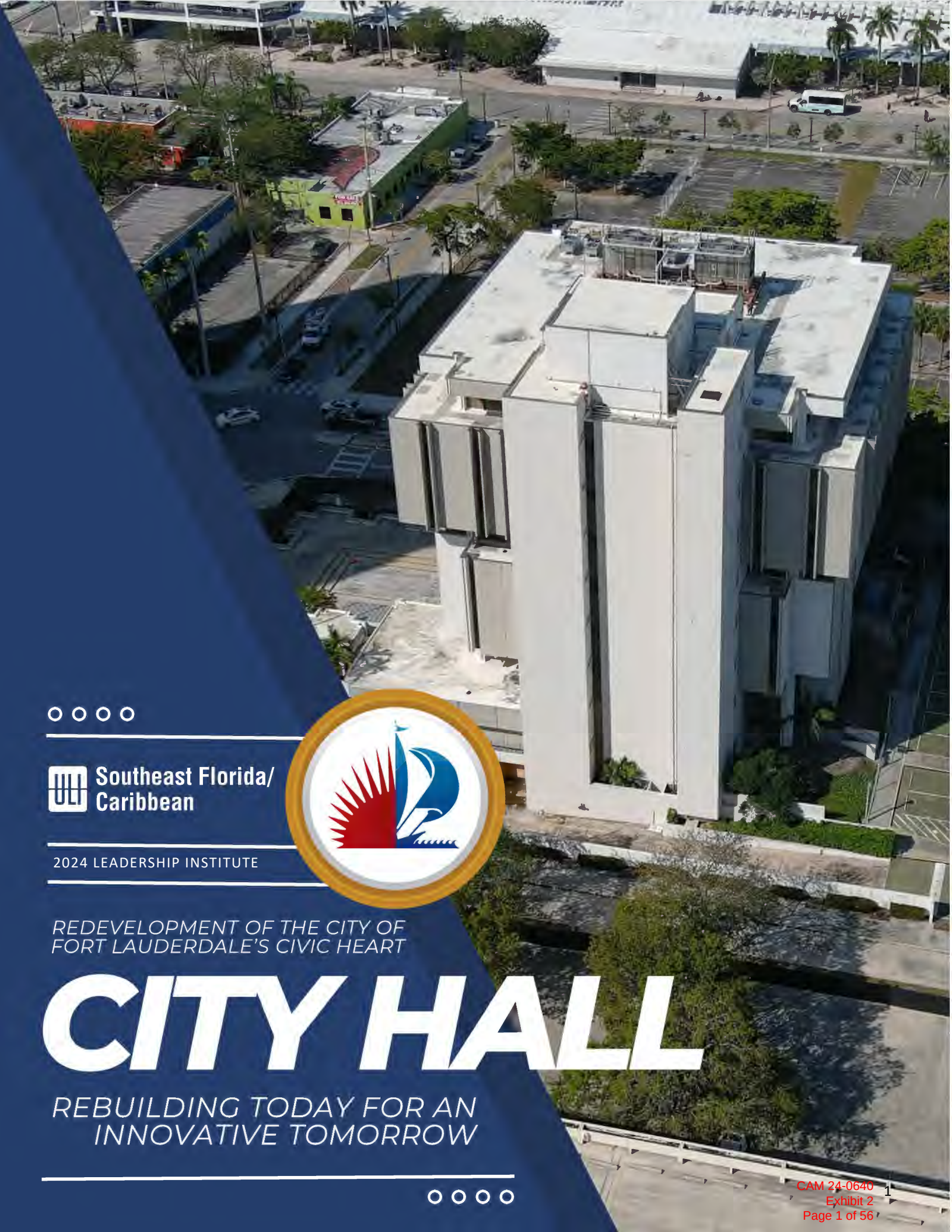

Southeast Florida/ Caribbean

2024 LEADERSHIP INSTITUTE

REDEVELOPMENT OF THE CITY OF FORT LAUDERDALE'S CIVIC HEART

CITY HALL

REBUILDING TODAY FOR AN INNOVATIVE TOMORROW

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I. INTRODUCTION

A. EXECUTIVE SUMMARY

As requested by the City of Fort Lauderdale, members from the ULI Leadership Institute have prepared this report to provide a comprehensive plan for the construction of a new City Hall in the heart of downtown after a devastating rainstorm event rendered the prior building inoperable.

Our plan proposes the redevelopment of City Hall at its current location by building a 350,000 square foot office tower, which will consolidate a majority of City departments and serve as a central place for government. This recommendation aims to enhance municipal operations, foster community engagement, stimulate economic growth, and promote sustainability within the City.

- **Enhanced Operational Efficiency**. Enhanced operational efficiency will be achieved by modernizing and consolidating city departments into a single, central location, improving inter-departmental collaboration, and streamlining administrative processes. The incorporation of state-of-the-art technology will better serve residents and businesses.

- **Community Engagement**. The new City Hall will promote community engagement by creating a welcoming public space that encourages citizen interaction and participation in local government. It will offer accessible meeting spaces for community events and civic activities, fostering a sense of pride and ownership among residents by providing a landmark building that symbolizes civic values.

- **Economic Impact**. Economic impact will be significant, as the project will revitalize the downtown area by attracting new businesses, visitors, and investments. Increased foot traffic will benefit local retail, dining, and service establishments, while construction jobs and long-term employment opportunities will be generated within the new City Hall.

- **Sustainability Practices**. Sustainability is also a key focus, with plans to incorporate green building practices and energy-efficient systems to minimize environmental impact. The facility will be designed to achieve LEED certification, promoting sustainable development and reducing operational costs.

We also recognize that the City's adjacent parking garage is not the highest and best use for that site. While the garage is tied up in a 50 -year lease that does not expire until 2050, we recommend exploring alternatives for a phased mixed-use development on that site, which provides affordable housing for City residents and employees.

As demonstrated by this report, our recommendations are based upon a thorough analysis of alternative properties, development potential, market conditions, current City circumstances, and numerous meetings with internal and external stakeholders.

Investing in a new City Hall downtown is a forward-thinking decision that will significantly benefit the city's governance, community, and economy. By creating a modern, efficient, and welcoming civic center, the City of Fort Lauderdale can enhance the quality of life for its residents, attract new opportunities, and lay a strong foundation for future growth.

B. TEAM MEMBERS

CARLOS MORALES
Civil Division Manager,
BCC Engineering

JAKE TORRES
Principal and Qualifier,
Tower Construction Management

MURIEL BRYAN RAMIREZ
Assistant Director, Development Services, Lauderdale by The Sea

Southeast Florida/ Caribbean

The team was selected as part of the Urban Land Institute's Leadership Institute, which is an immersive leadership program for South Florida real estate and land use professionals. As part of the Leadership Institute program, candidates are tasked with a pro-bono advisory service project to provide solutions to tangible land use and real estate challenges faced by local non-profit organizations and public entities. This team is grateful for the opportunity to assist the City of Fort Lauderdale with recommendations for its new City Hall

MICHAEL D'ANGELO
Principal,
Serenoa Group

ESTEBAN PEREZ
Vice President of Development,
The Kolter Group

CUSHLA TALBUT
Associate Attorney,
Greenberg Traurig

BERTRAM DARVILLE
Landscape Architect/3D Artist,
Bowman Consulting Group

C. PROJECT SCOPE

As part of a multi-stakeholder analysis, the City of Fort Lauderdale requested input from the Urban Land Institute's ("ULI") Leadership Program regarding the redevelopment of a new, innovative, and engaging City Hall after a major flood event in April 2023 rendered its current building inoperable. Specifically, the City asked ULI for input in the following areas:

- Where should the new City Hall be located?
- What City services should be located in City Hall?
- How can the structure be designed to include public meeting spaces?
- What considerations should the commission chambers take into account (i.e., technology, layout, accessibility, attendee comfort, etc.)?
- How can event space be accommodated in the overall design?
- Should the project include other components (i.e., residential (affordable/market rate), commercial tenant spaces, restaurant, retail, etc.)?
- What security measures should be considered?
- How can it be funded?

The intent of this document is to outline the challenges and opportunities facing the City as it relates to a new city hall facility, and to recommend a path forward.

