

City of Lauderdale

*City Commission Chambers at City Hall
5581 W. Oakland Park Blvd.
Lauderhill, FL, 33313
www.lauderhill-fl.gov*



Meeting Minutes - Draft

Monday, June 26, 2023

3:00 PM

City Commission Chambers

Community Redevelopment Agency Meeting (CRA)

CRA Executive Director Sean Henderson

LAUDERHILL CITY COMMISSION

Mayor Ken Thurston

Vice Mayor Sarai Martin

Commissioner Melissa P. Dunn

Commissioner Denise D. Grant

Commissioner Lawrence Martin

Desorae Giles-Smith, City Manager

Andrea M. Anderson, City Clerk

Angel Petti Rosenberg, City Attorney

I CALL TO ORDER

Mayor Thurston called to order the Community Redevelopment Agency (CRA) Meeting at 3:03 PM.

II ROLL CALL

Present: 5 - Commissioner Melissa P. Dunn, Commissioner Denise D. Grant, Commissioner Lawrence Martin, Vice Mayor Sarai Martin, and Mayor Ken Thurston

Vice Mayor S. Martin arrived at 3:08 PM and Commissioner D. Grant arrived at 4:54 PM.

ALSO PRESENT:

Sean Henderson, Executive Director
Angel Petti Rosenberg, City Attorney
Constance Stanley, Police Chief
Andrea M. Anderson, City Clerk

HOUSEKEEPING

A motion was made by Commissioner L. Martin, seconded by Commissioner M. Dunn, to ACCEPT the Revised Version of the Community Redevelopment Agency (CRA) Meeting Agenda for June 26, 2023. The motion carried by the following vote:

Yes: 3 - Commissioner M. Dunn, Commissioner L. Martin and Mayor K. Thurston

Abstain: 0

Off Dais: 2 - Commissioner D. Grant and Vice Mayor S. Martin

III APPROVAL OF MINUTES

A. MINUTES OF THE SPECIAL COMMUNITY REDEVELOPMENT AGENCY (CRA) MEETING FOR MARCH 16, 2023.

Attachments: [March 16, 2023 - Special CRA Meeting Minutes](#)

A motion was made by Commissioner L. Martin, seconded by Commissioner M. Dunn, that this Minutes be approved. The motion carried by the following vote:

Yes: 3 - Commissioner M. Dunn, Commissioner L. Martin and Mayor K. Thurston

Abstain: 0

Off Dais: 2 - Commissioner D. Grant and Vice Mayor S. Martin

B. MINUTES OF THE COMMUNITY REDEVELOPMENT AGENCY (CRA) MEETING FOR APRIL 10, 2023.

Attachments: [April 10, 2023 - CRA Meeting Minutes](#)

A motion was made by Commissioner L. Martin, seconded by Commissioner M. Dunn, that this Minutes be approved. The motion carried by the following vote:

Yes: 3 - Commissioner M. Dunn, Commissioner L. Martin and Mayor K. Thurston

Abstain: 0

Off Dais: 2 - Commissioner D. Grant and Vice Mayor S. Martin

C. MINUTES OF THE COMMUNITY REDEVELOPMENT AGENCY (CRA) MEETING FOR APRIL 24, 2023.

Attachments: [April 24, 2023 - CRA Meeting Minutes](#)

A motion was made by Commissioner L. Martin, seconded by Commissioner M. Dunn, that this Minutes be approved. The motion carried by the following vote:

Yes: 3 - Commissioner M. Dunn, Commissioner L. Martin and Mayor K. Thurston

Abstain: 0

Off Dais: 2 - Commissioner D. Grant and Vice Mayor S. Martin

IV THIS WILL BE A LIMITED AGENDA MEETING. THE ONLY ITEMS TO BE DISCUSSED WILL BE:

