



Hallandale Beach Community Redevelopment Agency Agenda Cover Memo

Meeting Date:	July 13, 2020		File No. 20-211	Item Type: <i>(Enter X in box)</i>	Resolution X	Other N/A		
Fiscal Impact: <i>(Enter X in box)</i>	Yes	No	Ordinance Reading: <i>(Enter X in box)</i>		1st Reading N/A		2nd Reading N/A	
	x				Public Hearing: <i>(Enter X in box)</i>		Yes	No
				X				
Funding Source:	5910-564010		Advertising Requirement: <i>(Enter X in box)</i>		Yes		No	
						X		
Account Balance:	\$92, 290		RFP/RFQ/Bid Number:		N/A			
Contract/P.O. Required: <i>(Enter X in box)</i>	Yes	No	Project Number:					
	x							
Strategic Priority: <i>(Enter X in box)</i> <p>Capital Improvements</p> <p>Goal 1 - Undertake Total Improvements of Public Realm <input type="checkbox"/></p> <p>Goal 2 - Promote Public/Public and Public/Private Partnership <input type="checkbox"/></p> <p>Promote Projects with Large-Scale Impacts</p> <p>Goal 1 - Issue a Request for Proposals (RFP) for NW infill Housing <input type="checkbox"/></p> <p>Goal 2 - Issue a Request for Qualifications (RFQ) for Dixie Highway/Foster Road parcel <input type="checkbox"/></p> <p>Priority Area:</p> <p>North West Quadrant <input type="checkbox"/></p> <p>FEC Corridor <input type="checkbox"/></p> <p>Southwest Quadrant <input type="checkbox"/></p> <p>Northeast Quadrant <input type="checkbox"/></p> <p>Southeast Quadrant <input type="checkbox"/></p>								
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 ISSUE A PURCHASE ORDER TO TESLA INC. FOR THE PURCHASE OF A 2020 TESLA MODEL Y MOTOR VEHICLE AT A COST NOT TO EXCEED \$54,290; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE ALL ACTION NECESSARY TO PURCHASE THE 2020 TESLA MODEL Y MOTOR VEHICLE FROM TESLA INC. AT A COST NOT TO EXCEED \$54,290; AND PROVIDING AN EFFECTIVE DATE.

STAFF SUMMARY:

Background:

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.

The HBCRA is in the process of hiring a new Code Compliance Specialist who will ensure compliance with City ordinances and zoning regulations, while providing for the overall health, safety, and quality of life issues of the community. The HBCRA Code Specialist will need a vehicle as part of their daily duties and will be using the current vehicle owned by the HBCRA.

Current Situation:

In our quest to purchase a vehicle to assist with our operations, the HBCRA has considered a Ford Interceptor Hybrid SUV as recommended by the City's Fleet Division, or a fully electric Tesla Model Y SUV. An analysis was done to show the true cost of ownership for the Ford Interceptor Hybrid, and the Tesla Model Y over a period of five years. The analysis is shown below.

Ownership Costs: 5-Year Breakdown						
Selected Model:						
2021 Ford Interceptor \$35,134						
Ownership Costs: 5-Year Breakdown						
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Tax Credit	\$0	\$0	\$0	\$0	\$0	\$0
Insurance	\$2,052	\$2,052	\$2,052	\$2,052	\$2,052	\$10,260
Maintenance	\$268	\$805	\$409	\$1,916	\$886	\$4,284
Repairs	\$1,160	\$1,160	\$1,160	\$1,160	\$1,160	\$5,800
Dealer Fees	\$2,108	\$0	\$0	\$0	\$0	\$2,108
Financing	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation	\$10,592	\$2,772	\$2,621	\$3,076	\$2,913	\$21,974
Gas/ Fuel (15k miles per year)	\$1,578	\$1,625	\$1,674	\$1,724	\$1,776	\$8,377
True Cost to Own®	\$17,758	\$8,414	\$7,916	\$9,928	\$8,787	\$52,803
Selected Model:						
2020 Tesla Model Y \$ 54,290						
Ownership Costs: 5-Year Breakdown						
	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Tax Credit	\$0	\$0	\$0	\$0	\$0	\$0
Insurance	\$1,440	\$1,440	\$1,440	\$1,440	\$1,440	\$7,200
Maintenance (needed every 25k miles)	\$0	\$0	\$2,000	\$0	\$0	\$2,000
Repairs (tires cost \$1,100)	\$0	\$0	\$0	\$1,100	\$0	\$1,100
Dealer Fees	\$1,300	\$0	\$0	\$0	\$0	\$1,300
Financing	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation rate(34% of \$52,990)	\$3,603	\$3,603	\$3,603	\$3,603	\$3,603	\$18,017
Fuel/ Energy (15k miles per year)	\$550	\$550	\$550	\$550	\$550	\$2,750
True Cost to Own®	\$6,893	\$5,593	\$7,593	\$6,693	\$5,593	\$32,367

Based on the analysis above, the true cost to own the Ford Interceptor Hybrid is \$87,937 (cost of vehicle, plus total cost to own) and the total true cost to own the Tesla Model Y is \$86,657 (cost of vehicle, plus total cost to own). This difference between the two cars at first appear to be minor, however, it is important to also factor in both the depreciation and the residual value of the vehicles after five (5) years. Once depreciation is considered, the resale value of the Ford Interceptor Hybrid is only \$13,160, whereas the resale value of the fully electric Tesla Model Y is \$36,273. The Tesla Model Y is almost three (3) times more valuable than the Ford Interceptor Hybrid at the end of the five (year) period. The purchase of the Tesla Model Y is therefore a better overall investment than the Ford Interceptor Hybrid.

In order to encourage fiscally sound decisions regarding sustainability within the HBCRA, and to implement the City's Sustainability Action Plan, the HBCRA is recommending the purchase of the fully electric Tesla Model Y SUV. The HBCRA is committed to the purchase of only electric vehicles until the sunset of the agency.

As an all-electric vehicle, the Tesla Model Y has a positive effect on human health and the environment due to reduced carbon emissions when compared with

competing internal combustion engine vehicles. This purchase is part of the HBCRA's sustainability initiatives which are a part of the CRA's recently approved Redevelopment Plan Modification. The size of the SUV will allow the CRA to continue to haul a large amount of supplies and Staff to and from various CRA related events including ground breakings, Paint the Town programs, and other meetings.

Recommendation:

Staff recommends approval of the attached resolution authorizing the HBCRA Executive Director to purchase a 2020 Tesla Model Y Vehicle. The CRA has worked with the Fleet administrator to obtain the best pricing for this model, as it was not included in the Florida Sheriff's Association Cooperative Purchasing Program Bid Number FSA19-VEL27. The price for the vehicle is \$54,290 and the cost for the charging station is approximately \$2,000 (includes permitting and installation by a certified electrician).

Why Action is Necessary:

Pursuant to the HBCRA By-Laws the HBCRA Board of Directors must approve all procurement of all goods and services in an amount more than \$50,000.

Fiscal Impact:

\$ 56,290

ATTACHMENT(S):

Exhibit 1 – Resolution
Exhibit 2 – Tesla Model Y EV Quote
Exhibit 3 – Ford Interceptor Hybrid Quote
Exhibit 4 – Vehicle Analysis