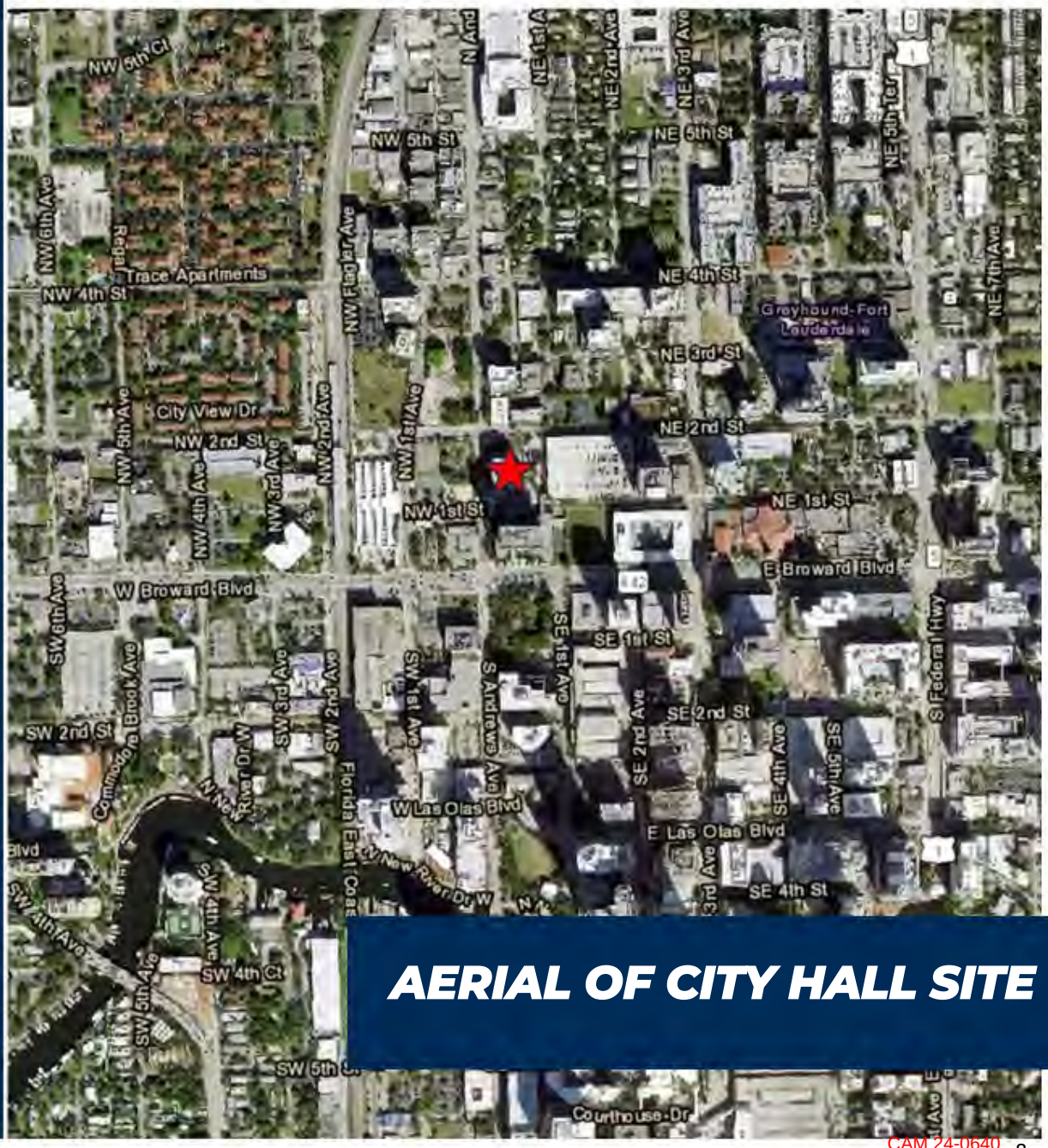
In an effort to gather data to help answer these questions, the ULI team surveyed a host of stakeholders involved in this project, including elected officials, city staff, and numerous members of the community.

While this report is not intended to be a design proposal or a construction feasibility analysis, we have included several key principles to serve as guidelines for the City when it is time to undertake those exercises.

II. FINDINGS & DATA

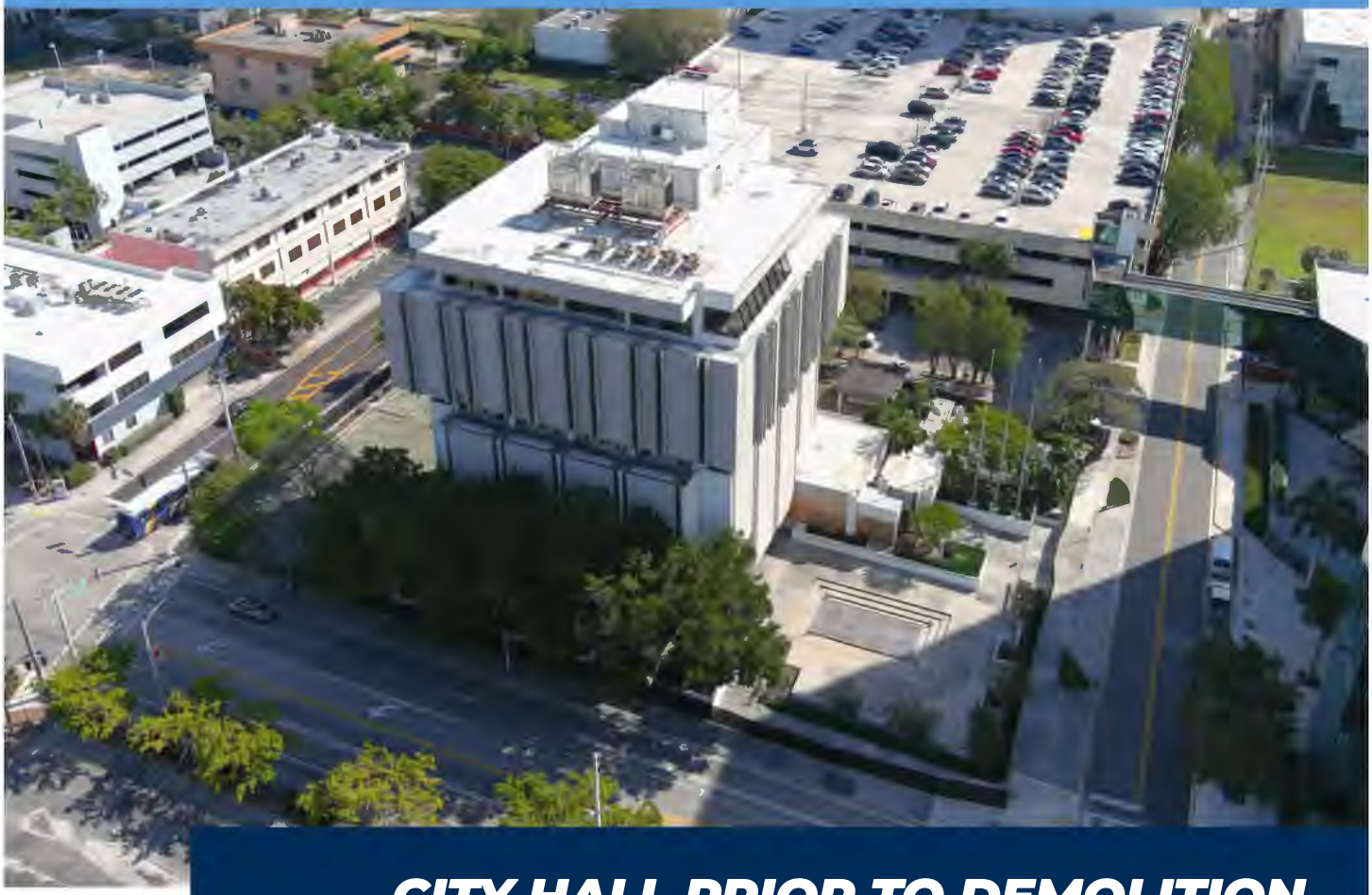
A. GENERAL SUMMARY

Over a 4-month period, the ULI Team conducted a thorough analysis of various data points to assist in formulating a comprehensive recommendation regarding the redevelopment of a new City Hall for the City of Fort Lauderdale. The ULI Team attended over a dozen meetings with community members, City Staff, and City Officials to understand the end-user goals of the building. In addition to thoroughly analyzing the current landscape, viability and hurdles relating to the current City Hall site, the ULI Team explored alternative site options for City Hall and analyzed the market conditions for alternative uses within the building. Our findings are further set forth in this Section II.



AERIAL OF CITY HALL SITE

B. LOCATION + HISTORY



CITY HALL PRIOR TO DEMOLITION

The City of Fort Lauderdale's existing City Hall (which is scheduled to be demolished) is located on approximately two acres of land within the City's "Downtown Core."

The site is north of Broward Boulevard, along Andrews Avenue near the Brightline Station. The building is 8 stories tall and is approximately 100,000 square feet. It accommodated approximately 310 employees.

i. History of City Hall

The existing City Hall was built in 1967. There have been a number of City Hall iterations since the City's incorporation as a Town on March 27, 1911. All of the City Halls were located within the same Downtown Area.

In 1911, the City initially rented space at Andrews Avenue and SW 2nd Street. A fire destroyed most of the downtown section, including part of this building in 1912. The City acquired the decimated site and constructed a small 2-story structure as the official City Hall. The building housed the Town Council and the Fire Department, which were considered the most essential services at the time.

In 1920, the City expanded the first City Hall location to accommodate the City's growing population. By 1929, the City Hall housed the fire and police departments, all City offices, the Chamber of Commerce, engineering consultants, and the City's first health officer. The property was sold in 1946 to Burdine's for $250,000 to fund the construction of the next City Hall.

In 1946, the City moved to a new building, which was envisioned as a "Civic Center" campus for the convenience and pride of the residents, but that vision was not realized because of budgetary concerns. In addition to all the City Departments, this City Hall was meant to also include the police and fire departments. Within 3 years, the City staff grew exponentially from 313 people to 514 people. Less than 10 years later, in 1955, the building was deemed overcrowded and emergency services were moved elsewhere.

The existing City Hall was constructed in 1967. It was originally designed as a four-story building but was changed to a high-rise building after an additional study of the building's needs. The design of the building was selected after an architectural competition and featured precast panels of gray quartz aggregate that were attached to cantilevered elements of the cement floor. The building was oriented to the south of the lot to allow for the growth of a future governmental complex, which was never constructed.

1911—ORIGINAL CITY HALL

1920—EXPANSION OF CITY HALL

1946—TOO SMALL FOR GROWTH

ii. Flood Closes City Hall

On April 12, 2023, a record-breaking 1,000-year rainstorm event took the City of Fort Lauderdale by surprise. The storm precipitated 26 inches of rain on the City within a matter of hours, eclipsing the previous record of 14.59 inches set on April 25, 1979.

The storm flooded the City Hall basement with over 8 feet of water, which caused irreparable damage to the electrical system, the server, and other vital functions of the building. As a result of the flood event, the damage to the City Hall building was irretrievable and the building was permanently closed. The approximately 310 employees within the City Hall were forced to find emergency temporary office locations.

iii. City Hall to be Demolished

Demolition of the City Hall commenced on May 7, 2024. Complete demolition is expected to take between 15 to 18 weeks and will be conducted floor by floor, taking noise, dust and environmental considerations into account. As part of the demolition kickoff event, Mayor Trantalis opened the contents of the time capsule, which was buried in the plaque of the existing City Hall.

