



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
CRA BOARD MEETING

#26-0738

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

FROM: Christopher Cooper, Acting CRA Executive Director

DATE: August 18, 2026

TITLE: Motion Approving Property and Business Improvement Program Funding in the Amount of \$193,500 to Queen Progress Investments, Inc. for the Buildout of Warehouse Space for Retail Use at 603 NE 13 Street (Unit C); Authorizing the Executive Director to Execute Any and All Related Instruments; and Delegating Authority to the Executive Director to Take Certain Actions - **(Commission District 2)**

Recommendation

Staff recommends the Community Redevelopment Agency (CRA) Board of Commissioners approve Property and Business Improvement Program (PBIP) funding in the amount of \$193,500 to Queen Progress Investments, Inc. (Developer) and the associated Agreement, in substantially the form attached, for the buildout of warehouse space for retail use at 603 NE 13 Street (Unit C); authorize the Executive Director to execute any and all related instruments; and delegate authority to the Executive Director to take certain actions.

Background

The owner purchased the property at 603 NE 13 Street along with adjacent properties at 535 NE 13 Street and 545 NE 13 Street in the Central City Community Redevelopment Area for \$5,475,000 in 2022. There is no mortgage on the properties. A location map and Broward County Property Appraiser information for the properties are attached as Exhibits 1 and 2. The Developer's CRA Funding Application is attached as Exhibit 3.

603 NE 13 Street consists of a 14,491 square-foot site with an existing 6,220 square-foot building. The property fronts the north side of NE 13 Street between NE 5 Terrace and NE 7 Avenue. The owner spent approximately \$250,000 to date on improvements to the properties, including storefronts, electrical, mechanical, HVAC and plumbing improvements. The property at 603 NE 13 Street has four (4) rental units. Three (3) of the units at 603 NE 13 Street are leased for retail use and include the following tenants:

- Lovelee Bakeshop and Gathering Grounds Coffee, a bakery and coffee café;
- Stella's Pizza and Egg Roll Kingz, a restaurant; and
- Shellshock Records, a record store

Photos of the property and existing tenants are attached as Exhibit 4. This property contains a total of fourteen (14) existing parking spaces on site and following completion of a parking study, the building received a Notice of Determination for the existing parking for change of use from office to assembly and restaurant in 2021 (Exhibit 5).

The owner has been unable to lease the fourth bay (Unit C), which currently can only be used as warehouse space unless improved to allow for retail use. The space has a total square footage of 2,642 S.F and includes 2,098 square-foot first floor space and a 544 square-foot mezzanine. The cost to change the permitted use of this space in order to allow first floor space for retail use will cost \$215,000. The work includes demolition, HVAC with ductwork, upgraded electric, two (2) ADA compliant restrooms with tile and accessories, new plumbing layout, impact rated rear exterior steel double door with concrete columns and lintel, three (3) interior doors, two (2) exterior impact windows, new concrete slab at back door, electrical and lighting including emergency and exit lighting, epoxy painted flooring, wall base, painted surfaces, fire extinguisher, and other required upgrades.

The owner has retained Native Realty to help lease the space. They have been actively marketing the property for over a year and the space remains unleaseable for retail use because of the cost required to improve the space that potential tenants are unwilling to spend. Attached as Exhibit 6 is a letter from Native Realty recommending CRA funding assistance to remove this critical barrier to tenant attraction.

CRA funding assistance to this project will be in the form of a forgivable loan from the CRA Property and Business Improvement Program. This program can be used for new construction or for interior and exterior renovations to existing buildings. The program can pay for up to seventy-five percent (75%) of the cost, not to exceed \$225,000, and up to ninety percent (90%) of the cost, not to exceed \$225,000, in a CRA Focus Area when using a CRA approved contractor. The property is located in a CRA Focus Area and the Developer is using SAGOMA Construction Services, Inc, a CRA approved contractor for this project. Photos of the existing space to be renovated, existing project plans, and contractor's proposal are attached as Exhibits 7, 8 and 9.

