#25-0382

TO: Honorable Mayor & Members of the

Fort Lauderdale City Commission

FROM: Rickelle Williams, City Manager

DATE: May 6, 2025

TITLE: Resolution Declaring Notice of Intent to Lease a Portion of City-Owned

Property Located at Holiday Park to Young Men's Christian Association of South Florida, Inc. (YMCA), Providing Notice of Intent to Terminate a Lease Dated November 14, 2016, and Setting a Public Hearing for June 17, 2025, Pursuant to Section 8.13 of the City Charter – (Commission District 2)

Recommendation

Staff recommends the City Commission adopt a Resolution, pursuant to City Charter Section 8.13, declaring the City's intent to lease a portion of City-owned property at Holiday Park to the Young Men's Christian Association of South Florida, Inc. (YMCA), a Florida nonprofit corporation, for a period not to exceed fifty (50) years, and setting a Public Hearing for June 17, 2025.

Background

In accordance with Section 8.13 of the City Charter, the City of Fort Lauderdale is authorized to lease City-owned property to civic and charitable organizations for a term of up to fifty (50) years, provided that the lease is for purposes beneficial to the public.

On November 14, 2016, the City and YMCA entered into a long-term ground lease agreement for a fifty (50)-year period that will expire on November 13, 2066. The YMCA, a nonprofit organization focused on community development, intends to construct a new facility at Holiday Park in Fort Lauderdale. The lease includes several obligations, such as offering resident discounts, securing project funding, commencing construction, and submitting progress reports to the City.

The purpose of this Notice of Intent is to address delays caused by unforeseen circumstances, which have resulted in a loss of time from the original lease term. On June 22, 2021, the YMCA formally requested an extension to construction and funding milestones under the Force Majeure provision of the lease, citing the global COVID-19 pandemic. Subsequently, on July 1, 2021, the YMCA requested an additional two (2)-year extension, pushing the timeline for completion to March 1, 2027.

In conjunction with the YMCA, City staff recommend that the City Commission terminate the existing lease agreement and enter into a new lease agreement. The proposed new lease agreement will include a fifty (50)-year term and permits the YMCA to construct and operate a modern community facility that includes a free-standing emergency department and wellness center through a sublease with Broward Health. Key terms include construction milestones within seven (7) years, updated title and environmental provisions, and continued obligations for public benefit including resident discounts and community programs.

To move forward with the lease process, the City Commission will first need to adopt a resolution declaring the City's intent to lease the property to the YMCA, subject to further negotiations and conditions. The final lease agreement is anticipated to be presented to the City Commission for approval on June 17, 2025.

City staff recommend that the City Commission consider several other project-related actions on June 17, 2025 (or at such other appropriate time), including:

- Termination of the existing lease with the YMCA;
- Approval of a new lease agreement between the City and the YMCA pursuant to Section 8.13 of the City Charter;
- Approval of a sublease between the YMCA and Broward Health;
- Authorization for the City Manager to execute an Environmental Compliance Indemnity Agreement and a Recognition Agreement with Broward Health; and
- Holding a public hearing to consider the allocation of \$2,000,000 (\$1,000,000 from District One and \$1,000,000 from District Two) of parks bond land acquisition funds to support the YMCA's planned development.

Resource Impact

There is no fiscal impact associated with this item. Any associated future fiscal impact will be included as part of a future Commission agenda item for consideration.

Strategic Connections

This item is a *Press Play Fort Lauderdale Strategic Plan 2024* initiative, specifically advancing:

- Internal Support Focus Area
- Goal 8: Building a leading government organization that manages all resources wisely and sustainably.
- Objective: Maintain financial integrity through sound budgeting practices, prudent fiscal management, cost effective operations, and long-term planning

This item advances the Fast Forward Fort Lauderdale Vision Plan 2035: We are Here.

Attachments

Exhibit 1 – Legal Description Exhibit 2 – Location Map

Exhibit 3 – Resolution

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Charter Officer: Rickelle Williams, City Manager