

Fort Lauderdale Beach Business Improvement District (BID) Expansion Feasibility Study

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BIDs Encourage Positive Transformation

By

- Encouraging economic development
- Assisting with business attraction and retention
- Promoting local businesses, e.g., hotels, retail, restaurants, cultural amenities
- Generating increased economic activity within the district
- Creating clean and safe environments for workers, residents, and visitors
- Improving overall quality of life in the district

And have succeeded in locales such as

- Times Square, New York City
- Golden Triangle, Washington D.C.
- Downtown, Coral Gables
- **Fort Lauderdale Beach**

Fort Lauderdale Beach BID Started in 2006

To address

- Poor overall appearance of public spaces
- Limited streetscape landscaping and beautification
- Inadequate wave wall maintenance
- Insufficient signage and branding identification
- Lacking pedestrian needs
- Improvement overall image of the beach
- Opportunity to create unique sense of place for visitors

By

- Improving the physical appearance of the beach
- Marketing district businesses and promoting beach as premiere resort destination
- Hiring additional security
- Creating a dedicated revenue stream to fund value-enhancing capital improvements
- Advocating for district businesses and coordinating with key community partners and organizations

Fort Lauderdale Beach ... Then and Now

In 2006

- Negative image as a result of a history of being associated with rowdy spring break activities.
- In process of trying to transition its reputation from a spring break party destination to a more family-friendly and upscale tourist spot.
- Beach and A1A were poorly maintained
- Ailing aesthetics
- Unfriendly to pedestrians and bikers
- Lacking visitor services
- Traffic congestion and parking issues

Today

- Emerging premiere resort destination
- Waterfront dining and entertainment
- Family-friendly and visited
- Consistently attracting international, domestic, regional, and local visitors
- Engaging events calendar
- Strengthened revenues and demand
- Earned media for district businesses
- Significant contribution to local economy; providing jobs and supporting businesses in hospitality, retail, and service sectors
- Strong environmental awareness preserving marine ecosystem, sustainable practices and protecting wildlife e.g., sea turtles.

Positive Transformation Requires Support

Special assessment

- Agreed upon collectively by district property owners
- Provides for an equitable distribution of improvement costs
- Revenue collected is redistributed throughout district to fund BID services

Funds services tailored to local needs

- Provides services beyond that which local government delivers
- Requires long-term source of revenue

Fort Lauderdale Beach BID Succeeds

With funding from

- District members
- Millage rate: \$0.8525 per \$1,000 taxable value

Dynamic board engagement

- Taking all stakeholders into account, from businesses to visitors to wildlife
- Constant communication with city officials and departments to improve district quality of life

Resulting in

- FY 2023 Revenues: \$1,093,902

Fort Lauderdale Beach BID Brings Value Through



Funding demand-driving events



Marketing and branding for district businesses



Building and maintaining relationships with events promoters



Aesthetic and capital improvements



Increasing security and safety



Advocating for district businesses

Funding Ability and Growth Since Inception

YEAR	ADOPTED BUDGET	YEAR	ADOPTED BUDGET
FY2007	\$208,750	FY2016	\$783,761
FY2008	\$519,357	FY2017	\$850,955
FY2009	\$608,415	FY2018	\$964,443
FY2010	\$549,270	FY2019	\$1,001,307
FY2011	\$539,443	FY2020	\$1,061,809
FY2012	\$642,193	FY2021	\$1,087,581
FY2013	\$684,032	FY2022	\$1,016,427
FY2014	\$674,056	FY2023	\$1,093,902
FY2015	\$695,698	TOTAL	\$12,981,399

Fort Lauderdale Beach BID Actively

Provides promotional grant support

- Florida Panthers NHL All-Star Weekend
- Audacy Beach Festival
- Tortuga Music Festival
- Fort Lauderdale Air Dot Show
- Pride Fort Lauderdale
- Winterfest

Improves visitor experiences

- Westside A1A beautification project 2023 (City funded)
- A1A pedestrian lighting from Alhambra Street to Sunrise Boulevard (City funded)
- Fort Lauderdale Beach Park parking lot improvements
- SmartCity digital information kiosks at Las Olas Oceanside Park and the Beach Garage

Since March 2023, Improved Website

OVERALL VISITS	UNIQUE VISITORS	PAGES PER VISIT	AVG. VISIT DURATION	BOUNCE RATE
118,000	102,000	3.00	3:27	30%

Burgeoning and Re-emerging Issues

Homelessness is increasing and requires full coordination, collaboration, and cooperation

Level of perceived safety and security for visitors is declining

Scheduling of City sponsored events e.g., AIA Marathon during high season causing traffic challenges for residents and visitors

Managing the flow of tourists and residents that lead to overall traffic congestion including parking and transportation options

Coastal conservation and preservation is critical to protect the natural beauty of Fort Lauderdale Beach

Competition from other destinations can have a significant impact on the local economy especially Beach businesses.

District Stakeholder Priorities



Maintaining and increasing positive earned media



Extending seasons and strengthening overall demand



Leveraging centralized marketing channel and integrations with stakeholder paid and owned media



Working to find alleviation and help for the homeless population



Increasing safety and security



Developing even stronger communication with city officials

BBID Expansion Properties

- The three key properties that would have the greatest impact on the BID revenue stream:
 - Marriot Harbor Beach Resort
 - Lago Mar
 - Pier 66
- Do not see benefit from the BID's primary activities, most notably marketing and events support
- Feel demand generated by BID events and improvements are independent of their market
- Believe their physical isolation and market focus renders them ill-positioned to reap BID benefits
- Reached out to principal owner of properties in North Beach Village – no response.

