

Approved
ECONOMIC DEVELOPMENT ADVISORY BOARD (EDAB)
MEETING MINUTES
CITY OF FORT LAUDERDALE
100 NORTH ANDREWS AVENUE
8TH FLOOR CONFERENCE ROOM
WEDNESDAY, MAY 12, 2010 – 3:45-5:15 P.M.

Board Members	Attendance	Present	Absent
Dev Motwani, Chair	P	5	0
Miya Burt-Stewart, Vice Chair	A	2	3
Ralph Riehl	P	5	0
Mark Krom	A	2	3
Sean de Vosjoli	P	4	1
Christopher Denison	P	5	0
Sheryl Dickey (4:19)	P	4	1
Adam Sanders	A	2	3
Cort Neimark	A	4	1
Kenny Herskowitz	P	2	1

At this time, there are 10 appointed members to the Board, which means 6 would constitute a quorum.

Staff

Stephen Scott, Economic Development Director
Patricia Smith, Economic Development Representative
Karen Reese, Economic Development Representative
Barbara Hartmann, Recording Secretary, Prototype, Inc.

Communications to the City Commission

The Board has reviewed the Sign Ordinance from an economic development standpoint, with emphasis on its impact on small businesses; they are interested in greater flexibility for businesses in terms of what is allowed. They have finished their task at hand and their recommendations will be forthcoming in Director Stephen Scott's report.

I. Call to Order, Introductions, and Chair Report

Chair Motwani called the meeting to order at 3:45 p.m. Roll was called and it was determined a quorum was not present.

The Board members, Staff, and guests introduced themselves at this time.

The following Items were taken out of order on the Agenda.

III. Business F1rst

Mr. Scott recalled that Business F1rst had hired a consultant to conduct roughly 800 telephone surveys to businesses throughout the City, then followed up with one-hour face-to-face site visits to a cross-section of companies. Each meeting involved of a representative from the City and a member of the Business F1rst team. Mr. Scott pointed out that the group is a public/private venture, which has been an important factor in presenting its final report to the City Commission. The Greater Fort Lauderdale Chamber of Commerce and the City each contributed approximately \$30,000 for the project.

He advised that Chairman Ron Perkins was appointed Chairman attended many of the site visits on behalf of the Chamber of Commerce. Mr. Scott also recognized Dan Lindblade, President of the Chamber, for his work in bringing the group together. He asked Mr. Perkins to address the Board with regard to the final report, noting that it is available on the Business F1rst website.

Mr. Perkins explained once the pool of nearly 1000 Fort Lauderdale businesses had been contacted, the group had revisited its data. The top three findings were presented to both the Chamber of Commerce's Board of Directors and the City Commission.

He stated that the first finding was although the group found a good deal of positive feedback and changes regarding the City's Building and Planning and Zoning Departments, there was "room to grow from a customer service perspective" according to the feedback from interviews. The group believes this can be accomplished, particularly through the appointment of a "business concierge" to help guide both existing and relocating businesses through the bureaucracy of the City's government.

Another item of importance was a look at the Signage, Parking, and Noise Ordinances currently enforced within the City. Mr. Perkins asserted that the group found these specific Ordinances could be made more business-friendly.

He advised that in the group's first year, the goal was to perform an assessment to determine a baseline response and arrive at an action plan to address key elements from a short-term perspective. This is the purpose of the report, which was presented at the May 4, 2010 Conference Agenda meeting. The report was also presented to the Beach Business Improvement District Advisory Committee (BID) earlier in the week, and will be discussed further by the Business F1rst team to develop a timeline.

Mr. Lindblade added that the EDAB, the City Commission, and the Chamber's Board of Directors have all been supportive of the project, and the Chamber is

soliciting further funding for the next phase. He noted that there have been “disturbing” signs regarding the City’s economic development, including businesses relocating outside Fort Lauderdale. He concluded that the report is the result of “grassroots economic development at its best:” reaching out to members of the business community to learn how to address its concerns. He concluded that the effort will be replicated in other parts of Broward County, as bringing businesses to all parts of the community will generate revenue and recovery.

