



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
CRA BOARD MEETING

#22-0733

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

FROM: Greg Chavarria, CRA Executive Director

DATE: August 16, 2022

TITLE: Resolution Waiving the Minimum Project Cost Requirements and Minimum Developer's Contribution Requirements under the Development Incentive Program (DIP), Awarding a DIP Forgivable Loan in the Amount \$1,125,000 to Food Friends Catering, LLC for the Food Friends Southern Comfort Kitchen and Bar located at 1310-1312 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 waiving the minimum project cost requirements and minimum Developer's contribution requirements under the Development Incentive Program (DIP) and to award a DIP forgivable loan in the amount of \$1,125,000 to Food Friends Catering, LLC for the Food Friends Southern Comfort Kitchen and Bar located at 1310-1312 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 CRA has received a request for funding assistance from Food Friends Catering, LLC to renovate and build out a blighted two-story building located at 1310-1312 Sistrunk Boulevard under the Development Incentive Program (DIP). The Developer plans to establish the "Food Friends Southern Comfort Kitchen & Bar", a restaurant that focuses on Southern comfort foods. The restaurant will also serve as a catering hub which specializes in serving cuisines such as Latin, Asian, Caribbean, among others. Copies of the Location Map, Broward County Property Appraiser Information, Funding Application, Business Plan, Architectural Plans, Cost/Funding Breakdown, and Financial Projections/Sales Assumptions are attached as Exhibits 1 through 7.

The Development Incentive Program (DIP) is in place 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 project cost requirements to be eligible for DIP

funding must exceed \$5,000,000 and the program requires a dollar for dollar match of the CRA investment in the project. Since the construction cost estimate for this project exceeds the maximum funding limitations under the other existing CRA programs, in order to provide the necessary funds for this project, the developer requests that both, the minimum project cost requirements and minimum Developer contribution requirements be waived.

Food Friends Catering, LLC is a family-owned business, established in 2017 by Kenrith Lawrence. Mr. Lawrence holds a master's degree in hospitality from Florida International University and has many years of experience as a chef. His business partner, Patricia, holds a master's degree in business with a double concentration in business analytics and entrepreneurship from Syracuse University and has a fourteen-year employment background in business and management. She will be involved in the restaurant's business side, managing the daily operations, human resources, marketing, sales, and other aspects.

Food Friends Catering, LLC is currently a full-service catering company, specializing in "Southern Comfort" foods and other cuisines such as Latin, Asian, Caribbean and others. Their passion, knowledge, and experience in the culinary industry, as well as their dedication to exceptional service has allowed them to become one of South Florida's most reputable and affordable caterers. The catering business has a broad and well-established customer base. With its multifaceted approach, Food Friends will be able to not only serve restaurant customers, but also leverage the kitchen to prep, cook, package, and successfully fulfill catering orders for individuals and corporate clients. The business caters a variety of corporate events, luncheons, bridal showers, and other special occasions. Some of their large and most notable events included the South Beach Wine and Food Festival/ Burger Bash with Guy Fieri, Jazz in the Gardens, Hungry Black Man Food Competition, and many others.

Food Friends is ready to expand to a full-service, sit-down restaurant, while also continuing its catering operation. The restaurant's menu will include traditional dishes such as fried cheese grits with shrimp, lobster mac & cheese, cornbread, pulled pork sliders, drop biscuits, red velvet cake, and many others. Their goal is to create a diverse menu for their guests to enjoy, consisting of a variety of beef, chicken, and seafood items, as well as vegan/vegetarian options. Their menu items are specifically designed to avoid wasted ingredients and to use local produce from local merchants. Food Friends plans to establish partnerships with local food vendors, in order to obtain some of the freshest ingredients.

Restaurants bring people together to build "community". As the restaurant industry continues to recover, Food Friends understand that in order to grow during these uncertain times, they must provide guests with both the options to either dine-in or take-out. Tourists and locals alike are increasingly seeking dine-in options, which is why the South Florida restaurant industry will continue to grow despite recent challenges. Food Friends Southern Comfort Kitchen + Bar will provide casual dining service where guests can get together to talk, share experiences, and feel "at home", while enjoying traditional

southern comfort foods that have been elevated to further enrich its flavors. The restaurant's central location along the Sistrunk corridor, makes it easily accessible to area residents, as well as the surrounding communities.

One of Food Friends' priorities is to create jobs for their community and to provide quality training opportunities. Food Friends is dedicated to hire not only the best professionals for their business, but also people without training and those who may need another chance in life. Their hybrid business model is focused on hiring local servers, cooks, and bar tenders from various backgrounds, with a willingness to learn, grow and succeed. The applicant plans to initially provide jobs to at least 19 employees and to hire from the CRA area.

In addition, they plan to create a "friends' day" every quarter, where they will partner with local non-profit organizations/agencies, invite the local community to enjoy their home-made food, and at the same time learn about resources available to the community (i.e., mental health, career development, education, etc.). The applicant's mission is to provide resources for people in the community and not to leave the community behind.

The improvement cost for this renovation and build-out is projected at \$1,300,000. The Developer will pay for additional equipment costs. The Developer's total request of \$1,125,000.00 represents approximately 86% of the project cost.

Except for the requested CRA contribution, the project is funded by the applicant's own funds. In addition, the property owner is providing approximately \$194,000 toward the pre-construction costs, demolition, and roof structure. The building was purchased in 2017 by NWRD, LLC. The blighted building is in severe disrepair and needs a major renovation, as it had stood vacant for many years prior to the owners' acquisition. There is no existing mortgage on the property. The CRA will have a second mortgage position and CRA funding will be provided as a loan, forgiven after 5 years.

The approximately 3,012 square-foot, very attractive upscale two-story restaurant/bar will include a dining area, commercial kitchen, two restrooms, office, and an outdoor dining area and bar on the main floor. The second floor will consist of an upper level "patio", overlooking the lower-level outdoor dining area, as well as a bar, additional dining area, and two additional restrooms. The two floors will be connected by an elevator and a staircase. Food Friends Southern Kitchen + Bar 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. Their social media presence and advertising expertise will draw local residents and tourists alike. This is in line with the CRA's goal to make Sistrunk Boulevard a place of destination for entertainment and cultural tourism.

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 benefit the area.

At their meeting of July 12, 2022, the NPF CRA Advisory Board recommended approval of this item by a vote of 5 to 3. (Exhibit 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 remove slum and blight, 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 and 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

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

Funds available as of July 22, 2022					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
119-CRA092204-4203	Developmental Incentive Improvement Program FY22	Other Operating Expense/Redevelopment Projects	\$8,457,675	\$1,141,937	\$1,125,000.00
				AMOUNT ►	\$1,125,000.00

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

Exhibit 3 - Architectural Plans and Renderings of Proposed Project

Exhibit 4 - CRA Funding Application

Exhibit 5 - Business Plan

Exhibit 6 - Financial Projections and Sales Assumptions

Exhibit 7 - Cost Estimates

Exhibit 8 - July 12, 2022 NPF CRA Advisory Board Draft Minutes

Exhibit 9 - Development Incentive Program Letter of Intent

Exhibit 10 - Resolution

Prepared by: Eleni Ward-Jankovic, CRA Housing and Economic Development Manager
Clarence Woods, CRA Manager

CRA Executive Director: Greg Chavarria