# MINUTES OF HYBRID MEETING
# DANIA BEACH COMMUNITY REDEVELOPMENT AGENCY
# TUESDAY, OCTOBER 11, 2022 – 5:30 P.M.

1. Call to Order/Roll Call

Chair James called the meeting to order at 5:31 p.m.

Present:

| | |
|---|---|
| Chair: | Tamara James |
| Vice-Chair: | Marco A. Salvino, Sr. |
| Board Members: | Joyce L. Davis |
| | Lori Lewellen |
| | Lauren Odman – via virtual attendance |
| Executive Director: | K. Michael Chen |
| City Attorney: | Eve Boutsis |
| CRA Secretary: | Thomas Schneider |

2. Citizen Comments

There were no comments at this meeting.

3. Administrative Reports

3.1 Administrative Reports

Director Chen reviewed the information included in the agenda packet, consisting of updates on contacting CRA staff, the Dania Beach Innovation Ecosystem (SkySpaces has committed to providing the CRA front window space and signage on Federal Highway), and CRA-owned properties (he requested the Board schedule a workshop to discuss the properties).

Vice-Chair Salvino felt the Board could discuss the properties at a regular CRA Board meeting and if there was not enough time, then a workshop could be scheduled. He suggested the Board take three or four properties at a time for discussion over several regular Board meetings.

Board Member Lewellen agreed and felt information should be provided in the backup so the Board has time to review it and be ready for discussion.

Chair James suggested Director Chen should give the Board all the information on all the properties and then schedule three or four properties for discussion at each CRA Board meeting.

Director Chen continued with updates on Dania After Dark, economic development activities (BRAVO visits to businesses), Alliance of Entrepreneurial Resource Organizations (AERO) Expo scheduled at City Hall, and the PATCH.

4. Presentations

There were no presentations on the agenda.

5. Consent Agenda

***Items Removed from Consent Agenda: #5.3***

5.1 Minutes:
Approve Minutes of September 6, 2022 CRA Board Hybrid Budget Workshop
Approve Minutes of September 14, 2022 CRA Board Hybrid Meeting

5.2 Travel Requests: None

**Board Member Lewellen motioned to approve the Consent Agenda, with the exception of Item #5.3; seconded by Board Member Davis. The motion carried unanimously.**

5.3 RESOLUTION NO. 2022-CRA-007

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE DANIA BEACH COMMUNITY REDEVELOPMENT AGENCY ("CRA"), OF THE CITY OF DANIA BEACH FLORIDA, AUTHORIZING THE PROPER CRA OFFICIALS TO EXECUTE THE FINAL RENEWAL OF AN EXISTING AGREEMENT FOR A ONE (1) YEAR PERIOD WITH STANDING OVATIONS, LLC, A FLORIDA LIMITED LIABILITY COMPANY, RELATING TO CONSULTING AND PRODUCTION SERVICES IN CONNECTION WITH THE 2023 ARTS AND SEAFOOD CELEBRATION IN AN AMOUNT NOT TO EXCEED FORTY FIVE THOUSAND DOLLARS ($45,000.00); PROVIDING FOR CONFLICTS; FURTHER, PROVIDING FOR AN EFFECTIVE DATE.

City Attorney Boutsis read the title of Resolution #2022-CRA-007.

Vice-Chair Salvino said we have this beautiful seafood event, and we are paying an event producer for it. He asked why we are paying someone to do this instead of them paying us to use our facility. He questioned whether Director Chen has looked into it. The Motorcycle Show is self-sufficient and they sell the spots, but the CRA is paying $45,000 for the use of our facility and somebody else is making money off us. He felt for next year, the CRA should regroup and see if someone else can produce the event and they pay us for the event. He noted he wanted an answer by February of next year.

Director Chen responded part of our discussion with the production company is how we could charge for admission, and he said he would get back to the Board.

Vice-Chair Salvino noted he does not understand why we let vendors make money off us and we pay the production company $45,000.

Director Chen said he would bring options for consideration.

Vice-Chair Salvino commented he got a call about Dania After Dark that we have too many food trucks out there. He asked if Director Chen has received any complaints from people not making money off the event.

Director Chen said no, we actually have gotten more trucks to participate due to the popularity of the event.

