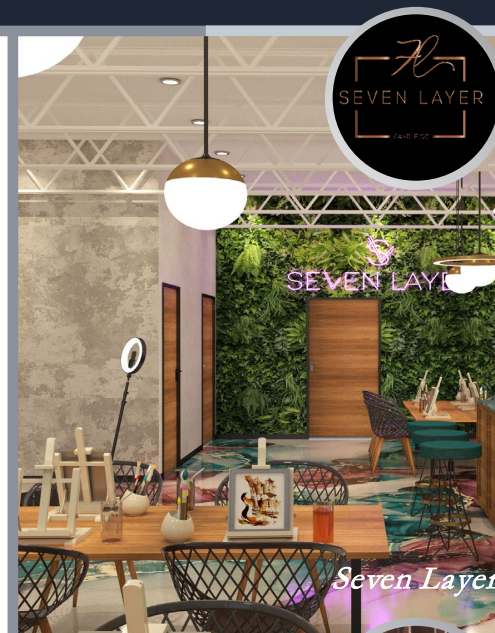
5,500 SF ground retail

Tenants

Blue Tree Café (Vegan Restaurant)

Seven Layer (Retail Candle Making)

Tasteful Arrangements (Flower Boutique)



Seven Layer



Blue Tree Cafe



Tasteful Arrangements

909 Sistrunk



909 Sistrunk

178 workforce units

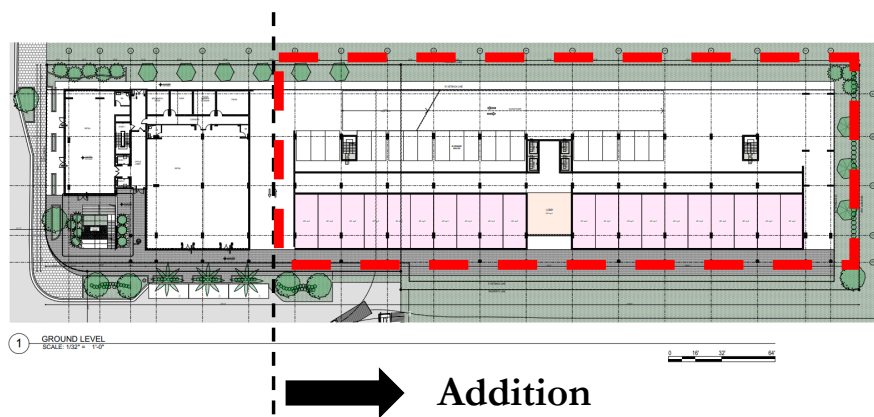
246 parking spaces

