



## Cover Memorandum/Staff Report

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**File #:** 26-0048 CRA

**Agenda Date:** 3/24/2026

**Item #:** 8B.

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**TO:** CRA Board of Commissioners  
**FROM:** Renée A. Jadusingh, Esq., Executive Director  
**DATE:** March 24, 2026

### **DIRECTION REGARDING DEVELOPMENT OF SW 600 BLOCK OF WEST ATLANTIC AVENUE**

#### **Recommended Action:**

- 1) Direct CRA Staff to proceed with the unsolicited proposal submitted on February 10, 2026 by holding two duly noticed public meetings pursuant to Florida Statute 255.065;

OR

- 2) Direct CRA Staff to publish a Notice of Receipt of the unsolicited proposal submitted on February 10, 2026 and invite competitive bids/public bidding pursuant to Florida Statute 255.065 and the City of Delray Beach's Purchasing Policies and Procedures Manual and Standard Operating Guidelines for Public/Private Partnerships, Solicited and Unsolicited Proposals and Evaluation Process.

#### **Background:**

At the April 30, 2025, CRA Board meeting, the CRA Board generally discussed the development of the SW 600 - 800 Blocks of West Atlantic Avenue and the 2025 Request for Proposals (RFP) process for said development. The CRA Board indicated that a full-service, 20,000 square foot grocery store is still needed and desired by the community, as identified in the 2012 West Atlantic Needs Assessment.

Additionally, the CRA Board discussed the RFP process for the development of the SW 600 - 800 Blocks of West Atlantic Avenue. The CRA Board determined that two (2) separate RFPs would be issued for 1) SW 600 Block of West Atlantic Avenue; and 2) SW 700 and 800 Blocks of West Atlantic Avenue.

After the April 2025 CRA Board Meeting, the CRA Board and CRA Staff continued discussion regarding the RFP process for development of the 600-800 Blocks of West Atlantic Avenue. Below is a bulleted list summarizing the key points from the CRA Board Meetings:

- **May 29, 2025:**
  - Based on prior CRA Board feedback, CRA Staff prepared and presented a draft RFP for development of a full-service, 20,000 square foot grocery store with parking on the SW 600 Block of West Atlantic Avenue. At that same meeting, the CRA Board approved an Agreement for Professional Commercial Real Estate Marketing Services with JLL.

- **August 28, 2025:**
  - CRA Board reviewed a draft RFP for a 20,000 sq ft grocery store with parking. CRA staff informed Board that recent community outreach and feedback confirmed the community's demand for a grocery store within the West Atlantic neighborhood and recommended issuing an RFP for the SW 600 Block of West Atlantic Avenue requiring a community oriented, full-scale grocery store with parking while allowing proposers to include additional uses within the development site. The CRA Board directed CRA staff to refine the draft RFP for review at the September CRA Board meeting.
- **September 30, 2025:**
  - CRA Staff presented a detailed overview of the proposed RFP for SW 600 Block of West Atlantic Avenue and sought Board input on various items such as lots to include in the RFP, parking, building height, lease/sale of land, submittal requirements, and evaluation criteria.
- **November 20, 2025:**
  - CRA Board discussed issuing a work assignment to conduct a market analysis or market sounding with Jones Lang LaSalle Americas, Inc. (JLL) prior to issuing a RFP to assess the interest from companies operating in the grocery market sector on opening a store along West Atlantic Avenue.
  - CRA Board directed staff to bring back a work assignment for JLL to conduct the market sounding for CRA Board approval.
  - Tabled discussion of the RFP pending completion of the market sounding.
- **December 4, 2025:**
  - Approved work assignment for JLL to conduct the market sounding.
- **January 27, 2026**
  - Tabled discussion of the RFP pending completion of the market sounding due to an extension of time to complete the study.

### **JLL GROCERY MARKET SOUNDING**

Under the grocery market sounding scope of services, JLL engaged with local, regional, and national grocery chains to gauge industry interest in the CRA-owned vacant land on West Atlantic Avenue and grocer engagement activities included development outreach materials, facilitation of market sounding meetings, and a report of the feedback received.

The report summarizes the crucial commercial, development, and financial feedback received from these engagements to provide the CRA with a clear understanding of the grocery market's interest in the site. Three of the ten grocers contacted agreed to participate in the market sounding exercise. Overall the large format national operators remarked on barriers including existing store locations and site limitations, such as acreages and parking. "The viability of this project is not dependent on attracting a conventional supermarket, but rather on the CRA's ability to partner with a developer focused on delivering a project with a smaller format specialty grocer" (See Exhibit A for full report).

**UNSOLICITED PROPOSAL SUBMITTED ON FEBRUARY 10, 2026**

On February 10, 2026, RH Development Group, LLC (RHD) submitted an unsolicited proposal pursuant to Florida Statute 255.065 and the City of Delray Beach's Purchasing Policies and Procedures Manual (PPPM) and Standard Operating Guidelines for Public/Private Partnerships, Solicited and Unsolicited Proposals and Evaluation Process (Operating Guidelines) (Exhibit B) to develop CRA owned parcels at the SW 600 Block of West Atlantic Avenue. (Note: Pursuant to Florida Statutes 163.370(5), CRA's shall use the "same purchasing processes and requirements that apply to the county or municipality that created the agency.") The unsolicited proposal submitted by RHD details plans to develop a nationwide full-service grocery store, commercial space, on-site parking lot, and green space on the parcels.

