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Meeting Minutes

Tuesday, April 21, 2026

11:30 AM

Joint Workshop with Budget Advisory Board

Broward Center for the Performing Arts - Mary N. Porter Riverview
Ballroom - 201 SW 5th Avenue, Fort Lauderdale, Florida 33312

CITY COMMISSION WORKSHOP

FORT LAUDERDALE CITY COMMISSION

DEAN J. TRANTALIS Mayor
BEN SORENSEN Vice Mayor - Commissioner - District 4
JOHN C. HERBST Commissioner - District 1
STEVEN GLASSMAN Commissioner - District 2
PAM BEASLEY-PITTMAN Commissioner - District 3

RICHELLE WILLIAMS, City Manager
DAVID R. SOLOMAN, City Clerk
SHARI L. McCARTNEY, City Attorney
PATRICK REILLY, City Auditor

CALL TO ORDER

Mayor Trantalis called the meeting to order at 11:38 a.m.

ROLL CALL

Commission Members Present: Commissioner John C. Herbst, Commissioner Steven Glassman, Commissioner Pamela Beasley-Pittman, Vice Mayor Ben Sorensen, and Mayor Dean J. Trantalis

Budget Advisory Board Members Present: Chair William Brown, Olivier Cale, Rich DeGirolamo, and David "Max" Ortolani

Budget Advisory Board Members Not Present: Vice Chair Melissa Milroy, Melinda Bowker, Jason Juffras, Anide Metellus-Thompson, and Samantha Perryman-Jones

QUORUM ESTABLISHED

Also Present: City Manager Rickelle Williams, City Clerk David R. Soloman, City Attorney Shari L. McCartney, and City Auditor Patrick Reilly

OLD/NEW BUSINESS

BUS-1 [26-0269](#)

Budget Advisory Board Business Updates / Fiscal Year 2027
Budget Development - (Commission Districts 1, 2, 3 and 4)

Mayor Trantalis recognized Laura Reece, Office of Management and Budget Director. Ms. Reece provided an overview of the meeting that will include a review of the Budget Advisory Board's (BAB) activities from the start of Fiscal Year (FY) 2026.

Mayor Trantalis recognized William Brown, BAB Chair. Chair Brown reviewed BAB's meetings with the Commission, which addressed Commission priorities and budget direction for FY 2027 in collaboration with staff.

Chair Brown outlined the BAB's priorities for the FY 2027 budget process, emphasizing long-term financial sustainability, operational efficiency, affordability, strategic use of technology, and opportunities to enhance revenue. The BAB is seeking Commission guidance on future fiscal priorities and encourages identifying core services and initiatives that should be preserved and strengthened rather than budget reductions. Chair Brown commented on the BAB's ongoing

work plan, including a recent review of major cost pressures, revenue trends, and operational opportunities.

Chair Brown identified several specific areas where the Board is seeking feedback, including the City's millage rate strategy, departmental and staff resource needs, acceptable service-level reductions to balance the budget, and inquired whether the BAB should evaluate the financial implications of the City Hall Project.

Chair Brown confirmed that the BAB Members have completed individual assignments and will present a summary report to the Commission at a future workshop. Key themes include affordability and cost-of-living considerations when establishing fees, identifying opportunities to improve cost recovery, supporting revenue-enhancement measures such as increases to event fees and sponsorship opportunities, and evaluating the use of technology, including artificial intelligence (AI), to improve operational and service efficiency.

Chair Brown suggested implementing pilot programs to test AI applications in areas such as building permitting, noting that any impact to the workforce could be minimized through attrition. Chair Brown remarked on budget-balancing strategies, the importance of avoiding short-term solutions that create long-term financial burdens, and the need to prioritize preserving high-priority services and initiatives rather than focusing exclusively on reductions.

Chair Brown remarked that the BAB had reviewed millage rate comparisons with other jurisdictions and discussed strategies to shift costs associated with serving visitors and commuters away from residents.

Commissioner Herbst commented on his support for a greater BAB role in evaluating the financial implications of the City Hall Project. Commissioner Herbst discussed his perspective regarding AI, the need for a direct approach regarding AI's impact on future staff efficiencies, and advocated for a more direct approach to AI implementation.

