File #: 18-0444 CRA, **Version:** 1

TO: **CRA Board of Commissioners**

FROM: **Krista Walker, Contract Manager**

THROUGH: **Renée A. Jadusingh, CRA Executive Director**

DATE: **September 10, 2019**

700 WEST ATLANTIC AVENUE, UNITS 710, 712, and 714 - MONTH TO MONTH TENANCY BETWEEN THE CRA AND HATCHER CONSTRUCTION & DEVELOPMENT, INC.

Recommended Action:

Authorize a month to month tenancy between the Delray Beach CRA and Hatcher Construction & Development, Inc. for units 710, 712, and 714 at the property located at 700 W. Atlantic Avenue.

Background:

On June 22, 2017, the CRA entered into a commercial lease agreement with Hatcher Construction & Development, Inc. (HCD) for units 710, 712, and 714 W. Atlantic Avenue to house their corporate offices. The commercial lease expires on September 30, 2019.

Earlier this year, the CRA entered into a Purchase & Sale Agreement for the redevelopment of the properties located at 600-800 W. Atlantic Avenue, which includes 700 W. Atlantic Avenue. Thus, HCD began seeking out alternative office space.

At the June 11, 2019 Board Meeting, the Board approved a Ground Lease Agreement with HCD for CRA-owned properties located at 20 & 26 NW 6th Avenue (600 Block Property) and the CRA entered into the agreement on July 18, 2019. The proposed development consists of a 6,000 square foot building, of which Hatcher will occupy 2,000 square feet and the remaining 4,000 square feet may be used as rental space for retail business or office space for a small business or a non-profit organization. As part of this Ground Lease Agreement, the HCD shall have an eighteen (18) month “Site Analysis Period” in which to ascertain whether the Property is acceptable to HCD and to obtain all necessary approvals, permits and licenses necessary for the development of the 600 Block Property in substantial conformance with the CRA’s Conceptual Plan.

Since HCD is in the Site Analysis Period under the Ground Lease Agreement, Staff recommends authorizing a

month to month tenancy with HCD for the units 710, 712, and 714 at the property located at 700 W. Atlantic Avenue.

Attachment(s): N/A

CRA Attorney Review:

N/A

Funding Source/Financial Impact:

N/A

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