



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
CRA BOARD MEETING

#24-0629

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

FROM: Susan Grant, Acting CRA Executive Director

DATE: August 20, 2024

TITLE: Motion Approving a Subordination of the CRA Mortgage from Junny Investment Group, LLC, to a New Mortgage in favor of INB, National Association; 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 approve, by Motion, a Subordination Agreement, in substantially the form attached hereto as Exhibit 5, subordinating the CRA mortgage granted by Junny Investment Group, LLC (Developer), at 2010 Northwest 6th Street in the total amount of \$290,000, to a new mortgage from Junny Investment Group, LLC in favor of INB, National Association in the amount of \$1,250,000 (INB Mortgage).

Background

The CRA received a request from Junny Investment Group, LLC for a subordination of a CRA first mortgage in the amount of \$290,000 to allow for a new first mortgage loan in favor of INB, National Association. Junny Investment Group, LLC completed a re-finance on the property on May 29, 2024, for a new mortgage with INB, National Association, as lender, with a maximum amount of principal indebtedness not to exceed \$1,250,000, of which \$250,000 is a line of credit for working capital for the continued improvement of the property. An assignment of rents was also executed to establish a continuing security interest in and to the Rents from the Property in favor of INB, National Association, which was recorded on May 29, 2024.

The Developer is requesting that the CRA subordinate its CRA mortgage in favor of INB Mortgage and INB Assignment of Rents. The CRA loan was used to construct a new building for Donna's Caribbean Restaurant, which is open and operational. Providing its continued operation, the CRA's five-year forgivable loan will expire five years from the Project Completion Date. A copy of the Location Map, a letter of interest from Jarrett, R. Williams, P.A., counsel for Junny Investment Group, LLC, for the subordination request,

as well as the original CAM #20-0654, and photos of the property and Subordination Agreement are attached as Exhibits 1-5.

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.

Per the CRA plan, the CRA will establish incentive programs to address redevelopment obstacles. The CRA program 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.

Resource Impact

There is no fiscal impact associated with this action.

Strategic Connections

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

- 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 and We Are Prosperous*

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

- The Business Development Focus Area
- The Economic Development Element
- Goal 1: Enhance Fort Lauderdale's stature as a global, business friendly destination through the development of a business identity, enhanced marketing, branding, and support for enhanced local activities and tourism development.

Attachments

Exhibit 1 – Location Map

Exhibit 2 – Letter of Interest – Subordination Request

Exhibit 3 – CAM #20-0654

Exhibit 4 – Photos

Exhibit 5 – Subordination Agreement

Prepared by: Eleni Ward-Jankovic, CRA Housing and Economic Development Manager
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Acting CRA Executive Director: Susan Grant