

**FORT LAUDERDALE COMMISSION CONFERENCE MEETING
JULY 17, 2007**

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Conference Meeting continued at the Regular meeting

COMMISSION CONFERENCE MEETING 1:30 P.M. JULY 17, 2007

Present: Mayor Naugle
Commissioners Hutchinson, Rodstrom, and Teel and Vice Mayor Moore

Absent: None.

Also Present: City Manager – George Gretsas
City Auditor - John Herbst
City Clerk - Jonda K. Joseph
City Attorney - Harry A. Stewart
Sergeant At Arms – Sgt. Steven Scelfo

I-A – Fiscal Year 2007-2008 Budget Message

Allyson Love, Director of Management and Budget, and Shonda Singleton Taylor, Deputy Director of Management and Budget, made a slide presentation. A copy of the slides is attached to these minutes.

Elizabeth Hays, resident, asked about staffing level for park rangers. The City Manager said there is one vacancy that would not be filled. The objective was no layoffs; existing services will not be impacted.

Vacant Positions and Park Rangers

Commissioner Rodstrom asked about the sixty vacant positions. Ms. Love said funding for the positions has been frozen. They were not necessarily vacant a full year, just at the time staff began dealing with the budget. The City Manager said staff was instructed to look at the vacant positions and decide if they were comfortable in not filling those vacancies, that services would not be impacted.

In response to Commissioner Teel, Bruce Roberts, Chief of Police, said they beefed-up an action plan with respect to security at parks. He provided some detail with respect to patrol, summer vacation and increased arrests.

Nathaniel Wilkerson, a resident of District III, asked about the Park Rangers' work hours. Phil Thornburg, Director of Parks and Recreation, said there are two shifts; 6:30 a.m. to 3:30 p.m. and 3 p.m. to 11 p.m.

Fund Balance

Vice Mayor Moore was concerned it is more important to increase the Fund Balance than address vacancies and operational needs. The City Manager said in September, he will request shifting some of the Fund Balance to the Insurance Fund Balance. Last year the City closed at \$43 million and anticipate to close this year at \$50 million. There is a \$4 million surplus in the Insurance Fund. The actuary believes it should be somewhere between \$10 to \$14 million. In terms of using the Fund Balance to fund salaries, he does not know what will happen next year with the State. If such funds are used to balance the books and fill vacant positions, the City would, in essence, double their hole next year when they will have to address those existing positions.

Vice Mayor Moore pointed out that it is not a fund balance until monies are directed into it. The City Manager said when the books are closed this year there are unspent monies that will not be budgeted next year. If the saved money is used this year and applied to future recurring expenses, when budgeting the following year those monies will not be there. It could be called a Fund Balance or unspent money. Ms. Love added that encumbrance dollars are also included in that number. From a net perspective, it equates to about \$3 + million.

Vice Mayor Moore asked what are the encumbrances for. Ms. Love said there are obligations the City has made in terms of contracts and other items. Vice Mayor Moore wanted to see the \$43 million and the encumbered expense against it and projected increase amount and any associated encumbrance. The City Manager agreed to do so.

Insurance Fund

With respect to the Insurance Fund, Vice Mayor Moore asked what coverages are handled as self-funded plan. Betty Burrell, Director of Finance, said that for property and casualty, the City has FM Global, AvMed for health, SunBar for dental. The City is self-insured, but has re-insurance. Vice Mayor Moore asked about the health portion. Marilyn Mullen, Employee Benefits Coordinator, said the insurance plan is still self-funded. The third-party administrator for those products AvMed. Ms. Burrell indicated the health and voluntary benefits subfund of the City's self-insurance is doing better than property and casualty. In order to maintain a residual balance for any catastrophic losses, more money is needed for the Fund Balance.

Vice Mayor Moore asked if national standards provided that there be a separation of the fund balances. The City Manager said that one pool is an option. The City's standard is 5% to 15% in the General Fund. More is needed in the Insurance Fund. If losses occur, the City may have to budget for it and he did not think that would be wise. Vice Mayor Moore wanted a white paper, discussing the Fund Balance, showing what is necessary for the self-insured portion of the City's insurance, the present amount and what is projected.

Vice Mayor Moore noted that worker compensation has always been a concern because of the unknown. In response to Vice Mayor Moore, Ms. Burrell indicated the City has a self-insurance retention for \$2 million. Vice Mayor Moore asked if the actuary has indicated that the worker compensation \$2 million is adequate. Ms. Burrell was not certain. She noted \$10 to \$14 million is the target for the entire Insurance Fund. The City Manager said the actuary will provide a letter. A lot of this is still guess work. The City needs a comfortable cushion. Vice Mayor Moore understood and the City Manager confirmed that the actuarial is a scientific guess based on the past flow of actions, government size, number of properties owned and such.

