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Meeting Minutes

Monday, November 29, 2021

1:30 PM

Bahia Mar

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 1:40 p.m.

MEETING ANNOUNCEMENT

Mayor Trantalis discussed details regarding the meeting format, including how the public can view and participate.

Mayor Trantalis announced the City Commission met today at noon with City Staff, per Florida Statute Section 255.065(15)(d), to discuss the various unsolicited proposals submitted to the City regarding the City's water treatment plant. This meeting was exempt and not open to the public. However, the meeting was transcribed as required by Florida Statute Section 255.065(15)(d). It will be available to the public once the City Commission notices an intended decision for the project. An open public meeting on this topic is anticipated in January 2021, where members of the public would be presented with information and an opportunity to comment on options for a water treatment plant.

QUORUM ESTABLISHED

Commission Members Present: Vice Mayor Heather Moraitis, Commissioner Steven Glassman, Commissioner Robert L. McKinzie (arrived at 1:46 p.m.), 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** [21-1158](#)

Bahia Mar Discussion - (Commission District 2)

Mayor Trantalis provided an overview and summary of efforts associated with the Bahia Mar 2017 Site Plan applicant and tenant, Rahn Bahia, LLC Mar, (Tenant) related to modifications to the approved 2017 Bahia Mar Site Plan (2017 Site Plan). Approximately forty-one (41) years or forty-two (42) years remain on the City's existing lease with the Tenant, and the Tenant is proposing longer lease terms to accommodate proposed condominium development on the Modified Site Plan (Modified Site Plan).

Mayor Trantalis recognized Barbie Pearson, 2420 SE 17th Street. Ms. Pearson spoke in opposition to the Modified Site Plan, discussed the importance of preserving the Boat Show, commented on concerns related to proposed condominium associations' negative impact on Boat Show activities and the need for extensive public outreach.

Mayor Trantalis recognized Steve Ganon, 2517 N. Atlantic Boulevard. Mr. Ganon spoke in opposition to the Modified Site Plan and commented on the importance of maintaining the Boat Show and the detrimental nature of a public-private partnership (P3) related to future decisions.

Mayor Trantalis recognized Marilyn Mammano, 1819 SE 17th Street, on behalf of *Lauderdale Tomorrow*. Ms. Mammano spoke in opposition to the Modified Site Plan and commented on the Tenant's request to develop condominiums, requiring control of the Bahia Mar property for 100 years. She made numerous recommendations, including the Commission obtaining answers to important questions before moving forward.

Mayor Trantalis recognized Jerry Jordan, 1109 SE 4th Street. Mr. Jordan spoke in opposition to the Modified Site Plan and commented that Bahia Mar is public property, consequences of building condominiums, the possibility of the Boat Show leaving the City and allowing the area to be available for future generations at the end of the current lease.

Mayor Trantalis recognized Bill Brown, 112 N. Birch Road, Central Beach Alliance President. Mr. Brown said the CBA remains neutral until it fully understands the agreement between the Tenant and the City (Ground Lease), the impact on the Boat Show, City revenue projections, and proper disclosure and distribution of public information. Mr. Brown voiced CBA membership concerns regarding lack of information in the proposed Ground Lease, unresolved issues, ensuring long-term success of the Boat Show and providing extensive public outreach and information to the community and barrier island residents to allow an informed decision. Further comment and discussion ensued.

In response to Commissioner Sorensen's question, Mr. Brown reiterated why the CBA had not weighed in on its position and is waiting until the final workshop to understand all financial information, agreement terms, aspects of the site plan and the position of the Boat Show.

Mayor Trantalis recognized Geary Cotton, 615 Idlewyld Drive. Mr. Cotton spoke in opposition to the Modified Site Plan. He discussed his financial perspective, cited examples and questioned why the Tenant had not

started construction on the 2017 Site Plan. He recommended negotiating from a position of strength, letting the current lease expire and allowing the community to determine use of the property.

Mayor Trantalis commented that doing nothing is not an option due to maintaining the parcel over the next forty (40) years in its current condition. Further comment and discussion ensued.

Mayor Trantalis recognized Mary Fertig, 511 Poinciana Drive, on behalf of the *Idlewyld Improvement Association* and *Lauderdale Tomorrow*. Ms. Fertig spoke in opposition to the Modified Site Plan and submitted letters from each group and submitted to City Clerk Modarelli.

