

# City of Fort Lauderdale

*City Hall*  
100 North Andrews Avenue  
Fort Lauderdale, FL 33301  
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## Meeting Minutes - DRAFT

Wednesday, February 25, 2015

8:00 PM

Aquatic Complex and Marina

City Commission Chambers

## **CITY COMMISSION - SPECIAL MEETING**

### *FORT LAUDERDALE CITY COMMISSION*

*JOHN P. "JACK" SEILER Mayor - Commissioner*  
*ROMNEY ROGERS Vice Mayor - Commissioner - District IV*  
*BRUCE G. ROBERTS Commissioner - District I*  
*DEAN J. TRANTALIS Commissioner - District II*  
*ROBERT L. McKINZIE Commissioner - District III*

*LEE R. FELDMAN, City Manager*  
*JOHN HERBST, City Auditor*  
*JONDA K. JOSEPH, City Clerk*  
*CYNTHIA A. EVERETT, City Attorney*

**CITY COMMISSION SPECIAL MEETING**

Meeting was called to order at 9:58 p.m. by Mayor Seiler.

**ATTENDANCE ROLL CALL**

**Present:** 5 - Mayor John P. "Jack" Seiler, Vice-Mayor Romney Rogers, Commissioner Bruce G. Roberts, Commissioner Dean J. Trantalis and Commissioner Robert L. McKinzie

**Also Present:** City Manager Lee R. Feldman, City Auditor John Herbst, City Clerk Jonda K. Joseph, City Attorney Cynthia A. Everett and Sergeant At Arms Sergeant Jaime Costas

**MOTIONS**

**M-1 15-0289** Central Beach Master Plan Public Improvement Projects Update - Beach Report

The City Manager highlighted information in Commission Agenda Memorandum 15-0289 including chronology and the Commission's desire to discuss the (Las Olas) marina expansion potential and the unsolicited proposal from LOMMXD, LLC. The marina expansion includes dredging a good portion of the existing parking lot. It was also confirmed that the display schematic is contained in the Sasaki Beach Master Plan (referenced during discussion as City Manager or CM-1, Slide 5) The LOMMXD P-3 proposal contemplates dredging a smaller part of the parking lot (Slide 6). EDSA's schematic shows a parking garage and no marina expansion (referenced during discussion as CM-2, Slide 4). All three of the aerial schematics are attached to these minutes.

The City Manager explained CM-2 in more detail for further clarification. The Commission's last discussion indicated a four-story parking garage with an active roof. His recommendation is to proceed with the parking garage and issuing a request for proposals (RFP) for marina expansion, which would include an option of dredging the area that would not be used by the promenade north of the garage and an option to expand the marina in its current waterfront area.

Mayor Seiler opened the floor for public comment.

Fred Carlson, representing the Central Beach Alliance (CBA), noted Mayor Seiler's statement that he agrees with the CBA's position to not have the top of the parking deck exceed the height of the adjacent bridge. It does not matter if the parking garage is smaller because there will be other parking facilities farther north. Mayor Seiler clarified that was said in the context of having two parking garages to avoid the height. The CBA also wanted more greenspace, so there must be some compromise. Carlson suggested the height be reduced and parking moved farther north. Commissioner Trantalis clarified that Carlson is saying the height of the garage is not a factor if it is moved to the north side of the site. It should not be the first thing people see when coming over the bridge. The City Manager added that if the garage is moved to the north part of the site, it moves the pedestrian corridor away from Las Olas. Mayor Seiler thought the number one priority was greenspace at that location.

Beach Redevelopment Advisory Board Member Judy Scher supported going back to what was recommended in the Sasaki Beach Master Plan. She did not support a hotel.

Marine Advisory Board Member Jack Newton provided and reviewed a comparison of the P-3 LOMMXD proposal and that of the Marine Advisory Board which is attached to these minutes.

Mayor Seiler asked that the following item be addressed at this time. Agenda Item M-1 continued below.

