

RESOLUTION No. 2009-08-953

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, AUTHORIZING THE CITY MANAGER AND CITY CLERK TO EXECUTE AND ATTEST, RESPECTIVELY, SERVICE AGREEMENTS WITH LISA E. MEYERS-ARCHER, P.A., CLAUDIENNE HIBBERT, P.A., AND PHILLIP & DONNA BARRETT FOR ACQUISITION AND DISPOSITION SERVICES RELATING TO THE NEIGHBORHOOD STABILIZATION PROGRAM AND THE CITY'S APPROVED ACTION PLAN AMENDMENT, COPIES OF WHICH ARE ATTACHED HERETO AS EXHIBIT A; PROVIDING FOR INSTRUCTIONS TO THE CITY CLERK; PROVIDING FOR THE ADOPTION OF REPRESENTATIONS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, on July 30, 2008, President Bush signed the Housing and Economic Recovery Act of 2008, which included an allocation of Three Billion Ninety-Two Million Dollars (\$3,092,000,000.00) towards a Neighborhood Stabilization Program, and

WHEREAS, in accordance with the Program, the City of Miami Gardens was awarded Six Million Eight Hundred Sixty-Six Thousand One Hundred Nineteen Dollars and 02/100 (\$6,866,119.02), and

WHEREAS, City Council has approved an Action Plan Amendment whereby the City will acquire and dispose of foreclosed properties, and

WHEREAS, City staff has identified realtors who are able to assist the City with acquisition and disposition of those properties, and

WHEREAS, it is necessary for the City to enter into agreement with these realtors, and

WHEREAS, the City's Purchasing Code does not require formal bidding for Service Contracts,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, as follows:

Section 1. ADOPTION OF REPRESENTATIONS: The foregoing Whereas paragraphs are hereby ratified and confirmed as being true, and the same are hereby made a specific part of this Resolution.

Section 2. AUTHORIZATION: The City Manager and City Clerk are hereby authorized and directed to execute and attest, respectively, those certain Service Agreements with Lisa E. Meyers-Archer, P.A., Claudienne Hibbert, P.A., and Phillip & Donna Barrett for acquisition and disposition services relating to the Neighborhood Stabilization Program and the City's approved Action Plan Amendment, copies of which are attached hereto as **Exhibit A**.

Section 3. INSTRUCTIONS TO THE CITY CLERK: The City Clerk is hereby authorized to obtain five (5) fully executed copies of the subject Agreement, with one to be maintained by the City; with one each to be delivered to Lisa E. Meyers-Archer, P.A., Claudienne Hibbert, P.A., and Phillip & Donna Barrett, and with one to be directed to the Office of City Attorney.

Section 4. EFFECTIVE DATE: This Resolution shall take effect immediately upon its final passage.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS AT ITS REGULAR MEETING HELD ON JANUARY 14, 2009.

  
SHIRLEY GIBSON, MAYOR

ATTEST:

  
RONETTA TAYLOR, MMC, CITY CLERK

Resolution No. 2009-08-953

Prepared by SONJA KNIGHTON DICKENS, ESQ.  
City Attorney

SPONSORED BY: DANNY CREW, CITY MANAGER

MOVED BY: Vice Mayor Watson  
SECOND BY: Councilman Campbell

**VOTE:** 6-0

Mayor Shirley Gibson	<u>  X  </u> (Yes)	<u>    </u> (No)
Vice Mayor Barbara Watson	<u>  X  </u> (Yes)	<u>    </u> (No)
Councilman Melvin Bratton, Sr.	<u>    </u> (Yes)	<u>    </u> (No) (not present)
Councilman Aaron Campbell, Jr.	<u>  X  </u> (Yes)	<u>    </u> (No)
Councilman Oliver Gilbert III	<u>  X  </u> (Yes)	<u>    </u> (No)
Councilwoman Sharon Pritchett	<u>  X  </u> (Yes)	<u>    </u> (No)
Councilman André Williams	<u>  X  </u> (Yes)	<u>    </u> (No)

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## City of Miami Gardens Agenda Cover Memo

