



Item No. 3d

AGENDA ITEM REQUEST FORM

Town Manager's Office

Bud Bentley & Connie Hoffmann *CH*

Department Submitting Request

B

REGULAR
COMMISSION MTG
Meeting Dates - 7:00 PM

DEADLINE TO
Town Clerk

ROUNDTABLE
MEETING
Meeting Dates - 7:00 PM

DEADLINE TO
Town Clerk

April 27, 2011

April 15 (5:00 pm)

April 12, 2011

April 1 (5:00 pm)

SUBJECT TITLE: Possible Expansion of the A1A Parking Lot

EXPLANATION: The A1A Parking lot (including the former Wings lot) is "L" shaped and has 83 parking spaces. At its southwest corner is a 14-unit apartment building located at 4410 Bougainvillea Drive. Several months ago, the property owner approached Town staff to inquire if the Town would be interested in buying their property. The attached aerial (**Exhibit 1**) gives a good perspective of the parking lot and the apartment building and also the dimensions of the properties. Acquisition of the property would increase the A1A Lot by 33%.

Based on ongoing conversation about the town's parking system and the desire to expand available parking and input we received from a private garage developer, it seemed prudent to explore this option further.

We have learned that the apartment building was purchased in December 2004 for a recorded price of \$1,500,000 by the owners, MCJ, LLC. The property has a recorded final foreclosure judgment dated September 20, 2010 in the amount of \$713,215.98 plus statutory interest after that date. The foreclosure sale is scheduled for June 8, 2011. And, according to the Broward County Property Appraiser's web site, there is a tax certificate due of \$41,741.17 for 2009 and the 2010 taxes of \$35,092.28 have not been paid (\$76,833.45 total). It is our understanding that the tax sale certificate and the unpaid taxes would be paid first out of the foreclosure sale proceeds.

Our purchasing policy does not anticipate the Town acquiring property at a foreclosure sale, so if the Town were to pursue purchasing this property we would have to enter into a firm purchase contract with some party contingent on their successful acquisition of the property.

As part of our information collection, we spoke to Bill Bodenhamer, Chairman & CEO of US Parking. US Parking operates over 100 parking facilities with over 66,000 parking spaces producing revenues in excess of \$130,000,000 in annual revenues. US Parking developed the beach parking garage in Deerfield Beach. Mr. Bodenhamer volunteer the services of the US Parking design team to evaluate what size parking garage could be built on the combined site. Their report (**Exhibit 2**) concludes that, within the Town's height limitations, the site would support a 327 space garage with 10,000 sq. ft. of retail on the Ocean Drive ground floor.

It should be noted that the existing Town-owned frontage along Ocean Drive meets the minimum size to develop an efficient parking garage, but we do not have an estimate of the number of spaces such a garage could contain.

We have secured two appraisals of the property as required by our Purchasing regulations and have shared the appraisal amounts with the Commissioners individually. (The Town's appraisals of the property are exempt from disclosure under the public records law while negotiations proceed, pursuant to Section 166.045, Florida Statutes.

If the Town Commission directs staff to terminate further negotiations, the appraisals will become public 30 days after termination of negotiations.



Alternatively, if the Town Commission directs staff to pursue further negotiations, staff will attempt to negotiate an option contract to purchase, contingent on Town Commission approval at a public meeting following 30 days public notice, in accordance with the statute. If an option contract is negotiated, then the appraisals will become public upon execution of that option contract. If an option contract is not executed but a proposal is to be made to the Town Commission, then the appraisals must become public 30 days before the meeting where the Town Commission considers that proposal.)

We believe if the Town could acquire the apartment property for less than its appraised value, it would be a good long-term investment both for the eventual development of a garage or the sale of the enlarged property for commercial redevelopment. If we did purchase the apartment building, we would probably lease the building to a property management company for some period of time.

However, the purchase would eat into available funds that would otherwise be used to implement the Master Plan projects and there are no immediate plans or need to construct a parking garage. In addition, the fact that this property is in foreclosure complicates our ability to negotiate and essentially means our offer is known to other potential bidders on the property.

If the Town does not acquire the property at the foreclosure sale, there may be future opportunities to buy but likely at a higher cost.

