

**APPROVED
MINUTES
NORTHWEST PROGRESSO – FLAGLER HEIGHTS
REDEVELOPMENT ADVISORY BOARD
FORT LAUDERDALE
100 NORTH ANDREWS AVENUE
8th FLOOR CONFERENCE ROOM
AUGUST 28, 2013 – 3:30 P.M.**

Cumulative Attendance

<u>Members Present</u>	<u>Attendance</u>	<u>May 2013 - April 2014</u>	
		<u>Present</u>	<u>Absent</u>
Steve Lucas, Chair	P	3	0
Ella Phillips, Vice Chair	P	3	0
Jessie Adderley	A	2	1
Sonya Burrows	P	3	0
Ron Centamore	P	3	0
Nate Ernest-Jones	A	2	1
Alan Gabriel	P	2	1
Mickey Hinton	A	1	2
Brice Lambrix	A	1	2
Sam Monroe (arr. 3:43)	P	1	2
Julia Parker	A	2	1
Richard D. Powers	P	3	0
Yvonne Sanandres	P	2	1
Scott Strawbridge	P	3	0
John Wilkes	P	3	0

Currently there are 15 appointed members to the Board, which means 8 would constitute a quorum.

It was noted that a quorum was present at the meeting.

Staff

Alfred Battle, Economic and Community Reinvestment Manager
Sandra Doughlin, Clerk III, DSD/ECR
Lisa Edmondson, Recording Secretary, Prototype, Inc.

Communications to City Commission

None.

I. Call to Order / Roll Call

Chair Lucas called the meeting to order at 3:38 p.m. Roll was called and it was noted a quorum was present.

II. Approval of Minutes from June 26, 2013

Motion made by Mr. Gabriel, seconded by Ms. Burrows, to approve. In a voice vote, the **motion** passed unanimously.

Action Items

III. Funding Request – Shoppes on Arts Avenue

Chair Lucas introduced Sean Jones and Milton Jones of the Milton Jones Development Corporation. Mr. Battle explained that the developers were requesting reimbursement of costs associated with streetscape improvements at the Shoppes on Arts Avenue retail project, which is located at the intersection of Sistrunk Boulevard and NW 7th Avenue. He provided a brief overview of the Milton Jones Development Corporation, which is a private local real estate development company involved in the development of commercial and multi-family properties.

He continued that the Shoppes on Arts Avenue project is a 35,000 sq. ft. shopping center which includes Family Dollar, Bank of America, and Save-a-Lot, with approximately 8000 sq. ft. remaining. It is a two-phase project, which the developer is seeking to fund comprehensively; although phase two has not yet received funding, the developer has applied to the Florida Housing Finance Corporation in order to proceed with phase one. The developer and the CRA are partnering with the City Manager and the Public Works Department in order to increase the lighting levels along Sistrunk Boulevard and eventually underground power lines in that area to make it consistent with the rest of the streetscape.

Mr. Battle concluded that the developer is seeking a reimbursement grant of slightly over \$150,000 for phase one, with funds to be paid when more invoicing information is available regarding costs and materials. The request would go before the CRA Board for final approval, and an agreement would be crafted between the City and the developer to outline the terms of reimbursement.

Chair Lucas requested clarification that CRA funds would be the last funds contributed toward the project. Mr. Battle confirmed that CRA monies would be paid after construction is complete. He noted that while the letter in the members' information packets stated the developer was seeking \$203,000, the final recommended request is \$150,000, which represents the actual construction costs.

Mr. Wilkes asked if the request was in line with the percentages of streetscapes associated with other projects. Mr. Battle agreed, noting that the CRA typically

funds 50% or more of streetscape costs, particularly with respect to the improvements on 6th Avenue. The improvements are solely related to the commercial center of the property rather than for the proposed residential portion to the east.

Mr. Wilkes observed that not all the retail space on the site has been leased thus far, which was a concern for him. He recalled that the City Commission had not approved tenant incentives that could attract stores to the site, and pointed out that the prospective location of a Wal-Mart grocery store within blocks of the site could be detrimental to the Shoppes on Arts Avenue. He asked if the project would ultimately be self-sustaining before additional support is provided for the streetscape improvements.

Sean Jones, representing the Milton Jones Development Corporation, replied that his company solicits companies to come into the area on a daily basis. He pointed out that as a result of the challenges faced within the CRA, many of the tenants that have expressed interest do not typically have the funds to bring in the types of projects the developer would like to see, while companies with sufficient funding usually try to relocate to an area with less risk. He advised that incentives will be necessary to attract the types of retail or restaurant uses the CRA would like to see in the Northwest corridor.

Mr. Jones continued that while he did not have current information regarding the status of the prospective Wal-Mart site, the management of the Save-a-Lot store has informed him that business at the site has exceeded that company's expectations. He concluded that the site needs incentives to attract other businesses to the property.

