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**TO:** Chair and Members of the Board

**FROM:** Diane Colonna, Executive Director

**DATE:** June 8, 2016

DISPOSITION OF MCRA PROPERTY AT 5717-5721 PARK DRIVE

**BACKGROUND:**

The MCRA has been assembling property for redevelopment as the City Center project since 2004. In June of 2015 the Board approved an agreement to purchase an 8-unit apartment complex located at 5717-5721 Park Drive for \$785,000. The property consisted of two lots, each developed with a 4-unit structure. It appraised for \$790,000 based on the income generated by the rental units. The property is legally described as Lot 1 and Lot 2, Block 7, MARGATE THIRD ADDITION, Plat Book 44 Page 48, of the Public Records of Broward County Florida. As stated in the Agenda Fact Sheet for that meeting, the goal of the acquisition was to “clear the property and ultimately incorporate it into the City Center redevelopment project.” The City Center properties (not including the Park Drive lots) had already been advertised through the Request for Proposal (RFP) process, and in July 2015 the Board selected New Urban Communities as the project developer.

At the August 18, 2015 CRA meeting New Urban Communities presented alternate plans for the City Center project based on input they had received from the Board at the July meeting. The alternate plans showed the Park Drive properties being incorporated into the project, with one lot serving as an extension of NW 9<sup>th</sup> Court (see City Center Alternate Plan “A”).

The CRA closed on the purchase of the Park Drive lots in September 2015 and subsequently demolished the structures. A recent appraisal of the two vacant lots estimated their value at \$330,000. Pursuant to Florida Statutes Ch. 163.380(3)(a), the MCRA issued a notice soliciting proposals for redevelopment of the property, with the objective to incorporate the

lots as part of a larger redevelopment project. One response was received (copy attached), from New Urban Communities, offering to purchase the two lots for \$114,190.00, which is the assessed value given the properties by the Broward County Property Appraiser.

The proposed use of the lots is consistent with the CRA's goals for the creation of a walkable, connected downtown, as stated throughout the adopted CRA Plan. Based on New Urban's proposed plan for the properties, only the westernmost lot (Lot 1) will contain a structure (part of a residential building). The eastern lot (Lot 2) will contain the extension of NW 9<sup>th</sup> Court, including on-street parking (to be constructed by the developer). The extension of the road is important for connectivity throughout the project, but the road can be constructed without transferring Lot 2 to the developer. The CRA can provide an easement or otherwise grant permission to the developer that will enable them to construct the improvements. It is therefore recommended that New Urban's offer of \$114,190.00 be accepted, but that only Lot 1 be sold. If approved, Lot 1 will be included for transfer in Phase 3 of the Development Agreement.

**RECOMMENDATION:** Accept the offer by New Urban Communities, LLC for Lot 1 only, for the purchase price of \$114,190.00.

**FISCAL IMPACT:** \$114,190.00 to be added to the purchase price for Phase 3 of the City Center Development Agreement.

**CONTACT PERSON:** Diane Colonna, Executive Director