

APPROVED
MINUTES
NORTHWEST PROGRESSO – FLAGLER HEIGHTS
REDEVELOPMENT ADVISORY BOARD
FORT LAUDERDALE
100 NORTH ANDREWS AVENUE
8th FLOOR CONFERENCE ROOM
OCTOBER 26, 2016 – 3:30 P.M.

Cumulative Attendance
May 2016 - April 2017

<u>Members Present</u>	<u>Attendance</u>	<u>Present</u>	<u>Absent</u>
Ron Centamore, Chair	P	6	0
Sonya Burrows, Vice Chair	P	6	0
Jessie Adderley	A	5	1
Nikki Austin-Shipp	A	1	2
Leann Barber	P	5	1
Alan Gabriel	P	5	1
John Hart	P	2	0
Mickey Hinton	P	6	0
John Hooper	P	4	2
Dylan Lagi (arr. 3:41)	P	6	0
Steffen Lue (arr. 3:53)	P	3	3
Scott Strawbridge	P	6	0
John Wilkes	P	5	1

Currently there are 13 appointed members to the Board, which means 7 would constitute a quorum.

It was noted that a quorum was present at the meeting.

Staff

Jonathan Brown, Northwest CRA Manager
Bob Wojcik, Planner II
Thomasina Turner-Diggs, NPF Project Coordinator
Sandra Doughlin, DSD/ECR
Vanessa Martin, CRA Financial Analyst
Michael Chen, Economic and Business Development Manager
Mona Laventure, Recording Secretary, Prototype, Inc.

Communications to City Commission

None.

I. Call to Order / Roll Call

Chair Centamore called the meeting to order at 3:39 p.m. and roll was called. It was noted a quorum was present.

II. Approval of Minutes from September 28, 2016 Regular Meeting

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

Ms. Burrows explained that her comment at the September 28, 2016 meeting regarding updates by the Mosaic Group was intended to suggest that Mosaic provide the Board with written updates so the Group may use the opportunity presented by this Agenda Item for interaction and discussion with the Board.

In a voice vote, the **motion** passed unanimously [as amended].

Chair Centamore reported that former Board member Jacqueline Reed has resigned from the Board.

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

VII. Mosaic

i. Update

Mr. Lagi arrived at 3:41 p.m.

Ann Marie Sorrell, representing the Mosaic Group, stated that they have provided a marketing update to the Board, including changes made to the website and an outline of the next quarterly newsletter. She noted that projects and activities approved at today's meeting may be added to the newsletter as well, and requested information regarding any activities by neighborhoods, civic associations, or business associations that should be featured in the next newsletter.

Mr. Strawbridge advised that Saturday, October 29, 2016 will be Make a Difference Day in Fort Lauderdale. A large number of volunteers are expected to turn out for activities in the Northwest community. Ms. Sorrell and Mr. Brown encouraged the Board members to email CRA Staff or Mosaic with information about any other upcoming events within the CRA. Events will be placed on the event calendar and website as well as in the newsletter.

Ms. Sorrell continued that Village Dine, which took place from October 14-22, featured nine participating restaurants. Mosaic has provided a follow-up survey for these restaurants so they can determine the event's effectiveness. This feedback will be reported to the Board at its next meeting.

A CRA Open House was held on October 25 at the CRA offices and was attended by several Board members as well as the public. Ms. Sorrell added that the Mosaic Group is considering making this a monthly event so they can inform the community of various business interests, incentives, and initiatives. Mr. Brown estimated that 50 individuals participated in the Open House event either via phone or in person. Future events will focus on commercial and residential incentives.

Mr. Lue arrived at 3:53 p.m.

Ms. Sorrell showed conceptual designs for new CRA signage that will be placed at the locations of funded initiatives, requesting feedback from the Board on this signage.

Motion made by Mr. Strawbridge, seconded by Mr. Lagi, to support [the] Possibilities Unleashed [concept].

It was suggested that the signage include contact information for the CRA Board.

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

Ms. Sorrell continued that Start-Up Weekend, which had been previously scheduled for November 11-12 as part of Global Entrepreneurship Month, has been rescheduled for January 2017 in order to focus on incentives for participants. Mr. Brown explained that the event will make participating businesses aware of the incentives available to them from the CRA.

Ms. Sorrell advised that Mosaic had initially proposed providing \$5000 grants for viable businesses within the CRA, in addition to assistance with resources to address any additional needs and assistance with the incentive application process. Start-Up Weekend will focus on food, retail, and art.

