



**CITY OF FORT LAUDERDALE**  
**City Commission Agenda Memo**  
**CRA BOARD MEETING**

**#22-0309**

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

**FROM:** Chris Lagerbloom, ICMA-CM, Executive Director

**DATE:** April 19, 2022

**TITLE:** Resolution Waiving the Minimum Requirement on Reimbursement of Eligible Project Costs and the Minimum Contribution Amount of the Business/Property Owner for the Development Incentive Program (DIP); and Motion Approving an Award of \$727,000 to Dale's Wheels & Tires Direct, Inc., and Authorizing the Executive Director to Negotiate and Execute the Development Agreements and Any and All Other Documents or Instruments Necessary or Incidental to Consummate the Transaction - **(Commission District 2)**

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**Recommendation**

Staff recommends the Community Redevelopment Agency (CRA) Board of Commissioners resolve to waive the minimum project cost requirement and the minimum contribution amount of the business/property owner under the Development Incentive Program for the reimbursement of eligible costs for an approved project for Property owned by Dale's Wheels & Tires Direct, Inc., approve an award of a Development Incentive Program forgivable loan in the amount of \$727,000 to Dale's Wheels & Tires Direct, Inc. for a project located at 200-250 West Sunrise 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 Community Redevelopment Agency (NPF-CRA) has received an application from Dale's Wheels & Tires Direct, Inc. for a forgivable loan for the construction and renovation of a commercial development located at 200-250 West Sunrise Boulevard, Fort Lauderdale, FL 33311 (the "Property"). The proposed development includes the renovation and modernization of the existing wheel and tire business, the construction of a new two-story showroom, customer lounge, and warehouse, as well as the build out of an existing building into four rentable commercial units and storefronts. The total project cost is estimated at \$970,000. The Developer is requesting a forgivable loan amount of \$727,000 from the CRA's Development Incentive Program (DIP). The CRA forgivable loan will be secured by a five-year, first mortgage on the property.

Dale Saunders is the principal, managing member and proprietor of Dale's Wheels & Tires Direct, Inc. ("DWT"), located at 250 West Sunrise Boulevard. DWT is a family business that first opened in May of 1991 on Broward Boulevard. It quickly outgrew its first location and relocated to its current location, which was purchased in December of 1996, to meet the needs of the community through its growing and successful business. DWT has also purchased three warehouses in the adjacent industrial area for use as storage and maintenance facilities. The business now plans to expand into a newly built structure which will serve as a customer lounge, showroom, and inventory warehouse. The proximity of the new inventory storage to the service bays will make it easier and faster for the mechanics to deliver superior service to their customers. Currently, the supplies have to be retrieved from DWT's off-site warehouses.

DWT's strong reputation for custom automotive work and quality service among South Florida car enthusiasts, dealerships and area residents has made it one of the top independent wheel, tire, and car maintenance shops in Broward County, with annual sales of over \$3.5 million. DWT has also had a very significant community impact over its 31 years of operations in the area. Many of its employees live in the area and have worked for DWT since its opening in 1991. DWT annually sponsors a Back-To-School Giveaway, which provides over 400 backpacks with school supplies and clothing to children in the community. DWT also provides annual support for South Florida Shockers Basketball, the Kappa Golf Klassic, the Western Baseball Booster Club, the Miss Fort Lauderdale Teen Pageant, and Dillard High School Alumni events.

Dale Saunders purchased the 250 W. Sunrise Boulevard property in 1996 for \$250,000 and the 200 W. Sunrise Boulevard property in 2004 for \$575,000. The properties have no debtor liens. Mr. Saunders also owns Dale's Plaza, a commercial plaza at 300 W. Sunrise Boulevard, which was renovated with the assistance of the CRA in 2018/2019. This now vibrant and modern plaza is fully tenant occupied and serves the community with various businesses and employment opportunities. Backed by Dale Saunders, the retail plaza has allowed entrepreneurs of all kinds to start, and scale their own businesses, while servicing the Sunrise Corridor.

The 200 West Sunrise building is strategically situated in the heart of the northernmost portion of the Northwest-Progresso-Flagler Heights (NPF) CRA. Since acquiring this building, the Developer has diligently painted it multiple times, only to have it vandalized within a few days, resulting in code violations. The purpose of modernizing this building and adding functionality with new commercial spaces, is to make a permanent improvement to the look and functionality of this complex. DWT is looking to attract professional businesses to this area and to serve as a business incubator for professional offices along the busy West Sunrise corridor. Since this is one of two city corridors that have a direct connection from I-95 to downtown Ft. Lauderdale, the enhancement of these structures will complement the continued growth of the downtown and NPF-CRA areas. DWT's new and improved buildings are also immediately adjacent to the large redevelopment along the Sunrise corridor, next to the newly constructed Aldi grocery store, Dunkin Donuts and the new Wawa gas station and convenience plaza, which is

currently being constructed. The DWT improvements will clean up the entire block and present a new, clean, and modern look of the northernmost CRA border.

