



Hallandale Beach Community Redevelopment Agency Agenda Cover Memo

Meeting Date:	February 17, 2021		File No.	Item Type: (Enter X in box)	Resolution		Other	
			21-018		X		Click or tap here to enter text.	
Fiscal Impact: (Enter X in box)	Yes	No	Ordinance Reading: (Enter X in box)		1st Reading		2nd Reading	
	X		Public Hearing: (Enter X in box)		Yes	No	Yes	No
Funding Source:	5910-583050		Advertising Requirement: (Enter X in box)		Yes		No	
							X	
Account Balance:	\$1,264,892		RFP/RFQ/Bid Number:		N/A			
Contract/P.O. Required: (Enter X in box)	Yes	No	Project Number:		46302			
	X							
Strategic Priority: (Enter X in box) Capital Improvements Goal 1 - Undertake Total Improvements of Public Realm <input type="checkbox"/> Goal 2 - Promote Public/Public and Public/Private Partnership <input checked="" type="checkbox"/> Promote Projects with Large-Scale Impacts Goal 1 - Issue a Request for Proposals (RFP) for NW infill Housing <input type="checkbox"/> Goal 2 - Issue a Request for Qualifications (RFQ) for Dixie Highway/Foster Road parcel <input type="checkbox"/> Priority Area: North West Quadrant <input type="checkbox"/> FEC Corridor <input type="checkbox"/> Southwest Quadrant <input type="checkbox"/> Northeast Quadrant <input checked="" type="checkbox"/> Southeast Quadrant <input type="checkbox"/>								
Sponsor Name:		Dr. Jeremy Earle, Executive Director		Department:		HBCRA		

SHORT TITLE:

A RESOLUTION OF CHAIR AND BOARD OF DIRECTORS OF THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY, HALLANDALE BEACH, FLORIDA, APPROVING AN AWARD OF A COMMERCIAL FAÇADE IMPROVEMENT GRANT IN THE AMOUNT OF \$72,000, A COMMERCIAL INTERIOR RENOVATION GRANT IN THE AMOUNT OF \$50,000, AND A COMMERCIAL KITCHEN GRANT IN THE AMOUNT OF \$125,000 TO CACIKE INVESTMENTS LLC FOR THE RENOVATION OF THE PROPERTY LOCATED AT 139 N.E. 1ST AVENUE, HALLANDALE BEACH, FLORIDA; AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE GRANT AGREEMENT; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE ALL STEPS NECESSARY AND APPROPRIATE TO IMPLEMENT THE TERMS AND CONDITIONS OF THE GRANT AGREEMENT AND DISBURSE THE GRANTS; AND PROVIDING AN EFFECTIVE DATE.

STAFF SUMMARY:

Background:

HBCRA Commercial Incentive Programs promotes economic development by facilitating community partnerships, business growth, job creation, and neighborhood rehabilitation. On October 21, 2019, applicant Luciana Tiktin, owner of Cacike Investments LLC, was approved by the HBCRA Board of Directors via Resolution No.19-424, for the creation of a vegan food hall, in the amount of \$234,044.

On July 13, 2020, HBCRA Attorney Steve Zelkowitz informed the Board of Directors that applicant Luciana Tiktin was non-responsive to the request to sign an amended agreement due to a scrivener's error. HBCRA staff made every effort to work with Luciana Tiktin, to negotiate and execute an amended grant agreement. On August 17, 2020, the HBCRA Board of Directors approved Resolution No. 20-284 authorizing the rescission of the Commercial Incentive Grant package awarded to Cacike Investments.

Current Situation:

On October 28, 2020, HBCRA staff received Commercial Incentive applications from Cacike Investments LLC requesting grant funding for property improvements to their 2,350 sq. ft commercial building. Cacike Investments LLC currently uses the building as a retail/co-working space. Existing businesses include Tanguera Chic, YoSoy Fit Vibe, Vegan Hood, Admire Boutique, and recently opened Taylor & Company Coffee (Argentina Café). The proposed property improvements

include interior and exterior upgrades, in addition to trendy shipping containers serving as commercial kitchens. This will create a unique food hall, adding three (3) diverse eateries to the FFADD. The new eateries consist of Don Garone Italian Trattoria & Pastas, Ground Inc Mediterranean Vegan, and Taco Island.

