CITY OF FORT LAUDERDALE

DRAFT

NORTHWEST-PROGRESSO-FLAGLER HEIGHTS REDEVELOPMENT ADVISORY BOARD
CITY OF FORT LAUDERDALE
100 NORTH ANDREWS AVENUE
8TH FLOOR CONFERENCE ROOM, CITY HALL
TUESDAY, JULY 17, 2018 – 3:00 P.M.

Cumulative Attendance July 2018 - June 2019

Members Present	Attendance	Present	Absent
Ron Centamore, Chair	P	2	0
Rhoda Glasco Foderingham, Vice Chair	P	2	0
Leann Barber	P	1	1
Sonja Burrows	P	2	0
Lisa Crawford	P	2	0
Alan Gabriel	P	2	0
Mickey Hinton	P	2	0
John Hooper	P	2	0
Dylan Lagi	P	2	0
Steffen Lue	A	1	1
Michelle Nunziata	P	2	0
Diane Randolph	A	1	1
Scott Strawbridge	P	2	0
Tina Teague	P	2	0
John Wilkes [arrived 3:20]	P	2	0

Staff

Don Morris, Interim NPF-CRA Manager
Vanessa Martin, CRA Business Manager
Sandra Doughlin, NPF-CRA
Bob Wojcik, Housing and Economic Development Manager
Eleni Ward Jankovic, Project Coordinator
Karen Warfel [nee Mendrala], Transportation Mobility Department
Christine Fanchi, Transportation Mobility Department
Phil Thornburg, Director Parks & Recreation Department
Thomasina Turner, Project Coordinator
Jamie Opperlee, ProtoType, Inc.

I. Call to Order/Roll Call

Chair Centamore called the meeting to order at 3:10 p.m. and the roll was called.

II. Approval of Minutes

Motion made by Chair Centamore to approve the minutes as amended the June 12, 2018 minutes, seconded by Ms. Burrows. In a voice vote, the motion passed unanimously.

Corrections to the minutes were as follows:

- On page 8, paragraph 2, first sentence, "$450" should say "$450,000."
- On page 8, paragraph 5, "$40,000," should say "$450,000."
- On page 2, New Board Members, "Sonja" should be "Sonya."
- On page 2, New Board Members, line 3, "Ft. Lauderdale Chamber of Commerce" should say "Fort Lauderdale Negro Chamber of Commerce."
- Ms. Foderingham is listed correctly under members. However, in the body she is referred to as Ms. Glasgo. She should be referred to as either Glasgo Foderinham or just Foderingham.
- In the discussions on Jack and Jill, Ms. Burrows commented that there were five choices for schools, including two public schools, a charter school, a parochial school and a Montessori school. Ms. Burrows wanted to include in the minutes comments school choices identified during the discussion of Jack and Jill.

III. Project Funding Update

Ms. Martin stated as of the end of Fiscal Year 2018, which ends Sept 30,2018, a balance of $1.2 million is projected to remain. Ms. Martin explained the spreadsheet before the Board for FY 2018.

IV. Renaming of Sistrunk Park to Carlton Moore Park

Mr. Thornton stated that the Parks Board is considering a change of the name of Sistrunk Park to Carlton B. Moore Park. The proposed change is posted at the upcoming meeting of the Commission on August 21st. Letters have been sent to the surrounding neighborhoods. The Commission wanted The Northwest-Progresso-Flagler Heights Redevelopment Advisory Board to hear and discuss the recommendation as well.

When Commissioner Moore passed away, there was an effort to get something named to memorialize his work as a Commissioner for District 3 for 18 years. There was no objection by the Board to the removal of the name Sistrunk from the Park.

Carlton Moore's mother, Mrs. Ada Moore, and Mr. Carlton's son, Forrest Moore, were in attendance at the meeting. Also in attendance was Delores McKinley, a representative of the Carlton B. Moore Freedom Foundation. Ms. McKinley spoke on behalf of Carlton Moore's family and the Foundation.

Motion was made by Mr. Gabriel, seconded by Ms. Burrows to support the name change. In a voice vote, the motion passed unanimously.

