



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
CRA BOARD MEETING

#16-0456

TO: CRA Chairman & Board of Directors
Fort Lauderdale Community Redevelopment Agency

FROM: Lee R. Feldman, ICMA-CM, Executive Director

DATE: June 7, 2016

TITLE: Motion to Approve a Community Redevelopment Agency Streetscape Funding Agreement with Flagler Village Land Trust, Steven B Greenfield Trustee for The Quantum at Flagler Village Project - \$500,000.00

Recommendation

It is recommended that the Community Redevelopment Agency (CRA) Board of Directors approve a Streetscape Grant to Flagler Village Land Trust, Steven B Greenfield Trustee in the amount of \$500,000.00, and authorize the Chairman and Executive Director to execute an agreement for the Quantum at Flagler Village project located at 701 N. Federal Highway.

Background

Flagler Village Land Trust, Steven B. Greenfield, Trustee is requesting a Streetscape Grant for the Quantum at Flagler Village located at 701 N Federal Highway (between North Federal Highway, NE 5th Avenue, NE 7th Street and NE 8th Street) in the Flagler Village portion of the Northwest-Progresso-Flagler Heights Community Redevelopment Area, (NPF CRA). The request is for \$500,000 which is approximately 28% of the total cost of streetscape improvements of \$1,768,980. A copy of the Location Map is attached as Exhibit 1 and Broward County Property Appraiser Information is attached as Exhibit 2. A copy of the Request for Funding/Application is attached as Exhibit 3.

The project is being developed by Prime Group, based in Hollywood Florida, who have developed various hotel, multi-family, retail and mixed use projects in the area including Portofino Plaza in Homestead, Florida, a 90,000 SF office and retail project, Villa Portofino East in Homestead which includes a Hampton Inn and Courtyard Marriott Hotel, the Marriott Fairfield Inn on Atlantic Avenue in Delray Beach, and other retail, multi-family and hospitality projects throughout Florida.

The Quantum Flagler Village is a mixed use project that includes a 137 room 9 story Marriott Courtyard Hotel on Federal Highway with a bistro restaurant in the lobby, a fitness center, event space and a rooftop pool, 337 luxury apartments in a multi-family community consisting of two eleven story towers, a five story parking garage with a green wall, and 25,000 square feet of ground floor retail. The 3.45 acre site fronts N. Federal Highway, NE 7th Street, NE 5th Avenue, NE 8th Street and NE 5th Terrace (which

is being relocated slightly north of its location).

Streetscape improvements include 22 on-street parallel parking spaces, landscaping, decorative pedestrian level lighting along NE 8th Street, NE 5th Avenue and NE 5th Terrace, NE 5th Ave and NE 7th Street, landscape well lights in tree grates and up-lights along the streets, new sidewalks, curbing, pavers, relocating and upgrading utilities and street resurfacing. A list of construction items and associated pricing for improvements under this agreement are outlined in detail as an exhibit of the Streetscape Agreement attached as Exhibit 4. The project has received development review (DRC) approval under Case R15001 and the developer expects to break ground once this funding request is approved.

The Developer's request for funding is consistent with past approved funding requests under the Streetscape Grant Program which was one of the four incentives approved by the CRA Board at their meeting of October 15, 2013 in conjunction with approving the CRA Five Year Strategic Plan. The maximum grant under this program is 50% of the cost of improvements not to exceed \$500,000. The grant funds are disbursed on a reimbursement basis upon completion and acceptance of the streetscape improvements by the City of Fort Lauderdale when the project receives a Certificate of Occupancy. The funding request is for \$500,000 (28% of the total cost of the capital improvement) with a total capital improvement cost of \$1,768,980. The NPF CRA Advisory Board recommended approval of this funding request at their meeting of March 23, 2016. A copy of the draft minutes of the March 23, 2016 NPF CRA Advisory Board meeting are attached as Exhibit 5.

For reference, the Streetscape Grant Program has been utilized since 2001 as a tool to leverage private capital investment into the NPF CRA and in turn produce a significant tax increment return on investment. To date the CRA has issued 12 Streetscape Grants.

The projected capital investment of the Quantum at Flagler Village is placed at approximately \$86 million. The current assessment of the property is \$8,754,480. Therefore based on the assumption of an 11.65 millage rate, the project is estimated to generate up to \$900,000 of tax increment revenues for the CRA in the first year after completion.

Consistent with past streetscape grants of over \$300,000 approved by the CRA Board, CRA funds will be used to reimburse for authorized construction cost 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 the administrative procedures established and expressly set forth in a chapter, 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(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. Staff believes this work is proprietary as outlined under the Code of Ordinances of the City of Fort Lauderdale (Code). A copy of the advertisement as required by the Florida Statutes has been attached s Exhibit 6.

Consistency With the NPF CRA Community Redevelopment Plan

The project is consistent with the NPF-CRA Community Redevelopment Plan by providing upgrades and improvements to infrastructure within the Flagler Village area to induce private investment and support development, increased densities and intensities of use and mixed use development, and by providing incentives for quality development. In addition, the CRA Five Year Strategic Plan recommends that the CRA invest in development projects that improve the quality of life, create job opportunities for area residents, promote sustainability, promote public/private partnerships, and enhance tax increment revenues for redistribution and investment in the redevelopment area.

Resource Impact

An amendment to the Fiscal Year 2016 budget is needed for a capital project transfer from P12095 (Flagler Village Train Station TOD) to P12194.347 (Quantum Streetscape). The budget amendment is contingent upon approval of a Consolidated Budget Amendment scheduled for the June 7, 2016, regular City Commission Meeting

Transfer From:					
Funds available as of May 20, 2016					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	PURCHASE AMOUNT
347-P12095.347-6599	Flagler Village Train Station TOD	Capital Outlay/Construction	\$2,452,465.00	\$2,452,465.00	\$500,000.00
PURCHASE TOTAL ►					\$500,000.00

Transfer To:					
Funds available as of May 20, 2016					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	PURCHASE AMOUNT
347-P12194.347-6599	Quantum Streetscape	Capital Outlay/Construction	\$0.00	\$0.00	\$500,000.00
PURCHASE TOTAL ►					\$500,000.00

Strategic Connections

This item is a *Commission Annual Action Plan* priority, included within the Policy Agenda, advancing the Northwest Progresso Flagler Heights CRA – Capital Improvements and Housing strategy.

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within the Neighborhood Enhancement Cylinder of Excellence, specifically advancing:

- Goal 7: Be a well-positioned City within the global economic and tourism markets of the South Florida region, leveraging our airports, ports and rail connections.
- Objective 2: Facilitate a responsive and proactive business climate.
- Initiative 1: Evaluate and expand our existing portfolio of business attraction Incentives.

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

Attachments

Exhibit 1 – Location Map

Exhibit 2 – Broward County Property Appraiser Information

Exhibit 3 – Developers Funding Application and Request for Funding

Exhibit 4 – Streetscape Agreement

Exhibit 5 – Approved March 23, 2016 NPF CRA Advisory Board Minutes

Exhibit 6 – Newspaper Advertisement

Prepared by: Bob Wojcik, AICP - Economic Reinvestment Coordinator

NPF CRA Manager: Jonathan Brown, Fort Lauderdale Community Redevelopment Agency