



## Cover Memorandum/Staff Report

File #: 18-1033 CRA

Agenda Date: 4/26/2022

Item #: 7D.

**TO:** CRA Board of Commissioners  
**FROM:** Kim N. Phan, Legal Advisor  
**THROUGH:** Renée A. Jadusingh, Executive Director  
**DATE:** April 26, 2022

### **FIRST AMENDMENT TO INTERLOCAL AGREEMENT BETWEEN THE DELRAY BEACH COMMUNITY REDEVELOPMENT AGENCY, CITY OF DELRAY AND SCHOOL BOARD OF PALM BEACH COUNTY FOR THE EAGLE NEST PROGRAM PROJECT #4 AT ATLANTIC HIGH SCHOOL CAREER ACADEMY**

#### **Recommended Action:**

Approve the First Amendment to the Interlocal Agreement between the CRA, the City of Delray Beach, and the School Board of Palm Beach County for the Eagle Nest Program Project 4 at Atlantic High School Career Academy to extend the deadline to complete construction for a total of seventy-two (72) months or until October 1, 2025, in substantially the same form.

#### **Background:**

The subject property consists of a vacant, approximately 50' X 90' (4,500 sq. ft.), lot in the Southwest Neighborhood (Subarea #8) and zoned R-1-A (Single Family Residential). The property (Lot 22, Block 32, Map of the Town of Linton, Florida) is being donated by the City of Delray Beach ("City").

The Atlantic High School Construction Academy Program prepares students for college and for employment in the building construction industry by providing the hands-on skills necessary to enter home-building, general contracting, and related industries. The program focuses on transferable skills and stresses the understanding of all aspects of the building construction industry. Academic studies and work experience are integrated. Training occurs in the classroom, lab, and at actual job sites as the students perform construction work building new homes as part of their high school curriculum. Once the home is complete it is sold to an income-qualified buyer through the City's Purchase Assistance Program.

The CRA has previously participated in three Eagle Nest projects by providing construction loans for materials and necessary subcontractor work. Eagle Nest I is located at 46 NW 12<sup>th</sup> Avenue, Eagle Nest II is located at 232 NW 8<sup>th</sup> Avenue and Eagle Nest III located at 108 NW 12<sup>th</sup>.

The CRA, City of Delray Beach, and the School Board of Palm Beach County (collectively known as the "Parties") entered into An Interlocal Agreement and Multiple Party agreement for the Eagle Nest Program Project #4 at Atlantic High School Career Academy on October 1, 2019 ("ILA") which required the School District to complete the construction of a single-family residence no later than thirty-six (36) months.

Pursuant to the ILA, the City will provide the property and the CRA will provide construction funds in an amount up to \$150,000. As with the Eagle Nest I - III Programs, the ILA specifies that the completed home will be sold through the City's Purchase Assistance Program and the City will repay the funds provided by the CRA upon the closing of the sale of the home to a qualified buyer.

Section 4(d) of the ILA, "School District's Responsibilities and Rights," provides that "the School District shall take all necessary steps to ensure that construction of the Eagle Nest House shall proceed continuously and diligently, and in all events shall complete construction and equipage of Eagle Nest House and perform all covenants and promises contained in this Agreement not later than thirty-six (36) months after the last of the Parties execute the Agreement."

However, the COVID-19 pandemic has caused a delay in the construction of project. The City has requested an additional thirty-six (36) months for a total of seventy-two (72) months from the original term date or until October 1, 2025 to complete construction of the Eagle Nest house.

This project is consistent with the CRA's Redevelopment Plan under Part Three, Section H regarding the needs for Sub-Area #8 to provide new housing construction on vacant lots within the area. It is also consistent with Section 163.340(9), Florida Statutes which states that "[c]ommunity redevelopment' . . . means undertakings, activities, or projects of a . . . community redevelopment agency in a community redevelopment area . . . for the provision of affordable housing . . . ."

At this time, CRA staff is bringing the First Amendment to the Interlocal Agreement and Multiple Party agreement for the Eagle Nest Program Project #4 at Atlantic High School Career Academy to extend the termination date to October 1, 2025 for Board approval, in substantially the same form.

Attachments: Exhibit A - First Amendment to the Interlocal Agreement and Multiple Party agreement for the Eagle Nest Program Project #4 at Atlantic High School Career Academy; Exhibit B - An Interlocal Agreement and Multiple Party agreement for the Eagle Nest Program Project #4 at Atlantic High School Career Academy\_10.01.2019

### **CRA Attorney Review:**

The CRA Attorney has prepared the attached First Amendment to the Interlocal Agreement and Multiple Party agreement for the Eagle Nest Program Project #4 at Atlantic High School Career Academy.

### **Funding Source/Financial Impact:**

Funding has been allocated from General Ledger #6545 - Affordable/Workforce Housing Program - Eagle Nest Project.