

APPROVED
MINUTES
NORTHWEST PROGRESSO – FLAGLER HEIGHTS
REDEVELOPMENT ADVISORY BOARD
FORT LAUDERDALE
100 NORTH ANDREWS AVENUE
8th FLOOR CONFERENCE ROOM
APRIL 27, 2016 – 3:30 P.M.

Cumulative Attendance
May 2015 - April 2016

<u>Members Present</u>	<u>Attendance</u>	<u>Present</u>	<u>Absent</u>
Steve Lucas, Chair (dep. 5:38)	P	10	1
Ella Phillips, Vice Chair	P	11	0
Jessie Adderley (3:37-5:01)	P	9	2
Leann Barber	P	10	0
Sonya Burrows	P	11	0
Ron Centamore	P	10	1
Alan Gabriel	P	8	2
Mickey Hinton (arr. 3:39)	P	5	5
John Hooper	P	10	2
Dylan Lagi (arr. 3:39)	P	10	1
Steffen Lue (dep. 4:35)	P	4	0
Dev Motwani (3:35-5:26)	P	6	0
Jacqueline Reed (arr. 3:39)	P	7	1
Scott Strawbridge	P	11	0
John Wilkes	A	8	3

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
 Bob Wojcik, Planner III
 Sandra Doughlin, DSD/ECR
 Thomasina Turner-Diggs, Project Coordinator
 Vanessa Martin, Financial Analyst
 Jenni Morejon, Director, Department of Sustainable Development
 Mona Laventure, Recording Secretary, Prototype, Inc.

Communications to City Commission

None.

I. Call to Order / Roll Call

Chair Lucas called the meeting to order at 3:33 p.m. Roll was called and it was stated a quorum was present.

II. Approval of Minutes from March 23, 2016 Meeting

Motion made by Mr. Gabriel, seconded by Mr. Hooper, to approve. In a voice vote, the **motion** passed unanimously.

III. Discussion Items:

a. Monthly Financial Report – Vanessa Martin

Mr. Motwani arrived at 3:35 p.m.

Chair Lucas explained that because there have been several questions from Board members regarding the expenditure of funds on CRA projects, this presentation will clarify the rules governing how these monies are spent. Mr. Brown added that Staff is working to develop an adopted budget for fiscal year (FY) 2016 and FY 2017. He provided documentation to the Board, noting the operating budget, bond issuance for the Wave Modern Streetcar, special obligations, and funds available for projects. The FY 2017 budget estimates CRA intake of just under \$5 million for the funding of projects.

Mr. Strawbridge requested clarification of why the City's capital improvement program (CIP) budget is shown to decrease in 2017. Mr. Brown clarified that the CIP includes CRA projects that meet eligibility requirements for this funding; however, the CRA will also fund non-CIP projects, such as incentive programs. All CRA expenditures are funded through tax increment financing (TIF) revenue within the CRA's boundaries.

Ms. Adderley arrived at 3:37 p.m.

City Financial Analyst Vanessa Martin further explained that the decrease in TIF revenue does not represent a decrease in revenue, but a proposed 2017 CRA budget based on historical trends. When the actual revenue figure becomes available, the FY 2017 budget will be revised to reflect the correct numbers.

Mr. Hinton, Mr. Lagi, and Ms. Reed arrived at 3:39 p.m.

Mr. Strawbridge and Mr. Motwani expressed concern with the appearance of a downward trend in TIF revenue, particularly as there are large projects underway within the CRA that should add to this revenue. Mr. Strawbridge also stated his concern with the presentation, which he felt could give the mistaken impression that TIF revenue is

declining. Mr. Brown characterized the presentation as showing a downward trend in expenditures only. Ms. Martin added that the figures shown for CIP projects reflect proposed projects rather than actual numbers.

Mr. Brown also distributed documents providing brief overviews of CRA projects and what has been budgeted and spent on them. He advised that the dates in which funds were awarded to these projects were included in the document so the Board may more accurately track whether or not they are within the appropriate time frame for expenditures, or if these dollars should be reallocated elsewhere. Chair Lucas noted that this list is also incomplete, and will be updated with the rules of CRA expenditures.

It was requested that the documents also include the total CIP budget for a given year, which would help members to see how all programs are funded as a group. Mr. Brown confirmed that this could be done.

Mr. Strawbridge stated that the Board was previously presented with an interim budget, which had been issued to carry over until a new CRA Plan was adopted and an amended budget could be presented for approval. He asserted that the Board was advised no budget would go forward until they had the opportunity to review it and prioritize initiatives. He noted that the Board was told some projects included in the interim budget could not be funded under the existing CRA Plan.

