

**CITY OF HOLLYWOOD, FLORIDA
INTEROFFICE MEMORANDUM
POLICE DEPARTMENT**

DATE: September 5, 2014 **FILE NO.:** 14-055

TO: CATHY SWANSON-RIVENBARK, ICMA-CM, AICP, CECd
City Manager

FROM: FRANK G. FERNANDEZ
Chief of Police

SUBJECT: Public Safety Calls for Service for Properties Owned
By COSAC Homeless Assistance Center and Sean Cononie

ISSUE:

Public safety calls for service for properties owned by COSAC Homeless Assistance Center and Sean Cononie.

EXPLANATION:

At your request, I have gathered information pertaining to public safety calls for service at the following locations.

Location / Owner	Police Calls for Service 1/1/13 - 7/11/14	Fire Calls for Service 1/1/13 - 7/23/14
1203 North Federal Highway - COSAC	234	411
550 North 66th Terrace - COSAC	2	0
2323 Cleveland Street - COSAC	0	0
901 Northwest 70th Terrace - COSAC	0	0
2131 Cleveland Street - Cononie	1	4
2354 McKinley Street - Cononie	0	0
7508 Grant Street - Cononie	0	0
1936 Garfield Street - Cononie	8	1
TOTAL CALLS	245	416

Police Calls for Service on Federal Highway between Taft Street and Young Circle from January 1, 2014 through August 21, 2014	374
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The total number of public safety calls for service from January of 2013 through July of 2014 is 661. The total police calls for service for the Federal Highway area between Taft Street and Young Circle is 374.

RECOMMENDATION:

For your information.



Cathy Swanson-Rivenbark
City Manager
City of Hollywood
2600 Hollywood Boulevard
Hollywood, FL 33020-4807
September 28, 2014

Subject: Acquisition of Cosac Homeless Assistance Center Property

Dear Ms. Swanson-Rivenbark:

As we understand it, the City of Hollywood has made an offer that has been accepted to purchase a 16,000 +/- square foot building on a ½ acre parcel located at 1203 N. Federal Highway. The building, which is configured as a group quarters facility has been utilized as a homeless assistance and newspaper distribution center.

As you know, we have recently completed a market assessment of the N. Federal Highway corridor to determine the potential of realizing new investment along the corridor. We have also evaluated various funding structures for right-of-way improvements through the use of a business improvement district, neighborhood improvement district, and/or special assessment of property owners.

As it relates to the acquisition of the 1203 N. Federal parcel, although we generally advise our municipal clients not to acquire property in the name of economic development because we find there are often more efficient strategies for using public funds to prime the private market there are certain exceptions to our rule. Indeed, the Cosac Center Property is just such an exception.

It is often difficult for private investment to take root in corridors such as N. Federal Highway that have a concentration of institutional and/or social service oriented uses. This is the case even for corridors with strong traffic volumes and decent economic/demographic dynamics. Indeed, N. Federal Highway is not alone in this regard. For example, our recent work along Broward Boulevard between I-95 and Andrews Avenue in Ft. Lauderdale identified the concentration of governmental and social service provider buildings entirely institutional in nature and design being a key impediment to investment along that corridor despite the fact that Broward Boulevard has some of the highest east/west traffic volumes east of I-95 in Broward County. As a result, the Gateway plan for the Broward Boulevard corridor calls for the long-term relocation of several of the institutional uses on key parcels so the market can begin to take hold.

There are several major challenges to relocating institutional and social service uses. The economics which drive the decision of where to locate these uses are almost always driven by non-market considerations, the funding for the operation in these buildings is generally government or philanthropic sourced and not dependent upon location or subject to market pressures, and the buildings are often

purpose built and very difficult to convert to a market use. The Cosac Center is a prime example of all of these conditions. As a result, when the opportunity comes up to relocate institutional and social service uses from commercial corridors with market potential, it generally relies on municipal government participation. In the case of 1203 N. Federal Highway we believe the benefits of the City of acquiring the parcel outweigh the costs. Acquiring the parcel begins to free up the corridor for private investment. Additionally, subsequently demolishing the building that has no discernable private use eventually makes the parcel available again for commercial use.

If the City does not acquire and demolish the building and the current occupant was to relocate and sell the property, it is almost certain that another social service agency given the non-market driven configuration of the existing building would become the new occupant. This would begin the cycle again of concentrating institutional and social service agencies along the N. Federal Highway corridor that could otherwise support commercial and market driven activity.

Please let me know if you have any questions or would like to discuss any of the above further.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Paul M. Lambert".

Paul M. Lambert
Managing Principal

Cathy Swanson-Rivenbark

From: Frederick Hopkins
Sent: Friday, October 03, 2014 3:25 PM
To: Cathy Swanson-Rivenbark
Subject: Fwd: value of properties around COSAC

Here is additional appraiser's response to your question!

