




**CITY OF DANIA BEACH
COMMUNITY DEVELOPMENT DEPARTMENT
STAFF REPORT**

DATE: August 26, 2014

TO: Robert Baldwin, City Manager

FROM: Marc LaFerrier, AICP, Director 

SUBJECT: **SP-29-14:** Dania Entertainment Center, LLC, request to amend and restate a previously approved Development Agreement for the construction of a casino, fronton, hotel, marina and commercial use on the Dania Jai Alai site located at 301 East Dania Beach Boulevard.

The applicant, Dania Entertainment Center, LLC (DEC) is proposing to amend and restate the existing Development Agreement with the City of Dania Beach (the proposed "Second Amended and Restated Development Agreement" referred to herein as the "Development Agreement"). The public hearing conducted on August 26, 2014 is the first of two public hearings for final approval. A second public hearing is tentatively scheduled for September 9, 2014, at which time the City Commission may take final action on the item. A community meeting was previously held on May 14, 2014. Mailed notice to the public was provided to property owners generally located east of I-95 within the City of Dania Beach. In addition, a display ad was placed in the newspaper to announce the public hearings.

It is important to note that Section 550.155, Florida Statutes, exempts pari-mutuel developments from local codes and regulations unless the proposed pari-mutuel development improvements would present a justifiable and immediate hazard to the health and safety of municipal residents. In an effort to fully analyze and evaluate the impact of the project on the City, staff has conducted development review of the proposed improvements using the process and standards generally applicable to other developments in the City, as well as other development standards that have been achieved through alternative designs.

The proposed plans for the renovation, construction, and future expansion of the Pari-Mutuel Facility consist of:

- The renovation and expansion of the existing building not more than 325,000 square feet with 2000 slot machines and other authorized wagering activities as well as a Jai Alai Fronton and other public assembly and auditorium uses;
- Accessory retail and commercial uses (45,000 square feet), including the sale of alcoholic beverages;
- Hotels (500 rooms) and other accessory uses and amenities, including, but not limited to, meeting rooms, ballrooms, restaurants, bars, and retail stores;
- A recreational marina (60 slips) with accessory marine related retail and restaurant; and
- Parking garages and facilities.

The proposed uses and development intensities are similar to those in the previous development agreement approved by the City Commission on August 23, 2011. The proposed development plans would modify the location of buildings, parking, access, architecture and signage. The generalized site and illustrative plans are referred to as the DEC Capital Improvement Plan.

The applicant is proposing to construct the following uses and buildings in 4 phases:

- Phase 1: Jai-Alai and Gaming Facility Renovation and Expansion ("Phases 1.1, 1.2 and 1.3")
- Phase 2: New Structured Parking Facility, Connecting Building, and Expanded Surface Parking Areas ("Phases 2.1, 2.2, 2.3, and 2.4")
- Phase 3: Hotel Facilities ("Phases 3.1 and 3.2")
- Phase 4: Commercial Marina, Commercial and Parking Facilities ("Phases 4.0, 4.1, 4.2 and 4.3").

The Capital Improvement Plan and the Development Agreement have been proposed to allow the various phases or increments to be implemented in non-sequential order. The flexibility in the phasing of the project will allow DEC the ability to respond to market demand, all aspects of necessary mitigation and public improvements for the project to be completed concurrent with the completion of the development necessitating that mitigation and improvements.

The following is a summary list of certain aspects of the DEC Capital Improvement Plan and Development Agreement:

The portion of NE 2nd Street previously vacated by the City as depicted on the DEC Capital Improvement Plan will be rededicated/reconveyed to the City in order to improve traffic circulation and mitigate traffic impacts on the neighboring residential areas. DEC will retain an easement for access above and across NE 2nd Street for the purpose of a future connecting parking facilities, not for revenue producing uses.

Access for the primary gaming facility site (South of NE 2nd Street) is restricted to Dania Beach Boulevard and Fronton Boulevard.

The quantity, locations and size of signage has been reduced.

Perimeter landscaping will meet or exceed the requirements of the City Code in all respects. Landscaping relating to all other portions of the Property will meet or exceed the requirements of the City Code as to quality, quantity, and specifications of landscape materials as determined by measuring the Property as a whole.

No buildings will be constructed within the buffer area of 75' adjacent to NE 3rd Avenue and 50' adjacent to NE 2nd Street.

Parking North of NE 2nd Street is limited to the marina and related retail use, special events and temporary use with controlled access, and may eventually be connected with a bridge to parking on the South side of NE 2nd Street.

Various parking, lighting, landscaping and specialized pavement improvements will be added to Fronton Blvd.

DEC agrees to contribute the amount of Fifty Thousand (\$50,000.00) Dollars to the City's park fund to be utilized for improvements or enhancements to Frost Park at the time of issuance of the first building permit for a hotel.

DEC agrees to contribute the amount of Fifteen Thousand (\$15,000.00) Dollars toward improvements to the median on Dania Beach Boulevard across from the Pari-mutuel Facility.

DEC and all contractors and subcontractors, will comply with specific access and management requirements during construction of the DEC Capital Improvements.

DEC agrees to pay any business tax receipt applicable to the Pari-mutuel Facility not to exceed \$262.50 per year for the facility and \$52.50 per year per day of Jai-Alai play. Beginning October 1, 2014, or upon the date of execution of this Agreement, whichever is later, DEC agrees to pay \$52.50 per year per slot machine installed in the Pari-mutuel Facility; and provided further, the aforesaid rates for the facility and the slot machines will not be increased unless and until Gross Slot Revenues (as such term is defined in the Broward Agreement) from said slot machines reach Two Hundred Fifty Million Dollars (\$250,000,000.00) on an annual basis, at which point and thereafter, any such increase will be governed by Section 205.0535, Florida Statutes.

The Capital Improvement Plan and Development Agreement provides additional information and details for the development of the site.

CITY COMMISSION PREVIOUS ACTION

On November 15, 2006, the City Commission approved the Initial Development Agreement to the Developers Agreement with the Aragon Group for the development of a new Jai Alai casino. On June 14, 2007, the City Commission approved the 1st Amendment to the Development Agreement. On August 30, 2011, Dania Entertainment Center LLC (DEC) and the City entered into an Amended and Reinstated Development Agreement.

RECOMMENDATION

Approval of the proposed Second Amended and Restated Development Agreement