Mr. Strawbridge explained that his concern was for items that may have been in the CRA budget adopted by the CRA Board, but were not eligible under the CRA Plan at the time they were adopted. Ms. Martin noted that capital projects in the budget must be accomplished within three years or their funding must be reallocated. Mr. Brown advised that Staff would not present or recommend any projects not eligible under the CRA Plan.

Mr. Strawbridge requested that the list show at least four years' worth of budgets in order to show successful projects and the year(s) in which they were funded. He felt this would allow the Board to better track what the CRA has accomplished. Mr. Brown confirmed that the list would include start dates of all open projects.

Chair Lucas suggested that the budget documents also separate items that are considered capital projects from items that are operating expenses. Mr. Lagi agreed that some funded items, such as "Flagler Village Grant" or "Northwest Neighborhood Improvements," should include additional detail so the Board is aware of how its funds are being spent. Mr. Brown agreed that the items should be listed by project so the Board can see what is and has been funded. Ms. Martin stated she would try to incorporate this information into the document.

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

Chair Lucas distributed updated documents reviewing the proposed CRA incentive programs, which has changed after Board members submitted comments. He suggested that the more general items be discussed first, followed by individual items.

Chair Lucas noted that there is discussion of a focus area within the CRA, and proposed that development along the major arterial roadways of the CRA be incentivized, including 9th Avenue, 7th Avenue, Sistrunk Boulevard, and Andrews Avenue. He further clarified that incentives should extend down Sistrunk Boulevard to Federal Highway.

The Chair also expressed concern that the scope of the incentives was not clearly defined, and noted that the documentation originally included terms that would allow Staff to approve “one-off” projects, which have since been addressed. He concluded that the incentives should require applicants to put up a certain amount of money when requesting funds from the CRA.

Mr. Brown noted that some incentives, such as applications of \$75,000 or more to the Façade Program, could be structured as forgivable loans within target areas, although the applicant would still need to provide some of the necessary cash. He clarified that the incentive programs would require a share of cash from applicants rather than land or another type of equity.

Mr. Lagi stated his concern regarding the definition of “CRA/City-Approved Contractor,” requesting clarification of the term. Mr. Brown explained that the City has a list of vetted contractors who are permitted to work on projects funded with U.S. Department of Housing and Urban Development (HUD) dollars. These contractors have been vetted by the City regarding contracts they have completed, financial capacity, history of similar projects, and compliance with the City’s insurance and risk requirements. Once a contractor’s documentation has been reviewed and s/he has been added to the list, that contractor is eligible to bid on construction projects submitted to the City, which accepts the lowest, most responsive bid.

Mr. Lue left the meeting at 4:35 p.m.

Ms. Burrows asked if additional consideration would be given to contractors from within the CRA. She pointed out that this would also serve to help the CRA through job creation. Mr. Brown advised that this was not part of the program for approved contractors, as competitive bids are driven by cost. Ms. Barber also spoke in favor of additional consideration within this system for contractors from within the CRA.

Mr. Centamore requested clarification of the CRA Board’s designee as mentioned in the documentation. Mr. Brown explained that according to the CRA By-laws, the CRA Executive Director is its designee. Chair Lucas noted that City Manager Lee Feldman is the Executive Director. Mr. Centamore suggested that the documentation include the

phrase “Executive Director and/or designee” where necessary, and stated that he did not recall this issue coming before the Board for a decision.

Mr. Motwani stated that his understanding was the Board would allow its designee to make certain funding decisions for the Home Buyer and Rehabilitation Program based on their dollar amount. Mr. Brown clarified that he would ask the CRA Board to allow Staff to approve requests that meet the program’s qualifications and requirements, as this is not a major program.

Mr. Strawbridge stated that he felt there should be a funding cap on applications for which Staff may make funding decisions. Mr. Brown replied that he would recommend programs funded through the Façade, Residential Rehabilitation, and Purchase Assistance Programs allow Staff the discretion to approve projects that meet these programs’ criteria as approved by the CRA Board. The Residential Rehabilitation Program offers up to \$75,000 in funds, while the Purchase Assistance Program offers up to \$45,000. Requests over these limits would have to go before the Board.

Ms. Barber returned to the issue of City-approved contractors, stating that she was in favor of supporting contractors located within the CRA. She asserted that the City should amend the way in which its list of approved contractors is compiled. Mr. Brown advised that this would mean changing the City’s procurement policy.