## RESOLUTIONS

**R-1 15-0274** Resolution approving Change Order No. 1 for Aquatic Complex Developer's Agreement with Recreational Design and Construction, Inc. and amending fiscal year 2015 Community Investment Plan (CIP) and Budget

**Motion** made by Commissioner McKinzie and seconded by Commissioner Roberts to defer the item to March 17, 2015.

### DEFERRED TO MARCH 17, 2015

**Aye:** 5 – Vice-Mayor Rogers, Commissioner Roberts, Commissioner Trantalis, Commissioner McKinzie and Mayor Seiler

## MOTIONS

**M-1 15-0289** Central Beach Master Plan Public Improvement Projects Update - Beach Report

L.F. Rosenthal, 1237 NW 4 Avenue, referred to the marina item and discussed different points of view about waterfront property in general. There should be some combination of development and space for residents. He advocated for more visionary solutions with respect to the parking garages.

Dane Graziano, Yachting Promotions, Inc., indicated they produce the Fort Lauderdale International Boat Show. He supports the proposal. More parking and green space are needed. He offered to work with City staff to make the site suitable for the public and the boat show. It was clarified that he supports the CM-1 proposal.

Marine Advisory Board Member Barry Flanigan express support in the Aquatic Center project. He did not feel facilities of this nature should be expected to be profitable rather they are something provided to the community as part of the parks and recreation program. The City's marine business has been profitable since its inception 62 years ago. He noted revenue generated by Las Olas Marina and that the pro formas show it to be profitable going forward. The Marine Advisory Board has sent a communication to the Commission strongly supporting the boat show staying in Fort Lauderdale and for Las Olas Marina being expanded. About a year ago Bellingham Marine presented a turnkey price of \$17 to \$21 million for the marina project. He suggested measurements that would allow for a 48 to 50 foot promenade and finger piers which would be in compliance with the existing grant.

Marine Advisory Board Member Frank Herhold said he favors the Bellingham proposal supported by the Marine Advisory Board, or CM-1. He felt it is important to serve this growing economic engine. This proposal allows for the dockage of a boat of almost any size. The dredging project is also key. It is important to attract world-class marina developers through incentives. The footprint of the garage should be carefully considered so there can be 6,000 linear feet of dockage. Representatives from the boat show (Show Management), Marine Industries Association, Florida Yacht Brokers Association, a captain and people in the yachting community should be included in the process. The RFP should be vetted by Show Management.

In response to Vice-Mayor Rogers, Herhold said the Bellingham proposal maintains the existing dock master's office but not a garage. He responded to Vice-Mayor Rogers that Charleston, South Carolina has a model with respect to mega-yacht docking. The attraction is beach amenities and restaurants. A hotel is not necessary in that there are more than 30 crew houses in Fort Lauderdale.

Paul Chettle, 200 South Birch Road, wanted to know what deed restrictions are on the property. He questioned the City having to expend funds to build something that another entity would profit from.

Jim Wade, representing LOMMXD, LLC, urged the Commission to proceed with the process which began a year ago for their unsolicited proposal submittal. He elaborated on their efforts to date. He believed they have exceeded the City's demands for revenue and return on investment as well as adjustments to the proposal in general.

Bert Fowles, representing Island Global Yachting, said Island Global is one of the largest international marina operators in the world, operating 12 marinas in eight countries. This is a gateway opportunity for the entire United States. In the U.S. there are fewer than 50 purpose-built slips for vessels over 250 feet, not including commercial docks. This is a unique opportunity to create a destination. They would like to see a process for a water-up view and focus on a marina that is world class, international and will drive tourists, visitors and locals.

In response to Commissioner Trantalis, Fowles said he does not support any particular one of the three proposals before the Commission tonight. He described "water up" as a project that would attract world-class vessels, that is, those over 80 feet. The marina will cater to four target markets, sales, sport fish, cruise and mega, but the main impetus should be from the optics of a marina that can accommodate larger vessels. Each of the three proposals has elements of the type of facility he is proposing, but different optics must be looked at for what Global Yachting is recommending. He defined optics as what the City is trying to attract, what does yachting capital of the world mean. Vice-Mayor Rogers asked what amenities would be upland in a world-class marina. Fowles advised electric, water, showers and restrooms. There should be an environment that the consumers/occupants feel was designed for them. For example, the average 80-foot vessel has a crew of 66 therefore two showers does not create that environment. Global Yachting owns, develops and manages marinas. In further response, he suggested there should also be retail for immediate provisioning and restaurants.