Mr. Strawbridge commented that one concern was whether or not a \$5000 grant, along with other resources, will be sufficient to prepare a business for launch. He suggested attaching the grant funds to a lease or purchase of real estate within the CRA, which would ensure that the businesses in question are tied to the community. Mr. Brown stated that this discussion of incentives would be continued in greater detail at the next Board meeting.

Mr. Hart requested additional information on how the proposed \$5000 incentive would be used. Mr. Brown explained that the CRA does not provide direct cash subsidies to businesses: the grant would be used to fund an eligible item toward the operation of the business, such as a build-out or rent payment. Both start-ups and existing businesses would be eligible for these incentives. Ms. Burrows suggested that the incentive program include a list of eligible business expenses. Ms. Barber recommended that Mosaic reach out to the Broward cultural marketplace as well.

Ms. Sorrell stated that Mosaic would continue to work with Mr. Brown and CRA Staff to arrive at a full proposal, which would be presented at the next Board meeting. She cautioned that this may mean rescheduling Start-Up Weekend so there is sufficient time to discuss the event in depth with the Board.

She concluded that Mosaic, Mr. Lagi, and Ms. Turner-Diggs of CRA Staff have met to discuss expansion of the Flagler Art Walk into the historic Sistrunk community or throughout the CRA. Mr. Lagi explained that there has been discussion by the community of using the name "Fort Lauderdale Art Walk" instead. He pointed out that this would work well because of the City's size, and that the Art Walks could branch out into the Downtown, Midtown, and historic Sistrunk areas. The Board members agreed by consensus to approve the name change and expansion of this recurring event.

Mr. Wilkes observed that if the Open House is expanded into a recurring event, it could be held at CRA offices. He proposed that the Board meetings be held at these offices as well. Mr. Strawbridge suggested that meetings could be held at the Community Center. Mr. Brown stated that he would follow up with the City regarding a potential change in location and bring this item back for further discussion.

III. Discussion – Meeting Dates / Time Changes

i. Beginning in November 2016, the NWPF CRA Advisory Board meetings will be moved to the 2nd Tuesday of each month

Mr. Brown explained that he has discussed a change of meeting dates and times with the City Manager and Mayor, as Board meetings may run long and must be concluded in order to accommodate other meetings that use the same room. After reviewing open times and spaces, it was determined that the second Tuesday of each month is available for the current meeting location from 1 p.m. to 6 p.m. He reiterated that he would follow up with Mr. Strawbridge and the City to determine if there is greater flexibility for rescheduling, which could begin in December if approved.

Mr. Brown also reminded the Board that a special meeting will still be held to discuss a visioning plan for the CRA. The visioning plan is critical to the completion of a marketing plan, which the Mayor has requested by December 2016. The intent is to provide Staff with direction and/or consensus regarding the types of businesses to be targeted in terms of marketing and recruiting.

Mr. Wilkes pointed out that the Board will meet with the City Commission for a workshop on November 7, 2016. It was decided that the members would discuss the potential date change further at that time.

IV. Budgeted Project Breakdown

Mr. Brown provided the members with copies of the CRA's budgeted project breakdown, which has been updated from the breakdown provided at the September 2016 meeting. The document now includes projects that have already been approved and have contracts and agreements in place.

Ms. Barber requested additional clarification of the annual budget as opposed to the accumulated budget. Mr. Brown explained that in an effort to clean up accounts and ensure a better tracking system, Staff determined that some funds would be listed under the operating budget as incentives for the current year. This line item now includes unspent dollars that were tied to programs rather than projects. The intent is to show the Board what funds are available to commit.

Mr. Strawbridge asked for clarification of the \$2.8 million in total business incentive funding. CRA Financial Analyst Vanessa Martin explained that this spreadsheet represents the beginning of a process in which all commitments are listed on the document. She estimated that approximately \$10 million is left for business incentives, with \$900,000 remaining for residential incentives.

Mr. Brown noted that the formula used in creating the spreadsheet may have accidentally captured other balances. He advised that he would look into this and update the members via email.

Mr. Wilkes asked how a project that was not anticipated to use any CRA funds within the current budget year would be reflected on the document. Mr. Brown replied that because some projects may not be completed for another two years, he did not recommend committing any funds for them at present, but would appropriate them as the completion date approaches.