Mr. Strawbridge commented that the CRA had the option of adopting its own procurement policy; however, its leadership chose to continue following the City’s policy. He requested clarification of whether or not a project costing more than \$125,000 would be required to go out for public bid. Mr. Brown explained that Staff would develop the scope of work for projects. Staff’s construction review specialists would determine the scope of a given project, as they now do for all City housing and commercial projects. Properties would not be permitted to choose their own contractors.

Chair Lucas restated his support for a focus on the major arteries of the CRA, clarifying that he would apply this focus to the Façade Program. He noted the recent renaming of a portion of Sistrunk Boulevard, stating that incentives for this street should extend beyond the railroad tracks. Mr. Brown advised that most of the slum and blight in the CRA is located west of Sistrunk Boulevard, and clarified that all programs would apply to all properties within the CRA.

Motion made by Mr. Strawbridge, seconded by Mr. Hinton, to approve, limiting the Staff discretion to \$50,000, [and] anything higher needs to come back to the Board.

Mr. Strawbridge clarified that his reference in the **motion** was to the Redevelopment Advisory Board rather than the CRA Board. It was also clarified that the **motion** referred to the proposed Façade Program.

In a roll call vote, the **motion** passed 10-2 (Chair Lucas and Ms. Burrows dissenting).

Mr. Brown stated that he would move the Board's recommendation on to the CRA Board, but advised that Staff would make a contrary recommendation in terms of Staff's discretionary approval.

The Board moved on to the Property and Business Improvement incentive program. Mr. Brown explained that the CRA would provide a loan of up to 75% of a project's eligible costs that do not exceed \$500,000. The property owner is asked to provide the remaining 25%. If a project is over \$500,000, the owner must provide a dollar-for-dollar match.

Mr. Brown concluded that the language referring to 75% could be removed from the program description, as this could be confusing, and replaced with language stating the program would provide a forgivable loan of up to \$500,000. The intent is to ensure that participating businesses are bringing funds to the table as well.

Chair Lucas pointed out that "substantial renovation" was not clearly defined using either a dollar amount or a description of renovation. It was clarified that the program would bring all applicants before the Advisory Board for a recommendation, unless the CRA Board makes a different determination. The amount of money the property owner must bring to the project would be determined on a case-by-case basis.

Ms. Reed asked if a property owner could use land as equity for this program. Mr. Brown replied that under the Property and Business Improvement incentive program, it is more reasonable to allow an owner to provide land as equity than in other programs, such as the Façade Program. He pointed out that this program allows for new construction. Ms. Burrows asserted that owners should be able to use land as equity in cases of improvements to existing properties as well as in cases of new construction. Mr. Brown concluded that this would be left to the Board's discretion.

Mr. Gabriel pointed out that allowing land to be used as equity raises several new issues, such as the land's value and whether or not it is encumbered. He felt a program allowing use of land as equity should limit that use to real equity, not land for which there is a mortgage or a security lien. Mr. Brown advised that the CRA may require private appraisals at the applicant's expense.

Mr. Strawbridge did not feel it would be appropriate to vote on this program, as several questions remain unanswered at this point. Chair Lucas asked that Staff email the members with a list of differences between the current and proposed programs to provide greater clarity.

Ms. Barber stated that she would like to see the program's incentives used primarily within the focus area. She asked if there were any examples of property owners in the

CRA or the focus area who may be eligible for and interested in the incentives. She felt all incentives discussed thus far have gone instead to individuals outside the focus area. Mr. Brown replied that part of the CRA's focus is to establish a restaurant/retail district, and there are properties within both the program's focus area and the entire CRA that could house restaurant or retail uses. Staff's proposal is to ensure that the program is widely used within its focus area.

Ms. Adderley left the meeting at 5:01 p.m.

Ms. Burrows pointed out that some property owners do not redevelop because they do not have sufficient cash, and added that these owners would benefit from being allowed to use land as their equity. Mr. Brown reiterated that the Board may determine whether or not they would like the dollar-for-dollar match requirement to be part of the program. Ms. Barber emphasized that the CRA should reward owners who have already invested in the area rather than new investors. Mr. Brown stated that providing a forgivable loan of up to \$75,000 without requiring equity from a property owner is a significant incentive.

Vice Chair Phillips advised that there are businesses existing within the CRA, and on the Sistrunk Corridor in particular, that are struggling to remain where they are. She urged the Board to ensure there are incentives for these business owners. Mr. Brown recalled that the initial plan was to simplify the existing program, allowing case-by-case review for projects of less than \$150,000; however, additional requirements have been proposed by the Board. He concluded that he hoped the final program will market what the CRA Board wants to see.

No motion was made on this program.

