BOARD OF DIRECTORS MEETING
Thursday, January 18th, 2018 – 6:30 p.m.
City Hall, West Wing
9551 W. Sample Road, Coral Springs, FL 33065

AGENDA

I. Roll Call – J. Walsh, Chairman
II. Pledge of Allegiance – J. Walsh, Chairman
III. Citizens’ Comments – J. Walsh, Chairman
IV. Special Announcements and Comments – J. Walsh, Chairman
V. Approval of Meeting Summary – J. Walsh, Chairman
   - December 11, 2017
VI. GO Bond Presentation – Catherine Givens, Director of Budget and Strategy
VII. Letter of Intent to Provide Tax Increment Revenue (TIR) Rebate Incentive for the Proposed Development of Coral Springs City Center (City Center), currently known as Financial Plaza – A. Barbosa, Chief Economic Development Officer and D. Lima, CRA Administrator (Request to Approve)
VIII. 2018 CRA Board of Directors Meeting Calendar – D. Lima, CRA Administrator (Request to Approve)
IX. CRA Update
   - Municipal Complex – R. Stein, Construction Manager
   - Downtown Mixed-Use Zoning District (DT-MU) – J. Hickey, Assistant Director of Development Services
   - Interactive Icon – D. Lima, CRA Administrator
   - Springboard Crowdfunding Event – D. Lima, CRA Administrator
X. Other Business – J. Walsh, Chairman
XI. Adjournment – J. Walsh, Chairman

Note: Next CRA Board meeting Monday, February 26, 2018

Attachment(s) to January 18, 2018 Agenda:
- V. Meeting Summary: December 11, 2018
- VII. Economic Impact Assessment for the Proposed Development of City Center
- VII. Letter of Intent to Provide Tax Increment Revenue (TIR) Rebate Incentive
- VII. 2018 CRA Board of Directors Meeting Calendar
JOINT MEETING OF THE CITY OF CORAL SPRINGS
COMMUNITY REDEVELOPMENT AGENCY BOARD OF DIRECTORS and
ECONOMIC DEVELOPMENT ADVISORY COMMITTEE
Monday, December 11, 2017

Board Chair John Walsh called the meeting to order at 6:30 p.m. The meeting was held in the
West Wing Conference Room, City Hall, 9551 West Sample Road, Coral Springs, Florida. City
Clerk Debra Thomas called the roll of Board Members.

<table>
<thead>
<tr>
<th>Name</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Walsh, Chair</td>
<td>Present</td>
</tr>
<tr>
<td>Elissa Harvey, Vice Chair</td>
<td>Present</td>
</tr>
<tr>
<td>Lorna Brown-Burton</td>
<td>Present</td>
</tr>
<tr>
<td>Andrew Kasten</td>
<td>Present</td>
</tr>
<tr>
<td>David Harper</td>
<td>Present</td>
</tr>
<tr>
<td>Allan Koch</td>
<td>Present</td>
</tr>
<tr>
<td>William Vasquez</td>
<td>Present</td>
</tr>
<tr>
<td>Bruce Weinberg</td>
<td>Present</td>
</tr>
<tr>
<td>Michael Singer</td>
<td>Present</td>
</tr>
<tr>
<td>Linda Siegel</td>
<td>Present</td>
</tr>
<tr>
<td>Rosa Payan</td>
<td>Present</td>
</tr>
<tr>
<td>Mark Mucci</td>
<td>Present</td>
</tr>
<tr>
<td>Howard Melamed</td>
<td>Absent</td>
</tr>
<tr>
<td>Maxine Gutman</td>
<td>Present</td>
</tr>
<tr>
<td>Karlene Facey</td>
<td>Absent</td>
</tr>
<tr>
<td>Wilson Alhara</td>
<td>Present</td>
</tr>
</tbody>
</table>

Also in attendance for (CRA):
- Vanessa Steinherts, CRA Counsel
- Frank Babinec, Interim Deputy City Manager
- Susan Hess Krisman, Director, Development Services
- Debra Thomas, City Clerk
- Vice Mayor Lou Cimaglia

Also in attendance for (EDAC):
- Ana Barbosa, Chief Economic Development Officer
- Yyu Soubr, Economic Development Office Coordinator
- Cindy Brief, President/CEO, C.S. Regional Chamber of Commerce

All persons in attendance rose for the recitation of the Pledge of Allegiance.

