

**DRAFT**  
**MEETING MINUTES**  
**NORTHWEST PROGRESSO – FLAGLER HEIGHTS**  
**REDEVELOPMENT ADVISORY BOARD**  
**FORT LAUDERDALE**  
**CRA CONFERENCE ROOM**  
**914 NW Sistrunk Boulevard, Suite 200**  
**JANUARY 9, 2017 – 5:30 P.M.**

**Cumulative Attendance**

**May 2016 - April 2017**

<b><u>Members Present</u></b>	<b><u>Attendance</u></b>	<b><u>Present</u></b>	<b><u>Absent</u></b>
Ron Centamore, Chair	P	8	0
Sonya Burrows, Vice Chair	P	8	0
Jessie Adderley	A	5	3
Leann Barber	P	7	1
Alan Gabriel	A	6	2
John Hart	P	3	1
Mickey Hinton	A	6	2
John Hooper	P	5	3
Dylan Lagi	P	8	0
Steffen Lue	P	5	3
Scott Strawbridge	P	7	1
John Wilkes	P	7	1

Currently there are 12 appointed members to the Board, which means 7 would constitute a quorum.

**Staff**

Jonathan Brown, Northwest CRA Manager  
 Vanessa Martin, CRA Business Manager  
 Sandra Doughlin, DSD/ECR  
 Bob Wojcik, Planner III  
 Glendon Hall, Housing and Economic Development Manager  
 Thomasina Turner, CRA Coordinator

**Communications to City Commission**

None.

**I. Call to Order / Roll Call**

Chair Centamore called the meeting to order at 5:40 p.m.

**II. Approval of Minutes from November 29, 2016 Regular Meeting**

**Motion** made by Mr. Hooper, seconded by Mr. Strawbridge, to approve. In a voice vote, the **motion** passed unanimously.

Mr. Brown reported that since the December 2016 Board meeting, the CRA Board has decided to defer discussion of the Mosaic Group to their first meeting in February 2017. At the December meeting, the Board requested that Mosaic provide greater detail about their scope of work, which Mosaic has since provided.

Staff plans to work further with Mosaic to finalize both a scope of work and a price consistent with the remainder of their contract. Mr. Brown continued that there are some concerns, as some of the items on which the Mosaic Group was working with CRA neighborhoods may not be completed within the remaining time frame.

Ms. Burrows asked if the CRA Board was aware that Mosaic had planned to roll out new branding for the Sistrunk Corridor in February 2017. Mr. Brown confirmed that the CRA Board was informed of these plans. He added that City Manager/CRA Executive Director Lee Feldman had expressed concern that Mosaic must have sufficient time to complete the items listed in the scope of work.

Mr. Brown continued that the possibility of transferring ownership of City-owned lots located within the CRA to the CRA itself went before the CRA Board, which opted to sell the lots to the CRA at cost. The information on this Item presented to the Board in December 2016 had included three potential cost figures:

- City's current costs, totaling just over \$447,000
- Broward County Property Appraiser's (BCPA's) value, which totaled just over \$1 million
- Appraised value, totaling \$2.3 million

The CRA Board has recommended that the CRA go to the City Commission to request these lots at cost plus \$3000 per lot, which would come to approximately \$615,000. They did not wish to transfer or sell any of the commercial lots within the CRA, but focused solely on residential lots.

Mr. Brown advised that Executive Director Feldman had discussed this issue further with the CRA's District Commissioner, as developers have expressed interest in some of the commercial lots. He proposed that the CRA address this issue on a lot-by-lot basis. CRA Staff has been advised to purchase the lots from the City and have developers purchase the lots from the CRA at the same cost.

The benefit of purchasing the lots is that the CRA will then have control of the projects to be developed on them. Other entities have expressed interest in individual City-owned lots as well. The developer is willing to pay the appraised value for three lots. This will also be discussed further at the next meeting.

Mr. Brown stated that he has asked interested developers if they would like the lots themselves as incentives or if they would prefer to return to the CRA for alternative incentives. At present, the developers have indicated they would prefer to purchase the lots and come back to the Board for incentives.