Mr. Scott pointed out that the report lists nine key opportunities that require follow-up. He felt these challenges will ultimately make the City a better place for business. He recognized Ms. Reese and Chair Motwani for their contributions to Business F1rst.

Mr. Riehl thanked Chair Motwani and Mr. Scott for their hard work as well, noting that Mr. Scott had been instrumental in helping create jobs in the previous year. He asserted that the focus must now be on following up with the opportunities listed in the report. He asked if there is a specific amount of money the Board could recommend for the City to progress to phase two.

Mr. Lindblade advised that he is aware of the City’s budget constraints, and hopes to raise another \$30,000 through the Chamber of Commerce, as well as asking the same of the City. He emphasized the need for members of the Planning and Zoning Department to participate in the effort and “have ownership of it,” as this will give them a stake in the group’s success. He concluded that “something’s got to happen to make it better.”

Chair Motwani stated when he attended his first Business F1rst meeting and heard the plan set forth by Mr. Scott, Mr. Lindblade, and Mr. Perkins, he had realized there were tangible ideas that could lead to benefits.

Ms. Dickey joined the meeting at this time (4:19 p.m.), which meant a quorum was now present.

II. Approval of April 14, 2010 Minutes

Mr. Riehl referred to the Board’s vote recommending that the City Commission loosen its restriction on sandwich board signs, and stated he would like to see this featured as a Communication to the City Commission. Mr. Scott advised that the Board had not chosen to make this a communication at the April 14 meeting, so the item could not be changed; however, Chair Motwani suggested that this be made a communication from today’s meeting.

Mr. Scott explained that he felt the Board’s findings and recommendations from their meetings to discuss the Sign Ordinance should be presented to the City

Commission as a report rather than as a communication. While the motion from April 14 could be included as a Communication to the City Commission from today's meeting, he asserted that he still intended to present the information as a report.

Motion made by Ms. Dickey, seconded by Mr. de Vosjoli, to approve the minutes of the April 14, 2010 meeting. In a voice vote, the **motion** carried unanimously.

- **Communications to the City Commission**

Motion made by Mr. Riehl, seconded by Ms. Dickey, to make the motion from last meeting that's in the minutes a Communication ASAP to the City Commission so he doesn't get more calls from Commissioners. [Motion was never called for a vote.]

Chair Motwani stated the communication should advise that the Board has completed its review of sign Code, and a more streamlined version of their recommendations will be forthcoming from Economic Development.

Ms. Dickey pointed out that the motion from the April 14, 2010 meeting clarifies that specific criteria will be applicable to certain areas with regard to sandwich boards. Mr. de Vosjoli noted that the motion touches upon not only sandwich boards, but specific business locations, including pedestrian corridors, strip mall settings, and shopping centers located farther back from the road.

Mr. Denison advised that the new motion should include Mr. Scott's intent to follow up with a summary. Mr. Scott recommended the use of Mr. Motwani's phrasing as above. Chair Motwani added that the communication from today's meeting should note that the Board has finished the task they were given, and their recommendations were forthcoming from Economic Development.

Mr. Riehl asked if the communication to the City Commission will include that the Board would like to see the Code changed, as discussed at the April 14 meeting, so "each and every business in this town will be now allowed to have at least one sandwich board on their own property." Chair Motwani and Mr. Scott pointed out that this was "not entirely" as discussed.

Mr. Scott assured the Board that he would listen to the recording of the April 14 meeting and transcribe the Board's recommendations "as closely as I can" to present to the City Commission in his report.

Chair Motwani added that not all the issues discussed at the previous meeting can "go in an Ordinance," and reminded the Board that they had agreed a good deal of work must be done by City Staff in order to turn their recommendations into Code.

Motion made by Mr. Riehl, seconded by Ms. Dickey, for a Communication to the City Commission that the Board finished the task at hand, and the Director's Report will include the list of recommendations as to what they discussed and recommended. In a voice vote, the **motion** carried unanimously.

Mr. de Vosjoli departed the meeting at this time (4:25 p.m.).

Chair Motwani requested that the discussion return to Business F1rst. He noted that the most interesting thing he had learned was that every municipality struggles with the same issues with which Fort Lauderdale is currently struggling. He noted in particular that the Business School at Nova Southeastern University attracts greater executive talent to the area.

