

City of Fort Lauderdale

City Hall
100 North Andrews Avenue
Fort Lauderdale, FL 33301
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Meeting Minutes - APPROVED

Tuesday, April 7, 2015

12:00 PM

**Joint Workshop with Northwest Progresso Flagler Heights
Redevelopment Advisory Board
City Commission Conference Room**

CITY COMMISSION WORKSHOP

FORT LAUDERDALE CITY COMMISSION

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

LEE R. FELDMAN, City Manager
JOHN HERBST, City Auditor
JONDA K. JOSEPH, City Clerk
CYNTHIA A. EVERETT, City Attorney

Meeting was called to order at 12:12 p.m. by Mayor Seiler.

ATTENDANCE ROLL CALL

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

Also Present: City Manager Lee R. Feldman, City Auditor John Herbst, City Clerk Jonda K. Joseph and City Attorney Cynthia A. Everett

Also Present: Northwest Progresso-Flagler Heights Redevelopment Advisory Board Chairman Steve Lucas and Board members Alan L. Gabriel, Sonya Burrows, Camille Hansen, Ron Centamore, Scott Strawbridge, John Wilkes, Dylan Lagi and Vice-Chair Ella Phillips (arrived momentarily)

Northwest Progresso-Flagler Heights Redevelopment Advisory Board Chairman Steve Lucas provided introductory remarks. He distributed a prioritized agenda broken into categories by status of the CRA, economic development, transportation and community development.

Lucas went on to say that the Board has made considerable progress since it last met with the Commission four years ago. There is a five-year spending plan in place and several projects to which funding has been committed. They wanted to ensure they had Commission support for necessary resources and to spend the remaining CRA funds.

Mayor Seiler noted that they are all aware of the pending sunset of the Board. Lucas confirmed that the Board considers short-term to be five years and long-term to be 10 years. A plan has been set forth for the next four years. He clarified for Mayor Seiler that they are doing five- and 10-year projects.

Deputy Director of Sustainable Development Al Battle said the purpose of the five-year plan is to set up an initial spending framework. After the initial five-year period expired, he communicated to the Board that a new version would be introduced. Commissioner Roberts noted that the plan would not be rolled forward but there would be demarcation. Mayor Seiler preferred to see a continuous five-year plan until expiration. Battle felt that the timing of such a conversation is appropriate. Some significant funding commitments have taken place over the course of the five-year plan. There is a \$14 million funding commitment to Northwest and Flagler Village areas until the expiration of the current plan to be used primarily for incentive programs and capital projects. About \$870,000 per year for the next 10 years will be committed to The Wave project.

Battle confirmed for Mayor Seiler that revenues were projected at about \$80 million but they need to factor in the impact of The Wave. Mayor Seiler suggested looking into funds available through 2025 to ensure that resources are allocated to the priorities. Lucas noted that the existing budget does not include two large projects on Federal Highway.

Board Member Alan Gabriel commented that the short-term plan recognizes that a lot of property is available in the Northwest Progresso CRA which is underutilized. Their long-term plan is to determine how to make that property usable. They have discussed making those properties available to developers. Mayor Seiler agreed that should be a priority.

Commissioner Trantalis pointed out that when they first started spending money in Flagler Village, it was to incentivize residential housing. As a result, private developers have come in without incentives

to participate in housing construction in the area. He questioned how the Board is proposing to incentivize projects and what should be done with the balance of the money over the next 10 years.

Board Member Dylan Lagi said they have been looking at business development and façade grants. Flagler Village already is on its way without the need for a boost from incentives. They are trying to use business grants and such to incentivize development to the west.

Commissioner Trantalis questioned whether the Board believes it is necessary to create an environment for an investor to bring their business to the west.

Vice-Mayor Rogers pointed out that a recent rezoning designation for Sistrunk Boulevard created an impediment for future development because there are numerous small lots. Assemblage takes time and effort and requires more than one interested party. Board Member Alan Gabriel advised that several years ago they looked into which lots were available along Sistrunk and to the west. The properties were identified but it never went anywhere. They looked at another area as having potential for a façade or business grant. People are not amassing properties.

