



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
CRA BOARD MEETING

#25-0574

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

FROM: Rickelle Williams, CRA Executive Director

DATE: January 6, 2026

TITLE: Resolution Approving a Forgivable Loan Increase of \$475,000 under the Property and Business Improvement Program to V&R Family Enterprises, Corp. Located at 1227 Sistrunk Boulevard; Authorizing the Executive Director to Execute All Documents Related to this Transaction; and Delegating Authority to the Executive Director to Take Certain Actions and Providing for an Effective Date - **(Commission District 3)**

Recommendation

Staff recommends the Community Redevelopment Agency (CRA) Board of Commissioners approve an increase in the forgivable loan funding provided to V&R Family Enterprises, Corp., in the amount of \$475,000 from the Property and Business Improvement Program (PBIP) for the renovation, modernization and build-out of an existing building located at 1227 Sistrunk Boulevard, Fort Lauderdale, Florida, 33311; authorize the Executive Director to execute all documents related to this transaction; and delegate authority to the Executive Director to take certain actions and provide for an effective date.

Background

On September 3, 2020, V&R Family Enterprises, Corp. ("Applicant") was awarded a forgivable loan in the amount of \$225,000 from the PBIP program, and \$125,000 from the Commercial Façade Improvement Program. The total initial forgivable loan in the amount of \$350,000 was granted for the renovation, modernization and build-out of their existing building located at 1227 Sistrunk Boulevard, Fort Lauderdale, Florida 33311 (the "Property") to create a transformative mixed-use development contributing to housing access and community engagement. Initially, the total project cost was estimated at \$735,755. The CRA contribution represented approximately forty-seven percent (47%) of the total project cost, with the applicant providing the remaining fifty-three percent (53%).

Due to unforeseen increases in construction costs, materials, and equipment, as well as COVID-19 pandemic-related delays, the Applicant was approved for a \$400,000 funding increase on November 7, 2023. This adjustment brought the total estimated project cost to \$1,119,268, of which the CRA's total contribution of \$750,000 represented sixty-seven

percent (67%) of the overall project cost. The Applicant's contribution of \$369,268 comprised the remaining thirty-three percent (33%).

Despite the productive use of the \$750,000 awarded to date, unforeseen construction challenges have necessitated an additional funding request to complete the project. Roofing issues and structural deficiencies in the building being renovated required extensive repairs beyond the original project scope. Now that the initial phase of renovation is complete and the building is under construction, it became apparent that structural changes were necessary due to the building's age and poor condition. These change orders include the following:

- The original building walls, made of four (4)-inch concrete masonry units (CMUs or blocks), have been strengthened with metal framing to improve structural stability.
- The exterior soffit was demolished and rebuilt to align with the updated exterior walls.
- The main roof required demolition and reconstruction due to improper installation by the owner's roofer, who did not follow the approved drawings.
- The rear wall lacked reinforcing steel within the CMU structure. To correct this, the structural engineer directed the installation of vertical steel reinforcement and the complete re-grouting of the wall.
- The structural engineer mandated the construction of an extra curb on the rear block wall to support the roof joist.
- The steel contractor needed to adjust the steel joist seat from ten inches (10") to twelve inches (12") to ensure the steel joist could securely rest on the angle supports.

On May 13, 2025, the Northwest-Progresso-Flagler Heights CRA (NPF CRA) Advisory Board recommended approval of a second funding increase in the amount of \$375,000 to address the additional unforeseen project expenses (Exhibit 6). Since that time, however, the applicant's general contractor provided a final accounting of the total project cost necessary to ensure full completion. An additional \$100,000 is necessary to finalize the building, allocated as follows:

- \$20,000 for engineering, architectural, and design services associated with unanticipated conditions
- \$40,000 for relocation of electrical service from overhead to underground
- \$25,000 for required waterproofing of the windows; and
- \$15,000 for installation of epoxy flooring in the electrical room.

A complete listing of the proposed construction changes is attached as Exhibit 3. These changes and additions will ensure the safety, longevity, and functionality of the building.

Based on the current project scope, the Applicant is now requesting a funding increase totaling \$475,000 from the PBIP, which includes the previously approved \$375,000 increase and the additional \$100,000 recommended for approval by the NPF CRA Advisory Board on November 19, 2025 (Exhibit 7). With this adjustment, the total project cost is now estimated at \$1,594,268. The CRA's total contribution of \$1,225,000 represents 77% of the current total construction cost, while the Applicant will contribute the remaining \$369,268, or 23% of the total project cost.

While this represents a significant investment, the anticipated long-term economic and social benefits far outweigh the upfront costs, ensuring substantial returns for the community and advancing NPF CRA objectives. This project is a cornerstone of community revitalization efforts, transforming a long-neglected and blighted property into a vibrant mixed-use building that will serve as a hub for economic growth and community engagement.

The completed building will feature a 1,449 square-foot event and reception hall on the ground floor for community gatherings and local business opportunities, and five (5) affordable rental housing units on the second floor, providing much-needed housing options in the area. The PBIP amendment being considered includes a requirement to amend the affordability period of the affordable rental housing units from ten (10) years to thirty (30) years from the date of project completion. Four (4) of the affordable rental housing units will be made available to households with incomes up to eighty percent (80%) Area Median Income (AMI) and one (1) to a household with an income of up to thirty percent (30%) AMI.

