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Meeting Minutes

Tuesday, July 6, 2021

11:30 AM

Bahia Mar

City Hall - City Commission Chambers
100 North Andrews Avenue, Fort Lauderdale, FL 33301

CITY COMMISSION WORKSHOP

FORT LAUDERDALE CITY COMMISSION

DEAN J. TRANTALIS Mayor

HEATHER MORAITIS Vice Mayor - Commissioner - District I

STEVEN GLASSMAN Commissioner - District II

ROBERT L. McKINZIE Commissioner - District III

BEN SORENSEN Commissioner - District IV

CHRIS LAGERBLOOM, City Manager

JOHN HERBST, City Auditor

JEFFREY A. MODARELLI, City Clerk

ALAIN E. BOILEAU, City Attorney

CALL TO ORDER

Mayor Trantalis called the meeting to order at 11:37 a.m.

QUORUM ESTABLISHED

Commission Members Present: Vice Mayor Heather Moraitis, Commissioner Glassman, Commissioner Robert L. McKinzie, Commissioner Ben Sorensen and Mayor Dean J. Trantalis

Also Present: City Manager Chris Lagerbloom, City Clerk Jeffrey A. Modarelli, City Attorney Alain E. Boileau and City Auditor John Herbst

OLD/NEW BUSINESS**BUS-1** [21-0681](#)

Bahia Mar - City Commission Discussion and Update - (Commission District 2)

Mayor Trantalis discussed the background and purpose of this Workshop addressing public property known as *Bahia Mar (Site)*. Mayor Trantalis and Commissioner Glassman have had individual separate meetings with the *Lessee* towards achieving a reconfigured plan.

Mayor Trantalis expounded on his perspective towards having as much of the *Site* as possible made available to the public and ensuring the continued success and enhancement of the *Fort Lauderdale International Boat Show (FLIBS)*. The purpose of this meeting is to allow the Developer/*Lessee* (*Lessee*) an opportunity to present updated redevelopment plans for the *Site*.

Commissioner Glassman echoed Mayor Trantalis' comments. In response to Mayor Trantalis, Commissioner Glassman expounded on his concerns and priorities in response to the *March 2021 Site Plan* presented to the Commission. He noted several priorities including a five-star resort and marina on the *Site*.

Mayor Trantalis recognized Robert Lochrie, III, Esq., *Lochrie & Chakas, P.A.* on behalf of the *Lessee*. Mr. Lochrie discussed details of the existing forty-one (41) year lease between *Lessee* and the City (*Lease*) and the *Site Plan* approved by a previous Commission in 2017 (*2017 Approved Site Plan*). The *Lessee* desires to enter into a new long-term lease. He outlined efforts to address Commission concerns regarding the *March 2021 Site Plan*.

Mr. Lochrie narrated a revised *Site Plan (July 2021 Site Plan)* illustrating modifications to the *March 2021 Site Plan*.

A copy has been made part of the backup to this Agenda item.

Mr. Lochrie discussed permitted uses under the existing *Lease* and *Lessee* efforts towards reducing intensity on the *Site*. There would be no reduction in marina boat slips. Residential condominium units would be reduced by over forty-six percent (46%) from 651 to 350. Commercial space would be reduced by over fifty percent (50%) from 151,800 square feet to 73,800. Open space and park areas have increased from 4.7 acres to 6.1 acres. Hotel rooms are being enhanced towards developing a first-class luxury branded resort hotel development.

Vice Mayor Moraitis commented on her perspective in support of the *July 2021 Site Plan*, associated improvements and a lease extension. She requested additional information regarding financial details.

Commissioner Glassman commented on the negotiation process and his previous concerns about the *March 2021 Site Plan*. He noted the importance of addressing revenue to the City. Mayor Trantalis commented on efforts towards addressing financial aspects and said they would be part of the next phase of negotiations.

Commissioner McKinzie acknowledged, concurred and commented on his perspective regarding the efforts of Mayor Trantalis and Commissioner Glassman towards moving forward.

Commissioner Sorensen discussed his perspective and requested clarification regarding proposed condominiums included in the *July 2021 Site Plan*. He noted concerns regarding previous Commission discussions opposing condominiums at the *Site*. Further comment and discussion ensued.

In response to Commissioner Sorensen's questions, Mr. Lochrie showed a split-screen, side-by-side illustration of the *March 2021 Site Plan* versus the *July 2021 Site Plan*. The 350 residential condominium units included in the *July 2021 Site Plan* would be managed by resort and marina development operators. Further comment and discussion ensued on aspects of residential condominium units branded, managed and operated by a luxury resort hotel versus traditional residential condominium unit management.

Commissioner Glassman explained his perspective and support for the

proposed branded resort hotel residential condominium management model for the 350 residential condominium units included in the *July 2021 Site Plan*. He commented on his support of modifications to the *March 2021 Site Plan* that included reducing previously proposed 651 residential condominium units.

In response to Commissioner Sorensen's questions regarding aspects of residential condominiums, i.e., a Board of Directors, etc., City Attorney Boileau said he would need additional details to advise how this would impact the City.

Mr. Lochrie explained details regarding the *July 2021 Site Plan*, including four hundred ten (410) privately owned living accommodations consisting of luxury hotel suites and 350 luxury residential condominiums branded, managed and operated as a luxury resort hotel.