A copy is in the backup to these minutes.

Ms. Fertig discussed concerns associated with the disappearance of public land that cannot be replaced, the impact of development on the environment and noted the beach area is currently thriving. Ms. Fertig expounded on details related to public input and opposition to condominiums on this public land. She requested the Commission consider other alternatives, saving this public land for a public purpose. Ms. Fertig urged the Commission to answer questions raised by the public, resolve Boat Show concerns and conduct extensive public outreach.

Mayor Trantalis recognized Dan Teixeira, 9 North Birch Road, and Harbor House East President. Mr. Teixeira spoke in support of the proposed Modified Site Plan and explained his experience with other similar developments on the barrier island, including the *Four Seasons Private Residences*. He submitted related documentation.

A copy is in the backup to these minutes.

In response to Commissioner Glassman's question regarding condominium owners combining units, Mr. Teixeira confirmed and noted it provides larger units with more livable space.

Mayor Trantalis recognized Leann Barber, 500 NW 1st Avenue, and *Flagler Village Civic Association* President. Ms. Barber spoke in opposition to the Modified Site Plan and said many *Flagler Village* residents provide services during the Boat Show. She requested the Commission maintain and improve residents' quality of life versus developer profits on public land, i.e., prioritizing resident engagement towards housing, health care, education, and climate change solutions.

In response to Commissioner Sorensen's question, Ms. Barber commented on public dialogue with the Commission.

Mayor Trantalis cited examples of efforts of public outreach efforts, including neighbor dialogue in various public forums, discussions with Tenant and similar actions by Commissioner Glassman. He commented on the Commission addressing quality of life concerns by pursuing an economic engine.

Commissioner Glassman said this is the beginning of an extensive process including neighborhood outreach. He cited examples of the process, including the Development Review Committee (DRC) and the Planning and Zoning Board (P&Z Board).

City Attorney Boileau concurred and commented on details and confirmed the Commission's ability to amend documents.

Ms. Barber remarked on an alternative proposal that should be discussed.

Commissioner Glassman commented on his perspective and discussed public purpose improvements to the 2017 Site Plan currently under consideration.

In response to Commissioner Sorensen's question regarding the alternative site plan noted by Ms. Barber, Mayor Trantalis explained it addressed bifurcating the land and the City keeping the western portion, allowing the developer to build the hotel and condominium project on the eastern portion. The portion retained by the City would be the Boat Show site, allowing a direct relationship with the City. Details are included in a letter sent to the Commission. Mayor Trantalis concurred and summarized the alternative proposed.

Commissioner Sorensen confirmed his willingness to discuss that alternative.

Mayor Trantalis recognized Carolann Bartholomey, 3000 Holiday Drive. Ms. Bartholomey spoke in opposition to the Modified Site Plan, a lease extension and condominiums on public land. She recommended the Commission pause and discuss this topic when more residents were present in the City and commented on the importance of the Boat Show as an economic engine. Further comment and discussion ensued.

Commissioner Sorensen confirmed the need for the Commission to

make a fully informed decision based on relevant data. Further comment and discussion ensued.

Mayor Trantalis recognized Maxine Streeter, 705 SW 13th Street. Ms. Streeter spoke in opposition to the Modified Site Plan, commented on options being considered and read from the City Charter Section 8.6 regarding an extension of the Bahia Mar lease. She urged the Commission, representing the City as the landlord, enforce the existing Bahia Mar lease requiring a world-class marina and destination resort on the Bahia Mar site, not condominiums. Further comment and discussion ensued.

City Attorney Boileau explained two (2) fifty (50) year leases are being proposed, not a 100-year lease. Further comment and discussion ensued on details included in Section 8.6 of the City Charter.

Mayor Trantalis recognized Nancy Thomas, 1824 Admirals Way. Ms. Thomas spoke in opposition to the Modified Site Plan, discussed the importance of the Boat Show and remarked on the need to provide the Boat Show with everything needed to succeed, i.e., no limiting of space or controls over the Boat Show and extended public outreach.

