

ITEM II

DRAFT MINUTES

**DRAFT
MINUTES
NORTHWEST PROGRESSO – FLAGLER HEIGHTS
REDEVELOPMENT ADVISORY BOARD
FORT LAUDERDALE
100 NORTH ANDREWS AVENUE
8th FLOOR CONFERENCE ROOM
MAY 25, 2016 – 3:30 P.M.**

**Cumulative Attendance
May 2016 - April 2017**

<u>Members Present</u>	<u>Attendance</u>	<u>Present</u>	<u>Absent</u>
Steve Lucas, Chair	P	1	0
Ella Phillips, Vice Chair	A	0	1
Jessie Adderley	P	1	0
Leann Barber	P	1	0
Sonya Burrows	P	1	0
Ron Centamore	P	1	0
Alan Gabriel (dep. 5:33)	P	1	0
Mickey Hinton	P	1	0
John Hooper	P	1	0
Dylan Lagi	P	1	0
Steffen Lue (arr. 4:38)	P	1	0
Dev Motwani	P	1	0
Jacqueline Reed	P	1	0
Scott Strawbridge	P	1	0
John Wilkes (arr. 4:34)	P	1	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

Jonathan Brown, Northwest CRA Manager
Sandra Doughlin, DSD/ECR
Thomasina Turner-Diggs, Project Coordinator
Jamie Opperee, Recording Secretary, Prototype, Inc.

Communications to City Commission

None.

I. Call to Order / Roll Call

Chair Lucas called the meeting to order at 3:34 p.m. Roll was called and it was noted that a quorum was present.

II. Approval of Minutes from April 27, 2016 Regular Meeting

Motion made by Ms. Burrows, seconded by Mr. Gabriel, to approve [as amended].

Ms. Barber noted a correction on p.4, paragraph 7: it was she who also spoke in favor of additional consideration of contractors from within the CRA.

In a voice vote, the **motion** passed unanimously.

III. Discussion Items

Chair Lucas recalled that at the April 27, 2016 meeting, the Board approved the Commercial Façade Improvement Program and Streetscape Enhancement Program, but did not approve the Business Property Improvement Program. The remaining proposed CRA incentive programs will be presented at today's meeting. If approved by the Board, Staff will present these programs to the CRA Board for approval on June 7, 2016.

The following Item was taken out of order on the Agenda.

b. Policing Initiatives – Jonathan Brown, NPF CRA Manager

Mr. Brown explained that the Advisory Board previously approved an Ambassador Program for the CRA; however, after reviewing the program with City Staff and City Commissioners, it was determined that the program may not be sufficiently far-reaching, as it covered only the Flagler Village area. The City Commissioners have instead proposed a policing initiative, in which the CRA would fund the placement of Police Officers in a substation located on Sistrunk Boulevard. These Officers would have the sole purpose of walking their beat within the entire CRA and providing a visible presence.

Mr. Brown advised that if the Board approves this program, they would need to determine the extent to which they wish to fund it, as it would carry a cost of roughly \$140,000 per Officer, including salary and benefits. Six Officers are necessary to provide 24-hour, seven-day coverage from the substation, which will total approximately \$800,000. He requested feedback from the Board regarding the need for 24-hour coverage.

Mr. Brown confirmed that the proposed initiative would mean the hiring of Officers for the sole purpose of working within the CRA. This service would not be considered to be complementary to existing Police coverage provided by the City, but would be dedicated

service specific to the CRA. The intent would be to provide a Police presence and ensure the safety of all within the area.

Mr. Centamore asserted that if six Officers are hired to staff the substation, this would provide a single Officer per shift. He also pointed out that the Board is not intended to pay any recurring salaries except those of CRA Staff. He concluded that this initiative would make no difference within the CRA's neighborhoods. Ms. Burrows noted that the substation is not designed to be manned on a full-time basis. She also asked how the proposed initiative would affect the Fort Lauderdale Police Department's Neighborhood Action Teams (NATs), which attend District meetings.

Mr. Strawbridge stated that while he had objections to the proposed Ambassador Program, he advised that this was intended to be an entirely different program than the proposed Policing initiative. He suggested that the CRA use its wireless camera technology to provide monitoring in real time as an alternative to a Police presence.

Ms. Reed observed that she did not feel that the neighborhoods within the CRA are the same as other neighborhoods within the City due to crime. She felt a visible Police presence was necessary in the CRA. Mr. Motwani agreed, pointing out that if the CRA funded Police Officers, there could be a significantly lower support level once the CRA sunsets.

Chair Lucas recalled that when the Ambassador Program was approved for Flagler Village, there was an expectation that it would ultimately expand throughout the CRA if it was a success. He suggested that this program could be paired with other Police activity or wireless monitoring.

Mr. Brown advised that the intent of tax increment financing (TIF) revenue is to eliminate slum and blight, while the Ambassador Program as previously approved would not reach the most blighted areas of the CRA. He also noted that the proposed policing initiative could be implemented in a number of ways, such as funding one to two Police Officers and providing overtime funds for one or more additional Officer(s). Mr. Hooper commented that the visible presence created by the Ambassador Program would be important.

Mr. Brown pointed out that the Ambassador Program would cost \$250,000 and would have operated only within Flagler Village, with no presence in Progresso Village or the Northwest. It would triple this cost to extend the program to these additional areas. He asked if this would be a better presence than Police Officers. Mr. Centamore reiterated that security from wireless cameras may be more helpful, and suggested that the Ambassador Program would not have to remain only in Flagler Village. He agreed, however, that the effectiveness of this program has not been proven, as homelessness remains a problem in areas covered by the Ambassador Program.

Chair Lucas recommended that CRA Staff look for a lower-cost alternative, including use of existing services and technology. Mr. Gabriel agreed, adding that he would be willing to consider other proposals for the entire CRA. He also noted that he has heard no reason why the CRA would be seen as particularly dangerous or in need of additional policing.

Mr. Brown concluded that while Staff would recommend a policing initiative on June 7, they would inform the City Commission that the Advisory Board does not support this proposal. Mr. Gabriel clarified that the Board's objection is to the hiring of additional Police Officers to be funded entirely by the CRA. Ms. Burrows suggested that an additional Police presence could be supplied by offering overtime pay to off-duty Officers.

Chair Lucas observed that when the Ambassador Program was first presented to the Board as an option, Police Officers provided the Board members with a map showing "hot zones" for crime within the CRA. Mr. Brown advised that it can be difficult to bring new businesses into the CRA if there is an existing perception of crime in the area. He emphasized the importance of a Police presence as a deterrent to this behavior.

Mr. Strawbridge commented that the Downtown Development Authority (DDA), which funds the Ambassador Program, has boundaries that extend within the CRA, yet they are not willing to fund the extension of the program without CRA participation. Mr. Centamore added that the funds proposed for a policing initiative would be better spent to improve the neighborhood and provide incentives for redevelopment.

Ms. Burrows stated that she would like to see a program that provides a net gain for the CRA by adding to existing Police coverage. She asserted that if new Officers were brought into the CRA, they should supplement the existing Police presence there rather than replace it.

Mr. Brown concluded that he would bring an updated "hot zone" report to the next Board meeting.

a. Proposed CRA Incentives – Jonathan Brown, NPF CRA Manager

Chair Lucas briefly reviewed the incentive programs discussed at the April 27 meeting, pointing out that the Board had wanted greater detail on the proposed Property Business and Improvement Program before voting to approve it.

Mr. Brown stated that the Board's April 27 vote against approval of the Property Business and Improvement Program (PBIP) meant the previously existing program remains. Staff will recommend a different program, however, because they have received feedback from the community that the existing program does not work. He encouraged the Board to provide input on the changes they would like to see to the

proposed program in order for it to benefit the community. Staff will take the Board's recommendation to the City Commission.

Ms. Barber stated that her understanding at the previous meeting was that Staff would consider the Board's input and re-draft the proposed PBIP accordingly. Mr. Brown advised that the Board did not vote in favor of any specific recommendations, without which Staff may not edit the document. He concluded that Staff felt the current draft was in its best form, although they will make changes if the Advisory Board wishes to vote upon them.

Mr. Brown noted that the Façade Program includes changes voted upon by the Board, while no changes were made to the Streetscape Improvement Program. He recalled that most of the discussion of the BPIP focused on whether or not Staff should have the authority to make certain approvals, as well as whether or not the CRA should provide a dollar-for-dollar match. He confirmed that the BPIP would be presented to the City Commission for approval with or without the Board's recommendations; however, if the Board votes to make changes, the document would reflect these changes.

Motion made by Mr. Strawbridge that based upon the information in the Board's prior discussion, that they support the proposal as Staff has drafted. [The **motion** died for lack of second.]

Mr. Brown advised that the City Commission may not have sufficient time to review the minutes of the previous Board meeting to see the Board's prior discussion of the PBIP. Mr. Strawbridge replied that he would expect Staff to summarize the Board's discussion for the City Commission.

Motion made by Mr. Strawbridge to present [the document] as accepted without condition. [The **motion** died for lack of second.]

Mr. Brown reiterated that the City Commission would be informed that the Board did not recommend approval of the PBIP.

Mr. Lagi recalled that previous discussion of the PBIP had focused on the proposed dollar-for-dollar match requirements. Ms. Reed asserted that the Board had objected to other aspects of the PBIP, including whether or not land may be accepted as part of the match. Mr. Brown noted that within the focus area of the program, the PBIP as presented does not require that any funds be brought to the table by applicants if the project's worth is estimated at a certain amount. He added that he was not certain why the dollar-for-dollar match is an issue, as it would not apply within the focus area. He agreed to clarify this within the document.

Motion made by Mr. Strawbridge to reject this [PBIP] plan in its current form because the Board has been unable to reconcile with Staff the programmatic components, and want[s] more time to go forward. [The **motion** died for lack of second.]

Mr. Brown suggested that the Board may also vote to make changes to the existing program rather than approve the BPIP as presented at the April 27 meeting. He requested additional clarity on how the Board would like their discussion presented to the City Commission.

Ms. Barber recalled that she had recommended a special provision to give extra consideration to contractors from within the CRA area. Mr. Brown explained that the CRA accepts the lowest and most responsive bid, for which there is no way to provide additional consideration. The CRA uses contractors who have been confirmed by the City as part of an approved list for CRA and Housing and Community Development programs.

Ms. Barber asserted that her intent was to give preferential treatment to contractors who own businesses within the CRA, as this would encourage more contractors to establish businesses there. She concluded that she also felt this should supersede the lowest and most responsive bid if the local bid is within a certain percentage of the lowest bid. Mr. Brown agreed to inform the City Commission that the Board would like this consideration made.

Mr. Wilkes arrived at 4:34 p.m.

Chair Lucas moved on to address the Development Incentive Program (DIP). Ms. Barber stated that her suggestion to give priority to contractors from within the CRA should be included under the special conditions of this program as well. Mr. Brown reiterated that the pool of contractors is not limited to a local area.

Mr. Lue arrived at 4:38 p.m.

Mr. Strawbridge pointed out that when bids are evaluated, the lowest and most responsive bid is not always the bid selected: there are times when the most qualified bid does not meet these criteria, but may instead focus on experience and ability to invest in a neighborhood. He cited the selection of minority-owned and disadvantaged businesses as an example. He declared that the City seemed to be finding ways not to invest in the CRA community, and that Staff seemed to have come to a decision about the proposed programs without taking Board input into consideration.

Mr. Brown replied that Staff would take both its recommendations and the Board's recommendations to the City Commission. He requested that the Board vote on the program to determine whether or not there is consensus.

Motion made by Mr. Centamore, seconded by Mr. Gabriel, that the Board accept [the program] as is.

Ms. Reed recalled that during the previous month's discussion of the PBIP, the Board had considered the possibility of allowing land to be used as a match as well as dollars. She advised that this could apply to other incentive programs as well.

In a roll call vote, the **motion** failed 6-8 (Ms. Barber, Ms. Burrows, Mr. Hinton, Mr. Hooper, Mr. Motwani, Ms. Reed, Mr. Strawbridge, and Mr. Wilkes dissenting).

Motion made by Ms. Barber to approve with the special conditions [to] encourage the use of contractors but that they give special privilege to be determined for contractors from within the CRA. [The **motion** died for lack of second.]

Mr. Brown pointed out that for very large projects of \$50 million or more, the developer may also be the contractor. Ms. Barber suggested that in this case the developer could be encouraged to hire local subcontractors. Mr. Brown added that all contractors on the City-approved list must be invited to bid on the work to be done.

Mr. Gabriel observed that the City-approved list includes several criteria that must be met by contractors, and advised that locality may already be taken into consideration when they are added to the approved list. Ms. Barber stated that she wanted contractors from within the CRA to be given additional consideration during the award process rather than the establishment of the list.

It was suggested that Ms. Barber's recommendation of special consideration during the procurement process for contractors within the CRA could be communicated to the City Commission separately from the Board's recommendations on incentive programs.

It was further clarified that the special conditions listed as part of the DIP would only apply to projects worth \$5 million or more. Mr. Centamore cautioned that requiring projects of this size to allow bids only by City-approved contractors could discourage those developers.

Mr. Lagi requested clarification of whether or not the DIP would allow other CRA incentive programs to be combined. Mr. Brown confirmed this, stating that the DIP allows the CRA Board flexibility in leveraging incentives and other opportunities. Mr. Lagi and Mr. Motwani also felt that requiring the use of City-approved subcontractors could be a mitigating factor that discourages some developers.

Motion made by Mr. Strawbridge, seconded by Ms. Barber, to approve [the program] on the condition that they delete the existing special conditions section and replace it with a 15% set aside for minority and disadvantaged businesses and a minimum of one

in three of all new hires during the construction process be from the City of Fort Lauderdale. [The **motion** was not voted upon.]

Mr. Brown noted that there is also a job creation/retention requirement aspect of the program, which would be open for discussion when a project is brought before the Board. Mr. Strawbridge pointed out, however, that this phrase includes the word "may" rather than language strictly requiring this practice.

Motion made by Mr. Motwani, seconded by Mr. Strawbridge, to approve the program as written, striking the special conditions with a preference, where possible, that effort be given and best efforts be made to hire locally and utilize local contractors.

Mr. Centamore requested clarification that the portion of a project to which preference is given would be those funded through an incentive program. Mr. Motwani **amended** his **motion** with the following addition: to be applied to the aspect of the project that utilizes CRA funds. He also **amended** the phrase "local contractors" to "Fort Lauderdale contractors."

In a roll call vote, the **motion** passed 14-0.

The Board moved on to the Commercial Tenant Lease Assistance Program, which Mr. Brown noted could be difficult to administer. The program would provide assistance to businesses that may need help in paying for their leases. He cautioned that one difficulty could be the likelihood that some property owners will raise the rent if they are aware the CRA will help pay it. Chair Lucas commented that it could also be difficult for a renter to demonstrate need.

Mr. Strawbridge proposed that the CRA could instead provide start-up grants for individuals with ideas for businesses. He pointed out that the program could be specifically tied to properties within the CRA.

Motion made by Mr. Gabriel, seconded by Mr. Wilkes, not to recommend approval. In a roll call vote, the **motion** passed 14-0.

Mr. Brown continued with the Property Tax Reimbursement Program, which is very similar to the existing program, with the clarification that reimbursement is only for the CRA portion of TIF revenue. The program also includes a dollar-for-dollar match. He described the program as an effective way to stretch incentives over more than one year, as the CRA portion of TIF revenue would be reimbursed over a five-year period.

Mr. Strawbridge praised the program as one of the strongest tools available to communities, particularly for those with an interest in historic preservation.

Motion made by Mr. Strawbridge, seconded by Mr. Gabriel, to approve.

It was that the reimbursement percentages are slightly different from those of the current program, as follows:

- Year 1: 95% reduction
- Year 2: 90% reduction
- Year 3: 85% reduction
- Year 4: 80% reduction
- Year 5: 75% reduction

Mr. Brown advised that Staff would be comfortable with either the recommended or currently existing percentages.

Mr. Strawbridge **withdrew** his **motion**.

Motion made by Mr. Motwani to approve, subject to two modifications: one would be to amend the percentages to the current program, which is 95, 90, 85, 80, 75, and secondly, the same modification to the special conditions that [the Board] discussed, where they encourage them to utilize local businesses and hire locally.

Mr. Brown advised that many economic offices across the country offer similar incentive programs. Mr. Strawbridge expressed concern that a developer who funds 100% of a project, with no financial assistance from the CRA, could recoup the TIF revenue generated by that project. Mr. Brown clarified that an application would be subject to approval by the Advisory Board. The percentages listed are the maximum available, and could be modified by the CRA Board at the time of approval.

Mr. Centamore **seconded** the **motion**.

Mr. Strawbridge also pointed out that it would be possible for a developer with no demonstrated need for funding could benefit from the program. He felt the program should include consideration of any project from an early stage.

Mr. Gabriel left the meeting at 5:33 p.m.

In a roll call vote, the **motion** passed 8-4 (Ms. Adderley, Ms. Barber, Ms. Burrows, and Mr. Wilkes dissenting). (Mr. Strawbridge was not present for the vote.)

The Board addressed the Residential Rehabilitation Forgivable Loan Program, which Mr. Brown characterized as a typical rehabilitation and home buyer program, targeting families who earn up to 160% of the area median income (AMI). He estimated that one to two families with moderate incomes could be assisted per year.

Mr. Lagi noted that this residential housing program is a departure from most other CRA programs, which primarily target commercial development. Mr. Wilkes also asked how

this program related to the elimination of slum and blight, and pointed out that residential development is unlikely to generate TIF income. Mr. Brown replied that quality housing is necessary to attracting quality economic development. Both infill and rehabilitated housing must be available as the CRA develops.

While other programs available through the Department of Housing and Community Development target families with low to very low incomes, Mr. Brown noted that individuals living within the CRA who do not qualify for these programs may still need repairs and rehabilitative work on their homes. Homeowners are asked to provide 10% of the necessary cost of repairs if it exceeds \$55,000. The program emphasizes correction of Code violations and health and safety issues. Restrictive covenants would be issued to prevent the program from being used by "house flippers." If a property is sold, the owner must repay 100% of the loan.

Mr. Brown concluded that the program is restricted to homesteaded, owner-occupied properties.

Mr. Wilkes stated that the program should be limited to exterior rather than interior improvements. Mr. Brown estimated that most rehabilitations average between \$40,000 and \$45,000 for interior and exterior renovations. Chair Lucas also expressed concern regarding the administration of the program, which he felt could be subject to fraud. Mr. Strawbridge pointed out that 160% of AMI could apply to families with an income of \$60,000. It was noted that the CRA Plan calls for more single-family housing within the area.

Motion made by Ms. Burrows, seconded by Ms. Barber, to accept the new Residential Rehab Forgivable Loan Program as presented. In a roll call vote, the **motion** passed 8-5 (Chair Lucas, Mr. Centamore, Mr. Hooper, Mr. Lagi, and Mr. Wilkes dissenting).

Mr. Brown described the Purchase Assistance Program, which would encourage building on infill housing lots owned by the City. When the lots are put out for bid, funds would be made available to the developer or contractor, who would then provide a dollar-for-dollar match of these funds to the homeowner. This allows cash flow for the contractor and the City to provide assistance to the homeowner.

Mr. Centamore pointed out that it can be very difficult to build on some infill lots. Mr. Brown explained that the City has compiled a list of its buildable lots. He noted that the term "homesteaded" may be added to the description of the program in lieu of the term "primary residence." The program would be available to families making up to 160% of AMI and would provide a forgivable, no-interest loan. He estimated that eight to ten lots per year could be put out for bid through the program.

Motion made by Mr. Wilkes, seconded by Mr. Motwani, as presented, with the addition that the properties are homesteaded. In a voice vote, the **motion** passed unanimously.

IV. Mosaic Update – Mosaic Group

This Item was not presented.

V. Monthly Financial Report – Jonathan Brown, NPF CRA Manager

This Item was not presented.

VI. Communication to CRA Board

None.

VII. Public Comment

None.

VIII. Adjournment

There being no further business to come before the Board at this time, the meeting was adjourned at 5:56 p.m.

Any written public comments made 48 hours prior to the meeting regarding items discussed during the proceedings have been attached hereto.

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


ITEM V

Streetscape Funding Request



DATE: June 22, 2016

TO: CRA Advisory Board Members

FROM: Jonathan Brown, Northwest-Progresso-Flagler CRA Manager 

SUBJECT: Flagler Village Hotel- 315 NW 1st Avenue
Streetscape Grant Funding Request – \$329,933
Tax Increment Projection Rebate Program Request – \$1,711,020.

315 Flagler LP is requesting funding assistance from the CRA for the Flagler Village Hotel located at 315 NW 1st Avenue in the Flagler Village portion of the Northwest-Progresso-Flagler Heights Community Redevelopment Area (NPF CRA) consisting of:

- 1) A CRA Streetscape Program Grant in the amount not to exceed \$329,933 which is 70% of the total cost of streetscape improvements of \$471,333.87; and
- 2) Property tax rebate using the CRA Tax Increment Projection Rebate Program in an amount not to exceed \$1,711,020 over 5 years.

A copy of the Location Map is attached as Exhibit A and Broward County Property Appraiser Information is attached as Exhibit B. A copy of the Developer's Request for Funding/Applications is attached as Exhibits C1 and C2. Project Plans are attached as Exhibit D.

The project is located in the Downtown Regional Activity Center portion of the CRA in its City Center zoning district (RAC-CC) and within the boundaries the Flagler Village Civic Association, who have reviewed and support the project. The Flagler Village Hotel is 18 stories in height with three stories of parking, 196 guestrooms and an active pedestrian environment on the first floor. A Preliminary Job Creation Analysis provided by the developer projects a total of 294.2 jobs created as a result of the project consisting of 182.8 construction jobs and 114.4 permanent jobs resulting from the operations of the hotel. An Economic Benefit Study is also provided and attached as Exhibit E.

