



CITY OF FORT LAUDERDALE
Community Redevelopment Agency Agenda Memo
CRA BOARD MEETING

#16-1508

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

FROM: Cynthia A. Everett, General Counsel

DATE: December 6, 2016

TITLE: Motion to File Suit on behalf of the City of Fort Lauderdale Community Redevelopment Agency for Enforcement of a Personal Guaranty

Recommendation

It is recommended that the Community Redevelopment Agency ("CRA") authorize its General Counsel, Cynthia A. Everett, or her designee, to file an action to enforce a Personal Guaranty against Maria Freeman as to the development of property, known as the Sixth Street Plaza, and located at the southwest corner of Northwest Ninth Avenue and Sistrunk Boulevard, Fort Lauderdale, Florida.

Background

The CRA sent a demand letter to Maria Freeman dated October 11, 2016, demanding full payment to the CRA in the amount of \$697,990.50. **(Exhibit 1 attached hereto)**. The foregoing liability amount is owed to the CRA by Maria Freeman pursuant to the Personal Guaranty of Maria Freeman, **(Exhibit 2 attached hereto)**, arising out of three loans made to Sixth Street Plaza, Inc., the Developer of the property, as more specifically described in Exhibit 1, attached hereto. As the Developer has defaulted in the terms and conditions of the promissory notes, mortgages, and Development Agreement, and any amendments thereto, the CRA is invoking Paragraph 6 of the Personal Guaranty attached as Exhibit 2.

Resource Impact

Funds for this item are available in the FY 2017 Budget in the account(s) listed below:

Funds available as of December 1, 2016					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
106-CRA060605-3199	NPF Redevelopment	Services & Materials/Other Professional Services	1,187,311.00	\$1,032,412.00	\$13,000.00
TOTAL AMOUNT ►					\$13,000.00

The fiscal impact associated with this action are costs associated with the enforcement of a Personal Guaranty action, include but are not limited to, filing fees in the amount of \$401.00. The precise sums of litigation costs cannot be determined at this time, but will likely range from \$5,000.00 to \$13,000.00.

Attachment:

Exhibit 1 – Demand Letter

Exhibit 2 – Personal Guaranty

Prepared by: Alain E. Boileau, Assistant General Counsel

General Counsel: Cynthia A. Everett