In response to Commissioner Sorensen's question, Ms. Thomas expounded on other concerns related to the property being public land, i.e., the Modified Site Plan's proposed condominiums and large amount of commercial space. She explained her viewpoint regarding the Boat Show that should not suffer from reduced revenues due to allocation of less space and the original intent for this public property.

Mayor Trantalis noted his similar viewpoint as District 2 Commissioner during a previous Commission's discussions. The Commission is sensitive to concerns raised and is doing its best to improve the 2017 Site Plan and reach a compromise for all stakeholders. Further comment and discussion ensued.

Commissioner Glassman explained his efforts towards ensuring the 2017 Site Plan is improved and expounded on details. The Marina Village aspect of the 2017 Site Plan is moving forward, and negotiations have resulted in significantly improved space for the Boat Show compared to its 2017 agreement with the Tenant. He expounded on details related to negotiated improvements to the 2017 Site Plan. Further comment and discussion ensued.

Ms. Thomas explained her viewpoint regarding protecting the Boat Show and the previous position of three (3) Commission Members regarding

condominiums.

Commissioner Glassman explained the reason for changing his position regarding condominiums, i.e., his preference for three hundred and fifty (350) residential condominiums plus sixty (60) hotel condominiums versus six hundred and fifty-one (651) rental apartments approved in the 2017 Site Plan. Negotiated updates to the 2017 Site Plan allow improved public use and enjoyment of the public land, which serves a public purpose. All condominiums on the site would be under the umbrella and control of a five-star branded resort. Commissioner Glassman said City Attorney Boileau has made assurances there would be language in documents protecting the Boat Show from any negative impact and interference from condominiums and would be included in all documents.

Commission Glassman said following his review of old documents, the western portion of A1A was meant to be an economic driver for the City. He expounded on details related to his perspective and confirmed the Boat Show should not be short-changed. Further comment and discussion ensued.

Mayor Trantalis recognized Janet Scaper, 401 SE 4th Avenue. Ms. Scaper spoke in opposition to the Modified Site Plan and commented on disappointment with the process involving public input. She commented on public opposition to condominiums and private ownership of public land. Further comment and discussion ensued regarding the process and public input.

Mayor Trantalis discussed Commission interaction with the community and limitations associated with Commission Member discussions outside a public forum. He noted the ability for constituents to contact Commission Members directly. Further comment and discussion ensued regarding the process and the ability for public input.

Commissioner Glassman confirmed his availability to meet with anyone requesting an appointment and take phone calls with members of the public.

Commissioner McKinzie commented on his perspective and support of a site plan design previously submitted by the Tenant consisting of two (2) twin towers. He explained his viewpoint regarding his preferred manner of communication, directly meeting with members of the public versus responding to emails that could be taken out of context. Commissioner McKinzie said he is available to meet with Ms. Scaper at any time.

Further comment and discussion ensued on improved aspects included in the Modified Site Plan, condominiums on the site, the large amount of space open to the public and the opportunity for the Boat Show to grow.

Mayor Trantalis invited Ms. Scrapper to schedule a meeting with him and include additional members of the public to discuss other options. Ms. Scrapper discussed pausing negotiations to address concerns related to the Charter, i.e., allowing a one hundred year (100) lease and ensuring the Boat Show's continued growth. Further comment and discussion ensued on the option to sell a portion of the site to the Tenant to develop condominiums.

Commissioner Glassman addressed concerns regarding the ability of the Boat Show to grow and noted there are additional locations within the Boat Show with the potential to allow Boat Show growth. He asked for further information regarding the utilization of those sites.

Mayor Trantalis recognized Anne Hilmer, 621 Idlewyld Drive. Ms. Hilmer spoke in opposition to the Modified Site Plan and read from a prepared statement indicating the *Idlewyld Improvement Association (IIA)* strongly supports the position of the *Marine Industries Association of South Florida* regarding the importance of open space and the Boat Show remaining at Bahia Mar. She confirmed the *IIA* requests for no 100-year lease or condominiums on the property, directing Staff to stop lease negotiations until Boat Show concerns are addressed and extensive public outreach has been achieved.

Commissioner Glassman referred to Article 24 of the 1962 Lease Agreement stating the purpose of this area as an economic driver. Further comment and discussion ensued.

