



Legislation Text

File #: 18-0600 CRA, Version: 1

TO: CRA Board of Commissioners
FROM: Alexina Jeannite, Grant Manager
THROUGH: Renée A. Jadusingh, Esq., Executive Director
DATE: June 23, 2020

SITE DEVELOPMENT ASSISTANCE FUNDING - MARION ASSOCIATES, LLC (131 NW 1ST AVENUE) FOR AN AMOUNT NOT TO EXCEED \$75,000

Recommended Action:

Approve the Site Development Assistance Program Funding Agreement with Marion Associates for the proposed interior and exterior improvement project located at 131 NW 1st Avenue, in an amount not to exceed \$75,000.

Background:

Marion Associates, LLC is a management services company, founded by Mr. Joseph Marion (Owner) and is headquartered at 131 North 1st Avenue, within CRA sub-area #3, the Old School Square Historic District. Marion Associates, LLC has been a Delray Beach-based business for twenty-five years. What originated as a company providing book-keeping, meeting planning, and record keeping services for non-profit associations, now provides a full line of management services including business development, marketing, web maintenance, and charity fundraising.

The Owner submitted an application for funding support in April 2020. Marion Associates, LLC has a five-year growth plan to expand its business operations at the 131 North 1st Avenue property, which is zoned for commercial and residential use. Funding assistance will help with the expansion of the property, which will include the addition of 1,500 square feet and interior and exterior upgrades to modernize the property. The immediate use of the renovated property will produce job creation with the addition of three positions, and in future years, serve the needs of other small to medium-sized businesses in need of office space in downtown Delray Beach.

Funding assistance is requested for interior and exterior improvements including: building expansion through interior renovations and buildout; lighting and electrical upgrades; purchase and installation of windows and doors; landscaping/irrigation; A/C and generator replacement; flooring; interior and exterior painting; stucco repair; driveway and parking repairs; ADA-compliant renovations; and related permits and fees. If approved, the Owner anticipates that the project will be fully completed within twelve months.

All estimated eligible expenses are listed in the attached Funding Detail Sheet and are in alignment with the program guidelines.

TABLE 1	AMOUNT
Estimated total capital investment	\$710,003.00
Estimated eligible expenses	\$141,680.50

Recommended funding assistance (up to)	\$ 75,000.00

If approved, funding would be disbursed accordingly:

TABLE 2AMOUNT	
Maximum Progress Payment (75% of award)	\$ 56,250.00
Withheld Payment (25% of award)	\$ 18,750.00
TOTAL MAXIMUM AWARD	\$ 75,000.00

As stated in the funding program guidelines, no more than 75% of the approved award may be disbursed prior to the receipt of a Temporary Certificate of Occupancy, Certificate of Occupancy, or receipt of all necessary and satisfactory inspection notices. Additionally, the remaining 25% of funding withheld will not be released until CRA staff verifies that there are no active liens or code enforcement violations on the property, and that the improvements have been sufficiently completed to the satisfaction of the terms of the approved award. Funds may be disbursed to the applicant by reimbursement or may be paid directly to contractors/vendors for eligible and pre-approved expenses.

A Site Development Assistance award to Marion Associates, LLC will help further advance the CRA's mission by supporting a commercial improvement project that will result in the renovation of an existing commercial space within the CRA District. Assisting businesses with the cost of interior and exterior improvements helps to eliminate blighted conditions and promote new business activity in Sub-Area #3 of the CRA District.

Attachments: Exhibit A - Location Map; Exhibit B - Photos of Existing Conditions; Exhibit C - Renderings & Floor Plans; Exhibit D - Funding Assistance Detail Sheet; Exhibit E - Application Form; Exhibit F - Project Narrative; Exhibit G - Business Plan & Financial Projections; Exhibit H - Site Development Assistance Program Guidelines.

CRA Attorney Review:

N/A

Finance Review:

Reviewed by Lori Hayward, CRA Finance & Operation Director.

Funding Source/Financial Impact:

\$75,000 allocated from General Ledger #7306 - Grant Programs - Site Assistance Grant.