

Regular Meeting of the
Downtown Development Authority
Thursday, October 14, 2010
Broward Center for the Performing Arts
Einstein Room

ROLL CALL

COMMUNICATIONS TO CITY COMMISSION

BOARD PRESENT: D. Fredrico Fazio, Chairman
Dennis F. O'Shea, Vice-Chairman
Gregory Durden, Secretary
Tim Petrillo, Treasurer
William H. Bodenhamer, Jr., Board Member

NOT PRESENT: William R. Scherer, Board Member
John Ropes, Board Member

ALSO PRESENT:

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| John M. Milledge, DDA Legal Counsel | Norm Adams |
| Chris Wren, DDA Executive Director | Ron Centamore |
| Elizabeth Van Zandt, Planning & Design Manager | Courtney Crush |
| Marti Brown, Administrative Coordinator | Captain Karen Dietrich |
| Chadwick Blue, Urban Planner | Captain Gillis |
| Kate Sheffield, Planning Assistant | C. Van Liere Jr. |
| Neil Sterling | Doug Sterner |
| Alan Hooper (former Board Member) | George Mihaiu |
| Janette Gomez | Jennifer Lee |
| Mike Osborn | Stephen Scott |

PRESIDING: D. Fredrico Fazio, Chairman

Chairman Fazio called the meeting to order at 8:29 a.m. Roll call was taken by Marti Brown. All Board members were present with the exception of Mr. Scherer and Mr. Ropes.

CONSENT AGENDA

Chairman Fazio asked if anyone wanted to pull items off consent for discussion. Mr. Petrillo asked what the status was on obtaining a blanket event permit. Mr. Blue explained that he spoke to both Riverwalk Trust and the City and found out that the permit works only for Riverwalk administered events. He said for anyone else who wants to do something on the Riverwalk (without the Riverwalk Trust co-sponsoring the event), they would still need to go through the normal process. Mr. Blue said that Mr. Thornburg did not believe this would benefit the DDA for events unless the DDA co-sponsors them. **Mr. Wren said he will get more involved and that maybe they can do some type of change at the City Commission level. He asked for 30 days and then he'd have a final report**

in November. Hearing no comments on the Consent Agenda, Chairman Fazio asked if there was a motion approving the Consent Agenda. *A motion was moved by Mr. Bodenhamer 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 September 9, 2010 DDA Regular Board Meeting and September 9th & September 23rd Budget Hearings and the September 2nd Finance Committee Meeting
- C-2) Approval of Outdoor Event Application-Museum of Art Fort Lauderdale National Art Festival, 1/28/11-1/30/11
- C-3) Approval of Outdoor Event Application-Euphoria Musicfest #1, 2/19/11-2/20/11
- C-4) Approval of Outdoor Event Application-Walk for the Animals, 3/4/11-3/4/11
- C-5) Approval of Outdoor Event Application-Minnesota Music Event, 3/16/11
- C-6) Approval of Outdoor Event Application-Red Bull Candola, 4/8/11-4/9/11
- C-7) Approval of Outdoor Event Application-Euphoria Musicfest #2, 5/29/11-5/30/11

REGULAR AGENDA

R-1 Police Report & Certificate of Appreciation Presented to Captain Dietrich

Chairman Fazio said that the Board is sad Captain Dietrich is leaving their area. Mr. Wren said she will be involved with special ops and the St. Patrick's Day Event. Captain Dietrich added that she will also be involved with red light camera program. She said she expected someone from the DDA's district to be here today to provide an update. Chairman Fazio then read the award to her and presented it and a picture was taken. Captain Dietrich said that she's been doing this a long time and worked with various groups and that the DDA is one of her favorites. She said the Board appreciates everything and it makes a big difference. The Board thanked the Captain for all her efforts.

After the presentation by Norm Adams (on R-2 below), Captain Gillis gave his update. Captain Gillis said that in August, there were 10 part one crimes. He said that in September, there were 9 part one crimes and 2 strong armed robberies, one at 333 E. Las Olas and the other at Stranahan Park. He said they made an arrest at Stranahan Park. He said there were two vehicle thefts in August and September. The Board thanked the Captain for his report.

