

**NORTHWEST-PROGRESSO-FLAGLER HEIGHTS  
REDEVELOPMENT ADVISORY BOARD**

**REGULAR MEETING**

July 18, 2005 – 12:30 P.M.

**CITY HALL**

**100 North Andrews Avenue**

**8<sup>th</sup> Floor Conference Rom**

**Fort Lauderdale, Florida**

<b>Board Members</b>	<b>Present</b>	<b>Cumulative from 01/01/05</b>	
	<b>Absent</b>	<b>(P)</b>	<b>(A)</b>
James Brady	A	P-6	A-1
Stanley Brown, Chairman	P	P-7	A-0
William Cain	P	P-7	A-0
Jim Carras	A	P-4	A-3
Jerry Carter	P	P-5	A-2
William Cone, Sr.	A	P-4	A-3
Albert Fils	P	P-5	A-2
Hector Haguaburo	A	P-3	A-4
Tim Hernandez	A	P-4	A-3
Brice Lambrix	P	P-7	A-0
Laura Mutti	P	P-7	A-0
Ella Phillips	P	P-7	A-0
Rosaline Osgood	P	P-4	A-3
Marcia Barry Smith	P	P-5	A-2
Clare Vickery	P	P-7	A-0

**CRA/City Staff**

Alfred Battle, Director CRA

Mina Samadi, CRA Engineering Design Manager

Thomasina Turner-Diggs, Project Coordinator

Joan Oliva, CRA Planning and Design Manager

Bob Wojcik, Planner III

Sharon Miller, Assistant City Attorney

DJ William-Persad, Assistant City Attorney

**Visitors**

Peter Feldman      James Cote      Richard Russell

James & Ada Cole, Cole Holdings      Pamela Adams, MoHomes, LLC.

## **I. Call to Order/Roll Call**

The July 18, 2005. meeting of the Northwest-Progresso-Flagler Heights Redevelopment Advisory Board was called to order at 12:40 P.M. by Chairman Brown. A quorum was achieved with ten board members present.

A roll call was conducted by Mr. Battles. The results are above.

## **II. Approval of Minutes – June 22, 2005**

The minutes of the June 22, 2005, regular meeting were reviewed. Ms. Vickery noted that the minutes reflected her absence, when in fact she was present. The minutes shall be corrected to reflect that error. In addition, Ms Vickery felt the minutes did not accurately and completely reflect her comments as regards to Item III, the Flagler Heights Precinct Plan Update. Ms. Vickery advised she will email a more complete statement to Mr. Battle for inclusion in the next set of minutes, expressing a desire to be explicit rather than generic.

A motion was made by Mr. Carter and seconded by Ms. Barry Smith to accept the June 22, 2005, minutes with the anticipated forthcoming adjustment from Ms. Vickery. A vote was taken and the motion carried unanimously.

## **III. CRA Advisory Board Nominating Committee Report**

Chairman Brown requested that this item, which was originally Item VII, be placed next on the agenda. Mr. Battle reminded the Board members that at the May 25th meeting Chairman Brown had asked Mr. Carras to chair the Nominating Task Force. The Task Force met on July 5<sup>th</sup>, a meeting that was properly posted, and consisted of; Chairman Jim Carras, Ella Phillips, James Brady, Peter Feldman as Past CRA Chairman, Alfred Battle, and Joan Oliva of the CRA Staff. Mr. Battle advised that for the position of Chairman, two individuals were ultimately nominated: Stan Brown and Jim Carras. For the Vice Chair position, four members were nominated: Rosalind Osgood, Jerry Carter, Marcia Barry Smith and Ella Phillips. After much discussion, the Task Force voted unanimously to recommend that Stan Brown remain chair for one more year, and that Ms. Phillips become Vice Chairman for the fiscal year 2005-2006. Mr. Battle added that nominations can be taken from the floor at this time.

Chairman Brown opened the floor to nominations. Ms. Mutti commented that she finds this nominating system flawed. She interpreted the minutes from the May 25<sup>th</sup> meeting to say that the Board was to make nominations to the CRA

Director who would then provide the candidate's names to the chair of the nominating committee. She questioned a process that provides only one candidate for consideration. **Chairman Brown** reminded the Board that although the Task Force made a recommendation, but nominations from the floor are encouraged. **Chairman Brown** added that the thinking behind forming the Task Force was to formalize the process, which is something that has been missing for a number of years. The Task Force's function was to narrow down the candidates, recognizing the fact that not everyone is qualified, nor are they willing, and to recommend the best candidates in their opinion to fill the two positions.

