



Delray Beach Community Redevelopment Agency

Regular Board Meeting

Tuesday, April 9, 2019
10:00 a.m.

ITEM 8A.

PURCHASE & SALE AGREEMENT
BH3 MANAGEMENT, LLC



SW 600-800 BLOCKS OF W.
ATLANTIC AVENUE

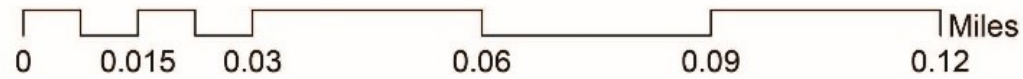


WEST ATLANTIC AVENUE PROPERTIES SW 600-800 BLOCKS



LEGEND

-  ZONING DISTRICT
-  CRA-OWNED





SW 600-800 Blocks of W. Atlantic Avenue

BH3 Management, LLC

Purchase & Sale Agreement

- **Project Description:**

- Retail/Food & Beverage: 43,300 Square Feet
- Grocery: 33,000 Square Feet
- Office: 21,600 Square Feet
- Public Open Space including Frog Alley: 40,000 Square Feet
- Residential: 165 Rental Units (plus pool and amenities) (18 units Workforce Housing offsite; 12 units Workforce Housing onsite)
- Parking:
 - 2 Structured Parking Facilities and 1 Surface Lot
 - Number of Parking Spaces: Amount approved by the City of Delray Beach as part of site plan approval plus at least 206 public parking spaces.



SW 600-800 Blocks of W. Atlantic Avenue

BH3 Management, LLC

Purchase & Sale Agreement

Dates

Inspection Period	90 days from Effective Date
Application Date	210 days from Effective Date
Approval Date	365 days from Application Date
Closing Date	30 days from Permit Date
Termination Date	720 days from Effective Date

Earnest Money

Earnest Money	\$250,000 due when contract is signed
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SW 600-800 Blocks of W. Atlantic Avenue

BH3 Management, LLC Purchase & Sale Agreement

Additional Agreements

Relocation Plan for Commercial Tenants	Submitted to CRA Board 180 days from Effective Date.
Public Benefits Agreement	Executed within 210 days after Effective Date.
Parking Maintenance Agreement (206 spaces)	Executed within 30 calendar days after Approval Date.
Restrictive Covenant	At Closing



