

# POMPANO BEACH COMMUNITY REDEVELOPMENT AGENCY

7

Meeting Date: July 21, 2015

Agenda Item \_\_\_\_\_

**REQUESTED CRA BOARD ACTION:**

     Resolution(s)   x   Consideration   x   Approval      Other

**SHORT TITLE OR MOTION:** CONSIDERATION OF A TERM SHEET FOR A DEVELOPMENT PROPOSAL FROM BOULEVARD ART LOFTS, LLC. TO CONSTRUCT A 45 UNIT MIXED-USE ARTIST BASED HOUSING AND RETAIL DEVELOPMENT ON LAND LOCATED AT THE NORTHEAST CORNER OF NW 4 AVENUE AND DR. MARTIN LUTHER KING JR. BOULEVARD, ADJACENT TO THE WEST SIDE OF THE ALI CULTURAL ARTS COMPLEX.

**Summary of Purpose and Why:**

On March 17, 2015, the CRA Board motioned to approve (4 to 2) a term sheet from Boulevard Arts Lofts, LLC to construct a 45-unit mixed-use artist based housing and retail development on a portion of the CRA's vacant 8-acre site located on the south side of Dr. Martin Luther King Jr. Boulevard, adjacent to the E. Pat Larkins Community Center. Prior to negotiating a Property Disposition and Development Agreement, CRA Staff toured additional sites with the Developer and the Developer discovered a better location to construct this proposed mixed-use development. This location is situated at the northeast corner of NW 4 Avenue and Dr. Martin Luther King Jr. Boulevard adjacent to the Ali Cultural Arts Complex. Before the CRA Board for consideration is a new term sheet for the same development on a different site. As stated in the term sheet, the Developer owns a 0.41 acre site located along Dixie Highway south of NW 15 Ct. which will be exchanged for CRA owned land that the proposed development will be constructed upon. Should the CRA Board accept the new Term Sheet, a Property Disposition and Development Agreement will need to be negotiated and returned before the CRA Board for approval at a later date.

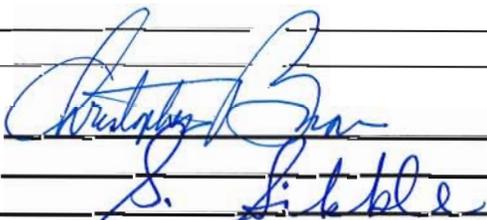
Staff recommends acceptance of the Term Sheet and authority to negotiate a Property Disposition and Development Agreement.

**QUESTIONS TO BE ANSWERED BY ORIGINATING DEPARTMENT:**

- (1) Origin of request for this action: Staff
- (2) Primary staff contact: Nguyen Tran  Ext. 7769
- (3) Expiration of contract, if applicable: N/A
- (4) Fiscal impact and source of funding: N/A

<u>DEPARTMENTAL COORDINATION</u>	<u>DATE</u>	<u>DEPARTMENTAL RECOMMENDATION</u>	<u>AUTHORIZED SIGNATURE OR ATTACHED MEMO NUMBER</u>
----------------------------------	-------------	------------------------------------	---

- CRA Executive Director
- CRA Director
- Finance Director



**ACTION PREVIOUSLY TAKEN BY CRA BOARD:**

<u>Resolution Results:</u>	<u>Consideration Results:</u>	<u>Other Results:</u>
_____	<u>Term Sheet Approved 4-2</u>	_____





P. O. Drawer 1300  
Pompano Beach, FL 33061

Phone: (954) 786-5535  
Fax: (954) 786-7836

---

## MEMORANDUM

**Date:** July 8, 2015

**To:** Community Redevelopment Agency Board

**Through:** Christopher J. Brown, Co-Executive Director  
Kim Briesemeister, Co-Executive Director

**From:** Nguyen Tran, Northwest CRA Director 

**Subject:** Acceptance of a Term Sheet with Boulevard Art Lofts, LLC for a Mixed-Use Artist Based Housing Development located at the Northeast corner of NW 4 Avenue and Dr. Martin Luther King Jr. Boulevard.