The Streetscape Grant Program was one of the incentive programs approved by the CRA Board at their meeting of June 7, 2016. The maximum allowable grant under the Streetscape Grant Program is 70% of the cost of improvements not to exceed \$500,000. This funding request is consistent with the program guidelines requesting a 70% reimbursement. When awarding a grant for streetscape improvements, the grant funds are disbursed upon completion and acceptance of the streetscape improvements by the City when the project receives a Certificate of Occupancy. Streetscape

improvements are provided along NW 4th Street and NW 1st Avenue consisting of new curbing, pavers, landscaping, lighting, wider sidewalks, benches, a bus shelter and bicycle racks.

The Tax Increment Projection Rebate Program is also one of the incentive programs approved by the CRA Board at their meeting of June 7, 2016. One of the purposes of the program is to help fill a funding gap or to meet short term capital project needs by providing a stream of payments for a project that may not provide enough return on investment. The Tax Increment Projection Rebate Program limits tax rebates to five years and sets the maximum rebate to 95% of the taxes paid with the rebate decreasing in 5% increments annually. Only CRA tax increment received by the NPF CRA from the City of Fort Lauderdale, Broward County, the North Broward Hospital District and Children Services Council would be used. The adopted millage rate for these four taxing entities is 11.65 mills. The applicant cannot receive a reimbursement for more than the actual ad valorem tax increment from these four taxing entities received by the CRA and paid by the applicant. Award is based on a not to exceed projected amount.

Tax Increment Projection Rebate requested by the applicant would be provided over a period of 5 years starting in the first year following project completion when the project is placed into service as reflected in the new increased valuation by the Broward County Property Appraiser and the new ad valorem tax generated by the project is paid on the property. This projection factors in an annual 3% projected increase in property value. Based on the projected tax increment to the CRA as a result of the project, the applicant would be eligible for an estimated tax rebate of:

\$361,450	in Year 1	(95% of the project's tax increment revenue)
\$352,699	in Year 2	(90% of the project's tax increment revenue)
\$343,098	in Year 3	(85% of the project's tax increment revenue)
\$332,603	in Year 4	(80% of the project's tax increment revenue)
\$321,170	in Year 5	(75% of the project's tax increment revenue)
\$1,711,020	TOTAL	

BACKGROUND

The project is a joint venture between Driftwood Acquisitions and Development and Merrimac Ventures. Both companies are experienced hotel developers in South Florida. Driftwood Acquisitions and Development is a privately held investment fund with over 20 years' experience in the acquisition, development and management of hotel assets having completed the acquisition and development of over 100 hotels throughout the United States. Merrimac Ventures is a Fort Lauderdale real estate investment and development company that includes prime resort, mixed use development, multifamily residential, condominium, retail and office investments. They are currently involved in over \$3 billion in projects, including the Miami World Center, a 27 acre mixed use development in Downtown Miami, the Four Seasons Hotel and Private Residences in Fort Lauderdale, the Gale Boutique Hotel and Residences and the Paramount Fort Lauderdale Beach. Dev Motwani is the company president.

Located less than 200 feet from the FEC Railway, the developer recognizes the potential impacts on the project that are inherent to the site with the hotel located in the western limits of the Flagler Village area rather than on a site along Federal Highway or another major downtown roadway. The long term success of the hotel recognizes the proximity of the hotel location to both All Aboard Florida and the Wave Streetcar. However, both of these projects are expected to begin operations after the hotel is completed. Because both are important demand drivers for this hotel and there will be a gap between when the hotel opens and both All Aboard Florida and the Wave Streetcar are operational, the developer is requesting CRA financial assistance from the Tax Increment Rebate Program to provide the economic assistance from the time the business opens to when the business stabilizes. At this time the hotel brand has not been confirmed, but the developer is pursuing a Tier 1 Flag for the hotel. It is the developer's belief that the local financial commitment from the CRA will help secure the Tier 1 Flag. The project has gone through development review under Case R16004 and the developer expects to break ground in the first quarter of 2017.

TAX INCREMENT REVENUE EVALUATION

The Developer has stated that his new capital investment dollars in the Flagler Village Hotel project is \$36,187,000 million. The current assessment of the property is \$781,350. The tax increment to the CRA is based on 95% of the increased assessment. Of that, the CRA receives 95% from the county if paid before January 1st. Therefore based on the assumptions of an 11.65 millage rate, the project may generate as much as approximately \$380,474 of tax increment revenues for the CRA in the first year after completion and a total of approximately \$2,019,988 over 5 years. This projection factors in an annual 3% projected increase in property value.

Estimated New Assessment:

- \$36,187,000 in Year 1
- \$37,272,610 in Year 2
- \$38,390,788 in Year 3
- \$39,542,511 in Year 4
- \$40,728,787 in Year 5

Estimated Tax Increment to the CRA:

- \$380,474 in Year 1
- \$391,888 in Year 2
- \$403,645 in Year 3
- \$415,754 in Year 4
- \$428,227 in Year 5
- \$2,019,988 TOTAL**

CONSISTANCY WITH THE NPF CRA COMMUNITY REDEVELOPMENT PLAN

The project is consistent with the NPF CRA Community Redevelopment Plan by providing upgrades and improvements to infrastructure to induce private investment and support development and increased densities and intensities of use in the Flagler Village Area.

Furthermore in accordance with the approved CRA Five Year Strategic Program, the CRA will “invest in development projects that improve the quality of life, create job opportunities for area residents, promote sustainability, promote public/private partnerships, and enhance tax increment revenues for redistribution and investment in the redevelopment area.”

CRA REVIEW AND COMMENTS

CRA staff has requested additional information and clarification from the Developer which he has indicated will be made available at your June 22nd meeting.

This request includes:

Streetscape Funding Request

1. Line item description of Streetscape Project work identifies \$136,770 for on-site water/sewer/drainage. Since on-site work is not eligible, please confirm if this is correct.
2. Please identify location of Bus Shelter that is not visible in Streetscape Project plans provided and listed under the line item description of Streetscape Project work as a \$25,000 expense.

Dev Motwani will be available to answer any questions.

Attachments

Exhibit A: Location Map

Exhibit B: Broward County Property Appraiser Information

Exhibit C1: Developers Streetscape Grant Application

Exhibit C2: Developers Tax Increment Projection Rebate Program Funding Application

Exhibit D: Project Plans

Exhibit E: Preliminary Job Creation Analysis and Economic Benefit Study



LOCATION MAP



Proposed Flagler Village Hotel



Site Address	333 NW 1 AVENUE, FORT LAUDERDALE	ID #	5042 10 01 0670
Property Owner	315 FLAGLER LP	Millage	9312
Mailing Address	300 SW 1 AVE SUITE 106 FORT LAUDERDALE FL 33301	Use	17

Abbreviated Legal Description	FT LAUDERDALE B-40 D LOT 2 N 50 OF E 155 BLK 3
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The just values displayed below were set in compliance with **Sec. 193.011, Fla. Stat.**, and include a reduction for costs of sale and other adjustments required by **Sec. 193.011(8)**.

Property Assessment Values					
Click here to see 2015 Exemptions and Taxable Values as reflected on the Nov. 1, 2015 tax bill.					
Year	Land	Building	Just / Market Value	Assessed / SOH Value	Tax
2016	\$90,890	\$467,250	\$558,140	\$558,140	
2015	\$90,890	\$418,410	\$509,300	\$509,300	\$11,726.31
2014	\$90,890	\$411,340	\$502,230	\$490,310	\$11,644.04

2016 Exemptions and Taxable Values by Taxing Authority				
	County	School Board	Municipal	Independent
Just Value	\$558,140	\$558,140	\$558,140	\$558,140
Portability	0	0	0	0
Assessed/SOH	\$558,140	\$558,140	\$558,140	\$558,140
Homestead	0	0	0	0
Add. Homestead	0	0	0	0
Wid/Vet/Dis	0	0	0	0
Senior	0	0	0	0
Exempt Type	0	0	0	0
Taxable	\$558,140	\$558,140	\$558,140	\$558,140

Sales History			
Date	Type	Price	Book/Page or CIN
1/21/2016	SW*-E	\$1,900,000	113484178
3/20/2006	WD*	\$1,100,000	41732 / 260
11/19/1998	WD*	\$240,000	29077 / 1363
10/1/1973	WD	\$50,000	4291 / 122
10/1/1973	WD	\$50,000	

Land Calculations		
Price	Factor	Type
\$12.00	7,574	SF
Adj. Bldg. S.F. (Card, Sketch)		4331

* Denotes Multi-Parcel Sale (See Deed)

Special Assessments								
Fire	Garb	Light	Drain	Impr	Safe	Storm	Clean	Misc
03								
C								
4331								



Site Address	315 NW 1 AVENUE, FORT LAUDERDALE	ID #	5042 10 01 0680
Property Owner	315 FLAGLER LP	Millage	9312
Mailing Address	300 SW 1 AVE SUITE 106 FORT LAUDERDALE FL 33301	Use	28
Abbreviated Legal Description	FT LAUDERDALE B-40 D LOT 2 S 100 OF N 150 LESS W 14 BLK 3		

The just values displayed below were set in compliance with **Sec. 193.011, Fla. Stat.**, and include a reduction for costs of sale and other adjustments required by **Sec. 193.011(8)**.

Property Assessment Values					
Click here to see 2015 Exemptions and Taxable Values as reflected on the Nov. 1, 2015 tax bill.					
Year	Land	Building	Just / Market Value	Assessed / SOH Value	Tax
2016	\$169,130	\$28,000	\$197,130	\$197,130	
2015	\$169,130	\$28,000	\$197,130	\$197,130	\$4,070.85
2014	\$169,130	\$28,000	\$197,130	\$197,130	\$4,159.78

2016 Exemptions and Taxable Values by Taxing Authority				
	County	School Board	Municipal	Independent
Just Value	\$197,130	\$197,130	\$197,130	\$197,130
Portability	0	0	0	0
Assessed/SOH	\$197,130	\$197,130	\$197,130	\$197,130
Homestead	0	0	0	0
Add. Homestead	0	0	0	0
Wid/Vet/Dis	0	0	0	0
Senior	0	0	0	0
Exempt Type	0	0	0	0
Taxable	\$197,130	\$197,130	\$197,130	\$197,130

Sales History			
Date	Type	Price	Book/Page or CIN
1/21/2016	SW*-E	\$1,900,000	113484178
4/6/2005	QC*	\$100	39500 / 1453
7/15/1997	QC*	\$592,200	26770 / 112
			4034 / 387

Land Calculations		
Price	Factor	Type
\$12.00	14,094	SF
Adj. Bldg. S.F. (Card, Sketch)		

* Denotes Multi-Parcel Sale (See Deed)

Special Assessments								
Fire	Garb	Light	Drain	Impr	Safe	Storm	Clean	Misc
03								
L								
1								



Site Address	NW 4 STREET, FORT LAUDERDALE	ID #	5042 10 01 0671
Property Owner	315 FLAGLER LP	Millage	9312
Mailing Address	300 SW 1 AVE SUITE 106 FORT LAUDERDALE FL 33301	Use	28

Abbreviated Legal Description	FT LAUDERDALE B-40 D LOT 2 N 50 LESS E 155 BLK 3
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The just values displayed below were set in compliance with **Sec. 193.011, Fla. Stat.**, and include a reduction for costs of sale and other adjustments required by **Sec. 193.011(8)**.

Property Assessment Values					
Click here to see 2015 Exemptions and Taxable Values as reflected on the Nov. 1, 2015 tax bill.					
Year	Land	Building	Just / Market Value	Assessed / SOH Value	Tax
2016	\$10,600	\$1,900	\$12,500	\$10,320	
2015	\$10,600	\$1,900	\$12,500	\$9,390	\$216.54
2014	\$10,600	\$1,900	\$12,500	\$8,540	\$209.66

2016 Exemptions and Taxable Values by Taxing Authority				
	County	School Board	Municipal	Independent
Just Value	\$12,500	\$12,500	\$12,500	\$12,500
Portability	0	0	0	0
Assessed/SOH	\$10,320	\$12,500	\$10,320	\$10,320
Homestead	0	0	0	0
Add. Homestead	0	0	0	0
Wid/Vet/Dis	0	0	0	0
Senior	0	0	0	0
Exempt Type	0	0	0	0
Taxable	\$10,320	\$12,500	\$10,320	\$10,320

Sales History			
Date	Type	Price	Book/Page or CIN
1/21/2016	SW*-E	\$1,900,000	113484178
3/20/2006	WD*	\$1,100,000	41732 / 260
11/19/1998	WD*	\$240,000	29077 / 1363
2/1/1987	WD		14291 / 122

Land Calculations		
Price	Factor	Type
\$12.00	883	SF
Adj. Bldg. S.F. (Card, Sketch)		

* Denotes Multi-Parcel Sale (See Deed)

Special Assessments								
Fire	Garb	Light	Drain	Impr	Safe	Storm	Clean	Misc
03								
L								
1								



Site Address	NW 4 STREET, FORT LAUDERDALE	ID #	5042 10 01 0830
Property Owner	315 FLAGLER LP	Millage	9312
Mailing Address	300 SW 1 AVE SUITE 106 FORT LAUDERDALE FL 33301	Use	28
Abbreviated Legal Description	FT LAUDERDALE B-40 D LOT 2 W 14 OF S 100 OF N 150 BLK 3		

The just values displayed below were set in compliance with **Sec. 193.011, Fla. Stat.**, and include a reduction for costs of sale and other adjustments required by **Sec. 193.011(8)**.

Property Assessment Values					
Click here to see 2015 Exemptions and Taxable Values as reflected on the Nov. 1, 2015 tax bill.					
Year	Land	Building	Just / Market Value	Assessed / SOH Value	Tax
2016	\$20,980	\$2,600	\$23,580	\$15,760	
2015	\$20,980	\$2,600	\$23,580	\$14,330	\$363.21
2014	\$20,980	\$2,600	\$23,580	\$13,030	\$353.41

2016 Exemptions and Taxable Values by Taxing Authority				
	County	School Board	Municipal	Independent
Just Value	\$23,580	\$23,580	\$23,580	\$23,580
Portability	0	0	0	0
Assessed/SOH	\$15,760	\$23,580	\$15,760	\$15,760
Homestead	0	0	0	0
Add. Homestead	0	0	0	0
Wid/Vet/Dis	0	0	0	0
Senior	0	0	0	0
Exempt Type	0	0	0	0
Taxable	\$15,760	\$23,580	\$15,760	\$15,760

Sales History			
Date	Type	Price	Book/Page or CIN
1/21/2016	SW*-E	\$1,900,000	113484178
4/6/2005	QC*	\$100	39500 / 1453
7/15/1997	QC*	\$592,200	26770 / 112
			4034 / 387

Land Calculations		
Price	Factor	Type
\$12.00	1,748	SF
Adj. Bldg. S.F. (Card, Sketch)		

* Denotes Multi-Parcel Sale (See Deed)

Special Assessments								
Fire	Garb	Light	Drain	Impr	Safe	Storm	Clean	Misc
03								
L								
1								

315 Flagler, LP

June 14, 2016

Jonathan Brown
Deputy Director
NPF CRA
914 NW 6th ST, Suite 200
Fort Lauderdale, FL 33311

**RE: Owner and Developer: 315 Flagler, LP
Project: Flagler Village Hotel
Request: CRA Streetscape Funding Contribution**

Dear Mr. Brown:


Please accept this letter on behalf of 315 Flagler, LP as a formal request of Northwest Progresso-Flagler Heights (NPF) CRA funds to assist with project related and off-site improvements in the Flagler Heights area of the NPF CRA. The request is for a total commitment from the CRA of \$329,933 for the streetscape program. That amount represents 70% of the cost of the streetscape improvements required and is consistent with previous requests.

Cost Sharing

Total offsite construction	\$471,333
70% CRA funded on a reimbursement basis	\$329,933

Attached please find the required application form and supportive documents.
Please call me with any questions.

Sincerely,


Dev Motwani
315 Flagler, LP

300 SW 1st Ave
Suite 106
Fort Lauderdale, FL 33301

**Flagler Heights Strategic Investment Streetscape Program
Application Form
PLEASE SUBMIT FOUR COPIES OF THE APPLICATION PACKAGE**

1. Address of project requesting CRA investment: 315 NW 1st Ave, Fort Lauderdale, FL

2. Name of Applicant: 315 Flagler, LP

Contact Person: Dev Motwani

Address of Applicant: 300 SW 1st Ave, Suite 106, Fort Lauderdale, FL 33301

Phone: 917-319-3090 Fax: _____

Email: dev.motwani@gmail.com

3. Does the applicant own project property? Yes No

If "no" box is checked, when will property be in control (own or long-term lease) of the applicant?

Indicate the owning entity of the property (i.e. name on property title):

4. What is the total estimated project investment?

Current assessed value: \$781,350

New capital investment dollars: \$36,187,074

Total estimated new assessment: \$36,968,424

Mortgage Information: A construction loan in the amount of \$20,968,424

Requested Contribution: 70% Contribution toward the cost of streetscape improvements:

Total Cost of Streetscape: \$471,332.87

70% CRA Contribution: \$329,933

5. What is the percentage (%) amount of ownership equity relative to total estimated investment?

20% or more

10% to 19.9%

Less than 10%

None

6. When is it anticipated that construction will begin, assuming project receives funding assistance from this program?

Less than 12 months

12 to 16 months

16 to 24 months

Longer

7. Include with the application:

- Description of proposed development/ improvement to the property
- Preliminary site plan, floor plans and rendering that enable staff to determine quality of design; parking must be included in the site plan and meet current code regulations
- Infrastructure improvements, if any, in either the public ROW or on private property
- Preliminary project schedule
- Tenant makeup
- Resume of developer indicating related development experience
- Business and Financial information:
 - Business Plan
 - Pro Forma
 - Mortgage on Property
 - Lease agreements
 - Letter of intent from lending institutions
 - Partnership and/or ownership information with equity positions

The Flagler Heights Strategic Investment Streetscape Program benefits are contingent on funding availability and CRA approval, and are not to be construed as an entitlement or right of a property owner or applicant. Properties in the CRA areas are not eligible for City/ CRA funded programs when such funding conflicts with the goals expressed in the CRA Strategic Finance Plan or Community Redevelopment Plan.

Signature of Applicant

Date

Printed Name

Description of Proposed Development and Request for Funding:

1. General Property Information. The Applicant proposes to construct a hotel on a parcel of land located at the southwest corner of NW 4th Street (Pratt Avenue) and NW 1st Ave (the "Property"). The development site is 0.5233 acre in size. An aerial of the Property is provided below. The Property is adjacent to the Eclipse multifamily development, the FEC railroad tracks and immediately west of the City's former Building/Planning and Zoning Department (known as One Stop Shop), which has been vacant for several years. The Property is located in Downtown Regional Activity Center and zoned RAC-CC. Although not required (by code) to comply with the Downtown Master Plan, the Applicant designed the project to meet the intent of the goals, objectives and design guidelines of the master plan.

The Property is within the boundaries of the Flagler Village Civic Association, a neighborhood which has experienced a significant amount of growth in the last several years due to the development of new residential multifamily developments. It is important to note the Flagler Village Civic Association has voted in favor of supporting the Flagler Village Hotel Project. Unfortunately, a majority of the Flagler Village development is concentrated in areas farther north or closer to Federal Highway. In examining the existing and proposed uses in the area (including The Wave and All Aboard Florida train station), the Applicant recognized that there has been a significant amount of residential development in this area, but there have not been any significant commercial developments due to the inherent risks associated with such development. Unlike residential development, the Flagler Village Hotel Project will bring needed jobs to the area and serve as a catalyst for both redevelopment in the immediate vicinity of the hotel and the area west of the FEC rail. The Applicant is hopeful that there is a good opportunity to build a hotel on the site, but recognizes there are serious risks as All Aboard Florida and the Wave Streetcar project are projected to begin operation well after the hotel is completed. Furthermore, the development of a hotel on the Property presents unique risks, because to date, the only hotel developed in the Flagler Village area is the Hampton Inn, which is outside of the CRA boundaries.



2. Project Details. The Flagler Village Hotel is planned as a limited service hotel consisting of 196 guestrooms with an active pedestrian environment on the ground floor. The building is 18 stories in height and designed with a contemporary architectural style exemplified by the simple clean lines of the structure, and geometric features along the façade. The façade of the building is well articulated, providing visual variety and interest without being overwhelming. The street level façade enhances the pedestrian environment by incorporating architectural features into its design, which add special interest and compatibility with nearby properties and site elements.

In addition, the Flagler Village Hotel has been designed with the following design criteria: (1) a 3 level parking garage which is screened from view from NW 4th Street and NW 1st Avenue with screens and artistic colored glass. (2) active uses and amenities on the first floor; (3) internal vehicle circulation; (4) internal building services; (5) setbacks from neighboring properties; (6) an architectural pedestal-styled tower atop a parking garage structure; (7) an effective design which results in a structure which is not a single continuous volume of height; and (8) undulations and recesses of the building and varying levels of architectural dimensions and features which break up the mass of all facades. The streetscape improvements include installation of new curbing, pavers, landscaping, lighting, wide sidewalks, benches, a bus shelter and bicycle racks. These improvements are focused on creating a pedestrian friendly environment and an overall neighborhood aesthetic.



The streetscape improvements include installation of new curbing, pavers, landscaping, lighting, wide sidewalks, benches, a bus shelter and bicycle racks. These improvements are focused on creating a pedestrian friendly environment and an overall neighborhood aesthetic.

This request is consistent with other streetscape funding requests that have been granted to other projects in the Flagler Heights area. Below is a list of the other streetscape awards granted by the CRA.

Previous Streetscape Grant Awards			
<u>Project</u>	<u>Estimated Capital Investment</u>	<u>Grant</u>	<u>Grant Award Percentage</u>
Avenue Lofts	\$20M	\$499,000	60%
Jefferson Place/Sole Condo	\$27M	\$710,620	80%
Foundry/Mill	\$25M	\$356,949	50%
Bamboo Flats	\$16.5M	\$230,681	50%
Specialty Automotive	\$4M	\$161,500	50%
Alexan and 440 Flagler	\$150M	\$875,032.50	50%
Pearl Flagler Village	\$72.5M	\$451,707.50	50%
Related – Henry Square	\$85.8M	\$293,176.50	50%
Fairfield	\$42,250,000.00	\$ 329,503	50%

3. Project Construction Schedule: 315 Flagler expects to break ground in the first quarter of 2017 and expects construction to last for approximately 12 – 16 months.