The CRA loan will be secured by a first mortgage on the property which will be forgiven five (5) years after the improvements have been completed provided the property has not been sold during this period, which would require the developer to repay the program. As a standard requirement for the PBIP program, there will also be a restrictive covenant on the property during this five year period that that will prohibit the building from being used for certain non-permitted uses as defined in the City's Unified Land Development Regulations (ULDR) including adult uses, massage parlors, liquor stores, or convenience stores. The Developer will be responsible for all other costs including cost overruns or unforeseen cost on the project. The Developer has sufficient funding to handle all other project cost.

The prior property owner of 603 NE 13 Street received \$170,000 in funding from the CRA in 2018 that was used to help renovate four properties they owned along the NE 13 Street

Corridor consisting of 520-530 NE 13 Street, 535 NE 13 Street, 545 NE 13 Street and 603 NE 13 Street. Because they sold all the properties in 2022, which was less than the required five (5) year holding period under the CRA programs, the CRA received a prorated payoff of the original forgivable loan in the amount of \$51,000. CRA funding was effective in improving the appearance of these properties.

Native Realty and the Developer have been in discussions with a prospective tenant who is interested in opening a Pilates studio on the first floor of 603 NE 13 Street Unit C, providing the property is delivered in improved condition. The lease would be a minimum five (5)-year triple net (NNN) lease at \$40 per square foot with renewal options.

The renovation project will contribute to the ongoing revitalization of the CRA, the NE 13 Street Corridor, and the CRA Focus Area. It will help further activate the area, enhance the quality of life, attract business, increase neighborhood services and provide potential job opportunities.

The construction project has been submitted for permitting and is awaiting comments. If funding is approved by the CRA, the developer's target is to complete the improvements by November 2026.

The Central City Redevelopment Advisory Board recommended approval of this item at their meeting of July 8, 2026. A copy of the draft minutes of the meeting is attached as Exhibit 10. A copy of the Property and Business Improvement Program Agreement is attached as Exhibit 11 and the Resolution is attached as Exhibit 12.

Consistency With the Central City Community Redevelopment Plan

The Central City CRA Community Redevelopment Plan is designed, in part, to encourage rehabilitation of existing, usable and viable structures, in addition to construction of new retail and office facilities, as well as attraction of new jobs in office, retail and restaurants of areas planned for commercial and business development. The project is consistent with the Central City CRA Community Redevelopment Plan which provides for direct physical improvements that create a lasting impact and establish new businesses to create a diverse and appealing business corridor, add employment opportunities, and draw new users that contribute to the prosperity of the area.

Resource Impact

There is a fiscal impact to the CRA in the amount of \$193,500 in Fiscal Year 2026 in the accounts listed below.

<i>Funds available as of July 15, 2026</i>					
ACCOUNT NUMBER	COST CENTER NAME (Program)	CHARACTER/ ACCOUNT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
20-121-1521-552-40- 4203-CRA092608	Property & Business Improvement Program CC FY26	Other Operating Expenses Expense/Redevelopment Projects	\$323,112	\$323,112	\$193,500

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 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 Future Land Use Element
- Goal 2: Sustainable Development: The City shall encourage sustainable, smart growth which designates areas for future growth, promotes connectivity, social equity, preservation of neighborhood character and compatibility of uses.

Attachments

Exhibit 1 - Project Location Map

Exhibit 2 - Broward County Property Appraiser Information

Exhibit 3 - Developer's CRA Funding Application

Exhibit 4 - Photos of Existing Tenant Space

Exhibit 5 - Notice of Determination/Site Plan Level 1 – Change of Use

Exhibit 6 - Recommendation Letter from Native Realty

Exhibit 7 - Photos of Unit C Existing Space to be Renovated

Exhibit 8 - Project Plans

Exhibit 9 - Contractor's Proposals

Exhibit 10 - July 8, 2026 Central City Redevelopment Advisory Board Draft Minutes

Exhibit 11 - Property and Business Improvement Program Agreement

Prepared by: Bob Wojcik, CRA Housing and Economic Development Manager
Vanessa Martin, CRA Manger

Acting CRA Executive Director: Christopher Cooper