



Hallandale Beach Community Redevelopment Agency

Board of Directors Meeting

Agenda Cover Memo

Meeting Date:	April 17, 2017		Item Type:	Resolution X	Ordinance	Other		
Fiscal Impact:	Yes	No	Ordinance Reading:		1st Reading		2nd Reading	
	X		Public Hearing:		Yes	No	Yes	No
						X		X
Funding Source:	5910- 56500 Construction in Progress		Advertising Requirement:		Yes		No	
							X	
Account Balance:	\$230,000 (Proposed amount for FY17-18)							
Project Number:	C1502		RFP/RFQ/Bid Number:		N/A			
Contract/P.O. Required:	Yes	No	Strategic Priority (Enter X in box):					
	X		<p>Capital Improvements <input checked="" type="checkbox"/></p> <p>Goal 1 - Undertake Total Improvements of Public Realm <input checked="" type="checkbox"/></p> <p>Goal 2 -Promote Public/Public and <input type="checkbox"/></p> <p>Public/Private Partnership <input type="checkbox"/></p> <p>Promote Projects with Large-Scale Impacts <input type="checkbox"/></p> <p>Goal 1 – Issue a Request for Proposals (RFP) for NW <input type="checkbox"/></p> <p>infill Housing</p> <p>Goal 2 – Issue a Request for Qualifications (RFQ) for Dixie <input type="checkbox"/></p> <p>Highway/Foster Road parcel</p> <p>Priority Area:</p> <p>North West Quadrant <input checked="" 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>					
Sponsor Name:	Roger M. Carlton, HBCRA Executive Director		Department:		HBCRA			



Short Title:

A RESOLUTION OF THE CHAIR AND BOARD OF DIRECTORS OF THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY, HALLANDALE BEACH, FLORIDA, APPROVING ADDENDUM NUMBER THREE TO THE DEVELOPMENT AGREEMENT BETWEEN THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY AND STUART AND SHELBY DEVELOPMENT, INC.; AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE ADDENDUM NUMBER THREE TO THE DEVELOPMENT AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

Staff Summary:

Background:

On November 17, 2014 the Hallandale Beach Community Redevelopment Agency (HBCRA) authorized the allocation of eleven (11) vacant lots to four different developers for the construction of new housing units to be sold as affordable housing opportunities to eligible buyers. The developers are:

- Stuart and Shelby
- Emerald Construction
- BAND
- Total Solutions

The Development Agreement(s) were also approved at the same meeting. Stuart and Shelby was originally assigned three units, which have been completed and sold; Emerald Construction built three units, which have been completed and sold; BAND built two units, which have been completed and one has been sold and Total Solutions was assigned three parcels for construction, with no activity taking place. Due to the inactivity from Total Solutions, numerous extensions to begin the process to build the houses, and the company's inability to provide a bond guarantee, Total Solution's development agreement was terminated on June 1, 2016, and the parcels assigned to Total Solutions were reassigned to Stuart and Shelby due to their performance and quality of work demonstrated during the construction of the other units. The HBCRA Board of Directors approved the reassignment of two of these lots (811 NW 4 Terrace and 817 NW 4 Terrace) to Stuart and Shelby on September 21, 2015. Both of these homes were built on schedule and sold on December 2016. The third lot located at 804 NW 4 Terrace was reassigned to Stuart and Shelby on October 2016 and they are undergoing the development approvals with the City's Planning and Zoning Division. Applications for construction permits will be submitted immediately after and construction is expected to be completed in 120 days after permit approvals. In summary, Stuart and Shelby has been assigned the construction of six single family homes during the Phase II of the project.

On December 16, 2015, the CRA acquired the property located at 802 NW 5 Terrace. The map below indicates the location of the property:



At the property, there was an unsafe structure in extremely blighted conditions as shown in the picture below:





After acquisition, the unsafe structure was demolished by the HBCRA. The parcel is now vacant and is suitable for a single family house.

As mentioned above, the In-Fill Housing RFP included eleven (11) parcels owned by the HBCRA at the time the RFP was released on 2014. The parcel located at 802 NW 5 Terrace should be allocated to a developer for the construction of a single family home under the In-Fill housing project. Staff considers it unnecessary to release another RFP to procure a developer for only one new single family house, and recommends assigning the construction to Stuart and Shelby due to their performance and quality of work demonstrated throughout the project.