Chair Brown concurred with Commissioner Herbst's comments and said that AI could provide opportunities for greater efficiency and long-term cost savings, but emphasized that implementation will likely be incremental, with staff impact occurring over time as AI technology continues to evolve along with a combination of attrition, job restructuring, and operational adjustments. Commissioner Herbst expounded on his perspective regarding AI. Further comment and

discussion ensued.

Commissioner Beasley-Pittman remarked on her positive perspective regarding BAB's work. In response to Commissioner Beasley-Pittman's questions regarding how the BAB frames the need to address changes in revenue, BAB Member Olivier Cale discussed their concerns regarding the growing financial burden on residents and the need for staff to pursue a more sustainable long-term fiscal strategy. Mr. Cale indicated that the BAB's goal is to evaluate options for balancing future budgets while minimizing financial impacts on taxpayers. He acknowledged economic concerns and the financial challenges facing middle and low-income residents.

Mr. Cale recommended that the City Hall Project be incorporated into the BAB's ongoing fiscal analysis due to its long-term budgetary implications. Mr. Cale encouraged the Commission to formally involve the BAB. Mr. Cale said that based on Commission discussions and direction, the BAB could be prepared within the coming weeks to provide an executive summary and recommendations based on additional analysis and updated information.

Chair Brown noted the importance of obtaining additional Commission guidance regarding future millage-rate policy and long-term fiscal planning. Further comment and discussion ensued.

Commissioner Glassman said that this workshop represented a productive starting point and expressed interest in conducting a more detailed discussion at the upcoming June 16, 2026, Joint Workshop with the BAB when additional information regarding the State Legislature's consideration of matters, including property taxes, is available. Further comment and discussion ensued.

In response to Vice Mayor Sorensen's question regarding whether the BAB had previously reviewed or discussed the interim agreement, Chair Brown said the BAB had not and noted that the BAB had not previously evaluated any P3 projects. Chair Brown said that BAB's traditional role has been to assess the financial and budgetary impacts of Commission approved P3 projects as part of the City's annual and long-term budget planning process.

Ms. Reece clarified that in the past, the BAB weighed in on the financing aspect of the Prospect Lake Water Treatment Plant P3 (PLWTP) project. Further comment and discussion ensued regarding the related timeline. In response to Commissioner Glassman's question, Ms. Reece confirmed that the BAB's review was after execution of the PLWTP interim agreement.

Chair Brown discussed BAB's traditional role of reviewing the operational and budgetary impacts of approved projects, including staffing and ongoing cost obligations after project agreements have been finalized and incorporated into the budget framework.

Vice Mayor Sorensen confirmed the value of obtaining BAB input earlier in the evaluation process for major projects, such as interim and comprehensive agreements related to the City Hall Project. Vice Mayor Sorensen said that the BAB's financial analysis and expertise could provide critical information to support the Commission's review of significant long-term commitments prior to finalizing agreements.

In response to Vice Mayor Sorensen's question regarding whether Chair Brown had independently reviewed the City Hall interim agreement, Chair Brown indicated that he had only recently seen the materials and was awaiting Commission discussion and direction before conducting further analysis. Further comment and discussion ensued.

Vice Mayor Sorensen requested the opportunity to ask individual BAB members for their perspectives regarding the interim agreement and its potential budgetary implications and expounded on his perspective.

Commissioner Glassman objected, expressing concern that it would be inappropriate to ask BAB Members to provide individual opinions on the interim agreement before the BAB had collectively reviewed it and questioned whether such inquiries aligned with the BAB's advisory role at this stage.

In response to Mayor Trantalis' question, City Attorney McCartney explained that the interim agreement is intended to establish a framework for further City Hall Project negotiations, including financing, funding, scope, and determining whether the parties wished to proceed toward a comprehensive agreement. City Attorney McCartney said that the interim agreement was not a final financial commitment, that projected costs and financing structures remain subject to additional analysis and negotiation, and that a guaranteed maximum price would ultimately be determined during later stages.

Mayor Trantalis said that given the preliminary nature of the interim agreement and the absence of finalized financial details, it may not be appropriate to request opinions from individual BAB members at this time. Mayor Trantalis said that BAB members could respond voluntarily.

BAB Member Rich DeGirolamo remarked on his ability to address the interim agreement as a constituent at tonight's Regular meeting and expounded on his perspective.

