

Regular Meeting of the
Downtown Development Authority
Thursday, December 13, 2007
Broward Center for the Performing Arts
New River Room, West Side

ROLL CALL

BOARD PRESENT: Peter Feldman, Chair
Jack T. Loos, Vice Chair
Gale Butler, Secretary
D. Fredrico Fazio, Treasurer
Charles B. Ladd, Board Member
William R. Scherer, Board Member
Alan Hooper, Board Member

FORMER BOARD PRESENT

Neil Sterling
Ed Benton
Emmett McTigue
Robert “Buddy” Lochrie
Charlie Palmer
Doug Eagon
Martin Kurtz

ALSO PRESENT:

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| John M. Milledge, DDA Legal Counsel | Alyssa Lovitt |
| Chris Wren, DDA Executive Director | David Jett |
| Elizabeth Veliky, Planning & Design Manager | Abbey Fortney |
| Marti Brown, Administrative Coordinator | Major Anthony Williams |
| Chadwick Blue, Urban Planner | Carmelita Singh-Mayer |
| Fred Smith, DDA Intern | Leas Saraceno |
| Maria Moores | Bob Swindell |
| Renee Quinn | Jonathan Roberson |
| Patsy Mennuti | Pamela Adams |
| Steven Wasserman | Mark Nerenhausen |
| Mike Ferber | Micki Manson |
| Richard Mancuso | Eric Liberman |
| Kelley Shanley | Phil Smelley |
| Shelly Hall | |

PRESIDING: Peter Feldman, Chair

Chairman Feldman called the meeting to order at 8:43 a.m. Roll call was taken by Marti Brown. All Board members were present.

CONSENT AGENDA

Chairman Feldman asked if there were any items anyone wanted to pull and hearing none, he asked if there was discussion. There was none. Chairman Feldman asked if there was a motion approving the items on the Consent Agenda. *A motion was moved by Mr. Ladd and seconded by Hooper. All board members were in favor.* The following items were unanimously approved:

- C-1) Approval of the minutes and follow-ups from the November 8, 2007 DDA Regular Board Meeting and the minutes from the 11/28/07 Real Estate Committee Workshop
- C-2) Approval of Outdoor Event Application-Maroon Rotary Mardi Gras Run, 2/2/08
- C-3) Approval of Outdoor Event Application-South Florida Turkish Festival, 2/17/08
- C-4) Approval of Outdoor Event Application-City Link's Annual Beerfest, 3/14/08
- C-5) Approval of Outdoor Event Application-Junior League of Greater Fort Lauderdale, 3/21/08 & 3/22/08

REGULAR AGENDA

R-1 Police Report

Major Williams said the downtown is averaging between 37-39 crimes now versus 55 last year. He said he had a meeting with Stiles regarding their new development on 2nd Street. He said they have concerns the DDA might be able to assist with such as any changes that can be done in the entertainment district. He said they are concerned with police presence. He said any ordinances will need outside assistance. Major Williams mentioned that Chief Adderley lost his mom in case anyone wanted to reach out.

Mr. Hooper mentioned that in addition to the above concerns, he built a museum on the river and skateboarders are trashing the steps. Major Williams said they received that complaint and that an action plan is in place. The Board thanked Major Williams for the update.

R-2 Resolution to Micki Manson

Mr. Wren said that today was a special time for the downtown in presenting a Resolution to Micki Manson from the Broward Center for the Performing Arts. He said she has worked there for many years and the Board was honoring her today. Mr. Wren said a special person is leaving the community. Mr. Wren read the Resolution. Everyone stood in recognition.

Micki Manson said it was an honor and privilege to work with everyone at the Broward Center and the community for over 20 years. She said she is starting a new adventure in her life and she's happy to have been part of watching the Broward Center grow.

R-3 8th Annual Riverwalk Spring Tribute Honoring the DDA

Patsy Mennuti from Riverwalk Trust said she is excited about honoring the DDA Board as an institution at the Riverwalk Tribute on 3/6/08. She said it was exciting to see former members here today and that the DDA Board has impacted the downtown. She said they wouldn't be standing at the Broward Center if it wasn't for the DDA. She thanked the Board for agreeing to be a part of the Tribute. She told the Board she wanted to take some pictures in the courtyard.

Chairman Feldman said that prior to taking the pictures, he'd like to recognize the former board members present and called out their names and asked for them to stand: Buddy Lochrie, Charlie Palmer, Neil Sterling, Jack Moss (not present), Ed Benton, Emmett McTigue, Doug Eagon and Martin Kurtz. Chairman Feldman said these former members influenced him over the years and they will continue to follow in their footsteps. He said this is a tremendous honor. At this time, the meeting was adjourned to take pictures.

