

# Memorandum



**Date:** July 15, 2020

**To:** Honorable Chairwoman Audrey M. Edmonson  
and Members, Board of County Commissioners

**From:** Carlos A. Gimenez  
Mayor

Agenda Item No. 2(B)(4)  
August 31, 2020

**Subject:** Report on Proposal for a Holiday-Themed, Temporary Fair at Tropical Park in November and December 2020 – Directive 200908

On May 5, 2020, the Board of County Commissioners (Board) approved Resolution No. R-430-20 directing the County Mayor or County Mayor's designee to review and consider a proposal from Santa's Enchanted Forest, Inc. (Santa's) to operate a holiday-themed, temporary fair at Tropical Park in November and December 2020, and advise the Board whether the Mayor finds that it is in the County's best interest to waive competitive bidding and proceed with such a proposal, and that the County Mayor shall consult with the District 10 Commissioner before making his recommendation.

Based on my assessment and review of the proposal, dated April 28, 2020, submitted by Santa's to the Board (Attachment A), and in consultation with District 10 Commissioner Javier D. Souto, it has been determined that it is not in the best interest of the County to recommend a non-competitive bid waiver for Santa's to operate a holiday-themed fair at Tropical Park due to the following reasons:

- Santa's has had an uncontested stay at Tropical Park for 35 years. The first concession agreement with Santa's began in 1985; Second and Third agreements followed for a final expiration date of March 14, 2020 for a total of 35 years, with no extensions remaining.
- There have been numerous reported concerns to the Miami-Dade Police Department about the management of the annual event and the expiration of the lease provides us with an opportunity to develop an improved holiday event for our community's families and children, at the appropriate time.
- The entry fee was prohibitively high for many families: children and seniors are \$27.10/person and adults \$35.51/person. This does not include additional fees for rides and cost of food purchased at the event. We understand that Santa's proposal has a "goal" of free admission to 50,000 "underserved families;" however, it should be noted that annual attendance at Santa's is estimated to be 361,000, based on Santa's last reported attendance figures from 2016. In light of the financial crisis affecting the livelihood of our residents, the admission and additional fees to the hundreds of thousands of families and seniors who must pay are unacceptable. Our plan is to offer a free holiday event at Tropical Park, if the status of the pandemic allows.
- Santa's has offered assurances that through hired experts and adherence to industry standards for events like this, it will provide a safe environment for families. However, regardless of experts and industry representations, the status of the Coronavirus (COVID-19) pandemic will determine whether large numbers of people will be allowed to congregate in the confined space of the site. It also should be pointed out that Santa's has a disturbing track record of non-compliance with existing rules and requirements (please see below).

- Since amusement rides are a large component of the event, achieving social distancing for persons on these rides and effectively disinfecting between uses could be difficult and, therefore, represent a potential health hazard.
- The District Commissioner is not in support of issuing a bid waiver to Santa's.

Additionally, please note that:

- As of July 10, 2020, Santa's has only partially responded to the County's Notice of Non-Compliance issued February 11, 2020 (attached hereto as Attachment B), and has still failed to remedy 21 of the 47 distinct violations set forth therein. Violations 3, 5, 7, 8, 9, 10, 11, 12, 13, 15, 16, 24, 29, 31, 32, 35, 36, 37, 38, 39 and 46 continue unremedied.
- Commensurate with the foregoing, Santa's has only partially responded to the County's Notice of Lease Expiration issued March 5, 2020 (attached hereto as Attachment C) by failing to completely restore the Facilities to a neat, clean and safe condition, and has, as of July 10, 2020, still failed to provide the County with the required financial statements and report of sale within 60 days of the date of Agreement expiration.

Over the years, Santa's has received notices, warnings and memoranda of concern regarding its conformance with the terms of its Lease. It is acknowledged that while Santa's eventually has addressed most of these matters, it is the repeated nature of these issues throughout the history of the Lease that is cause for serious concern about Santa's business practices. It is especially concerning now given the importance of complying with requirements and guidelines needed to protect the public during the current COVID-19 health crisis.