**Board Member Lewellen motioned to adopt Resolution #2022-CRA-007; seconded by Board Member Davis. The motion carried unanimously.**

6. Proposals and Bids

6.1 RESOLUTION NO. 2022-CRA-008

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COMMUNITY REDEVELOPMENT AGENCY ("CRA") OF THE CITY OF DANIA BEACH, FLORIDA, AUTHORIZING THE SALE OF A CRA-OWNED PROPERTY LOCATED AT 509-511 NW 3RD TERRACE, DANIA BEACH, FLORIDA ("PROPERTY") TO TURN TWO CONSTRUCTION FOR THE PURPOSE OF REHABILITATING THE PROPERTY FOR USE AS A TWO-UNIT DUPLEX FOR LOW-INCOME AFFORDABLE HOUSING (80% AMI); AUTHORIZING THE PROPER CITY OFFICIALS TO EXECUTE DEED, WITH RESTRICTIVE COVENANT REQUIRING 30 YEARS OF AFFORDABLE HOUSING (80% AMI) AND RELATED DOCUMENTS FOR THE PARCEL FOR THIS PURPOSE; PROVIDING FOR CONFLICTS; FURTHER, PROVIDING FOR AN EFFECTIVE DATE.

City Attorney Boutsis read the title of Resolution #2022-CRA-008.

Director Chen gave a PowerPoint presentation which is attached to and incorporated into these minutes.

Chair James questioned if this is just for renovations and the shell of the structure would be used.

Director Chen said yes.

Board Member Lewellen asked what the appraised value was.

Director Chen responded $275,000.

Chair James questioned why the bids were lower than appraised value.

Director Chen explained the repairs are $150,000 and due to the conditions, we agreed that it would be put out for affordable housing, reflecting low-income affordable housing for 30 years.

Chair James asked if the intent is to keep them as rentals or owner-occupied.

Director Chen said we tried to make it as broad as possible and offered it up as rehabilitation/redevelopment and for sale/for rent. In this case, their intent is to sell the units as low-income housing.

Chair James questioned if it could be a house.

City Attorney Boutsis noted it would be a one-floor townhome and addressed the ADA requirements.

Discussion ensued regarding the appraised value versus the purchase price and the other CRA-owned properties.

Christina Anthony, CEO of Turn Two Construction, addressed the renovations scope of work planned for the property and dividing the parcel in two and sell it to two first-time homebuyers while following the affordable housing criteria and applicable covenants.

Vice-Chair Salvino questioned the form of ownership and board management there would be. If the property is going to be flipped, he is not in favor of either bidder. It should be sold as a duplex; we are promoting a product where someone else is making a profit on it.

Director Chen explained the property must be a two-unit duplex in the covenants.

Discussion ensued regarding the selling of the property by the bidder and the form of ownership.

City Attorney Boutsis noted they would have to comply with our covenants.

Vice-Chair Salvino questioned the new construction and turning it into a condo.

Ms. Anthony explained they would have to apply to the City to split the units and put a property management company in place to maintain the property.

Vice-Chair Salvino said he has never seen this done before; there would be one vote versus another and nothing but a fight.

Board Member Lewellen asked if any consideration was given to demolition of the property as opposed to rehabilitation.

Director Chen responded that was offered up in the RFP; the bidders saw inherent value in the structure of the property.

Board Member Lewellen questioned if this property could be included in the other properties the CRA owns and whether it must be separate.

Director Chen said it is one of the 15 properties and all are handled individually.

Board Member Davis wanted to hear what the vision of the bidders.

Ms. Anthony addressed their intent and noted affordable housing is their expertise. She explained what all needed to be rehabilitated and added there are limited opportunities for affordable housing in the City.

Board Member Davis asked if it was found to be structurally sound.

Ms. Anthony responded yes; the poor cosmetics make it look unsound.

Vice-Chair Salvino asked how much the rent would be per unit if these were rentals.

Ms. Anthony said the rental rate would be within the HUD Affordable Housing parameters and would depend on the number of people per unit. She estimated the selling price would be $266,000 per unit.

Chair James asked if there is an option for it to remain as rentals versus home ownership. She said the Vice-Chair had good questions about gridlock. At the end of the day, the problems would come back to the Board. She questioned if rentals are easier or more difficult.

Ms. Anthony responded rental is an option. One concern raised on the property management side is the outside exterior area still needs to be maintained. There would still need to be a property manager, just a different type of structure. Their job would be to handle all those issues.

City Attorney Boutsis noted condominium rules could be drafted to break a stalemate.

Vice-Chair Salvino reiterated his concerns regarding the form of ownership, sale price, appraised valued, and the bidder making a large profit at the expense of taxpayers.

Ms. Anthony noted they would be investing $320,000 to renovate the property.

Vice-Chair Salvino commented that is a different story as he did not realize it would be that much. He questioned the HOA fees.

