



City of Hallandale Beach City Commission Agenda Cover Memo

Hallandale Beach
PROGRESS. INNOVATION. OPPORTUNITY.

Meeting Date:	February 21, 2018		Item Type: <i>(Enter X in box)</i>	Resolution X	Ordinance	Other	
Fiscal Impact: <i>(Enter X in box)</i>	Yes	No	Ordinance Reading: <i>(Enter X in box)</i>	1st Reading		2nd Reading	
	X			Public Hearing: <i>(Enter X in box)</i>	Yes	No	Yes
Funding Source:	Sale of Property		Advertising Requirement: <i>(Enter X in box)</i>		Yes		No
						x	
Account Balance:			Quasi-Judicial: <i>(Enter X in box)</i>	Yes		No	
						x	
Project Number :			RFP/RFQ/Bid Number:	RFP # FY 2017-2018-002 COMMERCIAL REAL ESTATE BROKERAGE SERVICES			
Contract/P.O. Required: <i>(Enter X in box)</i>	Yes	No	Strategic Plan Priority Area: <i>(Enter X in box)</i>				
	X						
							Safety <input type="checkbox"/>
							Quality <input checked="" type="checkbox"/>
			Vibrant Appeal <input type="checkbox"/>				
Sponsor Name:	Roger M. Carlton, City Manager		Department:	Office of the City Manager			

Short Title:

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AWARDED RFP #FY 2017-2018-002, COMMERCIAL REAL ESTATE BROKERAGE SERVICES TO SELL CITY-OWNED REAL PROPERTY LOCATED AT 310 ANSIN BOULEVARD, HALLANDALE BEACH, TO THE HIGHEST RANKED FIRM, CBRE, INC.; AUTHORIZING THE CITY MANAGER TO NEGOTIATE A COMMISSION-BASED AGREEMENT WITH CBRE, INC. FOR THE SALE OF THE PROPERTY; AUTHORIZING THE CITY MANAGER TO NEGOTIATE WITH THE SUCCEEDING RANKED FIRM SHOULD NEGOTIATIONS WITH CBRE, INC. NOT BE SUCCESSFUL; AND PROVIDING FOR AN EFFECTIVE DATE.

Staff Summary:

Background:

On March 30, 2006, the City Commission voted 4/0 (Gibbons, Ross, Julian, Cooper) to approve the purchase of the Ansin Blvd. parcel located at 310 Ansin Blvd. for \$2,900,000. Thereafter, on June 20, 2006, the City of Hallandale Beach purchased the 2.74 acre Ansin Boulevard parcel for \$2,902,930 with the intent of utilizing same as a waste transfer station and storage facility for Public Works.

The City of Hallandale Beach has explored numerous options pertaining to development of the City-owned Ansin Blvd. property. When the property was purchased in 2006, the intent was to utilize same as a waste transfer station and storage facility for Public Works. The City Administration changed its recommendation regarding the waste transfer station. A vehicle storage facility was developed at the site at a cost of \$418,654, which is its current use. Thereafter, the City Administration explored the option of utilizing the property as a Compressed Natural Gas (CNG) station to both service certain sanitation vehicles (which are fueled by CNG) while increasing revenues by providing fueling services to outside agencies in need of a CNG fueling facility for their operations. After going through a formal solicitation process, it was found that there were no interested parties for the project. In addition, the cost of converting the facility to a CNG fueling station for the City's exclusive use proved to not be feasible.

On August 30, 2017, the City Commission was presented Summer Study 17-009 - Selling the Ansin Blvd. Vehicle Storage Facility (Exhibit 2). Staff recommended that the City take the necessary steps to sell the Ansin Blvd property by retaining a commercial real estate broker who specializes in the sale of industrial properties. A motion was approved by a 3-0 vote to move forward with the recommendations.

It is important to understand that the FY 17/18 General Fund Budget is built on generating at least \$2,058,840 from the sale of the Ansin Blvd. property, and that to balance the General Fund without this revenue would have required an additional .3808 mills of ad valorem tax or substantial reduction in services or a combination of both.

Current Situation:

Declaration of Surplus

Pursuant to Code Sec. 20-18, and the previously approved recommendations from the summer study, staff is recommending the City Commission declare the Ansin Blvd. parcel as surplus and declare the property be disposed of by a commercial real estate firm procured through a Request for Proposals (RFP).

