



Hallandale Beach
COMMUNITY REDEVELOPMENT AGENCY

Hallandale Beach Community Redevelopment Agency Agenda Cover Memo

Meeting Date:	December 18, 2024		File No.	Item Type:	Resolution	Other		
			24-511	<i>(Enter X in box)</i>	X			
Fiscal Impact: <i>(Enter X in box)</i>	Yes	No	Ordinance Reading: <i>(Enter X in box)</i>		1st Reading		2nd Reading	
	X		Public Hearing: <i>(Enter X in box)</i>		N/A	N/A		
					Yes	No	Yes	No
Funding Source:	5910-565000		Advertising Requirement: <i>(Enter X in box)</i>				X	
Account Balance:	\$2,000,000		RFP/RFQ/Bid Number:		N/A			
Contract/P.O. Required: <i>(Enter X in box)</i>	Yes	No	Project Number:		C1502			
Redevelopment Goals: <i>(Enter X in box)</i>								
Compact & Urban Development Projects								
Goal 1 - Catalytic projects that support the growth of local economy <input type="checkbox"/>								
Goal 2 - Transit supportive Development <input type="checkbox"/>								
Goal 3 - Neighborhood-level enhancements <input checked="" type="checkbox"/>								
Improve Connectivity within community								
Goal 1 - Development of complete streets <input type="checkbox"/>								
Goal 2 - Facilitate & Identify safe access to multiple modes of transportation <input type="checkbox"/>								
Goal 3- Provide Strategic parking solutions <input type="checkbox"/>								
Create CRA Resiliency								
Goal 1- Utilize innovative means to create sense of place to attract residents & visitors <input type="checkbox"/>								
Goal 2- Use diverse architectural styles & messaging to create iconic buildings & destinations <input checked="" type="checkbox"/>								
Goal 3- Prepare for sustainable future through smart technology, social & economic development Programs and environmental measures <input type="checkbox"/>								
Sponsor Name:	Dr. Jeremy Earle, Executive Director		Department:		HBCRA			

SHORT TITLE:

A RESOLUTION OF THE CHAIR AND BOARD OF DIRECTORS OF THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY AUTHORIZING THE EXECUTIVE DIRECTOR AND HBCRA ATTORNEY TO NEGOTIATE AND FINALIZE A FIRST AMENDMENT TO THE REDEVELOPMENT AGREEMENT BETWEEN THE HALLANDALE BEACH COMMUNITY REDEVELOPMENT AGENCY AND INVESTCOM CONSTRUCTION, LLC TO INCREASE THE EXPENDITURE LIMITATION FROM \$5,000,000 TO \$6,410,241.75 AND TO REINSTATE AND EXTEND THE TERM TO SEPTEMBER 30, 2026; AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE THE FIRST AMENDMENT TO REDEVELOPMENT AGREEMENT; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE ALL ACTION NECESSARY TO IMPLEMENT THE TERMS OF THE FIRST AMENDMENT TO REDEVELOPMENT AGREEMENT AND PROVIDING AN EFFECTIVE DATE.

STAFF SUMMARY:

Background:

The Hallandale Beach Community Redevelopment Agency (HBCRA) recognizes the need to address the city's current shortage of affordable housing. The problem of affordable housing is not only confined to volume but also concerns quality, including the creation of safe, modern housing solutions. The HBCRA has begun addressing the housing crisis where possible by constructing new affordable modular housing units, subsidizing affordable housing projects, and creating rental assistance programs.

On October 18, 2023, the HBCRA Board of Directors passed Resolution No. 2023-028, approving the purchase and installation of modular housing units from Investcom Construction LLC for vacant properties throughout the community redevelopment area for a not to exceed amount of \$5,000,000. Investcom Construction LLC initial proposal, identified the following 3 HBCRA properties slated for modular development:

Location	Number of units	Cost
128-132 SE 2nd Street	14-Unit Complex	\$ 3,659,303.00
617 NW 4th Ave	2-Unit Duplex	\$ 767,537.00
803 NW 4th Ter	2-Unit Duplex	\$ 367,336.00
	Total	\$ 4,794,176.00

The HBCRA has made a concerted effort to maximize affordable housing rental units on its properties and throughout the redevelopment area. Since board approval, staff has held various meetings with the Design-Build team and COHB building staff to review the maximization of unit counts based on zoning ordinances, as well as schematic layouts, exterior renderings, sustainability goals, parking requirements, and project costs. During this review, it was determined that

the development site at 128 – 132 SE 2nd Street would be eligible for additional units under the new zoning ordinance and would allow the HBCRA to increase the number of affordable rental units from 14 to 21.

