



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

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: January 22, 2014

TITLE: Land Swap Agreement between P.D.K.N. P-4, LLC and the City of Fort
Lauderdale

Recommendation

It is recommended that the City Commission authorize the Mayor and City Manager to execute all necessary documents to swap ownership of the parcel of land owned by the City of Fort Lauderdale on which Fire Station 54 sits for the parcel of land owned by P.D.K.N. P-4, LLC located on the northwest corner of Northeast 33rd Avenue and Northwest 32nd Street.

Background

Bokamper's Sport's Bar and Grill is located on the west side of Northeast 32nd Avenue north of east Oakland Park Boulevard (Site Location Map attached as **Exhibit 1**). The City (staff and City Commission) and the Developer (P.D.K.N. P-4, LLC) have discussed the feasibility of a land swap agreement with the City and consensus has been reached on preliminary terms. The exchange of land would allow Bokamper's to provide more convenient self and valet parking for their patrons and provide the City with a site for the new fire station #54 building.

The two subject properties are:

- 1) Parcel 1 - The existing Fire Station #54 site located at the northeast corner of Northeast 32nd Avenue and the east Oakland Park Boulevard (northern) service road
- 2) Parcel 2 - The lot owned by PDKN located on the northwest corner of Northeast 33rd Avenue and Northwest 32nd Street.

A map showing the locations of the Bokamper's site and the two subject parcels is attached as **Exhibit 2**.

In addition to, and in support of the exchange of land, the agreement obligates the City and PDKN to construct certain physical improvements involving fuel tank removal and demolition of the existing fire station site, utility modifications, installation of new drainage systems, and street modifications.

The agreement provides for a due diligence period followed by a short window during which either party would have the opportunity to opt out. If either party were to opt out, the land swap deal would be extinguished.

In the event the City and PDKN are not able to execute the agreement, the currently approved site plan for Bokamper's would need to be modified so that the parking requirements are satisfied by constructing spaces on Parcel 2 instead of Parcel 1. The City would need to re-design and re-permit the new fire station building and facilities to be located on Parcel 1. Depending on the length of the due diligence period, the schedule for the completion of the new fire station could be impacted by several months and the project budget would need to provide for the cost of topographic survey, engineering, architectural design, plan production and permitting needed for the re-design.

The two properties involved in the land exchange may be described in more detail, as follows:

Parcel 1

Current Owner: City of Fort Lauderdale
Existing Use: Fire Station and Metered Parking
Land Area: 16,080+/- or 0.369 Acres
Estimated Land Value (after deducting demolition costs)
\$655,000 based on a report by Allied Appraisal Services, Inc., dated 12/10/2012 (attached as **Exhibit 7**). \$552,000 based on a report by Woolstar and Associates dated 01/19/2013 (attached as **Exhibit 8**).

Parcel 2

Current Owner: P.D.K.N. P-4, LLC
Existing Use: Unimproved/no structures
Estimated Land Value: \$560,000 based on a report by Allied Appraisal Services, Inc., dated 12/10/2012 (attached as **Exhibit 9**). \$482,500 based on a report by Gonzalez & Associates, P.A. dated 12/18/2012 (attached as **Exhibit 10**).

The proposed general terms of the land swap agreement and the associated preliminary cost estimates are summarized below. Based on these commitments, City staff and representatives of PDKN agree that the value provided by the other party is sufficient and that no additional monetary compensation would be required from either party to "Equalize" the value being provided.

1. Permitting and removal of existing fuel tank on Parcel 1

Responsible party: PDKN P-4

Estimated value: \$25,000

PDKN would have the opportunity to investigate environmental/permitting requirements and remove the fuel tank that exists on Parcel 1 during the due diligence phase. If environmental permitting requirements or any remediation that may be required prove to be financially infeasible, then PDKN would not be obligated to proceed any further and would be able to opt out of the agreement at that point.

2. Demolition of the existing improvements on Parcel 1

Responsible party: City of Fort Lauderdale

Estimated value: \$80,000 demolition and \$85,000 for asbestos remediation (if needed).

