



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#19-0409

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

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: April 16, 2019

TITLE: Resolution Approving Lease Agreement for City Owned Property Known
as War Memorial Auditorium Located at 800 NE 8 Street with War
Memorial Benefit Corporation, and Approving a Grant Agreement with War
Memorial Benefit Corporation in the Amount of \$800,000

Recommendation

It is recommended that the City Commission approve a lease of City owned property known as War Memorial Auditorium located at 800 NE 8 Street to War Memorial Benefit Corporation ("WMBC"), a social purpose corporation of the Florida Panthers, in substantially the form attached, pursuant to Charter Section 8.13 and approve a Grant Agreement with WMBC, in substantially the form attached, in the amount of \$800,000.

Background

Per section 8.13 of the Charter, the City of Fort Lauderdale ("City") is authorized to lease to civic and charitable organizations for a maximum of 50 years to be used by the Lessee for purposes consistent with the public good. The War Memorial Benefit Corporation ("WMBC") will provide a public benefit by: (i) renovating War Memorial Auditorium for public recreation and sports; (ii) provide facilities for public skating, recreational hockey, youth hockey, youth figure skating, indoor lacrosse, indoor soccer and other sports and fitness activities, and (iii) improve the community's health and fitness.

The proposed lease is for a fifty-year term at \$1.00 per year. The permitted uses include, but limited to: public skating, youth hockey, recreational hockey, indoor lacrosse, indoor soccer, and other sports and fitness activities. The facilities will also house professional sports training, provide a venue for corporate, promotional, or charity events, and other uses that do not compete with performances at Parker Playhouse. The City shall have the right to use War Memorial Auditorium at no rental charge eight (8) times a year, provided that reasonable notice is given and there is no conflict with scheduled events.

War Memorial Auditorium first opened its doors in 1950 and is in need of substantial capital expenditures. Through a Grant Agreement with WMBC, the City will grant money to WMBC to assist in the enhancement of War Memorial Auditorium. The Grant Agreement is a one-time expense of \$800,000 previously budgeted by the City for capital improvements for the War Memorial Auditorium. Funding provided by the City pursuant

to the Grant Agreement shall be used by WMBC for the Project's capital expenditures, including, but not limited to capital construction costs for exterior and interior building improvements, upgrades and repairs, interior building construction, structural, mechanical and technology upgrades, and exterior building construction and property, site, structural, mechanical and technology upgrades.

A summary of the terms of the lease extension are as follows:

- Lease Term – 50-year lease at \$1.00 per year.
- Effective Date – July 1, 2019
- The City and Lessee will enter into a Grant Agreement for \$800,000 to be used for substantial improvements.
- Lessee agrees to make improvements, renovations, and/or additions to undertake the permitted uses at Lessee's own cost and expense, with the exception of the funds agreed upon in the Grant Agreement.
- Lessee agrees to maintain the historic character of the western exterior of the building, and the historic art deco style lettering.
- Lessee will develop and present to the City a benefit program to provide City of Fort Lauderdale residents a discount for admission and use of facilities within the leased premises.

Resource Impact

The fiscal impact of this agreement includes \$800,000 in budgeted funds in the Community Investment Plan that will be provided to the lessee to make substantial improvements to the building. In addition, there will be an estimated annual reduction in revenues to the City's General Fund in the amount of \$785,000.

<i>Funds available as of March 21, 2019</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECTNAME	AMENDED BUDGET	AVAILABLE BALANCE	AMOUNT
331-P11214-6599	War Memorial Renovations - Phase II	Capital Outlay/ Construction	\$1,050,146	\$1,049,124	\$800,000
			TOTAL AMOUNT ►		\$800,000

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 – Lease Agreement

Exhibit 2 – Grant Agreement

Exhibit 3 – Resolution

Prepared by: Luisa Agathon, City Manager's Office

Department Director: Chris Lagerbloom, ICMA-CM, City Manager