It was clarified that the residential lots the City Commission has offered the CRA are the 58 lots listed in the previous month's backup materials. CRA Staff has not yet approached the CRA Board regarding the possible purchase of commercial lots. The sale of lots must be approved at two public hearings. Mr. Brown estimated that final approval would be given by the end of February 2017.

Mr. Brown continued that a CRA Open House is scheduled for January 24, 2017 at 5 p.m. The community is invited to attend this event. He emphasized the need to discuss current business incentive programs in order to make the community aware of them, as well as preliminary discussion of residential incentive programs. Because the CRA would not be paying full value for the residential lots, discussion will continue regarding whether or not the lots may be donated to developers for specific projects.

Mr. Brown advised that the residential incentive program will seek to encourage construction of houses that people will want to live in, rather than the "cookie-cutter" homes often built by nonprofit housing organizations. He felt putting the lots out for RFP and donating them to the successful bidder would achieve this goal.

He continued that the CRA is committed to holding Open House events on a monthly basis, or at least as often as possible. With this in mind, he recommended that the Board return to its previously agreed-upon meeting date of the second Tuesday of each month. The meeting may begin as early as 1 p.m. and the Board may remain there as late as 6:30 p.m. CRA Open Houses will be held during evening hours so input from the community may be heard.

Chair Centamore added that future meetings may limit guest presentations to approximately 10 minutes each in order to conserve time. He also recommended that funding requests be placed at the top of future Agendas, as these requests may be time-sensitive, while discussion items may be postponed if necessary.

It was determined by consensus that meetings would be scheduled for 3:30 p.m. on the second Tuesday of each month.

Mr. Brown reported that under the CRA Plan, three surface parking lots are to be constructed on CRA property on Sistrunk Boulevard. He anticipated bringing plans for these lots back to the Board for discussion once the City's Department of Transportation and Mobility, Urban Design and Planning, and DSD complete plans with the necessary

requirements for parking lots. Funding has not yet been approved for these surface lots. More information on plans for these lots will be presented at later meetings.

Ms. Barber asked how the selection of the three specific lots was determined. Mr. Wojcik replied that the lots are located in areas that are in need of parking. It was requested that the addresses of these sites be sent via email to the Board members.

### **III. Funding Request / Residential Rehab**

Mr. Brown recalled that this request was originally presented to the Board in October and November 2016. It has been brought back to the Board for a recommendation. Projected rehab costs are roughly \$90,000. This figure was determined after a member of Staff reviewed the property for a preliminary scope of work, and an estimated dollar amount was assigned to each issue to be addressed. Final costs will not be determined until the project has been sent out for the competitive bid process; however, the Board must first provide a recommendation on the project so it can be presented to the CRA Board.

Mr. Brown noted that the Board expressed concerns with the project at previous meetings, including the following:

- Property is not currently homesteaded, as it is not habitable
- The residential rehabilitation program has a maximum threshold of \$75,000

The lack of homestead means the Board would have to request an exception to the rehabilitation incentive policy. Only the CRA Board may provide additional dollars for the project over and above the \$75,000 threshold.

Mr. Brown continued that the house is across the street from a large CRA-owned lot, and cautioned that it would be difficult to issue an RFP for that property if the CRA does not assist the Applicant. He recommended that the Application at least be put out to bid to determine its true costs. The CRA would be the first and only lienholder on the property, which may not be transferred or sold within a certain number of years. Another option is a low-interest loan to the property owner in lieu of a grant.

Mr. Hart stated that his primary concern was that the property does not comply with the guidelines of the Residential Rehabilitation Program. Mr. Brown advised that the Board may also consider creating a new incentive program or amending the existing program. Mr. Hart continued that he would like to know the costs of the project. Mr. Brown added that should these costs exceed the program's maximum, further discussions about the Application would be necessary.

Ms. Barber asked if an inventory of homes within the CRA has been conducted to determine how many might have similar issues. Mr. Brown replied that he was not aware of any other properties in the CRA in the same position as the Applicant: the

situation is unique because the homeowner intended to build her own home for years, but has been unable to finish the project. It does not meet the guidelines for U.S. Department of Housing and Urban Development (HUD) assistance, and the owner has not been able to secure a loan.

