

APPROVED
MINUTES
NORTHWEST PROGRESSO – FLAGLER HEIGHTS
REDEVELOPMENT ADVISORY BOARD
FORT LAUDERDALE
100 NORTH ANDREWS AVENUE
8th FLOOR CONFERENCE ROOM
MARCH 23, 2016 – 3:30 P.M.

Cumulative Attendance
May 2015 - April 2016

<u>Members Present</u>	<u>Attendance</u>	<u>Present</u>	<u>Absent</u>
Steve Lucas, Chair	A	9	1
Ella Phillips, Vice Chair	P	10	0
Jessie Adderley	P	8	2
Leann Barber	P	9	0
Sonya Burrows	P	10	0
Ron Centamore	P	9	1
Alan Gabriel	P	7	2
Mickey Hinton	A	4	5
John Hooper	P	9	2
Dylan Lagi	P	9	1
Steffen Lue	P	3	0
Dev Motwani (arr. 3:46)	P	5	0
Jacqueline Reed (arr. 3:56)	P	6	1
Scott Strawbridge	P	10	0
John Wilkes (arr. 3:45)	P	8	2

Currently there are 15 appointed members to the Board, which means 8 would constitute a quorum.

It was noted that a quorum was present at the meeting.

Staff

Jonathan Brown, Northwest CRA Manager
Bob Wojcik, Planner III
Sandra Doughlin, DSD/ECR
Thomasina Turner-Diggs, Project Coordinator
Monique Damiano, Public Information Officer
Mona Laventure, Recording Secretary, Prototype, Inc.

Communications to City Commission

None.

I. Call to Order / Roll Call

Vice Chair Phillips called the meeting to order at 3:36 p.m. and roll was called.

II. Approval of Minutes from February 24, 2016 Regular Meeting

Mr. Lagi noted a correction on p.3, paragraph 3: even with the approval of the City Manager as CRA Executive Director, he felt it would be best for the By-laws to present an option for either the City Manager or another individual to hold this position.

Motion made by Mr. Gabriel, seconded by Mr. Lagi, to approve [as corrected]. In a voice vote, the **motion** passed unanimously.

The following Item was taken out of order on the Agenda.

V. Slum & Blight Definition – Jonathan Brown

Mr. Brown explained that he wanted to ensure the Board is aware of the legislative intent of CRA funds as a means to eliminate slum and blight. Projects and activities funded by the CRA must address this legislative goal. From a Staff perspective, this means if a proposed or recommended activity cannot show an intent to eradicate slum and blight within the CRA, Staff must advise the Board that the activity does not meet the legislative intent of use of CRA funds.

Mr. Brown continued that for this reason, he has reviewed CRA projects, some of which have been recommended but are not yet underway, to ensure that these projects address the required legislative intent. If they do not, they may be brought back to the Board to make sure they tie into the elimination of slum and blight. He concluded that he will keep this requirement in mind when reviewing projects as they are proposed.

VI. Proposed New Incentives Program – Discussion – Jonathan Brown

Mr. Brown recalled that at the February meeting, there was discussion of adjustments or enhancements to current incentive programs. Suggestions from the Board, as well as from the community, were considered when drafting changes to these programs. He advised that questions regarding these incentives would be discussed at today's meeting, and if the Board feels it is necessary, they will be revisited in April in order to make sure the right changes are being made. The intent is for the programs to meet the needs and desires of individuals and groups that live and do business within the CRA.

Ms. Barber asked if individuals or businesses who meet the qualifying criteria for these programs would be provided with immediate access to funding, or if they must then go through another approval process. Mr. Brown explained that some programs or activities allow for immediate funding, while other programs that control larger amounts of money may need to come before the Advisory Board or even the CRA Board. He

clarified that façade, rehabilitation, or down payment assistance programs are not intended to come back before either advisory body.

Mr. Brown advised that the incentives presented are based on requests the CRA has received in the past, as well as discussions with Board members who felt past incentives were insufficient to stimulate projects.

Mr. Strawbridge commented that the proposed streetscape program refers to a focus area but does not describe or define this area. Mr. Brown clarified that this area includes Sistrunk Boulevard from 24th Avenue to the FEC Railway. He also noted that the Board may wish to expand this focus area.

Ms. Burrows recalled that at the February 24, 2016 meeting, it was stated that the Board would discuss budget items and the amended CRA Plan at the March meeting. Mr. Brown confirmed that these discussions would be held at the April meeting.

