



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#17-1426

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

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

DATE: January 3, 2018

TITLE: Motion to Approve Beach Business Improvement District (BID) Funding to
TMF2013 LLC to Produce Tortuga Music Festival Event in the Amounts of
\$350,000 in the First Year, \$200,000 in Second Year, and \$150,000 in the
Third Year for a Total of \$700,000

Recommendation

It is recommended that the City Commission approve a motion to provide Beach Business Improvement District (BID) recommended funding in the total amount of \$700,000 to TMF2013 LLC to produce the Tortuga Music Festival Event. The amounts will be distributed over three years: \$350,000 in the first year, \$200,000 in the second year and \$150,000 in the third year.

Background

The Tortuga Music Festival is returning to Fort Lauderdale Beach for its sixth consecutive year. TMF2013 LLC requested that the BID sponsor the 2018 Tortuga Music Festival Event which will be held at the Fort Lauderdale Beach Park from April 6 to April 8. The three-day event will feature artists such as Nick Urban, Eric Church, Cheap Trick, Shaggy and Snoop Dog. It is the first year that TMF2013 is requesting funding from the BID to pay for services, marketing and promotional expenses to allow for other revenue from the event to pay its debt and delinquent Florida State taxes incurred by previous management.

The total cost of the event is \$11,500,000. Funds from the BID will be used for public safety services as well as marketing and promotional expenses for the event. The applicant plans on requesting approximately \$150,000 from the Greater Fort Lauderdale Convention & Visitors Bureau. Other revenue sources include proceeds from ticketing, concessions, and merchandise sales. The BID grant application (Exhibit 1) details the proposed activities and projected economic impact.

Approval of the funding complies with the purpose of the BID, as it provides for another major event that will enhance the brand of the beach as a world-class destination for

both residents and tourists. Reimbursement of the funds will be contingent upon an executed not for profit grant participation agreement with the City. Invoices for reimbursement shall be submitted after event completion documenting the purchases and services before payments are made.

The BID members voted 5 in favor, with 2 abstaining at their regular meeting held on November 13, 2017.

The Beach Business Improvement Assessment is a non-ad valorem assessment for the cost of providing beach business improvement services as well as facilities and programs that have a special benefit to business property located within the beach area. This proposal is consistent with the legislative determinations of special benefit found in Ordinance C-06-34, Section 1.04(A)(2) by increasing the number of visitors to the BID District.

Resource Impact

There will be a Fiscal Year 2018 impact to the City in the amount of \$350,000 for Tortuga Music Festival contingent upon a January 3, 2018 Budget Amendment. Future expenditures are contingent upon approval and appropriation of the annual budget. Future expenditures will be \$200,000 in FY 2019 and \$150,000 in FY 2020.

Funds available as of December 18, 2017					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB- OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	PURCHASE AMOUNT
135-MGR143502-4207	Beach Business Improvement District	SERVICES & MATERIALS/ PROMOTIONAL CONTRIBUTIONS	\$816,922	\$713,420	\$350,000
PURCHASE TOTAL ►					\$350,000

Strategic Connections

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

- Goal 7: Be a well-positioned City within the global economic and tourism markets of the South Florida region, leveraging our airports, ports and rail connections;
- Objective 2: Facilitate a responsive and proactive business climate.

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

Relating CAM
17-1136

Attachment

Exhibit 1 – BID Event Application – Tortuga 2018

Exhibit 2 – FY 2018-2020 Grant Participation Agreement

Prepared by: Cija Omengebar, FRA-RP, Beach CRA Coordinator

Department Director: Donald Morris, AICP, Beach CRA Manager

Department Director: Lee R. Feldman, ICMA-CM, City Manager