



CRA Board Regular Meeting Minutes
Thursday, June 10, 2021 – 4:00 p.m.
Arts Warehouse
Delray Beach, FL 33444

STAFF PRESENT:

Renee Jadusingh	Tracy Waterlander	Ivan Cabrera
Christine Tibbs	Kim Phan	Rob Massi
Nikki Temple	Lori Hayward	Alexina Jeannite

OTHERS PRESENT:

Sanaz Alempour	DJ Doody	Florence French Fagan
Michelle Lawrence	Kenya Madison	Nicole Myers
Christopher Redding	Daniel Rose	Serena Spates
Edward J Stinson	Chinasa Thompson	

1. Call to Order

Chair Johnson called the meeting to order at 4:00 p.m.

2. Roll Call

Present: Chair Shirley Ervin Johnson, Vice Chair Adam Frankel, Deputy Vice Chair Angie Gray, Commissioner Ryan Boylston, Commissioner Shelly Petrolia, and Commissioner Kelcey Cordell Brooks.

Absent: Commissioner Juli Casale

3. Approval of Agenda

Commissioner Boylston recommended moving the presentation for the cottages to the beginning of the agenda, as there were members of the public present for that portion of the meeting.

Motion by Commissioner Boylston, seconded by Commissioner Petrolia, to approve the agenda as amended. In a roll call vote, the **motion** passed (6-0).

4. June PowerPoint Presentation (for information purposes only)

Included for information only.

5. Public Comments on Agenda and Non-Agenda Items

Daniel Rose, 323 NE 6th Avenue, stated he had last spoken before the CRA in support of the City Commission taking over the Board. He addressed item 7a, the BH3 discussion, stating they were out of contract, and it was time to move on. He stated the lawsuit was going to go nowhere. He asserted the relief BH3 was seeking would be against the Charter. Mr. Rose asserted that nothing had been done but posturing. He stated that they had a great legal defense and encouraged the Board to get something built.

Deputy Vice Chair Gray thanked Mr. Rose for his service on the CRA and stated that she appreciates him and the work he has done.

6. Consent Agenda

- a. CRA Financial Report – April 2021**
- b. Budget Amendment No. 2, Fiscal Year 2020-2021**
- c. Ratify the Execution of a Right-of-Way Deed for the Property Located at 98 NW 5th Avenue, Including a Five-Foot Right-of-Way Dedication Along the East Side of the Property, a One-Foot, Six-Inch Right-of-Way Dedication Along the West Side of the Property (Alley) and a Twenty Foot Corner Clip Dedication at the Northeast and Northwest Corner of the Property.**
- d. Paint-Up and Signage Funding Agreement – Advanced Chiropractic of South Florida, LLC (104 SW 11th Avenue) in an Amount Not to Exceed \$3,841.**
- e. Rent Subsidy Program Funding Application – Corner Office Delray, LLC (401 West Atlantic Avenue) for an Amount Not to Exceed \$6,000.**
- f. Application for Extended Residency Exchange Program**

Motion by Vice Chair Frankel seconded by Commissioner Boylston, to approve the Consent Agenda as presented. In a roll call vote, the **motion** passed (6-0).

7. Old Business

- a. Possible Action Regarding the Allegations of BH3 Set Forth in the Correspondence from Counsel for BH3 Dated May 17, 2021.**

Item 7a was addressed following item 7b.

b. Discussion and Presentations – Notice of Intent to Lease CRA-Owned Properties Located at 182 and 186 NW 5th Avenue.

Christine Tibbs, Assistant CRA Director, presented the item. She explained the properties at 182 and 186 NW 5th Avenue were located within the Delray Beach West Settlers District, and the requirements stated were based on the CRA's Community Redevelopment Plan and CRA Board comments. She outlined the objective of the plan briefly, including a specific encouragement for minority business development and diverse shopping, services, and cultural facilities.

Ms. Tibbs stated seven (7) proposals and one (1) letter of intent to purchase were received in response to the Request for Proposals (RFP) for the properties. She noted that at the May meeting, the CRA Board had selected two (2) proposers for each address to make presentations at this meeting.

Ms. Jadusingh explained that the presentations would start with 182 NW 5th Avenue.

Nicole's House

Nicole Myers and Chinasa Thompson introduced themselves and presented their idea for a Jamaican restaurant.

Ms. Thompson shared the creed for Nicole's House, "To bring the beauty and cultural experience of St. Ann, Jamaica to Delray Beach with a family-owned, full-service restaurant serving Jamaican style infused cuisine." She shared the objectives of the project, including bringing night life, family brunch, social events, women empowerment, and adding Jamaican culture to Delray Beach's upcoming festivals. She discussed sourcing from local vendors and providing local job opportunities.

