#25-0498

TO: Honorable Mayor & Members of the

Fort Lauderdale City Commission

FROM: Rickelle Williams, City Manager

DATE: June 17, 2025

TITLE: Public Hearing – Resolution to Approve Termination of Existing Lease and

Authorization of a New Lease Agreement between the City of Fort Lauderdale and the Young Men's Christian Association of South Florida, Inc. (YMCA) for a Portion of Holiday Park Along North Federal Highway, Pursuant to Section 8.13 of the City Charter; Delegate Authority to the Proper City Officials to Execute the Lease; Delegate Authority to the City

Manager to Execute Certain Instruments - (Commission District 2)

Recommendation

Staff recommends that the City Commission adopt a Resolution authorizing the termination of the existing lease agreement between the City of Fort Lauderdale and the Young Men's Christian Association of South Florida, Inc., (YMCA), dated November 14, 2016, and approving a new fifty (50)-year lease agreement with the YMCA for an annual rent of \$1.00 per year for a portion of Holiday Park along North Federal Highway, pursuant to Section 8.13 of the City Charter.

Background

On May 6, 2025, the City Commission adopted Resolution No. 25-78 declaring its intent to lease a portion of City-owned property located at Holiday Park to the YMCA, a Florida not for profit corporation, for a period not to exceed fifty (50) years pursuant to Section 8.13 of the City Charter; providing notice of intent to terminate a lease dated November 14, 2016; and providing notice of a public hearing before the City Commission at 6:00 pm on June 17, 2025.

The original lease between the City and YMCA, executed in 2016, authorized a fifty (50)-year ground lease for the development of a community-serving recreational facility. However, due to project impacts associated with the COVID-19 pandemic and other unforeseen circumstances, the YMCA requested the City consider revising the agreement development milestones and sought to modernize the agreement terms. The existing lease did not permit subleasing for healthcare services, such as a free-standing emergency department which is currently being contemplated; subject to City Commission approval of Commission Agenda Memorandum No. 25-0499 on June 17, 2025.

To enable the development of a new, modern facility that includes both a wellness center and a free-standing emergency department operated by North Broward Hospital District (Broward Health), City staff and the YMCA have negotiated a new lease agreement. Most of the terms and conditions of the 2016 lease are incorporated into the new agreement. The primary modifications include the establishment of a new fifty (50)-year term and the inclusion of the free-standing emergency department as an authorized use of the premise. The new agreement allows the YMCA to construct and operate a new facility, including:

- Recreation and wellness uses;
- A new pool complex;
- Youth and teen activity centers;
- A community gathering space;
- Parking and support facilities;
- Terms permitting subleasing for public benefit uses; and
- Free-standing emergency department.

The new lease establishes that construction must be completed within seven (7) years, with the possibility of limited extensions due to force majeure. Notwithstanding the City's intended grant contribution of \$2 million (CAM #25-0501), the YMCA will be solely responsible for funding, constructing, and maintaining the facility. The ongoing operations must be consistent with the public purpose requirements defined in Section 8.13 of the City Charter.

The proposed facility will enhance public access to recreational and wellness services, support youth programming, and promote broader community engagement. As part of the lease agreement, Fort Lauderdale residents will receive a 10% discount on all YMCA membership categories for the full term of the lease.

Lastly, Holiday Park is encumbered by site dedications stemming from prior grant agreements with the Florida Department of Environmental Protection (FDEP). To facilitate the new YMCA lease agreement, City staff worked closely with FDEP to release the affected portion of land from these restrictions. As a result, FDEP is preparing a Partial Release of Grant Restrictions to clear title and allow for the leasehold interest to proceed unencumbered. The City and FDEP have agreed on a pro-rata share repayment of \$9,364.69 in consideration for the partial release, ensuring that the City meets all necessary title requirements for the proposed lease. All costs associated with the partial release, including the repayment amount, will be the responsibility of the YMCA.

Resource Impact

There is no direct fiscal impact to the City associated with this action. The YMCA is responsible for all costs for development, construction, and maintenance, except that the City, under a separate proposed Commission action (CAM #25-0501), will contribute \$2 million to support construction of the YMCA pool complex. The City will continue to own the underlying land.

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.

Related CAMs

25-0448

25-0499

25-0500

25-0501

25-0502

Attachments

Exhibit 1 – YMCA Lease

Exhibit 2 – YMCA and Broward Health Sublease

Exhibit 3 – Sketch and Description

Exhibit 4 – Resolution

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Charter Officer: Rickelle Williams, City Manager