DELRAY BEACH COMMUNITY REDEVELOPMENT AGENCY SPECIAL MEETING

Thursday, December 17, 2020
4:00 p.m.

WEST ATLANTIC AVENUE PROPERTIES
SW 600-800 BLOCKS

LEGEND

- ZONING DISTRICT
- CRA-OWNED

0 0.015 0.03 0.06 0.09 0.12 Miles

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COMMUNITY REDEVELOPMENT AGENCY
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D. Priority Uses

As identified in WARC's 2012 West Atlantic Area Needs Assessment, the prioritized uses in The Set area include neighborhood supportive commercial uses as follows:

- Full-service grocery store defined as "a retail operation affiliated with a regional grocery chain and consisting of no less than 20,000 square feet of retail space offering to the general public but not limited to the sale of fresh fruits and fresh vegetables, dairy products meat products, frozen food and vegetables, bakery items and toiletries." *Note this is a required use.
- health and wellness facilities (urgent care, clinic, fitness);
- pharmacy*;
- financial institutions (deposits loans, currency exchange)*;
- family/social entertainment (sports bar, jazz club/lounge, amusement venues); and
- office, retail, and service uses.

Note: The pharmacy and financial institution may be located within the full-service grocery store.

The full-service grocer use is a requirement in this development project. Proposer(s) will be required to identify how the grocer use will be incorporated into the overall development and identify shared parking or other design elements that create a connected and integrated three-block development. Proposers must provide a letter of intent from a company that will operate a full-service grocery store at the Project Site. The letter of intent shall include the type of grocer, the proposed size/square footage of the store, and the timeline to complete construction of the grocery store.

Project Description

- **69 residential units:**
  - 26 – one bedrooms units
  - 30 – two bedroom units
  - 8 – three bedroom units
  - 5 – townhomes
  - Amenity : 3,189 SF of space including internal green space, club room and fitness center
  - **Workforce/Affordable Housing Units: 69 (100%)**
- **19,586 SF of ground floor retail space** (does not include 600 block)
- **26,680 SF of commercial office space** with the ability to right size for small, local businesses
- **30,868 SF of open and green space**
  - 8,672 SF – "Frog Alley"
  - 5,446 SF – on 800 block
  - 14,528 SF – open space
  - 2,222 SF – green space
- **352* parking spaces (24 over)**
  - 210 parking spaces on 700- and 800-blocks
    - 197 on site
    - 13 on-street parking
  - 142 parking spaces anticipated on 600-block
    - 134 on site (*grocer parking)
    - 8 on-street parking

Variance from PSA

	PSA	NEW FABRICK
Residential Units	165	69
Commercial Office	21,600 SF	26,680 SF
Workforce Housing	40 (24%)	69 (100%)
Retail (including F&B)	43,300 SF	19,586 SF
Parking	Required +206	Required +24 spaces*
Open and Green Space	40,000 SF	38,041 SF
Grocery	33,000 SF	28,500 SF estimated

Negotiations with CRA Staff

- **Deposit**:
  - **$250,000** deposit remains in full effect under the PSA
  - **$250,000** additional **"accountability deposit"** held in escrow and only released to BH3 tied to milestone events
- **Phasing & Conveyance:**
  - Agree to close on each block separately as building permits are pulled
    - 700-block will initiate construction within 60-calendar days of obtaining building permits
    - 800-block will initiate construction within 120-calendar days of obtaining building permits
- **Force Majeure:**
  - Waive all right to claim FM for any eligible events occurring prior to the 4th amendment
    - Maintain future FM events (hurricanes)
- **Additional Consideration:**
  - South end of 600 block:
    - 5 townhomes (first-time homebuyers from NW-SW)
  - **$100,000** contribution to CRA Parking Fund

EVERYONE WINS!