Sent via the Samsung GALAXY S®4, an AT&T 4G LTE smartphone

----- Original message -----

From: Ron Ames <rames@amesappraisal.com>
Date: 10/03/2014 3:02 PM (GMT-05:00)
To: Frederick Hopkins <FHOPKINS@hollywoodfl.org>
Subject: RE: value of properties around COSAC

Fred:

This locale is negatively affected by the presence of this homeless shelter that houses emotionally and physically deficient and threat- ening looking individuals. It is highly unlikely that anyone would have any interest in purchasing and occupying adjoining properties for any type of commercial or residential use since they or their clients would be scared away by the threatening looking individuals. In rare instances certain high risk type of investors may be willing to purchase nearby properties if they can do this at bargain basement prices, and in the hope and gamble that this facility will be removed at some time in the not too distant future. This expectation is highly speculative and so it would be quite difficult to find buyers, even at bargain basement prices. Over the fifty+ years that I have appraised real estate in South Florida I have found uses such as this homeless shelter to stigmatize the values of adjoining properties, due to the obvious potential threat of danger that people perceive from it (whether real or imagined). Unfortunately, for the owners of adjoining properties who have been there prior to the presence of this homeless shelter use, they are caught in a web they cannot easily get out of, since being there is discomfoting to them on a day to day basis; nevertheless finding a buyer to make it possible to leave is incredibly difficult.

My appraisal of the property presumed the removal and replacement of its current use by an alternative highest and best use that would be most suitable for the property; and that would not impact the value of the adjoining properties as the current use does. I hope this summary clarifies the issue raised.

Sincerely,
Ronald Ames, MAI, SRA
State-Cert Gen Real Estate
Appraiser #RZ0000001

From: Frederick Hopkins [<mailto:FHOPKINS@hollywoodfl.org>]
Sent: Monday, September 22, 2014 3:14 PM
To: Murdo Mackenzie (murdomack@aol.com); Ron Ames (rames@amesappraisal.com)
Subject: FW: value of properties around COSAC

Murdo & Ron,

Please comment as to your opinion regarding the presence or lack thereof of the homeless shelter on adjacent property values. Your timely comments will be greatly appreciated. Regards. Fred

From: Cathy Swanson-Rivenbark

Sent: Monday, September 22, 2014 1:32 PM

To: Frederick Hopkins

Subject: value of properties around COSAC

Can you ask our appraisers if they think the value (and potential) of the properties adjacent to COSAC are impacted by the homeless shelter's presence? Conversely, do they think the relocation of the COSAC will help the adjacent properties? Jorge Camejo is also asking Paul Lambert.

Cathy

Cathy Swanson-Rivenbark

ICMA-CM, AICP, CECd

City of Hollywood City Manager

2600 Hollywood Blvd., Room 419

Hollywood, FL 33020

954.921.3201 (P)

954.921.3314 (F)

csr@hollywoodfl.org

Cathy Swanson-Rivenbark

From: Frederick Hopkins
Sent: Friday, October 03, 2014 2:14 PM
To: Cathy Swanson-Rivenbark
Subject: FW: value of properties around COSAC

Cathy,

Please see appraiser's comments below. Fred

From: Frederick Hopkins
Sent: Monday, September 22, 2014 4:59 PM
To: Murdo Mackenzie
Subject: RE: value of properties around COSAC

Murdo,
Thank you very much. Fred

Sent via the Samsung GALAXY S®4, an AT&T 4G LTE smartphone

----- Original message -----

From: Murdo Mackenzie <murdomack@aol.com>
Date: 09/22/2014 4:55 PM (GMT-05:00)
To: Frederick Hopkins <FHOPKINS@hollywoodfl.org>
Subject: Re: value of properties around COSAC

Hi Fred

A specific answer to your question below is somewhat beyond our scope of work, however having appraised a number of properties in the immediate area over the years I will share these general observations:

1. The former Ford Dealership located opposite the subject has witnessed a high turnover in tenant/ownership and/or vacancy since Ford closed and the shelter opened.
2. I appraised 1106 N Federal Hwy a few years ago for \$600,000. It later sold for \$500,000 after several years on the market, despite being in good condition and having good exposure?
3. Common sense would suggest any location experiencing a high frequency of police/fire rescue calls, such as the subject, would have a negative impact on values? The presence of emergency vehicles often spells "trouble"not to mention the impact on traffic flow these vehicles have in this particular location (US-1). Again, only a local might observe this.
4. Any passerby can easily observe the number of residents loitering out front at all hours. They are often smoking cigarettes or just "hanging-out". Curb appeal is a significant factor when valuing real estate. The subject is an eyesore. I'm sure any neighbor could agree and elaborate, if asked.
5. The current use as a homeless shelter does not conform to the surrounding uses along this corridor. In other words, this location is not necessarily ideal for the current use.

Relocating the subject should ease noise, some traffic concerns, pollution, debris etc associated with operating the subject as is. The fact the owner insisted we use hand sanitizer throughout our inspection speaks volumes IMO. The

property has also been listed for sale for several years and has not sold, which supports these general observations.

Murdo

-----Original Message-----

From: Frederick Hopkins <FHOPKINS@hollywoodfl.org>

To: Murdo Mackenzie (murdomack@aol.com) <murdomack@aol.com>; Ron Ames (rames@amesappraisal.com) <rames@amesappraisal.com>

Sent: Mon, Sep 22, 2014 3:17 pm

Subject: FW: value of properties around COSAC

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