



Hallandale Beach
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400 South Federal Hwy
Hallandale Beach, FL 33009

City of Hallandale Beach City Commission Agenda Cover Memo

Meeting Date:	May 3, 2017		Item Type: <small>(Enter X in box)</small>	Resolution	Ordinance <div style="text-align: center;">X</div>	Other
Fiscal Impact: <small>(Enter X in box)</small>	Yes	No	Ordinance Reading: <small>(Enter X in box)</small>	1st Reading		2nd Reading <div style="text-align: center;">X</div>
	x		Public Hearing: <small>(Enter X in box)</small>	Yes	No	Yes
					X	X
Funding Source:	Parks & Rec Admin. Account (Lease Agreement)		Advertising Requirement: <small>(Enter X in box)</small>	Yes <div style="text-align: center;">X</div>		No
Account Balance:			Quasi Judicial: <small>(Enter X in box)</small>	Yes		No <div style="text-align: center;">X</div>
Project Number :	N/A		RFP/RFQ/Bid Number:	Ordinance #2012-29		
Contract/P.O. Required: <small>(Enter X in box)</small>	Yes	No	Strategic Plan Priority Area: <small>(Enter X in box)</small>			
		X	Safety <input type="checkbox"/>			
			Quality <input checked="" type="checkbox"/>			
			Vibrant Appeal <input type="checkbox"/>			
Sponsor Name:	Roger M. Carlton		Department: Procurement	Andrea Lues, Procurement Director		

Short Title:

AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF HALLANDALE BEACH, FLORIDA, AUTHORIZING THE CITY MANAGER TO EXECUTE A LEASE EXTENSION TO THE AGREEMENT BETWEEN THE CITY OF HALLANDALE BEACH AND PRH-2600 HALLANDALE BEACH, LLC, FOR THE NORTH BEACH CITY CENTER; AND PROVIDING AN EFFECTIVE DATE.

Staff Summary:

Background:

In 2012, the City of Hallandale Beach approved a development agreement, via Resolution # 2012-28 (Exhibit #2), with PRH-2600 Hallandale Beach LLC (the “Developer”), an affiliate of the Related Group (“Related”). The development agreement entered into by the City on July 30, 2012 was to develop multiple sites surrounding the water tower on the beach.

As part of the preconstruction of the project, the Developer requested to lease the North Beach City Center to utilize as their sales center for their Hyde Resort and Hyde Beach House projects. Pursuant to Section 5.01 (f) of the City Charter, an ordinance is required to authorize the City Manager to execute the lease agreement. The City Commission approved the lease via Ordinance No. 2012-29 (Exhibit #3) on first reading on September 19, 2012 and second reading on October 3, 2012.

On November 27, 2013, Amendment 1 to the Lease Agreement was executed, via Resolution # 2013-120 (Exhibit #4). The Amendment increased the monthly rent from \$5000 to \$10,000, and the Developer also committed to building two additional life guard towers, which have been completed.

Current Situation:

The North Beach City Center is located at 2801 E. Hallandale Beach Blvd., adjacent to the City’s water tower. Currently, the Center is being used as a sales center for the Hyde Resort and Hyde Beach House.

The term of the lease expired on October 10, 2016. The tenant has continued to remit payment on a month to month basis. The tenant wishes to extend the lease until July 2017 (Exhibit #5). The ordinance will retroactively extend the lease from October 10, 2016 to July 31, 2017.

All terms of the amended lease agreement shall remain the same.

On April 19, 2017, the City Commission passed the 1st Reading of the Ordinance for this lease.

Additional Information:

Future Use

Over the duration of this extension, Staff will conduct research into innovative uses for the space. Staff will recommend to the City Manager options to optimize revenue and/or public use. The City Manager will then present recommendations to the City Commission.

Fiscal Impact

As per the existing terms of the amended lease agreement, Tenant will continue to pay \$10,000 monthly over the course of the extension.

Why Action is Necessary:

Pursuant to Section 5.01 (f) of the City Charter, an ordinance is required to authorize the City Manager to execute a lease agreement.

Proposed Action:

Staff recommends the approval on second reading of an Ordinance of the Mayor and City Commission of the City of Hallandale Beach, Florida, authorizing a retroactive lease extension to the amended lease agreement with PRH-2600 HALLANDALE BEACH, LLC for the period October 10, 2016 until July 31, 2017; authorizing the City Manager to execute the lease extension for the North Beach City Center.

Attachment(s):

- Exhibit 1 – Ordinance
- Exhibit 2 – Resolution and Developer Agreement
- Exhibit 3 – Ordinance and Lease Agreement
- Exhibit 4 – Resolution and Amendment 1
- Exhibit 5 – Extension Letter
- Exhibit 6 – Lease Extension #1



Prepared by: Tom Camaj, Contracts Coordinator