

## Memorandum

**To:** Christy Dominguez; Director of Planning and Zoning  
City of Hallandale Beach, FL

**From:** Paul Lambert

**Date:** 11/14/2011

**Re:** Village at Gulfstream Park Final Review of Modifications to the NOPC

At your request, we have reviewed the proposed modifications to the NOPC with changes which have been made subsequent to our draft memo of June 29, 2011. As we understand it, you are now seeking answers to three questions:

1. Will the modifications financially impact the City's obligations to fund or ability to be repaid any increment paid under the 2009 TIF agreement between Village of Gulfstream Park (VGP) and the CRA?
2. What are the financial benefits of transportation revised elements to VGP?
3. Is the affordable housing amended Restrictive Covenants consistent with what has been conveyed as the goals and objectives of the City through the CRA?

First, the obligation on behalf of the City to pay or future potential to recapture increment will not be negatively impacted by the proposed changes. Indeed, to the extent that the changes allow for cost avoidance specifically within the LAC, the City's position as it relates to the payment or recapturing of increment is most likely enhanced by the changes.

As it relates to the transportation improvements, there are two significant financial benefits to the developer of the changes. First, the financial obligation goes away as it relates to the provision of a shuttle service which could be an obligation of between \$200,000 to \$250,000 per year. Second, and of greater value, VSG is released from identifying an offsite parking facility for 500 worker's vehicles which as our June 29<sup>th</sup> memo indicates, could be in excess of a \$5.0 million benefit to VGP to the extent that parking continues to be generally available within the LAC.

However, because these offsite spaces are likely to go unutilized given what appears to be broad availability of parking onsite and forcing employees to park offsite will likely negatively impact leasing in a difficult economic environment this change will help to mitigate the downside risk of the development a bit. To the extent that offsite employee parking is needed in the future because land values will have increased to a level where parking employees onsite no longer makes good economic sense, the property owner may very well seek to move employee parking offsite on their own volition.

Finally, the affordable housing language in the amended restrictive covenants is consistent with language which we reviewed on September 1, 2011. Based upon our understanding of the City's objectives as it relates to affordable and workforce housing when this language was first proposed in early September, the amendment is consistent with those objectives.

If you have any questions or would like to discuss these items further, please call me at your convenience.