

**MEETING OF THE FORT LAUDERDALE  
COMMUNITY REDEVELOPMENT AGENCY  
8<sup>TH</sup> FLOOR CONFERENCE ROOM  
CITY HALL  
TUESDAY, NOVEMBER 15, 2011 – 2:30 P.M.**

Chairman Seiler called the meeting to order at approximately 4:01 p.m. Roll was called and a quorum was present.

Present: Chairman John P. "Jack" Seiler  
Vice Chair Bobby B. DuBose  
Member Bruce G. Roberts  
Member Charlotte E. Rodstrom  
Member Romney Rogers

Absent: None.

Also Present: Lee R. Feldman, Executive Director  
John Herbst, City Auditor  
Jonda K. Joseph, Secretary  
Harry A. Stewart, General Counsel  
Alfred Battle, Director, Community Redevelopment Agency (Northwest)

**1. Funding Request and Development Agreement - \$125,000  
Multi-Family Housing – NE 3 Avenue and NE 7 Street**

Request for Reconsideration – Funding for Local Government Contribution, in the amount of \$125,000 – income-restricted multi-family housing at NE 3 Avenue and NE 7 Street, contingent upon an approved application for housing tax credits, transfer of funds and authorization to negotiate development agreement with ZF Development, LLC.

The City Attorney explained that this item was included on the agenda at the request of Member Rodstrom for the purpose of reconsidering agenda item 4 that was approved on November 1, 2011.

**Motion** made by Member Rodstrom and seconded by Member Rogers to reconsider November 1, 2011, Agenda Item 4. Roll call showed: YEAS: Member Rodstrom, Vice Chair DuBose, Member Rogers, Member Roberts, and Chairman Seiler. NAYS: None.

Chairman Seiler opened the floor for public comment.

Alan Hooper, 2719 NE 37 Drive, noted that this and items 2 and 3 pertain to the same neighborhood. He requested that no projects requesting CRA (Community Redevelopment Agency) funding be moved forward without first being presented to the neighborhood. He also asked that the CRA establish a protocol for processing developer's requests for incentives as he believed these projects should be formally presented to the neighborhood before going to the advisory board (Northwest-Progresso-Flagler Heights Redevelopment Board) and the CRA Board. Also, he requested that the CRA hire a consulting firm to work with Flagler Village Civic Association (association) to establish a low-income (housing) planning strategy. He thought there is a lot of low-income product in the marketplace which could be positioned to uplift people

currently living in low-income housing that is inferior to the proposed project. The association should be given a say in consideration of the proposed project.

Zaid Ammed Valderrama, 733 NE 4 Avenue and resident of Bamboo Flats, recalled buying into the vision of Flagler Village as an up-and-coming neighborhood. He thought placing low-income housing projects in the area will not benefit property values.

Michael Peeples, 787 NE 4 Avenue and resident of Bamboo Flats, thought his investment would be covered when he purchased property in Flagler Village as he believed it was an up-and-coming neighborhood. He suggested refacing existing affordable housing in the area, rather than building more.

Vertram Dabney, president of Bamboo Flats Homeowners Association, indicated that the original purchasers bought into a changing neighborhood, and wanted to be part of that change. The need for affordable housing is recognized. The neighborhood however has not had a voice, and there is no strategic plan. He agreed with Mr. Hooper. If a new project is built, perhaps people in the area will move and existing properties will be refurbished or sold. He stressed that all residents must have a voice in this process and a plan is necessary to determine the impact to the community.

Dave Shalkop, vice president of Bamboo Flats Homeowners Association and vice president of the Flagler Village Civic Association and a resident of Bamboo Flats, thought the CRA plan is based on out-of-date data. He agreed with Mr. Hooper and Mr. Dabney. The focus should be on developing a plan. All of these developments will shape the future of Flagler Village and the city. He noted that new projects built in the area are generating \$3.7 million annually in tax revenue. Since the CRA was enacted, a total of 688 market rate residential units and 591 market rate rental units were built. He contended that there is a demand for a variety of housing product because two of the market rate rental buildings are 99 percent occupied. If all of the proposed projects are approved, it would mean 600 affordable housing units which will exceed the number of market rate rentals. A plan must be developed and presented to the association.

