



Broward County

Legislation Text

File #: 22-873, Version: 1

Broward County Commission Regular Meeting

Director's Name: George Tablack

Department: Finance and Administrative Services **Division:** Administration

Information

Requested Action

A. MOTION TO AUTHORIZE County Administrator to negotiate and execute an agreement among Broward County; the Arena Operating Company, Ltd.; the Florida Panthers Hockey Club, Ltd.; and Sunrise Sports & Entertainment, LLC, to provide \$3,500,000 in funding towards the purchase of four new HVAC systems at the FLA Live Arena for the enhancement of COVID-19 safety protocols requested by the National Hockey League, subject to review for legal sufficiency by the Office of the County Attorney.

ACTION: (T-10:29 AM) Approved. (See Regular Meeting Additional Material, dated May 24, 2022, submitted at the request of County Administration.)

VOTE: 8-0. Commissioner Ryan was not present.

B. MOTION TO ADOPT budget resolution transferring funds from reserve within the Four Cent Tourist Tax Revenue Fund in the amount of \$3,500,000 for the purpose of providing one-time funding for HVAC replacement at the Arena.

ACTION: (T-10:29 AM) Approved Resolution No. 2022-289. (See Regular Meeting Additional Material, dated May 24, 2022, submitted at the request of County Administration.)

VOTE: 8-0. Commissioner Ryan was not present.

Why Action is Necessary

Motion A. Board approval is required for the execution of agreements between Broward County and outside agencies.

Motion B. Board approval is required to transfer funds from reserve.

What Action Accomplishes

Motion A. Provides the County Administrator with the authority to execute the Agreement and to take any and all administrative actions in order to effectuate the Agreement.

Motion B. This action appropriates one-time resources from the reserve to fund HVAC replacement at

the Arena.

Is this Action Goal Related

No

Previous Action Taken

None.

Summary Explanation/Background

The Arena Operating Company, Ltd.; the Florida Panthers Hockey Club, Ltd.; and Sunrise Sports & Entertainment, LLC (collectively, the “Panthers”) have requested the County to contribute \$3,500,000 toward the purchase of four new HVAC systems at the FLA Live Arena (Arena) for the enhancement of COVID-19 safety protocols requested by the National Hockey League (NHL).

During the 2020-2021 NHL season, the NHL mandated 15 Cubic Feet per Minute (CFM) of Outside Air (OA) per spectator in arenas. Given the existing older HVAC systems at the Arena, this requirement limits capacity to only 50% attendance. As the season progressed and the next hockey season began, the NHL changed the 15 CFM requirement to a recommendation for the 2021-2022 NHL season, with the understanding that a switch back to the 15 CFM requirement could return should a change in future conditions occur. Currently, the NHL is recommending that all teams do whatever they can to maintain 15 CFM going forward. As such, the Panthers believe it is prudent to replace the Arena’s HVAC systems now.

The Panthers believe they would be putting themselves in an economically vulnerable position to not prepare the Arena for a return to the 15 CFM of OA requirement. The new HVAC systems will be immensely beneficial for events and professional sporting (hockey) games going forward and will provide the capability to introduce 200,000 CFM of OA, enabling 100% full arena capacity regardless of what the league mandates in the future.

The cost for the replacement of the four HVAC units has been estimated by the Panthers to be a total cost of \$6,075,000. The Panthers have requested a \$3,500,000 contribution from the County and the Panthers will contribute the remaining amount needed.

Source of Additional Information

George Tablack, Chief Financial Officer, (954) 357-7130

Fiscal Impact

Fiscal Impact/Cost Summary

The one-time \$3,500,000 is transferred from the Four Cent Tourist Tax Revenue Fund’s reserve.