

# City of Fort Lauderdale

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## Meeting Minutes

Wednesday, September 13, 2023

6:00 PM

Police Facility Lease

The Parker

707 Northeast 8th Street, Fort Lauderdale, FL 33304

## **CITY COMMISSION - SPECIAL MEETING**

*FORT LAUDERDALE CITY COMMISSION*

*DEAN J. TRANTALIS Mayor*

*PAM BEASLEY-PITTMAN Vice Mayor - Commissioner - District III*

*JOHN C. HERBST Commissioner - District I*

*STEVEN GLASSMAN Commissioner - District II*

*WARREN STURMAN Commissioner - District IV*

*GREG CHAVARRIA, City Manager*

*DAVID R. SOLOMAN, City Clerk*

*D'WAYNE M. SPENCE, Interim City Attorney*

*PATRICK REILLY, City Auditor*

## CALL TO ORDER

Mayor Trantalis called the meeting to order at 6:43 p.m.

## ROLL CALL

**Present** 5 - Commissioner Steven Glassman, Vice Mayor Pam Beasley-Pittman, Commissioner Warren Sturman, Commissioner John C. Herbst, and Mayor Dean J. Trantalis

## QUORUM ESTABLISHED

**Also Present:** City Manager Greg Chavarria, City Clerk David R. Soloman, Interim City Attorney D'Wayne M. Spence, and City Auditor Patrick Reilly

## RESOLUTIONS

**R-1**     [23-0733](#)     Resolution Approving a Lease Agreement for a Temporary Police Headquarters and Authorizing the City Manager to Execute the Lease and Related Instruments - (Commission District 1)

City Manager Chavarria provided an overview of this Agenda item. Mayor Trantalis remarked on his understanding resulting from prior meetings.

Commissioner Herbst objected to how this Agenda item is being presented, confirmed he conveyed his viewpoint to Interim City Attorney Spence and City Manager Chavarria, and cited Commission action on this matter during the August 22, 2023, Commission Regular Meeting.

Commissioner Herbst noted a discussion by Commission Members at the end of the September 5, 2023, Commission Regular Meeting, which did not include a Commission vote and resulted in two (2) leases coming forward for discussion tonight. Commissioner Herbst emphasized the need to follow proper procedures. He said the only matter to be considered at this time is the approval of the 1515 W. Cypress lease as drafted and presented by the Office of the City Attorney's Office. Further comment and discussion ensued.

Mayor Trantalis said he did not concur with Commissioner Herbst's understanding of what transpired. He remarked on his recollection of Commission action at the August 22, 2023, Commission Regular Meeting regarding this matter, discussed related details, and cited examples. He said the Commission vote was to commit to a term sheet

for 1515 W. Cypress, not the lease.

Commissioner Herbst acknowledged Mayor Trantalis' recollection and reiterated there should be one (1) item before the Commission at this meeting, a final written lease for 1515 W. Cypress reviewed by the Office of the City Attorney. Commissioner Herbst remarked on his recollection of the approved motion on this topic at the August 22, 2023, Regular Meeting. Further comment and discussion ensued.

Commissioner Sturman discussed his recollection of the Commission vote at the August 22, 2023, Commission Regular Meeting and discussions at the end of the September 5, 2023, Commission Regular Meeting. A motion was brought forth, seconded, and approved at the August 22, 2023, Commission Regular Meeting to discuss the 1515 W. Cypress lease and related concerns. The 1515 W. Cypress lease could be voted up or down, which could be followed by the opportunity to review other options.

Commissioner Glassman discussed his recollection of the motion made at the August 22, 2023, Commission Regular Meeting, which did not approve the 1515 W. Cypress lease and commented on his dissenting vote. He discussed related concerns, cited examples of the process not being followed, and expounded on his viewpoint.

In response to Commissioner Glassman's questions, Interim City Attorney Spence clarified what took place at the August 22, 2023, Commission Regular Meeting regarding a Walk-On Agenda item entitled *Motion Approving the Lease Agreement between Cypress Corporate Center LLC and the City of Fort Lauderdale, in Substantially the Form Provided - \$1,451,970*. The Commission passed a motion accepting the offer for Option B in the backup information for the leasing of 1515 W. Cypress and directing the Office of the City Attorney to draft a lease according to the details included in Option B and representations made by Mr. Sheldon Gross during the August 22, 2023, Commission Regular Meeting. Further comment and discussion ensued.

