



## LETTER TO THE COMMISSION

**LTC No: 26-087**

**TO:** Honorable Mayor and Members of the Fort Lauderdale City Commission  
**FROM:** Rickelle Williams, City Manager *RW*  
**DATE:** March 26, 2026  
**SUBJECT:** **International Swimming Hall of Fame Phase 2A Financial Closing**

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The purpose of this Letter to the Commission (LTC) is to update the Commission on the upcoming financial closing of Phase 2A of the International Swimming Hall of Fame project.

On September 19, 2023, the City Commission adopted a resolution approving a Comprehensive Agreement (CA) with Hall of Fame Partners, LLC (HOFP) for a qualified project that includes the construction, maintenance, and operation of the East and West buildings (Improvements) at the International Swimming Hall of Fame Complex located at 501 Seabreeze Boulevard (Property). Pursuant to the terms of the CA, the City will lease the Property to HOFP to facilitate the operation and maintenance of the project, and Hall of Fame Partners will sublease the Improvements to the City (Master Facilities Lease) that will in turn sub-sublease the facilities to the International Swimming Hall of Fame, Inc., a Florida Not for Profit Corporation, or to an organization affiliated with the International Swimming Hall of Fame, Inc. that meets the criteria of section 8.13 of the City Charter, or both.

The CA provides that the City will have the opportunity to review and comment on the plans and budget for the respective phases. Phase 1, which included the demolition and abatement of the West building, seawall construction, Ocean Rescue building, and related soft costs, closed in October 2024. Phase 2 includes the West Building (ISHOF Museum, including exhibits and tenant Improvements, aquarium, event space, intracoastal and rooftop restaurants) and related soft costs. Phase 3 includes the renovation of the East building (retail and café), dive grandstand, dryland training, teaching pool, elevated promenade, and related soft costs. Phase 4 includes public dock, shade structures, and related soft costs.

HOFP is able to complete financial close with their lender when the City and HOFP execute certain agreements, or amendments to existing agreements. The City and HOFP have agreed to bifurcate Phase 2 closing into Phase 2A and Phase 2B, in order to minimize interest carry amounts. The City (City Manager executing and City Attorney approving as to form) signed Phase 2A closing documents this week and transmitted

those documents to HOFPP for their execution. Financial closing is expected to occur on Tuesday, March 31, 2026.

Authority for the City Manager to sign the related closing documents is contained in Section 13.17 of the Comprehensive Agreement with Hall of Fame Partners, entitled Delegated Authority which states "Subject to the approval of the City Attorney, the Mayor and the City Manager shall have the power, authority and right, on behalf of the City, and without any further resolution or action of the City Commission, to negotiate the final terms and execute the documents approved in substantially the form attached to this Comprehensive Agreement, as set forth in Section 1.01 above, as well as all documents that are ancillary to the Project and consistent with the terms of this Comprehensive Agreement". Section 1.01 includes the Ground Lease, the Master Facilities Lease, and the Design Build Agreement.

To effectuate the Phase 2A financial close, the documents below were signed by the City Manager, approved as to form by the City Attorney, witnessed by two (2) individuals, and notarized.

- First Amendment to Ground Lease
  - Recognizes amendments to the Comprehensive Agreement (approved by City Commission on January 6, 2026) and the Master Facilities Lease;
  - Fixes term of lease to expire on January 1, 2059 (one day after expiration of Master Facilities Lease); and
  - Acknowledges payment of \$5,000 ground lease rent in full.
- First Amendment to Memorandum Ground Lease – this document will be recorded with County Clerk of Courts
- First Amendment to Master Facilities Lease Agreement
  - Recognizes amendments to the Comprehensive Agreement, Ground Lease, and the Design Build Agreement;
    - Design Build Agreement between Hall of Fame Partners and Hensel Phelps. Amendment to Design Build Agreement updates; and construction amount for Phase 2A and updates liquidated damages amount;
  - Updates "Delivery Date" for each Phase;
  - Fixes term of lease to expire on December 13, 2058;
  - Fixes Rent Commencement Date to January 1, 2029;
  - Updates Rent schedule to reflect Phase 2A (Exhibit B);
    - Updated annual rent for Phases 1 and 2A is \$4,897,682.76 commencing on January 1, 2029. Note this amount will be updated on subsequent financial closings for additional phases (maximum rent in year one (1) pursuant to the amendment to the CA is \$13,600,000).
  - Refines "Additional Rent" definition (Taxes, insurance, other expenses)

- Tap/connection charges, any impact fees – city pay direct vs. “additional rent”; and
  - Updates required insurance language to reflect City’s self-insurance program.
- First Amendment to Memorandum of Master Facilities Lease Agreement – this document will be recorded with County Clerk of Courts
- Estoppel Certificate
  - Recognizes amendments to Comprehensive Agreement, Ground Lease, Master Facilities Lease;
  - Fixes Rent Commencement Date at January 1, 2029;
  - Acknowledges there is currently no Base Rent or Additional Rent owing; and
  - Acknowledges there is currently no breach or event of default by any party.
- Estoppel Affidavit of Ground Lessor
  - Acknowledges:
    - Ground Lease in full force and effect;
    - There are no defaults;
    - There are no unrecorded amendments;
    - There are no additional liens or charges; and
    - Consent to mortgage modification.
- Rent Direction Letter
  - Fixes Rent Commencement Date at January 1, 2029.

The following was signed by the City Attorney:

- Opinion Letter.

For additional information, please contact Ben Rogers, Assistant City Manager, at [BRogers@fortlauderdale.gov](mailto:BRogers@fortlauderdale.gov) or (954) 828-3781.

c: Shari McCartney, City Attorney  
David R. Soloman, City Clerk  
Patrick Reilly, City Auditor  
City Manager’s Office  
Department Directors