**Ms. Vickery** agreed with Ms. Mutti and opined that this process was making the procedure too complicated. She advocated simply nominating candidates at a regularly scheduled board meeting, studying the credentials at that time, and taking a vote. **Chairman Brown** reminded the members of the Board that this year this Board as a whole chose to utilize a task force, but that could be changed in future years if the Board felt it wasn't working well.

**Mr. Carter** noted that the task force was an added component to the process normally utilized in past years, which is an improvement as the task force took the time to study the candidates and make an educated, informed recommendation.

**Chairman Brown** opened the floor to nominations. **Ms. Mutti** nominated Clare Vickery for Chairman, and Albert Fils for Vice Chairman relating their dedication, experience, knowledge, and capabilities to fill the positions. **Chairman Brown** asked for any further nominations from the floor. **Mr. Carter** moved that the nominations be closed. There being no further nominations, **Chairman Brown** closed the floor.

**Mr. Fils** addressed the Board, advising that although he appreciated the nomination, he felt it was in his best interest to decline. **Ms. Vickery** also addressed the Board and thanked Ms. Mutti for her nomination, adding that she felt she couldn't accept the nomination due to the fact that she feels there is an agenda she is not aware of. She admits to not having read the minutes of the May meeting. **Chairman Brown** addressed the issue of a secret agenda, adding that the meeting was attended by a quorum of members, the minutes were available and are public record, and requested a copy of the minutes be provided to Ms. Vickery.

**Mr. Carter** made a motion to approve Stan Brown for Chairman, and Ella Phillips for Vice Chairman, as recommended by the Nomination Task Force. **Ms. Osgood**

seconded the motion. A vote was taken and passed 8 to 2, with Ms. Mutti and Ms. Vickery opposing.

#### **IV. MoHomes, LLC Development Agreement for River Gardens Phase II – Bob Wojcik**

Mr. Wojcik advised the Board that complete information on this item is included in the packet. Basically, Mr. Wojcik advised he is here to ask the Board's recommendation to enter into an agreement with MoHomes, which was the selected developer for the River Gardens Phase II project, located in Sweeting Estates. It consists of eleven homes built on twelve lots. Eight of the homes occupy the site of the former Henry's Retirement Home, with the other three homes located along Northwest 21<sup>st</sup> Terrace. One area of negotiation that still needs input from the CRA Board is pricing. The developer's original proposal indicated a desired price range for non-income restricted units, of which there are two, at \$145,000. That price has since increased to \$198,000 by authorization of the City Commission. The other units' prices are the subject of today's presentation by Pamela Adams, and Ada and James Cole, who are the majority owners of MoHomes, LLC.

Ms. Adams agreed there was only one significant open issue in the negotiating of the development agreement and that is the cap that the staff wants to put on the market-rate homes, which will affect eight homes (the ninth home will also have a price cap as per the agreement). Ms. Adams requested there be no price cap on the eight market driven homes, as was her understanding of the intent of the RFP. At the time of the RFP the estimated cost and sale price was \$225,000. **Chairman Brown** inquired if staff had a recommendation and was told by Mr. Battle that after conferring with staff and the city attorney's office that this is a policy issue and should be decided by the CRA Board. Mr. Battle acknowledged that prices have risen since the proposal was received, as well as the affordable guideline ratio.

**Chairman Brown** opened the floor to the Board members for discussion. **Ms. Mutti** commented that the backup material was received late and felt the Board did not have enough time to properly study and review the contents. She also noted the backup material noted it would provide a copy of the proposed agreement upon request, adding that that document should have been attached. Mr. Battle noted that the agreement was lengthy and a summary was attached as an exhibit. **Ms. Mutti** asked if the presentation being made tomorrow to the City Commission was

the same material presented today. She was told yes. She commented that without a cap of the price, the sky is the limit. Mr. Cole commented that it would be limited to what the market will bear.

**Ms. Barry Smith** is a strong proponent for affordable housing. She feels very strongly about the two affordable units and feels the increase is too high to be considered actually affordable. She strongly recommends the CRA Board retain the original price of \$145,000. Ms. Adams noted that the price was adjusted by federal guidelines.

