



Introduction

This communication is being provided in an effort to address questions raised by the Broward County School Board regarding the City's request for the School Board of Broward County to terminate its Right of Reverter interests in the property located at 121 S. W. 3rd Street, Hallandale Beach, Florida, which is currently the site of the City's main fire station. As indicated in previous correspondence, the City is currently engaged in a capital improvement program that includes the replacement and sale of the Fire Station Property, which is encumbered by the School Board's right of reverter interest in the property.

The transaction purchase/sale price for the Fire Station Property is \$830,000.00, which is also its most recent appraised fair market value. However, the same transaction will also include the City's purchase of another property ("Parking Property") that is owned by the purchaser of the Fire Station Property in the amount of \$90,000. Moreover, the same transaction includes a two-year term leaseback of the Fire Station Property to the City in the amount of \$226,080.00. The City will continue to use the Fire Station Property for this two-year period while it constructs the new fire station. Following the two-year period is anticipated that the Fire Station Property will be developed as the primary US headquarters and main distribution center for international eyewear giant, Aspex Eyewear ("AE"), who anticipates bringing 500 to 700 jobs over a 10-year period following construction.

In light of the comprehensive nature of the City's overall capital improvement and economic redevelopment plans for neighborhood within which the Fire Station Property is located, the City offers the following background narrative to underscore the public interests considerations supporting its request for termination of the School Board's right of reverter:

Background

In 1928 then Town of Hallandale (City) and the Board of Public Instruction for Broward County (School Board) entered into a partnership for the transfer of land. The School Board deeded to the City of Hallandale Beach, approximately 46,191 sq. ft. of property located at 121 SW 3rd Street to be conveyed expressly for municipal, civic, or community purposes. Since that time, the City of Hallandale Beach has done just that, making that property home to the City's Main Fire Station.

Today, this lot still houses a 12,000 sq. ft. building which operates as the City's Main Fire Station which was constructed more than 40 years ago during a time when the fire service was almost exclusively male and the requirements for space, security, emergency response and preparedness were not what they are today. The City's main fire station is the oldest operating fire station in the City, the location and the size of this property can no longer accommodate our diverse fire professionals nor can it serve our community in the most effective manner. The inadequate size and location of the Main Fire Station has placed a

hardship on the City with respect to improving response times and providing effective emergency management services to our residents.

Current Situation

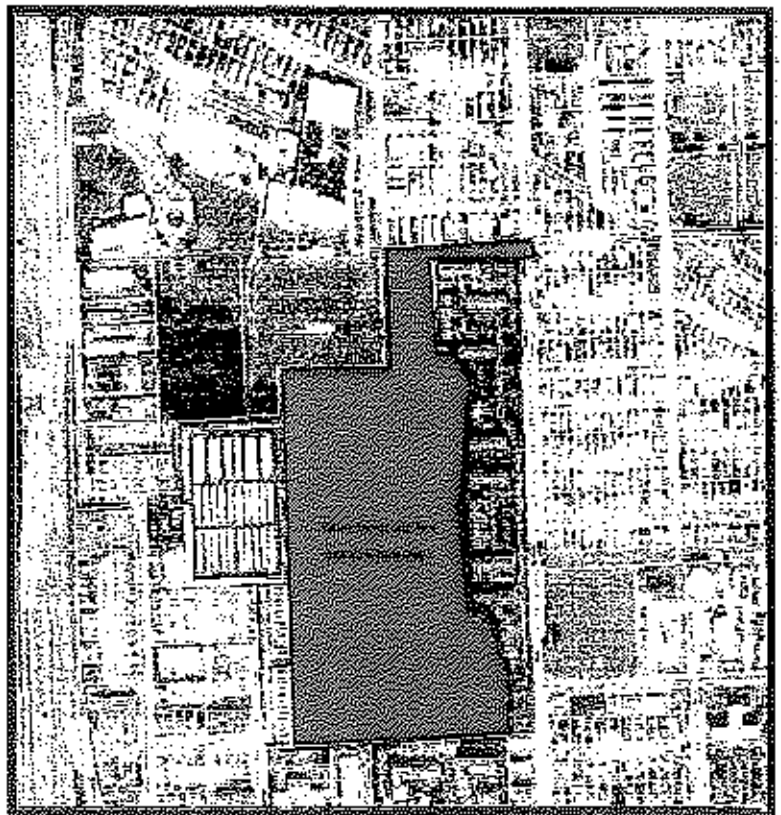
In order to construct the new 22,000 sq. ft. facility, the City has contracted with the adjacent property owner to sell the fire station property. All proceeds from the sale of this property have been dedicated to the acquisition and construction of our new Main Fire Station. The new station will be located in the City's northwest neighborhood, which is home to Hallandale High School. It is important that the City express to the School Board that there will be no "profit" in a traditional sense from the sale of the fire station. In fact, it is estimated that proceeds from the sale of the property will cover less than 10% of the estimated cost of construction. However, the City must rely upon this revenue to complete this much needed public investment in one of the City's most economically challenged communities.

