



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

#20-0041

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

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: January 7, 2020

TITLE: Resolution Terminating Existing Lease Between the City and Ann Storck Center, Inc., (“Lessee”) for City Owned Property Located at 1790 SW 43 Way, Unincorporated, FL 33317 (“Property”) and Approving Lease Agreement to Enter into a New Lease, Pursuant to Section 8.13 of the City Charter – **(Commission District 1, 2, 3 and 4)**

Recommendation

It is recommended that the City Commission adopt a resolution pursuant to Charter Section 8.13 declaring the City’s intent to lease City owned property located at 1790 SW 43 Way, Unincorporated, FL 33317 (Folio 5041-13-22-0010) to Ann Storck Center, Inc.

Background

On October 5, 1982, the City Commission approved an assignment of a fifty (50) year lease from Pediatric Care Center of Broward County, Inc to Ann Storck Center, Inc (“Ann Storck”) for property located at 1790 SW 43 Way, Unincorporated, FL 33317 (Exhibit 1). The assigned leased was terminated, and on December 20, 1983 the City and Ann Storck entered a new lease set to expire on July 1, 2032. A new lease was required for Ann Storck to issue and sell bonds to construct a 48-bed residential facility for the physically and mentally handicapped children of Broward County. On January 17, 1984, there was an amendment to the lease to provide that the City will not default the lease for the term of the bonds. On December 23, 1998, the lease was amended and restated to approve the issuance of bonds by the City in an amount not to exceed \$2,605,000 to refinance certain outstanding bonds of the Lessee and improvements to the facility.

On May 24, 2019, Ann Storck’s CEO contacted the City requesting an extension of the lease to obtain financing for needed upgrades and potential expansion of the existing facilities estimated to be \$3,000,000 worth of improvements (Exhibit 2). Under Section 8.13 of the City Charter, lease terms are limited to 50 years. To move forward a termination of the current lease is required, and upon approval, execute a new lease agreement. The proposed lease agreement is for an annual rent of one dollar (\$1.00) and subject to further terms and conditions. The proposed improvements shall be satisfactorily completed within the proposed timeline, if not, Lessor has the right to terminate and reinstate the existing lease set to expire.

Resource Impact

There will be a positive fiscal impact of \$1.00 for Fiscal Year 2020.

Strategic Connections

This item supports the *Press Play Fort Lauderdale 2024 Strategic Plan*, specifically advancing:

- Neighborhood Enhancement
- Goal 4: Build a thriving and inclusive community of neighborhoods
- Objective: Create a continuum of education services and support

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

Attachments

Exhibit 1 – Property Map

Exhibit 2 – Construction Improvements

Exhibit 3 – Proposed Lease Agreement

Exhibit 4 – Resolution

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