1. RESOLUTION NO. 23R-06-08: COMMUNITY REDEVELOPMENT AGENCY: A RESOLUTION OF THE LAUDERHILL COMMUNITY REDEVELOPMENT AGENCY (CRA) PIGGYBACKING THE CITY OF LAUDERHILL'S APPROVAL OF THE RANKING OF QUALIFIED FIRMS PURSUANT TO RFP #2023-005 FOR SECURITY GUARD SERVICES AS RECOMMENDED BY THE EVALUATION COMMITTEE TO BE USED BY THE CRA; AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT; PROVIDING FOR PAYMENT FROM THE APPROPRIATE BUDGET CODE NUMBER(S) ON AN AS NEEDED BASIS IN A TOTAL AMOUNT NOT TO EXCEED \$100,000.00; PROVIDING FOR AN EFFECTIVE DATE (REQUESTED BY EXECUTIVE DIRECTOR, SEAN HENDERSON).

Attachments: [CRA RES 23R-06-08 Ranking Security Guard Services.pdf](#)

[AR CRA-23R-06-08](#)

[RES 23R-06-153 Bid - RFP 2023-005 - Security Guard Services](#)

A motion was made by Commissioner L. Martin, seconded by Commissioner M. Dunn, that this Resolution be approved. The motion carried by the following vote:

Yes: 3 - Commissioner M. Dunn, Commissioner L. Martin and Mayor K. Thurston

Abstain: 0

Off Dais: 2 - Commissioner D. Grant and Vice Mayor S. Martin

2. RESOLUTION NO. CRA-23R-06-09: A RESOLUTION OF THE LAUDERHILL COMMUNITY REDEVELOPMENT AGENCY (CRA) AUTHORIZING THE DISPOSAL OF OBSOLETE, DAMAGED, INOPERABLE AND/OR SURPLUS EQUIPMENT IN THE MOST COST EFFECTIVE AND FAVORABLE MANNER PURSUANT TO CITY CODE SECTION 2-143; PROVIDING FOR AN EFFECTIVE DATE (REQUESTED BY EXECUTIVE DIRECTOR SEAN HENDERSON).

Attachments: [CRA-RES-23R-06-09-surplus obsolete equipment 2023.pdf](#)

[AR CRA-23R-06-09](#)

[HQ Cleanup](#)

Commissioner L. Martin sought clarification on the type of equipment being disposed.

Executive Director Sean Henderson explained the equipment to be disposed of included sheetrock and other products the CRA acquired in prior years, and in preparation for utilizing the CRA's space, storage bins were purchased in the back. The heavy rains that fell a month ago flooded everything at the location, resulting in damage to the materials, and staff sought to prevent the development of issues such as mold, etc.

City Attorney Rosenberg added the materials being disposed of were unusable.

Mayor Thurston recognized Vice Mayor Martin's attendance for the record.

A motion was made by Commissioner L. Martin, seconded by Commissioner M. Dunn, that this Resolution be approved. The motion carried by the following vote:

Yes: 3 - Commissioner M. Dunn, Commissioner L. Martin and Mayor K. Thurston

Abstain: 0

Off Dais: 2 - Commissioner D. Grant and Vice Mayor S. Martin

3. ITEM REMOVED

4. DEVELOPMENT PROJECT UPDATES (REQUESTED BY EXECUTIVE DIRECTOR SEAN HENDERSON).

Attachments: [CRA Presentation \(As Referenced Within Minutes\)](#)

Mr. Henderson updated the CRA Board on CRA projects, as detailed in the backup, highlighting the following:

- The State Road 7 CRA had been expanded since the last update; the original size was 446 acres, the expansion of an additional 619 acres brought its size to 1,065 acres
- From a value perspective, as of January 2023, the value was \$372 million in taxable value that did not include the expanded area, the value of which had yet to be calculated
- The taxable value of the Lauderhill Mall was about \$26.8 million