4. Request for funding. In order to make this investment economically feasible, the Applicant is requesting CRA approval to financially assist the development through The Flagler Heights Strategic Investment Streetscape Program. The Project, when open for business and stabilized, is projected to generate approximately \$1,713,058 over the course of five years, of which \$1,664,729 is attributed to the construction of this hotel development. The Applicant is requesting reimbursement of 70% of the cost of the streetscape improvements, \$329,933. As justification for this request, the Applicant asks that you consider the following:

- a. Having the local financial commitment of the CRA will aid the developer in securing the Tier 1 flag critical to future investment and making the Flagler Village Hotel economically feasible.
- b. The tax rebates will provide economic assistance while the hotel opens and stabilizes, particularly since there will be a gap between the hotel opening and when All Aboard Florida and the Wave Streetcar begin operation, both important demand drivers for this hotel.
- c. The Flagler Village Hotel Project will not only be an economic catalyst for the area, but will bring nearly 300 new jobs to the area. (According to attached economic analysis)
- d. The Applicant is pursuing a Tier 1 flag for the hotel, which will encourage additional development further west of the CRA.
- e. This Project is the first stand-alone hotel project in the CRA (the Hampton Inn is not in the CRA and the approved Courtyard Marriott along Federal Highway is part of an

overall larger residential and retail complex). The financial assistance of the CRA will demonstrate the CRA's financial commitment to new development which further the goals and objectives of the CRA Redevelopment Plan.

Code	DESCRIPTION	Quantity	Unit	\$/Unit	Estimated Cost
1-037	Permits / Inspections	1.00	LS	5,000.00	5,000
1-037	Superintendent	12.00	WKS	2,400.00	28,800
1-040	Temporary Power	3	MOS	2,500.00	7,500
1-042	Temporary Water	3	MOS	950.00	2,850
1-043	Temporary Toilet	3	MOS	1,530.00	4,590
1-050	Ice, cups, water	3	MOS	150.00	450
1-055	Job Sign	1.00	LS	750.00	750
1-110	Dump Fees & Trash Hauling	5.00	LDS	550.00	2,750
1-200	Punchout	1.00	LS	2,500.00	2,500
1-400	Plans & Specs Reproduction	1.00	LS	1,500.00	1,500
1-520	Safety Protection	1.00	LS	4,000.00	4,000
1-620	Rental Equipment	1.00	LS	3,500.00	3,500
TOTAL GENERAL CONDITIONS					64,190
02-100	Site Work - On Site Water / Sewer / Drainage	22,795.00	SF	6.00	136,770
02-100	Subgrade, Paving & Striping	200.00	SYD	38.00	7,600
02-100	Concrete Cubring	275.00	LFT	13.00	3,575
02-100	Survey / As-builts	1.00	LS	15,000.00	15,000
02-100	MOT & Traffic Control	1.00	LS	7,500.00	7,500
02-100	Demolition Including Cut & Caps	1.00	EA	15,000.00	15,000
02-100	Drainage Injection Well	1.00	EA	20,000.00	20,000
02-100	Engineer report and test well	1.00	LS	5,500.00	5,500
02-100	ADA Ramps and Detectable Warnings	1.00	EA	800.00	800
02-100	Brick Paver Sidewalks	6,048.00	SFT	6.50	39,312
02-290	Brick Pavers - Vehicular	3,500.00	SF	8.00	28,000
02-100	Dewatering Allowance	1.00	LS	5,000.00	5,000
02-900	Landscape and Irrigation	1.00	LS	7,500.00	7,500
Division 2 Subtotal					
03-001	Material Testing	1.00	LS	8,500.00	8,500
Division 3 Subtotal					8,500
10-000	Benches	4.00	LS	2,400.00	9,600
10-000	Bus Shelter	1.00	LS	25,000.00	25,000
10-000	Bike Racks	6.00	Ea	2,000.00	12,000
10-000	Signage Allowance	10.00	Ea	250.00	2,500
Division 10 Subtotal					
16-100	Light Fixture Allowance	6.00	Ea	3,000.00	18,000
Division 16 Subtotal					18,000
Subtotals					431,347
	P and P Bond	0.93%	%	431,347.00	3,365
	Contingency	0.00%		431,347.00	0
	Insurance				2,114
	Contractors Overhead	3.00%			12,940
	Contractor's Profit	5.00%	%	431,347.00	21,567
TOTAL COST					471,332.87

5. **Conclusion:** The proposed Project is consistent with and furthers the objectives of the Northwest-Progresso-Flagler Heights Redevelopment Plan, and the Applicant is hopeful that this funding request will be granted so the Project is economically feasible.

Additional information regarding the development team and project are included with this submittal.

- a. Development plans (Renderings)
- b. Development team information

Development Team:

The Flagler Village Hotel is a joint venture between Driftwood Acquisitions and Development, LP and Merrimac Ventures, LLC. Both companies have extensive background developing hotels in South Florida.

Driftwood Acquisitions and Development, LP:

With more than 20 years of expertise in acquisition, development, and management of hotel properties in a variety of markets across the United States, Driftwood Acquisitions & Development, LP ("DAD") employs an entrepreneurial investment strategy providing our investors and associates with opportunities that offer above-average returns.

Driftwood Acquisitions & Development, LP ("DAD"), an affiliate of Driftwood Hospitality Management ("DHM") is a privately held investment fund designed to acquire, develop and manage hotel assets throughout the United States.

Our mission is to achieve exponential growth with our properties by forming strategic partnerships that allow us to build new hotels, acquire existing properties in lucrative markets, and work with under-performing hotels to position them for increased profitability. We are leaders in the field of hospitality management with a proven track record of success, having successfully completed the acquisition or development of over 100 hotels.

We have a long-standing relationship with institutional investors, family offices and high-net-worth individuals. Unlike many other companies, we like to think out-of-the-box as entrepreneurs and encourage our investors and partners to take initiative, be proactive, and contribute to our success with well-defined strategies and objectives.

Key Personnel

Carlos J. Rodriguez Chief Executive Officer of DAD and General Partner

Carlos J. Rodriguez is a Principal and Executive Vice President of DHM. He joined DHM in June 2003 to oversee real estate development and acquisitions, financing and capital raises. Mr. Rodriguez was formerly Chairman and Chief Executive Officer of Cardel Hotels, a group of affiliated hotel management, ownership and development companies based in Miami, Florida. Previously, Mr. Rodriguez worked as President of Aurola Hotels in Costa Rica, served on the Board of Directors and was Vice Chairman of the Caja Costarricense del Seguro Social, which managed all of the hospitals of Costa Rica with an operating budget of over \$1 billion per year as well as the Public Pension Funds of the country. He also served on the Board of the Central American Bank of Economic Integration and was founder and a member of the Board of Directors of the Bank of Coral Gables. Mr. Rodriguez holds an MBA from Duke University's Fuqua School of Business, a BS in Economics from Vanderbilt University, and a Certificate in Hotel Management from Cornell University.

Carlos Rodriguez Jr. Chief Operating Officer of DAD and General Partner

Carlos Rodriguez Jr. is the Vice President of New Development for DHM. He joined DHM in May 2013 to oversee new development projects including DHM's efforts with respect to the

raising and utilization of funds under the EB-5 program. Prior to joining DHM, Mr. Rodriguez was project manager for a \$30 million, 238-unit, two-phased condo tower project in San Jose, Costa Rica. Mr. Rodriguez Jr. began his career with LNR Property, the largest Commercial Mortgage Backed Securities (CMBS) special servicer, investor and originator worldwide. After rotating through the Investment Management, Asset Management, and REO divisions, Mr. Rodriguez Jr. was promoted to join a newly formed branch of LNR dedicated to high-volume transactions and direct equity investments. Mr. Rodriguez Jr. received his BA from Duke University.

Johannah Durow Investment Associate of DAD and General Partner

Johannah Durow joined DHM in June 2013 and is responsible for acquisition & development underwriting and analysis. Prior to joining DHM, Ms. Durow worked at LNR Property, where she was responsible for assessing and identifying potential loan default risk on securitizations spanning multiple asset types and classes throughout the United States. She also collaborated on loan work-out strategies in order to minimize losses to bondholders, and focused on the underwriting and due diligence process of loan pool acquisitions secured by commercial properties. Ms. Durow received her BA in Business Administration of Real Estate and Urban Land Economics and International Business from the University of Wisconsin-Madison.

Merrimac Ventures, LLC

Merrimac Ventures is a Real Estate investment and development firm located in Fort Lauderdale, FL. Its primary focus is on prime resort and mixed-use development, but also has extensive investments in multi-family residential, condominiums, retail and office investments. Partners in Merrimac Ventures are currently involved in over \$3 billion in projects, including Miami WorldCenter, a 27-acre mixed use development in downtown Miami; in Fort Lauderdale, the Four Seasons Hotel and Private Residences Fort Lauderdale, The Gale Boutique Hotel and Residences, and Paramount Fort Lauderdale Beach, among others.

Merrimac Ventures is a local real estate firm founded by the late Bob Motwani, and his wife Ramola Motwani, who is currently the CEO. The couple moved to Fort Lauderdale Beach in the mid-80's with their 2 sons, Nitin and Dev. In 2004, Ramola brought in her eldest son Nitin Motwani, who was working with Goldman Sachs at the time, to help expand the business and oversee the day-to-day operations. In 2006, her younger son Dev Motwani left his job with Credit Suisse to work with Merrimac Ventures, while Nitin focused full time on the firm's Miami WorldCenter project. Today, Ramola serves as Chairwoman and CEO of the firm and is responsible for setting its long-term goals and vision. Dev is President of the company and responsible for the day-to-day operations and oversees investments in which the firm acts as the principal. Nitin acts as a principal of the firm and is the managing partner for Miami WorldCenter.

Key Personnel

Ramola Motwani Chairwoman and CEO

Ms. Motwani began her 35+ year business career in the US with an import/export business she started with her late husband Bob Motwani in St. Charles, MO. In the mid-1980's, they

expanded the business into hotels by purchasing numerous properties on the Fort Lauderdale Beach. They owned and operated (among others) the Merrimac and Gold Coast Beach Resort Hotels on the Fort Lauderdale Beach together for many years, until Bob passed away in 1994. Ramola took over the entire company, while also raising two sons, Nitin and Dev. She has operated over 12 hotels all over Broward County, predominantly on Fort Lauderdale Beach. She also managed to expand the business while becoming one of the most active local community members on Fort Lauderdale Beach. She put together the group to bring back the Fort Lauderdale Air Show in 2012.

Ramola was born and raised in India and received her law degree from the Government Law College located in Mumbai, India. She recently won the 2006 Chamber Women's Circle of Excellence Award for Hospitality and the 2007 Salute to Business Award.

Dev Motwani President

Dev Motwani serves as President of Merrimac Ventures, a Fort Lauderdale based real estate firm that focuses on value-add investment and development opportunities. Property types owned and operated include hotels, condos, retail, office and rental apartments primarily in South Florida but also throughout the United States. Dev is also Founder and Managing Partner of Ramesh Properties, a distressed real estate investment fund focused on opportunistic investments in residential and commercial development sites throughout South Florida. He currently oversees nearly \$750 million in development projects. Current projects include the Four Seasons Hotel and Private Residences, The Gale Boutique Hotel and Residences, as well as Las Olas Riverfront, all in the Fort Lauderdale area. Prior to his current role Dev worked at Credit Suisse in New York City, where he first structured OTC Equity Derivative trades.

Dev graduated from Duke University with a Bachelors of Science degree in Economics and Public Policy and from Columbia University's Masters of Science in Real Estate Development Program. He has also studied at the London School of Economics.

Flagler Village Hotel

Streetscape Cost Detail

	Units	196
	Hotel SF (Net)	81,685
	Hotel (Gross)	137,322
	5th FL Amenity	18,190
	Retail	2,273
	Garage	45,239
	Total	203,024
	Estimate Date	3/14/2016
	Revision 2	5/2/2016

Height	18.00
Duration	72.00
Parking	-

Code	DESCRIPTION	Quantity	Unit	\$/Unit	Estimated Cost
1-037	Permits / inspections	1.00	LS	5,000.00	5,000
1-037	Superintendent	12.00	WKS	2,400.00	28,800
1-040	Temporary Power	3	MOS	2,500.00	7,500
1-042	Temporary Water	3	MOS	950.00	2,850
1-043	Temporary Toilet	3	MOS	1,530.00	4,590
1-050	Ice, cups, water	3	MOS	150.00	450
1-055	Job Sign	1.00	LS	750.00	750
1-110	Dump Fees & Trash Hauling	5.00	LDS	550.00	2,750
1-200	Punchout	1.00	LS	2,500.00	2,500
1-400	Plans & Specs Reproduction	1.00	LS	1,500.00	1,500
1-520	Safety Protection	1.00	LS	4,000.00	4,000
1-620	Rental Equipment	1.00	LS	3,500.00	3,500
TOTAL GENERAL CONDITIONS					64,190
02-100	Site Work - On Site Water / Sewer / Drainage	22,795.00	SF	6.00	136,770
02-100	Subgrade, Paving & Striping	200.00	SYD	38.00	7,600
02-100	Concrete Cubring	275.00	LFT	13.00	3,575
02-100	Survey / As-builts	1.00	LS	15,000.00	15,000
02-100	MOT & Traffic Control	1.00	LS	7,500.00	7,500
02-100	Demolition Including Cut & Caps	1.00	EA	15,000.00	15,000
02-100	Drainage Injection Well	1.00	EA	20,000.00	20,000
02-100	Engineer report and test well	1.00	LS	5,500.00	5,500
02-100	ADA Ramps and Detectable Warnings	1.00	EA	800.00	800
02-100	Brick Paver Sidewalks	6,048.00	SFT	6.50	39,312
02-290	Brick Pavers - Vehicular	3,500.00	SF	8.00	28,000
02-100	Dewatering Allowance	1.00	LS	5,000.00	5,000
02-900	Landscape and Irrigation	1.00	LS	7,500.00	7,500
Division 2 Subtotal					
03-001	Material Testing	1.00	LS	8,500.00	8,500
Division 3 Subtotal					
10-000	Benches	4.00	LS	2,400.00	9,600
10-000	Bus Shelter	1.00	LS	25,000.00	25,000
10-000	Bike Racks	6.00	Ea	2,000.00	12,000
10-000	Signage Allowance	10.00	Ea	250.00	2,500
Division 10 Subtotal					
16-100	Light Fixture Allowance	6.00	Ea	3,000.00	18,000
Division 16 Subtotal					
Subtotals					431,347
	P and P Bond	0.93%	%	431,347.00	3,365
	Contingency	0.00%		431,347.00	0
	Insurance				2,114
	Contractors Overhead	3.00%			12,940
	Contractor's Profit	5.00%	%	431,347.00	21,567
TOTAL COST					471,332.87

315 Flagler, LP

June 14, 2016

Jonathan Brown
Deputy Director
NPF CRA
914 NW 6th ST, Suite 200
Fort Lauderdale, FL 33311

RE: Owner and Developer: 315 Flagler, LP
Project: Flagler Village Hotel
Request: CRA Tax Increment Projection (TIP) Rebate Program

Dear Mr. Brown:

Please accept this letter on behalf of 315 Flagler, LP as a formal request of Northwest Progresso-Flagler Heights (NPF) CRA TIP Rebate Program funds to provide financial assistance to developer over the first five operational years of the Flagler Village Hotel.

Currently, the Flagler Village Hotel site is not an ideal hotel location given its proximity to the rail road tracks and lack of surrounding business or infrastructure. If/when developed, it would be the first hotel developed west of Andrews Avenue and will help encourage commercial development further west in the CRA. The alternative to a hotel project would be residential, which would create significantly less jobs and have less economic impact. In addition to bringing the hotel, we are also making best efforts to bring a Tier 1 hotel flag (Marriott/Starwood, Hilton, ISG) to the project. This will result in a greater economic impact for the CRA, by giving confidence to other businesses and lenders that the area can support new, quality commercial development which will support additional job growth in the area and encourage more economic activity.

Tier 1 brands require both higher operational and construction costs given the quality and level of service required. These additional costs put financial stress and risk on the project, necessitating the TIP program rebates to make the project financially viable over the initial stabilization years of operation. They are critical to obtain a commitment of the Tier 1 flag and financing for the project given the fact the project must stabilize while it is waiting for public and private sector improvements like Brightline and the Wave Streetcar, which will become demand generators for the hotel, but will not go online until well after the hotel is constructed.

Attached please find the required application form and supportive documents. Please call me with any questions.

Sincerely,



Dev Motwani
315 Flagler, LP

300 SW 1st Ave
Suite 106
Fort Lauderdale, FL 33301

TAX INCREMENT PROJECTION (TIP) REBATE PROGRAM APPLICATION

(Please submit four copies of the application package)

Sometimes in redevelopment areas, there are projects that find it difficult to obtain financing or do not provide enough return on investment for the developer to execute a development plan. One method used commonly across the county in tax increment areas to help meet short-term capital needs is to provide a rebate of tax increment revenue back to a developer based on taxes paid for a number of years after the project is placed into service. This approach can be limited by the number of years or by a target payment but is acceptable to many developers because it provides a stream of payment to them that can be borrowed against to fill a project funding gap.

The Tax Increment Projection Rebate Program limits tax rebates to five years and sets the maximum rebate to 95% of the taxes paid with the rebate decreasing in 5% increments annually. Only CRA tax increments resources from the City of Fort Lauderdale, Broward County, the North Broward Hospital District and Children Services Council property tax Millage Rate would be used for repayment. The adopted FY 2015 Adopted Millage rate for these four taxing entities is 11.65 mills. The applicant cannot receive a reimbursement for more than the actual ad valorem tax paid by the applicant and tax increment generated by the project as a result of the increased property tax assessment upon completion. Award will be based on the projected amounts and cannot exceed the amount awarded.

Proposed Rebate Schedule

- Year 1 – 95% of Tax Increment Revenue Rebated
- Year 2 – 90% of Tax Increment Revenue Rebated
- Year 3 – 85% of Tax Increment Revenue Rebated
- Year 4 – 80% of Tax Increment Revenue Rebated
- Year 5 – 75% of Tax Increment Revenue Rebated

1. Address of project requesting CRA investment: 315 NW 1st Ave, Fort Lauderdale, FL

2. Name of Applicant: 315 Flagler, LP

Contact Person: Dev Motwani

Address of Applicant: 300 SW 1st Ave, Suite 106

Fort Lauderdale, FL 33301

Phone: 917-319-3090 Fax: _____

Email: dev.motwani@gmail.com

3. Does the applicant own project property? Yes No

If "no" box is checked, when will property be in control (own or long-term lease) of the applicant?

Indicate the owning entity of the property (i.e. name on property title): 315 Flagler, LP

4. What is the total estimated project investment?

Current assessed value: \$781,350

New capital investment dollars: \$36,187,074

Total estimated new assessment: \$36,968,424

6. What is the percentage (%) amount of ownership equity relative to total estimated investment?

20% or more

10% to 19.9 %

Less than 10%

None

7. When is it anticipated that construction will begin, assuming project receives funding assistance from this program?

Less than 12 months

12 to 16 months

16 to 24 months

Longer

5. What is the projected CRA tax increment generated by the project?

Year 1 \$421,579

Year 2 \$434,500

Year 3 \$447,808

Year 4 \$461,515

Year 5 \$475,634

TOTAL: \$2,241,036

(Include calculations)

See attached spreadsheet with calculations. According to the Broward County Property Appraiser, hotel will be valued upon completion at the current market rate. Thus, we have conservatively used combined hard and soft costs of the hotel to determine value upon completion.

6. When is it anticipated that the project will be placed on the tax rolls? 2018

7. Include with this application:

- Description of proposed development/improvement to the property and detailed cost of improvements
- Preliminary site plan, floor plans and renderings that enable staff to determine quality of design; parking must be included in the site plan and meet current code regulations
- Infrastructure improvements, if any, in either the public ROW or on private property
- Preliminary project schedule
- Tenant makeup
- Resume of developer indicating related development experience
- Business and Financial Information
 - *Business Plan
 - *Pro forma
 - *Mortgage on property
 - *Lease agreements
 - *Letter of Intent from lending institution
 - *Partnership and/or ownership information with equity positions

The Tax Increment Projection Rebate Program benefits are contingent on funding availability and CRA approval, and one are not to be construed as an entitlement or right of a property owner or applicant. Properties in the CRA areas are not eligible for City /CRA funded programs when such funding conflicts with the goals expressed in the CRA Strategic Finance Plan or Community Redevelopment Plan.

Signature of Applicant

Date

Dev Motwani – Manager

Description of Proposed Development and Request for Funding:

1. General Property Information. The Applicant proposes to construct a hotel on a parcel of land located at the southwest corner of NW 4th Street (Pratt Avenue) and NW 1st Ave (the “Property”). The development site is 0.5233 acre in size. An aerial of the Property is provided below. The Property is adjacent to the Eclipse multifamily development, the FEC railroad tracks and immediately west of the City’s former Building/Planning and Zoning Department (known as One Stop Shop), which has been vacant for several years. The Property is located in Downtown Regional Activity Center and zoned RAC-CC. Although not required (by code) to comply with the Downtown Master Plan, the Applicant designed the project to meet the intent of the goals, objectives and design guidelines of the master plan.

The Property is within the boundaries of the Flagler Village Civic Association, a neighborhood which has experienced a significant amount of growth in the last several years due to the development of new residential multifamily developments. It is important to note the Flagler Village Civic Association has voted in favor of supporting the Flagler Village Hotel Project. Unfortunately, a majority of the Flagler Village development is concentrated in areas farther north or closer to Federal Highway. In examining the existing and proposed uses in the area (including The Wave and All Aboard Florida train station), the Applicant recognized that there has been a significant amount of residential development in this area, but there have not been any significant commercial developments due to the inherent risks associated with such development. Unlike residential development, the Flagler Village Hotel Project will bring needed jobs to the area and serve as a catalyst for both redevelopment in the immediate vicinity of the hotel and the area west of the FEC rail. The Applicant is hopeful that there is a good opportunity to build a hotel on the site, but recognizes there are serious risks as All Aboard Florida and the Wave Streetcar project are projected to begin operation well after the hotel is completed. Furthermore, the development of a hotel on the Property presents unique risks, because to date, the only hotel developed in the Flagler Village area is the Hampton Inn, which is outside of the CRA boundaries.



