



Cover Memorandum/Staff Report

File #: 25-167 CRA

Agenda Date: 9/30/2025

Item #: 8A.

TO: CRA Board of Commissioners
FROM: Christine Tibbs, Assistant Director
THROUGH: Renée A. Jadusingh, Executive Director
DATE: September 30, 2025

UPDATE AND NOTICE OF INTENT TO LEASE FOR ONE (1) FIRST FLOOR TENANT BAY - 98 NW 5TH AVENUE, EDMONDS BAINE BUILDING

Recommended Action:

Provide direction on issuing the Notice of Intent to Lease, in substantially the same form as attached as Exhibit B, one (1) first-floor tenant bay at the CRA-owned property at 98 NW 5th Avenue.

Background:

98 NW 5th Avenue, now known as the Edmonds Baine Building, is located within the City of Delray Beach's West Settler's Historic District, and the CRA's Community Redevelopment Plan (Plan) identifies the NW/SW 5th Avenue corridor within the NW & SW 5th Avenue Beautification Project #2.1 (Project #2.1). The objective of Project #2.1 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 if The Set at 98 NW 5th Avenue is one way the Delray Beach CRA is by ensuring that this objective is realized.

The CRA entered into a Commercial Lease Agreement (Lease Agreement) with Touch of Posh Salon, LLC (Touch of Posh) for Suite 102 within the Edmonds Baine Building on June 1, 2024.

At the November 18, 2024 CRA Board Meeting, the CRA Board preliminarily approved a Site Development Funding Assistance grant in an amount not to exceed \$35,171.25 to assist Touch of Posh with the cost of the interior improvements. The intent was to avoid any potential delays related to receiving funding assistance approval and the finalization of the Funding Assistance Agreement would occur upon Touch of Posh receiving an approved building permit necessary for the interior build-out of the unit.

Since the execution of the Lease Agreement, there have been several amendments to the Lease Agreement have extended Touch of Posh's Buildout Period until December 31, 2025. The amendments were mutually agreed to provide additional time to complete the design and construction documents needed for the interior buildout. During the Buildout Period, the Monthly Base Rent is reduced and Touch of Posh has been timely paying the reduced rent amount. Moreover, the owner of Touch of Posh has been communicative regarding the issues that have delayed completion of the design and construction documents.

On September 9, 2025, the owner of Touch of Posh reached out to CRA staff to terminate the lease given the delayed progress in completing the necessary design and construction documents. A Mutual Termination of Lease Agreement was entered into on September 22, 2025 with the last day of the Lease Agreement being September 30, 2025.

Notice of Intent to Lease 98 NW 5th Avenue, Suite 102 (Edmonds Baine Building):

The first-floor bay (Suite 102) is approximately 600 square feet and will be leased at an affordable rental rate of approximately \$18 per square foot, a rate previously approved by the CRA Board.

The 98 NW 5th Avenue building renovation was completed in the Summer of 2023. The two-story building is comprised of five commercial bays on the first-floor and a communal workspace on the second-floor.

Overview of Lease Terms:

Lease Term: 4 years with 2 options to renew for 2 years

Lease Amount:

-\$18 per square foot for remaining bays
(6% increase annually)

Buildout Period: Open for Negotiation

Notice of Intent to Lease

The CRA intends to publish the Notice of Intent to Lease the first-floor bay at 98 NW 5th Avenue, Suite 102 on Monday, October 20, 2025.

The CRA intends to lease the property to a qualified individual or entity for a commercial use with daytime, nighttime, and weekend operating hours. Commercial uses shall be retail/specialty shop, restaurant/café, professional offices, financial services, and/or artist gallery/workspace as permitted within the Central Business District (CBD) zoning district, more particularly described in the City's Land Development Regulations. Non-profit organizations, religious institutions, adult entertainment establishments, adult gaming centers, alcohol/tobacco retailers, firearms/weapons and fireworks retailers, CBD retailers, or medical marijuana dispensaries shall be excluded and will not be considered.

The Notice of Intent to Lease and Application will be accessible via the CRAs website and hard copies will be available upon request.

