



CITY OF FORT LAUDERDALE

DRAFT
REGULAR MEETING MINUTES
NORTHWEST-PROGRESSO-FLAGLER HEIGHTS
REDEVELOPMENT ADVISORY BOARD
CITY OF FORT LAUDERDALE
OCTOBER 11, 2022 – 3:00 P.M.
FORT LAUDERDALE, FLORIDA

<u>Board Members</u>	<u>Attendance</u>	Cumulative Attendance	
		<u>Present</u>	<u>Absent</u>
Rhoda Glasco Foderingham, Chair	P	3	1
Dylan Lagi, Vice Chair	P	4	0
Sonya Burrows	P	4	0
Kenneth Calhoun	P	4	0
Lisa Crawford	P	4	0
John Hooper	A	2	3
Michael Lewin	P	4	1
Steffen Lue	P	4	1
Lorraine Mizell	P	3	1
Christopher Murphy	P	4	0
Alfredo Olvera	P	2	2
John Quaily	P	4	0

Currently there are 12 appointed members on the Board, which means seven (7) would constitute a quorum.

Staff

- Clarence Woods, III, NPF CRA Manager
- Eleni Ward Jankovic, Project Coordinator
- Lizeth DeTorres, Sr. Administrative Assistant
- Bob Wojcik, Housing and Economic Development Manager
- Vanessa Martin, NPF CRA Business Manager
- Corey Ritchie, CRA Construction Manager
- Jamie Opperlee, Prototype Inc. Recording Secretary

Communication to the CRA Board of Commissioners

Motion made by Mr. Calhoun, seconded by Mr. Olvera, to request the Board of CRA Commissioners reconsider the Sistrunk View project and that the minutes from this CRANWP Board meeting accompany that request. In a roll call vote. Motion passed 11-0.

I. Call to Order/Roll Call

Chair Foderingham

Chair Foderingham called the meeting to order at 3:00 p.m. and roll was called.

II. Approval of Minutes

NPF CRA Board

- September 13, 2022 Minutes

Motion by Mr. Lewin, seconded by Mr. Murphy, to approve the minutes of September 13, 2022. In a voice vote, the motion passed unanimously.

III. Project Funding Update

Vanessa Martin

Ms. Martin provided an update in the Board's packet and related some highlights. They had encumbered the full \$12 million for West Village for fiscal year 2023. Regarding the in-progress report she said the YMCA was in year seven. They had encumbered \$8,9 million and disbursed \$6.2 million. Fiscal Year 2024 would be the final encumbrance for that project.

Mr. Woods discussed the funding request that had been denied by the CRA Board of Commissioners. He said the Commissioners had stated there was sufficient affordable housing in that neighborhood, so they needed to do something else. The RFP would go back out, with language edited to encourage more of a commercial component.

Chair Foderingham was concerned because the project had gone through the review process and was found to meet the requirements for affordable housing. She did not understand how this would not be a suitable location, given that it was on a corridor with transportation availability. At the State of the City, the Mayor had indicated affordable housing was a major concern, and Chair Foderingham did not see how the project did not address that concern. Chair Foderingham wished to send the Commissioners a communication asking them to reconsider their action regarding the RFP. Mr. Woods said the Commissioners had indicated they did not want to concentrate affordable housing in this one City district.

Mr. Woods pointed out that this project had been a first in that it would give money back to the CRA. He thought it was a wonderful project that met all the requirements of the redevelopment plan and their vision.

Chair Foderingham noted there had been a concern about lack of minority involvement in construction and this project was an opportunity to address that as well.

Ms. Burrows noted that most of these projects had some "affordable" housing, but it was not affordable to people living in the community. This project had a low-income component, and she wondered if that was what the Commissioners objected to.

Motion made by Mr. Calhoun, seconded by Mr. Olvera, to request the Board of CRA Commissioners reconsider the Sistrunk View project and that the minutes from this CRANWP Board meeting accompany that request. In a roll call vote. Motion passed 11-0.

Items IV and V were discussed together.

