



Hallandale Beach Community Redevelopment Agency Agenda Cover Memo

Meeting Date:	January 14, 2019		Item Type: (Enter X in box)	Resolution	Ordinance	Other	
Fiscal Impact: (Enter X in box)	Yes	No	Ordinance Reading: (Enter X in box)	1st Reading		2nd Reading	
		X		Public Hearing: (Enter X in box)	Yes	No	Yes
					X		
Funding Source:	N/A		Advertising Requirement: (Enter X in box)	Yes		No	
						X	
Account Balance:	N/A		RFP/RFQ/Bid Number:	N/A			
Contract/P.O. Required: (Enter X in box)	Yes	No	Project Number :	N/A			
Strategic Priority: (Enter X in box) Capital Improvements Goal 1 - Undertake Total Improvements of Public Realm <input type="checkbox"/> Goal 2 - Promote Public/Public and Public/Private Partnership <input checked="" type="checkbox"/> Promote Projects with Large-Scale Impacts Goal 1 - Issue a Request for Proposals (RFP) for NW infill Housing <input type="checkbox"/> Goal 2 - Issue a Request for Qualifications (RFQ) for Dixie Highway/Foster Road parcel <input type="checkbox"/> Priority Area: North West Quadrant <input type="checkbox"/> FEC Corridor <input checked="" type="checkbox"/> Southwest Quadrant <input type="checkbox"/> Northeast Quadrant <input type="checkbox"/> Southeast Quadrant <input type="checkbox"/>							
Sponsor Name:	Nydia Rafols Sallaberry, Interim Executive Director		Department:	HBCRA			

Short Title:

**PREVIOUS UNSOLICITED PROPOSALS - RESCISSION OF MOTION TO
NEGOTIATE FOR 203 AND 207 NE 3RD STREET AND 208 NW 5TH STREET.**

Staff Summary:

Background:

This item seeks to inform the HBCRA Board of Directors about the unsolicited proposal evaluation process and request the HBCRA Board rescind a motion made on May 15, 2017, authorizing the Executive Director to negotiate a Redevelopment Agreement between the HBCRA and CBV, LLC regarding an unsolicited proposal for 203 and 207 NE 3rd street.

The mission of the Hallandale Beach Community Redevelopment Agency (HBCRA) is to promote economic development and enhance the quality of life by eliminating and preventing blighted conditions through the facilitation of community partnerships, business growth, job creation, and neighborhood rehabilitation. To that end, the HBCRA will often carry out its mission through public-private partnerships (P3) to leverage the public funds it administers.

Redevelopment projects on HBCRA-owned land are often initiated through formal solicitations (Requests for Proposals, Invitation to Bid, etc.) in accordance with F.S. 163.380, which prescribes the legal process for disposal of real property in a community redevelopment area. However, from time to time, interested parties will submit an unsolicited proposal to the HBCRA for its consideration. During the past two years, the HBCRA has seen increased interest in the development of its properties. Consequently, in March 2016, the City Commission passed Resolution No. 2016-43 (Exhibit 1) adopting procurement procedures for public-private-partnerships and amending the fee schedule booklet to include an application fee for unsolicited proposals pursuant to F.S. 255.065.

It should be noted that, pursuant to its by-laws, the HBCRA follows the City's adopted procurement code and practices. Additionally, the HBCRA utilizes the services of the City's Procurement Department to administer any solicitation for goods and services.

On April 7, 2017, the HBCRA staff presented a proposed evaluation process for unsolicited proposals (Exhibit 2). This process was approved via Resolution No. 2017-07 (Exhibit 3). The preliminary review of an unsolicited proposal, prior to placement on the agenda, is as follows:

- Review the proposal to ensure it provides a benefit to the HBCRA and constitutes a desirable element to the overall vision of the HBCRA;
- Determine if the unsolicited proposal complies with existing codes, regulations and guidelines, growth targets for the area, potential benefits to residents and merchants;

- Review and evaluate constructability, design options, aesthetics of the unsolicited proposal;
- Review for future benefits such as jobs, revenues, potential success, and liability;
- Determine that the proposal removes slum and blight;
- Determine if land contribution, funding or other incentives from the HBCRA being requested are reasonable;
- Are the initial incentives offered by the Developer proportioned to the costs requested to be funded by the HBCRA; and,
- Does the project provide job opportunities and training for local residents as well as for the engagement of local contractors?