Tenant Selection Process

CRA staff will conduct preliminary reviews of all timely submitted applications for completeness and eligibility. A Selection Committee comprised of the CRA Executive Director as the Chairperson, three (3) CRA staff members, one (1) City staff member, and one (1) community partner member, will meet to review and score the complete and eligible applications. Presentations from applicants may be requested by the Selection Committee. Lease agreements for the successful applicants will be drafted by CRA staff and the Executive Director, as previously authorized by the CRA Board, will execute the agreements.

Funding Assistance Access

Successful applicants can also request funding through the CRA's Business Funding Assistance Programs for project consultancy and design, signage, and/or to retrofit the interior space to meet their business needs (not including any sort of demolition, significant interior or exterior structural renovation, or any exterior renovation).

Board Action

At this time, CRA staff is requesting the CRA Board provide direction as it relates to any additional specifications to be included within the Notice of Intent to Lease. If the Board finds that the Notice of Intent to Lease and Application (Exhibit B) are acceptable, CRA staff is also requesting that the CRA Board approve issuing the Notice of Intent to Lease for the first-floor tenant bay at 98 NW 5th Avenue, Suite 102 (Edmonds Baine Building) in substantially the attached form, as required by Fla. Stat. 163.380 to seek proposals to lease the tenant bay.

Overview of Current Tenants:**Rabbit Hole Delray Beach LLC - Unit 102:**

Lease Term: May 1, 2024 - May 1, 2028 with two - one year options to renew

Rabbit Hole is a plant-based café and bistro with specialty sandwiches, smoothies, beverages and desserts. Rabbit Hole is currently operating a location in Pompano Beach, founded by Samuel and Dee Woods. Rabbit Hole would also provide bi-monthly art installations, private dining experiences, and poetry nights.

StellaMix - Unit 103:

Lease Term: September 1, 2025 - August 30, 2029 with two - one year options to renew

StellaMix is a podcast production and management company that is based in Delray Beach with many of their clients also based out of Delray Beach. Their mission is to help creators produce outstanding content with expert guidance at every step. From naming the show and designing custom artwork to editing both audio and video, StellaMix handles every detail alongside their clients. The location at the Edmonds Baine Building will be their hub for all in-person recordings, and podcasting services to meet their clients' needs. StellaMix will be commencing their lease on September 1, 2025, with a short build out period of two (2) months. During that time, they will be moving into the unit and readying it to open shortly thereafter.

Sun Up Skin - Unit 104:

Lease Term: September 22, 2025 - September 21, 2029 with two - one year options to renew

Sun Up Skin is a holistic facial spa and integrative wellness studio rooted in healing, community, and culture. Specializing in holistic facials, massage, sound healing, yoga, and community-based wellness offerings, their mission is to provide culturally competent, trauma-informed care that supports nervous system regulation and radiant skin from the inside out with a commitment to inclusive wellness, local economic vitality, and creating safe spaces where individuals of all backgrounds can rest, reconnect, and thrive. At their new Delray Beach location in the Edmonds Baine Building, Sun Up Skin will serve as both a neighborhood sanctuary and a collective hub - offering wellness services, group classes, and retail in a space designed for healing and connection.

The Atlantic Current LLC Unit 105:

Lease Term: March 6, 2024 - March 6, 2028 with two - one year options to renew

The Atlantic Current was established in 2012 in Delray Beach by Dustin Wright and is now a well-established magazine and marketing agency located in Boca Raton. The magazine is a free print publication that celebrates the local coastal lifestyle. The Atlantic Current also offers marketing services specifically for small businesses which include photography, video production, graphic design, and social media management. The Atlantic Current LLC is in a contractual relationship with the CRA to provide artistic services to assist with brand voice, art direction and visual arts in line with the Delray Beach Procurement code which provides an exception to the competitive solicitation process for art and talent / artistic services. See City of Delray Beach - Purchasing Policies and Procedures Manual Sec. 4(B)(vii).

Attachment(s): Exhibit A - Manual for Notice of Intent to Lease for Tenants; Exhibit B - Tenant Application Form; Exhibit C - Excerpt CRA Community Redevelopment Plan Project

CRA Attorney Review:

The CRA Legal Advisor will draft and review all lease documents for legal sufficiency and per the CRA Purchasing Policies and Procedures.

Funding Source/Financial Impact:

N/A

Overall need within the Community Redevelopment Area:**Removal of Slum and Blight**

Downtown Housing

Land Use

Infrastructure

Economic Development

Recreation and Cultural Facilities

Affordable Housing