



20 N. Swinton Avenue
Delray Beach, FL 33444

~ CRA BOARD SUMMARY ~
LEASING OF 186 NW 5TH AVENUE – “CAREER COTTAGE”

Background

On November 17, 2016, the CRA’s economic development team presented the Focus on Fifth Initiative suggesting the CRA-owned property at 186 NW 5th Avenue could be intentionally activated as “Career Cottage” through a public notice advertisement to invite multiple, collaborative and synergistic users to provide needed career, job seeker, job placement or workforce development related services to the community. The CRA Board authorized staff to issue a Legal Notice indicating the CRA’s Intention to Accept Offers to Lease the Commercial Property at 186 NW 5th Avenue. The notice indicated commercial uses would be limited to office uses only and specifically for career, job seeker, job placement or workforce development related services as permitted within the Central Business District (CBD) zoning district.

Lease Proposals

Three (3) proposals were received by the CRA include: 1) CareerSource Palm Beach County (not-for-profit); 2) Manpower (for profit) and 3) Clerical Solutions LLC d/b/a Premier Staffing Solutions, a local small business (for profit). Attached is a general summary of the each respondents’ information, operating requirements, rent proposed, operating impacts and reasons why each entity is interested in the space and location.

A walk-through of the property was conducted with all three (3) respondents on Wednesday, April 19, 2017 to see the space and to discuss the practicality of placing more than one (1) respondent into the property.

Following the walk-through, it became clear the needs of each respondent were too varied and that multiple users could not be accommodated in the space.

Economic Development Goal of Career Cottage

Since the economic development and workforce development goal of Career Cottage is to attract in-area job placement and career services and resources into the CRA district to ultimately drive down the unemployment rate (see table) and match residents with jobs, staff is recommending we negotiate a lease arrangement to bring CareerSource Palm Beach County to “Career Cottage.”

As our County’s workforce development agency, CareerSource Palm Beach County has the depth and breath of services and resources our community needs at this time.

**Workforce and
Employment Trends**

	The Set	The City
Residents Employed	67%	60.9%
Jobs Held by Non-Residents	92%	N/A
Residents Work Outside the Area	94%	68%
Residents Work at Home	2.3%	7.3%
Unemployment Rate	18-20%	4.1%
Total Employment	5,997	51,787
Year-Over-Year Total Employment	N/A	-1.4%

*Source: IBI Group Florida, Inc. Key Findings:
Economic and Demographic Data,
The Set Transformation Plan*

Career Source Palm Beach County Services

CareerSource Palm Beach County is chartered by the State of Florida to develop and retain a high quality workforce system in Palm Beach County. At this proposed location, CareerSource Palm Beach County career centers would seek to place hundreds of entry-level, middle management through executive suite job seekers in open and available jobs. In particular, they would relocate up to six (6) staff members in the Career Cottage to provide the following services five (5) days a week, Monday – Friday, 8:00 a.m. to 5:00 p.m.:

- Career consulting
- Job search and placement services
- Use of computers, copiers and fax
- Priority service for U.S. military veterans
- Reemployment Assistance
- Employers recruiting on site
- Job search workshops and assistance (in nearby locations)
- Access to hundreds of jobs
- Labor market information, such as jobs in demand
- Programs for persons with disabilities

It is also important to note that CareerSource services are free to both employers and job seekers. Additionally, it is anticipated that an average of 35 people each week or 1,860 annually will be served from their new location at Career Cottage.