The criterion for the Residential Rehabilitation Program that the homeowner does not meet is homesteading, as the owner is not able to live on the property at present. The property's taxes and insurance must be current, and the CRA reviews the owner's income and the number of people who will occupy the property. The established limit for the program is \$75,000, not in relation to the value of the property. Homeowners do not determine the work to be done: the program's first goal is to address any Code- or health-related issues, and any remaining funds are used toward other improvements.

There is typically no interest or monthly payment required of the homeowner, unless they sell, transfer, or fail to occupy the property. In these instances, 100% of the funds provided must be repaid.

It was noted that the property is estimated to require \$90,000 worth of work and is projected to have a value of \$150,000 when complete. Mr. Brown explained that this projected value does not take into account infill housing or other development that may be coming to the area. He noted that some aspects of rehabilitative repairs will not add value to the home.

**Motion** made by Mr. Strawbridge, seconded by Mr. Hart, that [the Board] pass this [Application] forward to the CRA Board.

Mr. Wilkes expressed concern that some individuals might take advantage of the program to "flip" homes in the CRA; even if the CRA is repaid, this would not be helpful to the residents living in that area. He felt anyone assisted by the program should be required to have lived in the home for at least five years prior to receiving CRA assistance. He also recommended that assistance not be provided for properties with active mortgages.

Mr. Brown observed that focusing on the equity in a property would characterize the CRA more as a lender than an entity intent on eliminating slum and blight, particularly with respect to residential properties. Mr. Wilkes continued that the program should not provide more than the \$75,000 maximum for a property, even if this means leaving aspects of rehabilitation not related to Code or health unfinished.

Chair Centamore estimated that \$25,000 per home was likely to be sufficient to eliminate slum and blight by making exterior repairs, such as painting, roofing, and landscaping. He pointed out that the incentive program has a budget of \$450,000 per year, which could be used to improve roughly five homes at \$75,000 each. If the

program made only exterior repairs, he felt they could address up to 20 homes per year at a cost of \$25,000 each.

Mr. Wilkes stated that the project does not meet the intent of what the program hopes to accomplish, as it does not sufficiently address the appearance of the property. He reiterated that the property does not meet the program's homestead requirement, and recommended that Staff review how many homes might be helped by the program for the same expense. He concluded that it might be more reasonable for the CRA to seek to buy the subject property than to rehabilitate it.

Mr. Brown observed that it could be more reasonable to purchase many properties in the community than to rehabilitate them; however, this would mean moving homeowners out of the community. Mr. Wilkes replied that the subject property is not occupied by a homeowner at the moment. He felt the best way to proceed was to incentivize, assist with rehabilitation, and encourage private investment to follow public dollars.

Ms. Burrows suggested that the Board look at the project differently, taking into account that the homeowner is not currently able to live on the property. She asserted that the CRA is willing to purchase properties from the City to use as incentives for outside developers, while the homeowner in this case is a member of the community who has been paying taxes on the subject property for years. She added that residents of the community may feel the CRA is not willing to help them rehabilitate their properties but is willing to purchase them instead.

Mr. Wilkes stated that if the CRA makes a commitment to provide money to homeowners, they should exert pressure on banks to participate by lending matching funds. This would double the value of every CRA rehabilitation project.

Mr. Strawbridge commented that the project represents exactly what the Residential Rehabilitation Program hopes to accomplish, as it will help a homeowner who lives in the community. He also felt it was appropriate to undertake any riskier or unusual projects in the beginning of the program in order to build momentum. He also emphasized the need to rehabilitate an entire home rather than only part of it, pointing out that if the CRA must reclaim a property, it will not be helpful to hold a partially completed project.

Ms. Barber asked if the homeowner would be able to make her property habitable if the CRA provided only the \$75,000 maximum. Mr. Brown replied that the owner is currently unable to provide any of the funds necessary to rehabilitate the property. He reiterated that when the project goes out for bid, the total cost will be made clearer.

Chair Centamore asserted that the project does not fit the program's guidelines, and he would prefer to see the guidelines changed to include the project than to make an exception.

In a roll call vote, the **motion** passed 6-3 (Chair Centamore, Mr. Lagi, and Mr. Wilkes dissenting).

Mr. Brown advised that the next step is for the project to go before the CRA Board with the RAB's recommendation. Staff will request a 15-year lien on the property.