Eric Simonton, representing Island Global Yachting, felt there seems to be a general consensus that expanding Las Olas Marina would be a boon for the marine industry. There is no other asset or tool at the City's disposal that could make such an impact. Global Yachting has looked at two marina development concepts, but not those presented this evening. One concept would have a garage on the south side and the entire north parcel would be dredged and the marina expanded. Another concept would have the garage on the north side and the remainder of the parcel dredged. Both scenarios are economically viable and would be attractive to private entities if an RFP is issued for design, permitting, building and operating the facility.

In response to Vice-Mayor Rogers, Simonton agreed with Fowles' assessment of what is needed for an upland facility. He added that a marina needs restrooms and showers, an administration office and an area where vessels can receive deliveries and certain maintenance. Vice-Mayor Rogers inquired whether there is an industry standard on the appropriate mix of vessel size for a world-class status. Simonton responded that vessels are becoming larger so gearing the majority of space to the size that cannot now be accommodated in Dade or Broward would make sense. There is an extreme shortage of very large berths.

There being no one else wishing to speak, a **motion** was made by Commissioner Roberts and seconded by Commissioner McKinzie to close the public hearing.

**Aye:** 5 Vice-Mayor Rogers, Commissioner Roberts, Commissioner Trantalis, Commissioner McKinzie and Mayor Seiler

In response to Mayor Seiler, the City Attorney advised that the Commission received a memorandum written by Assistant City Attorney Lynn Solomon summarizing the lease restrictions. Other than dock usage and a municipally-operated marina, almost everything else would require discussion with the State. Mayor Seiler asked about converting the parking lot to a garage. The City Attorney did not believe that would be problematic, but suggested the State be consulted nevertheless. There is a restriction related to the docks being available to the public on a first-come, first-served basis. No dining or restaurant activities are permitted on the leased premises. Commissioner Trantalis asked about a hotel use. The City Manager felt it would be important to demarcate the submerged land lease area versus the upland area. The submerged land lease area is westward of the bulkhead. The upland was donated to the City by the State but there are conditions. There are two controlling documents.

Mayor Seiler pointed to the old land south of the marina carve-out. He believed it would not fall under the submerged land lease and could be dredged out. The City Attorney indicated that appears to be correct but there may be additional revenue due to the State depending on the use. Vice-Mayor Rogers wanted to see it plotted out. He pointed out there is a plat with an approved hotel use, consequently at some point there was some attempt by a prior Commission to address it with the lease. Commissioner Trantalis suggested that the City Attorney determine what is subject to the lease and the restrictions. The City Auditor read from a letter providing an opinion on the title and the conveyance in 1958. In 1989 the City got a release from the State on the public purpose restriction. As a condition of that release, the City agreed to pay the State 50 percent of the net proceeds received from the lease of those properties. It does not specifically demarcate whatever portion of the plat was given by the State versus what the City already owned. Apparently the restriction seems to apply to the entire site. The agreement reached with the State was if the City sold or leased to a developer, the City would split the proceeds. This has an impact on the unsolicited proposal, which currently contemplates all revenue from the ground lease coming to the City.

Vice-Mayor Rogers felt the City must have owned some portion based on what occurred when the bridge was built. Commissioner Trantalis thought it appears that the EDSA model would be eligible under the lease terms. With regard to the Sasaki Beach Master Plan model, building a garage and adding a marina, the City Attorney would need to advise if that would be possible under the lease. Additionally the City Attorney would need to advise whether a hotel would be permissible. Perhaps part of the land is eligible. Mayor Seiler wanted all issues brought to the table so that a consensus can be reached. One issue is that of ownership and who should operate it. Also anything that the City considers must not run afoul of the restrictions. He favored expansion. There needs to be a reasonable return on the property and the City needs to be able to keep the return.