The meeting resumed at 9:08 a.m.

R-4 PACA Update

Mark Nerenhausen said he will give an update on the first quarter regarding highlights, benchmarks and the financial summary. He said some of the highlights are: Sesame Street, the season opening, the Rockettes which held 51 performances and had over 95,000 attendees, education services, Broadway for Teachers Performance and Workshops, projected 2008 student attendance of 172,000, Parker Playhouse and that the Center was named Cultural Embassy for the County. He gave an example of the Jamaica Fair which uses contacts to connect with government and economic development agencies. He talked about peers in the industry such as Carnival Center, Brooklyn Academy of Music, New Jersey Performance Arts Center and others. He said the Broward Center is off the charts in attendance compared to others. He talked about the occupancy cost and the cost per seat compared to others. He said most of the money comes from operations. He went through the total monies relating to depreciation, operating and support and said that the operating loss totals \$1,664,597. He said there are 1,000 volunteers.

Mr. Palmer said the building is over 15 years old and they need a dedicated source of funding of about \$1.6 million a year. He said they are working with partners to explore government and private sources. He said they would like the Board to appoint a member to work with them.

Mr. Scherer asked how many visitors were school kids and Mr. Nerenhausen said 150,000. Mr. Scherer asked if the School Board subsidizes at all and Mr. Nerenhausen said they have been very generous. Mr. Scherer asked if they've gone through an outline or program to see what they'd have to take out if they don't get the funding and Mr. Palmer said he can tell the Board how much they make on every venue. Mr. Scherer asked if other facilities such as Parker Playhouse generate revenue or if it is revenue neutral or operating at a loss or gain. Mr. Palmer said they make money from that facility. Mr. Scherer asked if they make money off selling tickets. Mr. Nerenhausen said yes. He added that even if you are at the top of your field, you need to maintain the facility. The operations provided are largely self sustaining; it's the depreciation of \$1.6 million that's an issue.

After brief discussion, Mr. Ladd said the statistics are excellent and that the presentation was great. He asked about the monies per year it generates in private donations. Mr. Lochrie, Chairman of the Foundation said that the foundation considers it as a public/private partnership. He went through the history of the how the Broward Center all began and the financial background. He said the DDA has a strong ownership position. He said the foundation is the largest single donor and the County is next. He said it's important to appoint someone from the DDA Board and that they wouldn't be here without the DDA. He talked about the economic benefit that the Broward Center has such as people dining out on 2nd street and Las Olas. He talked about some of the items that needed repair at the Broward Center.

Mr. Loos suggested Mr. Milledge be the appointed person and Mr. Milledge said he will be involved in the process anyway and that if they wanted to ask him that would be fine but that if they wanted to appoint someone, he would be participating anyway. Chairman Feldman asked if anyone else from the Board might be interested and Ms. Butler said she would be happy to do it. Mr. Scherer said Ms. Butler would be great. Chairman Feldman thanked Mr. Nerenhausen and Mr. Palmer for their presentation.

Walk On Item – County Study on Linkage Fees

Chairman Feldman said before they went on, he wanted to talk about an item not on today's agenda which is pertaining to a County study on linkage fees on new development countywide to benefit affordable housing in Broward County and this item may go before the County Commission in the immediate future. He asked Mr. Wren for an update.

Mr. Wren said the current County initiative is an affordable housing linkage fee studying an impact fee that targets commercial properties. Mr. Wren said that Chadwick Blue, John Milledge and Neil Sterling have been discussing this and getting detailed information. In his opinion, he said the numbers seem fairly high and his feeling is that they will have a significant negative impact on the commercial office space leasing ability. Mr. Wren said this study began a while back during the residential boom. He said the market is going lower and that you can find affordable housing. He said as the market shifts, he believes that affordable housing will be more available.

Mr. Milledge said the County has entered the process and held public meeting. He said staff wants input and that it would be appropriate for the Board to give a position, perhaps in the form of a resolution. He said that at the public meeting, he asked about legal issues. He said the County attorney has not done research and he asked him to do it. **Mr. Milledge said he will follow up.** He said the Board should express their concerns and he can draft a resolution.