2. Project Details. The Flagler Village Hotel is planned as a limited service hotel consisting of 196 guestrooms with an active pedestrian environment on the ground floor. The building is 18 stories in height and designed with a contemporary architectural style exemplified by the simple clean lines of the structure, and geometric features along the façade. The façade of the building is well articulated, providing visual variety and interest without being overwhelming. The street level façade enhances the pedestrian environment by incorporating architectural features into its design, which add special interest and compatibility with nearby properties and site elements.

In addition, the Flagler Village Hotel has been designed with the following design criteria: (1) a 3 level parking garage which is screened from view from NW 4th Street and NW 1st Avenue with screens and artistic colored glass. (2) active uses and amenities on the first floor; (3) internal vehicle circulation; (4) internal building services; (5) setbacks from neighboring properties; (6) an architectural pedestal-styled tower atop a parking garage structure; (7) an effective design which results in a structure which is not a single continuous volume of height; and (8) undulations and recesses of the building and varying levels of architectural dimensions and features which break up the mass of all facades. The streetscape improvements include installation of new curbing, pavers, landscaping, lighting, wide sidewalks, benches, a bus shelter and bicycle racks. These improvements are focused on creating a pedestrian friendly environment and an overall neighborhood aesthetic.



- 3. Project Construction Schedule:** 315 Flagler expects to break ground in the first quarter of 2017 and expects construction to last for approximately 12 – 16 months.
- 4. Request for funding.** In order to make this investment economically feasible, the Applicant is requesting CRA approval to financially assist the development through the tax increment rebate program. The Project, when open for business and stabilized, is projected to generate approximately \$1,713,058 over the course of five years, of which \$1,664,729 is attributed to the construction of this hotel development. The Applicant is requesting a rebate of the incremental increase in tax revenue generated to the CRA as a result of this Project. As justification for this request, the Applicant asks that you consider the following:
- a. Having the local financial commitment of the CRA will aid the developer in securing the Tier 1 flag critical to future investment and making the Flagler Village Hotel economically feasible.
 - b. The tax rebates will provide economic assistance while the hotel opens and stabilizes, particularly since there will be a gap between the hotel opening and when All Aboard Florida and the Wave Streetcar begin operation, both important demand drivers for this hotel.
 - c. The Flagler Village Hotel Project will not only be an economic catalyst for the area, but will bring nearly 300 new jobs to the area. (According to attached economic analysis)
 - d. The Applicant is pursuing a Tier 1 flag for the hotel, which will encourage additional development further west of the CRA.
 - e. This Project is the first stand-alone hotel project in the CRA (the Hampton Inn is not in the CRA and the approved Courtyard Marriott along Federal Highway is part of an overall larger residential and retail complex). The financial assistance of the CRA will demonstrate the CRA's financial commitment to new development which further the goals and objectives of the CRA Redevelopment Plan.
- 5. Conclusion:** The proposed Project is consistent with and furthers the objectives of the Northwest-Progresso-Flagler Heights Redevelopment Plan, and the Applicant is hopeful that this funding request will be granted so the Project is economically feasible.

Additional information regarding the development team and project are included with this submittal.

- a. Development plans (Renderings)
- b. Development team information

Development Team:

The Flagler Village Hotel is a joint venture between Driftwood Acquisitions and Development, LP and Merrimac Ventures, LLC. Both companies have extensive background developing hotels in South Florida.

Driftwood Acquisitions and Development, LP:

With more than 20 years of expertise in acquisition, development, and management of hotel properties in a variety markets across the United States, Driftwood Acquisitions & Development, LP ("DAD"), an affiliate of Driftwood Hospitality Management ("DHM") is a privately held investment fund designed to acquire, develop and manage hotel assets throughout the United States.

Our mission is to achieve exponential growth with our properties by forming strategic partnerships that allow us to build new hotels, acquire existing properties in lucrative markets, and work with under-performing hotels to position them for increased profitability. We are leaders in the field of hospitality management with a proven track record of success, having successfully completed the acquisition or development of over 100 hotels.

We have a long-standing relationship with institutional investors, family offices and high-net worth individuals. Unlike many other companies, we like to think out-of-the-box as entrepreneurs and encourage our investors and partners to take initiative, be proactive, and contribute to our success with well-defined strategies and objectives.

Key Personnel

Carlos J. Rodriguez Chief Executive Officer of DAD and General Partner

Carlos J. Rodriguez is a Principal and Executive Vice President of DHM. He joined DHM in June 2003 to oversee real estate development and acquisitions, financing and capital raises. Mr. Rodriguez was formerly Chairman and Chief Executive Officer of Cardel Hotels, a group of affiliated hotel management, ownership and development companies based in Miami, Florida. Previously, Mr. Rodriguez worked as President of Aurola Hotels in Costa Rica, served on the Board of Directors and was Vice Chairman of the Caja Costarricense del Seguro Social, which managed all of the hospitals of Costa Rica with an operating budget of over \$1 billion per year as well as the Public Pension Funds of the country. He also served on the Board of the Central American Bank of Economic Integration and was founder and a member of the Board of Directors of the Bank of Coral Gables. Mr. Rodriguez holds an MBA from Duke University's Fuqua School of Business, a BS in Economics from Vanderbilt University, and a Certificate in Hotel Management from Cornell University.

Carlos Rodriguez Jr. Chief Operating Officer of DAD and General Partner

Carlos Rodriguez Jr. is the Vice President of New Development for DHM. He joined DHM in

May 2013 to oversee new development projects including DHM's efforts with respect to the raising and utilization of funds under the EB-5 program. Prior to joining DHM, Mr. Rodriguez was project manager for a \$30 million, 238-unit, two-phased condo tower project in San Jose, Costa Rica. Mr. Rodriguez Jr. began his career with LNR Property, the largest Commercial Mortgage Backed Securities (CMBS) special servicer, investor and originator worldwide. After rotating through the Investment Management, Asset Management, and REO divisions, Mr. Rodriguez Jr. was promoted to join a newly formed branch of LNR dedicated to high-volume transactions and direct equity investments. Mr. Rodriguez Jr. received his BA from Duke University.

Johannah Durow Investment Associate of DAD and General Partner

Johannah Durow joined DHM in June 2013 and is responsible for acquisition & development underwriting and analysis. Prior to joining DHM, Ms. Durow worked at LNR Property, where she was responsible for assessing and identifying potential loan default risk on securitizations spanning multiple asset types and classes throughout the United States. She also collaborated on loan work-out strategies in order to minimize losses to bondholders, and focused on the underwriting and due diligence process of loan pool acquisitions secured by commercial properties. Ms. Durow received her BA in Business Administration of Real Estate and Urban Land Economics and International Business from the University of Wisconsin-Madison.

Merrimac Ventures, LLC

Merrimac Ventures is a Real Estate investment and development firm located in Fort Lauderdale, FL. Its primary focus is on prime resort and mixed-use development, but also has extensive investments in multi-family residential, condominiums, retail and office investments. Partners in Merrimac Ventures are currently involved in over \$3 billion in projects, including Miami WorldCenter, a 27-acre mixed use development in downtown Miami; in Fort Lauderdale, the Four Seasons Hotel and Private Residences Fort Lauderdale, The Gale Boutique Hotel and Residences, and Paramount Fort Lauderdale Beach, among others.

Merrimac Ventures is a local real estate firm founded by the late Bob Motwani, and his wife Ramola Motwani, who is currently the CEO. The couple moved to Fort Lauderdale Beach in the mid-80's with their 2 sons, Nitin and Dev. In 2004, Ramola brought in her eldest son Nitin Motwani, who was working with Goldman Sachs at the time, to help expand the business and oversee the day-to-day operations. In 2006, her younger son Dev Motwani left his job with Credit Suisse to work with Merrimac Ventures, while Nitin focused full time on the firm's Miami WorldCenter project. Today, Ramola serves as Chairwoman and CEO of the firm and is responsible for setting its long-term goals and vision. Dev is President of the company and responsible for the day-to-day operations and oversees investments in which the firm acts as the principal. Nitin acts as a principal of the firm and is the managing partner for Miami WorldCenter.

Key Personnel

Ramola Motwani Chairwoman and CEO

Ms. Motwani began her 35+ year business career in the US with an import/export business she started with her late husband Bob Motwani in St. Charles, MO. In the mid-1980's, they expanded the business into hotels by purchasing numerous properties on the Fort Lauderdale Beach. They owned and operated (among others) the Merrimac and Gold Coast Beach Resort Hotels on the Fort Lauderdale Beach together for many years, until Bob passed away in 1994. Ramola took over the entire company, while also raising two sons, Nitin and Dev. She has operated over 12 hotels all over Broward County, predominantly on Fort Lauderdale Beach. She also managed to expand the business while becoming one of the most active local community members on Fort Lauderdale Beach. She put together the group to bring back the Fort Lauderdale Air Show in 2012.

Ramola was born and raised in India and received her law degree from the Government Law College located in Mumbai, India. She recently won the 2006 Chamber Women's Circle of Excellence Award for Hospitality and the 2007 Salute to Business Award.

Dev Motwani President

Dev Motwani serves as President of Merrimac Ventures, a Fort Lauderdale based real estate firm that focuses on value-add investment and development opportunities. Property types owned and operated include hotels, condos, retail, office and rental apartments primarily in South Florida but also throughout the United States. Dev is also Founder and Managing Partner of Ramesh Properties, a distressed real estate investment fund focused on opportunistic investments in residential and commercial development sites throughout South Florida. He currently oversees nearly \$750 million in development projects. Current projects include the Four Seasons Hotel and Private Residences, The Gale Boutique Hotel and Residences, as well as Las Olas Riverfront, all in the Fort Lauderdale area. Prior to his current role Dev worked at Credit Suisse in New York City, where he first structured OTC Equity Derivative trades.

Dev graduated from Duke University with a Bachelors of Science degree in Economics and Public Policy and from Columbia University's Masters of Science in Real Estate Development Program. He has also studied at the London School of Economics.

CRA TIP Rebate Program Calculation

	Year 1	Year 2	Year 3	Year 4	Year 5
Current Land Value	\$781,350	\$781,350	\$781,350	\$781,350	\$781,350
Future Value	\$36,968,424	\$38,077,477	\$39,219,801	\$40,396,395	\$41,608,287
Net Increase in Assessed Value	\$36,187,074	\$37,296,127	\$38,438,451	\$39,615,045	\$40,826,937
Millage Rate	0.01165	0.01165	0.01165	0.01165	0.01165
Assessment on Increased Value	\$421,579	\$434,500	\$447,808	\$461,515	\$475,634
County Collection	\$400,500	\$412,775	\$425,418	\$438,440	\$451,852
County to City	\$380,475	\$392,136	\$404,147	\$416,518	\$429,260
% Rebate per CRA Program	95%	90%	85%	80%	75%
CRA Reimbursement	\$361,452	\$352,923	\$343,525	\$333,214	\$321,945

2016 Assessed Value

504210010680	\$197,130.00
504210010830	\$15,760.00
504210010671	\$10,320.00
504210010670	\$558,140.00
	<u>\$781,350.00</u>

PROPOSED FLAGLER VILLAGE HOTEL

Historical and Projected Income Statements

PROPERTY NAME: PROPOSED FLAGLER VILLAGE HOTEL
 NUMBER OF ROOMS: 202
 ANNUAL NUMBER OF ROOMS: 73,730

TOTAL PROJECT COST: \$37,646,218.72

	Year 1	%	Year 2	%	Year 3	%	Year 4	%	Year 5	%
ROOMS AVAILABLE	73,730		73,730		73,730		73,730		73,730	
ROOMS SOLD	49,399		51,611		53,823		56,035		58,964	
OCCUPANCY RATE	67.00%		70.00%		73.00%		76.00%		80.00%	
AVERAGE DAILY RATE	\$118.00		\$125.08		\$131.33		\$136.59		\$142.05	
REV/PAR	\$79.06		\$87.56		\$95.87		\$103.81		\$113.64	
REVENUES										
Rooms	\$5,829,094	96.3%	\$6,455,504	96.3%	\$7,068,777	96.4%	\$7,653,645	96.4%	\$8,378,728	96.4%
Telephone										
Other	98,798	1.7%	108,383	1.7%	116,419	1.6%	124,839	1.6%	135,352	1.6%
TOTAL REVENUES	5,927,892	100%	6,563,887	100%	7,185,196	100%	7,778,485	100%	8,514,080	100%
OPERATING COSTS										
Rooms	1,481,973	25.4%	1,548,330	24.0%	1,663,128	23.6%	1,783,420	23.3%	1,933,602	23.1%
Telephone	15,000		15,450		15,914		16,391		16,863	
Other	22,724	23%	24,928	23.0%	26,776	23.0%	28,713	23.0%	31,131	23.0%
TOTAL OPERATING COSTS	1,519,697	25.6%	1,588,708	24.2%	1,705,817	23.7%	1,828,524	23.5%	1,981,616	23.3%
GROSS OPERATING INCOME	4,408,195	74.4%	4,975,179	75.6%	5,479,378	76.3%	5,949,961	76.5%	6,532,464	76.7%
GENERAL EXPENSES										
Admin. & General	343,400	5.8%	353,702	5.4%	364,313	5.1%	375,242	4.8%	386,500	4.5%
Credit Card Commissions	142,269	2.4%	157,533	2.4%	172,445	2.4%	186,684	2.4%	204,338	2.4%
Sales & Mktg	116,150	1.8%	119,635	1.8%	123,224	1.7%	126,920	1.6%	130,728	1.5%
Franchise Fees	641,200	9.8%	774,660	11.6%	918,941	12.8%	994,974	12.8%	1,089,235	12.8%
Maintenance & Repair	232,300	3.5%	255,530	3.9%	306,636	4.3%	315,835	4.1%	325,310	3.8%
Utilities	303,000	4.6%	312,090	4.6%	321,453	4.5%	331,096	4.3%	341,029	4.0%
TOTAL GENERAL EXPENSES	1,778,320	30.0%	1,973,150	30.1%	2,207,011	30.7%	2,330,752	30.0%	2,477,139	29.1%
GROSS OPERATING PROFIT	2,629,876	44.4%	3,002,029	45.7%	3,272,367	45.5%	3,619,210	46.5%	4,055,324	47.6%
PROPERTY MANAGEMENT FEES	237,837	4.0%	262,555	4.0%	287,408	4.0%	311,139	4.0%	340,563	4.0%
PROPERTY TAXES	421,579	7.1%	434,500	6.6%	447,808	6.2%	461,515	5.9%	475,634	5.6%
INSURANCE	200,000	3.4%	206,000	3.1%	212,180	3.0%	218,545	2.8%	225,102	2.6%
FF&E RESERVE	237,116	4.0%	262,555	4.0%	287,408	4.0%	311,139	4.0%	340,563	4.0%
NET OPERATING PROFIT	\$1,533,344	25.9%	\$1,836,418	28.0%	\$2,037,564	28.4%	\$2,316,870	29.8%	\$2,673,463	31.4%
CRA TIP REBATE	\$361,451.65		\$352,922.52		\$343,524.68		\$333,214.03		\$321,944.64	
YIELD TO COST	4.07%		4.88%		5.41%		6.15%		7.10%	
YIELD TO COST WITH TIP REBATE	5.03%		5.82%		6.32%		7.04%		7.96%	
DEBT YIELD	5.74%		6.99%		7.89%		9.14%		10.76%	
DEBT YIELD WITH TIP REBATE	7.10%		8.33%		9.22%		10.46%		12.05%	

PROJECT DESIGN TEAM:
ADACHE GROUP ARCHITECTS
 1000 UNIVERSITY BLVD, SUITE 100
 FORT LAUDERDALE, FL 33304
 TEL: (954) 433-1111 FAX: (954) 433-1112
 WWW.ADACHEGROUPARCHITECTS.COM

STRUCTURAL ENGINEER
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MECHANICAL ENGINEER
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PLUMBING ENGINEER
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ADACHE GROUP ARCHITECT
 1000 UNIVERSITY BLVD, SUITE 100
 FORT LAUDERDALE, FL 33304
 TEL: (954) 433-1111 FAX: (954) 433-1112
 WWW.ADACHEGROUPARCHITECTS.COM

OWNER: 315 FLAGLER LP
 FORT LAUDERDALE, FL 33301

PROJECT: FLAGLER VILLAGE HOTEL
 FORT LAUDERDALE, FL

ISSUED FOR: DRG SUBMITTAL
DATE: -

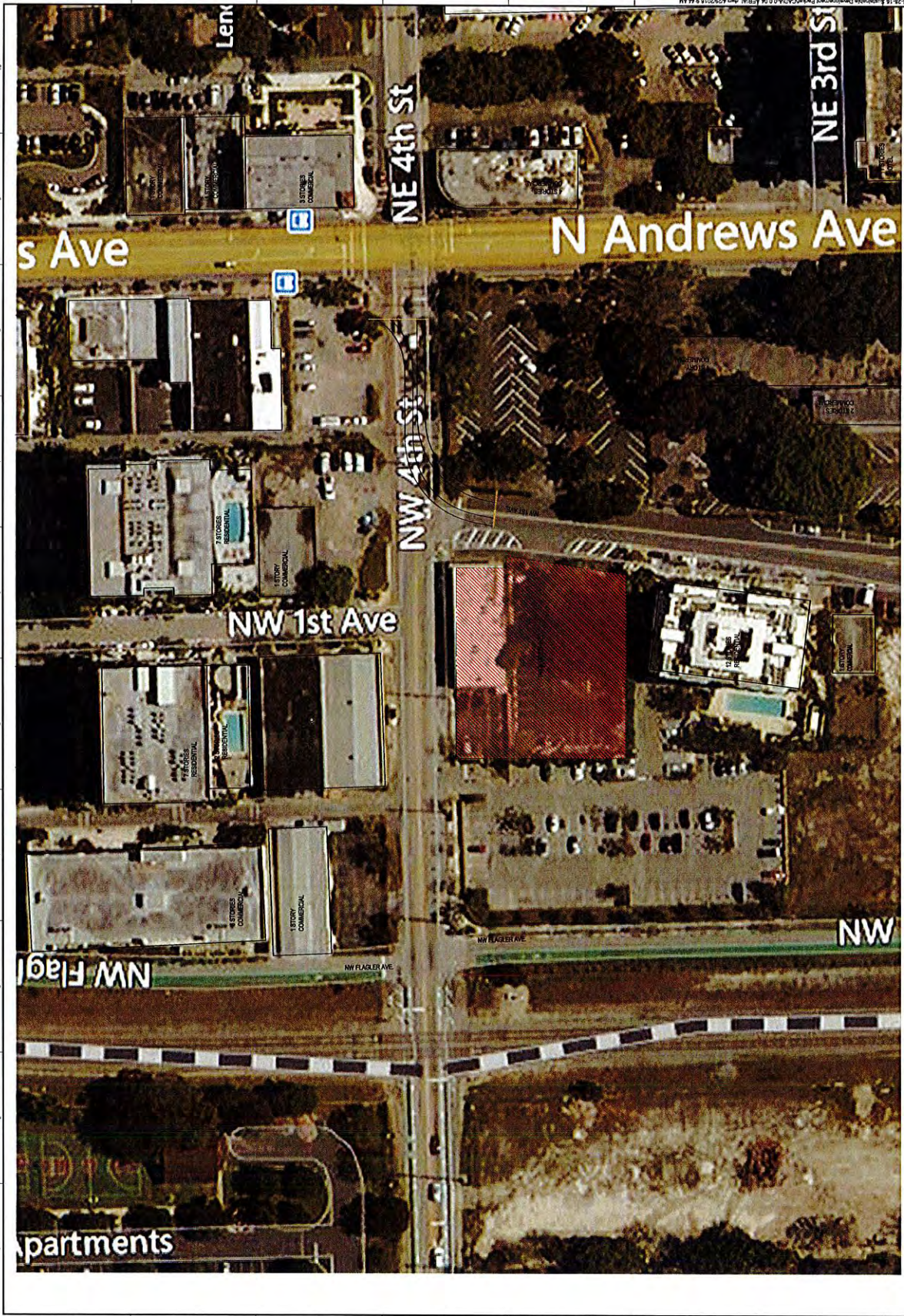
REVISIONS:
 NO. DATE REMARKS

SEAL:

