



Legislation Text

File #: 18-0036 CRA, Version: 1

TO: CRA Board of Commissioners
FROM: Krista Walker, Contract Manager
THROUGH: Jeff Costello, CRA Executive Director
DATE: July 12, 2018

PURCHASE AND SALE AGREEMENTS - DELRAY BEACH COMMUNITY LAND TRUST - PURCHASE FIVE (5) CRA-OWNED RESIDENTIAL PROPERTIES

Recommended Action:

Approve Resolution No. 2018-12 for the Agreements for Purchase and Sale with Delray Beach Community Land Trust for conveyance of 229 and 231 SW 14th Avenue, 233 SW 14th Avenue, 237 NW 5th Avenue and a property on NW 8th Avenue in accordance with the terms specified in the agreements and authorize the CRA Chair to sign any and all documents related to this transaction.

Background:

At the May 7, 2018 CRA Board Meeting, the CRA considered the Letter of Interest from the Delray Beach Community Land Trust, Inc. of their Intent to acquire five (5) CRA-owned parcels to construct four (4) new single-family homes with the details listed below.

Address	Acreage	Property Control #	Improvements	Zoning	Purchase Price	Proposed Purchase Price
229 SW 14 th Ave 231 SW 14 th Ave	0.16	12434617190040081 12434617190040082	VACANT LOTS	R-1-A (Single Family Residential)	\$70,000	\$500 \$500
233 SW 14 th Ave	0.16	12434617190040090	VACANT LOT	R-1-A	\$35,000	\$1,000
237 NW 5 th Ave	0.16	12434616010260170	VACANT LOT	R-1-A	\$35,000	\$1,000
NW 8 th Ave	0.16	12434616010020220	VACANT LOT	R-1-A	\$50,000	\$1,000

The DBCLT’s request to acquire the properties from the CRA, includes the following conditions based on the attached proposal and any other terms deemed necessary by the CRA Board:

1. DBCLT will construct either one (1) or two (2)-story models, three (3) or four (4) bedroom, two (2) bathroom single family homes with enclosed one (1) or two (2) car garages with floor plans and elevations to be provided at a later date.
2. The properties will be made available to the DBCLT’s first time mortgage ready homebuyer applicants.

At the meeting, the CRA Board directed CRA Staff and CRA Legal Counsel to negotiate the Purchase and Sale Agreements for conveyance of the properties listed above to the DBCLT based upon the framework provided in the Letter of Intent, subject to any additional terms and conditions requested by the CRA Board.

The CRA Board also authorized the posting of a notice of the intent to convey the CRA-owned properties referenced herein. Pursuant to Florida Statutes Chapter 163.380(3)(a) notification of the CRA's intent to accept the proposal for purchase of the property was filed with the City on May 11, 2018, for a 30-day period, with no competing proposals received in response. At this time the CRA may proceed to finalize the sale of the property.

Attached is the Purchase and Sale Agreement between the CRA and DBCLT for 237 NW 5th Avenue. The Agreements for 229 and 231 SW 14th Avenue, 233 SW 14th Avenue, and the NW 8th Avenue (no address) are generally the same, except for the legal description.

The terms remain consistent among all the agreements and generally consist of: purchase price of \$1,000, down payment requirement of \$100 (10% of the purchase price) per property, inspection period of 30 days from the effective date, and specified development time frame that includes the issuance of a Certificate of Occupancy within 24 months of the effective date.

A separate Repurchase Agreement was prepared for each property which is to be executed upon closing that includes conditions that will survive the closing and allows the CRA 1) the right to repurchase the property if a Certificate of Occupancy for a new single family home is not received within 24 months (Development Time Frame) as identified in the Original Agreement and 2) the right to review and approve proposed construction plans prior to DBCLT submitting for building permit.

Attachments: Exhibit A - Location Map; Exhibit B - Resolution No. 2018-11; Exhibit C- Purchase & Sale Agreements for all parcels

CRA Attorney Review:

The CRA Attorney has prepared and reviewed the Resolution and the Purchase and Sales Agreements and Repurchase Agreements for all parcels.

Finance Review:

N/A

Funding Source/Financial Impact:

N/A

Timing of Request:

N/A