---

### Background

The Pompano Beach CRA received an unsolicited proposal on February 21, 2014 from Boulevard Art Loft, LLC (formerly MFK/REVA Development) for a mixed-use housing and retail development along the West side of Dixie Highway between NW 14 Street and NW 15 Place. The concept of the proposal is to provide artisan-based housing where the artists could “live and work” in the same environment. The proposal was presented before the CRA Board on April 29, 2014 and encountered opposition from the residents living in the Blanche Ely, Sanders Park, Liberty Park and Kendall Green Neighborhoods. The general consensus from the residents was that they were not in opposition with the development nor its concept but of its proposed location and that the development would be more appropriate somewhere along Dr. Martin Luther King Jr. Boulevard (MLK). The neighborhood suggested that this proposed development be located along MLK where the CRA is already developing a cultural arts venue and where this proposed development would have the least impact to any abutting residences. The CRA Board agreed with the concerns from the residents and voted unanimously not to move forward with the development proposal at this location.

CRA staff then assisted the developer and their architects to locate an alternate site along the MLK corridor. Several vacant CRA owned sites were identified as potential locations, and the property located at the southeast corner of NW 5 Avenue and MLK Boulevard adjacent to the east of E. Pat Larkins Community Center was decided upon by the developer as the next alternate location. The proposed site was feasible due to the close proximity to the Ali Cultural Arts Complex. A Term Sheet was considered before the CRA Board at their regularly scheduled meeting of March 17, 2015. Concerns were raised regarding the bifurcation of the CRA’s most valuable property assemblage to accommodate a project that may underutilize a portion of the vacant 8 acre site as a whole. A motion to approve the Term Sheet at this project location was a vote of 4 (Yes) to 2 (No); the motion passed.



P. O. Drawer 1300  
Pompano Beach, FL 33061

Phone: (954) 786-5535  
Fax: (954) 786-7836

Prior to negotiating a Property Disposition and Development Agreement for this project at this location, CRA Staff toured additional sites with the developer. In touring new development sites, the developer discovered that the proposed mixed-use artist based housing development would be best located adjacent to the Ali Cultural Arts Complex to capitalize upon the synergy that could be created by the two developments. In addition, the project massing of the proposed 3-5 story, mixed-use artist based housing development creates a complimentary transition between the 6-7 story Landmark mixed-use development to the west and the 2-story Ali Building to the east.

Before the CRA Board for consideration is a new Term Sheet for the same mixed-use artist based housing development to be located on a different site.

**Project Narrative**

Developer is seeking to develop upon a portion of the CRA owned lot (Folio # 484235260070) and as part of the proposal, Developer will exchange land owned by the Developer on North Dixie Highway (Exhibit A, Folio # 484235290110) with a portion of the CRA owned parcel stated above. CRA will assist the developer with acquiring property located adjacent on the north of the subject site for additional parking and storm water retention. Developer will solely be responsible for project pre-development expenses, and other funding sources required for designing, planning construction and development of the mixed-use development.

As a requirement of the financing through the Florida Housing and Finance Corporation's HOME Investment Partnership Program, all apartment units are set aside for tenants with incomes at or below 80% of Area Median Income (adjusting for family size). The project will construct a single "L" shaped mixed-use building varying from 3, 4 and 5 stories for a total of 45-50 units. The unit mix will be a total of 5 studio units, 20-25 one-bedroom units and 20 two-bedroom units. Below is a table depicting proposed unit sizes with associated rental rates:

<b><u>Floor Plan</u></b>	<b><u>Rental Rate</u></b>	<b><u>Square Feet</u></b>
Studio	\$726	600
1 Bedroom 1 Bath	\$870	850
2 Bedrooms 2 Baths	\$1000	1025

The development is located in the Transit Overlay District and has indicated that 5-10 permanent jobs will be created. The total project cost is \$9,138,000 with an estimated tax increment of \$37,250 annually.

**Development Agreement**

A Property Disposition and Development Agreement as well as a Buyback Agreement would need to be negotiated and approved if this project continues.



P. O. Drawer 1300  
Pompano Beach, FL 33061

Phone: (954) 786-5535  
Fax: (954) 786-7836

---

**Recommendation**

CRA Staff recommends acceptance of the Term Sheet for the Proposal submitted by Boulevard Art Loft, LLC to be located at the northeast corner of NW 4 Avenue and Dr. Martin Luther King Jr. Boulevard and authorization to negotiate a Property Disposition and Development Agreement.