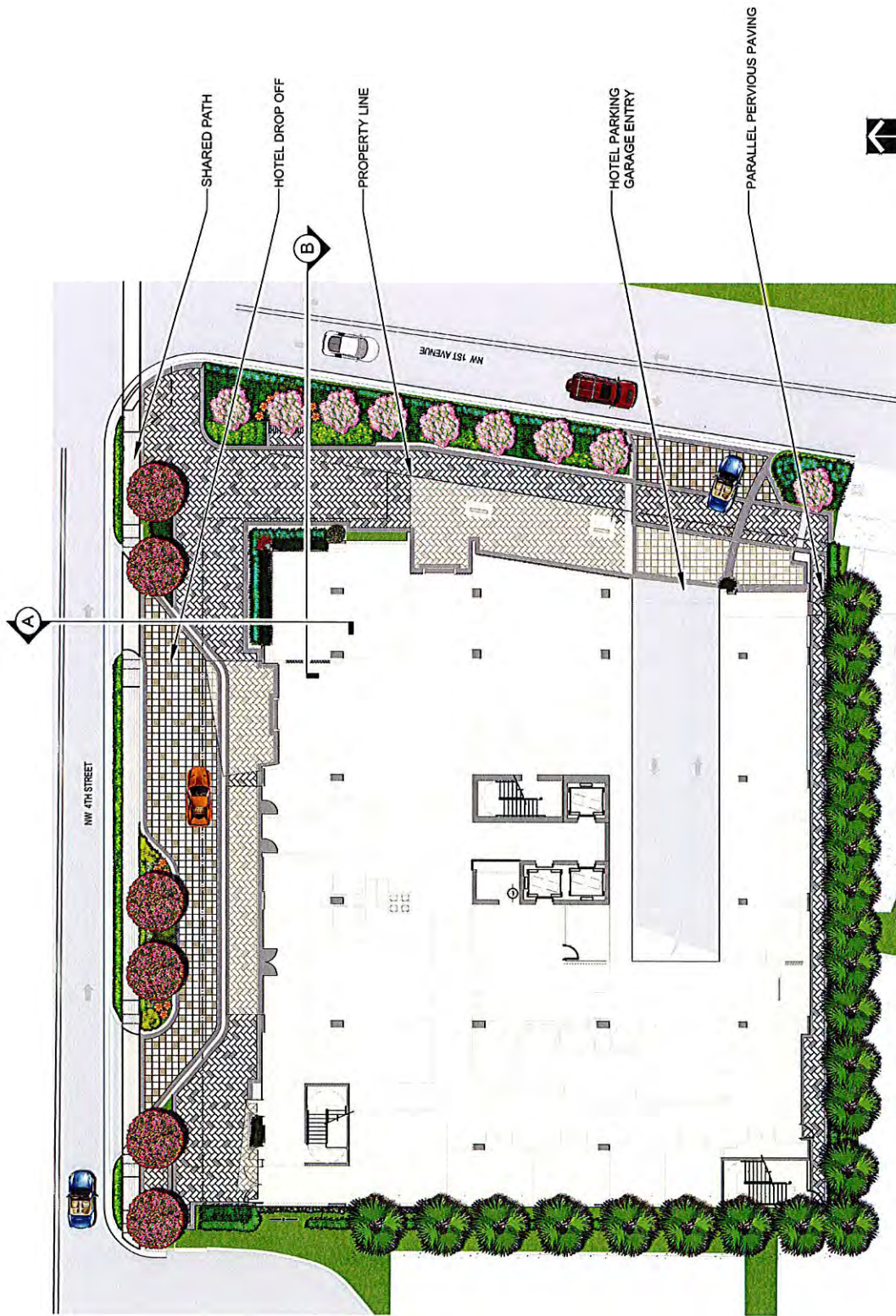
SHEET TITLE:
 AERIAL

DATE: 11/11/15
SCALE: 1/32" = 1'-0"
DRAWN BY: JR
CHECKED BY: JR
JOB NO.: 14-17A

SHEET NO.:
A-0.0.0.04



1
AERIAL
 SCALE: N/A



ILLUSTRATIVE SITE PLAN
FLAGLER VILLAGE HOTEL
 FORT LAUDERDALE, FLORIDA



PROJECT DESIGN TEAM:
ARCHITECTS:
 ADACHE GROUP ARCHITECTS
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OWNER:
 DEV/MOTWANI

PROJECT:
 FLAGLER VILLAGE HOTEL
 NW 4TH STREET / NW 1ST AVENUE,
 FORT LAUDERDALE, FL

SEAL:

ISSUED FOR: Project Status
DATE: Issue Date

REVISIONS:

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SHEET NO.:
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VIEW AT CORNER OF NW 4TH ST AND NW 1ST AVE LOOKING SOUTH WEST



VIEW ALONG NW 4TH ST LOOKING SOUTH

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OWNER:
DEV MOTTWANI

PROJECT:
FLAGLER VILLAGE HOTEL
NW 4TH STREET NW 1ST AVENUE,
FORT LAUDERDALE, FL

SEAL:

ISSUED FOR: Project Status
DATE: Issue Date

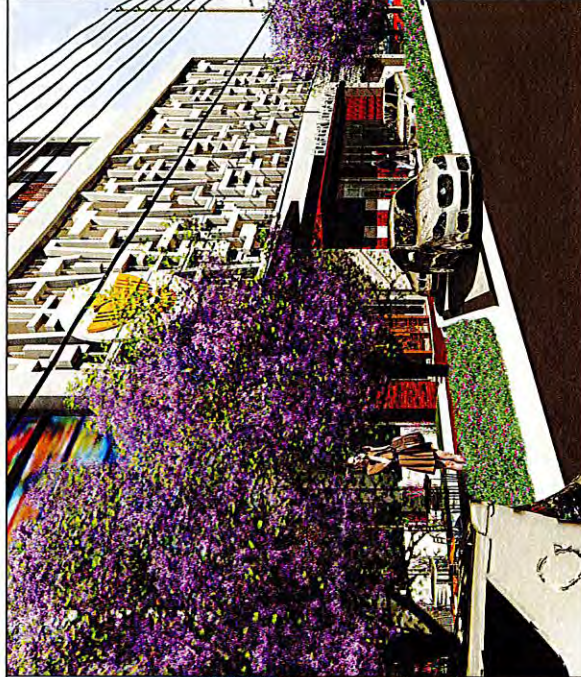
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SHEET NO.:
A-4.1.07



VIEW ALONG NW 1ST AVE LOOKING NORTH WEST



VIEW ALONG NW 4TH ST LOOKING SOUTH WEST



VIEW ALONG NW 4TH ST LOOKING SOUTH EAST



VIEW ALONG NW 1ST AVE LOOKING WEST

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DEV MOTWANI

PROJECT:
FLAGLER VILLAGE HOTEL
11W 4TH STREET / NW 1ST AVENUE,
FORT LAUDERDALE, FL

SEAL:

ISSUED FOR: Project Status
DATE: Issue Date

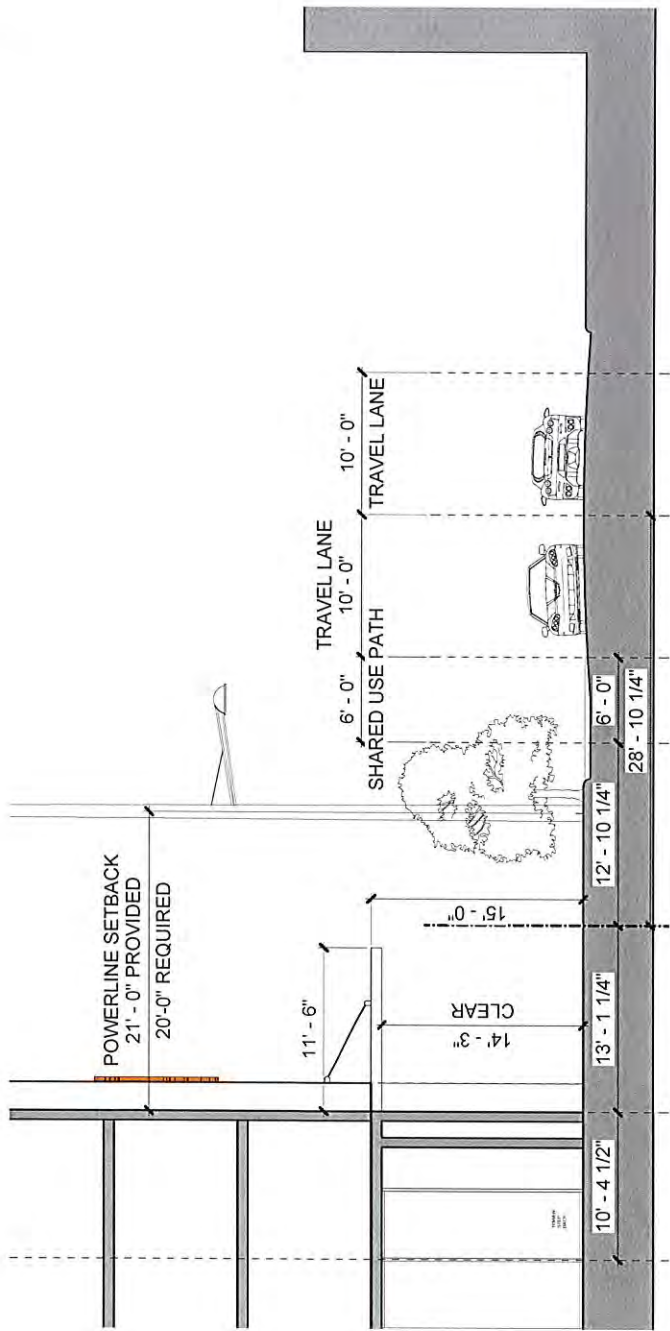
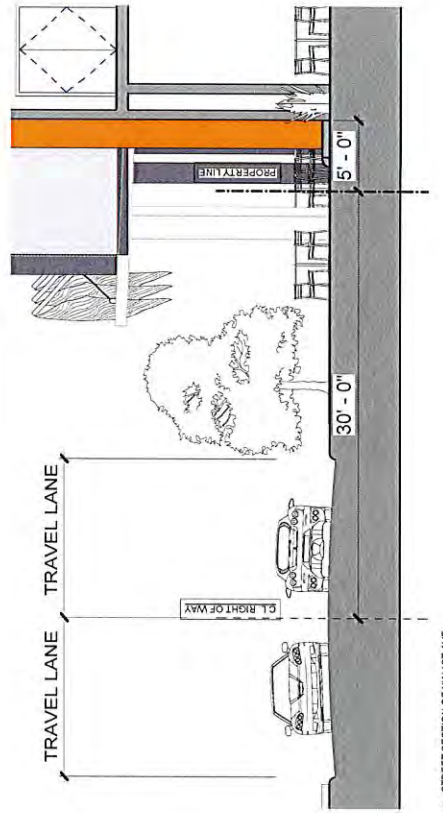
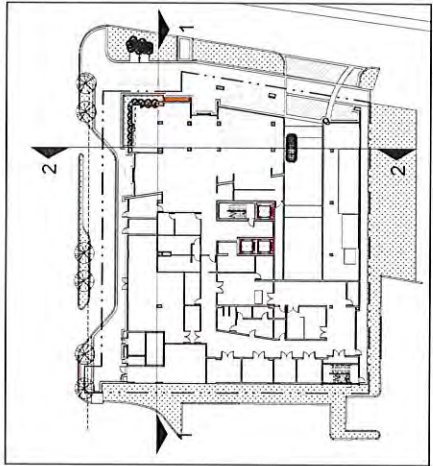
REVISIONS:	NO.	DATE	REMARKS

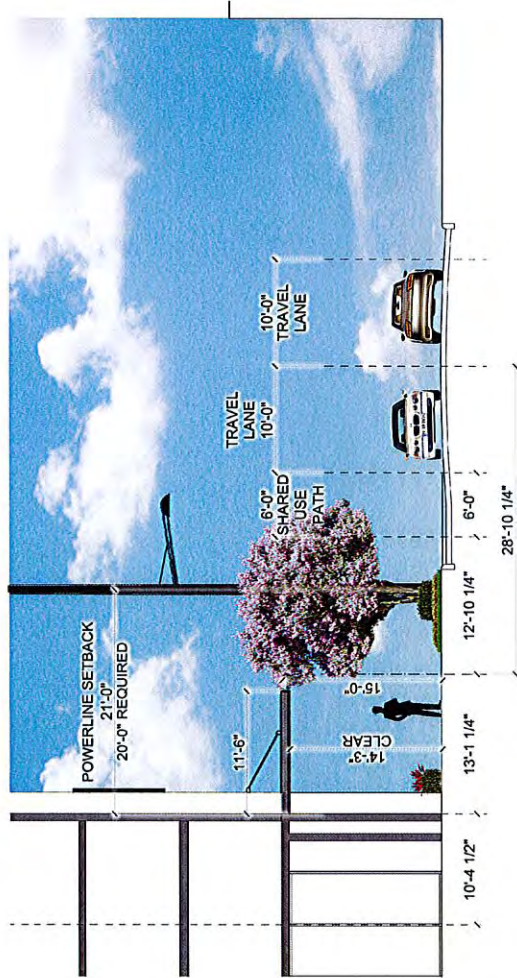
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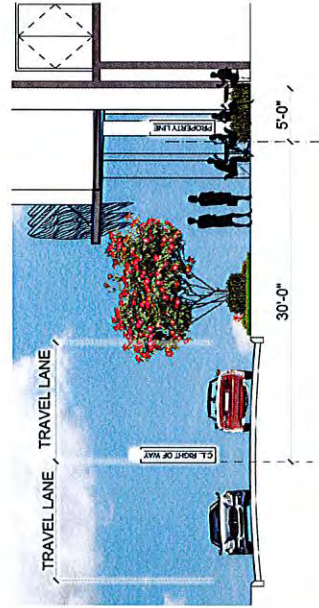
DATE: 11/24/15
SCALE: As Indicated
DRAWN BY: Author
CHECKED BY: Checker
CSB NO.: SA-12A

SHEET NO.:
A-3.1.02





SECTION 'A'



SECTION 'B'

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 SUITE 1000, MIAMI, FL 33134

ISSUED FOR: DRG SUBMITTAL
DATE: 12/22/2015

REVISIONS:
 No. DATE REMARKS
 1 2/26/2016 DRG COMMENTS

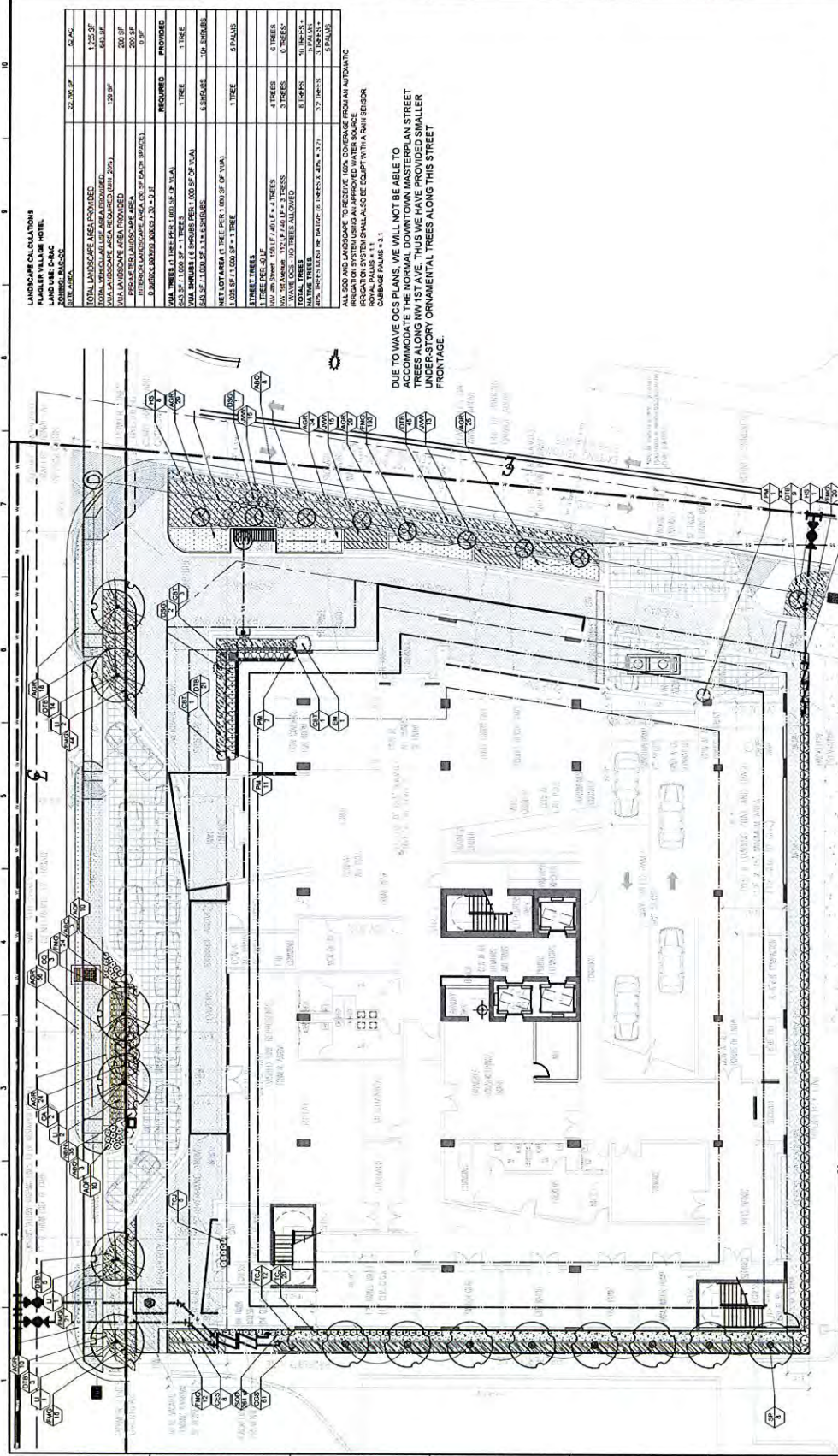
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SHEET TITLE: GROUND FLOOR LANDSCAPE PLAN

DATE: 12/22/2015
SCALE: 3/32" = 1'-0"
DRAWN BY: JBE
CHECKED BY: NJ
JOB NO.: 1515B

SHEET NO.: LP-1



LANDSCAPE CALCULATIONS
 FLAGLER VILLAGE HOTEL
 1000 BAYVIEW BLVD
 SUITE 1000, MIAMI, FL 33134

ITEM	DESCRIPTION	QUANTITY	UNIT	TOTAL
1	1' TREE	100	EA	100
2	2' TREE	50	EA	50
3	3' TREE	25	EA	25
4	4' TREE	10	EA	10
5	5' TREE	5	EA	5
6	6' TREE	2	EA	2
7	7' TREE	1	EA	1
8	8' TREE	1	EA	1
9	9' TREE	1	EA	1
10	10' TREE	1	EA	1
11	11' TREE	1	EA	1
12	12' TREE	1	EA	1
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94	94' TREE	1	EA	1
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96	96' TREE	1	EA	1
97	97' TREE	1	EA	1
98	98' TREE	1	EA	1
99	99' TREE	1	EA	1
100	100' TREE	1	EA	1

PLANT SCHEDULE FLAGLER VILLAGE HOTEL - GROUND FLOOR

NOTES:
 1. ALL SOIL AND LANDSCAPE RECEIVE 100% COVERAGE FROM AN AUTOMATIC IRRIGATION SYSTEM USING AN APPROVED WATER SOURCE.
 2. IRRIGATION SYSTEM SHALL ALSO BE EQUIPPED WITH RAIN SENSORS.
 3. SEE SHEET LP-3 FOR LANDSCAPE DETAILS AND NOTES.

KNOW WHAT'S BELOW
 ALWAYS CALL BE
 BEFORE YOU DIG
 Call 811 for business days before digging

1 GROUND FLOOR - LANDSCAPE PLAN
 3/32" = 1'-0"

WRIGHT JOHNSON

professional research and author company

April 19, 2016

RE: Flagler Village Hotel Project Preliminary Job Creation Analysis

This letter confirms that Wright Johnson has been hired as lead consultants to perform a preliminary analysis of the project based upon the collateral materials that you have provided. RIMS II results are presented below. Specific assumptions are listed below.

Summary of Employment Projection						
<u>NAICS Code</u>	<u>Projected Expenditure/Revenue (In Current Dollars)</u>	<u>Projected Expenditure/Revenue (In 2013 Dollars)</u>	<u>RIMS II Final Demand Multiplier</u>	<u>Total Number of New Direct Jobs Created</u>	<u>Total Number of New Indirect Jobs Created</u>	<u>Total Number of New Permanent Jobs Created</u>
Non-Residential Building Construction (NAICS code 2362)	\$ 22,495,880	\$20,266,559	8.2869	--	168.0	168.0*
Furniture, Fixtures and Equipment Purchases (NAICS code 4232, 4234 and 4236)	\$3,000,000	\$2,857,143	7.9489	--	7.6	7.6*
Architectural, Engineering and Related Services (NAICS code 5413)	\$700,000	\$654,206	10.9564	--	7.2	7.2*
Traveler Accommodation (NAICS code 7211)	\$7,173,564	\$6,767,513	16.4503	61.7	49.7	111.4
*Indirect Jobs Only						
Grand Total:				61.7	232.5	294.2

WRIGHT JOHNSON

professional research and author company

Assumptions: The following is a list of assumptions used to estimate employment creation at the Flagler Village Hotel Project based upon the information contained in the documents provided. Should any metrics in the assumptions be changed by project management in the future, the results could be significantly affected.

1. **Project Region Analyzed** – The project will be located in Fort Lauderdale, Florida. The project region analyzed consists of the contiguous counties encompassing the Miami-Fort Lauderdale-Port St. Lucie, Florida Combined Statistical Area. 2013 RIMS II multipliers for this region were used to calculate employment impacts of the investment in the project.
2. **Construction** – Construction employment was based upon projected hard costs of construction. Construction will last less than two years therefore direct job impacts will not be used to calculate job creation under USCIS rules.
3. **EB-5 Eligible Soft Costs** - EB-5 eligible softs costs such as architectural and engineering services and furniture, fixtures and equipment purchases were also used per USCIS guidelines for job creation.
4. **Project Operations** – Year-one revenue was used as input to the economic model.

Conclusion: The total job creation based upon the above assumptions is that the project would create 182.8 indirect jobs from the construction of the hotel and 111.4 jobs (61.7 direct/49.7 indirect) from the operations of the hotel for a grand total of 294.2 total jobs.



WALTER DUKE + PARTNERS

COMMERCIAL
REAL ESTATE VALUATION

ECONOMIC BENEFIT STUDY PROPOSED TIER 1 FLAGLER VILLAGE HOTEL

LOCATED AT

315 Northwest 1st Avenue
Fort Lauderdale, Broward County, Florida

FOR

Mr. Dev Motwani, Manager
315 Flagler GP, LLC.
300 Southwest 1st Avenue, Suite 106
Fort Lauderdale, Florida 33301

PREPARED BY

Walter B. Duke, III, MAI, CCIM
Andrew S. Rolf, MAI
2860 W State Road 84, Suite 109
Fort Lauderdale, FL 33312-4804

DATED

June 15, 2016

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Executive Summary

315 Flagler GP, LLC, has proposed to construct an 18-story, 202-room hotel at 315 N.W. 1st Avenue, Fort Lauderdale, Florida. The project will be a Tier 1 dual branded flagged hotel (Marriot / Starwood, Hilton or ISG). In support of the development, 315 Flagler GP, LLC has retained Walter Duke + Partners to model the Economic Benefits of the hotel construction and operations on the surrounding areas. For purposes of this analysis the Primary Study Area includes the zip codes of 33301, 33304, 33305, 33306, 33311, 33312, 33315 and 33316, which generally includes the areas east of Interstate 95, south of Oakland Park Boulevard, north of Interstate 595 and west of the Atlantic Ocean and it is reflective of the study area.

