

CITY OF TAMARAC  
INTEROFFICE MEMORANDUM  
CITY MANAGER'S OFFICE

TO: Michael C. Cernech, City Manager

DATE: February 4, 2020

THRU: Kathleen Gunn,  
Assistant City Manager



FROM: Lori Funderwhite,   
Economic Development Manager

RE: Temp. Reso. #13403  
Tax Deed Auction Bid  
Authorization

---

**Recommendation:**

We recommend approval to authorize the City of Tamarac to spend up to a maximum of \$1,400,000 (on purchase price and required fees) for a Tamarac commercial property (4959 North State Road 7) that is slated for online sale in the Broward County Tax Deed Auction (#43953) scheduled for February 19, 2020.

**Issue:**

To allow authorization for the City to bid on a Tamarac commercial property slated for County auction on February 19<sup>th</sup> for unpaid property taxes. The property is in a targeted commercial redevelopment area, and as such presents an economic development opportunity for the City.

**Background:**

The property is located at 4959 North State Road 7 in Tamarac (property ID 494113-01-0042). According to CoStar, the true property owner is *Palm Beach Security & Safes* and the owner of record is *In Touch Ministries Church of God, Inc.* Unpaid property taxes amount to \$68,323 in total. According to the Broward County Property Appraiser's (BCPA) office, 56% of the property is tax exempt.

Also, this property is located within key targeted commercial redevelopment areas for the City:

- "Four Corners Shopping Redevelopment Area" from the ***Tamarac Commercial Arterial Redevelopment Study*** (2014);
- The federal **Opportunity Zone** designation targeted for revitalization (2017); and
- Identified as one of the targeted retail revitalization properties within the "Highlander and Presidential Plaza" focus area along State Road 7 in the ***Tamarac Economic Development Strategic Plan*** ("EDSP," 2018).

The EDSP specifically identified this parcel as one of four properties along the western side of the State Road 7 corridor, south of Commercial Boulevard, that have excellent commercial or mixed-use redevelopment potential. It was noted all of the properties, including this property in question, are degraded in appearance (the building, parking lot, signage and landscaping). The property is in an excellent location on a highly visible major arterial gateway into the City.

Should the City be the successful bidder in the online auction and acquire the property, we would endeavor to seek qualified development proposals to ultimately improve and renovate the entire property and to sell it with approval from the Commission.

The upcoming online County auction presents the City with a unique economic development opportunity to potentially acquire and improve a site within a highly visible and targeted redevelopment area for the City.

The property is approximately .57-acres (24,997 square feet) and improved with a 10,805 square foot Class C commercial building with 35 parking spaces. According to CoStar, the building is fully leased with commercial tenants including In Touch Ministries of God, Inc; What If Multimedia Productions Inc; Florida Institute of Health; Green Seeds Investment Corp.; Webbabox Technologies LLC.; and Tamarac Eye Center.

BCPA's 2020 assessed value for the property is \$1,294,580. According to real estate brokerage firm Colliers International, the Broker Opinion of Value (BOV) for this property is estimated to be \$1,308,976 or \$121/SF *[which is \$1,741,176 total estimated value less an estimated \$432,000 (\$40/SF) for improvements]*.

Additionally, two summary appraisal reports have been ordered and are expected on February 7<sup>th</sup> prior to the Commission meeting to further validate appropriate maximum bid price.

We are seeking Commission authorization to spend up to \$1,400,000 (maximum price includes estimated value for purchase price and required auction fees/costs) in the online auction on February 19<sup>th</sup>.

**Fiscal Impact:**

This expenditure would be paid from a previously approved and earmarked line item of \$5,000,000 for Economic Development within the City of Tamarac's General Fund.

cc: Mark Mason, Director of Financial Services