

**CITY OF MIAMI BEACH
COMMISSION ITEM SUMMARY**



Condensed Title:

Request for Approval to Issue a Request for Proposals (RFP) for the Selection of an Auctioneer to Sell to the Highest Bidder, City-Owned Property Located at 2620 Biarritz Drive, Miami Beach, Florida.

Issue:

Shall the City Commission Approve the Issuance of an RFP?

Item Summary/Recommendation:

The Mayor and City Commission at its December 10, 2003 meeting, adopted Resolution No. 2003-25440 calling for a special election to be held on March 9, 2004, for the purpose of submitting to the electorate of the City of Miami Beach (the "City") a question asking whether the City should sell waterfront property located at 2620 Biarritz Drive in Miami Beach, Florida (the "Property"), with the sale proceeds to be utilized for renovation of the City's Normandy Shores Golf Course. On March 9, 2004, a special election was held and the voters approved the sale of the Property.

On April 22, 2004, an appraisal report was forwarded to the Mayor and City Commission, via Letter to Commission (LTC) No. 91-2004. Said report was prepared by Integra Realty Resources who estimated the market value of the Property as of April 8, 2004, to be \$870,000.

On May 5, 2004, the Administration recommended that the City Commission refer to the Finance and Citywide Projects Committee (the "Committee") for discussion, the alternative options to consider relative to the process by which the Property will be publicly and competitively offered for sale to ensure that the highest and best price is achieved. The Mayor and City Commission accepted the Administration's recommendation and referred the item to the Committee. The Committee recommended the issuance of an RFP for the selection of an Auctioneer to sell the Property (see section below entitled "Advisory Board Recommendation").

APPROVE THE ISSUANCE OF AN RFP.

Advisory Board Recommendation:

The Finance and Citywide Projects Committee (the "Committee") at its May 19, 2004 meeting, discussed the sale of waterfront property located at 2620 Biarritz Drive, Miami Beach, Florida. After considering the various options and the pros and cons with each, the Committee instructed the Administration to establish criteria for and prepare an RFP for a Professional Real Estate Auctioneer for the sale of the Property, and to include in the RFP a minimum bid requirement for the proposed auction. The Committee expressed a sentiment that by selecting a Professional Real Estate Auctioneer, the process would be open, fair and competitive.

Financial Information: N/A

Source of Funds:		Amount	Account	Approved
<div style="border: 1px solid black; width: 50px; height: 50px; display: inline-block;"></div> Finance Dept.	1			
	2			
	3			
	4			
	Total			

City Clerk's Office Legislative Tracking:

Gus Lopez, ext. 6641 *gl*

Sign-Offs:

Department Director	Assistant City Manager	City Manager
JD	CMC <i>all</i>	JMG <i>JMG</i>

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Agenda Item C2B
Date 6-9-04

CITY OF MIAMI BEACH

CITY HALL 1700 CONVENTION CENTER DRIVE MIAMI BEACH, FLORIDA 33139
www.miamibeachfl.gov



COMMISSION MEMORANDUM

To: Mayor David Dermer and
Members of the City Commission

Date: June 9, 2004

From: Jorge M. Gonzalez
City Manager

A handwritten signature in cursive script, appearing to read 'Jorge'.

Subject: REQUEST FOR APPROVAL TO ISSUE A REQUEST FOR PROPOSALS (RFP) FOR THE SELECTION OF AN AUCTIONEER TO SELL TO THE HIGHEST BIDDER, CITY-OWNED PROPERTY LOCATED AT 2620 BIARRITZ DRIVE, MIAMI BEACH, FLORIDA.

ADMINISTRATION RECOMMENDATION

Approve the issuance of an RFP.

ANALYSIS

The Mayor and City Commission at its December 10, 2003 meeting, adopted Resolution No. 2003-25440 calling for a special election to be held on March 9, 2004, for the purpose of submitting to the electorate of the City of Miami Beach (the "City") a question asking whether the City should sell waterfront property located at 2620 Biarritz Drive in Miami Beach, Florida (the "Property"), with the sale proceeds to be utilized for renovation of the City's Normandy Shores Golf Course.

