Condensed Title:

Request for Approval to Issue a Request for Qualifications (RFQ) for A Real Estate Broker to Service Leasable City Owned Properties.

Key Intended Outcome Supported:

Increase resident satisfaction with the level of services and facilities.

Supporting Data (Surveys, Environmental Scan, etc.):

Approximately 40% of retail businesses surveyed, rank Miami Beach as one of the best places to do business and 61% of the same group would recommend Miami Beach as a place to do business.

Issue:

Shall the City Commission approve issuance of the RFQ?

Item Summary/Recommendation:

It is the intent of the Administration to use the RFQ process to competitively select one or more Commercial brokers with proven experience in successfully marketing and leasing retail and office space. While demonstrated experience will be required for any broker selected, the retail broker must demonstrate specific experience in identifying tenant mixes appropriate for retail locations, as well as in developing strategies to attract the appropriate tenant mix.

Staff has made efforts to attract tenants and negotiate leases for existing vacancies. However, impending staff adjustments and market conditions have prompted a re-evaluation for the need for a Commercial Real Estate Broker, or Brokers, to market City-owned spaces and procure and negotiate leases moving forward, as well as any additional revenue-generating leasable space as it becomes available.

It is anticipated that the term of the Agreement will be for an initial term of six (6) months, with the option to renew for three (3) additional six (6) month renewal periods, all renewal period(s) to be exercised at the sole and absolute discretion of the City.

The following services define, but do not limit the scope of work to be provided by the selected firms pursuant this RFQ selection process:

- Procuring and negotiating leases for available commercial retail space and office space, as well as for spaces that become available upon expiration and/or termination of existing leases; and
- Developing and implementing marketing/advertising and leasing plan(s) and strategies to secure tenant mixes.

APPROVE THE ISSUANCE OF AN RFQ.

Advisory Board Recommendation:

Approved by the Finance and Citywide Projects Committee on 9/3/09.

Financial Information:

Source of Funds:		Amount	Account	Approved
	1			
	2			
	3			
OBPI	Total			

Financial Impact Summary: None. Request to Issue RFQ only

City Clerk's Office Legislative Tracking:

Gus Lopez, Ext 6641

Sign-Offs:

Department Director	Assistant City Manager	City Manager
AP	PDW HK	JMG

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MIAMIBEACH

AGENDA ITEM C2I

DATE 9-9-09

MIAMIBEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

COMMISSION MEMORANDUM

TO: Mayor Matti Herrera Bower and Members of the City Commission

FROM: Jorge M. Gonzalez, City Manager

DATE: September 9, 2009

SUBJECT: **REQUEST FOR APPROVAL TO ISSUE A REQUEST FOR QUALIFICATIONS (RFQ) FOR A REAL ESTATE BROKER TO SERVICE LEASABLE CITY-OWNED PROPERTIES**

ADMINISTRATION RECOMMENDATION

Approve Issuance of the RFQ.

ANALYSIS

It is the intent of the Administration to use the RFQ process to competitively select one or more brokers with proven experience in successfully marketing and leasing retail and office space. While demonstrated experience will be required for any broker selected, the retail broker must demonstrate specific experience in identifying tenant mixes appropriate for these locations, as well as in developing strategies to attract the appropriate tenant mix.

One broker with demonstrated ability in leasing both retail and office space may be selected, or two brokers may be selected to address retail and office needs respectively.

Currently there are several spaces in City-owned buildings that have commercial leasable space, either retail or office, vacant and available. In addition, at the September 3, 2009 Finance and Citywide Projects Committee meeting, it was also requested that Broker services be used to market the Byron Carlyle Theater complex for possible tenants.

While staff has made efforts to attract tenants and negotiate leases for existing vacancies, impending staff adjustments and market conditions have prompted a re-evaluation for the need for a Commercial Real Estate Broker, or Brokers, to market these City-owned spaces and procure and negotiate leases moving forward, as well as any additional revenue-generating leasable space as it becomes available. The opportunities include:

- Historic City Hall, located at 1130 Washington Avenue has a total of eight (8) units available for leasing. The Finance and Citywide Projects Committee approved proposed terms for lease of several of these units; they are pending approval by the City Commission. Should all the proposed terms be accepted, then three upper floor units would remain available for leasing.

- The City-owned building at 1701 Meridian (also referred to as 777 17th Street) has four storefront retail units at street level, with one unit currently available for lease.

- The City-owned Lincoln Park garage will have several retail store fronts facing Pennsylvania Avenue and 17th Street. The construction is projected to be completed by June 2010, with occupancy prior to January 2011.

- The Byron Carlyle Theater, encompassing a 300+ seat theater (with lobby, box office and offices), and 9,000+ sq. ft. of adjacent vacant unimproved space. The Theater is on a busy commercial street with ample nearby parking.

- A proposal to add ground floor retail in the 17th Street garage (facing Pennsylvania) has also been discussed.

TERMS OF AGREEMENT

It is anticipated that the term of the Agreement with the selected broker(s) will be for an initial term of six (6) months, with the option to renew for three (3) additional six (6) month renewal periods, all renewal period(s) to be exercised at the sole and absolute discretion of the City.