Mr. Loos said that Doug Eagon of Stiles, contacted him a while back on this. He said they have a position of opposition. He said the Board should take a position against this as well. He said the numbers are high. He said if the concept goes forward, development will slow down, projects won't get built and the government will realize they won't get the money they thought they would. He said the Board should oppose it. Mr. Hooper said he agrees with Mr. Loos. He thinks they should have better details so they can give an educated response. Mr. Ladd said he spent a lot of time on affordable housing on the City level. He said to be effective, it had to be broad based. He said there are a lot of things that can be done. Mr. Loos stressed the importance of taking a position since this could go before the County Commission within two months or so. Mr. Scherer asked what the legal issue was. Mr. Milledge discussed this in further detail. Mr. Scherer asked what the City's position was. Mr. Milledge said there are mixed concerns.

Mr. Loos suggested that someone who is more knowledgeable in statistical evidence and legal should take a look at it, someone with a more unbiased eye on it.

Mr. Scherer made a motion asking Mr. Milledge to prepare a white paper and to hire experts to challenge this study. Mr. Loos seconded.

Mr. Milledge said it's been effective in the past to have an expert get involved. Mr. Loos asked if the Board should do a resolution asking them to slow the process. Mr. Sterling suggested that before the

Board spends money, he has been working on the school concurrency issue which runs concurrent to this. He said they've done counter studies and have an interest. Mr. Loos said they can join in but he doesn't want to wait.

Mr. Scherer wanted confirmation that the County has to pass it before they could judiciously challenge it and Mr. Milledge said that's correct. Mr. Milledge said the Board should express concerns to them over the legal issues.

Chairman Feldman said this is a recurring issue and it involves a lot of emotion from the business community and the community believes there is a need for affordable housing. He said he feels if it's a communitywide concern, they all should have to pay their share. He said they need to send a message forward that everyone should have to pay. ***At this time, all Board Members were in favor of the above motion.***

R-5 Transit

a) Update on Financial Committee

Mr. Wren said he'd like to begin by having each committee chairman give a brief update. Mr. Ladd spoke about the Finance Committee. He said they are moving forward to come up with a draft financial plan for the funding. He said they are looking into a bond issue of approximately \$45 million but it's not a set amount and they are hoping the number is lower. He said there are two potential funding vehicles and both involve special assessment districts; one would be locally administered and one would be county administered. Mr. Ladd said there is still research going on about fatal flaws with each of the alternatives and they are working to have a final plan. He said with reference to revenue sources, they are looking at fees that will be fair to everyone. This would involve existing commercial/residential, new commercial/residential, CRA and hospital contributions. He discussed this further. He said staff put together some excellent material. He said there was a meeting yesterday and they will have two meetings before the next DDA Board Meeting.

Mr. Scherer asked how they would pass it. Mr. Ladd said both issues they are looking at with the assessment districts would not need voter approval. One is at the county level and one is at the local (City of Fort Lauderdale) level. He said the other area they are researching already has other impact fees being collected for transit in the downtown market and those are the kind of things they are looking at. He said they made a lot of progress in the last month. The Board talked about this further.

b) Update on Real Estate Committee

Mr. Loos spoke about the Real Estate Committee. He said they've identified a number of sites for maintenance and storage facilities. He said they've narrowed it down to four sites that they've requested staff and the consultants pursue. He talked about the approach and that letters are legally required to go out to those property owners to talk to them about the pricing. He talked about their informal approach. He said the goal is not to force anyone to sell their property. There has been some preliminary discussion with the hospital district about theirs and also the FEC has a site along the railroad tracks that might work for them. He said they are trying to keep the cost down and avoid prime properties in the heart of downtown. He said they are considering bringing someone on to assist them with the hospital district. He said they are looking at grant applications and the structure of how advanced acquisition would work. He said the consultants and staff will come back and report on the reactions of the four best options and if none work out, they will look at the list of 15-16 sites. The next step would be looking at where they might have construction staging areas which then can

be used as redevelopment areas where it makes sense to look at opportunities to acquire and it comes back to advanced funding issues staff is looking at.

Mr. Ladd said that the costs associated with real estate acquisition will affect the finance plan. He talked about his concerns. Mr. Loos said his committee is looking at potential joint development options. He said that during discussions, parking structures seem the most practical. Mr. Loos talked about whether you'd want an upscale office or residence over the service yard. Mr. Scherer asked how many acres and Mr. Loos said they are hoping for 2 to 3.