Based on the foregoing criteria and others which may apply only to the proposed project, the Executive Director will deem that the unsolicited proposal is viable for further consideration and once this determination is reached, the unsolicited proposal will be placed on the HBCRA Board's next available meeting for discussion.

After the unsolicited proposal is placed on the next HBCRA Board agenda, staff will:

1. Publish a notice in accordance with the requirements of F.S. 255.065, which shall include the unsolicited proposal project description, information to be included in a competing proposal, the evaluation criteria and schedule.
2. Allow for a reasonable time for submission of competing proposals(s) – not less than 30 days or more than 60 days from date of the published notice.

Should the HBCRA Board of Directors authorize the Executive Director to continue with the evaluation process, the following will take place:

- Upon completion of the established period for receipt of another proposal(s) as stated above, the Executive Director or his/her designee shall commence the evaluation process;
- The unsolicited proposal will be reviewed by the Executive Director or by his/her designee to determine if it meets the basic tenets of a project for consideration on the proposed site;
- If no other proposals are received, the Executive Director will negotiate the general terms pursuant to which the project will be developed and, if not satisfied with the results of the negotiations, may terminate negotiations and notify the HBCRA Board;
- If negotiations are successful, the unsolicited proposal will be presented to the HBCRA Board accompanied by a recommendation from the Executive Director.

It is important to note that if additional proposals are received within the permitted time frame, the Executive Director or his/her designee(s) will rank the proposals received in order of preference based on the following : in ranking the proposals, factors that may be considered include, but are not limited to, professional qualifications of team of developers, general business terms, innovative design techniques or cost-reduction terms, and finance plans. The Executive Director or designee(s) will negotiate with the highest-ranked firm. If not satisfied with the results of the negotiations with its highest rank firm, the Executive Director or designee(s) may terminate negotiations with the proposer and negotiate with the second-ranked or subsequent-ranked firms, in the order consistent with this procedure. If negotiations are successful, the proposal will be presented to the Board accompanied by a recommendation from the Executive Director. In any event, the Executive Director may reject all proposals at any point in the process and shall notify the Board.

Current Situation:

On May 15, 2017, the Hallandale Beach Community Redevelopment Agency Staff (HBCRA) presented to the HBCRA Board of Directors, three unsolicited proposals for potential developments from CBV, LLC, the developers of the approved City Center Development project. The unsolicited proposals consisted of (Exhibit 4):

1. Multi-Proposal for Foster Road and NW 8th Street. Comprised of one (1) 1,100 SF three-bedroom, two bath residential home, and one (1) 1,500 SF commercial building consisting of two retail bays with floor to ceiling windows and six parking spaces.
2. Arts Condominium (203 and 207 NE 3rd Street, adjacent to the proposed Icebox Restaurant and Commissary) A proposed project consisting of 9 residential rental units and 4,200 SF of retail space.
3. 208 Foster Condominium (208 NW 5th Street)

A proposed project consisting of twelve (12) condominium units, one (1) 2,891 SF retail bay, and one (1) 5078 SF office space. This project was slated to be developed on three HBCRA owned lots.

During said meeting the HBCRA Board of Directors directed the Executive Director, via motion, to start negotiations on these projects. It is important to note that there was no development agreement approved by the HBCRA Board, and

therefore, no conveyance of the property or development rights to the property were provided by the HBCRA to CBV, LLC at that time (Exhibit 5).

The HBCRA is currently in the process of modifying its vision for the Hallandale Beach Community Redevelopment Area based on the leadership and guidance from the HBCRA Board, and community stakeholders including, residents, developers, the business community and Staff. The HBCRA Board will discuss its Vision for the community at a soon to be announced Board retreat.

From a planning and redevelopment perspective, it is important to focus on a few primary areas with the greatest potential for significant redevelopment. A Primary Area that becomes the nexus for projects East and West of S. Dixie Highway is the Fashion, Arts and Design District (FADD).

