



**CITY OF FORT LAUDERDALE  
City Commission Agenda Memo  
CRA BOARD MEETING**

**#13-1702**

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**TO:** CRA Board of Directors

**FROM:** Lee R. Feldman, ICMA-CM, City Manager

**DATE:** January 22, 2014

**TITLE:** Streetscape Funding Request – RD Flagler Village, LLC \$359,375.50 Henry Square

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Recommendation

It is recommended that the CRA Board approve a streetscape enhancement grant for 50% of the estimated cost of construction for an amount not to exceed \$359,375.50 for the Henry Square project and authorize the proper CRA officials to negotiate a reimbursement agreement with officials representing RD Flagler Village, LLC.

Background

The Developer, RD Flagler Village, LLC c/o Related Group/Related Development (Related Group), is requesting a grant to assist with the construction of streetscape improvements associated with the Henry Square residential project. A copy of the developer's request is attached as **Exhibit 1**.

Related Group is a national real estate company and a recognized leader in high-end multifamily development, construction and property management. Related Group has developed numerous well-known projects throughout South Florida such as the Icon Brickell, 500 Brickell, Icon South Beach, Trump Hollywood, 50 Biscayne, City Place, and New River Yacht Club, just to name a few.

Henry Square is a 382-unit luxury multi-family community with 24,750 square feet of ground floor commercial uses on 5.2 acres in the Flagler Village neighborhood of Downtown Fort Lauderdale. The project consists of a variety of one, two and three-bedroom floor plans together with common area amenities such as fitness center, a resort-style swimming pool and other resident amenities typically associated with luxury apartment communities.

The developer is requesting a grant to assist with streetscape improvements, similar to those provided to East Village, Jefferson Place Apartments, Avenue Lofts, Mill/Foundry Lofts, Bamboo Flats, the Alexan Solmar, AMLI at Flagler Village, Dixie Court and NW Gardens I. This assistance will be provided in the form of a grant to be paid upon completion of the project.

The Developer has requested a grant based on sharing 50% of the costs associated with

streetscape improvements. The developer estimates the new improvements to cost a total of \$718,751.00 to construct. A general description of the construction improvements proposed and the estimates are attached in the package of information provided by the developer. The streetscape improvements will include wide sidewalks that will promote walkability, pedestrian lighting, landscaping materials native to the area and on-street parking to encourage ground-floor activity around the project area. The information includes the site plan, renderings, and construction cost estimates all attached as **Exhibit 2**.

The percentage of funding requested is consistent with past, approved funding requests under for streetscape improvements. Based on a contribution of 50% of the projected cost of the project the streetscape grant award requested from the Northwest-Progresso-Flagler Heights (NPF) CRA is \$359,375.50.

At the May 23, 2012 NPF CRA Advisory Board meeting, at the same time the project development plans were being reviewed by the Development Review Committee (DRC), the developer indicated that they would be applying for a streetscape grant in response to questions from the board. With that knowledge, in the NPF CRA Five-Year Spending Plan adopted on October 15, 2013, funding for this grant was identified as a project specific expenditure. The funding request was submitted on October 14, 2013 while the project was under construction, and unanimously approved by the NPF CRA Advisory Board on December 3, 2013.

Upon adopting the NPF CRA Five-Year Spending Plan, the streetscape program guidelines were amended to require that applications for the streetscape grant be submitted prior to the start of construction. However, based upon the chronology of this project, staff recommends approving this funding request.

The budgeted amount for this contribution was originally estimated at \$450,000, an amount similar to the request approved for another large residential project in the area - The Pearl at Flagler Village. The requested amount of \$359,375.50 is less than the budgeted amount and will result in approximately \$140,000 of NPF CRA funds being available for other projects that may further help implement the community redevelopment plan.

The project is currently under construction developer is required to obtain all of the necessary approvals needed by the City of Fort Lauderdale and other agencies for a site plan and construction related activities.

#### Compliance With Florida Statutes

City staff is recommending the use of CRA funds to facilitate the construction of public improvements without competitively bidding pursuant to Section 255.20(1)(c)(10), Florida Statutes. The statute provides for an exemption to the competitive selection process if the local government determines, upon specific substantive criteria provided in the statute, that it is in the best interest of the local government to award the project pursuant to administrative procedures established and expressly set forth in a charter, ordinance, or resolution of the local government adopted before July 1, 1994. Staff has determined that

there is sufficient evidence that the Project meets the conditions outlined in Section 255.20(1)(c)(10)(b), Florida Statutes because the improvements are being constructed in the public right of way as part of a third party managed project. City staff believes this work is proprietary as defined under the City Code.

A copy of Section 255.20(1)(c)(10), Florida Statutes has been attached for your information as Exhibit 3.

If the CRA Board decides to move forward in this direction, staff will advertise as required by the Florida Statutes and bring back an item including a development agreement for consideration by the CRA Board.

#### Tax Increment Analysis

The projected capital investment after construction is approximately \$85.8M. The taxable value after construction, assumed at to be 80% of the costs of construction, could conservatively offer over \$500,000 in tax increment revenue in the first year after completion.

#### RESOURCE IMPACT

APPROPRIATE FROM:

<b><i>Funds available as of January 13, 2014</i></b>					
<b>ACCOUNT NUMBER</b>	<b>INDEX NAME (Program)</b>	<b>OBJECT CODE/ SUB-OBJECT NAME</b>	<b>AMENDED BUDGET (Object Code)</b>	<b>AVAILABLE BALANCE (Object Code)</b>	<b>AMOUNT</b>
FD347	NWP Flagler Heights	Undesignated Fund Balance	NA	\$994,092	\$359,375.50
<b>AMENDMENT TOTAL ►</b>					\$359,375.50

APPROPRIATE TO:

<b><i>Funds available as of</i></b>					
<b>ACCOUNT NUMBER</b>	<b>INDEX NAME (Program)</b>	<b>OBJECT CODE/ SUB-OBJECT NAME</b>	<b>AMENDED BUDGET (Object Code)</b>	<b>AVAILABLE BALANCE (Object Code)</b>	<b>AMOUNT</b>
P12012.347	Henry Square/Streetscape	6599/Construction	\$359,375.50	\$359,375.50	\$359,375.50
<b>AMENDMENT TOTAL ►</b>					\$359,375.50

A budget amendment related to this fund appropriation will appear on the February 4, 2014 City Commission agenda.

#### Strategic Connections

This project helps advance a Fiscal Year 2014 Commission Annual Action Plan (CAAP) top priority, included within the policy agenda, advancing the Northwest-Progresso-Flagler Heights Community Redevelopment Area (NPF-CRA) Five Year Strategy.

- Goal 5: Be a community of strong, beautiful and healthy neighborhoods.
- Objective 2: Enhance the beauty, aesthetics, and environmental quality of

neighborhoods.

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are Community*

Attachments:

Exhibit 1 – Funding Request

Exhibit 2 – Site Plan, Renderings, Construction Cost Estimates

Exhibit 3 – Florida Statutes 255.20(1)(c)(10)

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Prepared by: Alfred G. Battle, Economic & Community Reinvestment Manager

Department Director: Greg Brewton, Sustainable Development