



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

**#23-1152**

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

**FROM:** Greg Chavarria, City Manager

**DATE:** December 5, 2023

**TITLE:** Resolution Rescinding Resolution No. 23-261 and Declaring Notice of Intent to Sublease City-Owned Property Located at 501 Seabreeze Boulevard, Fort Lauderdale, Florida 33316, Pursuant to Section 8.13 of the City Charter, to ISHOF Peninsula LLC - **(Commission District 2)**

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**Recommendation**

Staff recommends that the City Commission adopt a Resolution rescinding Resolution No. 23-261 and declare a notice of intent to sublease pursuant to the City Charter section 8.13 declaring the City's intent to approve a sublease for City-owned property located at 501 Seabreeze Boulevard, Fort Lauderdale, Florida 33316 ("Premises"), to ISHOF Peninsula LLC ("Lessee").

**Background**

On September 19, 2023, a public hearing was held to discuss and approve a comprehensive agreement with Hall of Fame Partners, LLC ("HOF"). This agreement covers a qualified project involving the construction, maintenance, and operation of the East and West Buildings at the International Swimming Hall of Fame Complex, which is located at the Premises. The resolution also approved various appended agreements and authorized the City Manager to execute the agreements and related documents.

On November 7, 2023, Resolution No. 23-261 (Exhibit 1) issued a notice of intent for subleasing the Premises to ISHOF Properties, Inc. Subsequently, on November 21, 2023, the City received a request from the International Swimming Hall of Fame, Inc. to rescind this notice of intent and to initiate the subleasing process anew with ISHOF Peninsula LLC, a Florida limited liability company. The transition from ISHOF Properties, Inc. to ISHOF Peninsula LLC serves to resolve certain tax consequences with the Internal Revenue Service. ISHOF Peninsula LLC is a subsidiary of the International Swimming Hall of Fame, Inc. ("ISHOF"). That is, ISHOF is the sole member of the limited liability company.

Per section 8.13 of the Charter, the City of Fort Lauderdale ("City") is authorized to lease to civic and charitable organizations for a maximum of fifty (50) years to be used by the

Lessee for purposes consistent with the public good. On September 19, 2023, the City Commission approved Resolution No. 23-212 (Exhibit 2) declaring the City's intent to enter into an agreement for City-owned property located at the Premises, to International Swimming Hall of Fame, Inc. or an affiliated organization.

ISHOF Peninsula LLC will provide a public benefit by providing recreational, sporting, and educational facilities which will be used by the public at large. The final agreement will be presented before the City Commission on January 9, 2024.

A summary of the terms of the sublease are as follows:

- Lease Term: Thirty (30) year sublease.
- Effective Date: Once Master Facilities Lease and Ground Lease are executed.
- Rent: HOFI will generate revenue through a revenue sharing structure for the Project, wherein the City is entitled to 100% of the Lease Based Revenues during the term of the Master Facilities Lease. Additionally, the City will receive the first Two Million and 00/100 Dollars (\$2,000,000) of the Non-Lease Based Revenue, and thereafter, the remaining Non-Lease Based Revenues will be split equally between the City and International Swimming Hall of Fame. An annual audit of all revenue sources will be conducted by the City, and monthly and annual revenue statements will be provided by the Facilities Manager and a certified public accountant, respectively, for transparency.
- Lessee will sub-sublease most of the space in the to-be-constructed East and West Buildings.
- Lessee will be responsible for all repairs and maintenance of the to-be-constructed East and West Buildings.

### **Resource Impact**

There is no resource impact until substantial completion of the project, expected in FY 2027.

### **Strategic Connections**

This item is a *2024 Commission Priority*, advancing the Public Places Initiative.

This item supports the *Advance Fort Lauderdale 2040 Comprehensive Plan* specifically advancing:

- The Public Places Focus Area
- The Parks, Recreation & Open Space Element
- Goal 2: Be a community with high quality parks and recreational facilities that

highlight the character of our City.

**Attachments**

Exhibit 1 – Resolution No. 23-261

Exhibit 2 – Resolution No. 23-212

Exhibit 3 – Resolution

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Prepared by: Angela Salmon, Assistant to the City Manager, City Manager's Office

Charter Officer: Greg Chavarria, City Manager