

Regular Meeting of the
Downtown Development Authority
Thursday, November 12, 2009
Broward Center for the Performing Arts
Einstein Room

ROLL CALL

COMMUNICATIONS TO CITY COMMISSION

In regards to the homeless feeding center initiative, the DDA passed a resolution requesting the City Commission not make the One Stop Shop a temporary location and to look at locations closer to the existing Homeless Assistance Center, for both temporary and permanent uses.

BOARD PRESENT: Charles B. Ladd, Chair
Alan Hooper, Vice Chair
D. Fredrico Fazio, Secretary
Dennis F. O'Shea, Treasurer
Gregory Durden, Board Member

NOT PRESENT: William R. Scherer, Board Member

ALSO PRESENT:

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| John M. Milledge, DDA Legal Counsel | Carola Hooper |
| Chris Wren, DDA Executive Director | Leigh Kerr |
| Elizabeth Van Zandt, Planning & Design Manager | Karen Dietrich |
| Marti Brown, Administrative Coordinator | Dave Wheeler |
| Chadwick Blue, Urban Planner | Ellen Rivera |
| Kate Sheffield, Planning Assistant | Patricia Zeiler |
| Rebecca Baer | Jim Singer |
| Patty Walker | Daniel Grant |
| Stuart Sigel | Heather Parness |
| Richard Mancuso | Alan Tinter |
| Ana Cedeno | Kevin DeNell |
| Lisa Lachs | Norm Adams |
| Brittany Wallman | Stephen Botek |

PRESIDING: Charles B. Ladd, Chair

Chairman Ladd called the meeting to order at 8:36 a.m. Roll call was taken by Marti Brown. All Board members were present with the exception of Mr. Scherer.

CONSENT AGENDA

Chairman Ladd said that Item C-3 had been pulled. He asked whether anyone wanted to discuss or pull any items and hearing none, he asked if there was a motion approving the items on the Consent

Agenda. *A motion was moved by Mr. Fazio and seconded by Mr. O'Shea. All Board members were in favor.* The following items were unanimously approved:

- C-1) Approval of the minutes and follow-ups from the October 8, 2009 DDA Regular Board Meeting and Minutes from the October 12, 2009 DDA Board Workshop
- C-2) Approval of Outdoor Event Application – River Rock, 12/12/09
- C-4) Approval of Outdoor Event Application – 7th Annual Maroone Rotary 5K Run/Walk, 2/6/10
- C-5) Approval of Outdoor Event Application – The Forgotten Children 2/27/10

REGULAR AGENDA

R-1 Police Report

Chairman Ladd said that Captain Wheeler and Captain Dietrich were present. Captain Wheeler said there isn't anything new to report. He said they continue to work on the homeless project. He said as far as crime, they are doing pretty well and that vehicle burglaries are down. Chairman Ladd asked about flyers being put on cars and whether it's legal or not. Captain Wheeler said chances are they are illegal. He said they have to be registered and a licensed business and get permission from City Hall to do that. Chairman Ladd said it's happening regularly on Friday and Saturday nights. Captain Wheeler said that if it's a local club that's registered with City Hall, it's legal. Chairman Ladd asked what they'd have to do to report it and Captain Wheeler said to call the police when it is occurring. Hearing no other issues, Chairman Ladd thanked the officers.

R-2 Commercial and Residential Real Estate Activity

Chairman Ladd said they've been providing quarterly reports to the Board and that Kate Sheffield from staff and Heather Parnass from Hooper Construction were here to talk about this item. He asked if they could make the report available to anyone interested. Ms. Parnass said the numbers are up with regard to transactions. She said sellers and buyers are being more realistic. She said they are at the bottom and creeping up.

Ms. Sheffield said she's been tracking the first generation units since the 1st quarter. Ms. Sheffield said they had 182 units that never sold from the 1st quarter. In July they were down to 173 and in the third quarter they were down to 154 units. Ms. Sheffield said if it continues at this rate there will be full absorption by 2012. She said the two buildings with the highest first generation units are Strada 315 and Las Olas by the River. Ms. Sheffield said that in the rental condos, there were 93 additional units with 85 already rented in the 3rd quarter. She said that condo rental rates decreased by \$200 each generally from last quarter. Ms. Sheffield said that the rental only properties, Alexan had a 65% occupancy rate and 440 Flagler had a 77% occupancy rate.