Mr. Wilkes asked if the Save-a-Lot's lease included a provision that would allow them to walk away from the site if the store does not reach a specific financial goal. Mr. Jones clarified that the lease includes a negotiated provision that would allow the store to "go dark" after it has opened, although it was required to be open for at least one day; there is also a mechanism in the lease that would allow the store to assign interest to another party, and to work with the City to bring in an appropriate retailer. Thus far, the store is satisfied with its current sales.

He continued that the vacancy on the site consists of approximately 10,000 sq. ft., and is primarily located on a corner. The developer has added a grease trap and gas line to the building in order to attempt to attract restaurants. Mr. Jones stated that "the right type of restaurant" could attract customers who would not ordinarily come to the area.

Mr. Wilkes asked what additional incentives the developer felt might attract prospective tenants to the site. Mr. Jones replied that this would include tenant

improvements that would remain in place at the site; they could also include assistance with the tenancy while the business seeks stabilization. He advised that he and Mr. Battle have discussed a possible structure that might include grant funding or a low-interest or forgivable loan.

Mr. Battle added that past discussions of the Board's five-year plan have included the possibility of setting aside funds or creating an incentive program. This will hopefully be funded as a five-year capital expense.

Mr. Wilkes noted that the request before the Board is a "big picture" request rather than an isolated one: if the City wishes Sistrunk Boulevard to be successful, it must attract businesses and provide an incentive program in addition to the reimbursement of costs. Mr. Battle advised that the revamped incentive program will include these elements, as well as a more comprehensive spending strategy for the entire CRA over the next five years.

Motion made by Ms. Burrows, seconded by Mr. Strawbridge, that the Board approve the grant in an amount not to exceed \$150,106 to cover the hard costs of streetscape reimbursement. In a voice vote, the **motion** passed unanimously.

IV. 2013-2014 CRA Budget

Mr. Battle stated that the members' information packets included a memo from Staff which outlined roughly \$2 million CRA expenditures. He noted that some key differences in this year's expenditures include an increase in the operating budget, as the CRA has added the expenses requested by the Flagler Village Improvement Association at the Board's June 2013 meeting. These expenses will increase the CRA's allocations toward advertising, marketing, and special events, as well as a small expense toward the establishment of a Police guardhouse.

He continued that the Board has also approved a total of \$100,000 for Downtown Fort Lauderdale Transportation Management Association (TMA). These funds will go toward the Northwest Circulator and Neighborhood Link routes, which operate in part within the CRA. There will also be a reduction in the Staff budget, as a member of CRA Staff is leaving the organization. This will decrease the budget to \$2,042,519.

Mr. Battle advised that the operating budget includes salaries for four Staff members; his own salary is paid in part with funds from the Department of Sustainable Development, as he now manages Housing and Community Development and Economic Development in all the CRA districts. This allows the CRA to pay other City Departments directly for their time spent on various projects, such as engineering. He noted that these Departments will provide

assistance on various Northwest neighborhood improvements that will be implemented in the coming years. These projects typically have a long lead time, as they require community involvement and endorsement of conceptual plans.

Regarding professional services, the CRA has maintained its level of funding for community events, such as Light Up Sistrunk and the Midtown Summerfest, as well as monies requested by the Flagler Village Improvement Association. Mr. Battle stated that there have also been discussions with business and civic organizations in the Midtown business areas with regard to the possibility of similar funding requests.

There are no other significant changes to the budget, which will be approximately \$2.1 or \$2.2 million at the most. There have been no discussions thus far on issues such as bonding revenue, although Mr. Battle advised that the City Commission may ask the CRA to explore this possibility in greater depth once they are provided with the fully developed five-year plan.

Mr. Battle observed that in the next few years, the CRA will have the opportunity to spend capital funding more aggressively than it has in the past. This is because the previous budget year included the final payment on the last bond issuance. This frees up over \$1 million that had gone toward debt service over the last 10 years.

He concluded that \$100,000 has been set aside for community projects, such as the Flagler Village Community Garden. While this amount is not currently included in the budget, Mr. Battle stated that he felt it would be added before the City Commission adopts the CRA's final capital improvement and operating budgets.

Mr. Wilkes requested more information on the division of funding between the CRA and the Flagler Village Association in order to avoid duplication. Mr. Battle replied that the CRA will, for example, help the Association put out an RFP for a marketing firm; the vendor will be hired to perform a scope of work agreed upon by the CRA and the Association, although the contract will be between the CRA and the vendor; and any contracts over \$25,000 must be approved by both the Redevelopment Advisory Board and the CRA Board. No dollars will be disbursed directly from the CRA to the Flagler Village Improvement Association.

Motion made by Mr. Gabriel, seconded by Mr. Strawbridge, to approve a budget of \$2,042,519. In a voice vote, the **motion** passed unanimously.

Mr. Battle stated that there may be an upcoming workshop between the Board and the City Commission to further discuss the five-year plan.