1. Citizens’ Comments — There were no comments.


ACTION: Board Member Kasten moved, seconded by Vice Chair Harvey, to accept the
meeting minutes. The motion was approved unanimously (7-0).

3. Municipal Complex Update —

Director of Development Services Susan Hess Krisman provided a brief update on the
Municipal Complex.

4. CRA Overview —

Board Chair John Walsh led a presentation providing an overview of the Coral Springs
Community Redevelopment Agency (CRA). The slide presentation is attached and made part
of the permanent record. The topics included:
- How CRAs are created in Florida
- An Overview of Coral Springs’ CRA
- Completed Projects: Public and Private
- Current Projects
- Future Projects
5. **CRA Update: Crowdfunding status update**

Crowdly had not met the milestone to receive the second reimbursement (raising $25,000). Vice Chair Elissa Harvey spoke as liaison to Crowdly. The steering committee holds phone conference calls and no face-to-face meetings. She has not seen a plan to understand Crowdly’s approach to reaching out to companies for fundraising. Vice Chair Harvey would like a face-to-face meeting with Ebony and someone from the City to help her understand what the approach is. Chair Walsh did not feel it would hurt to have some communication and would like to identify roadblocks. Cindy Brief tried to meet with Ebony because she heard that the sponsorship numbers were too high.

CRA Attorney Steimerts advised the Board on the contract. If Crowdly was unable to meet $25,000 milestone, a provision allows the parties to renegotiate the event perhaps on a smaller scale. But there is another clause with 30 days’ notice from either party.

There was general discussion by the Board and Interim Deputy City Manager Frank Babiniec regarding the best action to take. Ms. Barbosa would coordinate a meeting with Crowdly and the item would appear on the agenda in January 2018.

**ACTION:** Board Member Kasten moved, seconded by Board Member Vasquez, directing staff to coordinate a meeting with Crowdly. The motion was approved unanimously (7-0).

6. **Approval of Meeting Minutes (EDAC) – Tuesday, October 17, 2017.**

**ACTION:** Committee Member Gutman moved, seconded by Committee Member Singer to accept the meeting minutes. The motion was approved unanimously.

6. **Approval of Strategic Plan, Calendar Year 2018 – Sunday, November 12, 2017.**

**ACTION:** Committee Member Gutman moved, seconded by Committee Member Payan to accept the Strategic Plan. The motion was approved unanimously.

7. **New Business**

**Economic Development Update:**
Ms. Barbosa went through a brief slide presentation (see handout) and explained what the goals were for 2018 as discussed at the November 12, 2017 Strategic Planning Session such as growing the economic base, understanding the needs of the business community, business retention and connecting citizens with businesses. She spoke of the Economic Development Department’s mission and what is needed to fulfill it and making sure there is follow up and quarterly reports by meeting for two-hour mini sessions. They will also perform a Benchmark study with other cities to make sure the department is on target and comparable.

**Joint Business Retention Outreach:**
Ms. Barbosa’s goal is to target the top 10 businesses and the top five business industries to ultimately create a Business Intelligence Plan and understand the needs of the community in regards to the City’s businesses.

In response to a question on email databases for businesses, Interim Deputy City Manager Frank Babiniec noted that during fire inspections they will be collecting the email address of the property owner and each business inside one property. Cindy Brief stated the Chamber had
about 5,000 names. Since the Economic Development Department is relatively new, they are working on setting up all the initiatives regarding collection of information.

8. **Next Meeting:** The Economic Development Advisory Committee's next meeting will be Tuesday, January 9, 2018.

9. **Adjournment:** There being no additional business, the meeting adjourned at 7:30 p.m. The next CRA Board Meeting will be Monday, January 22, 2018.
December 18, 2017

Mr. Rod Sheldon  
PreDevCo, LLC  
7280 West Palmetto Park Road  
Suite 105  
Boca Raton, FL 33433

Subject: Coral Springs City Center – Economic Impact Assessment

Dear Mr. Sheldon:

Lambert Advisory (Lambert) has completed an economic impact assessment for the proposed development of Coral Springs City Center (City Center), a mixed use residential, retail, entertainment, and hotel project located at the southwest intersection of W. Sample Road and University Drive in the City of Coral Springs, FL.

