

City of Fort Lauderdale

*City Hall
100 North Andrews Avenue
Fort Lauderdale, FL 33301
www.fortlauderdale.gov*



Meeting Minutes

Tuesday, June 6, 2017

2:45 PM

**OR AS SOON THEREAFTER AS POSSIBLE
City Commission Conference Room**

COMMUNITY REDEVELOPMENT AGENCY BOARD

***FORT LAUDERDALE COMMUNITY REDEVELOPMENT AGENCY BOARD OF
COMMISSIONERS***

***JOHN P. "JACK" SEILER - Chair
BRUCE G. ROBERTS - Vice Chair
DEAN J. TRANTALIS - Commissioner - District II
ROBERT L. McKINZIE Commissioner - District III
ROMNEY ROGERS Commissioner - District IV***

***LEE R. FELDMAN, Executive Director
JOHN HERBST, City Auditor
JEFFREY A. MODARELLI, Secretary
CYNTHIA A. EVERETT, General Counsel***

ROLL CALL

Present 5 - Commissioner Robert L. McKinzie, Commissioner Romney Rogers, Vice Chair Bruce G. Roberts, Commissioner Dean J. Trantalis, and Chair John P. "Jack" Seiler

QUORUM ESTABLISHED

Also Present: Executive Director Lee R. Feldman, CRA Secretary Jeffrey A. Modarelli, General Counsel Cynthia A. Everett, City Auditor John Herbst, and Sergeant at Arms Nicholas Coffin

No e-comments were submitted for this meeting.

CALL TO ORDER

Chair Seiler called the Community Redevelopment Agency (CRA) Board Meeting to order at 4:04 p.m.

BOARD REPORTS

BR-1 [17-0573](#)

Fort Lauderdale Aquatic Center Improvement Project Design Alternatives and Updated Cost Estimates

Donald Morris, Community Redevelopment Agency (CRA) Manager Beach Area, presented the CRA Board with an update and review of the Fort Lauderdale Aquatic Center Improvement Project (Project) design alternatives and cost estimates.

Mr. Morris reviewed aspects of the necessary renovations. A task order was issued on October 5, 2016 for Synalovski Romanik Saye, LLC (SRS) to provide a design criteria package for 30% design plans, allowing the City to procure a design-build team through a Request for Proposal (RFP).

In response to Commissioner Rogers's question about anticipated future Tax Increment Financing (TIF) revenue, allowing for a more realistic understanding of budget constraints, Mr. Morris confirmed meetings with the budget manager on this topic. Mr. Morris stated adjustments are being made based on projected tax revenue, expounding on this issue. Executive Director Feldman commented that unanticipated tax revenue would be approximately \$200,000 each year over the life of the Beach CRA. Currently, there is approximately \$600,000 over the life of the Beach CRA, more than what was anticipated several weeks ago.

Executive Director Feldman said the driver of costs regarding the Aquatic Complex pool is due to the need to address the underground conditions. Discussions continued on the Beach Redevelopment Advisory Board's recommendations for the funding of this project. Mr. Morris discussed ways to fund the project, confirming there would be funds available in the Beach CRA to pay the additional costs.

Mr. Morris deferred to Thomas Green, Senior CRA Project Manager, who reviewed the project. Mr. Green reiterated the work SRS is doing to provide 30% design plans and a cost estimate. Following direction from the CRA Board on how to move forward with the SRS 30% design criteria package, Staff will initiate a Request for Proposal (RFP) solicitation for selection of a design-build team. The design build team will take the project through 100% construction documents, construction and project completion.

Commissioner Trantalis commented on past experiences on the project, voicing his concern over cost estimates being exceeded. Mr. Morris addressed Commissioner Trantalis's concerns regarding justifying the expense with CRA funds and its corresponding value to the Beach area. He also explained SRS's work in the 30% design phase addressing the condition of underground pilings.