This is a policy decision for the Commission to make and one of which takes priority – the acquisition of a parcel that, in the long run, will have considerable value to the Town, or using the funds for making capital infrastructure improvements that will also have long-term impact on economic viability of the Town.

Commission direction is requested.

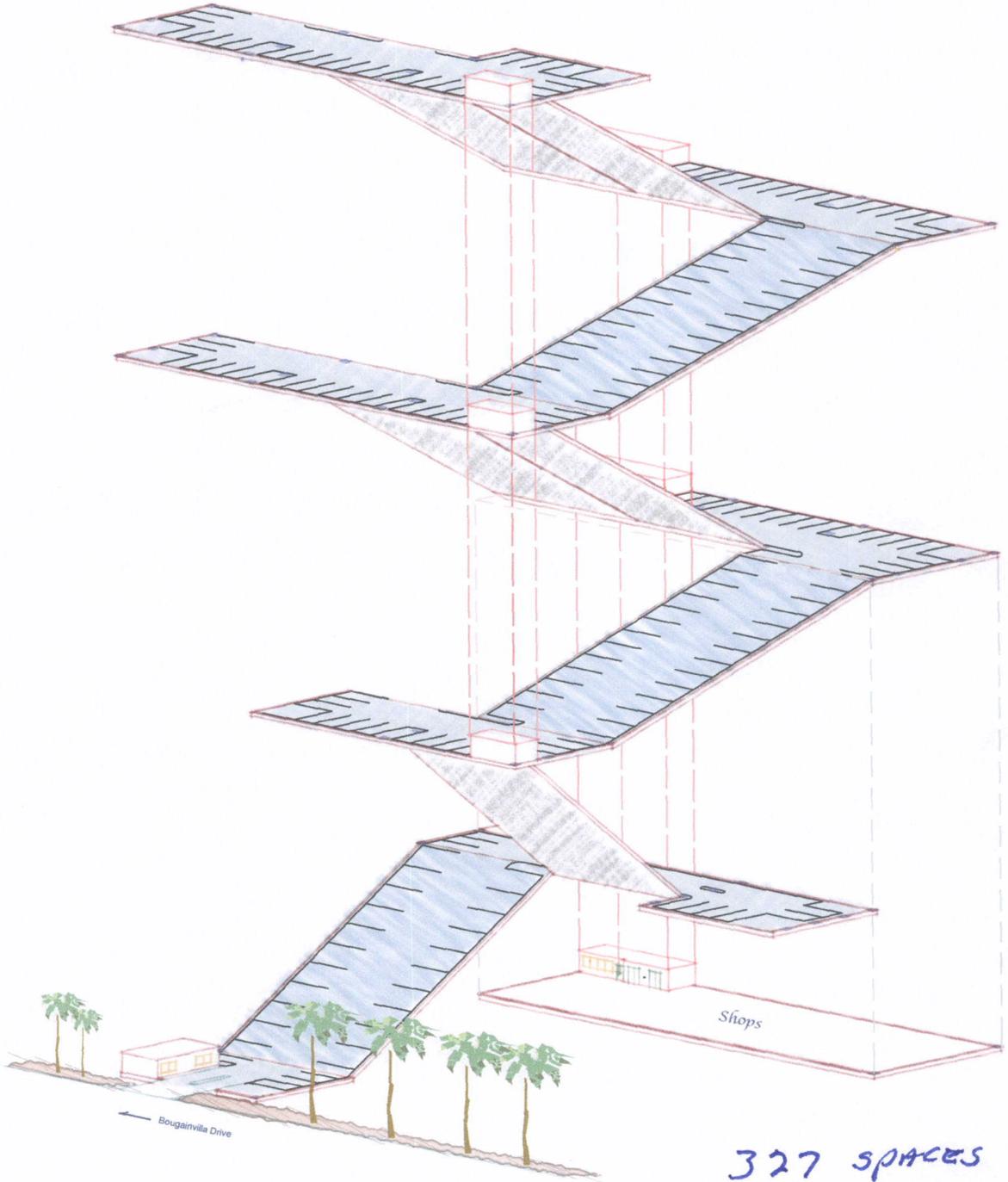
- EXHIBITS:**
1. A1A Parking Lot Aerial
 2. US Parking conceptual drawing
 3. Purchasing Manual – Real Estate Acquisition

