

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (this “Agreement”) is made and entered into this 20th day of September, 2017, by and between the CITY OF HALLANDALE BEACH, FLORIDA, a Florida municipal corporation (the “City”) and the HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY, a public body corporate and politic (the “CRA,”) (the City and CRA are sometimes hereinafter referred to individually as a “Party” and collectively as the “Parties”).

RECITALS

Whereas, the Planning and Zoning Division of the Development Services Department is committed to improving the economic viability of the properties within the CRA; and

Whereas, both parties agree that a shared goal is to reduce the conditions that lead to slum and blight through improved opportunities for economic development; and

Whereas, the Planning and Zoning Division is working closely with the Hallandale Beach CRA to develop the Non-Compliant and Unpermitted Conversion Amnesty Program (NUCAP); and

Whereas, staff is entertaining an amnesty pilot program, called NUCAP, for non-compliant and unpermitted conversions, which would ease the process towards compliance ; and,

Whereas, the pilot project is scheduled to be launched in Fiscal Year 2016-2017; and

Whereas, the CRA desires to contract with the City to complete the work necessary for the vision study for the remaining years of the CRA; and

Whereas, the CRA and the City recognize the potential outstanding benefits of the project to the Specified Redevelopment Area and to the Citizens of Hallandale Beach, Florida; and

Whereas, it is in the best interest of the CRA, the City, and the citizens of Hallandale Beach, Florida to establish funding for this project through Fiscal Year 2016-2017.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the CRA agree as follows:

Section 1. Recitals and Authority.

1.1 Recitals. The Recitals set forth above are true and correct and are incorporated in this Agreement by reference.

1.2 Authority. This Agreement is entered into by the Parties pursuant to Section 163.01, Florida Statutes, known as the “Florida Interlocal Cooperation Act of 1969,” and Section 163.400, Florida Statutes, entitled “Cooperation by Public Bodies.”

Section 2. Intent. The intent of this Agreement is to provide the terms and conditions by which the Planning and Zoning Division will provide planning services to alleviate slum and blight conditions.

2.1 The City Planning and Zoning Division will provide Program Administration and will oversee all aspects of the Project.

Section 3. Method of Reimbursement and Compensation.

3.1 For the cost of these Services CRA agrees to pay to the City Sixty-Two Thousand One Hundred Dollars (\$62,100) for the abovementioned services.

3.2 Reimbursement to City. In consideration of providing the services described in Article 2 hereof by the City commencing from October 1, 2016, the CRA will compensate the City, to the extent funds of the CRA are budgeted and available and eligible for payment in accordance with Section 163.387(6), Florida Statutes, as consideration for services provided to the CRA during Fiscal Year 2016-2017 by the City. The CRA's payment obligations under this Agreement constitute an obligation to pay the indebtedness in accordance with the Act. These payments will be made upon receipt of an invoice from the City by September 30, 2017.

3.3 Method of Payment. The parties agree that the CRA's obligation to compensate the City pursuant to Section 3.1 hereinabove shall be made to City in accordance with the CRA approved budget. It is recognized and acknowledged that such is full compensation to the City therefore; provided, any outstanding payment obligation not waived shall be budgeted by the CRA and made available to the City prior to the termination of the trust fund as provided in Chapter 163 of Florida Statutes.

3.4 Annual Statement and Payment. The City shall prepare and present to the CRA an annual statement in time for the preparation and submission of the CRA annual budget. The annual statements reflect current year anticipated costs and all unpaid obligations from prior periods. Any amounts contained in the approved CRA budget for payment to City shall be paid by the CRA prior to September 30, 2017.

Section 4. Term. This Agreement shall continue in effect from October 1, 2106 to September 30, 2017.

Section 5. Records. The City and CRA shall keep such records and accounts as may be necessary to support the cost of services incurred by the CRA in accordance with this agreement, including but not limited to records and documents pertaining to the selection of third party service providers. Such books and records will be available at all reasonable times for examination and audit by CRA and shall be retained as provided by law or for no less than a period of six (6) years after completion of each requested service to be performed pursuant to this Agreement.

Section 6. Miscellaneous.