Parking for the building is at the rear of the property, facing NW 6th Court on a separate 7,000 square foot lot owned by the applicant. The requested loan amount will be secured by a five (5)-year, forgivable first mortgage on the property. This development aligns with the NPF CRA's mission to enhance the quality of life for residents and stimulate economic activity, as well as create jobs for the community in the long run. This project directly supports the NPF CRA's mission by transforming an underutilized parcel into a vibrant and functional community asset.

This project will be a catalyst for positive change on Sistrunk Boulevard, attracting new businesses, residents, and visitors while preserving the cultural heritage of the neighborhood. The additional final funding will enable the applicant to overcome the current challenges and deliver a project that meets the high standards the community deserves.

SOURCES		USES	
Total CRA Funding	\$1,225,000.00	Updated Construction Cost	\$1,569,268.00
Applicant Contribution	<u>369,268.00</u>	Permitting and Fees	25,000.00
TOTAL	\$1,594,268.00	TOTAL	\$1,594,268.00

Sistrunk Boulevard is a NPF CRA Focus Area which requires a funding match from applicants but allows for flexibility in the maximum funding limits under the NPF CRA Façade Improvement Program and PBIP. Under the Façade Improvement Program, the funding limits are one hundred percent (100%) of the first \$75,000 and ninety-five percent (95%) of the cost between \$75,000 and \$125,000, not to exceed \$125,000. Under the PBIP funding limits are ninety percent (90%) of the project cost, not to exceed \$225,000. The CRA Board can increase these limits on a case-by-case basis in the Focus Area. Even though this project lies within the CRA Focus Area and is eligible for ninety percent (90%) of the construction cost, the CRA's contribution to this project amounts to seventy-seven percent (77%). The Applicant has sufficient funding to cover its funding match and still has an adequate operating reserve.

While new businesses and projects are important and represent new investment and confidence in the area, it is equally important for the NPF CRA to invest in projects where local property owners are struggling to maintain their property and are willing to make an investment to participate in the redevelopment of their community, providing the NPF CRA can assist them in these efforts. The first focus of the NPF CRA should be on community benefits to existing buildings and people who have already invested in and own businesses and properties in the community. V&R Family Enterprises, with its long-standing family and business presence, is committed to sustainability by actively participating in their community and integrating sustainable business practices wherever possible.

A copy of the Location Map; Broward County Property Appraiser Information; Updated Construction Cost Breakdown; Architectural Plans; Second Amended Property and Business Improvement Program Agreement; Minutes of the Advisory Board Meeting of May 13, 2025; Draft Minutes of the Advisory Board Meeting of November 19, 2025; Resolution No. 23-12 (CRA); and Resolution are attached as Exhibits 1 through 9.

Consistency with the NPF 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.

The project is consistent with the NPF CRA Community Redevelopment Plan, which identifies the Sistrunk corridor as a Focus Area to be revitalized and redeveloped. This area of the City has the potential to serve as a major source of investment and employment for the surrounding community. The CRA Plan identifies strategic objectives, goals and measures that include targeting and attracting businesses, retail uses and industries to establish a presence in the redevelopment area and create jobs for area residents. 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 \$475,000 in Fiscal Year 2026 in the account listed below.

<i>Funds available as of December 8, 2025</i>					
ACCOUNT NUMBER	COST CENTER NAME (Program)	CHARACTER/ACCOUNT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
20-119-1531-552-40-4203- CRA092602	Property and Business Improvement Program FY 26	Other Operating Expense/Redevelopment Projects	\$590,000	\$590,000	\$475,000
TOTAL AMOUNT ►					\$475,000

Strategic Connections

This item is a FY 2026 Commission Priority, advancing the Bolster Thriving Communities initiative.

This item supports the *Press Play Fort Lauderdale 2029* Strategic Plan, specifically advancing:

- The Housing Focus Area, Goal 2: Enable housing options for all income levels
- The Business Growth and Support Focus Area, Goal 6: Build a diverse and attractive economy

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

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

- The Neighborhood Enhancement Focus Area
- The Housing Element
- Goal 1: The Comprehensive Plan shall support the provision of adequate sites for future housing, including affordable workforce housing, housing for low-income, very low-income, and moderate-income families.
- Goal 2: Be a community of strong, beautiful, and healthy neighborhoods.
- The Business Development Focus Area
- The Economic Development Element
- Goal 2: Enhance the economic competitiveness of Fort Lauderdale through policies that encourage retention and recruitment of business and industry which provide living wage employment and increased training and competitiveness in the local workforce.

Attachments

Exhibit 1 – Location Map

Exhibit 2 – Broward County Property Appraiser Information – 1227 Sistrunk Boulevard

Exhibit 3 – Updated Construction Cost Estimate

Exhibit 4 – Architectural Plans

Exhibit 5 – Second Amended PBIP Agreement

Exhibit 6 – May 13, 2025, Approved Minutes of NPF CRA Advisory Board Meeting

Exhibit 7 – November 19, 2025, Draft Minutes of NPF CRA Advisory Board Meeting

Exhibit 8 – Resolution No. 23-12 (CRA)

Exhibit 9 – Resolution

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