



Legislation Details (With Text)

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Title: FIFTH AMENDMENT TO COMMERCIAL LEASE AGREEMENT AND FIRST 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 - Fifth Amendment to Lease Agreement for Jerk and Lime at Nicole’s House, LLC, 3. Exhibit B - First Amendment to Site Development Assistance Funding Agreement, 4. Exhibit C - Updated Project Timeline and Extension Request

Date	Ver.	Action By	Action	Result
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TO: CRA Board of Commissioners
FROM: Rachelle Eloizin, Community Liaison
THROUGH: Renée A. Jadusingh, Executive Director
DATE: July 25, 2023

FIFTH AMENDMENT TO COMMERCIAL LEASE AGREEMENT AND FIRST 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.

Demolition and minor work were completed, however delays in obtaining the interior alteration permit have caused delays in 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 to expire on July 31, 2023.

To date, the interior alteration permit has been reapplied for and is in plan review with the City's Building Department. Nicole's House remains in communication with them regarding the status. Demolition has been completed, and the base of the floors for the kitchen and bar area have been installed. Nicole's House continues to work with contractors to obtain materials and equipment needed for the rest of the project so they can continue working once the necessary permit has been obtained.

Once the new permits are approved, the contractor estimates that the improvement project will be completed within five (5) months. Therefore, CRA Staff recommends approval of the Fifth (5th) Amendment to the Commercial Lease Agreement with Jerk and Lime at Nicole's House, LLC to extend the Buildout Period to January 31, 2024. CRA Staff also recommends the approval of an extension for the Site Development Assistance Funding Agreement to January 31, 2024.

Attachments: Exhibit A - Fifth Amendment to the Commercial Lease Agreement with Jerk and Lime at Nicole's House, LLC; Exhibit B - First Amendment to Site Development Assistance Agreement; Exhibit C - Updated Project Timeline and 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