**Ms. Vickery** feels the increase is appropriate based on the fact that it's a year later and the guidelines have changed. **Ms. Vickery** pointed out that the developer was given \$300,000 to assist with the project, and that the average cost of building the types of homes that are planned for that area is in the \$150-160K range. **Ms. Vickery** advised that the profit margin is in the 20% range on the capped homes at the selling price of \$198,000 and feels that is fair, but she has a concern with the other eight homes being allowed to sell at market rate. She suggested the developer consider capping three more houses at \$245,000 and consider capping the rest to some degree to more stay in line with the original intent of providing affordable homes in that area.

**Mr. Cole** answered that the RFP only required that two homes be sold at a capped amount, adding that MoHomes added a third house in the proposal at an original price of \$165,000 which has now been adjusted to \$218,000. With all due respect to Ms. Vickery's cost estimates, Mr. Cole disagrees with the cost of building a home. **Chairman Brown** asked the Board to consider that this builder won the RFP, and that the RFP itself set the tone and rules for the project.

**Mr. Fils** commented that there is an inherent risk in setting a sales price of a unit today that is not going to be delivered until a year from now. The developer has to realize an adequate return for the investment and risk.

**Mr. Carter** commented that the City of Fort Lauderdale's CRA name is attached to this development venture and the project reflects on us. Not to have a price implies that we are uncertain about what is offered. He commented that unfortunately today's market climate is dictating to desperate buyers, which sometimes result in foreclosures, which always have a negative impact on the community. Ms. Adams reiterated MoHomes' willingness to cap three of the homes. She asked the Board to treat the developer fairly as per the dictates of the RFP, which was a market rate, market driven vessel. **Mr. Carter** commented that

the Home Program has stipulated income guidelines to insure the elimination of the possibility of a home buyer being subjected to a consequence that could be detrimental.

**Ms. Barry Smith** added that if memory serves her correctly one of the winning features to MoHomes' RFP application was how appreciative they were of being given the chance to be a good partner. She recalls them asking for the least back. On those grounds, in fairness to them, if they are adhering to the other provisions in the RFP as promised, they should be allowed to proceed at market driven prices like any other developer. She did add that the Board should be aware that at \$198,000 we're not talking about low-income people anymore. For this reason, she asked that the two capped home remain at the original price of \$145,000.

**Ms. Osgood** inquired if it was possible to reach a compromise with respect to an increase that would work for both parties. **Chairman Brown** answered that those figures are set by government and are out of our control. He also noted that MoHomes placed the figure of \$145,000 in the RFP, but could have as easily left the dollar figure out and used the term "current affordable guideline figure at time of construction". If that had happened, we wouldn't be having this discussion. Another comment he made is that this is certainly CRA acquired land and as such has that label.

**Ms. Vickery** made a motion that the CRA Advisory Board recommends that we accept the cost of the two homes at \$198,000, and the one home at a cost of \$218,000, but based on further consideration of the City Commission, to offset those costs, she recommends the other market units be adjusted accordingly at a cap that is consistent with the commensurate increase, for example \$245,000. **Chairman Brown** called for a second to the motion. Hearing none, the motion died for lack of a second.

**Mr. Carter** noted that Ms. Vickery's point was well taken; however, the level of subsidy rose \$25,000, so actually the increase after the adjustment has to reflect that. **Mr. Carter** has a concern about the longevity and stability of the neighborhood.

**Ms. Barry Smith** observed that the developer appears open to the suggestion of a compromise. **Ms. Mutti** voiced her concern that there is not enough time to make a proper decision, other than to vote for the original application.

**Ms. Mutti** made a motion that the CRA Advisory Board not take a vote on this item until more concrete information is presented in light of the fact that the real estate market is volatile. In other words, submit a vote of "no recommendation" to

the City Commission at their meeting tomorrow night. **Chairman Brown** called for a second to the motion. Hearing none, the motion died for lack of a second.

**Ms. Osgood** made a motion that the two units originally priced at \$145,000 will now be offered at \$170,000 to represent the \$25,000 subsidy increase. In addition, the unit now priced at \$218,000 be allowed to remain at \$218,000. In addition the other eight units be priced as follows: the four 2-bedroom units, originally priced at \$192,000, now be offered at \$245,00; and the remaining four units to be offered at \$278,000, representing the \$53,000 increase in the rate initially talked about at today's meeting. **Ms. Barry Smith** seconded the motion.