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V. Funding Requests
Jack and Jill Children's Center

Mr. Wojcik introduced this matter and reviewed the status at the last meeting. The new school would provide 37 new permanent jobs. The school focus is on children and families below the poverty level with a majority of these children in their current school (kindergarten and first grade) being from within NPF CRA boundaries. The model is based on a high quality educational program, with focus on the child and family. The demographics of the northwest CRA shows a high-risk population with a higher percentage of youth suffering lower attainment in education and suffering a higher unemployment rate. Jack and Jill's business model in addressing this group can have a significant impact on the CRA with economic community benefits that may help reverse demographic trends in the area.

Tom McMannus, Board member of Jack and Jill Children's Center introduced himself and reviewed the history and purpose of Jack and Jill Children's Center. Mr. McMannus was seeking approval for a funding of $2.5 million to build the elementary school.

When asked about the commercial building that will be torn down as part of the site plan for the new school, the building was not demolished by Jack and Jill between 2003 and 2018, because Jack and Jill was attempting to acquire an adjacent property. Heather Siskind, Executive Director, stated that Jack and Jill had rented that space to three different tenants, with the last tenant renting about 6 years ago.

In attendance from Jack and Jill Children's Center was, Trevor Roberts, Director of Education; Maria Meyer, Director of Development; and Susan Stanley, Director of Finance.

The building costs would be financed through a $5.7 million construction loan. The $2.5 million in proceeds from the CRA would be utilized to help pay off the loan over 5 years.

Jack and Jill is seeking $9 million in an aggregated amount for the project .

- $7.2 million in direct construction affiliated costs,
- $1,8 million is operation costs and expenses.

The Jack and Jill Center will be funded as follows:

- Jack and Jill is applying for the $2.5 million from the CRA.
- The construction loan will be around $5.7 million.
- The $2.5 million will go towards the $5.7 million over a five-year period.
- The additional money that Jack and Jill is trying to raise will cover other costs within the building. The $1.8 million that Jack and Jill is trying to raise as additional operational costs, are items the City would not be expected to cover

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Mr. Roberts stated that the Jack and Jill school fills needs that are not met by the other schools. Jack and Jill is tiny in comparison to other schools. It has only two classrooms per grade level. The bulk of students are from 33311 and 33312.

Mr. Wojcik stated that the Board was funding construction of a private school, not a socially benefitting program. The model for education is somewhat different from other models. Mr. Wojcik added that over the long term this model could have a huge benefit in reversing some of the trends in the area.

Ms. Teague felt that the Board should not be funding the construction of a private school

Ms. Foderingham commented that the Advisory Board and the Commission approved a recommendation for funding the YMCA, and the YMCA does not contribute to the economic base. The Board needs to look at businesses and commercial areas that are going to add to the commercial and economic base of the city to bring in more taxes.

Ms. Teague and the Chair discussed the legality of being contacted by Jack and Jill.

Ms. Nunziata asked about the CRA loan programs. Mr. Wojcik explained that CRA incentive programs are generally secured by a mortgage and treated as a loan. For Jack and Jill, the CRA mortgage would be a second mortgage. There is no debt on the property now. Much of the income of the school comes from the community income. Because of this, Jack and Jill. does not want to incur any long-term debt on the property to help insure that they have funds available or access to cash for operating expenses. CRA funds will provide assistance on paying off part of the short-term construction loan.

Mr. Wojcik stated there is no restriction in providing funds to non-profits vs. for profits under the current CRA incentive programs.

Ms. Meyer reminded the parties that the project will hire 37 new employees. Forty-seven percent of the staff currently comes from the CRA District. Further, the parents of the students at Jack and Jill are working parents, who are able to continue to work by having their children at Jack and Jill.

Ms. Barber felt a $2.5 million program for housing rehabilitation could give a thousand houses a $2,500 dollar face lift. Ms. Barber said those types of projects would have a bigger impact in the neighborhood. The Board was advised that City Housing and Community Development has a housing rehabilitation program that provides up to $75,000 for housing rehabilitation. However only 8-10 homes get rehabbed annually because of staffing requirements needed for such programs. CRA is starting a similar program, but for households not exceeding 160% median income.

Board members discussed issues with funding the school as follows:

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- Ms. Burrows likes the services provided by Jack and Jill, but does not see the need for an elementary school.
- Mr. Hooper stated that the Board has approved condos that are too expensive for the people in the neighborhood to rent. Now the Board is having a debate about a new school to service those same people.
- Ms. Teague stated that the YMCA will help more people than a private school.
- Mr. Gabriel inquired if the money is well spent on this project.