Continuing, Ms. Thompson shared images to highlight the idea for the layout to be mostly based outside, with a jerk pit, tiki bar, platform/stage, outdoor country style dining, and intimate and business dining rooms. She stated that they were looking to make not only a restaurant, but an experience bringing forth the Jamaican culture. Ms. Myers shared a photo of her mother's first Jamaican restaurant in an Ohio location outside of Pittsburgh. She discussed her mother's passion for exploring her culture.

Ms. Thompson reviewed menu items, including braised oxtail, orange chicken, fried lobster tail, sweet and sour salmon, jam down curry goat, Jamaican style fried rice, and Jamaican style egg rolls. She stated that they would plan to use mobile online ordering, as well. Ms. Thompson shared the hours of operation, noting that they would be open for breakfast and dinner during the week and have family brunch on Sundays.

Ms. Myers stated the business is currently operating as a pop-up and shared some reviews from Google and Facebook. She briefly discussed her vision for the food.

Ms. Jadusingh noted that some of the outdoor use would be limited due to the property's location in the historic district, and stated that if this project was selected, staff would work through the concepts with the applicant.

Commissioner Petrolia asked if there was space outside for the concept as presented.

Ms. Jadusingh responded that there was not much space outside, but it was something that staff could work with the applicants to get the same feel within the confines of the space.

Roots and Fruits Bistro

Kenya Madison and Florence French Fagan introduced themselves and presented their idea for Roots and Fruits Smoothie Bistro.

Ms. Fagan stated her motivation to pursue this business venture with Ms. Madison had roots in a commitment to merge the untold history, to support other black-owned businesses, and to play an intentional role in community run cooperatives.

Ms. Madison stated she and her mother had both lived in on NW 7th Avenue for their entire lives and shared the story of her grandfather moving to the street. She explained her grandfather was a farmer and discussed stories surrounding that history.

Ms. Madison outlined the idea for a café with a focus on community well-being. She shared the mission statement, "At Roots and Fruits Bistro, we are dedicated to helping all individuals achieve more than they ever imagined by living a healthier lifestyle that includes a healthy diet." She reviewed the menu of coffees and teas that are African and Caribbean sourced, real fruit smoothies, fresh baked pastries, all-day power bowls, healthy snacks, and grab-and-go lunches, as well as knowledge and comfort as a safe and welcome space for residents.

Ms. Fagan noted there was land behind the Muse House, and they planned to use it for farmland. She stated Ms. Madison had partnerships they hoped to take advantage of to turn the space into a place to grow and sell food. She stated the community would be a part of the farming activities. Ms. Fagan added that there was a lot of space inside the house that they hoped to use to create additional income for artists, musicians, authors, and others to allow them to engage with the community.

Ms. Madison discussed the intended community impacts of Roots and Fruits Bistro and discussed collaboration with residents, businesses, and organizations. She stated that she saw a gap with youth and young adults and the ability to build their entrepreneurship and civic engagement. Ms. Madison reviewed the numbers and transparency for the project. She explained that as new partners, they had met with outside counsel to provide the Board with financial projects.

Discussion on 182 NW 5th Avenue

Commissioner Petrolia asked for clarification on the financial statement for Roots and Fruits Bistro. She questioned how they would make it work with a negative balance sheet.

Ms. Madison stated that they had been told 75 percent of new startups fail, so she has been focusing on the other 25 percent and learned that through the first year, you anticipate a deficit throughout the first year and perhaps the second. She noted that they were working to prepare for that.

Commissioner Petrolia asserted that a loss of \$20,000 in the first year was a big hit.

Commissioner Boylston stated that he appreciated that they had provided their numbers and been realistic about it. He asked both teams to respond as to whether they had identified funding for their equipment, build-out, and initial operating runway.

Ms. Madison explained that she had acquired funding through her business development and had capital she was prepared to put in as a start-up. She noted that she had explored business lines of credit, and through another space she had access to social enterprise building.

Ms. Fagan stated Roots and Fruits Bistro also had a couple of investors. She noted that she understood there was assistance with abatement and build-out funds available and asked if the Board could say much that would be.

Ms. Jadusingh stated that the \$2,500 place holder the applicant had used was a safe number based on what the previous tenant was paying. She noted that she planned to propose an amount in that range. Ms. Jadusingh explained the CRA also has a grant program for build-out costs and could do more because it was a CRA-owned space and that would be a good investment. She noted that work was being done on the cottages now, including a new roof.

