

Boat Dock Lease Meeting



August 11, 2021

Meeting Agenda

- Introduction
- Resolution 2020-21
- Appraisal Findings
- Lease agreement changes
- Responses to 01/19 letter
- Next steps
- Comments



Resolution 2021-21

- Passed September 16, 2020
 - Commission passed 7 - 0
- Increased annual fee
 - from \$636.29 to \$1,926.00 (includes sales tax)
 - previous fee increase of \$500 occurred in 2008
- Increase of fees allocated towards a
 - “Resiliency Fund”

Appraisal Findings

- Market Value Conclusion (2019) was \$55K
- Lessee's construction cost estimates to build dock system ranged between \$20K and \$30K; \$25K construction cost was selected
- Land value determination with dock sites; \$55K minus \$25K equated to \$30K
- Rate of return on \$30K ranged between 4% and 8%; 6% was recommended. $\$30K \times 6\% = \$1,800$

Lease Agreement Changes

- Section 7 (g);
 - Any repairs to or construction of a boat dock must follow all applicable codes and regulations, including the LESSOR's permitting process.
- Section 12;
 - On March 12, 2019, City of Hollywood voters passed a General Obligation Bond during a Special Election to fund a variety of city-wide public improvement projects. These projects include a sea wall replacement/repair project which may effect this Lease. The

Lease Agreement Changes continued

- Section 12 continued;
 - LESSOR, in making improvements to the seawall, may find it necessary to remove part of or all of LESSEE'S existing boat dock. LESSOR shall have no liability to the LESSEE for any damage to the boat dock or any liability for the removal of the boat dock. LESSEE shall be liable for all costs to repair/rebuild the boat dock. Repairs to or construction of a new boat dock must be brought through the appropriate City process in accordance with Section 98.051 of the Code of Ordinances and all other applicable regulations. LESSOR may suspend LESSOR's payment of the Lease Fee in the event the LEASE PROPERTY is impacted by the seawall improvements.

Responses to January 19, 2021 letter

- Dock and Swale Maintenance, Electricity and Water, Liability Insurance not considered
 - required additional expenses were taken into account. Maximum annual fee city could have charged was \$4,400 based on market value and rate of return.
- Ability to Lease the Dock to the Public
 - the market value cost was calculated for the city not the Lessee.

Responses to January 19, 2021 letter continued

- Seawall
 - the intention of the term “sea wall” implied the ability to build a dock connecting to the city’s land, shore and or sea wall.
- Location
 - distance to the ocean outlet was considered along with access to the ICW. \$1,800 was not the maximum amount the city could charge. It was the appraisers’ recommended amount.

Responses to January 19, 2021 letter continued

- Dock size and dock access size
 - this continues to be analyzed. Size of land leased and dock size varies. Researching equitable possibilities.



Next Steps

- Review comments/input from this meeting
- Design and Construction Management (DCM) finalize Tidal Flooding Mitigation / Shoreline Protection conceptual plans for upcoming public meeting
- Follow up with The Urban Group as necessary
- Report findings and provide recommendation

COMMENTS