Michael Zembillas, 721 NE 4 Avenue, noted that a plan is needed. He thought the economic impact of the proposed project must be examined in terms of in-flows and lost tax revenue from depreciating market values. He believed the association has a right to understand the assumptions and that an informed decision best for the community and taxpayers is made.

Sheila Franklin, 434 NW 1 Avenue, noted that she owns property in Avenue Lofts and Nola Lofts. She recalled moving to this area by choice because of the vision and promise of the future downtown area. She elaborated upon a July, 2005, Sun Sentinel article which was an impetus for her move. It predicted residential and business growth in the area with only one low-income rental building which had accommodation for ownership. She emphasized that she is not against (affordable housing), but would have thought twice about her move in light of the four proposed projects to be built within one block of her residence. It is a noble effort. However, both of her properties have dropped 65 percent in value in three years. It will not help the original purchasers to build the low-income rentals. She guessed these projects are an accommodation for the developers because they are no longer able to build condominiums. She was worried about her financial future and that of all Flagler Village residents.

Terry Hayes, 638 NE 18 Avenue, noted that she has owned property on NE 1 Avenue for over thirty years, and elaborated upon renovations she made. Her property value has decreased 80 percent in five years. This represents part of her retirement. She agreed with Mr. Hooper's

recommendations. She noted her service on the first CRA advisory board. She did not think the proposed projects reflect the CRA purpose which was to improve the northwest infrastructure and draw investment and positive development. She recalled that previously projects were brought to the association before coming to the Commission.

Charles King, 105 Victoria Park Road, noted that he owns property in Bamboo Flats which he rents. He believed the rent at the proposed development will be much less than what he collects for units in Bamboo Flats. Although crime will not likely increase, he thought the proposed offers a free lunch right next door to owners who need to maintain the rental values of their homes. Rental value is the last value people in this area have. He noted his experience as a realtor. He thought it seemed a back room deal may have occurred. Chairman Seiler clarified that the proposed projects were brought forward as unanimous recommendations from the advisory board. Mr. King indicated that the advisory board does not have a plan. He believed the Commission should clean house with respect to that board. He questioned how building low-income housing in Flagler Village will benefit anyone.

Larry Goldberg, president of Avenue Lofts Condominium Association, expressed support of Flagler Village Civic Association and Mr. Hooper's comments. He bought into the vision as an original owner at Avenue Lofts and currently owns three units. However, it is getting more difficult to secure rentals or sales because the question of the downtown is coming into play.

Hope Calhoun, representing the Applicant, ZF Development, LLC, an entity owned by ZOM, Inc. (ZOM), noted that this item is a request for reconsideration of a funding contribution that was approved on November 1. She pointed out that the item was not deferred on November 1, despite the Board's knowledge that funding requests for two additional projects would be brought forward. This is a first-step which would allow ZOM to apply to the State for funding to develop this project in Flagler Village. She referred to an excerpt from the City's website which indicates that the CRA has partnered with several private developers to ensure high-quality development and housing opportunities for local area workers. She elaborated upon possible occupations. The opportunity to voice concerns about the type of housing will be at a later point in time. This project must go before the DRC (Development Review Committee), Planning and Zoning, and, ultimately, the Board at which time ZOM will present the project and residents' concerns can be expressed. As for the other affordable housing projects on this agenda, she noted that the Board's approval of one project does not preclude them from supporting the others. She indicated that the Applicant is willing to consider building another type of affordable housing if it is determined that the proposed is not desired by residents and the Board. However, nothing can be done until the State funding is awarded. The goal is to build housing that allows people in, both, high and low pay ranges to live together, as set forth in the CRA plan.

