

**MEETING OF THE FORT LAUDERDALE  
COMMUNITY REDEVELOPMENT AGENCY  
8<sup>TH</sup> FLOOR CONFERENCE ROOM  
CITY HALL**

**TUESDAY, FEBRUARY 20, 2007– 2:51 P.M.**

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Chairman Naugle called the meeting to order at approximately 2:51 p.m. Roll was called and a quorum was present.

Present: Chairman Jim Naugle  
Member Christine Teel  
Member Charlotte Rodstrom  
Member Carlton B. Moore  
Vice Chair Cindi Hutchinson

Absent: None

Also Present: George Gretsas, City Manager  
John Herbst, City Auditor  
Jonda K. Joseph, City Clerk  
Harry A. Stewart, City Attorney  
Alfred Battle, Director, Community Redevelopment Agency

**Minutes of the February 6, 2007 - Regular Meeting**

**Motion** made by Vice Chair Hutchinson and seconded by Member Teel to approve the minutes of the CRA meeting held on February 6, 2007. Roll call showed: YEAS: Vice Chair Hutchinson, Members Teel and Rodstrom, and Chairman Naugle. NAYS: None.

**Selection of Sistrunk Developers, LLC for the development of the 401 NW 6<sup>th</sup> Street Site**

Al Battle, Director of the CRA, said that in September 2006 the CRA Board approved the establishment of the Evaluation Committee for the purpose of reviewing and ranking proposals for the 401 NW 6<sup>th</sup> Street Site. Four proposals were received after a second re-issuance of the RFP.

Member Moore arrived during the discussion of this matter.

At the February 6, 2007 Commission Meeting, it was voted 4-1 to have presentations made to the Commission by the responding developers.

Mr. Battle further said that it is staff's recommendation to uphold the Evaluation Committee's suggestion of awarding the contract to Sistrunk Lofts.

There were 5-minute presentations made by the development teams, beginning with Sante Fe Lofts, Sistrunk Lofts, Sistrunk Corners and Flagler Lofts.

Ernie Ojito said he is part of the development team for Sante Fe Lofts. He said that one of the partners is the owner of a piece of property to the north of the subject site and their proposal includes the development of both sites thereby increasing the size of the project. They also have control over the property directly to the east and want to develop that site as Phase II of this project. A copy of the site plan was shown. The project would consist of 29 condominiums and four live/work units, along with four retail spaces and three stories of parking. He said further that their project would be compatible with the surrounding neighborhood. He then began to show various photographs of the proposed project.

Patrick Murphy, Sistrunk Lofts, said that on October 15, 2005 their company made a presentation and three things have remained constant. One is that the criteria of their project never changed, the group of developers and investors have not changed, and thirdly the intent of the project has not changed which is to jump start the area. The project will consist of five live and work units, along with five commercial units, and two units would be offered at the \$198,000 affordable level.

Manuel Gutierrez, architect and general contractor for Sistrunk Corners, said they are a small firm involved in urban development. He read from the criteria listed in the CRA pamphlet, along with Item #17 in the RFP. Their project would consist of 16 units and all of them would be considered affordable. The units would begin at \$175,000. He further said that they had a responsibility to provide affordable housing in accordance with the criteria in the RFP, and he believed those units would sell faster versus the high-end units.

Tamara Peacock, architects for Flagler Lofts, said their proposal is in the middle and would consist of a 9-unit building. A plaza would be incorporated with landscaping that could be used for recreation. It would be a rental building because this is the present trend due to construction prices and rental was included in the RFP. This project is 100% affordable and would not resemble a typical housing project. A Mediterranean elevation is available, but they feel the present design fit in more with the surrounding community. It was stated that the African-American theme worked on by George Gadson would be incorporated into the plaza area, along with the Henry Flagler theme as well.

**Motion** made by Member Moore to approve the recommendation made by staff and the Selection Committee.

Member Rodstrom said she believes in homeownership, but that does not appear to be in reach at the present time due to the marketplace. She asked if the developers that present today would be willing to sign a reverter clause stating that the property would go back to the City if not developed within three years. Member Moore agreed with such a position.

Mayor Naugle asked about the process a developer has to follow in acquiring building permits and the progress regarding construction.

Mr. Battle said there is a certain time of period involved when construction must begin. The agreements are signed stating that conveyance of the property does not occur until the developers meet certain minimum requirements.

Commissioner Rodstrom asked about the time frame involved in the process to be followed, excluding the time period needed to acquire building permits. Mr. Battle said the review process was done fairly quickly and then closing dates were scheduled.

John Herbst, City Auditor, said he has reviewed all four proposals and two of them are lacking the required financial data that is to be submitted. Those lacking such information are Santa Fe Lofts and Flagler Lofts. He suggests that all necessary information be submitted before the proposals are considered.

Mr. Battle said that some developers do not submit all information until later on because it becomes a public document, and therefore, they reserve the right to review such information prior to entering into an agreement.