• The Le Parc site: The project was estimated at \$70 million on a 9.93-acre site with a little over 300 units; Phase 8 had permits ready for issue, with July as the anticipated timeframe for completion; Phase 8 consisted of four three-story walkups in the clubhouse to facilitate the sale of the property; all plans were in, with the exception of the seven-story tower that was part of the last phase of the project; the County required development projects to be constructed with more energy efficiency, which they already asked the CRA to do for its inf-fill, single family home projects, with such features as upgrading energy calculations in the air conditioning units; similar upgrades were required for the seven-story towers, so when the engineer completed and submitted the revised energy calculations, the plans for the entire project would be completed; to facilitate the Property Tax Reimbursement Program, legal had to devise a development agreement, detailing what it would consist of; the Deputy City Manager and he recently attended a meeting at which the Tampa Bay CRA gave a presentation that gave them additional information on how to ensure the project progressed in the manner staff desired regarding such actions as: limiting or prohibiting a property owner's ability to go to the property assessment board to ask for a reduction; matters dealing with code enforcement that allowed the CRA pull back benefits if there were issues with acceptable property maintenance; they would converse with the CRA's legal staff about incorporating such conditions into an agreement; CRA staff spoke with the property's developer/broker Vivian Dimond the previous week, and due to the intricacies of the subject site, Ms. Dimond agreed to give the City an easement through her property, and this would be included in the agreement, where she would do the construction, and the City would reimburse her subsequently; this prevented the City having to expend the dollars up front, and it was usually more efficient for the developer to do that construction versus the government entity.

Commissioner L. Martin asked if the reimbursement by the CRA for the easement's construction would be in the form of dollars or tax incentives.

Mr. Henderson responded it would be a cash reimbursement to Ms. Dimond, as she agreed to give the CRA the easement portion for the extension of the NW 38th Avenue, and either Ms. Dimond or the CRA could build the easement. Ms. Dimond indicated she would build it as part of her project, and the City would reimburse her for the cost, thus this would be included in the development agreement.

Commissioner Dunn wondered if this was the point at which the CRA would discuss with the developer hiring local vendors and working with local contractors.

Mr. Henderson answered yes, this was one of the caveats of the agreement, noting developers were already doing this, so CRA staff sought to implement best practices, some of which they gleaned from the abovementioned CRA conference, so language tailored to the State Road 7 CRA agreement would be added accordingly. Ms. Dimond indicated she supported hiring locally.

Commissioner Dunn mentioned, with such new residential development, there would be a need for additional emergency services, as well as park services, including the ability to provide such offerings to younger residents, so she asked if staff could, at a later date, educate her on what best practices existed to have developers invest programming for the health and wellbeing of the community,

including recreational services in parks.

Mr. Henderson commented, from his observations, and his attendance at homeowners' association (HOA) meetings where he heard a variety of residents' requests, he thought CRA staff needed to decide on the desired amenities and programming based on resident feedback, and be consistent in making those requests.

City Manager Giles-Smith added her staff and she were looking at park impact fees, so when new residential units were proposed, City staff considered how they would impact existing resources, and how to mitigate and enhance such services; staff was working on adding park impact fees for inclusion at planning stages.

Commissioner Dunn looked forward to hearing more from staff on such impacts and addressing them.

City Attorney Rosenberg remarked on the development agreements, stating, as they were executed via ordinance, the City Commission would always approve them with at least two readings.

Vice Mayor S. Martin wished to know if there would be some language in the agreement between Ms. Dimond and the CRA to ensure the product was at market rate, and not inflated, and could those costs be provided ahead of time prior to approval.

Mr. Henderson replied, from the finance side, staff did their due diligence in verifying all matters, and though he was unable to speak to actual costs, the CRA would have an extra pair of eyes scrutinizing the documents, etc. to make sure the CRA was comfortable with what was being developed. Those costs could be provided ahead of time, as they would be a part of the development agreement.

Deputy City Manager/Finance Director Kennie Hobbs indicated staff already had an idea of cost, and, historically, the developer could construct the project at a lesser cost than the CRA.

