



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
CRA BOARD MEETING

#20-0224

TO: CRA Chairman & Board of Commissioners
Fort Lauderdale Community Redevelopment Agency

FROM: Chris Lagerbloom, ICMA-CM, Executive Director

DATE: July 7, 2020

TITLE: Motion Waiving the Maximum Award Amount of \$225,000 under the Property and Business Improvement Program for the Donna's Caribbean Restaurant Project, 2012 NW 6th Street - **(Commission District 3)**

Recommendation

It is recommended that the Community Redevelopment Agency (CRA) Board of Commissioners pass a Motion to Waive the Maximum Award Amount (\$225,000) under the Property and Business Improvement Program for Donna's Caribbean Restaurant Project, 2012 NW 6th Street.

Background

The CRA has received an application from Junny Investment Group, LLC, seeking a \$290,000 forgivable loan from the CRA's Property and Business Program for Donna's Caribbean Restaurant ("Donna's"), a new take-out and drive-through restaurant proposed at the southeast corner of Sistrunk Boulevard and NW 20th Avenue in the Northwest Regional Activity Center. The copies of the Location Map and Broward County Property Appraiser Information are attached as Exhibits 1 and 2. This item was approved by the Northwest Progresso Flagler Heights ("NPF") CRA Advisory Board at its meeting of February 11, 2020 (Exhibit 8).

The maximum incentive funding allowed under the CRA Property and Business Improvement Program is \$225,000. Sistrunk and NW 20th Avenue is a CRA Focus Area, in which CRA Property and Business Improvement Program can provide for 90% of the cost of renovation or new construction but not to exceed the amount of the award. The CRA Property and Business Improvement Program has a special emphasis in attracting new restaurants to the CRA and can also pay for restaurant equipment. The applicant is requesting \$225,000 for construction from the CRA Property and Business Improvement Program, and an additional \$65,000 for the installation of a surface water drainage tank in order to comply with Broward County Code, Chapter 27, Article V Sec. 27-191 through 27-202, regarding surface water management.

During the permitting process and after presentation to the Advisory Board, the applicant learned that a water retainage system was needed on the property to deal with excess

surface water. The applicant decided to install underground water retention tanks under the parking lot surrounding the property to provide adequate drainage of surface water, especially for heavy rain events, as adequate storm water drainage cannot be achieved with conventional water retention methods on a lot of that size, with the proposed improvements. Alternatives to the water tanks were considered, but this system was determined to be the most efficient, considering the size and layout of the property. The capacity of the proposed water retainage tanks is described in Appendix "C" of the attached Drainage Report (Exhibit 4). The developer estimates the total project cost at \$592,340, consisting of \$532,045 of the new construction, renovation of the existing structure, water tank installation, development review, architectural and permitting and \$60,295 for equipment. The developer owns the three adjacent lots with an existing structure that will be improved as part of the project. There is no existing mortgage on the property, and, except for the requested CRA contribution, the applicant is funding the project with his own capital and a bank loan. The CRA will have a first mortgage position and CRA funding will be provided as a loan, forgiven after five years. The requested funding of \$290,000 exceeds the maximum funding limits under the program, however, the CRA Board, under the program and at its discretion, can increase the funding limits in the CRA focus areas on a case by case basis.

When the project was presented to the CRA Advisory Board, the applicant was not aware of the need for a water retainage system. The Advisory Board approved funding for the project in the amount \$225,000, with one dissent.

An additional \$35,000 may be awarded to the applicant, at the discretion of the Executive Director, subject to satisfactory evidence of legitimate cost overruns, inspection of the site and submission and review of plans, specifications and other documents and evidence as required by the Executive Director. This allocation is not intended to create an entitlement in favor of the applicant, but merely to cover legitimate cost overruns for the project.

Donna's Caribbean Restaurant will be part of an existing successful Caribbean restaurant chain, operated under an investor agreement with CEO Karl Gordon. The restaurant chain began its operation in 1996, headed by Mr. Gordon, a Jamaican entrepreneur with extensive culinary training and experience in the restaurant, hotel and cruise ship industries. The chain currently has 13 locations in Broward and Miami Dade Counties, as well as one in Jamaica. Donna's will provide the Sistrunk and Fort Lauderdale area with quality Caribbean food, specializing in West Indian cuisine with exotic island fare, including curried goat, oxtail, jerk chicken, patties, ackee and saltfish, callaloo and escovitch fish, seasoned in special herbs and spices with fruit and vegetables of the Caribbean. The restaurant will serve breakfast, lunch and dinner, as well as event catering.