The City Center development as currently envisioned generally represents:

- 450 Multifamily rental units;
- 150 hotel rooms;
- 45,000 square foot grocer;
- 36,500 square feet of restaurants;
- 40,000 square feet of retail; and,
- 1,400 parking spaces.

The assessment herein estimates certain tangible direct and indirect economic impacts that will be derived from the construction and operation of the development and based upon the inputs and assumptions set forth herein. This letter identifies and quantifies the benefits created by the proposed City Center development within Broward County and/or the City of Coral Springs.

Importantly, there are two key principals governing this assessment: 1.) Lambert has completed this analysis on the basis of general development and performance information (i.e., development program by use, development timing, development costs, residential and commercial sales/rental rates, absorption/occupancy, and other operating performance measures) based upon information provided by PreDevCo, LLC (Developer). Lambert has not independently verified through a market study, or otherwise, the development cost and/or operating performance data and cannot attest to the accuracy of those estimates herein.
Given the level of variability in development details at this point in time, the analysis herein is being prepared on an \textit{order-of-magnitude} basis; and, 2.) For short-term construction benefits, and calculation indirect expenditures, Lambert used an input-output model developed by IMPLAN, one of the most recognized economic impact modeling systems in the US, as further detailed in following sections.

The methodology, assumptions, and analysis supporting this assessment are detailed as an Attachment to this letter, with a summary of key economic benefits as follows:

- **Short-term Construction**: The City Center development will create an estimated \textbf{510 direct short-term construction jobs} average annually during an approximate two-year development timeline. This will generate total direct wages and expenditures of approximately \textbf{$25.7 million} average annually.
  
  o The development will also create an estimated \textbf{$5 million} in permit and impact fees, and a large share of which should be received by the City of Coral Springs.

- **Marginal/Incremental Ad Valorem Tax Revenue (Recurring)**: Upon stabilized operations, the proposed development will generate approximately \textbf{$3.3 million in marginal annual ad valorem taxes}, with approximately \textbf{$2.1 million} in incremental ad valorem tax benefit to the Downtown Coral Springs CRA;

- **Net New Long-term Recurring Employment from Business and Real Estate Operations**: The City Center development is estimated to create more than \textbf{385 net new direct full-time jobs} and approximately \textbf{$19.0 million in direct wages} annually related to business operations, and building employment and operating expenditures.
  
  o An additional 95 indirect full-time jobs flowing to the broader regional economy will be created from City Center.

- **Other Benefits**: There will be an estimated \textbf{$12 million annual marginal expenditure} generated from residents, hotel visitors, retail patrons, and office tenants upon stabilized operations which is estimated to support more than \textbf{30,000 square feet} of additional retail space outside of the subject property.

As noted, the Attachments herein provide supplemental detail with regard to development programming, cost, and timing; as well as, documentation supporting the analysis and utilization of the IMPLAN model.

We will be available to discuss with you, and look forward to working with you on this momentous opportunity for the City of Coral Springs.

Regards,

\hspace{1cm} \begin{center} Eric Liff \\
Lambert Advisory, LLC \end{center}
ATTACHMENT
Methodology and Analysis

The Coral Springs City Center property is essentially located in the heart of the City, with direct visibility, access and exposure to W. Sample Road and University Drive. The property is positioned adjacent to the new City of Coral Springs Municipal Complex. The proposed residential, hotel, retail, and entertainment development will have a positive impact on the surrounding community in terms of taxes, jobs, and general investment generated, and will also further enhance the area’s existing commercial/retail demand. This development will help maintain economic stability within the area and attract on-going investment during the next several years.

The analysis herein has been prepared to reflect the economic benefit from both short term (construction) and long term (recurring operations) of the development and are presented in current (2018) dollars. Any change in development and/or operating assumptions from those utilized as part of this analysis can have a material impact on the direct and in-direct economic indicators stated herein.

As set forth above, the overall development master plan contemplated for this analysis includes: 450 multifamily residential rental units; 150 hotel rooms; a 45,000 square foot grocer; 36,500 square feet of restaurants; 40,000 square feet of retail; and, 1,400 garage parking spaces supporting the subject development and potentially other surrounding uses.