Commissioner Petrolia asked if staff would be working with the applicant selected to find out more of the details.

Ms. Jadusingh noted that because these are CRA-owned spaces, it is a little bit different than when business grants are given. She stated the CRA would take ownership of the space and the management of the build-out, and work with the business owners to get started.

Chair Johnson reminded the Board that they had subsidized the Career Cottage for \$1 per year for many years. She stated these were start-up businesses, and they wanted to contribute to their success.

Deputy Vice Chair Gray asked that the Board give Ms. Jadusingh permission to negotiate with the second proposer in the case that the first proposer did not work out so that a lot of time would not be wasted.

Ms. Jadusingh noted that this was not just someone renting a space, but the CRA working with a community partner to start a business. She clarified that the current proposers were interested in the yellow cottage at 182 NW 5th Avenue.

Chair Johnson stated the problem was she liked them both and there was only one (1) house.

Ms. Jadusingh stated there were other spaces coming for lease, as well, including 98 NW 5th which would be under construction soon and 95 NW 5th, which would be a bit longer. She

noted there were many good applicants, but this was not the last shot. She added that she thought future rentals could follow the same model for finding tenants.

Commissioner Petrolia asked Roots and Fruits what their hours would be. Ms. Madison responded coffee hours, something like 6 a.m. to 7 p.m.

Deputy Vice Chair Gray asked Nicole's Place about their breakfast menu. Ms. Myers discussed her ideas for breakfast and stated they were working on it now.

Commissioner Boylston asked if Nicole's Place had run any financial projections. Ms. Jadusingh pointed the Board toward the Nicole's Place financial plan in the backup materials.

Chair Johnson asked about music. Discussion ensued regarding the residential neighborhood and being good neighbors.

Commissioner Boylston clarified that what was provided by Nicole's Place was not financial projections, but an estimate of start-up costs. He asked if they had a source for those funds.

Ms. Myers stated they did not have all of them. She said they had some grants and were working with a couple of investors, as well as talking to Capital One about a business loan. She noted that her projection may not have been completely accurate.

Ms. Jadusingh explained this was the opportunity for the Board to select an applicant, or they could hear the other proposals.

Vice Chair Frankel suggested paper ballots to rank the applicants. Discussion ensued about the voting process.

Commissioner Boylston stated that he just wanted to make sure they were putting successful business in that were prepared to go into a space like this, which is why he thought the presentations were so important. He explained that when looking at the financial projections and build-out costs, and whether or not the funds had been secured, for him it felt like while both would be in Delray Beach, Roots and Fruits was more prepared and ready to take this cottage now.

Deputy Vice Chair Gray shared that all of the presenters were wonderful, and both would continue to move forward. She stated that was why this Board worked to acquire and keep these spaces, so that they could do just what they were doing today, supporting start-ups and small businesses. She noted that this was very important to the Board and referenced the upcoming spaces that would be available. She stated that all of the proposals showed that there were Black businesses looking for opportunities. She asked that anyone who is not selected today please consider the upcoming buildings.

Chair Johnson asked when the next building would be ready.

Ms. Jadusingh stated sometime early next year, but she would probably suggest looking for tenants in the summer.

Chair Johnson stated she had reservations about choosing because she thought they should see all four (4) proposals and then choose two (2) to go in the cottages.

Commissioner Petrolia explained that the applicants had chosen which cottage they wanted.

The Board voted by paper ballot.

Ms. Jadusingh noted that the West Settler's Building across the street was another commercial rental space owned by the CRA, along with a building for affordable housing. She asked the Board to keep in mind that they do have quite a bit of assets in that area to provide for the community.

Ms. Jadusingh reported that the vote was tied 3-3. Commissioner Casale was unable to join the meeting to break the tie. Upon discussion, she agreed to bring the item back for a vote at the next meeting.

Chair Johnson asked that Commissioner Casale be provided video of the presentations prior to the next meeting.

Let's Talk

Christopher Redding and Serena Spates introduced themselves and their idea for Let's Talk Café and Social Networking Bar.

Mr. Redding discussed the work of Let's Talk Innovation and its history. Ms. Spates discussed retail services to be offered at Let's Talk, including coffee, tea, and juice bar, organic snacks, and alcoholic beverages after 4 p.m., along with marketing, branding, and consulting services, networking, and community initiatives. She stated there would be live start-up seminars and assistance. She explained their goal was to provide coaching and training for other small businesses.

Mr. Redding stated that they believe in the giving Delray Beach entrepreneurs a space to collaborate and build a community and explained a café would provide a center for people to gather over a cup of coffee.