The City would be responsible demolishing the old fire station building, including the removal of a substantial amount of asbestos that was identified in the pre demolition survey conducted by the City's environmental consultant. While it is not included in the terms of the land swap agreement, as a critical path item prior to the demolition, the City will need to complete the temporary fire station portable building and facilities that will be located on the south side of East Oakland Park Boulevard and west of northeast 33rd Avenue. It is anticipated that the work on the temporary fire station will commence in February 2014, and be completed and ready for the relocation of emergency personnel by the end of April 2014. The demolition of the existing fire station would commence shortly after the relocation and be completed by the end of August 2014. The new fire station construction is anticipated to commence by October 2014, and be completed by October 2015.

3. Modification of existing utilities located in the alley transecting Parcel 1

Responsible Party: City of Fort Lauderdale

Estimated Value: \$35,000

Parcel 1 is currently transected by an existing 20-foot wide alley right-of-way that extends from Northeast 32nd Avenue to Northeast 33rd Avenue. A portion of the alley will therefore need to be vacated to unify the Parcel 1 lots that are located on either side of the alley. There is an existing 4-inch cast iron water main and a 10-inch vitrified clay sanitary sewer pipe that are located in the subject alley (utility sketch attached as **Exhibit 3**). As part of the alley vacation, and prior to constructing, PDKN proposed improvements on Parcel 1. The water main will need to be abandoned and capped at the eastern limit of the vacation. In addition, at some point in the future, and at the discretion of the City, the sewer main will need to be re-lined.

4. Stormwater collection/drainage improvements for the alley transecting Parcel 1
Responsible Party: PDKN P-4
Estimated Value: Between \$25,000 to \$75,000, depending design

The existing alleyway between Northeast 32nd Avenue and Northeast 33rd Avenue currently drains from East to West. The alleyway conveys stormwater runoff from existing building roof drains that is eventually collected by the drainage system on Northeast 32nd Avenue. The proposal is to maintain this existing flow pattern and for PDKN to design the future parking area in Parcel No. 1 to receive and treat this stormwater runoff from the alleyway prior to discharging into the City system along Northeast 32nd Avenue. A sketch showing the alley drainage and the limits of the future parking area on Parcel 1 is attached as **Exhibit 4**.

5. Improvements to Northeast 32nd Street between Northeast 32nd Avenue and Northeast 33rd Avenue
Responsible Party: City of Fort Lauderdale
Estimated Value: \$175,000

Northeast 32nd Street and the on-street parking area between Northeast 32nd Avenue and Northeast 33rd Avenue will be modified, including extensive re-grading, resurfacing, parking, median and landscaping improvements. A sketch showing the proposed Northeast 32nd Street Improvements is attached as **Exhibit 5**.

6. Replacement of the existing 24-inch drainage pipe on the Bokamper's site
Responsible Party: PDKN P-4
Estimated value: \$35,000

There is an existing 24-inch diameter corrugated metal drainage pipe located on the Bokamper's site approximately 100 feet south of the north property line (sketch attached as **Exhibit 6**). The pipe serves as an outfall connection for the stormwater system serving Northeast 32nd Avenue and other rights-of-way in the vicinity and extends approximately 155 feet from the storm drain inlet on the west side of Northeast 32nd Avenue to the outfall at the Intracoastal. City records indicate that there is a 14-inch diameter liner inside the 24-inch pipe. PDKN has already reconstructed the outfall through their property and will be providing an easement to facilitate operation and maintenance by the City.

The Land Swap Agreement, in substantial form, is attached as Exhibit 11. As of "time for publication" the parties were still engaged in text revisions and refinements. You will be apprised of further revisions that take place after the publication deadline.

Resource Impact:

There is no fiscal impact to the City.

Strategic Connections:

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative included within the Public Safety Cylinder of Excellence, specifically advancing:

- **Goal 9:** Be the safest urban coastal City in South Florida through preventative and responsive police and fire protection.

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

Attachments:

Exhibit 1 – Site Location Map

Exhibit 2 – Parcel Location Map

Exhibit 3 – Water and Sewer Improvements in alley

Exhibit 4 – Drainage improvements in existing fire station alley

Exhibit 5 – Northeast 32nd Street Improvements

Exhibit 6 – Storm Drain Improvements on Bokamper’s Site

Exhibit 7 – Appraisal for Property No. 1 by Allied

Exhibit 8 – Appraisal for Property No. 1 by Woolstar

Exhibit 9 – Appraisal for Property No. 2 by Allied

Exhibit 10 – Appraisal for Property No. 2 by Gonzalez

Exhibit 11– Land Swap Agreement