Reviewed by Town Attorney
 Yes No

File: A1A Parking Lot Expansion

Town Manager Initials *ew*





327 spaces
10,000 sq Retail



Lauderdale by the Sea
Lauderdale by the Sea, Florida

Garage Design

Designed By:	trm
Project #:	F-045-016
Date:	03.10.11
Scale:	nts

LAUDERDALE
BY THE
SEA

Lauderdale by the Sea, Florida



2401 21st Avenue South
Nashville, TN 37212
615.297.4255 Fax 615.292.4082

Client:

Architect:

Revisions:

- △ _____
- △ _____
- △ _____
- △ _____
- △ _____
- △ _____

Designed By: trm

Checked By:

Project #: F-045-018

Date: 03.10.11

Scale: 1" = 30'-0"

PARKING
LAYOUT
GROUND LEVEL

P-100



PARKING COUNT SUMMARY

LEVEL	STANDARD	HANDICAP	TOTAL
P1	91	5	96
P2	125	3	128
P3	103	0	103
TOTAL	319	8	327

LAUDERDALE
BY THE
SEA

Lauderdale by the Sea, Florida



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Client:

Architect:

Revisions:

- △ _____
- △ _____
- △ _____
- △ _____
- △ _____
- △ _____

Designed By: trm

Checked By: _____

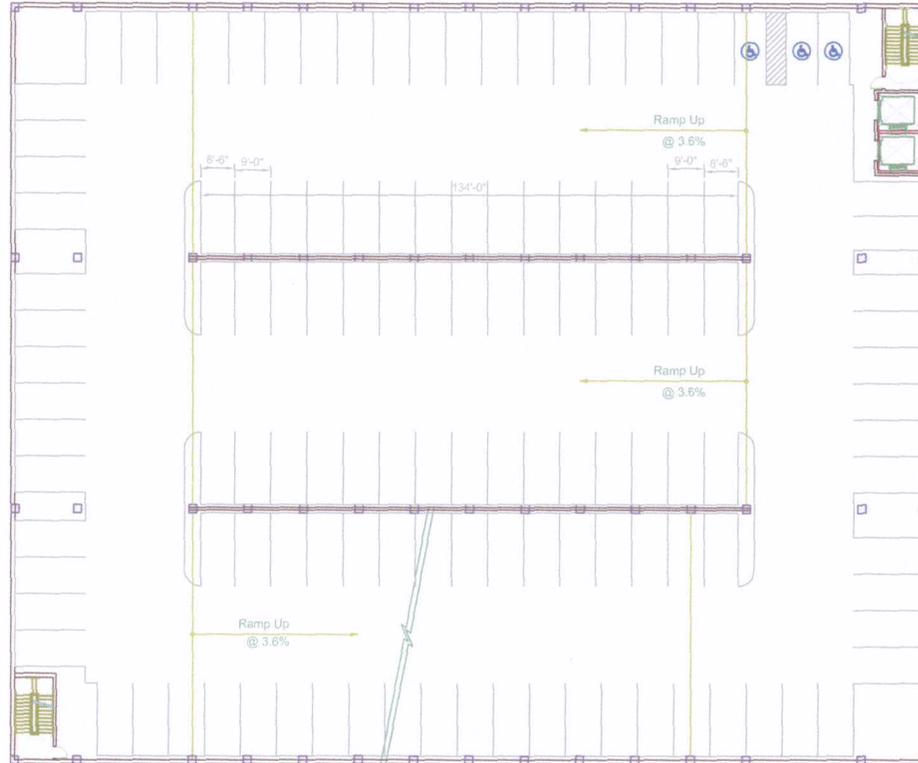
Project #: F-045-016

Date: 03.10.11

Scale: 1" = 30'-0"

PARKING
LAYOUT
LEVEL P2

P-101



LAUDERDALE
BY THE
SEA

Lauderdale by the Sea, Florida



2401 21st Avenue South
Nashville, TN 37212
615.297.4255 Fax 615.292.4082

Client:

Architect:

Revisions:

