



STEPHANIE TOOTHAKER
(954) 765-2905
email: slt@trippscott.com

March 19, 2015

Via E-Mail and Hand-Delivery

Mayor John P. "Jack" Seiler
Vice Mayor Romney Rogers
Commissioner Bruce Roberts
Commissioner Dean Trantalis
Commissioner Robert McKinzie
City Manager Lee Feldman
City Attorney Cynthia Everett
City Auditor John Herbst
City of Fort Lauderdale
100 N. Andrews Avenue
Fort Lauderdale, FL 33301

Re: Proposed Land Swap of Parcels Owned by Randolph Companies and the City of Fort Lauderdale

Dear Mayor, Vice Mayor, Commissioners, Mr. Feldman, Ms. Everett, and Mr. Herbst:

We represent the Randolph Companies ("Randolph"), owners of the property commonly known as Bahia Cabana and a 0.38 acre property approximately 200 feet west of Bahia Cabana. Randolph is proposing to redevelop Bahia Cabana with a neighborhood-transforming, mixed use resort hotel and condominium. In contemplation of the proposed redevelopment and improvement of this underutilized area, Randolph is proposing a land swap with the City of Fort Lauderdale (the "City") in which Randolph will transfer title to the 0.38 parcel to the City in exchange for the City transferring title of two parcels directly northeast of Bahia Cabana.

In addition to the benefits of the redevelopment of the Bahia Cabana parcel and the southern entrance to the City's beach, the other advantages of the proposed land swap include additional public parking for the City, increased tourism revenue, potential for traffic reduction on the beach, and drastic improvement of the appearance of the south beach area. Accordingly, please accept this letter as a formal request to initiate negotiations for a land swap agreement that is in the best interest of the City.

110 Southeast Sixth Street, Fifteenth Floor • Fort Lauderdale, Florida 33301
Post Office Box 14245 • Fort Lauderdale, Florida 33302
Tel 954.525.7500 • Fax 954.761.8475 • www.trippscott.com

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CAM 15-0470
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I. Proposed Land Swap – Parcel Information

a. The City's Parcels

i. 1015 Seabreeze Boulevard



Total approximate size:	22,204 square feet (.51 acres)
Appraised Value (per BCPA):	\$3,336,810.00
Current Use:	Fire-Rescue Station 49
Zoning:	SBMHA
Land Use:	RAC
Permissible Height:	120 feet
Permissible Uses:	Hotels, multi-family residential, marinas, museums, swimming pools, parking garages, amphitheaters, restaurants, moped/scooter rentals, commercial retail uses, parking lots, accessory buildings/structures and automobile rental if accessory to hotel or marina

ii. *1001 Seabreeze Boulevard*



Total approximate size:	9,120 square feet (.21 acres)
Appraised Value (per BCPA):	\$408,820.00
Current Use:	Parking Lot for Boat Charters
Zoning:	SBMHA
Land Use:	RAC
Permissible Height:	120 feet
Permissible Uses:	Hotels, multi-family residential, marinas, museums, swimming pools, parking garages, amphitheaters, restaurants, moped/scooter rentals, commercial retail uses, parking lots, accessory buildings/structures and automobile rental if accessory to hotel or marina

b. Randolph's Parcel

i. 3019 Harbor Drive



Total approximate size:	16,500 square feet (.38 acres)
Actual Market Value:	\$5,650,000.00
Current Use:	13-unit multi-family apartment bldg.
Zoning:	RMH-60
Land Use:	RAC
Permissible Height:	120 feet (*240 feet)
Permissible Uses:	residential, hotel, public purpose facilities, child care facilities, nursing home facilities, accessory uses/buildings/structures and urban agriculture

II. Proposed Development

Randolph is proposing to redevelop the Bahia Cabana property and the two parcels it hopes to receive from the City with this proposed land swap. The proposed redevelopment includes such uses as a hotel, residential, restaurant, retail and art galleries. Randolph will also add to the existing public parking by deeding 150 parking spaces for the City's exclusive use in Randolph's parking garage (at the developer's sole cost), pedestrian pathways and plazas lining both A1A and the Intracoastal Waterway ("ICW"). The development seeks to create an iconic, pedestrian-driven entrance to the southern gateway to the beach. Randolph has commenced initial discussions with neighboring property owners for creating a dedicated pedestrian pathway to connect to the planned Beach CRA improvements along the east and west side of A1A and the ICW. The overall plan's goal is to capture traffic sooner moving vehicles off A1A thereby

easing congestion and encouraging the long-term goal of a more pedestrian-driven atmosphere along the beach.

