



Hallandale Beach Community Redevelopment Agency Agenda Cover Memo

Meeting Date:	February 17, 2021		File No.	Item Type: (Enter X in box)	Resolution		Other	
			21-007		X		Click or tap here to enter text.	
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:	5910-583050		Advertising Requirement: (Enter X in box)		Yes		No	
							X	
Account Balance:	FY 20/21 Budget		RFP/RFQ/Bid Number:		N/A			
Contract/P.O. Required: (Enter X in box)	Yes	No	Project Number:		N/A			
	X							
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 type="checkbox"/> Southwest Quadrant <input type="checkbox"/> Northeast Quadrant <input checked="" 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; APPROVING A PROFESSIONAL SERVICES AGREEMENT WITH THE LAW FIRM SPIRITUS LAW LLC TO PROVIDE LEGAL REPRESENTATION SERVICES TO THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY FOR THE REMAINDER OF FISCAL YEAR 2020-2021; AND PROVIDING AN EFFECTIVE DATE.

STAFF SUMMARY:

Current Situation:

At a duly noticed meeting of the Board of Directors on September 14, 2020, a Professional Services Agreement in the form of an engagement letter with the law firm Fox Rothschild LLP was approved for the provision of legal services to the HBCRA for Fiscal Year 2020-2021. Mr. Steven Zelkowitz, then partner with Fox Rothschild LLP, serves as the HBCRA Attorney. As of January 1, 2021, Mr. Zelkowitz left the employ of Fox Rothschild LLP to become an owner and Managing Partner of Spiritus Law LLC. The Professional Services Agreement in the form of the engagement letter with Spiritus Law LLC (see Exhibit 2) mirrors the agreement that was negotiated with Fox Rothschild LLP per the prior HBCRA Board's directive and is pro-rated for the remaining nine (9) months of Fiscal Year 2020-21.

All legal fees for all non-routine projects are to be estimated and budgeted with input from the Executive Director and paid on an hourly rate (see Exhibit 2).

The scope of services included in the engagement letter are listed below:

1. Flat Monthly Fee of \$2,500 for each of nine (9) remaining months with respect to HBCRA monthly Board meetings (includes preparation of all resolutions, preparation and attendance at meetings and after-action). The total remaining fiscal year flat fee for this category of work is \$22,500.
2. Hourly Monthly Fees with a cap of \$5,000 a month (\$45,000 for remainder of Fiscal Year 2020-21) for routine HBCRA staff matters including, but not limited to: residential loans documentation, drafting and revising agency governance documents and policies, agreement amendments, routine projects, and consultation with staff and Board members. Accordingly, the maximum total

amount of fees for regular Board meetings, routine services and title and lien searches for the fiscal year is anticipated to be

\$67,500; provided, however the parties agree to review this maximum total in June 2021 to ensure it is working out fairly.

3. All legal fees related to Redevelopment Agreements are to be paid from private party developer application fees on a cost recovery basis implemented and managed by the HBCRA; provided, however, the HBCRA will remain fully responsible to Spiritus Law LLC ("Firm") for payment of the Firm's invoices in the event the private party fails to pay. Such applies to any Redevelopment Agreements not yet executed and those executed Redevelopment Agreements for which the HBCRA collected an application fee and there is a balance remaining from such application fee. To the extent there are Redevelopment

Agreements for which the application fee was not paid or which application has or becomes exhausted, legal fees shall be on an hourly basis at the Rate (as \$225 per hour for all shareholders and of counsel at the firm and \$175 for all associates at the firm) and paid by the HBCRA. For new agreements, we will provide an original proposed budget when a proposal is received. Changes to the proposed budget will require the pre-approval of the Executive Director. Provided that any fees in excess of \$25,000 shall be approved by the HBCRA Board.

4. All legal fees for commercial loan closings to be paid by the borrower from the loan proceeds on an hourly basis at the Rate (as \$225 per hour for all shareholders and of counsel at the firm and \$175 for all associates at the firm).

5. All legal fees for all non-routine projects to be estimated and budgeted with input from the Executive Director and paid on an hourly basis at the Rate (\$225 per hour for all shareholders and of counsel at the firm and \$175 for all associates at the firm). Non-routine projects shall be identified by written notice to the Executive Director prior to the commencement of any billable time.

6. All legal fees for all real estate transactions shall be paid on an hourly basis at the Rate (\$225 per hour for all shareholders and of counsel at the firm and \$175 for all associates at the firm). With respect to real estate purchases, the Firm shall act as the title agent and provide a discount to the legal fees in the amount of 20% of the agent's share of the title insurance premium earned for that transaction.

7. The foregoing does not include litigation matters for which we will estimate and prepare a proposed budget for approval by the HBCRA Board.

8. Title and lien searches for residential programs in the amount of \$5,000. The Firm will order the searches from a title company as requested by the HBCRA and provide the searches to the HBCRA at cost without markup.

The total maximum for fees for routine services, title and lien searches for the remainder of Fiscal Year 2020-2021 is \$72,500, the terms of this agreement are valid until September 30, 2021.

Recommendation:

Staff recommends the adoption of the attached resolution approving a Professional Services Agreement with the firm Spiritus Law LLC to provide legal representation services to the Hallandale Beach Community Redevelopment Agency for the remainder of Fiscal Year 2020-21.

Why Action is Necessary:

Pursuant to the HBCRA By- laws the Board must approve all procurements for goods and services in excess of Fifty Thousand dollars (\$50,000) and Twenty-Five Thousand (\$25,000) for Professional Services. Pursuant to Section 23-8(2) of the City's Procurement Code, Professional Services are exempted from competitive bid requirements, which also consistent with State law.

Fiscal Impact:

\$72,500

ATTACHMENT(S):

Exhibit 1- Resolution

Exhibit 2- Engagement letter from Spiritus Law LLC