



City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, [www.miamibeachfl.gov](http://www.miamibeachfl.gov)

## COMMITTEE MEMORANDUM

TO: Honorable Chair and Members of the Finance and Economic Resiliency Committee

FROM: Alina T. Hudak, City Manager

DATE: March 30, 2022

SUBJECT: **A DISCUSSION REGARDING THE SALE AGREEMENTS OF THE FOLLOWING CITY-OWNED VACANT PROPERTIES: 1) 266 87TH TERRACE (FOLIO 02-3202-006-0430); (2) THE VACANT PROPERTY LOCATED AT COMMERCE STREET AND JEFFERSON AVENUE (FOLIO 02-4203-009-2140); AND (3) THE VACANT PROPERTY LOCATED AT PINE TREE DRIVE AND 63RD STREET (FOLIO 02- 3211-014-0050).**

### **BACKGROUND**

The City is the owner of the following parcels: (1) 266 87th Terrace (Folio 02-3202-006-0430); (2) the vacant property located at Commerce Street and Jefferson Avenue (Folio 02-4203-009-2140); and (3) the vacant property located at Pine Tree Drive and 63rd Street (Folio 02-3211-014-0050). On February 19, 2021, the Finance and Economic Resiliency Committee ("FERC" or "Committee") discussed potential revenue sources to supplement the City's capital and operating budgets including the possible disposition of City-owned properties, in their "as-is" condition. At the June 11, 2021 FERC meeting, the Administration presented five (5) vacant parcels identified for disposition by CBRE's City Asset Inventory. Subsequently, at the July 23, 2021, FERC Budget Briefing, the Committee discussed the item and voted by acclamation to favorably move forward, directing staff to proceed with a procurement of these sites whether it be with RFP or listing, and present these before Commission.

### **ANALYSIS**

The City is currently under contract with CBRE, Inc. ("CBRE") to provide a range of brokerage services to the City. On July 28, 2021, the Mayor and Commission adopted Resolution No. 2021-31826, accepting the recommendation from FERC to engage CBRE for brokerage services to list these three (3) properties among others for sale. The Administration conducted appraisals for all three parcels to determine their value. Following the recommendation, the Administration engaged CBRE for brokerage services for the competitive listing of these properties. Consequently, CBRE has secured the following offers from various prospective buyers at the appraised or highest value. The first offer for parcel located at 266 87th Terrace, is valued at \$4,600,000. The second offer for the parcel located at the vacant property located at Commerce Street and Jefferson Avenue, is valued at \$1,503,400. The third offer for the parcel located at Pine Tree Drive and 63rd Street is valued at \$3,650,000. The sale of these three (3) vacant land parcels would have a positive impact to supplement the City's FY 2022 capital and operating

budget in the amount of \$9,753,400. A summary of these offers and valuations are attached hereto as **Exhibit A**.

**CITY MANAGER RECOMMENDATION**

Prior to any sale of City-owned property, in accordance with Section 82-37 of the City Code, the proposed sale shall be transmitted by the City Manager to the Committee for its review.

**CONCLUSION**

Based upon the foregoing, I recommend the Committee review the proposals and consider moving this item to the City Commission for final review and approval to proceed with the sale of these three (3) parcels at the highest and best offer.

Attachments:

- 1) Exhibit A – Summary of Appraisals and Offers for all parcels