



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
CRA BOARD MEETING

#24-0818

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

FROM: Susan Grant, Acting CRA Executive Director

DATE: October 1, 2024

TITLE: Resolution Waiving the Maximum Funding Amount and Approving a \$750,000 Property and Business Improvement Program Forgivable Loan and a \$50,000 Streetscape Enhancement Program Forgivable Loan to West Sistrunk Plaze, LLC for Ponderosa Plaza, Located at 2201 Sistrunk Boulevard, Authorizing the Executive Director to Execute Any and All Related Instruments, and Delegating Authority to the Executive Director to Take Certain Actions - **(Commission District 3)**

Recommendation

Staff recommends the Community Redevelopment Agency (CRA) Board of Commissioners approve a Resolution for a \$750,000 Property and Business Improvement Forgivable Loan and a \$50,000 Streetscape Enhancement Program Forgivable Loan to West Sistrunk Plaze, LLC for Ponderosa Plaza, located at 2201 Sistrunk Boulevard, authorize the Executive Director to execute any and all related instruments, and delegate authority to the Executive Director to take certain actions.

Background

The Northwest-Progresso-Flagler Heights (NPF) Community Redevelopment Agency has received an application from West Sistrunk Plaze, LLC for a Property and Business Improvement Program forgivable loan in the amount of \$750,000 and a Streetscape Enhancement Program forgivable loan in the amount of \$50,000 for Ponderosa Plaza located at 2201 Sistrunk Boulevard. A location map and Broward County Property Appraiser information are attached as Exhibit 1, project plans and illustrations are attached as Exhibit 2, and the developer's application for funding is attached as Exhibit 3.

The project consists of a new contemporary 4-unit, 2,080 square foot building on a 9,295 square foot site located at 2201 Sistrunk Blvd, at the northwest corner of Sistrunk Boulevard and NW 22 Avenue. The building has an attractive design with bright and welcoming spaces and a profile that gives the appearance of a two-story building. Each bay will be move-in ready for most small office and/or retail tenants and will include concrete floor, drywall with receptacles, lighting, air conditioning, and a restroom. Rental rates are projected at approximately \$25/SF (total rent).

The total project investment is \$1,129,000, including \$726,420 in hard construction cost, \$123,580 in soft cost including architectural design, engineering, permitting, and impact fees, and \$279,000 in land. A breakdown of project cost is attached as Exhibit 4.

CRA funding will take the form of a forgivable loan secured by a mortgage on the property. The developer, West Sistrunk Plaze, LLC, is solely owned by its Manager Alvin Lewis, who is a long-time resident and stakeholder in the NW area. Mr. Lewis owns the property, which is without debt and is appraised for \$279,000, based on a fee appraisal by The Urban Group, dated October 17, 2023. He has a commitment for a construction loan to cover his portion of the construction cost. He also has cash reserves averaging \$50,000 and has advanced some of his own funds for predevelopment cost for architectural plans and development review. With the project located in a CRA Focus Area, the CRA can cover up to 90% of the project cost when using a CRA Approved General Contractor. The Property and Business Improvement Program also allows the CRA to increase the maximum funding limits under the program on a case-by-case basis. This provision was made part of the program in 2018 to give an added incentive to longtime residents and owners in the NW community, such as Mr. Lewis, to develop their properties and participate in the redevelopment process. A copy of the Operating Proforma for the project is attached as Exhibit 5. Mr. Lewis has received interest from potential tenants for the space which is affordable because of its size and proposed rental rate for new commercial space, which is not available in this area of Sistrunk.

A copy of the Florida Division of Corporations SUNBIZ information for West Sistrunk Plaze, LLC is attached as Exhibit 6. Information on Mr. Alvin Lewis and his development team, which includes Bertram Lewars, Architect, Lewars Design, LLC, and Segoma Construction, a CRA Approved General Contractor, is attached as Exhibit 7.

The project is estimated to create 4-6 jobs attributed to those small businesses that lease at the new plaza. The project plans have been submitted to City of Fort Lauderdale Development Review (Case No. UDP-RS24002). It is estimated that it will take approximately 3 to 4 months to complete permitting, and that construction will start in the first quarter of 2025.

At their meeting on August 13, 2024, the NPF CRA Redevelopment Advisory Board unanimously recommended approval of this item. A copy of the minutes of the meeting is attached as Exhibit 8. The Property and Business Improvement Program Agreement and the Streetscape Enhancement Program Agreement are attached as Exhibits 9 and 10. A copy of the Resolution is attached as Exhibit 11.

Consistency with 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 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 provides employment and job opportunities. Per the CRA

plan, the CRA will establish incentive programs to address redevelopment obstacles and 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. The Sistrunk Corridor Area Improvement Programs state that commercial nodes will help revitalize Sistrunk as a mixed-use corridor, providing business opportunities and essential neighborhood services to the surrounding neighborhood, with an emphasis on attracting entrepreneurs from the surrounding neighborhood. The intent of the Property and Business Improvement Program is to encourage property owners and small business owners to consider new construction or undertake substantial rehabilitation of their property. This program will help property owners in the area recruit tenants to the area by enabling lease agreements that are financially feasible by providing an aggressive public investment program that will help make entrepreneurial opportunities financially feasible.

Resource Impact

There will be a fiscal impact to the CRA in the amount of \$800,000. Funds for these agreements are available in the accounts listed below.

Funds available as of October 1, 2024					
ACCOUNT NUMBER	COST CENTER NAME (Program)	CHARACTER/ACCOUNT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
20-119-1531-552-40-4203-CRA092502	Property & Business Improvement Program FY25	Other Operating Expense/Redevelopment Projects	\$1,000,000	\$1,000,000	\$750,000
20-119-1531-552-40-4203-CRA092503	Streetscape Improvement Program FY25	Other Operating Expense/Redevelopment Projects	\$750,000	\$750,000	\$50,000
TOTAL AMOUNT ►					\$800,000

Strategic Connections

This item is a FY 2024 Commission Priority, advancing the Economic Development & Housing Accessibility initiatives.

This item supports the *Press Play Fort Lauderdale 2029* Strategic Plan, specifically advancing:

- The Business Growth and Support Focus Area, Goal 6: Build a diverse and attractive economy

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

This item supports the *Advance Fort Lauderdale 2040* Comprehensive Plan, specifically advancing:

- The Business Development Focus Area
- The Economic Development Element

- Goal 2: Enhance the economic competitiveness of Fort Lauderdale through policies that encourage retention and recruitment of business and industry which provide living-wage employment and increased training and competitiveness of the local workforce.
- The Neighborhood Enhancement Focus Area
- The Future Land Use Element
- Goal 2: Sustainable Development: The City shall encourage sustainable, smart growth which designates areas for future growth, promotes connectivity, social equity, preservation of neighborhood character and compatibility of uses.

Attachments

Exhibit 1 – Location Map and Broward County Property Appraiser Information

Exhibit 2 – Project Plans and Illustrations

Exhibit 3 – Application for Funding

Exhibit 4 – Project Cost

Exhibit 5 – Operating Proforma

Exhibit 6 – Florida Division of Corporations Information for West Sistrunk Plaze, LLC

Exhibit 7 – Project Development Team

Exhibit 8 – August 13, 2024 NPF CRA Advisory Board Approved Minutes

Exhibit 9 – Property and Business Improvement Program Agreement

Exhibit 10 – Streetscape Enhancement Program Agreement

Exhibit 11 – Resolution

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Acting CRA Executive Director: Susan Grant