



Cover Memorandum/Staff Report

File #: 23-96 CRA

Agenda Date: 4/25/2023

Item #: 7H.

TO: CRA Board of Commissioners
FROM: Kim N. Phan, Legal Advisor
THROUGH: Renée A. Jadusingh, Executive Director
DATE: April 25, 2023

RESOLUTION NO. 2023-01 - AGREEMENT FOR PURCHASE AND SALE - 106 NW 10TH AVENUE - \$380,000.00

Recommended Action:

Approve Resolution No. 2023-01 and the Agreement for Purchase and Sale with Southern Engineering & Construction, LLC, for the CRA purchase of property at 106 NW 10th Avenue, with a purchase price of \$380,000.00, in substantially the attached form, and authorize the CRA's Chair, Executive Director and legal counsel to execute any and all related documents to facilitate the above action(s).

Background:

The Subject Property is located in the Northwest Neighborhood at 106 NW 10th Avenue, Delray Beach, Florida (CRA Sub-Area #4). The Subject Property is a vacant lot that is approximately 20,427 sq. ft. and zoned R-1-A, Single Family Residential. The Subject Property is owned by Southern Engineering & Construction, LLC ("Southern Engineering").

In July 2018, the Subject Property was appraised by Parrish & Edwards and returned a market value appraisal of \$143,000. At that time, Southern Engineering was in the process of resolving title issues and the acquisition did not move forward to the CRA Board for consideration. On May 14, 2019, the CRA Board approved the Agreement for Purchase and Sale for the Subject Property for \$180,000 but due to extensive title issues the CRA terminated the Purchase and Sale Agreement.

Earlier this year, Southern Engineering approached the CRA and expressed their interest in selling the Subject Property. Southern Engineering represented to the CRA that the lien issues have all been resolved and that the property was purchased by way of tax deed over four years ago so no quiet title is required and that they hold clear title. New title work will be ordered if the CRA Board approves the Purchase and Sales Agreement to verify that Southern Engineering has marketable title.

CRA staff ordered an appraisal of the Subject Property. On February 6, 2023, the Subject Property was appraised by Barrett Valuation Services, LLC and returned a market value of \$380,000. The Seller has agreed to sale the Subject Property to the CRA for the appraised value of \$380,000.

The CRA Community Redevelopment Plan, Part Three, Section I(D), p. 28, identifies various needs within the CRA Sub-Area #4 and specifically states that "[n]ew housing construction, especially affordable, is needed to eliminate the large number of vacant lots within the area." Acquisition of this lot is consistent with the CRA Community Redevelopment Plan.

Section 163.387(6)(c)(3) & (7), Florida Statutes expressly authorizes the redevelopment trust fund expenditure

and annual budget of a CRA payment for the “acquisition of real property in the redevelopment area” and the “development of affordable housing within the community redevelopment area.”

At this time, Resolution No. 2023-01 and the Purchase and Sale Agreement with Southern Engineering & Construction, LLC is before the CRA Board for approval, in substantially the attached form.

Attachments: Exhibit A - Resolution No. 2023-01; Exhibit B - Purchase and Sale Agreement; Exhibit C - Location Map

CRA Attorney Review:

The CRA Attorney has prepared the attached Resolution No. 2023-01 and Purchase and Sale Agreement as to form and determined it is legally sufficient and acceptable.

Funding Source/Financial Impact:

Funding has been allocated from GL # 5610 Land Acquisition.

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