



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

#22-1046

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

FROM: Greg Chavarria, City Manager

DATE: October 18, 2022

TITLE: Motion Approving Lease Estoppel Certificate and Overpass Agreement
Estoppel Certificate - (**Commission District 2**)

Recommendation

Staff recommends approval of a Two (2) Estoppel Certificates-Lease Estoppel Certificate and Overpass Agreement Estoppel Certificate in connection with the refinancing of the Ritz-Carlton Hotel, Fort Lauderdale (the "Property") and request authorization for the City Manager to execute both Estoppel Certificates.

Background

In March of 2001, the City entered into a Lease Agreement with Castillo Grand LLC (the "Former Property Owner") wherein the Former Property Owner leased premises from the City for vehicular and pedestrian access to the St. Regis Hotel now known as the Ritz Carlton. Further, in October of 2000, the City entered into an Agreement to grant an easement to the Former Property Owner to allow it to construct and maintain a Public Pedestrian Overpass Easement over certain rights of way. The Overpass Agreement has a term of 50 years. Both Agreements were ultimately assigned to CWI-GG RCFL Property Owner LLC (the "Current Property Owner"). The Current Property Owner is seeking to refinance (mezzanine and mortgage) its loan and multiple Lenders (Citi Real Estate Funding, Citigroup Markets Realty Corp., Bank of America, N.A., JP Morgan Chase Bank, National Association and Wells Fargo Bank, National Association) have asked the City to execute the Estoppel Certificates attached to this Commission Agenda Memorandum as condition to the close on the refinancing.

The Estoppel Certificates confirm certain factual statements regarding the status of rent payments and other charges owed to the City but also seek certain concessions, such as removal of restrictions on transfer of the Property, in the event of foreclosure, in favor of the Lenders.

Resource Impact

There is no fiscal impact associated with this item.

Strategic Connections

This item is a Press Play Fort Lauderdale Strategic Plan 2024 initiative, specifically advancing:

- Internal Support Focus Area
- Goal 8: Build 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 United*.

Attachment

Exhibit 1 - Estoppel Certificate

Prepared by: Angela Salmon, City Manager's Office

Charter Officer: Greg Chavarria, City Manager