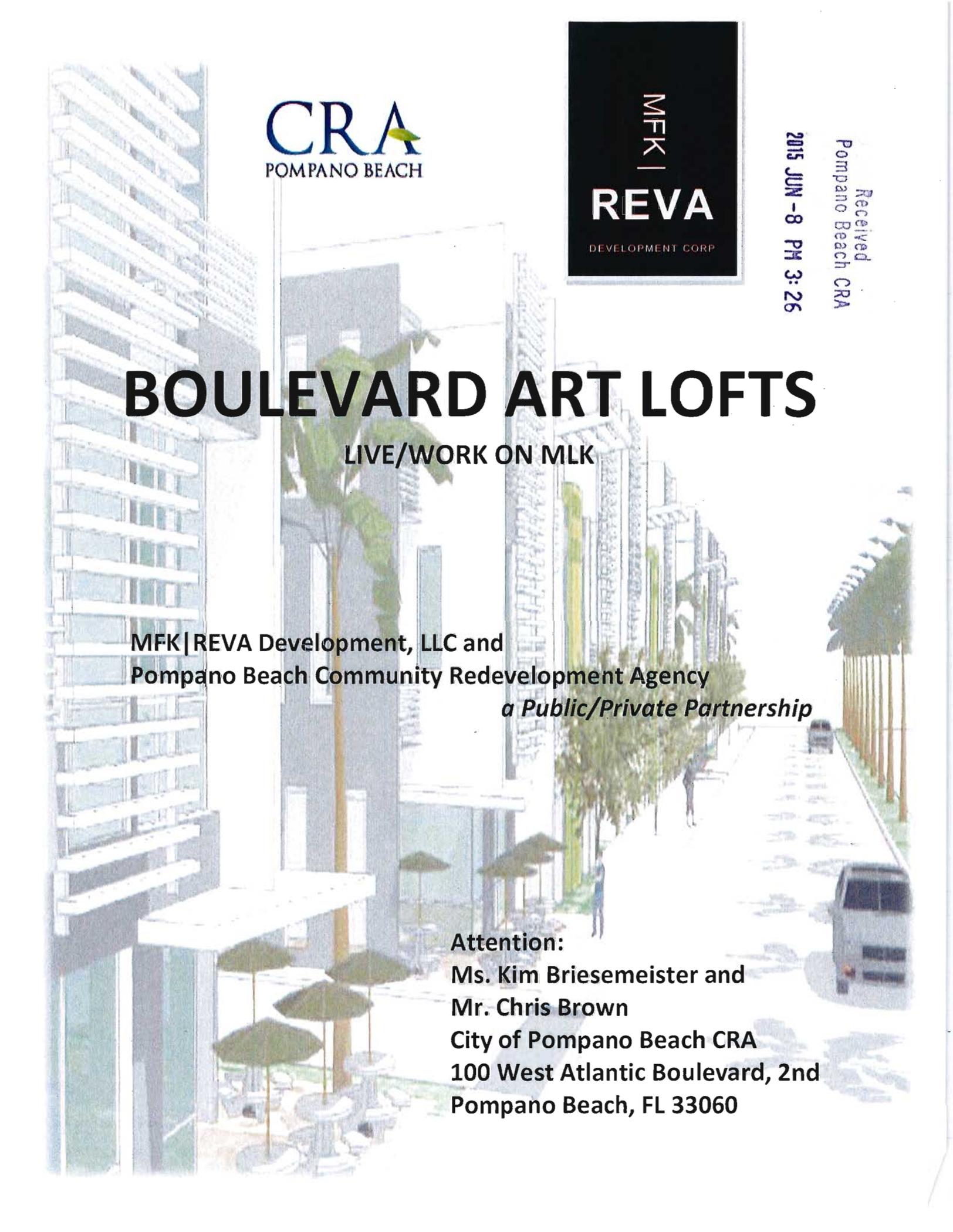


**Proposed  
Parking**

**SITE**

**Landmark  
Development**

**E. Pat  
Larkins**

An architectural rendering of a modern urban development. The scene shows a wide street lined with tall, multi-story buildings featuring balconies with white railings. In the foreground, there is an outdoor seating area with several tables and chairs, some with green umbrellas. A person is walking on the sidewalk, and a white van is driving on the street. The overall atmosphere is bright and modern.