Commissioner Moore said he has worked in this area and on this corridor for a number of years and he had urged one of the developers and an adjacent property owner to join forces and create one project because he believed that would have been in everyone's interest. Most CRAs purchase properties and force individuals to move out, but they are attempting to make those individuals part of the community. The first thing stated in the charette was that this boulevard would offer home ownership because individuals in the community want to own a piece of the pie. Henry Flagler burned down the homes on the beaches and forced individuals to move to the other side of the railroad tracks, and therefore, it is insulting to attempt to honor the man. The concept put on the table was Afro-Centric. He strongly recommends the firm selected by staff and the Committee.

Chairman Naugle said that Henry Flagler created a lot of jobs in the area. In looking at the RFP, he believed the two projects which responded best were Sistrunk Corners and Flagler Lofts. He further said that he is not hung up on whether they are rental or owner-based units. Member Moore said he is hung up on giving citizens what they want.

Chairman Naugle referred to the past zoning code and said that people quit building one-bedroom units, and most units built now are larger.

Vice Chair Hutchinson said that she likes the Sistrunk Corners development. Member Moore agreed that was a good project. He said the opportunity for a young professional to buy a one-bedroom unit is feasible, but the market is dealing with a minimum of two-bedroom units. The other issue is that he did not differ with the RFP requirements, but there are a number of projects that the communities desire. Therefore, he believes the Commission should consider what the community is requesting. The affordability issue did not come into play until the last three years, and the key is to have a percentage of affordable units available.

Member Moore asked how much the City paid for the property that is the subject of the RFP. Mr. Battle said the City paid \$145,000. Member Moore said the only way they meet the CDBG requirements is that they are paid the amount of money that the community development paid for the land. Therefore, such requirements were met by each of the proposers. The structure of the rental units as presented is why they would not want that development because it resembled the surrounding warehouses. They are looking for an Afro-Centric view of how the community should be developed in the future. He further said that ownership is a priority and he hopes the Commission understands that, along with the opportunity for retail merchants to be on the subject corridor. This has been an

under served area and the reason there are no middle income individuals in the area is because most of the subsidized rentals are located in this community. In looking to develop a boulevard, they have to increase people's earnings. The rental units would provide dwellings for lower income individuals in the community and that is inappropriate.

The City Auditor said that Candace Construction (Sistrunk Corners) in 2002 had negative assets and were essentially bankrupt at that time.

Chairman Naugle said that the project being recommended is only offering one affordable unit. Mr. Battle said that the project only consists of dwelling units. He further said that since they have to go through the public disposal process, they could sell the property for less than fair market value. Therefore, if a developer would offer a lesser price, they would have to meet the entire CDBG obligation, but since they are offering more than that price, they could alter their project.

Member Teel said that the information being provided by the City Auditor is very helpful, but she also wants to hear the District Commissioner's opinion regarding the project.

Member Rodstrom asked what was the percentage of affordable units to be provided in the project pursuant to the RFP requirements. Mr. Battle said that a percentage was not specified, but the developer is proposing to pay more for the land than what the City paid for it.

Member Moore said they could ask the developer for another unit to be constructed.

Member Teel asked if there is a need for five commercial units in the project. Member Moore said he is concerned about the number of commercial spaces, but he believes since there is a lack of such services in the area that this development would be successful and desirable.

Patrick Murphy said that the idea and concept was to bring some type of activity to the area. The smaller live/work unit would encourage that concept and be more affordable. Member Moore asked if there would be different entrances to the building for the different areas. Mr. Murphy said that can be done, but parking becomes an issue. On the bottom floor the units are continuous.

Member Moore asked if the commercial portion of the building could be entered from the street, but do not provide access to the residential units and vice versa. Mr. Murphy confirmed. Member Moore further asked if the parcels could be sold separately. Mr. Murphy confirmed.

Mr. Gutierrez said Canadas Construction is used by their firm and works at cost, and it does not mean that the developer is not successful.

**Motion** made by Member Moore and seconded by Vice Chair Hutchinson to approve the recommendation made by staff and the Selection Committee for the Sistrunk Lofts project.

Member Rodstrom said the important thing is to make the units affordable, and therefore, she is not in support of the recommendation being made.

Member Moore said nothing is affordable if one does not own it. If one builds only for the poor that is all they will have. Middle-income people provide the opportunity for commercial development.

Member Rodstrom asked if \$1400 per month is the Section 8 price. Mr. Battle and Member Moore confirmed.

Member Moore said that America works because it has a middle class and it is not segmented-off so only the poor live on the other side of the railroad tracks. If there is an under served community, one must deal with gentrification in order to provide a quality of life.

Member Rodstrom asked if the project would be brought back before this Board in connection with the buffering requirements.

Marc LaFerrier, Director of Planning and Zoning, said that the code would be followed.

Roll call showed: YEAS: Vice Chair Hutchinson, Members Teel and Moore. NAYS: Member Rodstrom and Chairman Naugle.

There being no further business to come before this Board, the meeting was adjourned at 3:51 p.m.

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Jim Naugle  
Chairman

ATTEST:

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Jonda K. Joseph  
City Clerk