R-2 Commercial & Residential Activity (2nd & 3rd Quarter 2010)

Norm Adams said that Las Olas has exhibited retail action in spite of vacancies. He said there will be a new restaurant going in where Bova was. He said it will be a steakhouse and they are estimating a December 1st opening. Mr. Adams said that both Timpanos and Samba Room filed for bankruptcy protection and that Samba Room and Quiznos have closed. He said they are in the process of working on a 3,000 sq ft transaction for a pizza operation on the ground floor of the Bank of America building. He said with regard to office space overall, there continues to be a lack of absorption. He said there are more vacancies now than a year ago. He said Las Olas currently has a 5% vacancy rate but that there have been some significant transactions. Some noteworthy examples he gave were the Templeton Building, Stiles relocating to the 301 Building in December and Holland and Knight relocating from Wachovia on Broward from 35,000 sq ft into 20,000 sq ft in SunTrust Center. He said there is some outside interest as well such as YUM Brands who will be moving into the Sun Sentinel building in about 25,000 sq ft. Mr. Adams said other significant transaction to report are that JP Morgan Chase just signed 8,000 sq ft at the 350 building and BB&T Bank moved from 7,000 sq ft into 20,000 sq ft at Corporate Center. He said Sun Sentinel is looking for about 60,000 sq ft, Crowe

Horwath is looking for about 20,000 sq ft and Mellon Bank needs about 8,000 sq ft. He said the big activity was that last quarter, the 350 & 450 buildings sold to USAA for \$170 million which came out to \$362 per sq ft compared to a building Stiles sold in the same quarter which was Plaza 100 to Beacon for \$127 per sq ft. Mr. Adams said the Riverfront property was offered for sale and bids were submitted and are being reviewed. Mr. O'Shea asked about the 350 & 450 sale and said the sale price did cover the 1st mortgage but to make the sale happen, the bank had to eat the mezzanine debt which was considerable and had to make a deal on a guarantee. He said that's how deals will happen on these properties that are seriously underwater. He added that the financial institutions have to take a loss or move on before foreclosure action. The Board thanked Mr. Adams for his update.

Mr. Hooper thanked Berta and Kate for their work on putting together the report. Mr. Hooper said that condominium active listings went up on regular sales but down on short sales and foreclosures. He said maybe that's because the banks have pulled back on foreclosures and also spiking because it's not getting activity. He said on their end, the 2nd quarter did pretty good going into the 3rd quarter and then it collapsed. He said a lot of this was due to the removal of federal assistance with the rebate. He said in the second graph in their backup, listings are going up and closings are going down. In August and September there just weren't any closings. He said that by September everything had dropped off their sales office. He said with the first generation units, Las Olas by the River did pretty well between the 1st and 3rd quarter and everyone else stayed stagnant. He said the River House also has one unit left and Strada 315 is owned by the Perez Group and that he doesn't believe they are actively trying to sell them. Mr. Hooper said rentals are strong in condos but especially in rental buildings. He discussed this further. He said short sales and foreclosures are the biggest problem. He said they have one contract coming in today and a closing this month. Mr. Hooper said short sales can take a year to work out and it kills the market and discussed further. Mr. Hooper said he is working on a lease at New River Trading Post for 6500 sq ft. He said there is a lot of traffic on the restaurant space as well. The Board thanked Mr. Hooper.

R-3 Future Streetscape and ITS Projects (Federal funded)

Mr. Wren said the ITS Grant is an older grant that is ready to be processed by the County in the amount of \$711,165 and he wanted to discuss the types of technology that the grant could be used for and get direction from the Board. He said he'd like to focus the monies on signal technology that will help office workers get in and out of their buildings quickly, sighting 3rd Avenue and 2nd Street where the light doesn't change even if there is no traffic on the North/South corridors. Mr. Wren wanted to know if this type of technology would be an appropriate goal to help office workers and visitors get in and out more efficiently. Chairman Fazio asked what the money has to be used for. Mr. Wren said technology that would offer sensors or cameras or a variety of things. He talked about 3rd Avenue and 2nd Street and driving up where there is no traffic, and how this type of technology would change the light quicker.). Mr. Petrillo said he knows the County will have a new traffic person looking at this countywide and asked that staff contact them and see if the DDA can leverage their money off that or at least get them on the map in the downtown of what they want to have done.

