## CITY OF MIRAMAR PROPOSED CITY COMMISSION AGENDA ITEM

Meeting Date:	November 13, 2019
Presenter's Name Business Developm	and Title: Anita Fain Taylor, Director, on behalf of the Economic and ent Department
<b>Prepared By:</b> Rich Business Developm	nard Hughes, Development Support Administrator, Economic and ent Department
Temp. Reso. Numb	per: 7054
DEVELOPMENT REHABILITATION	Temp. Reso. No. 7054, CONSIDERING ADDITIONAL COMMUNITY BLOCK GRANT FUNDING FOR THE COMMERCIAL OF 3190 SOUTH STATE ROAD 7. (Economic and Business for Anita Fain-Taylor)
Consent ⊠ Resolu	ution □ Ordinance □ Quasi-Judicial □ Public Hearing □
Instructions for the	e Office of the City Clerk:
Public Notice – As required provided as follows: on and/or (fill in all that apply)	by the Sec of the City Code and/or Sec, Florida Statutes, public notice for this item was in a ad in the; by the posting the property on by sending mailed notice to property owners within feet of the property on
	- As required by Sec, of the City Code and/or Sec, Florida Statutes, approval of this item (unanimous, 4/5ths etc.) vote by the City Commission.
Fiscal Impact:	Yes ⊠ No □

REMARKS: CDBG budget account #s 167-41-900-554-000-604681 - 92625, 92626 & 92627. Please note that additional funding in the amount of \$100K was allocated to Commercial Rehab in the PY 19/20 Action Plan that was approved by Commission in July. MUNIS will reflect the additional amount once the Approval Funding Letter is received from HUD.

## Content:

- Agenda Item Memo from the City Manager to City Commission
- Resolution TR 7054



## CITY OF MIRAMAR INTEROFFICE MEMORANDUM

TO:

Mayor, Vice Mayor, & City Commissioners

FROM:

Vernon E. Hargray, City Manage

BY:

Anita Fain-Taylor, Director, Economic and Business Development

Department

DATE:

November 7, 2019

RE:

Temp. Reso. No. 7054, requesting additional Community Development

Block Grant funding for the commercial rehabilitation of 3190 South State

Road 7

**RECOMMENDATION:** The City Manager recommends approval of Temp. Reso. No. 7054, requesting additional Community Development Block Grant ("CDBG") funding for the commercial rehabilitation of 3190 South State Road 7.

**ISSUE:** The applicant, HWCP State Road 7 LLC, is requesting that the City provide an additional \$150,000 in CDBG funding for the unexpected high construction cost for the rehabilitation of its building. The applicant previously received approval for \$200,000 in CDBG funding in April 2019 (Resolution 19-101) for what was anticipated to be a total project cost of approximately \$450,000 - \$500,000. The original two bids for the proposed scope of work were \$988,000 and \$1 million. As a result, the scope of work was revised to eliminate re-roofing, reduce the size of awnings and eliminate tenant signage in order to reduce the cost, which resulted in construction bids of \$693,000 and \$706,000. The City's program typically provides 50% of the project cost, which would now be \$350,000. The owner has committed to providing the remaining additional funding needed, including any change orders that may arise during construction.

BACKGROUND: Land Development Code Section 312 contains provisions for bringing older commercial properties located in the State Road 7 corridor into greater conformance with the City's development standards. A compliance plan is a property owner's plan to address site and building nonconformities through exterior building improvements and other site conditions (i.e., architectural design, signage, parking, lighting, landscaping, and irrigation). The proposed changes are supported by the City's CDBG commercial

rehabilitation program, which allows owners to leverage their investment dollars with federal funds.

The subject property is 2.1 acres and contains a 34,733 square foot one-story commercial building with multiple tenant bays and parking on all sides of the building.

<u>COMPREHENSIVE PLAN ELEMENT:</u> Objective 9A of the Future Land Use Element of the Comprehensive Plan: Implement an accelerated economic redevelopment and reinvestment program for eastern Miramar, concentrating initially on the State Road 7 Transit Oriented Corridor ("TOC") and immediate environs, but eventually encompassing major areas to the west as later phases are addressed.

Temp. Reso. No. 7054 10/15/19 11/5/19

Reso. No.

## CITY OF MIRAMAR MIRAMAR, FLORIDA

RESOLUTION NO.	
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A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF MIRAMAR, FLORIDA, CONSIDERING ADDITIONAL COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING IN AN AMOUNT NOT TO EXCEED \$150,000.00 FOR THE COMMERCIAL REHABILITATION OF 3190 SOUTH STATE ROAD 7; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Land Development Code ("LDC") Section 312 provides for owners of existing commercial properties within the State Road 7 corridor to submit plans that address site and building nonconformities; and

WHEREAS, the applicant, HWCP State Road 7 LLC, owner of the subject property, applied for rehabilitation of the existing building located at 3190 South State Road 7, pursuant to Section 312 of the LDC; and

WHEREAS, the City Commission approved the proposed rehabilitation plan at its April 3, 2019 meeting, including the allocation of \$200,000 in Community Development Block Grant ("CDBG") funds; and

WHEREAS, the contractor bidding process resulted in costs that exceeded what was expected and made it financially unfeasible for the property owner; and

WHEREAS, the owner and project architect revised the scope of work to reduce the cost that makes it financially feasible for the owner if the City can increase its portion of the funding; and

WHEREAS, the City's commercial rehabilitation program typically provides 50% of the project cost, which would be accomplished with an additional \$150,000 in CDBG funds; and

WHEREAS, the owner has committed to providing the remaining additional funding needed, including any change orders that may arise during construction; and

WHEREAS, the City Manager and Economic and Business Development Department Director recommend approval; and

WHEREAS, the City Commission deems it to be in the best interest of the citizens and residents of the City of Miramar to approve an additional \$150,000 in CDBG funding for the commercial rehabilitation of 3190 South State Road 7.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF MIRAMAR, FLORIDA AS FOLLOWS:

**Section 1**: That the foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are made a specific part of this Resolution.

Section 2: That it finds an additional \$150,000 in CDBG funding is warranted in order to complete the rehabilitation of the commercial building located at 3190 South State Road 7.

**Section 3**: That any change order during construction that increases the cost of the project will be the responsibility of the property owner/applicant.

**Section 4**: That any change order during construction that increases the cost of the project will be the responsibility of the property owner/applicant.

Reso.	No	ο.				
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Temp. Reso. No. 7054 10/15/19 11/5/19

**Section 5**: That this Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this	day of November, 2019.			
	Mayor, Wayne M. Messam			
	Vice Mayor, Alexandra P. Davis			
ATTEST:	vice mayor, Alexandra F. Davis			
City Clerk, Denise A. Gibbs	_			
I HEREBY CERTIFY that I have approve this RESOLUTION as to form:	red			
City Attorney, Austin Pamies Norris Weeks Powell, PL	 LC			
	Requested by Administration Commissioner Winston F. Barnes Commissioner Maxwell B. Chambers Commissioner Yvette Colbourne Vice Mayor Alexandra P. Davis Mayor Wayne M. Messam	<u>Voted</u>		
Reso. No	3			