V. Funding Requests

i. ID Flagler

Mr. Wojcik summarized the ID Flagler project, which is a three-story 24-unit townhouse project on east Sistrunk Boulevard. The request is for \$251,078 from the CRA's Streetscape Enhancement Program, which would provide 70% of the cost of improvements. The project is designed at pedestrian scale and offers a different housing option from mid- and high-rise projects, offering an urban village atmosphere. The proposed improvements would add 550 ft. of improved streetscape along east Sistrunk Boulevard, NE 1st Avenue, and NE 2nd Avenue. Staff is supportive of the project and the funding request.

George Fletcher, President of Adache Group Architects, showed a PowerPoint presentation on the ID Flagler project, which is located on the periphery of Flagler

Village. The subject site is currently a vacant lot. Over the past several months, the Applicant has been able to accumulate the entire block from NE 1st Avenue to NE 2nd Avenue on Sistrunk Boulevard.

Mr. Fletcher continued that the project will include four buildings, each of which would contain six units. The existing sidewalk would be moved off Sistrunk Boulevard in order to create a safer pedestrian environment. The project repositions all units so back doors are located in the center of the property, with front doors on the perimeter. Parking, trash removal, and other services are located in the interior of the property. He concluded that the property is expected to be a catalyst for the restoration and rehabilitation of Sistrunk Boulevard.

The property is located along the route of the Wave Modern Streetcar, and is expected to accommodate this service. It is unlike other projects in the area that are mid-rise, multi-family, and higher-density developments, but is intended to bring support to the Sistrunk community, including retailers. The ground floor will include front doors and yards.

The Board discussed the presentation, clarifying that the property will be surrounded with a 5 ft. gated fence. The property is lined with green space and landscaping, which varies from 8 ft. to 15 ft. and includes the yards and perimeter. The units are currently designed for rental rather than for purchase.

Mr. Wilkes pointed out that a large portion of the project's streetscape costs come from Florida Power & Light (FPL), FPL-affiliated consultants, and Comcast. Mr. Fletcher explained that several easements through the center of the property required relocation along with the sidewalk and streetlights. The utilities listed above are now underground and serve additional properties as well as the subject property.

Mr. Lagi commented that in the past, the Board has expressed a desire that streetscape improvements for which funding is requested include an element of "above and beyond" what is typically expected. He asked how the project would meet this expectation. Mr. Fletcher replied that the Applicant has increased landscaping on the perimeter of the building in order to engage pedestrians at the street level. He added that the project was presented to Flagler Village, which is supportive of the development, as are the City Commissioners.

Chair Centamore asked why the Wave is expected to limit on-street parking. Mr. Fletcher stated that this was pointed out by City Staff from the Departments of Sustainable Development and Transportation and Mobility. Chair Centamore did not feel removal of on-street parking to accommodate a streetcar was a good precedent to set by the City.

Mr. Gabriel requested additional information about the site's landscape plan. Mr. Fletcher advised that the property is surrounded by a continuous shadowbox fence and will include shade trees as well as a landscape buffer. He stated that the site's actual landscaping exceeds City requirements.

Mr. Gabriel also requested clarification of how the funding request would be used. Mr. Fletcher replied that it would assist primarily with utilities, as well as sidewalks, off-site parking, lighting, and curbing, in addition to landscaping. He pointed out that a good deal of lighting along Sistrunk Boulevard will have to be replaced at a cost of approximately \$48,000. Mr. Brown pointed out that many of the streetscape costs will go toward underground improvements.

Motion made by Mr. Hart, seconded by Ms. Burrows, to approve.

Mr. Lagi noted that the specific Regional Activity Center (RAC) in which the project is located is intended for higher-density development rather than town homes. He advised that this could result in lost tax increment financing (TIF) revenue. He also pointed out that the Wave route is intended to generate mixed-use projects rather than fully residential projects. He concluded that the Board needed to see a more detailed representation of the proposed streetscape plan, as what was presented did not seem to go above and beyond the existing standard.

Mr. Hart also expressed concern with how the project was initiated and planned without the density typically associated with its location. Mr. Gabriel pointed out that the development has been reviewed by the Department of Sustainable Development. Mr. Brown added that Flagler Village has also approved the project.

Mr. Strawbridge observed that the streetscape investment makes up a significant portion of the overall investment in the property. He pointed out, however, that it is not difficult to achieve high density along Sistrunk Boulevard, and expressed concern with the difference in TIF revenue provided by a less dense project than by a project with greater density. He pointed out that the project calculates a much higher millage rate than the City's rate, and would not provide a significant amount of green space and pedestrian engagement. He concluded that he did not feel the proposed project represented the highest and best use of the subject property.

