



CITY OF
FORT LAUDERDALE

CITY HALL UPDATE

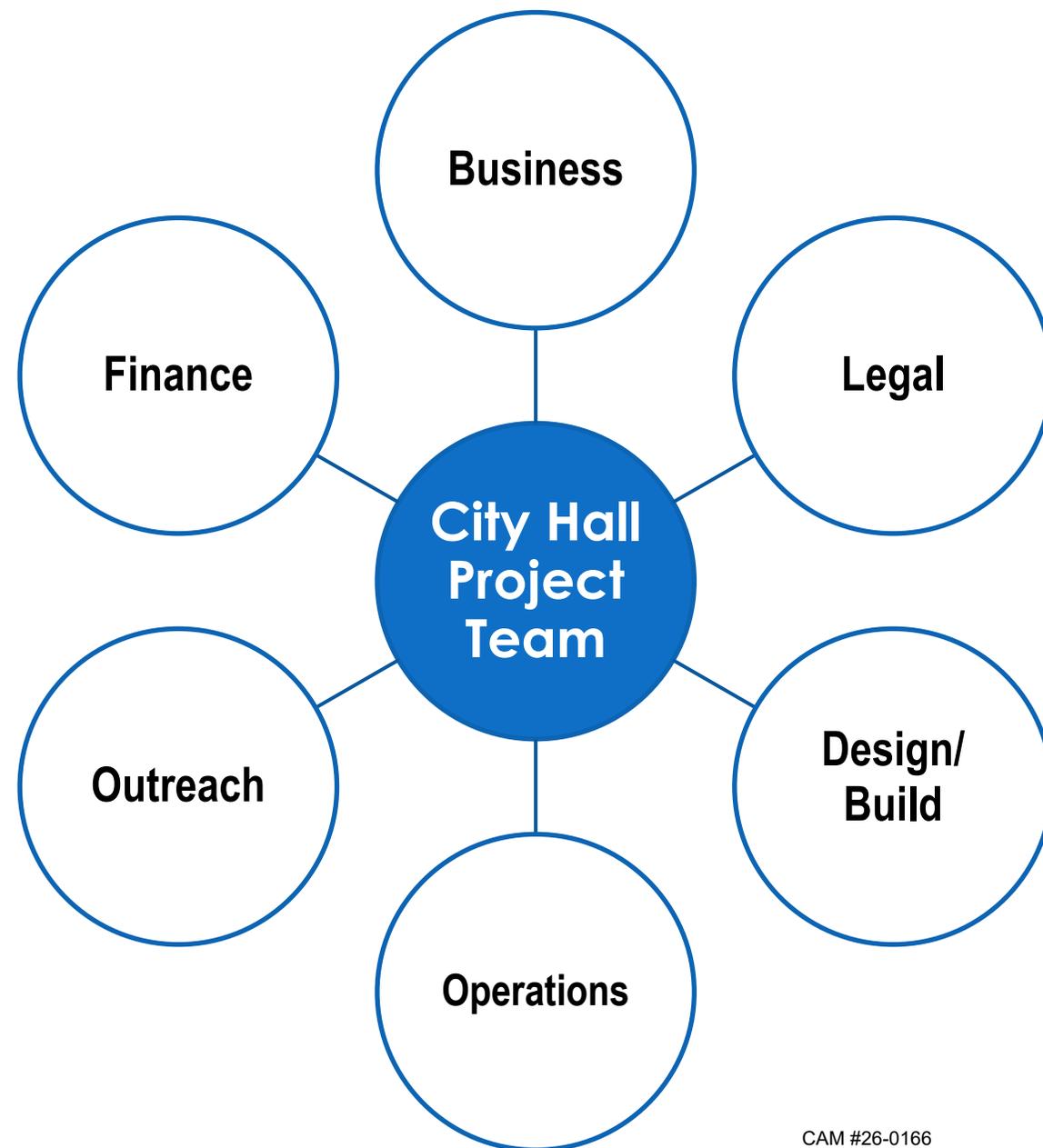
PROPOSED TERM SHEET
FOR THE INTERIM AGREEMENT