It was determined that the Board would hear the scheduled streetscape funding request from Quantum at Flagler Village at this time.

III. Streetscape Funding Request – Quantum at Flagler Village – Prime Group

Mr. Wojcik advised that Quantum at Flagler Village is requesting the maximum grant of \$500,000 through the streetscape program, which may provide up to 50% of the cost of improvements in the public right-of-way. The total cost of the proposed improvements is \$1,768,000, of which the requested funds would comprise roughly 28%.

Quantum at Flagler Village is a mixed-use project including a nine-story Marriott Courtyard Hotel, 337 luxury apartments, and 25,000 sq. ft. of ground floor retail. Proposed streetscape improvements include 22 on-street parallel parking spaces, decorative pedestrian lighting, tree grates with uplights, sidewalks, curbing, and utilities. The project area runs along Federal Highway from NE 5th Avenue to NE 7th and 8th Streets. It includes roughly 80% of all properties within the block. Improvements will be made along Federal Highway, NE 5th Avenue, and NE 7th and 8th Streets. NE 5th Terrace was shifted, including utilities, in order to accommodate the project.

The project has gone through the Development Review Committee (DRC) process and is estimated to be worth \$86 million when developed. It could bring in up to \$900,000 annually in tax increment revenue. Mr. Wojcik concluded that Staff recommends approval of the request.

Jim Dupre, representing the Prime Group, provided background information on the company, which is privately held and has developed projects in Sarasota, Marathon, Largo, and other Florida communities. He advised that their development typically

includes features that are above and beyond the requirements of individual brands, such as Marriott Courtyard.

Jorge Cepero, also representing the Prime Group, showed a PowerPoint presentation on the project, which includes a rooftop pool and street-level retail on 7th and 8th Streets. Mr. Dupre noted that the Prime Group has significant experience in developing mixed-use projects that have included hotels, condominiums, and churches.

There have been a number of requests from the Flagler Village community, including outdoor space and pedestrian engagement. The project will emphasize its frontage on 5th Terrace, which was relocated to accommodate the development. The building also includes a second frontage facing 5th Street. Sidewalks will be from a 7 ft. minimum to 20 ft. in some areas. A covered area allows pedestrian access to storefronts on the first floor.

Mr. Cepero continued that water and sewer utilities must be moved in order to relocate 5th Terrace. The roadway will be developed with appropriate width and drainage on both sides. Improvements include landscaping, sidewalks with pavers, benches, additional parking, and street and landscape lighting. More lighting will be added on Federal Highway as well to make the project pedestrian-friendly. Mr. Dupre emphasized the attention to community input during the development of the project.

Mr. Strawbridge asked what had drawn the Prime Group to invest in the Flagler Village area. Mr. Dupre replied that the Group has been watching the area redevelop, adding that he felt it can grow into one of the most popular areas within Fort Lauderdale.

Mr. Wilkes requested more information regarding the elements of the project that exceed the minimum requirements for the plan. Mr. Dupre noted the sidewalk pavers, landscaping, lighting, and overall capacity required by relocation of 5th Terrace. Mr. Cepero added that the extra width of the roadway is also an upgrade, as it provides a more pedestrian-friendly space that will attract customers for tenants. He also cited the landscape lighting, planters, and seating as amenities.

Mr. Strawbridge asked if the Prime Group has obtained financing for the project and whether or not that financing is contingent upon a contribution from the CRA. Mr. Dupre replied that CRA funding would constitute an important part of the project's financing, which has not yet been finalized. The project is expected to break ground within 30 days of issuance of the building permit. It is estimated that construction of the apartments will take roughly 18 months to two years to construct. The hotel can be constructed within one year.

Ms. Barber asked if an impact analysis has been done with regard to flood management, which is an issue in the area. Mr. Dupre stated that the City has reviewed

all aspects of the project. Mr. Cepero added that rainfall drainage is not allowed to flow onto the streets or other properties, but must be managed on-site.

Mr. Strawbridge observed that the project's development pattern will be different from past projects, including a base floor that is at least 1 ft. higher than previous developments, due to changes in flood regulations. Mr. Dupre added that the pedestrian lighting is required by the Florida Department of Transportation (FDOT). Mr. Lagi pointed out that streetscapes on US-1 are very dark at night, even along previously developed properties. Mr. Dupre stated that FDOT will not allow certain types of lighting, including street poles, in this location; however, 134 additional lights are provided throughout the project, including uplights on US-1.