The direct project construction costs associated with the hotel development is \$37,646,219 of which \$32,646,218 will be spent on hard and soft construction costs in the local economy and the remaining \$5 million will directly impact the real estate tax base of the City of Fort Lauderdale. The construction period is expected to take one year. Local economic impacts of the hotel construction plus multiplier effects of the hotel construction will exceed \$52.6 million. Construction and related service employment plus induced and indirect employment will support 258 jobs over the construction period, as well as supporting an additional 101 non-construction jobs.

Permanent economic impacts of the project include estimated hotel revenue of \$5,927,892, 93 permanent jobs and over \$12.2 million in ongoing local activity including direct, indirect and induced economic effects. Hotel guest spending was estimated to support 185 permanent jobs as well as over \$19.7 million in ongoing local activity including direct, indirect and induced economic effects. The data within this Economic Benefits Study and the Executive Summary reflect the following economic impacts:

Economic Impacts – Construction

Economic Activity - \$52,628,642 during construction
Labor Income - \$17,729,893
Employment – 258 persons employed during construction

Economic Impacts – Hotel Operations

Direct Hotel Revenue - \$5,927,892
Total Economic Activity - \$12,281,104
Total Employee Earnings - \$4,052,542
Total Employment – 93 jobs

Economic Impacts – Hotel Guest Spending

Total Economic Activity - \$19,719,762

Total Employee Earnings - \$6,855,596

Total Employment – 185 jobs



Proposed Flagler Village Hotel

1.0 **Introduction**

315 Flagler GP, LLC has proposed to construct an 18-story, 202 room hotel at 315 N.W. 1st Avenue, Fort Lauderdale, Florida. The project will be a Tier 1 flagged dual branded hotel (Marriot / Starwood, Hilton or ISG). This analysis examines the economic impact of the construction of the 202-room hotel and the ongoing operations of the hotel. Economic impacts detail the income, employment and multiplier of these activities.

2.0 **Economic Impact Analysis**

Walter Duke + Partners conducted the analysis to determine the economic impacts of construction and operation of the proposed 202-room, Tier 1 hotel. The analysis relies upon data gathered from the following sources:

- Primary data for construction and operation as provided by Mr. Dale Reed at 315 Flagler, LP
- Economic Impact Modeling using IMPLAN

A systematic analysis of local level economic impacts is essential for effective planning in the public- and private-sectors. Walter Duke + Partners has used IMPLAN multipliers for this analysis for the following Zip Codes that make up the study area: 33301, 33304, 33305, 33306, 33311, 33312, 33315 and 33316.

Consistent with standard practice for these types of economic impact studies, our analysis considers the direct (i.e., onsite) impacts associated with the proposed hotel development, as well as “multiplier” impacts within the Fort Lauderdale economy (these “indirect” and “induced” impacts are calculated for the zip codes listed above). These multiplier impacts have been projected using the IMPLAN model. The IMPLAN model was originally developed by researchers at the University of Minnesota and is widely used throughout the United States for economic impact analysis. The model estimates impacts at the city and county levels (based on data that are specific to Fort Lauderdale).

The programmatic data used in the IMPLAN analysis were derived from the developers pro forma projections developed for the Value Enhancement Analysis (VEA) for the project. Economic benefits were estimated through the following process.

- **Construction Phase** – Based on data from the VEA pro forma, construction value the proposed project were matched to the appropriate IMPLAN construction sector. Construction costs do not include land acquisition costs, as this is simply an asset swap and does not produce any economic activity.

- Operations Phase – Operations-phase impacts are based on the operation of the hotel. The estimated annual gross sales are used as inputs in the IMPLAN model to estimate ongoing impacts associated with the proposed hotel use.
- Guest Spending – Impacts are based on the estimated annual spending by hotel guests in the local economy. The IMPLAN model is again utilized to estimate ongoing impacts associated with spending by hotel guests.

The hotel project will generate the following types of economic benefits in the regional economy:

- Direct Benefits – Direct benefits relate to: a) the short-term business activity of general contractors involved in the project construction, and b) the ongoing business activity of retailers and other firms located within the developed project.
- Indirect Benefits – Indirect benefits will result when local firms directly impacted by the project in turn purchase materials, supplies or services from other firms. An example would include increased sales of building materials as a result of construction activity.
- Induced Benefits – Induced benefits relate to the consumption spending of employees of firms that are directly or indirectly affected by the project. These would include all of the goods and services normally associated with household consumption (e.g., housing, retail purchases, local services, etc.).

The analysis quantifies the above benefits in terms of the following measures:

- Total industry output – the increase in gross industry receipts, representing the total economic activity generated by the project;
- Total value added – The difference between an industry's total output and the cost of its intermediate inputs. It is the portion of total output that most accurately reflects local economic activity (i.e., local payrolls and profits, as distinct from gross output which may include the value of raw materials purchased outside the region);
- Employment – Expressed as new full-time equivalent (FTE) jobs ; and

- Labor Income – Payroll and benefits associated with the created jobs, along with additional proprietor income (payments received by self-employed individuals and unincorporated business owners).

3.0 Construction Impacts

The construction cost of the proposed hotel less land acquisition is \$32,646,218 will be spent on hard and soft construction costs in the local economy. Local economic impacts of the hotel construction plus multiplier effects of the hotel construction will exceed \$52.6 million. There are economic impacts benefiting the community from this local construction activity. The economic impacts of construction take place during the construction period only. These impacts will cease after the construction period estimated to be no more than one year. For purposes of this analysis and in order to estimate the impact as of the analysis date, the construction period was estimated to commence in 2017.

Walter Duke + Partners estimates the average number of construction and related service employment plus induced and indirect employment will support 258 jobs over the construction period as well as supporting an additional 101 non-construction jobs. Walter Duke + Partners estimated the annual number of construction workers that will be required to complete the construction of the hotel using the IMPLAN modeling system to determine employment and economic impacts. The table below summarizes the total impact of the construction of the proposed Tier 1 hotel:

Table 1. Total New Construction Benefits Estimates

Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	258.4	\$12,799,931	\$18,858,279	\$37,646,219
Indirect Effect	46.8	\$2,720,986	\$4,321,084	\$7,944,658
Induced Effect	54.4	\$2,208,976	\$4,144,951	\$7,037,765
Total Effect	359.6	\$17,729,893	\$27,324,314	\$52,628,642

Source: Copyright 2016 IMPLAN Group; Walter Duke + Partners

The direct economic output of the construction, combined with the indirect and induced impacts, which ripple throughout the local economy, will result in an estimated \$52.6 million in total economic output. This includes \$17.7 million in wage earnings and total direct, indirect and induced employment of ±360 jobs. The total economic output was calculated using the IMPLAN impact model and includes the output, earnings and employment associated with the construction of the proposed Tier 1 hotel.

Construction is a major employment sector in South Florida. The new construction impacts can be described among different key construction related industries and areas

of business. The table below highlights the most prominent industries, which will benefit from the construction of the proposed Tier 1 hotel:

Table 2. New Construction Impact – Selected Key Sectors

Sector	Description	Employment	Labor Income	Value Added	Output
57	Construction of new commercial...	258.4	\$12,799,931	\$18,858,279	\$37,646,219
395	Wholesale trade	10.2	\$857,751	\$1,663,080	\$2,513,013
449	Architectural, engineering, an...	6.7	\$508,177	\$497,152	\$992,075
440	Real estate	4.8	\$79,472	\$537,988	\$809,626
411	Truck transportation	4.2	\$162,442	\$201,779	\$595,735
501	Full-service restaurants	4.1	\$107,214	\$115,825	\$202,937
502	Limited-service restaurants	3.5	\$67,587	\$166,635	\$293,556
400	Retail - Food and beverage sto...	2.1	\$64,393	\$95,697	\$139,838
405	Retail - General merchandise s...	2.0	\$54,459	\$89,864	\$138,237
483	Nursing and community care fac...	1.9	\$62,728	\$67,539	\$116,744
Total Effect		298.0	\$14,764,154	\$22,293,838	\$43,447,978

Source: Copyright 2016 IMPLAN Group; Walter Duke + Partners

The impact of the construction of the hotel is felt throughout the local economy, benefitting a variety of industries and supporting economic diversity. Key industries benefitting from the construction of the hotel include construction firms, engineers, architects, real estate services and food and beverage sales, which comprise a large percentage of the current labor force in Fort Lauderdale.

4.0 **Hotel Operations Impact**

Revenue from the hotel operation was an estimated total of \$5,927,892 by the developer. The revenue is estimated to occur in 2018, or one year after the construction of the proposed hotel. IMPLAN modeling indicates that the hotel operation is estimated to support 45 permanent jobs as well as an additional 18 jobs unrelated to the hotel operation. However, the hotel is planned to be a dual branded hotel, which typically creates additional jobs due to dual operations. Driftwood Hospitality manages many similar dual branded hotel and projects between 65 and 90 direct jobs. The spread is due to seasonality. For purposes of this analysis, 75 direct jobs are projected. The ongoing total employment income is estimated to be \$4,052,542 by IMPLAN with total ongoing economic output of \$12,281,104. The table below summarizes the total impact of the hotel operation of the proposed hotel:

Table 3. Annual Economic Impacts – Hotel Operations

Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	75.0	\$3,258,478	\$6,505,923	\$9,857,188
Indirect Effect	9.3	\$454,328	\$739,030	\$1,339,658
Induced Effect	8.2	\$339,736	\$637,722	\$1,084,258
Total Effect	92.6	\$4,052,542	\$7,882,676	\$12,281,104

Source: Copyright 2016 IMPLAN Group; Walter Duke + Partners

The direct economic output of the hotel operation, combined with the indirect and induced impacts, which ripple throughout the local economy, will result in an estimated \$12.28 million in total economic output. This includes \$4.1million in wage earnings and total direct, indirect and induced employment of ±93 jobs. The total economic output was calculated using the IMPLAN impact model and includes the output, earnings and employment associated with the ongoing operation of the proposed Tier 1 hotel.

The ongoing impacts of the hotel operation can be described among different industries and areas of business. The table below highlights the most prominent industries, which will benefit from the ongoing operation of the proposed hotel:

Table 4. Community Economic Impacts – Selected Key Sectors

Sector	Description	Employment	Labor Income	Value Added	Output
499	Hotels and motels, including c...	75.0	\$3,258,478	\$6,505,923	\$9,857,188
503	All other food and drinking pl...	1.2	\$33,986	\$35,179	\$55,426
440	Real estate	1.0	\$16,316	\$110,453	\$167,448
501	Full-service restaurants	0.6	\$16,360	\$17,674	\$31,051
502	Limited-service restaurants	0.6	\$11,950	\$29,462	\$52,043
405	Retail - General merchandise s...	0.6	\$16,516	\$27,252	\$41,488
395	Wholesale trade	0.5	\$39,558	\$76,698	\$114,510
461	Management of companies and en...	0.4	\$54,411	\$67,860	\$110,160
400	Retail - Food and beverage sto...	0.4	\$13,200	\$19,617	\$28,368
468	Services to buildings	0.4	\$7,952	\$8,498	\$14,313
Total Effect		80.7	\$3,468,727	\$6,898,615	\$10,471,997

Source: Copyright 2016 IMPLAN Group; Walter Duke + Partners

The impact of the hotel operation will primarily impact the hospitality field where the majority of the employment and labor income will be created. However, hotel employees will spend their earnings at a number of places including food and beverage sales, restaurants, shopping and local services. Thus, the ongoing operation of the hotel will create new employment in Fort Lauderdale and support new and existing employment in other fields within Fort Lauderdale. Therefore, the ongoing operation of the hotel is considered to be a positive for the City of Fort Lauderdale in terms of employment and total economic impact.

5.0 Hotel Guest Spending

Revenue from hotel guest spending was estimated by IMPLAN to total \$19,719,762. The revenue is estimated to occur in 2018 or one year after the construction of the proposed hotel. Hotel guest spending is estimated to support 185 permanent jobs. The ongoing total employment income is estimated to be \$6,855,596 by IMPLAN. The table below summarizes the total impact of the hotel operation of the proposed hotel:

Table 5. Annual Economic Impacts – Hotel Guests Spending

Impact Type	Employment	Labor Income	Value Added	Output
Direct Effect	144.7	\$4,939,783	\$7,129,269	\$13,886,250
Indirect Effect	20.1	\$1,063,538	\$1,774,864	\$3,114,382
Induced Effect	20.6	\$852,275	\$1,599,352	\$2,719,131
Total Effect	185.5	\$6,855,596	\$10,503,486	\$19,719,762

Source: Copyright 2016 IMPLAN Group; Walter Duke + Partners

The direct economic output of hotel guest spending combined with the indirect and induced impacts, which ripple throughout the local economy, will result in an estimated \$19.7million in total economic output. This includes \$6.86 million in wage earnings and total direct, indirect and induced employment of ±186 jobs. The total economic output was calculated using the IMPLAN impact model and includes the output, earnings and employment associated with hotel guest spending.

The ongoing impacts of hotel guest spending can be described among different industries and areas of business. The table below highlights the most prominent industries, which will benefit from the ongoing operation of the proposed hotel:

Table 6. Community Economic Impacts – Key Industries

Sector	Description	Employment	Labor Income	Value Added	Output
501	Full-service restaurants	51.0	\$1,356,855	\$1,465,830	\$2,575,289
503	All other food and drinking pl...	44.2	\$1,274,040	\$1,318,748	\$2,077,744
502	Limited-service restaurants	15.7	\$314,033	\$774,246	\$1,367,682
408	Air transportation	13.5	\$1,066,315	\$2,080,074	\$5,027,663
400	Retail - Food and beverage sto...	6.0	\$186,075	\$276,537	\$399,909
406	Retail - Miscellaneous store r...	5.6	\$168,057	\$180,102	\$253,791
404	Retail - Sporting goods, hobby...	3.9	\$105,293	\$149,398	\$220,114
440	Real estate	3.4	\$56,835	\$384,743	\$583,277
403	Retail - Clothing and clothing...	3.3	\$82,366	\$170,613	\$266,488
405	Retail - General merchandise s...	2.6	\$73,790	\$121,760	\$185,365
	Total Effect	149.2	\$4,683,658	\$6,922,050	\$12,957,321

Source: Copyright 2016 IMPLAN Group; Walter Duke + Partners

Tourism is a huge industry in Fort Lauderdale. A new hotel can accommodate overnight guests or longer stay guests traveling through the Fort Lauderdale International Airport and Port Everglades. The impact of the hotel guest spending will primarily impact food and beverage sales including restaurants but will also impact air transportation and retail sales. Fort Lauderdale has a number of destination style shopping locations including the Galleria Mall, Las Olas Boulevard and 17th Street that will undoubtedly benefit from guest spending from the proposed hotel. Further, restaurants and bars at the same location as well as locations along Fort Lauderdale Beach, the Fort Lauderdale CBD, and the Fort Lauderdale CRA, particularly Flagler Village, will also benefit from guest spending from the proposed Tier 1 hotel. Guest spending at the most prominent

industries will support ±149 jobs and labor income of \$4.68 million. Therefore, the estimated guest spending is considered to be a positive for the City of Fort Lauderdale in terms of employment and total economic impact.

6.0 Summary of Economic Impacts

The construction and ongoing operation of the proposed Tier 1 hotel provides a significant contribution to the local economy. From the time construction of the hotel is started to the end of the first year of operation economic impact on the local economy is estimated to be over \$84.6 million by IMPLAN.

Construction impacts will exceed \$52 million but will cease after one year. The ongoing operation of the hotel along with hotel guest spending was estimated to create over \$32 million in total economic benefits by IMPLAN along with supporting 278 jobs and supporting over \$10.9 million in employee wages. Based on the analysis conducted within this economic benefit study it is Walter Duke + Partners conclusion that the construction and ongoing operation of the proposed hotel is a positive for the City of Fort Lauderdale, particularly within the study area. Further, in our opinion, the development of a Tier 1 dual branded hotel will create a precedent in the CRA and Flagler Village, which will serve to encourage expanded development in the CRA. A Tier 1 operator will increase the confidence of other operators in the area and spur additional development.

7.0 Economic Impact Methodology - IMPLAN

On General Input-Output

Economic Impact Analysis (EIA) refers to any number of processes that trace how changes in spending, such as business closures, new industrial or infrastructural developments, natural disasters, and conventions, move through an economy. An impact study measures the cumulative effects of that spending on a defined geographic region.

EIA can also provide information about the effects of policy and employment changes such as reports on job creation estimates related to the American Recovery and Reinvestment Act of 2009, to the effects of a local business' opening or closing, the impacts of job exportation to other countries, or the tax revenue associated to certain policy decisions made by local, state or federal governments.

Typically, whenever the phrase the "estimated impact on the economy/community is that X jobs are created" is used, these are the results of an economic impact analysis report.

Impact Analysis Tells Us About Changes in Jobs, Income and Production

Economic impact studies generate large amounts of information about local industries, employment, wages, profits, labor spending, and taxes that may be useful for a variety of purposes and circumstances.

Economic impact analysis looks backwards rather than forwards through the economy. In other words, to determine the effect of increased production in a local industry, economic analysis looks at the industries, which supply the producing industry with the items and services for its production. Thus, an increase in window production will result in the manufacturer purchasing a variety of supplies including wood, glass, and furnishings for the windows, all of which will be incorporated into the final product.

Increases in labor dollars also have economic effects, because increased labor dollars typically translate into increased income spending. EIA provides a measurement of the impacts of employee spending of all employees of the firm seeing the sales change, and all the employees of subsequent impacted Industries in the supply chain, as long as these employees live within the defined geography of the study.

The accumulation of business-to-business and labor purchases can be tracked until the resultant spending of the original sale is completely removed from the economy by imports, savings, taxes and profits.

Information from economic impact studies may be used to apply for grants to expand businesses, as a marketing tool, or to estimate how an increase in his sales, due to a county-wide 'buy local' program could the community as a whole. EIA are also often requirements of various legislative acts or permitting requirements.

What is IMPLAN

IMPLAN is an acronym for IMpact analysis for PLANning, and our products represent the culmination of 35 years of experience and expertise in economic modeling.

IMPLAN produces several data and analysis products, but the IMPLAN System is our core. The IMPLAN System is a general input-output model that is comprised of software and regional data sets. IMPLAN is designed so that users of varying skill levels and backgrounds in economics can create cost effective, accurate economic reports. We provide two tools to address customer specific needs: IMPLAN Pro for those customers who want to customize and modify the data to do in-depth advanced analyses and the IMPLAN-Online System for those customers looking to do general economic impact analysis and those who want to access IMPLAN online.

One of the most powerful aspects of IMPLAN is that input-output Models for specific regional economies can be created, and the data sources behind them are continually improved and updated. Rather than extrapolating regional data from national averages, IMPLAN® measures economic impacts from data on actual local economies. IMPLAN® data sets are available from the ZIP Code level to the national level, and regional files can be combined to create precise geographic definitions when calculating impacts. The IMPLAN Pro System also allows you to examine impact in Canada and other OECD regions.

IMPLAN Data tracks all the available industry groups in every level of the regional data. This permits detailed impact breakdowns and helps ensure accuracy of inter-industry relationships. If a study involves the introduction of an industry group that does not already exist in the local area, IMPLAN provides tools and methods for examining the potential impacts of that new industry. If the industry exists in IMPLAN, but does not exactly match the sales and employment information for the firm you are working with, the IMPLAN Industry relationships may be updated to match the known values, while still maintaining the local regional sales and employment averages for examining the Indirect and Induced impacts. In addition to analysis, you can also view all the data that lies behind your IMPLAN Model.

IMPLAN® results are recorded in easy to read tables that demonstrate the impact for a variety of economic variables. Reports can provide both detailed and summary information related to job creation, income, production, and taxes. Several options exist so you can specify the level of detail and the type of information that will be most interesting to, or productive for, the intended audience to be easily pulled into a report. While we do not have visualization tools at this time, all reports export to Excel where they can be easily manipulated into charts and graphs to meet your needs.

Where Does the Data Come From?

IMPLAN data sets are constructed annually by Implan Group LLC. Regional data is derived from many different sources, primarily federal agencies responsible for data collection.

The primary sources for data derivation include:

- the U.S. Bureau of Labor Statistics (BLS) Covered Employment and Wages (CEW) program;
- the U.S. Bureau of Economic Analysis (BEA) Regional Economic Information System (REA) program;
- the U.S. Bureau of Economic Analysis Benchmark I/O Accounts of the U.S.
- the BEA Output estimates;

- the BLS Consumer Expenditure Survey;
- the U.S. Census Bureau County Business Patterns (CBP) program;
- the U.S. Census Bureau Decennial Census and Population Surveys;
- the U.S. Census Bureau Economic Censuses and Surveys; and
- the U.S. Department of Agriculture Census.

When combined, these sources provide all the elements needed to assemble a complete U.S. data set. Assembly of these elements into a cohesive and complete U.S. IMPLAN data set requires about five months. Since the BLS CEW data is not released until July of the following year (i.e. 2013 data was released in July of 2014), IMPLAN data sets are also released one year after the current calendar year, typically in the month of December.

ITEM VI

WAVE Presentation



Transportation and Mobility Department

MEMORANDUM

DATE: June 10, 2016

TO: Jonathan Brown, Economic Development Manager

FROM: Elizabeth Van Zandt, Mobility Manager

SUBJECT: Streetcar Technical Feasibility Study Update

This memo serves as an update on the progress of the Northwest Regional Activity Center Streetcar Technical Feasibility Study, with preliminary findings and recommended next steps. Attached is an executive summary that the consultant (TY Lin) prepared that summarizes the findings. Transportation staff, TY Lin team members, and Lowell Clarey, financial consultant, will be available for questions at the June 22nd Advisory meeting. Once the Advisory Board provides input, the project team will make any necessary changes and provide the City Commission with a presentation update and establish any next steps/actions to be taken. The report will then be finalized.