In response to Commissioner Glassman's question, Interim City Attorney Spence commented on subsequent Commission discussion at the September 5, 2023, Commission Regular Meeting regarding the review of two (2) leases. Commission action at the August 22, 2023, Commission Meeting regarding accepting the offer of Option B and Commission direction to the Office of the City Attorney still stands. The Commission needs to rescind or reconsider that action should the Commission change direction or move forward with the alternative lease

for 1901 W. Cypress. Further comment and discussion ensued.

Commission Sturman recommended that the Commission review and decide on the 1515 W. Cypress lease. Should the Commission not approve the 1515 W. Cypress lease, the Commission could consider the alternative lease for 1901 W. Cypress. Further comment and discussion ensued.

Mayor Trantalis recognized Angela Salmon, Assistant to the City Manager. Ms. Salmon explained recent updates to the terms for the 1515 W. Cypress property.

In response to Mayor Trantalis' question, Police Chief Patrick Lynn said his recommendation for square footage was based on the direction given at the time to maximize the number of people working from home. That goal changed to having all Police Department personnel at one (1) location and is his preference. Further comment and discussion ensued. Chief Lynn confirmed 1515 W. Cypress is ready to go and accommodates all the operational needs of the Police Department. Further comment and discussion ensued regarding Chief Lynn's preference for 1515 W. Cypress.

In response to Commissioner Glassman's question, Chief Lynn explained approximately three hundred ten (310) Police personnel are currently displaced and noted this is becoming problematic.

Commissioner Glassman commented on the Staff recommendation to lease the 1901 W. Cypress building. In response to Commissioner Glassman's questions, Chief Lynn explained that his previous recommendation for 1901 W. Cypress was due to his understanding that the 1515 W. Cypress building was not permitted for consideration. Further comment and discussion ensued. City Manager Chavarria remarked on the Staff's due diligence efforts, negotiations, and related details.

Commissioner Herbst said that revisiting previous conversations does not serve the interests of the Commission and remarked on the need to decide on a location for the Police Department Headquarters temporary space. Commissioner Sturman concurred and explained his viewpoint.

In response to Mayor Trantalis' questions regarding space at the 1901 W. Cypress building, Chief Lynn said he has only seen one (1) floor, there are no public spaces for Police Department personnel in the first floor lobby, and noted other concerns. Chief Lynn said 1515 W. Cypress

better meets the needs of Police Department operations and described examples. Further comment and discussion ensued. Interim City Attorney Spence noted previous restrictions at 1901 W. Cypress no longer exist.

Commissioner Sturman remarked on his viewpoint, including the decision to vacate the Police Department Headquarters and efforts to lease a temporary Police Department Headquarters. The amount to lease 1515 W. Cypress is similar to the amount the City will pay for temporary Commission Chambers at One East Broward. Commissioner Sturman commented on the importance of hurricane readiness.

Sheldon Gross on behalf of 1515 W. Cypress, and Harry Spitzer on behalf of 1901 W. Cypress reviewed details of each properties' hurricane readiness.

In response to Commissioner Sturman's question, Chief Lynn confirmed the Police Department could make either building work, but he prefers 1515 W. Cypress.

Commissioner Glassman remarked on current hurricane standards and related information. Mr. Sheldon Gross confirmed the 1515 W. Cypress building's recent certification for 120 mph winds. Further comment and discussion ensued.

In response to Mayor Trantalis' question regarding property taxes for 1515 W. Cypress, Mr. Sheldon Gross provided property tax allocation percentages. Mr. Gross noted two (2) folios for the property, 1515 W. Cypress and 1525 W. Cypress. There is a provision in the lease that states that the City would not be obligated for any taxes due before January 1, 2024. Mr. Sheldon Gross is awaiting a determination from the Broward County Property Appraiser's Office (Appraiser) regarding the buildings being tax-exempt. Further comment and discussion ensued.

Mayor Trantalis noted a representative from the Appraiser's Office is in attendance to provide related information.

In response to Vice Mayor Beasley-Pittman's question regarding which building would better suit Police Department's regulations and requirements, Chief Lynn confirmed 1515 W. Cypress. Vice Mayor Beasley-Pittman remarked on her tours of both properties, her perspective, and related concerns.