CRA Investment and Fiscal Impact

CareerSource Palm Beach County has requested a rent waiver in order to implement Career Cottage and bring these key services to our community. The rent waiver has an estimated value of \$22,000 annually based on prior lease arrangements at the property. CRA staff, however, would seek to request that CareerSource Palm Beach County be responsible for costs associated with the operations of Career Cottage including utility bills, taxes, liability and tenant insurance and other business related operations of CareerSource. Below is an estimate property operating expenses based on historical information:

CRA Property: 186 NW 5 Avenue	Initial Lease Period:		12 months
<u>Expenses</u>	<u>Monthly Expense</u>		<u>Annual Expense</u>
Property Taxes	\$	423.67	\$ 5,084.00
Liability Insurance			
Alarm System	\$	77.00	\$ 924.00
Cable/Phone/Internet Access			
Janitorial Services	\$	300.00	\$ 3,600.00
Electric	\$	65.00	\$ 780.00
Water/Sewer	\$	71.00	\$ 852.00
Other - Annual Permit			\$ 30.00
Total Expenses	\$	936.67	\$ 11,270.00
Notes: Electric and Water/Sewer actual monthly expenses from prior leasee. Liability insurance and phones/internet access expected to be provided by tenant. Property taxes expected to be adjusted downward following reassessment of property's new non-profit use.			

West Atlantic Redevelopment Coalition (WARC) Economic Development Committee

CRA Staff provided the committee with an update at their April 26, 2017 meeting on Career Cottage at 186 NW 5 Avenue. After a brief discussion, the committee recommended that a lease be pursued with CareerSource Palm Beach County and for the Office of Economic Development to work with the local small businesses to find another suitable location and to support their growth in our community.

Recommended Action:

- a) Accept the proposal from CareerSource Palm Beach County and authorize the CRA staff and attorney to negotiate a lease agreement to occupy 186 NW 5th Avenue.

Submitted By: Joan K. Goodrich, Economic Development Director

Attachments: 186 NW 5th Avenue Notice of Request for Proposals to Lease Commercial Space and Respondent Information Summary



NOTICE OF REQUEST FOR PROPOSALS TO LEASE COMMERCIAL SPACE

The Delray Beach Community Redevelopment Agency ("CRA") presently owns an historic commercial structure located in the neighborhood known as "The Set" at 186 NW 5th Avenue, Delray Beach, FL 33444. This notice is published in accordance with Section 163.380 of the Florida Statutes, and serves as formal notice of the CRA's intent to enter into more than one agreement to lease the office space located at 186 NW 5th Avenue (the "Building") for collaborative, synergistic career, job seeker, job placement or workforce development related services.

Pursuant to this Notice, the CRA hereby requests offers or proposals from interested parties for the lease of the office space located at 186 NW 5th Avenue. Required parking is provided on-site. The legal description of the property is as follows:

Lots 1, 2, 3 and 4 in Block 19, Melvin S. Burd's Subdivision of the North ½ of Block 19, according to the plat thereof, as recorded in Plat Book 11, at Page 73, of the Public Records of Palm Beach County, Florida, less the westerly 25 feet as described in the Official Records Book 23739, Page 853, Public Records of Palm Beach County, Florida, and the easterly 7 feet as described in Official Records Book 25218, Page 1655, Public Records on Palm Beach County, Florida.

The CRA is requesting proposals from interested parties for consideration as tenants of this prime location on the historic NW 5th Avenue commercial corridor in "The Set" in Delray Beach. Commercial uses will be limited to office uses only and specifically for career, job seeker, job placement or workforce development related services as permitted within the Central Business District (CBD) zoning district. Deadline for proposals: Tuesday, February 28, 2017 at 5:00 p.m.

Leasable Area/ Premises:	186 NW 5 TH Avenue, "Career Cottage" - 1,100 Square Feet with an occupant load of 9. Private offices, bullpen "open" spaces and common support areas including conference room and kitchen featured.
Term:	Minimum term: 6-months
Lease Rate:	\$20.00 per square foot Gross Rate (Includes Taxes, Insurance & Maintenance).
Other Notes:	Build-out Allowance will not be provided. Multiple, collaborative, synergistic users and entities expected and sought.