Mr. Henderson continued his presentation:

- The 441 Arthouse: the site was located on NW 19th Street and 441: The application was submitted; with the change from abatement to the Property Tax Reimbursement Program, there was a gap of about \$4 million to \$5 million.

Mr. Hobbs noted he was unsure if the members of the current City Commission were in office at the time, but some years prior when the Le Parc developer approached the City about a development project, there was a request for tax abatements, and the City went through the process, and there was Commission approval on a development agreement item to reimburse Ms. Dimond 100 percent of taxes collected over a period of time. Staff did a calculation as to the impact of putting a cap on taxes collected over a period of time, such as ten years. He said, following that model, the Arthouse and 38th Hill made a similar request, and in going through those requests, staff determined a tax abatement could not be done without

residents voting on the matter, which was when staff then brought before the Commission the Tax Reimbursement Program that allowed the City to reimburse taxes based on the development, etc. Rather than approving a 100-percent tax reimbursement, the current Commission approved a 75 percent tax abatement, and 50 percent on permit fees, rather than the previous approval of 100 percent for the Le Parc project. Mr. Hobbs stated once Arthouse and 38th Hill became aware of the new program, the gap for each one of those projects was calculated, and the developers of each project expressed concerns on being able to move forward with their projects with such a large gap; a few years prior when they approached the CRA, they thought they would get the same deal of 100 percent as Le Parc had. The developers of both projects submitted requests to the City, and they wished to meet with the City Manager, and address the Commission subsequently on reducing the gap to facilitate their being able to proceed with their projects; they knew the present reimbursement program was different from the first, and they understood the City's concerns with regard to loss of tax revenue, such as from a 100 percent waiver of inspection fees. As it cost the City to have its inspector work on their project, staff suggested if a waiver was given, the developer had to hire their own inspectors, plan reviewers, etc. to provide those required services, so there would be no cost to the City for these services, as the City did not currently have such persons on staff, it was a hard cost for the City to hire these professionals to provide the services.

Commissioner L. Martin asked if Arthouse and 38th Hill could be grandfathered in based on the past Commission's approval.

Mr. Hobbs affirmed this was possible if the Commission approved the action.

Commissioner L. Martin surmised, as the previous Commission already approved the various abatements for the Le Parc project, changing the percentage to less than 100 was like going back on a promise the City gave the developer.

Mr. Hobbs answered correct.

Commissioner L. Martin asked if the new abatement of 75 percent was in place when Arthouse and 38th Hill approached the City.

Mr. Hobbs indicated it was not, but no abatement agreements were signed between the City and the party when the Commission voted to approve the 75 percent. When both project developers entered into discussions with the City, the City attorneys informed staff it would not be possible to use the same abatement model used with Le Parc, which staff then informed the developers on the change. He stated, however, the developers researched the Le Parc deal, and came back to the City asking for the same waivers, to which staff restated to them it would not be possible; a development agreement for each project was already drafted, in which specifics as to any tax/fee reimbursements were detailed; this was the current status. The Le Parc project's planning portion was completed, and they were ready to break ground.

Commissioner L. Martin questioned if staff had any options to give to the Commission on achieving some compromise or resolution.

Mr. Hobbs replied he did not have the information before him at present, but the plan was to provide the Commission with the documents as to possible options for the upcoming July meeting. There were still discussions staff needed to have on the project valuations, as they needed to be verified, as well as other matters before they came before the Commission.

Commissioner L. Martin wondered how many years ago the process began for the Arthouse and 38th Hill developers.

Mr. Hobbs said it began many years ago.

City Manager Giles-Smith concurred; they began working on the plans for their project years ago, but they never moved to start their project, and it was when the City's legal staff reviewed the proposed development agreements, they informed staff it was not possible to proceed at 100 percent; a different approach was needed. She reminded the Commission, while it was great for developers to come forward with projects, the City's approval could not be granted where the impact would be so large to the City, while their presence would still create the need for additional services from police, fire, parks, etc., and without the additional funding to provide such, the increase in the demand for those services was putting the City in jeopardy.