Mr. Wojcik stated that CRA TIF funding will increase as new projects now under construction come on the tax rolls. There are a number of large development projects in progress and there will be more CRA money available for projects. The CRA will be also begin implementing a Housing Rehabilitation Program starting in the Sweeting Estates area that can provide up to $75,000 to homeowners to fix up their homes.

The Board discussed the need to reallocate $8 million in funds for projects such as the Wave that were funded, but never came to pass.

Ms. Crawford wants to see the goals and objectives of the CRA. Ms Foderingham responded that a new director who has a lot of experience and expertise is coming on board and may be able to provide additional guidance. Ms. Foderingham stated her concerns about the need for better commercial development and addressing housing needs.

Mr. Strawbridge stated vacant property is probably the most significant indicator of blight. He discussed the need for a project spending plan to avoid the risk of sending the funds back to the county if not spent on time and also stated that the Jack and Jill school creates a sense of family. Mr. Strawbridge feels that the Jack and Jill experience could offer the children and their families a broader choice and a better chance of success. Jack and Jill is providing three or four dollars for every dollar of funding the Board would provide.

Motion made by Mr. Strawbridge to approve as presented, seconded by Mr. Gabriel. In a roll call vote the motion passed 7 to 6, with Ms. Foderingham, Ms. Barber, Ms. Burrow, Mr. Hinton, Ms. Teague and Mr. Wilkes opposing.

VI. Additional Funding for Legal Services (Follow-up from last meeting) **NPF CRA Staff**

Donald Morris, Manager of Beach and Central City CRA, is overseeing the Northwest until the new Director starts. Mr. Morris has brought some items with legal fees for the projects Beach and Center City CRA has been working on with the Northwest CRA. Mr. Morris does not understand why a line item for legal costs was not included in the budget. A line item for legal fees was included last fiscal year, and is included in the upcoming fiscal year budget. Last year $50,000 was budgeted for legal fees. Mr. Morris requested that the Board budget $50,000 for this fiscal year to let the Legal Department finish out the year. The invoices requested at the last meeting were provided.

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Ms. Foderingham commented that the fees were extremely high. Mr. Wilkes inquired about the legal costs. Mr. Morris asked if the incentive package included legal costs as part of the package. Mr. Wilkes stated that the incentive package should include legal costs as part of the funds. Large projects were easier to administer than small projects. Mr. Morris responded that templates were used for negotiations of the agreements for some of the projects, but negotiations may alter the agreements.

The package included different projects.

Motion made by Mr. Strawbridge to approve the $50,000 funding through the end of the fiscal year, seconded by Mr. Wilkes. In a voice vote the motion passed unanimously.

VI. Projects to be submitted for Administrative Approval
(a) SMT Investments of Miami, LLC
(b) McClinton Holding, LLD

Mr. Wojcik stated that on April 17, 2017, the CRA board approved to increase the administrative approval in the incentive programs to $100,000 per program. The approved process is to first provide notice describing the project proposed to be funded to the CRA Advisory Board, who can first call up the project if they desire. Mr. Strawbridge has asked that the two projects on today's agenda to be presented to the City Manager for administrative approval be presented to the CRA Advisory Board for review.

The first item is a request for $100,000 from the Property and Business Improvement Program, and $87,771.60 from the Façade Program to SMT Investments and Circle House Coffee for improvements to the property at 727 Northeast Third Avenue. The improvements include change of the use of the first floor of the former office building to a fast casual coffee and tea establishment. The owner of the building and business is Stephen Tulloch, who has invested his own capitol for the project without any financing. CRA will have the first mortgage for the forgivable loan on the property. This business will help create a destination that improves the street. Circle House Coffee will create two or three full time jobs, and fifteen or twenty part time jobs. CRA staff recommends approval.

Mr. Tulloch introduced himself. Mr. Tulloch retired from the NFL after eleven seasons and moved to Florida. Mr. Tulluch has founded a number or organizations to help underprivileged kids because he is interested in giving back to the community. Mr. Tulluch is interested in investing in real estate in the CRA area.