Water and Sewer; Storm Water Fees

Vice Mayor Moore understood the water and sewer fee increase is based upon the bond obligation. Albert Carbon, Director of Public Works, confirmed that is correct. Vice Mayor Moore asked about the storm water fee. Mr. Carbon indicated it is not an automatic increase.

Vice Mayor Moore asked why a 5% increase is recommended for the storm water. Mr. Carbon said that over the last few years the City has been expending more monies from the Storm Water Fund more than taking in. In September, the Commission will be asked to award a contract for a storm water master plan. He detailed what this would encompass. Rates will be adjusted accordingly. The Fund Balance has been tapped; it is now about \$3 million. In response to Vice Mayor Moore, Mr. Carbon indicated the City has been expending approximately \$2.8 million in 2005/06 and this year staff projects to be spend about \$2.6 million.

Commissioner Hutchinson said that these monies are used for projects in neighborhoods where there is a tremendous amount of flooding. Mr. Carbon said that this fund contributes about \$1.3 million to capital projects.

Commissioner Teel understood this fund is being used for canal dredging that are filling in as a result of storm water run-off. Mr. Carbon said that is not the case, however part of the storm water master plan is to look at the City's storm water system and its contribution of sediment to the canals and see whether some of the costs could be recouped. Rates would be adjusted accordingly. It will come forward next year.

John Herbst, City Auditor, said he is currently auditing the Storm Water Fund. A report will be provided in the near future. The report notes that rates have not kept pace with inflation.

Commissioner Rodstrom asked if the WaterWorks bond has to be increased, would the rate automatically have to increase. Mr. Carbon said as part of the 2006 bond issue, rate increases were anticipated over the 15 years through 2013 and 2020. Those rate increases included this inflationary index of 3% requested today and four additional 1% increases in 2009, 2010, 2012 and 2013 that would pay for the additional bonds. Next year, the Commission will be asked to adopt 3% for inflation and 1% for additional construction cost bond. Commissioner Rodstrom asked what would be the percentage rate increase to the taxpayers on their water bill in 2013. Mr. Carbon did not know.

Fund Balance, Vacant Positions, Park Rangers

Concerning the City's reserves, Vice Mayor Moore noted that there is money whether or not it is dedicated to a specific fund. It is not a necessity that a fund balance has to be as high as it is projected to be. The park ranger reduction in the past has always been a concern to him. The City has been fortunate to have the staffing levels which have prevented individuals from damaging the parks. Having a floating park ranger between the hours of 11 and 7 provides a better use of the police force. He wanted to look at the Fund Balance and consider restoring some of the vacant positions based on department director input. He understood the necessity for the Insurance Fund if it is a requirement under an actuarial review but there is still \$3.5 million. He wanted to address the community's desires with respect to level of service.

Commissioner Rodstrom noted the twelve police officers that were not hired and this might be something to consider also.

Franchise Fees, Budget Reduction in General

Commissioner Rodstrom felt there are more cuts that could be made. She asked about franchise fee increases. Mayor Naugle said the rate is staying the same, but sales have increased. Commissioner Rodstrom wanted to make sure the increase does not eventually hit the taxpayer.

Commissioner Rodstrom pointed out that last year she requested a \$10 million reduction and was told it was impossible. She was concerned it is now being done easily. The City Manager said the positions being frozen are ones that staff believes are needed, but because of scarcity they are doing as best as possible with less. With respect to franchise fees, nothing is being increased.

Commissioner Rodstrom said three years ago the City had the largest property tax increase ever. The City managed to pay off the self-insurance fund that was in excess of \$30 million and put \$43 million into the Reserve. This is almost \$80 million from the community. She wanted more accountability and cuts.

Commissioner Rodstrom questioned why the City Commission budget is also over. Ms. Love did not believe the Commission is over budget. This is the original budget, however revisions were made to it.

Commissioner Rodstrom questioned why the Commission budget is not being rolled back. Mayor Naugle said that a position could be eliminated. Employees received raises.

Ms. Love said there were increases to the budget during the year.

Mayor Naugle said at the beginning of the year for those commissioners receiving health insurance, the estimate in the budget was about 50% incorrect. The budget was amended to repair that error.

Ms. Love noted that management time conversion was added for the Commission staff as well as some membership and printing costs.

Commissioner Hutchinson said some staff received a raise without the reclassification which was the choice of their commissioner.

The City Manager said staff met with the Commission last month to establish the budget priorities. The proposed budget meets those priorities. The top objective was to meet mandates with minimum impacts to service. This budget is a representation of the type of service the Commission wants. Things may be eliminated as long as the level of service is what the Commission desires. There is a potential referendum next year for significant reductions. He felt this is the most responsible way to meet the objectives that the Commission established.

Commissioner Rodstrom felt there is still too much fat in the budget. Services are important, but she knows constituents are begging for tax relief.

