



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#25-0357

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Rickelle Williams, City Manager

DATE: April 15, 2025

TITLE: Motion Approving a Lease Agreement Between MI-3 Property, LLC and the
City of Fort Lauderdale for the Community Court Program at 18 NW 1
Avenue, Fort Lauderdale, FL 33301 – Total 60-Month Rent: \$624,258 -
(Commission District 2)

Recommendation

Staff recommends that the City Commission approve the proposed lease agreement between MI-3 Property, LLC and the City of Fort Lauderdale for continued use of approximately 3,115 square feet of space located at 18 NW 1 Avenue for the City's Community Court program.

Background

In 2019, the City of Fort Lauderdale launched the first Community Court Program in Florida to address low-level misdemeanor offenses and municipal ordinance violations. Designed as a holistic, service-based alternative to incarceration, the program aims to reduce both recidivism and homelessness. Since its inception, Community Court has expanded to include multiple support services to those experiencing homelessness or are at risk of homelessness.

Community Court connects participants with tailored support services, including:

- Assistance obtaining a state identification;
- Referrals to medical and mental health providers;
- Detoxification and rehabilitation services;
- Case management for housing and shelter;
- Transportation assistance; and
- On site health and hygiene services.

Community Court convenes each Wednesday from 9:00 AM to 12:00 PM at 18 NW 1 Avenue. The lease agreement allows the City to use the space as needed and staff is evaluating additional uses to activate the space, such as supporting Housing Navigation, the Homeless Outreach Team, and other related services, when it is not being used for Community Court.

Site History and Current Lease

The City has occupied the property since November 2023 under a Facility Use Agreement, followed by a First Amendment which converted the arrangement into a month-to-month lease at \$5,000 per month. The current agreement expires on September 30, 2025, and may be terminated by either party with 60 days' notice. Therefore, staff recommends executing a retroactive lease (April 1, 2025) to provide long-term security for the program and obligate the landlord to complete the needed repairs.

Site Search and Alternatives Considered

The City, through its contracted real estate broker Colliers, explored multiple alternatives, including:

- City-owned spaces at Riverwalk which were deemed to be too small (1,600 SF) for Community Court needs
- Landlords at 2551 NW 4th Court, 837 NW 8th Avenue, and 15-21 NW 9th Avenue did not entertain leasing space for this use
- Acquiring property was cost-prohibitive

Proposed Lease Agreement Highlights

As outlined in the proposed lease agreement, key provisions include:

- **Term:** Five (5) years from April 1, 2025 through February 28, 2030. The lease is retroactive to April 1, 2025, to ensure continuity of services and immediate applicability of maintenance obligations, as needed.
- **Space:** The leased area, as depicted in the lease agreement, includes 3,115 square feet of the eastern portion of the building. The leased area does not include the existing convenience store.
- **Rent:** Starting at \$9,604.58 per month with annual 4% increases, totaling approximately \$115,255 in the first year and \$624,258 over the five-year term.
- **Renewal Options:** Two (2) one-year Tenant options at market rate
- **Utilities:** Included in rent (electricity, water)
- **Maintenance:**
 - Landlord: Structural systems, HVAC, major plumbing
 - Tenant: Interior maintenance, janitorial, routine upkeep
- **Termination Clause:** If relocating to a City-owned building, the City may terminate the agreement after 36 months by providing notice 9 months in advance. The City may terminate the agreement if any Landlord repairs or maintenance needs are not cured within a 60-day period.

- **Insurance & Liability:** The City is self-insured per Florida Statutes §768.28

Resource Impact

The retroactive lease commencement date on April 1, 2025, will result in a fiscal impact of \$57,627 for FY 2025 in the account listed below.

<i>Funds available as of April 04, 2025</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB- OBJECT NAME	AMENDED BUDGET	AVAILABLE BALANCE	AMOUNT
10-001- 1454-564- 30-3322	Homelessness Initiative	Service & Materials/ Other Services	\$885,622	\$57,753	\$57,627
TOTAL AMOUNT ►					\$57,627

Strategic Connections

This item is a FY 2025 Commission Priority, advancing the Homelessness initiative.

This item advances the Fast Forward Fort Lauderdale 2035 Vision Plan: We Are Community.

Attachments

Exhibit 1 – Colliers Community Court Site Search Memo

Exhibit 2 – Proposed Lease Agreement

Exhibit 3 – Location Map

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