



**TO:** CRA Board of Directors

**FROM:** Lee Feldman, ICMA-CM, City Manager

**DATE:** May 7, 2013

**TITLE:** Motion Authorizing an Appropriation of \$140,000 of Northwest-Progresso-Flagler Heights Community Redevelopment Area (NPF CRA) Funds for a Police Sub-station at 1291 & 1295 Sistrunk Boulevard

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**Recommendation**

It is recommended the CRA Board pass a motion authorizing the appropriation of \$140,000 of NPF CRA funds for leasehold improvements, equipment and rental expenses for a Police Sub- station at 1291 & 1295 Sistrunk Boulevard.

**Background**

As part of a long-term effort to reduce crime and facilitate private capital investment along the Sistrunk corridor, the NPF CRA proposes to partner with the Fort Lauderdale Police Department (FLPD) on leasing 1,600 square feet of commercial space at 1291& 1295 Sistrunk Boulevard as a new police substation. Initial approval from the CRA Board to secure a lease at 1291 & 1295 Sistrunk Boulevard was done at the CRA Board meeting on November 20, 2012 (CAM 12-2551).

The property was recently renovated, but additional renovation is needed prior to the space being occupied by the FLPD. The building is CBS construction with a full glass window facing Sistrunk Boulevard, and is physically connected to the Mizell-Kurtz funeral home building. There are four parking spaces available in the parking lot and additional parking is available on Sistrunk Boulevard adjacent to the property.

The landowner, Roy Mizell & Kurtz Funeral Home, Inc., (Richard Kurtz, President) has proposed renting the facility to FLPD for \$1,601 per month or \$19,212/annually. The lease also includes the costs of the water service at the building.

A summary of the terms of lease are as follows:

- Initial Lease Term – 5 years; (1) 5-year renewal option
- Effective Date – 1<sup>st</sup> day of the month after the “move-in” period

- Year 1 Rent - \$19,212 increasing 3% per annum through year #5; thereafter escalation based on increase in the Consumer Price Index, not to exceed 3% per annum

In addition to the annual cost of the lease there are some other expenses associated with occupancy that include utilities (electrical, telephone, and cable), furniture, office equipment, and security upgrades. Expenses are expected to include approximately \$128,000 in one-time expenses associated with furnishings and equipment, while monthly expenses, in excess of rent, should be around \$700. A breakdown of the estimated costs is detailed below.

- Security upgrades (shatter proof glass or bars, alarm system, etc.) - \$18,000
- Office equipment (phones, computers, printer, etc.) - \$12,500
- Furniture costs (desks, chairs, conference table, filing cabinets, etc.) - \$5,500
- Signage cost - \$2,000
- Automatic License Plate Reader - \$40,000.
- Interior improvement (doors, walls, locks, electrical, HVAC, permits, labor, etc.) costs are estimated at \$25,000.
- IT connections - \$25,000.
- Utilities & Expenses (cable, phone, internet, monitoring, janitorial) - \$700/mo.

Based on the estimated initial investments, monthly expenses (3 months) and rent expense (3 months) the start-up expenses associated with leasing space at 1291 & 1295 Sistrunk Boulevard, is approximately \$140,000. Rental expense for the Police Sub-station will continue to be funded from the NPF CRA funds each year as part of the annual operating budget. Funding for the initial and the on-going monthly expenses will come from NPF CRA funds.

### **Consistency with Redevelopment Plan**

The NPF CRA Redevelopment Plan, in general, was formulated to assist the needs of all neighborhoods within the target area of the district. Since the inception of the Redevelopment Plan in 1995, a number of development regulations and initiatives have been carried out to promote development while preserving and protecting the integrity of the abutting neighborhood areas from the progress of redevelopment. For example, in the neighborhoods abutting the Sistrunk corridor a variety of traffic calming investments have been done with roundabouts, road closures, narrowing lanes and speed tables. These types of physical improvements have been installed to create an environment necessary to preserve the strong residential quality of life that exists within the district.

The partnership between the FLPD and the NPF CRA on operating a police sub-station is considered to be another physical improvement to assist in the preservation of our commercial development investments, aid in business retention and provide a valuable asset in attracting more sound business and commercial activity.

City staff believes that this partnership with FLPD to open a sub-station at 1291 & 1295 Sistrunk Boulevard is consistent with the Redevelopment Plan and is an important part of the success of the overall implementation strategy for the district

**Resource Impact:**

FUND	SUB FUND	FUND NAME	INDEX #	INDEX NAME	SUB OBJECT #	SUBJECT NAME	AMOUNT
106	01	Ft, Lauderdale CRA	DSD060603	Ft, Lauderdale CRA	3199	Other Professional Services	\$133,800
106	01	Ft, Lauderdale CRA	DSD060601	Ft, Lauderdale CRA	3319	Office Space Rent	\$6,200
<b>TOTAL</b>							<b>\$140,000</b>

Related CAM: 12-2551 and 13-0632

**Attachments:**

- Exhibit 1: Proposed Lease
- Exhibit 2: Picture of 1291 Sistrunk Boulevard
- Exhibit 3: Map of Location

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Department Director: Greg Brewton, Sustainable Development