Mayor Trantalis recognized Robert Lochrie, Esq., Lochrie and Chakas, P.A., on behalf of the Tenant. Mr. Lochrie discussed additional information made available to the public. He narrated a slide presentation entitled *Bahia Mar Site Plan Discussion November 29, 2021*.

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

Mayor Trantalis commented on the Boat Show's obligation to support the 2017 Site Plan. Mr. Lochrie explained the order of approval and background details. A previous Commission directed the Tenant to reach an agreement with the Boat Show regarding terms included 2017 Site Plan Application. The Commission would not approve the process

to begin the process until the Tenant had agreed to terms with the Boat Show. The 2017 Site Plan was subsequently submitted.

Mayor Trantalis noted the importance of this point and expounded on details.

Commissioner Glassman expounded details related to space allocations for the Boat Show and cited examples.

Mr. Lochrie commented on concerns and revisions made to the 2017 Site Plan, i.e., the massing of buildings and pointed out changes to the Modified Site Plan, i.e., additional open space for public access and improved views. He discussed the importance of aspects included in the Modified Site Plan addressing public land for a public purpose and cited examples, i.e., commercial areas open to the public, open park space and green space, approximately twenty percent (20%) of the upland area and eighty percent (80%) of the entire site being open space. Mr. Lochrie continued his presentation of updates to the proposed Modified Site Plan.

In response to Mayor Trantalis' questions, Mr. Lochrie explained aspects of a slide diagram representing ground-floor retail and restaurant areas available to the public, which include residential condominiums units above.

In response to Commissioner Sorensen's questions, Mr. Lochrie discussed details associated with open spaces calculations for site plan approval, i.e., areas without mass and available for walking and driving. Green space in the slides is park space and represents approximately nineteen point two percent (19.2 %) in the modified site plan's upland area. Further comment and discussion ensued on aspects of areas illustrated in the slide presentation.

Mr. Lochrie discussed access areas for the Boat Show under the current proposed lease associated with the 2017 Site Plan and meetings related to Modified Site Plan negotiations which resulted in additional contiguous space for the Boat Show spread throughout the site and explained related square footage details.

Mr. Lochrie confirmed Rahn Bahia Mar is the landlord under the Boat Show lease. Rahn Bahia Mar is the Tenant under the proposed ground lease with the City. Rahn Bahia Mar will remain the current hotel owner, the new hotel owner and owner of all areas provided therein. No portion of the Boat Show will be located within any condominiums within the Bahia Mar site. The Boat Show will be protected from condominiums

located in the central area, and protections will be recorded in the Memorandum of Boat Show Lease, Master Lease, Master Lease Declaration and Phased Leases.

In response to Mayor Trantalis' questions, Mr. Lochrie explained that the entire site would be controlled by an agreement that will ensure each of the entities within that site must adhere to the same rules.

Mayor Trantalis recognized Barry Somerstein, Esq., 2555 Lucille Drive, on behalf of the Tenant. Mr. Somerstein explained that the controlling party for the Master Lease Declaration is Rahn Bahia Mar. Rahn Bahia Mar has agreed to disclosures that cannot be amended unless approved by the Boat Show. Rahn Bahia Mar has offered the Boat Show various restrictions of record, covenants running with the land, providing for restrictions notifying of the Boat Show's lease and impact of the Boat Show and their rights to operate. Rahn Bahia Mar has offered the Boat Show the option of providing language for consideration. Rahn Bahia Mar has agreed to rights of use for the Boat Show and additional provisions related to restrictions that cannot be amended without the approval of the Boat Show. Provision of restrictions would be included in all recorded leases, i.e., Ground Lease with the City, the Boat Show Lease, Master Lease, Master Lease Declaration and each Phased Lease. Contractual documents signed by each purchaser of any unit at closing will include a restrictive covenant.

In response to Mayor Trantalis' questions, Mr. Somerstein explained the amendment process in the Master Lease Declaration, i.e., there will be a provision that the Master Lease Declaration cannot be amended with regard to the Boat Show's rights of use without written consent of the Boat Show. Further comment ensued. Mr. Somerstein confirmed amendment provisions made since the original Lease draft cannot amend provisions without approval of the Boat Show.