Ms. Parnass said that in the 1st and 2nd quarter, there were 40 closings and in the 3rd quarter, there were 61 closings in the DDA area. She said the average closing price dropped 17%. She said going into the 4th quarter, beginning in October, there have already been 25 closings so far. Mr. Hooper asked if the October rate was due to a November deadline on the tax incentive. Ms. Parnass said it might have had a small role, but indicated that first time homebuyers only make up a portion of those buying. Chairman Ladd said the FHA requirements were relaxed yesterday. Ms. Parnass said the October closings were \$2.29 per square foot. Chairman Ladd asked what would be a normal month for closings projecting 2 years out and Mr. Hooper said he would expect between 300 and 500 in a normal month.

Norm Adams said he was present to provide an update for the 3rd quarter commercial offices. He said there are 16 office towers in the Downtown. He said they don't include Class B information; they focus on the core of space in the CBD. He said the news is not positive for the 3rd quarter. He said there were no deals of significance signed. Mr. Adams said there was negative absorption of about 40,000 square feet. He said there was some activity in the market which are lateral moves. Ellen Rivera sitting in the audience said that Tripp Scott renewed their lease in the 110 Tower. She said they will have a \$31 million dollar renovation and that they have a new LED sign on the building that will change colors. She said if anyone would like colors for something such as a holiday or birthday or anything to let them know. She added that they are registering as a LEED building.

Chairman Ladd asked what the differential was between office lease rates for buildings on Las Olas versus the off Las Olas. Mr. Adams said Las Olas is between \$20-\$28 a square foot net (+NNN) and most buildings off Las Olas are under \$20 per square foot (+NNN). Chairman Ladd asked about the vacancy differential and Mr. Adams said on Las Olas the vacancy rate is under 10% and off Las Olas it's over 20%. Mr. Adams said they need more amenities in place to make offices more desirable. Mr. O'Shea said the lender's side will drive the wave of office development. Chairman Ladd touched upon the small initiatives the DDA is trying to employ and mentioned the partnership the DDA formed with Bentley Forbes, the owners of 350 & 450 Las Olas, to switch out the date palms with live oaks, increasing the tree canopy. The Board thanked everyone for their updates.

R-3 Land Use Amendment Strategy Update

Mr. Wren said the Board requested this item be put on every agenda. He said he's met with City staff and plan to meet with the Planning Council on options. He said the City has to be the applicant. Mr. Wren said Leigh Kerr was hired to do due diligence and to prepare a scope of services. Mr. Wren said they are in the process of getting a meeting set with the City Manager and they will have the schedule next month and are hoping the City will partner will the cost. Mr. Milledge said they need to speak to the Planning Council about flex zones and whether collapsing flex zones is a better solution than putting numbers in the RAC. Mr. Hooper brought up Hometown Democracy and talked about the fact that St. Petersburg Beach adopted an amendment locally and are repealing it. He said it clogged up the building and planning of the City. He said the public did not want to vote on every item either.

R-4 Calendar of DDA Initiatives and Committee List

Mr. Wren said there is no discussion needed and that he wanted the Board to understand the initiatives for this year, with approximate timelines. He did mention that at the Peter Feldman Park, they are planning a monthly social event on Friday nights to build a sense of community in the area. He said it would come before the Board before they start. Mr. Hooper complimented staff in taking on and managing all the initiatives and said it was awesome.

Chairman Ladd said he wanted to acknowledge how supportive Congressman Klein's office has been and said there is a new representative today and her name is Rebecca Baer. Chairman Ladd thanked her for coming and asked that she pass along thanks to the Congressman as well.

R-5 Streetscape: 2nd St FP&L Undergrounding Status, Phase II – 7th Street Study and 4th/5th St Next Steps

Chairman Ladd said this is an update of the power line burial between the City garage on 2nd St and 3rd Avenue. Mr. Wren said both he and Chairman Ladd had discussions this week with Lynn Shatas from FP&L. He said they have decided to proceed with the job and deal with the money issue later.

