



## Hallandale Beach Community Redevelopment Agency Agenda Cover Memo

<b>Meeting Date:</b>	April 15, 2020		<b>File No.</b>	<b>Item Type:</b>	<b>Resolution</b>	<b>Other</b>		
			20-069	<i>(Enter X in box)</i>	<b>X</b>	<b>N/A</b>		
<b>Fiscal Impact:</b> <i>(Enter X in box)</i>	<b>Yes</b>	<b>No</b>	<b>Ordinance Reading:</b> <i>(Enter X in box)</i>		<b>1<sup>st</sup> Reading</b>		<b>2<sup>nd</sup> Reading</b>	
	<b>X</b>		<b>Public Hearing:</b> <i>(Enter X in box)</i>		<b>N/A</b>		<b>N/A</b>	
					<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>
					<b>X</b>			
<b>Funding Source:</b>	<b>HBCRA Loan, Series 2020</b>		<b>Advertising Requirement:</b> <i>(Enter X in box)</i>		<b>Yes</b>		<b>No</b>	
							<b>X</b>	
<b>Account Balance:</b>	<b>N/A</b>		<b>RFP/RFQ/Bid Number:</b>		<b>RFP#FY2019-2020-CRA001 BANK LOAN</b>			
<b>Contract/P.O. Required:</b> <i>(Enter X in box)</i>	<b>Yes</b>	<b>No</b>	<b>Project Number :</b>		<b>N/A</b>			
	<b>X</b>							
<b>Strategic Priority:</b> <i>(Enter X in box)</i> <p><b>Capital Improvements</b></p> <p>Goal 1 - Undertake Total Improvements of Public Realm <input type="checkbox"/></p> <p>Goal 2 - Promote Public/Public and Public/Private Partnership <input type="checkbox"/></p> <p><b>Promote Projects with Large-Scale Impacts</b></p> <p>Goal 1 - Issue a Request for Proposals (RFP) for NW infill Housing <input type="checkbox"/></p> <p>Goal 2 - Issue a Request for Qualifications (RFQ) for Dixie Highway/Foster Road parcel <input type="checkbox"/></p> <p><b>Priority Area:</b></p> <p>North West Quadrant <input type="checkbox"/></p> <p>FEC Corridor <input type="checkbox"/></p> <p>Southwest Quadrant <input type="checkbox"/></p> <p>Northeast Quadrant <input type="checkbox"/></p> <p>Southeast Quadrant <input type="checkbox"/></p>								
<b>Sponsor Name:</b>	Dr. Jeremy Earle , Executive Director		<b>Department:</b>		HBCRA			

## **SHORT TITLE:**

**A RESOLUTION OF CHAIR AND BOARD OF DIRECTORS OF THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY, HALLANDALE BEACH, FLORDA, APPROVING THE RECOMMENDATION OF AWARD OF REQUEST FOR PROPOSALS (RFP) #FY2019-2020-CRA001 (BANK LOAN) TO PNC BANK FOR A LOAN IN AN AMOUNT NOT TO EXCEED \$35,000,000 AT A NOT TO EXCEED COMBINATION INTEREST RATE (2.00% TAX-EXEMPT / 2.50% TAXABLE); AUTHORIZING THE EXECUTIVE DIRECTOR AND HBCRA ATTORNEY TO NEGOTIATE AND FINALIZE A PROMISSORY NOTE, LOAN AGREEMENT, SECURITY AGREEMENT AND RELATED DOCUMENTS WITH PNC BANK FOR A LOAN IN AN AMOUNT NOT TO EXCEED \$35,000,000 AT A NOT TO EXCEED COMBINATION INTEREST RATE (2.00% TAX-EXEMPT / 2.50% TAXABLE) FOR FURTHER APPROVAL BY THE CHAIR AND BOARD OF DIRECTORS OF THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY; AND PROVIDING AN EFFECTIVE DATE.**

## **STAFF SUMMARY:**

### **Background:**

On February 11, 2019, the Hallandale Beach Community Redevelopment Agency (HBCRA) Board of Directors approved the Strategic Planning Group to complete the modification of the HBCRA Redevelopment Plan. As part of the modification process, the HBCRA along with key stakeholders such as community members and business owners identified numerous capital improvement projects, which would serve to redevelop and revitalize each Quadrant of the CRA. The funding required for completed these capital improvement projects, which include such things as new sidewalks, lighting, landscaping and roadways, will require a substantial amount of funding to the tune of approximately \$84 million dollars.