PROPOSED COMPETITIVE PROCESS

The City of Miami Beach (City) is seeking one or more qualified commercial real estate brokers (hereinafter referred to as "Broker" or "Brokers"), to submit their experience and qualifications to provide real estate services including, but not limited to, bids to procure tenants and negotiate new leases for both retail space(s) and office space(s) in City-owned facilities (hereinafter referred to as "facilities"). As such, a Request for Qualifications (RFQ) will solicit responses from Brokers that have proven experience and capacity in the following areas:

- Procuring and negotiating leases for available commercial retail space and office space, as well as for space that becomes available upon expiration and/or termination of existing leases;

- Developing and implementing marketing/advertising and leasing plan(s) for available spaces; and

- Identifying appropriate tenant mixes, including local and national tenant brands.

MINIMUM REQUIREMENTS / QUALIFICATIONS:

ALL FIRMS THAT SUBMIT A PROPOSAL FOR CONSIDERATION MUST MEET THE MINIMUM QUALIFICATIONS AS PROVIDED BELOW. IF THE MINIMUM QUALIFICATIONS ARE NOT MET, THE PROPOSER'S SUBMITTAL WILL BE DEEMED NON-RESPONSIVE. QUALIFICATIONS WILL BE CONSIDERED ONLY FROM PROPOSERS THAT ARE REGULARLY ENGAGED IN THE BUSINESS OF PROVIDING THE PROFESSIONAL SPECIALIZATION SERVICES AS DESCRIBED IN THIS REQUEST FOR QUALIFICATIONS.

Respondents must be a licensed broker.

1. **Broker's Experience:**

- Indicate the number of years of experience in providing commercial real estate leasing services for retail and office facilities located in Miami Beach.
- Indicate the number of years of experience in providing commercial real estate leasing services for retail and office facilities located in similar urban environments to Miami Beach.
- List and describe all legal claims against any member of the project team alleging errors and/or omissions, or any breach of professional ethics, including those settled out of court, during in the past five (5) years.

2. **Capacity:**

- Describe the Broker's ability to fund all necessary costs associated with marketing and advertising the available projects.
- Provide location of Broker(s)'s office(s) and ability to provide on-site services o Miami Beach.
- Describe the Broker's resources available to effectively market the availability of the retail and office space.

3. **Previous Similar Projects:**
Provide a list of a minimum of ten projects which demonstrate experience in providing the services as required under this RFQ and in the scope of services for this project. Please provide the following information for each sample project. For brokers interested in providing only retail or only office leasing, provide at least ten projects of that type of listing (retail or office).

a) Name of facility
b) Type of facility (office or retail)
c) Location
c) Owner's name
e) Total square footage of space leased
f) Total gross annual revenue
g) List of client references
h) Any other relevant experience
i) Time on market

4. **Marketing / Advertising Plan(s):**

Include a narrative description describing the proposed methodology and marketing/ advertising plan(s) for the facilities.

EVALUATION FACTORS

The Evaluation Committee shall base its recommendations on the following factors:

- The experience, qualification and capacity of the Broker – **40 points**
- The Proposer's proposed methodology and plans for the marketing/advertising and leasing plan(s) for the facilities – **25 points**
- The Proposer's demonstrated experience in leasing commercial retail space and/or office space in urban environments comparable to Miami Beach – **25 points**
- Quality of references – **10 points**

EVALUATION PROCESS

The procedure for response evaluation and selection will be as follows:

1. RFQ issued
2. Receipt of responses.
3. Opening and listing of all responses received.

4. An Evaluation Committee, appointed by the City Manager, will meet to evaluate each response in accordance with the requirements of this RFQ. If further information is desired, respondents may be requested to make additional written submissions or oral presentations to the Evaluation Committee.

5. The Evaluation Committee will recommend to the City Manager the response(s) which the Evaluation Committee deems to be in the best interest of the City by using the following criteria for selection:

6. After considering the recommendation(s) of the Evaluation Committee, the City Manager will recommend to the City Commission the response or responses, acceptance of which the City Manager deems to be in the best interest of the City.

7. The City Commission will consider the City Manager's recommendation(s) in light of the recommendation(s) and evaluation of the Evaluation Committee and, if appropriate, approve the City Manager's recommendation(s). The City Commission may reject City Manager's recommendation(s) and select another response or responses. In any case, City Commission will select the response or responses, acceptance of which the City Commission deems to be in the best interest of the City. The City Commission may also reject all proposals.

8. Negotiations between the selected respondent and the City take place to arrive at any fees to be paid to the City. If the City Commission has so directed, the City may proceed to negotiate a fee with a respondent other than the top ranked respondent if the negotiations with the top ranked respondent fail to produce a mutually acceptable fee schedule within a reasonable period of time.

9. A proposed contract or contracts are presented to the City Commission for approval, modification and approval, or rejection.

10. If and when a contract or contracts acceptable to the respective parties is approved by the City Commission, the Mayor and City Clerk sign the contract(s) after the selected respondent(s) has (or have) done so.

CONCLUSION

The Administration recommends that the Mayor and City Commission authorize the issuance of a Request For Qualifications for a Real Estate Broker to Service Leasable City-Owned Properties.

JMG/HF/AP

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