Motion made by Mr. Gabriel, seconded by Mr. Lagi, to approve the grant as requested.

Mr. Strawbridge requested that Mr. Brown comment on how the project specifically meets the requirements of the CRA's goal to eradicate slum and blight. Mr. Brown read from a document stating the legislative intent of CRAs, clarifying that an area affected by slum and blight meets the following criteria:

- Constitutes a serious and growing menace;
- Injurious to the public health, safety, and welfare of residents;
- Contributes to the spread of disease and crime;
- Constitutes an economic and social liability, decreasing tax base and revenues;
- Impairs sound growth;
- Retards provision of decent housing accommodation;
- Aggravates traffic problems and traffic hazards.

He concluded that projects and activities that receive CRA funding must address one or more of the above items, and must meet the goals of the CRA Plan.

Mr. Wilkes noted that CRA contributions are intended to fund improvements over and above City requirements. He reviewed the cost worksheet for the project, stating that some improvements, such as underground water and sewer improvements and utilities, do not meet this criterion, while others, such as pavers and landscaping, are demonstrably above and beyond what is required by the City. He concluded that the project meets the criteria of the current streetscape program, and suggested that any revisions of this program include greater detail on the features the Board hopes to see in response to incentives. He concluded that the project will clearly have a very positive effect on tax revenue.

In a voice vote, the **motion** passed 12-1 (Ms. Barber dissenting).

The Board returned to the discussion of revised incentive programs, with Mr. Brown noting that the revised Commercial Façade Improvement Program clearly states the intent behind the program and identifies an area of focus in which better terms for the

program will be offered. He advised that the revised program would increase the funding available to a maximum \$125,000, taking costs, parking, pedestrian activity, and the shade canopy into consideration. This may require applicants to move windows and doors. If the project is not located within the primary focus area, the CRA may fund up to 90% as recommended by the CRA Board.

Mr. Brown continued that if the project is considered to be unique, it would come before the Board for approval. Within the focus area, the CRA may provide 100% funding of projects, with additional requirements for job creation and/or retention, restrictive covenants, and forgivable loans.

Mr. Strawbridge felt the Board should be able to recommend the percentage of funding provided, which could be up to 100% within the focus area. He also recommended a dollar threshold for Staff's ability to grant funds, and that the Board be made aware of any awards that are pending or have been made at every meeting. He pointed out that there has not been a consistent manner for the Board to keep track of grant funds issued in recent years. Mr. Brown agreed with these suggestions.

Vice Chair Phillips asked if there could also be a way for the Board to track employment stimulated by various projects. Mr. Brown replied that programs from the U.S. Department of Housing and Urban Development (HUD) allow up to \$35,000 for every job created and maintained, which would allow the Board to tie the amount of assistance to the number of jobs created. Staff can monitor programs to confirm job creation.

Mr. Motwani asked how much money the programs were capable of allocating in a given year. Mr. Brown stated that \$7.56 million is available in tax increment financing (TIF) revenue; however, these funds are also used for debt service and administrative and other costs.

Ms. Barber asked if businesses that have already participated in the existing façade improvement program could also apply for the revised program. Mr. Brown replied that these programs may not be limited if the CRA did not place earlier restrictions upon them, especially if the façade assists with redevelopment in the area.

Mr. Gabriel continued that he was not comfortable with Staff making most of the funding decisions for the program, as he believed the Board should review projects and determine whether or not they should be funded. Mr. Brown pointed out that Housing and Community Development Staff makes rebuilding decisions that do not require City Commission approval, with the exception of projects that come up mid-year. He advised that this allows for more timely spending of funds and prevents the City Commission from spending time reviewing projects that do not require additional approval. This allows the Commission to review projects that qualify for additional approval.

Vice Chair Phillips requested clarification of how the appropriate level of review for projects would be determined. Mr. Brown replied that if a façade project meets the established criteria, he would not seek to bring it before the Board; however, projects applying for significantly more funds through the streetscape or business improvement programs would be presented to the Board for approval.

Mr. Gabriel pointed out that this would allow businesses that received funds through the façade grant program in the past to apply year after year if they wished. He added that the maximum façade grant of \$125,000 is a significant amount, and noted that there is a history of residents questioning the CRA's function and spending.