In response to Commissioner Trantalis's question about ongoing maintenance of the pools, Executive Director Feldman stated due to issues with the State Department of Health, the pools were re-plastered at a cost of approximately \$150,000. He confirmed this would not reduce any of the project's expense.

Mr. Morris explained that based upon the direction of CRA Board while developing the design criteria package, SRS determined the initial budget of \$18,200,000 was not sufficient to achieve the scope of work. SRS estimated the scope of work could be constructed for approximately \$21,500,000. Mr. Morris reiterated, in his opinion, the Beach CRA has the funds to cover the additional cost. SRS also examined some deficiencies and opportunities that were outside the scope of work, as noted on page 9 of the presentation. These additional improvements were priced as alternates and total approximately \$2,300,000.

Mr. Morris stated Staff and SRS presented the Aquatic Center Improvement Design, cost estimates and Beach CRA budget to the Beach Redevelopment Board (BRB). The BRB unanimously recommended advancing the design with all the alternates.

In response to Commissioner Rogers's question about the alternate

items noted on page 9 of the presentation, Mr. Green explained the advantages of the alternate items in the project design, including the ability to have additional programming that is flexible as well as the ability to concurrently run additional events and training. Mr. Green also contributed his comments on aspects of the alternate items.

Chair Seiler and Commissioner Trantalis agreed on the high amounts of the alternate estimates. Chair Seiler also expressed his concern on their impact on the bidding process. He recommended the City become competitive on cost estimates for projects. He requested real numbers prior to the bidding process. Further discussions and comments ensued.

In response to Commissioner Rogers's question about the aluminum canopies being part of the additional improvements, Mr. Green explained this is due to relocating the entrance further to the west, allowing for a larger plaza type entrance.

Chair Seiler reiterated his concern about keeping project costs down to basic items. Commissioner Trantalis voiced his concern over the lack of pursuing a corporate sponsor. Executive Director Feldman confirmed a firm has been retained to pursue corporate sponsors. Discussions continued on this topic.

In response to Vice Chair Roberts's concern about additional engineering expenses related to structural issues of the facility, Mr. Green explained that as part of the 30% design phase, SRS is responsible for an in-depth review of the previous consultant's engineering findings. He also stated SRS has hired sub-consultants to address engineering issues related to the underlying piling foundations. Vice Chair Roberts recommended having reserves in place to address structural issues rather than including amenities. Further discussions continued on pricing, the bidding process, the number of potential bidders and State Statute mandates.

Mr. Morris confirmed the information presented to the Board is the best Staff can offer. In response to Mayor Seiler's question, Mr. Morris confirmed the price without the contingency funding would be approximately \$21,500,000 without the extras, Mr. Green also confirmed this amount. Chair Seiler challenged this figure and expounded on his reasoning, stating overhead is built into many contractor costs. Executive Director Feldman confirmed Staff will come back to the CRA Board with hard costs that will be reviewed by City Auditor Herbst.

In response to Commissioner Trantalis's inquiry, Executive Director

Feldman stated Broward County will not commit to extending the timeframe for spending Beach CRA Funds until the lawsuit with other CRA's has been resolved. City Attorney Cynthia Everett confirmed her department is monitoring this matter.

Chair Seiler stated he would like to see this item return to the CRA Board at their next meeting with additional details on the cost. It was noted there was a drainage problem in the project's parking lot.

Executive Director Feldman confirmed this matter would be brought before the CRA Board at the June 20, 2017 CRA Board Meeting.

A copy of Mr. Morris's presentation and the CRA Capital Improvement Projects (CIP) Fund Sheet are attached to these minutes.

MOTIONS

M-1 [17-0685](#)

Motion to Approve Minutes for May 2, 2017 Community Redevelopment Agency Board Meeting

Vice Chair Roberts moved to approve this item and was seconded by Commissioner Rogers.