Ms. Barber commented that the CRA should consider taking an inventory of all buildings within the district so the Board is aware of which properties need improvement. This could help them proactively approach homeowners to make them aware of programs that could assist them. Mr. Brown replied that a number of housing units in the area is available through the most recent census data; a more comprehensive inventory could require a great deal of Staff time, and it would be difficult to determine which properties are suffering from slum and blight, as this is not always visible.

Mr. Wilkes advised that a simpler task would be to find out which residential properties in the CRA are homesteaded and have Code violations. He pointed out that most of the residential properties are not owned by homeowners, and recommended consideration of a program for landlords to make improvements while locking in the current rental rate. While this could be difficult to develop, he pointed out that such a program would assist rental properties in need of improvement.

Mr. Brown emphasized the importance of the Residential Rehabilitation Program working in conjunction with infill housing efforts in order to redevelop neighborhoods. He added that the \$450,000 budgeted to the Residential Rehabilitation Program represented an estimate of the cost of this program: if more funds are required to make the program more effective, its budget may be amended.

Mr. Brown returned to the suggestion of a survey, stating that there are multiple tools, including census data, HUD data, and a housing and economic analysis, that the CRA could use in lieu of a full survey. Chair Centamore reiterated that a full survey would require a large amount of Staff time, as there are thousands of homes within the CRA, roughly 84% of which are homesteaded.

Mr. Strawbridge referred to the Urban Land Institute's (ULI's) Technical Advisory Panel (TAP) report, pointing out that the report recommends a full understanding of the market demand for housing. It also recommends structuring incentives to better attract investment and improve community benefits. He suggested that this could result in more clearly targeted incentives, although he agreed that an actual survey was likely to involve a great deal of Staff time.

Mr. Brown concluded that Staff would look into how the requested information might be found, using reports as well as census and other data, and bring ideas back to a subsequent meeting. He cautioned that determining which homes are affected by slum and blight, however, can be very subjective, and recommended that the Board identify neighborhoods that the CRA can help to improve through rehabilitation and infill housing. He emphasized the need to foster home ownership in the district.

Ms. Barber noted that the CRA is already assessing homes within the community, including identification of homes with Code violations. She felt the Board should become familiar with the condition of the CRA's housing stock. Mr. Wilkes added that once a survey is complete, the Board will need programs to assist the homeowners who ask for help. Chair Centamore suggested sending letters to qualifying properties, encouraging them to apply for one of the incentive programs.

Mr. Brown advised that the Department of Housing and Community Development has been putting funds from various sources into new and rehabilitated homes throughout the City for several years. He pointed out that any assessment will also need to determine household size and income, as homeowners may be eligible for HUD or State Housing Initiative Partnership (SHIP) funds as well as CRA dollars.

#### **IV. Project Report / Financial Update**

Mr. Brown stated that since the December 2016 meeting, the CRA Board has approved \$1.5 million for Triangle Services under the Development Incentive Program. They have also funded three projects applying for the Commercial Façade Improvement Program at a total cost of approximately \$45,000.

#### **V. Discussion – Discontinuing Funding Flagler Village Projects**

Mr. Brown advised that representatives of a number of projects located in Flagler Village have approached Staff for funding. He recalled that the CRA Board had requested that the RAB discuss this issue further and make a recommendation on how to proceed for this area.

Ms. Burrows commented that these representatives should present their projects to the Board, noting that even if Flagler Village projects are not funded to the same extent as in previous years, the Board may still provide some funding. Mr. Brown added that some projects are requesting a relatively minor amount of funds, so they may fall below the threshold for review; however, he still wished to discuss this topic further with the Board and secure a recommendation in order to ensure all entities are on the same page.

Mr. Strawbridge suggested that the Board consider adopting smaller incentive programs that could apply to some of the small businesses and properties in Flagler Village. He

pointed out that the Department of Transportation and Mobility is planning a streetscape project for this area, and proposed that the Board consider using funds toward pedestrian enhancements and connectivity. He also proposed that projects over a certain value be required to provide some type of community benefit in order to receive CRA funding. This could be applied throughout the CRA as well as in Flagler Village.