Commissioner Sorensen requested clarification of correspondence dated November 22, 2021 from Danielle Devito-Hurley, Esq., Gunster Law (Correspondence), a copy of which was received by the Commission earlier today.

Mr. Lochrie discussed his understanding of this Correspondence and explained related details.

Mayor Trantalis referred to the forty-five (45) day extension listed on the last page of Correspondence.

Mr. Somerstein explained his client's position regarding the

Development Notification Extension included in the Correspondence. The Tenant received building permits for the 2017 Site Plan's Marina Village. The Tenant delayed development of the other areas to work with the Commission to attain an improved site plan for all parties.

Mr. Somerstein explained numerous requirements specified by the Boat Show in connection with the Boat Show' support. He confirmed the Tenant is willing to agree to the Development Notification Extension should the Boat Show provide unconditional consent, but the Tenant had not received a response.

In response to Commissioner Sorensen's inquiry regarding the request for an extension, Mayor Trantalis explained the Tenant has to notify the Boat Show about the Tenant's intention to proceed with development impacting space available to the Boat Show. This aspect of the Correspondence allows the Tenant an additional forty-five (45) day extension to notify the Boat Show about proceeding with development (Development Notification Extension).

In response to Mayor Trantalis' question, Danielle DeVito-Hurley, Esq., on behalf of the Boat Show, said it was not their intention for the Development Notification Extension to be conditional and clarified the Development Notification Extension allows time to work on resolving outstanding issues.

Mr. Somerstein confirmed the Applicant and the Boat Show agree to the Development Notification Extension to mid-January 2022.

Commissioner Sorensen recapped his understanding of the Correspondence.

Mr. Lochrie continued narrating the slide presentation and explained aspects and details of the Modified Site Plan.

In response to Commissioner Sorensen's questions, Mr. Lochrie explained the area of the seawall that the Tenant will replace encompasses the Tenant's leased property. The estimated cost is \$14,000,000.

Mr. Lochrie reviewed the financial details listed in the presentation.

Mayor Trantalis recognized Kenny Tate, 1180 N. Federal Highway, on behalf of Rahn Bahia Mar, LLC. In response to Commissioner Glassman's request, Mr. Tate reviewed the proposed Community Trust Fund (Fund) concept for operational expenses focused on inner City

Parks Programs, homelessness, climate and sustainability issues, affordable housing, and historic preservation. He reiterated details discussed at the November 16, 2021 Workshop on Bahia Mar and reconfirmed the Fund would be used for operational expenses, not capital expenses.

Mayor Trantalis recognized Andrew Doole, INFORMA, PLC (INFORMA). Mr. Doole reviewed points of importance to INFORMA contained in the Correspondence: 1) the lease duration remains the same with an extension; 2) the Boat Show not being impacted or governed by a condominium association; and 3) addressing noise ordinance concerns associated with long hours necessary for Boat Show setup.

Mayor Trantalis confirmed now that concerns are defined, the Commission would review with City Attorney Boileau to incorporate these provisions in agreements.

City Attorney Boileau said some language is included in related documents. He would review those provisions and propose recommendations to the Commission.

In response to Commissioner Sorensen's questions, Mr. Doole explained that in 2017, the Boat Show lease was about to expire, and the Boat Show was expected to speak on behalf of the Tenant's proposed 2017 Site Plan.

Commissioner Sorensen discussed Boat Show revenue losses associated with the Modified Site Plan and inquired if this was addressed in the Correspondence. Mr. Doole noted the Correspondence does not address the Boat Show's twenty-six percent (26%) reduction in space, estimated at approximately \$2,000,000 in projected revenue loss, and remains a concern. This point was not included in the Correspondence because the Boat Show had agreed to the 2017 Site Plan. Further comment ensued regarding the square footage available to the Boat Show.

Mayor Trantalis recognized Philip Purcell, 221 SW 2nd Avenue, *Marine Industries Association of South Florida* President. Mr. Purcell discussed the details related to the Boat Show's square footage and commented that financial calculations could fluctuate. The proposed Modified Site Plan improves the Boat Show's square footage over Boat Show space allotted in the 2017 Site Plan.

Mr. Purcell likened the position of this Commission relative to the 2017 Site Plan to the pressure felt by the Boat Show in 2017 for a lease

extension to ensure the Boat Show would have a permanent home at Bahia Mar. Further comment and discussion ensued.