Commissioner L. Martin agreed, as the City Commission preached to the Lauderhill public that increasing development in the City would lead to them having lower taxes, so agreeing to waive everything would not achieve that goal.

Mr. Hobbs concurred, stating the reimbursement program staff proposed was a balance of getting revenues needed, and providing incentives to developers. The CRA began working with Le Parc some ten years prior, and the agreements reached was a way to incentivize the developer to move forward, and they were the first developer to agree to build, which was different from some of the current developers trying to take advantage of the incentives the City offered. One option staff and he were pursuing was meeting with Ralph Stone of the County to discuss the individual projects to see if the County might consider waiving some of their fees, as the waivers were all on the City's side at present; if the County could make up some or all of the difference, it could make the developers whole or closer to it without all the waivers coming from the City.

City Manager Giles-Smith remarked, looking at the Related Group, the developers that approached the City about a year and a half ago, they did not ask the City for any tax or waiver fee incentives, and their project should be ready for occupancy in January 2024; this was the project at the old Target site on University Drive and Commercial Boulevard.

Mr. Hobbs added Related anticipated getting their certificate of occupancy (CO) by December 31, 2023, which meant they would impact the City's 2023/2024 budget, rather than two years later.

Mr. Henderson commented on the reason the two projects were in the CRA, and

from the value and demand perspective, the intent was to get away from three-story walkups with no elevator, and no parking. The subject developers were approached by staff to ask for better amenities for the Lauderhill community, and they both rose to the challenge; unfortunately, the market trends dictated what rate should be charged per unit, and what should be built in the subject area, and when the CRA approached the United States Department of Housing and Urban Development (HUD), they asked why such high quality residential products were being built in the area of the State Road 7 CRA, and he had to defend the quality of housing product the City requested of the developers. He said the numbers did not lie, and the trends supported a high quality product in the subject area; and considering there were developers competing to develop the old target site, there was little need for incentives, while in the State Road 7 CRA area, the incentives were to attract developers willing to provide a high quality product.

Commissioner Dunn hoped staff would have meetings with each member of the Commission to discuss the various options being explored, asking what would be the outcome if the gap could not be bridged to a desired extent.

Mr. Hobbs explained the developers of both Arthouse and 38th Hill owned the property, so they had other options; for example, the 38th Hill owner informed staff if they were unable to reach an agreement with the City/CRA, they would make improvements to the existing buildings, rather than expand according to the plans they presented to the City, and continue to rent those spaces; to date, the Arthouse developer voiced no alternatives to staff. He noted, based on the State bill that recently passed, there might be some actions the State preempted the City on if the developers chose to go in a certain direction, so the City could only make demands up to a certain point. These developers plans would improve the subject area, and once Le Parc was built, and became occupied, this would create a demand for more of such residential products in that area, and the residential developments taking place in west Lauderhill would contribute to that demand. He reiterated staff wished to have all the approvals in place for Ms. Dimond's Le Parc project before the Commission went on their summer break, as she was set to receive her permits in July 2023, so staff had no wish to delay her until August or September, but for the other two developers, a consensus from the board on how they wished staff to proceed was desired, so staff could continue to work with them, so at the August 2023 meeting, City Attorney Rosenberg could bring forth a development agreement for each, with the hope they could continue to progress with their development plans.

Commissioner Dunn accepted the City's honoring its waiver promises to Ms. Dimond, as those agreements and promises were made some ten years prior. However, she felt it was important for the developments to be a revenue generator for Lauderhill, so wherever staff could find a balance to improve the City's tax base, while still stimulating development in the eastern CRA, as well as create jobs, etc., was welcome.

Mr. Hobbs concurred, stating one of the elements staff was looking at in their research was to see how such development impacted the surrounding area, as though the City might not enjoy the full benefit of the increase in property value, residential properties in the surrounding areas would benefit from an increase in the

value of their properties, and this, too, would increase the City's tax revenues. Looking at the impacts on a broader basis, even if the City was not collecting all the revenue directly from the developers, there would be benefits to the City's tax base from the increased property values of surrounding homes, and general community.