**CRA**  
POMPANO BEACH

MFK |  
**REVA**  
DEVELOPMENT CORP

Received  
Pompano Beach CRA  
2015 JUN -8 PM 3:26

# BOULEVARD ART LOFTS

LIVE/WORK ON MLK

MFK|REVA Development, LLC and  
Pompano Beach Community Redevelopment Agency  
*a Public/Private Partnership*

Attention:  
Ms. Kim Briesemeister and  
Mr. Chris Brown  
City of Pompano Beach CRA  
100 West Atlantic Boulevard, 2nd  
Pompano Beach, FL 33060



100 W. Atlantic Blvd., Room 276  
Pompano Beach, FL 33061

Phone: (954) 786-5535  
Fax: (954) 786-7836

**Boulevard Lofts**

**Date:** \_\_\_\_\_

**TERM SHEET**

**BETWEEN THE POMPA NO BEACH COMMUNITY REDEVELOPMENT AGENCY (HEREIN AFTER “CRA”) AND BLVD ART LOFTS, LLC (HEREIN AFTER “DEVELOPER”) IN ANTICIPATION OF A DEVELOPMENT AGREEMENT REGARDING BOULEVARD ART LOFTS, A MIXED-USE ARTIST BASED HOUSING DEVELOPMENT**

Upon execution of this Term Sheet, the parties will immediately enter into good-faith negotiations to resolve any remaining questions and produce the necessary binding agreements, including a related property disposition and development agreement, consistent with the terms described below. The CRA and DEVELOPER recognize that any binding agreements will be subject to approval by the Pompano Beach Community Redevelopment Agency Board of Commissioners. Additional issues not addressed in this Term Sheet may be identified and included in the binding agreements.

This Term Sheet does not bind the parties to specific actions, decisions, or approvals, but rather is a commitment to negotiate in good faith a development agreement consistent with the terms described below. The parties will strive to complete the binding agreements as expeditiously as possible. If the parties are not able to complete binding agreements consistent with this Term Sheet after negotiating in good faith, neither party shall be further bound by this Term Sheet.

**1. Location:** The redevelopment site is generally located at the Northeast corner of Dr. Martin Luther King Jr. Boulevard and NW 4th Avenue to the North and NW4thStreet to the East and contains approximately [...] acres of vacant land (the “Subject Site”).

**2. Ownership:** All parcels of the Subject Site are owned by the CRA with a Broward County Property Folio number of 484235260070, with Legal Description as follows:

WESTWOOD SUB 5-27 B LOTS 10-12 LESS POR DESC AS BEG SW COR LOT 12, N 37.01, E 120, S 36.07,W 120 TO POB;TOG WITH LOTS, and which is to be divided into two parcel as indicated on the attached Exhibit A.

**3. Representations/Covenant:** CRA represents that it owns additional land to the north of the Subject Site containing the following Broward County Property Folio numbers:

- 1) 484235020450      3) 484235020370
- 2) 484235020440      4) 484235020380

And the CRA further represents that it will acquire additional land adjacent to the above described parcels having the following Broward County Property Folio numbers which it will make available to Developer for parking and storm water retention:

- 1) 484235020430      3) 484235020410      5) 484235020390
- 2) 484235020420      4) 484235020400

**4. Lease:** No Leases exist.

**5. Deposit:** No Deposit have been taken.

**6. Offering:** Developer has offered to exchange landholdings at the SW corner of North Dixie Highway and NW 15th Court (or folio: 484235290110 - contiguous to properties owned by the CRA) valued at approximately \$200,000 and associated data reports to include A/E, environmental, geotechnical with a value total of \$193,000, and as further described in Attachment C to this Term Sheet Thus, the total value offered by the Developer in exchange for conveyance of parcels at the MLK location indicated above is \$393,000.

**7. Sources and Uses of Funds:** Except otherwise specified herein, Developer shall be solely responsible for securing its financing and other funding sources required for designing, planning, construction and development of the mixed-use development.

**8. Pre-Development Expenses:** The Developer shall be responsible for project pre-development expenses; provided, that, for the avoidance of doubt, the Developer shall have no obligation to reimburse the CRA for any pre-development expenses incurred by the CRA prior to the date hereof.

**9. Development:** The CRA and Developer intend to work together in a collaborative and cooperative manner to develop the mixed-use housing development in a fiscally responsible manner. The Development will be named "Boulevard Art Lofts" containing forty five (45) to fifty (50) live/work housing units with a preference for artists. The Developer shall be responsible for, and shall lead all phases of the planning, environmental review, design, development, and construction of, the mixed-use housing development. The CRA shall have the right to provide meaningful input with respect to the development, which input the Developer shall reasonably consider in good faith. CRA approval rights, as well as other standards, requirements, and timing related to design, development, and construction shall be established in the definitive legal documents.