**IV. Request for Funding – 724 NW 6th Ave LLC for
724 NW 6th Avenue Fort Lauderdale, Fl. 33311**

CRA Staff

- **\$225,000 – Property and Business Improvement Program**
- **\$125,000 – Façade Program**

Mr. Wojcik said this was a request for \$225,000 from the Property Business Improvement Program and \$125,000 from the Façade Program to renovate the property, which was a warehouse structure adjacent to the Thrive Progresso project. Total renovation costs were \$389,000 and the \$350,000 from the CRA request was 90% of those costs. Mr. Wojcik said a waiver would be required to allow the developer to use his own contractor and receive the 90% contribution as opposed to 60%.

Mr. Wojcik informed the Board that they had already provided the Thrive project with \$2.5 million from the Development Incentive Program [DIP], as well as \$490,000 from the Streetscape Enhancement Program [SEP]. He noted these buildings were an expansion and had not been included in the original project. He explained there were no criteria to grant the waiver; this was at the Board's discretion.

Anthony Malinovski said they wanted to bring in higher-use tenants to the buildings. He thought this was the minimum renovation that needed to be done to bring redevelopment west. Mr. Wojcik said the developer could rent the property in its current condition but they wanted to become part of the Thrive Progresso experience.

Mr. Malinovski said they had already signed some tenants and the buildings would be ready to start build-outs in November. One tenant was a sports studio, leasing at \$17 per square foot, triple net; another was a leather goods vendor leasing at \$18 per square foot, triple net. They had 15 pending tenants, representing approximately 25% of the total square footage. Mr. Malinovski said the units were able to be subdivided, and most came with two electrical panels, two AC units and two bathrooms. The smallest unit was 700 square feet and the largest was 3,400 square feet. Triple net lease meant the tenant paid for property taxes, property insurance and common area maintenance.

Mr. Lewin noted they had already committed almost \$3 million to Thrive but acknowledged that construction costs had increased. Mr. Malinovski confirmed that when they came to the CRA, the estimated costs were \$5 million and now they were almost \$9 million. Mr. Lewin felt requesting 90% was a bit aggressive, since tenants were about to

move in and generating cash flow. He thought there may be a more reasonable balance between the CRA and the developer's investment.

Mr. Murphy noted the developer had already put up the funds for the building, not just the project costs, so the CRA's contribution was a smaller percentage when that was added in. This request was meant to change the building's use from automotive to something that could benefit the community.

Mr. Malinovski stated they wanted to encourage specific types of tenants, such as artists, food and beverage, high-end mini warehouses, retail, and sports studios.

Chair Foderingham shared Mr. Lewin's concerns that the CRA had already contributed almost \$3 million and the first project was not completed yet. Once the project was complete, the developer may be able to reevaluate.

Ms. Crawford understood the desire to expand and to change the uses in this space.

Mr. Lagi stated he would abstain from this item because he had a prior business relationship with the developer.

Mr. Lewin said he would vote no and suggested the developer return after Thrive was finished with a more balanced request.

Motion by Mr. Murphy, seconded by Ms. Crawford, to approve the funding request. In a roll call vote, the motion **failed** 3-7 with Mr. Calhoun, Mr. Lewin, Mr. Lue, Ms. Mizell, Mr. Olvera, Mr. Quailey and Chair Foderingham opposed Mr. Lagi abstaining.

**V. Request for Funding – 708 NW 6th Ave LLC for
708-718 NW 6th Avenue Fort Lauderdale, Fl. 33311**

CRA Staff

- **\$350,000 – Property and Business Improvement Program**
- **\$125,000 – Façade Program**

Mr. Wojcik said this was adjacent to the previous property. They were requesting a total of \$475,000 and the total cost was \$527,800, so the CRA contribution would be 90%. As for the previous project they would also seek a waiver to allow the developer to use his own contractor and receive the 90% contribution as opposed to 60%.

