#16-0556

TO: CRA Chairman & Board of Commissioners

Fort Lauderdale Community Redevelopment Agency

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

DATE: June 7, 2016

TITLE: Proposed Incentives for the Northwest Progresso Flagler Heights

Community Redevelopment Agency (NWPF CRA)

Recommendation

It is recommended that the CRA Board of Commissioners approve the proposed CRA Incentives and decide whether the incentives will include certain recommendations from CRA staff or those from the NWPF Advisory Board.

Background

CRA staff presented new incentives and incentive revisions to the NWPF Advisory Board on March 23, 2016. Since then we have discussed what incentives at length, some things staff and the Advisory Board agree on and other things we did not.

The general things that we did not agree on and that we need direction on are as follows:

- **1. Staff Authority Level –** for the Commercial Façade, Housing Rehabilitation and Purchase Assistance Programs
 - Staff requests that the aforementioned programs be approved at the staff level, if the request meets the approved program guidelines.
 - The Advisory Board would like all requests that exceed \$50,000 for these programs to be brought to them for recommendation and the CRA Board for final approval.
- **2. Focus Area –** Sistrunk Boulevard between NW 24th Avenue and the FEC Railway, including one block north and south of Sistrunk Boulevard; as well as, 9th Avenue (between Sunrise Boulevard and Broward Boulevard), and 7th Avenue (between Sunrise Boulevard and Broward Boulevard)
 - Staff does not want to include a dollar-for-dollar match requirement for façade, streetscape or the property and business improvement program projects within the Focus Area. Staff would prefer this be determined upon recommendation of the Advisory Board and approval by the Commission on a case-by-case basis.

 The Advisory Board would like to require a dollar for dollar match on the Streetscape program for all applicants regardless of where the work will take place.

3. Contractor Preference

- Staff recommends using an invitation to bid (ITB) process where the contractors
 on the Housing and Community Development (HCD) and CRA approved list be
 used where appropriate. Additionally, staff recommends that on all construction
 related opportunities where a bid is issued by the developer, that our contractors
 be invited to bid.
- The Advisory Board does not want to use an ITB process; they want to use a
 process where the construction opportunity is not awarded to the lowest most
 responsive bid. They would like to have a competitive scoring process where
 contractors that are located in the CRA and/or City is awarded more points in the
 selection process.

The more specific items that we need CRA Board direction on are listed below.

Over the past few years, the NWPF CRA was using four (4) incentives to provide assistance to the community. Those incentives are Commercial Façade, Business and Property Improvement, Streetscape and Property Tax Reimbursement. As we reviewed each of those programs, the following enhancements are recommended:

1. Commercial Façade Improvement Program:

This is an existing CRA approved programs. Enhancements to the program include the following:

- An identified Focus area.
- Requirement of a dollar for dollar match for projects outside of the Focus Area
- Additional eligible projects costs such as lighting, shade canopy, sidewalks, signage and parking lot,
- Added a possible job creation or retention requirement,
- Added obligations and covenants to the applicant, and
- Added special conditions.

The CRA Board's direction is needed for the following:

There was discussion with the Advisory Board as to whether or not "equity investment," should include the land owned by the applicant. If so, the land could be used in lieu of any cash match requirements within the Commercial Facade Program?

Does the CRA Board want to allow the land owned to be part of an applicant's equity investment?

2. Property and Business Improvement Program:

This is an existing CRA approved programs. Enhancements to the program include the following:

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- An identified Focus area,
- Requirement of a dollar for dollar match for projects outside of the Focus Area,
- Expanded the eligible project and included kitchen/restaurant related costs,
- Added a possible job creation or retention requirement,
- Added obligations and covenants to the applicant, and
- Added special conditions.

The Advisory Board made a few motions, but nothing passed. As a result, there was no affirmative vote to approve or deny the recommended changes. However, staff supports the recommended changes.

3. Streetscape Enhancement Program:

This is an existing CRA approved programs. Enhancements to the program include the following:

- An identified Focus Area,
- Requirement of a dollar for dollar match for projects outside of the Focus Area,
- Inclusion of CRA owned land being added as a possible incentive,
- Expanded the eligible project cost,
- Added a possible job creation or retention requirement,
- Added obligations and covenants to the applicant, and
- Added special conditions.

The Advisory Board and staff support the incentive program and the recommended changes.

4. Property Tax Reimbursement Program:

This is an existing CRA approved incentive program. Enhancements to the program include the following:

- Clarified that the eligible business has to contributing to the tax roll,
- Added a requirement for substantial renovation,
- Clarified what portion of the increment financing is eligible for reimbursement, and
- Added special conditions.

The Advisory Board and staff support the incentive program and the recommended changes.

In addition to the existing CRA Incentive Programs, staff proposes that we add three (3) new incentive programs, which are as follows:

1. Development Incentive Program:

This new CRA incentive provides the CRA Board with the ability to combine incentives in furtherance of development, if the project represents an total investment / total project cost of five (\$5,000,000) million dollars or more and creates a significant economic engine or destination project in the CRA.

The Advisory Board and staff support the new Development Incentive Program.

2. Residential Rehabilitation Program:

This new incentive allows the CRA to enhance the residential properties by correcting code violations and addressing a properties health and safety issues, such as electrical, plumbing, roofing, windows, ac/heating and structural items including emergency repair.

The Advisory Board and staff support the new Residential Rehabilitation Program.

3. Purchase Assistance Program:

This new incentive allows the CRA to provide assistance to for profit and not for profit organizations to construct single family homes on CRA and/or City owned infill housing lots. The assistance provided will be passed on as a subsidy to the eligible family when they purchase the single family home.

The Advisory Board and staff support the new Purchase Assistance Program.

Resource Impact

There will be no fiscal impact with this CAM.

Strategic Connections

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

- Goal 5: Be a community of strong, beautiful and healthy neighborhoods.
- Goal 6: Be an inclusive community made up of distinct, complementary, and diverse neighborhoods.

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

Attachment:

Exhibit 1 – CRA Proposed Incentives

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