- Community:
  - National Grocer
  - 100% workforce/affordable housing
  - Compatible development
  - Desired uses provided
  - Frog alley features
  - Jobs and economic opportunity
  - NW-SW first-time home buyers program (5 town homes)
- CRA:
  - Delivers project to community
  - Increase tax base
  - Continue progress DURING a pandemic
  - $500,000 deposit
    - Additional monetary backstop to ensure compliance with schedule
  - $100,000 to CRA parking fund

The project presented hits all the points of the RFP

GROCER

800 block - Office building

700 block - retail along Atlantic

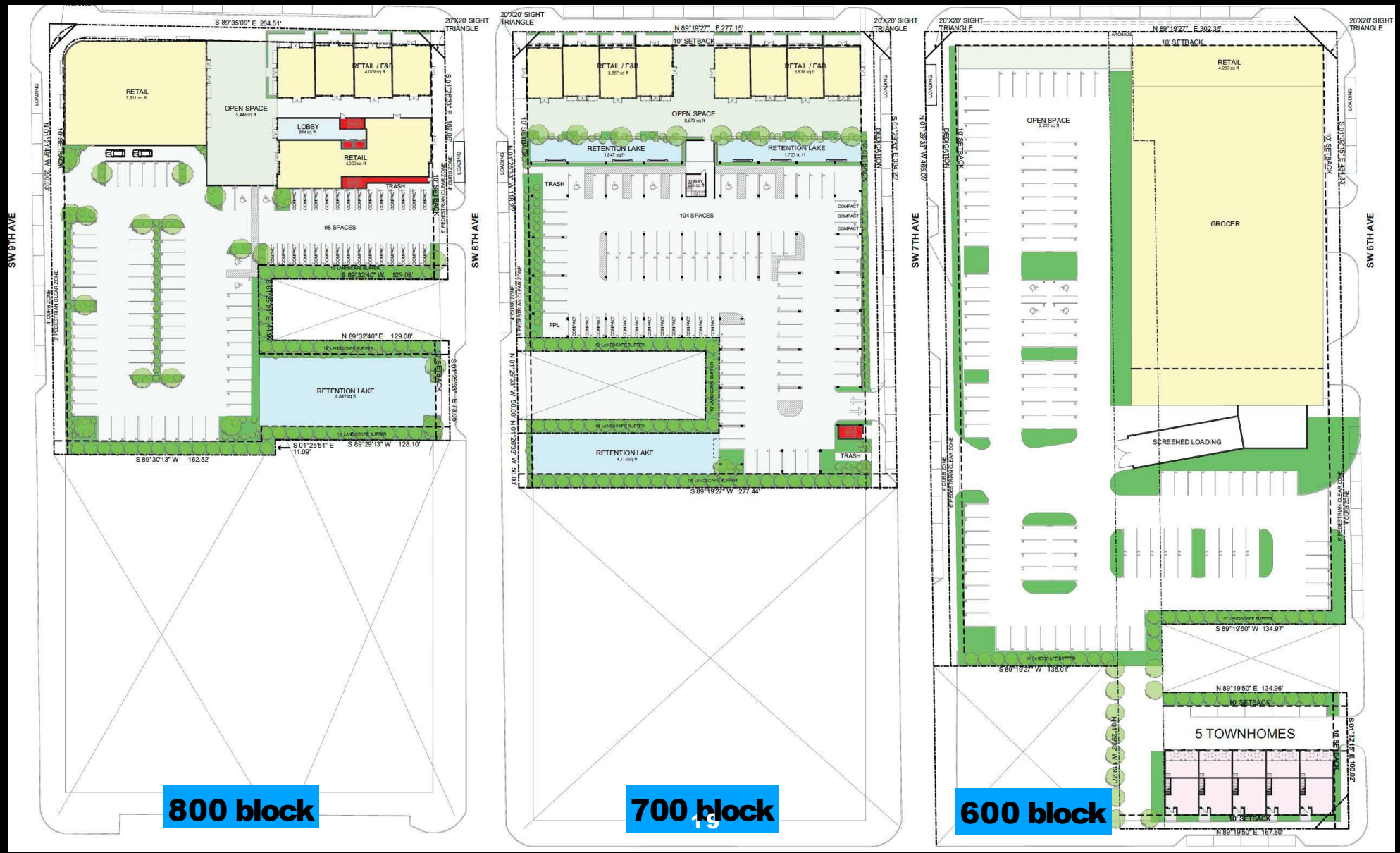
700 block - Frog Alley and Resi

700 block - Frog Alley