BAB Member Cale explained BAB input regarding the City Hall Project that should be framed around affordability and the long-term financial impact on residents rather than other considerations. He noted that the BAB's relevance stems from its focus on fiscal pressures, affordability concerns, and the broader budget challenges discussed in connection with the FY 2027 budget process. He said that, while not speaking on behalf of the BAB collectively, he had done a preliminary analysis and noted that the BAB could likely provide feedback relatively quickly by focusing on major financial considerations and broader budget impacts.

Chair Brown noted that the BAB's next meeting schedule was heavily committed. If the Commission directs the BAB to conduct a focused review of the City Hall Project, it will likely require a separately scheduled and noticed special meeting.

In response to Vice Mayor Sorensen's question, City Manager Williams explained that the interim agreement contemplates potential pre-development expenses that could total up to \$18,000,000. City Manager Williams noted that Section 14 of the interim agreement addresses potential financing concepts, including possible developer participation through equity contributions with associated rates of return, and that these financing components remain subject to further negotiation.

In response to Mayor Trantalis' question, City Manager Williams noted that if the Project moves forward with \$18,000,000 in pre-development costs, it would be included in the interim agreement and does not represent the City's annual financial obligation for the Project.

In response to Vice Mayor Sorensen's inquiry regarding the ability to alter course or terminate the City Hall Project during the interim agreement, City Manager Williams clarified that the City maintains that ability throughout the duration of the interim agreement. She noted that exercising that option may result in reimbursement obligations related to developer pre-development costs. The extent of the City's financial exposure depends on the stage of the project, its completed milestones, and specific termination provisions outlined in the interim agreement.

In response to Commissioner Herbst's question regarding whether the interim agreement allows the flexibility to negotiate or remove specific

components of the proposed agreement structure while still moving forward with the overall project, City Attorney McCartney advised that the interim agreement was not structured as a flexible “pick-and-choose” arrangement. Key elements were embedded in the overall project framework, and changing those provisions would likely require substantial revisions to the Project's interim agreement and the contractual structure of the overall project.

Vice Mayor Sorensen sought clarification regarding the developer equity component included in the proposed structure and stated his understanding that it contemplates approximately \$24,000,000 in developer equity, for which the developer would receive an approximately eleven-point two percent (11.2%) post-tax rate of return over the life of the comprehensive agreement. City Manager Williams confirmed.

Vice Mayor Sorensen contrasted that return with what the City could potentially obtain through traditional market financing, suggesting that the City could potentially borrow a similar amount at interest rates closer to four percent (4%) to four-point five percent (4.5%). City Manager Williams acknowledged that the City's financing team had evaluated market conditions and estimated that financing could potentially be available in that range, subject to fluctuations in market conditions.

Vice Mayor Sorensen pointed out that over a thirty (30) year term, the difference between the proposed developer equity return and conventional financing rates could result in significantly higher long-term costs to the City, estimating the difference at more than \$90,000,000.

Mayor Trantalis acknowledged concerns regarding the proposed developer equity structure and that the associated long-term costs were important questions but questioned whether a detailed financing discussion was appropriate during this meeting. Mayor Trantalis noted that while references to a potential \$90,000,000 differential sounded significant, the Commission had not yet fully discussed what that figure represents, what benefits or assurances the developer equity component might provide to the City, or whether portions of the structure should ultimately be removed or revised. Further comment and discussion ensued.

Mayor Trantalis commented that the interim agreement was intended to initiate the next phase of development, including refining costs, financing structures, and potential revenue sources to support the project. Mayor Trantalis remarked the project could not advance to the

next stage without approval of the interim agreement and that the BAB's financial analysis would become more useful after the interim agreement is executed when additional concrete financial details become available.

City Manager Williams reiterated that the interim agreement would authorize compensation to the developer for pre-development work performed during the interim agreement period. She noted that the developer had already begun preliminary pre-development work at its own risk and had already provided initial conceptual cost estimates.

City Manager Williams said that preliminary Project cost estimates were provided to the Commission as part of tonight's Regular Meeting Agenda item materials. The interim agreement is intended to formalize and expand the collaborative pre-development process between the City and the developer, enabling the developer to further refine details of the project and advance the work required to establish a guaranteed maximum price or a fixed cost. The developer is collaborating with staff on methodologies related to space programming and design considerations, emphasizing that these refinements will directly affect the final scope and overall cost. Additional estimates and financial details will be developed throughout the interim agreement process as the parameters become clearly defined.