While the City will not be able to maintain the "reverter" provision at its existing location, Hallandale Beach would like to continue to honor the spirit of the terms under which the property was originally deeded. As such, the City would instead like to offer a transfer of the 1928 "reverter" provisions onto a comparable property, in close proximity to Hallandale High School.

The City currently owns a 3.88 acre piece of property slated to become Chaves Lake Park. The illustration shows the proximity of the property to Hallandale High School. The City would be willing to transfer the reversionary restrictions from the property located at 121 SW 3rd Street (a.k.a Main Fire Station) to the future Chaves Lake Park. In exchange for the School Board's agreement to release its reversionary interest in fire station. This future park site is 3.88 acres of land in addition to the large water body known as Chaves Lake. Attached for your information is the master plan for the future Chaves Lake Park (*Attachment One*).

City's Historical of Partnership with the School Board

As you know, the City has always maintained a close working relationship with the School Board through various ongoing programs and capital commitments, here are just a few examples of our partnerships:

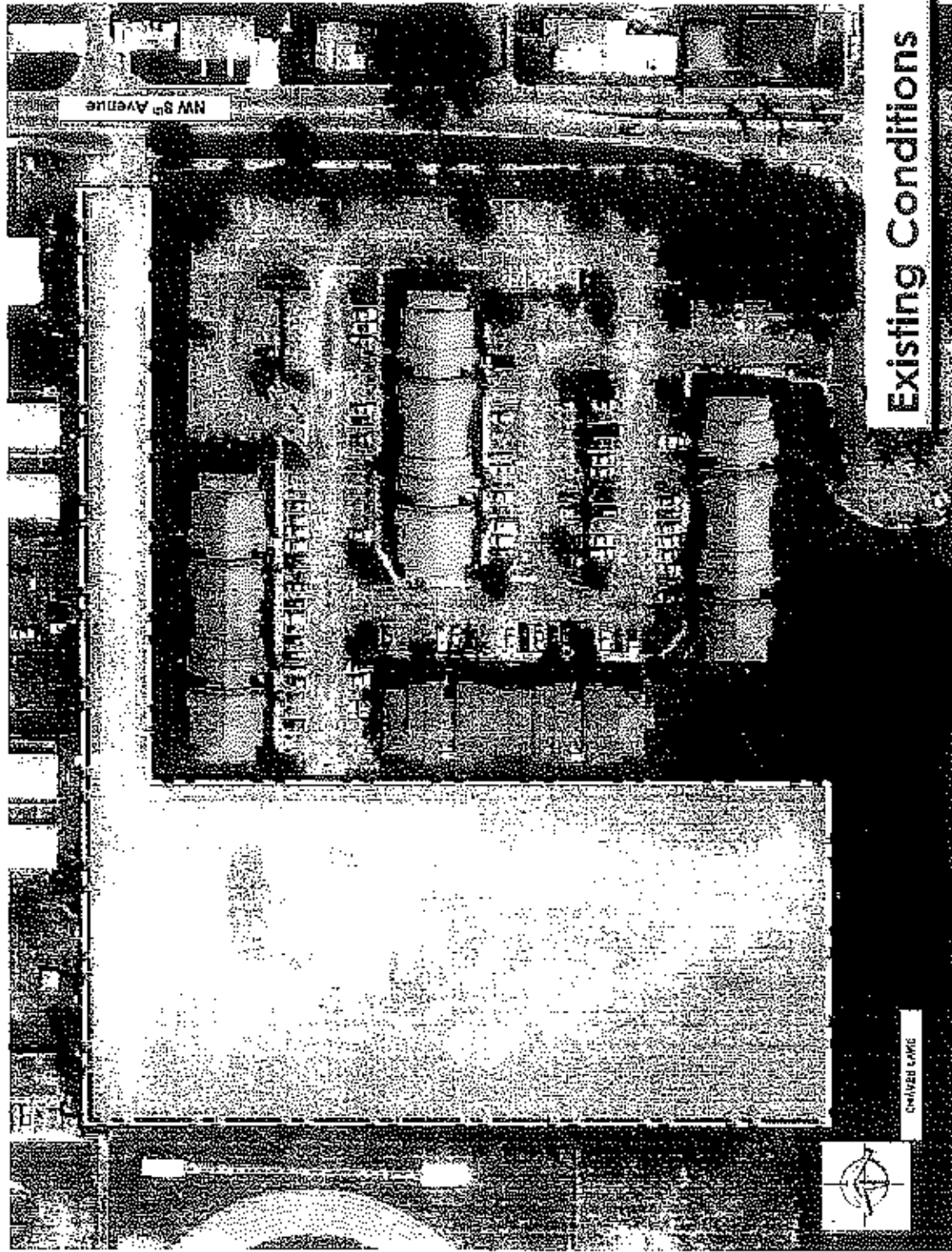


- The City through its Police Department currently funds and provides all staffing for the Criminal Justice Operations program at Hallandale High School. Our Law Enforcement professionals teach four classes a day to prepare our high school students for careers in criminal justice which allows the High School to offer this program without incurring the cost of a full time teacher.