SW 600-800 Blocks of W. Atlantic Avenue

BH3 Management, LLC

Purchase & Sale Agreement

Workforce Housing*

18 units – 11 SW 6th Avenue & 21 SW 6th Avenue

- Available on July 1, 2019
- Penalty - \$500.00 per day until compliance

12 units – Available onsite

*40 Year Workforce Housing Restrictive Covenant with the City of Delray Beach



SW 600-800 Blocks of W. Atlantic Avenue

BH3 Management, LLC

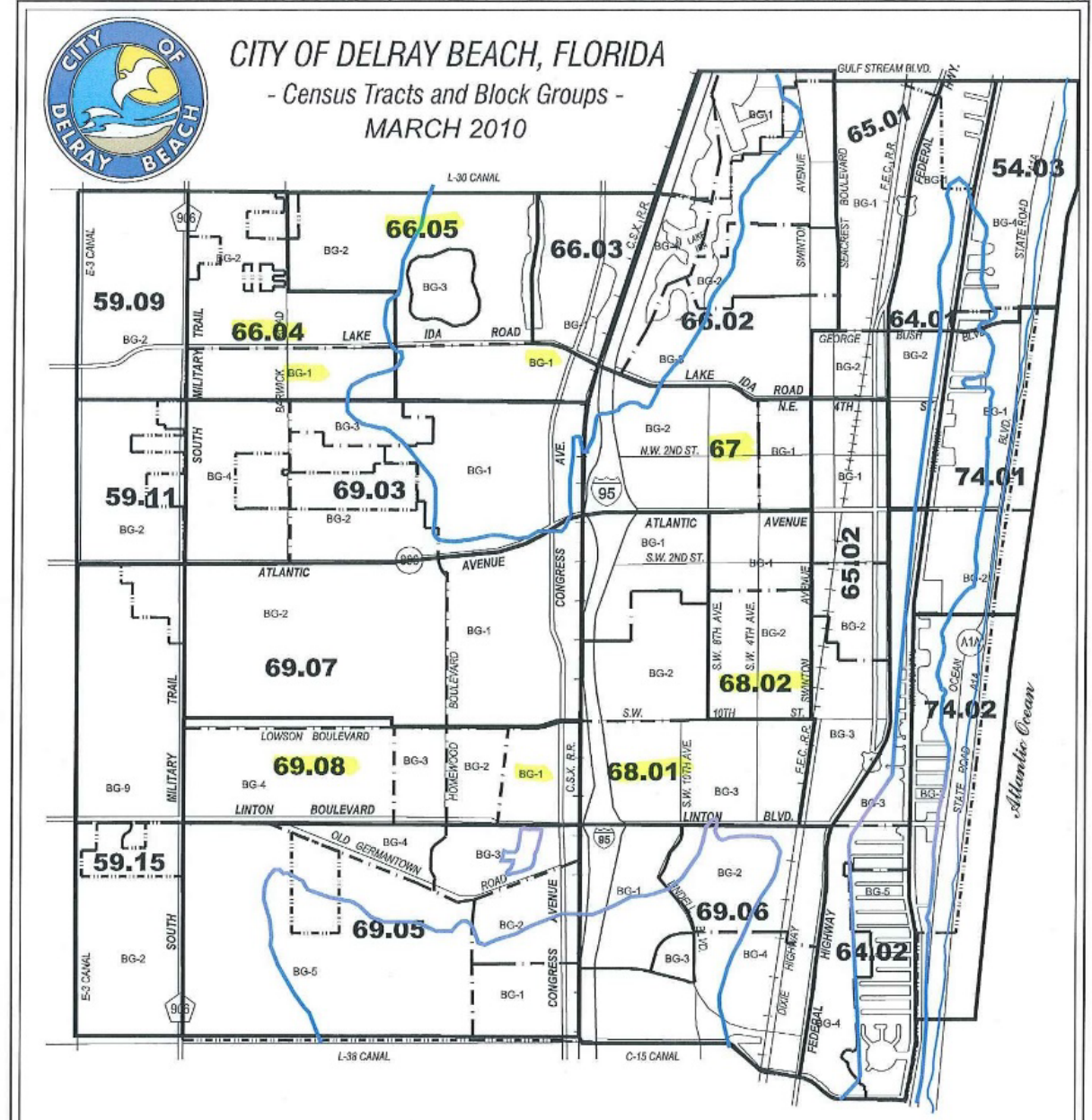
Purchase & Sale Agreement

Relocation Plan for Existing Commercial Tenants at 700 W. Atlantic Avenue	Submitted to CRA Board 180 days from Effective Date.
Commercial Space at Completed Development	4 spaces available for City of Delray Beach businesses.



<p>Skilled and unskilled construction jobs</p>	<p>Hire at least 30 from highlighted census tracts.</p>
<p>Subcontractors</p>	<p>Hire at least 6 from highlighted census tracts and/or from 33444, 33445, and 33483.</p>

*Public Benefits Agreement – Must be executed within 210 days of Effective Date.





SW 600-800 Blocks of W. Atlantic Avenue

BH3 Management, LLC

Purchase & Sale Agreement

Local Hiring During Construction	Living Wages for Skilled & Unskilled Construction Laborers & health benefits <ul style="list-style-type: none">• \$13.64 – Unskilled Construction Laborers• \$18.70 - Skilled Construction Laborers
Penalties for Non-Compliance with Local Hiring Requirement During Construction	Escrow money repaid to Purchaser if BH3 complies with Community Benefits. If BH3 does not comply with Community Benefits, CRA will keep.
Job Monitoring for Public Benefits	CRA reimbursed up to \$50,000 annually by BH3 for service.
Job Fairs & Employment Advertising	At least 2 job fairs and coordinate with local organizations to promote.



SW 600-800 Blocks of W. Atlantic Avenue

BH3 Management, LLC

Open Issues

- Subordinate Right to Repurchase to a construction loan
- Right to Repurchase
 - To be exercised for failure to commence installation of concrete foundation on a yet to be determined number of blocks.
- Restrictive Covenant
 - Amount to be paid to the CRA
 - Percent of legal interest upon transfer or conveyance

ITEM 8B.

MODIFICATION TO SITE
DEVELOPMENT ASSISTANCE
PROGRAM





Modification to Site Development Assistance Program

Summary of Proposed Revisions

- 2 Funding Tiers
 - Tier 1 – CRA Sub-Areas #3, #4, #7 & #8
 - First \$10,000 of eligible costs funded at 100%; additional eligible costs covered at 75% rate, up to \$75,000 max. award
 - Tier 2 – CRA Sub-Areas #1, #2, #5, & #6
 - Eligible costs funded at 40% rate, up to \$50,000 max. award
- Updated Funding Disbursement Procedures
 - Monthly payments allowed while project is underway
 - Payments may be made to approved applicant by reimbursement OR directly to vendor – for completed, pre-approved improvements only

ITEM 8C.

