



Cover Memorandum/Staff Report

File #: 22-1041

Agenda Date: 8/9/2022

Item #: 6.F.

TO: Mayor and Commissioners
FROM: Lynn Gelin, City Attorney
DATE: August 9, 2022

APPROVE THE RESTRICTIVE COVENANT MASTER AGREEMENT BETWEEN THE CITY OF DELRAY BEACH AND PULTE HOME COMPANY, LLC, PURSUANT TO THE REQUIREMENTS UNDER SECTION 4.7 OF THE LAND DEVELOPMENT REGULATIONS

Recommended Action:

Motion to Approve the Restrictive Covenant Master Agreement between the City of Delray Beach and Pulte Home Company, LLC, pursuant to the requirements under Section 4.7 of the Land Development Regulations.

Background:

Pursuant to the Purchase and Sale of Real Property Agreement ("Agreement") between the Delray Beach Community Redevelopment Agency of Delray Beach ("CRA") and Pulte Home Company ("Pulte"), executed on April 27, 2021, Pulte agreed to construct twenty (20) Workforce Housing Units ("Units") as part of the project known as Carver Square. The Units are part of the Palm Beach County Workforce Housing Program for a term of fifteen years as well as the City's Affordability Program for a term of forty years, each term to be run concurrently. It should be noted that, under the County's program, if a Unit is conveyed prior to the expiration of the 15-year compliance period, a new 15-year period would take effect on the date of the resale. Thus, the City's provisions would only apply upon the expiration of the compliance period of the County program, if such event occurred prior to the 40-year restriction contained in the City's covenant.

As a condition of the Agreement, Pulte must designate twenty (20) residential units that will be sold to Eligible Occupants. Upon resale and if under the City's program, a for-sale unit would be restricted to a household with a gross, combined income between 81 percent and 120 percent of the Palm Beach County Adjusted Median Income ("AMI").

City Attorney Review:

Approved as to form and legal sufficiency.