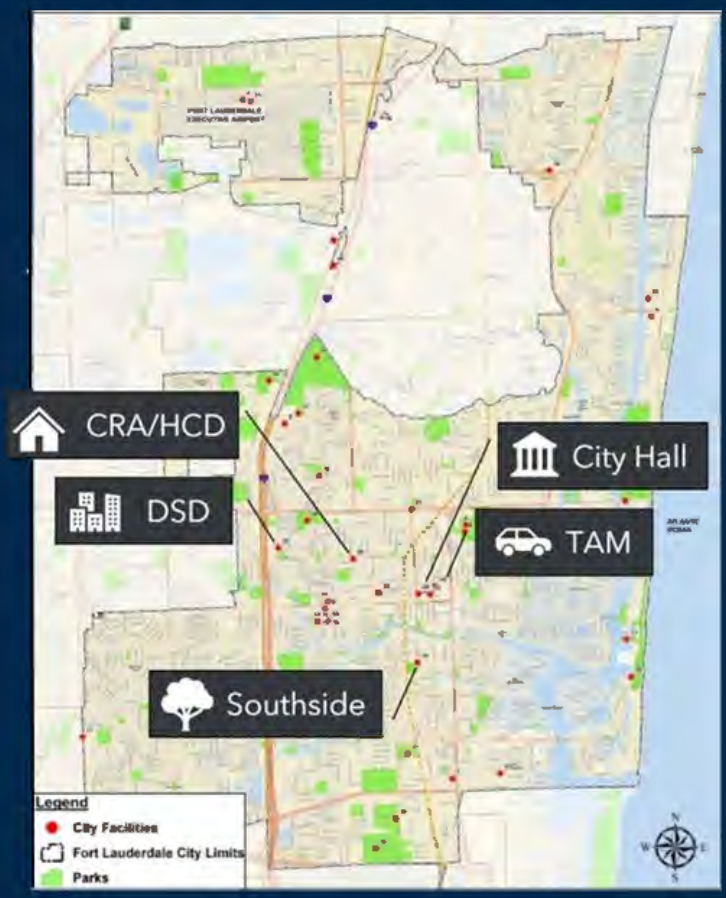
TIME CAPSULE CONTENTS REVEALED

- Fort Lauderdale Annual Report - 1967
- Fort Lauderdale City Map
- Fort Lauderdale Tourism Brochure
- Fort Lauderdale News: Vol 58, No 205 (Thursday, June 20, 1968)
- Fort Lauderdale Sticker: 1968 Visitor
- Mini Flags: US, State of Florida, City of Fort Lauderdale
- Film: Meetings related to and plans for new City Hall
- Order of the Amaranth Documents: Palm Court No 5
- Free Mason Documents: Proceedings of the Grand Lodge Book (1967), List of time capsule contents, Yearbook 1968-1969, Directory, Bulletin, Invitation to event placing the cornerstone
- Envelope from Broward National Bank containing coins from 1968 - quarter, nickel, dime, penny
- Order of the Eastern Star Documents: Arancia Chapter No. 249
- Order of DeMolay: Doric Chapter
- Love and Patriotism: May 18, 1968

C. CITY PROPERTY ANALYSIS

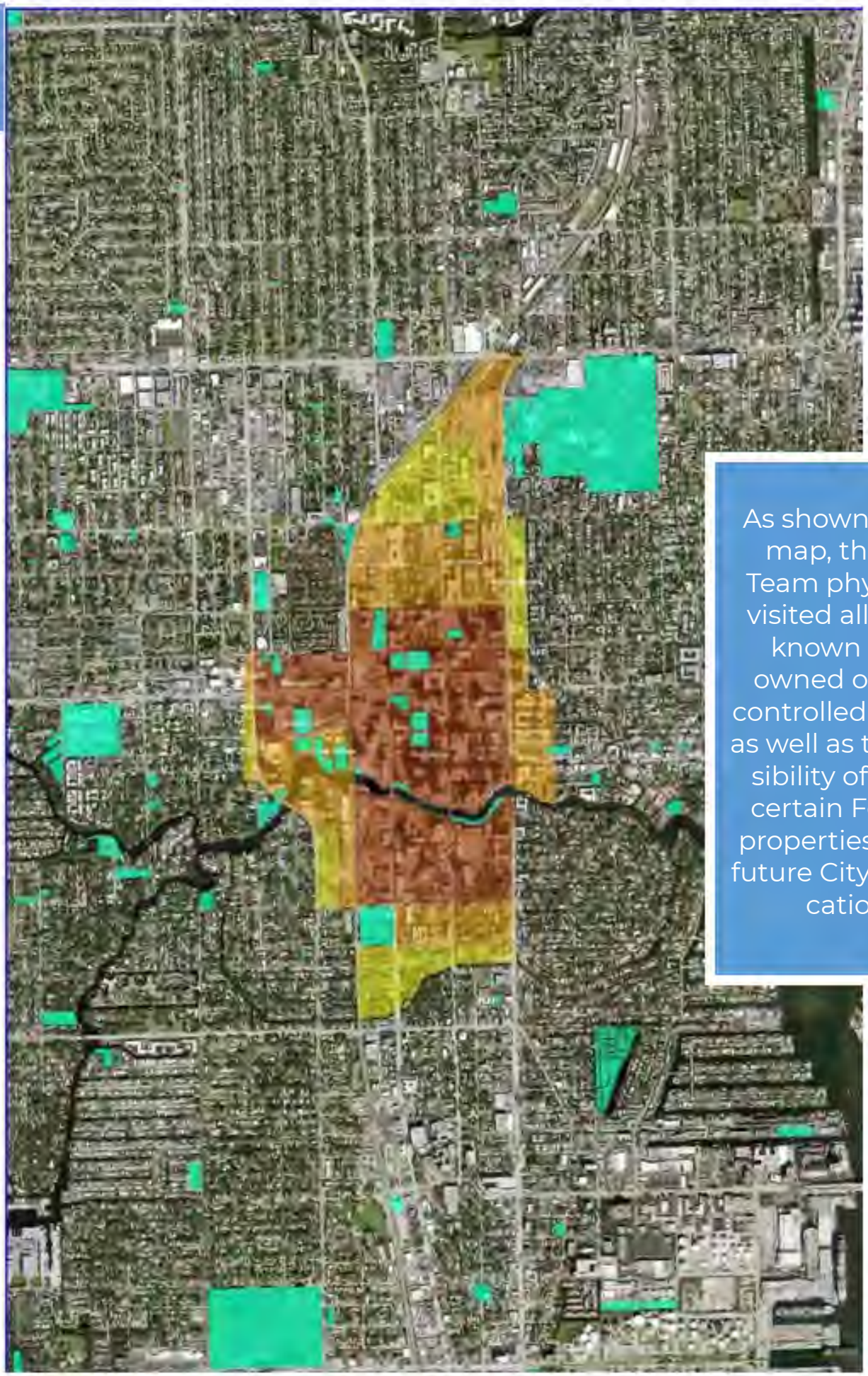
Over the years, the City's population grew significantly, requiring additional employees and staff, which no longer fit within the current City Hall.

To accommodate that growth, City services expanded to a number of buildings. As shown on this map, the buildings are scattered throughout the City, which has led to a decentralization of City services.



Prior to the flood, City Hall housed the following departments throughout the 8-story building:

Department	No. of Employees
City Commission	12
City Clerk	2
City Manager's Office	21
City Attorney's Office	19
Finance	74
Public Works	64
Human Resources	41
Information Technology	71
Total	**310**

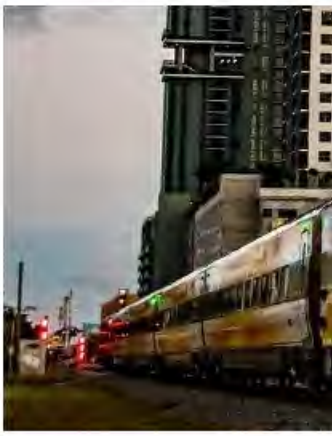


As shown in this map, the ULI Team physically visited all of the known City-owned or City-controlled parcels as well as the possibility of using certain Federal properties as the future City Hall location.

i. City-Owned Property, Federally

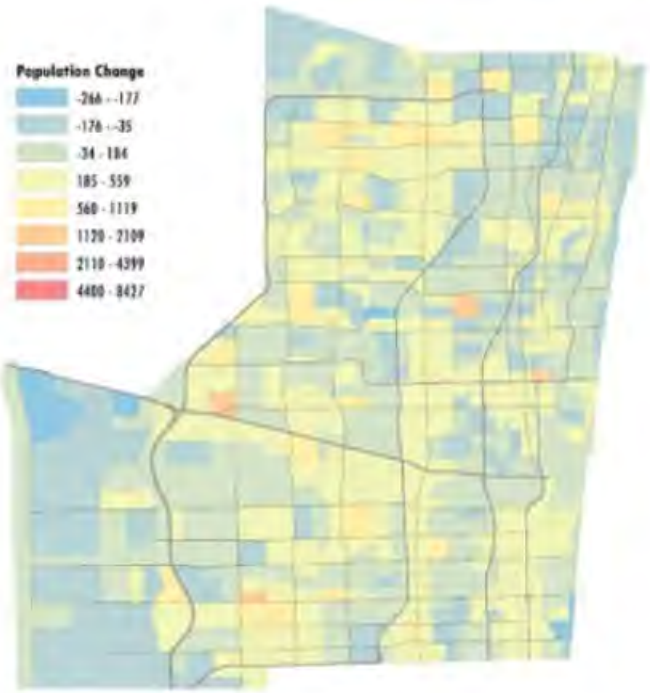
Several factors were taken into account when analyzing the viability of each site's potential as the future City Hall location. Some of the more critical factors included:

- Access to transportation.
    - We felt it was critical, especially given the potential consolidation of departments, for the future City Hall to be as accessible as possible to all Districts within the City.
    - As a secondary driver, given the growth trajectory of South Florida, we also found it important to take into account inter-county transportation options as well as access to the major airports.



y Controlled Property + Vacant Land

PROJECTED POPULATION CHANGE BY TAZ: 2030-2045



SOURCE: PFAM 2017 Population Projections by Traffic Analysis Zone

- Geographically located near densely populated areas.
- Located in close proximity to a high concentration of commercial activity.
- Favorable zoning and land use designation.
- Future City growth and development.
- Preserving current placemaking and green spaces.
- Avoiding City controlled parcels where projects have already been approved and are in the pipeline.