Ms. Anthony said they are estimated to be $50 per month to maintain the grass.

Chair James noted she would personally like to keep it as a duplex; it would be a headache otherwise as arbitration could be involved and the unit owners cannot afford it.

Vice-Chair Salvino commented being that we have 16 properties, he would like to see the numbers with putting that much money into it. One benefit is it does become a residential house and not rental. He would like to see the bidder's cost factors.

Board Member Lewellen said she likes the condo idea.

**Vice-Chair Salvino motioned to adopt Resolution #2022-CRA-008, as amended, with the bidder to provide their cost factors; seconded by Board Member Lewellen. The motion carried unanimously.**

7. Discussion and Possible Action

7.1 RESOLUTION NO. 2022-CRA-009

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COMMUNITY REDEVELOPMENT AGENCY ("CRA") OF THE CITY OF DANIA BEACH, FLORIDA, AUTHORIZING THE PROPER CRA OFFICIALS TO EXECUTE AN EXTENSION OF THE EXECUTIVE DIRECTOR, K. MICHAEL CHEN'S EMPLOYMENT AGREEMENT; PROVIDING FOR CONFLICTS; FURTHER, PROVIDING FOR AN EFFECTIVE DATE.

City Attorney Boutsis read the title of Resolution #2022-CRA-009 and referenced the email she sent outlining the conditions of Director Chen's current contract and the conditions in the extension contract.

Vice-Chair Salvino recommended the Board extend the contract for one year. Director Chen expressed in past meetings things that have not had an end success. We need to give him an opportunity to get his plans done. A one-year contract can give him time to prove himself. Vice-Chair Salvino added he does not agree to three years.

Board Member Davis said the current contract is a two-year contract; she would be in favor of another two-year contract. A lot of seeds have been planted with the incubator; that project cannot be accomplished within a year. In a year, you can see accomplishments, but she favors a two-year contract and at the end of that, we could see if he moved forward in a positive direction.

Board Member Odman felt that Director Chen is very intelligent and has had an incredible career; she remembers his resume. She does not feel it is the right fit. She understands what Board Member Davis said, but she does not feel more than one year is appropriate at this point.

Board Member Lewellen felt we could see deliverables in a year; she would favor one year and revisit it then. If deliverables are being met, then the Board can decide. She would go one year and then revisit it then for two or three years.

Chair James said she also feels it is not a great fit here. When she looks at the deliverables when they come to this City, she does not think those things have been met. There are no photos of what we have done during the past two years. She is in favor of the incubator and although there is a consensus for one year, if we discontinue employment, the incubator does not have to go away. There is no relationship with the community and our vision is different. The PATCH Master Plan and CRA Plan update have not been given to the Board. She does not favor renewing the contract at all and felt it was bold asking for three years. She added if the Board consensus is to support one year, that is okay, but at that point we have to make a decision.

Board Member Davis noted she believes the incubator is a result of Director Chen's relationships. One year is just not sufficient to see the success of the program; it could be a

check, but it is not sufficient. Removing him would not be a best practice with the relationships he has built. She wants him to be able to flourish with those relationships.

Board Member Lewellen said Vice-Chair Salvino's comment about a Strategic Plan would go a long way; within three months or by March, it would give us more guidance with long and short-term goals. It has been a weird couple of years with COVID and we have to evaluate people differently right now. She favors giving him a year.

Chair James noted she is in favor of a Strategic Plan; but the Board still has not received the PATCH Master Plan and CRA Plan update.

Vice-Chair Salvino said Director Chen should put a timeline on his initiatives. He should give his two or three things that he should have done in a year and then see if progress has been made.

**Vice-Chair Salvino motioned to adopt Resolution #2022-CRA-009, as amended to extend the contract one-year; seconded by Board Member Davis. The motion carried on a 4-1 voice vote with Chair James voting no.**

8. Board Member Comments

Board Member Lewellen noted Dania After Dark was somewhat well attended; people thought it was going to rain. She has not heard there were too many food trucks. Everyone was having a great time and enjoying themselves; it continues to be a good event.

9. Information Items

There were no items on the agenda.

10. Adjournment

Chair James adjourned the meeting at 6:35 p.m.