Mr. Purcell discussed the inability of Boat Show representatives to meet privately with Commission Members. There was no intent not to agree to the Development Notification Extension. Mr. Purcell discussed the importance of the Boat Show having a seat at the negotiating table for all issues related to the Bahia Mar throughout the year.

Commissioner Sorensen noted the position of the prior Commission in 2017 that the Tenant must come to an agreement with the Boat Show before the approval of the 2017 Site Plan. He recommended the Commission take the same position regarding the Modified Site Plan.

Mayor Trantalis concurred and said there should be sufficient accommodation for the Boat Show. He commented the Modified Site Plan is not optimal for the Marine Industries Association, but the Boat Show could live with the Modified Site Plan.

Mayor Trantalis remarked on input from the Tenant that they would continue the Boat Show lease as long as the Tenant's lease keeps getting extended.

Commissioner Glassman noted this had been addressed, i.e., the Boat Show lease with the Tenant could go on in perpetuity, and remarked on his perspective.

Mayor Trantalis said before approval of the Modified Site Plan, proper accommodations must be made to the Boat Show. Commissioner Glassman discussed his viewpoint regarding outstanding concerns of the Boat Show.

Commissioner Sorensen noted his viewpoint based upon Boat Show concerns as discussed by Mr. Doole's comment regarding the twenty-six percent (26%) reduction in space and projected revenue loss of \$2,000,000.

Commissioner Glassman explained the reduction is based on what currently exists at the site, not on the 2017 Site Plan.

Mayor Trantalis commented that Commissioner Sorensen and Commissioner Glassman's comments were based on differing perspectives and confirmed the need to accommodate Boat Show operations. Further comment and discussion ensued.

Commissioner McKinzie commented on his perspective regarding a consensus and discussed details regarding efforts as a member of the 2017 Commission that approved the 2017 Site Plan. He expounded on his viewpoint regarding the Boat Show signing an agreement that was not optimal. He requested Boat Show representatives advise what they have not received from the Tenant relative to the Modified Site Plan. Mr. Purcell referenced items listed in the Correspondence noted earlier by Mr. Doole. Further comment and discussion ensued.

In response to Commissioner McKinzie's questions, Commissioner Glassman reiterated the reduction in Boat Show space is based on what currently exists, not on the approved 2017 Site Plan.

Mr. Purcell discussed the Commission receiving a copy of the Boat Show's unredacted lease with the Tenant (Unredacted Lease). Further comment and discussion ensued.

Mayor Trantalis and Commissioner Glassman requested the Commission receive a copy of the Unredacted Lease.

City Attorney Boileau said the Tenant is willing to let the Commission see a copy of the Unredacted Lease but not have possession.

Commissioner McKinzie noted from inception, the Boat Show is in the first position. Mr. Purcell concurred and referenced points in the Correspondence. Further comment and discussion ensued.

In responses to Vice Mayor Moraitis' question, Mr. Purcell explained the Marine Industries Association of South Florida owns the Boat Show. Promotional rights have changed hands three (3) times. INFORMA currently owns promotional rights of the Boat Show.

Vice Mayor Moraitis noted INFORMA was aware of the 2017 Site Plan before purchasing promotional rights to the Boat Show. Mr. Purcell said in 2017, only three and one-half years remained in the Boat Show's lease with the Tenant and explained the importance of negotiating a long-term lease agreement despite aspects of the 2017 Site Plan. He cited the example of the 2017 Site Plan's garage for Boat Show space, which the Boat Show agreed to due to the need for a long-term lease.

Mr. Purcell commented on efforts to mitigate future unknown factors, including defining Boat Show logistics, i.e., move-in and move-out details, to avoid having to repeat the approval process.

Vice Mayor Moraitis commented on the complicated nature of these

discussions. She noted it would have been helpful for the parties to have met to understand concerns before today and remarked on meeting more often to ensure things continue to go smoothly. Further comment and discussion ensued.

In response to Commissioner Sorensen's question, Mr. Purcell confirmed details of the Boat Show's growth since 2017 and expounded on related financial details. A Boat Show Economic Study has been initiated and is expected to be available in January 2022. Further comment and discussion ensued on improvements to the Modified Site Plan versus the best site plan for the Boat Show.