Alfred Battle, Northwest Community Redevelopment Agency Director, explained that, historically, the protocol for any funding request is that staff brings it to the advisory board, and then the CRA Board. However, the proposed applications are requesting funding, but have not gone through the City's typical design review or site plan analysis process which requires some type of permission or approval from the local community prior to coming before the Board. Chairman Seiler indicated that this is not a design issue. He was concerned whether a plan is in place that considers the ratio of rentals versus ownership, and low-income versus market rate. He supports affordable housing and assumed there was a master plan within the CRA that considers these factors to ensure the housing market's survival. He also questioned whether the ratio of infrastructure to housing is considered. There is only \$1 million left in the CRA. The Executive Director explained that the CRA plan does not include a desired mix of rental to

ownership or market to non-market housing mix. There is no long-term allocation plan for how the funds are spent; rather, it is done on a project-by-project, first-come, first-served, basis from the advisory board to the CRA Board. Being that a balloon payment will be coming due, he noted that the Board know exactly how much funding is left in the CRA project fund, as well as the 2004 A- bonds for infrastructure and B-bonds for land acquisition, demolition and rehabilitation projects. He confirmed there is approximately \$1 million in the CRA project fund including the application from the November 1 meeting. Staff will look into whether it can refinance the balloon payment over the remaining life of the CRA which will help replenish the project fund. Staff is looking at current encumbrances to see if they can be charged to the bond fund which will provide more funding in the project fund. In further response, he explained that \$1.4 million is a conservative estimate to close-out the Sistrunk project. Chairman Seiler stressed that Sistrunk needs to get done. The Executive Director noted that staff has met with the contractor and engineers to determine this estimate.

Member Rodstrom recalled that there was a large debate that pre-dated the prior commission about affordable housing in the downtown RAC (Regional Activity Center) which is part of the CRA. Some analysis of this issue was done and the County made a decision about how much affordable housing was needed in the RAC based upon the number of units that were going to be allocated. However, a Commission consensus was not reached. So such an analysis should be done to make sure that affordable housing is executed in a fair fashion throughout the entire RAC and CRA. As for the concern that many individuals felt they were left out of the process or were not given notice in time, she explained that, historically, affordable housing developers have sought this funding match from the County. However, in the last couple of years, the County has directed developers to seek the local match from the city first if the project is located in one of the fourteen large cities. She went on to note her commitment since 2006 to the Northwest Commercial Redevelopment Project Phase I (NCRP) which had been on the backburner for eighteen years. She has reconsidered her former idea to move a number of projects forward in hopes of getting some funding because the NCRP is also applying through the County and will be in direct competition with this proposal. She wanted to back the project that has been waiting the longest. She was previously unaware that the County and City are competing for the same tax credits derived from the same small funding pool. As for planning, she concluded that the CRA should have a plan for how to do this. Member Rogers noted that he was aware of that and that was why he objected because the first-come, first-served process is faulty. There should be criteria to rank these projects based on the State guidelines. He felt the residents who spoke were willing to be urban pioneers. The area could live up to the vision of a diverse neighborhood. The worst thing to do would be to build a project simply to fill a vacant lot. There is no affordable housing strategic plan for the CRA. It is the CRA Board's fault for not directing the advisory board to develop a strategic plan. He raised a concern that if all of the proposed projects are awarded State funding, 35 percent of the CRA's remaining funds would be spent on just these three projects. There could be five affordable housing projects within two blocks and that would not be good planning.

Member Roberts referred to the Executive Director's memorandum on the CRA funding status (11-357) and noted that, although this item is a reconsideration, it must not be considered in isolation, but rather in context with the other projects on the agenda. He agreed with Member Rogers that a plan is needed. If he were to approve this project, he would not be able to move forward with the other two. So, perhaps, he should reconsider approving this until a plan is adopted. He wanted more information from staff. He noted there has been over \$14 million in assistance in the CRA since 2005. He did not believe that the CRA can afford to support all three proposed projects. There is a need for low-income elderly housing, but it cannot be placed

all in one area and all at once. He was reluctant to move forward with any of the proposals until more information is provided and a plan devised.

In response to Vice Chair DuBose, Mr. Battle provided more clarity on the \$734,000 payment to the U.S. Department of Housing and Urban Development shown in the Executive Director's memorandum which is attached to these minutes. He went on to describe the CDBG (Community Development Block Grant) line of credit and how it funds projects identified within the CRA. The City Auditor pointed out that these payments to HUD are like a prepayment of a future project expense. The \$734,000 is an expense that the CRA would have incurred this year or next anyway. HUD is simply a conduit to the vendor. Member DuBose questioned whether some of these funds could fall outside of the CRA, considering it is CDBG. The City Auditor indicated that they have to both be in alignment. The CDBG can be outside of the CRA. This is within the CRA so it fits within their plan and fits within the guidelines of CDBG.

