Delray Beach Community Redevelopment Agency
Regular Board Meeting

Tuesday, September 29, 2020
4:00 p.m.
ITEM 7A.

APPROVAL OF
FISCAL YEAR 2020-2021 BUDGET
ITEM 8A.

APPOINTMENT OF DEPUTY VICE CHAIR
ITEM 8B.

FIRST AMENDMENT TO THE PARKING COST SHARING AGREEMENT WITH DELRAY BEACH 4TH & 5TH AVENUE, LLC
Delray 4th and 5th Parking Cost Sharing Agreement

8B

Neil M. Schiller, Esq.         September 29, 2020
Request

- Amend the Parking Cost Sharing Agreement with the Delray 4th and 5th Avenue LLC
  - Reduce the CRA’s annual parking maintenance payments from $75,000 to $50,000
  - Eliminate any increases based on CPI
  - Waive all of the CRA’s annual parking maintenance payments for the years: 2019, 2020 and 2021
  - Amendment also has clean-up language for reporting
History of IPIC

- Selected from CRA RFP in 2013
  - Purchase and Sale Agreement signed on December 17, 2013
- City Commission approved 2 conditional use requests on August 18, 2015
  - building height
  - movie theater use
- SPRAB Class V Site Plan Approval January 20, 2016
- Parking Facilities Agreement signed on March 3, 2017
- Samuels and Associates was brought into the deal in May 2017
- IPIC opened on March 7, 2019
- IPIC filed for bankruptcy protection on August 5, 2019
Recent Success

In the middle of the COVID-19 pandemic, Samuels & Associates signed International Materials corporate headquarters for the 3rd floor.
Revisions to Parking Cost Sharing Agreement

• In consideration for amending the Parking Facilities Easement Agreement with the City, the Developer agrees to:
  • Reduce the CRA’s annual parking maintenance payments from $75,000 to $50,000
  • Eliminate any increases based on CPI
  • Waive all of the CRA’s annual parking maintenance payments for the years: 2019, 2020 and 2021
  • Amendment also has clean-up language for reporting
Revisions to City Agreement

V. Relocation of Developer’s Corporate Headquarters:

1. Developer agrees to relocate its corporate headquarters to the Project site within one hundred eighty (180) days after the final certificate of occupancy is issued for the office portion of the Project. Developer’s corporate headquarters shall remain within the Project for a minimum time period of five (5) years from the date of first occupancy of its headquarters in the Project. At no time during the five (5) year period shall the portion of the Property designated as corporate headquarters be less than twenty thousand (20,000) square feet. The term “corporate headquarters” shall mean the Developer’s business office from which its business operations are conducted, its executive officers and directors and their support staff regularly work, its principal decision makers work, and its principal decisions are made. In addition, during the five-year period when Developer’s corporate headquarters are located within the Project, Developer shall represent to the general public, its investors, and the media, in its written and oral corporate communications, advertising, and marketing, that its corporate headquarters are located in the City of Delray Beach.

• IPIC is mired in bankruptcy, if at all (+COVID closures)
• Potential corporate relocations were shown the 4th floor space while looking at the 3rd floor
• Removing this language will allow Samuels & Associates to secure another corporate HQ on the 4th floor
Revisions to City Agreement

- Remove the public terrace requirement
- No corporate relocation will choose the space with the public terrace requirement
- Security and liability issues for City are mitigated
Conclusion

• Parking Facilities Agreement was signed more than 3 years ago
  • IPIC filed bankruptcy on August 5, 2019
  • Still in bankruptcy today
• Samuels has already brought in IMI, a corporate HQ relocation DURING COVID
• Another corporate headquarters relocation has an LOI for the 4th floor TODAY
• City Commission voted UNANIMOUSLY to amend the Parking Facilities Easement Agreement on September 22nd
  • Developer reducing the CRA’s financial burden as consideration
ITEM 8C.

DISCUSSION
NOTICE OF INTENT TO LEASE CRA OWNED PROPERTY AT 186 NW 5TH AVENUE
Location and Photos
ITEM 8D.

