Agenda Item #: 5D-5

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date:

August 20, 2019

[] Consent [] Ordinance [X] Regular

[] Public Hearing

Department:

Department of Housing and Economic Sustainability

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to: A) adopt a Resolution of the Board of County Commissioners of Palm Beach County, Florida, authorizing the conveyance of certain residential real property to the Riviera Beach Community Development Corporation, Inc. (RBCDC), pursuant to Florida Statutes Section 125.38, without charge and with reservation of mineral and petroleum rights, but without rights of entry and exploration; **B) approve** a County Deed in favor of the RBCDC conveying a residential property at 928 W. 7th Street in the City of Riviera Beach.

Summary: Staff recommends Board of County Commissioners' (BCC) approval of the donation of a property to the RBCDC, a Florida not-for-profit corporation. This is a 0.1263-acre residential property with a single family home located at 928 W. 7th Street in Riviera Beach (PCN: 56-43-42-32-01-034-0280). The property escheated to the County in July 2017. The appraised value of the property is \$56,000. The Property Review Committee was not required to review the conveyance since the appraised value is less than \$250,000. The RBCDC has successfully implemented single-family housing projects and has an established track record in the affordable housing arena in Palm Beach County. The RBCDC proposes to fully rehabilitate this three (3) bedroom, one (1) bathroom, single family structure up to code, including upgraded electrical, plumbing, new flooring, energy efficient: HVAC appliances, low VOC paint in/out, porcelain tile, impact windows and doors, new roof if needed, xeriscape landscaping, and irrigation system. The home will be sold to a family earning no more than 80% of Area Median Income at an anticipated sales price not to exceed \$245,000. The income restriction will be in effect until December 31, 2049. The Board should be cognizant that as a result of the County's affordability restrictions on the property, it cannot be used to meet a Workforce Housing Program (WHP) obligation. Mineral and petroleum rights on the property will be retained by the County in accordance with Florida Statutes Section 270.11, without rights of entry and exploration. Approval of this item will convey County-owned property to the RBCDC and result in an increase in the County's affordable housing stock. Pursuant to the PREM Ordinance, a Supermajority Vote of five (5) Commissioners is required to approve the conveyance. District 7 (HJF)

Background and or Policy Issues: Florida Statutes Section 125.38 allows County property that is not needed for County purposes to be conveyed to a not-for-profit corporation organized for the purpose of promoting community interest and welfare. The property is currently in non-livable condition and is boarded up which prohibits access to the interior of the dwelling. In preparing the appraisal, the appraiser viewed the exterior of the property and used an extraordinary assumption that the interior condition is relatively similar to MLS photos taken in 2014 which show the interior is completely gutted. The cost to cure the condition of the interior is estimated to range from \$60,000 to \$80,000, depending on the complexity of repairs required and the quality of materials used. Staff believes that use of this extraordinary assumption is required and reasonable under the circumstances. As this is a donation, the exact value is less important than in a typical "for sale" transaction. The RBCDC has provided the attached Disclosure of Beneficial Interests that identifies it as a 501(c)(3) organization with no individuals or entities having a beneficial interest in its assets.

Attachment(s):

- 1. Location Map
- 2. Resolution
- 3. County Deed for 928 W. 7th Street, Riviera Beach
- 4. Letter dated May 13, 2019 from Riviera Beach Community Development Corporation

5. Disclosure of Beneficial Interests

Recommended I	34: Shathan Brown	8/9/19
	Department Director	Date
Approved By:	fal	8/14/19
	Assistant County Administrator	Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2019	2020	2021	2022	2023
Capital Expenditures					
Operating Costs		7			
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT					
# ADDITIONAL FTE POSITIONS (Cumulative)					
Sitem Included In Current Does this Item include the Budget Account No.:	e use of Fede				
und Dept Ur					-
B. Recommended Sou	rces of Fund	s/Summar	y of Fiscal I	mpact:	
NO FISCAL IMPACT	-			T	
c. Departmental Fisca	I Review:	Shairette M	ajor, Fiscal M	lanager II	_
	III. <u>REVII</u>	EW COMM	<u>ENTS</u>		
. OFMB Fiscal and/or	Contract De	velopment	and Contro	ol Comments	:
OFMB KP 8/12	Cladia PAM	Cont	act Develop	ment and Cor	ntrol 3
Legal Sufficiency:			1, %	,,,,,	
Assistant County Atto	<i>8/13/1</i> orney	19			
. Other Department F	Review:				
Department Director					

