



COMMUNITY REDEVELOPMENT AGENCY BOARD MEETING OF: May 13, 2025

NEW BUSINESS

AGENDA ITEM 15.A

SUBJECT:

Discussion and Consideration of a Letter of Intent from Blue Mountain Coffee House for the CRA Owned Property Located at 211 E. Ocean Avenue

SUMMARY:

On February 27, 2024, CRA staff received a phone call from Blue Mountain Coffee House regarding interest in opening a coffee shop in the CRA owned property located at 211 E. Ocean Avenue (see Attachment I). Blue Mountain Coffee House is a luxury coffee brand, meticulously curated and expertly processed to perfection from their family estate in Jamaica. They take pride in offering not only premium coffees but also gourmet breakfast and lunch options. At the initial point of contact, CRA staff shared redevelopment opportunities through the Economic Development Grant Programs, the Letter of Intent Policy, and the procedures for having an item placed on the CRA Agenda for review (see Attachment II).

On February 29, 2024, the CRA staff received a Letter of Intent (LOI) from Blue Mountain Coffee House and staff provided comments and feedback on the next steps to make the March 21, 2024 Board meeting (see Attachment III). CRA staff received a request for a follow-up meeting April 23, 2024, and an in-person meeting was set for May 2, 2024. At that meeting CRA staff met with Blue Mountain Coffee House and her team to discuss the outstanding items needed as part of the LOI policy. Following the meeting, staff made a site visit to 211 E. Ocean Avenue property with the their team to view the property in more detail.

A revised LOI was received on April 29, 2024, and executive staff provided written feedback on April 30, 2024, with the additional items needed in order to make the next CRA Board agenda (see Attachment IV). On May 28, 2024, City staff provided Blue Mountain Coffee House with the next best steps to request a pre-application meeting to discuss the scope of the project with City staff (see Attachment V).

On March 10, 2025, CRA staff received an updated LOI and an in-person meeting was scheduled for March 20, 2025, to review the missing elements in the updated LOI (see Attachment VI). After the meeting, staff provided written comments regarding the missing elements per the LOI policy on March 24, 2025 (see Attachment VII) and March 25, 2025 (see Attachment VIII).

A final LOI was submitted on April 7, 2025, which summarizes as follows (see Attachment IX):

- **Proposed purchase price:** \$200,000 for 211 E. Ocean Avenue property

- **Description of the business:** luxury coffee shop serving gourmet breakfast and lunch sandwiches
- **Description of experience:** successful flagship location in downtown West Palm Beach
- **Description of proposed improvements and costs:** \$200,000 for the improvements/build-out and \$100,000 for furniture/equipment
- **Conceptual site plan showing proposed improvements:** site plan is limited to the existing structure with plans to add a small side patio to the east of the structure
- **Knowledge that the proposed use is allowed under City of Boynton Beach Codes:** A Zoning Verification Letter was submitted by Blue Mountain Coffee House to the City and a change of use approval and minor site plan approval will be required (see Attachment X)
- **Evidence of Financial Capacity:** A pre-qualification letter from Newtek provides a loan amount of \$500,000
- **Anticipated timeline:** four months to receive all approvals (P&Z, Historic Preservation Board, Permitting) and four - six months to complete the build-out
- **Additional information:** Blue Mountain Coffee House requests \$200,000-\$300,000 from the CRA's Project Fund for Adaptive Reuse for Historic Properties and \$50,000 from the Commercial Property Improvement Grant Program

Per the LOI Policy adopted in June 2022, the CRA Board may elect one of the following options (see Attachment XI):

- **Option I:** The CRA Board may determine that it is in their best interest of the CRA to reject the terms and conditions and take no further action
- **Option II:** The CRA Board may determine that it is in the best interest of the CRA to solicit additional offers to purchase or lease the subject property
- **Option III:** The CRA Board may accept the LOI and direct CRA staff/legal counsel to negotiate the terms and conditions of a Purchase and Development Agreement to be presented at a future meeting and to issue a thirty day Public Notice to Dispose of the CRA property subject to the LOI.

FISCAL IMPACT:

FY 2024-2025 Budget, Project Fund 02-58200-406; \$200,000-\$300,000 Adaptive Reuse for Historic Properties; Project Fund 02-58400-444 \$50,000 Economic Development Grant Programs

CRA BOARD OPTIONS:

- Option I:** The CRA Board may determine that it is in their best interest of the CRA to reject the terms and conditions and take no further action
- Option II:** The CRA Board may determine that it is in the best interest of the CRA to solicit additional offers to purchase or lease the subject property
- Option III:** The CRA Board may accept the LOI and direct CRA staff/legal counsel to negotiate the terms and conditions of a Purchase and Development Agreement to be presented at a future meeting and to issue a thirty day Public Notice to Dispose of the CRA property subject to the LOI

ATTACHMENTS:

Description

- [Attachment I - Location Map](#)
- [Attachment II - 2.27.24 Staff Comments](#)
- [Attachment III - 2.29.24 LOI and Staff Comments](#)
- [Attachment IV - 4.30.24 LOI with Staff Comments](#)
- [Attachment V - 05.28.24 City Staff Email](#)
- [Attachment VI - 03.10.25 LOI](#)
- [Attachment VII - 03.24.25 Staff Comments](#)
- [Attachment VIII - 03.25.25 Staff Comments](#)
- [Attachment IX - 04.07.25 LOI](#)
- [Attachment X - Zoning Verification Letter](#)
- [Attachment XI - 2022 LOI Policy](#)