Ms. Burrows stated that she found the project's town homes to be refreshing, particularly as it had the support of the surrounding community. She asserted that the CRA's primary goal is the elimination of slum and blight, and density is a City issue rather than a CRA strategy.

Mr. Lagi asked what might happen with regard to CRA funding if the project is sold or converted from rental to sellable units. Mr. Brown replied that the Board may make a recommendation that its funds be repaid if the property is sold within a certain period of

time. Chair Centamore added that the Board could also recommend that the seller show a certain amount of profit before reimbursement is required.

Mr. Wilkes commented that while he did not agree the Board should seek out only dense projects possible on certain parcels of property, he also did not feel that the request met the criteria for approval with regard to streetscapes, although he felt the project might meet the requirements of one of the CRA's incentive programs. He also pointed out that one-third of the project's allocation toward streetscape improvements came from funds provided to them by utility services. He suggested that the CRA seek to put pressure on these services to reduce their fees to developers. He concluded that he could not support the **motion** as it is made.

Mr. Brown clarified that all streetscape improvements to which the CRA has granted funds will include underground utilities. He added that the funding request meets the requirements of the existing streetscape enhancement program. Chair Centamore pointed out that not all projects that have received streetscape funding have required the same infrastructure.

Mr. Gabriel noted that the **motion** in its current form does not include a restrictive period. Mr. Brown advised that a restrictive period is part of the program criteria. A developer may request up to 70% reimbursement according to the streetscape enhancement program, although the Board may consider a lesser amount if they wish.

In a roll call vote, the **motion** passed 7-4 (Ms. Barber, Mr. Lagi, Mr. Strawbridge, and Mr. Wilkes dissenting).

ii. Triangle Services

Mr. Wojcik noted that this project has received letters of support from the Greater Fort Lauderdale Alliance and the Progresso Village Civic Association, among other entities. The request would establish the southeast regional headquarters of Triangle Services on Sunrise Boulevard, as well as the regional headquarters of an affiliated company, Content Critical Solutions. Staff recommends a \$631,117 redevelopment incentive using funds from the Façade Program, the Property and Business Improvement Program, and the Streetscape Program. Triangle Services also requests an \$886,883 grant for job creation from the Development Incentive Program, which allows Staff to structure a customized incentive for projects over \$5 million in value.

Triangle Services operates in 44 states and is a managed facilities support provider that assists Fortune 500 companies and global clients by providing labor services to companies that outsource many of their labor needs. It projects the hiring of 300 individuals over the next five years and has committed to hiring no fewer than 55 residents from within the CRA. Most jobs for which they will hire require only a high

school education and provide job training. Mr. Wojcik emphasized the importance of this project to the CRA, as it will address issues of slum and blight from within.

Jason Crush, representing the Applicant, showed a PowerPoint presentation on Triangle Services, explaining that its real estate division plans to invest in and rent properties in south Florida. He provided a brief history of the company, which was formed in 1960 and now employs between 2200 and 2500 individuals in any given year. It includes several subsidiary companies and provides a wide variety of services.

Mr. Crush advised that Triangle is expanding its business in the south Florida market and plans to hire 300 individuals from Fort Lauderdale to work in areas served by the City. While the company's real estate investment branch typically purchases, repairs, and rents properties, they have purchased the subject property as a base for the southeast regional office. The intent is to continue growth along Sunrise Boulevard and create a more pedestrian-friendly environment along the street.

Mr. Crush showed renderings of the property, noting that a portion of the parcel along the west side of the building is City-owned right-of-way; however, Triangle has expressed willingness to continue the sidewalk from Sunrise Boulevard to the south and improve pedestrian connectivity. The site would be an adaptive re-use of an existing building and constitutes revitalization in a transitional area.

The company predicts that over 300 jobs will be created over the next five years, not including potential jobs that may be created through other subsidiaries. Mr. Crush noted that the Greater Fort Lauderdale Alliance was instrumental in helping with an economic impact study, which analyzed how the creation of jobs and investment in the subject property would affect the community. He emphasized the importance of partnership between Triangle Services and the City of Fort Lauderdale.

While most jobs will be entry-level and require only a high school education, Triangle trains and educates employees, as well as providing internship programs with local high schools and local job placement services. The company also offers jobs that require a higher level of education and provide a higher income. The funding request is for \$613,117 in redevelopment incentives and \$886,883 for economic and job creation incentives. If Triangle receives CRA funding, it will initiate a point system rewarding subcontractors based within the CRA.