In response to Mayor Seiler, the City Auditor believed that there are still some issues as to how the base rent increases in the unsolicited proposal (P3). Over a 50- year period, it will be a de minimus amount. The submerged land lease specifies that the marina must be a municipally-operated, which appears to preclude the City from contracting management of the marina or a public-private partnership. The State will need to be consulted as to a management contract. Vice-Mayor Rogers thought it makes sense that the State having donated the property to the City would want half of any profit from it. However, the transaction was some 17 years ago. It is important to speak to the State about an amendment. Mayor Seiler agreed, but did not want to muddy the waters with numerous hypotheticals. Vice-Mayor Rogers felt that there should be a vision for the property. He is concerned that the City has not been diversified enough in the approach. Perhaps there is a piece of EDSA's

planned amenities that the City does not want to oversee, etc. One issue that has not been discussed is maintenance of all of the improvements proposed for the beach. He felt that may drive the options. As such, Commissioner Trantalis questioned whether the EDSA option should be dropped in order to go forward with the marina approach. Vice-Mayor Rogers felt a strong case could be made in that regard because the Commission has already determined that the southern part will be green.

Commissioner Roberts pointed out that a parking garage may not be something that would be included. Vice-Mayor Rogers added the parking garage as currently designed may not be included. The City Manager did not believe a parking garage would be in conflict with the State's limitations on the upland area. An expanded marina would have to be clarified with the State in terms of potentially dredging the upland area and the issue raised by the City Auditor of municipal operation. Vice-Mayor Rogers commented that if there is joint use of parking, placement and design are factors. Commissioner Roberts felt the legal issues must first be resolved. Mayor Seiler wanted to ensure that all legal issues are identified. There is consensus about green space on the south side of the bridge and an expanded, more dredged out marina. He believed the idea would be a parking garage or some other project sharing an expanded, dredged-out marina. The City Attorney indicated she may need some time to obtain clearer documents. She believed she could provide information by the March 17, 2015 meeting.

Vice-Mayor Rogers wanted more guidance on how a public-private partnership (P3) works and the next steps. Mayor Seiler felt that the Commission should determine now whether it wants to develop the upland property out of fairness to the unsolicited proposer. Vice-Mayor Rogers pointed out that the P3 concept does not necessarily require any type of development. It is a quicker way to get a project done. Mayor Seiler pointed out the question of whether the deed restrictions eliminate a P3 approach needs to be answered and staff not bogged down with unsolicited proposals in the interim. Vice-Mayor Rogers explained his concern is trying to get something done. The City Attorney agreed to provide some instructive information.

The City Manager felt parking must be addressed. The City has received correspondence on a potential land swap of the Sebastian and Natchez properties which the Commission needs to decide upon. Sebastian currently has 79 parking spaces which would remain. There would be additional private parking spaces and a development on the property in exchange for the Natchez property upon which the City would use for parking at its expense. It relates to this discussion to the extent of no net loss. Mayor Seiler thought there was previous consensus on the land swap. He went on to explain the benefits. Vice-Mayor Rogers felt the number of spaces should be calculated. Commissioner Trantalis wanted the land swap to move forward. However, the amount of spaces in the Sebastian lot should be improved (increased).

In response to Commissioner Roberts, the City Manager explained if the City engages in an expanded marina through a private partner, the risk and obligation to do the dredging and tie into the channel moves to the private partner and they would have to come up with ways to mitigate. He believed mitigation at Deerfield Island would be possible if the matter goes before the County Commission and they are sympathetic.

Mayor Seiler asked if there are any other issues to address. The City Attorney advised that there are six years remaining on the submerged land lease, therefore the City would need to look into an extension.

**Motion** made by Commissioner McKinzie and seconded by Commissioner Roberts to defer the item to March 17, 2015.

**DEFERRED TO MARCH 17, 2015**

**Aye:** 5 – Commissioner McKinzie, Vice-Mayor Rogers, Commissioner Roberts, Commissioner Trantalis and Mayor Seiler

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The City Attorney requested an executive closed door session for March 3, 2015 to discuss matters pertaining to *Brandi Lynch and Sean Borden v. City of Fort Lauderdale; Case No. 13-014310 (08)* and *Shadia Traish v. City of Fort Lauderdale; Case No. 14-000093 (12)*.

There being no other matters to come before the Commission, the meeting adjourned at 11:27 p.m.