Millage Rate

Vice Mayor Moore noted over the last three years the millage rate has been reduced. Ms. Love noted the annual millage rate back to 2003. This year it is proposed at 4.1193.

Vice Mayor Moore said the millage rate is where the State has its authority. He believed the State is incorrect in saying that this government has too much money and should roll back. The State has not done so for itself. Obligations for benefits have to be given with pensions, health care and union contracts. He commented on the increase in gasoline cost. One asks for an increase in retirement benefit and then asks for property tax relief. He was concerned about which pocket the revenue will be placed and if the level of service is being reduced by increasing the Fund Balance instead of filling vacancies.

Commissioner Teel said a few years ago the City switched sanitation service from inhouse to an outside contractor and it was supposed to save about \$800,000 to \$900,000 per year savings. At that time it was made clear that those funds would be reserved in the event the contract did not work out. She asked where those funds are located. Ms. Love said at the end of 2007 there will be approximately \$2.5 million and \$3.4 million projected next year. It is in the Sanitation Fund Reserve.

Commissioner Teel asked how much of those funds is necessary for bonding requirements. Ed Udvardy, Assistant Public Works Director, said the sanitation revenue bonds require that the City bring in 135% more revenue than expenditures. This is a separate reserve account in addition to the set aside for the contract. There is also \$1.8 million in reserve for Wingate and \$3 million in the regular reserve account. Nine hundred thousand dollars will be moved into the privatization account.

Commissioner Teel asked how the \$900,000 transfer is reflected. Mr. Udvardy said that there are documented transfers in the financial system but in the budget documents it simply shows the bottom line Reserve Account. Vice Mayor Moore indicated that is why he requested a white paper.

Action: Vice Mayor Moore requested the amount of encumbrances included in the Fund Balance and a white paper on the Insurance Fund Balance, showing what is necessary for the self-insured portion of the City's insurance, the present amount and what is projected. Commissioner Rodstrom wanted more reductions.

I-B – Northwest Commercial Redevelopment Project

Robert Dunckel, Assistant City Attorney, said the Commission received the work in progress draft development agreement. Before the contract can be executed, there will be a public hearing process with HUD to amend the action plan to allow the residential development. Land is being given to the developer which puts the City in a position whereby it can demand certain performance standards from the developer. The development agreement is a real estate contract, a construction contract, and a set of restricted covenants that will last for 21 years beyond the date of final completion. The City will approve a conceptual site plan which is the basis for filling in the remaining blanks in the contract. Later, there will be a zoning approval process including site plan level III mixed-use development and possible Commission call-up. With the concept site plan, there is an approval process and provisions for modifications in the future. Staff will meet with the developer and negotiate a project development schedule.

Mr. Dunckel indicated the project development schedule would anticipate a ninety day period for due diligence. At the end of that time, they would have the opportunity to

cancel out. From the effective date, it would be fifteen months to obtain a firm financing commitment and zoning approvals. The City would not part title with the property until there is a firm financing commitment and all zoning approvals in place. All that would be remaining would be closing and funding building permits.

Mr. Dunckel said that the loan documents are very important. The City would require the lender to have the loan structured to contain bonding requirements; the City would have the right to cure any defaults existing in the contract between the lender and developer. If the City chose to cure such defaults, there is a built-in mechanism where the City could impose a lien and recover the cost for curing the defects. If the lender should take over the project, the lender would have an obligation to continue according to the site plan. The City also would have the option to purchase the financing documents and a right of redemption. There are prohibitions about cross-collateralizing the property with other properties to make sure the financing is limited to just this project. The contract contains typical provisions regarding insurance, indemnification, limited arbitration, restrictions on assignment and restricted covenants including a right of reverter.

Mr. Dunckel said in May a more detailed site plan was requested from the developer which was submitted. A public meeting was held and the site plan from that meeting is now before the Commission.

Sean Jones, Milton Jones Development, said this site plan is possible today because they purchased the Church's Chicken property at the corner of NW 7 Avenue and Sistrunk Boulevard. They worked with Marvin Sanders of Sanders Planning Group and Cohen and Friedman on this site plan. He noted the boundaries. It calls for development of two 14 story mixed-use towers and in between the towers, there would be a five-story parking facility and retail on the ground floor. There would be a continual face of retail on NW 6 Street and NW 7 Avenue. A grocery store of 20,500 square feet would be located further east. Church's Chicken, with a drive-thru and seating for 22, would be located at NW 6 Street and NW 5 Avenue. The parking ratio for the grocery store is above five per thousand and 1.5 parking spaces per residential unit and five per thousand for the 14,900 square feet of retail. The residential towers contain 439 units. He noted some detail about the residential units, allowing eyes on the street, multiple sidewalks and creating a sense of place. He showed renderings of the project.