700 block - Frog Alley

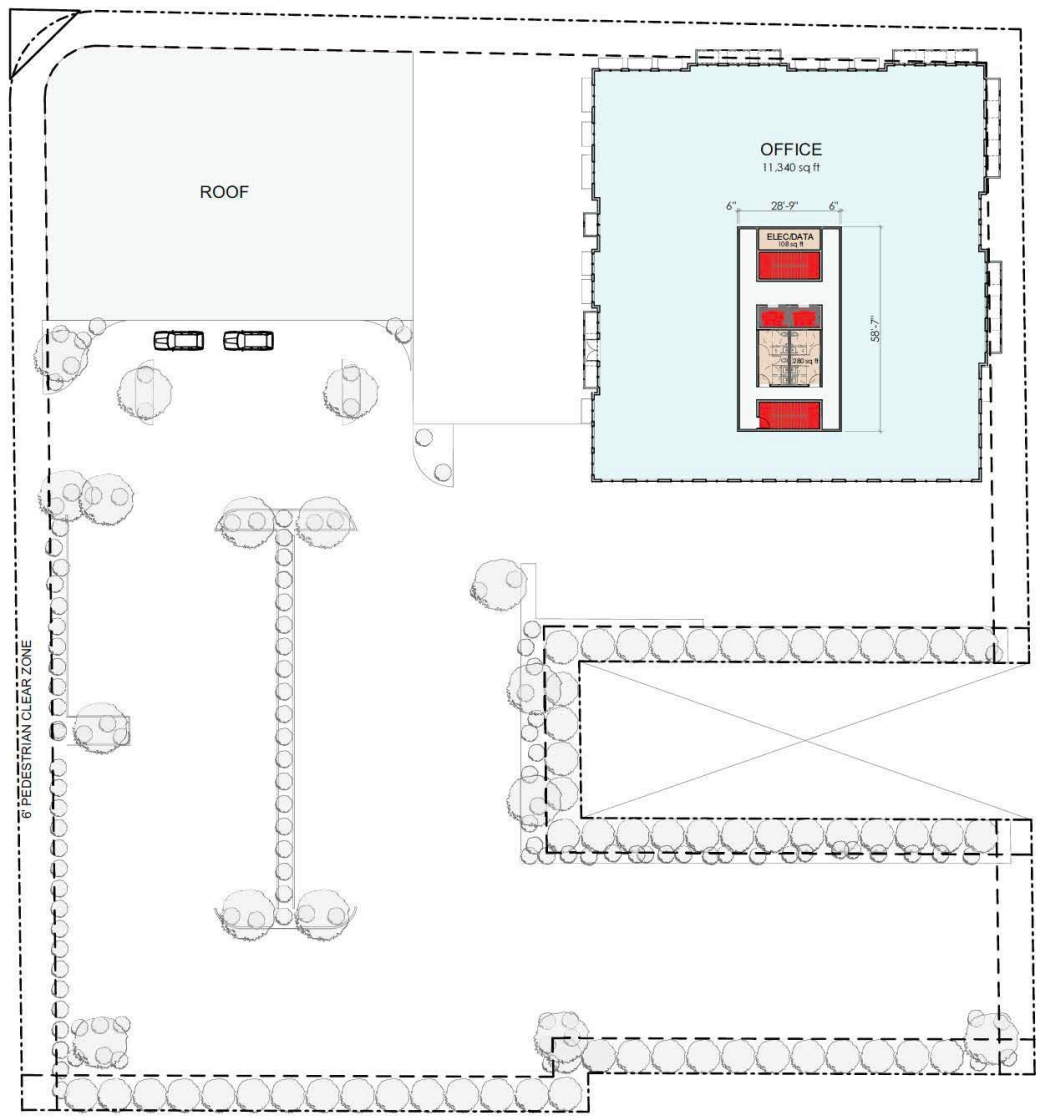
600 block - 5 Townhomes

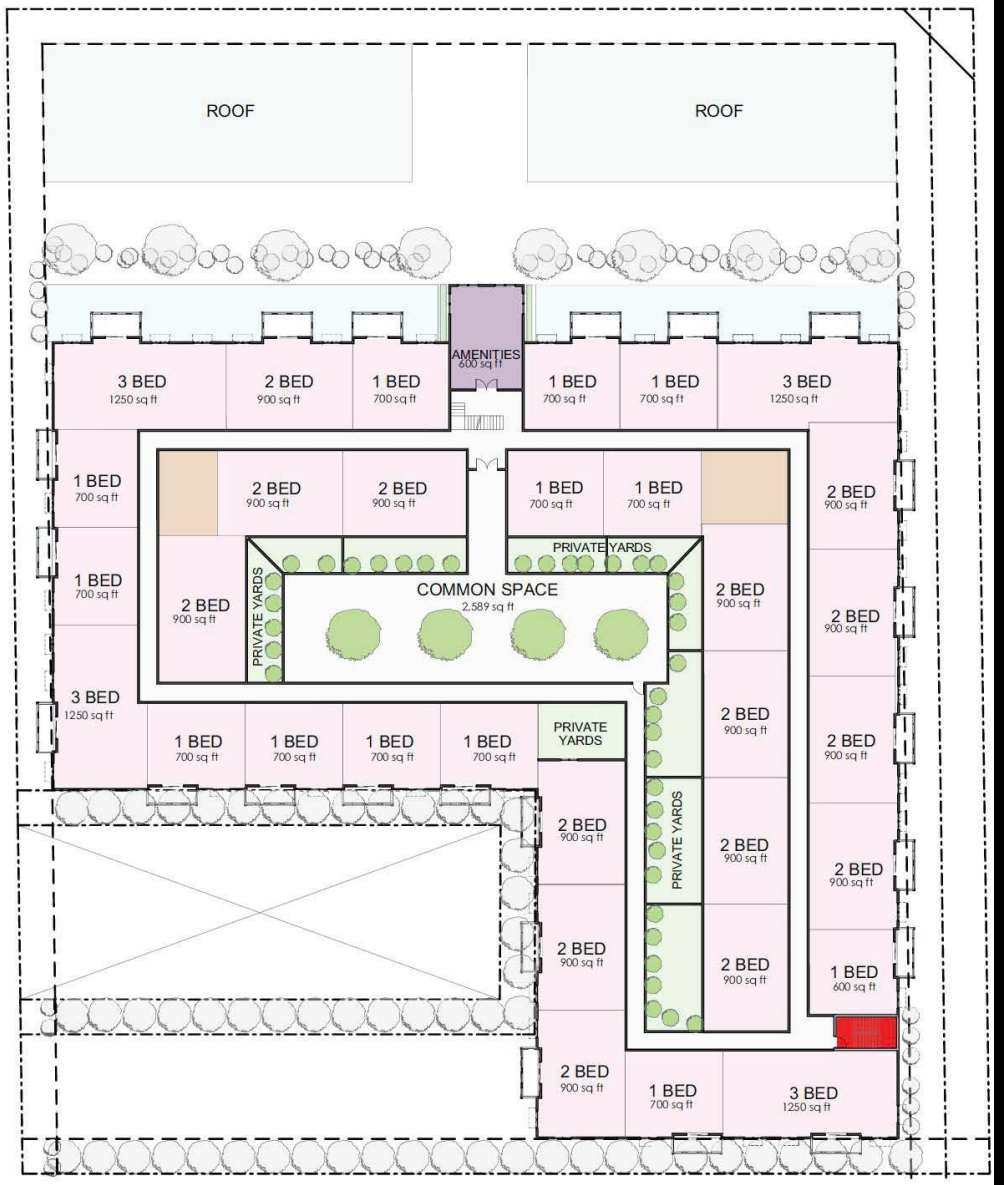
Site Plan


SW 9TH AVE
SW 8TH AVE
SW 7TH AVE
SW 6TH AVE
RETAIL
OPEN SPACE
LOBBY
RETAIL / F&B
98 SPACES
RETENTION LAKE
TRASH
104 SPACES
FPL
GROCER
SCREENED LOADING
5 TOWNHOMES
800 block
700 block
600 block