**Mr. Cole** voiced his concern that these houses will not be constructed for another year or so, and to be locked into a set dollar amount is not wise for a developer. He added that he expects to lose money on the capped houses, but is still willing to take the risk on the eight houses but they must be permitted to sell the eight houses at market rate. In addition, if the houses are sold at too low a price, it opens the door for investors to purchase and flip, which is not the intent for this neighborhood.

**Ms. Vickery** suggested a deed restriction be put in place to prohibit such activity. **Mr. Carter** suggests considering a recommendation of restrictive covenant to avoid this problem. In that regard, **Mr. Cole** noted that that would also place a restriction on the new owner, who should be able to sell their property if they so choose.

**Ms. Barry Smith** noted there is a benchmark that needs to be considered, an area medium cost of housing, which is a moving target, and which perhaps could be tied into this agreement so that the movement is reasonable. **Ms. Barry Smith** suggested that for the eight market driven units we consider adding the term "to not exceed the cost of the area medium cost of housing for Broward County at the time of CO or at the time of construction". **Chairman Brown** noted that the figure for the area medium cost today is \$330,000. **Mr. Cole** added that \$330,000 would be an acceptable cap on the eight units. With the recommendation of two units capped at \$170,000, **Mr. Cole** noted he could stay within 170-175K range. As for the third unit, he agreed to the price of \$218,000. For the other eight units **Mr. Cole** agrees they would be capped at \$330,000, or the area median housing price. **Ms. Osgood** asked for a definition of the word "area". **Chairman Brown** answered that the only thing published is the county figure. **Ms. Vickery** added she was comfortable with the motion. **Mr. Fils** felt there were too many unknowns to limit the developer to a certain figure. His concern is the developer will be

subjected to substituting a lower product or considering a change in footage to fulfill the dollar agreement.

**Mr. Lambrix** recused himself from the vote as he was doing work in the area.

After listening to the comments made by the Board members, Ms. Osgood made a decision to rescind her motion. Ms. Barry Smith rescinded her second to the motion. Chairman Brown acknowledged the original motion and the second has been withdrawn.

**Ms. Osgood** made a motion that the CRA Advisory Board recommend to the City Commission that two units be designated "affordable" and be offered at \$170,000; that the one 3-bedroom unit be offered at \$218,000; and that the developer be allowed to offer the other eight units at market rate.

**Ms. Barry Smith** seconded the motion.

**Ms. Mutti** inquired if it was proper procedure for a Board member to abstain from voting. **Chairman Brown** advised that a yes or no vote was expected. **Chairman Brown** called for a vote. A vote was taken. The motion passed 7 to 2, with **Ms. Mutti** and **Ms. Vickery** voting against, and **Mr. Brice Lambrix** abstaining.

## **V. Mount Olive (MODCO) Development Agreement – Mr. Battle**

Mr. Battle presented the Board with the authorization to enter into an agreement with the Mt. Olive Development Corporation as a developer of a project on Sistrunk Boulevard, in response to an RFP they had responded to. MODCO had been reviewed and approved by the CRA Advisory Board before the meeting of the April CRA Board at which time MODCO was additionally confirmed as the developer for this project. The project is the construction of a 2-story building, approximately 4000 square feet, for administrative offices, training, computer lab, and also some residential units on the second floor. There would be an assistance package from the CRA which would include disposition of CRA land to them at no cost, as well as a grant to the developer in the amount of \$137,350 to assist with on-site infrastructure improvements. The grant is amortized over a 5-year period, so in essence it would not be repaid. If the developer performs and stays on the site for that amount of time, there is also a covenant that runs with the land for 15 years in the event that the developer changes use. A copy of the summary of the

terms of the agreement is attached as exhibit A. Mr. Battle advised that staff asks for approval as presented.

**Chairman Brown** opened the floor for discussion or a motion. **Ms. Barry Smith** abstained due to the fact that she is on the board of MODCO. **Ms. Osgood** also abstained due to conflict. **Mr. Lambrix** was under the impression the developer was going to return with a revised site plan with regard to the façade for the Board's review. Mr. Battle noted that that was correct, and that he had spoken with the developer a few days ago and was asked to convey the fact that they are still working on the revisions and final design review, and that the developer was asking for support on the overall project with the condition that the final revision will be approved by this Board before the land is conveyed to them. **Chairman Brown** commented it would be difficult to not convey the land at that point under those conditions. **Mr. Carter** noted that this is an opportunity for the CRA to dispose of a parcel that needs a development opportunity. He recommends the Board go forward with the approval subject to approval of the site plan when it is submitted. **Chairman Brown** advised that Joan Oliva, a planner, is participating in the process of getting the plans through the design review and will be working with the project at that level.