Background

The Community Redevelopment Agency (CRA) Board requested that a feasibility study be completed to extend the Wave Streetcar along Sistrunk Boulevard from the existing project alignment westward to the City limits. As such, a consultant was engaged to perform the study through the Broward Metropolitan Planning Organization (BMPO) contract. The study analyzed the technical feasibility of implementing a streetcar westward from the existing northern end point of the Wave Streetcar Phase 1 alignment at Sistrunk Blvd. and N. Andrews Avenue (and NE 3rd Avenue alternatively) to reach the African American Research Library and Cultural Center at NW 27th Avenue. Three east/west alignments were studied including Sistrunk Boulevard, Broward Boulevard, and Sunrise Boulevard. The technical feasibility study includes ridership projections, identification of any physical constraints, quantification of estimated capital and operations and maintenance (O&M) costs, guideway configurations, proposed station locations, integration with existing planned streetcar lines, financing options, and next steps needed.

This study has been developed with input from Broward County, as the Phase 1 Wave Streetcar system owner and operator, and the Broward Metropolitan Planning Organization (BMPO) as the final approving agency for inclusion into the Long Range Transportation Plan, a step needed to receive federal funds for transportation projects.

The Findings

The results reveal that a streetcar is physically and operationally feasible for the three alignments. The ridership estimates are considerably low for all three alignments and are well below the ridership needed to score a favorable rating from the federal government, which can impact federal transportation funding. Additionally, the capital cost estimates range from \$154 million to \$220 million with the Sistrunk Boulevard alignment being the least costly due to less track miles and less stations to make the connection to the African American Research Library and Cultural Center. The operations and maintenance costs are similar among the three alignments, with Sistrunk Boulevard being the least costly for the same reasons above.

Issues to Address

While the streetcar is operationally and physically feasible, there are outstanding issues. This includes low ridership numbers to support traditional federal transportation funding that uses ridership in scoring calculations. In addition, crossing of the FEC railroad tracks will need to be resolved in terms of a Federal Railroad Administration (FRA) waiver and total cost (annual fees, liability insurance, etc.) will need to be finalized to understand the magnitude of this expense. Finally, a commitment will need to be made to operate and maintain the system.

Next Steps

The Florida Department of Transportation (FDOT) is now managing the design and construction of the Phase 1 Wave Streetcar system. FDOT is also leading the Central Broward East West (CBEW) project ("the Wave Streetcar extensions") making connections from the southern end point of the Wave Streetcar Phase 1 project to the Airport and Convention Center. As part of the CBEW project, a local preferred alternative (LPA) was approved by the BMPO Board and included within the Long Range Transportation Plan. The LPA includes a westward connection from the existing Phase 1 system down Broward Boulevard connecting to the Tri-Rail station. If this westward connection is to change, the LPA will need to be amended and adopted by the BMPO Board and it would also need buy in from Broward County as the potential owner/operator.

A possible strategy to achieve more favorable ridership levels is to consider extending the system westward along Sistrunk Boulevard to NW 7th Avenue (Avenue of the Arts). The recent zoning changes that extend to NW 7th Avenue should yield higher ridership numbers since the density/intensity is greater than west of NW 7th Avenue and the capital and O&M costs should be more manageable.

If this direction is favorable, staff recommends finalizing the feasibility study and initiating an integration plan to understand the operations and maintenance increases over and above the current Phase 1 system and the planned extensions to the airport and Convention Center. A cost estimate should be prepared as part of the integration plan (including capital, O&M, and the FEC fee), as well as development of a funding program to be proposed for adoption by the approving bodies. Once adopted, the next steps would be to complete a federally required environmental assessment, seek an FRA waiver for crossing over the tracks, and initiate design and construction.

Executive Summary

On October 21, 2014, the City of Fort Lauderdale Community Redevelopment Agency requested that a streetcar feasibility study be completed to extend the Wave Streetcar along Sistrunk Boulevard from the existing project alignment westward to the City limits.¹ The Fort Lauderdale City Commission then directed City staff to negotiate and execute a task order with the Broward Metropolitan Planning Organization (MPO) to complete the study. The Broward MPO, in turn, assigned the feasibility study to T. Y. Lin, International, one of their continuing service consulting firms, who led the feasibility study with assistance from Clary Consulting for financial analysis.

The City of Fort Lauderdale Transportation and Mobility Department was assisted in its management of the feasibility study by staff representing the Broward MPO and Broward County Transit.

Potential Market for Streetcar Service

The study area for the feasibility study is bounded by Broward Boulevard and Sunrise Boulevard on the south and north, and NW 27th Avenue and Andrews Avenue on the west and east, which is approximately the boundaries for the Northwest-Progresso-Flagler Heights CRA (NPF-CRA), and is well known for its many distinctive residential neighborhoods and community parks. Ten Broward County Transit bus lines provide service within and through the study area including five routes providing all day service and five other routes providing peak hour period service. In 2014, these ten routes carried over 11,000 passengers/day.

As shown in Figure ES-1, three alternative alignments were developed for the analysis:

- Sistrunk Boulevard between Andrews Avenue and NW 27th Avenue
- Sunrise Boulevard between Andrews Avenue/Sistrunk Boulevard and NW 27th Avenue/Sistrunk Boulevard

¹ City of Fort Lauderdale City Commission 11/14/2014 Regular Meeting Authorizing the Broward MPO to Conduct a Streetcar Feasibility Study along Sistrunk Boulevard, <https://fortlauderdale.legistar.com/MeetingDetail.aspx?ID=335912&GUID=829E4C04-4419-41BC-B72A-D56F6C80FE86&Options=&Search=>

- Broward Boulevard between Andrews Avenue/Sistrunk Boulevard and NW 27th Avenue/Sistrunk Boulevard

These alignments extend the service to be provided by the Wave streetcar service to important destinations including the African-American Research Library and Cultural Center, Fort Lauderdale Tri-Rail station, the Downtown Bus Terminal, and the businesses and community organizations lining each of the three corridors. According to the Southeast Florida Regional Planning Model (SERPM v6.73) and the City's GIS data base, each corridor has unique station area land use characteristics and accommodate varying levels of population and employment (Tables ES-1 and ES-2).

Table ES-1: Station Area Population and Employment – Year 2013

Corridor	Year 2013		Length (in miles)	No. of Stations ^b
	Population ^a	Employment ^a		
Sistrunk Boulevard Corridor	15,900	12,800	2.33	6
Sunrise Boulevard Corridor	21,500	14,100	3.29	6
Broward Boulevard Corridor	20,200	20,200	3.13	7

^a Population and jobs within ½ mile of stations, data adjusted for overlap

^b includes station at Andrews Avenue and Sistrunk Blvd to be built under the Wave streetcar project

Table ES-2: Existing Uses Within ½ mile of Stations (in acres) – Year 2013

Corridor	Residential			Commercial/Retail/Office	Government
	Single Family	Multi Family	Family		
Sistrunk Boulevard Corridor	354	270	192	126	126
Sunrise Boulevard Corridor	638	286	261	139	139
Broward Boulevard Corridor	478	316	266	179	179

Note: Existing use land area adjusted to eliminate overlap

In 2015, the North West Regional Activity Center (NWRAC) Master Plan Mixed Use Zoning District was adopted with the vision of creating multi-cultural bicycle-, pedestrian-, and transit-friendly community with high quality buildings that complements the character of the area; active building facades to attract pedestrians, streetscaping, on-site parking behind buildings, and mix of uses to revitalize the area and jump-start economic development activity.

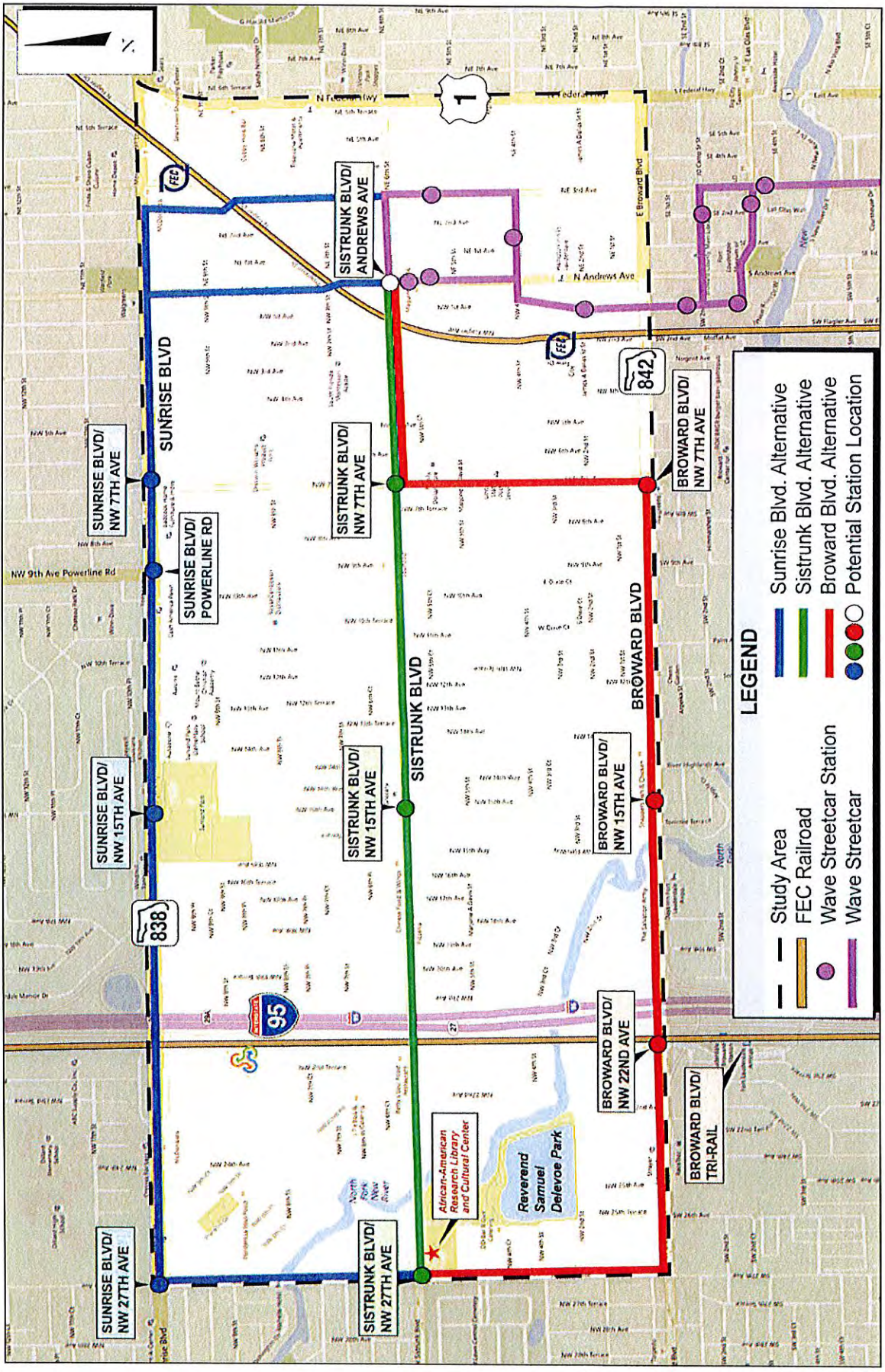


Figure ES-1: Alternative Alignments Studied

The new zoning includes many of the land use elements that support streetcar services such as:

- A mix of uses permitted throughout proposed zoning district
- Setback regulations with build-to lines and reduced front setbacks
- Increased density – building heights from five stories to ten stories
- Reduced parking requirements

Project Objectives / Operating Plan

The intent of the Northwest CRA Streetcar Technical Feasibility Study has been to determine whether a streetcar service would be feasible and/or viable. More specifically, the feasibility study reviewed:

- whether there are any physical or operational constraints to running a streetcar service;
- what the potential ridership for a streetcar service it could be;
- what the estimated capital and operating costs are; and,
- which funding strategies could be employed.

In other words, the Northwest CRA's objective has been to initially determine whether such a concept service was feasible, and what its cost and ridership would be before engaging in the more costly and challenging traffic operations, economic development, and public involvement activities associated with streetcar planning and design processes.

Two service plans were reviewed with 12 minute and 15 minute service levels on Mondays through Saturdays and 30 minute and 60 minute service levels on Sundays and holidays. The service would operate between 6:00am and midnight Monday through Thursday, 6:00am-1:30am on Fridays, 7:30am and 1:30am on Saturdays, and between 7:30am and 10:30pm on Sundays and holidays. Under these service plans, then streetcar service would generate between 120,000 and 213,000 revenue miles/year, in line with the 160,000 revenue miles to be generated by the Wave streetcar service.

In order to provide a consistent set of data, the study utilized much of the information employed in the efforts conducted for the Wave streetcar project, including use of their track, signal, power, and vehicle design criteria, ridership methodology, operating plan inputs, and cost estimate templates. The study team also utilized the data, plans and analyses prepared for the Central Broward

Table ES-3: Characteristics of Operating Plans

	Track Miles	No. of Stations ^a	Round Trip Travel Time (in minutes)	Annual Vehicle Miles	
				12-Minute Service	15-minute Service
Sistrunk Blvd	2.33	6	35	150,000	120,000
Sunrise Blvd	3.29	6	48	213,000	170,000
Broward Blvd	3.13	7	47	203,000	162,000

^a Includes station at Andrews Avenue and Sistrunk Blvd to be built under the Wave streetcar project

Transit project being conducted by the Florida DOT District Four for the Broward Boulevard alignment. From this material, the study team was able to lay out track, catenary systems, and stations in order to evaluate vertical/horizontal clearances, turning radii, etc., and develop operating plans that match the Wave operating plan without resulting in any bunching of vehicles. In addition, the study team was able to estimate costs in a manner that mirrored the work completed for the Wave project.

Findings

- Streetcar operations are physically and operationally feasible on all three alignments.
- The streetcar service could generate between 500 and 920 passengers/day, and would require between four and six streetcar vehicles operating 18 hours/day on weekdays and Saturdays, and 16 hours/day on Sundays and holidays.
- The cost to build the streetcar service ranges from \$154-\$159 million on Sistrunk Boulevard to \$201-\$220 million and \$195-\$213 million on Broward Boulevard and Sunrise Boulevard, respectively. The higher costs on Broward and Sunrise boulevards are related to the longer distance of these alignments. (See Table ES-4)
- Operating costs for the streetcar service range from \$4.6 million/yr. to \$6.1 million/yr. depending on the alignment and service plan. (See Table ES-5)
- Several funding strategies are available to pay the cost of the streetcar system including fares, federal grants, special assessment districts, local options sales taxes, dedicated City and/or County revenues, etc.
- A streetcar service could be operational within 10 to 12 years; potentially less time if state and local funds are utilized.

Table ES 4 - Capital Costs

	12-minute Service			15-minute Service		
	# of Vehs	SF/MF \$million	Capital \$million	# of Vehs	SF/MF \$million	Capital \$million
Sistrunk Blvd	5	\$4 - \$9*	\$154-\$159	4	\$4-\$9*	\$154-\$159
Sunrise Blvd	6	\$4 - \$9*	\$201-\$206	4	\$4-\$9*	\$215-\$220
Broward Blvd	6	\$4 - \$9*	\$195-\$200	4	\$4-\$9*	\$208-\$213

*SF (Storage Facility)/MF (Maintenance + Storage Facility). Not including land cost

Table ES 5 - Operating Costs

	12-minute Service			15-minute Service		
	Ann. Miles	Ann Hrs	Ann O&M \$million	Ann Miles	Ann Hrs	Ann O&M \$million
Sistrunk Blvd	150K	65K	\$5.5M	120K	23K	\$4.6M
Sunrise Blvd	213K	65K	\$6.1M	170K	23K	\$5.1M
Broward Blvd	203K	65K	\$6.0M	162K	23K	\$5.0M

Funding Strategies

Should the NW CRA, City of Fort Lauderdale or others wish to advance the streetcar concepts described here, there are a variety of financial strategies and tools that ought to be considered. One of the first decision points for funding would involve which partners to include in financing the construction and operation of the streetcar system and service. Most jurisdictions choose to partner with the federal government who typically provide a maximum of 50% towards the cost of constructing the system, but they do not provide any financial assistance for operations and maintenance of the service. The Wave streetcar program is partnering with both the federal and the state government, with the state (through the Florida Department of Transportation) providing 25% of the needed funding for construction. The balance 25% will be funded through City of Fort Lauderdale and Broward County resources. With regard to actual service, Broward County will be fully responsible for funding all operating and maintenance needs.

Other strategies have included only state and local jurisdiction participation – with states picking up 50% of capital costs, and local jurisdictions being responsible for the remaining 50% of capital cost and 100% of operating costs. In some instances, the local jurisdictions have financed streetcar construction

entirely, and others have included a partnership between a local jurisdiction and the private sector.

Local revenues can be generated through a variety of means including:

- Ridership Revenues – can represent as much as 15% to 25% of operating expense requirements.
- Local Option Sales Tax – generally requires a group of projects to gain support, requires approval of County and voters.
- City/County General Revenues/Special Revenues – (used for the Wave) requires authorization from the City and County commissions for funds to be allocated to the streetcar service.

The Wave is also using a special property assessment where property owners agree to pay fees toward construction and/or operation of the streetcar service in some proportion to the benefits that may accrue to them. These strategies often employ other revenue sources such as special new parking districts, station and vehicle advertising, bonds, transferring operating funds from bus operator for the catchment area, and other user fees or tangible physical elements. Such a strategy could be used in the NW CRA area especially in those sub areas that are growing and expected to be redeveloped, and would likely involve a partnership of multiple agencies, and possibly property and business owners and others.

Next Steps

This initial feasibility study was based on a broad set of general elements including beginning and end locations, continued BCT services on the three alignments, and future extensions of the Wave streetcar service to the Airport and to the Tri-Rail Fort Lauderdale station. Now that it has been determined that a streetcar system would be physically and operationally feasible on the three alignments, and there are general cost estimates and ridership forecasts, NW CRA representatives and/or others may be interested in learning about other types of analyses and the effect of modifications to the alignments and service hours studied here. Several studies that ought to be considered are:

- Develop cost and ridership findings for a shorter alignment
- Traffic impacts associated with streetcar service

- Land use and economic development impacts associated with streetcar service
- Survey and preliminary engineering – will result in more accurate cost estimates, opportunities and constraints
- Alignment modifications based on above
- Feasibility of receiving a waiver for the at-grade operation at the Tri-Rail railroad crossings from the Federal Railroad Administration
- Complete more detailed ridership forecasts – with and without BCT
- Update the Broward Boulevard alignment based on latest design/operations under development
- Physical and operational means to access the Tri-Rail station
- Complete more detailed assessment of financing strategies

Moreover, the interests of neighborhood residents and businesses, and other stakeholders should be discussed to ensure that a streetcar service is an appropriate investment for the community in the study area as well as the community at-large.

If the decision is made to seek federal and state funds, their grant programs have prescriptive requirements that can often delay desired schedules; and so, addressing those requirements should be part of the initial efforts.

ITEM VII
CRA Ordinance

ORDINANCE NO. C-96-23

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA TO ESTABLISH AN ADVISORY BOARD TO BE NAMED THE "NORTHWEST-PROGRESSO-FLAGLER HEIGHTS REDEVELOPMENT BOARD"; PROVIDING FOR MEMBERSHIP AND ORGANIZATION; AND PROVIDING FOR THE PURPOSE AND DUTIES OF THE BOARD.

WHEREAS, on June 20, 1995, pursuant to Resolution No. 95-86, the City Commission of the City of Fort Lauderdale found that area lying between Sunrise Boulevard on the north, Broward Boulevard on the south, the City corporate limit line on the west and Federal Highway on the east; except for and less that portion lying south of N.E. 4th Street and east of Andrews Avenue between Broward Boulevard and Federal Highway to be blighted and designated said area as a community redevelopment area; and

WHEREAS, on November 7, 1995, pursuant to Resolution No. 95-170, the City Commission of the City of Fort Lauderdale approved a community redevelopment plan ("Plan") for the Northwest-Progresso-Flagler Heights Community Redevelopment Area ("NPFCA"); and

WHEREAS, the Plan for the NPFCA is the result of studies initiated by the City to revitalize the NPFCA; and

WHEREAS, the City Commission of the City of Fort Lauderdale has determined that an advisory board should be created to advise the City Commission regarding the implementation of the Plan for the area;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA:

SECTION 1. That there is hereby created the Northwest-Progresso-Flagler Heights Redevelopment Board" hereinafter referred to as the "Board".

SECTION 2. The Board shall consist of fifteen (15) members appointed by resolution of the City Commission, who shall serve without compensation at the pleasure of the City Commission. In making appointments to the Board, consideration should be given to seeking representatives as follows:

- (a) Ten (10) members from the Northwest area and five (5) members from the Progresso and Flagler Heights area who reside, engage in business or both in the respective areas. For purposes of this ordinance, persons who

engage in business means a person owning a business, practicing a profession or performing a service for compensation or serving as an officer or director of a corporation or other business entity so engaged;

(b) a financier or banker, an architect, an engineer, an educator, a law enforcement professional, social worker;

(c) a person experienced in real estate sales and development;

(d) an urban planner or design professional; and

(e) a building contractor.

SECTION 3. The purpose and duties of the Board shall be as follows:

(a) to review the Plan for the NPFCA and recommend any changes to the Plan;

(b) to make recommendations regarding the exercise of the City Commission's powers as a community redevelopment agency in order to implement the Plan and carry out and effectuate the purposes and provisions of Chapter 61-2165, Laws of Florida and Section 163.330 through 163.450, Florida Statutes in the NPFCA;

(c) to receive input from members of the public interested in redevelopment of the NPFCA and to report such information to the City Commission.

SECTION 4. The term of the appointments to the Board shall be for one (1) year.

SECTION 5. That if any clause, section or other part of this Ordinance shall be held invalid or unconstitutional by any court of competent jurisdiction, the remainder of this Ordinance shall not be affected thereby, but shall remain in full force and effect.

SECTION 6. That all ordinances or parts of ordinances in conflict herewith, be and the same are hereby repealed.