- The City through its Fire Department conducts fire prevention safety classes in October of each year at Gulfstream Middle, Hallandale Elementary, Hallandale High School, and Hallandale Adult Community Center. In addition, the Fire Department conducts annual trainings at Hallandale High on the dangers of drunk driving.
- In 2003, The City of Hallandale Beach contributed \$462,000 through a partnership with the School Board to complete construction of the Hallandale High School Stadium Fields and Track.
- Since 2007, the City has contributed \$306,000 in Community Partnership Grants and sponsorships directly to City of Hallandale Beach Schools.
- In 2011, The City of Hallandale Beach also contributed \$300,000 for the improvement of the fields at the Hallandale Adult Community Center. The City also performs the ongoing regular upkeep and maintenance of the fields as well as pays for its electricity usage.
- In a continued commitment to our schools, the City has a monthly Mayoral Recognition of Students where we recognize a student from each of the schools within our jurisdiction who have distinguished themselves as leaders in their class. During this meeting, the City also receives reports from each principal on school activities. This consistent information sharing has become a way for the City to be aware of the needs that can be filled and or partnerships that can be leveraged to benefit our schools.

In closing, we ask for your consideration on this matter as the sale of this property is the key to the City of Hallandale Beach being able to construct our new fire station. As time is of the essence (closing is set for June 23, 2014), the City is willing to take the lead on the preparation of any and all documents necessary to complete this transaction.

Thank you in advance for your consideration.

Chaves Lake (3.88 Ac.)



Existing Conditions

CHAVES LAKE

Chaves Lake