Notwithstanding the significant economic impact the redevelopment itself will deliver to the City (estimated at over \$100 million and hundreds of permanent jobs), the standalone value of the proposed 150 parking spaces to be dedicated to the City is estimated to reach \$9 million and will provide the City with direct revenue of \$1.8 million annually, which has a net present value of over \$20 million, and 28 permanent jobs. An initial economic analysis report prepared by Fishkind & Associates, Inc. is attached to this letter.

III. Land Swap is in the Best Interest of the City

Art. VIII, Sec. 2, Fla. Constitution expressly grants every municipality the authority to conduct municipal government, perform municipal functions, and render municipal services. "The only limitation placed on the municipalities' authority is that such power be exercised for valid 'municipal purposes.'" Basic Energy Corp. v. Hamilton County, 652 So.2d 1237, 1239 (Fla. 1st DCA 1995), *citing* City of Ocala v. Nye, 608 So.2d 15 (Fla. 1992). It has long been established by Florida Courts that municipalities may exercise any power for valid municipal purposes unless expressly prohibited by law. *Id.* at 1239; *see also* City of Winter Park v. Montesi, 448 So.2d 1242 (Fla. 5th DCA 1984); City of Boca Raton v. Gidman, 440 So.2d 1277, 1280 (Fl. 1983).

The Florida Supreme Court has indicated that municipal purpose and "public purpose" are the same. Further, municipal purpose has been broadly interpreted by Florida courts and has included all activities essential to the health, morals, protection and welfare of the municipality; *see* Gate City Garage v. City of Jacksonville, 66 So.2d 653 (Fla. 1953)(Florida Supreme Court upheld City's power to construct and operate a parking garage); State v. City of Miami, 379 So.2d 651 (Fla. 1980)(Florida Supreme Court held that redevelopment of downtown area with the aid of improved parking facilities serves a valid public purpose); Panama City v. State, 93 So.2d 608 (Fla. 1957)(Florida Supreme Court upheld City's power to build and operate a marina and civic auditorium); West v. Town of Lake Placid, 120 So. 361 (1929)(court upheld the Town's power to acquire and maintain a golf course); Sunny Isles Fishing Pier v. Dade County, 79 So.2d 667 (Fla. 1955)(Florida Supreme Court upheld City's power to provide fishing facilities in a public park and gain revenue by leasing a portion of the park to a private entity for construction and operation of a fishing pier).

Under Art. VIII, Sec. 8.04(f) of the City Charter, the City is authorized and empowered to exchange, deed, or convey public land to any private person, firm or corporation so long as the transaction is in connection with a public improvement or a public purpose.

Randolph is proposing a land swap with the City that is in the best interest of the City as it serves the following public purposes:

- (i) Redevelopment of a blighted area of the beach;
- (ii) Construction of necessary public parking at no cost to the City;
- (iii) Dedicated revenue source from the operation of the deeded parking spaces;
- (iv) Traffic and circulation improvements by moving public parking and Fire Station 49 off A1A; and
- (v) New state-of-the-art fire station that cures deficiencies of the existing Fire Station 49 due to a lack of dedicated funding, again at no cost to the City, which will include an Emergency Operations Center with high-definition closed circuit cameras activated with Unified Command, an observation deck, and an industry standard fire boat within a commercially reasonable time frame depending on the needs and specifications of the Fire Department.

The above request is meant to facilitate initial negotiations and discussion with the City. We have attached the initial Economic Impact Analysis of the proposed public parking, the initial plans of the proposed Bahia Cabana redevelopment, and the Conceptual plans of the proposed fire station. Again, these are initial documents only to assist with conceptualizing the proposed land swap and are by no means a mandate on the proposed fire station design or a final analysis of the economic impact of the proposed swap. We look forward to discussing in greater detail the next steps associated with the proposed land swap. Please do not hesitate to contact us, should you have any questions or require any additional information.

Thank you for your consideration and we look forward to working with the City on redevelopment of the southern gateway to our beach.

Sincerely,



Stephanie J. Toothaker

Jordana L. Jarjura

SJT/cgc

Enclosures

Cc via email:

Jenni Morejon, Director of Sustainable Development
Chief Robert Hoecherl, Fire Rescue
F. Adam Sharif
Neal De Jesus