He said they will need an account code from the City and that they should start the work on Monday. Mr. Wren said he made this project a priority and that he and Chad Blue have been reaching out to FP&L on a weekly basis with little success. He said the job consists of one block and will cost less than \$100,000. He also explained that these monies were provided to the City back in 2004 along with the funds for the 2nd Street streetscaping project.

Chairman Ladd asked about the 7th Street study. Mr. Fazio said he believes it's premature because wherever the County decides the new courthouse parking garage will be located will change everything and they should wait and defer the item. Chairman Ladd said he agrees. Mr. Wren said this needs to be coordinated with the courthouse planning because there may be overlap. Mr. Durden said there are no meetings currently scheduled for the courthouse taskforce, but there will be. Mr. Wren said he will continue to follow while it is on hold.

Mr. Wren said they put a deposit down with FP&L to get an estimate of the undergrounding of utilities for NE 4th and 5th Streets. Mrs. Van Zandt added that the next steps for the project will be getting final cost estimates, preparing a financial plan and forming partnerships. Chairman Ladd said they have the conceptual plan completed and a preliminary budget. He said they're putting the financial plan together and will look to get contributions from the CRA and DDA along with federal grants or possibly an assessment program if it's not enough.

R-6 Transit: Wave Schedule, Funding Processes, PB Remaining Work and FTA Submittal Progress

Chairman Ladd said they will talk about the Wave, the FTA activity, schedule and talk about the City wanting to provide land rather than money in support of the project. As part of the process they are looking at the traffic flow of Andrews and 3rd Avenues, north of Broward Boulevard. He said they are trying to determine if Andrews Avenue should go one way northbound and 3rd Avenue should go one way southbound, looping around. Mr. Ladd also mentioned that the team has been working on conceptual drawings of the One Stop Shop site as a possible maintenance facility with retail, a park, and other amenities. Chairman Ladd asked if they'd have the conceptual drawings available for the next meeting and Mr. Wren said yes. Discussion was held. Mr. O'Shea expressed support of the loop, but prefers to look at the cost of that versus two tracks. **Chairman Ladd requested that a workshop be set up the next time Mr. Smelley is here to go through the above loop scenarios.** Mr. Wren said he's been engaged with the FTA Staff and said they continue to be helpful and that he anticipates a letter of finding in December. He said there may be new funding available such as programs similar to the Tiger and Tigger Grants or another stimulus. He's not sure what it is, but have received feedback from FTA staff on these possible new funding programs. Mr. Wren said that schedule-wise, they are planning on the City public hearing on the assessment after a finding from the City in January or February. He said they've presented at over 120 meetings and there is strong support for the assessment. He talked about the Tri-Party Agreement with the County, City and DDA and said it should go forward in the next 3-4 months.

R-7 Urban Oasis and Treescape Programs **Treescape:**

Mr. Wren said as part of the first quarter objectives, these two projects are being done. He said that in January, they will be installing 12 new Oak Trees at the Bentley Forbes site on the south side of Las Olas between SE 3rd Avenue and SE 5th Avenue, in front of the 350 and 450 buildings. Mr. Wren said there will be additional locations in the future and that dialog has already occurred with the 110

Tower owners. Mr. Blue added that they've received a proposal from Valley Crest regarding the Oak Trees. He said the prices came in lower so they may do a site visit to Hobe Sound to look at the trees.

Urban Oasis:

Mr. Wren said they hired Hugh Johnson to site drawings for the following 3 sites: the corner of Las Olas and Andrews Avenue, the Simmons Vedder Site at 100 E. Las Olas and the Icon Site at 500 E. Las Olas. Mr. Blue said that he and Mr. Johnson have been working closely with the various contractors. He said they showed willingness to donate the installation work or equipment. He said they are in the process of obtaining additional bids for landscaping and irrigation. He said the cost is \$30,000 per site including the reposition of the existing fence, the irrigation and sod, fence wrapping, oak trees and installment of street lights. Mr. Blue said this is the worst case scenario and can already count on savings due to these in-kind services and material donations. Mr. Wren said this will be a priority to have as much completed as possible before the Boat Show. Mr. Blue said the Simmons Vedder site should be done by December 12th.