LOCATION MAP

928 W. 7th Street, Riviera Beach	NORTH
	A STATE OF THE PROPERTY OF THE
= Dr:Martin:Luther:King=Jr-Blvd=========	
	de la grande de la company de
W-7th·St	rSt

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AUTHORIZING THE CONVEYANCE OF CERTAIN RESIDENTIAL REAL PROPERTY TO THE RIVIERA BEACH COMMUNITY DEVELOPMENT CORPORATION, INC.. PURSUANT TO FLORIDA STATUTES SECTION WITHOUT CHARGE AND WITH RESERVATION OF MINERAL AND PETROLEUM RIGHTS, BUT WITHOUT RIGHTS OF ENTRY AND EXPLORATION.

WHEREAS, Riviera Beach Community Development Corporation, Inc., a Florida not for profit corporation ("the RBCDC"), has made application to the Board of County Commissioners of Palm Beach County requesting that Palm Beach County convey a 0.1263 acre residential property to the RBCDC for rehabilitation of a single-family home by the RBCDC for affordable housing purposes; and

WHEREAS, the RBCDC was founded in 2012 by the Riviera Beach Community Redevelopment Agency (RBCRA) for the purpose of improving and revitalizing neighborhoods in the CRA District and the City of Riviera Beach by developing and maintaining a permanent stock of affordable housing available for either sale or lease; and

WHEREAS, the RBCDC has successfully implemented both single-family and multi-family housing projects since its inception and has an established track record in the affordable housing arena in Palm Beach County; and

WHEREAS, the Board of County Commissioners of Palm Beach County hereby finds that Riviera Beach Community Development Corporation, Inc., a Florida, non-profit organization, is organized for the purpose of promoting community interest and welfare by making affordable housing available to the community, the aforementioned use constitutes a use for the community interest and welfare, such real property is required for such use, and such real property is not needed for County purposes; and

WHEREAS, pursuant to Florida Statute Section 270.11, Riviera Beach Community Development Corporation, Inc., has requested that such property be conveyed without reservation of and to release the rights of entry and exploration relating to phosphate, mineral, metals and petroleum rights; and

WHEREAS, the Board of County Commissioners of Palm Beach County hereby agrees to convey such property reserving phosphate, mineral, metals and petroleum rights but releasing any and all rights of entry and exploration relating to such rights.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:

Section 1. Recitals

The foregoing recitals are true and correct and incorporated herein by reference.

Section 2. <u>Authorization to Convey Real Property</u>

The Board of County Commissioners of Palm Beach County shall convey to Riviera Beach Community Development Corporation, Inc., without charge and by the County Deed attached hereto as Exhibit "A" and incorporated herein by reference, the real property legally described in such Deed, subject to a restrictive covenant limiting the use of such real property to use as affordable housing through December 31, 2049.

Section 3. Conflict with Federal or State Law or County Charter

Any statutory or Charter provisions in conflict with this Resolution shall prevail.

Section 4. <u>Effective Date.</u>

The provisions of this Resolution shall be effective immediately upon adoption hereof.

The foregoing Resolution was offered by adoption. The motion was seconded by Co a vote, the vote was as follows:	Commissioner ommissioner	, who moved its , and being put to
Commissioner Mack Berna Commissioner Dave Kerna Commissioner Hal R. Vale Commissioner Gregg K. W Commissioner Robert S. V Commissioner Mary Lou B Commissioner Melissa Mc	er, Vice Mayor che /eiss /einroth erger	
The Mayor thereupon declared the Resolution, 20	tion duly passed and	adopted this day of
	PALM BEACH COURTS	NTY, FLORIDA, BY ITS COMMISSIONERS
APPROVED AS TO FORM AND LEGAL SUFFICIENCY	ATTEST: SHARON F	
By: Howard J. Falcon III, Chief Assistant County Attorney	By: Deputy Clerk	