Dale's Wheels & Tires Direct, Inc. is committed to revitalizing Sunrise Boulevard by adding modern facilities to meet the current and future needs of the community, while at the same time providing jobs, training, and business opportunities to area residents. Their goal is to attract professionals and entrepreneurs to the area and to provide them with affordable commercial spaces. As part of DWT's policy of making their customers their number one priority and providing training and employment, the company will comply with the CRA requirements of job creation and long-term leases. DWT is committed to giving people a second chance and extending training and employment to ex-offenders and other individuals with past employment challenges. Throughout its existence, DWT has employed ex-offenders and trained them in automotive repair, making them marketable for other employment opportunities. As part of this project, they propose to create at least 12 new jobs and vocational training for people from the CRA area in various capacities.

The Development Incentive Program seeks to eliminate slum and blight by attracting new businesses to the CRA and retaining and allowing existing businesses to expand within the CRA. The minimum incentive funding allowed under the CRA Development Incentive Program is \$5,000,000. The construction cost estimate created by the CRA Project Manager for this project, exceeds the program limitations under other CRA programs. To provide the necessary funds for this project, the CRA requests that the minimum incentive funding allowed under the CRA Development Incentive Program be waived. The Business expansion by Dale's Wheels & Tires Direct, Inc. will have a positive economic impact on the community and is in the best interest of the community. The Northwest Progresso Flagler Heights (NWPFH) Advisory Board unanimously approved funding on March 8, 2022, and staff finds that the proposed improvements comply with the NWPFH CRA Plan, will improve the business environment in the area and allow Hoover to continue and to expand its business operations.

The total project cost is estimated at \$970,000. In addition to the CRA funding in the amount of \$727,000 (75% of the total project cost), the Developer will use his own funds in the amount of \$243,000 for the remaining 25% of the total project cost. The estimated completion date is 9 months from the beginning of construction. The project is currently in DRC review.

This project is consistent with the Northwest-Progresso-Flagler Heights Community Redevelopment Area ("NPF CRA") Community Redevelopment Plan, which identifies neighborhoods within the CRA to be revitalized and redeveloped. This area of the city has the potential to serve as a major source of investment and employment for the surrounding community. The CRA 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 and create jobs for area residents. 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.

CRA staff recommends funding of this project from the CRA Development Incentive Program for the renovation, modernization, build-out, and new construction of the Dale's Wheels & Tires Direct, Inc. property, not to exceed \$727,000.

Business development provides jobs, enhances neighborhood safety, contributes to a vibrant environment of activity and growth, and creates community. This project will both create new jobs and help retain existing jobs that may otherwise be lost if the company closes its Fort Lauderdale operations. The CRA should continue funding business opportunities throughout the CRA that benefits the area.

#### 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 and create jobs for area residents. 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. Staff finds that the proposed improvements comply with the CRA Plan and are in the best interest of the community.

#### Resource Impact

Funds for this transaction are available in the account listed below.

<b>Funds available as of April 14, 2022</b>					
<b>ACCOUNT NUMBER</b>	<b>INDEX NAME (Program)</b>	<b>CHARACTER CODE/ SUB- OBJECT NAME</b>	<b>AMENDED BUDGET (Character)</b>	<b>AVAILABLE BALANCE (Character)</b>	<b>AMOUNT</b>
119-CRA092204-4203	Developmental Incentive Improvement Program FY22	Other Operating Expense/Redevelopment Projects	\$8,457,675	\$4,644,128	\$727,000
				<b>AMOUNT ►</b>	<b>\$727,000</b>

#### Strategic Connections

This item is a *2022 Commission Priority*, advancing the Smart Growth initiative.

This item supports the *Press Play Fort Lauderdale 2024 Strategic Plan*, specifically advancing:

- The Business Development Focus Area
- Goal 5: Build an attractive and proactive business climate to attract emerging industries

- Objective: Nurture and support existing local business

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

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 and encourage retention and recruitment of business and industry which provide living wage employment and increased training and competitiveness in the local workforce

### **Attachments**

Exhibit 1 - Location Map

Exhibit 2 - Broward County Property Appraiser Information and Photos for 200 and 250 W. Sunrise Boulevard

Exhibit 3 - Architectural Plans and Renderings

Exhibit 4 - CRA Application and Supplemental Responses

Exhibit 5 - Financial Projections and 10-year Pro Forma Income Statement

Exhibit 6 - Cost and Funding Breakdown

Exhibit 7 - Development Incentive Program Agreement

Exhibit 8 - NPF CRA Advisory Board Draft Minutes of March 8, 2022

Exhibit 9 - Resolution

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