<b>Council Meeting Date:</b>	January 14, 2009		<b>Item Type:</b> <small>(Enter X in box)</small>	<b>Resolution</b>	<b>Ordinance</b>	<b>Other</b>	
				X			
<b>Fiscal Impact:</b> <small>(Enter X in box)</small>	Yes	No	<b>Ordinance Reading:</b> <small>(Enter X in box)</small>	<b>1<sup>st</sup> Reading</b>		<b>2<sup>nd</sup> Reading</b>	
		X		<b>Public Hearing:</b> <small>(Enter X in box)</small>	<b>Yes</b>	<b>No</b>	<b>Yes</b>
		X			X		
<b>Funding Source:</b>	<small>(Enter Fund &amp; Dept)</small> Ex: General Fund- Police		<b>Advertising Requirement:</b> <small>(Enter X in box)</small>	<b>Yes</b>		<b>No</b>	
							X
<b>Contract/P.O. Required:</b> <small>(Enter X in box)</small>	Yes	No	<b>RFP/RFQ/Bid #:</b>	<small>(Enter #)</small>			
		X					
<b>Sponsor Name</b>	Danny Crew, City Manager		<b>Department:</b>	Community Development			

**Short Title:**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, AUTHORIZING THE CITY MANAGER AND CITY CLERK TO EXECUTE AND ATTEST, RESPECTIVELY, SERVICE AGREEMENTS WITH LISA E. MEYERS-ARCHER, P.A., CLAUDIENNE HIBBERT, P.A., AND PHILLIP & DONNA BARRETT FOR ACQUISITION AND DISPOSITION SERVICES RELATING TO THE NEIGHBORHOOD STABILIZATION PROGRAM AND THE CITY'S APPROVED ACTION PLAN AMENDMENT, COPIES OF WHICH ARE ATTACHED HERETO AS EXHIBIT A; PROVIDING FOR INSTRUCTIONS TO THE CITY CLERK; PROVIDING FOR THE ADOPTION OF REPRESENTATIONS; PROVIDING AN EFFECTIVE DATE.

**Staff Summary:**

**Background**

On July 30, 2008, President Bush signed the Housing and Economic Recovery Act of 2008, which authorized the release of \$3.92 billion to the Neighborhood Stabilization Program (NSP). The State of Florida will receive \$541 million of federal funds, of which the City of Miami Gardens is expected to be awarded \$6,866,119.02.

The NSP will provide emergency assistance to state and local governments with primary purpose of acquiring and redeveloping foreclosed properties that might otherwise become sources of abandonment and blight within their communities. City staff conducted a workshop for Council on October 30, 2008, where the NSP was explained in greater detail, and where the City's proposed activities under this program were presented. This workshop was

also open to the general public in order to comply with the *Citizen Participation* requirement in the City's Consolidated Plan. Comments obtained in the workshop have been considered for incorporation into the Action Plan Amendment.

The City's Action Plan Amendment was approved by Council at their November 12, 2008 meeting and subsequently submitted to the local HUD prior to the December 1, 2008 deadline. At this point we are awaiting review of and approval of our application.

The primary purpose of the NSP is to address the issue of abandoned and foreclosed properties. Communities receiving an allocation will be expected to carry out the activities outlined in their plan within the designated time frame. The essential activity outlined in the City's plan is the purchase of abandoned and foreclosed properties directly from the banks with the expressed intent of rehabbing said properties and reselling them to income-eligible buyers. Given the nature of this activity, City Staff determined to utilize the services of professional Realtors to negotiate the purchase of properties that meet the City's criteria.

The criteria for purchasing these units will include (but not be limited to):

- Purchase price below appraised value
- Location of housing unit
- Condition of the housing unit
- Size/amenity desirable to interested buyers

In order to procure Realtor Services relative to the NSP, Staff utilized a formal Request for Letters of Interest. However, because of the high profile nature of this program, Staff contacted several realtors that have established contact with the City either recently or in the past. A meeting with these individuals was hosted on Wednesday, October 22, 2008. At this meeting, Staff provided a summary of the NSP and an outline of the services which we would be looking for licensed realtors to provide the City. Staff also informed those in attendance that a formal solicitation would be advertised and those interested would need to respond in accordance with the ad.

