CITY OF FORT LAUDERDALE
City Commission Agenda Memo **#21-0959**
CRA BOARD MEETING

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

FROM: Chris Lagerbloom, ICMA-CM, Executive Director

DATE: October 5, 2021

TITLE: **REVISED CRA R-1** - Resolution Approving Altis Cardinal Living, LLC, with Principals Frank Guerra, Alberto J. Suarez and Anthony Seijas as New Partners, Removing the Lansing Melbourne Group, LLC with Managing Member Peter Flotz, Adding Yalale Holdings, LLLP with Principal Felipe Yalale, Amending the Letter of Intent for the West Village, LLC Project and Ratifying Resolution 20-01 - **(Commission District 3)**

Recommendation

Staff recommends the Community Redevelopment Agency (CRA) Board of Commissioners adopt a Resolution approving Altis Cardinal Living, LLC, with Principals Frank Guerra, Alberto J. Suarez and Anthony Seijas as new partners, removing the Lansing Melbourne Group, LLC with managing member Peter Flotz, adding Yalale Holdings, LLLP with Principal Felipe Yalale, amending the Letter of Intent for the West Village, LLC Project, and ratifying Resolution 20-01.

Background

On January 21, 2021, the Board of Commissioners approved Lansing Melbourne Group, LLC's, on behalf of 220145 LLC, proposal for the purchase of CRA owned property at 714 Sistrunk Boulevard and 526 NW 7th Terrace for the West Village Project and approved a request for $12,000,000 in CRA Development Incentive Program (DIP) loans for the West Village Project. A location map of the property and project is attached as Exhibit 1 and a copy of CAM #20-0011 as Exhibit 2.

The West Village Project is proposed to be located at 501 NW 7th Avenue between NW 7th Avenue, NW 5th Street, NW 7th Terrace, and Sistrunk Boulevard and is a mixed-use development with two 6-story residential structures containing a total of 455 multifamily rental units, consisting of a mix of apartments and townhomes and 17,752 square feet of leasable commercial use on the first floor and a 6-story, 498-space parking structure. Total building square footage including structured parking is approximately 605,508 square feet. The housing units range from a total of 454 square feet for a studio to 1,754 square feet for the largest townhouse.

At the time of the CRA approval, the managing members of West Village, LLC were investor Felipe Yalale and developer/consultant Peter Flotz. Mr. Yalale headed up 220145 LLC, Sistrunk 2245, LLC and Urbano 500, LLC who had assembled the property. Peter Flotz headed up Lansing Melbourne Group, LLC. Because of other business commitments, the original business partners have reached an agreement by which Peter Flotz will no longer be part of the West Village project. Felipe Yalale will continue with West Village, LLC as a 51% stake holder under Yalale Holdings, LLLP, together with a new 49% equity partner, Altis Cardinal Living, LLC, with Frank Guerra, Alberto J. Suarez, and Anthony Sijas as principals. An organization chart is attached as Exhibit 3.

Altis Cardinal is a Miami-based real estate company established in 2009. The company has a wealth of experience in the development and acquisition of real estate throughout the State of Florida and beyond. Their current focus is on the multi-family asset market. A company description is attached as Exhibit 4.

Altis Cardinal's experience covers every aspect of the real estate field. It includes the capacities of an investment firm, real estate brokerage, a general contractor, legal expert, and property manager, which all contribute to, and have made possible, its experience in real estate acquisition and development. In the early 2000s, when home ownership and property investment were rising fast, the company's principals built luxury condominiums and office parks. When debt crisis struck the nation, Altis Cardinal acquired and repositioned assets, thus contributing to several neighborhoods' positive turnarounds.

Today, Altis Cardinal sees opportunities to develop new multi-family assets and acquire distressed multi-family properties. They monitor metropolitan markets to spot significant opportunities to build new communities and to invest in existing communities with unrealized potential. In this period of economic uncertainty, they aim to provide stability in their investments.

The new partnership will proceed with the West Village project as planned and as described in CAM #21-0011. However, the completion date has been extended by six months (58 to 64 months) and the date for securing financing has been moved to June 2022. The updated letter of intent (LOI) is attached as Exhibit 5.

Extended Deadlines
The original LOI provided that the development agreement had to be negotiated and executed within nine (9) months after the CRA Board's approve of the sale of the property. That deadline was missed and a development agreement has not been executed to date. The closing on the construction loan has been moved from December 31, 2021, to June 30, 2022. The new development agreement has to be executed within four (4) months after the CRA Board approves this award of funding under the amended LOI. Furthermore, the completion date for the project has been extended by six months (from 58 months in the original LOI to 64 months in the amended LOI).

Consistency with the Northwest Progresso Flagler Heights CRA Community Redevelopment Plan

The Northwest Progresso Flagler Heights (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. 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. In addition, per the Future Land Use Plan and CRA Plan, redevelopment, and housing opportunities for low, very low and moderate-income households within the Northwest RAC should be encouraged.

Resource Impact

There is no fiscal impact associated with this action.

Strategic Connections

This item is a *2021 Top Commission Priority*, advancing the Homelessness and Housing Opportunities initiative

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

- The Neighborhood Enhancement Focus Area
- Goal 4: Build a thriving and inclusive community of neighborhoods.
- Objective: Ensure a range of affordable housing options

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

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

This item supports the Advance Fort Lauderdale 2040 Comprehensive Plan, specifically advancing:

- The Neighborhood Enhancement Focus Area
- The Housing Element
- Goal 2: Be a community of strong, beautiful and healthy neighborhoods

Attachments
Exhibit 1 – Location Map
Exhibit 2 – CAM #20-0011, approved on January 21, 2020
Exhibit 3 – New Organization Chart – The Adderley/West Village, LLC
Exhibit 4 – Altis Cardinal Living, LLC – Company Description
Exhibit 5 – Updated Letter of Intent
Exhibit 6 – Resolution 20-01 (CRA)
Exhibit 7 – Resolution

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