Mr. Dunckel said there are policy decisions concerning Church's Fried Chicken, grocery store, mixed-use towers, sale versus rental of residential units, construction phasing, bonding and affordability of the units.

In response to Commissioner Rodstrom, Mr. Dunckel said the initial development agreement draft calls for a grocery store of 25,000 square feet; the site plan shows 20,000 square feet. Alfred Battle, Director of Northwest Progresso Flagler Heights Community Redevelopment Agency, said they wanted a grocery store that would have mass appeal. The size of 20,000 to 25,000 is the target. They arrived at that number by looking at various name brands in the market place. Mr. Jones believed it will be a neighborhood grocery store primarily serving the area. Ultimately the grocery store will dictate its size. As the developer, they do not have a problem with either size depending on what the grocery store wants. Commissioner Rodstrom asked if 25,000 takes into account other grocery stores such as Winn Dixie and Sunrise. Mr. Jones indicated yes.

Mack Peeples was concerned that this developer was given fifteen years to develop the property and has not done so. Regal Trace built by this developer has a high drug and crime problem. He was opposed to this developer building more residential units.

George Burrows did not feel fourteen story buildings are compatible for this predominantly black community. They would not be affordable. A smaller mixed-use project would be more appropriate. If the original plan is being changed, he felt a new RFP should be issued.

Nathaniel Wilkerson asked what is the average size of a grocery store because he felt the area has the demand. He questioned what mixed use would entail. He thought the units would be too expensive. He recalled the history of this property. He wanted the development agreed upon when the property was given to the Jones to do. He questioned how much tax money has been lost from the time the property was given to them and today.

Sonya Burrows felt the community could accommodate a grocery store the size of the Winn Dixie in Victoria Park. She believed the parcel in question is slightly larger than the Victoria Park site. The existing community has requested a grocery store. Mr. Jones said the grocery store would be for the entire community.

Louise Dowdy commented about the high cost of milk as an example at a neighborhood store. She wanted the City to move forward with this property. People are ready to occupy retail space in this area. This will create jobs. She emphasized the need for a grocery store.

Margaret Birch did not feel it is fair to allow a developer to change the originally issued RFP. The subject property has been vacant for 15 years. They have asked for commercial development including a grocery store. The area can support a large grocery store; the community does not want a Neighbors grocery store. Fourteen story towers do not fit the surroundings. Mixed use would be acceptable. There are a lot of young black people who want to move back to the City. If affordable housing is provided, she was sure they would sell. She urged the City to issue a new RFP and move forward.

Mickey Hinton discussed the property's history. He wanted the development to move forward. The community wants and can support a grocery store.

Gloria Lewis, resident of Lauderdale Lakes, said she is employed by the International Longshoremen's Association that is situated in the subject area. Between October and May the area is very crowded. The fourteen story buildings will only add to congestion in the area. Commercial is needed. She commented about problems with Regal Trace. Landlords should stick to their plans.

Mayor Naugle said the mixed-use concept for this project was already determined by the Commission. The Jones family purchased the Church's Fried Chicken site based on the mixed-use approval. Today the Commission is being asked to clarify some issues of the project.

Vice Mayor Moore said that a newspaper reporter blamed him for this project's delay. He said that is not true. The development has not moved forward due to the lack of

competition. In response to Vice Mayor Moore, the City Attorney was not aware of any delays caused by the Vice Mayor in connection with this project. Mr. Dunckel also indicated no.

Vice Mayor Moore said for years they have argued about the RFP. The City agreed to deal with a development of 28 acres now known as Regal Trace consisting of low to moderate income housing units. It was felt that the community was looking for affordable residential units to be reestablished as units had previously been demolished. The commercial development within that community were also demolished. There were to be two development phases; to restore the housing and to restore the commercial establishments. The RFP was originally written for only commercial on this five acres of land. Some 28 acres were given for residential. Actually, more land was donated for City View which has sixty townhouses. The community held two charettes to discuss the redevelopment concept. The idea of donating the land was to jump start redevelopment and not to be a land banker for fifteen years. There was only one responder for the commercial site because the property was given with the condition that once the person was given the residential property, he or she would have the first right to develop the commercial property. It was to be completed by a certain date and time. There were thirteen extensions to create the residential property and in those extensions Regal Trace was completed. When he began to push for commercial development, he was informed by former legal counsel that negotiations had to occur with Milton Jones Company because they had the first right of refusal. He always differed with that position because deadlines for the development of the first phase had not been met. Things laid dormant for a number of years. Under a new City Manager, he requested that an RFP be issued for this commercial site. A Commission majority felt the City should continue negotiations with Milton Jones Company. This was in 1996. The process began in 1992. No one stopped this from moving forward but the individuals who felt they had rights to the property.

