

City of Fort Lauderdale

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



Meeting Minutes - DRAFT

Tuesday, November 1, 2016

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***

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

***LEE R. FELDMAN, Executive Director
JOHN HERBST, City Auditor
JEFFREY A. MODARELLI, Secretary
CYNTHIA A. EVERETT, General Counsel***

ROLL CALL

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

QUORUM ESTABLISHED

Also Present: Executive Director Lee R. Feldman, City Auditor John Herbst, Secretary Jeffrey A. Modarelli, General Counsel Cynthia A. Everett, Community Redevelopment Agency (CRA) Beach Area Manager Don Morris, Jonathan Brown Community Redevelopment Agency (CRA) Northwest Progresso Flagler Heights (NWPFH) Area Manager, and Sergeant At Arms Jeffrey Newman

CALL TO ORDER

Chair Seiler opened the Community Redevelopment Agency (CRA) Board Meeting of November 1, 2016, at 7:41 p.m.

APPROVAL OF MINUTES AND AGENDA

M-1 [16-1288](#) Minutes for September 20, 2016, Community Redevelopment (CRA) Board Meeting and October 5, 2016, Community Redevelopment (CRA) Board Meeting

Commissioner Roberts made a motion to approve the minutes of Community Redevelopment Agency Board of September 20, 2016, and October 5, 2016, and the agenda. This motion was seconded by Vice Chair Trantalis.

APPROVED

Aye: 5 - Commissioner Rogers, Commissioner Roberts, Vice Chair Trantalis, Commissioner McKinzie and Chair Seiler

MOTIONS

M-2 [16-1305](#) Motion to Approve Funding Agreements between the Fort Lauderdale Community Redevelopment Agency and 315 Flagler, LP for the Flagler Village Hotel located at 315 NW 1 Avenue Streetscape Program - \$329,933 - Property Tax Reimbursement Program - \$1,711,020

Chair Seiler opened up the public hearing on this item.

Chair Seiler recognized Jonathan Brown, Area Manager, Northwest Progresso Flagler Heights Community Redevelopment Agency (NWPFH CRA), who gave an overview of the details of this item. Mr. Brown noted that this is the first of the two incentive requests under the revised incentives approved by the CRA Board in June 2016. Mr. Brown also acknowledged that this item's incentives are for a hotel project by the developer, Dev Motwani, and are comprised of a streetscape and reimbursement of property taxes on a sliding scale over five years.

Mr. Brown confirmed that the hotel project must be completed before these incentives take effect. Chair Seiler confirmed the incentives would take place a full year following the receipt of a certificate of occupancy for the hotel property. Mr. Brown stated his project's incentives include a job creation component. The developer is committing to creating a minimum of 15 jobs that will be maintained over a five-year period. Discussions and questions continued regarding the monitoring of job creation and maintaining those positions over a five-year period. Mr. Brown stated there will be both an annual report to monitor job creation and maintaining them as well as cross-default language in the agreements that would allow the City to recoup its incentives should the requirements of the incentives not be met.

Vice Chair Trantalis asked about the size of the project and the project's cost. Nectaria Chakas, Esq., speaking on behalf of the developer, Dev Motwani, stated the cost will be approximately \$35,000,000 - \$40,000,000 (for construction costs only).

Commissioner Rogers asked Mr. Brown about the project's incentive for streetscape improvement funding should not all of these funds be spent. Mr. Brown stated this incentive ensures the project's completion. He also noted that upon the CRA Board's approval, these incentive funds would be committed during each budget year's annual appropriations.

At the request of Chair Seiler, City Auditor John Herbst confirmed he is comfortable with this arrangement.

Executive Director Feldman clarified that the City will be reimbursing or rebating the Tax Increment Financing (TIF) portion of the property taxes in the given year, not the current property taxes levied on the property today. Executive Director Feldman further elaborated on this point which was followed by further comments and discussions.

Vice Chair Trantalis asked Mr. Brown at what point should the City stop giving incentives in Flagler Village. Mr. Brown acknowledged that the

CRA Board has indicated there needs to be more focus on the Progresso Northwest CRA area and the need for quality projects no matter where they are located. Further discussions ensued on a timetable to direct more funds into the targeted areas of the Progresso Northwest area and the Sistrunk Corridor.

Mr. Brown noted this Tax Incentive has a cap of \$1,700,000 over five years based on what the property will generate in TIF dollars over five years. Additional discussions continued among the CRA Board.

Executive Director Feldman stated that the terms and conditions language have been under revision during the day today, and the current agreements include revised language. General Counsel Cynthia Everett passed out copies of these two revised documents to each member of the CRA Board.

Copies of the two redlined revised agreements (the Property Tax Reimbursement Agreement and the Development of the Streetscape Enhancement Program) handed out by General Counsel Everett are attached to these minutes.

