

**TOWN OF LAUDERDALE-BY-THE-SEA
TOWN COMMISSION
SPECIAL MEETING MINUTES
Jarvis Hall
4505 Ocean Drive
Monday, June 24, 2019
6:00 PM**

1. CALL TO ORDER, MAYOR CHRIS VINCENT

Mayor Vincent called the meeting to order at 6:00 p.m. Also present were Vice Mayor Elliot Sokolow, Commissioner Edmund Malkoon, Commissioner Alfred "Buz" Oldaker, Commissioner Randy Strauss, Town Manager Bill Vance, Town Attorney Susan L. Trevarthen, Development Services Director Linda Connors, Town Engineer Jay Flynn, and Town Clerk Tedra Allen.

Mayor Vincent briefly reviewed the history of the three sites purchased by Florida Development Group (FDG) South, LLC. Since the time of purchase they have accrued roughly \$7 million worth of liens and Code violations. At the December 11, 2018 meeting, the Commission directed the Town Attorney to file foreclosure action against FDG South. Following the policy direction given at the March 12, 2019 meeting to stay the foreclosure lawsuit, the Town Attorney filed a joint motion for a temporary stay of foreclosure to allow FDG South the opportunity to bring the properties under purchase and sales contract.

FDG was successful in this effort and entered into a contract to sell the subject properties to Concord Wilshire Pillsbury Group (known as Concord Wilshire). Pursuant to the stay of foreclosure, Concord Wilshire is required to submit applications for Site Plan approval and Code Compliance lien mitigation in a timely fashion. The deadline for filing these applications with the Town is June 28, 2019.

If the deadline is met, the Town has agreed to file a request for an additional stay of foreclosure, during which time they will process the Site Plan, lien mitigation, and other applications necessary for the hotel redevelopment of the properties. This will also provide an opportunity for FDG to finalize their purchase and sales contract. If the necessary applications are not filed by Concord Wilshire, the stay of foreclosure will cease and litigation will proceed.

The proposed hotel development is premised upon vacating a portion of El Mar Drive beginning at Palm Avenue and ending at the northern boundary of the Holiday Inn and Villa Caprice properties. Prior to official filing of the Site Plan and other necessary

applications, both Staff and Concord Wilshire request policy direction from the Commission on the proposed right-of-way vacation and related Site Plan.

The proposed hotel development includes 230 hotel units encompassing both the Holiday Inn and Villa Caprice properties. The existing structure on the Holiday Inn property will be demolished and replaced with a new 100,000 sq. ft. structure at the grandfathered height limit that currently exists. The development will include additional building square footage to be constructed at the maximum allowed height of three stories and no higher than 33 ft. above normal grade.

To accommodate the proposed development, Concord Wilshire requests to vacate a portion of El Mar Drive, subject to the existing 20 ft. utility easement. If the right-of-way is vacated, the street would be closed to vehicular and possibly pedestrian traffic. A boardwalk fronting onto the ocean is proposed for pedestrian circulation.

A traffic study will be submitted by Concord Wilshire to address the effects and identify required mitigation associated with the proposed hotel development. They have also identified the need for two variances necessary to implement the development:

- Increasing the maximum building length
- Reducing setback requirements

Mayor Vincent advised that the materials provided by Concord Wilshire are preliminary documents submitted for initial review and discussion, and do not represent final application materials or plans. Staff has not yet completed a formal review of the attached materials, nor have they made a file determination regarding the completeness or compliance of the application with Town Charter, Codes, or any applicable regulations. The formal application will be subject to the Town's Development Review requirements and procedures.

Mayor Vincent concluded that the workshop is intended to establish a clearer understanding of the proposed Site Plan for redevelopment of the FDG South properties. He emphasized that this is the first of many phases and discussions to come. Public comment will be allowed following the presentation from Concord Wilshire.

The following Item was taken out of order on the Agenda.

3. DISCUSSION ITEM – Proposed Redevelopment of FDG South Property

- **The Town Commission will hear and discuss a presentation by Concord Wilshire of a development concept for the former Holiday Inn Hotel, located at 4116 North Ocean Drive, and (ii) the former beachfront Villa Caprice Hotel, located at 4108 and 4110 El Mar Drive, properties that are currently owned by Florida Development Group South, LLC**
 - **Proposed Development for 4116 Ocean Drive (former Holiday Inn) and 4108 and 4110 El Mar Drive (former Villa Caprice)**

Dennis Mele, representing Concord Wilshire, advised that the level of detail presented at tonight's workshop will be less than what is expected of a normal Site Plan approval hearing. The group expects to file its formal Site Plan application later in the week, along with a lien mitigation application.

Mr. Mele explained that Concord Wilshire considered the previous structures on the subject property, as well as acreage, height, and density, in determining the number of rooms proposed for redevelopment. Code and Charter provisions were reviewed in order to ensure that their proposal fit within the Town's parameters. They also looked into parking requirements.

