



# City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:		Item Type:		1 <sup>st</sup> Reading	2 <sup>nd</sup> Reading
<b>12/18/2019</b>		<input checked="" type="checkbox"/> <b>Resolution</b> <input type="checkbox"/> <b>Ordinance</b> <input type="checkbox"/> <b>Other</b>	<del>Ordinance</del> Resolution Reading	<b>12/18/2019</b>	<b>1/15/2020</b>
			Public Hearing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
			Advertising Required	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
			Quasi Judicial:	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Fiscal Impact (\$):		Account Balance (\$):	Funding Source:	Project Number :	
<b>\$1,156,553</b>		<b>N/A</b>	<b>N/A</b>	Hallandale City Center Development Agreement	
Contract/P.O. Required		RFP/RFQ/Bid Number:	Sponsor Name:	Department:	
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<b>N/A</b>	<b>Greg Chavarria, City Manager</b>	<b>City Manager's Office</b>	
Strategic Plan Focus Areas:					
<input type="checkbox"/> <b>Financial</b>		<input type="checkbox"/> <b>Organizational Capacity</b>	<input checked="" type="checkbox"/> <b>Infrastructure</b>	<input checked="" type="checkbox"/> <b>Development, Redevelopment and Economic Development</b>	
Implementation Timeline					
Estimated Start Date: 12/18/19   Estimated End Date: 12/15/2020					

## SHORT TITLE:

**A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF HALLANDALE BEACH AND HALLANDALE CITY CENTER, LLC FOR THE HALLANDALE CITY CENTER PROJECT LOCATED AT 110 FOSTER ROAD/501 NW 1<sup>ST</sup> AVENUE, 605 NORTH DIXIE HIGHWAY/608 NW 1<sup>ST</sup> AVENUE, AND 501 NORTH DIXIE HIGHWAY, IN SUBSTANTIALLY THE SAME FORM AS ATTACHED EXHIBIT "2"; PROVIDING FOR AN EFFECTIVE DATE. (FIRST READING)**

## STAFF SUMMARY:

### **Summary:**

This staff report explains the proposed Development Agreement associated with the Hallandale City Center project. The applicant, Hallandale City Center LLC is requesting Major Development Approval via a Planned Development Overlay. Projects approved pursuant to such zoning are required by City Code to enter into a Development Agreement (DA) with the City to ensure that the impacts of the project are properly mitigated. The DA proposed for this project sets forth the terms and conditions upon which the property can be developed. The proposed development is for 89 residential units and 26,530 square feet of office and retail space on 3 parcels of land. (This staff report is about the DA -- see related agenda items regarding the project itself and details about the zoning-related approvals required.)

### **Background:**

Two public hearings are required by Florida Statute 163.3225 prior to City Commission approval of a Development Agreement. The first hearing is scheduled for December 18, 2019 and the second for January 15, 2020.

City staff and the applicant negotiate the terms of the proposed DA during the development review process. The City and the applicant mutually accept that there is a rational nexus between the proposed agreement's terms and the project's impacts. The City and the applicant also agree that there is reasonable proportionality between the impacts of the project and those development agreement terms aimed at mitigating those impacts.

### **Current Situation:**

In order to mitigate the impacts of the project on the City, the proposed Development Agreement, as submitted by staff for Commission consideration, includes the following monetary contributions:

<u>Item</u>	<u>Description</u>	<u>Contribution</u>	<u>Timing of Collection</u>
1	Public Safety Improvements	56,305	Prior to Permit
2	Parks and Open Space	86,775	Prior to permit
3	Transportation Mitigation	\$172,528	Temporary Certificate of Occupancy
4	Water	\$120,355	Prior to Permit
5	Sewer	\$145,925	Prior to Permit
6	Bus Shelter	\$25,000	Prior to Permit
7	Hallandale Beach Police Athletic League (PAL)	\$20,000	Prior to Permit
8	Area Marketing Campaign	\$5,000	Prior to Permit
	<b>TOTAL</b>	<b>\$631,888</b>	

**Item 1** is a fee of \$217 per unit and \$.31 per square feet of new commercial development for capital improvements related to Police Services; and \$204 per unit \$.40 per square feet of new commercial development for capital improvements related to Fire/Rescue Services.  $(89 \text{ units} \times \$217 + 26,530 \text{ s.f.} \times \$0.31)$  plus  $(89 \text{ units} \times \$204 + 26,530 \text{ s.f.} \times \$0.40) = \$56,305$ .

**Item 2** is a fee of \$975 per unit for capital improvements related to expanding Parks and Open Space – particularly land acquisition.  $[89 \times 975] = \$86,775$ .

**Item 3** is a fee that is typically calculated by applying a formula that takes the traffic generated by the project and the location of the project into account. In this case, that calculation requires a payment of \$172,528.

**Item 4** is the City's standard water impact fee, calculated based upon the number of units and the Gallons per Day the project is estimated to need. The funds will be utilized to ensure the City's system has the capacity to provide water service. Spreadsheet showing calculation available upon request.

**Item 5** is the City's standard sewer impact fee, calculated based upon the number of units and the Gallons per Day of wastewater the project is estimated to generate. The funds will be utilized to ensure the City's system has the capacity to provide sewer service. Spreadsheet showing calculation available upon request.

**Item 6** is a contribution for a bus shelter construction in the vicinity of the project.

**Item 7** is a contribution towards the Hallandale Beach Police Athletic League Police.

**Item 8** is a contribution for a Marketing and Branding campaign for the area. The funding will be used by the City to promote the area through a marketing strategy and campaign.

**Why Action is Necessary:**

Section 32-186(d)(2) of City Code requires a Development Agreement to govern any development approved pursuant to PDO. The overlay district, according to its stated purpose in Section 32-186 of the Code, "encourages flexibility in the design and negotiation of land development in order to promote its most appropriate use."

**Cost Benefit:**

The project's anticipated market value at build-out is \$ 21.5 Million. It is expected the proposed development will generate approximately \$154,665 in real estate taxes in the next year after completed. Approximately \$138,686 of the revenue would go to the City's CRA. The estimated building permit fee is approximately \$370,000 based on the applicant's estimated construction cost of \$17 Million.

In addition, the proposed Development Agreement includes terms which will help mitigate the impacts of the project on the City's infrastructures and services, for which total monetary contributions would amount to \$631,888.

<b>Proposed Action:</b>
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The City Commission may:

1. Approve the Development Agreement as presented.
2. Approve the Development Agreement with amendments.
3. Deny the Agreement and, in essence, the Planned Development Overlay request.

The attached Resolution, if approved on First Reading, will be scheduled for Second Reading for January 15, 2020.

<b>Attachment(s):</b>
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Exhibit 1 - Proposed Resolution Approving the Development Agreement for the Hallandale City Center Project

Exhibit 2 – Draft Proposed Development Agreement