Chair Seiler recognized Assistant City Attorney Lynn Solomon who addressed the Commission giving them an overview and explanation of the revisions and modifications to these agreements. Ms. Solomon stated the modifications are in the redlined agreements attached to these minutes. Questions and comments from the Board continued and Ms. Solomon answered each inquiry giving specific examples and citing the relevant criteria.

Ms. Chakas, attorney for the applicant, addressed questions from Commissioner Rogers regarding insurance issues in the Property Tax Reimbursement Agreement stating they had used the language in the Streetscape Agreement for the purpose of consistency and it was previously accepted by the CRA Board. Ms. Solomon agreed with Commissioner Roger's comments and stated she would revisit this item with Ms. Chakas.

Secretary Modarelli stated for the record that the Resource Impact portion of the memo regarding this item had been revised.

There being no one else wishing to speak on this item, Vice Chair Trantalis made a motion to close the public hearing, which was seconded by Commissioner Roberts. Roll call showed: AYES: Commissioner Rogers, Commissioner Roberts, Vice Chair Trantalis,

Commissioner McKinzie and Chair Seiler. NAYS: None.

Commission Roberts made a motion to approve this item subject to the review and approval by the City Attorney's Office by 5:00 p.m. on Tuesday, November 8, 2016, which as seconded by Commissioner McKinzie.

APPROVED AS AMENDED - Subject to City Attorney approval by Tuesday, November 8, 2016 at 5 p.m.

Aye: 5 - Commissioner Rogers, Commissioner Roberts, Vice Chair Trantalis, Commissioner McKinzie and Chair Seiler

M-3 [16-0912](#)

Budget Amendment - Appropriation of \$ 26,373,498.22 to the Las Olas Boulevard Corridor Improvement Project

Chair Seiler recognized Donald Morris, Beach Community Redevelopment Area (CRA) Manager. Mr. Morris stated this item assists the CRA in addressing item number eleven of the CRA Operational Audit.

Mr. Morris outlined the background of this budget amendment item stating it was for the transfer of funds from twelve existing projects within the Beach CRA's Capital Improvement Projects (CIP's) in the amount of \$26,373,498.22 to the Las Olas Boulevard Corridor Improvement Project. Mr. Morris also stated that at the January 2017 CRA meeting they will be bringing a request to transfer a portion of this year's Tax Incentive Financing (TIF) for the balance of the CRA's portion of the project. Mr. Morris stated this is necessary to cover the CRA's portion of the funding requirements of \$45,000,000 for the construction costs of the Las Olas Boulevard Corridor Improvement Project.

Mr. Morris outlined the funding of the \$45,000,000 Las Olas Boulevard Corridor Improvement Project would be funded from two sources:

\$32,000,000 from the Beach CRA; and

\$13,000,000 from a Parking Revenue Bond.

Mr. Morris stated both the CRA Board and the Beach Redevelopment Advisory Board (BRAB) voted to approve EDSA's 60% plans with modifications to the proposed parking garage at the meeting held in May 2016. They also approved City Staff's recommendation to transfer funding from existing CRA funded CIP projects to the proposed Las Olas Boulevard Corridor Improvement Project.

Additional discussions continued on the list of funding transfers of

existing CIP projects in the Beach CRA to the Beach CRA's Las Olas Boulevard Corridor Improvement Project. Future revenue projections for the remaining Beach CRA projects that the CRA Board will need to prioritize before the sunset of the Beach CRA was also discussed. Mr. Morris stated this is being done so the City will not have to pursue financing of the proposed Las Olas Boulevard Corridor Improvement Project.

Chair Seiler asked both City Auditor Herbst and General Counsel Cynthia Everett if they have reviewed this item. Both City Auditor Herbst and General Counsel Cynthia Everett concurred that they had reviewed this item and had no issues with this item's budget amendment transfer.

Commissioner Rogers asked if this project can be completed in three years and Mr. Morris confirmed it would be completed within three years.

Mr. Morris stated that in January 2017, the Beach CRA will bring a Guaranteed Maximum Price (GMP) contract with the Skanska Construction Company to the CRA Board for approval. He stated the City would be breaking ground on the Las Olas Boulevard Corridor Improvement Project thereafter. Mr. Morris further stated the Beach CRA would not be closing any of its projects until it receives the CRA Board's list of priority projects.

Vice Chair Trantalis moved to approve this item which was seconded by Commissioner Rogers.

APPROVED

Aye: 5 - Commissioner Rogers, Commissioner Roberts, Vice Chair Trantalis, Commissioner McKinzie and Chair Seiler

ADJOURNMENT

There being no additional business before the CRA Board, Chair Seiler adjourned the meeting at 8:21 p.m.

John P. "Jack" Seiler
Chair

ATTEST:

Jeffrey A. Modarelli
Secretary