



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

**#15-0406**

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

**FROM:** Lee Feldman, ICMA-CM, City Manager

**DATE:** April 7, 2015

**TITLE:** Schlitterbahn Update

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The purpose of this Conference Item is to update the Commission on the Schlitterbahn Water Park Project which is contemplated to be constructed on land adjacent (and currently under control) of Fort Lauderdale Executive Airport (owned and operated by the City of Fort Lauderdale).

On July 10, 2014, the City Commission approved a lease agreement with FTL Waterresort LLC, to construct and operate a waterpark. The lease agreement was subject to FAA approval, which was not received. Based upon further discussions with the FAA, an option that the City has is to release and remove the subject property from the Airport's assets. In order to accomplish that task, the City would need to "purchase" the property from its Airport.

Subsequently, the City completed and the FAA has accepted an appraisal of the approximately 64 acres of property arriving at a net value of \$12,085,000. The FAA has agreed, in concept and subject to formal approval, to allow the City to purchase the property with payments over a ten (10) year period with interest due on the unpaid balance.

The City will be proposing to the FAA that the City will make ten (10) equal payments commencing on August 1, 2015 and every August 1<sup>st</sup> thereafter (approximately \$1,350,000 per year). Interest on outstanding principal shall be set at the 10-year Treasury Bill Rate on August 1, 2015. Interest will be simple and compounded annually.

Additionally, the City will no longer be responsible to make a City-property tax payment into the Airport Fund for the Oster Property (approximately \$265,000 annually) based upon a 1963 deed.

The attached pro-forma depicts an anticipated 30-year cash flow to the General Fund for the project. The project has a Net Present Value to the General Fund of approximately \$11 million.



Attachments:

Exhibit 1 – Draft Proposal Letter to the FAA

Exhibit 2 – Pro-forma showing 30-year cash flow

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Prepared by: Katerina Skoundridakis

Department Director: Lee Feldman