



NOTICE OF INTENT TO LEASE  
FIVE (5) FIRST FLOOR BAYS  
AT 98 NW 5<sup>TH</sup> AVENUE

**PROCEDURES MANUAL**

*This is a living document. Policies are subject to change as the needs/laws/policies change by the City of Delray Beach, Delray Beach CRA, State and/or Federal Government. Updated polices will be added upon approval.*

## **OVERVIEW**

This program is designed to revitalize and encourage economic activity within the CRA District. This will be accomplished through the provision of affordable commercial retail and professional office space at 98 NW 5<sup>th</sup> Avenue. The property is owned by the CRA, which will ensure its affordability for years to come.

### Application Dates:

Issue date: May 1, 2023

Submission deadline: June 15, 2023

## **RETAIL BAY/SPACE DETAILS**

Only the five (5) first floor bays at 98 NW 5<sup>th</sup> Avenue will be leased through this Notice. Each bay offers the following:

- Approximately 600 square foot brand new retail bay
- Approximate monthly rental rate: \$23 per square foot
- Bathroom
- Janitorial closet
- Access to parking
- 24/7 access by successful tenant
- Eligibility to apply for CRA Funding Assistance Programs for interior renovations (not to include any structural changes or demolition)

Tenant bays are not equipped with kitchens and no commercial kitchen buildout is available.

## **PROGRAM GOALS & OBJECTIVES**

98 NW 5th Avenue 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 at 98 NW 5th Avenue is one way the Delray Beach CRA is ensuring that this objective is realized.

*Per Florida Statutes:*

*163.340(9) "Community redevelopment" or "redevelopment" means undertakings, activities, or projects of a county, municipality, or community redevelopment agency in a community redevelopment area for the elimination and prevention of the development or spread of slums and blight, or for the reduction or prevention of crime, or for the provision of affordable housing, whether for rent or for sale, to residents of low or moderate income, including the elderly, and may include slum clearance and redevelopment in a community redevelopment area or rehabilitation and revitalization of coastal resort and tourist areas that are deteriorating and economically distressed, or rehabilitation or conservation in a community redevelopment area, or any combination or part thereof, in accordance with a community redevelopment plan and may include the preparation of such a plan.*

*163.370(2)(c)(5) Carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements in accordance with the community redevelopment plan.*

## **TYPES OF BUSINESSES**

The Notice of Intent to Lease the CRA-owned Property at 98 NW 5<sup>th</sup> Avenue is restricted to commercial uses. Commercial uses shall be retail/specialty shop, café, professional offices, financial services including banks and/or artist retail gallery/workspace as permitted within the Central Business District (CBD) zoning district, more particularly described in the City of Delray Beach's Land Development Regulations.

### Applicant criteria:

- Business entity in operation for minimum of 2 years as of date of submission
- Principals only
- Business entities can only submit one application

### Business type:

Restricted to commercial retail businesses, personal service providers, and professional office users. Commercial uses shall be including but not limited to the following types of businesses:

- retail/specialty shop
- cafés/coffee shops
- professional offices such as CPA, medical, legal services, insurance
- financial services including banks, personal banking, financial planning advisors
- artist retail gallery/workspace as permitted within the Central Business District (CBD) zoning district, more particularly described in the City of Delray Beach's Land Development Regulations.

Pursuant to the goals of the CRA and the City of Delray Beach Land Development Regulations, the following businesses/uses will be considered automatically ineligible to apply:

- Religious institutions or organizations
- Non-profit organizations
- Adult entertainment establishments
- Adult gaming centers
- Alcohol/tobacco retailers
- Firearms and weapons; fireworks retailers
- CBD Oil Establishments, Medical marijuana treatment centers or dispensing facility
- Any business which is a non-conforming use as determined by the City of Delray Beach

### **APPLICATION REQUIREMENTS**

Applications will be available online via Jotform. The Application link is: <https://form.jotform.com/230715416862153>.