For both short-term and long-term impacts, the economic benefit to the area is the result of projected increases in net benefit from primary sources, including employment, wages, and taxes. Accordingly, the impact from these key sources comes from two distinct measures:

- **Direct Expenditures** – disbursements for site acquisition and development (hard and soft costs), resident/worker/visitor expenditure, and expenditures associated with the operation of the grounds and building

- **Indirect/Induced Expenditures** – net additional expenditures that flow into the local economy as a result of the new development

The following provides an overview of the methodology, inputs and analysis associated with four key sources of economic benefit:

1. **Short-Term Construction Employment and Expenditure**

The impact from short-term construction employment and expenditure is directly associated with the project’s development; the table below shows a summary of estimated development costs:
Figure 1: Coral Springs City Center – Summary of Estimated Development Costs
Source: PreDevCo, LLC

<table>
<thead>
<tr>
<th>Item</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hard Costs</td>
<td>$128,645,000</td>
</tr>
<tr>
<td>Soft Costs</td>
<td>$23,735,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$152,380,000</strong></td>
</tr>
</tbody>
</table>

Note: Development costs do not include land cost.

Though timing and phasing of development is not definitive at this time, it is assumed for purposes of this analysis, that construction will commence in late 2018 and primarily extend over a two-year timeframe, with completion by 2021. The majority of development-related expenditures will be made in Broward County, and the City of Coral Springs will capture a significant share of these expenditures. Based upon the results of the IMPLAN model, the following is a summary of estimated annual employment and expenditure that will result from the development of City Center:

Figure 2: Coral Springs City Center – Direct & Indirect/Induced Employment and Wages from Short Term Construction Benefits (Average Annual)

<table>
<thead>
<tr>
<th></th>
<th>Jobs</th>
<th>Labor Income (Wages)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct Benefit</td>
<td>510</td>
<td>$25,770,000</td>
</tr>
<tr>
<td>Indirect/Induced Benefits</td>
<td>248</td>
<td>$11,730,000</td>
</tr>
<tr>
<td><strong>Total Direct &amp; Indirect Benefits</strong></td>
<td><strong>758</strong></td>
<td><strong>$37,500,000</strong></td>
</tr>
</tbody>
</table>

The employment and wages identified above are expected to be paid to Broward County and Coral Springs area firms and many of these jobs which will be in higher wage sectors such as construction, architecture, engineering, and legal.

The proposed development will also generate significant Impact and other fees payable to the City and County during the construction period which will be available for public expenditures associated with the project including roadways, schools, parks, developmental, administrative, permitting, and other costs. It is very difficult at this point to determine the impact fee and other fees since many of these costs are dependent upon certain utility and design components that underlie the fee calculation (i.e. the number of seats in a restaurant determines gallons per day of water/sewer utilization and, in turn, the associated water and sewer connection fees). Nonetheless, based upon an understanding of impact fees related to large-scale mixed use development, the impact fees are estimated to be more than $5 million over the construction period, and a large share of which should be received by the City of Coral Springs.

2. Marginal/Incremental Ad Valorem Tax Revenue

The development of City Center will provide significant benefit to the City and County by way of real property and personal property (ad valorem) taxes. The tax amount is based upon the County Tax Collector’s (2017) millage rate\(^1\) of 20.4354 (per thousand dollars of value), broken down as follows.

---

\(^1\) Assumes no Budget change is adopted.
Real property is typically assessed at between 80 and 90 percent of Fair Market Value (FMV); or, for the purposes of this analysis, we calculate ad valorem taxes for Coral Springs City Center based on the estimated total development cost (including land) of approximately $168 million. As a result, the development should generate approximately $3.3 million in net new real property taxes upon stabilized operations (in 2018 $’s), which accounts for the current $169,000 ad valorem tax paid by the existing office development. The City of Coral Springs’ portion is approximately $1.04 million of the potential stabilized ad valorem revenue (Operating and Debt).

Importantly, City Center is located within the Downtown Coral Springs Community Redevelopment Agency (CRA), a designated redevelopment district formed under Chapter 163 Part III of the Florida Statutes. The CRA is primarily funded through ad valorem tax increment collected from four main districts: Broward County (Operations); City of Coral Springs (Operations); Broward Hospital; and, Child Services – as highlighted in the table above. Collectively, this totals approximately $2.1 million annually (of the total $3.3 million) that would potentially flow back into the CRA to support on-going redevelopment initiatives within the CRA. This represents a significant increase above the CRA’s current tax increment revenue of approximately $480,000.