A number of City vacant lands were already planned for other uses, such as the Florida Panthers IcePlex at the War Memorial Auditorium pictured above.

ii. City Lease Payments

Even prior to the flood, the City was leasing office space to accommodate staff that no longer fit within City Hall or within the City's other buildings. Once Fort Lauderdale lost its City Hall, approximately 310 employees were displaced, leading to the City entering into a number of short-term office leases.

The City currently leases ~97,325 sf of office space and spends ~$237,165.00 on monthly lease payments.

D. PARKING GARAGE

The parking for the City Hall site is found on an adjacent 2.5 acre lot. The land is owned by the City, and developed with a parking garage with 4 floors.

The parking garage is subject to a 50-year Lease Agreement with the owner of 1 East Broward, the office building to the north of the site.

A copy of the Lease Agreement and its various amendments are attached as **Appendix A**.

The City Hall parking garage is subject to a 50 year lease, which expires in 2050

As shown in the chart, the parking garage includes 1,451 parking spaces. Of those spaces, 521 parking spaces are potentially available for City use.

Under the Lease Agreement, 1 East Broward owns the parking parage for the term of the lease, which expires in October 2050. After the lease expires, title to the parking garage goes back to the City. 1 East Broward is entitled to sublet parking spaces and has sublet a number of spaces to a residential building to the west of the garage known as the "Exchange Lofts." Both 1 East Broward and the Exchange Lofts have a pedestrian bridge connection to the parking garage.

Floor	Parking for City	Parking for 1 E. Broward + Subleases	Total Parking Per Floor
Ground Floor	375 spaces	0 spaces	375 spaces
2nd Floor	30 spaces (fee)	324 spaces	354 spaces
3rd Floor	0 spaces	358 spaces	358 spaces
4th Floor	116 spaces	128 spaces – Exchange Lofts 120 spaces – 1 E Broward	364 spaces
Totals	521 spaces	930 spaces	1,451 spaces

The Lease Agreement allows for either the City or 1 East Broward to expand the parking garage. However, expansion requires approval of the other party and cannot adversely affect the ingress or egress to any portion of the parking garage. The City's rights to modify or alter the parking garage are not addressed in the Lease Agreement.

On May 2022, the City hired Lakdas/Yohalem Engineering to conduct a Structural Analysis of the parking garage to determine whether the garage could be vertically expanded. The Structural Analysis concluded that adding a 5th and 6th level is achievable with the installation of steel frame mechanical parking garage systems on 2 stories. The Structural Analysis also noted that the installation of a steel frame would require regular maintenance and there were limited servicers for such maintenance.

The City also hired Lakdas/Yohalem Engineering to conduct a Structural Condition Survey Report of the parking garage, which was issued on December 19, 2023. The report noted that no immediate repairs were necessary but approximately $9,406,650.00 in repairs and maintenance were required to the garage. The City has recently issued a Request for Proposal to have this work completed. A copy of the Structural Analysis and the Condition Report are attached as **Appendix B.**

E. ZONING + LAND USE

The City Hall site is part of the City's Downtown Regional Activity Center and is zoned RAC-City Center. The site's land use and zoning allow a wide array of potential uses, including multi-family, office, retail, restaurants, entertainment, and civic space to create a vibrant urban downtown.

ZONING

DOWNTOWN CORE

LAND USE

DENSITY + INTENSITY OF LAND USES PERMITTED IN THE DOWNTOWN RAC

USE	MAXIMUM PERMITTED
Residential	16,060 du
Commercial	FAR—4
Industrial	FAR—4
Transportation	No limit
Community Facilities	No limit
Park/Open Space	Min. 8.5 acres

Over the past few years, there has been significant demand for residential development in the City's Downtown. As a result, very few dwelling units remain within the Downtown RAC. Of the 16,060 dwelling units allocated to the City's Downtown RAC, 2,400 of those units were required to be "affordable housing," as defined under the County's Comprehensive Plan; a sizeable number of these affordable dwelling units remain unused within the Downtown RAC.

The RAC-City Center zoning district provides a significant amount of flexibility to allow for dense urban development. As such, the City Hall site is subject to the following dimensional requirements:

Standard	Requirement
Min. Open Space	25% - 40% must be at grade. Covered arcades at least 10' wide and open to street can count toward meeting open space requirements. Residential Uses: 50 units or less – 200 sf/unit 51-150 units – 150 sf/unit (min. 10,000 sf) > 150 units – 100 sf/unit (min. 22,500 sf) General Use: 10% of gross lot area Up to 5% of landscaping in ROW can be credited.
Max. Building Height	None but FAA restrictions apply (175' and 160' for helipad)
Max. Building Streetwall Length	300'
Max. Gross SF of building tower floor plate	Residential: 18,000 for entirety of tower up to 15 floors / 12,500 for entirety of tower up to 37 floors high Nonresidential: 32,000 sf
Max. Building Podium Height	9 floors
Min. Building Tower Step Back	None
Min. Separation between Tower Buildings	60' / 30' min on subject property is adjacent to abutting lot under separate ownership
Min. Residential Unit Size	400 sf
Parking	Residential: 1 parking space/unit Nonresidential: Exempt

F. CITY MASTER PLANS

The City Hall site is also subject to the City's Downtown Master Plan, which outlines the City's vision for the future development of Downtown Fort Lauderdale. We have excerpted several items from the Downtown Master Plan, which are applicable to the City Hall Site:

[Figure 4.127]
Federal Courthouse in Las Vegas, Nevada.

Civic Buildings:

Civic or government buildings, cultural facilities, and other special monuments should have particular prominence within the Downtown. In the tradition of great examples from many cities around the world, these buildings should have greater freedom in form and architectural expression. These signature landmarks of city-wide importance will stand out by being the "exception to the rule," and have a greater impact when surrounded by strong and well-defined streetscapes which are encouraged elsewhere in this chapter.

[Figure 4.128]
Guggenheim Museum in Bilbao, Spain.

<< *STREETSCAPE REQUIREMENTS ALONG ANDREWS AVENUE*

STREETSCAPE REQUIREMENTS ALONG LOCAL STREETS >>

Additionally, the City has adopted Transit Oriented Development Guidelines, which outline and encourage future development within proximity to transit stations to "create pedestrian-friendly, vibrant station areas to support the continued growth of Downtown as a live, work, and play environment." Given the City Hall's close proximity to the Brightline Station, Las Olas, the Riverwalk, Flagler Village and a significant number of multi-family projects, it is important to highlight these requirements that are applicable to the City Hall site:

- Encourage pedestrian connections to transit stops utilizing a variety of streetscape elements, building massing and location, and active ground floor uses.
- Encourage bike connections to transit stops and provide bike parking.
- Creating those connections between transit uses and destinations for bicycle users plays a role in increasing ridership while decreasing the number of vehicular trips.
- When automobile parking is provided onsite, a minimum of one bicycle space or rack should be provided for every 20 vehicular parking spaces.
- Design and locate parking to be consistent with TOD principles, including providing structured parking over surface parking. Parking should be accessed from an alley or secondary frontage. Structured parking should be shielded with a liner of active uses and architecturally screened.
- Incorporate Travel Demand Management Measures into development, such as programs that support and encourage alternative modes of transportation.
- Reduce parking to eliminate excess pavement and promote highest and best use of land within the nears the transit stops.
- Encourage green buildings, site design, and infrastructure to encourage people to use transit, walk and bike.

[Figure 4.234] Key plan for the Downtown Regional Activity Center (RAC) Transit Core. The Transit Core includes the Downtown RAC in its entirety.

II. FINDINGS & DATA

To ensure the new City Hall complements the existing and future fabric of the City of Fort Lauderdale, the ULI Team also took into consideration the Neighborhood Enhancement goals set forth in the 2020 Advance Fort Lauderdale Comprehensive Plan. These goals consist of:

Goal 1: The City of Fort Lauderdale shall promote high-quality and sustainable building design elements which complement the public realm.

Goal 2: Encourage urban design which responds to the climate and character of Fort Lauderdale, is pedestrian friendly, human-scaled and contains the infra-structure and amenities to create a vibrant public realm.

Goal 3: Streetscape Design Elements - The City of Fort Lauderdale shall promote a complete mobility network and improve multi-modal connectivity.

NEIGHBORHOOD ENHANCEMENT GOALS

Goal 4: Enhance the existing built environment and elements unique to Fort Lauderdale, including waterways, bridges, tunnels and other traversable features.

G. DRAINAGE

The City Hall site falls within the AH flood zone. The current stormwater infrastructure for the City Hall site is inadequate, leading to frequent flooding and water accumulation during heavy rainfall. This inefficiency disrupts municipal operations and poses safety hazards for employees and visitors. The outdated drainage system is incapable of effectively managing the increased runoff, which led to structural damage and environmental concerns following the April 12, 2023, storm event.

H. COMMUNITY ENGAGEMENT

The City of Fort Lauderdale held a series of workshops known as "Reimagining City Hall," which were prepared and administered in collaboration with the Infrastructure Task Force, Dickey Consulting Services, Inc., and the American Institute of Architects student chapter at Florida Atlantic University. These meetings were each held on Saturday mornings throughout the City's districts.

