



## Legislation Details (With Text)

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|----------------------|---|----------------------|--|--------------|--------------------|
| <b>File #:</b>       | R-2019-332  | <b>Version:</b>      | 1  | <b>Name:</b> | University Station |
| <b>Type:</b>         | Resolution  | <b>Status:</b>       | Withdrawn  |              |                    |
| <b>File created:</b> | 10/17/2019  | <b>In control:</b>   | Office of Communications, Marketing & Economic Development |              |                    |
| <b>On agenda:</b>    | 11/6/2019   | <b>Final action:</b> | 11/6/2019  |              |                    |
| <b>Title:</b>        | A Resolution Of The City Commission Of The City Of Hollywood, Florida, Ranking The Responses To The City's Publication Of A Notice That Competing Proposals Would Be Accepted For The Development Of A Mixed-Use, Mixed-Income Project To Be Located On A City Owned Parcel Of Land Between Fillmore And Polk Streets Along North 21st Avenue In Response To The Receipt Of An Unsolicited Proposal, And Authorizing The Appropriate City Officials To Execute An Interim Agreement And Negotiate A Comprehensive Agreement With Housing Trust Group, LLC As The Highest-Ranked Firm; Authorizing The Appropriate City Officials To Execute Lease Agreements With University Station I, LLC And University Station II, Ltd, Affiliates Of Housing Trust Group, LLC, And To Provide Local Government Area Of Opportunity Funding In The Form Of A Cash Loan In An Amount Not To Exceed \$783,250.00. |                      |  |              |                    |

### Sponsors:

### Indexes:

### Code sections:

**Attachments:** 1. Resolution University Station P3-FINAL.pdf, 2. University Station - HTG - Interim Agreement - FINAL.pdf, 3. GROUND LEASE - University Station I - FINAL.pdf, 4. Local Government Verification of Contribution Loan Form.pdf, 5. GROUND LEASE - University Station II - FINAL.pdf, 6. Eval Committee Summary - University Station Proposals.pdf, 7. HTG-P3 Submittal-University Station.PDF, 8. Pinnacle-P3 Submittal-University Station.pdf, 9. teruniversitystationp3.pdf, 10. BIS 20-022.pdf

| Date      | Ver. | Action By                       | Action   | Result |
|-----------|------|---------------------------------|----------|--------|
| 11/6/2019 | 1    | Regular City Commission Meeting | withdrew |        |

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Ranking The Responses To The City's Publication Of A Notice That Competing Proposals Would Be Accepted For The Development Of A Mixed-Use, Mixed-Income Project To Be Located On A City Owned Parcel Of Land Between Fillmore And Polk Streets Along North 21<sup>st</sup> Avenue In Response To The Receipt Of An Unsolicited Proposal, And Authorizing The Appropriate City Officials To Execute An Interim Agreement And Negotiate A Comprehensive Agreement With Housing Trust Group, LLC As The Highest-Ranked Firm; Authorizing The Appropriate City Officials To Execute Lease Agreements With University Station I, LLC And University Station II, Ltd, Affiliates Of Housing Trust Group, LLC, And To Provide Local Government Area Of Opportunity Funding In The Form Of A Cash Loan In An Amount Not To Exceed \$783,250.00.

Staff Recommends: Approval of the Attached Resolution

### Explanation:

The redevelopment of the City-owned parcels located along N 21<sup>st</sup> Avenue between Polk and Fillmore Streets has long been a part of downtown redevelopment discussions and plans.

The parcels located along N 21<sup>st</sup> Avenue between Polk and Fillmore Streets includes a former fire station (repurposed and leased to Barry University in 2011, surface parking lots, and a Shuffleboard Center.

The municipal election in January of 2008 included a land referendum, approved by voters authorizing the disposition of the portion of the site that includes the former fire station and parking lot. In 2016, as the dual tracking of the rail corridor was underway to provide for the return of passenger rail to the Florida East Coast Rail corridor, the City issued a Request for Proposals (RFP) seeking qualified firms to redevelop the approximately 2.5 acres of land. This was prior to the completion of the dual tracking project and before Virgin Trains USA (formerly Brightline) began operating high speed passenger rail service on the FEC railway. This request did not result in any proposals.

In 2017, the City was selected by the South Florida Regional Transportation Authority (SFRTA) for the development of a Station Area Master Plan funded by a Federal Transit Administration (FTA) grant to examine this area as part of the planning for a proposed Tri-Rail Coastal Link commuter rail service. This planning effort was led by the Treasure Coast Regional Planning Council and included a complete assessment of current conditions, market study and a series of public design charrettes and workshops involving dozens of residents, neighborhood associations, and business and community groups. The completed study prioritized the redevelopment of this site, and the area within a half mile of it, along with recommending infrastructure improvements that would help support a future train station.

