



P. O. Drawer 1300
Pompano Beach, FL 33061

Phone: (954) 786-5535
Fax: (954) 786-7836

MEMORANDUM

DATE: **September 17, 2019**

TO: **Community Redevelopment Agency Board**

FROM: **Nguyen Tran, CRA Director**

THRU: **Greg Harrison, Executive Director**

SUBJECT: **First Amendment to Property Disposition and Development Agreement with Capital Group Developments, LLC**

Background:

The CRA entered into a Property Disposition and Development Agreement (Resolution 2016-29) with Capital Group Developments, LLC for the construction of four (4) single family homes within Ortanique Estates on March 15, 2016. The properties are located at 2020 NW 6th Place (Lot 100), 631 NW 19th Avenue (Lot 116), 650 NW 21st Avenue (Lot 131) and 620 NW 21st Avenue (Lot 134). Capital Group Developments, LLC completed the construction of two single family homes on Lot 116 and Lot 134; thereby leaving Lot 100 and Lot 131 to complete. Pursuant to the Property Disposition and Development Agreement and the submitted construction schedule, the estimated construction completion date for all four homes was anticipated to be April 1, 2019. This time schedule has elapsed and the Developer is requesting an extension to complete the remaining two homes.

Issue:

CRA staff received an extension request from Capital Group Developments, LLC on August 21, 2019. According to the request, the four homes were state of the art homes using Innova MGO SIPs Panels. These panels differed from the typical concrete block construction whereas the panels consisted of Magnesium Oxide Board (fiber cement) on either side of a foam interior. After the completion of the two homes, some issues arose with the joints in the units that had to be repaired multiple times in collaboration with Innova Eco Building Systems. The product and process was flawed and the Developer terminated the contracts for the remaining 2 homes with Innova Eco Building Systems. A new supplier was identified and an alternate CIP system would provide equivalent benefits without the manufacturing issues that were found with the previous supplier. The developer has submitted for permits on July 15, 2019 and is requesting that the construction time schedule be extended to the end of April 2020 for the completion of the remaining 2 homes.



P. O. Drawer 1300
Pompano Beach, FL 33061

Phone: (954) 786-5535
Fax: (954) 786-7836

Recommendation:

CRA staff recommends approval of the First Amendment to the Property Disposition and Development Agreement between the Pompano Beach Community Redevelopment Agency and Capital Group Developments, LLC which extends the construction completion date from April 1, 2019 to April 30, 2020.

CRA

POMPANO BEACH

P. O. Drawer 1300
Pompano Beach, FL 33061

Phone: (954) 786-5535
Fax: (954) 786-7836