6.1 Headings. The headings of the sections of this Agreement are for convenience only and do not affect meanings of any provisions hereof.

6.2 Amendment. The terms, covenants, conditions and provisions of this Agreement cannot be altered, changed, modified or added to, except in writing signed by the City and the CRA and approved by the CRA Board and the City Commission.

6.3 Third Party Beneficiaries. Neither of the Parties intend to directly or substantially benefit any third party by this Agreement. Therefore, Parties agree that there are no third party beneficiaries to this Agreement and that no third party shall be entitled to assert a claim against either of them based upon this Agreement.

6.4 Construction. Both Parties have substantially contributed to the drafting and negotiation of this Agreement and this Agreement shall not, solely as a matter of judicial construction, be construed more severely against one of the Parties than the other.

6.5 Governing Law; Venue. This Agreement shall be interpreted and construed in accordance with and governed by the laws of the State of Florida. Venue for litigation concerning this Agreement shall be in Broward County, Florida.

6.6 Invalidity. If any term or provision of this Agreement, or the application thereof to any person or circumstance is determined to be invalid or unenforceable, then to the extent that the invalidity or unenforceability thereof does not deprive a Party of a material benefit afforded by this Agreement, the remainder of this Agreement or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, will not be affected thereby, and each term and provision of this Agreement will be valid and will be enforced to the full extent permitted by law.

6.7 Waiver. No express or implied consent or waiver by a Party to or of any breach or dealt by the other Party in the performance by such other Party of its obligations under this Agreement will be deemed or construed to be a consent or waiver to or of any other breach or dealt in the performance by such other Party of the same or any other obligations of such other Party hereunder. Failure by a Party to complain of any act or failure to act of the other Party or to declare the other Party in default, irrespective of how long such failure continues will not constitute a waiver by such Party of its rights hereunder. The giving of consent by a Party in any one instance will not limit or waive the necessity to obtain such Party's consent in any future instance.

6.8 Independent Contractor. In performing its obligations hereunder, the City shall be deemed an independent contractor and not an agent or employee of the CRA.

6.9 Assignment. Neither this Agreement, nor any interest herein, shall be assigned, transferred or otherwise encumbered by the CRA or the City without the prior written consent of the other Party.

6.10 Notice. Whenever any party desires or is required by this Agreement to give notice to the other party, it must be in writing and given by hand, sent by certified mail, with return receipt requested, or sent by a recognized overnight courier (e.g., Federal Express) addressed to the party for whom it is intended, at the address specified for notice by the Parties from time to time. Notice may also be given by electronic means (e.g., facsimile or email) provided such is followed up with a hard copy by one of the methods in the previous sentence.

6.11 Entire Agreement. No statements, representations, warranties, either written or oral, from whatever source arising, except as expressly stated in this Agreement, shall have any legal validity between the parties or be binding upon any of them. The Parties acknowledge that this Agreement contains the entire understanding and agreement of the parties with respect to the subject matter hereof.

[THE REST OF THIS PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the City and the CRA hereto have caused this Agreement to be executed as of the date first above written.

CITY:

CRA:

CITY OF HALLANDALE BEACH

HALLANDALE BEACH COMMUNITY
REDEVELOPMENT AGENCY

By: _____
Roger M. Carlton
City Manager

By: _____
Roger M. Carlton
Executive Director

ATTEST:

ATTEST:

By: _____
City Clerk

By: _____
HBCRA Clerk

Approved as to form and legal sufficiency:

Approved as to form and legal sufficiency:

By: _____
Jennifer Merino, City Attorney

By: _____
Gray Robinson, P.A.
HBCRA Attorney

EXHIBIT A

Proposed City of Hallandale Beach Non-Compliant & Unpermitted Conversion Amnesty Program (NUCAP)

Step by step development and implementation of the program by Development Services

1 – Focus on Other Enforcement Priorities.

