



Cover Memorandum/Staff Report

File #: 25-142 CRA

Agenda Date: 8/28/2025

Item #: 7F.

TO: CRA Board of Commissioners
FROM: Christine Tibbs, Assistant Director
THROUGH: Renée A. Jadusingh, Esq., Executive Director
DATE: August 28, 2025

FIRST AMENDMENT TO THE SITE DEVELOPMENT FUNDING ASSISTANCE AGREEMENT - RABBIT HOLE DELRAY, LLC

Recommended Action:

Approve a First Amendment to the Site Development Funding Assistance Agreement with Rabbit Hole Delray, LLC for the improvement project located at 98 NW 5th Avenue, Suite 101, CRA Sub Area #3, to increase the funding assistance amount to \$70,900.42

Background:

Rabbit Hole Delray, LLC (Grantee) is a plant-based café and bistro that will serve award-winning plant-based specialty sandwiches, smoothies, beverages, and desserts at the Edmonds Baine Building, 98 NW 5th Avenue, Suite 101, located at the intersection of historic NW 5th Avenue and NW 1st Street.

On October 21, 2024, the CRA Board preliminarily approved a Site Development Funding Assistance Agreement for an amount not to exceed \$61,640.67, to assist with the cost of improvements including interior buildout, plumbing, electrical, and related permitting.

Since that time, the Grantee has received its building permit and work related to the interior buildout will commence shortly and is expected to be completed by December 31, 2025. During the course of obtaining the building permit, certain construction costs have increased and, additionally, it was determined that certain eligible expenses were not originally included as part of Grantee's initial funding assistance calculation. The Grantee has requested additional funding assistance to assist with the costs associated with the increased construction costs and the other eligible expenses.

All estimated eligible expenses are listed in the Funding Detail Sheet (Exhibit C) and are in alignment with the Site Development Funding Assistance Program Guidelines. Below is an overview of the additional eligible expenses and the changes to the funding assistance being requested.

| Additional Eligible Expenses | Amount |
|-------------------------------------|-----------------|
| 3-Compartment Sink | \$740 |
| Handwashing Sink | \$600 |
| Paint | \$1000 |
| Window Treatments/Tint | \$1249 |
| Architecture and Design Fees | \$4845 |
| Increased Construction Costs | \$3913 |
| Total | \$12,347 |

With the additional eligible expenses, the recommended funding assistance would increase as shown below:

| Original Funding Assistance | AMOUNT |
|---|--------------------|
| | |
| Estimated eligible expenses | \$82,187.56 |
| | |
| Recommended funding assistance (up to) | \$61,640.67 |

| Amended Funding Assistance AMOUNT | |
|---|--------------------|
| | |
| Estimated eligible expenses | \$94,534.56 |
| | |
| Recommended funding assistance (up to) | \$70,900.92 |

If approved, funding assistance would be disbursed as follows:

| Payment Schedule | AMOUNT |
|--|---------------------|
| Maximum Progress Payment (75% of award) | \$ 53,175.69 |
| Withheld Payment (paid after buildout completion - 25% of award) | \$ 17,725.23 |
| | |
| Total Maximum Award | \$ 70,900.92 |

The Grantee continues to stay in contact with CRA staff as it relates to the interior buildout and therefore, CRA staff recommends the approval of the First Amendment to the Site Development Funding Assistance Agreement with Rabbit Hole Delray, LLC, to increase the funding assistance amount by an amount not to exceed \$9,260.25, for an increase in the total funding assistance amount not to exceed \$70,900.92.

Attachments: Exhibit A - Site Development Funding Assistance Agreement; Exhibit B - First Amendment to Site Development Funding Assistance Agreement; Exhibit C - Funding Assistance Detail Sheet

CRA Attorney Review:

The CRA Legal Advisor has prepared and reviewed the First Amendment to the Site Development Funding Assistance Agreement for legal sufficiency and form and has determined it to be acceptable.

Funding Source/Financial Impact:

Funding has been allocated from GL #7313

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