Even when a Commission majority agreed it would change the original RFP, Vice Mayor Moore indicated there are now 439 residential units being proposed for five acres instead of 408 units on 28 acres. In the charrette discussions, people did not want a slum but rather open green space, recreational facilities and 24-hour security. This property was purchased with Community Development Block Grant monies and a condition was that there be low to moderate income housing available. When the Commission changed the policy of the community's desires, fourteen story buildings are now being proposed.

Vice Mayor Moore distributed and read a motivational excerpt from his personal calendar for today, titled Follow Your Star. He wanted the development to be the vision of the community. This is the taxpayers' property. The community does not want a Neighbors grocery store. The RFP proposed only commercial development, but now there is 14,000 square feet of retail and a 20,000 square foot grocery store when the community wanted 25,000 square feet. He is trying to deliver to his constituents what they want.

Vice Mayor Moore talked about recent action of the Commission concerning proposed developments and neighborhood incompatibility. He does not object to the Jones' family developing the property. If this concept is agreed upon today and someone is given the belief that they have a right to build fourteen stories, that is what will happen. He did not want the Commission to make the same mistake as to rights. The black community

wants a nice, safe environment to raise their families and an opportunity for economic and education advancement just like anyone else.

Vice Mayor Moore referred to the mass of the proposed project and noted the Commission has voted against projects on private property where people across a waterway thought the structure was too massive. He referred to the City getting ideas from several architectural students for City Hall because it was public property. The City does not offer City property to be purchased to one person, but rather the City allows the public to respond. Mr. Jones did an excellent job on Regal Trace, but has failed on this commercial. This property is located in the CRA and 90% of appreciated taxes have to be spent within the boundaries of that CRA. He remarked about the bonding capacity that would have been possible if it had been done fifteen years ago. He wanted this developer to respond to a competitive RFP.

Vice Mayor Moore was pleased to see the draft addresses the City's right to the property if the developer uses the property as indebtedness because in the case of City View, the developer financed the project and lost it.

Vice Mayor Moore pointed out there is a full change of the plan. He asked if the 439 units are developed as townhouse or condominium units, what percentage would have to be affordable. Mr. Dunckel said 100%. Vice Mayor Moore asked if it was 439 rental units, what would the percentage be. Mr. Dunckel said 50%, although a process is allowed where it might be reduced, but a whole new set of approvals and hearings would have to be scheduled with HUD. Vice Mayor Moore asked if there are any parcels not in the Regional Activity Center that would consist of the density being proposed for this five acres. Marc LaFerrier, Director of Planning and Zoning, said this would equate to approximately 85 units per acre. The zoning is community business. He did not believe the zoning would have to be changed. They could follow the code that provides for a mixed-use project to proceed through allocation of units in the Regional Activity Center and site plan level III review. Vice Mayor Moore noted the Commission's recent rejection of a private land owner on a site plan level II and III.

In response to Vice Mayor Moore, Mr. Dunckel said once there is an established effective date and fully executed contract, the developer has a unilateral right to cancel within five business days after expiration of a ninety day period. They have fifteen months to get zoning approvals and a firm financing commitment. Vice Mayor Moore noted it is January of 2009.

In response to Vice Mayor Moore, Mr. Dunckel said the draft currently provides for a minimum of 25,000 square feet; the square footage would be according to Commission direction. The Commission would also guide the number of retail square feet.

In response to Vice Mayor Moore, Mr. LaFerrier said that commercial zoning categories typically do not have a floor area ratio or lot coverage requirement; it is a matter of setbacks and maximum height. With five acres, it would be over 200,000 square feet. Vice Mayor Moore said the community thought they were getting up to 200,000 square feet of commercial opportunity, but is getting 35,000 square feet at best. He reminded everyone that this is publicly owned land.

In response to Vice Mayor Moore, Mr. Battle said the land was appraised in 2005 at \$2.6 million.

Vice Mayor Moore further said that the original RFP was written for a 37,000 square foot grocery store, 13,500 square foot drug store, 4,000 square foot video store, 3,000 square foot food and beverage store, 16,000 square foot of other retail. Mayor Naugle noted that was for eight acres; \$60 per square foot at the time.

As district commissioner, Vice Mayor Moore wanted the RFP reissued. He introduced Michael Irvin and Corey Alston who are originally from Fort Lauderdale. They are interested in purchasing property in this neighborhood and conforming to the neighborhood's vision.

Michael Irvin commented that his people are coming together and trying to make things right which is the first step to anything. He would like to come home and make things better. This is a neighborhood he knows well and he wants to give back.

Corey Alston said he is a Fort Lauderdale native and owns the land across from the subject site. He is interested in hearing the Commission's guidance on the plan for Sistrunk Boulevard redevelopment. He wants to be part of the redevelopment and to that end has acquired land. He hoped the Commission would commit to develop this corridor as a top priorities and achieve the wishes of the community. It is one of the last major blighted areas of the city.

