



City of Delray Beach

Cover Memorandum/Staff Report

File #: 24-110 CRA Agenda Date: 10/29/2024 Item #: 7H.

TO: CRA Board of Commissioners FROM: Christine Tibbs, Assistant Director

THROUGH: Renée A. Jadusingh, Esq., Executive Director

DATE: October 29, 2024

AUTHORIZATION TO TERMINATE THE MONTH-TO-MONTH TENANCY WITH LA ROSA MARKET, INC. LOCATED AT 102 NW 5th AVENUE, UNITS 108 & 110, DELRAY BEACH, FL 33444 AND AUTHORIZATION TO TAKE ALL NECESSARY LEGAL ACTIONS RELATED TO EFFECTUATE THE TERMINATION.

Recommended Action:

Authorize to terminate the month to month tenancy with La Rosa Market, Inc. located at 102 NW 5th Avenue, Units 108 & 110, Delray Beach, FL 33444 and take all necessary legal actions related to effectuate the termination.

Background:

On March 21, 2021, the CRA acquired 102 NW 5th Avenue (Property), within the Northwest Neighborhood of The Set (CRA Sub- Area #4). The Property comprises 0.5116 acres and includes a one-story commercial building with four tenants on month-to-month leases. It is zoned CBD Central Business District within the West Settlers Historic District of The Set (CRA Sub-Area #3) and has future land use designation of CC Commercial Core. Immediately south of the Property is the recently completed CRA Owned 98 NW 5th Avenue, Delray Beach Housing Authority Headquarters, and a City of Delray Beach owned parking lot to the north.

Objective of Project #2.1 in the CRA Redevelopment Plan is to revitalize the NW & SW 5th Avenue corridor into a thriving district for neighborhood businesses and cultural activities with the strategic provision of diverse neighborhood shopping, services, and cultural facilities that will serve to enhance overall business activity and pedestrian activity in the area. The construction of affordable commercial, retail, and professional office space in the Northwest Neighborhood is one way the Delray Beach CRA is by ensuring that this objective is realized.

Since the CRA purchased the Property with four month-to-month tenants, one tenant bay, La Rosa Market, Inc. (La Rosa Market) has not been operational in the 8 months since the CRA has owned the Property. The tenant's husband passed away a few years ago and his wife has not re-opened La Rosa Market. CRA staff has spoken and met with the tenant monthly to discuss the plans to reopen La Rosa Market, however, the tenant has not indicated any progress towards reopening La Rosa Market. Further, CRA Staff learned that the business does not have active licenses to operate a business at the location and the water services were terminated several months ago.

To work towards the goal of reopening La Rosa Market, the CRA has requested a weekly meeting with the tenant at our office. The goal of this weekly meeting is to discuss the progress of reopening La Rosa Market. The tenant's response is that they are unable to let us know if they can or desire to meet with us on a weekly basis. The CRA also informed the tenant that the CRA has funds to assist with architectural designs and build out of the space, but the tenant indicated that they need funding to purchase food supplies. The tenant has been unresponsive to several follow up calls by CRA staff.

File #: 24-110 CRA Agenda Date: 10/29/2024 Item #: 7H.

While the tenant is up to date with rent payments, in order to revitalize the NW & SW 5th Avenue corridor it is vital that there is business activity on the space.

At this time, CRA Staff is seeking Board approval to terminate the month-to-month tenancy with La Rosa Market, Inc. located at 102 NW 5th Avenue, Units 108 & 110, Delray Beach, FL 33444 and take all necessary legal actions related to effectuate the termination.

Attachment(s): Exhibit A - Property; Exhibit B - Excerpt from CRA Plan

CRA Attorney Review:

N/A

Finance Review:

N/A

Funding Source/Financial Impact:

N/A

Overall need within the Community Redevelopment Area from Delray Beach CRA

Redevelopment Plan:

Removal of Slum And Blight

Land Use

Economic Development

Affordable Housing Downtown Housing

Infrastructure

Recreation and Cultural Facilities