Current BBID + Expansion Financial Overview

Current BBID revenues	\$1,076,258.00
Estimated expansion revenues	<u>\$594,357.11</u>
Estimated integrated BBID revenues	\$1,670,615.11

Funding increase of 55.22%

Geography-based Expansion Financial Analysis

Western Expansion

Estimated revenues

Portion A \$27,821.04

Portion B \$167,615.81

Total Western Expansion \$195,436.85

% of estimated integrated revenues 11.70%

Southern Expansion

Estimated revenues

Total Southern Expansion \$316,628.96

% of estimated integrated revenues 18.95%

Current BBID Top 10 Contributors

Rank	Property	% contribution	BBID Assessment	Assessed Value
1	Westin Fort Lauderdale	11.21%	\$120,688.41	\$141,569,980.00
2	W Fort Lauderdale	10.28%	\$110,682.63	\$129,833,000.00
3	Bahia Mar Fort Lauderdale	9.06%	\$97,526.38	\$114,400,450.00
4	B Ocean Resort Fort Lauderdale	8.89%	\$95,711.28	\$112,271,300.00
5	Ritz Carlton Fort Lauderdale	7.54%	\$81,130.47	\$95,167,710.00
6	Hotel Maren	4.37%	\$47,005.15	\$55,138,000.00
7	Sonesta Fort Lauderdale Beach	4.32%	\$46,461.74	\$54,500,570.00
8	Marriott Courtyard	4.21%	\$45,293.37	\$53,130,050.00
9	Conrad FTL Beach Resort	3.21%	\$34,571.32	\$40,552,870.00
10	Marriott Beach Place Towers	3.02%	\$32,497.27	\$38,119,970.00

BBID Expansion Top 10 Realignment and Contributions

Rank	Property	% contribution	BBID Assessment	Assessed Value
1	Marriott Harbor Beach Resort	13.89%	\$232,093.13	\$272,250,000.00
2	Westin Fort Lauderdale	7.22%	\$120,688.41	\$141,569,980.00
3	W Fort Lauderdale	6.63%	\$110,682.63	\$129,833,000.00
4	Bahia Mar Fort Lauderdale	5.84%	\$97,526.38	\$114,400,450.00
5	B Ocean Resort Fort Lauderdale	5.73%	\$95,711.28	\$112,271,300.00
6	Pier Sixty-Six	4.93%	\$82,291.30	\$96,529,380.00
7	Ritz Carlton Fort Lauderdale	4.86%	\$81,130.47	\$95,167,710.00
8	Lago Mar Beach Resort & Club	3.69%	\$61,612.38	\$72,272,590.00
9	Hotel Maren	2.81%	\$47,005.15	\$55,138,000.00
10	Sonesta Fort Lauderdale Beach	2.78%	\$46,461.74	\$54,500,570.00

Recommendations: Fort Lauderdale Beach for Everyone

- Beach is not identified by legal boundaries
- Perception defines 'Fort Lauderdale Beach' for the public
- Beach aesthetics and image attracts visitors
- Perception and reality that Fort Lauderdale Beach is a “safe” place is paramount
- Strong branding relationships with promoters and partners help maintain demand
- Future contributors hold valuable insights and expertise

Recommendations

- Expand BID into North Beach (west of current BID) at full assessment
- Expand BID to the south including the three largest hotels at a tiered assessment.

Integrated BBID Contribution Scenario Analysis

	BBID Assessment Revenues	100%	75%	50%	25%	0%
Marriott Harbor Beach Resort	\$232,093.13	\$232,093.13	\$174,069.84	\$116,046.56	\$58,023.28	\$0.00
Westin Fort Lauderdale	\$120,688.41	\$120,688.41	\$90,516.31	\$60,344.20	\$30,172.10	\$0.00
W Fort Lauderdale	\$110,682.63	\$110,682.63	\$83,011.97	\$55,341.32	\$27,670.66	\$0.00
Bahia Mar Fort Lauderdale	\$97,526.38	\$97,526.38	\$73,144.79	\$48,763.19	\$24,381.60	\$0.00
B Ocean Resort Fort Lauderdale	\$95,711.28	\$95,711.28	\$71,783.46	\$47,855.64	\$23,927.82	\$0.00
Pier Sixty-six	\$82,291.30	\$82,291.30	\$61,718.47	\$41,145.65	\$20,572.82	\$0.00
Ritz Carlton Fort Lauderdale	\$81,130.47	\$81,130.47	\$60,847.85	\$40,565.24	\$20,282.62	\$0.00
Lago Mar Beach Resort & Club	\$61,612.38	\$61,612.38	\$46,209.29	\$30,806.19	\$15,403.10	\$0.00
Hotel Maren	\$47,005.15	\$47,005.15	\$35,253.86	\$23,502.57	\$11,751.29	\$0.00
Sonesta Fort Lauderdale Beach	\$46,461.74	\$46,461.74	\$34,846.30	\$23,230.87	\$11,615.43	\$0.00
Integrated BBID Assessment Test						
Top 10 contributors	\$975,202.87	\$975,202.87	\$731,402.90	\$487,601.93	\$243,800.97	\$0.00
Non-top 10 contributors	\$695,412.24	\$695,412.24	\$695,412.24	\$695,412.24	\$695,412.24	\$695,412.24
Total integrated contributors	\$1,670,615.11	\$1,670,615.11	\$1,426,815.14	\$1,183,014.18	\$939,213.21	\$695,412.24
% BBID funded by Top 10	58.37%	58.37%	51.26%	41.22%	25.96%	0.00%