The Board moved on to the Streetscape Enhancement Program, which is very similar to the existing program. Chair Lucas stated that this program offers a forgivable loan for a certain number of years, with the amount due to be pro-rated if the property is sold within a certain time frame.

Mr. Strawbridge observed that while he was in favor of attaching this program to the land, he did not favor giving a streetscape improvement grant to a developer who may sell the profit at a significant profit, as there would be no way for the CRA to recapture its funds. Mr. Brown acknowledged that this has happened in the past, but pointed out that there are other businesses in the CRA that could benefit from the program.

Mr. Brown continued that when considering the terms of the loan, the remaining life of the CRA must be taken into consideration once there are only two to three years left. He emphasized that the Advisory Board will make recommendations to the CRA Board for this program, which can include the length of the loan period.

Mr. Brown stated that he did not expect the Façade, Exterior Rehabilitation, or First-Time Home Buyers programs to come back before the Board for final approval, although other programs will be brought back, as modifications were made to their descriptions.

Motion made by Mr. Motwani to approve.

Mr. Gabriel stated that he would **second** the **motion** if it were **amended** to include language that would bring it back before the Advisory Board for recommendation. Mr. Motwani accepted this **amendment**. Mr. Gabriel **seconded** the **motion**.

Ms. Barber asked if there has been a determination of how many dollars within the CRA budget would be spent on this program within both the CRA and the focus area. She noted that while major projects in the Flagler Village area have come before the Board, comparatively few funds seem to be going to the focus area. Mr. Brown explained that the program must first be developed before program funding decisions may be made.

Ms. Barber asked if the proposed changes in the incentive programs would change the amount being spent on them in the future. Mr. Brown replied that changes to the program are intended to make it easier on applicants, as there are some areas of the CRA where owners may have land but not cash. He concluded that he hoped the program would be competitive.

Mr. Brown urged the Board to determine whether or not the amended programs satisfied some of the earlier complaints about the existing programs. He advised that if the Board does not want the dollar-for-dollar match, this should be stated in the **motion**.

In a voice vote, the **motion** passed 7-4 (Ms. Barber, Ms. Burrows, Ms. Reed, and Mr. Strawbridge dissenting).

It was decided that the Board would discuss the proposed residential program, as well as the programs revised at today's meeting, at their May 26, 2016 meeting. The Item is scheduled to go before the City Commission on June 7, 2016. Mr. Brown requested that the members review the items during the interim so he could address any questions prior to the meeting date.

Mr. Motwani left the meeting at 5:36 p.m.

IV. Old / New Business

Chair Lucas stated that a public relations firm has been hired by the City to conduct outreach and encourage stakeholder participation in a Transit Master Plan. The firm is seeking a volunteer from the Redevelopment Advisory Board. He encouraged any interested Board members to reach out to CRA Staff for information.

Chair Lucas left the meeting at 5:38 p.m. Vice Chair Phillips assumed the position of Chair.

- **Mosaic Update – Mosaic Group**

Members of the Mosaic Group provided a PowerPoint overview of the firm's recent activities, which included updating websites and the social media toolkit for CRA neighborhoods. Mosaic has met with members of the Flagler Village, Progresso, Dorsey Riverbend, and Melrose neighborhoods, as well as nearby homeowners' associations.

Mosaic held a Northwest CRA Business Improvement Breakfast on April 22, 2016, which was well-attended by businesses, retailers, and community partners. Mr. Strawbridge recommended that this event be held on a quarterly basis in order to sustain enthusiasm. The Greater Fort Lauderdale Alliance has requested a partner meeting between its partner businesses and Mosaic.

Slides were shown of events planned for Small Business Week, which will include a Money Matters Mixer on Thursday, May 5, 2016. Stakeholders from banking, small businesses, and other industries will be invited to attend. Other events include a small business conference at the Old Dillard Museum on Friday, May 6, at 8:30 a.m., as well as Small Business Saturday from 10 a.m. to 2 p.m. in Sistrunk Park. The intent is to activate the entire neighborhood through a ribbon-cutting, food trucks, trolley rides, and a health fair. Mr. Brown encouraged the Board members to attend some of the planned events during Small Business Week.

Mr. Lagi requested that the Mosaic update be moved to an earlier position on the Agenda.

Mr. Strawbridge advised that the University of South Florida will lead a community development training opportunity over the summer, which will be hosted in Fort Lauderdale. Similar events in nearby towns have resulted in the development of more than 240 units, including retail. Developers from Miami-Dade, Broward, and Palm Beach Counties will be invited to attend.

There being no further business to come before the Board at this time, the meeting was adjourned at 5:46 p.m.

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