



Legislation Details (With Text)

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Type: Departmental **Status:** Agenda Ready
In control: Board of County Commissioners
On agenda: 5/3/2022 **Final action:**
Title: APPROVAL OF AWARD AND DEVELOPMENT AGREEMENT BETWEEN MARTIN COUNTY AND EAST TO WEST DEVELOPMENT CORPORATION FOR EIGHT VACANT LOTS IN THE PORT SALERNO COMMUNITY REDEVELOPMENT AREA (CRA)
Sponsors:
Indexes:
Code sections:
Attachments: 1. Salerno lots1.JPG, 2. ETWC conceptual plans.pdf, 3. Port Salerno Affordable Housing Development Agreement FINAL.pdf, 4. SUPP MEMO withdrawing.pdf

| Date | Ver. | Action By | Action | Result |
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PLACEMENT: Departmental

TITLE:

APPROVAL OF AWARD AND DEVELOPMENT AGREEMENT BETWEEN MARTIN COUNTY AND EAST TO WEST DEVELOPMENT CORPORATION FOR EIGHT VACANT LOTS IN THE PORT SALERNO COMMUNITY REDEVELOPMENT AREA (CRA)

EXECUTIVE SUMMARY:

Through the RFP process, East to West Development Corporation (Developer) was recommended for award of eight vacant lots in the Port Salerno CRA (Property), upon which Developer will construct four single-family homes. The homes will be marketed and sold as affordable housing to income-eligible buyers. The Developer has executed a Purchase, Sale and Development Agreement (Agreement), which is presented to the Board for consideration.

DEPARTMENT: Administration

PREPARED BY: **Name:** Susan Kores
Title: Manager, Office of Community Development

REQUESTED BY:

PRESET:

PROCEDURES: None

BACKGROUND/RELATED STRATEGIC GOAL:

On January 12, 2021, the Board of County Commissioners removed certain properties, (including the

Property and 10 lots on Hawthorne Street in the Golden Gate CRA), from the Affordable Housing Inventory List. Consistent with that decision and prior Board direction, a Request for Proposal (RFP) was prepared and distributed, which sought proposals from organizations for the development of the Property as affordable housing, with the intent of transferring the Property to the organization(s) for such development.

Two proposals were received: one from Port Salerno Affordable, LLC and one from Developer. A selection committee made up of county staff, community members, Neighborhood Advisory Committee members and Affordable Housing Advisory Committee members convened to evaluate the proposals based on a specific set of criteria. Developer was recommended for the award.

The requirements of the RFP will be implemented through the proposed Purchase, Sale and Development Agreement for Port Salerno Affordable Housing (Agreement). Pursuant to the Agreement, Developer will have until 90 days after the effective date of the Agreement to conduct its due diligence on the Property, and the closing on the Property will occur 120 days after the effective date of the Agreement. At closing, the County will convey title to the Property to Developer, after which Developer will have 18 months to construct the four single-family homes. The Developer shall bear all costs related to the design, permitting and construction of the Property, along with all closing costs associated with the transaction. Additionally, the Developer will work with agencies in Martin County to recruit Martin County residents and assist them in the homebuying process.

The deed conveying the Property to the Developer, along with each deed conveying a home to an income-eligible buyer, will include certain deed restrictions, including (i) the Property shall remain as affordable housing for a period of 20 years, (ii) prior written consent shall be required from the County in the event the Developer or any subsequent owner sells, leases or otherwise transfers the Property or any portion thereof and (iii) a right of reverter, whereby the Developer shall transfer the Property back to the County if the deed restrictions are violated or if construction of the homes is not completed within the timelines set forth in the Agreement.

As stated above, the Property is being provided for the purpose of creating safe, decent and affordable housing for households that could not otherwise afford it. Affordable housing is defined as housing for which monthly rents or mortgage payments, including taxes, insurance and utilities do not exceed 30 percent of that amount which represents the percentage of the median adjusted gross annual income for the household categories, as defined below. The income ranges for the household categories are based on the percentage of median household income for Martin County and are adjusted for household size. The five household categories used to define affordable housing are as follows:

- Extremely low-income households: annual gross income does not exceed 30 percent;
- Very low-income households: annual gross income does not exceed 50 percent;
- Low income households: annual gross income does not exceed 80 percent;
- Moderate income households: annual gross income does not exceed 120 percent;
- Workforce housing: annual gross income does not exceed 140 percent.

Attached are the conceptual drawings of the four proposed homes to be constructed on the Property, with square footage and floorplans included. The Developer has executed the Agreement, which is attached for the Board's consideration.

Representatives from Developer will be available to make a brief presentation and to answer any

questions the Board might have.

ISSUES:

None

LEGAL SUFFICIENCY REVIEW:

This item has been reviewed for legal sufficiency to determine whether it is consistent with applicable law, has identified and addressed legal risks, and has developed strategies for legal defensibility.

RECOMMENDED ACTION:

RECOMMENDATION

Move that the Board approve the award of the eight Port Salerno lots to Developer for the construction of four single-family homes as provided herein; approve the Purchase, Sale and Development Agreement between Developer and the County; and authorize the Chairman to execute any and all documents necessary to complete the transaction.

ALTERNATIVE RECOMMENDATIONS

Provide alternative direction to staff.

FISCAL IMPACT:

RECOMMENDATION

None

ALTERNATIVE RECOMMENDATIONS

None

DOCUMENT(S) REQUIRING ACTION:

- Budget Transfer / Amendment Chair Letter Contract / Agreement
 Grant / Application Notice Ordinance Resolution
 Other:

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