Mr. Riehl commented that the city of Hollywood's Chamber of Commerce is very active at present. He advised that the City's Chamber did not always take such a "proactive" stance, and stated the Chamber under Mr. Lindblade's leadership has been very different. He urged the Chamber not to "lose the momentum," citing their work with the Planning and Zoning Department as an example.

Mr. Lindblade advised that Director Brewton is interested in improving the process for businesses, and felt he would embrace the changes suggested by Business F1rst.

Mr. Denison felt the proposed concierge service would be very helpful to the business community, and asked when this change is expected to be implemented. Mr. Lindblade felt this would probably be "later than sooner," and pointed out they must determine the best path for this individual position.

Mr. Scott agreed, noting that while the need for a concierge is recognized, it is not known whether a full-time individual can be hired to fill the position. He felt it would be best for the concierge to be knowledgeable regarding the planning and zoning process, building permits, and other necessary considerations.

Ms. Dickey recalled that this position has been discussed before, and suggested that each Department might "obligate a percentage of their time" to the concierge position, which could help it work without unnecessary expenses on the City's part.

Mr. Riehl stated that a problem in the past has been that the Planning and Zoning Department and the Building Department have been unable to work with one another. The concierge position would address this.

Chair Motwani recalled that he had informed Business F1rst of the work the Board has done: the signage review is complete, and a parking consultant has

already been appointed following the Board's recommendation that parking Code be reviewed.

Mr. Lindblade felt it is important for the Chamber to "toot our own horns" to the business community when some of the stated goals are accomplished. He noted that when material changes are made to Code or other areas of interest, these changes should be brought to the attention of the community's business leaders, as they are "major victories" for both the City and the business community.

Mr. Perkins added that approximately 80% of the businesses contacted by the group gave Fort Lauderdale a ranking of "excellent or good to do business in," and would recommend to others that they do business in the City.

The Board thanked Mr. Lindblade and Mr. Perkins for their time.

IV. Director's Report / Recovery Zone Facilities Bond

Chair Motwani advised that the Mayor has passed an Ordinance for the issuance of \$12 million in facility bonds, which places the responsibility of acting as a selection committee for these bonds on the Board.

Mr. Scott explained that the Board is tasked with making recommendations, as a selection committee, to the City Commission. They will ask questions of the applicants seeking recovery bonds, and will then rank projects. He urged any Board members who may know interested parties to encourage these individuals to apply for the recovery bonds.

ARRA, or the American Recovery and Reinvestment Act of 2009, created new financing options for communities, including recovery zone bonds. The two types of recovery zone bonds are economic development bonds and facility bonds: economic development bonds are for public capital improvements, while facility bonds go to private capital improvements. Mr. Scott noted that the City's economic development allotment was approximately \$8 million, all of which has been pledged to the County for the construction of the courthouse.

Bonds must be issued by January 1, 2011; however, there are multiple pieces of legislation currently in Congress that could extend this time frame, as some cities and states are having difficulty finding enough applicants who can use them.

Mr. Scott continued that recovery zone bonds may be used to finance certain purposes and properties within designated recovery zones. These are defined as areas having significant poverty, unemployment, foreclosure rates, or "general distress." Both Broward County and the City reflect "extremely high" unemployment and foreclosure rates. He noted that the entire City was declared

a recovery zone, and only expenditures incurred after a recovery zone has been designated may be reimbursed.

Ms. Dickey observed that at the County level, it was explained that if final financing was not in place, projects would be eligible. Mr. Scott agreed this was his understanding as well. He advised that this is a new program, created within the past seven months, and everyone working with these bonds is learning the program as they go.

Chair Motwani asked if only target industries may receive these funds. Mr. Scott stated while target industries may receive preferred status, the Federal recovery zone does not require that all bonds go to businesses within target industries.

Mr. Scott continued that facility bonds are used to finance new capital improvements by "almost any industrial/commercial retail office or other business activity," as long as it is located within the recovery zone. There are several exceptions, including rental housing, airplanes, health clubs, liquor stores, racetracks, luxury boxes, gambling establishments, and massage parlors. He reiterated that facility bonds are used for private rather than public projects, and the interest is tax-exempt.

