



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
CRA BOARD MEETING

#15-1447

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

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

DATE: November 17, 2015

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

RECOMMENDATION

It is recommended that the Community Development Agency (CRA) Board authorize the Chairman and Executive Director to execute a Fifth Amendment to a lease for 914 Sistrunk Boulevard. The amendment provides an additional three month extension of the current lease at 914 Sistrunk Boulevard (Exhibit 1).

BACKGROUND

The property located at 914 Sistrunk Boulevard was foreclosed upon by Regent Bank for non-payment of taxes in December 2012; a foreclosure sale was scheduled for May 15, 2015. However, the Sixth Street Plaza, Inc. filed a Chapter 11 proceeding in bankruptcy. 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 foreclosure sale is currently scheduled for Thursday, November 19, 2015.

The Fourth Amendment extended the term of the Lease until November 30, 2015. This Fifth Amendment will extend the Lease until February 29, 2015.

All negotiations for a new lease are being coordinated through the court appointed receiver, Mr. John Halliday with Regent Bank. The CRA current monthly rent expense is \$9,531.25. The new lease will include a reduced rent and occupancy of the entire building at 914 Sistrunk Blvd. 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. 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 November 3, 2015</i> | | | | | |
|--|---------------------------------|---|---|--|----------------------------|
| ACCOUNT NUMBER | INDEX NAME (Program) | OBJECT CODE/ SUB-OBJECT NAME | AMENDED BUDGET (Character) | AVAILABLE BALANCE (Character) | PURCHASE AMOUNT |
| 106-DSD060601- 3319 | NFP Redevelopment | Services & Materials/ Office Space Rent | \$1,274,772 | \$1,221,177 | \$28,593 |
| PURCHASE TOTAL ► | | | | | \$28,593 |

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*.

Attachment

Exhibit 1 – Fifth Amendment of Lease at 914 Sistrunk Boulevard

Prepared by: Jeremy Earl, Deputy Director, Department of Sustainable Development

Department Director: Jenni Morejon, Department of Sustainable Development