

City of Fort Lauderdale

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



Meeting Minutes

Tuesday, January 21, 2020

2:30 PM

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

COMMUNITY REDEVELOPMENT AGENCY BOARD

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

***DEAN J. TRANTALIS - Chair
ROBERT L. McKINZIE - Vice Chair
HEATHER MORAITIS - Commissioner - District I
STEVEN GLASSMAN - Commissioner - District II
BEN SORENSEN - Commissioner - District IV***

***CHRIS LAGERBLOOM, Executive Director
JOHN HERBST, City Auditor
JEFFREY A. MODARELLI, Secretary
ALAIN E. BOILEAU, General Counsel***

ROLL CALL

Chair Trantalis called the meeting to order at 4:42 p.m.

Present 5 - Commissioner Steven Glassman, Vice Chair Robert L. McKinzie, Commissioner Ben Sorensen, Commissioner Heather Moraitis, and Chair Dean J. Trantalis

QUORUM ESTABLISHED

Also Present: Executive Director Chris Lagerbloom, Secretary Jeffrey A. Modarelli, General Counsel Alain E. Boileau, City Auditor John Herbst and Sergeant at Arms Luan Malushi

MOTIONS

M-1 [20-0113](#)

Motion to Approve Minutes for January 7, 2020 Community Redevelopment Agency (CRA) Board Meeting - (Commission Districts 2 and 3)

Commissioner Glassman made a motion to approve this item and was seconded by Commissioner Sorensen.

APPROVED

Aye: 5 - Commissioner Glassman, Vice Chair McKinzie, Commissioner Sorensen, Commissioner Moraitis and Chair Trantalis

M-2 [20-0005](#)

Motion Recommending Adoption of an Amendment to the Fort Lauderdale Beach Community Redevelopment Plan - (Commission District 2)

Executive Director Lagerbloom explained this Amendment to the Fort Lauderdale Beach Community Redevelopment Plan extends its timeline to coincide with Broward County.

Commissioner Glassman made a motion to approve this item and was seconded by Commissioner Sorensen.

APPROVED

Aye: 5 - Commissioner Glassman, Vice Chair McKinzie, Commissioner Sorensen, Commissioner Moraitis and Chair Trantalis

RESOLUTIONS

R-1 [20-0011](#)

Resolution Authorizing the Disposition of Property at 714 Sistrunk Boulevard and 526 NW 7th Terrace to West Village LLC, Approving a

\$8,400,000 Development Incentive Program Forgivable Loan and a \$3,600,000 Development Incentive Program Zero Interest Loan to West Village LLC for the West Village Project Located at 501 NW 7th Avenue, and Authorizing a Lease of Commercial Space in the Project to the Fort Lauderdale Community Redevelopment Agency - (Commission District 3)

Clarence Woods, Area Manager, Northwest Progresso Flagler Heights (NWPFH) Community Redevelopment Agency (CRA) explained this item represents the proposed West Village Project (Project), a mixed-use development containing 455 residential rental units and approximately 500 parking spaces. The Project also includes 17,752 square feet of leasable commercial space that would include 4,000 square feet of leased space for the CRA as a credit tenant at the rate of \$12 per square foot. The duration of the CRA lease would be five (5) years.

West Village LLC (Developer) would partner with the City's Economic Development Corporation (EDC) for a \$3,600,000 Development Incentive Program Zero Interest Loan for the Project. Mr. Woods explained related financing details.

In response to Chair Trantalis' questions regarding the \$3,600,000 loan, Mr. Woods confirmed it would be a second mortgage, expounding on details. Mr. Woods said there are personal guarantees on the loans, the loans would only be used for construction costs and the Developer would have payment and performance bonds for the Project. Comment and discussion ensued on financial details.

City Auditor Herbst noted the Commission Agenda Memo states that the loans are non-recourse. Assistant City Attorney Lynn Solomon said the loans are non-recourse as to any individuals. Mr. Woods commented on personal guarantees coming from the bank. Further comment and discussion ensued on personal guarantees.

Chair Trantalis recognized Peter Flotz, 2420 East Sunrise Boulevard. In response to Chair Trantalis' questions, Mr. Flotz explained financing details. The equity invested by the Developer is approximately \$24,000,000 of the \$103,000,000. The loan from the City is the second subordinate loan. Assistant City Attorney Solomon said there would be one (1) mortgage and two (2) notes. Comment and discussion ensued on personal guarantees.

Commissioner Sorensen left the meeting at 4:46 p.m.

Mr. Flotz expounded on financing details, including the timing and

allocation of all Project loans and plans to ensure the Project is brought to market.

In response to Commissioner Glassman's question on ensuring what action would be taken with regard to the NWPFH CRA sunseting, Mr. Woods confirmed action is being taken, stating a subsequent entity is being created. Mr. Flotz commented that the other Project lenders would likely require that an entity be in place subsequent to the sunseting of the NWPFH CRA.

In response to Chair Trantalis' concerns, Mr. Woods explained details regarding NWPFH CRA revenue. Last fiscal year its revenue was \$13,000,000. The amount set aside for incentives was \$10,500,000. Further comment and discussion ensued on future NWPFH CRA revenue and allocation. Mr. Woods explained the anticipated amount in the NWPFH CRA prior to its sunseting would be between \$16,000,000 and \$21,000,000. Further comment and discussion ensued on ensuring NWPFH CRA area projects and goals that address urban blight are attained and that this Project attracts additional private investment and development. Mr. Woods expounded on the anticipated EDC and efforts to attract investment and development.

In response to Commissioner Glassman's questions related to the NWPFH CRA Meeting Minutes regarding the loan structure over time, Mr. Woods explained changes. In Fiscal Year 2020, the loan was reduced from \$2,000,000 to \$1,000,000. Mr. Woods explained details regarding how this would impact other projects in the NWPFH CRA pipeline. He confirmed that the developer fee is standard, explaining details related to the Project's size.

In response to Commissioner Moraitis' questions, Mr. Woods confirmed impact fees for CRA projects and projects in other areas of the City are the same. He explained the manner in which this Project's affordable housing was achieved through the awarding of additional height.

City Auditor Herbst commented on the Project performance and payment guarantee bonds (bonds), stating that the amount at risk for repayment is \$3,600,000. He explained details related to the total Project financing. The forgivable loan ensures the Project is completed.

Mr. Flotz said the City is also included under the bonds. Assistant City Attorney Solomon said if the primary lender requires bonds, the City would require that it also be included as a beneficiary under the bonds. Mr. Woods confirmed the City as a beneficiary under the bonds.

Vice Chair McKinzie introduced this Resolution which was read by title only.

ADOPTED

Aye: 4 - Commissioner Glassman, Vice Chair McKinzie, Commissioner Moraitis and Chair Trantalis

Excused: 1 - Commissioner Sorensen


ADJOURNMENT

Chair Trantalis adjourned the meeting at 5:09 p.m.



Dean J. Trantalis
Chair

ATTEST:



Jeffrey A. Modarelli
CRA Secretary