3. Net New Long-term Recurring Employment from Business and Real Estate Operations:

As it pertains to employment associated with the mix of uses proposed for City Center and positions at various skill levels will be made available to area residents. As noted, the City Center development is assumed to be completed in 2021, with stabilized operations anticipated to occur within a 24 month period (or 2023). Therefore, the analysis of on-going building employment and operating expenditures provides estimates of benefit upon stabilized operations and expressed in current (2018) dollars.

As summarized above, we estimated employment for office to derive expenditure for those specific uses. However, there will also be employment from operation of the residential buildings, retail space, and hotel. The estimates of employment by use is based upon general industry benchmark data profiled from resources including ITE, Building Office Management Association (BOMA) and Urban Land Institute (ULI). We estimate that 15 FTE workers will be needed to operate the rental
apartment buildings (1 worker per 30+ units), 360 FTE workers collectively will be employed in the retail, restaurant and entertainment space (based upon a general estimate of mix of space indicating 1 worker per 150 square feet for restaurants and 1 worker per 450 square feet for general retail), and 75 hotel employees (0.5 workers per room). Positions such as executives, management, sales/wait staff, maintenance staff, and security personnel will need to be filled. With a total 450 direct jobs supporting the business operations and building management of the property, and an average Broward County wage of $48,492, the operation of the buildings and related employment will generate approximately $21.8 million in wages each year. Positions at various skill levels will be made available to area residents.

**Figure 4: Summary of New Employment (by Use) and Direct Wages Created by Coral Springs City Center Upon Stabilized Operations**

<table>
<thead>
<tr>
<th></th>
<th>Direct</th>
<th>Indirect/Induced</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>15</td>
<td>4</td>
<td>19</td>
</tr>
<tr>
<td>Retail/Rest./Entertainment</td>
<td>360</td>
<td>90</td>
<td>450</td>
</tr>
<tr>
<td>Hotel</td>
<td>75</td>
<td>19</td>
<td>94</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>450</td>
<td>113</td>
<td>563</td>
</tr>
</tbody>
</table>

As highlighted above, the City Center development will create an estimated 450 direct full-time jobs. However, we need recognize that the site is currently occupied by a 145,000 square foot office building which will be demolished to accommodate the City Center plan. At this point, the building is basically in a state of "de-leasing;" therefore, in the effort to apply at least a base factor upon which to calculate net effect, we presume the building is operating at 50+ percent capacity. At an industry standard 225+ square feet per employee, this would indicate roughly 320 employees currently working on-site that will be displaced from the new development. Naturally, not all of these jobs will remain in the City and, conversely, not all jobs will leave the City. Therefore, for this analysis, we assume an estimated 20 percent of the existing on-site employment will relocate outside of Coral Springs. Therefore, the adjusted net new direct employment within City Center is estimated to be **385 jobs**, with an additional **95** jobs in net new indirect/induced employment.

Increased State and local sales tax revenue will result from the operation of the 121,000 square feet of new retail, restaurant, entertainment and grocer space. Assuming the net new expenditure within these businesses totals $35 million per annum upon stabilization, approximately $245,000 in additional sales tax will be collected from retail sales.

**4. Additional Benefits from On-Going Resident, Shopper, Employment and Visitor Expenditure**

The Coral Springs City Center development will generate long term area-wide expenditure from residents living in the development, shoppers and hotel guests visiting the property. Naturally, some of the expenditure from these resources will stay on site; for instance, new residents within the new rental community will likely do much of their shopping within the grocery, while hotel visitors will spend money within the restaurants and entertainment uses. Nonetheless, some of the net new expenditure from City Center will flow to other businesses within the City. Considering this, we provide a cursory analysis to assess the net new amount of retail space that may be created.

