# City of Delray Beach

## Legislation Details (With Text)

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| **File #:** | 23-265 CRA | **Version:** 1 | **Name:** | |
| **Type:** | CRA Board Action | | **Status:** | Agenda Ready |
| **File created:** | 1/16/2024 | | **In control:** | Community Redevelopment Agency |
| **On agenda:** | 1/23/2024 | | **Final action:** | |
| **Title:** | SIXTH AMENDMENT TO COMMERCIAL LEASE AGREEMENT AND SECOND AMENDMENT TO SITE DEVELOPMENT ASSISTANCE FUNDING AGREEMENT - JERK & LIME AT NICOLE'S HOUSE, LLC | | | |
| **Sponsors:** | | | | |
| **Indexes:** | | | | |
| **Code sections:** | | | | |
| **Attachments:** | 1. Agenda Cover Report, 2. Exhibit A – Sixth Amendment to the Commercial Lease Agreement with Jerk and Lime at Nicole's House, LLC, 3. Exhibit B – Second Amendment to Site Development Assistance Agreement, 4. Exhibit C - Extension Request | | | |

| Date | Ver. | Action By | Action | Result |
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**TO:**        **CRA Board of Commissioners**
**FROM:**    **Christine Tibbs, Assistant Director**
**THROUGH:** **Renée A. Jadusingh, Executive Director**
**DATE:**      **January 23, 2024**

**SIXTH AMENDMENT TO COMMERCIAL LEASE AGREEMENT AND SECOND AMENDMENT TO SITE DEVELOPMENT ASSISTANCE FUNDING AGREEMENT - JERK & LIME AT NICOLE'S HOUSE, LLC**

## Recommended Action:

1) Approve the amendment to extend the buildout period of the existing Commercial Lease Agreement between the CRA and Jerk and Lime at Nicole's House, LLC located at 182 NW 5 Avenue within CRA sub-area #3 and

2) Approve an extension to the existing Site Development Assistance funding agreement for Jerk and Lime at Nicole's House, LLC for the improvement project located at 182 NW 5th Avenue, CRA sub-area #3.

## Background:

At the November 17, 2021, CRA Board Meeting, the CRA Board approved a Commercial Lease Agreement with Jerk and Lime at Nicole's House, LLC (Nicole's House) for the CRA-owned property located at 182 NW 5th Avenue.

At the September 1, 2022, CRA Regular Board Meeting, the Board approved authorizing the Executive Director to consider and, if acceptable, to approve Site Development Assistance Funding Agreement and later ratify the Agreement at the next scheduled Board meeting. To avoid potential delays, the funding agreement application was processed for approval administratively and was later ratified at the January 24, 2023, CRA

Board Meeting.

Work has commenced and is underway, however delays in obtaining the interior alteration permit have caused delays in the completion of construction. Additionally, extended lead times for commercial kitchen items have also affected the completion of construction.

Therefore, Nicole's House is requesting an extension to the Buildout Period for the existing Commercial Lease Agreement.  As stipulated in the Lease Agreement, when the Buildout Period expires, the tenant shall begin paying the full Monthly Base Rent amount. She is also seeking an extension to the Site Development Assistance Funding Agreement to assist with the cost of the improvements including kitchen buildout, electrical, plumbing, ADA-compliance, and related permitting fees. Both the Buildout Period and the Funding Agreement are set currently set to expire on January 31, 2024.

Nicole's House continues to work with contractors to obtain materials and equipment and perform the work needed to complete construction and has stated that construction is delayed just a few weeks.

Therefore, CRA staff recommends approval of the Sixth (6th) Amendment to the Commercial Lease Agreement with Jerk and Lime at Nicole's House, LLC to extend the Buildout Period to February 29, 2024. CRA Staff also recommends the approval of an extension for the Second Amendment to the Site Development Assistance Funding Agreement to February 29, 2024.

Attachments: Exhibit A - Sixth Amendment to the Commercial Lease Agreement with Jerk and Lime at Nicole's House, LLC; Exhibit B - Second Amendment to Site Development Assistance Agreement; Exhibit C- Extension Request

## CRA Attorney Review:
N/A

## Funding Source/Financial Impact:
N/A

## 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