



Town of Lake Park Town Commission

Agenda Request Form

Meeting Date: April 15, 2026

Originating Department: Town Manager and Town Attorney

Agenda Title: Presentation - Town of Lake Park Marina P3 Project Quarterly Update - Forest Development

Agenda Category (i.e., Consent, New Business, etc.):

Approved by Town Manager: _____ **Date:** _____

Cost of Item: N/A **Funding Source:** N/A

Account Number: N/A **Finance Signature:** _____

Advertised:

Date: N/A **Newspaper:** _____

Attachments: Forest Development P3 Quarterly Update Presentation

Please initial one:

_____ Yes I have notified everyone

RJR _____ Not applicable in this case

Summary Explanation/Background:

The Town of Lake Park entered into a Marina P3 Comprehensive Agreement (Agreement) with Forest Development (Forest) on August 2, 2023. In accordance with the legislative intent of the P-3 statute, the Agreement is intended to upgrade/construct marina facilities that are to be used predominately for public purposes. This Agreement requires a quarterly update to the Town Commission on the status of the project by Forest Development.

As a result, Mr. Larry Zabik on behalf of Forest Development will be providing Forest Development’s Marina P3 Quarterly Update to the Town Commission.

This constitutes an assessment of the update from staff regarding the Forest presentation:

In its presentation Forest states: “*Forest Development is concerned about the Town of Lake Park’s continued lack of cooperation on moving this project to completion.*” Article 39 of the Agreement provides that the parties “shall cooperate with each other in good faith...” Cooperation is a “two-way street” and Forest’s ongoing failure to meet the statutory intent of the P-3 statute by satisfying the Town staff’s repeated comments through five (5) rounds of submittals regarding its proposed PUD Master Plan and Site Plans is not consistent with the statutory intent for P-3 projects, or Article 39 to propose a project that is “predominately for public purposes” and “in the public’s interest.” Forest’s continuing failure to do so is of concern to the Town.

A modification of the deed restrictions **before** the Town Commission approves a PUD Master Plan and Site Plans for the project, and the establishment of the final approved uses is necessary for an appraisal, which establishes the compensation to be paid for the modification of the deed restrictions. Until the Town Commission grants these approvals, the State of Florida Board of Trustees of the Internal Improvement Trust Fund (TIITF) cannot be satisfied that there is a public need for the construction or upgrade of facilities that are used predominately for public purposes and that it is in the public’s interest to provide for the construction or upgrade of such facilities.

Marina P3 Project Status (as of March 31, 2026):

The Agreement was approved and executed by both parties on August 2, 2023. Forest states that the Town’s request to TIITF to modify the deed restrictions is “ON HOLD BY TOWN.” The Town was justified in postponing its request to modify the deed restrictions because of Forest’s continuing failure to timely process a PUD and Site Plans for the four (4) components proposed by the Agreement.

In order to modify the deed restrictions, the Florida Department of Environmental Protection (FDEP) and TIITF must have a clear understanding of the actual approved uses on the deed restricted parcels so that the State of Florida can determine the true costs associated with a modification of the parcels which are to be developed for something other than “***only public purposes***” as set forth in the deed restrictions. Additionally, Forest’s continuing delays deprives the public from commenting on the proposed uses and the intensity of the project.

To date, Forest has made five (5) submittals of a Master PUD and proposed Site Plans (that have been reviewed by Town staff) for the project; however, each submittal of the PUD and Site Plans have failed to comply with various provisions of the Town Code and Land Development Regulations, most notably to address the essence of a **public**, private project, by ensuring that the project is “*predominately for public purposes*” and in the “*public interest.*”

It is Forest’s failure to adequately respond to the Town’s comments regarding these submittals that has significantly delayed the advancement of the project and justifies the Town’s decision to postpone the request to TIITF.

The most recent comments from Town staff were provided to the Developer’s agent on August 9, 2025, and yet no response from Forest has been received. Please see the timeline of this process below:

Timeline Summary - Master PUD/Site Plan Timeline – Submittals By Forest Development:

Master PUD

Initial Submittal – December 18, 2023

Round 2 Resubmittal – April 17, 2024

Round 3 Resubmittal – June 12, 2024

Round 4 Resubmittal – September 27, 2024

Round 5 Resubmittal – June 17, 2025 (several open comments that still need to be addressed by the Developer – open comments issued 08/09/2025)

SITE PLAN APPLICATIONS – SUBMITTALS BY FOREST DEVELOPMENT:

PODS A&B Combined

Initial Submittal – June 10, 2024

Round 2 Resubmittal – June 26, 2024

Round 3 Resubmittal – September 27, 2024

PODs C&D Combined

Initial Submittal – June 10, 2024

Round 2 Resubmittal – June 26, 2024

Round 3 Resubmittal – September 27, 2024

PODs A, B, C and D individual site plan submittals

Resubmittal 4 – June 17, 2025 (several open comments still need to be addressed by the Developer– open comments dated 08/09/2025)

Economic Impact of the Marina P3 Project:

Ultimately, the economic impact of the project will only be realized based on the modification of the deed restrictions based upon uses approved by the Town Commission. Therefore, the economic impact being represented by Forest in its presentation is based upon a PUD and Site Plans not yet approved by the Commission.

Based on the Walter Duke + Partners appraisal report commissioned by the Town, the economic impact of the project based on the not yet approved components referenced in the Agreement is as follows:

- Present value to the Town for the 99 year ground leases is only **\$4,145,000**, consisting of \$3,315,000 for the first 10 years of the leases, plus \$1,900,000 capitalized value of the new wet slip revenue share, less \$1,070,000 capitalized loss of the parking/boat ramp revenues
- Fair Market Value Benchmark (hypothetical market rent): Year 1 market rent across pods totals \$1,290,550 to \$1,641,640, comprising Pod A hotel ground rent of \$154,200 to \$308,400, Pod B dry storage percentage rent of about \$530,000, Pod C new wet slip percentage rent of \$114,125 and Pod D restaurant percentage rent of \$492,225 to \$689,115
- Material Structural Difference: Under the Comprehensive Agreement, \$300,000 annual rent is limited to 10 years across the 99-year ground leases, with the Town receiving only a 10% revenue share from new slips thereafter, while market terms reflect ongoing percentage/base rents for 50-99 years
- Upfront Payment Under Comprehensive Agreement: Forest pays a \$1,200,000 in addition to the \$300,000 annual rent, both contingent on the release of the deed restrictions

Thus, the Marina would be leased to Forest for 99 years, but the Town would receive only a fraction of the value of the improvements. The income to be received by the Town for 99 years is, at best, only a small multiple of a single year's fair market rent.

Recommended Motion:

N/A