The coffee shop will include a drive through in the CRA that also services downtown Fort Lauderdale. Circle Coffee Shop intends to raise money for causes locally and globally. Mr. Tulloch invested his own money in the project, and needs some assistance to finish out the space. The shop will serve pies, sandwiches, and baked goods from Zak the Baker as well as beer and wine. Mr. Tulloch wants to be able to have events for different charities, and to raise awareness.

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The building is an empty three-story building, which is being renovated. Mr. Tulloch intends to rent out the top two floors for creative use tenants that can add value to the coffee shop. The bottom floor is being renovated under this funding request is for the coffee shop. Mr. Tulloch wants to create a community destination. There are no businesses now along NW 3rd Avenue, which is a major street in the CRA, that help activate the street where people can buy food and get together.

Mr. Tulloch provided a flyer that has pictures of what the building will look like.

- The flyer shows the building signage, drive through menu board, drive through feature, and landscaping as the primary elements of the exterior.
- The changes to the interior will be extensive because of the change of use. The interior will be high quality with seating areas. The completed project will improve the area..
- The aerial view shows two lots, separated by an alley. The area in the back of the building is going to be used for outdoor seating, and the other lot will be used for parking. The drive thru will wrap around the building.

Mr. Wojcik stated that another coffee shop was previously approved, and that it was in trying to get through final review and permitting.

Mr. Strawbridge stated that the memo states that the drive thru will give Circle House Coffee an unique competitive advantage among other coffee shops, and also there is a forecast for a year one profit. Mr. Wojcik replied that is correct and that there is no bank financing for this project.

The Board discussed the number of coffee shops in the area and the need for additional coffee shops.

Ms. Nunziata stated that redevelopment at NE 13th in the Central City CRA and the Warsaw Coffee Shop have changed the economics and removed area blight. NE 13 Street is becoming a main street thoroughfare. Ms. Nunziata stated that the little places help pull the community together. Mr. Tulloch stated that everyone that is being hired in the coffee shop is local.

The mural on the building was painted by Mr. Ramirez, whose work was displayed at the Artwalk in the Wynwood area. The signage on the building will be illuminated at night.

Ms. Crawford asked what brand of coffee was going to be used. Mr. Tolluch responded that Panther's Coffee from South America will be sold.

Motion was made by Mr. Gabriel to approve the Façade Program not to exceed $87,772, and the Property Business Improvement Program not to exceed $100,000, seconded by Ms. Burrows. In a roll call vote, the motion passed unanimously.

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(b) McClinton Holdings, LLC

Mr. Wojcik stated that the building at 924 Northwest 1st Street was a former warehouse used for homeless services and storage that is being changed for use as corporate offices for BTS Towers, a telecommunication tower company. Mr. Martin is asking for $100,000 from the Property and Business Improvement Program. The building will house a staff of ten professionals that manage a portfolio of telecommunication tower real estate across the Caribbean, South America, and Central America. The company will expand to 15 employees in the future. Capital investment by McClinton Holdings, LLC is $1.6 million. Mr. Wojcik is asking for less than 50% of the cost of the interior work and has already spent considerable money on upgrading the exterior. The first mortgage on the property is $341,000. Mr. Tatum Martin owns the building, McClinton Holdings, and BTS Towers. Mr. Martin was attracted to this area specifically because of incentives offered by the CRA and impressed by the CRA funded changes in the area. Mr. Martin's efforts have already spurred some of his neighbors to improve their properties. Staff recommends approval of this project.

Mr. Martin provided a photograph of outside improvements to the building. Mr. Martin purchased the property in March of 2017. The permits were issued a year later, and work on exterior improvements has started. Mr. Martin feels the area has improved.

Ms. Teague confirmed that 90% of Mr. Martin's employees are foreign. Mr. Martin responded that he had over 300 employees that work in his company, most in other countries. Mr. Martin has operations in various countries in Central and South America. The staff of ten is mainly legal, accounting, and control functions for project management. Mr. Martin will add five more support staff jobs that will be paid $45,000 and $75,000 annually. Mr. Martin said he intends to hire the new employees locally.

Switching back to the previous project, Mr. Strawbridge said that Mr. Tulloch's attorney stated that Mr. Tulloch had an entitlement to the money and was angry for calling it up. Mr. Strawbridge wanted it put that into the record.

Chair Centamore stated that the projects make building improvements, and the taxes go up. The projects bring jobs to the city. People shop and eat here. If the projects employ people from the neighborhood, that is a benefit too. The buildings usually look better.