Workshop 1 – Introduction
Date: December 2, 2023
Location: Florida Atlantic University MetroLAB

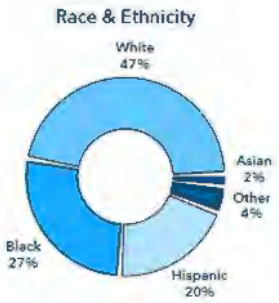
Workshop 2 - Spacing Allocation
Date: January 13, 2024
Location: L.A. Lee YMCA/Mizell Community Center

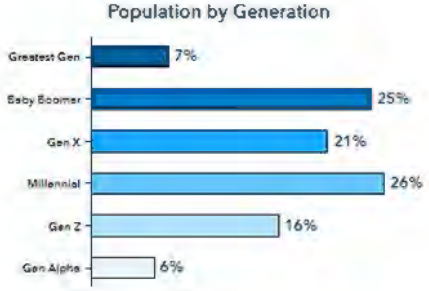
Workshop 3 – Amenities
Date: February 17, 2024
Location: Holiday Park Social Center

Workshop 4 - Finance and Procurement Process
Date: March 23, 2024
Location: Beach Community Center

Workshop 5 - Review and Next Steps
Date: April 20, 2024
Location: Holiday Park Social Center

The Reimagining City Hall efforts were done in part to provide an equal opportunity for residents to be represented and heard. As such, the ULI Team attended each of these meetings to understand the community voices as part its recommendation for City Hall. These workshops included representation from the City staff and residents from every district.





Despite the City's best efforts to host meetings in each district, the participation from community members in these workshops did not appear to be an accurate representation of the age and demographics of the City.

Common Themes heard during the Workshops:

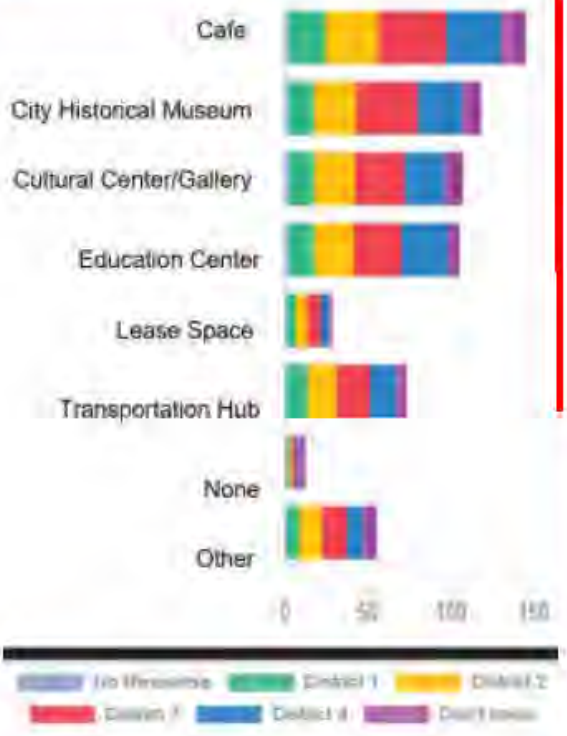
CAMPUS VISION

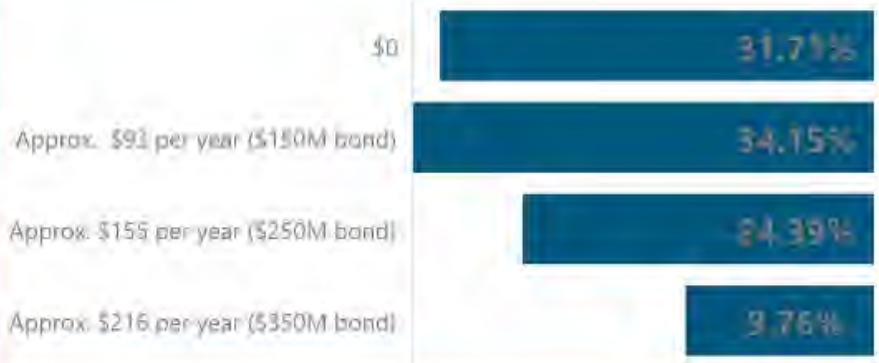
MAKE THE STRUCTURE INVITING	EXPANSIVE PUBLIC OUTDOOR FACILITIES	PROVIDE STAFF WHAT THEY NEED
Welcoming space Large atrium Plants/Vegetation	Public gathering space Amphitheatre Farmers Market	Employee Services Lactation room Gym Daycare Kitchens
Create an architecturally attractive building	A plaza for public speaking Make it secure	Innovative technology
Customer service oriented facility	Shaded areas	Multi-use flexible facility

A COMMUNITY RESOURCE

- Exhibit local artists and Fort Lauderdale History
- Provide collaborative opportunities for local business and organizations
- Dedicated space for civic associations

VARIETY OF AMENITIES





MOST RESIDENTS WOULD BE WILLING TO INCREASE TAXES TO PAY FOR NEW CITY HALL

ACCESSIBLE LOCATION

SAFETY & SECURITY

I. INPUT FROM CITY STAFF

The ULI Team also met with each of the City's department directors, the Commissioners, the Mayor, the prior-City Manager, the interim-City Manager, the Assistant City Manager, and the head of the Infrastructure Task Force to understand the needs and wants of the City from an operational office perspective.

February 6 – Introductory Meeting and Site Visit
with Anthony Fajardo, Yvette Matthews + Donna Varisco

February 27 – Meeting with Greg Chavarria, Susan Grant + Anthony Fajardo

February 29 – Meeting with City Department Directors
- Strategic Communications
- Finance
- Public Works
- Human Resources + Risk Management
- Information Technology
- Department of Sustainable Design
- Transportation and Mobility
- Executive Airport
- Fire
- Police
- Parks and Recreation

March 12 – Meetings with Elected Officials
- Commissioner Sturman
- Commissioner Glassman
- Commissioner Herbst
- Mayor Trantalis

April 9 – Meeting with Vice Mayor Pittman-Beasley

These meetings assisted in honing our programming and understanding the operations and functions that are essential for City staff. From these meetings, we learned that most departments prefer an in-person model. In addition, employees have also shown interest in amenities such as daycare, gyms, on-site healthcare, and more food options, which assist in retaining and attracting the best talent for the City. Each meeting brought a unique perspective, whether it be funding, location or even downsizing to accommodate work from home or a hybrid schedule.

J. CITY'S BOND CAPACITY

A general obligation ("GO") bond is a municipal bond backed by the credit and taxing power of the issuing jurisdiction rather than the revenue from a given project. General obligation bonds are issued with the belief that a municipality will be able to repay its debt obligation through taxation or revenue from projects. A GO bond is secured by the issuers pledging to use all available resources, even tax revenues, to repay holders of the bond. The City of Fort Lauderdale has a AAA bond rating according to the Standard & Poor's (highest rating) and AA according to Moody's. Currently the City of Fort Lauderdale has deployed approximately 95% of its total bond capacity to capital improvement projects including the ongoing Water & Sewer facility. Accordingly, staff has projected that a special real estate tax assessment of ~$157 per property, is required to raise the bond ceiling by approximately $200M.

Information provided by City during the Reimagining Fort Lauderdale workshop

Lien	Par Outstanding	Bond Ratings		
	As of 10/1/2023	S&P	Moody's	Fitch
General Obligation	$233,890,000	AAA	Aa1	-
Special Obligation (Pension Funding)	$136,855,000	AAA	Aa2	-
Special Obligation (Non-Ad Valorem)	$1,713,000	-	-	-
Special Assessment	$7,735,000	-	-	-
Community Redevelopment Agency	$15,329,000	-	-	-
General Government Debt	**$395,522,000**			
Stormwater	$88,485,000	AAA	Aa2	-
Water and Sewer	$953,835,000	AA+	Aa1	-
SRF Loans	$18,094,762	-	-	-
Enterprise Debt	**$1,060,414,762**			
Total Debt Outstanding	**$1,455,936,762**			

According to property tax experts, Ownwell, Fort Lauderdale property taxes are collected at an average effective rate of 1.52% of property value, which is slightly lower than the average rate of 1.54% for Broward County as a whole. However, Broward County has the second highest effective property tax rate in the entire State. Current and future City Commissions should be mindful of this when considering a future capital improvement project.

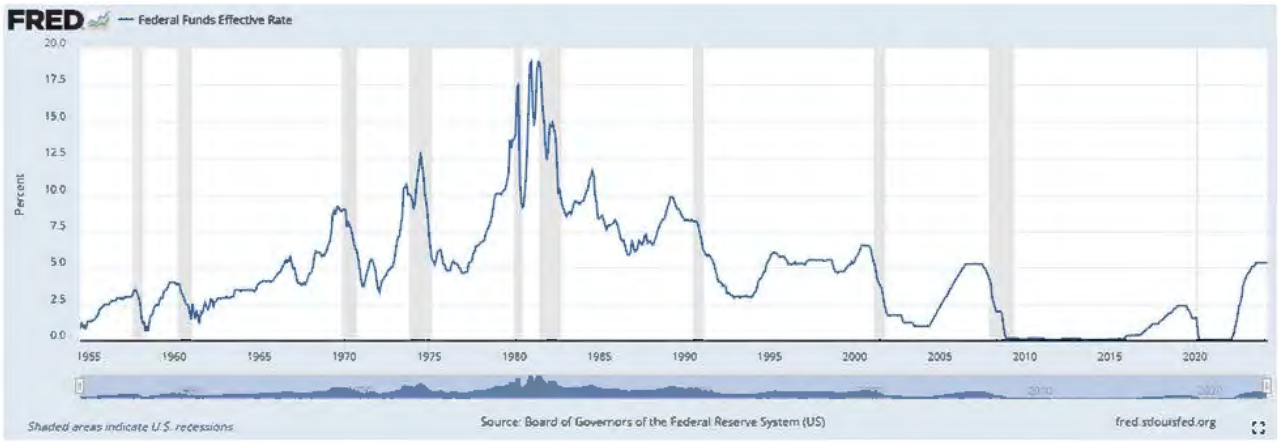
K. MARKET ANALYSIS

The COVID-19 pandemic has significantly impacted the real estate market, particularly the office sector, as remote work became the norm for many businesses. With companies adopting remote work models to ensure employee safety, demand for office space decreased dramatically. This shift in working dynamics prompted companies to reassess their real estate needs, leading to a surplus of vacant office spaces in many urban areas. Landlords faced challenges in filling vacancies and maintaining rental yields, while tenants sought flexibility and cost-saving measures. As a result, the office sector witnessed a slowdown in leasing activity, declining rental rates, and a shift towards shorter lease terms and flexible workspace solutions.