EXHIBIT A

PREPARED BY: Jeffrey Bolton, PBC Dept. of Housing & Economic Sustainability

1.5

RETURN TO: PALM BEACH COUNTY PROPERTY & REAL ESTATE MANAGEMENT DIVISION 2633 Vista Parkway West Palm Beach, FL 33411-5605

Property Address: 928 W. 7th Street, Riviera Beach, FL 33404

COUNTY DEED

This COUNTY DEED, made _______, by PALM BEACH COUNTY, a political subdivision of the State of Florida, by and through its Board of County Commissioners, whose legal mailing address is 2633 Vista Parkway, West Palm Beach, Florida 33411-5605, "County", and RIVIERA BEACH COMMUNITY DEVELOPMENT CORPORATION, INC., a Florida not for profit corporation, whose legal mailing address is 2001 Broadway STE 300, Riviera Beach, FL 33404-5612, "Grantee".

WITNESSETH:

That County, for and in consideration of the sum of Ten and 00/100 (\$10.00) Dollars to it in hand paid by Grantee, the receipt whereof is hereby acknowledged, has granted, bargained and sold to Grantee, its successors and assigns forever, the following described land lying and being in Palm Beach County, Florida:

INLET CITY LTS 28 & 29 BLK 34 THE ABOVE BEING THE REAL PROPERTY DESCRIBED UNDER TAX CERTIFICATE NUMBER 33134 IN THE TAX DEED RECORDED IN OFFICIAL RECORD BOOK 29205, PAGE 1041, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA (the "Property").

Reserving, however, unto County, its successors and assigns, an undivided three-fourths (3/4) interest in, and title in and to an undivided three-fourths (3/4) interest in, all the phosphate, minerals, and metals that are or may be in, on, or under the said land and an undivided one-half (1/2) interest in all petroleum that is or may be in, on, or under said land. The aforementioned reservation of phosphate, mineral, metals and petroleum rights shall not include and County hereby expressly releases any and all rights of entry and rights of exploration relating to such phosphate, mineral, metals and petroleum rights.

This County Deed is given subject to the following conditions and restrictions which are imposed by County upon Grantee as follows:

- 1. The Property is hereby restricted to use as a single family residential home occupied by, and affordable to, a person or family earning no more than eighty percent (80%) of the "Area Median Income" for Palm Beach County as defined by the United States Department of Housing and Urban Development, or any successor agency responsible for such definition (the "Housing Use Restriction").
- 2. This property is not eligible to be used for the Offsite Construction/Exchange Builder Option or other similar option developed by the County to meet a developer's workforce housing obligation offsite pursuant to the Palm Beach County Workforce Housing Program, contained in Article 5, Supplementary Standards, Chapter D. Density Bonus Programs, Section I. Workforce Housing, of the Palm Beach County Unified Land Development Code as may be codified or amended from time to time (the "Workforce Housing Prohibition").

- 3. Any conveyance of the Property or any portion thereof, by the Grantee before December 31, 2049, shall specifically recite the Housing Use Restriction in any deed conveying the Property or any portion thereof and shall include a reference to this County Deed by referencing the official record book and page number in which it is recorded. The Grantee shall obtain written approval of any subsequent purchasers from the Palm Beach County Department of Housing and Economic Sustainability prior to conveyance.
- 4. The conditions and restrictions imposed by this County Deed shall constitute covenants running with the land and shall be binding upon and burden the Grantee, its successors and assigns, having or hereafter acquiring any right, title, or interest in or to all or any portions of the real property described in this County Deed through December 31, 2049.

IN WITNESS WHEREOF, County has caused these presents to be executed in its name by its Board of County Commissioners acting by the Mayor or Vice Mayor of said Board, the day and year aforesaid.