---

2 Florida Department of Economic Opportunity, QECW 2nd Quarter 2017 (Private Sector)
from resident, shopper, employment and visitor expenditure outside of the subject property, which we consider herein to be on a conservative basis:

**Residential:** The Coral Springs City Center development contemplates 450 new, quality housing for its existing neighborhood resident base, as well as for the growing community in and around the area. It is estimated that the City Center rental rates will average roughly $1,880+ per month upon stabilization, which is modestly higher than Broward County’s overall average rental rate.\(^3\) These pricing levels generally imply an average household income between $60,000 and $80,000. Therefore, with a total of approximately 450 households in the building (at 95 percent stabilized occupancy), total personal income for the building is estimated to be nearly $30 million. However, a portion of this expenditure represents residents who currently reside within the City limits and simply moving from one location within the City (or Downtown area) to another and we assume this will be approximately 50+ percent of the resident base. Considering this, we assume that half of the tenants within City Center will relocate from outside of the City; or, nearly $15 million of *marginal* personal income will flow into Coral Springs, of which at least 20 percent will be expended on site – considering grocery and dining are major expenditures. Therefore, assuming 25 percent of the marginal household expenditure will be for non-auto related retail goods and service, roughly $7 million in marginal expenditure within the City (and outside of the subject property) will be created by the new residents.

**Retail:** The roughly 121,000 square feet (net) of retail, restaurant and entertainment will also attract new retail expenditure. Given its potential positioning as a destination property, it is assumed that upwards 60 percent of the expenditure in the City Center retail will come from outside the City, and at least 20 percent of that expenditure will flow to other business within the City. Based upon an average sales per square foot (for Shopper Goods and Eating and Drinking Establishments) of roughly $350, approximately $4.5 million will be expended within the City per year which is now going to other areas.

**Hotel:** For the 150 hotel rooms, we assume that the hotel inventory in total will have an average annual occupancy of 75 percent (or more than 40,000 occupied annual room nights), with an average daily rate of $170. Furthermore, based upon general hotel expenditure statistics from regional industry data, we estimate each hotel room (with an average double occupancy) will spend at least of $100 per visit in retail/restaurants, retail (shopping), and entertainment within the City and among businesses outside of the subject property. This results in nearly $2 million in additional marginal visitor expenditure in Coral Springs area assuming 50 percent of the expenditure is net new hotel demand to Coral Springs and 25 percent is already captured in the City Center retail (as described above).

In sum, there is estimated to be more than $12 million in net new retail expenditure annually and, at an average of roughly $350 per square foot in sales among all retail sectors, this results in net new demand for retail within the City of more than 30,000 square feet. Indeed, we recognize provides marginal benefit to supporting new construction, it certainly provides added benefit to existing businesses in the City; particularly, those around City Center.

---

\(^3\) RPW Broward County Quarterly Housing Report (Q3 2017)
Summary Overview of IMPLAN Model

The economic impacts from development and operations of a particular development or business are commonly characterized in terms of economic impacts and fiscal impacts. The economic impacts are calculated through measures of direct spending, total output, personal earnings and employment, while fiscal impacts generally comprise tax revenues and can be quantified for State, County and/or Local taxes.

There are several input-output models commonly used by economists to estimate indirect and induced economic impacts. Because of the difficulty of measuring these effects, nearly all models have limitations. However, economists generally agree that the models can provide an approximate measure of the indirect and induced spending, jobs, and personal income generated by a given amount of direct spending in a particular geographic area. To calculate the multiplier effects of the proposed improvements at the subject property, Lambert Advisory used an input-output model developed by IMPLAN, one of the most recognized economic impact modeling systems in the US providing complete and extremely detailed Social Accounting Matrices (SAM) and Multiplier Models of local economies. IMPLAN is an economic input-output model originally created for the U.S. Department of Agriculture (Forest Services), in conjunction with FEMA to assist in land management planning. In 1988, the University of Minnesota offered the IMPLAN software, data, and technical support to non-Forest Service users and is considered to be one of the most recognized economic impact modeling systems in the US.

The IMPLAN model organizes the economy into more than 500 separate industries and has comprehensive data on every area of the United States. Lambert Advisory organized all development and related expenditure information associated with proposed improvements at City Center for direct input into the IMPLAN (2016). The IMPLAN model is based on incorporating regional purchase coefficients, which measure trade flows, i.e., the proportion of local demand purchased from local producers. Simulation models, like the ones used here, have been used to examine regional economic impacts associated with a variety of economic events such as the relocation or expansion of an economic enterprise, an exogenous migration of population, and the expenditures by out-of-town visitors. These models explicitly recognize the inter-industry (or “supply chain”) linkages among industries, as well as the consumer spending induced by changes in local labor income. As a firm or industry experiences an increase in the demand for its product or services, it in turn needs goods and services from suppliers, and it must increase its purchases from other firms in the economy. The effect on regional production resulting from successive rounds of inter-industry linkages is called the indirect effect. The resulting increases in regional production also lead to expansions in employment and labor income, and the increases in labor income lead to increases in household spending, further expanding sales and production throughout the regional economy (the induced effect).

