



Legislation Details (With Text)

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Title: DISCUSSION - LETTER OF INTENT TO PURCHASE CRA OWNED PARKING LOT - 362 NE 3RD AVENUE
Sponsors:
Indexes:
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Attachments: 1. Agenda Cover Report, 2. Exhibit A - Location Map, 3. Exhibit B – The Knight Group, LLC Letter of Interest

Date	Ver.	Action By	Action	Result
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TO: CRA Board of Commissioners
FROM: Ivan Cabrera, AICP, Redevelopment Manager
THROUGH: Renée A. Jadusingh, Esq., Executive Director
DATE: November 12, 2020

DISCUSSION - LETTER OF INTENT TO PURCHASE CRA OWNED PARKING LOT - 362 NE 3RD AVENUE

Recommended Action:

Discussion on the Letter of Intent to Purchase a CRA-Owned Parking Lot located at 362 NE 3rd Avenue.

Background:

The CRA has received one unsolicited Letter of Intent from The Knight Group, LLC (“Knight”) on September 22, 2020, to purchase the Property.

In 2010, the CRA acquired the Property, a blighted parking lot located on NE 3rd Avenue near NE 4th Street, to supplement parking for businesses locate in the immediate area. In 2011, the CRA completed improvements to the Property. The Property has a capacity of 43 parking spaces with two (2) spaces reserved for ADA parking. Nearby businesses include Bedner’s Farm Fresh Market, Arts Warehouse, Salty Dog, Spengler Construction, among others.

The City of Delray Beach owns and maintains a nearby public parking lot located at 353 NE 3rd Avenue which has a capacity of 14 parking spaces with one (1) space reserved for ADA parking.

The subject Property details are in the below chart:

Address	Parcel Control No.	Subdivision	Date CRA Acquired	CRA Purchase Price	Knight's Proposed Purchase Price
362 NE 3 rd Avenue	12-43-46-16-01-081-0230	TOWN OF DELRAY	June 30, 2010	\$600,000.00	\$850,000.00

Knight's Letter of Intent proposes a purchase price of \$850,000 for the purpose of developing and constructing 40 residential rental units with 25% of those units (which equates to 10 units) restricted for the low-income category of workforce housing. Knight's Letter of Intent states that their goal "is to cater to the single young professional market who cannot support the market rents at other rental communities in downtown Delray Beach."

The subject Property is located in the NE 3rd Avenue/NE 3rd Street area. In this area, there is an infrastructure improvement project that the City and CRA have been working on for several years. This project will provide needed upgrades to the aging pipes and accommodate future growth for water and sewer delivery, as well as storm water management. In addition, other improvement considered are streetscape with lighting design, landscaping, and sidewalk improvements consistent with the design and theme of the remainder of the Pineapple Grove area of the Central Business District. These improvements will provide streetscape enhancements and pedestrian friendly connections to the public parking areas and to area businesses.

Furthermore, the City and CRA have invested in recent infrastructure improvements in the area, such as roadway enhancements on Artist Alley and water main upgrades at the intersection of NE 3rd Avenue and NE 3rd Street.

Should the CRA Board want to sell the Property, under Florida Statutes Section 163.380(3)(a), the CRA would need to publicly notify its intent to dispose of the Property and such notice would need to be posted for a 30-day period prior to proceeding with any purchase and sale agreement.

At this time, CRA Staff is requesting the CRA Board to provide direction on the Letter of Intent and general input on redevelopment of the NE 3rd Avenue/NE 3rd Street area.

Attachment(s): Exhibit A - Location Map & Photos; Exhibit B - The Knight Group, LLC Letter of Interest

CRA Attorney Review:

N/A

Finance Review:

N/A

Funding Source/Financial Impact:

N/A