Mr. Ladd said that from what they saw in Portland, as a Board member with fiduciary responsibility, there is land play whereby the DDA can be a catalyst to this and through time and patience can create value. Mr. Loos said the construction staging areas would be properties during the construction period that would become redevelopment sites. He added that part of the Real Estate package will look at all options including what they can do over the main yard facility as well as buying other sites, which could serve as catalysts as well.

Mr. Ladd asked if they were looking at month to month leasing for the staging areas. Mr. Loos said they can use the matching federal dollars to acquire those staging areas as part of the mix. He said they would then own those staging areas. The DDA can then reach out to the community whether it's private redevelopment or whether it's bringing in developers to do it. The Board discussed this issue further including month to month leases and reducing costs.

Mr. Ladd asked Mr. Smelley if they'd lease those staging areas on a short term basis, what the impact would be on the total capital budget. Mr. Smelley said right now there is \$20 million in right of way, a majority for yard and shop. He talked about the price per acre and the monies left for the maintenance facilities and the monies in there for real estate. He talked about this further including federal contributions and how it affects things. Mr. Ladd asked the consultant what the impact would be on the total capital project if they would lease the staging areas on a short term basis. Mr. Smelley talked about his. After discussion, Mr. Smelley added that the cost for the E-1 Alignment is \$159.66 million and the perfect number is \$150 million because \$75 million is the cap from the feds through the small starts program, which means 50% has to come from the state and local sources. He talked about the level they are at now (based on the \$159 YOE total) and that they'd have to come up with \$42.33 million from the state and local and that's where they are coming up with a \$45 million bond. He said if you pay the cost of the bonds and add that to their local share and try to do an assessment to cover the whole thing, it's \$45 million. He said if they reduced the cost of the project by \$12 million, the bond issuance would decrease. If they reduced the project down to \$150 million and went through the process, they'd have to come up with \$37.5 million instead of \$42.5 million plus the cost of the bond so the general direction is to try and get the cost of the project down to \$150 million.

The Board continued discussion further about financials and locations. Mr. Milledge said they are setting up a meeting with Alan Levine at the hospital to discuss potential partnering opportunities.

c) Update on Marketing Committee

Mr. Hooper spoke about the Marketing efforts. He said there are a lot of meetings coming up including City and County Commission meetings. He said there is a lot piling up. He said he will need some of the financial information before they can finalize a package. He said they will need to meet with commercial owners such as Stiles, Bentley Forbes, Halmos, etc. along the route. He said

they need to talk to people in residential buildings and at yesterday's meeting they brought up meeting with the hospital. He said they wanted to get them information for that meeting but Mr. Milledge said they had enough information. Mr. Hooper said it needs to be a general overview meeting. He said they want to garner community support (mailings, email blasts, meeting with condo association presidents and associations) that will show up to City and County Commission meetings in support of the project. He also noted that we may want to have community leaders at the commission meetings to introduce the project. The names mentioned were Tim Petrillo to represent the small business/restaurant owner, Doug Eagon, to represent the major commercial property owner, Ron Centamore, to represent the residential property owner, and Mark Nerenhausen to represent the cultural community. Mr. Hooper said that with these critical decision making meetings with partnering agencies, we need to "humanize" the Parsons Brinkerhoff presentation.

Mr. Hooper said he is looking to hire someone professional to doll up the Power Point and collateral material. *He asked if someone would like to make a motion authorizing him to spend up to \$10,000 during the next month or two to prepare themselves and to continue moving forward to garner support. Mr. Fazio said he would make the motion based on Mr. Hooper deciding how the monies are spent.* Mr. Hooper said he will. He added that he believes the marketing effort should have started a year ago. He said he doesn't think it will be as good as it should have been. He said they will do the best they can in the short time they have. Mrs. Butler asked if Mr. Hooper has a design company on board yet. Mr. Hooper replied that he and staff have a meeting set up to discuss plan of action with Hot House of Design. He said he does not think this effort should be added to staff's plate. *Mr. Ladd seconded the motion.* Chairman Feldman asked if there was discussion.

Mr. Loos asked Mr. Wren if he has this in the budget and Mr. Wren said yes. He added that he would like to request an amendment to the above motion to identify undesignated bond funds for this. Chairman Feldman asked if there was any consideration about doing public relations (PR) work. He asked if they needed to get with the press and have a broader base of publicity. Mrs. Butler said to be careful what they put out there and to be sure to have the right message. Mr. Scherer said nobody knows about this project in his opinion. Mr. Scherer suggested getting a company to help out. Chairman Feldman asked about proposals and Mr. Hooper said it's a lot more money to do PR than the \$10,000 he's requesting. After discussion, *Mr. Loos said he would support a motion if Mr. Fazio amended his original motion (above) and Mr. Ladd agreed to allow up to \$25,000 initially to bring in marketing and PR. Mr. Fazio amended his motion and Mr. Ladd seconded.*

Roll call was taken and all approved the motion.

d) Opportunities to Influence FTA Follow up from November &

e) New/Small Starts Project Competitor Information

Mr. Wren said that the Board requested feedback on these two items. He said the Board wanted to know the opportunities to help define a better FTA report card and the project competitors this year and in past years.