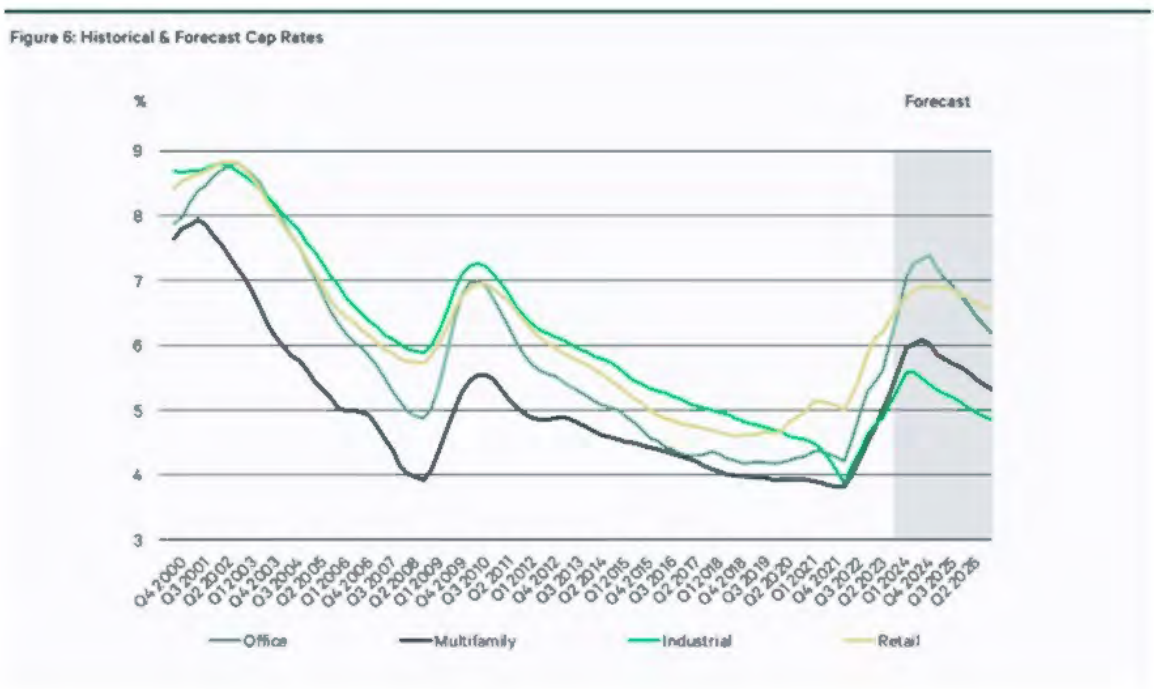
Despite gradual re-openings and vaccination efforts, the long-term effects of the pandemic on the office sector remain uncertain, with trends like hybrid work models likely to reshape the future of commercial real estate. According to the U.S. Real Estate Market Outlook 2024, prepared by industry leader CBRE ("CBRE"), office vacancy rates are expected to peak by year-end at 19.8%.

Figure 8: Historical & Forecast Office Net Absorption, Completions & Vacancy

In March 2022, the U.S. Federal Reserve made its first interest rate increase since 2018, raising rates from 0% by 0.25% to a level of 0.25–0.50%. Inflation peaked at 9.1% in June 2022. In July 2023, the Federal Reserve made its final 0.25% increase, bringing rates to 5.25–5.50%. Current rate levels are the highest since 2006.



As a result of elevated interest rates and vacancies, office exit capitalization rates have risen by over 200 Bps. implying a roughly 20% decline in evaluation according to CBRE.

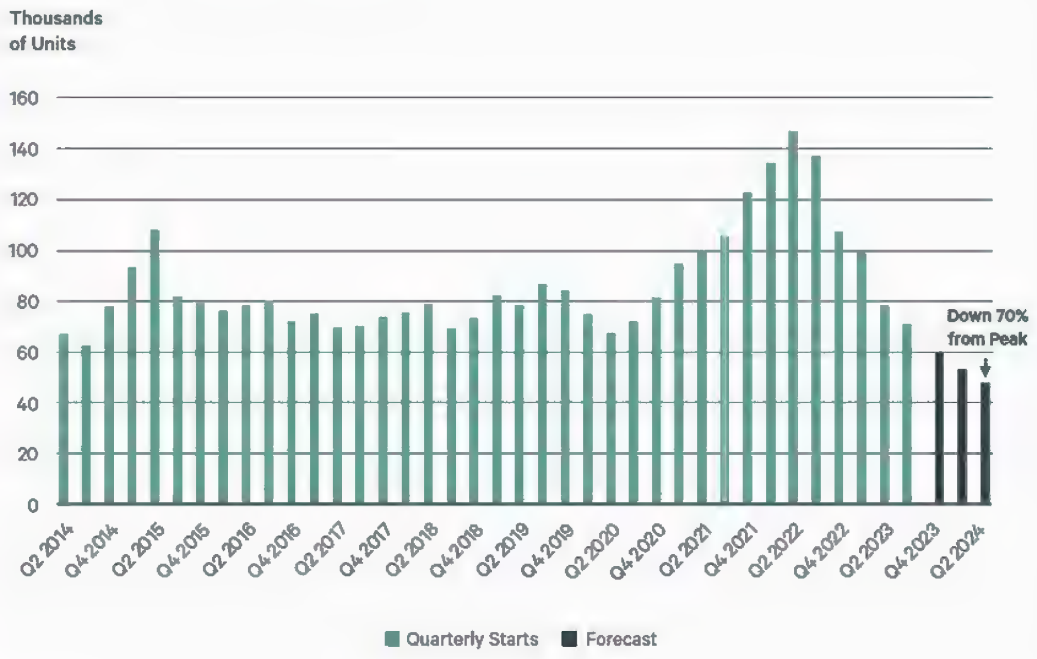


However, high interest rates and limited demand, along with record-high vacancy, will deter Office developers from breaking ground in 2024. The 36.1 million square feet in total construction completions expected in 2024 would be the lowest annual amount since 2014. CBRE forecasts that average prime office asking rent will increase by as much as 3%, a slower rate than in recent years. However, the shrinking supply pipeline is expected to improve office fundamentals and reduce supply-side risk to vacancy potentially giving rise to prime office space demand and office location, quality, flexibility and amenities will be more important than ever to attract occupiers. While economic headwinds and the prevalence of hybrid working will play a major role in occupiers' decisions in 2024, those that do lease space will flock to submarkets with an abundance of walkable amenities that help attract and retain the best talent.

K. MARKET ANALYSIS CONT'D

Multifamily investment strategies have also been impacted by the Federal Reserve's tightening of monetary policy. According to CBRE, the biggest wave of new apartment supply in decades will temper rent growth and improve affordability for renters in 2024. With delivery of 440,000 new units expected in 2024 and more than 900,000 currently under construction, the overall vacancy rate is expected to rise and rent growth to decelerate. Accordingly, multifamily construction starts are down substantially in response to overall weakening fundamentals and the rapid increase in interest rates. It is expected that starts will fall by 45% in 2024 from their pre-pandemic average and by 70% from their 2022 peak. This decline in starts means that new deliveries will be reduced to less than half the current level by 2026.

Figure 16: Historical & Forecast Multifamily Construction Starts



Source: CBRE Research, Q3 2023.

In conclusion, the shift in monetary policy as well as stagnant inflationary data hampering the economy, specifically construction costs, has made capitalizing high-rise multifamily construction extremely challenging and cost prohibitive in the current marketplace.

L. SWOT ANALYSIS

The ULI Team gathered much data and conducted a comprehensive analysis of the various Strengths, Weaknesses, Opportunities and Threats ("SWOT Analysis") of the existing City Hall site. The graphic provided below displays just this. These items should be accommodated or addressed in the redevelopment of City Hall.

M. CASE STUDIES

Boston, MA

- The City of Boston has begun implementation of a reimagining of their City Hall's public plaza and facility, built in 1968
- Key goals of the project are to make City Hall and it's plaza the civic heart of the city, as well improved operations for the City's administration.

Fort Worth, TX

- City Administration has begun move-ins to their new City Hall, a conversion of a 2004 office building located within their downtown. The program was designed to consolidate city staff and functions from 13 separate city buildings under one roof.
- Renovations began in 2022 and will be completed before the end of 2024.

Venlo, NL

- Traditionally known as an agriculture and distribution hub, the City of Venlo in the Netherlands finished construction of their new City Hall in 2016
- The project was designed to foster a culture of innovation in order to unlock new economic opportunities for the 21st century.

GLOBAL MEETS LOCAL

Fort Lauderdale is a unique city that serves as the heart of the commercial business district for Broward County and is also a prominent world-renowned City in its own right. As such, we felt we needed to take both a global view of other City Hall projects as well as local view of recent City Hall projects in the region. We offer these case studies as examples to understand how best to plan for a future city hall with the understanding that Fort Lauderdale's City Hall will need to be tailored to cater to its needs and wants.

Sunrise

Located at the southeast corner of West Oakland Park Boulevard and Josh Lee Boulevard, this modern, five-story, 95,000-square-foot building unites most of Sunrise's departments under one roof. The new City Hall provides Sunrise residents and businesses with one-stop access to customer service for permitting, utility billing, code compliance, and more. In the coming months, the old building will be demolished to make way for the construction of a 500-space parking garage, as well as an expanded amphitheater and great lawn for outdoor events.

