



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

**#18-0551**

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

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

**DATE:** May 15, 2018

**TITLE:** Motion Approving the Reduction in the Purchase Price for the Contract with Liberty Property Limited Partnership for City Owned Property Located at 4030 South State Road 7, Dania Beach, FL and the Fifth Addendum to the Contract

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**Recommendation**

It is recommended that the City Commission approve a reduction in the purchase price for the contract with Liberty Property Limited Partnership for City owned property located at 4030 South State Road 7, Dania Beach from \$14,250,001 to \$13,920,751 and the Fifth Addendum to the Contract. This is \$694,751 over the appraised value of \$13,226,000.

**Background**

On August 22, 2017, the City Commission approved Resolution 17-170 declaring that the property located at 4030 South State Road 7 in Dania Beach was no longer needed for public use and to be offered for sale. A property map is attached as (Exhibit 1). The City acquired the property through eminent domain on February 3, 1984. Formerly used as composting site, the site now is currently used for CDL testing, Fort Lauderdale Police Department motor vehicle training, and as a licensed solids receiving station. The site is approximately 24 acres with a 6,129 square foot building. The building is currently used by the City's Public Works Department. Adrian Gonzalez & Associates, P.A., performed an appraisal of the property and provided an "as-is" value of \$13,226,000 (Exhibit 2). The resolution was structured to require the sale to be for cash and no less than one-hundred percent (100%) of the appraised value. The site is zoned I-G (Industrial General) by Dania Beach.

On November 21, 2017, the City Commission approved Resolution 17-249 establishing a new bid date award date from November 21, 2017, to January 3, 2018. The resolution also established that along with Parcel A of the 4030 South State Road 7 property, that Parcel B (wetlands) of the property would also be part of the sale. Resolution 17-249 further established that all bids were to be submitted to the City of Fort Lauderdale on December 14, 2017.

On December 14, 2017, the City of Fort Lauderdale received five bids after the City's broker on contract, Colliers, International (Colliers) conducted extensive marketing of the property. Bids were received from the following companies: Liberty Property Limited Partnership,

Bridge Acquisition, LLC, Foundry Commercial, Prologis, L.P., and Butters Construction & Development and Cabot Properties, Inc. Two of the bidders, Foundry Commercial and Prologis, L.P. were declared non-responsive as both submitted purchase price offers less than the minimum value of the land established by the appraisal. Prologis, L.P. also failed to submit a bid deposit check for the 10% of their offer price.

After review of the bids both by City of Fort Lauderdale staff and Colliers, the City Manager recommended that the City Commission approve the award of the bid to Liberty Property Limited Partnership. On January 3, 2018, the City Commission approved Resolution 18-03 (Exhibit 4) accepting the offer of \$14,250,001 from Liberty Property Limited Partnership for the purchase of the surplus property and City moved forward with executing a purchase contract (Exhibit 3) pursuant to the Resolution. Under his delegated authority, the City Manager extended the Due Diligence Period (Exhibits 5, 6 and 7) to allow Buyer to complete its analysis of the site.

During the Due Diligence period soil and groundwater samplings were conducted and two soil borings with excess of semivolatile organic compounds were identified. A Health & Safety Plan is required (Exhibit 9). Liberty Property Limited Partnership is seeking a reduction of \$329,250 in the purchase price to address the soil sampling findings as reflected in the Fifth Addendum. The new purchase price, which is \$694,751 over the appraised value, will continue to be greater than one-hundred percent (100%) of the appraised value.

**Resource Impact**

Proceeds from the sale of this property are included in the FY 2018 amended budget at an estimated amount of \$14,250,001. The sales price is \$329,250 lower than the amended budget.

| <i>Funds available as of May 10, 2018</i> |                      |  |                            |                             |                    |
|---|----------------------|--|----------------------------|-----------------------------|--------------------|
| ACCOUNT NUMBER                            | INDEX NAME (Program) | CHARACTER CODE/ SUB-OBJECT NAME          | AMENDED BUDGET (Character) | AMOUNT RECEIVED (Character) | AMOUNT             |
| 001-PKR100101-N413                        | Real Estate          | Misc. Revenues/ Sale of Surplus Property | \$14,865,192               | \$474,726                   | (\$329,250)        |
| <b>TOTAL AMOUNT ►</b>                     |                      |  |                            |                             | <b>(\$329,250)</b> |

**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 – Property Map

Exhibit 2 – Appraisal

Exhibit 3 – Executed Commercial Contract and Addendum

Exhibit 4 – Resolution No. 18-03

Exhibit 5 – Executed Second Addendum to Commercial Contract for Purchase and Sale

Exhibit 6 – Executed Third Addendum to Commercial Contract for Purchase and Sale

Exhibit 7 – Fourth Addendum to Commercial Contract for Purchase and Sale

Exhibit 8 – Fifth Addendum to Commercial Contract for Purchase and Sale

Exhibit 9 – AECOM Soil Excavation and Post-Excavation Sampling

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