Mr. Henderson continued his presentation:

- The project located at 1883 NW 38th Avenue, the old Rick & Carol's 1.8-acre site: Following the board's direction, staff approached the HOAs, and listened the residents feedback, which was good, and the age of the residents who attended was a good mix; this included the communities of West Ken Lark, Georgetown, and the United HOA; the comments focused on the areas of building height of 15 stories, five of which would be shared parking; in staff's question to the residents of what would be the preferred height if not 15 stories, they had yet to receive any alternative suggestions from the residents; the goal was to get to a point of knowing what the residents desired, and then proceeding with further discussions with the developer; many younger residents in Georgetown asked whether the development would include live/work or mixed use spaces, as many entrepreneurs lived in the area, and they were interested in being able to walk to work, or live where they worked; traffic was another concern, and it would be up to the developer to conduct a traffic study to assess those concerns and present their findings and solutions to the Commission and residents; meetings were being scheduled between the developers and staff in the coming week to work out the grey area of balance.

Commissioner Dunn questioned how high the Le Parc building would be.

Mr. Henderson stated the tallest building was the seven-story towers facing the Central Regional Park.

Commissioner Dunn asked if the developers of the other projects were open to doing seven stories.

Mr. Henderson said staff would discuss the building height with them, adding the number of units was related to construction costs, etc., and the developers had their own formula, so staff could inform them of the residents' concerns, and then they could incorporate them in their calculations and bring back revised numbers; the City did not negotiate against itself.

Commissioner Dunn recalled there was some rule in place regarding building height.

City Attorney Rosenberg affirmed there were a number of laws in place; for example, if building was within the transit oriented corridor (TOC), there were certain building heights allowed, and the new law mentioned if it was under 102, it would be within one mile within the City.

Commissioner Dunn wondered if Le Parc's seven-story towers would be the highest building along the subject corridor.

Mr. Hobbs answered not necessarily, noting that the old Kmart site had a higher

height, and it would be within that distance, and that building was higher than eight stories.

Mr. Henderson knew Ms. Dimond's building height was unlikely to change, but the Arthouse and 38th Hill projects were still in the development phase.

Commissioner L. Martin remarked on the positive effect on surrounding residential property values where the Lennar Homes project was located along NW 55th Avenue, and the possibility of the Central CRA and the City acquiring more properties in that area, on which could be constructed more affordable, single-family homes.

Mr. Henderson responded one of the phases was the old Mission Lake Plaza site, which the CRA was exploring including hiring an architect to do the civil site drawings; based on the CRA plan, the concept was there was a hodge podge of architectural styles in the area, so the plan was to duplicate the housing across the street from the plaza on NW 55th Avenue, both the two-story, and one-story models. Staff reached out to the original developer who owned the plans, and he refused to share them with staff, so the CRA hired an architect to design the same type of housing product, and the City would own the plans henceforth, and could build those types of housing wherever desired. He thought nine homes should fit on the old Mission Lake Plaza site for new homeowners.

Commissioner L. Martin commented staff should urge all the new homeowners to become homesteaded as soon as possible to prevent them getting caught in the tax trap, if not, it could tax some of the new homeowners out of their houses in a year.

Mr. Henderson continued his presentation:

- The Jamaica House project: This project was located on Broward Boulevard and NW 34th Avenue and had been going on for some time. With the expansion of the State Road 7 CRA, staff would ensure the project progressed to fruition; he reached out to the owner, Anthony Amos, and had yet to get a response, but he received information from the engineer; the fence and the graffiti were the most pressing issues currently. The owner/developer was building the project with cash, progressing slowly, and he wanted to contact Mr. Amos to discover what his challenges were, and see if the CRA could provide any support; the owner demolished the parking lot, but the area needed to be paved, so the fencing could be removed; it was a 300,000 build out, and there would be some 300 consumers with discretionary income walking around that area, so he thought this was an excellent opportunity for small businesses, particularly if the CRA sought to place businesses along the NW 38th Avenue corridor; staff was looking for ideas to appeal to a young demographic, and the aim was more of a macro approach, than just focusing on strengthening the City's tax base.