Mr. Durden asked if there have been studies done showing which lights are the best ones to change that are currently operating. Mr. Wren said he will meet with the new gentleman and find out. Mrs. Van Zandt said she's been in contact with the County on the reprogramming of all the signals and that Broward Boulevard was just done and that Sunrise & Davie Boulevard are supposed to be done by January. She continued on that Andrews and Third Avenues are slated for future phases, but that it is different technology than the SMART technology staff is proposing. She

explained further. **Mr. Wren said he and staff will meet with the appropriate County contacts and bring an update to the Board at the November meeting.**

Chairman Fazio then asked about the Streetscape Grant in the amount of \$1,145,453. Mr. Wren explained the three areas that staff recommended using the funds for:

1. 3rd Avenue/Las Olas Corridor
2. SE 6th Street Andrews and 3rd Avenue intersections
3. Fixing broken brick paver crosswalks

He explained the use of funds in each of these areas. Both the 3rd Avenue/Las Olas Corridor and the SE 6th intersections include pedestrian crosswalks, lighting, utility box retrofitting, hanging flower baskets, and street furniture.

Chairman Fazio brought up 6th Street and making sure they don't do something now that would be taken out later because of proposed improvements for that area. He asked about the mural for Nova. Mr. Wren said he had conversations with Nova and they asked if the DDA is willing to partner with them on lighting instead of doing a mural. He discussed this further including the office space in the Travelguard building.

Mr. O'Shea asked if there was specific language in the grant that required us to use the money on a specific project and/or corridor. Mr. Wren said it was written fairly general to allow for flexibility, but it is limited to streets along the Wave's route and approaches to the route.

As it relates to fixing broken brick pavers, Mr. O'Shea stated this should be the City's responsibility. Mr. Wren gave history on the 2nd Street demonstration project. He said when he was hired seven years ago, he inherited this project. He said he was told it was the intention of the DDA to create prototypes of materials and design to have a unity throughout downtown streets. He said they've learned the brick paver material is not sustainable in areas of vehicular traffic movement. He continued that the City passed a Resolution indicating they cannot use brick paver materials in certain roadways in the City. Instead, they must be stamped. Discussion continued. Mr. Bodenhamer said that if the City is saying no more bricks can be used and it must be stamped, he believes it's their issue to deal with it. **Mr. Wren was directed to remove the broken paver item from the list of recommendations. Mr. Wren said that since there didn't seem to be objections to the recommendation of 3rd Avenue/Las Olas corridor and the 6th street intersection improvements, he will bring back costs and present this item again in November.**

Other

Mr. Petrillo asked about the lot next to the Riverhouse condominium. Mr. Wren said that is the Urban Oasis Project and that it is currently under construction. He said they are moving the fence back to grade out the area between the fence and the sidewalk and that it will be sodded, landscaped and new lighting installed. He said it will be irrigated and there will be oak trees and an art wrap put on the fence. Mr. Blue said they have all the permits in place and said the soil still needs to be graded once the fence was moved back because there is 6-8 inches of gravel. He said the Riverhouse has contacted a company that will do the grading at cost and they are trying to do it Friday and then move forward. He said the electrician will run conduit for the lights and the irrigation lines will go in and then once that's done, the landscaping, sod, bushes and oak trees will go in. He said that by the next

Board meeting, it should be completed. He said they encountered some delay with permitting. Mr. Blue said that he and Mr. Wren spoke with Greg Brewton and Valerie Bohlander on the permitting issues and they helped move them forward.

Mr. Petrillo said with regard to the issues with permitting, the City is doing Business First which they are trying to figure out how to make the City more efficient with permitting and developing a concierge service. He said there is movement on the City's part to make it better. Stephen Scott said the concierge service will be on the City Commission agenda Tuesday. He discussed it briefly. Chairman Fazio complimented this program and Mrs. Van Zandt on the letter that went to the City Manager about the Board's concerns for the next City Manager. Mr. Wren said that at the City Commission meeting this week, the City decided on a seven person committee for the candidate process. He said they will hire a professional recruiter and the process is expected to take 9 months or less and that this item is planned to go back to commission at the next meeting. Stephen Scott said the first step is to hire a consultant and to look at ways to piggyback off a County contract so they don't have to do an RFP. Once a consultant is hired, they want to move forward in getting the best candidate possible.

DIRECTOR'S REPORT

D-1 News Articles

Nothing to report.

As there was no other business, Chairman Fazio adjourned the meeting at 9:28 a.m.