




HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY (HBCRA)

MEMORANDUM

DATE: April 18, 2017
TO: Chair and Board Members of the HBCRA
FROM: Roger M. Carlton, Executive Director 
SUBJECT: Foster-Dixie Site

Background:

For the past several years, the site located on the N.W. corner of Foster Road and West Dixie Highway (the "Foster-Dixie Site") has been an ongoing redevelopment priority for the HBCRA Board and the community. In June 2014, after an RFP solicitation process, a Development Agreement for a mixed-use development project was awarded to Foster Road, LLC. After multiple time extensions, Foster Road, LLC requested further time to secure financing as well as a substantial increase in the HBCRA's financial investment in the project. After an evaluation by HBCRA Staff of the merits of Foster Road, LLC's request, the HBCRA Board terminated the Development Agreement on September 21, 2015. The main principal of this proposal was Nicolae Popescu.

In November 2015, the HBCRA hosted a breakfast meeting with the development community to garner interest in submitting proposals for the redevelopment of the Foster-Dixie Site. HBCRA Staff advised those in attendance that the HBCRA was seeking a development that would bring the highest and best use for the Foster-Dixie Site.

The map below depicts the 13 parcels that comprise the Foster Dixie Site. This is a 3.97 acre land assemblage with an attractive and functional footprint for a mixed-use development opportunity. To date, the HBCRA has invested \$5,046,739 in acquiring the 13 parcels that comprise the Foster-Dixie Site plus the related costs of acquisition which could be an additional \$500,000 (we have not had the time to calculate the exact amount).



Proposal Submissions:

In contrast to a formal RFP process where the submission requirements are standardized and uniform for all proposals, the unsolicited proposal process employed by the HBCRA for the Foster-Dixie Site permitted each proposer to determine their respective proposal format and content. HBCRA Staff did provide general guidance with respect to proposal requirements that would be deemed responsive for consideration. Accordingly, the format, length and level of detail associated with each unsolicited proposal was different.

The result of this process was that the following remaining three unsolicited proposals (three dropped out) submitted by the following developers were thoroughly evaluated by a designated Evaluation Committee comprised of five experts in the fields of community redevelopment, economic development, urban planning, transportation and mobility and financial valuation (see Evaluation Committee members attached):

- Atlantic Pacific Communities
- Hallandale City Center LLC
- Royal Castle Companies

The Evaluation Committee used mainly the following criteria to score and rank the proposals:

- Highest and best use of the Foster-Dixie Site
- Proposal alignment with long term redevelopment objectives for the NW Quadrant in accordance with the *2015 HBCRA Strategic Planning Retreat*.
- Developer financial capacity, relevant experience and ability to proceed in a timely manner
- Deal terms including developer contributions and HBCRA incentives
- Aesthetic/development contribution of the project

Pursuant to procedures implemented by the City's Procurement Department, Best and Final Offers ("BAFOs") were requested from the developers and received by the City Clerk on February 10, 2017. The BAFOs were distributed to the members of the Evaluation Committee. Based on the BAFOs, the Evaluation Committee held Oral Presentations at City Hall on April 5, 2017. All three developers received the Oral Presentation agenda as well as a list of questions from the Evaluation Committee. At the Oral Presentations, the Evaluation Committee had the opportunity to ask questions and seek clarification for each of the proposals. Following the Oral Presentations, the firms were ranked accordingly. Final scores were submitted to Procurement Department on April 8, 2017, and the information was provided to the Executive Director.

Evaluation Committee Recommendation:

The Hallandale City Center LLC proposal was overwhelmingly ranked first.

The mixed-income rental housing proposals from Atlantic Pacific Communities and Royal Castle Companies were contingent on securing Low Income Housing Tax Credits ("LIHTCs") as well as relying on securing layered State or County financing commitments, thus subject to an uncertain and attenuated timeframe for development. The process to secure LIHTCs for project financing is highly competitive. The Florida Housing Finance Corporation ("FHFC") received 58 eligible applications for LIHTCs under its RSA allocation (large counties) and selected only 7 of these for an allocation of \$12.8 million in 2016. FHFC's preliminary allocation for RSA's for 2017 indicates a slight increase.

Hallandale City Center ("HCC") is a mixed-use project that was developed in accordance with the NW Quadrant priorities. The development is comprised of 71 market rate rental units with a

supporting 25,000 S.F. retail component and a retail anchor. HCC has a well-established track record of development capability with a major portfolio in the State of Florida in general and the City of Hallandale Beach in particular. Examples of their work include Hallandale Shops, Beacon Hallandale, Hallandale Plaza, Beacon Aventura, Riviera Point Doral and Peninsula Condominium II. HCC has demonstrated resources to complete the HBCRA desired redevelopment of the Foster-Dixie Site. The proposed terms require no capital contribution or other incentives by the HBCRA beyond the conveyance of the HBCRA owned land.

Executive Director Recommendation:

Based on the foregoing, the Executive Director recommends the HBCRA Board to authorize negotiations for a Redevelopment Agreement for the Foster-Dixie Site, which Redevelopment Agreement will be brought back to the HBCRA Board for final approval. Should the HBCRA Board desire, one of our independent financial consultants can be retained at a cost of approximately \$12,500 at the appropriate time prior to the final approval of a Redevelopment Agreement with the highest ranked proposer.



Prepared by Lina Duran, HBCRA

Attachments:

Evaluation Committee Members
Project Renderings

FOSTER DIXIE SITE EVALUATION COMMITTEE MEMBERS

Jeremy Earle, AICP, ASLA, FRA-RA, Deputy Director. City of Fort Lauderdale, Department of Sustainable Development Economic and Community Investment

Edward "Ned" Murray, Ph.D., AICP is the Associate Director of the Metropolitan Center at Florida International University in Miami.

Althea Jefferson, City of Hallandale Beach Planning and Zoning Manager

Eric Houston, City of Hallandale Beach Transportation Planner

Lina Duran, City of Hallandale Beach Community Redevelopment Agency



BRIDGE