Ms. Spates shared their menu and service pricing. She explained wi-fi and business start-up services would be provided free of charge. Mr. Redding stated they liked to consider themselves a smart café and walked through the experience of visiting the shop. He discussed the history of the Delray Beach West Settlers District and the vision to bring vibrancy back to the neighborhood.

Ms. Spates reviewed the idea for "insta rooms," which are rooms set up to allow small businesses to rent a room to produce high quality social media content, audio and video. Mr. Redding expanded on the idea of community initiatives. He stated it gave an opportunity to partner and provide affordable business services to the community.

Ms. Spates explained the goal was to reach over 500 small businesses in Delray Beach and provide them with the resources that they need. She stated that investing in small businesses helps to offset the unemployment rate.

Mr. Redding discussed using the resource to share opportunities from the CRA with black-owned businesses in the community, helping to bridge the gap.

Ms. Spates shared past and current partnerships. Mr. Redding expanded on the collaboration concept, explaining that they are not competitors with the other businesses presented, but had partnerships planned.

Ms. Spates reviewed data on Delray Beach and discussed why it was the right community and the right neighborhood for the project. She stated she was born and raised in Delray Beach, and they wanted to give back to the community by building a start-up there.

Mr. Redding shared samples of the organic, gluten free pastries planned for the café.

Ms. Spates noted that the financial documentation was in the backup materials for the Board to review.

Visual Adjectives

Michelle Lawrence and Edward J Stinson, mother and son team, introduced themselves and their idea for Visual Adjectives.

Ms. Lawrence explained they were a Black-owned family business located in Delray Beach, a publication company of authors, cultural curators, educators, artisans, and artists established in 2010. Ms. Lawrence and Mr. Stinson discussed their roots in the community.

Mr. Stinson discussed the beliefs of the company, that a “visual adjective” is any artistic or literary means to describe the concepts of the mind, including the four (4) foundational concepts of defining thought, describing creation, telling stories, and illustrating concepts.

Ms. Lawrence stated the proposal was for publishing and production services available on-site with a specialty book shop and tea shop, as well as in-house workspace and gallery space.

Mr. Stinson discussed the plan to work as a hybrid retailer focused on the historic district to provide a hub for creatives in the community. He stated that they would use their relationship with Spady Museum and other neighbors to activate the corridor with relevant cultural experiences such as cultural events, writers’ workshops, youth programming and education, and locally curated retail options for patrons.

Ms. Lawrence discussed how the space would be filled, including an in-house library and artist showcase and local marketplace.

Mr. Stinson stated the bookstore offering specialty books would be the focus, with monthly events to present local artists and artists and other promotional events. He discussed book clubs and giveaways to involve the community further. He shared images from testing the concept at the Renaissance Festival and Pirate Festival.

Ms. Lawrence shared a breakdown of publishing and production services to be offered at Visual Adjectives. Mr. Stinson discussed studio spaces for creators to use for their base of operations.

Ms. Lawrence stated they were proposing a monthly rent for the first year utilizing the Rent Subsidy Program to allow the business time to curate the use of the facilities as proposed. She noted that they believed their specialty tea and coffee offering would be warmly welcomed.

Mr. Stinson reviewed the proposal briefly. Ms. Lawrence pointed the Board toward their financial documentation and stated that they had been operating out of their home since 2010. She noted that a lot of the authors they work with are local. Mr. Stinson and Ms. Lawrence discussed their outreach activities.

Discussion on 186 NW 5th Avenue

Commissioner Boylston asked both teams to respond as to whether they had identified funding for their equipment, build-out, and initial operating runway. He asked that they also share any financial projections for the first year or two (2).

Mr. Redding stated that Let's Talk had cash to cover the start-up included in the estimate. Ms. Spates added that they had not seen the inside of the building, so could provide more accurate estimates once they had been able to do more legwork.

Ms. Lawrence stated that Visual Adjectives had been operating a while, but their projects vary year to year. She stated that their financials had fluctuated from \$8,000 to \$45,000 per year, and they hoped that having a brick-and-mortar space to do business in-house would get more business. She stated they were projecting well over \$100,000 per year and stated that they had \$60,000 set aside for build-out and start-up. She added that they already have their equipment and aesthetic items.

Commissioner Petrolia asked about revenue streams, and stated it was concerning because they needed to know if there would be enough business to cover their costs. She stated that underestimating the cost to get into a business and overestimating the revenue is the biggest mistake new businesses make. Commissioner Petrolia stated that she hoped the business that was selected would have some real help to make sure that it was a business that was viable.