To that end, on February 20, 2018, the HBCRA Board approved the framework for a series of incentives that would focus significant HBCRA financial resources over the next few years, into transforming the FADD and other priority areas within the HBCRA to an area with different types of restaurants, retailers, artist studios and galleries, microbreweries, and coffee shops (Exhibit 6)

The FADD itself is only the beginning. The completion of the Arts Square development with its 358 rental units in 2018, and the completion of the Hallandale Beach City Center Development in late 2020 to early 2021, along with the proposed new restaurants, retail, bars, and galleries discussed previously, will bring new life and activity to the surrounding areas. Based on discussion with HBCRA Staff, developers are currently making plans to purchase additional properties in the area, including the industrial/warehouse district bounded by NW 3rd Street, NW 2nd Street, and NW 6th Ave, to create a new entertainment, restaurant, and art district that will complement the FADD. Additionally, there are existing owners that are proposing to change their existing business uses into ones that are complementary to the new vision for the area. At this time, no economic development incentives have been approved by the HBCRA Board. These proposed new restaurants, retail, bars, and economic development incentives will be brought before the HBCRA Board for consideration on a case by case basis.

The attraction of new uses such as restaurants and entertainment to the FADD, however, will create the need for additional parking in the area. HBCRA Staff has therefore proposed that the HBCRA-owned property located at 203 and 207 NE 3rd Street, should be utilized in the short-term for surface parking. As demand grows in the area for parking, preliminary sketches have shown that the property has the potential for a parking garage with liner retail or restaurant bays. To achieve this, it is necessary for the HBCRA Board to rescind its March 15, 2017 Motion to allow HBCRA Staff to work on and develop a parking plan for the area.

In addition, HBCRA Staff is currently in discussions with property owners in the areas adjacent to the City Center project, to develop a plan which will include a small performing arts theater, artists' studios and galleries, residences, commercial and offices. When fully operational, this large project would complement the City Center Project, and aid in connecting that project to the FADD by way of a potential pedestrian bridge over the FEC Railroad Tracks, and new sidewalks that would connect the City Center development to the FADD (Exhibit 7).

Finally, HBCRA Staff is currently in discussions with potential restaurant owners, and proprietors, to develop what would be one of Broward County's first Food Halls along NE1st Avenue. Food Halls are a concept that has successfully been developed in both Palm Beach and Miami-Dade County's, as well as in many places throughout the U.S. Food Halls may be comprised of restaurants, offices, bars, lounges, art galleries, retail shops, and music. These projects bring people together in a vibrant environment. This concept will be brought for HBCRA Board consideration at a later date .

On Friday, July 16, 2018, the HBCRA Executive Director and Dr. Jeremy Earle, met with representatives from CBV, LLC, to bring them up to speed on the new plans for the areas adjacent to FADD, and to inform them of staff's intent to request to the HBCRA Board to rescind the motion to negotiate for unsolicited proposal regarding 203 & 207 NE 3rd Avenue. On June 29, 2018, the item was presented to the Board for consideration. At the time the item was removed from the agenda.

CBV LLC's City Center Project will be a major catalyst for change in the area. It is very important to understand that CBV LLC, is a major element in the future of the FADD by way of the City Center project, and that this rescission is no fault of the firm, in fact, it is an accommodation given to the HBCRA to help facilitate the rapidly evolving future of the FAAD.

Recommendation

Based on discussions with our development partners, HBCRA Staff will finalize negotiations with CBV LLC, on the 1,100 SF single-family housing development on one of the HBCRA vacant lots located at NW 8th Street, and the 1,500 SF commercial development on another HBCRA vacant lot folio #5142-21-170410 located along Foster Rd. The developers will (with HBCRA Board approval) therefore have two of the four (4) projects that the firm proposed.

Staff, recommends that the HBCRA Board rescind the motion to negotiate regarding the parcels located at 203 and 207 NE 3rd Street, and the parcels located at 208 NE 5th Street.

Rescinding the motion to negotiate will allow HBCRA Staff to continue working on the overall Vision Plan for the area to be presented for Board Consideration during

its visioning session and allow them to create new uses that will enhance the area and help to generate a positive buzz regarding the City of Hallandale Beach.

Attachment(s):

1. Resolution no. 2016-43
2. April 7, 2017 Agenda cover memo – Proposed Evaluation process for unsolicited proposal
3. Resolution no. 2017-07
4. Previously Received Unsolicited Proposals
5. CRA owned Property for Development
6. Resolution no. 2018-06 & Commercial Incentive Program
7. 203/207 Surface Parking Study
8. FADD Parking Studies



Prepared by: Jeremy Earle, Assistant City Manager