13,000 SF ground retail

20,000 SF Office

\$59M of capital investment

270,000 SF of construction



The Arcadian



The Arcadian

Before - 2022

After - Rendering



The Arcadian

478 residential units

48 affordable units

15,000 SF ground retail

606 parking spaces

\$153M of capital investment

687,000 SF of construction

Sample Unit Layout



482 sf **Studio**



653-894 sf **1 BR**



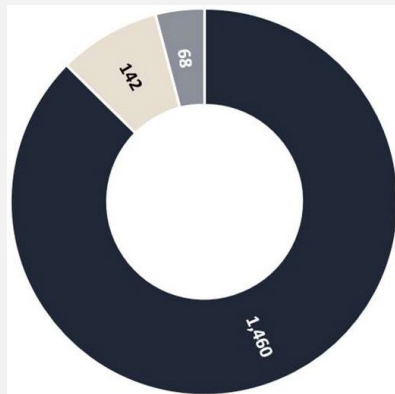
923-1,100 sf **2 BR**



Overview

1,670

Jobs

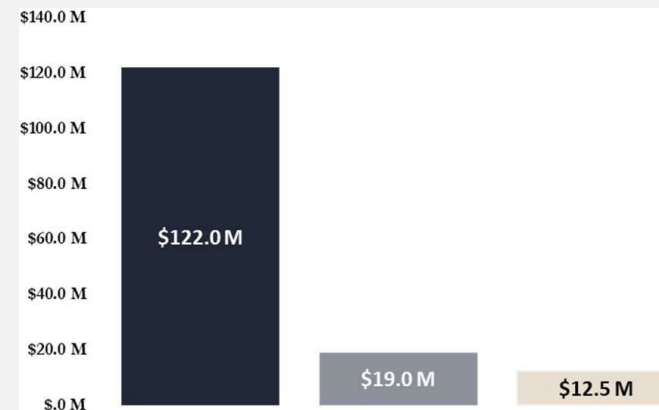


Construction

Retail

\$154M

Economic Activity



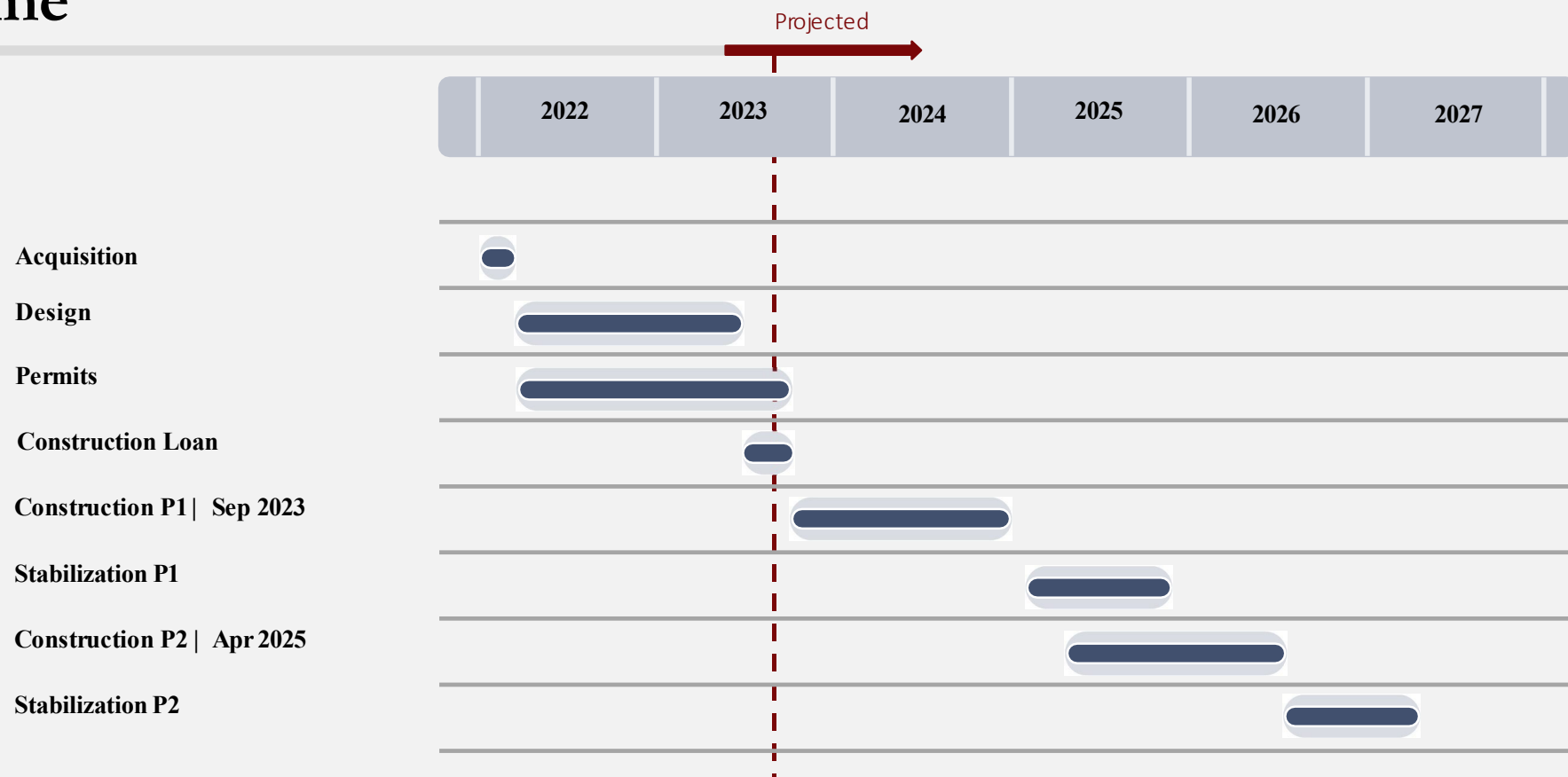
Resident spending

Taxes

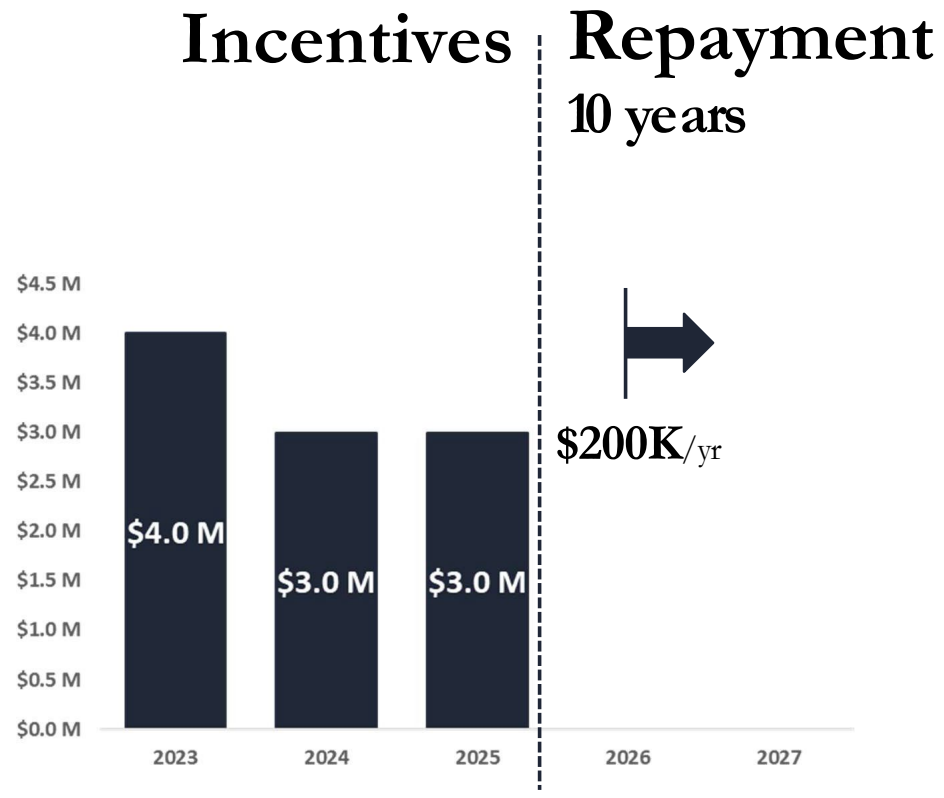
Up to **\$31M** in
additional RE taxes in
next 15 years*



