



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

#15-1023

TO: Honorable Mayor & Members
Fort Lauderdale City Commission

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

DATE: August 18, 2015

TITLE: Resolution Selecting Successful Bidder and Authorizing Preparation of the Lease for the Property at 600 Seabreeze Boulevard

Recommendation

It is recommended that the City Commission adopt a resolution pursuant to the City Charter, Section 8.09, selecting PDKN Holdings, LLC as the successful bidder and authorizing the preparation and negotiation of a lease for the property at 600 Seabreeze Boulevard.

Background

On February 17, 2015, the City Commission adopted Resolution No. 15-28 declaring the City's intent to lease the property at 600 Seabreeze Boulevard. CBRE, the City's real estate agent of record, marketed the property through multiple real estate mediums including eblasts, Costar, Loopnet, CBRE.com, property signage, and networking. Four bids were received. Per the City Charter, sealed bids were required to be accompanied by cash, cashier's check, or certified check, and made payable to the City in an amount equal to at least ten percent of the first year's rental. CBRE provided a Sealed Bid Comparison, recommending award to PDKN Holdings, LLC. The scoring criteria included rental rate, term, rent commencement, renovations, operating expenses, proposer background, and deposit. On Monday, August 10, the Boos Development Group notified the City that they were withdrawing their offer to lease the property at 600 Seabreeze Boulevard.

The PDKN Holdings, LLC proposal is for a lease term of 20 years with four (4) five-year renewal options. They will take possession of the building immediately and commence permitting and construction timeline. Rent shall commence 180 days after execution of the lease. Rent will be in the amount of \$225,000 during the first year of the lease and will increase at 3% every year henceforth. Their proposed use of the property will be for a beachfront seafood restaurant providing casual, tropical dining. PDKN Holdings, LLC will invest up to \$1.5 million in property renovations and upgrades.

PDKN Holdings, LLC will be obligated to pay the brokerage commission to CBRE of 4% of the gross rentals due over the initial term of the lease.

The final lease will be presented to the City Commission for approval.

Resource Impact

There will be a positive fiscal impact to the City in the amount of \$225,000.

Strategic Connections

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

- Goal 12: Be a leading government organization, managing resources wisely and sustainably.
- Objective 1: Ensure sound fiscal management.
- Initiative 1: Achieve a structurally balanced budget through viable revenue sources, smart financial management, comprehensive financial forecasting, and results-oriented and efficient services.

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

Attachments:

Exhibit 1 – Resolution No. 15-28

Exhibit 2 – Sealed Bid Comparison

Exhibit 3 – PDKN Holdings, LLC Proposal

Exhibit 4 – Boos Development Group

Exhibit 5 – Kandasamy, Entity TBD

Exhibit 6 – Riverfront Cruise and Anticipation Yacht Charters LLC

Exhibit 7 – Resolution

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