In response to Mayor Trantalis' questions, Mr. Spitzer clarified aspects of 1901 W. Cypress to meet Police Department needs and expounded on

details related to available space. Interim City Attorney Spence clarified his earlier comments regarding 1901 W. Cypress restrictions and advised restrictions are in place regarding holding cells, which are similar to 1515 W. Cypress restrictions. Spitzer discussed details included in the term sheet, the structural safety of the building, hurricane readiness, and the process associated with this lease. Further comment and discussion ensued.

Commissioner Glassman remarked on the need for both entities to be treated equally and on a related September 4, 2023, memorandum from Interim City Attorney Spence. Mr. Spitzer commented on his perspective. Further comment and discussion ensued.

Commissioner Herbst discussed his desire to ensure the success of the District 1 Uptown Area, including his recommendation to relocate Staff to a less expensive location in the Uptown Area.

Mayor Trantalis recognized Mila Schwartzreich, General Counsel and Director of Administration for the Broward County Property Appraiser's Office. Ms. Schwartzreich noted the attendance of Kelly Brown, Director of Exemptions for the Broward County Property Appraiser's Office, to answer questions.

In response to Mayor Trantalis' questions, Ms. Schwartzreich confirmed Appraiser Staff is collecting and reviewing documents to evaluate and determine whether the ownership structure and building use is consistent with tax exemption requirements or whether the building, not the land, would be taxed. Further comment and discussion ensued. Ms. Schwartzreich confirmed the Appraiser's Office would advise when a determination has been made. Further comment and discussion ensued.

Commissioner Glassman remarked on his understanding regarding taxes. In response to Commissioner Glassman's question, Ms. Schwartzreich explained that the City, as the landowner, would not be responsible for any back taxes, which would be governed by whatever lease agreements were in place for those tax years. Further comment and discussion ensued.

Ms. Schwartzreich discussed details regarding the owner of the building's tax liability and details regarding predominant use included in the State Statute. Further comment and discussion ensued. Ms. Schwartzreich said the assessed value of the building and the land is \$20,709,130, and the assessed value of only the 1515 W. Cypress building is \$18,332,380. She noted the need to calculate these amounts

due to the two (2) portfolios for this property.

Interim City Attorney Spence confirmed that the City's 1998 lease for the property states that the City is not responsible for taxes on the land. Further comment and discussion ensued.

Mayor Trantalis recognized Marc Dickerman, 1417 SW 2nd Street. Mr. Dickerman spoke in support of leasing 1515 W. Cypress space for the temporary Police Headquarters.

Mayor Trantalis recognized Evan Gross on behalf of 1515 W. Cypress. Mr. Gross spoke in support of the City leasing 1515 W. Cypress and expounded on its critical attributes for use as a temporary Police Headquarters. Mr. Gross narrated a presentation entitled *1515 WEST CYPRESS CREEK FORT LAUDERDALE*.

***A copy of the presentation has been made part of the backup to the meeting minutes.***

Interim City Attorney Spence questioned security concerns related to sharing floor space layout information with the public. Police Chief Patrick Lynn confirmed he approved sharing this information with the public. Mr. Gross continued narrating the presentation.

In response to Commissioner Glassman's question, Ms. Salmon confirmed the correct square footage included in the backup for 1515 W. Cypress should be 47,602 square feet. Further comment and discussion ensued.

Commission Members discussed details included in the presentation and commented on their perspectives. Further comment and discussion ensued.

Mayor Trantalis recognized Sheldon Gross on behalf of 1515 W. Cypress. Mr. Sheldon Gross spoke in support of the City leasing 1515 W. Cypress. He expounded on its use as a temporary Police Headquarters as illustrated in the presentation and discussed related details.

Mayor Trantalis commented on concerns related to the City's possible tax exposure should the Commission select 1515 W. Cypress and expounded on his viewpoint.

Mayor Trantalis recognized Harry Spitzer on behalf of 1901 W. Cypress.

Mr. Spitzer spoke in support of the City leasing 1901 W. Cypress and expounded on its use as a temporary Police Headquarters.

