

DRAFT

April XX, 2015

Mr. Bart Vernace, P.E.  
Manager  
U.S. Department of Transportation  
Federal Aviation Administration  
Airports District Office  
5950 Hazeltine National Drive, Suite 400  
Orlando, Florida 32822

RE: Release of Federal Surplus Property Obligations  
Parcels 19B, 25, 26 and 27 (a/k/a a portion of Tract 1 of F-X-E PLAT) (g)

Dear Mr. Vernace:

This letter is to request that 64.32 acres of federally obligated land be released from conditions of the Surplus Property Quitclaim Deed dated March 11, 1947. This property was transferred to the City of Fort Lauderdale Executive Airport under the authority of the Surplus Property Act of 1944. (h)

- Parcel 19B and Parcel 25 have no improvements, (l)
- Parcel 26 includes Lockhart Stadium, a multipurpose stadium and associated parking, and
- Parcel 27 houses the Fort Lauderdale Stadium, which consists of baseball practice fields and a stadium.

The City is seeking release and removal of airport dedicated real or personal property or facilities for disposal and/or removal from airport dedicated use according to Section 22.4 c (2) in order to reuse for commercial redevelopment. (b) The City is also requesting the FAA agree to release the subject parcels from the obligations, terms and conditions of all existing FAA grant agreements as of the date of the deed of release that may relate to or encumber the subject property.

The City plan to lease the site for the proposed Schlitterbahn Waterpark. Schlitterbahn Waterpark is a one-of-a-kind economic development project that will transform the existing Fort Lauderdale Stadium property and adjacent parcels into a world class resort featuring a five star waterpark along with amusement rides, swimming pools, sports and recreational activities, summer camps, resort lodging, destination retail, and live entertainment. Renovations will be made to Fort Lauderdale Stadium and the

surrounding properties. Four new soccer fields will be constructed and available for public use. The project is expected to create 100 new permanent jobs, including executive, management, and administrative positions, and 2,000 new seasonal jobs, while generating an economic impact of \$267 million per year. (d)

The City would still comply with the City's Charter regarding the lease and sale of property at Fort Lauderdale Executive Airport (Prospect Field) which provides: (f)

*Sec. 8.10. - Fort Lauderdale Executive Airport (Prospect Field).*

*Notwithstanding any provision herein to the contrary, relative to the requirements of leasing city owned property, the city commission acting through the city manager shall have the power to negotiate any and all leases of land within the city owned airport known as Fort Lauderdale Executive Airport (Prospect Field); provided, however, that the following conditions are fulfilled: (a) No lease shall be for a term longer than ninety-nine (99) years; (b) the lessee pursuant to the requirements of the lease shall be required to construct suitable improvements on the leased premises that will be of such a nature that they will aid in the development of said Fort Lauderdale Executive Airport (Prospect Field), or that portion of it available for such development, as an industrial center; (c) a general plan for the development of such site for an industrial center shall first have been adopted by resolution of the city commission, although this requirement shall not prevent subsequent amendments of such plan; and (d) the city manager certifies to the city commission and the city commission by resolution declares that the leasing of the property is in the best interests of the city and the development of the said industrial center and is the most advantageous lease that the city can make at the time of the area involved. No advertising or solicitation for public bid shall be required in connection with such leases; provided, however, that at least once every three (3) years, and within two (2) months before or two (2) months after, the start of the applicable third fiscal year, there shall be a public hearing held after a resolution calling for same and the advertising of said public hearing in the manner prescribed by section 10.03 of the charter, at which public hearing, or some adjournment thereof, the city commission shall publicly determine and publish in the minutes of said meeting, the following:*

- (a) The minimum rent or rent per acre or per parcel of property that may be accepted in the aforesaid negotiations, which minimum may include the payment of a brokerage commission.*
- (b) The amount of brokerage that may be paid and the procedures and standards that will govern the payment of brokerage commission, which payment is hereby authorized.*

*No lease shall be effective unless the aforesaid public hearing and the action above required shall have taken place prior to the adoption by the city commission of a resolution accepting the terms of any such negotiated lease.*

*Nothing herein shall prohibit the holding of such public hearings, more frequently than the time above prescribed. Any such other public hearing shall be held pursuant to the above requirements, except as to the time of holding same; and the same action, as above set forth, shall be required as a result of any such hearing.*

**Sec. 8.11. - Sale of real property at Fort Lauderdale Executive Airport (Prospect Field).**

*Notwithstanding any provision herein to the contrary relative to the requirements of selling city owned property, the city commission shall have the power to negotiate by conclude sales of land within the city owned airport known as Fort Lauderdale Executive Airport (Prospect Field), without the necessity of putting the same out to competitive bidding, upon such terms and conditions as the city commission shall by resolution determine.*

On December 10, 2014, during a meeting that included Kevin Willis, the applicable terms agreed upon are as follows:

The release of Parcels 19B, 25, 26, and 27 at the Fort Lauderdale Executive Airport (FXE) by the FAA to the City at net appraised value of \$12,085,000 (\$14,585,000 minus \$2,500,000 in demolition cost of the baseball stadium on Parcel 26) as described in an appraisal prepared on February 9, 2015 by Meacham and Associates.

- The City shall make ten (10) equal payments to FXE commencing on August 1, 2015 and every August 1<sup>st</sup> thereafter
- 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

Furthermore, the release of this property will not interfere with the operation, maintenance or future development of the airport.