Due to the fact that the HBCRA is funded on a yearly basis through, a mechanism called "Tax Increment Financing (TIF)", and because the HBCRA does not statutorily have reserves of tens of millions of dollars, the HBCRA would not be able to complete these large-scale infrastructure projects without seeking additional funding in the form of a loan that can be utilized to accelerate the projects for the benefit of the residents.

As the HBCRA approaches its sunset in 2026-2027, it is vital that investment decisions are made to maximize redevelopment potential. As the HBCRA develops plans to undertake these large-scale projects, new financing would be required. For this reason, the HBCRA Board of Directors on September 16, 2019, approved and adopted through resolution #2019-29-CRA to utilize the City of Pompano Beach contract (piggyback) with PFM Financial Advisors, LLC (PFM), for financial advisory services. Consequently, on November 18, 2019, the HBCRA Board of Directors authorized PFM to work with the HBCRA Executive Director, the

Procurement Department, the HBCRA Attorney, and HBCRA Treasurer to issue a Request for Proposal (RFP) for the HBCRA loan.

**Current Situation:**

On December 19, 2019, the Hallandale Beach Community Redevelopment Agency released solicitation RFP #FY2019-2020-CRA001 Bank Loan in an amount not to exceed \$35 million.

The release notice for RFP #FY2019-2020-CRA001 was sent via email to over ninety (90) vendors from the City's vendor list. RFP #FY2019-2020-CRA001 was advertised in the Hallandale Beach Chamber of Commerce website, City of Hallandale Beach's website, DEMNDSTAR website, and the social media pages of the City and HBCRA. In addition, RFP #FY2019-2020-CRA001 was also advertised through the Miami Minority Business Development Agency Business Center, the U.S. Small Business Administration, and the Broward County Community Relations and Outreach Section Office of Economic and Small Business Development.

The deadline for receipt of proposals for RFP #FY2019-2020-CRA001 was January 28, 2020 at 11:00 A.M. and three (3) firms submitted a proposal. A non-mandatory pre-proposal conference was held on January 13, 2020 at 11:00 A.M. and there was one (1) firm in attendance. In addition to providing the opportunity for firms to come and ask questions during the non-mandatory pre-proposal conference, the solicitation allowed for additional questions to be sent in via email by no later than January 14, 2020 at 11:00 A.M.

The HBCRA Board of Directors authorized PFM to review the proposals and to provide the HBCRA Executive Director a recommendation for award of a contract. The three (3) firms that were evaluated by PFM were:

Bank United, N.A.  
BB&T  
PNC Bank

PFM's recommendation is primarily based on the best combination of interest rate and terms and conditions. PFM's review of the proposals indicates that PNC provided the most attractive proposal for the loan. Consequently, PFM recommends PNC because it provides the best combination of interest rate (1.881% tax-exempt / 2.334 taxable) and terms and conditions on the loan.

**Why Action is Necessary:**

Pursuant to Chapter 23, Section 23-4, Competitive Bidding Required, all purchases of and contracts for equipment, supplies and contractual services, when the estimated cost shall exceed \$50,000 shall be based on competitive bids.

Furthermore, pursuant to Chapter 23, Section 23-6, Award of Contract, the Executive Director, shall have the authority to recommend to the Board of Directors award of contracts.

It is important to note that the Board voting on the selection of PNC Bank, is not a vote for any specific project. The CRA Executive Director will bring all projects to the Board for approval.

It is also important to note that the CRA will only draw down funds as needed, and will not indebt the CRA for the full amount of the loan immediately.

**Fiscal Impact:**

HBCRA loan issuance is in an amount not to exceed \$35,000,000. This amount includes cost of debt issuance, which are estimated at \$150,000.

**PROPOSED ACTION:**

Staff recommends that the Board of Directors award RFP #FY2019-2020-CRA001 Bank Loan to PNC Bank as recommended by PFM and authorize the Executive Director to execute any necessary documents.

**ATTACHMENT(S):**

Exhibit 1 – Proposed Resolution  
Exhibit 2 – Resolution 2019-029-CRA  
Exhibit 3 – RFP FY2019-2020-CRA001 Bank Loan  
Exhibit 4 – Procurement Award Memorandum  
Exhibit 5 – PFM Bank Loan Summary Sheet  
Exhibit 6 – PFM Bank Loan Recommendation