Oakland Park

The City of Oakland Park partnered with NR Investments through a public-private partnership to create a mixed-use project with the vision of creating a vibrant and walkable downtown. Known as the "Sky Building," the development will include a mix of 136 residential units, 15,000 square feet of commercial space, and retail space to support local businesses and economic investment in the community. The City will move its operations to the east side of the Dixie Highway building and serve as a landmark tenant in the Sky Building.

Miami Gardens

The City of Miami Gardens has broken ground on a new "state of the art" Municipal Complex which includes a 70,948 square feet City Hall, a new 67,227 square feet Police Headquarters building, 418 parking spaces including electrical vehicle parking to meet LEED requirements, a mechanical Building to support the entire complex, and an attached one story structure that contains the City Chambers Community Room and Staff Fitness Center

III. RECOMMENDATIONS

LOCATION

As noted in Section II.c.i., the ULI Team did a thorough analysis of all viable lands for the future location of the City Hall and concluded that City Hall should be rebuilt in its current location. The prominent downtown location is adjacent to more businesses as well as people. The current City Hall location has adequate acreage for development and has the appropriate zoning and land use designations. While there is a significant amount of land for City parks, those lands are already designated as part of the minimum 8.5 acres needed for parks and open space under the County Comprehensive Plan and would have removed community benefits, placemaking, and resources. Further, this location had the best access to public transportation options, including the Brightline, mass transit, and the City connectors, which also leads to greater accessibility from all the City's 4 districts and the County. The City Hall site has no prior contractual obligations to outside parties nor had the land been slated for any other use.

NEW CITY HALL

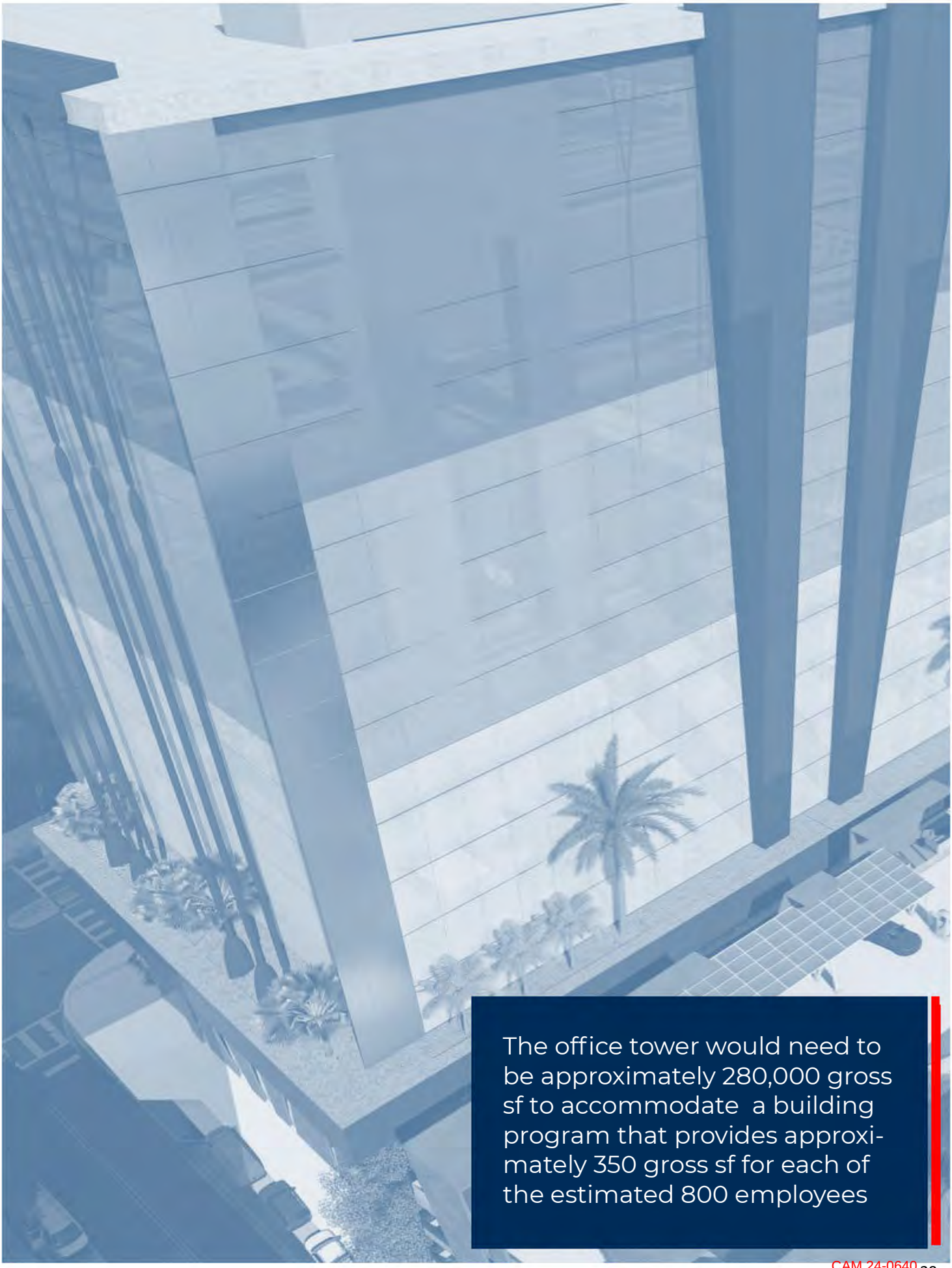
We recommend a new City Hall building on its current 2-acre parcel. The building should consist of an office tower over a podium. The building should predominately provide city services with ancillary commercial space.

The new City Hall should accommodate virtually all of the departments to allow for the centralization of services. All leased spaces within the City should be consolidated into the new City Hall. Departments in City-owned properties, with the exception of Police, Fire Rescue and Parks and Recreation, should be consolidated into this new building. Buildings which are left vacant as a result of the consolidation should be redeveloped or reused with alternative uses that are compatible with the surrounding area and Comprehensive Plan.

Department	Number of Employees within New City Hall
City Attorney	31
City Auditor	7
City Clerk	8
City Commission	15
City Manager	57
CRA	11
Development Services	293
Finance	70
Transportation + Mobility	40 – Excludes shop and maintenance
Parks and Recreation	2*
Public Works	120 – Excludes fleet and maintenance
Fire Rescue	2*
Police	2*
Human Resources	45
Information Technology	81
Office of Management & Budget	16
Estimated Total of Employees to be within New City Hall	**800 employees**

As shown in the chart, we estimate that the new City Hall will accommodate approximately 800 employees from several departments under one roof. These suggestions are subject to change based on actual employee count requirements.

The development should assume that all employees will report to the physical place of business 100% of the time. Should the City choose to implement remote work as a permanent solution or as an employee benefit, we suggest using the excess capacity within the building generated by remote work as a path for future growth.



The office tower would need to be approximately 280,000 gross sf to accommodate a building program that provides approximately 350 gross sf for each of the estimated 800 employees

III. RECOMMENDATIONS

NEW CITY HALL CONT'D

The design of the building should be inviting and effort should be put into ensuring the premises are not intimidating to the community. All spaces should be technology forward. When appropriate, spaces should be designed in a manner to be flexible and have multiple uses. The building should be designed to be secure and have the ability to locked down in an emergency type situation.

The podium of the new City Hall should feature the following spaces beneath the office tower:

- City Chambers
- Meeting space
- An auditorium
- Space to showcase local businesses and act as an incubator for small businesses.
- A museum to outline the history of Fort Lauderdale.

  This does not have to be large in scale and can be a creative way to use areas within the building that may be perceived as less desirable.
- A local artist gallery.

  This does not have to be large in scale and can be a creative way to use areas within the building that may be perceived as less desirable.
- Digital library space for young adults within the community to be able to access the internet and study should there not be those opportunities in their household.
- An area to allow educational opportunities for children specific to the City and local ecology.
- A concierge type area to assist the community in understanding the services provided within the building.

  This can be virtually integrated or a physical person.
- An area to pay municipal bills.
- A large outdoor covered plaza.

  This area can be programmed for placemaking events such as a farmer's market, outdoor movies and yoga.
- Other third-party managed amenities in commercial spaces, which may include the following:
  - Food and Beverage
  - Daycare facilities
  - Gym
  - Barber shop
  - Healthcare.

The estimated additional gross square footage for the podium areas noted above will be approximately 70,000 square feet, bringing the total gross square footage for the project to approximately 350,000 gross square feet.

III. RECOMMENDATIONS

FUTURE MIXED DEVELOPMENT

The current mid-rise parking garage adjacent to the new City Hall is not the highest and best use of this 2.5 acre site.

Upon the expiration of the air rights lease in 2050 (or sooner if it can be negotiated), the City should consider a future mixed-use development for this site.

For this future development on the parking garage site, we envision a vibrant and dynamic hub that seamlessly integrates residential, commercial, and public spaces. The inclusion of affordable housing aims to address the pressing need for accessible living options in the heart of the city, ensuring that individuals and families from diverse economic backgrounds can enjoy the benefits of urban living. By combining residential and office spaces, this project promotes a live-work-play environment, reducing commute times and fostering a sense of community among residents and professionals alike.

The project would be conceived as a public-private partnership, leveraging the strengths and resources of both sectors to maximize community benefits. The collaboration aims to deliver a development that not only meets market demands but also aligns with public policy goals, such as increased housing affordability and urban revitalization. Alongside the residential and office components, the development will feature ample parking facilities to accommodate the needs of residents, workers, and visitors and City Hall.

Fiscal benefits from the future development may include lease payments and financial contributions toward the construction of other public infrastructure. These benefits can help to offset some of the costs to develop the new city hall facility.

Office and market rate units for rent or sale may be incorporated into the programing of this phase, but only after a minimum of 800 affordable units have been incorporated into the base program. 800 is the approximate population of homeless individuals within the City of Fort Lauderdale limits. The intent is not to house the homeless individuals directly, but instead use the process of adding a specific number of affordable units to provide awareness towards the situation in the City's proverbial back yard.