Investcom was initially approved to construct 18 units on the three HBCRA properties above. However, the developer will no longer construct housing units at two properties (617 NW 4th Ave & 803 NW 4th Ter). To meet the urgent need for affordable housing, the agency has engaged various developers and contractors through formal procurement processes (RFPs & ITBs) to construct and rehab housing units on HBCRA properties.

The property located at 617 NW 6th Avenue was awarded to the developer Journey C&D via Resolution No. 2023-016 for the site preparation and installation of pre-purchased modular housing. The COHB Department of Sustainable Development is currently reviewing the plans for this project, which is anticipated to be completed in May 2025. The property at 803 NW 4th Terrace will be assigned to another developer.

Current Situation:

The results of the various schematic design review meetings modified the proposed 14-unit complex at 128 – 132 SE 2nd Street and increased the number of units from 14 to 21. The 21 units will be comprised of 3 bedroom/2 bathroom, 2 bedroom/2 bathroom, 1 bedroom/1 bath, and Micro units (see chart below). The HBCRA staff has reviewed the schematic design and is ready to issue a notice to proceed.

128-132 SE 2nd Street (21 Unit apartment complex)		
Type of Unit	Size	# of Type of Units
3 Bedroom 2 Bath	1228 sq ft	2
2 Bedroom 2 Bath	1080 sq ft	2
2 Bedroom 2 Bath	841 sq ft	1
1 Bedroom 1 Bath	766 sq ft	5
Micro	478 sq ft	11
Total		21

On November 7, 2024, Investcom Construction LLC provided an updated cost proposal that included energy-efficient appliances, EV parking infrastructure, fire suppression systems, and increased the number of units to 21, totaling \$5,383,530. Additionally, the proposal included a recommended Owner’s contingency of approximately 15% (\$807,529.50) to cover possible unforeseen conditions during construction and a separate amount of \$219,182.25 to cover estimated City and County permitting fees. The total project cost is \$6,410,241.75.

The project cost increased by a total of \$1,410,241.75, which includes \$383,530.00 for Development Costs, \$807,529.50 for recommended Owner's Contingency, and \$219,182.25 for estimated City and County permitting Fees.

Recommendation:

HBCRA staff recommends the HBCRA Board of Directors approve the attached resolution, authorizing the Executive Director to execute the First Amendment to the Redevelopment Agreement to provide for an increased expenditure limitation from \$5,000,000 to \$6,410,241.75 and that the Term of the Redevelopment Agreement be reinstated and extended to September 30, 2026.

Fiscal Impact:

\$1,410,241.75

\$5,000,000 is already encumbered

Why Action is Necessary:

Pursuant to Code of Ordinances, in accordance with Procurement Code Section 23-12 Procedures for purchases in excess of \$50,000, (7) Change Orders, Any change in the contract price, scope of work or time for completion of any project following the award of a contract shall be by a written change order, approved by the city manager and executed with the same formalities as the contract. a. The city manager may approve any change orders so long as the total sum of all change orders does not exceed the total amount awarded by the city commission by more than either ten percent of the contract cost or \$50,000.00, whichever is less. The scope of any project may not be changed without prior approval of the city commission.

PROPOSED ACTION:

HBCRA Board of Directors approves the proposed resolution authorizing the Executive Director to execute the First Amendment to the Redevelopment Agreement to provide for an increased expenditure limitation of \$6,410,241.75 and that the Term of the Redevelopment Agreement be amended and extended to September 30, 2026.

ATTACHMENT(S):

- Exhibit 1 – Resolution
- Exhibit 2 – Global Modular Cost Proposal
- Exhibit 3 – Global Modular Plans & Rendering

Prepared By: *Kenneth Bowe*

Kenneth Bowe
Project Manager

Reviewed By: *Kathleen Weekes*

Kathleen Weekes
Redevelopment Manager

Reviewed By: *Faith Phinn*

Faith Phinn
Deputy Executive Director