- ▲ _____
- ▲ _____
- ▲ _____
- ▲ _____
- ▲ _____
- ▲ _____

Designed By: irm

Checked By: _____

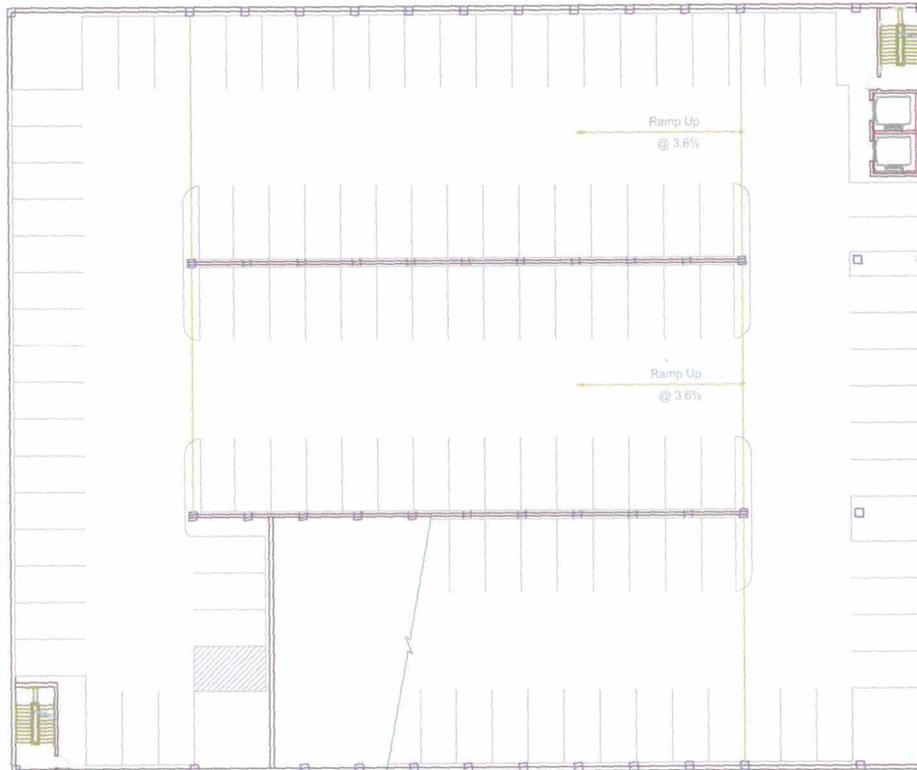
Project #: F-048-016

Date: 03.16.11

Scale: 1" = 30'-0"

PARKING
LAYOUT
LEVEL P3

P-102



Purchasing Manual

L. REAL ESTATE ACQUISITION

The following land acquisition procedures shall be employed whenever LBTS seeks to acquire, by purchase, any real property.

1. Prior to initiating any negotiations for the acquisition of any real property with the property owner, LBTS shall obtain a written appraisal performed by a state certified real estate appraisers with an MAI designation. Two (2) appraisals are required when the value of the first appraisal exceeds two hundred fifty thousand dollars (\$250,000) when the Town seeks exemption from *Florida Statute 119.07(1)*. Appraisers selected to appraise real property pursuant to this Section shall, prior to contracting with the City for appraisal services, submit an affidavit substantiating that the appraiser has no vested or fiduciary interest in the property which is the subject of the appraisal.
2. Appraisal reports, offers and counter-offers are confidential and exempt from the provisions of *Florida Statute 119.07(1) (Public Records Law)* as provided in *Section 166.045, Florida Statutes (1991)* as amended from time to time.
3. No negotiations may be commenced or offer or counteroffer made by LBTS for the acquisition by purchase of real property without prior authorization of the Town Commission.
4. Upon commencement of negotiations, LBTS shall inform the property owner, in writing, that all agreements for the purchase of real property are subject to approval by the Town Commission.
5. Any agreement by LBTS to purchase real property shall be submitted to the Town Commission for approval at a public meeting after thirty (30) days public notice. Notice of the proposed purchase of real property shall be published once a week for at least two (2) weeks in a newspaper of general circulation in LBTS.
6. Evidence of marketable title in the form of title insurance or an abstract of title with title opinion shall be provided to LBTS, by the property owner at the property owner's expense, not later than ten (10) calendar days prior to the public hearing.
7. In order to prevent the premature disclosure of LBTS's interest in acquiring a specific parcel of real estate, the Town Manager may expend up to \$30,000 on related appraisals, environmental studies, etc. without Town Commission approval.