The development can be divided into two additional Phases if needed to manage the parking constraints but generally should consist of two mixed-use residential towers which provide affordable housing. The mixed-use towers will sit over the existing parking garages adjacent to the City Hall site.

Similar to the recently approved 30-story Flagler Village rental tower pictured here, the parking garage parcel is a prime location for a future P-3 mixed use development with an affordable housing component

III. RECOMMENDATIONS

PARKING

There is no parking requirement under the Zoning Code for commercial and office uses in the Downtown Core, and the location is centrally located to public transportation options. As such, an appropriate parking ratio for the building is 0.5 parking spaces per employee, which the current parking garage can satisfy. Peak demand for the office and commercial areas noted should not overlap, and parking can serve dual uses.

We are, however, taking into account the ability to build a standalone parking garage between the new City Hall building and the existing parking garage. This garage can be constructed with the City Hall building should City Staff feel there needs to be a transition period that allows for more vehicular transportation given the proposed departments' relocations. The new garage proposed, in our opinion, will inevitably need to be built in order to execute the future mixed use development on the parking garage site. This new garage will be approximately 120,000 gross square feet.

III. RECOMMENDATIONS

RECOMMENDED BUILDING

FEATURES

CONSOLIDATED CITY HALL
OPEN SEATING AREAS
COMMERCIAL SPACES
LOCAL ART
SHADED OPEN PASSIVE SPACE

RESILIENCY + INFRASTRUCTURE

After the historic rain event of April 12, 2023, the new Fort Lauderdale City Hall, a vital center for governance and community services, must become a symbol of resilience for its residents. Creating a robust structure to withstand future threats like hurricanes, flooding, and rising sea levels is essential. This can be achieved by reinforcing the building's framework, upgrading windows and doors to impact-resistant materials, and enhancing the roof's durability. Additionally, a comprehensive flood defense system, including elevating critical infrastructure and incorporating flood barriers, will safeguard the building from rising water and storm surges, ensuring essential services remain operational during and after disasters.

i. The Crucial Role of Stormwater Resiliency for City Hall

While preventing flood damage is critical for City Hall, the benefits of stormwater resiliency extend far beyond simply protecting the building's structure. Here's how a comprehensive strategy can make City Hall a more resilient and sustainable hub:

Reduced Risk of Flooding: Intense rainfall events and rising sea levels create a double threat of flooding for City Hall. Stormwater management solutions like permeable pavements installed around the building can absorb and filter rainwater before it overwhelms the drainage system or mixes with rising seawater. Setting the finish floor elevation above the 100-year storm elevation further reduces the risk of flooding, protecting essential equipment and documents, and ensuring the continued operation of critical services during and after disasters.

Improved Air Quality + Public Health: Traditional runoff can carry pollutants that get trapped near the building, impacting air quality. Green infrastructure like rain gardens strategically placed around City Hall can act as natural filters, removing these contaminants before they enter the air or nearby waterways. This not only improves the air quality inside City Hall but also contributes to a healthier environment for staff and visitors.

Reduced Strain on City Infrastructure: By absorbing and filtering rainwater, stormwater management systems lessen the burden on internal drainage systems. This translates to lower maintenance costs for City Hall's plumbing and reduces the risk of backups or overflows within the building.

Community Benefits: Green spaces incorporated into the stormwater management strategy can create pockets of recreation and improve the overall livability of the City.

ii. Building for Sustainability

In parallel with physical upgrades, integrating sustainable design strategies is crucial. The building's east-west orientation should maximize winter sunlight and minimize summer heat gain through strategic overhangs. Conference rooms should face north or south, with adjustable window treatments for managing light and heat in east-west-facing spaces. Advanced glazing with thermally broken frames and Low-E coatings will achieve superior solar control and optimize light transmittance. The design should also prioritize bird-safe glazing and superior airtightness, meeting Passive House Institute US standards for energy efficiency.

Energy production and management are essential components of the building's design. Potential use of thin-film photovoltaics for demonstration and practical energy generation can significantly contribute to energy efficiency. The existing parking deck and City Hall roofs should support photovoltaic panels to strive towards a net-zero energy goal. Water and waste management should focus on implementing low-flow plumbing fixtures and innovative water conservation practices like rainwater collection and condensate water recycling. The construction process should target TRUE certification to ensure maximum resource efficiency and waste diversion from landfills.

Operational sustainability post-opening will emphasize reducing waste, energy conservation, and water saving, underpinned by policies such as plastic reduction, recycling, and sustainable purchasing. Continuous monitoring of environmental impact and guest satisfaction through advanced systems like energy recovery units and CO2 monitors in meeting spaces is essential. The project should be designed to meet minimum LEED certification, highlighting a commitment to sustainable building practices and operational efficiencies that contribute to a reduced carbon footprint and enhanced community experiences.

By implementing these comprehensive stormwater management strategies, physical upgrades, and sustainable design elements, Fort Lauderdale City Hall can become a model for resilient urban development. This not only protects the building itself but also contributes to a healthier, more sustainable city for residents and visitors alike.

City Hall should integrate sustainable building practices, such as the use of solar panels and electric vehicle charging stations, as shown in this picture.

III. RECOMMENDATIONS

COST ANALYSIS + FINANCING

Overall project cost(s) to construct the proposed 350,000 square foot structure is estimated to be stand around approximately $180 million dollars.

Given the City of Fort Lauderdale's current bond capacity, the City should consider the application of any available federal grant or subsidy available to the municipality including but not limited to:

- Transit Oriented Development Grants
- Transportation Infrastructure Financing and Innovation Act ("TIFIA")
- Emergency Management Assistance Grants
- Transportation Grants
- Community Development Grants
- Energy Efficiency and Renewable Energy Grants
- Energy Efficiency and Conservation Block Grant (EECBG)
- Emergency Relief (ER) Program

Application of federal grants or subsidies will help reduce capital sources required to balance development uses. Remaining gaps in the capital stack may be filled by newly raised General Obligation Bonds which in effect will be more cost effective than borrowing private capital in today's marketplace. Today, the average Construction-only loan is about 7.25% interest-only (+/-325 BPS + 1M SOFR) and requires origination and deposition fees prior to payoff.

PROJECT DELIVERY METHODS

Given the need to deliver a new City Hall quickly and the desire to maintain competitiveness, we suggest an Assisted Design, Bid, Build for the redevelopment of City Hall. We suggest working with the Procurement Department to ensure the adjustments to the Design, Bid, Build process complies with all statutory requirements.

The suggested adjustment primarily is to have the City retain a local professional who may provide guidance on the Pre-Development and Development processes. This local professional should always have the City's best interest in mind. At a minimum, this Consultant should assist in curating a project team to bid for the entitlement and design portion of the Project. Throughout the design development phase, the Consultant should have the ability to guide the design team from a programming and constructability standpoint, taking the difficult decisions away from City Staff but always considering stakeholder input. They should be able to interview and compile a list of qualified and competent bidders once the design is complete as well as assist with the leveling of such bids. They also should have the ability to monitor and manage construction progress through completion of the Project.

We believe this approach, should will allow the City to outsource Development expertise, which they do not have in house, while maintaining the highest level of competitiveness throughout the process, in turn being good stewards of the City's funds.

For the future mixed-use development on the Parking Garage parcel, we suggest a Public Private Partnership model or "P3" Delivery. Given P3s can be more controversial, we are not suggesting it for the initial phase of redeveloping City Hall. The future redevelopment of the existing parking garage will be more complicated, but it should have more revenue generating possibilities to justify a P3. There also will inherently be more time to manage the complications and controversies allowed for the following phase given the City's initial needs have been met with the construction of their new City Hall.

III. RECOMMENDATIONS

CONCLUSION

Fort Lauderdale's new City Hall should serve as a central place for the City's government and represent the vibrancy of the local community. Given the information we have collected during this process, and combined with a bevy of stakeholder feedback, we recommend developing the new City Hall on the existing downtown site.

We recommend creating a large facility to serve as a central place for government, which consolidates a majority of City departments and staff. Consensus amongst the City Staff indicated that government and city services can operate most efficiently under one roof. Additionally, a central building serves as an opportunity to deliver quality public space to the community.

We recommend that the public space incorporate a large plaza and/or open space for the community. This space should be flexible: regularly passive, but able to be activated for workshops, gatherings, and other communal activities. The public space may also include flex commercial space, museum/historical exhibits, and services for the community.

We recommend the new facility be technology forward, with numerous flexible spaces with the ability to host both in-person or remote working sessions.

Finally, we recommend that the City pursues a future redevelopment of the existing parking garage as phased, mixed-use public-private partnership. A 4-story parking garage is not the highest-and-best use for the 2.5 acre site in the City's downtown core. We recommend this be pursued following the completion of the new City Hall.

IV. APPENDIX

APPENDIX ITEMS

A. Parking Garage Agreements

B. Parking Garage Studies

C. Case Studies Back Up

The above listed documents are voluminous; to avoid unnecessarily printing these documents and to be conscious of the environment, a link to these documents can be provided upon request.

REFERENCE LIST

City of Fort Lauderdale
Infrastructure Task Force / Dickey Consulting /
American Institute of Architects, FAU Student Chapter
Broward County MPO
Fort Lauderdale Downtown Development Authority
Sun Sentinel
Miami Herald
US Census
CBRE
City of Fort Worth
City of Venlo / Ellen MacArthur Foundation
City of Boston
City of Sunrise / Song + Associates
City of Oakland Park
City of Miami Gardens

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Mike Pitchford, ULI Team 3 Advisor
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- Yvette Matthews, Director of Budget + Management
- Donna Varisco, Executive Assistant

This report was prepared by

ULI Southeast Florida/ Caribbean

2024 LEADERSHIP INSTITUTE COHORT—TEAM 3

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