Vice Mayor Moore introduced Mike Payne of the International Longshoremen's Association which is in the midst of the proposed development. They have no where to park and are consequently getting ticketed when they try to come to work. They have a war chest of \$13 million and would like to build what the community wants if given an opportunity.

Mike Payne, Vice President and business agent for International Longshoremen's Association, said he wants the property to be developed as promised. Generally when someone is forced to do something, they screw it up. He commended Mr. Irwin and Mr. Alston for coming back to the community where they grew up and trying to do something. It has been a total nightmare for the Association and the surrounding community. He asked the Commission to do the right thing and what is in the community's best interest.

Vice Mayor Moore clarified that his comments have nothing to do with Regal Trace. Fifteen years is not reasonable especially when the vision is totally different. He asked the Commission to support his position as District Commissioner.

Mayor Naugle said that once the Commission makes a decision, people should be able to rely on that decision and honor commitments. On July 19, 2005 the Commission discussed the mixed use, residential units, building height and all these matters and made decisions. Staff was directed to bring back a developer agreement. The Commission is now being asked their opinion on a few issues in that developer agreement. There was also a public hearing on these matters. He felt it would send a bad message to the business community to change the decision after everyone agreed.

Vice Mayor Moore said he is not filibustering. The Commission entered into an agreement with Palazzo and hundreds of thousands of dollars were spent. In this situation, the elevation was just provided three weeks ago. As far as relying on a

government's decision, he suggested the developers of Palazzo be asked what happened to them.

Commissioner Rodstrom asked if this project has to follow the ULDR neighborhood compatibility guidelines. Mr. LaFerrier said yes.

Commissioner Hutchinson noted in the July 19, 2005 minutes it says 390 units and asked why it has increased. Mr. Dunckel said he responded to the site plan delivered to him three weeks ago. Mr. Jones also recalled it was 390; there was a refinement of the architectural plans that allowed for additional units on 5 Street and above the parking garage, which would allow eyes on the street completely on 7 Avenue. Commissioner Hutchinson had an issue with such an increase. Vice Mayor Moore said the Commission agreed upon a maximum of 390; not 390. At the least it should be a scale that will not impact the neighborhood which is certainly not two, fourteen-story towers..

Commissioner Hutchinson felt it will be beat to death in neighborhood compatibility review. She felt thought the developer would have a challenge going above eight stories; even the 390 will change. It is up to 390. It has to meet the same standards on neighborhood compatibility as other projects. She was sure it would not ultimately be 150 feet.

Commissioner Teel felt if one sticks to what was said fifteen, sixteen years ago, it does not include anything more except what is already built at Regal Trace. When the feasibility studies are done, she was not sure that the right numbers would come out. She was concerned about then another delay. The market has changed. She felt the grocery store should be a big as possible because it would encourage a better quality store. She was not sure about sticking to the past today. She also did not feel fifteen stories is appropriate.

Vice Mayor Moore discussed demographic studies in this quadrant of the city. In City View, the units were capped at \$55,000 and they are now selling at \$369,000. Five developments of one hundred units or more have been approved to the west, three community development projects are taking place along the corridor and the Flagler Heights development is occurring around the site. Fifteen years ago the City was giving away property in order to make things happen, but now there is not that need. When the Sistrunk conceptual plan was done, the Midtown Business Association agreed it should be mixed use. Commercial was suggested because of that day and time. A mixed-use project might not be inappropriate. What is inappropriate is to continue to deal with a jump-start project that has yet to jump. He has no objection to residential; it is the height and price.

In response to Commissioner Teel, Mr. Peeples said his comment about a price of \$800,000 for a second-floor unit was based on what most units in the area start at. He did not feel the property would be part of the neighborhood. Commissioner Teel did not think the units would sell today or two years from today for \$800,000.

In response to Vice Mayor Moore, Mr. Jones said the units would range from 775 square feet to 1,295 square feet; this is preliminary. They are not prepared to discuss the unit mix; it is not included in the memorandum. Vice Mayor Moore was concerned the Commission continually does not know the details; things keep moving. In response to Vice Mayor Moore, Mr. Jones wanted the bedroom mix left to the developer, the market.

There will be one, two and three bedroom units which would be dictated by the market. Vice Mayor Moore was concerned the developer knows they want 439 units, but does not know the unit mix.

Commissioner Teel said with what has taken place for so many years, a new RFP should be issued.

Commissioner Rodstrom disagreed because the project would be delayed. She hoped the Planning and Zoning Department would address the fourteen story mixed-use towers and neighborhood compatibility. She understood the developer to be open to the size of the grocery store. She understood there would be an affordable component to the units. She wanted to know whether the units would be for sale or rent. She also wanted to know about Church's Fried Chicken.

Commissioner Hutchinson questioned how decisions could be made by the Commission without the benefit of the Planning and Zoning Department review. She thought the Commission majority negotiated in good faith, but now it is so convoluted and it has gone on so long, she did not know what to do.