LETTER OF SUPPORT FOR DELRAY BEACH HOUSING AUTHORITY FOR VILLAGE SQUARE 3 PROJECT
Island Cove Apartments
Delray Beach, FL
A Mixed-Income Community
Island Cove Apartments – Site Location
Project Description

- 54 mixed-income, multi-family rental, new construction units
- Delray Housing Group will be the Property Manager
- 1/3 of Island Cove are workforce units above 60% AMI
- Utilize the architect’s originally conceived townhome design
- 54 units will be reserved for households making 30%-80% of area median income (AMI)

<table>
<thead>
<tr>
<th>Distribution of Total Units:</th>
<th>Total</th>
<th>% of Total</th>
<th>Income Limits 2020 (4 Persons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>30% AMI</td>
<td>9</td>
<td>16.7%</td>
<td>$26,340</td>
</tr>
<tr>
<td>60% AMI</td>
<td>27</td>
<td>50.0%</td>
<td>$52,680</td>
</tr>
<tr>
<td>70% AMI</td>
<td>9</td>
<td>16.7%</td>
<td>$61,460</td>
</tr>
<tr>
<td>80% AMI</td>
<td>9</td>
<td>16.7%</td>
<td>$70,240</td>
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<tr>
<td>Total Units</td>
<td>54</td>
<td>100.0%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>All Units:</th>
<th>Total Units</th>
<th>Weighted Avg. Unit Size (SF)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Two Bedroom/Two Bathroom</td>
<td>36</td>
<td>900</td>
</tr>
<tr>
<td>Three Bedroom/Two Bathroom</td>
<td>18</td>
<td>1,100</td>
</tr>
<tr>
<td>Total Units</td>
<td>54</td>
<td>967</td>
</tr>
</tbody>
</table>
Financing Approach

- Smith & Henzy will apply for 9% Tax-Credits from FHFC under RFA 2020-202 ("Big 6") on 10/20/20
- "Local Government Areas of Opportunity Funding Goal" (LGAO) set by FHFC to fund project in Palm Beach County
- $1M Grant from the Delray Beach CRA, Island Cove would qualify to win 9% Tax-credits under this LGAO.

### Sources & Uses:

#### Sources of Funds: Construction

<table>
<thead>
<tr>
<th>Sources of Funds: Construction</th>
<th>Total</th>
<th>% of Total</th>
<th>Per Net Rentable Residential SF</th>
<th>Per Net Buildable SF</th>
<th>Per Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Loan</td>
<td>$9,975,271</td>
<td>63%</td>
<td>$191.10</td>
<td>$137.40</td>
<td>$184,727</td>
</tr>
<tr>
<td>Tax Credit Equity</td>
<td>$3,748,743</td>
<td>24%</td>
<td>$71.81</td>
<td>$51.64</td>
<td>$69,421</td>
</tr>
<tr>
<td>Delray CRA Grant</td>
<td>$1,000,000</td>
<td>6%</td>
<td>$19.16</td>
<td>$13.77</td>
<td>$18,519</td>
</tr>
<tr>
<td>Deferred Development Fee</td>
<td>$1,038,358</td>
<td>7%</td>
<td>$19.89</td>
<td>$14.30</td>
<td>$19,229</td>
</tr>
<tr>
<td><strong>Total Sources of Funds</strong></td>
<td><strong>$15,762,372</strong></td>
<td><strong>100%</strong></td>
<td><strong>$301.96</strong></td>
<td><strong>$217.11</strong></td>
<td><strong>$291,896</strong></td>
</tr>
</tbody>
</table>

#### Sources of Funds: Permanent

<table>
<thead>
<tr>
<th>Sources of Funds: Permanent</th>
<th>Total</th>
<th>% of Total</th>
<th>Per Net Rentable Residential SF</th>
<th>Per Net Buildable SF</th>
<th>Per Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Permanent Loan</td>
<td>$3,986,000</td>
<td>25%</td>
<td>$76.36</td>
<td>$54.90</td>
<td>$73,815</td>
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<tr>
<td>Tax Credit Equity</td>
<td>$10,620,938</td>
<td>67%</td>
<td>$203.47</td>
<td>$146.29</td>
<td>$196,684</td>
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<tr>
<td>Delray CRA Grant</td>
<td>$1,000,000</td>
<td>6%</td>
<td>$19.16</td>
<td>$13.77</td>
<td>$18,519</td>
</tr>
<tr>
<td>Deferred Development Fee</td>
<td>$155,434</td>
<td>1%</td>
<td>$2.98</td>
<td>$2.14</td>
<td>$2,878</td>
</tr>
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#### Uses of Funds:

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<th>Total</th>
<th>% of Total</th>
<th>Per Net Rentable Residential SF</th>
<th>Per Net Buildable SF</th>
<th>Per Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Acquisition</td>
<td>$400,000</td>
<td>3%</td>
<td>$7.66</td>
<td>$5.51</td>
<td>$7,407</td>
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<tr>
<td>Hard Cost</td>
<td>$10,400,040</td>
<td>66%</td>
<td>$199.23</td>
<td>$143.25</td>
<td>$192,593</td>
</tr>
<tr>
<td>Soft Cost</td>
<td>$2,579,441</td>
<td>16%</td>
<td>$49.41</td>
<td>$35.53</td>
<td>$47,767</td>
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<tr>
<td>Reserves</td>
<td>$306,175</td>
<td>2%</td>
<td>$5.87</td>
<td>$4.22</td>
<td>$5,670</td>
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<tr>
<td>Development Fee</td>
<td>$2,076,716</td>
<td>13%</td>
<td>$39.78</td>
<td>$28.60</td>
<td>$38,458</td>
</tr>
<tr>
<td><strong>Total Uses of Funds</strong></td>
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</table>
Community Amenities & Construction Features

- An outdoor courtyard
- Clubhouse with a leasing office, community spaces, such as a fitness center and game room with computers
- Energy star appliances
- Security surveillance
- Green Building Certification
- Washer & Dryers in each unit
- We will offer the following resident programs
  - Adult Literacy
  - Employment Assistance
  - Financial Management Program
Renderings

Building façade #1
Building façade #2
ITEM 8E.

EXECUTIVE DIRECTOR
ANNUAL EVALUATION
Osceola Park Neighborhood Improvements—Phase 1

Dear Neighborhood Resident,

As you may be aware, the City of Delray Beach is in the process of preparing to construct several improvements within your neighborhood and restore the City right-of-ways to a common standard. As construction progresses, the City will be holding monthly public outreach meetings online on the last Wednesday of every month at 6pm. The first meeting will be held on:

Wednesday, September 30, 2020 at 6pm

City staff will provide an update on the construction progress and be available to answer any questions.

The first meeting can be accessed at anytime at the following link below or QR code (preregistration not required):

bit.ly/OsceolaMeeting

Please note: if using a mobile device, the free “Microsoft Teams App” will be required.

All subsequent monthly meeting links will be posted on the below project website and social media prior to the meeting.

If you have any questions, please call our toll-free project hotline or visit the project website for updates and contact information.

How to Stay Up-To-Date & Involved:

Toll-Free Project Hotline:
877-205-8087

Social Media:
https://www.facebook.com/OsceolaPark/
https://twitter.com/osceola_park

Project Website:
http://osceolaparkproject.com/
SW 4th Street, SW 6th Street, SW 7th Avenue and SW 3rd Court Neighborhood Project

Project Information Links:

- Project Website: http://sw4thstreet.com/
- Twitter: https://twitter.com/sw4th
- Facebook: https://www.facebook.com/SW4thStreet

CRA INVESTMENT: $6,236,201
COREY JONES MEMORIAL PRESS CONFERENCE

REMEMBERING THE LIFE OF COREY JONES

- ANNOUNCEMENT OF THE COREY JONES MEMORIAL PROJECT
- UNVEILING OF THE "ENOUGH" MUSIC VIDEO: A SONG DEDICATED TO THE MEMORY OF GEORGE FLOYD
- PERFORMANCE OF "ENOUGH" BY THE VULTURE

LOCATION: ARTS GARAGE
DATE: OCTOBER 16TH, 2020
TIME: 1PM
NOTICE TO THE PUBLIC
CITY OF DELRAY BEACH
CORONAVIRUS RELIEF FUNDS (CRF)
AVAILABILITY OF FUNDS

The City Of Delray Beach Neighborhood and Community Services Department staff is assisting residents impacted by Covid-19 apply for Coronavirus Relief Funds (CRF). More than $224,573 is available for the fiscal year 2020-2021. Funds must be expended by Dec. 31, 2020.

Funds can be used for rental and mortgage assistance payments or emergency repairs for income eligible persons who have experienced hardships related to the COVID-19 emergency as allocated by the Florida Housing Finance Corporation (FHFC) to assist qualified families. Properties must be located within municipal boundaries. Must show proof of COVID-19 hardship. Rental payments can include water and utility payments. Emergency repairs can address emergency only conditions such as replacement or repair of: roofs, plumbing and electric and/or existing heating, ventilation and air conditioning (HVAC).

Coronavirus Relief Funds Assistance Blitz - Saturday, October 3rd – 9AM-12PM
Neighborhood Resource Center - 141 SW 12th Avenue
Assistance with applications
Census 2020
#CountMeInDelrayBeach

WEAR A MASK, SLOW THE SPREAD