



Memorandum

File #: 17-00662

City Council

2/8/2018

LEGISLATIVE ACTION ITEM

SPONSOR: City Council President Gerald Wingate

SUBJECT:

CLARIFICATION OF BRUCE BEACH LEASE

RECOMMENDATION:

That City Council adopt the Clarification of Lease Agreement with the Florida Fish and Wildlife Conservation Commission. Further, that City Council authorize the Mayor to take all actions necessary to execute the Clarification of Lease Agreement.

HEARING REQUIRED: No Hearing Required

SUMMARY:

As a result of the Deepwater Horizon Oil Spill and related response actions, the public's access to, and enjoyment of, natural resources along Florida's panhandle was denied or severely restricted. In April 2011, the Natural Resource Trustees (Trustees) and BP Exploration and Production, Inc. (BP) entered into the Framework Agreement for Early Restoration Addressing Injuries Resulting from the Deepwater Horizon Oil Spill (Framework Agreement). Pursuant to the process articulated in the Framework Agreement, the Florida Fish and Wildlife Conservation Commission (FWC) requested to lease a parcel of land at the Port of Pensacola or a parcel of land most commonly known as "Bruce Beach", to be used as a fisheries, habitats, and education, research and restoration facility. The project would enhance and/or increase the public's use and enjoyment of natural resources, helping to offset adverse impacts to such uses caused by the Spill and related response activities.

At the June 20, 2011 special meeting of the City Council held to discuss the FWC request, the Council voted unanimously to authorize the Mayor to enter into lease negotiations with FWC for the Bruce Beach location for the Gulf Coast Marine Fisheries Hatchery and Enhancement Center (Center). Based on that decision, the Trustees approved the project for negotiation with BP.

Those negotiations resulted in the Center being included among the 44 projects included in the Draft Programmatic and Phase III Early Restoration Plan that was published in December 2013.

On May 8, 2014, City Council authorized the Mayor to execute a lease agreement with FWC for the Bruce Beach property for the purpose of developing the Center. The approval of the lease was preceded by an open, deliberative and democratic process that included multiple opportunities for public input at the federal, state and local level. In reliance on that lease, five states, six federal agencies and BP approved the project for inclusion in Phase III of the Deepwater Horizon Oil Spill Early Restoration process and filed project

stipulations in court. The Trustees allocated \$18,793,500 from the Early Restoration Fund to FWC to be used for the rehabilitation of Bruce Beach and the design and construction of the Center. The money also provides five years of operation and maintenance costs. After five years, operation and maintenance costs will be the responsibility of FWC for an additional twenty-five years.

After the lease was approved, eight public meetings were held to provide input on such things as site design, building aesthetics, the cultural significance of the site, and complementary conservation and educational programming. Those meetings culminated on December 8, 2016 with the unanimous approval by City Council of the site plan for the Center.

The Lease Agreement provided for certain dates related to construction of the project. The State of Florida has sought to procure bids for the project in order to complete the process of construction already begun. The Clarification recognizes that the Lease Agreement is still valid and extends the date for completing construction of the project to December 31, 2022.

PRIOR ACTION:

June 20, 2011 - City Council authorized the Mayor to enter into lease negotiations with the Florida Fish and Wildlife Conservation Commission for the Bruce Beach location for the Florida Gulf Coast Marine Fisheries Hatchery and Enhancement Center.

May 8, 2014 - City Council authorized the Mayor to execute a lease agreement with the Florida Fish and Wildlife Conservation Commission for the property commonly known as "Bruce Beach" for the purpose of developing the Gulf Coast Marine Fisheries Hatchery and Enhancement Center.

December 8, 2016 - City Council conducted a quasi-judicial hearing and approved the Waterfront Redevelopment District Site Plan for the Florida Fish and Wildlife Conservation Commission Gulf Coast Marine Fisheries Hatchery and Enhancement Center to be located at 453 West Main Street.

FUNDING:

N/A

FINANCIAL IMPACT:

The Agreement clarifies an existing continuing lease and has no additional financial impact on the City.

CITY ATTORNEY REVIEW: Yes

12/1/2017

STAFF CONTACT:

Eric W. Olson, City Administrator
Keith Wilkins, Assistant City Administrator
Don Kraher, Council Executive

ATTACHMENTS:

- 1) Clarification of Lease Agreement

PRESENTATION: No