Ms. Juliana Hernandez of McClinton Holdings said Mr. Martin has an extended group of employees in South America. The company holds corporate events that will promote local businesses. The people attending these functions will eat at local restaurants and stay in local hotels. They will use Fort Lauderdale Airport throughout the year.

Mr. Wojcik said that on larger projects a guarantee of a certain number jobs within a number of years is provided If the project does not create a certain number of jobs, then the money would need to be paid back. These smaller projects however are not centered on jobs, but on improving the area.

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Motion made by Mr. Gabriel to fund the McClinton Holdings Property and Business Improvement Program project not to exceed $100,000, seconded by Mr. Lagi. In a roll call vote, the motion passed unanimously.

VIII. Old/New Business (Special Meeting)

On March 21, 2018, an RFP for new single family homes in Sweeting Estates was issued for CRA properties, and CRA received three proposals. The advisory board was contacted by AnnDebra Diaz, who is our purchasing officer. Ms. Diaz provided you a copy of the proposals. In the infill housing process approved by the CRA Board, the Advisory Board members will act as the evaluation committee for this project. The ranking, interviewing proposals and scoring is estimated to take between two to three hours. After a discussion by the Advisory Board, the evaluation meeting was scheduled for August 7th starting at 3:00 p.m.

Mr. Wojcik stated that purchasing staff is reviewing two RFPs provided to them for commercial development. One is for the property between 7th Terrace and 8th Avenue just south of Sistrunk. The other one is for the property on the southeast corner of 9th Avenue that Housing & Economic Development owns. Legal staff is also reviewing the RFPs. It is anticipated RFPs for CRA commercial property sites will be issued very soon. An RFP has also been prepared for property that owned west of 7th Avenue along NW 3rd Street and it will be sent to Purchasing and Legal for review. There is interest from a hotel for his site.

After the last Advisory Board meeting, there was a recommendation to proceed with funding the cross-walk project on Sistrunk, and a recommendation to proceed with the NPF CRA Mobility Master Plan. The cost was presented at the meeting by Transportation and Mobility staff as being somewhere between $200,000 to $250,000 for the Mobility Master Plan. Staff would like to present to the CRA Board at the next available meeting a task order for approval an amount not to exceed $250,000 to start the Mobility Master Plan.

Motion made by Mr. Gabriel to amend the Mobility Master Plan recommendation from their prior meeting to include funding the project at a cost not to exceed $250,000, seconded by Ms. Foderingham. In a roll call vote, the motion passed unanimously.

There was discussion about the Advisory Board's desire to meet with the Commission. Mr. Morris stated that the Commission has a full schedule. Mr. Wojcik said it would be very helpful for the Advisory Board to have a conversation with the new Commissioners.

Mr. Wojcik replied that in 2013 the CRA created a five-year funding program and later approved the 2015 ULI report. The Board needs to create another funding plan for at least three years to look at projects that need to be funded. Mr. Wojcik said it is time to sit down and analyze what has been accomplished in the last five-year plan, and to move forward with another funding program.

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Ms. Burrows suggested it would be helpful for the Board to see what final action is taken by the Commission on past Advisory Board recommendations as they do not get follow-up information. Ms. Burrows also asked to have addresses on a chart, so the Board members have that information.

Clarence Wood II is new Northwest CRA director and is scheduled to start on August 5, 2018. Ms. Barber inquired if Mr. Wood would be involved with the discussion and to get guidance based on Mr. Wood's CRA experience. Mr. Wood will be present at the August 14th meeting.

Mr. Wilkes wanted a time line to spend funds or lose funds. He also wanted a list of monies available to be spent, and whether or not monies are allocated.

Mr. Wojcik stated that City Advisory Board members are getting their own city email addresses to be specifically used for Board and Committee City business. Mr. Morris announced that packages will be transmitted by email to Board members electronically because of public records requests. All Board members are considered public officials. There will be no private email. Board members will still get physical packages. If any Board member has not received instructions, contact Sandra, and instructions will be sent.

VIII. New Business - None

IX. Communication to CRA Board-None

X. Adjournment

With no further business to discuss, the meeting was adjourned at 5:14.

[Minutes prepared by M. Denman, Protype, Inc.]

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