Motion by Mr. Murphy, seconded by Ms. Crawford, to approve the funding request. In a roll call vote, the motion **failed** 3-7 with Mr. Calhoun, Mr. Lewin, Mr. Lue, Ms. Mizell, Mr. Olvera, Mr. Quailey and Chair Foderingham opposed Mr. Lagi abstaining.

VI. Request to Increase Property and Business Improvement Program Funding to Cravenmadness LLC by \$347,219.89 for the Jamaican Jerk Shack Restaurant Build-out and Equipment Shoppes On Arts Avenue – 560 NW 7th Avenue CRA Staff

Mr. Wojcik said the project had been awarded \$225,000 in Property Business Improvement funding and \$20,000 in Façade program funding in 2019. Since then, there had been significant increases in construction costs, and the original estimated cost of \$306,000 was now approximately \$705,000. The developer had already invested \$82,815 for equipment, architectural fees and permits, and they were requesting funding to cover the budget shortfall of \$347,219.89. A waiver was also needed to exceed the \$225,000 maximum funding under the DPI program. This project was in the focus area and the developer had exceeded their minimum required development contribution by \$25,593. The developer had also set aside \$55,700 for operating expenses and to cover unforeseen costs. Mr. Wojcik noted this family-owned business had an excellent track record, with two other restaurants outside Florida and over 14 years' experience. They would employ 15-17 people from the community and the owners projected making a profit within the first year.

Christine Mills said she was raised in Broward County. She had her husband had been in the restaurant business for 15 years. They had been provided CRA financing in 2019 and they had persevered through the pandemic. They had invested approximately \$85,000 of their own money and believed this would be a benefit to the community.

Garfield Mills said they anticipated opening in April/May 2023. The seating capacity would be 55 indoors, plus outside dining. He said their permits had already been approved.

Motion by Ms. Crawford, seconded by Mr. Lue, to approve the funding request as presented by staff. In a roll call vote, the motion passed 11-0.

VII. Request for Funding – AK Building Services, Inc. 718-720 NW 7th Terrace Fort Lauderdale, Fl. 33311 CRA Staff

- **\$55,625 – Property and Business Improvement Program**
- **\$77,238 – Façade Program**

Ms. Jankovic said AK Building Services had been in business providing cleaning services for over 25 years. They had purchased the property in 2021 for \$750,000 and had submitted a request then but the CRA could not help them at that time. Since then, they had begun construction on their own, and since they had chosen their own contractor, they were eligible for a maximum 60% of the remaining construction costs. The company

wished to combine their warehouse and corporate office, which were now in separate locations. Employees received benefits and training.

Shari Cedar, Vice President and owner, said they were very rooted in the community. They had 550 employees in the tri-county area, and training and mentorship was very important to them. They worked with the Pace School and Junior Achievement and supported employees like family.

Ms. Cedar said they had purchased this building to be under one roof. They had spent \$250,000 of their own money renovating the property. She said this location was ideal for them. They were requesting 60% of outstanding construction costs. Ms. Jankovic stated total project costs for the renovation were \$489,000 and the owners had made a tremendous investment in their project.

Ms. Cedar said starting salaries were now \$13.50 per hour. Karin Anderson, CFO, described their workforce pay structure.

Mr. Lewin asked about making hiring preferential to those living in the CRA. Ms. Cedar said they would be happy to do that, but they must also be mindful of transportation. Ms. Anderson said people wanted to work near where they lived.

Motion by Mr. Calhoun, seconded by Ms. Burrows, to approve the funding request as presented by staff. In a roll call vote, the motion passed 11-0.

VIII. Communication to CRA Board of Commissioners

CRA Staff

Discussed earlier.

IX. Old/New Business

Ms. Burrows wanted the Board to be more consistent in their reviews. She said sometimes they required nothing from developers and provided lots of funding and from others they required significant participation. This would avoid the appearance of cherry picking.

X. Public Comments

None

XI. Adjournment

There being no further business to come before the Board at this time, the meeting was adjourned at 4:22 p.m.

The next regular NPF-CRA meeting will be held **Tuesday – November 8, 2022.**

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