Commissioner Glassman explained the reason he believes it is premature for the BAB to formally evaluate the Project at the current stage of negotiations. He stated that the process should follow a structure similar to prior projects such as the PLWTP, where financial review occurred after project details and financing structures had been developed. Commissioner Glassman noted that many of the key financial terms remain unresolved, including the payment structure, financing duration, escalation schedules, and overall repayment methodology. He noted that the City was not locked into a single financing model and that multiple options remained under consideration. Commissioner Glassman suggested that the appropriate time for the BAB's involvement would be during the period between the interim agreement and the comprehensive agreement.

Commissioner Herbst cautioned that delaying or revising the project structure during the interim agreement phase would still carry financial consequences as pre-development costs would continue to accrue throughout that period.

BAB Member David "Max" Ortolani expressed concern with advancing the project before completing a comprehensive long-term financial

comparison of available alternatives and cautioned that the interim agreement could expose the City to reimbursement obligations and financial risk even if the project is not ultimately finalized. Further comment and discussion ensued.

Vice Mayor Sorensen commented that a majority of the Commission had provided direction on the general scope and structure of the proposed Project.

In response to Vice Mayor Sorensen's question, City Manager Williams confirmed that the current Project estimate for the Concept B framework is approximately \$267,000,000, with the potential for refinement as negotiations and project development progresses. Vice Mayor Sorensen remarked that the project structure is comprised of several major financial components, including developer equity participation and developer fees, which have advanced through prior Commission direction. Vice Mayor Sorensen expressed concerns regarding the developer equity structure and the City's ability to access conventional financing at lower rates. Further comment and discussion ensued.

Mayor Trantalis said that the purpose of this meeting is not to discuss the City Hall project components and that those evaluations should occur through continued collaboration with the BAB, staff, and the developer team. He explained that recent discussions with staff had identified several potential future revenue sources that could help support the project and cited examples. Further comment and discussion ensued.

Vice Mayor Sorensen reiterated his viewpoint that the BAB should provide input regarding the interim agreement prior to a Commission decision. Mayor Trantalis agreed and said that this topic would be addressed at tonight's Regular Meeting.

Commissioner Beasley-Pittman concurred with Vice Mayor Sorensen's viewpoint, noted that the Commission will have the opportunity to make changes to the interim agreement at tonight's Regular Meeting, and input could include BAB recommendations.

Commissioner Glassman expressed concern that requiring further BAB review before moving forward could become another source of delay for the project.

Commissioner Herbst commented on his perspective and challenged the idea that dispersed staff offices are operationally dysfunctional, noting that effective employee collaboration across multiple locations

is standard practice in modern organizations.

In response to Chair Brown's request for Commission Member input regarding millage rate increases, Mayor Trantalis said that is premature before the preliminary FY 2027 budget is finalized, remarked on his preference against raising the millage rate, and noted that anticipated revenue growth from rising property values and new construction should allow the City to balance the budget without service cuts or an increase to the millage rate.

In response to Chair Brown's request for Commission Member input regarding use of AI technology, Mayor Trantalis characterized the discussion around AI in staff operations as somewhat theoretical and remarked that the staff had previously incorporated and phased in new technologies into its operations.

Mayor Trantalis remarked on his perspective regarding the State Legislature acting on the elimination of homesteaded property taxes and expounded on related information. Further comment and discussion ensued.

Mayor Trantalis acknowledged that BAB members could attend tonight's Regular Meeting to offer input on the interim agreement.

Chair Brown summarized his understanding of the Commission's direction, acknowledged Mayor Trantalis' opposition to raising the millage rate, and indicated that sustaining a balanced budget may necessitate future adjustments to operational efficiencies and services, especially within solid waste operations. Mayor Trantalis noted that solid waste operations are funded through utility bills. Chair Brown confirmed and said he would provide additional information on that funding. Further comment and discussion ensued.

Mayor Trantalis recognized Ted Inserra, 901 SW 19th Street, River Oaks Civic Association President. Mr. Inserra urged the Commission to maintain focus on core neighborhood infrastructure needs while pursuing large capital projects.

ADJOURNMENT

Mayor Trantalis adjourned the meeting at 12:47 p.m.