February 17, 2026

Working Groups

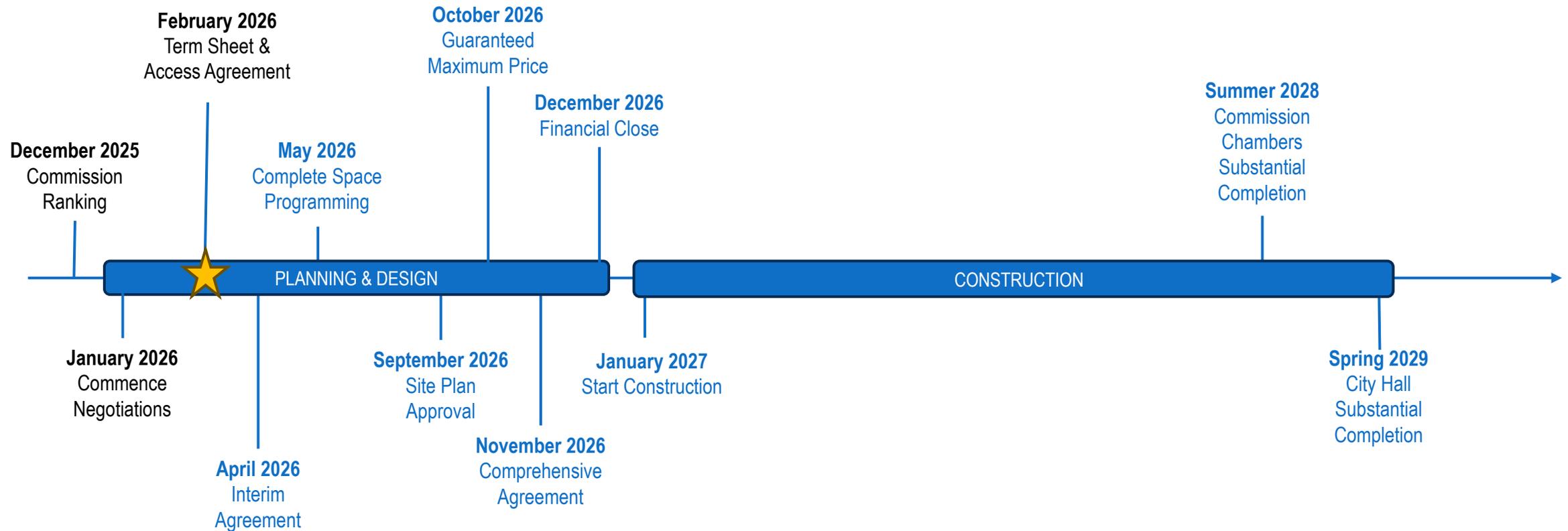
Align subject matter experts with project deliverables

- Business - develop strategies, provide resources, implement best practices
- Legal - ensure legal compliance with state and local laws, identify risk profiles, and draft the legal instruments
- Design/Build – establish space program, determine minimum standards, and oversee planning, design, and construction phases
- Finance – analyze short-term and long-term financial impacts, financial structuring, funding sources, balancing strategies
- Outreach - coordinate outreach efforts, public participation, project website, and routine updates
- Operations – integrate building functions, operational considerations, third-party services, and building service needs



Milestones

- The Developer defined the initial project schedule including major milestones and tentative completion dates



Current Priorities

Space Programming

Tenant Engagement

Elected Officials, Charter Officers, and Departments

Common Spaces

Conference, Chambers, Meeting Space

Reduce Building Size

295,000 sq. ft. to 220,000 sq. ft.

Operational Considerations

Security, Building Adjacencies, Ground Floor

Site Conditions

City Hall Demolition

Underground Diesel Storage Tank for an Emergency Generator

Existing Contamination

Completed Assessment & Next Steps

Remediation Roles

Developer to Remediate (Interim Agreement)

Parcel Environmental

Access Agreement for Due Diligence

Project Negotiations

Interim Agreement Term Sheet

Interim Agreement

Comprehensive Agreement Term Sheet

Comprehensive Agreement

Term Sheet Components

Overview

- Non-binding document that outlines the proposed terms and conditions for the Interim Agreement
- Developer created a special entity for this project – FTL City Hall Partners, LLC
- Project Site - 100 North Andrews Avenue
- Local and small business considerations
- Insurance requirements

Interim Agreement Term

- Effective upon execution
- Twelve (12)-month term
- Mutual extension up to twenty-four (24) months
- Expires upon Comprehensive Agreement execution

Term Sheet Components

Termination

- City has termination for convenience rights
- Developer may terminate in the first ninety (90) days
- Impasse considerations
- Step-in rights
- City owns documents and rights to use

Reimbursement

- City Termination – Reimbursement to Developer for 100% of Allowable Expenses and 5% Developer Fee
- Developer Termination – Reimbursement of 50% of Allowable Design Expenses
- Impasse – Reimbursement to Developer for 100% of Allowable Expenses
- Expiration without executing a Comprehensive Agreement – Reimbursement of 100% of Allowable Design Expenses and 50% of Allowable Other Expenses

Term Sheet Components

Pre-Development Work

- City approved schedule and budget
- Space programming / Building Design
- Architectural services
- Engineering services

Due Diligence

- Site inspection and investigation
- Boring samples and soil testing
- Environmental analysis
- Survey and preliminary site work

Term Sheet Components

Site Remediation

- Address existing contamination
- Developer to fully remediate existing contamination from diesel tank
- City to directly fund site remediation
- Remediation obligation survives Interim Agreement termination

Expenses

- Defines allowable expenses
- City approves budget and monthly costs
- Developer to provide \$350,000 line of credit
- Pre-development expenses will be included in total project cost

Term Sheet Components

Project Design

- Developer to deliver a conceptual plan to the City
- Developer to provide conceptual plan aligned with the City master plan and zoning regulations
- Integrate space program, security, and best practices

Project Financing

- Developer equity ranges from 7.5% to 10%
- Developer Internal Rate of Return capped at 11.5%
- Allows for 501(c)(3) to be formed

Next Steps

- City Commission Feedback
- Drafting of Interim Agreement
- Advance Space Programming
 - Engage with City's Owners Representative
 - Public participation
- Conduct Site Survey
- Initiate Geotechnical Work