While a previous version of the Site Plan showed 230 rooms, the current plan would provide 207 units. Mr. Mele showed different orientations of the property in order to display vehicular, pedestrian, and bicycle circulation. As the Town also wishes there to be circulation along El Mar Drive, the group is considering ways to accommodate this as well. They are consulting with coastal engineers to determine the elevation at which the project's first habitable floor will begin. This elevation is dictated by Federal Emergency Management Agency (FEMA) regulations.

Elements of the hotel may include two major brands. Mr. Mele stated that Concord Wilshire has significant expertise in hotel development. Driveways on the properties from A1A will remain the same in accordance with Florida Department of Transportation (FDOT) regulations. Circulation will remain interior to the property to prevent traffic from entering nearby neighborhoods.

Mr. Mele reviewed views of the beach and ocean from the proposed buildings as well as the boardwalk, pointing out that these plans do not exceed the height, square footage, nor room count currently allowed on the site. The parking garage plan provides interior circulation to the garage and back out to Palm Avenue.

Development Services Director Linda Connors explained that Staff reviews all Site Plan applications and processes them before the Town Commission. The procedure for review of Concord Wilshire's upcoming application will include months of review to determine what does or does not meet Town Code. A public hearing will be held before the Town's Planning and Zoning Board. Property owners within 300 ft. of the proposed development will be notified of this hearing. If variances are required, there may be another public hearing before the Board of Adjustment.

Once the application has been reviewed by the appropriate advisory body or bodies, it will come to the Town Commission for another public hearing. This meeting will also require public notice. The Commission will vote upon the project at that time.

Development Services Director Connors emphasized that this can be a very long process. She added that it was likely the hearings on this proposed project will fall on dates when most Town residents will be present during the cooler months of the year.

2. PUBLIC COMMENT

At this time Mayor Vincent opened public comment.

Barbara Cole, resident, felt El Mar Drive was prime real estate within the Town that is regularly used by residents, and expressed concern that vacating a portion of this roadway would lead to a domino effect on other Town roadways. Aside from this concern, she felt the project could be positive for the Town.

Mersine Hennessey, resident, asked how many variances would be required if the project advances as indicated in Concord Wilshire's plans. She also stated her opposition to any vacation of El Mar Drive.

Karen Pontano, representing the Board of Directors of the Caribe, asserted that their primary concern was blocking off a portion of El Mar Drive that would affect their building. She was also concerned with the traffic the development would generate, loss of pedestrian safety, and the potential effect on sea turtle nesting season.

Mayor Vincent clarified that there have been no proposals that would block off El Mar Drive from pedestrian traffic. He added that Palm Avenue will not be vacated, and access will continue to be provided for the Caribe and the Surf and Yacht Club.

Alex Kublickis, resident, described the existing buildings on the subject properties as eyesores that contributed to loss of revenue for nearby businesses. He felt the proposed development had the opportunity to create a high-end resort and concluded that a compromise to allow the development would give the best result for the Town.

Ryan Hanrahan, resident, advised that while he did not oppose new development, he was not in favor of any blockage of vehicular traffic on El Mar Drive. He also expressed concern that the entrance to the hotel would be located directly off A1A and that the project proposes an above-ground garage.

Susie Wojtowicz, resident, also opposed blocking El Mar Drive. She advised that any traffic study conducted by Concord Wilshire and/or the Town should be held during the high season to get a clear idea of the volume in-season traffic. She provided the Town Clerk with a letter from neighbors who were unable to attend the workshop.

Mark Stern, resident, commented that the scope of the proposed project was excessive for a small town with respect to its size and its effect on traffic. While he agreed the subject property should be reclaimed and eyesore structures removed, he also opposed taking away any portion of El Mar Drive.

John Boudin, resident, reiterated that the proposed project would not close El Mar Drive, but would change an access point to it so residents and pedestrians will still be able to use the roadway. He recalled that the Town has made great improvements since approximately 2010.

Ellen Percudani, expressed concern with the effect that closing El Mar Drive would have on emergency vehicular access. She added that El Mar Drive provides easier access for individuals with disabilities who may have difficulty accessing the Town via A1A, and cautioned that a boardwalk could make the beach less safe for nesting sea turtles.

Lisa Quaranto, resident, stated that her primary concern was traffic flow in the subject area, particularly for cyclists that access El Mar Drive from Hibiscus Drive. She was in favor of a traffic study that took drivers, cyclists, and pedestrians into account.

Lang Ryder, resident, opposed any vacation of El Mar Drive for development purposes. He pointed out that the prospective purchaser does not yet own the property in question.

Kelly Byron, resident, opposed closing El Mar Drive to vehicular traffic, and noted that a current public access area with two parking spaces would effectively belong to the hotel if the proposed plans are followed. She felt the proposed boardwalk should be moved back to the property line.

Denise Lambert, resident, cautioned that allowing large hotel chains to develop within the Town and take control of public property could set an unwanted precedent. She also expressed concern with the proposed project's impact on traffic.

Nancy Dvorak, resident, did not believe any development should take over a public roadway. She also expressed concern with access for vehicles serving the proposed hotel, and with the availability of the proposed boardwalk for multiple modes of transportation.

