



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
CRA BOARD MEETING

#19-0038

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

FROM: Chris Lagerbloom, ICMA-CM, Executive Director

DATE: January 8, 2019

TITLE: Motion to Approve an Award of a Property and Business Improvement Program Incentive Loan in the Amount of \$225,000 and a Commercial Façade Improvement Program Incentive Loan in the Amount of \$20,000 to Cravemadness, LLC and Authorize the Executive Director to Execute the Development Agreements and Related Documents or Instruments

Recommendation

It is recommended that the Fort Lauderdale Community Redevelopment Agency (CRA) Board of Commissioners approve an award of a Property and Business Improvement Program (PBIP) incentive in the amount of \$225,000 and a Commercial Façade Improvement Program (CFIP) incentive in the amount of \$20,000 to Cravemadness, LLC for equipment and build-out of the Jamaican Jerk Shack Restaurant located at 560 NW 7 Avenue in the Shoppes on Arts Avenue and authorize the Executive Director to execute the development agreements and any and all other documents or instruments necessary or incidental to consummation of the transaction.

Background

The applicant, Cravemadness, LLC is requesting a total of \$245,000 in Northwest-Progresso-Flagler Heights Community Redevelopment Area (NPF-CRA) Commercial Incentive Program funds consisting of a \$225,000 PBIP forgivable loan and a \$20,000 Commercial Façade Program forgivable loan for equipment and build-out for the Jamaican Jerk Shack Restaurant located at 560 NW 7 Avenue in the Shoppes on Arts Avenue. Copies of the Location Map, Broward County Property Appraiser Information, Photos of the Existing Property and Plans, Cost/Funding Breakdown, and Funding Application/Business Plan are attached as Exhibits 1 through 5.

The CRA Property and Business Improvement Program has a special emphasis in attracting new restaurants to the CRA and can pay for restaurant equipment. Total improvement cost for build-out and equipment for the Jamaican Jerk Shack Restaurant is projected at \$306,060 consisting of \$220,121 for construction and \$85,939 for equipment. Sistrunk Boulevard is a CRA Focus Area and in CRA Focus Areas, the Commercial Façade Program can pay for 100% of the first \$75,000 in Façade Program Improvements and 90% of PBIP Improvement costs up to \$225,000. The funding will be

provided as a loan forgiven after 5 years secured by the equipment and personal guarantees of the restaurant owners. Jamaican Jerk Shack Restaurant will rent a total of 1,750 square feet at Shoppes on Arts Avenue fronting Sistrunk Boulevard. The landlord/owner of Shoppes on Arts Avenue is MJDC AOA, LLC. The space is being rented as a cold gray shell and requires complete build-out. Cravemadness LLC will have a 5 year lease with two five year renewals. The landlord will provide for the cost of installing the air conditioning and bathroom. The remaining build-out cost is the responsibility of the tenant. The landlord also requires that M.L Jones Construction Company, an affiliate of the landlord, be utilized for construction of the tenant improvements and the lease will commence once the Certificate of Occupancy for the restaurant is provided. As a public benefit, the landlord is offering a reduced rent for the first year and free rent for the first 45 days after move in (Exhibit 9). While construction is in progress, Jamaican Jerk Shack Restaurant proposes to set up a food truck on site to introduce patrons to their food to help establish their clientele. They also propose to participate with the food truck in the monthly art and culinary events that take place throughout the CRA to help build a client following.

Jamaican Jerk Shack Restaurant will provide the Sistrunk community and Fort Lauderdale area with quality American and Caribbean food. It is a fast-casual eat-in restaurant that specializes in Jamaican jerk chicken, pork, buffalo wings, handcrafted burgers, freshly prepared signature salads, fresh cut seasoned fries, wraps and shrimp tossed in any of their 24 flavors. The restaurant will also offer beer on tap and wine, tempting deserts and a comfortable environment for customers to enjoy live music and sports games. It will introduce patrons to the culture of Sistrunk, provide for outdoor seating and showcase the artwork of the Sistrunk Community as well as local musical artist. They also propose to offer a free shuttle for downtown and NW patrons to and from the restaurant to their homes. A food delivery service and catering will also be provided.

