



Memorandum

Memorandum No: 13-078

Date: March 18, 2013

To: Honorable Mayor and Commissioners

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

Re: Mega Yacht Economic Analysis for the Las Olas Marina Expansion Feasibility Study

On October 9th 2012 the Commission was presented with an update on the feasibility of expanding the Las Olas Boulevard Marina. At the time of the meeting, two supplemental information elements of the study were still being investigated to finalize the economic and environmental feasibility including; 1) a study of the number of additional mega yachts (vessels over 80' in length) that would utilize the expanded facility and revenue projection and 2) the cost of seagrass mitigation from deepening the marina basin as part of the expansion.

As a result, staff requested Thomas J. Murray & Associates, Inc. to prepare the attached Mega Yacht Economic Analysis Study as a supplement to the Las Olas Marina Expansion Feasibility Study. Thomas J. Murray has recently completed various marine studies for the tri-county area including *"Economic Impact of the Recreational Marine Industry-Broward, Dade, Palm Beach Counties, Florida – 2010"* and *"Recent Growth, Current Activity, and Economic Impacts of Mega Yachts in South Florida — 1997 – 2007"* for the Broward Alliance & Marine Industries Association of South Florida.

The specific scope of the study includes the following:

1. Capacity Utilization - Evaluate trends in related dredging and infrastructure developments, e.g., marinas, provisioning, and boat repair and supply facilities, as they may impact *Las Olas Marina's* future capacity utilization. Identify competitive disadvantages, gaps and impediments to growth in *Fort Lauderdale's* yacht sector as they may relate to *Las Olas Marina*.
2. Demand and Revenue - Determine Fort Lauderdale's current and future competitive position in the region's yachting sector (The immediate region includes Broward, Dade and Palm Beach Counties). Estimate future demand and annual revenues for the expanded Las Olas Marina dock slips.

Conclusions to the study can be found in the executive summary of the report. The study also confirms the revenue projections that had been submitted by Sasaki Associates Inc., as part of the Las Olas Marina Expansion Feasibility Study.

The City's consultant URS Corp. has submitted dredge permitting plans for the Las Olas Marina in an attempt to determine the order of magnitude of environmental and economic impact to the feasibility of expanding the marina. Once Staff receives comments from the permitting agencies, the overall feasibility study of expanding the marina, including uncertain FIND Grant funding and reducing the current contribution from the marina to the general fund, will be placed on the Commission Conference Agenda.

C: Stanley D. Hawthorne, Assistant City Manager
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Harry A. Stewart, City Attorney
Jonda K. Joseph, City Clerk
John C. Herbst, City Auditor
Chaz Adams, Public Affairs Manager
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Marine Advisory Board
Economic Development Advisory Board