On May 29, 2019, the City received an unsolicited proposal under Florida Statutes Section 255.065 from Housing Trust Group, LLC (HTG) along with a check in the amount of \$25,000.00, per the City Code of Ordinances, proposing to develop approximately 216 market rate and affordable rental housing units, up to 15,000 square feet of space to accommodate Barry University, up to 20,000 square feet of commercial/community space and a minimum of 370 parking spaces including 110 public spaces with the potential for the City or Community Redevelopment Agency to fund additional public parking spaces in additional garage levels to accommodate a future rail stop.

The Office of Procurement Services convened an evaluation committee to assess whether the proposal met the criteria established under the state Public-Private Partnerships (P3) statute to be deemed a qualified project. Based on their review, the Committee determined that it did meet the criteria and that the City should proceed to seek any competing proposals for this development opportunity. On July 12, 2019, the Office of Procurement Services issued a Request for Proposals (RFP) in the interest of allowing competition to secure the best proposal relative to the City's redevelopment goals. The RFP was posted on BidSync and the City held a pre-proposal conference on August 1, 2019 for all interested parties. On August 26, 2019, the City published a Notice of Unsolicited Proposal for Public Private Partnership Opportunity for University Station Redevelopment, in the Florida Administrative Register and the South Florida Sun-Sentinel on August 26<sup>th</sup> and September 3<sup>rd</sup> announcing that the City would accept competing proposals. The City cancelled the formal RFP on September 13, 2019 in BidSync opting to accept proposals under the provisions of the P3

statute.

An alternate competing proposal was submitted to the City from Pinnacle Communities, LLC by the published deadline of 3:00 p.m. on September 18<sup>th</sup> per the P3 statute. The Office of Procurement Services established an Evaluation Committee comprised of voting members: Shiv Newaldass, Director, Department of Development Services; Jorge Camejo, Executive Director, Hollywood Community Redevelopment Agency; Raelin Storey, Director, Office of Communications, Marketing and Economic Development, Herb Conde-Parlato, Economic Development Manager, Office of Communications, Marketing and Economic Development; and Leslie Del Monte, Planning Manager, Department of Development Services. Paul Bassar, Director, Office of Procurement Services, served as the committee coordinator and a non-voting member. The Evaluation Committee met on September 24, 2019 to review the proposals and unanimously elected to hear oral presentations from the two proposers, Housing Trust Group, LLC and Pinnacle Communities, LLC.

On October 7, 2019, the Evaluation Committee met in a public meeting in the Hollywood City Commission Chambers, Room 219. Each proposer made a presentation followed by a question and answer period with the Evaluation Committee. Following these oral presentations, the Evaluation Committee scored the proposals based on specific evaluation criteria that included the qualifications and experience of the development team; overall development plan; financial plan; management plan; development timeframe; and financial benefit to the City. The scoring of the Evaluation Committee resulted in the ranking of the two proposals as follows:

|                           |            |
|---------------------------|------------|
| Housing Trust Group, LLC  | 558 points |
| Pinnacle Communities, LLC | 526 points |

Both development proposals for the site include affordable housing for which the proposer would be seeking Federal Tax Credit financing administered through the Florida Housing Finance Corporation (FHFC). HTG is prepared to submit for funding under the current Request For Applications (RFA No. 2019-114) issued by the FHFC for projects in Broward County. This RFA awards bonus points for development proposals that have local government support as demonstrated by a financial commitment to the project in the form of a cash loan or grant, and only those projects with this commitment will likely receive funding under this RFA.

In preparation for a complete application to the FHFC, HTG has created the legal entities, University Station I, LLC and University Station II, LTD. Ground leases reflecting the two phases of the development project have been prepared for the City Commission's consideration which include a total capitalized lease payment of \$4,500,000.00 for 75 year ground leases of the City owned properties, as well as provisions for the lease of space to Barry University and arrangements for the provision of public parking to be managed by the City. Additionally, the City has prepared a loan commitment form indicating that if HTG's application for University Station I, LLC is selected for tax credit funding, the City will provide

Local Government Area of Opportunity Funding in the form of a cash loan contribution not to exceed \$783,250.00 to be repaid at 3% annual interest in a 30 year amortization schedule with a balloon payment on year 15, with 50% of the funding for this loan to be provided to the City by the Hollywood Community Redevelopment Agency.

Should HTG, through its affiliates University Station I, LLC and University Station II LTD, not be successful in its applications for Low Income Housing Tax Credits under RFA 2019-114, they will continue to seek funding through Florida Housing Finance Corporation in any and all appropriate subsequent RFA's through the term of the leases. Both lease agreements include terms and conditions stating that if appropriate funding is not identified and available to build the proposed development within a reasonable period of time, the lease agreements will expire. For University Station I, LLC the deadline to provide proof of funding to commence and complete construction is June 30, 2021 and for University Station II, LTD the deadline is June 30, 2022.

Recommended for inclusion on the agenda by:

Raelin Storey, Director, Communications, Marketing & Economic Development

Shiv Newaldass, Director, Development Services

Gus Zambrano, Assistant City Manager, Sustainable Development