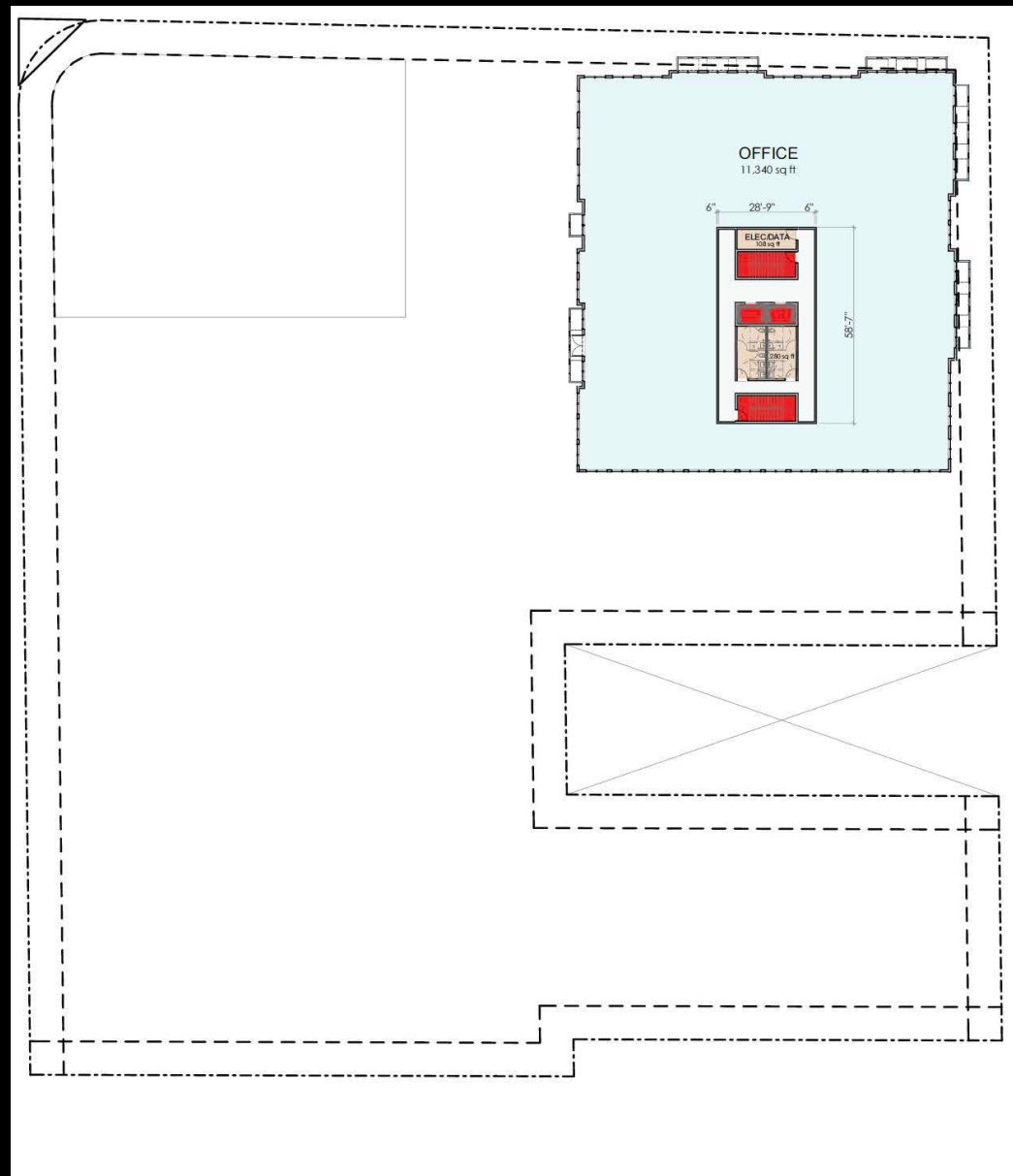
Ground Floor Plan

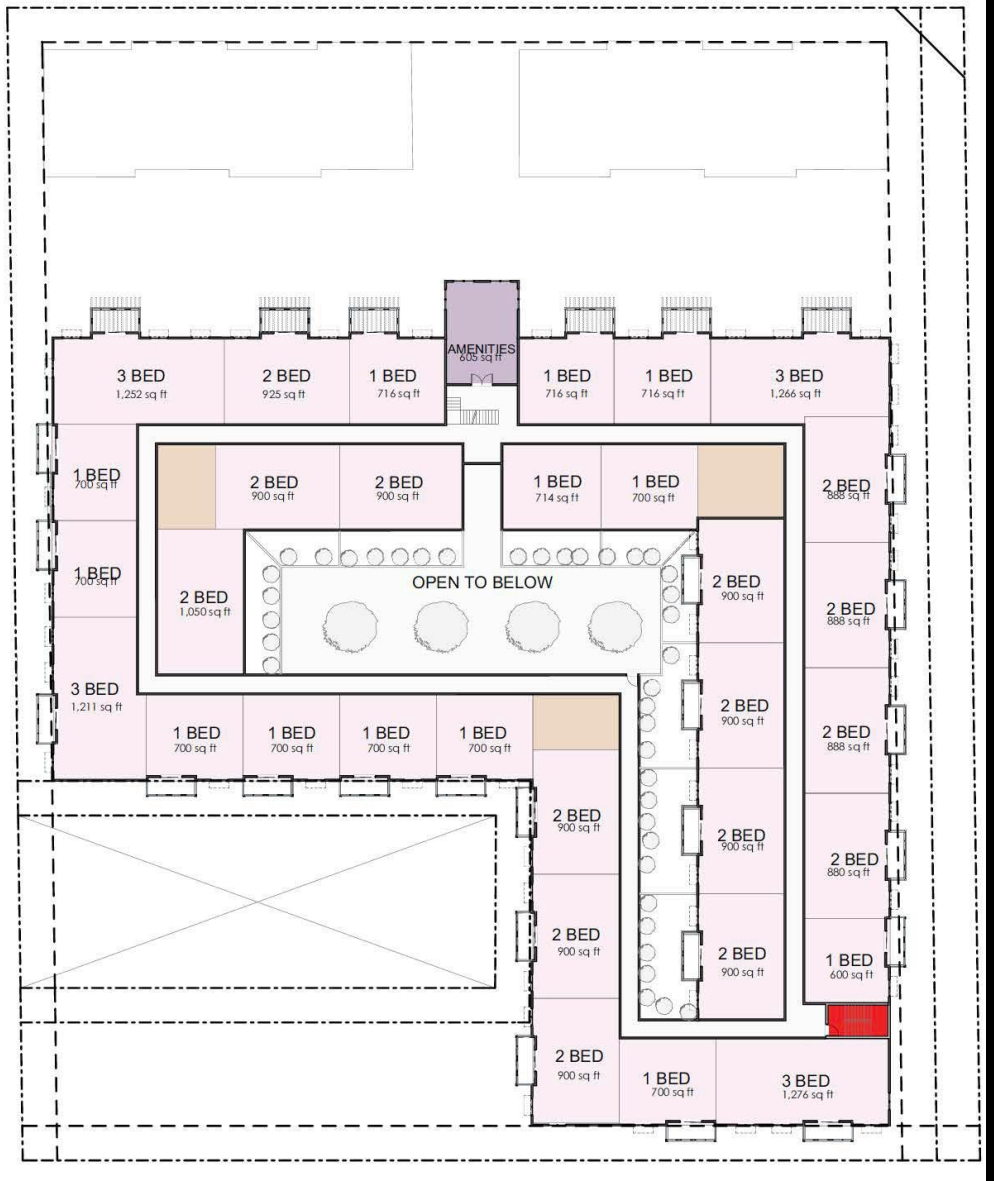
2nd Floor Plan





3rd Floor Plan

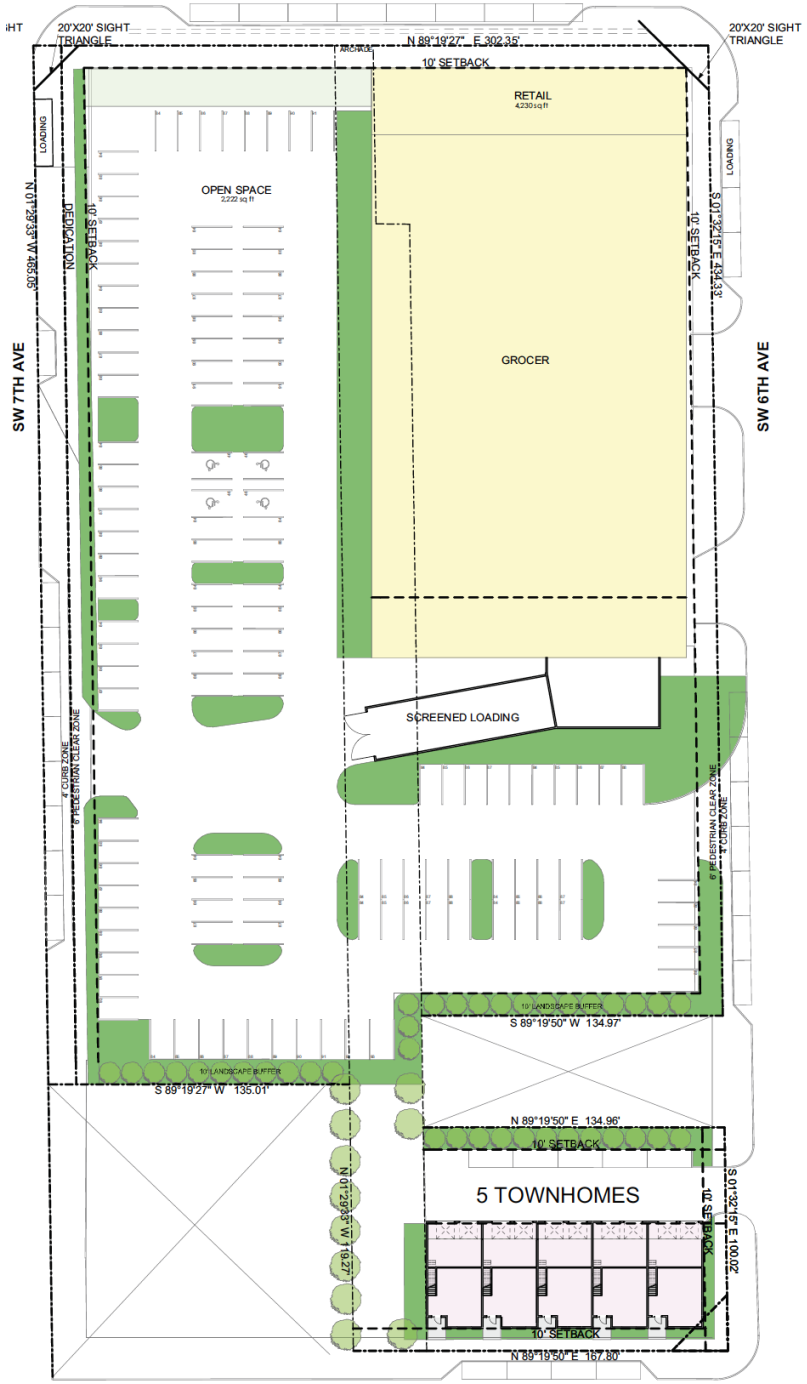




Grocer Timeline

LOI TERM	Date	Notes/References
Tenant & Landlord's Acceptance of LOI	*10/12/2020*	
Publix Real Estate Committee Approval	*1/31/2021*	*This proposal is contingent upon site approval by the Publix Real Estate Committee and budget approval by Publix's Real Estate Investment Committee ("Internal Approvals").* ***Target date for REC Approval January 31, 2021 provided staff timely responses to Publix on design changes and with 4th amendment to PSA in hand by 12/31/20. First meeting already had with staff and received comments. Outside date for REC approval is end of Exclusivity Period.***
Provide Owner's Title Insurance Policy	*3/2/2021*	*Landlord shall provide Tenant with a copy of its current survey, as well as its current title policy or a current title commitment covering the Leased Property Tract, together with all exception and supporting documents referenced therein, within thirty (30) days of the date of approval by Publix's Real Estate Committee.*
