



Memorandum

Memorandum No: 25-105

TO: Honorable Mayor and Members of the Fort Lauderdale City Commission

FROM: Rickelle Williams, City Manager *RW*

DATE: July 1, 2025

SUBJECT: Review of Financial Documents Submitted on behalf of One Stop Shop

As a follow up to Memorandum No. 25-099 entitled Review of Financial Documents Submitted on behalf of One Stop Shop (Attachment 1), staff met with representatives of One Stop Shop FTL, LLC (One Stop) and ARES 2811 CORP (ARES) today to discuss the City's observations regarding the following two documents that were submitted by One Stop in response to the City's May 9, 2025 notice of default:

- **Final Development Agreement – Arts Park** from ARES 2811 CORP (ARES), dated May 29, 2025; and
- **Financial Capability Confirmation – Arts Park Project** from BGC London (BGC), dated June 3, 2025.

As a result of these discussions, One Stop and ARES will submit revised/updated documentation for the City to review. We had previously requested that any additional clarifying information regarding the observations highlighted in the memorandum be provided to the City no later than July 3, 2025. Based on today's discussion and the time required to submit the additional information, I have extended that date to July 10, 2025.

For further information, please contact Rickelle Williams, City Manager, at 954-828-5959 or rickellewilliams@fortlauderdale.gov

Attachments:

1. Memorandum No. 25-099 - Review of Financial Documents Submitted on behalf of One Stop Shop

c: D'Wayne Spence, Interim City Attorney
Patrick Reilly, City Auditor
David R. Soloman, City Clerk
City Manager's Office
Department Directors



Memorandum

Memorandum No: 25-099

TO: Honorable Mayor and Members of the Fort Lauderdale City Commission

FROM: Rickelle Williams, City Manager *RW*
D'Wayne Spence, Interim City Attorney *DWS*
Patrick Reilly, City Auditor *PR*

DATE: June 25, 2025

SUBJECT: Review of Financial Documents Submitted on behalf of One Stop Shop

BACKGROUND

On November 1, 2022, the City entered into a Comprehensive Agreement (CA) with One Stop Shop FTL, LLC (One Stop) for the design, construction, occupancy, management, and maintenance of a Qualified Project at the One Stop Shop site (Attachment 1).

On May 9, 2025, the Interim City Attorney issued a notice of default to One Stop (Attachment 2), citing two primary deficiencies:

- Lack of evidence of the developer's ability to fully finance the Project; and
- Failure to secure a building permit within a reasonable period of time.

In response to the notice of default letter, One Stop provided two documents:

- **Final Development Agreement – Arts Park** from ARES 2811 CORP (ARES), dated May 29, 2025 (Attachment 3)
- **Financial Capability Confirmation – Arts Park Project** from BGC London (BGC), dated June 3, 2025 (Attachment 4)

STAFF ANALYSIS

Staff from the City Manager's Office, City Attorney's Office, and City Auditor's Office have reviewed the documents and offer the following observations:

Regarding ARES:

- New York State corporate records show ARES incorporated in December 2023. While no website address is indicated on the document provided, <https://ares2811corp.com> provides limited information with only a landing page.
- The ARES document does not recognize the CA between One Stop and the City and contains provisions that contradict certain CA provisions, such as the exclusive partnership.
- Section 4.1 of the CA requires that the financial ability documentation comes from a financial institution.
- ARES document does not represent a financial commitment but rather is a development agreement. ARES will fund the Project (estimated amount of \$192 Million including \$55 Million credit reserve for operational liquidity) through its institutional relationship with BGC.
- The ARES Development Agreement formalizes an exclusive partnership between ARES and One Stop, providing ARES with a 52% controlling equity interest in the Project. As Section 13.5 of the CA would prohibit assignments in the first five (5) years after the issuance of the Certificate of Occupancy, this provision would appear to be a violation of the CA.
- The ARES document contemplates a financial closing on or about June 21, 2025, with permitting, design, and engineering projected to commence in the third quarter of 2025, however, no documents have been submitted to the City Development Review Committee (DRC) to date. Staff has not received confirmation that financial closing has occurred.
- The ARES Development Agreement may be terminated at any point by mutual written consent of both ARES and One Stop; therefore, the funding may not be guaranteed.
- The ARES Development Agreement may be terminated by ARES for One Stop material breach.
- The ARES Development Agreement may be terminated by One Stop for ARES material breach of capital commitment or failure to fund agreed upon disbursements.

Regarding BGC:

- The website contained in the BGC document, <https://bgclondon.co.uk>, describes BGC as a boutique advisory firm that was formed in 2013. There is no reference to Chief Executive Officer George Matharu (individual signing the document) on the website.
- The Team page of a separate website for BGC Global Investments, <https://bgcinvestments.fund>, indicates George Matharu is Chief Executive

Officer. Staff could not determine the relationship between BGC London and BGC Global Investments.

- The BGC document indicates they are prepared to proceed with issuing a loan and/or line of credit facility totaling no less than \$140 Million. However, this does not represent a binding commitment.
- Section 5.8.3. of the CA states that One Stop FTL shall have no power or authority to incur any indebtedness giving a right to a lien of any kind or character upon the right, title, or interest of the City in and to the Property. There isn't sufficient information to determine whether this provision is affected.
- To support their position, the BGC document refers to a recent \$3.5 Million bond issuance, issued dated December 2022.
- The BGC document indicates BGC's capability and intent to fund, but is subject to several qualifications, including execution of all required documents, completion of due diligence, and final approval by BGC's internal credit committee. As a result, this would not represent a binding commitment.

Notwithstanding the observations above regarding the required financial commitment contained in Section 4.1 of the CA, Sections 3.3.1 and 13.16 of the CA remain at issue, as One Stop has not secured a building permit for the Project within a reasonable period of time. However, One Stop may not have submitted documents to DRC as feedback from the City has not yet been provided in response to its May 29, 2025 and June 3, 2025 submittals to the City. Staff will provide this memorandum to One Stop and request that any available clarifying information be provided to the City no later than July 3, 2025.

For further information, please contact Rickelle Williams, City Manager, at 954-828-5959 or rickellewilliams@fortlauderdale.gov

Attachments:

1. One Stop FTL LLC Comprehensive Agreement
2. One Stop FTL, LLC – Notice of Default Under Comprehensive Agreement
3. ARES Final Development Agreement
4. BGC London Financial Capability Confirmation

c: David R. Soloman, City Clerk
City Manager's Office
Department Directors