Vice Mayor S. Martin noted across from the Jamaica House site was Battery Express business, and there was a sign posted at that site regarding with them working with the CRA, asking if this was still going on.

Mr. Henderson answered yes; staff delivered the application, and now awaited its submission; staff recognized there were sometimes delays, as the work often involved professional services, such as architects, so staff offered the property owners access to the list of architects the City compiled, all with the goal of keeping the improvement projects going.

Commissioner L. Martin thought the condition of the Jamaica House site could be classified as blighted, and he knew at one point the planning and zoning (P&Z) staff looked into the owner's permitting process, and Mr. Amos did the minimal amount of work on the site to keep the permit active. From the City's perspective, the condition of the subject property was not a good look for Lauderhill, and it was located along a Lauderhill entryway, so whatever staff could do with regard to P&Z, Code, etc. to get the owner to proceed should be done; staff needed to keep the Commission updated on what was taking place at that site.

Mr. Henderson concurred, stating he would speak with Mr. Amos to determine the situation, and update the Commission accordingly. He continued his presentation:

- The Lennar Homes project: work, like other larger developer entities, was proceeding on time, as they had the funding, inventory, access to construction materials, etc.; regarding the housing prices between \$420,000.00 and \$469,000.00, at present, the City's B model was selling at \$338,000.00 for a nice size home; the intent of the program was to allow people in the area to upgrade their residence, have their family members utilize the City's programs and services, and generally improve the community; this was an intangible value, so the Central CRA hoped to keep home prices reasonable, and promote homeowner occupancy levels.

5. INFILL HOUSING UPDATES (REQUESTED BY EXECUTIVE DIRECTOR SEAN HENDERSON).

Mr. Henderson provided an update on infill housing, as noted in the backup, highlighting the following:

- This was the most arduous period as it related to volatility, with rising interest rates, and construction costs, and the demand for materials, and delayed delivery times; there were numerous ups and downs to get the homes built efficiently, and sold, and getting the homeowners in and comfortable
- Phase 1B started with six homes, but it ended with four homes, with only one sold thus far; staff awaited the completion of the other three; simultaneously, staff had to go through the lottery participants to find people who could qualify for the purchase of the homes; the issue was the homes were taking longer to construct, as all four should have been delivered to the CRA in December 2022; the hope was for the next home to be delivered in July 2023, getting that homeowner into the home, and continue the process; the problem was when the second home's owner did their qualification letter, they were at two, 2.5 percent, and now that rate was up to six percent; many buyers who prequalified and signed purchase agreements found themselves in the situation of no longer getting qualified
- Another 50 letters were sent out to lottery participants; staff had gone through about 300 of the 450 in the lottery, and responses were good.
- Someone in the industry of financing with knowledge of the housing market would

give the board an update.

Vice Mayor S. Martin asked if all the properties in the shaded area were owned by the CRA.

Mr. Hobbs indicated all except those shaded in blue that were owned by the Lauderhill Housing Authority (LHA), but their ownership was in the process of being transferred to the CRA, in keeping with the agreement approved previously; the action had been executed, but staff was currently working through the actual transferring, and signing of documents for the CRA to take possession.

Vice Mayor S. Martin questioned if there were any properties for sale in the subject area the CRA was considering to purchase.

Mr. Hobbs answered yes; the City had an active realtor looking at residential and commercial properties on Lauderhill's behalf, so as they became available, staff was notified.