Commissioner McKinzie explained his perspective, including his support of the Boat Show. He acknowledged the efforts of Commissioner Glassman and Mayor Trantalis and expounded on related details. He confirmed his readiness to move forward with a working document and his understanding of his ability to participate.

In response to Commissioner McKinzie's question, City Attorney Boileau confirmed the ability of Commission Members to act in the role of a policymaker, including communicating with developers. Further comment and discussion ensued.

In response to Commissioner Glassman's question about what Staff needs, City Attorney Boileau explained draft Ground Lease documents are in-house. The City's legal team would like to propose and communicate items to the Tenant for inclusion in documents, i.e., protections for the Boat Show. The Commission would review the resulting Ground Lease document, allowing Commission discussion, input, questions, and recommendations before the next step in the process.

Mayor Trantalis confirmed direction to City Attorney Boileau to distill Commission input and include in Ground Lease documents.

Mayor Trantalis remarked on the following: 1) He will continue to work with the Tenant on financial details and update the Commission at a future Conference Meeting; 2) Boat Show representatives would like to discuss the crafting of language in the Ground Lease document with City Attorney Boileau; and 3) All parties should meet to address concerns before the end of the Development Notification Extension. Further comment and discussion ensued.

Commissioner Glassman confirmed the need for City Attorney Boileau to address language protecting the Boat Show and produce a draft Ground

Lease to allow the Commission to weigh in at a future Conference Meeting. Mayor Trantalis agreed.

City Attorney Boileau recommended presenting a proposed Ground Lease, the Master Declaration and the Phased Lease concept to the Commission for feedback.

In response to Commissioner Glassman's question, City Attorney Boileau confirmed the Master Declaration will include all terms and conditions and expounded on related details.

Commissioner Sorensen remarked on the need to understand the site's value, i.e., a complete real estate appraisal to make the best financial decisions for the City and requested a full range of appraisal values for the site. Further comment and discussion ensued.

In response to Commissioner Glassman's question regarding the need for an updated real estate appraisal, City Auditor Herbst noted his previous comments on this topic. The need for an appraisal would depend on the structure of the Ground Lease. Should the City utilize a cap rate-based value of the site, an updated real estate appraisal is critical. If the City chooses base rent and participation in ongoing revenue streams, it may not be as valuable. Further comment and discussion ensued on estimated City revenue from the site and based on the estimated appraisal amount of the site from Colliers that is being disputed by the Tenant.

Commissioner Sorensen emphasized the need to protect interests of the City. Commissioner Glassman discussed his viewpoint on revenue opportunities and have that conversation in earnest. Commissioner Glassman noted the need for the Commission to decide on which avenue to pursue.

Mayor Trantalis directed City Manager Lagerbloom to obtain an amount for an update to the 2016 appraisal. City Manager Lagerbloom confirmed the site's 2016 real estate appraisal was done with three (3) value ranges and would be updated for 2021-2022.

In response to Commissioner McKinzie's question, Mayor Trantalis recapped direction given to City Attorney Boileau.

City Attorney Boileau said the Office of City Attorney Staff would address terms and conditions in documents. Business terms would not be

changed, allowing the Tenant to propose. Based on Commission negotiations and discussions, agreement terms and conditions could be updated. Further comment and discussion ensued on the timeline for draft documents for Commission discussion at an upcoming Conference Meeting and the timeline for an updated appraisal. It was confirmed the next discussion on Bahia Mar would be at the December 21, 2021 Commission Conference Meeting.

Mayor Trantalis commented on his preference for a cap rate revenue model in the Ground Lease based on the value of the land. Vice Mayor Moraitis, Commissioner McKinzie and Commission Glassman confirmed their support of the base rent and participation in the ongoing revenue streams model presented in the slide presentation. Further comment and discussion ensued on possible appraisal estimates and revenue streams. Mayor Trantalis confirmed the need for a property valuation to ensure the City receives a fair return.

City Auditor Herbst commented on the need for a full range of real estate appraisal values and cited examples.

ADJOURNMENT

Mayor Trantalis adjourned the meeting at 4:48 p.m.