SECTION 7. That this Ordinance shall be in full force and effect ten days from the date of final passage.

PASSED FIRST READING this the 16th day of April, 1996.
PASSED SECOND READING this the 7th day of May, 1996.



Mayor
JIM NAUGLE

ATTEST:



City Clerk
LUCY MASLIAH

ITEM VIII

CRA Project Report Update

Community Redevelopment Agency - City of Fort Lauderdale
 Open - Capital Improvement Projects

Project #	Project Name	Appropriated in Fund	AWARDED						Remaining Balance
			2011	2012	2013	2014	2015	2016	
P11487	NW 9 Avenue Enhancement Project	\$ 2,000,000			\$800,000	\$1,200,000			\$ 448,611
P11485	NW Neighborhood Improvements	\$ 1,692,850	\$613,449		\$1,079,401				\$ 598,565
P11888	Fat Village Corridor Improvements	\$ 600,000			\$295,000	\$305,000			\$ 290,575
P11989	NPF CRA Wireless Camera & Wi-Fi	\$ 300,000			\$300,000				
P11818	Flagler Drive Greenway Phase 2	\$ 269,250			\$269,250				
P11849	Property Purchase Dorsey Riverbend	\$ 50,000			\$50,000				
P11608	2010 NCP River Garden/Sweet Monument	\$ 35,000			\$35,000				
P11796	2012 NCP River Garden Sweeting PK Improve	\$ 35,000			\$35,000				
P11956	2014 NCP River Gdns Perimeter Priv Wall	\$ 35,000			\$35,000				
P11941	Flagler Village Community Garden	\$ 30,000			\$30,000				
P11705	2011 BCP Midtown Bus Asn Wayfindings Sign	\$ 15,000			\$15,000				
P09295	NW 7/9 Avenue Connector	\$ 16,787	\$16,787						
P12096	Sistrunk Enhancement Ph II - Underground Utilities	\$ 1,000,000			\$1,000,000				
P11486	Progresso Neighborhood Improvement - under construction	\$ 982,351			\$550,351				\$432,000
P11740	Infill Housing Contributions	\$ 289,000	\$139,000						\$150,000
P10150	Business Incentives	\$ 2,855,138	\$282,543	\$300,000				\$1,115,913	\$ 1,156,677
P10150	P10150 - Business Incentives - 1943 Tyler, LLC								\$ (100,000)
P10665	General Facade Program	\$ 1,548,472	\$91,403	\$125,000	\$832,069	\$500,000			\$ 1,298,787
P10665	P10665 - 1943 Tyler, LLC								\$ (15,000)
P11990	Community Outreach	\$ 360,000			\$100,000	\$160,000	\$100,000		\$ 58,300
P12166	Off-Street Parking	\$ 250,000			\$250,000				\$ 135,590
P11986	NPF CRA Street Improvement Grant	\$ -							\$ 692,748
P11986	P11986 - 1943 Tyler, LLC								\$ (20,000)
P10932	BCP Flagler Village Improvements 2004/05	\$ 332,000		\$132,000		\$200,000			\$ 331,204
P12116	Carter Park Renovations	\$ 250,000			\$250,000				\$ 34,631
P12097	New Carter Park Senior Center	\$ 2,100,000			\$876,000	\$1,224,000			\$ 2,092,150
P11987	Mizell Center Upgrade	\$ 966,716			\$166,716	\$500,000			\$ 868,414
P12095	Flagler Village Train Station TOD	\$ 2,418,469			\$1,750,000	\$1,168,469			\$ 1,952,465
P12167	Lighting - Provident Park	\$ 167,700			\$167,700				\$ 167,700
P12194	Quantum Streetscape	\$ 500,000							\$500,000
TOTAL PROJECT COSTS			\$1,143,182	\$425,000	\$3,606,752	\$8,074,948	\$5,266,846	\$82,000	\$ 14,010,347

** Expenditure Detail not provided on this sheet.



City of Fort Lauderdale / Community Redevelopment Agency
Northwest-Progresso-Flagler Heights Community Redevelopment Area
NWPF CRA Incentives

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GENERAL INCENTIVE GUIDELINES

1. Approval Authority – for the Commercial Façade, Residential Housing Rehabilitation and Residential Purchase Assistance Programs

- CRA staff may award eligible requests that do not exceed \$50,000. If the assistance exceeds \$50,000, the Advisory Board will review and make a recommendation for the CRA Board.

Note: *The CRA Board will revisit this item once the Auditor’s Office completes its review of the CRA.*

2. Funding match requirements

- There is a dollar-for-dollar match requirement for all Streetscape Incentive requests, regardless of location within the CRA.
- An applicant’s match cannot include their property as equity.

Note: *The CRA Board will revisit this item once the Auditor’s Office completes its review of the CRA.*

3. Contractor Preference

- The CRA will use an invitation to bid (ITB) process to select contractors from the Housing and Community Development (HCD) and CRA approved list where appropriate. Additionally, contractors shall be invited to bid on all construction related opportunities where CRA funds are being used.

Note: *The CRA Board will revisit this item once the Auditor’s Office completes its review of the CRA.*

COMMERCIAL PROGRAMS

1. COMMERCIAL FACADE IMPROVEMENT PROGRAM (CFIP)

Goals/Objectives: Eliminate slum and blight, remove deterioration, and update the exteriors of existing buildings, with an emphasis on improving the viability of healthy retail uses. Furthermore, the intent of this program is to create active walking areas by increasing the “curb appeal” of the business corridors in the CRA.

Eligible Area: All properties within the CRA. There is a designated Focus Area defined as Sistrunk Boulevard between NW 24 Avenue and the FEC Railway, including one block north and south of Sistrunk Boulevard; as well as, 9th Avenue (*between Sunrise Boulevard and Broward Boulevard*), and 7th Avenue (*between Sunrise Boulevard and Broward Boulevard*).

Eligible Properties: Existing commercial and mixed-use buildings with commercial elements in the CRA with uses permitted by applicable land use codes or approved conditional uses.

Eligible Project Costs: Generally, all costs associated with exterior improvements which include, but are not limited to: entry doors, windows, lighting, shade canopy, sidewalks, signage, parking, restoration, and/or rehabilitation are eligible for consideration (*including costs for associated with architectural, engineering, permit and application fees*). The proposed Project must comply with the CRA Plan, urban design guidelines, applicable land use regulations, and current code requirements, subject to review/approval by the City of Fort Lauderdale Planning Division, Code Compliance Division, and CRA staff.

Basis/Limits of Benefits: Throughout the CRA, a CFIP award will provide a forgivable loan for up to 75% of the eligible costs not to exceed \$125,000. In the CRA Focus Area, a CFIP award will provide a forgivable loan for up to 90% of the eligible costs not to exceed \$125,000. Commercial Properties located on Sistrunk Boulevard, between NW 24 Avenue and the FEC Railway will be awarded a forgivable loan for 100% of the eligible costs, not to exceed \$75,000.

If the costs in the focus area exceed \$75,000, an owner’s cash investment of 5% is required for the portion that exceeds the \$75,000.

In the case of multiple structures on a single property, the CRA Board (and/or designee), at its sole discretion, may consider a forgivable loan application for each structure subject to the terms, conditions, and limits applicable to location of the subject property. The Agency, at its sole discretion, may consider increasing the funding limits on a case-by-case basis.

Job Creation and Retention Requirements: Job creation and/or job retention or another approved performance indicator may be a requirement for assistance provided through this program.

Terms and Obligations: The program award will have ongoing obligations/covenants, which includes but is not limited to a lien on the applicant's property.

Special Conditions: There must be a documented selection process for the General Contractors selected for this project. The CRA recommends the use of General Contractors from its approved contractor list. A CRA / City approved contractor must be used for projects where 60% or more of the costs are paid by the CRA.

2. PROPERTY AND BUSINESS IMPROVEMENT PROGRAM (PBIP)

Goals/Objectives: Eliminate slum and blight, remove deterioration, and improve the "energy efficiency" of existing buildings in the CRA, with an emphasis on bringing these buildings up to current building codes and making them more viable for occupancy. The program provides funding for interior and exterior improvements for mixed-use or commercial projects. Additionally, this program seeks to improve the operating efficiency of existing restaurants in the CRA and attract new restaurants to the CRA, with an emphasis on creating a dining destination within the City.

Eligible Area: All properties within the CRA. There is a designated Focus Area defined as Sistrunk Boulevard between NW 24 Avenue and the FEC Railway, including one block north and south of Sistrunk Boulevard; as well as, 9th Avenue (*between Sunrise Boulevard and Broward Boulevard*), and 7th Avenue (*between Sunrise Boulevard and Broward Boulevard*).

Eligible Properties: Existing commercial and mixed-use buildings with commercial elements in the CRA with uses permitted by applicable land use codes or approved conditional uses. Existing and new properties with retail/commercial food preparation uses within the CRA as permitted by applicable land use codes or approved conditional uses, with a particular emphasis on retail restaurants.

Eligible Project Costs: Generally, all costs associated with substantial renovation and new construction, including interior improvements, restoration, rehabilitation, and permanently attached fixtures/systems are eligible for consideration (Project). Additionally, eligible costs include *architectural, engineering, permit fees, application fees, property taxes, tax liens, City liens and property insurance*. The proposed Project must comply with the Plan, CRA urban design guidelines, applicable land use regulations, and current code requirements, subject to review/approval by the City of Fort Lauderdale Planning Division, Code Compliance Division, and CRA staff.

Substantial renovation means the cost of rehabilitation/renovation exceeds 50% of the current property value, as indicated by Broward County Property Appraiser or private appraisal.

Eligible Restaurant and Kitchen Related Costs: Generally, all costs specific to commercial kitchen improvements and permanently attached commercial-grade kitchen equipment/systems are eligible for consideration (Project). The proposed Project must comply with the Plan, CRA urban design guidelines, applicable land use regulations, and current code requirements, subject to review/approval by the City of Fort Lauderdale Planning Division, Code Compliance Division, and CRA staff. The kitchen design/engineering, construction materials, and equipment/systems must comply with applicable industry standards, such as: Dairy and Food Industries Supply Association, Inc. (3-A), United States Department of Agriculture (USDA), Food and Drug Administration (FDA), American Welding Society (AWS), Occupational Safety and Health Association (OSHA), American Society of Testing Materials (ASTM), American National Standards Institute (ANSI), Current Good Manufacturing Practices (cGMPs), and National Electrical Manufacturer's Association (NEMA). The kitchen and its equipment will comply with all local health and safety requirements that apply to food produced for sale.

Job Creation and Retention Requirements: Job creation and/or job retention or another approved performance indicator may be a requirement for assistance provided through this program.

Basis/Limits of Benefits: Throughout the CRA, a PBIP award will provide a forgivable loan for up to 75% of the eligible costs not to exceed \$225,000. In the Focus Area, the program award will provide a forgivable loan for up to 90% of the eligible costs not to exceed \$225,000. In the Focus Area, owner's equity investment for funding requests that do not exceed \$150,000, will be determined on a case-by-case review. The CRA Board (and/or designee), at its sole discretion, may consider increasing the funding limits and equity investment requirements on a case-by-case basis.

In order to be eligible for the PBIP, the business/property owner must invest at a minimum, a dollar-for-dollar match of the CRA investment within the project. The CRA's project contribution cannot exceed the documented contribution of the business/project owner.

Terms and Obligations: The program award will have ongoing obligations/covenants, which includes, but is not limited to a lien on the applicant's property.

Special Conditions: There must be a documented selection process for the General Contractors selected for the applicants project. The City recommends the use of General Contractors from its approved contractor list. A CRA / City approved

contractor must be used for projects where 60% or more of the costs are paid by the CRA. Contractors on the City/CRA contractor list, must be invited to bid on all work solicited by the project owner/developer.

3. STREETScape ENHANCEMENT PROGRAM (SEP)

Goals/Objectives: Eliminate slum and blight by encouraging projects to demonstrate high quality urban and environmental design and sustainability, thus creating a higher quality environment and sense of place by enhancing the public realm across the CRA.

This program will also allow the CRA to provide land as an incentive via donation and/or purchase. In order to be eligible for the SEP, the business/property owner must invest at a minimum, a dollar-for-dollar match of the CRA investment within the project. The CRA's project contribution cannot exceed the documented contribution of the business/project owner.

Eligible Area: All properties within the CRA. There is a designated Focus Area defined as Sistrunk Boulevard between NW 24 Avenue and the FEC Railway, including one block north and south of Sistrunk Boulevard; as well as, 9th Avenue (*between Sunrise Boulevard and Broward Boulevard*), and 7th Avenue (*between Sunrise Boulevard and Broward Boulevard*).

Eligible Properties: All existing and new buildings in the CRA approved for commercial, multifamily, or mixed use.

Eligible Project Costs: Generally, all costs associated with enhanced (features/finishes beyond mandatory City requirements) streetscape improvements constructed on or within the public right-of-way are eligible for consideration (Project). The proposed improvements must comply with CRA design guidelines for the particular street on which the project is located, the Plan, the City of Fort Lauderdale Complete Street Guidelines, the CRA Implementation Plan, the Downtown Master Plan (as applicable), and the Fort Lauderdale Connectivity Master Plan. Design/engineering must be consistent with City, county and state requirements for roadway design/construction.

Job Creation and Retention Requirements: Job creation and/or job retention or another approved performance indicator may be a requirement for assistance provided through this program.

Basis/Limits of Benefits: Throughout the CRA, a SEP award will provide a forgivable loan for up to 70% of the eligible costs not to exceed \$500,000. In the Focus Area, the program award will provide a forgivable loan for up to 90% of the eligible costs

not to exceed \$500,000. The CRA Board (and/or designee), at its sole discretion, may consider increasing the funding limits on a case-by-case basis.

Terms and Obligations: The program award will have ongoing obligations / covenants, which includes, but is not limited to a lien on the applicant's property.

Special Conditions: There must be a documented process for the General Contractors and sub-contractors selected for the project. The CRA / City encourage the use of contractors from its approved contractor list. Contractors on the City/CRA contractor list, must be invited to bid on all work solicited by the project owner/developer.

4. DEVELOPMENT INCENTIVE PROGRAM (DIP)

Goals/Objectives: This program seeks to eliminate slum and blight by attracting new businesses to the CRA or existing businesses to expand within the CRA. DIP is a custom designed incentive to meet the appropriate needs of a specific development project in the CRA that represents an investment / total project cost of five (\$5,000,000) million dollars or more and creates a significant economic engine or destination project in the CRA.

This program will allow the CRA to use any of its incentive programs and options, including tax abatement, fee waivers, land donation and/or purchase, etc.

In order to be eligible for the DIP, the business/property owner must invest at a minimum, a dollar-for-dollar match of the CRA investment within the project. The CRA's project contribution cannot exceed the documented contribution of the business/project owner.

Eligible Area: All properties within the CRA. There is a designated Focus Area defined as Sistrunk Boulevard between NW 24 Avenue and the FEC Railway, including one block north and south of Sistrunk Boulevard; as well as, 9th Avenue (*between Sunrise Boulevard and Broward Boulevard*), and 7th Avenue (*between Sunrise Boulevard and Broward Boulevard*).

Eligible Properties: Commercial and/or mixed-use projects in the CRA with uses permitted by applicable land use codes or approved conditional uses.

Eligible Project Costs: Generally, all costs associated with the CRA desired redevelopment project (Project), including costs and fee's associated with acquisition, rehabilitation and fines. The proposed Project must comply with the Plan, CRA urban design guidelines, applicable land use regulations, and current code requirements, subject to review/approval by the City of Fort Lauderdale Planning Division, Code Compliance Division, and CRA staff.

Job Creation and Retention Requirements: Job creation and/or job retention or another approved performance indicator may be a requirement for assistance provided through this program.

Basis/Limits of Benefits: Throughout the CRA, a DIP award (*with no minimum or maximum amount*) will provide a forgivable loan or low interest loan to assist the eligible project. The CRA Staff will review the project and recommend a funding plan/strategy and amount to the CRA Advisory Board and CRA Board.

Terms and Obligations: The program award will have ongoing obligations/covenants, which may include, but is not limited to a lien on the applicant's property.

Special Conditions: Where possible, the developer will use best efforts to hire Fort Lauderdale contractors to work on approved projects. If a HCD/CRA approved contractor is awarded work, it will be for the portion of the project that is funded through the CRA.

5. PROPERTY TAX REIMBURSEMENT (PTR)

Goals/Objectives: Eliminate slum and blight, remove deterioration, update existing buildings, and encourage new investment/development with an emphasis on enhancing the overall CRA, improving the quality of existing buildings within the CRA, and attracting new construction to the CRA.

Eligible Area: All properties within the CRA that are owned by an organization that fully contributes to the tax increment income.

Eligible Properties: All commercial, multifamily, or mixed-use (residential/commercial) buildings in the CRA with uses permitted by applicable land use codes or approved conditional uses that have had substantial capital improvements or new construction.

Substantial capital improvements means the cost of rehabilitation/renovation exceeds 50% of the current property value, as indicated by Broward County Property Appraiser or private appraisal.

Eligible Project Costs: The benefits of this Program are not directly based on Project costs. Rather, the benefits of this Program are based on capital improvements on existing properties or the development cost of new buildings that result in a substantial increase of Ad Valorem Tax (Property Tax). The property owner will only be entitled to the incremental tax increase generated by project that would be returned to the CRA as tax increment revenue. The proposed Project must comply with the Plan, CRA urban design guidelines, and applicable land use regulations,

subject to review/approval by the City of Fort Lauderdale Planning Division and CRA staff. All construction work must be performed by licensed contractors with required building permits and progress inspections.

Basis/Limits of Benefits: PTR is a reimbursement and payment disbursed upon verification that property taxes for the year has been paid. A PTR award will run for a maximum of five (5) years and the limits are as follows:

- Year 1 – 95% of real property Ad Valorem taxes returned to the CRA as tax increment revenue
- Year 2 – 90% of real property Ad Valorem taxes returned to the CRA as tax increment revenue
- Year 3 – 85% of real property Ad Valorem taxes returned to the CRA as tax increment revenue
- Year 4 – 80% of real property Ad Valorem taxes returned to the CRA as tax increment revenue
- Year 5 – 75% of real property Ad Valorem taxes returned to the CRA as tax increment revenue

Applicant: The property owner /developer (Owner) must be the applicant. A PTR award will have ongoing obligations/covenants, which will be protected by a lien on the applicant's property.

Special Conditions: Where possible, the developer will use best efforts to hire Fort Lauderdale contractors to work on approved projects. If a HCD/CRA approved contractor is awarded work, it will be for the portion of the project that is funded through the CRA.

RESIDENTIAL PROGRAMS

6. RESIDENTIAL REHABILITATION FORGIVABLE LOAN (RRG)

Goals/Objectives: Eliminate slum and blight, remove deterioration, and update the exteriors of existing residential buildings, with an emphasis on generally enhancing the residential neighborhoods in the CRA and to correct code violations, health and safety issues including but not limited to electrical, plumbing, roofing, windows, ac/heating and structural items including emergency repair.

Eligible Area: All properties within the CRA. There is a designated Focus Area defined as Sistrunk Boulevard between NW 24 Avenue and the FEC Railway,

including one block north and south of Sistrunk Boulevard; as well as, 9th Avenue (*between Sunrise Boulevard and Broward Boulevard*), and 7th Avenue (*between Sunrise Boulevard and Broward Boulevard*).

Target Client: Individuals and/or families that occupy their homesteaded property. The annual household income cannot exceed 160% of the Area Median Income (AMI).

Eligible Properties: Existing single family residential properties, with an emphasis on properties within the Focus Area, whose appraised value does not exceed \$300,000.

Eligible Project Costs: Generally, all costs associated with interior and exterior improvements, restoration, and/or rehabilitation are eligible for consideration (Project). The proposed Project must comply with the Plan, CRA urban design guidelines, and applicable land use regulations, subject to review/approval by the City of Fort Lauderdale Planning Division and CRA staff.

Basis/Limits of Benefits: The maximum award for the RRG is \$75,000. Throughout the CRA and Focus Area, a RRG award will provide assistance to owner occupied single family homes. Owners will not require a contribution if the rehabilitation costs do not exceed a CRA award amount of \$55,000.

An owner cash contribution of 10% is required if the costs of the repair exceeds the available CRA funds. The owners' cash contribution will be based on the costs that exceed \$55,000.

The CRA Board (and/or designee), at its sole discretion, may consider increasing the funding limits on a case-by-case basis.

Terms and Obligations: The program award will require an application and review process. The RRG will have ongoing obligations/covenants, which includes, but is not limited to a forgivable loan / lien on the applicant's property. The maximum household income of the families assisted in this program cannot exceed 160% of the Area Median Income (AMI). The City/CRA will develop the scope of work for each project.

General Contractor: There must be a documented selection process for the General Contractor used for the project. Owner-occupied single family rehabilitation must use an approved General Contractor from the City's approved contractor list.

7. PURCHASE ASSISTANCE PROGRAM (PAP)

Goals/Objectives: To provide assistance to for profit and not for profit organizations to construct single family homes on CRA and/or City owned infill housing lots, for the benefit of eligible families to purchase. The assistance provided to the organization must be passed through to the eligible family to purchase the property.

Eligible homebuyers must be identified by the organization and submitted to the CRA for eligibility review and approval.

Eligible Area: The Focus Area of the NWPF CRA.

Target Client: Eligible individuals and/or families that are purchasing a property they will occupy as their primary and homesteaded residence.

Eligible Properties: Existing residential CRA and City-owned residential lots within the NWPF CRA boundary.

Basis/Limits of Benefits: Throughout the CRA a PAP award will provide down payment and closing cost assistance to the eligible homebuyer. Assistance to the homebuyer from the CRA cannot exceed \$45,000 and is based on affordability needs.

Terms and Obligations: The program award will require an application and review process. The PAP award will have ongoing obligations/covenants, which includes, but is not limited to a forgivable loan and lien on the applicant's property. All properties will require owner occupancy and the maximum household income of the individuals or families assisted in this program cannot exceed 160% of the Area Median Income (AMI).

General Contractor: The General Contractor selected must come from the City's/CRA's approved contractor list.