On Thursday, November 13, 2008 the formal ad was published (see attached). Staff also placed a formal notification of the ad on the Community Development Department's webpage. It should be noted that all of the individuals that attended the meeting on October 22<sup>nd</sup> were notified via email and provided an electronic copy of the ad. Included in the ad was a notice of a pre-submission meeting on Thursday, November 20, 2008. Fourteen (14) individuals attended the pre-submission meeting. Staff provided those in attendance with a summary of the services being solicited, the criteria to be used for selection (which was also included in the ad), the expected compensation for selected realtors, and the time frame within which the City expected to make a decision. The balance of the meeting provided attendees with an opportunity to ask pertinent questions relative to the solicitation request. Questions posed in this pre-submission meeting, and the City's responses to those questions were posted on the City's website.

The deadline for submission of the formal letters of interest from licensed realtors was Wednesday, December 3, 2008. Seventeen (17) letters of interest were received. City staff proceeded to review and evaluate the packages submitted. Three (3) Realtors were deemed to have the most desired related

experience with the purchase of foreclosed properties (short sales) and negotiation expertise with banks.

The top three (3) responsible responders were:

1. Lisa E. Meyer-Archer, P.A
2. Claudienne Hibbert, P.A,
3. Philip & Donna Barrett

All of the letters of interest packages received are available for Council review at the desk of the Assistant to the Mayor and Council. None of the three (3) recommended realtors have offices located within the City. However, given the nature of this program, having an office in the City was not a criteria used to evaluate the letters of interest. The emphasis of this solicitation was to identify realtors with specific experience/expertise in the area of the purchase of foreclosed properties.

It should be noted that part of Staff's evaluation of each package submitted included verification of the realtor's license, and a review of any complaints filed against the realtor. All three (3) of the realtors recommended have current real estate licenses in the State of Florida (as verified thru the Department of Business and Professional Regulation), and none have had any complaints filed against them. Moreover, a litigation background check was conducted on each individual utilizing *dFacts* (a subsidiary of LexisNexis) and no history of lawsuits or fines was found.

### **Current Situation**

At this point, it is Staff's desire to formally engage the top three (3) Realtors so that the City may be in a position to move efficiently in negotiating the purchase of properties immediately following the receipt of the contract from HUD. A professional services agreement has been developed (and reviewed by the City Attorney) that outlines the scope of work to be carried out by each selected realtor.

The compensation to be paid to each realtor will be a flat fee of \$2,500 for each property on which the City actually closes (purchases). The rationale for this fee is that each realtor will be involved in the extensive review and negotiation of several properties for which a purchase transaction may not even occur. Moreover, the flat fee (as opposed to a percentage of purchase price) ensures that the City's contracted realtors will seek to negotiate the deepest discount possible without having to compromise their commission.

In accordance with the City's NSP plan, properties purchased will be rehabbed (if necessary) and sold to income eligible individuals. Staff has determined to structure the professional services agreement with the Realtors in a way that will allow the same Realtor that negotiated the purchase of particular properties from the holder of title, to subsequently list those properties for re-sale. The term of the agreement will be for one (1) year, with two six-month (6) extensions. It should be noted, however, that these agreements have a 15-day cancellation provision at the City's sole discretion.

The attached Resolution seeks City Council approval to authorize the City Manager to execute the attached service agreement with each of the three (3) identified licensed Realtors.

**Proposed Action:**

It is staff's recommendation that Council approve the attached Resolution authorizing the City Manager to enter into non-exclusive agreements with each of the following three (3) licensed Realtors:

1. Lisa E. Meyer-Archer P.A.
2. Claudienne Hibbert, P.A.
3. Philip & Donna Barrett

for the provision of real estate acquisition and disposition services as per the enclosed Realtor Service Agreement, Exhibit "A", for the Neighborhood Stabilization Program (NSP).

**Attachment:**

"Exhibit A", NSP Realtor Service Agreement(s)