

STATEMENT OF BUDGET IMPACT
Budgetary Review of Proposed Resolution &
Ordinances with Financial Implication.

Date: December 1, 2016

File: BIS CRA 16-27 Rev

Proposed Legislation:

A RESOLUTION OF THE HOLLYWOOD, FLORIDA COMMUNITY REDEVELOPMENT AGENCY ("CRA") APPROVING AND AUTHORIZING THE APPROPRIATE CRA OFFICIALS TO EXECUTE THE ATTACHED PURCHASE AND SALE AGREEMENT FOR THE CONVEYANCE OF THE PROPERTY LOCATED AT 2031 HARRISON STREET ("PROPERTY"), TO THE HIGHEST RANKED PROPOSER, A JOINT VENTURE BETWEEN INWOOD PROPERTIES, LLC AND BURO GROUP, LLC FOR \$1,150,000.00.

Statement of Budget Impact:

1. ☐ No Budget Impact associated with this action;
2. ☐ Sufficient budgetary resources identified/available;
3. ☐ Budgetary resources not identified/unavailable;
4. ☒ Potential increase in Revenue is possible with this action;

Explanation:

The Hollywood, Florida Community Redevelopment Agency (CRA) purchased 2031 Harrison Street in 2003 and sold the property to the Holocaust Documentation & Education Center (HDEC) in 2004. In 2015, the CRA acquired the property back from HDEC and in 2016 staff was directed to advertise the property for sale or lease.

The legal notice appeared in the Sun Sentinel and was advertised on CoStar.com, the CRA's website, the CRA's Facebook page, the CRA's Twitter feed and the City of Hollywood Sunshine Board.

July 6, 2016, the three proposals that were submitted were opened and all three were deemed qualified to review. On July 22, 2016, an Evaluation Committee consisting of Jorge Camejo, CRA Executive Director; Susan Goldberg, CRA Deputy Director; Shiv Newaldass, Chief Development Officer, City of Hollywood; Yvette Scott-Phillip, Budget Manager, CRA; Brian Rademacher, Corridor Redevelopment Manager, City of Hollywood; and Jeff Sheffel, City Attorney/CRA General Counsel, reviewed and ranked the proposals based on purchase price, concept, ability to execute the concept, and experience.

Evaluation Committee ranked the proposals as follows:

Joint Venture between Inwood Properties, LLC and Buro Group, LLC (“Buyer”)	555 points
Launch Me Labs, LLC	423 points
James Alexander Bond/Hollywood Arts Theatre	350 points

The highest ranked proposal was submitted by the joint venture between Inwood Properties, LLC and Buro Group, LLC. The proposal outlined a co-working shared workspace concept that has already been successfully executed by Buro Group, LLC in Midtown Miami in Miami, the Design District of Miami, South Beach in Miami Beach, and Coconut Grove in Miami. The purchase price offered in the proposal was \$1,150,000.00.

The proposal from Inwood Properties LLC and Buro Group LLC conditions several conditions, including the following:

- a) Deposit of \$300,000.00 upon execution of a Purchase and Sale Agreement
- b) The Buyer will have 60 days to do a title search, inspect the Property and if it not feasible for the Buyer to purchase the Property, terminate the Purchase and Sale Agreement
- c) A deed restriction commencing upon purchase, and limiting the use of the Property, for a period of ten (10) years, to co-working space focused on community/networking and including value added amenities such as social lounges, workshops, artisanal coffees etc.

The sale of the property to the buyer will activate the location with a desirable use, return the property to the tax rolls, reduce the CRA’s ongoing maintenance costs, and provide revenue for CRA projects. The Executive Director recommends that the CRA Board approve and authorize the execution, by the appropriate CRA Officials, of a deed for the sale of Parcel ID No. 514215011330 to Inwood Properties, LLC and Buro Group LLC in the amount of \$1,150,000.00.

APPROVED BY: Yvette Scott-Phillip
Budget Manager
Hollywood Community Redevelopment Agency