Mr. Lagi requested additional information on the process for providing 55 jobs to residents of the CRA. Mr. Brown pointed out that these jobs must not only be created, the positions must be maintained for a certain number of years.

Mr. Wilkes asked what incentive programs were available for new businesses, like Triangle Services, that come into the community. David Coddington, representing the Greater Fort Lauderdale Alliance, emphasized the role of community support, stating

that the Alliance works directly with the City to attract companies that will create jobs. Mr. Crush added that Triangle also seeks to bring in qualified target industries (QTI) jobs, which require more technical skill than most of the entry-level positions.

Ms. Barber asked how many of the 300 jobs provided would be net new jobs. Mr. Coddington replied that a stimulus will be necessary to create any new jobs. Mr. Crush noted that the jobs will be net new jobs to the CRA. He added that the hiring process is expected to begin in early 2017.

Ms. Barber characterized the process as managing rather than creating jobs. Michael Chen, Economic and Business Development Manager for the City, stated that the end result would be an increase in labor.

Motion made by Mr. Hart, seconded by Ms. Burrows, to approve the Staff recommendation.

Mr. Wilkes requested clarification from Mr. Brown that the proposal met the criteria of the CRA's Development Incentive Program, as well as whether every Applicant would have to qualify under the same criteria. He concluded that while the funding request may constitute economic development, he was not certain that this development should be funded through CRA dollars.

Mr. Brown confirmed that the project is an eligible activity, not only under the Development Incentive Program but through job creation, which is one element of the CRA Plan that can be used to eliminate slum and blight. He pointed out that while the project is not located within the target area of the CRA, it will provide a definite benefit to the CRA through the 55 jobs created, creating roughly \$1.5 million in salaries for residents of the CRA.

Mr. Wilkes asked how the requested \$886,883 in job creation and economic development incentives would be administered. Mr. Brown explained that these funds would be made in the form of a forgivable loan, with all CRA dollars going toward "hard costs" such as construction and rehabilitation. He characterized the funds as a reimbursement of costs rather than a cash incentive to the business.

Mr. Wilkes expressed concern with whether or not the CRA would be in the first position of repayment, pointing out that the loan would be unsecured. He also noted that the funds provided would constitute over 60% of the costs of renovating the building. He asserted that if the CRA chooses to take these steps, the funding should be leveraged in such a way that if the Applicant fails to perform in its delivery of services and jobs or construction, the CRA may protect its investment.

Mr. Brown replied that the CRA would take the same action that a typical lender would take by placing liens on the property and seeking personal guarantees, among other

actions. He pointed out that within the first year, the CRA will be able to determine if the promised jobs are being created. He also noted that if Triangle Services is successful in creating jobs for residents within the CRA, 55 jobs at approximately \$28,000 would already exceed the amount of funding requested by the agency.

Mr. Wilkes stated that the CRA would not see jobs created within the community until after dollars are spent and the construction/rehabilitation of the property has been completed. He reiterated that the CRA must take steps to protect its investment.

Mr. Hart commented that while these protections are key, the Board must also consider how often a company wishes to locate within the Northwest CRA and create jobs in that area. He felt providing assistance to Triangle for this purpose would be a win/win scenario.

Chair Centamore recognized the efforts of Mr. Chen, Mr. Coddington, and CRA Staff in working toward the realization of this project.

In a roll call vote, the **motion** passed 10-1 (Ms. Barber dissenting).

VI. Visioning for NPF CRA

Mr. Brown stated that the room is available for a Board meeting following the joint meeting with the CRA Board/City Commission on November 7, 2016. This would provide time for the Board to discuss visioning. It was determined that the meeting would be scheduled for 2:30 p.m.

VII. Mosaic

ii. Agreement Renewal

Mr. Brown explained that the CRA's agreement with the Mosaic Group is set to renew on November 4, 2016. He requested that the Board provide a recommendation on the renewal, which is for the same contractual amount as the previous year.

Motion made by Mr. Gabriel, seconded by Ms. Burrows, to approve. In a roll call vote, the **motion** passed 11-0.

VIII. Communication to CRA Board

None.

IX. Old / New Business

- i. **Joint CRA Board of Commissioners and CRA Advisory Board Meeting, November 7 at 12:00 p.m.**

X. Public Comment

None.

XI. Adjournment

There being no further business to come before the Board at this time, the meeting was adjourned at 6:12 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.]