Complete applications must be submitted by June 15, 2023 and must include the following documentation:

- a) Attachment A: Completed online application submitted within the deadline
- b) Attachment B: Complete Business Plan - define all details of the company as well as any plans for anticipated buildout of the space and launch timeline. Timeline should account for any site plan and permit approval.
- c) Attachment C: Description of the legal organizational structure of the applicant business including the title and names of the officers/partners/directors/members over the last two (2) years (if the applicant entity is affiliated with another entity, please provide a statement representing the nature of the affiliation along with the other entity's name, address, phone number, and a listing of the officers/partners/directors/members)
- d) Attachment D: Two-year financial projections of business operations/maintenance
- e) Attachment E: Budget for business operations, including startup costs
- f) Attachment F: Evidence of financial ability/capital to operate (may include approved loan, cash balance, line of credit, etc.)
- g) Attachment G: IRS Income Tax Returns for the business, most recent 2 years' worth (total gross receipts or sales cannot exceed \$1 Million\*

- h) Attachment H: Current Business Tax Receipt (provide a copy of the Business's Tax Receipt for current location of operation, if available at the time of submission. If not available, the Successful Proposer will need to provide one before an Agreement can be finalized).
- i) Attachment I: Business License & Registration with Florida Department of Business and Professional Regulation (DBPR)
- j) Attachment J: Professional Licenses and Certifications, if applicable
- k) Attachment K: Photos/images of business, products, services to be provided
- l) Attachment L: Other pertinent information

*\*The Delray Beach CRA reserves the sole and absolute right to select tenants that best serve the interests of the CRA District.*

## **SELECTION CRITERIA**

Criteria to be used by the Selection Committee in reviewing applications are grouped into four categories weighted as follows:

- I. Section I: Organization Capacity & Qualifications (20%)
- II. Section II: Experience and track record operating similar business/program/project (25%)
- III. Section III: Strength of the Application/Proposal Narrative and Business Plan (20%)
- IV. Section VI: Budget, Finances, Sustainability (25%)
- V. Overall Proposal (10%)

Specific items will be rated by each member of the Selection Committee on a scale of 1 to 5, worst to best possible response: (1) 1 - Weak. Significant deficiencies in meeting requirements/information is unclear, (2) Fair. Some Applicability, (3) Good. meets minimum specifications, (4) Very Good. Substantial applicability, (5) Excellent. Exceeds applicability.

## **WHO MAKES UP THE SELECTION COMMITTEE?**

The Selection Committee will consist of the CRA Executive Director as the Chairperson and five reviewers as follows: one (1) City staff, three (3) CRA staff, one (1) community member.

## SELECTION PROCESS

1. Applications must be submitted online via JotForms at <https://form.jotform.com/230715416862153>. (Exhibit A)
2. CRA staff will conduct a preliminary review of application submissions to ensure completion and eligibility. Incomplete and ineligible applications will not be considered.
3. Complete and eligible submissions will be forwarded to the Selection Committee for review.
4. The Selection Committee will meet to review and score the complete and eligible applications and related materials.
5. Each Committee Member will make their decision by reviewing applications and providing feedback using a Scoring Rubric, comments and/or questions. (Exhibit B)
6. First Round Applicants will be scored according to the rubrics and committee comments and/or questions. During this round, the Selection Committee will determine if the Applicant is approved to move forward or if further clarification is needed during a Second Round.
7. Second Round Applicants, if applicable, will meet in-person or have a phone interview with CRA staff to answer questions set forth by the committee. Following the interview, the answers will be compiled and shared with the Selection Committee for final determination.
8. Final aggregated scores of 80% or above will be accepted to move forward. Applicants will be selected by highest ranking. In the event that there is a tied ranking, the applicant with the earliest submission will be selected to move forward.
9. If the Applicant qualifies the Applicant, the Applicant will be notified.
10. If the majority's response does not qualify the Applicant, the Applicant will be notified and provided other possible opportunities, if any.
11. Lease Agreements will be drafted and will include specific terms and conditions including provisions related to Insurance, Indemnification, Licensing, Default, etc. It is recommended the board authorize the CRA Executive Director to execute the referenced agreements based on the provisions outlined in this operations manual. (Exhibit C)

## **SUMMARY OF LEASE TERMS**

- 4 year lease with options to renew
- Approximate rental rate of \$23 per square foot
- 6% increase every year
- Buildout period, if needed

*NOTE: This manual is a living document; policies are subject to change as the needs, laws and or policies change by the City of Delray Beach, Delray Beach CRA. Staff will continue to work with the Delray Beach CRA's legal counsel to review and update all policies/procedures in the manual in order to adhere to all laws, standards and levels of liability necessary to operate the Notice of Intent to Lease fairly and safely. As this is a working document that generally contains administrative procedures and processes, the intent is for the Board to accept the Policies and Procedures Manual, which may be modified from time to time, as determined by the Executive Director of the Delray Beach CRA.*