Timeline



Required Frontloaded Incentives | Over 3 years

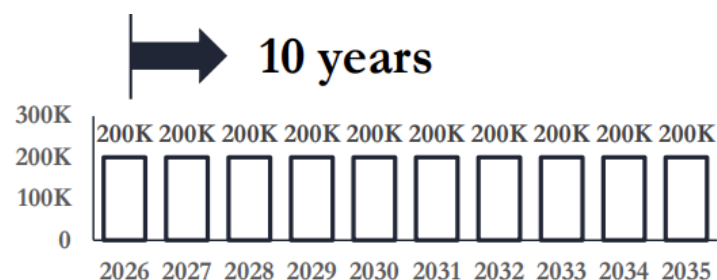


Community Benefits | Local

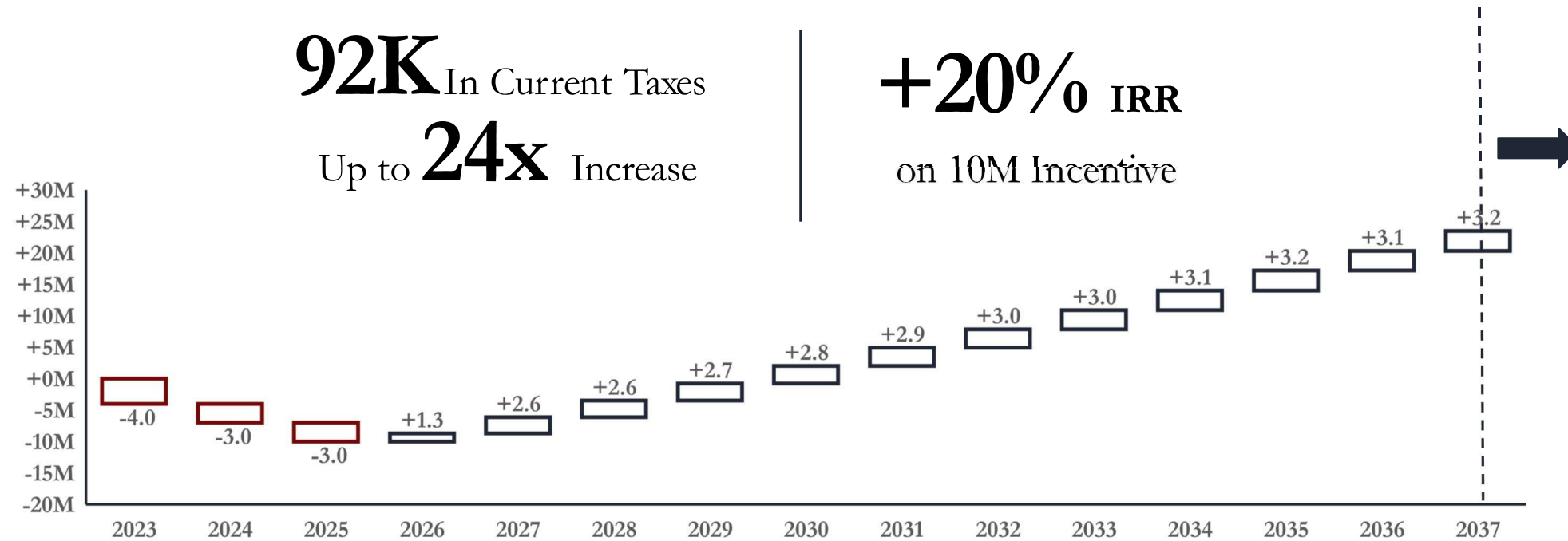
2,500 SF @ 30% of mkt rate
Workspace for CRA \$12 PSF + CPI | NNN
15 years

+\$2M Community Benefits

Certificate Occupancy



Community Benefits | Projected Tax Increase



**Returns calculated by assuming a mileage rate of 18.52 on our projected value, which may change due to market conditions and unit affordability mix. Returns also include the 200K annual payment for 10 years after C.O (2026-2035).*



Community Benefits: The Arcadian & 909 Sistrunk



The Arcadian & 909 Sistrunk

Community Benefits | Job Creation & Economic Impact

1,850

Jobs with over 300 permanent positions



\$213M

Direct Investment



2,500 SF

Space for CRA



\$2.2M

For Community Benefits

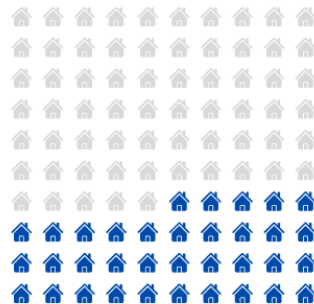


Impacting

Expansion and Affordability



Of total units are affordable!



Opportunity

New opportunities for local business

40 new ventures opening shop!



Sustainable

Approach to build a resilient community

On Track for
NGBS Gold
Certification





CRA Board Presentation

September 12, 2023

