



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

#17-0176

TO: Honorable Mayor & Members
Fort Lauderdale City Commission

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

DATE: February 7, 2017

TITLE: Resolution Selecting Successful Bidder and Authorizing Preparation of the Lease of the “Dania Farms Property” located in the City of Dania Beach

Recommendation

It is recommended that the City Commission adopt a resolution pursuant to the City Charter, Section 8.09, selecting US Hospitality Acquisitions as the successful bidder and authorizing the preparation and negotiation of a lease for the “Dania Farms Property” located on the south side of NE 10th Street in the City of Dania Beach.

Background

On December 20, 2016, the City Commission adopted Resolution No. 16-214 declaring the City’s intent to lease the “Dania Farms Property.” CBRE, the City’s real estate agent of record, marketed the property through multiple real estate mediums including eblasts, Costar, Loopnet, CBRE.com, property signage, and networking. Two bids were received. Per the City Charter, sealed bids were required to be accompanied by cash, cashier’s check, or certified check, and made payable to the City in an amount equal to at least ten percent of the first year’s rental. CBRE provided a Sealed Bid Comparison, recommending award to US Hospitality Acquisitions. The scoring criteria included fiscal impact to City in initial 5 years, fiscal impact of rent increases, lease term, and perceived residual value of site improvements to the City.

US Hospitality Acquisitions’ proposal is for a lease term of 5 years with maximum renewal options permitted by the City’s Charter. US Hospitality Acquisitions proposes to use the site for outside storage of cars/trucks and any other use permitted by City of Dania Beach zoning. Rent will be in the amount of \$197,600 per annum with 3% annual increase over base year rental rate. US Hospitality Acquisitions proposes to make improvements such as completing fill, geographical reports, paving, drainage, and ancillary work to the site in the estimated amount of \$3.3 million. They are also proposing to complete a curb cut to allow ingress/egress to the site off NE 10th Street in Dania Beach.

US Hospitality Acquisitions will be obligated to pay the brokerage commission to CBRE of 6% of the gross rentals due over the initial term of the lease per a separate written agreement.

The final lease will be presented to the City Commission for approval.

Resource Impact

There will be a positive fiscal impact to the City in the amount of \$197,600 when the lease is approved at a future City Commission meeting.

Strategic Connections

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within the Internal Support Cylinder of Excellence, specifically advancing:

- Goal 12: Be a leading government organization, managing resources wisely and sustainably.
- Objective 1: Ensure sound fiscal management.
- Initiative 1: Achieve a structurally balanced budget through viable revenue sources, smart financial management, comprehensive financial forecasting, and results-oriented and efficient services.

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are United*.

Attachments

- Exhibit 1 – Resolution No. 16-214
- Exhibit 2 – US Hospitality Acquisitions’ Proposal
- Exhibit 3 – D&B Ventures Proposal
- Exhibit 4 – Sealed Bid Comparison
- Exhibit 5 – Resolution

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