Prior to the actual sale and conveyance of land, the City Commission must approve the sale. An ordinance is required to convey the land, consisting of two readings, including one public hearing with 10 days newspaper notice.

Release of RFP # FY 2017-2018-002 Commercial Real Estate Brokerage Services

As approved during the summer study workshops, staff released RFP # FY 2017-2018-002 Commercial Real Estate Brokerage Services on October 30, 2017. The release notice for the RFP was sent via email to seventy-six (76) vendors from the City's Vendor list. The RFP was advertised in the Daily Business Review. The RFP was also advertised in the Hallandale Beach Chamber of Commerce website, City's website, Demandstar website, and City and HBCRA Social Media pages. The RFP was also advertised to 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.

Non - Mandatory Pre-Proposal Conference: November 9, 2017 11:00 am.

The City held a Non - Mandatory Pre-Proposal Conference for this project. There was one (1) vendor in attendance at the Non-Mandatory Pre-Proposal Conference.

In addition to providing the opportunity for vendors to ask questions during the non-mandatory pre-proposal meeting, the solicitation allowed for additional questions to be sent in via email no later than **November 13, 2017 @ 11:00 am.**

Due Date: Responses to the RFP were due **December 4, 2017 @ 11:00 am.**

Proposals Received:

Three (3) proposals were received from the following vendors in order of highest ranked:

RANK	PROPOSING FIRM	COMMISSION PERCENTAGE PROPOSAL	VARIANCES
1	CBRE, INC.	4%	None Stated.
2	COLLIERS INTERNATIONAL OF SOUTH FLORIDA, INC.	5%	None Stated.
3	NAI RAUCH WEAVER NORFLEET KURTZ & COs	5%	None Stated

Evaluation Committee:

The Evaluation Committee, appointed by the City Manager, was composed of the following individuals:

- Jeremy Earle, Assistant City Manager
- Vanessa Leroy, Associate Planner
- Marc Burton, Partner at The Burton Firm (law firm)

On December 11, 2017, at 2:00 pm, a Sunshine Evaluation Committee meeting was held with the Evaluation Committee to discuss the proposals. At this meeting, all Evaluation Committee members came to a consensus that all three (3) firms met the minimum qualification requirements of the RFP and would continue through the evaluation process.

On January 3, 2018, the Evaluation Committee submitted rating sheets for all firms.

Fiscal Impact:

In order to fill the \$2,058,340 gap in the FY17/18 General Fund Budget, the property should be sold at minimum for the appraised value as determined by the June 2017 appraisal (found in Exhibit 2) of the property, approximately \$2.150 Million. This amount is slightly more than the budget gap to allow for the real estate commission. The awarded firm will be paid their proposed commission from the sale of the property. It is the staff's intent to incentivize the broker by offering a greater commission for the amount the sales price exceeds the \$2.150 Million floor price. The incentive commission levels will be negotiated after the award to the successful proposer.

Why Action is Necessary:

Pursuant to Sec. 20-18. - Surplus Property (a) Declarations (1) The City Manager is authorized to declare city-owned property which is no longer needed for a public use and with an estimated value of \$20,000 or less to be surplus property and disposed of such property. (2) The City Manager may recommend that the City Commission declare any City-owned property which is no longer needed for public use and has a value in excess of \$20,000.00 to be surplus property. Any City property declared to be surplus by the City Commission may be disposed of in the manner declared by the City Commission, including but not limited to sealed bids, auction and negotiated sale.

Further 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 City Manager, shall have the authority to recommend to the City Commission award of contracts.

Proposed Action:

Staff recommends the City Commission declare the Ansin Blvd property as surplus and declare the manner the property be disposed of by a commercial real estate firm procured through a Request for Proposals (RFP).

Staff also recommends the award of RFP # FY 2017-2018-002 Commercial Real Estate Brokerage Services to the highest ranked firm, CBRE, Inc, and authorizing the City Manager to negotiate and execute an agreement with CBRE, Inc., and should the negotiations not be successful, authorize the City Manager to negotiate with the second highest ranked firm, Colliers International of South Florida, Inc.

Attachment(s):

Exhibit 1 – Resolution

Exhibit 2 – Summer Study

Prepared by:



Tom Camaj, Contracts Coordinator