Upon receipt of an acceptable proposal(s), as determined by the CRA, and the negotiation and execution of a lease agreement with the successful proposer(s), as well as the applicant's compliance with any conditions precedent to the commencement of the lease, the CRA will commence the lease of the Property.

For additional information contact Joan K. Goodrich at the CRA's office at 561-276-8640 or at goodrich@mydelraybeach.com. The CRA will accept offers or proposals until Tuesday, February 28, 2017 at 5:00 p.m. at its office at 20 N. Swinton Avenue Delray Beach Florida 33444 until an offer is accepted by the CRA Board.

The CRA is vested by the State of Florida pursuant to its powers under Florida Statutes, Chapter 163, Part III, the Community Redevelopment Act of 1969 as amended, with the authority to acquire and lease of real property in order to effectuate redevelopment pursuant to the goals and objectives of the CRA Redevelopment Plan.

Reginald A. Cox, Chairman and Jeff Costello, Executive Director, Secretary
Delray Beach Community Redevelopment Agency

2017 Career Cottage Notice to Lease Respondents

186 NW 5 Avenue Notice to Lease Respondents	Website	Year Incorporated Sunbiz Entity Status	Type of Entity	# of Onsite Employees	Days of Operation	Hours of Operation	Occupancy Date	Length of Lease	Space Requested	Rent Proposed	Daily Onsite Visits	Ability to Furnish Own Office	Ability to Help Furnish Common Areas	Why Are You Interested?	Target Customers	Other Notes
CareerSource Palm Beach County Michael Corbit	www.careersourcepbc.com	1996 Active N96000004249	Not-for-profit Chartered by the State of Florida to lead workforce development in Palm Beach County	4 - 6 General CareerSource services, services for veterans, services for people re- entering the workforce	M - F	8:00 a.m. - 5:00 p.m.	July or August 2017	6 month to 1 year	"Career Cottage"	Seeking rent waiver	35 Job seekers per day	Yes	?	We wish to help local Delray Beach residents with career seeker programs and services which should lead to employment opportunities.	Delray Beach residents are our target customers although are services are open to any Palm Beach County resident.	We will work through other community partners such as the library.
Clerical Solutions LLC d/b/a Premier Staffing Solutions Carla Pierre	www.clericalsolutions.net	2014 Active L14000004012	For profit	2	M - F	8:30 a.m. - 5:00 p.m.	6/15/2017 or 7/1/2017	18 months	100-150 SF	\$700/month	1 - 10	Yes	Yes, however would request rent offset	The area is an up and coming area in Delray Beach. It is central to Downtown and transportation while not highly affected by the influx of traffic in the downtown area.	Local residents seeking career training and placement; local businesses seeking to fill open positions	If not selected, search for another Delray Beach location would continue
Manpower Joan Greenberg	www.us.manpower.com	1948 Active F95000006226	For profit	1 or 2	Tuesday and Thursday	9:00 a.m. - 4:00 p.m.	6/1/2017	6 months with an option to renew another 6 months to determine feasibility of new office	1 office (office # 2)	\$100/month based on \$20/SF	Generally, 2 candidates every 1/2 hour of operation expected - 12 Industrial candidates in a 4 hour period and 12 skilled office candidates in a 4 hour period	Yes	Yes, willing to collaborate on what is needed	We believe it would be highly beneficial to the community to have a resource such as Manpower to help unemployed or underemployed workers find employment to better their financial status. It will be mutually beneficial to Manpower to be able to recruit a steady stream of workers for businesses located in Delray, Boynton & Boca.	Employers and Job seekers. For Industrial opportunities, seeking semi-skilled to skilled talent for positions in warehouses, landscaping, janitorial & custodial, HVAC, Machine operators, Forklift drivers, maintenance workers and maintenance mechanics.	Manpower uses many recruiting sources, one of which is recruiting and interviewing at CareerSource in Boca Raton. We would continue that relationship as well as searching for shared space to locate an office, preferably in Delray Beach, if we are not chosen.