The parties intend that the entire project will be conducted as a cooperative, mutual endeavor in which the parties actively participate and work together with due diligence and in good faith. The parties will put in place and manage a design process for the mixed-use development whereby the CRA will have input and will participate in developing a design that achieves the best possible project within the agreed program description based on the proposed project budget. The CRA will be entitled to provide its input, and to the extent required by existing law will have approval rights, with respect to the design at various stages of the design process, including Site Plan, design development, and construction document phases of the project. Developer proposes the following:

Total Levels (Story):	2 to 5 stories
Total Parking Spaces:	45
Parking Spaces provided by CRA:	45
Total Units:	45-50
Unit Mix:	5 - Studio @ 600 Sq. Ft. 20-25 - 1 Bedroom @ 850 Sq. Ft. 20 - 2 Bedroom @ 1,025 Sq. Ft.

Total Permanent Jobs Created:	5-10 (not including construction)
Total Project Cost:	\$9,138,000
Estimated Tax Increment	\$37,250 Annual

**10. Schedule:** The CRA and Developer shall work cooperatively and make all reasonable efforts to complete the mixed-use development as expeditiously as possible. Developer has submitted a schedule of milestones and estimates starting the following milestones according to the timeframes below:

Submit LIHTC Application:	7/15/2015	Open Cycle for submissions
Receive LIHTC Award:	8/15/2015	Award notifications
Submit Building Plans:	9/30/2015	
Receive Building Permits:	12/01/2015	
Obtain Gap Funding/Closing:	12/15/2015	
Construction Start:	12/30/2015	
Construction Completion:	10/31/2016	
Leasing Activities:	11/31/2016	
Stabilized Operations:	02/29/2017	

**11. Local Participation:** Developer will, to the extent possible, perform community outreach to involve local community participation in the design and construction of this project. Outreach efforts may include but not limited to the marketing of and administering of job fairs, development of training and apprenticeship programs, setting hiring goals, etc.

ACCEPTED AND AGREED TO BY:

AS TO "DEVELOPER"

MFK/REVA Development, LLC.

By:  \_\_\_\_\_  
Don D. Patterson, Managing Member

By: \_\_\_\_\_  
M. Fred Knoll, Managing Member

AS TO "CRA"

By: \_\_\_\_\_  
Christopher J. Brown, Co-Executive Director

By: \_\_\_\_\_  
Kim Briesemeister, Co-Executive Director



HERBERT ARCHITECTS

CONCEPTUAL RENDERING VIEW LOOKING W  
MFK / REVA DEVELOPMENT  
BOULEVARD ART LOFTS, POMPANO BEACH,



HERBERT ARCHITECTS

VIEW LOOKING EAST

MFK / REVA DEVELOPMENT, LLC.  
BOULEVARD ART LOFTS, POMPANO BEACH







<b>GENERAL DATA:</b>
GROSS SITE AREA: 1.80 ACRES = 78,514.58 S.F. NET SITE AREA: 1.46 ACRES = 63,427.20 S.F.
ZONING: B-3 GENERAL LAND USE DESIGNATION: D.P.T.O.C. DOWNTOWN POMPAÑO TRANSIT ORIENTED CORRIDOR
PROPOSED PROJECT DESIGNATION: RESIDENTIAL ARTIST LOFTS / DWELLING UNITS
TOTAL NUMBER OF UNITS: 40 +/- 1,000 S.F. PER UNIT.
<b>LEVEL 1:</b> 12,013 S.F. COVERED PARKING 4,000 S.F. RETAIL 1,100 S.F. MANAGER'S OFFICE 5,182 S.F. RESIDENTIAL UNITS 566 S.F. ELEVATOR CORE
<b>LEVEL 2:</b> 27,043 S.F. RESIDENTIAL UNITS INCLUDING CO-WORK SPACE AND ELEV CORE.
<b>LEVEL 3:</b> 27,043 S.F. RESIDENTIAL UNITS INCLUDING CO-WORK SPACE AND ELEV CORE.
+/- 76,947 S.F. TOTAL FLOOR AREA EXCLUDING ROOF LEVEL RECREATION DECK

TOTAL PARKING PROVIDED ON SITE: 39 SPACES

NOTE: CONFIGURATION OF PROPOSED IMPROVEMENTS  
ARE SUBJECT TO CHANGE PER CITY REQUIREMENTS

