



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
CRA BOARD MEETING

#20-0651

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

FROM: Chris Lagerbloom, ICMA-CM, Executive Director

DATE: October 20, 2020

TITLE: Motion Approving a Funding Increase from the Property and Business Investment Improvement Program (PBIIP) Forgivable Loan from \$100,000 to \$122,500 to Boodhwattie Persaud for the Black Star Jamaican Restaurant, located at 1545 Sistrunk Boulevard – **(Commission District 3)**

Recommendation

Staff recommends the Community Redevelopment Agency (CRA) Board of Commissioners approve a forgivable loan funding increase from \$100,000 to \$122,500 to Boodhwattie Persaud for the Black Star Jamaican Restaurant, located at 1545 Sistrunk Boulevard, Fort Lauderdale, FL 33311, and authorize the Executive Director to negotiate and execute the development agreement and any and all other documents or instruments necessary or incidental to consummation of the transaction, subject to the review of the CRA General Counsel.

Background

This is a funding request to increase a forgivable loan under the CRA Property and Business Investment Improvement Program ("PBIIP") to Boodhwattie Persaud ("Developer") for improvements to a property located at 1545 NW 6th Street, Fort Lauderdale, FL 33311 (the "Property"). The property houses the *Black Star Jamaican Restaurant* (the "Black Star"). A copy of the Location Map; the Broward County Property Appraiser Information; Photographs of the Property; the PBIIP Agreement dated December 11, 2017; Resolution No. 18-0 dated April 17, 2018; the First Amendment to the PBIIP Agreement dated June 14, 2019; Change Order No. 5; the Cost/Funding Breakdown; the NPF CRA Incentives Modification – PBIIP Section; and the Second Amended PBIIP Agreement are attached as Exhibits 1 through 10. This item was approved by the Northwest-Progresso-Flagler Heights ("NPF") CRA Advisory Board at its meeting of August 11, 2020 (Exhibit 11).

The maximum incentive funding allowed under the CRA Property and Business Investment Improvement Program is \$225,000. Sistrunk and NW 15th Avenue is a CRA Focus Area, in which CRA Property and Business Investment Improvement Program can provide for 90% of the cost of renovation or new construction. The CRA PBIIP has

a special emphasis in attracting new restaurant to the CRA, as well as in renovating and modernizing existing establishments. On December 11, 2017, the Developer had secured a forgivable loan not to exceed \$50,000 for the renovation and modernization of the *Black Star*, in accordance with the PBIP Agreement between the CRA and Developer, attached hereto as "Exhibit 4." The CRA approved the forgivable loan through its administrative approval process. At the time of the Developer's initial request, the CRA Executive Director was authorized to administratively approve projects of up to \$50,000.

On April 17, 2018, the Program was amended by Resolution and the CRA Board raised the limit of the administrative approval amount from \$50,000 to \$100,000, in order to shorten the approval process for smaller businesses and projects. The resolution is attached as "Exhibit 5." CRA forgivable loan amounts over the \$100,000 threshold are subject to Advisory Board recommendation, as well as CRA Board approval.

On June 14, 2019, the Developer was granted additional funding in the amount of \$50,000 by administrative approval to cover unforeseen costs related to the water and sewer system, additional contractor, material and construction costs for the installation of a grease trap, electrical and light installations, as well as exterior painting of the Property. The First Amendment to the Property and Business Investment Improvement Program is attached as "Exhibit 6".

During the final inspection, the City's Building Department required the Developer to upgrade the restaurant's exhaust system, which consists of the exhaust hood inside the structure and the exhaust fan on the roof. The City also required a wood deck and screening on the roof in order to secure the exhaust system and so that it cannot not be seen from the street. In order to be able to complete this project, the Developer is requesting additional funding in the amount of \$22,500 to cover these further unforeseen costs and to install a business sign. The renovation of the remaining structure is now finished and once the additional funds are approved, the entire project will be complete within 60 days.

The total project improvement cost is approximately \$136,203.00. The developer's own contribution will be just over 10% of the total improvement cost, as the project is in the CRA's Focus Area. The CRA will have a second mortgage position and CRA funding will be provided as a loan, forgiven five (5) years after the completion of the construction.

The 1,347-square-foot structure was built in 1971 and the Developer acquired the property in 2004. This is the first complete renovation this building has undergone. With the ongoing development of other commercial and residential properties along Sistrunk Boulevard, the restaurant's central location will make it an attractive destination for locals and tourists alike. The *Black Star* has always enjoyed popularity with its authentic Jamaican cuisine. The renovated restaurant will add an inviting atmosphere and include a new dining area, kitchen/service area and an updated restroom. Its convenient location and updated features will make it once again one of the focal points

in the area, while offering delivery, pick-up service and catering. The restaurant will continue to be a walk-to destination for customers from the surrounding residential areas, while also serving other areas of the city.

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 benefits the area.

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 Five-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. 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 is a fiscal impact to the CRA in the amount of \$22,500 in Fiscal Year 2021 in the account listed below.

Funds available as of October 12, 2020					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUBOBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
119-CRA092102-4203	Property & Business Improvement Program FY 21	Other Operating Expenses/Redevelopment Projects	\$424,250	\$424,250	\$22,500
TOTAL ►					\$22,500

Strategic Connections

This item supports the *Press Play Fort Lauderdale 2024* Strategic Plan, specifically advancing:

- The Business Development Focus Area
- Goal 5: Build an attractive global and local economic community marketplace
- Objective: Create a responsive and proactive business climate to attract emerging industries

- Objective: Nurture and support existing local businesses
- Objective: Create educational pathways and partnerships for workforce development

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 - Photographs of the Property

Exhibit 4 - Property and Business Investment Improvement Program (PBIIIP)
Agreement, dated December 11, 2017

Exhibit 5 - Resolution No. 18-03, dated April 17, 2018

Exhibit 6 - First Amendment of PBIIIP Agreement, dated June 14, 2019

Exhibit 7 - Change Order No. 5

Exhibit 8 - Cost/Funding Breakdown

Exhibit 9 - Second Amendment of PBIIIP Agreement

Exhibit 10 - CRA Advisory Board Draft Meeting Minutes, dated August 11, 2020

Prepared by: Corey Ritchie, CRA Project Manager
Clarence Woods, CRA Manager

Department Director: Chris Lagerbloom, ICMA-CM, Executive Director