SECOND AMENDMENT TO
INTERLOCAL AGREEMENT FOR
TRANSPORTATION SERVICES

FUNDING AMOUNT:

\$80,000

TIME EXTENSION:

Up to June 30, 2019



ITEM 8D.

EXECUTIVE DIRECTOR'S ANNUAL REVIEW







ITEM # _____

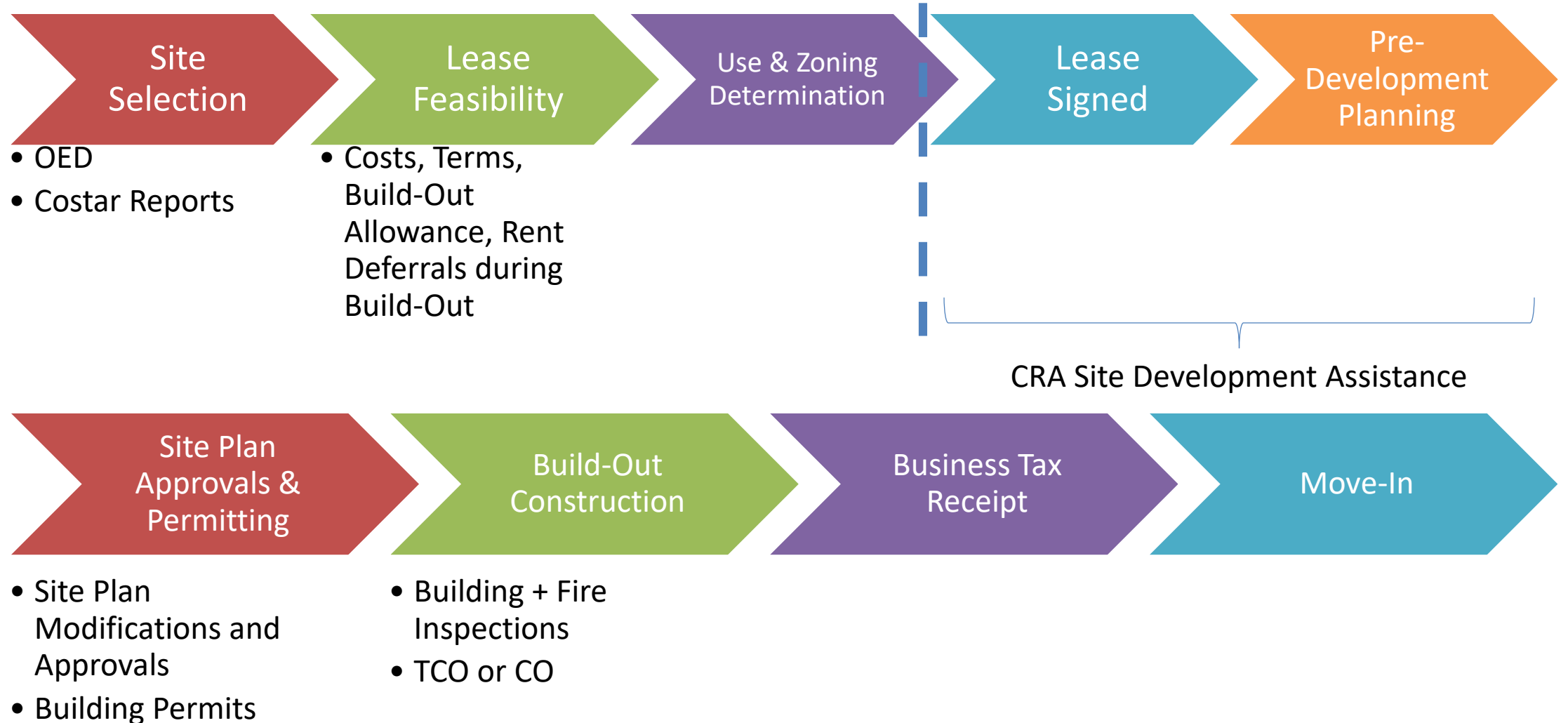
CRA BOARD ACTION ITEM

THE SET AND
OSCEOLA PARK
CONSULTANCY &
DESIGN PLANS PROGRAM

BACKGROUND

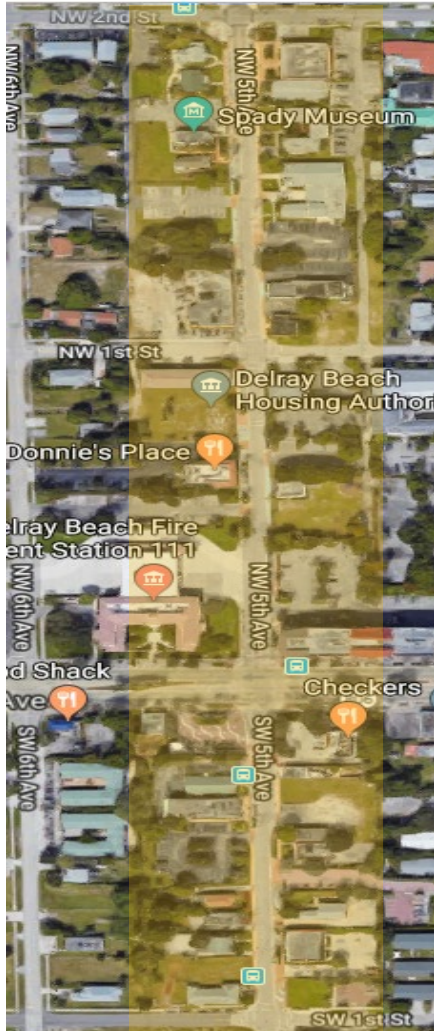
- CRA Board supported the development of new tools at February 12, 2019 meeting to:
 - Encourage accelerated commercial investment in The Set and Osceola Park areas of the CRA District
 - Activate vacant or underutilized commercial properties to build vibrancy while eliminating 'slum & blight'
 - Assist businesses with location decisions
 - Assist businesses/property owners with plans required for City approvals and/or permitting

HOW IT FITS IN TO THE OVERALL PROCESS . . .

