



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
CRA BOARD MEETING

#20-0812

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

FROM: Chris Lagerbloom, ICMA-CM, Executive Director

DATE: November 5, 2020

TITLE: Resolution Authorizing the Disposition of Property at 1559 Sistrunk Boulevard (ID 5042 04 23 0080) and Approving a \$125,000 Commercial Façade Program Loan and a \$225,000 Property and Business Program Loan to 1551 Sistrunk , LLC for the B & D Trap Restaurant Located at 1551-1559 Sistrunk Boulevard and Authorizing the Executive Director to Execute Any and All Related Instruments and Delegating Authority to the Executive Director to Take Certain Actions – **(Commission District 3)**

Recommendation

Staff recommends the Community Redevelopment Agency (CRA) Board of Commissioners adopt a resolution authorizing the disposition of property at 1559 Sistrunk Boulevard (ID 5042 04 23 0080) and approve a \$125,000 Commercial Façade Program Loan and a \$225,000 Property and Business Improvement Program (PBIP) Loan to 1551 Sistrunk , LLC for the B & D Trap Restaurant located at 1551-1559 Sistrunk Boulevard, authorizing the Executive Director to execute any and all related instruments and delegating authority to the Executive Director to take certain actions, subject to review by the CRA General Counsel.

Background

In response to a Request for Proposals (RFP) issued on August 6, 2020, 1551 Sistrunk LLC submitted a proposal on September 7, 2020 to purchase CRA property at 1559 Sistrunk Boulevard for \$100,000. No other proposals were received. A location Map of the property is attached as Exhibit 1. The 4.901 square foot property is appraised for \$105,000, has a Broward County Just Market Value of \$45,330 (Exhibit 2), and was originally purchased by the CRA in 2007 for \$99,330. The RFP Evaluation Committee unanimously recommended accepting the proposal from 1551 Sistrunk LLC for the property and that:

- It is in the Best Interest of the CRA and Promotes and Facilitates the Furtherance of the Goals, Objectives and Policies of the NPF CRA Plan; and is Most Responsive to the Requirements if the RFP;

- It Demonstrates Superior Design, Quality Construction, Materials and Features; and
- The Developer Demonstrates the Financial Capacity, Legal Ability, Development Experience, Qualifications and Ability Best Suited to Carry out the Proposal.

The owner of 1551 Sistrunk LLC is Tatum Martin. Mr. Martin recently purchased the adjacent property directly to the east of the CRA parcel and is planning to renovate the vacant building as a Barbecue restaurant called B & D Trap. The CRA parcel will be incorporated into the project for outdoor dining, entertainment and parking. The restaurant will serve pork ribs, chicken, beef brisket and several flavors of barbeque sauce. It will also serve Daiquiris and non-alcoholic drinks. The new restaurant will respect the existing scale, history and architecture of Sistrunk Boulevard while providing a clean contemporary look sensitive to the detailing, massing and fenestration of the surrounding properties.

The project represents a total capital investment of \$1,450,000. There is no lender involvement and Mr. Martin is using his own funds for the project in the amount of \$1,100,000. The property the Developer owns at 1551 Sistrunk was purchased for cash and the CRA funds will be secured by a forgivable first mortgage on the property.

COST DESCRIPTION	
Land Acquisition of 1559 Sistrunk from the CRA	\$ 100,000.00
Acquisition Cost of 1551 Sistrunk Blvd	\$ 358,000.00
Rehabilitation of Building and Site at 1551-1559 Sistrunk Blvd	\$ 580,000.00
Equipment Cost for Restaurant	\$ 210,000.00
Architectural and Engineering	\$ 52,000.00
Liquor License	\$ 150,000.00
TOTAL	\$ 1,450,000.00

It is estimated that the new restaurant will create eleven new jobs with the average salaries from \$29,120 to \$52,000. His goal is to assemble a team of dedicated workers with a “minimum working wage” of \$15.00 per hour.

Job Title	#	Brief Job Description	Annual Average Salary	Industry Average Salary	Experience/Education/Skills Required
Restaurant Manager	1	Manager of Restaurant	\$52,000.00	\$49,887.00	5 years min
Head Chief	1	Head Cook	\$52,000.00	\$49,887.00	5 years min
Line Cook	4	Line Cooks	\$31,200.00	\$26,977.00	2 years min
Front Line Order Taker	2	Order Takers	\$31,200.00	\$24,500.00	1 year min
Dishwasher	2	Cleaning	\$29,120.00	\$20,800.00	no experience
Assistant Manager	1	Shift Manager	\$41,600.00	\$39,244.00	3 years Min

Tatum Martin has a very successful track record in his businesses and past redevelopment efforts. In 2018, impressed by the improvements occurring throughout the area and the incentive programs offered by the CRA, Mr. Martin moved his corporate headquarters of McClinton Holdings, LLC to the CRA, purchasing a deteriorated light industrial warehouse building at 924 NW 1 Street and completely renovated the property. The total capital investment of the project was approximately \$1,600,000 and Mr. Martin received a PBIP loan from the CRA in the amount of \$100,000. Mr. Martin is the CEO of BTS Towers. BTS Towers is an owner/developer of wireless and broadcast communications real estate/towers in South and Central America with a portfolio of over 300 sites. He is also the chairman of the Board of Directors and Director of Operations of Glen Martin, Inc, which is also a business of manufacturing and constructing telecom towers. The very attractive new corporate office project was successfully completed and employs an on-site staff of ten in the management, legal and accounting field. Mr. Martin is also an entrepreneur who is motivated by developing businesses from the ground up to accomplish the final product while bringing synergy and new job opportunities to the community.

Tatum Martin is committed to the CRA as evidenced by his investment in the area and his business interest in Sistrunk. The CRA has been promoting Sistrunk Boulevard as an entertainment and restaurant district and the project proposed by the Developer will further advance this vision.

The CRA's Notice of Intent to Dispose of the Property and property appraisal is attached as Exhibits 2 and 3. The Developer's Proposal to Purchase and Develop the Property and Funding Request including Business Plan are attached as Exhibit 4. Photos of the project completed by Tatum Martin that house his corporate headquarters in the CRA are attached as Exhibit 5.

The CRA Advisory Board recommended approval of this item at their meeting of October 13, 2020 (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 Plan strategic objectives and goals 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

Funds for this agreement in the amount of \$350,000 are available in Fiscal Year 2021 in the accounts listed below.

Funds available as of October 21, 2020					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUBOBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
119-CRA092101-4203	Commercial Façade Improvement Program FY 21	Other Operating Expense/Redevelopment Projects	\$1,249,800	\$1,249,800	\$125,000
119-CRA092102-4203	Property and Business Improvement Program FY 21	Other Operating Expense/Redevelopment Projects	\$999,800	\$999,800	\$225,000
TOTAL ►					\$350,000

Strategic Connections

This item is a *2020 Commission Priority*, advancing the Community Redevelopment Agency (CRA) Build Outs initiative.

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

- The Business Development Focus Area
- Goal 5: Build an attractive and proactive business climate to attract emerging Industries.
- Objective: Nurture and support existing local businesses.

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 – Notice of Intent to Dispose of Property
Exhibit 3 – Property Appraisal
Exhibit 4 – Developer Proposal and Application for Funding
Exhibit 5 – Photos of Developers Corporate Headquarters in the CRA
Exhibit 6 – Draft Minutes – October 13, 2020 CRA Advisory Board
Exhibit 7 – Commercial Façade Program Loan Agreement
Exhibit 8 – Property and Business Improvement Program Loan Agreement
Exhibit 9 – Contract for Sale of Property
Exhibit 10 – Resolution

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