The approximately 2,226 square foot take-out/drive-through restaurant will include a 688 square foot dining area, kitchen/service area and two bathrooms. Its drive-through service and convenient location on the South side of Sistrunk Boulevard, just East of I-95, gives it an advantage with the morning rush hour traffic going into the city. Donna's

Caribbean Restaurant will be a focal point for the area, bringing in customers from the surrounding residential community, government offices and traffic flow through the area, making the western side of Sistrunk Boulevard progressively more vibrant and inviting to new and existing businesses. In addition, the restaurant will remain open in the evenings until 11:00 p.m. and enhance neighborhood safety by providing eyes on the street and a walk-to destination for surrounding residents.

The restaurant will be operated by Dr. Fidel S. Goldson, Jr., a chiropractic physician, licensed contractor, real estate agent and investor in the South Florida area, with the support and guidance of the chain's owner, CEO Karl Gordon. They propose to employ approximately 12 full-time employees from the Sistrunk area in various capacities, such as managers, chefs, drive through and take out personnel and cashiers. Donna's also offers an intensive training program for all staff to ensure quality and compliance with required food preparation and serving standards, as well as compliance with all health requirements. The company describes itself as passionate about its restaurants preparing consistently top-quality meals at a low cost, as value and quality are its priorities, with the aim of developing a loyal repeat customer base. The company projects a positive cash flow in the first year of operation.

Dr. Fidel Goldson, Jr. and his family have owned the three adjacent lots since 2002. The lots went into Dr. Goldson, Jr.'s ownership in 2015. Prior to that, they were owned by his father, Dr. Fidel Goldson, Sr., a well-known chiropractor and regular on the Caribbean radio station, WAVS-1170 AM, with segments promoting health through chiropractic care, as well as discussions uplifting the community and community empowerment. Besides being an easily recognized Jamaican restaurant in South Florida, Donna's is committed to be a pillar in the community, generously supporting local charitable activities.

In addition to the construction of Donna's Caribbean Restaurant, Dr. Goldson proposes to upgrade the entire site that includes an existing building on the westernmost lot, which will continue to be occupied by the longstanding and popular BG's Soul Food Restaurant, and by a barber shop. Dr. Goldson will renovate the existing building to bring it up to date and to compliment the new structure.

Business development provides jobs, enhances neighborhood safety, contributes to a vibrant environment of activity and growth and creates community. Successful local businesses help reduce blight and crime, help reinforce investments made in housing and other redevelopment efforts and create community. The CRA should continue funding new small business opportunities throughout the CRA that benefits the area.

Copies of the Location Map, Broward County Property Appraiser Information, Construction Plans, Drainage Report, Cost/Funding Breakdown, Proposed Property and Business Improvement Program Agreement, Funding Application/Business Plan and NPF CRA Advisory Board Minutes of February 11, 2020 are attached as Exhibits 1 through 8.

Consistency with the NPF CRA Community Redevelopment Plan

The NPF CRA Community Redevelopment Plan is designed in part, to stimulate private development of areas planned for commercial development. The project is consistent with the NPF CRA Community Redevelopment Plan which provides for direct physical improvements to enhance the overall environment, improve the quality of life and attract sound business and commercial development that provide employment and job opportunities.

Per the CRA plan, the CRA will establish incentive programs to address redevelopment obstacles. The CRA 5-Year Program, which is incorporated as part of the Plan, identifies strategic objectives, goals and measurements that include targeting and attracting businesses, retail uses and industries to establish a presence in the redevelopment area. In addition, it calls for investing in development projects that create job opportunities for area residents, promote public private partnerships and investment in the redevelopment area.

Resource Impact

There is no fiscal impact for this item. CAM #20-0504 will be presented as an associated item.

Strategic Connections

This item is a *Press Play Fort Lauderdale Strategic Plan 2024*, specifically advancing:

- Infrastructure Focus Area
- Goal 1: Build a sustainable and resilient community
- Objectives:
 - Proactively maintain our water, wastewater, stormwater, road and bridge infrastructure
 - Reduce flooding and adapt to sea level rise
- Goal 2: Build a multi-modal and pedestrian friendly community
- Objectives: Improve roads, sidewalks, and trails to prioritize a safer, more walkable and bikeable community.

- Business Development Focus Area
- Goal 5: Build an attractive global and local economic community marketplace
- Objectives:
 - Create a responsive and proactive business climate to attract emerging industries
 - Nurture and support existing local businesses
 - Create educational pathways and partnerships for workforce development

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are Community and We are Prosperous*.

Related CAMs

20-0503

20-0504

Attachments

Exhibit 1 – Location Map

Exhibit 2 – Broward County Property Appraiser Information

Exhibit 3 – Construction Plans and Renderings

Exhibit 4 – Drainage Report by Ross Engineering, Inc.

Exhibit 5 – Cost and Funding Breakdown

Exhibit 6 – Property and Business Investment Program Agreement

Exhibit 7 – CRA Funding Application/Business Plan

Exhibit 8 – NPF CRA Advisory Board Minutes of 2/11/2020

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