ATTEST:

THOMAS SCHNEIDER, CMC
CRA SECRETARY

COMMUNITY REDEVELOPMENT AGENCY

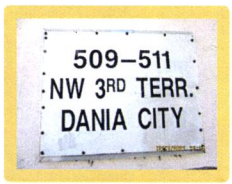
TAMARA JAMES
CHAIR – CRA

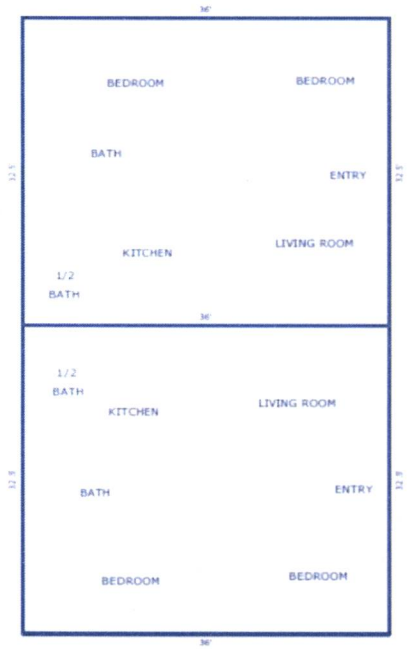
Approved: December 13, 2022

#6.1

DANIA BEACH
COMMUNITY REDEVELOPMENT AGENCY

**REQUEST FOR PROPOSALS ("RFP")**
FOR THE SALE OF A CRA-OWNED DUPLEX
FOR USE AS
LOW-INCOME AFFORDABLE HOUSING
RFP NO. CRA-22-028
509 – 511 NW 3rd TERRACE




Each Unit:

- Approximately 1,170sf
- 2 Bedrooms
- 1 1/2 Baths
- 2 Parking Spaces
- Living Room and Kitchen
- Property is **not** in a FEMA Special Flood Hazard Area

Duplex built 1982

Property foreclosed 2011

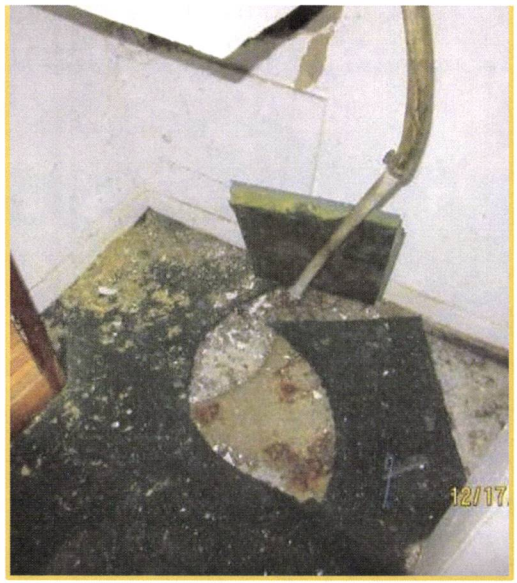
Property sold property to Dania Beach 2012 ($5,000)

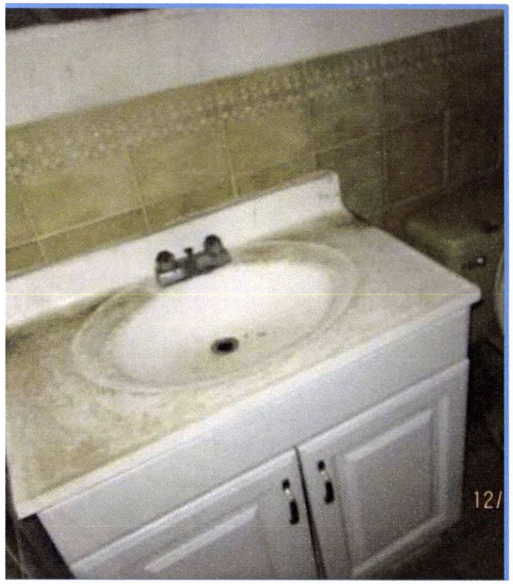
City conveyed property to CRA 2019 ($100)

# EXTERIOR

The duplex concrete block and wood framed structure had painted stucco and brick facade. The structure is in disrepair, but there are no material defects on the foundation.

Replacement of the roof and perhaps several trusses is required.





## INTERIOR

- Cabinets and fixtures were damaged and/or taken from the foreclosure. The interior has some water damage and mold remediation is needed throughout.

- Most major systems need to be replaced: A/C, Electrical Panels/Wiring, Water Heaters, Appliances, Drywall.