Mr. Scherer asked if the bullet point list he previously requested had been done to help the Board pitch the project. Mr. Smelley it was done and he went through where in the package it was. Mr. Smelley went through the background, situation and course of action in the backup. **Mr. Scherer said what he was looking for should be more basic and to take the acronyms out. Mr. Wren said they would tune it up.** Mr. Smelley also pointed out a letter in their package that went to the

U.S. House of Representatives and a schedule behind that letter. Mr. Scherer said he would read it and make suggestions.

Mr. Smelley said in the New/Small Starts, there are 22 applications and 38 applications for Alternatives Analysis; two are for streetcar and of which, we are one of them. Mr. Smelley went over with Mr. Scherer what he was looking for which was a couple bullet points on the project.

Mr. Fazio said they should get testimonial statements from the DDA in Portland or their City Commission and/or business owners. Mr. Smelley said they have those along with a video. Mr. Fazio said they need to get that to Mr. Hooper's marketing group. Mr. Hooper said the video is only two minutes long and they need to add testimonials.

f) 30 Day Forecast – PB Contract Status

g) 90 Day Calendar

Mr. Wren said this is a 30 day forecast where it allows checks and balances they review with the consultants. He said the 90 day calendar is something he is using as a management tool. He said it's a transit calendar for the office. He said the February target date is doable but that there is no room for error.

R-6 Authorization to Establish an Additional Deposit Account & Status of Current SBA Deposit Account

Mr. Wren said he was seeking Board authorization on this. *Mr. Ladd made a motion and Mr. Loos seconded. All were in favor.*

R-7 Downtown Fireworks

Mr. Wren said that Mr. Hooper is requesting Board approval to fund the fireworks this year. He said he was contacted by the Himmarshee Merchants Association and the City requesting the DDA participate again. Mr. Fazio said there will be fireworks Saturday night and clarified whether they really needed more.

Mr. Ladd asked what the cost was and Mr. Wren said \$10,000. Mr. Hooper said this event brings more than 30,000 people to the downtown in one night and that the Board should participate with the City on things like this as well as other events.

Mr. Loos said that Huizenga Plaza looks great. Ms. Butler said that Chadwick Blue handled that. Mr. Loos asked where they were budget wise. Mr. Wren said he has \$10,000 set aside for contingencies for marketing but that the budget is tight. He said he can find the money.

Mr. Hooper said there are other people taking over other expenses. After discussion the following was made: *Mr. Scherer made a motion and Mr. Ladd seconded that the DDA contribute \$5,000 and the DDA Board Members contribute \$5,000. Roll call was taken and all approved.*

DIRECTOR'S REPORT

Mr. Wren said he had not been able to have the City amend its retirement so he could contribute in the City's fund. He was seeking approval so he could deposit his retirement funds into the ICMA's retirement plan. *Mr. Ladd made a motion in approval and Mr. Loos seconded.*

D-1 Holiday Newsletter Presentation to the Board

Mr. Wren said that while compiling a list of all Board Members since 1965 to present in preparation of the Riverwalk Trust honoring the Board in March, Marti Brown created a newsletter with fun facts about the Board's history that she wanted to hand out.

While Mrs. Brown was handing the newsletter, Mr. Milledge said he wanted to inform the Board that a local bill was filed with the Delegation to study special districts and report back to the Legislature. He said that he and Mr. Sterling will meet with a sponsor to see if the DDA needs to be included in it. He said there is no direct implication but if the DDA is involved in the process, they'd have to meet on it to justify their existence. He said they are on top of it.

Mr. Wren went back to the newsletter discussion and said that Marti Brown spent time researching the past Board Members and while doing that, she created a holiday newsletter for the Board containing various tidbits of facts about the Board. He said he wanted to personally thank her for doing that.

As there was no other business to come before the Board, Chairman Feldman wished everyone a Happy Holiday and Happy New Year and adjourned the meeting at 11:05 a.m.