Mr. Centamore also expressed concern with the possibility that previous recipients of façade grants could apply for additional funds through the proposed program. Mr. Wojcik noted that the original maximum grant for this program was \$20,000, which increased to \$40,000 in 2013.

Mr. Wilkes agreed that any allotments provided through the façade program, and perhaps all funding programs, should come before the Board. He suggested that using a consent agenda format could be useful, as members would have the option of pulling an item for additional discussion. He emphasized the importance of taking into account the restrictions and issues that may be raised by Board members. He also spoke in favor of establishing a time limit between applications in the event that previous recipients reapply to the program. Mr. Brown confirmed that Staff may place any restrictions the Board wishes on this and other incentive programs.

Mr. Strawbridge also agreed that most applications should come before the Board, adding that any applications approved by Staff alone should have a low dollar threshold. He recalled the Board's governance issues in the past and asserted that they should not be revisited. He also advised that Staff should make sure projects come before the Board in a timely manner.

With regard to local hiring, Mr. Strawbridge pointed out that while the Board has given a great deal of funding to developers, in the past they have not asked questions about those developers' hiring practices. He characterized this as a missed opportunity, and encouraged Mr. Brown to apply his HUD expertise to these projects in a way that will affect not only developers but the City's pre-approved contractors as well.

Mr. Brown noted that contractors for façade improvements up to \$125,000 do not typically need to hire new staff; however, he agreed with Mr. Strawbridge's proposal that new contractors could be added to the City's approved list, including women- and minority-owned businesses. He felt a local hiring requirement would be more appropriate for other incentive programs.

Ms. Burrows commented that few businesses in the Sistrunk area have applied to the façade program. She did not feel restricting the program from previous applicants would be a useful requirement, as the funds offered by previous iterations of the façade improvement program were very low and may have covered only one small improvement, such as repainting. She concluded that the revised program, which includes physical renovations to property, would be very different from previous façade programs.

Mr. Lagi requested more information on how a reimbursement program would function. Mr. Brown explained that if a business uses a City-approved contractor, CRA funds could be used to pay contractors directly without reimbursement, as some businesses may not be able to afford cash up front to make improvements. He further clarified that contractors must apply to the approved list and must have appropriate financial capacity to complete projects.

Ms. Barber stated that she did not feel it was productive to restrict the greater benefits of the program to a single area of focus, such as providing 100% of funds to businesses in the Sistrunk area but limiting the amount for which these businesses may apply. Mr. Brown advised that this could be done if it is the will of the Board. He explained that the lesser threshold of \$75,000 appears to be sufficient for most of the work the CRA would like to see done in that area. Ms. Barber concluded that she would be in favor of making more, not less, overall funding available to businesses in the focus area.

Ms. Reed requested clarification of whether or not previous grant recipients would be able to apply to the program again. Mr. Brown reiterated that the Board should maintain the requirements of the previous façade improvement program, although he noted that once the City has provided financial assistance with rehabilitation of housing, they do not assist the same client until the period of restrictive covenant has expired. He explained that a restrictive covenant holds property owners to certain business maintenance standards within a set term, such as five years. Mr. Brown concluded that if there were no requirements prohibiting re-application in the previous façade program, it may not be appropriate to institute these requirements in the new program.

Vice Chair Phillips agreed that properties should be considered on a case-by-case basis. Mr. Brown asserted that the program would be willing to assist every eligible business on Sistrunk Boulevard, provided they meet the requirements of the CRA Plan and the elimination of slum and blight.

Mr. Strawbridge suggested that determining if a façade grant applicant has previously received funding should be part of Staff's due diligence when bringing that applicant's request before the Board. He pointed out that new plans for improvements may be entirely different from previous plans. Vice Chair Phillips requested that a list of previous façade improvement program recipients be provided to the Board members. Mr. Brown cautioned, however, that denying applications for improvements, particularly within the

focus area, would be of no benefit to the CRA. He felt a “blank slate” approach to the program would be best, as the vision for Sistrunk Boulevard in previous years may differ from the current vision.

Mr. Centamore agreed that the CRA should provide assistance wherever possible, and recommended taking steps to speed up and streamline the application and approval processes. Mr. Brown agreed this was one goal of the revised programs, but noted the importance of maintaining the appropriate documentation to support funding decisions in the event of an audit.

Vice Chair Phillips asked if the Board felt they should take action today on the revised programs presented to them. Mr. Brown emphasized that there is no pressure on the members to make a decision today if they wished to review the programs further. He noted that the programs must ultimately be approved by the CRA Board as well as the advisory board members. There was agreement among members to take additional time to review the programs further and discuss them the following month.