Vice Mayor Moore wanted staff to prepare and issue an RFP for a planned unit development with community input. The City has changed on a number of public projects.

In response to Commissioner Rodstrom, Mr. LaFerrier said there are no height restrictions for a PUD. Vice Mayor Moore said the project would be designed according to the desires of staff.

Commissioner Hutchinson believed everyone is at fault.

Mayor Naugle pointed out that work is not invested in preparing drawings unless there is a deal.

Commissioner Hutchinson wanted a cap of 390 units. She does not want a Neighbors grocery store because she would not shop there. She negotiated in good faith. She was not part of the first ten years. She felt they have one more opportunity.

Mayor Naugle suggested staff be requested to submit a contract agreeable to developer at the September 5 meeting. Commissioner Hutchinson felt the Planning staff needs to be involved in the negotiations. The developer needs to know that fourteen stories and the high density will probably not meet neighborhood compatibility.

Vice Mayor Moore outlined if there is a developer agreement, no fifteen stories, it will be compatible and retail/commercial is the emphasis and said that he could deal with it if the developer is either painting or off the ladder by September 5.

Vice Mayor Moore emphasized there would not be a Church's Fried Chicken with a drive-thru at this site. Commissioner Hutchinson asked what is the objection to a drive-thru.

Mayor Naugle emphasized the Commission should not specify brands with respect to particular establishments.

Commissioner Hutchinson said the grocery store needs to be a minimum of 25,000 square feet; it could be more. There was consensus approval.

Vice Mayor Moore said the community does not want a Neighbors grocery store on free land. The developer needs to step up to the table to deliver the end product. In response to Commissioner Hutchinson, the City Attorney said there are definitions of levels of grocery stores. Commissioner Teel did not want to limit the square footage to 25,000 because when a minimum is noted, the tendency is to stay at that size.

Mayor Naugle asked about the restaurant parameters. Vice Mayor Moore said this is to elevate and not capsule what now exists. At this time the operator has been disrespectful to the quadrant. If there is going to be new development with a gift of public property, the level should be increased. This is why drive-thru is a no. He referred to other areas where there are no drive thru because the development site is not appropriate. With redirection of 9 Avenue and 7 Avenue, it should be a stand-alone commercial development especially if it is going to be fronted with housing units. He referred to a new development in Plantation at Broward and Highway 441 where Miami Subs and Bank Atlantic could not be acquired. When five acres is being gifted in a commercial regional activity area of a CRA, the developer needs to bring something better, not a Church's with a drive thru. Mayor Naugle said it was moved off the corner of Sistrunk; it is a brand new facility. In response to Commissioner Rodstrom, Vice Mayor Moore indicated a mixed use development, pedestrian friendly, job generator is not where a drive thru would be wanted. Commissioner Teel could envision people using a drive thru, but she thought it would be worked out during the planning phase. Commissioner Hutchinson agreed about Planning staff involvement.

With respect to doubts about the plan meeting neighborhood compatibility, Mr. Dunckel noted the developer has fifteen months to obtain zoning approvals and a firm financing commitment. He will include provisions that there would be no guarantee regarding this plan. Mayor Naugle concurred the Commission has not blessed this plan.

The City Manager was concerned about getting clear direction for staff.

Commissioner Hutchinson wanted Planning to review it and see what they recommend.

Vice Mayor Moore said there should be no drive-thru; nothing more than five stories for residential units and there be 51% rental affordability or 100% for sale or HUD guidelines.

Mayor Naugle thought it would be eight stories. Vice Mayor Moore questioned why a distinct as to height is made in other districts, but not in his district.

Vice Mayor Moore noted the grocery store should be a minimum of 25,000 square feet and a standard above a Neighbors; neighborhood compatible; a mass of five; mixed-use consisting of retail, commercial and office.

Mr. Dunckel explained after it comes back to the Commission in September, the developer will have to make site plan modifications and staff will have initial drafting, which will take a month. Vice Mayor Moore was concerned about how long this has

taken. He wanted an update on September 5. There must be a single-phase construction and a performance bond.

The City Attorney asked about the bedroom mix. Vice Mayor Moore indicated Planning staff could address this.

In response to Mayor Naugle, Commissioner Teel indicated she is comfortable with five stories. Commissioner Rodstrom did not want to limit it to five stories. She wanted Planning to address the number of stories and how it will look on the total site.

Mr. Jones said they are agreeable to working with the Planning staff and providing what the Commission wants however they will need time to redesign. He asked how long it would take staff to provide their comments.

Mr. LaFerrier felt staff could provide a review in September, but did not want to promise the first meeting in September.