The owner of Jamaican Jerk Shack restaurant is Christine Mills and Garfield Mills. Christine Mills and her husband Garfield have eleven years of experience operating restaurants. In 2007 they opened Wing Madness in New Haven, Connecticut with Garfield's brother and in 2010 opened a Wing Madness in East Hartford, Connecticut. A third Wing Madness is scheduled to open in Springfield, Connecticut this year. As an owner/operator, Mr. Mills has played an instrumental role in developing recipes, creating the operations of the restaurant, and developing the overall vision of Wing Madness. He also brings a keen understanding of restaurant build-out, having renovated the first restaurant and building from scratch. Prior to opening Wing Madness, Garfield and his brother owned a promotion and event business for over ten years, where they created stage shows and festivals with Biggie Smalls, Eminem, Buju Banton, Beenie Man, The Mannhattans, Ray Goodman and Brown, Delphonics and a host of other musicians. Over the years, Christine Mills has also played an instrumental role in the restaurant operations, along with raising capital and developing the restaurant brand design. Christine has also worked in the financial services industry for companies including JP Morgan in New York as an Investment Banking Analyst. Afterwards, she worked in various commercial banks in Connecticut including TD Bank and Bank of America while helping to run both Wing Madness locations. She and her husband recently moved to

Florida where Ms. Mills grew up and attended the Broward County school system, has a B.A. in Business Management from Florida A & M University, a M.A in Education from the University of Saint Joseph and a MBA from Babson College. They are impressed by the changes in the Sistrunk area and want to bring their restaurant concept to the south Florida area.

The Mills have a philosophy of giving people a second chance and for years have hired ex-offenders at Wing Madness and has promoted them to managers. They propose to continue this strategy at Jamaican Jerk Shack Restaurant giving ex-offenders a second chance and will employ upwards of 10-15 employees from the Sistrunk area in various capacities as assistant managers, waiters and waitresses, cooks, delivery drivers, bartenders, catering managers and other positions. The Mills will manage the operations.

The Applicant's contribution to the project is \$132,657 consisting of \$61,060 for build-out and \$71,597 for working capital to cover initial operating cost until the business stabilizes. A family investor Pamella McLaren is providing financial assistance for the build-out. Jamaican Jerk Shack Restaurant projects a positive cash flow the first year of operation.

Business development provides jobs, enhances neighborhood safety, contributes to a vibrant environment of activity and growth and creates community. The CRA should continue funding new small business opportunities throughout the CRA that benefits the area with a special focus on the Sistrunk Boulevard. The NPF CRA Advisory Board recommended funding this project at their meeting of October 11, 2018. (Exhibit 6)

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.

Resource Impact

There will be a fiscal impact to the CRA in the amount of \$245,000 in FY 2019.

Funds available as of December 10, 2018					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUBOBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	PAYMENT AMOUNT
119-CRA091902-4203	Property & Business Improvement Program FY 19	Other Operating Expenses/Redevelopment Projects	\$2,610,955	\$2,610,955	\$225,000
119-CRA091901-4203	Commercial Façade Improvement Program FY 19	Other Operating Expenses/Redevelopment Projects	\$50,000	\$50,000	\$20,000
PURCHASE TOTAL ►					\$245,000

Strategic Connections

This item is a *Press Play Fort Lauderdale Strategic Plan 2019* initiative, included within the Neighborhood Enhancement Cylinder of Excellence, specifically advancing:

- Goal 5: Be a community of strong, beautiful, and healthy neighborhoods.
- Goal 7: Be a well-positioned City within the global economic and tourism markets of South Florida region, leveraging our airports, ports and rail connections;
- Objective 2: Facilitate a responsive and proactive business climate.

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

Attachments

- Exhibit 1 - Location Map
- Exhibit 2 - Broward County Property Appraiser Information
- Exhibit 3 - Photos of the Existing Property/Plans
- Exhibit 4 - Cost/Funding Breakdown
- Exhibit 5 - CRA Funding Application/Business Plan
- Exhibit 6 - NPF CRA Advisory Board October 11, 2018 Minutes
- Exhibit 7 - Commercial Façade Program Agreement
- Exhibit 8 - Property and Business Improvement Program Agreement
- Exhibit 9 - Concessions in Lease and Build-out

Prepared by: Bob Wojcik, AICP, CRA Housing and Economic Development Manager

Department Director: Clarence Woods, NPF CRA Manager