



Cover Memorandum/Staff Report

File #: 18-0212 CRA
10B.

Agenda Date: 1/15/2019

Item #:

TO: CRA Board of Commissioners
FROM: Kristyn Cox, Project & Development Relations Manager
THROUGH: Jeff Costello, CRA Executive Director
DATE: January 15, 2019

DELRAY BEACH COMMUNITY LAND TRUST - LETTER OF INTENT TO ACQUIRE AND DEVELOP
CRA-OWNED PROPERTIES - 21 SW 13TH AVENUE & 246 NW 8TH AVENUE

Recommended Action:

1. Authorize CRA Staff and CRA Legal Counsel to negotiate a Purchase and Sale Agreement with the Delray Beach Community Land Trust (DBCLT) to conveyance of the properties located at 21 SW 13th Avenue and 246 NW 8th Avenue with a purchase price of \$1,000 per buildable lot, subject to any additional terms and conditions requested by the Board, for a total purchase price of \$3,000.
2. Authorize the issuance of a 30-day public notice of the CRA's intent to dispose of property at 21 SW 13th Avenue and 246 NW 8th Avenue to the Delray Beach Community Land Trust in accordance with Florida Statutes Section 163.380(3)(a).

Background:

On December 7th the CRA received a Letter of Intent from the Delray Beach Community Land Trust to acquire two (2) CRA-owned properties - 21 SW 13th Avenue and 246 NW 8th Avenue - for the proposed purchase price of \$1,000 each and develop new single-family homes through their affordable housing program. The information on these CRA-owned properties is as follows:

| Address | Acres | Property Control # | CRA Purchased Price | DBCLT Proposed Purchase Price | CRA Proposed Purchase Price |
|---|-------|--------------------|---------------------|-------------------------------|-----------------------------|
| 21 SW 13 th Ave One buildable lot | 0.16 | 12434617180020140 | \$52,000 | \$1,000 | \$1,000 |
| 246 NW 8 th Ave Two buildable lots | 0.25 | 12434617250020280 | \$84,000 | \$1,000 | \$2,000 |

It is noted, 246 NW 8th Avenue consists of two buildable 40' wide nonconforming lots, which are developable provided they are restricted for workforce housing, pursuant to Article 4.7 of the City's Land Development Regulations (Family/Workforce Housing Ordinance). Thus, the CRA proposes a purchase price of \$2,000 (\$1,000 per buildable lot) for 246 NW 8th Avenue, which is consistent with the most recent transactions conveying single family lots to non-profit entities for workforce/affordable housing purposes.

In general, the DBCLT will construct either one (1) or two (2)-story models, three (3) bedroom, two (2) bathroom single family homes with enclosed one (1) or two (2) car garages.

The CRA Board last approved the sale of four (4) buildable properties to the DBCLT at \$1,000 each in July 2018, which closed in September 2018. The DBCLT currently has more than fourteen (14) mortgage-ready homebuyer applicants with three (3) closings scheduled by end of February 2019. The four recently conveyed are currently under varying phases of development including:

- **229-231 and 233 SW 14th Ave** - These lots have been selected by mortgage-ready homebuyers and the construction work assignment will be executed following the closing of two other SW 14th Avenue properties.
- **237 NW 5th Ave** - The construction work assignment has been executed with the Contractor.
- **Vacant NW 8th Ave** - This lot has been selected by a mortgage-ready homebuyer and the construction work assignment will be executed following the closings of property on SW 5th Avenue, targeted for July 2019.

Pursuant to Florida Statutes Section 163.380(3)(a) notification of the CRA's intent to dispose of the properties will need to be posted for a 30-day period and if no competing proposals are received, the CRA can move forward with entering into an agreement for the sale of the properties, which will be brought back before the Board for approval.

Attachments: Exhibit A - Location Map; Exhibit B - DBCLT's Nov. 28, 2018 Letter of Intent; Exhibit C- DBCLT Single-Family Home Models

CRA Attorney Review:

N/A

Finance Review:

N/A

Funding Source/Financial Impact:

N/A

Timing of Request:

N/A