# REQUEST FOR PROPOSALS ("RFP")
# FOR THE SALE OF A CRA-OWNED DUPLEX
# FOR USE AS LOW-INCOME AFFORDABLE HOUSING (80% AMI)
# RFP NO. CRA-22-028

DANIA BEACH
COMMUNITY REDEVELOPMENT AGENCY

- ❑ RFP Opened: August 5, 2022
- ❑ RFP Closed: September 19, 2022, 10:00am
- ❑ RFP Available On:
  - ➢ CRA Website (linked to City Website)
  - ➢ City of Dania Beach website
  - ➢ DemandStar
- ❑ Florida ss163.380: Required notice published August 19, 2022
  - ➢ RFP mandated Low-Income Affordable (80 % AMI) standards to be maintained for 30 years
- ❑ Open House Inspections: Two open inspections were held

Three responses were received. Purchasing disqualified one of the submittals as "non-responsive".

The two qualified responses are from:

- **MVG Consulting LLC, a WBE/MBE construction management form, is based in Pembroke Pines.**
- **Turn Two Construction, a WBE/MBE real estate development firm and licensed general contractor, is based in Pompano Beach.**

# Comparative Matrix With Key Elements Of Each Proposal

| Major Factor | MVG | Turn Two |
|---|---|---|
| MBE/WBE Business | YES | YES |
| Years In Business | 2 | <1 |
| Primary Business | Construction Mgmt. | Licensed General Contractor |
| Experience w/ Affordable Housing | YES | YES |
| Business Location | Pembroke Pines | Pompano Beach |
| Purchase Price Offer | $100,000 | $150,000 |
| Est. Rehab Time (days) | 90 | 225 |
| Project Financing / Program Assistance Funds | SOAR - NDC | SE Florida Community Development Fund |

# Proposal Project Financing / Program Assistance Fund Descriptions

**MVG**: The **Southern Opportunity and Resilience (SOAR) Fund** provides flexible, affordable capital and free business support services to small businesses and nonprofits.

**SOAR** is sponsored by 12 Community Development Financial Institutions (CDFIs).

*NOTE: CRA Partner NDC is the sponsoring CDFI.*

**Turn Two**: **SFCDFI** provides: 1) Construction financing to build affordable single-family homes to first time minority homebuyers; and 2) Loans and development services to disadvantaged small businesses and start-ups to promote community development.

**SFCDFI** is sponsored by the South Florida Regional Planning Council.

DANIA BEACH
COMMUNITY REDEVELOPMENT AGENCY

# MVG Letter of Interest

8800 NW 6th St, Pembroke Pines, FL 33024
954-793-1125
rgordon@mvgconsultingllc.com

September 19, 2022

Subject: **SALE OF A CRA-OWNED DUPLEX FOR USE AS LOW-INCOME AFFORDABLE HOUSING RFP NO. CRA-22-028**

Dear Dania Beach Community Redevelopment Agency,

The purpose of this letter is to express our intent to acquire CRA-owned duplex, located at 509 – 511 NW 3rd Terrace, Dania Beach, Florida to be renovated or rebuilt as for-rent or for-sale low income affordable (80% AMI) housing. MVG Consulting LLC is offering the CRA $100,000 to acquire the property. Repairs and redevelopment will be completed within a 3-month period.

Sincerely,

RGordon

Rashida Gordon
MVG Consulting LLC
President/CEO
rgordon@mvgconsultingllc.com

# Turn Two Letter of Interest

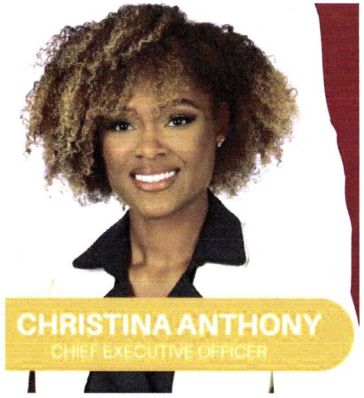
TURN TWO CONSTRUCTION

954-727-3555
2981 Center Port Circle Suite 2B Pompano Beach FL 33064
Admin@TurnTwoConstruction.com
www.TurnTwoConstruction.com
CGC1532456

**Tab 1. Letter of Interest: The Letter of Interest.**

To the City of Dania Beach CRA,

I Christina Anthony, CEO of Turn Two Construction am writing this letter to declare interest on behalf of the company to purchase property 509-511 NW 3rd Terrace Dania Beach FL 33004 in reference to RFP CRA-22-028. We are prepared to offer a purchase price of $150,000 for this property and invest $320,000 in renovation costs to divide the parcel in two and sell it to two first-time homebuyers while following the affordable housing criteria and applicable covenants.

Turn Two Construction is partnered with South Florida Regional Planning Council on this project for funding the purchase of the land, property, and renovation cost per scope of work proposed.

Sincerely,
Christina Anthony, CEO of Turn Two Construction.