Vice Chair DuBose agreed that a plan is key. He indicated that this issue ties into the City's Affordable Housing Advisory Committee's mission which has to be citywide and more comprehensive than the CRA. He thought a part of the problem is the imbalance that resulted with the CRA when it was formed because the northwest is about eighty percent rental. He understood that some of the proposed projects are requesting a pseudo match in order to qualify to receive the State funding. If they receive the tax credits, they do not want the \$125,000. He referred to the County's involvement in that some projects have already been approved by the County therefore he questioned how much this Board can weigh in. If the Board moves forward with a more comprehensive approach, the City as a whole, including non-CRA areas, must be considered because the CRA has exceeded the (affordable housing) numbers. Also the need should be identified as well as the distinctions of housing types needs to be made clear. Member Rogers agreed, and noted that affordable housing can be defined as anywhere from ten percent to 125 percent of the AMI (average median income) which is \$64,000. Vice Chair DuBose thought the project for the elderly should be weighed heavily because that demographic captures segments of the community like veterans that face housing challenges. He emphasized that whatever action this Board takes may not necessarily stop these projects. Chairman Seiler pointed out that the County previously ranked projects in this program but has now referred them to the City. At the City level if a project was submitted it was approved. He believed the Board should rank the projects, consider the mix and target their efforts. The CRA is supposed to increase property values. If the opposite is occurring, it is a concern. Because he already voted on this project, he would not change his position, but he would not be in favor of approving anything else until a plan is developed. He reiterated that there should be some level of density and diversity on many fronts. Vice Chair DuBose pointed out that the County has allocated a match to some projects in the City. If the projects before the Board today had not missed the cycle, the Board would not have known what the County was approving. He wanted to look at everything. Chairman Seiler thought staff should meet with the County along those lines. Member Rogers emphasized the need for the Board to follow a process. The City Auditor suggested the application to the City require from what other agencies the applicant is seeking funding. Other questions could be proximity to other similar projects and transit. The Executive Director added that the Housing Authority needs to be at the table.

**Motion** made by Member Rodstrom and seconded by Vice Chair DuBose to approve the item as presented. YEAS: Vice Chair DuBose and Chairman Seiler. NAYS: Member Rodstrom, Member Rogers and Member Roberts.

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Note: The Board recessed at 5:01 p.m. and reconvened in the Chambers on the first floor of City Hall at 8:11 p.m.

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**4. Funds Transfer – Eula Johnson House Renovation - \$37,498.33**

Transfer funds in the amount of \$37,498.33, for Eula Johnson House renovation project.

Member Roberts noted in the future items of this nature should come before the Board for approval in advance.

**Motion** made by Vice Chair DuBose and seconded by Member Rodstrom to approve the item as presented. YEAS: Member Rodstrom, Vice Chair DuBose, Member Rogers, Member Roberts and Chairman Seiler; NAYS: none.

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Note: The Board recessed momentarily, convened the regular meeting to approve corresponding Item M-09, and then returned to the Board meeting at 8:13 p.m.

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**2. Funding Request and Development Agreement - \$125,000  
Multi-Family Housing – NE 7 Street and NE 2 Avenue**

Funding for Local Government Contribution, in the amount of \$125,000 – income-restricted multi-family housing in Flagler Village (NE 7 Street and NE 2 Avenue), contingent upon an approved application for housing tax credits, transfer of funds and authorization to negotiate development agreement with Housing Trust Group, LLC.

Courtney Crush, representing the Housing Trust Group, LLC., indicated that the Applicant reached out to the Flagler Village Civic Association (association) and there was a meeting scheduled for November 7 that was canceled by the association. Information was provided to them.