**Ms. Vickery** left the meeting at 2:00 P.M., which left the Board without a voting quorum with the two members abstaining. **Ms. Vickery** was asked to stay for the vote, but declined. A discussion was held concerning the perceived conflict for **Ms. Barry Smith**. With the assistance of the City Attorney's office, it was decided that she could be a board member and still vote without a conflict, which then left 8 voting members of the CRA Advisory Board.

**Mr. Lambrix** noted he doesn't feel comfortable voting for something he has not seen, and something that had problems in the beginning with a weak presentation.

**Mr. Lambrix** made a motion that this item be tabled at this time. **Ms. Mutti** seconded the motion.

**Chairman Brown** called for discussion. **Mr. Carter** reiterated that this is a very small parcel, and that this proposal was submitted with consideration of the adjacent land as well, which offers the opportunity for development that would not otherwise exist. **Ms. Phillips** inquired how long of a time this would be tabled for. **Chairman Brown** answered it will return as soon as possible. **Mr. Fils** inquired

when the revised plan might be expected. Mr. Battle did not have an answer, noting they were struggling to get the site plan issues resolved.

Chairman Brown called for a vote. A vote was taken and the motion passed with a vote of 5 to 3, with Ms. Phillips, Mr. Brown and Mr. Carter voting no.

#### **VI. CRA Façade Program Delegated Authority – Mr. Battle**

Mr. Battle advised that the program has come up against a few procedural issues with which staff requires assistance. Mr. Battle requested the Board's approval to enter into the agreements without having to bring them back before the Board project by project, as long as the cap threshold is met. It is the intention of Mr. Battle to present the completed projects on a quarterly basis to keep the Board apprised of the progress being made.

Ms. Mutti made a motion to approve the request. Mr. Carter seconded the motion. Chairman Brown called the vote. A vote was taken and the motion passed by a vote of 8 to 1, with Mr. Lambrix voting against.

#### **VII. FY 05/06 NPF CRA Budget**

Mr. Battle presented the Board with the proposed budget as submitted to the Budget Office for the 05/06 fiscal year, with only one change; the HUD item has been removed because HUD requires the payments to be funded directly back to the Community Development Block Grant Division. The change reflects DDA's obligation to remove monies expected in 04/05 to reflect monies expected in 05/06. The rest of the budget remains the same.

**Chairman Brown** inquired if the 06 TIF income was an actual figure. Mr. Battle answered no, that that figure was an estimate. **Mr. Lambrix** inquired about the Development Assistance figure. Mr. Battle noted that figure reflects encumbered dollars for projects in the area. When a project gets approved, monies are moved into that particular project. **Mr. Lambrix** inquired if the same would be true for Streetscape Enhancements. Mr. Battle answered that that was true. **Chairman Brown** noted the budget was in good health and reflected possible future bond buildup potential. **Mr. Lambrix** inquired about the 6<sup>th</sup> Street project, wondering if the funds were reflected in this budget. Mr. Battle answered that the project was moving forward with a public hearing tomorrow night to decide whether or not the Commission wants to direct staff to move forward, but costs have not yet been formulated.

It was the general consensus of the CRA Advisory Board that the budget be approved.

### **VIII. Director's Report – Albert Battle**

Mr. Battle addressed the Board noting it had been his intention to answer some of Mr. Brady's questions from the last meeting about the street closure issues in the Progresso Village area raised by Mr. Lepine, but as Mr. Brady was not present, Mr. Battle was inclined to postpone the item until the next meeting.

Mr. Battle inquired whether the Board desired not to have an August meeting. After a short discussion, the Board decided not to have a meeting during the month of August.

### **IX. Adjournment**

A motion to adjourn was made by Mr. Lambrix and seconded by Mr. Fils. There being no further business being brought before this Board, the meeting was adjourned at 2:15 P.M.

Respectfully submitted,

Jody E. Lebel  
Recording Secretary and Notary Public