Mr. Hart agreed that it would not be a good idea for the CRA to decide it would no longer fund projects in the Flagler Village area, and recommended that the Board continue to review projects on a case-by-case basis. He also requested that the Board request a presentation on the streetscape improvements planned by the Department of Transportation and Mobility to compare them to improvements planned within the CRA.

Mr. Wilkes stated that while the CRA may not eliminate funding within an area in the redevelopment district, it may focus more closely on funding projects that bolster development to the west of the railroad tracks. He asserted that the earlier methodology of funding large projects that are expected to generate large tax increment financing (TIF) returns is no longer necessary unless an exceptional project is brought forward.

Mr. Brown explained that Staff wishes to know how they should communicate with the businesses requesting funds for projects in Flagler Village. He did not wish to make statements on behalf of the RAB.

**Motion** made by Mr. Lagi that the Board's primary objective in where we deal with businesses in the CRA is the established focus area in the incentives; everything else is secondary.

Mr. Brown stated that he wanted to clearly convey the Board's wishes on this topic to the public: for example, if they feel a limit on funding projects in Flagler Village is appropriate. This would ensure that applicants do not spend time and money putting together a funding request presentation.

Housing and Economic Development Manager Glendon Hall asked how the Board would wish to proceed if no projects are brought forward within the CRA's focus areas in a certain period of time. Mr. Brown advised that there is greater interest in the CRA's incentive programs at present than in the past. Mr. Hall continued that the current programs will have to result in some "wins" for small projects in order to build trust within the community and gain traction.

[The **motion** died for lack of second.]

Ms. Burrows pointed out that large projects do not typically need to take advantage of incentive programs, while projects within the focus area will need to be encouraged because it is more difficult to develop there. She proposed asking applicants of projects

within Flagler Village what risks are involved in that area that would make incentive programs necessary for them.

Mr. Brown explained that he did not want to discourage any applicants from applying for incentive programs unless he has been given the discretion to do so by policy makers. He requested that the Board consider crafting a motion that clearly communicates their intent.

Mr. Strawbridge proposed that applicants requesting funds for projects over a certain cost be asked to explain to the Board why that project cannot succeed without CRA funds. He noted that this practice has been adopted by other cities.

Chair Centamore commented that he was also not inclined to provide funds to major projects that do not demonstrate a need for the use of CRA dollars, even if the project is expected to generate significant TIF revenue. He agreed that these decisions should be made on a project-by-project basis and applicants should be asked to prove they have a need for the funds.

Mr. Strawbridge stated that he was reluctant to endorse a blanket statement that all applicants should continue to come forward although they may not receive the level of funding they requested. He emphasized the need to have applicants demonstrate that they cannot proceed with projects without CRA funds.

Mr. Brown asked if the Board felt it was appropriate for developers to continue to bring forward presentations and go through City approval processes if they are unlikely to receive CRA funds. He cautioned that developers will respond to the incentives the CRA makes available to them.

Mr. Hart recalled that the RAB and the CRA Board have already emphasized the need to focus on specific areas within the district. He agreed that the Board should make it clear that their focus is on the Northwest section and only the most exceptional projects from outside this area will be provided with CRA funding.

**Motion** made by Mr. Wilkes, seconded by Mr. Strawbridge, that the Board has changed the policy of the CRA to focus on the elimination of slum and blight projects that lie west of the tracks within the district, and that programs should be adopted and amended accordingly.

Ms. Barber stated that the language of the **motion** should reflect that this policy dates back to the adoption of new and amended business incentives.

Mr. Wilkes proposed the following **amendment** to his **motion**: to use the phrase “confirm that policy has been changed.” He restated the **motion** as follows: **motion** to

confirm that the policy has been changed to focus on the elimination of slum and blight lying west of the tracks, and that [the Board] modify programs accordingly.

In a roll call vote, the **amended motion** passed unanimously.

#### **VI. Continuing Discussion / ULI TAP Report**

Mr. Brown reported that Ms. Burrows has proposed creating a spreadsheet to reflect the ULI TAP recommendations and what the CRA has done to meet them thus far. It was determined that this would be discussed further at the February 2017 meeting.

#### **VII. Communication to CRA Board**

None.

#### **VIII. Public Comment**

None.

#### **IX. Adjournment**

There being no further business to come before the Board at this time, the meeting was adjourned at 7:53 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.]