- Acknowledging that most of these issues eventually were addressed by Santa's, the following are highlights of significant items of concern have been identified over the past twenty-plus years of Santa's operation:
  1. Multiple Notices of Default and Notices of Non-Compliance issued to Santa's during the contractual term for violations including, but not limited to:
    - a. Failures to comply with construction requirements;
    - b. Unauthorized early season opening;
    - c. Lack of timely insurance proof;
    - d. Advertising violations;
    - e. Staff identification violations;
    - f. Patron discrimination based on sexual orientation; and
    - g. Failure to remediate damage to Park property upon event conclusion.
  2. Multiple County admonition letters issued for the following:
    - a. Unauthorized construction activities without proper permitting in place;
    - b. Non-removal of lighting and other materials upon event conclusion;
    - c. Building permit violations;
    - d. Failure to remediate damage to Park property, similar to #1.g above;
    - e. Animal welfare concerns;

- f. Noise nuisances;
  - g. Unauthorized activities such as advertising and commercial activities; and
  - h. Concerns over quality of service.
- 3. Multiple Uniform Civil and Building Code Violations issued by the Miami-Dade County Building Department including:
  - a. Building violations;
  - b. Electrical violations; and
  - c. Plumbing violations.
- 4. Multiple Notices of Violation issued by the Miami-Dade County Department of Environmental Resource Management, including:
  - a. Violation of Section 24-28 of the Miami-Dade County Code (Nuisances injurious to health (sanitary nuisances). Santa's was cited for this violation on 12/26/18, which according to the Code means a condition existed involving one or more of eight violations, among which include "untreated or improperly treated or disposed of human waste, garbage, offal, dead animals, or dangerous waste materials.").
- 5. Notice of Violation and Final Notice of Violation issued by the Miami-Dade County Fire Rescue Department including:
  - a. Failure to provide fire suppression systems; and
  - b. Failure to provide clear access (fire lanes) to all RVs and travel trailers.
- 6. Multiple County inspection reports and emails generated, outlining dozens of unremedied violations and damages to Park property.
- 7. Multiple Memoranda issued by Senator Javier D. Souto, Commissioner District 10, covering a wide range of concerns, including:
  - a. Inappropriate electrical equipment and permitting;
  - b. Non-removal of lighting;
  - c. Unauthorized extension of Santa's operations outside the leased area;
  - d. Unauthorized/illegal signage;
  - e. Unauthorized use of Park premises for storage of semi-tractor trailer trucks; and
  - f. Lack of proper picture identification by Santa's employees (Shannon Melendi Act concerns).

With respect to other event usage, the Equestrian Center has lost at least fourteen major equestrian events over the past 17 years potentially drawing 18,000 spectators annually as a result of the limited space, parking, hours, and number of horses allowed (150) during Santa's operation. Correspondingly, Santa's occupation of the surrounding property east and south of the Equestrian Center has also limited the operating space for those equestrian events that can be conducted, and has also created safety hazards for those events by restricting the traffic flow for vehicles by blocking the south end of the facility.

Lastly, note that while a recent independent appraisal conducted in 2019 for the land in question indicated that the “as is” market value of the annual ground rent is \$620,000, the most recent unaudited analysis of rental payments made by Santa’s for 2019 show only \$304,331 received. This amount is less than 50% of what the County is entitled to based upon that 2019 appraisal. The amount now being offered in Santa’s correspondence is \$425,000, still significantly less than market value. Nonetheless, this decision not to recommend a bid waiver is not a result of this inadequate rental fee; the decision is based primarily on our commitment to providing a free, safe and higher quality holiday event for our community’s families.

Finally, I want to reiterate that I personally met with Santa’s owners last year on August 21, 2019 and again on October 31, 2019, at which time I discussed with them the County’s intentions of exploring alternative future uses of our Tropical Park site. During these meetings, Santa’s owners also discussed their proposals for continuation of their then-existing holiday event, with the knowledge that their lease with the County was due to expire March 14, 2020. My recommendations today take into account both those discussions and their letter of April 28, 2020.

If COVID-19 circumstances change and a holiday-themed event is possible, I have directed Miami-Dade County Parks, Recreation and Open Spaces to work on a family-oriented event that is free and open to the public to enjoy. It is more important than ever to be sure that families in our community have free and safe opportunities for recreation and celebration in light of the health and economic financial crisis caused by the pandemic. In accordance with Ordinance No. 14-65, this memorandum will be placed on the next available Board meeting agenda.

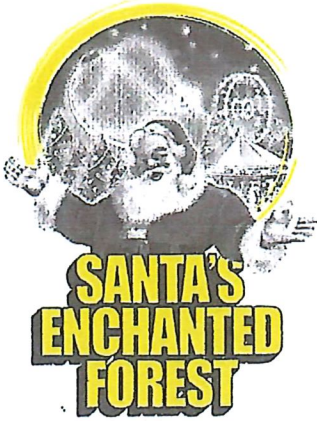
Attachment A – Letter to the Board from Santa’s dated April 28, 2020

Attachment B – Notice of Non-Compliance dated February 11, 2020

Attachment C – Notice of Lease Expiration dated March 5, 2020

c: Abigail Price-Williams, County Attorney  
Geri Bonzon-Keenan, First Assistant County Attorney  
Michael Spring, Senior Advisor, Office of the Mayor  
Maria I. Nardi, Director, Parks, Recreation and Open Spaces  
Melissa Adames, Acting Director, Clerk of the Board  
Yinka Majekodunmi, CPA, Commission Auditor  
Eugene Love, Agenda Coordinator

## ATTACHMENT A



11900 Biscayne Boulevard, Suite 500, Miami, FL 33181 • 305.893.0090 • Fax 305.892.2848  
www.santasenchantedforest.com

April 28, 2020

Chairwoman Audrey Edmonson  
Miami-Dade County Commissioner  
Board of Miami-Dade County Commissioners  
Miami, Florida

Dear Chairwoman Edmonson and  
Miami-Dade County Commissioners:

It's been said, "That the best predictor of future events is to look into the past."