Shawn Wilson, principal of Housing Trust Group, LLC., agreed with previous discussion that the Board should be making funding recommendations and creating housing policy based upon a thoughtful study. He also agreed with the concept of ranking and a competitive RFP being part of the process. Because the Board does not know if there will be a cycle next year, therefore he felt action should be taken under these circumstances in order to try to get these federal dollars into Fort Lauderdale. He outlined questions to consider in deciding whether to approve this project for the requested \$125,000 funding this evening. This project will be targeted to elderly. There are zero tax credit elderly units allocated in the city. He went on to note that there are five tax credit developments for the elderly and 18,000 income-qualified renter households in the county with only some 800 units available. The population in this category is growing rapidly. He noted the project's location in relation to the other two proposals this evening. There are no other projects this far east. Based on demographics and geographics, he believed this project will garner a positive recommendation under any plan and funding criteria. He highlighted some design features including those being made at the staff's recommendation. He requested approval this evening.

In response to Member Rodstrom, Mr. Wilson advised that the targeted age range is 55 and older. In response to Member Roberts, Mr. Wilson advised there will be 111 units and eighty percent of the units must be occupied by an individual that is 55 or older. Although it is permitted, it would not be their intention to open the twenty percent to non-elderly households because the eighty percent do not like it. In further response, he noted the source he used for the statistical data previously mentioned was the Florida Housing Finance Corporation and indicated that their data had to do with elderly tax credit developments. There may be other types of housing available for the elderly. Vice Chair DuBose noted elderly development in the northwest. Mr. Wilson indicated the list had some two thousand properties across the state and could have had some bad information. The intent was to emphasize that there is very little elderly housing in the county in comparison with the need.

Chairman Seiler explained the need for the Board to secure an inventory of existing housing types and so forth. He agreed that an elderly project is appropriate. He had no problems with the project. Member Rogers felt there is a market for this in Flagler Village, but first wanted a strategic plan. Members Rogers and Roberts thought the project is great. Member Roberts agreed that a plan is first needed. Vice Chair DuBose thought the project is very well designed. He favored doing something for this particular demographic. In response to Vice Chair DuBose, Mr. Wilson advised that the \$125,000 is not needed to obtain economic feasibility, but rather it is only because of the State application requirement. If the project is approved, the funding would be returned back to the CRA. Mr. Wilson emphasized that this is very lucrative federal funding that is only available once a year. It has been twenty-eight months since the last cycle and the next cycle is unknown at this time. He referred to the Board's professional staff and their review of the project. He noted other approvals that took place in Miami-Dade, West Palm Beach and St. Petersburg. Tax credits are the only avenue for this type of project. Circumstances could change and this site may not be competitive next year.

**Motion** made by Member Rodstrom and seconded by Vice Chair DuBose to approve the item as presented. YEAS: Vice Chair DuBose; NAYS: Member Rodstrom, Member Rogers, Member Roberts and Chairman Seiler.

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### **3. Funding Request and Development Agreement - \$125,000 Multi-Family Housing – Andrews Village – 520 North Andrews Avenue**

Funding for Local Government Contribution in the amount of \$125,000 – income-restricted multi-family housing at 520 North Andrews Avenue, contingent upon an approved application for housing tax credits, transfer of funds and authorization to negotiate development agreement with Global Development Initiatives.

Wilson Atkinson, representing Global Development Initiatives, indicated that the unknown fear expressed by the neighbors two weeks ago should not exist with this project. On July 7, 2009, this project was approved after an exhaustive procedure that included the neighborhood associations, Development Review Committee, Planning and Zoning Board and CRA Board. This project is 106 units. The permits are active through 2014. If approval was granted this evening, Global would not know whether this project would be accepted until the middle of 2013 which would mean funding in the early part of 2014. The proposed construction cost is \$31,600,000, and \$25 million of that number would be equity. The difference of between \$6-7 million would be a conventional bank loan. It will not appear on the foreclosure block because of the extent of equity. The only difference will be the income level of the occupants, ranging between \$30,000 and \$50,000. He commented that almost all of his entire non-lawyer staff