Mayor Naugle understood the Commission is asking staff to develop design parameters. Once this is accomplished, he asked how long it would take for the developer to produce a concept. Mr. LaFerrier indicated that given the magnitude of changes that may be required from today's meeting, it could be three months after the developer receives staff's comments. Mr. Jones said they would get it done as quickly as possible, but he did not know what is on their consultants' schedule. He agreed to three months.

Vice Mayor Moore understood it would be 90 days from whenever staff's comments are provided to the developer. In response to Commissioner Hutchinson, Mr. LaFerrier indicated the next date available for Development Review Committee review would be September. Commissioner Hutchinson understood after that review, staff would submit comments and the clock starts. Vice Mayor Moore agreed to that timeline.

Vice Mayor Moore indicated if the developer wants to pay the City the appraised value of the property, he would consider stories above five, but not as gifted land.

In response to Mayor Naugle, Commissioner Hutchinson agreed with five stories.

Mr. Jones wanted a list of parameters from staff before going to design. Then they will be ready to submit to DRC. Commissioner Teel felt the parameters have been listed.

In response to Commissioner Hutchinson, Mr. LaFerrier indicated the developer should bring in the plans and meet with staff to ensure that all needed information is available for a cursory review according to the ULDR and emerging ideas and policies from plans that are being prepared for the area. Although not a complete DRC meeting, the plans could be reviewed and not necessarily on a normal DRC meeting date.

The City Manager said it appears that certain parameters have been set today, which will be provided. The Planning staff and the developer will meet and review the parameters, along with other issues that are ancillary to the major policy issues. This will be brought back to the Commission and the goal is the first meeting in September.

In response to Commissioners Teel and Rodstrom, the City Manager indicated the first meeting in October is acceptable as well.

Action: The Planning and Zoning Department will meet with Milton Jones Development Corporation based on parameters set by the Commission, applicable Code requirements including neighborhood compatibility and their professional expertise. The item will be resubmitted for October 2, 2007. Please see minutes detail for the following policy issues relating to the development agreement finalization: Church's Fried Chicken; grocery store; mixed use towers; residential and commercial mix including maximum number of residential units and for sale versus for rent mix; construction phasing; performance bond; and affordability. The Planning and Zoning Department will also address bedroom mix and other ancillary issues. Vice Mayor Moore requested a status report on September 5, 2007.

I-C – Dedication of Esplanade Park – Request of Greater Fort Lauderdale Sister Cities International Dedicating Esplanade Park

Patsy Mennuti, Executive Director, Riverwalk Trust, said they are intrigued by this concept. The Broward Center was just designated as a cultural embassy. The park is about twenty years old and has outdated fixtures. The Trust would like to do something that reflects the cultural embassy and that this is a world class park honoring the sister cities. They are under a master plan review for that area and want to make sure that the flagpoles are in context with Riverwalk Park, the entertainment district and respecting the programmatic aspects of the park.

Nuccia McCormick, Sister Cities Chair and General Chair of the conference, said they are excited about this. The conference will begin tomorrow. There will be delegates from around the world. She outlined the ceremony and celebration activities planned around the park and the flags. She requested approval.

Commissioner Hutchinson asked who is going to maintain the park. Phil Thornburg, Director of Parks and Recreation, said staff has shown some concern about placement of flagpoles as to how they may impact use of the park. He wanted to work with Riverwalk Trust and Sister Cities to develop a different flag showcase design that could be brought back to the Commission.

In response to Commissioner Hutchinson, Mr. Thornburg said conceptual approval is requested at this time. With respect to maintenance, Sister Cities has given verbal acknowledgment that they will pay for installation and maintenance of the flags. Staff will present Sister Cities' plan as to how payment and maintenance over the course of time will be handled by Sister Cities.

Commissioner Teel wanted the flags to be maintained in a pristine condition.

Corky Dozier, Regional Coordinator of Sister Cities International, said that Fort Lauderdale will interface with Venice, Italy this Thursday evening, bringing some five hundred international delegates which is the beginning of internationalism. There will be no expense to the City. Sister Cities International anticipates replacing flags three times a year. They plan to create a partnership with the Discovery Center to promote international relations, harmony and understanding and an International Visitor Center.

Mayor Naugle understood they want to do some temporary for Thursday.

Commissioner Hutchinson suggested it be presented to the Parks, Recreation and Beaches Advisory Board.

Ms. McCormick invited the Commission to the various events planned.

Elizabeth Hays asked if the flags are going to be flown 24/7 and Ms. Dozier replied yes.

Action: Conceptual approval. Staff will work with Riverwalk Trust and Sister Cities on the design, which will be presented to the Parks, Recreation and Beaches Advisory Board and the Commission for final approval. Information as to installation and maintenance of the flags by Sister Cities will be presented to the Commission in the final approval process.

EXECUTIVE CLOSED DOOR SESSION WAS HELD AT 4:46 P.M.

Susan Myers – GL 06-487

Mayor Naugle said remaining conference items would be addressed after tonight's regular meeting.