



Exhibit 3

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June 15, 2016

VIA ELECTRONIC MAIL

Daniel A. Rosemond, ICMA-CM
City Manager
City of Hallandale Beach
400 S. Federal Highway
Hallandale Beach, Florida 33009

**Re: Due Diligence & Economic Impact Analysis for Acquisition of Private
Property for Proposed Improvements to Hibiscus Street**

Client-Matter No. 38648.0012

Dear Daniel:

Please permit this correspondence to serve as a follow-up to my email communication to you on June 6, 2016 regarding the City Commission's discussion and inquiry concerning the most recent Cost Estimate for professional services associated with the City's need for due diligence services associated with potential public infrastructure improvements on Hibiscus Street. The gist of the City Commission's inquiry is focused primarily on the extent to which the remaining balance in the Cost Estimate (professional services not already incurred by this firm or its retained consultants i.e. Keith and Schnars, P.E.) will be applied to completing an economic impact analysis and estimate of compensation or damages that may be due to Village of Gulfstream Park (VGP) or other affected private property owners or businesses likely to be impacted by the City's prospective acquisition of private property for use in connection with public right-of-way improvements to Hibiscus Street.

As I have previously indicated, the economic analysis relating to the impact that the proposed Hibiscus Street improvements may have on VGP or other affected private property or business owners encompasses the following three independent elements which requires consideration:

1. Estimate of the value of the land to be acquired;
2. Estimate of any damages to the private property owners' remaining land; and
3. Estimate of any damages to any lawful business(es) which may be operating on the remainder property.

The Cost Estimate also includes a provision for estimated attorneys' fees, engineering, and real estate appraisal costs relating to providing the analysis and professional opinion as to the good

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faith estimate of market value any land that may be acquired by the City. Second, it also includes attorney and consultant fee projections for the analysis and opinions concerning the estimated damages, if any, to the private property owners' remaining lands.

However, the Cost Estimate does not include a complete projection of estimated attorneys' fees and cost of additional professional services associated with an analysis of potential business damages. In addition to my work, those professional services will likely be performed by a certified business value expert and/or a market consultant. We have not retained or consulted with any such experts, or attempted to estimate the costs associated with such services because, at the current date, neither VGP nor any other business owner(s) has shared any pertinent financial or business records with the City. Any meaningful analysis or opinion concerning potential business damages is dependent upon receipt of such information from the business owner(s). The Cost Estimate can be revised when the business owners operating on VGP property provides such information.

As it stands, the firm incurred roughly \$23,000 in attorneys' fees since being retained by the City on this matter through the date of the Cost Estimate. The Cost Estimate also includes an additional projection of attorneys' fees (approximately \$30,000) to complete the due diligence associated with the proposed Hibiscus Street improvements. The Cost Estimate further encompasses projected attorney time for communicating, negotiating and drafting certain documents associated with VGP's proposal that it and the City enter into a stipulation concerning protection of certain documents and information that may be exchanged in pre-acquisition discussions. VGP's draft agreements were received in this office and are now being reviewed by both myself and the City Attorney.

What is known, however, is that the prospective right-of-way improvements to Hibiscus Street would most certainly reduce failing level of service traffic flow on Hallandale Beach Boulevard (particularly westbound from NE 14th Avenue), by as much as 25 percent. Studies performed by Keith & Schnars, during both peak time and days, revealed that the chronic congested traffic flow is essentially ongoing throughout the entire week – even Saturdays and Sundays.

Sincerely,

Shutts & Bowen LLP

For
Sidney C. Calloway

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