Exclusivity Period	*4/10/2021*	*Exclusivity for 180 calendar days from execution of LOI*
Effective Date of Lease	*7/30/2021*	*Landlord and Tenant shall work diligently and in good faith to enter into the Lease within six (6) months of the date of approval by Publix's Real Estate Committee.*
Inspection Period	*11/27/2021*	*Tenant shall have a period of one hundred twenty (120) days from the Effective Date of the Lease within which to satisfy itself, in Tenant's sole discretion, that the Leased Property is suitable for Tenant's intended use (the "Inspection Period").*
Approvals Period	*11/27/2022*	*Tenant shall have a period of up to three hundred sixty-five (365) days following the expiration of the Inspection Period (the "Approvals Period") to obtain, in Tenant's sole satisfaction, all necessary permits, licenses, entitlements and other governmental approvals for Tenant's intended use and development of the Leased Property, including, but not limited to, site plan approval, site permits, water management permits and building permits (the "Approvals").*
Approval Period Extension 1	*12/27/2022*	*If, after the end of the Approvals Period, Tenant is unable to secure all of the necessary Approvals, Tenant shall have the right to (i) extend the Approvals Period for three (3) thirty (30) day periods, or (ii) terminate the Lease at any point prior to the expiration of the Approvals Period (as may be extended).*
Approval Period Extension 2	*1/26/2023*	
Approval Period Extension 3	*2/25/2023*	
Commencement Date/Open for Business	*11/27/2023*	*The Term of the Lease and the payment of Annual Rent thereunder shall commence on the earlier to occur of: (i) three hundred sixty-five (365) days from the expiration of the Approvals Period or (ii) the date Tenant opens for business.*

Grocer Site Plan



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LEGEND

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Happy Holidays!
From the Delray Beach CRA Team