



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
CRA BOARD MEETING

#15-0581

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

FROM: Lee R. Feldman, ICMA-CM, Executive Director

DATE: September 1, 2015

TITLE: Motion to Execute a Fourth Amendment to Lease at 914 Sistrunk Boulevard (Sixth Street Plaza)

It is recommended that the CRA Board authorize the Chairman and Executive Director to execute a Fourth Amendment to a lease for 914 Sistrunk Boulevard. The amendment provides a 90-day extension of the current lease at 914 Sistrunk Boulevard (Exhibit 1). The extension is requested to allow a new lease to be negotiated with the John C. Halliday III, President of the Halliday Group Companies, the court appointed receiver for the property.

The property that includes 914 Sistrunk Boulevard, Sixth Street Plaza, was foreclosed upon by Regent Bank for non-payment of taxes in December 2012. A foreclosure sale was scheduled for May 15, 2015. As of July 30, 2015, the court granted a stay of relief with the understanding that Regent Bank will not foreclose before November 15, 2015. The court also granted the CRA the authority to extend its lease 90 days until a new lease is finalized. It was further stated by the court that the lease extension be a continuation of the current terms until a new lease is negotiated. A copy of the court proceedings from the bankruptcy court is attached (Exhibit 2). The CRA monthly rent expense is \$9,531.25. All negotiations for a new lease are being coordinated through the court appointed receiver, Mr. Halliday.

The new lease will include a reduced rent and occupancy of the entire building at 914 Sistrunk for additional office space needs for the Department of Sustainable Development. The new lease negotiations will include the request for rent credit based on the difference between the old lease rate and new lease during the term of the extension. The rent credit allows the CRA to get the value of a reduced rental rate during the term of the extension. Staff recommends putting a new lease in place prior to the auction date to avoid negotiating with a new owner. The new lease will increase the amount of leased space from 6,000 square feet to 8,000 square feet.

Resource Impact

<i>Funds available as of</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	OBJECT CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Object Code)	AVAILABLE BALANCE (Object Code)	PURCHASE AMOUNT
106-DSD060601-3319	NWP FH CRA CIP	Office Space Rent	\$154,252	\$87,574	\$9,531.25
			PURCHASE TOTAL ►		\$9,531.25

Strategic Connections

This item is a *Commission Annual Action Plan* priority, included within the Management Agenda, advancing the *NW CRA Five Year Plan* Improvement effort.

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within the Neighborhood Enhancement Cylinder of Excellence, specifically advancing:

- Goal 5: Be a community of strong, beautiful, and healthy neighborhoods.
- Objective 2: Enhance the beauty, aesthetics, and environmental quality of neighborhoods.

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

Attachments

Exhibit 1 – Extension of Lease at 914 Sistrunk Boulevard

Exhibit 2 – United States Bankruptcy Court Orders – August 5, 2015

Prepared by: Alfred Battle, Department of Sustainable Development

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