APPROVED

Aye: 5 - Commissioner McKinzie, Commissioner Rogers, Vice Chair Roberts, Commissioner Trantalis and Chair Seiler

RESOLUTIONS

R-1 [17-0633](#)

Resolution Authorizing Execution of a Development Incentive Program Loan Commitment between the Fort Lauderdale Community Redevelopment Agency and 613 NW 3rd Ave, LLC under the Development Incentive Program in an Amount Not to Exceed \$7 million for The SIX13, Mixed-Use Apartment Project Located at 613 NW 3rd Ave and Delegating Authority to the Executive Director to Execute Any and All Necessary and Incidental Loan Documents

Jonathan Brown, Area Manager, Northwest Progresso Flagler Heights Community Redevelopment Agency (NWPFH CRA), explained this item, authorizing the execution of a Development Incentive Program Loan Commitment between the Fort Lauderdale Community Redevelopment Agency and 613 NW 3rd Ave, LLC. It is under the Development Incentive Program in an amount not to exceed \$7,000,000 for The SIX13, a mixed-use apartment project located at 613 NW 3rd Ave. It also delegates authority to the Executive Director

Feldman to execute any and all necessary and incidental loan documents.

Mr. Brown confirmed the CRA Staff opinion that this is a critical project for the Sistrunk Corridor. He explained the details and aspects of this project, confirming the developer is contributing an amount almost equal to the City contribution. The developer's contribution is in addition to the loan amount to complete the project. Mr. Brown confirmed this project would contribute momentum and serve as the catalyst for other projects west of the FEC Railway.

In response to Chair Seiler's question, Mr. Brown stated the NWPFH CRA Advisory Board voted 10-1 in favor of the project. Commissioner Trantalis stated he met with the developer yesterday, confirming all his questions were answered. Commissioner Trantalis stated this is a project the CRA Board should support. Commissioner McKinzie confirmed meetings with the developer, encouraging them to move forward with the current property owners and the project. In response to Commissioner Rogers's comment about changing the June 30, 2017 closing date for the \$28,000,000 loan commitment, Mr. Brown stated once the Board approves this project, the next step is to complete the loan process and secure the guarantee from the Department of Housing and Urban Development (HUD).

Chair Seiler recognized Jeff Burns, CEO of Affiliated Companies, who said the last condition of the purchase is contingent on the CRA Board approving this item. In response to Commissioner Rogers's question, Mr. Burns explained the steps involved in the purchase process in detail.

For the record, Secretary Modarelli stated there were revisions to pages 3 and 5 of Exhibit 14.

Commissioner Rogers introduced the resolution that was read by title only.

ADOPTED

Aye: 5 - Commissioner McKinzie, Commissioner Rogers, Vice Chair Roberts, Commissioner Trantalis and Chair Seiler

R-2 [17-0636](#)

A Resolution of the Board of Commissioners of the Fort Lauderdale Community Redevelopment Agency approving appointment of the law firms of J. Michael Haygood, P.A., and Mombach, Boyle, Hardin & Simmons, P.A., as Special Counsel for real estate and related development matters

General Counsel Cynthia Everett explained this item, stating that due

to the number of real estate and development matters in the CRA having short approval timelines, this is a recommendation by the Office of City Attorney to the Commission for approval of the appointment of the law firms of J. Michael Haygood, P.A., and Mombach, Boyle, Hardin & Simmons, P.A., as Special Counsel for real estate and related development matters.

Vice Chair Roberts introduced this item and was read by title only.

ADOPTED

Aye: 5 - Commissioner McKinzie, Commissioner Rogers, Vice Chair Roberts, Commissioner Trantalis and Chair Seiler

ADJOURNMENT

There being no further business before the Community Redevelopment Agency Board, Chair Seiler adjourned the June 6, 2017 meeting at 4:44 p.m.

John P. "Jack" Seiler
Chair

ATTEST:

Jeffrey A. Modarelli
CRA Secretary