<b>Property Address</b>	<b>Parcel Control Number (PCN)</b>
606 W Atlantic Ave	12-43-46-16-01-013-0090
640 W Atlantic Ave	12-43-46-16-01-013-0220
26 SW 6 <sup>th</sup> Ave	12-43-46-16-01-013-0140
SW 6 <sup>th</sup> Ave	12-43-46-16-01-013-0160
36 SW 6 <sup>th</sup> Ave	12-43-46-16-01-013-0170
11 SW 7 <sup>th</sup> Ave	12-43-46-16-01-013-0010
13 SW 7 <sup>th</sup> Ave	12-43-46-16-01-013-0020
21 SW 7 <sup>th</sup> Ave	12-43-46-16-01-013-0030
25 SW 7 <sup>th</sup> Ave	12-43-46-16-01-013-0230
29 SW 7 <sup>th</sup> Ave	12-43-46-16-01-013-0040
31 SW 7 <sup>th</sup> Ave	12-43-46-16-01-013-0050
37 SW 7 <sup>th</sup> Ave	12-43-46-16-01-013-0060
Alley - No Address	12-43-46-16-01-013-0240

The purpose of Florida Statute 255.065 is to encourage investment in the state by private entities in order to meet public needs for the construction or upgrade of facilities that are used predominantly for public purposes. Likewise, the City's Operating Guidelines seek to encourage the redevelopment of underdeveloped and underutilized properties through public-private partnerships in order to deliver a service or facility to be used by the general public.

Pursuant to PPPM and Operating Guidelines, within thirty (30) days of receipt of any unsolicited proposal, the CRA Executive Director may elect not to evaluate the unsolicited proposal, and return the application fee, or move forward with the proposal and initiate the Initial Stage evaluation, which includes either advertising its receipt of the unsolicited proposal through a published Notice of Receipt and begin a public bidding process, or conducting further evaluation of the unsolicited proposal before advertising for alternative bids. The Florida Statutes provide further guidance regarding the options for considering unsolicited proposals.

Section 255.065 details the two options that public entities may proceed when intending to accept an unsolicited proposal. Under Section 255.065(3)(b)(1), "the responsible public entity may publish notice in the Florida Administrative Register and a newspaper of general circulation at least once a week for 2 weeks stating that the responsible public entity has received a proposal and will accept other proposals for the same project." The allowable timeframe for the public entity to accept competing proposal is no less than twenty-one (21) days and no more than one hundred twenty (120) days.

The second option is detailed in Section 255.065(3)(c) which allows public entities to proceed an unsolicited proposal without a public bidding process. The public entity must hold two duly noticed public meetings. At the first meeting the proposal is presented, and the affected public entities and members of the public may provide their public comments. At the second meeting the responsible public entity determines if the proposal is in the public's interest. The responsible entity determines if the unsolicited proposal is in the public's interest by considering the factors below:

1. The benefits to the public.
2. The financial structure of and the economic efficiencies achieved by the proposal.
3. The qualifications and experience of the private entity that submitted the proposal and such entity's ability to perform the project.
4. The project's compatibility with regional infrastructure plans.
5. Public comments submitted at the meeting. The responsible public entity must provide a statement that explains why the proposal should proceed and addresses such comments.

Pursuant to Section 255.065 (3)(d), if the unsolicited proposal is determined to be in the public's interest and the public entity decides to proceed with the unsolicited proposal, the public entity must publish a report in the Florida Administrative Register for at least seven (7) days. The reports details the required public interest determination, the factors considered in making the public interest determination, and the responsible public entity's findings based on each considered factor.

At this time, CRA Staff is requesting Board direction as follow:

- 1) Direct CRA Staff to proceed with the unsolicited proposal submitted on February 10, 2026 by holding two duly noticed public meetings pursuant to Florida Statute 255.065;

OR

- 2) Direct CRA Staff to publish a Notice of Receipt (Exhibit D) of the unsolicited proposal submitted on February 10, 2026 and invite competitive bids/public bidding pursuant to Florida Statute 255.065 and the City of Delray Beach's Purchasing Policies and Procedures Manual and Standard Operating Guidelines for Public/Private Partnerships, Solicited and Unsolicited Proposals and Evaluation Process.

Attachment(s): Exhibit A - Grocery Market Sounding; Exhibit B - Florida Statute 255.065 and Guidelines; Exhibit C - RHD Unsolicited Proposal; Exhibit D - Draft Notice of Receipt; Exhibit E - Location Map

### **CRA Attorney Review:**

The CRA Legal Counsel has reviewed the Notice of Receipt for legal sufficiency and form and determined it to be acceptable.

## **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