The successive waves of production, spending and more production result in economic multiplier effects. Each successive wave of impact is smaller than the previous one, but the cumulative increase in regional production, income and employment is larger than the initial (or “direct”) increase in production, income and employment.

The size of the economic multiplier impacts depends on a number of factors including: a) the amount of initial spending that is directed to firms located within a region; and b) the tendency of firms and individuals to purchase goods and services from local suppliers rather than from external suppliers. As a result of the direct and indirect economic impacts generated by the City Center
development plan throughout the local area, Broward County and the State of Florida benefit from increased tax collections (or fiscal impacts).

The multiplier effect is derived from data results indicated by IMPLAN, which produces factors ranging from 0.2 to more than two-times the impact on direct expenditures depending upon the specific real estate use and/or business type. While there is a general understanding of the development program for City Center, the mix of businesses (ie. full service vs. limited service restaurant, entertainment use), we maintain a conservative 0.25 multiplier among all components of direct expenditure herein.
January 18, 2018

Mr. Rod Sheldon
PreDevCo, LLC
7820 West Palmetto Park Road
Suite 105
Boca Raton, FL 33433

RE: Letter of Intent to provide Tax Increment Revenue (TIR) rebate incentive for the proposed development of Coral Springs City Center at University Drive

Dear Mr. Sheldon:

The purpose of this letter is to outline the City of Coral Springs Community Redevelopment Agency’s (the “CRA”) intent regarding the request of PreDevCo, LLC (the “Developer”) to approve a Tax Increment Revenue (TIR) rebate incentive to facilitate the redevelopment of the Financial Plaza Building into the proposed Coral Springs City Center, a mixed use residential, retail, entertainment, and hotel project (the “Project”). The CRA is excited about the proposed Project and believes that it will dramatically enhance Downtown Coral Springs.

The Developer proposes to invest approximately $168 million in total development (including land costs) to create a mixed use development that includes 450 multi-family residential rental units, 150 hotel rooms, a 45,000 square-foot grocery, 36,500 square feet of restaurants; 40,000 square feet of retail; and 1,400 garage parking spaces. The Developer estimates construction to be in one phase and commence in late 2018, with completion by 2021.

The Project is very important to implement the Coral Springs CRA Plan because it will not only provide for the redevelopment of an important parcel within the CRA, but it will also act as a catalyst for the development and redevelopment of other important parcels in Downtown. With the full-time and part-time permanent jobs that are going to be created through this development, the Developer will support the employment of Coral Springs residents. In addition, the CRA Board believes that the proposed Project will have a positive impact on the surrounding community in terms of taxes, jobs, and general investment generated, and will further enhance the area’s existing commercial/retail demand.

Subject to the negotiation and execution of a development agreement between the CRA and the Developer and authorization of the development agreement by the CRA Board, the CRA is willing to implement a TIR rebate incentive for the Project. The CRA intends to pay to the Developer an amount equal to 60% of the property tax increment revenues attributed to the City Center Project. The taxing authorities that contribute tax increments to the CRA include the City of Coral Springs, Broward County, North Broward Hospital District (NBHD), and Children Services Council (CSC). However, the 60% rebate would exclude the tax increment contributions received from the Children Services Council and the North Broward Hospital District. The payments to the Developer would begin the first year City Center is completed and placed on Broward County’s property tax roll and would continue annually until 2031.

The rebate will be calculated as follows:

\[
\text{Increment Value of the Property} = \text{Taxable Value of the Property (each year after completion)} - \text{Base Year Value (tax year following the Developer’s Project Site purchase)}
\]

\[
\text{Annual Tax Increment Rebate to Developer} = 95\% \times (\text{Increment Value of the Property} \times \text{Operating Millage Rate (for City and County, excluding NBHD and CSC)}) \times 60\%
\]
The CRA Board understands that the Developer will get a 4-star equivalent hotel, organic grocery, and concierge-style amenities and finishes. If higher development is obtained, the CRA Board will consider increasing the rebate percentage through future action of the CRA Board. The CRA Board encourages the developer to add “green roof concepts” to the development.

