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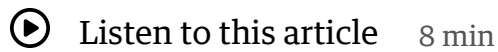
How South Florida CRAs aim to boost minority-owned businesses amid redevelopment and gentrification

Lucinda Charles of Touch of Posh.

JOCK FISTICK

By [Dina Katgara](#) – , South Florida Business Journal

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South Florida has one of the hottest real estate markets in the nation.

And while that's great for the local economy, the redevelopment of urban neighborhoods often results in pushing small, minority-run businesses out of their communities.

The gentrification of urban neighborhoods is nothing new.

Proponents laud the efforts, as they lead to improved housing, attract new business and enhance the areas' quality of life. Critics say gentrification displaces low-income residents and local business owners, reduces affordable housing and erodes the character of those communities.

"If you create greater value, in terms of real estate, you are ultimately going to displace people if they're not part of that investment," said Dr. Ned Murray, associate director of the Metropolitan Center at Florida International University, adding that mom-and-pop retailers are disproportionately affected.

Yet, many civic leaders say redeveloping blighted areas could enhance the lives of local residents and business owners when builders seek community input on their projects.

"We get to do something really unique that, when done properly, can really change people's lives so that they can continue living and working in their community because it is being built in a way that's benefiting them," said Renée A. Jadusingh, executive director of the Delray Beach Community Redevelopment Agency.

The Florida Community Redevelopment Act of 1969 allows local governments to establish CRAs to revitalize blighted areas. Funded by property tax increments, the organizations leverage public funding with private development to improve communities and uplift residents. This includes helping to negotiate rents or purchasing property to keep costs low.

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However, while South Florida's minority-owned small businesses often benefit from a CRA's help, there are limits to its assistance as taxes and insurance costs climb.

Still, opportunities abound for developers in historically Black areas near Interstate 95, such as Historic Sistrunk in Fort Lauderdale, West Atlantic Avenue in Delray Beach and Historic Overtown in Miami. This is especially true for builders that prioritize affordable commercial and residential projects, as they can apply to receive funding from neighborhood CRAs. The average budget of the CRAs in these three areas is \$65 million for the 2023-2024 fiscal year, according to agency documents.

Here is how redevelopment is playing out for minority business owners in these three South Florida neighborhoods:

Lil Greenhouse Grill in Miami's Historic Overtown

Nicole Gates and local chef Karim Bryant are the founders and owners of Lil Greenhouse Grill, which started as a food truck in 2013 and moved to a brick-and-mortar space in Miami's Historic Overtown neighborhood in 2017.



Chef Karim Bryant and Nicole Gates, co-founders of the Lil Greenhouse Grill, in Miami's Overtown neighborhood.

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Two years later, the restaurant and former building owner St. John Institutional Missionary Baptist Church were in a legal battle over rent. The church filed a lawsuit in the 11th Judicial Circuit Court of Miami-Dade County that was dismissed a few months later after the parties reached an agreement on payment.

Last year, the Southeast Overtown/Park West CRA purchased the property and now charges Lil Greenhouse Grill \$19 a square foot - significantly less than tenants in neighboring properties that pay upward of \$35 a square foot.

“Developers need to keep it so that the people who live here can continue to live here,” Gates said. “[The CRA] are amazing business partners; they’re fair and equitable. We do our part by making sure that our rents are paid and our services are of quality. And it gives the neighborhood a good reputation when we do good business.”

Related: [Nonprofit, CRA partner to renovate affordable apartments in Overtown](#)

The CRA has been active in the area since its launch in 1982. Now, it is putting \$700,000 toward a buildout project at Lyric Point, 101 N.W. Eighth St., next to the Historic Lyric Theater. The agency is renting out 7,000 square feet of the 55,000-square-foot building and dividing it into four commercial spaces to sublease at affordable rates, said Brian Zeltsman, its director of architecture and development.

Lil Greenhouse Grill is in discussions with the CRA to potentially move into a space at Lyric Point, subject to board approval, he added.