On March 9, 2004, the City held a Special Election to present the voters with seven ballot questions, including Ballot Question No. 7 entitled, "Sale of 2620 Biarritz Drive", which read as follows:

"Shall the City of Miami Beach sell waterfront property located at 2620 Biarritz Drive in Miami Beach, Florida (survey and legal description of property on file in City's Public Works Department), with the sale proceeds to be utilized for the City's renovation of the Normandy Shores Golf Course?"

The voters approved the sale of the Property. As part of the referendum, it was explained to the voters that the City would sell the Property through a public sale based on the fair market value as determined by a professional, independent appraisal. The Property would be sold to the highest bidder and zoned for a single-family residence. The proceeds of the sale would be used for the City's renovation of the Normandy Shores Golf Course. The duly registered and qualified voters of the City voted in favor of selling the aforementioned waterfront property.

On April 22, 2004, an appraisal report was forwarded to the Mayor and City Commission, via Letter to Commission (LTC) No. 91-2004. Said report was prepared by Integra Realty Resources who estimated the market value of the Property as of April 8, 2004, to be \$870,000.

On May 5, 2004, the Administration recommended that the City Commission refer to the Finance and Citywide Projects Committee (the "Committee") for discussion, the alternative options to consider relative to the process by which the Property will be publicly and competitively offered for sale to ensure that the highest and best price is achieved. The Mayor and City Commission accepted the Administration's recommendation and referred the item to the Committee.

The Committee meeting was held on May 19, 2004. The Committee discussed the sale of waterfront property located at 2620 Biarritz Drive, Miami Beach, Florida. The City Manager introduced and summarized the item by stating that the Administration is seeking guidance from the Committee relative to the competitive process and minimum bid requirements applicable to the sale of the Property.

The City's Procurement Director discussed the pros and cons associated with the following processes:

- Real Estate Auctioneer;
- Real Estate Broker;
- Competitive Sealed Bidding;
- E-Bay; or a
- Combination of two or more of the above processes.

The Committee discussed the pros and cons, including costs, associated with the alternatives available in order to optimize the return to the City from the sale of the property. After considering the various options and the pros and cons with each, the Committee instructed the Administration to establish criteria for and prepare an RFP for a Professional Real Estate Auctioneer for the sale of the Property, and to include in the RFP a minimum bid requirement for the proposed auction. The Committee expressed a sentiment that by selecting a Professional Real Estate Auctioneer, the process would be open, fair and competitive.

The following is the scope of services that will be incorporated in the RFP:

1. Design and implement a City-approved advertising campaign to local, regional and national print media publications.
2. Establishing pre-sale budget line item relative to the marketing/advertising budget for the City's approval.
3. Develop a proactive public relations campaign.

4. Notify and encourage participation from the Real Estate Brokerage community.
5. Compile, assemble and distribute complete and accurate Property information packages (in hard copy and CD) to prospective purchasers and interested brokers.
6. Monitoring all pre-sale activities and reporting processes to the City's Project Manager.
7. Establish a 1-800/866 toll free number for inquiries.
8. Link notice of sale to all industry related web sites.
9. Conduct scheduled showing/inspections.
10. Assist in the development of General Terms and Conditions relative to the sale of Property.
11. Develop all required forms.
12. Distribute the Notice of Sale to potential buyers and brokers on a national, regional and local scope.
13. Conduct day of sale activities.
14. Track all pre-sale responses to the marketing campaign.
15. Interface with all interested parties.

An evaluation committee appointed by the City Manager will recommend the most qualified professional Auctioneer based on the following criteria:

1. Experience and qualifications of the firm – 15 points.
2. Experience and qualifications of the Auctioneer(s) assigned to sell the Property – 30 points.
3. Methodology and Approach – 15 points.
4. Cost/Fees – 20 points.
5. Past Performance – 20.

CONCLUSION

The Administration recommends that the City Commission approve the issuance of an RFP for the selection of an Auctioneer to sell to the highest bidder, the City-owned property located at 2620 Biarritz Drive, Miami Beach, Florida.