



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#18-0460

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

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

DATE: May 1, 2018

TITLE: Motion to (1) Approve the First Amendment to Amended and Restated Lease Agreement with One Broward Blvd Holdings, LLC. for Off-Street Parking at the City Hall Garage at 200 NE 2nd Street; (2) Terminate Off-Street Parking Agreement with Ivy Tower 101 Property, LLC; and Tower 101 Associates LLC; and (3) Approve a Parking Facility Management Agreement with One Broward Blvd Holdings, LLC for the City Hall Parking Garage

Recommendation

It is recommended that the City Commission authorize the execution of the First Amendment to the Amended and Restated Lease Agreement, in substantially the form attached, with One Broward Blvd Holdings, LLC for off-street parking at the City Hall Garage at 200 NE 2nd Street (Exhibit 1). Additionally, terminate the Off-Street Parking Agreement, in substantially the form attached, with Ivy Tower 101 Property, LLC/Tower 101 Associates LLC (Exhibit 2). Lastly, approve a Parking Facility Management Agreement, in substantially the form attached, with One Broward Blvd Holdings, LLC for the management of the City Hall Parking Garage (Exhibit 3), provided, if required, the lenders of the One Broward Blvd Holdings LLC consent to the amendments and subject to final review and approval by the City's Attorney's Office.

Background

The City of Fort Lauderdale entered into an Off-Street Parking Agreement and Lease of parking permits at the City Hall Parking Garage with Ivy Tower 101 Property, LLC/Tower 101 Associates LLC for the lease of 150 parking spaces. There is a desire by One Broward Blvd Holdings, LLC, the successor to Ivy Tower 101 Property, LLC/Tower 101 Associates LLC, to terminate this lease and add these 150 parking spaces to the Amended and Restated Lease Agreement dated December 15, 2000 which leased certain parking spaces to Initial Lessee (RSPII Barnett Bank Plaza, Ltd.) located on the fourth floor of the City Hall Parking Garage located at NE 2 Street. The reinstated lease agreement is a 50-year term.

The First Amendment to the Amended and Restated Lease increases the number of parking spaces by 150, formerly covered in the with Ivy Tower 101 Property, LLC/Tower

101 Associates LLC Agreement, on the fourth level of the Parking Garage, at a cost of the established municipal market rate which is currently \$50 per space, per month. This fee will be subject to adjustment, not more frequently than once a year, to a market rate reasonably determined by the City, with not less than 30 days prior written notice to Lessee.

The City is currently responsible for the maintenance and management of the ground level of the garage. The City wishes to enter into a Parking Facility Management Agreement with One Broward Blvd Holdings, LLC, assigned lessee, to operate, maintain and manage the remaining three levels. All gross receipts from the operation and use of the Garage will be collected by the City. The City's responsibilities will include, but not limited to, operate the garage; collect all revenues; pay all operating expenses; maintain accurate books and records; maintain landscaping; maintain and replace all gates and barricades; and manage owner tenant's access cards and accounts.

Gross Revenue for each month's operation shall be disbursed by the City as follows:

1. City shall pay all Operating Expenses from revenue generated by the garage.
2. City shall then pay to itself out of the Gross Revenues the following amount: For each month commencing with the date of this Agreement, a base management fee of \$900 plus an amount equal to six and seventy-five hundredths percent (6.75%) of annual Operating Surplus over \$280,000, if any. The annual Operating Surplus shall be calculated for each full year of this Agreement starting on the date of this Agreement, as opposed to a rolling twelve (12) month period.
3. After payment of the amounts as directed in (1) and (2) above, the balance of the Operating Surplus shall be paid to Owner monthly in conjunction with the delivery of City's monthly report to Owner listing Gross Revenues and Operating Expenses generated by the Parking Facility in preceding calendar month (the "Monthly Report"). The Monthly Report shall be submitted by City for each month of the term hereof by the end of the next succeeding calendar month in a format agreed upon by both parties.
4. If the Gross Revenues for any month are insufficient to make the payments required under subparagraphs (1) and (2) above, Owner agrees to remit to City the amount of such deficit within ten (10) days after receipt of the Monthly Report. In the event Owner fails to reimburse City within said ten (10) day period, and City will retain funds from next succeeding months of the Operating Surplus until insufficient funds are paid.

The City Attorney's Office recommends that the City limit the Owner's right to self remedies to public safety or security issues in the Parking Facility Management Agreement.

Resource Impact

There will be a positive annual impact of \$16,980 in management and bookkeeping fees. The positive impact to FY18 will be \$7,075 (May-September 2018).

<i>Funds as of April 23, 2018</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB- OBJECT NAME	AMENDED BUDGET (Character)	ACTUAL	AMOUNT
461-TAM020403.461- J531	PARKING CITY HALL GARAGE	REVENUES/ PERMITS-LOT O	\$230,000	\$153,244	\$7,075.00
ANTICIPATED ADDITIONAL REVENUE TOTAL ►					\$7,075.00

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 Prosperous*.

Attachment

Exhibit 1 - First Amendment with One Broward Blvd Holdings

Exhibit 2 - Termination Agreement with Ivy Tower 101 Property/Tower 101 Associates LLC

Exhibit 3 - Parking Facility Management Agreement with One Broward Blvd Holdings LLC

Prepared by: Julie Leonard, Transportation and Mobility

Department Director: Diana Alarcon, Transportation and Mobility