



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#21-0821

TO: Honorable Mayor & Members
Fort Lauderdale City Commission

FROM: Chris Lagerbloom, ICMA-CM, City Manager

DATE: September 9, 2021

TITLE: Motion Ratifying the Default Under the Lease Agreement between the City of Fort Lauderdale and Riverfront Cruise and Anticipation Yacht Charters, LLC., and Authorize the City Attorney to Secure a Writ of Possession, to Pursue Collection Activity, and Any and All Other Legal Remedies Available - **(Commission District 2)**

Recommendation

Staff recommends the City Commission ratify the Default under the Lease Agreement with Riverfront Cruise and Anticipation Yacht Charters, LLC ("Riverfront Cruises"), in accordance with section 11.4 of the Lease, and authorize the City Attorney to secure a writ of possession, to pursue collection activity, and any and all other legal remedies available.

Background

On January 19, 2016, the City of Fort Lauderdale ("City") entered into a lease agreement with Riverfront Cruises for Historic Bryan Homes, located at 301 SW 3 Avenue, Fort Lauderdale, Florida 33312 for a twenty-five (25) year lease term (Exhibit 1). Since 2019, the Lessee has been delinquent on dockage fees and property taxes. On May 19, 2020, in response to the COVID-19 pandemic crisis, the City assisted the Lessee by entering into a lease amendment allowing the deferral of rent payments from April through June, and to begin rent payments on July 2020. No payments have been made by the Lessee. On July 15, 2021, the Lessee was provided a final notice of default on rent payments, dockage fees, and property taxes and provided twenty (20) days to cure (Exhibit 2).

Currently, Lessee has an outstanding balance of \$259,922.82 on the following items:

- Rent - \$76,010.33 (as of September 2021)
- Dockage Fees - \$32,938.17 (from 2019)
- Property Taxes - \$150,974.32 (as of September 2021)

Pursuant to paragraph 11.4 (a) of the Lease, Lessee was notified of the default and provided twenty (20) days to cure. Since the Lessee has failed to cure it is recommended the lease be terminated. The City will pursue outstanding balances owed through

collection services available. Upon the termination of the lease, City staff will work with Collier's International to market and secure a new tenant.

Resource Impact

There is a negative fiscal impact of approximately \$259,922.82 for the non-payment of rent, dockage fees, and property taxes. This action will result in an unbudgeted impact to the City in the amount of \$150,974.32 for 2019 and 2020 property taxes, which will be appropriated to the accounts below contingent upon the approval of the Consolidated Budget Amendment CAM 21-0098.

Source:

<i>Funds available as of August 10, 2021</i>					
ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
001-FD001-X901	General Fund	Balances and Reserves / Appropriated Fund Balance	N/A	N/A	\$150,974
TOTAL AMOUNT →					\$150,974

Use:

ACCOUNT NUMBER	INDEX NAME (Program)	CHARACTER CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Character)	AVAILABLE BALANCE (Character)	AMOUNT
001-MGR130101-3216	Real Estate	Services/ Materials/ Costs /Fees/Permits	\$282,100	\$23, 286	\$150,974
TOTAL AMOUNT →					\$150,974

Strategic Connections

This item is a Press Play Fort Lauderdale Strategic Plan 2024 initiative, specifically advancing:

- Internal Support Focus Area
- Goal 8: Build a leading government organization that manages all resources wisely and sustainably.
- Objective: Maintain financial integrity through sound budgeting practices, prudent fiscal management, cost effective operations, and long-term planning.

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

The item advances the *Advance Fort Lauderdale 2040 Comprehensive Plan* specifically advancing:

- The Neighborhood Enhancement Focus Area

- The Future Land Use Element
- Goal 2: The City shall encourage sustainable, smart growth which designates areas for future growth, promotes connectivity, social equity, preservation of neighborhood character and compatible uses.

Related CAM

#21-0098

Attachments

Exhibit 1 – Lease Agreement

Exhibit 2 – Notice to Terminate Lease and License

Exhibit 3 – Property Map

Prepared by: Luisa Agathon and Angela Salmon, City Manager's Office

Charter Officer: Chris Lagerbloom, ICMA-CM, City Manager