would qualify to reside in this development. He quoted some of the comments of speakers on November 1 and went on to note that this project will produce \$80,000-\$100,000 in real estate tax revenue annually for a period of fifty years. This project will provide for residents to spend no more than thirty percent of their wages which means everyone will have to be a wage earner. He cited some occupation examples. He pointed out that there is a downtown regional activity center plan that requires affordable housing. There is a CRA directive to revitalize this residential neighborhood and requires affordable housing. The development process has been followed and this building has been approved with the exception of specifying the tenant makeup. Applicants must declare the type of housing whether it be for the homeless, families or the elderly. This application is for family housing which means it is workforce. Eighty percent of the units will be affordable and twenty-six will be market value. The market rent on a one-bedroom is \$1,600 and the affordable rent on that unit is \$848. The market rent on a two-bedroom is \$2,000 and the affordable rent on that unit is \$1,017. The market rent on a three-bedroom is \$2,350 and the affordable rent on that unit is \$1,175. These people will have money to spend; they are the new middle class. Once qualified for residency, an individual is not required to leave if their income increases. He went on to quote the earning maximums of various family sizes. During the construction of this project, an estimated 120 direct jobs will be created. There will also be indirect jobs created. If this project is not approved this evening, he could not guarantee it will be built. If it must go through the process again, it is expensive and time-consuming. He reviewed the timing of payment of the \$125,000 in relation to when the building permit and park impact fees are paid.

In response to Chairman Seiler, some discussion ensued as to the number of affordable housing units in existence in Flagler Village today. Mr. Atkinson noted some of the history concerning governmental requirements in the area of affordable housing and the City's foresight in adopting a downtown regional activity center plan that specified 500 units. This threshold has not been reached. He did not think the old units in the area be counted because people may move into this project and improve their quality of life, which may facilitate getting rid of those older units. In response to Chairman Seiler, Mr. Atkinson defined old units as forty years because the code requires an inspection at that point in time.

Chairman Seiler reiterated that the Board has reached the conclusion recently there is a need for an inventory on housing types in the CRA and decisions on targeting expenditures. He explained it is not a matter of money coming back to the CRA, but rather what is happening to the overall neighborhood in terms of economic prosperity. The TIF for this project would be \$32,000. Mr. Atkinson did not think that number makes sense on a \$31 million project. Chairman Seiler explained if there are housing units at below-market value, then other units in the area are artificially kept low in value. Mr. Atkinson felt that would be suggesting that the market rate units would never rent. He went on to explain that the only difference between what was already approved and what is being discussed today is the income level. He did not agree that forty percent below market values would help keep market value rents up in the area because market rents are generated by people earning well over \$50,000. Because of the income level for those that would qualify, it is a much smaller group. These people cannot go elsewhere in the area and rent at the level of the Lofts, for example. Chairman Seiler wanted to hear from staff if there is a shortage of affordable housing in Flagler Village and as such this project is needed. Mr. Atkinson pointed out that the criteria for the downtown regional activity center and the CRA for affordable units is much higher than this approval would allow. Chairman Seiler reiterated that the Board does not know its inventory or the needed housing mix.

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Member Rogers felt this is more about the market than affordable housing. He pointed out that units in Flagler Village that were originally intended for sale are now rentals that are doing very well. It appears that there is a demand for housing in the area so it is about price point. He commented on the role of policymakers in planning for this area's future. If all of the projects coming forward believe they will be successful, perhaps there is a market for something a little higher. In response to Member Rogers' question, Mr. Atkinson indicated that when this project was approved in 2009, it was planned to be condominium. Member Rogers concluded that the developer has made a financial decision to not take the risk for a market rate development. Mr. Atkinson pointed out that the banks simply will not provide financing. Member Rogers suspected that will not be the case indefinitely. He felt the financial market has changed in the last six months.

**Motion** made by Member Rodstrom and seconded by Member Roberts to approve the item as presented. YEAS: None. NAYS: Member Rodstrom, Vice Chair DuBose, Member Rogers, Member Roberts and Chairman Seiler.

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**5. Funding Request – Community Bus Service – Sun Trolley - \$60,000  
Downtown Fort Lauderdale Transportation Management Association**

Funding in the amount of \$60,000, for Sun Trolley Community Bus Service fiscal year 2012 operating budget – portion of cost for routes within the Beach Community Redevelopment area.

**Motion** made by Vice Chair DuBose and seconded by Member Roberts to approve the item as presented. YEAS: Member Rodstrom, Vice Chair DuBose, Member Rogers, Member Roberts, and Chairman Seiler. NAYS: None.

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There being no further business to come before the Board, the meeting was adjourned at 9:05 p.m.

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John P. "Jack" Seiler  
Chairman

ATTEST:

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Jonda K. Joseph  
Secretary