ATTEST:	
SHARON R. BOCK CLERK & COMPTROLLER	PALM BEACH COUNTY, a political subdivision of the State of Florida
By:	By:Mack Bernard, Mayor
APPROVED AS TO FORM AND LEGAL SUFFICIENCY By: Assistant County Attorney	(OFFICIAL SEAL)

PREPARED BY: Jeffrey Bolton, PBC Dept. of Housing & Economic Sustainability

•)

RETURN TO:
PALM BEACH COUNTY
PROPERTY & REAL ESTATE MANAGEMENT DIVISION
2633 Vista Parkway
West Palm Beach, FL 33411-5605

PCN: 56-43-42-32-01-034-0280 Closing Date:_____ Purchase Price: \$0.00

Property Address: 928 W. 7th Street, Riviera Beach, FL 33404

COUNTY DEED

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WITNESSETH:

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Reserving, however, unto County, its successors and assigns, an undivided three-fourths (¾) interest in, and title in and to an undivided three-fourths (¾) interest in, all the phosphate, minerals, and metals that are or may be in, on, or under the said land and an undivided one-half (½) interest in all petroleum that is or may be in, on, or under said land. The aforementioned reservation of phosphate, mineral, metals and petroleum rights shall not include and County hereby expressly releases any and all rights of entry and rights of exploration relating to such phosphate, mineral, metals and petroleum rights.

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IN WITNESS WHEREOF, County has caused these presents to be executed in its name by its Board of County Commissioners acting by the Mayor or Vice Mayor of said Board, the day and year aforesaid.

ATTEST:	
SHARON R. BOCK CLERK & COMPTROLLER	PALM BEACH COUNTY, a political subdivision of the State of Florida
By: Deputy Clerk	By: Mack Bernard, Mayor
APPROVED AS TO FORM AND LEGAL SUFFICIENCY By: Assistant County Attorney	(OFFICIAL SEAL)



May 13, 2019

Sherry Howard, Deputy Director Palm Beach County, Department of Housing and Economic Sustainability 100 Australian Avenue West Palm Beach, FL 33406

Re: Real Estate Owned by Palm Beach County

Dear Ms. Howard:

I represent the Riviera Beach Community Development Corporation, Inc., (RBCDC), a nonprofit, tax exempt organization operating in the City of Riviera Beach, Florida. The primary area of focus and impact for this group is the area between Congress Avenue and the Intracoastal Waterway, including the Park Manor, Monroe Heights, and Riviera Beach Heights neighborhoods. Our charter allows us to operate throughout the City of Riviera Beach.

It is apparent from the Palm Beach County Property Appraiser's Office that you are the owner of various properties located throughout the City. These properties are vacant or derelict and provide opportunities for workforce housing development. RBCDC is particularly interested in the property located at 928 W. 7th Street, Riviera Beach, FL, PCN #56-43-42-32-01-034-0280. We would also be interested in other properties you own in the City.

This property is in the heart of several improvements and projects undertaken by RBCDC and the Riviera Beach Community Redevelopment Agency (CRA) including: an award winning Community Garden, a Linear Park, sidewalk improvements, affordable housing development, owner occupied rehabilitation, many beautification projects, and a community safety initiative that includes SmartWater, cameras, and a Neighborhood Watch Program.

This community, with the support of the City of Riviera Beach and the CRA, has embraced the Riviera Beach Renaissance/Infill Housing Program of the RBCDC. To that end, in 2017, we completed five new, single family homes that were sold to low-to-moderate income, first time homebuyers. One of our top priorities is the rescue of vacant and derelict properties.

RBCDC has also acquired several single-family properties and a small failed housing development; we are currently in predevelopment on these properties, which will deliver 30 new homeowners to the City this year.

ATTACHMENT 4

RIVIERA BEACH COMMUNITY DEVELOPMENT CORPORATION

www.rivierabeachcdc.org - www.rivierabeachcommunitygardens.org

We are requesting that you donate this parcel to RBCDC so that the property can be utilized for affordable housing. We currently have over 75 members in our Riviera Beach Homebuyers Club, all seeking homes as first-time homebuyers, including some employees of the City. We also recently partnered with Community Partners to host a very successful Housing Fair several weeks ago at our Marina Event Center. We had over 320 attendees. You will agree that affordable/workforce housing is top of the list for most of our families. We are confident that this donation will assist you with your strategic goals of impacting our community and facilitating an economic engine while improving the quality of life for our residents.

Please reply to this letter or contact me at (561) 844-3408 should you wish further information. We have attached a draft letter of intent to further facilitate this request. See Exhibit "A."

We look forward to discussing this donation with you as soon as possible.

Sincerely,

Darryl Leonard, Chairperson

Malachi Knowles, Real Estate Chairperson

Enclosures:

IRS Tax Exemption Letter

Board List

Financial Statement

LETTER OF INTENT

Purchaser:

Riviera Beach Community Development Corporation, Inc.