Mr. Henderson explained the obstacle encountered was the limitation on the City to purchase such properties at an appraised value, but the City was being outbid by buyers willing to purchase at higher than the appraised value. However, the purchasers were improving the properties once they bought them, so they were helping to improve the surrounding community. He continued:

- The two areas shaded in yellow were out to bid, on which Minority Builders was supposed to construct but elected not to build, so the CRA put their construction out to bid; they were partially built, as the rough plumbing and foundation were completed; the bid should close on the seventh.

Commissioner L. Martin asked about the reasons behind the delays of the remaining three homes in Phase 1B, wondering if they were builder related, or a combination of the issues noted earlier.

Mr. Henderson explained the CRA hired Minority Builders as the construction manager, and the conditions of the market had been taxing, so he had to defer to the professionals. However, with regard to the actual construction, there was no financing problem, as the CRA approved all the change orders Minority Builders presented.

Commissioner L. Martin recalled the last time the subject project was discussed, there appeared to be some strain between Minority Builders and the City, questioning if such issues played a role in the delays moving forward, asking if Minority Builders was currently building any of the CRA's homes.

Mr. Henderson qualified his comments pertained to the CRA, and business was business, and it was a matter of getting the houses built, which was his focus. The only limitations were to ensure things were being built properly, and since the last time the matter was discussed with the board, the CRA hired its own inspector to go in, and ensure everything was being done up to the expected standard. He said the owner of the first home sold of the four was very pleased with her home, and

staff had to push to get her deal closed, as they were getting ready to increase the interest rate if the closing did not take place by a certain time. Staff was now working on the other three prospective homebuyers, noting the problem was with the roof tiles that were ordered a long time ago, but were never delivered. Staff facilitated an option to immediately change the roof tiles, giving the homebuyer the option, after getting input from the architect to ensure the alternative material was comparable in regard to value and quality, but the purchaser wanted the original roof tiles, so they waited for their delivery.

Commissioner L. Martin surmised when the remaining three would be built, so the others could begin, even if happened simultaneously with two builders working side by side.

Mr. Hobbs affirmed this to be the case, as once the bid closed, if a contractor was selected, it was possible there would be two builders doing construction simultaneously to complete both projects.

Mayor Thurston recognized the attendance of Commissioner Grant.

Michelle Davis, Lauderhill resident for about 25 years, and mortgage professional for over 25 years, and she was working with several clients interested in purchasing one of the CRA's infill single-family housing. They were facing a number of challenges, the main one being finding down payment assistance; one of the purchasers was a City employee, so she understood they were ineligible to apply for down payment assistance. She hoped the CRA could come up with some measure by which to assist such individuals with at least the down payment.; most of the clients she was working with had no down payment issues, but they had problems with the closing costs, as interest rates were higher than when they started the process, so closing costs increased. She introduced one of her clients who had been under contract for one of the infill homes for two years, and when she began the process, interest rates were 2.5 percent, and she was in a completely different situation at present. She continued to work with Mr. Henderson and his staff, so the prospective homebuyers would not end up disappointed, through no fault of their own, due to delays in completing the subject homes.

Mr. Hobbs thought there was a proposal staff would follow up on with the City Manager that could possibly address some of the concerns Ms. Davis encountered, and this was in relation to not just the purchasers of the remaining Phase 1B homes, but with other infill housing. Three variables impacting the homebuyers were increased interest rates, closing costs, and construction costs. He hoped to bring something forward to the Commission at the July meeting that would address some of the abovementioned concerns.

Commissioner L. Martin sought confirmation it was fair to say that, as the Phase 1B homes were appraised as high as \$469,000.00, and being sold at just over \$300,000.00, anyone purchasing one of the subject homes would be walking into at least \$100,000.00 worth of equity that would continue to grow over time.

Mr. Hobbs stated staff took this into consideration in looking at ways to address the issues, so when staff and he met, they would discuss all the factors, collectively, in

order to devise a program.

Mr. Henderson expressed appreciation, as the infill program was working, and the persons purchasing the homes were off to a very good start.

V ADJOURNMENT - 4:00 PM