

THE ALS GROUP

Managing Risk to Influence Successful Outcomes

The Ag Reserve Pause: What Palm Beach County Developers, Lenders and Landowners Should Review Now

Key Takeaways

- A proposed pause on Agricultural Reserve development makes timelines uncertain, and that uncertainty is a risk in itself.
- Builder's risk terms, contract delay clauses, lender insurance requirements and coverage on idle sites may not stretch with a longer schedule.
- Vendor certificates keep expiring during a slowdown, so audit every active vendor's COI now.

Palm Beach County Commissioner Maria Sachs has called for a "pause" on new development in the 22,000-acre Agricultural Reserve west of Delray Beach and Boca Raton. She plans to propose specific land-use restrictions later in October.

Whatever the county decides, the uncertainty itself is a risk. Anyone with money, contracts or insurance tied to projects in or near the reserve should be reviewing their exposure now, not after the vote.

The ALS Group doesn't take sides on land-use policy. Our role is helping owners, developers and lenders understand where their risk sits when the ground shifts. Here is where we'd start.

Projects already in the pipeline

A pause, or even the prospect of one, can stretch timelines. Insurance programs and contracts built around a specific schedule may not stretch with them.

- **Builder's risk.** These policies are usually written for a set term. If construction starts later or runs longer, confirm extension options and costs before the term runs out.
- **Contract deadlines.** Review how your contracts handle delays caused by government or regulatory action, and who carries the costs while a project waits.
- **Lender requirements.** Loan agreements often tie insurance requirements to project milestones. If milestones move, make sure coverage still meets the loan terms.
- **Idle sites.** Vacant land and partially started sites carry different exposures than active construction. Check that property and liability coverage reflects the site's current status.

Vendor insurance doesn't pause

A paused project rarely means an empty site. Surveyors, site maintenance crews, security and early-phase contractors may still be working on or around the property.

Their certificates of insurance (COIs) keep expiring on their own schedule. During a slowdown, renewals are easy to miss because no one is actively onboarding vendors. A lapsed or deficient COI can leave the owner holding a claim that should

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have gone to the vendor's insurer.

A delay is a good time to check every active vendor's COI: current dates, required limits, and the right parties named as additional insureds.

Farm-worker housing brings its own exposures

Sachs has said farmers told her they need more dedicated housing for their workers inside the reserve, and she has contacted the Department of Agriculture about solutions. If worker housing moves forward, it will not look like standard residential development from a risk standpoint.

- **Owner or employer?** Employer-provided housing can blur the line between property owner liability and employer liability. The right coverage depends on how the housing is structured and who operates it.
- **Farm policies may not fit.** A policy written for crops, equipment and outbuildings may not contemplate residential units on the same land.
- **Construction still applies.** Any housing build carries the same contractor, builder's risk and COI requirements as other projects.

What to review now

- List every project, parcel and loan with exposure in or near the Agricultural Reserve
- Check builder's risk and property policy terms against realistic new timelines
- Review how contracts handle delays from government or regulatory action
- Confirm lender insurance requirements still match the revised schedule
- Audit active vendor COIs for expiration dates, limits and additional insured status
- Revisit this list once the county's October proposal is public

How The ALS Group can help

The ALS Group is a fee-based risk management consulting firm with more than 30 years of experience advising property owners, developers and lenders. We don't sell insurance, so our only interest is making sure your coverage fits your actual exposure.

If you have projects or vendors connected to the Agricultural Reserve, start with our free 10-COI Blindspot Audit. Send us 10 certificates and we'll show you where the gaps are. Learn more about our certificate compliance services.

If you need help with any risk or insurance related questions, please contact our Managing Principal, Albert Sica, at asica@thealsgroup.com or at 732.395.4251.

Source: Palm Beach County commissioner to propose 'pause' on Ag Reserve housing development amid resident concerns, WPTV, September 28, 2026