He pointed out that while other bonds, such as Build America or industrial revenue bonds, allow rebates on incoming interest, facility bonds give benefits that were previously available only to governments, including tax-exempt bond financing. He clarified that this means anyone receiving facility bonds would receive a lower interest rate than they would receive if financed through a bank; however, it means that the applicant must meet all underwriting requirements and have a private lender backing them.

Mr. Denison asked if these will be for improvements on real estate rather than the purchase of real estate itself. Mr. Scott agreed this was correct.

Chair Motwani asked if it is possible to learn whether any other nearby municipalities have already allocated their bonds. Mr. Scott advised that the County is in the middle of the selection process, and some Fort Lauderdale businesses have applied for County bonds already.

Mr. Riehl asked if the City stands behind the businesses in the event of a default. Mr. Scott explained that should this occur, the bank providing the financing would lose the money; it would, however, show up on the City's books due to the tax-exempt financing issued through them, and a default would show up on the City's credit rating.

With regard to timelines, the ad for these bonds would be placed in the newspaper by the end of the week, and will also be seen on the City's website

and the Procurement Department's website, inviting all interested parties to submit applications. The same applications will be used at the City and County levels and are presently available at www.broward.org ; it will be available on the City's website by the week of May 17, 2010.

Ms. Dickey asked what the term of the bond would be, explaining this had been asked of her by a banker. Mr. Scott advised he would look into this and respond once it has been clarified further.

He continued that the criteria for project consideration include the following:

- Type of industry;
- Current or projected number of employees;
- Average wage of employees;
- Capital investment;
- Average job growth;
- Financial stability;
- New project development;
- Growth of sales;
- Location of project;
- Commitment to local procurement and local hiring;
- Regional impact.

Chair Motwani asked if the Board would be required to allocate funds to a single applicant, or if they may be divided among multiple applicants. Mr. Scott replied this is within the Board's discretion: they must consider the best possible use of the funds to maximize impact. He noted, however, that funds are being divided between multiple applicants in other locations.

Mr. Denison observed this may be "a lengthy process." Mr. Scott responded that applications will be accepted for a 30-day period, and may be reviewed by the Board before they are ranked for consideration. He added that he would like to observe the tentative date of the City Commission's first September 2010 meeting for recommendations to be complete.

Mr. Denison offered the example of a \$4 million project, asking if this could be combined with other financing for a total "\$5 or \$6 million" project. Mr. Scott stated the bonds could be part of larger financing; the only consideration would be whether the project meets the overall criteria of help the City's larger economic situation.

V. Old / New Business

Mr. Scott advised that a Qualified Target Industry Incentive, or QTI, was passed the previous month for a start-up corporation that manufactures solar panels.

This business has sound technology, and it is hoped that it may take on 50 employees in the coming year, with the possibility of an additional 100 employees in the next two years.

He added that the QTI incentive is performance-based: the City does not pay until the jobs are delivered. He characterized this as a “win-win” situation in which the City worked with the County, the State, and the Broward Alliance.

Mr. Riehl requested an update on whether or not the City Commission would allow the owner of the Vault Building to project arts-based advertisements onto the outside of the structure. Mr. Scott replied this request is being examined further by the City Commission, and he would look into its status.

Mr. Riehl added that Police Chief Frank Adderly swore in 12 new officers today, bringing the City’s authorization to 511 sworn officers. He pointed out that the result will be a \$2 million reduction in overtime costs.

He also recalled that when he had first joined the Board, meetings had been televised, as are meetings of the Marine Advisory Board and the Planning and Zoning Board, for example. Mr. Riehl asserted that economic development is an important subject, and asked at what point EDAB meetings were no longer televised.

Mr. Scott replied that while he had not been aware the Board’s meetings were once televised, only approximately five of the City’s boards are currently televised. He agreed that economic development remains a vital topic to the City.

Ms. Dickey pointed out that televising additional board meetings could incur greater costs to the City, and that meeting minutes are available online for interested citizens. Mr. Riehl explained that he was interested in learning why Economic Development Advisory Board meetings are no longer televised. Mr. Scott agreed he would look into the issue.

There being no further business to come before the Board at this time, the meeting was adjourned at 5:13 p.m.