During the development and implementation of the Non-compliant & Unpermitted Conversion Amnesty Program (NUCAP), Code Compliance staff will *react* to any complaints regarding illegal multi-family conversions by investigating in due time and issuing *courtesy* notices if appropriate. A copy of any such courtesy notice will be provided to the Director of Development Services for a decision regarding the next step, which will be conditioned upon the status of the NUCAP at that time. Options could, amongst other things, include the issuance of a Notice of Violation (NOV), inclusion in the NUCAP, or setting a date for revisit. Additionally, existing cases would not be prosecuted further until the appropriate point within implementation of the NUCAP. The objective of this approach would be to pursue compliance in the most consistent manner possible and to provide the same level of enforcement to the owner of each property within City known to have or suspected of having more dwelling units than are permitted.

2 – Inventory and Assessment

A – The designation of a pilot project area will be verified (by City Commission consensus). An inventory of known non-compliant properties (as of a date certain as determined by City Commission consensus) will be compiled. Those designated properties are to be included in the pilot project”. After the stated date, any new properties subsequently determined to be non-compliant would not be included in the pilot project and would not be eligible for its benefits unless included in a subsequent extension of the program approved by the Commission.

B – An RFP for a consultant team to assist the City with the implementation of the NUCAP will be issued. The successful team (“the assessment team”) to be procured would consist of a planner, an engineer, an attorney, and an economist, with one of the four professional acting as the team leader. The scope of their work would be to provide the City with an assessment report for each of the non-compliant properties. The assessment reports will be standardized to the extent possible, expanding the inventory to identify the non-compliant characteristics they have in common. The consultant team will coordinate with the City to develop a “toolbox” of measures that could be implemented to resolve the noncompliant situations *without reducing a property’s economic viability and/or the existing number of units – thus establishing its ‘new cap’*. (e.g. unity of title, lot split, a variance, a permit, reconstruction, parking installation, CRA grant or loan or partnership, flood plain exemption on value, use of flex units, etc.) The consultant team will then identify which tool(s)

could be used for each property. Each professional will review the potential solution for each property from their regulatory perspective -- except the economist would take the perspective of the property owner, the market, and the pro-forma scenarios.

C – The cost of the assessment reports is estimated to be \$62,100 [\$675 per professional (4) per property (23)]. There would be a risk that the properties included would not be interested in participating. However, engaging the property owners before the potential solution(s) specific to their situation has been analyzed is unlikely to compel them to resolve the issues created by enforcement.

3 – Pilot Program Kick-Off meeting

A – The owners of the properties included in the pilot project would be invited to a meeting. The program/pilot project would be explained at that meeting. The assessment report for each property would be provided to those in attendance with a letter seeking their willingness to participate (no commitment/admission of guilt at this time). A follow-up letter would be sent certified to each property owner that did not attend. The letter would set a date by which the property owners would be required to acknowledge their willingness to participate.

B – Depending on the level of interest and the trades needed to implement the solutions, the City would make available a team consisting of an architect, an engineer, a planner, an attorney, and a realtor or economist. In addition, the City would pre-qualify a list of contractors from which the property owners could choose to complete any necessary work. Before any work by this team (“the implementation team”) would be initiated, the homeowner would now commit to the program via an agreement acknowledging the violation and that a lien (non-forgivable) on the property for the costs to be incurred in attaining compliance through the program would be recorded until satisfied. A CRA property improvement loan might be included at this point.

C – The agreement with each participant property would clearly indicate that the objectives of the program are: *first and foremost*, to ensure that the units are safe, *second*, that the units are legalized in terms of zoning, *third*, that the property is improved overall from an aesthetic, curb-appeal standpoint as detailed in the agreement and, *finally*, that any fines or liens pending as a result of the previous non-compliance are mitigated.

4 – Achieve majority success

The pilot program elements – such as the items in the toolbox for legalizing the unit(s), the details of the agreements with the property owners, the terms of any loans, and the level of aesthetic improvements required to earn mitigation will continue to be adjusted and implemented until such time that more than 50% of the properties are progressing toward compliance. Once this “majority success” is established, an evaluation of the pilot project will be prepared by City staff.

5 — Consider establishing the program City-wide

The above referenced evaluation will make a recommendation regarding whether to establish the program City-wide and for what timeframe. It will also indicate a schedule for the transition back to normal enforcement of illegal conversions and how that would coincide with the City-wide program, if there is to be one.

[Insert schedule of payments by CRA to City]