Additionally, as discussed and agreed upon in the meeting of December 10, 2014, the City will no longer be responsible to make a property tax payment into the Airport Fund for the Oster Property according to the Deed of Release dated December 5, 1963.

*Sec 2 (c) That, the City of Fort Lauderdale shall promptly pay over said consideration of \$123,000 for the said sale of the above-described land into the Fort Lauderdale Executive Airport Capital Development Fund and the City of Fort Lauderdale does hereby pledge to, and does hereby agree and covenant to pay promptly upon receipt thereof to said Fund all ad valorem real estate and personal property taxes relating to the above described property and to be collected by the City of Fort Lauderdale henceforth for the duration of the said Quitclaim Deed; it being specifically understood and agreed that no exemption shall be allowed or granted with respect to the assess value of said real estate or*

*personal property or to said ad valorem real estate taxes or to said personal property taxes, and further that whenever the aggregate or said real estate and personal property taxes shall amount to less than \$12,000.00 in any year, the difference between said aggregate and said \$12,000.00 shall be paid promptly by the City of Fort Lauderdale into the said Airport Capital Development Fund from the General Fund of the City of Fort Lauderdale. The said pledged moneys shall be used only for such items of airport development relating to aeronautical activities as shall be approved in advance in writing by the Federal Aviation Agency, it being understood and agreed that the City of Fort Lauderdale shall proceed diligently and in good faith in the development of said Fort Lauderdale Executive Airport in accordance with the Airport Master Plan dated November 7, 1963 as approved by the Federal Aviation Agency, or such later revision thereof approved by the Federal Aviation Agency. The pledging of such moneys may be suspended at such time or times and for such period or periods of time upon a prior written determination by the Federal Aviation Agency that the then accumulated pledged moneys are sufficient or that lesser future pledge moneys will be sufficient for the then contemplated further development of the aeronautical activities of said airport as then approved by' the Federal Aviation Agency.*

The intent of the pledged money was to be used for airport development relating to aeronautical activities in the development of FXE. The development of Airport grounds and facilities are in excellent shape and the Airport fund is healthy and self-sustaining with a fund balance. This revenue stream is no longer necessary to sustain/develop the Airport Fund.

There will be no agreement between FXE (Airport Fund) and the City (General Fund) as the City Commission controls both funds and cannot contract with itself, however, the City Commission will consider adoption of a formal resolution which will incorporate the terms and conditions as provided in this letter.

Thank you for your consideration.

Sincerely,

Lee R. Feldman, ICMA-CM  
City Manager

Enclosure: Site Description  
Aerial Map

C: Susanne M. Torriente, Assistant City Manager

Diansjhan ("DJ") Williams-Persad, Assistant City Attorney  
Diana W. Alarcon, Transportation and Mobility Director  
Julie Leonard, Transportation and Mobility Deputy Director  
Rufus James, Assistant Airport Manager

## IDENTIFICATION OF PROPERTY (g)

The site contains 2,801,807 square feet or 64.32 acres. The site is legally described per a Sketch and Description prepared by the City of Fort Lauderdale Public Works Department Engineering & Architecture dated March 2010 as follows:

A portion of Tract 1, AF-X-E PLAT@, P.B. 119, P. 4, of the Public Records of Broward County, Florida, being described as follows: Commencing at the most southerly east corner of said F-X-E PLAT; thence North  $02^{\circ}04'39''$  West along the east right-of-way line of Northwest 12 Avenue and the limits of said AF-X-E PLAT@, a distance of 270.63 feet; thence South  $87^{\circ}55'41''$  West, a distance of 80.00 feet to the west right of way line of said Northwest 12 Avenue and the Point of Beginning of this description; thence South  $88^{\circ}10'19''$  West, a distance of 348.58 feet; thence North  $51^{\circ}34'11''$  West, a distance of 410.54 feet; thence North  $38^{\circ}25'49''$  East, a distance of 225.00 feet; thence North  $57^{\circ}16'49''$  West, a distance of 525.86 feet, the last two described courses being along the southeasterly and northeasterly boundaries of the A Runway Protection Zone@ (RPZ) of Fort Lauderdale Executive Airport Runway 13-31; thence North  $02^{\circ}05'28''$  West, a distance of 1742.31 feet; thence South  $87^{\circ}54'32''$  West, a distance of 70.00 feet; thence North  $02^{\circ}05'28''$  West, a distance of 448.40 feet; thence North  $83^{\circ}25'05''$  East, along a line parallel with and 750.00 feet south of, as measured at right angles, the centerline of Fort Lauderdale Executive Airport Runway 8-26, a distance of 1197.15 feet to a point on the west right of way line of Northwest 12 Avenue, said point being on the arc of a circular curve concave to the southeast, whose radius point bears South  $35^{\circ}15'36''$  East from said point; thence southwesterly and southerly along said west right of way line and along the arc of said curve to the left, having a radius of 390.00 feet, a central angle of  $56^{\circ}50'34''$  and an arc distance of 386.92 feet to the Point of Tangency; thence South  $02^{\circ}04'39''$  East along said west right of way line, a distance of 4697.48 feet to the Point of Beginning. Said lands situate, lying and being in the City of Fort Lauderdale, Broward County, Florida, containing 2,616,330 square feet or 60.0627 acres, more or less.