Vice-Mayor Rogers noted that he automatically focuses on a particular artery or main street when considering development. Sistrunk has been improved and has some momentum. He has tried to make a correlation with South Andrews, but it has not taken off. There is a more unique situation (on Sistrunk because of the lot sizes, which may be an impediment to future development. There should be some discussion which could be facilitated by contacting property owners to determine their interest in assemblage.

Board Member Sonya Burrows stated that, in terms of revitalization, there are a lot of vacant buildings and people who want to bring their businesses to the Sistrunk corridor. There could be an incentive to get tenants in the existing buildings. She would like more emphasis on that rather than acquiring land and tearing down existing development.

Lucas said the Board is trying to balance resources with giving away build-outs to retail when there is nothing to support it. Successful retail exists in Flagler Village but there is housing there.

Board Member Scott Strawbridge questioned how market rate housing, which has been subsidized, can be identified as non-subsidized. Affordable housing is market-rate housing with a subsidy. Mayor Seiler noted that the occupant must be able to afford it. He was discussing subsidizing construction, not the annual expense. Vice-Mayor Rogers advised that before the market crash, a handful of projects were stalled but did well prior to that.

Commissioner McKinzie explained that he worked on several of the properties that were successful. Several entities – such as the Housing Authority, Housing Finance Authority, Community Development Block Grants and City Economic Development – created an environment for infill housing. Several developers built many of the newer homes in the area, some outside of the City boundaries. Homes were built at the standard construction rate. Those entities came in and assisted the buyer so that the mortgage was affordable. He felt that affordable housing on the northwest side is market rate for the area. He wanted to come up with a definition specific to a price range. Commissioner McKinzie agreed but wanted to define the initiative and a dollar range.

Commissioner Trantalis pointed out that previous discussion centered on how they could find a consumer with sufficient disposable income to locate in the Northwest. If they incentivize the developer by giving them a reason to build homes that attract middle-income buyers, that is where money should be spent. Commissioner McKinzie noted that every new house is occupied, not vacant, within the

neighborhoods.

Board Member Ron Centamore advised that perception becomes reality. The perception should be changed. In representing developers, they are looking for assurance that they can sell the product. The security issue is a commitment to the neighborhood. He referenced the "broken window theory" and noted the importance of Code Enforcement. The Board categorized City property in 2012 but follow-up is needed. Incentives include zoning that provides assurance that there will not be disproportionate structures in a particular area. Mayor Seiler advised that new zoning regulations for Sistrunk Boulevard provide that development will not be overburdened by giant high-rise buildings.

Commissioner Trantalis said that middle-income housing does not have to be single-family homes. New zoning laws recently were passed to provide for mid-rise structures along the Sistrunk corridor. If a village concept were created and developers are incentivized to create amenities that will attract a middle-income bracket, that will be the basis for the ability to patronize businesses along the corridor. There is not enough housing around the new shopping center in Regal Trace to justify additional businesses. He felt that multi-family housing concepts could be used at middle-income occupancy to bring the process forward. Commissioner McKinzie pointed out that in the rezoned area, there is a small portion where development was torn down. Beyond that there are homes and an area on Sistrunk which does not have the depth for massive projects. Opportunities for parking have been created along the corridor. He felt there were few opportunities for massive projects. Depth is needed.

Vice-Mayor Rogers suggested that there are two dynamics that warrant further study. If The Wave streetcar is going down Sistrunk, history and economics will show that it must be supported by a critical mass of people. Secondly, the Broward Boulevard Bridge will be raised 8 feet on the river, which opens up a whole new aspect of residential real estate that is very attractive. They may want to discuss the timing and come up with a concept of how it may look. Commissioner McKinzie reiterated his point that there are very few opportunities on the south side of the river. On the north side, every house is occupied except for two.