Mr. Strawbridge observed that a percentage of the \$2 million budget could remain unprogrammed and flexible for use in programs or events that have not yet evolved. He recommended additional flexibility in the five-year plan. Mr. Battle said either a percentage or an amount could be left unprogrammed for this reason, noting that it would be possible for a City Commissioner or Staff to bring forth more plans for the CRA toward which this allocation could be used. He stated he would add this to the documentation.

Vice Chair Phillips requested more information regarding the prospective Wal-Mart site. Mr. Battle said there are two proposed facilities: a Wal-Mart neighborhood grocery store at Sunrise Boulevard and Andrews Avenue, and a Wal-Mart shopping center on Broward Boulevard and 27th Avenue.

He continued that the Wal-Mart grocery store had previously expressed interest in coming before the Board to request funding assistance with the streetscape improvements at that location. However, it is not likely at this time that the company will proceed with the Sunrise Boulevard/Andrews Avenue location.

Mr. Strawbridge commented that there may be title issues related to the prospective Wal-Mart neighborhood grocery store site. He asked what might be required to make this site marketable, and whether or not the CRA might be able to assist in doing so. Mr. Battle said this would require discussions with the property owner before any such decisions could be made.

Mr. Wilkes asserted that he did not feel the CRA should support a Wal-Mart facility at the location, as it would be inconsistent with the actions the Board took in support of the Shoppes on Arts Avenue. He added that becoming involved with potential legal issues related to property is outside the scope of the Board's work. Mr. Battle advised that there may be a middle ground on this issue, as there is interest in finding out why a large project such as a Wal-Mart did not go through. He did not feel it would be inappropriate to discuss, with a property owner, why a site within the CRA has not been developed.

Information Items

V. Economic and Community Reinvestment Status Report – June/July 2013

Mr. Battle advised that the Board members were provided with a status report of both CRA-specific and other projects located throughout the City. He recalled that he had attended an International Council of Shopping Centers (ICSC) convention in order to continue to develop relationships with property owners and real estate brokers.

He continued that Village Place, a low-income housing tax credit project, has been funded, as it was able to receive a local government contribution from the City. This project had come before the Board to request assistance; while the Board had approved this request, the City Commission had initially declined it. Mr. Battle noted that this development is targeted toward residents over 55 years of age. He advised that another funding cycle is coming up, and more applications for low-income housing projects will be submitted; however, there is now a distance requirement from existing projects that will make it difficult for new projects to be eligible.

Mr. Strawbridge recalled that local support had been the primary hurdle for these projects in the previous year, as applications for low-income housing tax credit funding must be accompanied by a minimum amount of local support. He commented that applications in the current cycle are due by November 12, 2013, which makes it unlikely that the City will support any of these applications.

Mr. Strawbridge asserted that he hoped the City will ultimately understand that there is a need for additional affordable and workforce housing within its communities. Mr. Centamore recalled that the City had planned to hire a consultant to perform a study on low-income housing; however, this consultant has not yet been hired.

Mr. Wilkes remarked that if the City does not act in support of affordable housing, it is likely that other municipalities within Broward County may have projects selected for these tax credits. He felt the City should consider providing local support for these projects.

Mr. Strawbridge advised that the crafting of an RFP to study affordable housing cannot embark on defining specific areas and gerrymandering locations, as this would violate several fair housing laws. The City cannot engage a consultant with this purpose in mind, as that consultant must be very careful regarding what is studied and what information is presented. He concluded that the community may be under the impression that “the study might produce something that it really can’t.”

VI. Communications to CRA Board

None.

VII. Old / New Business

Mr. Wilkes requested an update on the possibility of selling City properties located within the CRA. Mr. Battle replied that Housing and Community Development owns a significant number of residential properties, which were

held by an entity called the Northwest Neighborhood Improvement District. Because this entity has not been functional for several years, the City Manager and City Commission opted to dissolve it. This means the properties have reverted back to the City's assets; however, in order to dispose of them for affordable housing purposes, they must be moved into a holding entity.

In addition to these residential properties, the commercial lots owned by the City along Sistrunk Boulevard may be given to the CRA. This transfer is currently pending, as the City's real estate office is being reinvented and all properties owned by the City must first be assessed. The RFP for real estate services was submitted in July, and a bid will be selected in October. No proposals have been received thus far.

Mr. Battle continued that Staff has made an internal decision not to dispose of any City-owned commercial properties until zoning changes in the CRA, including a new zoning district for the area, are completed.

Chair Lucas asked for an update on the Powerline Road extension. Mr. Strawbridge advised that although the City completed 60% of drawings for the project, the amount of environmental mitigation was so costly that the City has asked the Florida Department of Transportation (FDOT) to allow them to opt out of this process. Instead of realigning the road, the City plans to improve streetscapes and the overall pedestrian experience on east-west feeder roads in the surrounding area.

VIII. Adjournment

There being no further business to come before the Board at this time, the meeting was adjourned at 4:39 p.m.

[Minutes prepared by K. McGuire, Prototype, Inc.]