Mr. Redding clarified that in addition to retail services, Let's Talk offers retail services as well as business services. He briefly reviewed their target market.

Commissioner Petrolia responded that Let's Talk had done a great job of laying out what they were going to do, but what she was not seeing was how much business they expected to get on a monthly basis. She asserted that they wanted to get that information on the front end to make sure that the business could be successful.

Deputy Vice Chair Gray asked why Visual Adjectives was not operating in the Arts Warehouse and stated the Board should have known about them.

Ms. Jadusingh responded that historically the Arts Warehouse had been more focused on visual creatives. She noted that they had just recently gotten a kiln, and that type of art was more the focus. She stated that before COVID-19 they had discussed expanding that to other type of artists and listening to the proposals it seemed like it would be a great fit for the space if they were interested.

The Board voted by paper ballot.

Ms. Jadusingh reported the vote was five (5) for Let's Talk and one (1) for Visual Adjectives. She stated she would like to talk to Visual Adjectives about space in the Arts Warehouse.

Motion at 5:33 p.m. by Vice Chair Frankel, seconded by Commissioner Boylston, to approve staff negotiations with Let's Talk for lease of the cottage at 186 NW 5th Avenue. In a roll call vote, the **motion** passed (6-0).

a. Possible Action Regarding the Allegations of BH3 Set Forth in the Correspondence from Counsel for BH3 Dated May 17, 2021.

Sanaz Alempour from Cole, Scott & Kissane, P.A., outside counsel, explained the discussion was related to allegations set forth by BH3 Management in correspondence received from their legal counsel as well as recent developments with regard to the amended complaint and appeal. She stated the Board had been kept apprised of the status of the litigation and been in contact with BH3 regarding potential mediation.

Ms. Alempour stated that in evaluating the case and discussing it with the Board, Executive Director, and counsel, special counsel was asking that the Board consider rescinding the Notice of Default to BH3 issued on January 28, 2021 as the notice was superseded and rendered moot by the 90-day Force Majeure extension reflected in the fourth amendment to the Purchase and Sale Agreement. Ms. Alempour stated that they believed this would serve the CRA's best interest and that it was the appropriate action to take.

Motion at 5:35 p.m. by Commissioner Boylston, seconded by Commissioner Petrolia, to rescind the Notice of Default issued to BH3 on January 28, 2021. In a roll call vote, the **motion** passed (6-0).

8. New Business

None.

9. Other Business

a. Comments by Executive Director

Ms. Jadusingh highlighted upcoming events at the Arts Warehouse, including a Mental Health Symposium on Wednesday, June 23, and a skate night titled Slide Thru on June 26. She noted the information was on the CRA website and the Arts Warehouse website.

Continuing, Ms. Jadusingh explained a public outreach meeting was scheduled for June 16 to discuss the NE 3rd Avenue Streetscape Improvements. She stated the project represented about \$1.8 million in CRA funding and was set for completion in March 2022.

Ms. Jadusingh shared details of the CRA being featured on Delray Morning Live to discuss the Corey Jones Isle development project. Ms. Jadusingh highlighted an event hosted by the City on Saturday, June 12 to cut the ribbon on Delray Beach's Pride streetscape in Pineapple Grove. She shared details of the Juneteenth celebration hosted by Spady Museum and the Arts Garage, both A-GUIDE funding partners.

b. Comments by Board Attorney

None.

c. Comments by Commissioners

Deputy Vice Chair Gray asked staff for an update on Pompey Park.

Ms. Jadusingh stated they had received an email with updates from the City. She reviewed the update briefly, including the playground, mulch, baseball shade, and bathroom construction. She stated that Ivan Cabrera was assisting with tile selection the following day.

Deputy Vice Chair Gray noted that she had been to the park, and she was hopeful that work would be completed in time for summer activities. She congratulated the City Commission on hiring a new City Manager and stated she looks forward to working with him. She stated her kids had just moved to Delray Beach from Texas and were present at the meeting.

Commissioner Brooks stated it was good to be back in person.

Commissioner Petrolia thanked everyone who turned out for the presentations and said the food was fantastic.

Chair Johnson stated she was excited about all the wonderful things that appear to be happening in Delray Beach at the same time. She briefly touched on the impact of short-term rentals and tabling of related legislation on the State level.

Chair Johnson thanked all the presenters and encouraged them to share with their friends and family that the CRA was open and has spaces they are trying to grow as quickly as possible.

10. Adjournment

There being no further discussion, the meeting was adjourned at 5:45 p.m.

Renee Jadusingh, Executive Director

Shirley Ervin Johnson, Board Chair