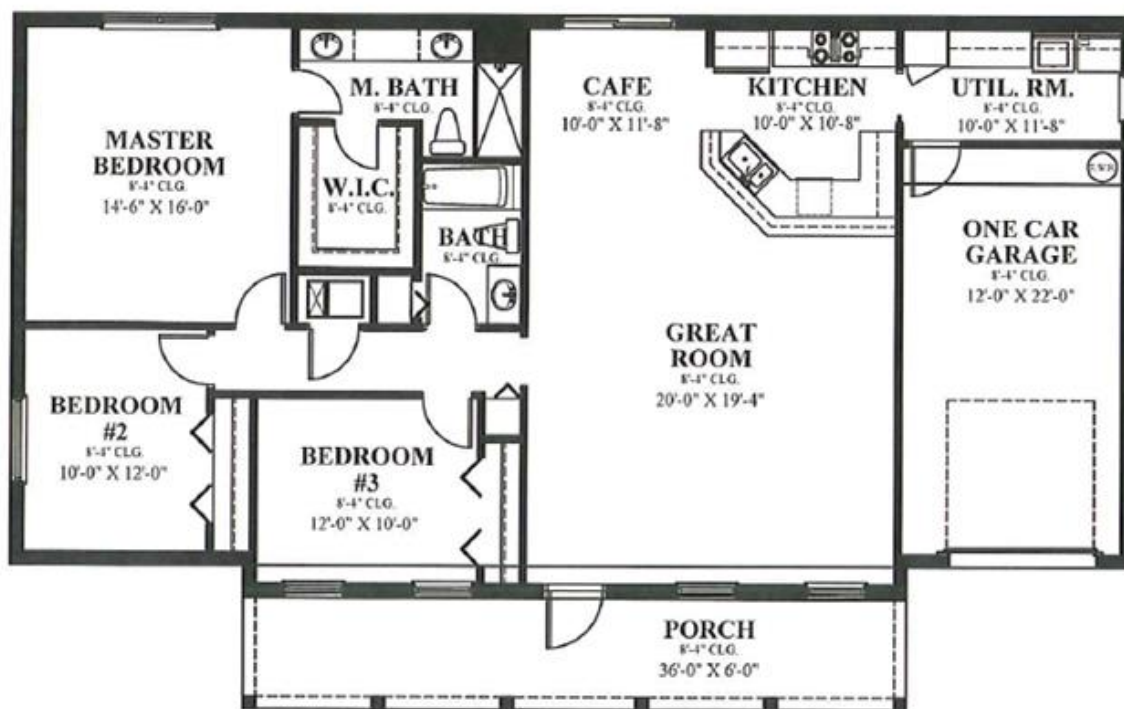
Current Situation:

HBCRA staff requested Stuart and Shelby to provide a proposal for the subject parcel. The Pelican design is recommended for the site, which is the same model house already built at 817 NW 4 Terrace (picture below).





Floor plan:



The details of the proposal are the following:

Unit Square Footage	1,796 SF
Bedrooms/Bathrooms	3 Bed / 2 Baths
Total Cost	\$214,184.00
Cost per SF	\$119.25

In regards to the Community Benefit Plan, Stuart and Shelby has exceeded their commitment with the built units, and has committed 20% of the project should the subject parcel be awarded to them.

HBCRA staff considers that Stuart and Shelby should be the selected company to build one single family unit at the subject location due to their reliability and performance during the In-Fill Housing Project, Phases I and II. The quality of the construction is excellent. Furthermore, Stuart and Shelby is reliable and has kept remarkable communication with HBCRA staff and new homeowners, throughout the process. On the other hand, other developers presented some difficulties with meeting the Project's benchmarks. Further and very important, Stuart and Shelby is the only developer that has been able to obtain green certifications for all constructed units.



Analysis:

Should the HBCRA Board approve staff's recommendation, construction costs will be allocated for the upcoming Fiscal Year 2017-2018 and the permitting process will begin after October 1, 2017. Construction is estimated to be completed 120 days after issuance of permits.

Pursuant to Section 163.380(3)(a) of the Florida Statutes the HBCRA advertised a legal notice for the disposition of the subject property on May 17, 2016 in the Sun Sentinel (Exhibit 4).

Why Action is Necessary:

Pursuant to Article 4 of the HBCRA By-Laws, Section 4.3 (Purchasing Goods and Services), the HBCRA Board of Directors must approve by motion expenditures in excess of \$25,000.

Fiscal Impact:

The HBCRA will cover the cost of construction by Stuart and Shelby of the single family house for \$214,184 during Fiscal Year 2017-2018.

Proposed Action:

The HBCRA Board of Directors authorize the Executive Director to negotiate and execute Addendum Number Three to Development Agreement with Stuart and Shelby for the construction of a single family house at the HBCRA owned property located at 802 NW 5 Terrace for an amount not to exceed \$214,184; and, should the firm fail to meet performance benchmarks, the Executive Director is authorized to terminate Addendum Number Three to the Development Agreement.

Attachment(s):

Exhibit 1 – Resolution

Exhibit 2 – Addendum Number Three to Development Agreement

Exhibit 3 – Proposal from Stuart and Shelby

Exhibit 4 – Notice of Disposal of Property for 802 NW 5 Terrace