Chairman Ladd brought up the Simmons Vedder site again. Mr. Blue said he believes they have or will be in contact with the Las Olas Riverhouse to discuss this. Mr. Johnson said they have two lights they can install. He said they've been talking to Lighting Dynamics about flood lights and they may get some lighting at no cost. Mr. O'Shea questioned the cost of \$30,000 and Chairman Ladd said it's a lot of money and that property owners with these eyesore sites should be contributing. The Board discussed the costs. Mr. Wren said he can try to get partnerships. Mr. Hooper said he could offer men to help and that he'll help to lay the sod. Mr. Hooper suggested that perhaps Ron Centamore's company could help do it at a fair price. Mr. Johnson said they are getting donors and said Lighting Dynamics will contribute and that the landscaper will put the sod in at cost. Mr. Hooper said he has DDA lighting in his warehouse they could use. Chairman Ladd said they should focus on the Simmons Vedder site and get that completed before the boat parade and get lights because this is the biggest site. **Board reached consensus to do the following: Mr. Wren to proceed with completing the Simmons Vedder site before the Boat parade on December 12th.** Chairman Ladd said to run the activity by the Board members.

R-8 Director's Contract Bonus

Mr. O'Shea said he spoke to Mr. Wren about this issue and said that Mr. Wren did not intend on bringing this issue forward. Mr. O'Shea said they should have discussion about it. Chairman Ladd wanted confirmation that in the past they've elected a Committee of One to look at this and Mr. Wren said yes. Mr. Wren added that he understands the economic climate today but because Mr. O'Shea said it's in his contract, they should talk about it. Mr. Durden asked if the money was in the budget and Mr. Wren said yes. Mr. Wren said there is a little over \$20,000 for all employees to cover bonuses, merit increases, etc. and that he would need authorization. Chairman Ladd expressed concern over a budget that is tight where other companies are experiencing cuts. The Board expressed appreciation for staff and the Executive Director and what they've accomplished, but expressed concern over bonuses at this time. After discussion, Mr. Fazio recommended Mr. O'Shea be the committee of one to review this and bring back a recommendation at the next meeting. Mr. O'Shea said he'd be happy to do that. **Mr. Wren said he'd have a memo before the next meeting on what Mr. O'Shea recommends.** Mr. Durden wanted clarification that the bonus includes staff as well and Chairman Ladd said yes. Chairman Ladd said that staff does a great job and in his 8 year tenure, what has been accomplished has been amazing.

DIRECTOR'S REPORT

Other

Mr. Wren said the TMA has a new Manager, Patricia Zeiler and he introduced her to everyone. He said she comes with a number of areas of expertise including fundraising and grants and she's a complete joy. Mr. Hooper said they are happy to have her.

Mr. Wren said that at the November 17th Commission Meeting, three people will be selected to the DDA Board. He said the highest ranked person will get the immediate opening, which was previously Peter Feldman's and the next two will get Chairman Ladd and Vice-Chairman Hooper's positions, effective in January.

D-1/D-2 Homeless Task Force Update/Homeless Facility Summary

Mr. Hooper said there has been an increase in homelessness due to the economy. He said at the Urban Core Meeting they discussed the need to designate a homeless feeding center to eliminate random feeding areas. He said they are targeting locations. Mr. Hooper said Cate McAfree of the City is heading up the task force. Mr. Hooper said they are targeting a location close to the current Homeless center off of Sunrise Blvd. and 7th Avenue. He added it should be between 2,000-3,000 square feet of warehouse space. He said even after he's off the DDA Board he will continue to be involved and come back and report to them. He said the feeding center could be a temporary location, but showed concern about temporary locations easily becoming permanent. Mr. Durden said that to make it work, everyone needs to buy into the idea. The Board talked about feeding in the park. Ms. Sheffield said that the task force is exploring all options and to let her know of any ideas as they are moving forward. Mr. Wren asked if the Board wanted monthly updates and Chairman Ladd said to update them when they have something to report.

Mr. Mancuso said to think about the facility issue quickly because there is a meeting on December 1st. Mr. Durden asked if someone should attend to present the Board's position. **After discussion, Mr. Hooper made a motion for a Resolution that says the DDA requests that the City Commission not make the One Stop Shop a temporary location and to look at locations closer to the existing Homeless Assistance Center, for both temporary and permanent uses. Mr. Durden seconded. All were in favor.**

As there was no other business to come before the Board, Chairman Ladd adjourned the meeting at 10:35 a.m.