This Letter of Intent is contingent upon the successful negotiations between the CRA and the Developer and that the Project meets the intent of the Amended Coral Springs Community Redevelopment Plan. The City has recently adopted the Downtown Mixed-Use Zoning District (adopted by Ordinance No. 2017-115). As shown, Project meets the overall intent of the type of uses planned for Downtown and additional fine-tuning of the design with City staff will ensure the Project meets the intended requirements set forth in the new district.

This Letter of Intent is NOT A CONTRACT BETWEEN THE PARTIES and is not intended to and does not create any binding legal obligation for either party until mutually acceptable terms and conditions are outlined and memorialized in a fully executed Development Agreement. It is expressly understood and agreed by the parties hereto that this Letter of Intent does not create any contractual rights or obligations, including but not limited to an obligation to negotiate a Development Agreement on the part of either party. The parties acknowledge that significant additional terms, conditions, and provisions apart from those set forth above may be negotiated and incorporated into the final Development Agreement. In no event shall any contractual rights or obligations exist until such time as a Development Agreement is fully executed and delivered by both parties. Accordingly, the parties agree that any obligations incurred, funds spent, or business opportunities lost by a party prior to execution of a Development Agreement and in furtherance of the proposed transaction are at such party’s sole risk. This Letter of Intent will become void if not signed by both parties prior to 5:00 PM on ____________.

Sincerely,

John Walsh
CRA Chairman

PreDevCo, LLC

By:________________________
Title:_______________________
Date:_______________________
### COMMUNITY REDEVELOPMENT AGENCY
**FY 2017/18 BOARD OF DIRECTORS MEETING CALENDAR**
City Hall, West Wing, 9551 West Sample Road

<table>
<thead>
<tr>
<th>MONTH</th>
<th>DAY</th>
<th>DATE</th>
<th>TIME</th>
</tr>
</thead>
<tbody>
<tr>
<td>October, 2017</td>
<td>Monday</td>
<td>cancelled</td>
<td>6:30 P.M.</td>
</tr>
<tr>
<td>November, 2017*</td>
<td>Monday</td>
<td>13</td>
<td>6:30 P.M.</td>
</tr>
<tr>
<td>December, 2017*</td>
<td>Monday</td>
<td>11</td>
<td>6:30 P.M.</td>
</tr>
<tr>
<td><strong>January</strong></td>
<td>Thursday</td>
<td>18</td>
<td>6:30 P.M.</td>
</tr>
<tr>
<td>February</td>
<td>Monday</td>
<td>26</td>
<td>6:30 P.M.</td>
</tr>
<tr>
<td>March</td>
<td>Monday</td>
<td>26</td>
<td>6:30 P.M.</td>
</tr>
<tr>
<td>April</td>
<td>Monday</td>
<td>23</td>
<td>6:30 P.M.</td>
</tr>
<tr>
<td>May*</td>
<td>Monday</td>
<td>21</td>
<td>6:30 P.M.</td>
</tr>
<tr>
<td>June</td>
<td>Monday</td>
<td>25</td>
<td>6:30 P.M.</td>
</tr>
<tr>
<td>July</td>
<td>Monday</td>
<td>23</td>
<td>6:30 P.M.</td>
</tr>
<tr>
<td>August</td>
<td>Monday</td>
<td>27</td>
<td>6:30 P.M.</td>
</tr>
<tr>
<td>September</td>
<td>Monday</td>
<td>24</td>
<td>6:30 P.M.</td>
</tr>
<tr>
<td>October, 2018</td>
<td>Monday</td>
<td>22</td>
<td>6:30 P.M.</td>
</tr>
<tr>
<td>November, 2018 *</td>
<td>Monday</td>
<td>12</td>
<td>6:30 P.M.</td>
</tr>
<tr>
<td>December, 2018 *</td>
<td>Monday</td>
<td>10</td>
<td>6:30 P.M.</td>
</tr>
</tbody>
</table>

* Date change due to holidays

For any additional information, please contact Danielle Lima, CRA Administrator at 954-344-1121 or dlima@coralsprings.org

Please note that meeting schedule dates are subject to change; please visit www.coralspringscra.com for the most up to date meeting schedule.