The City Manager advised that there are options for what can be done in a single-family residential neighborhood such as Sweeting Estates. The Community Redevelopment Agency (CRA) owns a relatively large tract of land. The City could put the land up as a piece of the development and the value of the land converts into a soft second mortgage. After a period of time, when an individual has full ownership, they want to ensure the home is not being flipped or used as a rental property outside the interim housing requirements. After about 10 years, the property value goes away and becomes equity. Mayor Seiler pointed out that can be done over time. The City Manager went on to say that in order to ensure market rate housing, financial assistance must sometimes be provided to first-time homebuyers. They may have disposable income to secure a mortgage but they may not have the required 20 percent. It should be looked at from both the development and occupancy stages. Commissioner Trantalis did not want it to be occupancy-restricted. The City Manager advised that income-restricted requirements do not govern CRA dollars. Commissioner Trantalis felt that method should also be applied to multi-family housing on Sistrunk. He agreed with Vice-Mayor Rogers that if transportation is to be made a reality along Sistrunk, the needed critical mass of population does not exist. Not only will they not be able to attract businesses to the area, but public transportation would be a non-starter.

The City Manager added that if they plan to open five- or 10-year programs, they should be realistic that the perception of middle school and, to some degree, elementary school in the CRA is still somewhat tainted. One option with limited CRA dollars is to potentially try and incentivize a charter school to come into the area. Mayor Seiler commented that it may be a better strategy to ask the School Board to up their game. There is a limited amount of money that should go toward stimulating economic development and a residential revival.

Commissioner McKinzie questioned the potential for bringing a maximum number of people to support The Wave, once density is created around the Jones site. Commissioner Trantalis pointed out that a consultant was hired to look into that matter. McKinzie commented that the numbers are not available. The limits could be extended to obtain a higher level of density.

Commissioner Roberts felt that factors for transit-oriented development are leveraged by making connected streets come to Sistrunk. Not everyone has to be on Sistrunk or 7 Avenue. This is an employment-based transportation system. Leverage can be used through things like connectivity and the Complete Streets plan. Funding is available. Mayor Seiler commented that The Wave crafted its route due to density. The Wave is not going east on Sistrunk and crossing into Victoria Park. There still must be operation pockets along The Wave route. Commissioner Roberts stated that transportation needs are different. Mayor Seiler advised there are only so many potential employees and potential users in a particular. If there is a multi-story, multi-family building within 100 feet alongside The Wave, there are 20 potential riders. Commissioner Roberts agreed but noted there is additional mass of people in the neighborhoods.

Commissioner McKinzie pointed out that prior to the zoning change there was a limit of 150 feet, but there was not enough depth to do projects. Mayor Seiler suggested that perhaps The Wave could go to 7 Street. People who live off Sistrunk want their quality of life and do not want the neighborhood encroached by high rises but they may not mind if The Wave turns at 7 Street. Vice-Mayor Rogers felt it would be partially driven by the market. Mayor Seiler added that a series of Sweetings Estates-type developments could be done throughout the northwest, and middle-class families would come back. There would be enough families to support the businesses on Sistrunk. The properties should be put into a pool for development and redevelopment; some will be residential. The Wave will not go all the way down Sistrunk. Density must be looked at.

Centamore said there are not many single-family rentals in the area. He felt that height and density could be achieved without encroaching on the single-family homes. He referenced a project related to sidewalks and landscaping, requesting that it be moved along on a faster track.

Alan Hooper, 421 North Andrews Avenue, said they should focus on incentivizing developers. That will help retail dramatically. If the single-family homes behind Sistrunk Boulevard are turned into townhomes, density would quadruple. They should not be worried about whether it is market rate or not. He did not want to lose focus on Flagler Village. US 1 is a huge retail district and advertisement driver for rental property. Density is very important, and it is necessary to find developers who were major players before the market crash and offer them incentives.

Lucas added that single-family housing is obviously not the way to density. Incentives are geared toward commercial and businesses. Some could be diverted. Mayor Seiler agreed; perhaps the commercial side is not as important as the residential side. Lucas confirmed that is the Board's consensus. Commissioner Trantalis noted that money could also be used for build-out expenses for existing properties and to help retailers who do not have the initial cash.