Applicant Luciana Tiktin is requesting the following:

1. **\$50,000** of the CIRG funds to renovate the existing structure, including upgrades to the electrical panel, plumbing system, air conditioning, partial demolition for the design of retail boutiques with the installation of impact doors & windows. The total cost for the interior renovations is \$65,000.
2. **\$72,000** of the CFG funds to install an awning addition to cover the newly paved patio seating area, LED light fixtures, mist ventilation system, structural footings for shipping containers, landscaping planters & sprinkler system, creation of outside restrooms to accommodate patrons, as well as YoSoy commercial signage. The total cost for exterior improvements is \$90,000.
3. **\$125,000** of the CKG funds to purchase six 8 ft X 20 ft shipping containers. Three shipping containers will be designed and built out and utilized as a commercial kitchen for the three restaurants. The remaining three shipping containers will be used for exhaust pipes and structural design. Build out will include commercial kitchen equipment such as all stainless-steel gas countertops, reach-in refrigerator & freezer, gas floor fryer, refrigerated sandwich preparation station, mounted shelving walls, and multiple-station countertops. Included in the cost is labor for plumbing, electrical, and installation of grease trap and interceptors. The total cost for commercial kitchen equipment and build-out is \$175,000.

The total project cost, which includes hard/soft cost, is \$330,000.

On October 14, 2020, the HBCRA Board of Directors approved via Resolution No.20-412 revisions to the Commercial Incentive Policy to protect the agency's investment and the integrity of these programs. The following changes below were approved and included on all HBCRA Commercial Incentive Program applications.

1). The HBCRA reserves the right to deny any submitted application if:

a.) It is determined that the application does not meet the grant's spirit, intent, and/or legal requirements.

b.) The applicant has previously defaulted on any prior grant agreement or other agreement with the HBCRA or the City.

c.) A prior grant awarded to the applicant was rescinded.

d.) The applicant is currently in litigation against the HBCRA or the City or has threatened litigation against the HBCRA or the City.

Recommendation:

This application is being presented to the HBCRA Board of Directors for consideration for Commercial Incentive Grant funds to applicant Luciana Tiktin, who was previously approved and recently had grant funds rescinded. It is important to note that this one-time exception is being considered because Luciana Tiktin's application was in process before the Commercial Incentive Program policy changed. HBCRA staff is willing to work with her to complete these improvements. If approved by the HBCRA Board, Luciana Tiktin would receive CIRG funds in the amount of \$50,000; CFGF funds in the amount \$72,000; and CKG funds in the amount \$125,000 for property improvements and the development of three shipping container restaurants with adjacent retail boutiques and co-working space. The total project cost is \$330,000, HBCRA contribution will be \$247,000, equating to roughly 75% of the total project cost. The applicant property is in HBCRA priority area, which warrants an 80/20 match.

Before the February 17, 2021 HBCRA Board of Directors meeting applicant Lucina Tiktin had signed program grant agreements.

Notable respective program guidelines are as follows:

- The CKG, CFGF, and CIRG agreements are between the HBCRA and the property owner/landlord.
- Properties sold within twenty-four months of receiving the grant funding must repay the full grant amount.
- Before approval by the HBCRA Board of Directors, the HBCRA will provide the applicant and the property owner with an approved Grant Agreement and Declaration of Restrictive Covenants for Signature.
- Property to be improved must not have any delinquent ad valorem taxes, be free of all municipal and county liens, deferments, and encumbrances of any kind. The HBCRA Board can waive this provision if development plans for the property meet the goal and objectives as set forth by the HBCRA.

Why Action is Necessary

Pursuant to the HBCRA Commercial Investment Program Policy all applications must be presented to the HBCRA Board of Directors for approval. Furthermore, pursuant to the HBCRA By-Laws the HBCRA Board of Directors must approve the procurement of all goods and services in an amount more than \$50,000.

Fiscal Impact:

\$247,000

ATTACHMENT(S):

Exhibit 1 - Resolution

Exhibit 2 - Commercial Façade Improvement Grant Application

Exhibit 3 - Commercial Interior Renovation Grant Application

Exhibit 4 - Commercial Kitchen Grant Application

Exhibit 5 - Proposed Cost of Construction by Ecotainer Concept, Inc.

Exhibit 6 - Renderings of proposed project including current photo of property

Exhibit 7 - Executed Grant agreements between property owner and HBCRA