



Hallandale Beach Community Redevelopment Agency Agenda Cover Memo

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|--|---|-----------|---|-------------------------------|------------------|--------------------|-----------|
| Meeting Date: | February 11, 2019 | | Item Type: (Enter X in box) | Resolution X | 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 | No |
| Funding Source: | 130-5910-531010 130-5910-561000 130-5910-543010 130-5910-543020 130-5910-565000 | | 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 | | | |
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| 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 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 type="checkbox"/> Southwest Quadrant <input type="checkbox"/> Northeast Quadrant <input type="checkbox"/> Southeast Quadrant <input type="checkbox"/> | | | | | | | |
| Sponsor Name: | Dr. Jeremy Earle , Executive Director | | Department: | HBCRA | | | |

Short Title:

A RESOLUTION OF CHAIR AND BOARD OF DIRECTORS OF THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY, HALLANDALE BEACH, FLORIDA, AUTHORIZING THE EXECUTIVE DIRECTOR TO PURCHASE REAL PROPERTIES AVAILABLE THROUGH BROWARD COUNTY TAX DEED AUCTIONS IN AN AMOUNT NOT TO EXCEED \$100,000 IN ORDER TO PROVIDE AFFORDABLE HOUSING; AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE ALL NECESSARY DOCUMENTS AND TAKE ALL NECESSARY ACTION TO PURCHASE THE REAL PROPERTIES AVAILABLE THROUGH BROWARD COUNTY TAX DEED AUCTIONS; AND PROVIDING AN EFFECTIVE DATE.

Staff Summary:

Background:

Periodically, the City of Hallandale Beach, receives from Broward County Records, Taxes and Treasury Divisions, Tax Deed Section, upcoming tax deed auctions.

A tax deed is a legal document that grants ownership of property to a governmental body when the property owner does not pay taxes due on the property. A tax deed gives the government the authority to sell the property to collect the delinquent taxes and transfer the property to the purchaser. Such sales are called tax deed sales. A tax deed legally transfers ownership of a property that has been sold due to delinquent taxes.

Current Situation:

Although the number of properties in Hallandale Beach which are delinquent in their taxes varies throughout the year, there are currently approximately 102 such properties up for tax deed auction. Some of these are located within the Hallandale Beach Community Redevelopment Area (CRA).

The Hallandale Beach Community Redevelopment Agency (HBCRA) seeks the HBCRA Board of Directors approval to purchase tax deed properties up to an amount not to exceed \$100,000. This approval is important due to the fact that the HBCRA Board meets only once a month, which may not allow for enough time for Staff to meet the deadline for submitting the necessary paperwork required for the tax deed auction.

The process for bidding on one or more of these tax deed properties is as follows:

The HBCRA must register online at <https://broward.deedauction.net>. Prior to the auction, HBCRA would submit, to the County, a deposit equal to the greater of five percent (5%) of the anticipated final bid or \$200. This deposit can only be submitted online via an electronic debit (ACH deposit). The deadline to submit is by 5:00pm the Thursday prior to the auction. On the date of the auction bids for properties are submitted by open auction or proxy bid. Once the auction closes the HBCRA would log in and view the "Bidding Summary" which details all the deeds you have won. The Bidding Summary page would contain the checklist of what is necessary to finalize a settlement of the deed. The winning bidder would pay the winning bid amount plus documentary stamp taxes (\$0.70 per \$100.000, or a fractional portion thereof, of the amount bid) and recording fees. Failure to pay this amount by 11am on the next business day following the sale would be an automatic forfeiture of the deposit and property. Tax Deed is then issued to the winning bidder once full payment is received. The owner of the property can redeem the property prior to the issuance of the tax deed but cannot be redeemed once the County has received full payment for the tax deed. If the property is redeemed prior to the issuance of the tax deed, the bidder's deposit account will be automatically replenished and any subsequent final payment will be refunded.

Recommendation :

Staff recommends that the Board of Directors authorize the HBCRA Executive Director to purchase properties available through tax deed auction, in order to provide affordable housing, and to execute all necessary documents related to the purchase of the same real properties.

Why Action is Necessary:

According to Florida Statute 163.370(2)(c)(1) the CRA is authorized to purchase property; and according to the 2012 CRA Implementation Plan, Programmatic Goal R – Land Acquisition, Development and Related Activities. It is a goal of the CRA to purchase developed and/or vacant properties for purposes of affordable housing, economic development, assemblage and eventual sale.

According to Administrative Policy No. 2027.011, Policy and Procedures Related to Real Estate Acquisition, Disposition and Lease by the Hallandale Beach Community Redevelopment Agency – All acquisitions of real property for a purchase price in excess of \$25,000 (either individually or in the aggregate) shall require the approval of the HBCRA Board.

Fiscal Impact:

Funding will fluctuate depending on tax deed amount.

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| Attachement(s): |
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Exhibit 1- Resolution

Exhibit 2- Sample Tax Deed Notice

Lovern Parks

Prepared by: Lovern Parks, Residential Program Manager



Reviewed by: Jeremy Earle , Ph. D., AICP, FRA-RA, Executive Director / Assistant City Manager