



Legislation Details (With Text)

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Title: HAWKSHAW PROPERTY DEVELOPMENT AGREEMENT AND SALE

Sponsors: Jewel Cannada-Wynn

Indexes:

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Attachments: 1. Development Agreement - Hawkshaw Redevelopment-reduced

Date	Ver.	Action By	Action	Result
11/9/2017	1	City Council	Approved	Pass
11/6/2017	1	Agenda Conference	Placed on Regular Agenda	Pass

LEGISLATIVE ACTION ITEM

SPONSOR: City Council Member Jewel Cannada-Wynn

SUBJECT:

HAWKSHAW PROPERTY DEVELOPMENT AGREEMENT AND SALE

RECOMMENDATION:

That City Council approve the development agreement/contract for sale of the surplus property at 9th Avenue and Romana Street (Hawkshaw) submitted by Robert Montgomery in the amount of \$1,600,000 and that City Council approve the award. Further, that City Council authorize the CRA Chairperson to execute all documents necessary to sell the property.

HEARING REQUIRED: No Hearing Required

SUMMARY:

In June 2017, NAI Halford issued a Request for Proposals (RFP) for redevelopment of the property at 9th Avenue and Romana Street (Hawkshaw) on behalf of the CRA. Proposals were received from Galveztown, LLC and Robert Montgomery, LLC. The Hawkshaw Proposal Selection Committee, appointed by the CRA, reviewed and ranked the two proposals. The selection Committee voted unanimously to recommend that the CRA approve the submission by Robert Montgomery, LLC as the top ranking proposal. On September 11, 2017, the CRA approved the proposal submitted by Robert Montgomery, LLC and authorized staff to move forward to negotiate a development agreement.

The purchase price offered by Robert Montgomery, LLC is \$1,600,000, which is \$600,000 above the competing proposal and \$65,000 below the property's appraised value. Chapter 163 Part III of the Florida Statutes allows CRAs to sell property for less than fair value, taking into account and giving consideration to the long-term community benefits to be achieved by the CRA. The sale must be approved by City Council following a public hearing.

Robert Montgomery, LLC will pay to the CRA a deposit in the amount of \$100,000 which will be refundable during a seventy-five (75) day Inspection Period. The remaining balance will be paid upon closing in the amount of \$1,500,000.

PRIOR ACTION:

May 9, 2016 - The CRA approved issuing a Request for Proposals (RFP) for one realtor from the City's list of Qualified Real Estate Professionals to market CRA-owned property.

August 9, 2016 - The CRA approved a contract with NAI/Halford for realtor services for disposition of CRA-owned properties.

December 23, 2016 - CRA staff issued a 30 day public notice of intent to dispose of CRA-owned properties and requested proposals with a January 23, 2017 response deadline.

February 6, 2017 - The CRA directed NAI Halford to release an RFP for the Hawkshaw site and appointed an evaluation committee to evaluate responses and provide a recommendation for selection of a preferred developer.

June 5, 2017 - The CRA approved the Hawkshaw Proposal Evaluation Committee recommendation to reject both responses to the Request for Proposals and directed NAI Halford to continue marketing the site.

June 6, 2017 - NAI Halford reissued the RFP for the Hawkshaw site.

August 10, 2017 - The Proposal Evaluation Committee recommended that the CRA approve the proposal from Robert Montgomery as the top ranking proposal for purchase and development of the Hawkshaw site.

September 11, 2017 - The CRA approved the proposal submitted by Robert Montgomery as the top ranking proposal for purchase and development of the property at 9th Avenue and Romana Street (Hawkshaw) and authorized staff to bring back a development agreement for CRA approval.

October 12, 2017 - City Council scheduled a Public Hearing on the proposed sale for November 9, 2017.

FUNDING:

Budget:	\$ 0	
Actual:	\$1,600,000	Proceeds from Sale of Property
	(64,000)	4% Realtor's Commission
	<u>\$1,536,000</u>	Net Revenue from Sale Proceeds

FINANCIAL IMPACT:

The buyer will pay to the CRA a deposit in the amount of \$100,000 upon execution of the development agreement/contract for sale. This deposit will be refundable during the seventy-five (75) day Inspection Period. The remaining balance will be paid upon closing, in the amount of \$1,500,000. As properties are sold, the CRA will benefit from tax revenue generated as a result of returning parcels to the tax roll. The CRA will receive initial revenue for the property it sells and future revenue from increased ad valorem property values. The cost of realtor services will be paid from proceeds of any property sales.

STAFF CONTACT:

Don Kraher, Council Executive
M. Helen Gibson, AICP, CRA Administrator

ATTACHMENTS:

- 1) Development Agreement - Hawkshaw Redevelopment

PRESENTATION: No