Gates said the new location would provide the restaurant with new equipment and generate more foot traffic to boost business.

“Nobody gets to build in Overtown using the CRA money if it does not have some benefits going to the residents of Overtown,” said James McQueen, executive director of the CRA.

Fort Lauderdale's Blue Tree Cafe in Historic Sistrunk

After beating cancer three times, chef Sharon Allen started vegan eatery Blue Tree Cafe in 2007. The Broward County native is grateful for the Northwest-Progresso-Flagler Heights Community Redevelopment Agency grant of \$295,000, which helped build out

her space in the city's Sistrunk neighborhood in 2022. However, she is concerned about her ability to stay in the community long term.



Chef Sharon Allen at her vegan eatery, the Blue Tree Café in the Sistrunk neighborhood of Fort Lauderdale.

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“If I can afford it, I’ll stay,” Allen said. “If not, I’ll have to move on and I won’t be a part of the community anymore. And the community is going to change.”

While the CRA negotiated rent of about \$25 a square foot - about half the area’s average commercial rent - it cannot control increasing common area maintenance fees, which cover expenses like shared parking upkeep. If the fee continues to increase, Allen will have to leave behind the CRA-funded upgrades. As of now, she is subject to the fluctuating fee for the rest of her five-year lease because she accepted CRA money. To challenge this, Allen would have to hire an attorney - a cost she cannot afford.

Related: [4 developers competing for deal with Fort Lauderdale CRA](#)

“We can negotiate the base rent, but we can’t just totally handcuff owners,” Fort Lauderdale CRA Manager Clarence Woods said. “Developers make a commitment to the community to take advantage of some of the opportunities for redevelopment, and their mission aligns with exactly what we’re doing.”

Woods said the CRA, founded in 1995, focuses on improving physical spaces and supports the people through its nonprofit Invest Fort Lauderdale. The organization provides job skills training and community building resources.

While it is unclear if Allen will remain in Sistrunk five more years, she said her dream is to bring healthy eating to other underserved urban neighborhoods by franchising Blue Tree Cafe.

West Atlantic Avenue's Touch of Posh in Delray Beach

Delray Beach native Lucinda Charles started her Touch of Posh salon in 2016 to provide a luxury experience while educating and mentoring other female Black beauty entrepreneurs.



Lucy Charles, owner of her beauty salon, Touch of Posh, at her new space in Delray Beach, which she hopes to have fully open by the fall of 2024.

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As development has intensified, Charles has had to rely on the Delray Beach Community Redevelopment Agency to afford housing. Now, the agency is supporting her salon's move from a small space leased for \$840 a month in the Santa Fe Suites off East Atlantic Avenue to a new unit on West Atlantic Avenue.

The CRA is opening a two-story building at 98 N.W. Fifth Ave., Executive Director Renée A. Jadusingh said. It features coworking space on the top floor and affordable commercial spaces below. Rents start at \$18 a square foot on the ground floor, substantially less than the area's average retail rent of \$54 a square foot.

Related: [Delray Beach CRA plans \\$40M expansion for Coco Gauff's hometown park \(Photos\)](#)

The new space offers Touch of Posh room to grow, as Charles will have four more salon chairs, which she aims to rent out for about \$150 a week.

"I do feel like change is good to a certain capacity, but if most of the community can't spend money there, what does that mean for downtown Delray?" she said. "But the CRA does a lot for the community that's here."

Founded in 1985, the Delray Beach CRA participates in community events, distributes flyers and hosts socials to connect with residents and hear their feedback, Jadusingh said. She added that history is a huge consideration, as the CRA has relocated and preserved historic structures in the area, including Wellbrock House, which now serves as its office.

"I think that West Atlantic will develop in its way because there is a desire to preserve its history," Jadusingh said. "It has an opportunity to shape itself based on the interests of who is here and be developed in a mindful way. It'll be something special."



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