Greg Anderson, resident, stated that he was concerned for individuals with physical disabilities who regularly use El Mar Drive to access other parts of the Town. He also cautioned that the current property owner, who has accrued millions in liens and Code violations, will benefit if the property is sold.

Rich Barnhart, resident, felt good points had been raised on both sides of this issue. He noted that the subject property is affecting local property values, and emphasized that the workshop is a preliminary discussion.

David Chanon, resident, advised that vacation of a portion of El Mar Drive could result in traffic and safety issues for the Town. He felt a responsible project such as this should be developed on the subject site; however, he objected to giving public property to a private owner without public benefit.

With no other individuals wishing to speak at this time, Mayor Vincent closed public comment.

The Commission took a brief recess at this time.

Upon resumption of the meeting, Development Services Director Connors addressed many of the questions raised by members of the public, including:

- Number of variances needed for the proposed project: this is not yet known, as a finalized application has not been submitted for review thus far

- Traffic issues: these will be reviewed first, and the applicant is required to have a traffic engineer perform and submit a study or studies to Town Staff; the Town's traffic engineer will also review the studies
- Closure: public access to the beach will not be closed at the end of the Town's Portals; none of the requests made by the developers of the Plunge Hotel had included a request for any closure of El Mar Drive
- Contract subject to vacation: the proposed contract is subject to the purchaser being able to apply for a vacation, not to their receiving the vacation
- Loss of sand dunes: the landscaping shown in the renderings is not absolute, and must follow state regulations regarding vegetation
- Loading/unloading of service vehicles: trucks are designed to load or unload at a specific location of the site's surface parking area
- Turtle issues: the developer is required to follow all state regulations regarding turtle safety, including use of amber lighting on the proposed boardwalk
- Establishing a precedent: any application accepted by Staff for review must go before the Commission at a public hearing and is judged on a case-by-case basis
- Sidewalks: the project will include sidewalks

Mr. Mele of Concord Wilshire also addressed residents' concerns, clarifying that it is customary for a contract purchaser to postpone closing on the property until a project has been approved. He added that while it is unfortunate that the current owner of the property would benefit from the transaction, the Town would be better off resolving issues and working with a new owner. He concluded that Concord Wilshire is now more aware of which aspects of the project require further address.

Additional questions were asked by the public at this time. John McMillan, resident, requested clarification of whether or not a hotel must be built on the property. Mr. Mele confirmed that it is the prospective owners' intent to build a hotel.

It was also asked when a traffic study for the subject property would be conducted. Mr. Mele advised that any traffic study must either occur during the peak season or be adjusted to reflect peak season traffic.

Jim Madgett, resident, requested additional information regarding the height and makeup of the proposed building(s). Development Services Director Connors explained that with the exception of the grandfathered five-story building, height is limited to 33 ft. from a building's first habitable floor. The grandfathered five-story building will have 100,000 sq. ft. The Town's Charter provides this protection to properties with an

approved Site Plan prior to demolition. The building allowed the grandfathered height may be constructed on any part of the Holiday Inn site; however, this would not be permitted on the Villa Caprice site.

Commissioner Oldaker requested additional information on the conclusions that will be reached by the prospective traffic study, which may include assumptions that are not helpful to existing situations or plans. Mr. Mele advised that an applicant's traffic study will be performed by an engineer who will meet with the Town's traffic professional to discuss methodology.

Jay Flynn, Town Engineer, continued that traffic studies determine the impact a development will cause to local traffic. Depending upon that impact, the developer may need to improve traffic conditions to ensure traffic is not degraded by the development.

Town Attorney Trevarthen further explained that based on the Town's research, they have first priority on the subject property through foreclosure; however, the Town's claim is only a fraction of the property's potential value, which means they would not own the property outright. Returning to the foreclosure process would include significant litigation by FDG South.

Vice Mayor Sokolow also spoke positively about the proposed project and its potential impact, and the prospective developer has heard at tonight's meeting that residents do not wish El Mar Drive to be closed to vehicular traffic. He concluded that he was in favor of the proposal and felt it was likely the Town can find middle ground with Concord Wilshire.

Commissioner Malkoon commented that he had spoken to acquaintances in the hospitality industry regarding what might be done with the subject property. The Town's preference is for a hotel that will support the local hospitality economy and by extension other Town businesses. The feedback he received indicated the site can be converted to a hotel without the necessity of vacating a portion of El Mar Drive. He felt Concord Wilshire was a capable developer and willing to compromise.

Mayor Vincent also expressed confidence in Concord Wilshire as a development partner, pointing out that the applicant is not challenging the height or density requirements of the subject site. He emphasized that there are likely to be concessions on both sides in reaching a compromise.

4. ADJOURNMENT

Lauderdale-By-The-Sea
Commission Workshop
June 24, 2019

With no further business to come before the Commission at this time, the meeting was adjourned at 7:42 p.m.



Mayor Chris Vincent

ATTEST:



Town Clerk Tedra Allen



Date