Ms. Schwartzreich commented on the Appraiser's Office 2023 estimated tax assessment for 1515 W. Cypress. Mayor Trantalis calculated an approximate \$15,000 increase to the monthly rent and remarked on his perspective.

Commissioner Herbst explained his viewpoint regarding the importance of ensuring effective Police Department operations that outweighs cost considerations. He commented on the ability to include costs for the temporary relocation of the Police Headquarters to 1515 W. Cypress in the capitalized costs for construction of the new Police Headquarters building, which would not impact the City's operating budget over the next three (3) years. Commissioner Herbst discussed related information. Further comment and discussion ensued.

Vice Mayor Beasley-Pittman confirmed her viewpoint regarding the importance of providing the Police Department with a temporary headquarters that would best serve its needs and commented on related details.

Commissioner Glassman discussed his concerns related to leasing 1515 W. Cypress. In response to Commissioner Glassman's questions, Interim City Attorney Spence confirmed the former tenant at 1515 W. Cypress terminated its possessory interest in the building and explained related information.

Interim City Attorney Spence verified Lynn Solomon, Assistant City Attorney III, reviewed the 1515 W. Cypress lease. Ms. Solomon indicated both leases are suitable for the City.

Commissioner Glassman remarked on tax-related concerns related to 1515 W. Cypress discussed earlier and noted the delta between rental costs for 1515 W. Cypress and 1901 W. Cypress.

Interim City Attorney Spence confirmed the lease before the Commission for 1515 W. Cypress contains language addressing taxes. The City would not be responsible for real estate taxes before January 1, 2024. Interim City Attorney Spence cited language in the lease should there be changes in the property's current tax-exempt status.

Commissioner Glassman commented on details related to tax concerns, explained he does not believe 1901 W. Cypress would jeopardize Police



Department operations, and expounded on his viewpoint. Further comment and discussion ensued.

Commissioner Sturman discussed his viewpoint and remarked on the need to move forward with a decision to accommodate Police Department needs. He echoed previous comments by Commissioner Herbst. He commented on details related to construction of the new Police Department Headquarters at its original site. Commissioner Sturman commented on his support for 1515 W. Cypress, which is a superior site for the temporary Police Department Headquarters.

Mayor Trantalis discussed his viewpoint and recapped the history and details related to this topic.

Mayor Trantalis said that 1515 W. Cypress is the superior building and remarked the ability for the landlord to put a cap on pass-through taxes charged to the City. Further comment and discussion ensued. In response to Mayor Trantalis' questions, Ms. Reece explained details related to non-ad valorem taxes. Further comment and discussion ensued.

Mayor Trantalis and Mr. Sheldon Gross negotiated details related to pass-through taxes to the City for leasing space at 1515 W. Cypress. Mr. Sheldon Gross remarked on his anticipation that the tax threshold for public use would be met, which would negate taxes. He remarked on related information and commented on additional costs that have been absorbed by 1515 W. Cypress to accommodate Police Department needs.

In response to Mayor Trantalis' questions, Mr. Sheldon Gross agreed that 1515 W. Cypress would absorb \$1.25 per square foot of any taxes assessed on the 1515 W. Cypress property and that this language would be included in the lease. Further comment and discussion ensued.

Mayor Trantalis explained that the Commission vote on this Agenda item would be for a Resolution to adopt a lease agreement with 1515 W. Cypress as amended and based on the terms and conditions presented by representatives of 1515 W. Cypress during this meeting.

In response to Mayor Trantalis' question, City Manager Chavarria confirmed his comfort level for Staff to move forward with the direction of the Commission. Interim City Attorney Spence confirmed his understanding of clear Commission direction based on the negotiations of terms and conditions discussed by the parties tonight.

Commissioner Herbst introduced a Resolution to adopt a lease agreement with 1515 W. Cypress as amended based on the terms and conditions presented by representatives of 1515 W. Cypress during this meeting.

**ADOPTED AS AMENDED**

**Yea:** 4 - Vice Mayor Beasley-Pittman, Commissioner Sturman, Commissioner Herbst and Mayor Trantalis

**Nay:** 1 - Commissioner Glassman

**ADJOURNMENT**

Mayor Trantalis adjourned the meeting at 9:03 p.m.

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Dean J. Trantalis  
Mayor

ATTEST:

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David R. Soloman  
City Clerk