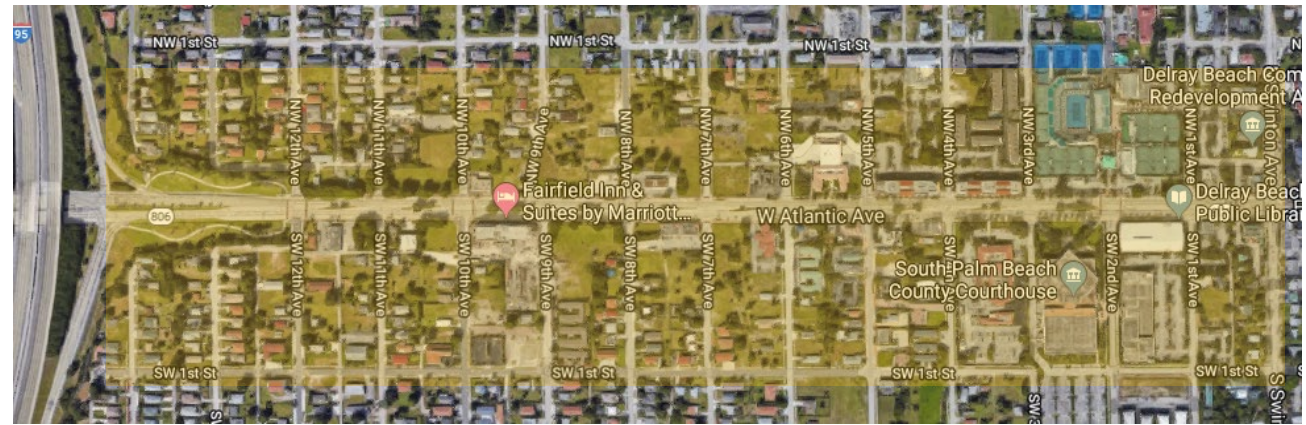


NEW TOOL PRIORITY AREAS

Historic 5th Avenue



West Atlantic Avenue

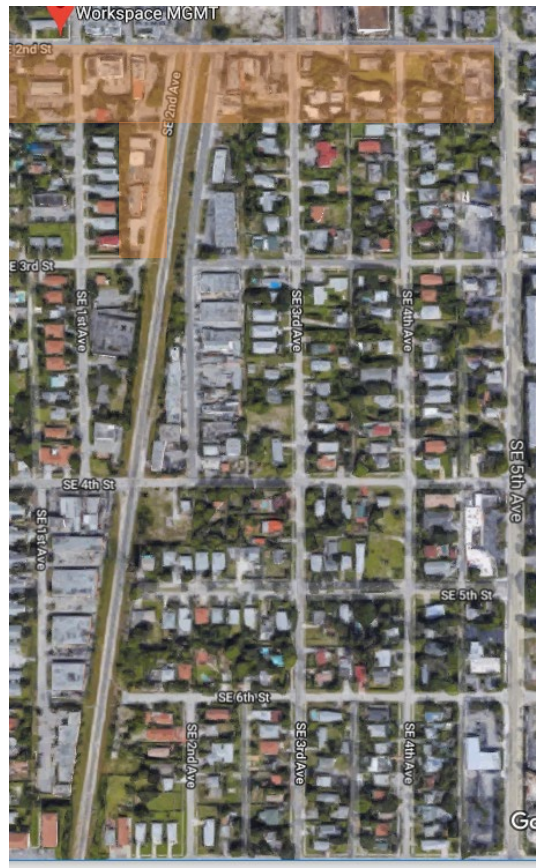


SW Industrial Area

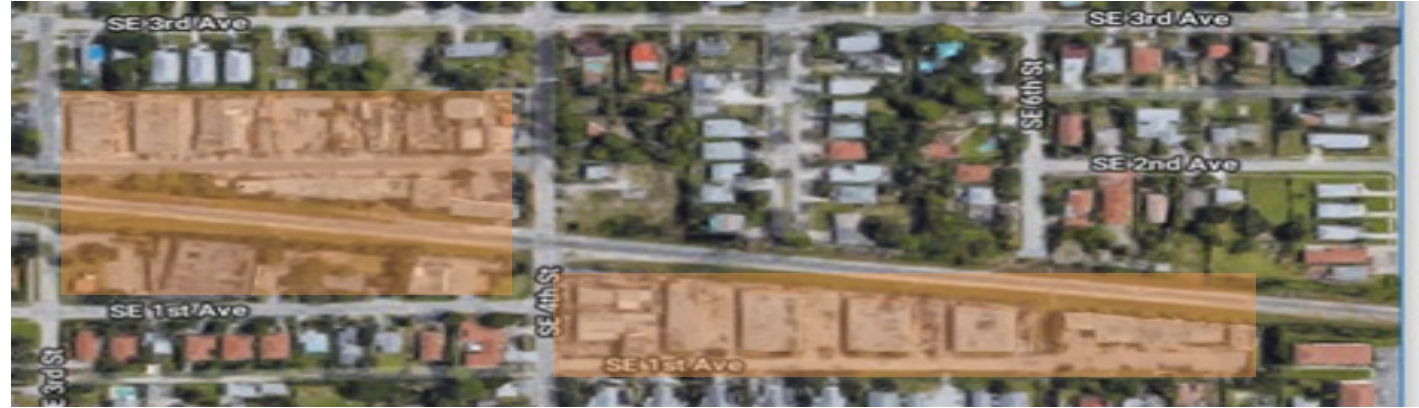


NEW TOOL PRIORITY AREAS

Osceola Commercial



Osceola Industrial



South Federal Highway (South of 4th Street)



PROGRAM GUIDELINES HIGHLIGHTS

Consultancy + Plan Development

- Term: 3 years
- Eligible Applicants: Pre-Tenant, Tenant, Owner-Occupant, Landlord
- Property Types: Existing Commercial, Retail, Industrial, Flex, Mixed-Use (commercial > 50% of gross square footage)
- Professional Services Offered: Architect, Landscape Architect, Engineer, Design Professional

PROGRAM GUIDELINES HIGHLIGHTS

- Consultancy Deliverables: What will it take to make it happen here? What will it cost? How do I get there (City approvals and permitting processes)? How long will it take?
- Plan Development Deliverables: Preliminary Space Plan, Conceptual Design Plan, Construction Drawing Set (stamped), Permit Drawings
- Limitations of Use: None with evaluation after 1st year (proof of concept)

PROGRAM PROCESS

- Step 1: Complete Inquiry Form (Applicant)
Applicant Contact Information, Property Location and General Scope of Work, Tenant Description(s)
- Step 2: Property Verification (OED)
- Step 3: Discussion of Program and Next Steps (Applicant/OED)
- Step 4: OED Publishes Work Assignment
- Step 5: OED Schedules Meeting for Applicant with CRA Consultant and/or Design Team

PROGRAM PROCESS

- Step 6: CRA Consultant/Design Team Issues Notes for Next Steps
- Step 7: Upon completion of deliverables, CRA Consultant/Design Team Issues Invoice to OED
- Step 8: OED Reviews Invoice and Submits Check Request to CRA
- Step 9: CRA Issues Check to CRA Consultant/Design Team

NEXT STEPS

1. Determine prequalification procedure for professional services and recruit firms to participate
2. Launch New Tools and Conduct Community Outreach Program
3. Add Tools to new Delray Beach Business Navigator Program
4. Recruit Projects – Properties to the Program

STAFF RECOMMENDATION

Approve the establishment of
The Set and Osceola Park Consultancy and
Design Plan Program for a period of 3 years