Motion made by Mr. Strawbridge to send [the documentation] back to Staff and look at it again next month, and ask Staff to take the Board’s comments into consideration and come back with an updated draft that tries to incorporate some of those comments.

Mr. Brown recommended that instead of providing an updated draft, the Board should work with the document further and then incorporate the members’ comments before the program is presented for approval. Ms. Burrows suggested that members send their comments to Mr. Brown’s office via email before discussing the Item further on next month’s Agenda.

Mr. Strawbridge **withdrew** his **motion**.

IV. Tiger Grant Opportunity for NW 7th Avenue – TAM

Vice Chair Phillips advised that Item IV would not be heard at today’s meeting.

VII. Communication to CRA Board

Vice Chair Phillips reported that Board and Committee training will be held on May 19, 2016, at Hagen Park from 8:30 a.m. to 3:30 p.m. Registration is required and closes on May 13. She requested that this information be sent to all Board members.

VIII. Old / New Business

Mr. Brown noted that a continued discussion of incentive programs would be placed on the April Agenda. He asked if the Board wished to have a budget discussion at this meeting as well, or if the members preferred to discuss the budget at another time.

There was consensus that the discussion could begin at the April meeting and be continued at a later date.

Mr. Brown concluded that the April Agenda would also include a discussion of the progress of the Wave Modern Streetcar as an informational Item. Mr. Strawbridge stated that while he is supportive of the Wave, he would like the Board to have a more general discussion about transportation, such as a discussion of mass transit within the CRA. He recalled that representatives of the Downtown Fort Lauderdale Transportation Management Association (DFLTMA) made a presentation at a recent Board meeting regarding changes to their route within the CRA, and asked if funds have been allocated to this agency.

Mr. Brown replied that money has been allocated to the DFLTMA, but is currently on hold, as the Board did not vote to approve the allocation. He noted that the CRA Board has approved this funding. The DFLTMA is currently not receiving any funding from the CRA, although funds were set aside for them, and the route has not been modified as previously presented to the Board. Mr. Brown added that transit funding must also be tied to the elimination of slum and blight in order to meet CRA requirements. It was determined that follow-up on the DFLTMA would be placed on a future Agenda.

Annemarie Sorrell, representing the Mosaic Group, showed a PowerPoint presentation and provided a handout to the members. Mosaic is still waiting for its proposed branding changes to go before the CRA Board before they may be officially launched. Mr. Brown advised that the item is on the CRA Board's April 5 Agenda.

Ms. Sorrell continued that the Mosaic Group has met with each neighborhood, as well as with CRA Staff, to discuss concerns related to marketing and communication. A Mosaic team member will attend monthly meetings to meet with a Flagler Village communications committee and gather information prior to events, initiatives, or new development or retailers. This will help Mosaic promote that information on the CRA website. Based on the proposed advertising budget, funding could be provided to have an individual assist this committee with day-to-day communications. The Mosaic Group has also met with the Progresso Village Civic Association and is working to develop information for the upcoming newsletter.

A business improvement event is scheduled with other cities, and they hope to include the Fort Lauderdale Village District in the event, which includes meeting with local, regional, and national developers. A tour of the area is planned for Friday, April 22, 2016.

Ms. Sorrell continued that a draft invitation to Small Business Week has been prepared and will be marketed to local businesses as soon as possible. A kickoff event is scheduled for May 5, followed by a small business conference. For Small Business

Saturday, a central location would be designated at Sistrunk Park to highlight small businesses within the community.

She concluded that Mosaic has submitted a nomination for the Urban Land Institute Project of the Year Vision Award, and will cover the unveiling of a historical monument for inclusion in the newsletter. Board members were asked to attend the April meeting for a group photo.

Monique Damiano, representing the City's Public Affairs Office, stated that she is seeking nominations for Citizens' Recognition Awards, which recognize citizens who achieve exceptional things for the betterment of the City. The awards include Citizen of the Year, Distinguished Citizen, and Honored Founder. Nominations are due April 15, 2016, and may be made at www.fortlauderdale.gov/ccr.

IX. Adjournment

There being no further business to come before the Board at this time, the meeting was adjourned at 5:52 p.m.

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

[Minutes prepared by K. McGuire, Prototype, Inc.]