In response to Commissioner Sorensen's questions, Mr. Lochrie said the *March Site Plan 2021* focused on uses and included a fifty (50) year lease extension, but the extension had not been discussed.

Mayor Trantalis and Commissioner Glassman commented on their separate discussions with representatives of *FLIBS*. Mayor Trantalis noted numerous aspects of *Lessee* discussions and said *FLIBS* would be involved in future discussions.

Commissioner Glassman explained efforts towards maintaining existing aspects of *FLIBS* layout and flow versus the *2017 Approved Site Plan*. Further comment and discussion ensued on the position of *FLIBS*.

Mayor Trantalis noted changes illustrated in the *July 2021 Site Plan*, allowing additional open space and adequate clearance in areas used by *FLIBS*. In response to Commissioner Sorensen, Mayor Trantalis confirmed the position of *FLIBS* regarding the need for more open space. Mayor Trantalis explained modifications related to parking.

Vice Mayor Moraitis commented on holistic efforts towards providing additional marina space in the future for *FLIBS*, i.e., the *Las Olas Marina, Pier 66, International Swimming Hall of Fame*. Further comment and discussion ensued on the open space in the *July 2021 Site Plan* available for *FLIBS* use versus the *2017 Approved Site Plan*.

Commissioner Sorensen explained his perspective opposing the use of public land for condominium use and noted his concern.

In response to Commissioner Sorensen's inquiry regarding input from the Office of the City Auditor, City Auditor John Herbst noted the current conceptual nature of *Site* development and negotiations are in the early stages. There is an opportunity for a significantly enhanced revenue stream to the City based upon the sale of branded condominium units, ongoing revenue from the operation of the rental facilities and increases to the ad valorem revenue from development. He explained issues raised and under consideration by the *Lessee*, i.e., a transfer fee and a potential ground rent increase. City Auditor Herbst confirmed the need for further, in-depth analysis of details regarding revenue sharing, including determining an appropriate return on this asset, i.e., a rental increase commensurate with the extended lease timeframe.

Commissioner Sorensen commented on his concerns regarding the proposed residential condominiums and his perspective that it forfeits that portion of public land. Mayor Trantalis commented on the context that he views *Site* development as addressing the need to increase City revenue through the proposed return on investment, maintaining significant public open space and creating and maintaining a sustainable location for *FLIBS*.

Commissioner Glassman reiterated his perspective and explained the need to address the *Site* holistically to ensure a public purpose, i.e., public enjoyment of the *Site* that does not currently exist. He expounded on details pertaining to use of public land on a national level.

Commissioner Sorensen explained his focus is on quality of life, green space and public enjoyment of the *Site* versus monetization through the development of private condominium ownership. He expounded on future opportunities available. Further comment and discussion ensued on the existing *Lease*, the prospect of the *Lessee* doing nothing with the *Site* and the *Site* returning to the City at the end of the current *Lease*.

Mayor Trantalis reviewed the next steps, including *INFORMA* (*FLIBS* owner) participation in discussions and receiving input regarding the *July 2021 Site Plan*.

Vice Mayor Moraitis discussed her perspective concerning efforts towards addressing increased public space provided in this area, citing examples of existing nearby parks. She commented on her support of the proposed public promenade.

Commissioner Glassman commented on aspects of the *July 2021 Site Plan*, upcoming meetings with *FLIBS*, and tweaking aspects as things

move forward. He expounded on opportunities provided by the *July 2021 Site Plan* for public enjoyment, noting three (3) acres of open green space along the Intracoastal. Commissioner Glassman confirmed his opposition to doing nothing with the *Site* until the end of the existing *Lease*.

Commissioner McKinzie commented on his support of increased public access included in the *July 2021 Site Plan*.

In response to Commissioner Sorensen's question regarding development of the *2017 Approved Site Plan*, Mr. Lochrie said the first portion of the *Marine Village* is in permitting. Should the *Lease* not be extended, and the *July 2021 Site Plan* not approved, the *Lessee* could proceed with existing zoning and *Lease* entitlements, and something would happen with the property. Additional comment and discussion ensued on other opportunities and the best investment opportunity for the City.

Mayor Trantalis confirmed the opportunity for any Commission member to speak with the *Lessee* and Staff. He noted the future open format for these discussions with public engagement at a Commission Workshop in September 2021.

In response to Commissioner Sorensen's comment, Mr. Lochrie said there would be no objections to include *FLIBS* in upcoming discussions. Mr. Lochrie commented on the *Lessee* meeting with City Manager Lagerbloom and City Attorney Alain Boileau to address lease term negotiations to be presented to the Commission for consideration. Mayor Trantalis confirmed efforts to coordinate a meeting with the *Lessee* and *INFORMA*.

Commissioner Glassman requested coordinated efforts among City Auditor Herbst, City Manager Lagerbloom, City Attorney Boileau and the *Lessee* to illustrate financial details and other Amended *Lease* items in written form for Commission review before the September 2021 Workshop. Mayor Trantalis confirmed Commission approval for Staff to work with the *Lessee* to address this request.

ADJOURNMENT

Mayor Trantalis adjourned the meeting at 1:17 p.m.