Sean Jones said the conversation has centered on the marketplace as it relates to the end user. He preferred a wholistic approach noting that some properties may be rentals or may be for sale. He supported getting the word out to developers that there are housing opportunities. He wished to see The Wave at some point come across the railroad tracks. It will open up the northwest to tourism. He felt it would be best to increase density in certain areas.

Lucas stated there is a sense to move forward on vacant properties, of which they compiled an inventory a few years ago. There are a lot of benefits to the community by moving faster and disposing of property. Mayor Seiler noted that the Commission needs the assistance of the Board. Those representing the Affordable Housing Advisory Committee have previously requested these properties be used for affordable housing. He encouraged them to take a more formal position. It should be heard repeatedly that there is a lot of public support for use of the properties in the CRA. Commissioner McKinzie agreed. Mayor Seiler hoped that within the next three months there would be a clear idea of what to do with the properties and that a substantial amount would go toward redevelopment.

Vice-Mayor Rogers advised that when the CRA was formed, there was a different set of circumstances. The Wave had not been conceived, and All Aboard Florida was not part of the equation. The transportation piece adds a new dynamic. He did not feel that a solid plan is in place. Commissioner McKenzie wanted to focus on the density issue and where people should be concentrated.

Centamore noted that density cannot continually be moved west without infringing upon what they desire the area to be. If they want it to be single-family or mixed-use townhomes, they cannot keep using density as a solution to the problem. Commissioner Trantalis felt that it is a reality. Vice-Mayor Rogers commented that the Commission has concluded The Wave will go to the airport. It makes sense for it to go down Sistrunk but there is a question of how far. They have had good discussion.

Alan Hooper reiterated the need for business incentives. He felt that they should be discussing how to recruit developers. He did not believe there were residential incentive programs in place. Mayor Seiler challenged the Board to put a plan in place to incentivize retail and residential development/redevelopment.

Sean Jones wished to discuss a moratorium on gas stations being built in the CRA. Mayor Seiler felt that a priority from today's discussion was incentive programs; he asked that the Board get back with the Commission on development and redevelopment.

Lucas noted that roughly \$250,000 has been approved for community development. Neighborhood associations are working separately on a marketing plan.

Board Member Dylan Lagi elaborated on the marketing strategies. Mayor Seiler noted that Fat Village is thriving and trendy, but Sistrunk Park across the way is underutilized. He questioned whether the park could be used in the marketing campaign to determine events or activities. Lagi advised that Sistrunk Park is not in the Flagler Village neighborhood.

Commissioner Trantalis said discussions are ongoing about the activation of Sistrunk Park. Once redevelopment occurs in Progresso, they will start to see a greater appreciation. While it may sit dormant today, the residents of the Northwest are seeing a new purpose for the park.

Commissioner McKinzie noted there is a small business activity planned for that park next month. Director of Sustainable and Economic Development Jenni Morejon advised that National Small Business Week is the week of May 4. A series of pop-up restaurants and retail establishments will be located at Sistrunk Park. An agenda will be rolled out shortly. There is a series of vacant land in the corridor from Federal Highway west to market all the business entities and spur some interest.

In response to Mayor Seiler, Deputy Director of Sustainable and Economic Development Al Battle said the City engaged the Urban Land Institute (ULI) to conduct a technical assistance panel (TAP) for the

Riverwalk and Uptown areas. They are still writing a preliminary report, which will be presented once staff reviews it. Mayor Seiler wanted on the front burner a rolling five-year budget, incentive plans (a proposal by this summer) and TAP plan. Commissioner Roberts felt that the ULI might have some information related to incentive issues.

Lucas provided closing remarks.

In response to Mayor Seiler, the City Manager noted that there is a property inventory but it may not include those within the CRA. Mayor Seiler felt that the properties should be prioritized. The City Manager advised that there are properties in the name of the City and properties in the name of the CRA. There seems to be a lot of property on the City and CRA rolls. When transferred to the private sector, they generate revenue, remove maintenance issues and can make a difference in neighborhoods. He would like to see the surplus property list at 10 percent of its current standing.

There being no other matters to come before the Commission, the meeting adjourned at 1:36 p.m.