



Hallandale Beach Community Redevelopment Agency Agenda Cover Memo

Meeting Date:	October 21, 2019		Item Type: (Enter X in box)	Resolution x	Ordinance	Other	
Fiscal Impact: (Enter X in box)	Yes	No	Ordinance Reading: (Enter X in box)	1st Reading		2nd Reading	
	x		Public Hearing: (Enter X in box)	Yes	No	Yes	No
Funding Source:	5910-534050		Advertising Requirement: (Enter X in box)	Yes		No	
						X	
Account Balance:	\$3,598,062		RFP/RFQ/Bid Number:	N/A			
Contract/P.O. Required: (Enter X in box)	Yes	No	Project Number:				
	x						
Strategic Priority: (Enter X in box) <p>Capital Improvements</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 checked="" type="checkbox"/></p> <p>Promote Projects with Large-Scale Impacts</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>Priority Area:</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 checked="" type="checkbox"/></p>							
Sponsor Name:	Dr. Jeremy Earle, Executive Director		Department:	HBCRA			

Short Title:

A RESOLUTION OF CHAIR AND BOARD OF DIRECTORS OF THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY, HALLANDALE BEACH, FLORIDA, APPROVING THE FUNDING FOR THE CORNERSTONE GROUP IN AN AMOUNT NOT TO EXCEED \$783,250 FOR A MULTI-FAMILY RESIDENTIAL PROJECT KNOWN AS SOLARIS LOCATED AT 118 7TH STREET, HALLANDALE BEACH, FLORIDA; AUTHORIZING THE EXECUTIVE DIRECTOR AND HBCRA ATTORNEY TO NEGOTIATE AND FINALIZE AN AGREEMENT WITH THE CORNERSTONE GROUP TO PROVIDE FUNDING FOR THE DEVELOPMENT OF THE MULTI-FAMILY RESIDENTIAL PROJECT IN AN AMOUNT NOT-TO-EXCEED \$783,250; AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT WITH THE CORNERSTONE GROUP; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE ALL ACTION NECESSARY TO IMPLEMENT THE TERMS OF THE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

Staff Summary:

Background:

Peter Bluesten Park is located within the City's Central RAC which has been identified as a focus for redevelopment into a vibrant area. The park is also located within the City of Hallandale Beach's Community Redevelopment Area (HBCRA). The facility has been designed to not only serve the City, but also, to enhance the SE 1st Avenue Corridor and City Town Center as envisioned by the City's adopted Master Plan.

The Bluesten Park Project represents a significant public investment in this section of the HBCRA. Viewing this project as catalytic in nature, the HBCRA has explored options to leverage the public investment by expanding options for redevelopment in the immediate area.

Current Situation:

HBCRA Staff was recently approached by Pastor Anthony Sanders, other members of the NW Neighborhood, and Mr. Lenny Wolfe, co-founder of the Cornerstone Group concerning a proposed project located at 118 SE 7th Street which is on the southern side of Bluesten Park.

The Cornerstone Group is a Hollywood-based multi-family development firm that was established in 1993. Cornerstone has developed over 20,000 multi-family units in over 75 communities throughout the State of Florida. The firm has won numerous awards for its innovative designs as well as for its property management team that operates each of the properties they own.

The Cornerstone Group is proposing to build Solaris, a \$28,190,000, mixed income, 78 unit, 8 story, Green multi-family residential building on 1.86 acres located at 118 7th Street, adjacent to Bluesten Park. The building will consist of nineteen 1

bedroom, 1 bath units, forty 2 bedroom, 2 bath units and nineteen 3 bedroom, 2 bath units outfitted with market-rate finishes, including washer/dryers in every unit.

While designated as an affordable project, rents will range up to \$1455 for some of the 3 bedroom, 2 bath units. There will also be units for lower income families ranging up to \$657. Solaris will be designed by Forum Architecture which also designed the Waterford project that Cornerstone developed and still owns and operates across from Aventura Mall on West Dixie highway.

The Solaris will have a fitness center, business center, media room and other amenities for its residents. The residents will also be able to avail themselves to the adjacent Bluesten Park and YMCA.

Solaris would maximize the number of tenants who currently reside in Hallandale Beach as well as service personnel such as police officers, fire fighters and teachers. Solaris is proposing to advertise on the City's website to actively market to city residents and employees when applications for the property become available. Cornerstone is also willing to set up a booth at City Hall, the police department, etc. to make it easier for prospective tenants.

Cornerstone would also promote a job and subcontractor fair to attract local employees and businesses to participate in the construction and property management of Solaris.

Per the submitted proposal and Cornerstone's Community Development Block Grant (CDBG)/9% Florida Housing Finance Corporation (FHFC) application, Cornerstone is requesting \$783,250 from the HBCRA which is the amount required by the FHFC as a Local Government Area of Opportunity level contribution, to complete the Solaris project capital structure which includes \$21,289,000 in Tax Credit Equity, a \$15,000,000 Loan and a \$1,318,054 deferred developer fee.

Part of the Cornerstone's state application includes a community land trust (CLT) which will be the landowner and then lease to Cornerstone. The CLT's involvement, along with CDBG funding, would keep the project affordable in perpetuity, and provide Twelve (12) units at the ELI level for Broward County, 30 units at 60% AMI and 36 units at the 70% income level.

The provision of affordable housing is one of the fundamental roles that any CRA can play. Florida Statute 163.350 states in part that CRA's are to create workable programs that will aid in providing "housing affordable to residents of low or moderate income, including the elderly, or to undertake such of the aforesaid activities or other feasible county or municipal activities as may be suitably employed to achieve the objectives of such workable program."

The addition of mixed income affordable housing to the SE Quadrant, directly south of Bluesten Park is therefore in line with the mission and goals of the HBCRA.

Recommendation:

Due to the timing of this request, for Cornerstone to meet their FHFC application deadline, HBCRA Staff recommends that the HBCRA Board of Directors approve an award of \$783,250 which shall be distributed over a two-year period beginning in the year 20/22, if and only if, Cornerstone receives the award from the Florida Housing Finance Corporation (FHFC) based on their application. The funding by the HBCRA in an amount not to exceed \$783,250 for the development by the Cornerstone Group of a multi-family residential project known as Solaris at 118 7th Street, Hallandale Beach, Florida, which funding shall be paid in equal installments of \$391,625 in Fiscal Year 2020-21 and Fiscal Year 2021-22, provided, however, such approval is contingent upon the Cornerstone Group receiving an award from the Florida Housing Finance Corporation (FHFC) based on their submitted application and, if such award is not received from the FHFC, the funding approval is rescinded; provided, further, that this contingency may be changed by subsequent negotiations.

Fiscal Impact:

\$783,250

Attachment(s):

Exhibit 1 – Resolution
Exhibit 2 – FHFC Grant Form
Exhibit 3 – Preliminary Site Plan
Exhibit 4 – Project Summary
Exhibit 5 – Pictures