Sellers:

Palm Beach County

Property Control Number: #56-43-42-32-01-034-0280

Closing Date:

The transfer to occur within 90 days of the date of execution of an

agreement

Title Evidence:

Seller to provide

Closing Costs:

Paid by Buyer

Purpose:

Workforce Housing Development

Due Diligence:

Reports to be completed by RBCDC, prior to closing, before

approval by BCC:

-Survey

-Inspection, including roof and systems

-Appraisal

-Abstract of Title -Rehab cost estimate

-Application for permit prepared

-Marketing Plan

After closing, RBCDC will undertake the following within 30 days:

-Submit application for permit

-Develop an "After" elevation for marketing purposes

-Commence marketing activities

Within 30 days after receiving permit:

-Commence construction after executing contract

-Continue to market the unit

Within 120 days after receiving the permit:

-Complete construction

Within 60 days after CC:

-Close transaction with a first-time homebuyer

-Celebrate!

Financing:

RBCDC funds from cash reserves and/or Construction Line of

Credit

Development Plan:

Full rehab to bring property up to code, including upgraded electrical, plumbing, new flooring, energy efficient: HVAC, appliances, low VOC paint in/out, porcelain tile, impact windows and doors, new roof if needed, xeriscaped landscaping, sprinkler

system/rain barrel

Home Buyer:

Will be first time, at or below 80% AMI

Target Sales Price:

\$150,000 - \$200,000

Deed Restriction:

20 years

General Contractors:

Competitively procured

Marketing Plan:

-Opportunity circulated to eligible members of the Riviera Beach

Homebuyers Club

-Flyers throughout the community

-Shared with DHES for buyers on the waitlist

-Signage on property

-Announcement through Constant Contact, website, social media

-Shared through our realtor list

GRANTEE'S DISCLOSURE OF BENEFICIAL INTERESTS

TO: PALM BEACH COUNTY CHIEF OFFICER, OR HIS OR HER OFFICIALLY DESIGNATED REPRESENTATIVE

STATE OF FLORIDA COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority by the sworn, under oath, deposes and states as follows:	y, this day personally appeared, friant", who being by me first duly
1. Affiant is the President Development Corporation, Inc., a Florida not for which entity is the Grantee in the donation of the rattached Exhibit "A" (the "Property").	profit corporation, (the "Grantee") eal property legally described on the
3. Attached hereto, and made a part he listing of the names and addresses of every person o greater beneficial interest in the Grantee and the per or entity.	r entity having a five percent (5%) or
4. Affiant further states that Affiant is fa with the penalties provided by the laws of the Statements under eath.	miliar with the nature of an oath and te of Florida for falsely swearing to
5. Under penalty of perjury, Affiant dec Affidavit and to the best of Affiant's knowledge complete, and will be relied upon by Palm Beach Co Property.	and belief it is true, correct and
Print Affiant Name: Sall Licas	. ~
[X] who is perso	nd acknowledged before me this 31 st _, by _ 5 co + E V a
	Variary Public
TAMARA L.SEGUIN Notary Public – State of Florida Commission # GG095030 My Comm. Expires Apr 17, 2021 Bonded through National Notary Asso.	Tamara L-Seguin (Print Notary Name) NOTARY PUBLIC State of Florida at Large My Commission Expires: April 17, 202

EXHIBIT "A"

PROPERTY

INLET CITY LTS 28 & 29 BLK 34. THE ABOVE BEING THE REAL PROPERTY DESCRIBED UNDER TAX CERTIFICATE NUMBER 33134 IN THE TAX DEED RECORDED IN OFFICIAL RECORD BOOK 29205, PAGE 1041, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA

SCHEDULE TO BENEFICIAL INTERESTS

Grantee is only required to identify five percent (5%) or greater beneficial interest holders. If none, so state. Grantee must identify individual owners. If, by way of example, Grantee is wholly or partially owned by another entity, such as a corporation, Grantee must identify such other entity, its address and percentage interest, as well as such information for the individual owners of such other entity.

NAME	ADDRESS	PERCENTAGE
MA		OF INTEREST
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	•	
	·	
<u>.</u>	-	
	·	