For the past 37 years Santa's Enchanted Forest (aka Santa's) has built a strong foundation, layered one year at a time, of being the leader in holiday entertainment. These layers have been comprised of mechanical ride safety, public event safety, community outreach, strong fiscal resources, and adherence to County policies.

Come this November, the linear part of Tropical park used by Santa's Enchanted, will not be leased for the first time in 37 years unless the Board of County Commissioners vote in favor of keeping Santa's for one more year. We are committed to providing the same strong record and safe event for the coming season. In that regard, the OABA (Outdoor Amusement Business Association) has published guidelines & standards established for the theme park industry on how best to ensure public safety & wellness amid the Covid-19 pandemic. We trust OABA to provide the requisite expertise in this area of recreation.

Santa's has also retained Dr. Jeff Gelblum, a *local Board-Certified Neurologist and Covid 19 expert* who has been a guiding influence during this National pandemic through his live stream seminars, lectures and sought out consultation. Dr. Gelblum will be on board with us to help ensure that Santa's is adhering to all established safety measures adapted at the local, state and federal levels and making additional recommendations to go above and beyond.

Santa's Enchanted Forest has been a 37-year destination with a \$6,000,000.00 budget that supports the South Florida community. Miami-Dade County will incur a deficit exceeding \$3,000,000.00 during a time of crisis which has had a devastating impact on our state and local economies. That said, with a one-year extension Santa's will be able to pay \$1,000,000.00 paid directly to the County through a combination of rent, police and fire services, building fees, local taxes, etc.

Moreover, it's important to note that dozens of local businesses located in many Commissioner's districts, also receive hundreds of thousands in additional revenue from Santa's Enchanted Forest while it is open. For example:

- Macmillan Oil a fuel company that provides diesel fuel to the carnival rides is located in Hialeah.
- Entercom Inc., owner of local radio stations, is located in the Little Haiti/El Portal district.
- Flag and Banner is located in North Miami Beach.
- SBS radio is located in Doral.
- Santa's corporate offices and staff are located in North Miami.



Another integral part of Santa's budget is its 1000 employees who rely on Santa's for their livelihoods. Hundreds of these employees are currently jobless and prospects of finding jobs in the future are bleak. Please help **save 1000 jobs**. In addition to providing holiday joy to hundreds of thousands of South Florida residents, Santa's provides free and highly discounted admission to over 30,000 underserved families. This year Santa's is prepared to commit to increase this goal to more than **50,000 people**.

Lastly, it was the mission of Jerry Shechtman, Santa's founder, to provide a special family experience without the use or sale of alcohol, beer and wine. I've honored my late fathers wishes and still Santa's is the only large scale family attraction to not serve alcohol.

Santa's is requesting a one-year contract extension and prepared to offer the following:

	<u>2019</u>	<u>2020</u>	
Rent	\$304,000	\$425,000	<b>40% increase</b>
Police/Fire and Building fees	\$490,000	\$565,000	<b>15% increase</b>
Free admission	42,000	52,000	<b>22% increase</b>
Jobs	1000 +	1000+	

In addition, we would like to kick off a Special Opening Night and Week Long Celebration showing our immense gratitude to our community by granting free admission to a broad category of first responders: (Fire personnel, Police Personnel, Nurses, Doctors, Emergency Personnel, Supermarket Employees, Pharmacy workers and special request.)

We will even guarantee the 2020 rent payment even if the event cannot be held or is diminished due to Covid-19 large gathering guidelines. If Santas can't operate as normal, then Santas will guarantee an Additional \$425,000 rent for the following year.

In the short term, we hope you will agree to bring back this special tradition for one season with a no bid extension agreement. We then will look forward to participating in the anticipated RFP for the future use of the land and making a competitive bid to keep our partnership with the County.

Thank you for your consideration.

With every best wish,



**Steven J. Shechtman, Esq.**  
**President, Santa's Enchanted Forest**



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Miami, Florida 33128  
T 305-755-7800

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February 11, 2020

**NOTICE OF NON-COMPLIANCE  
VIA CERTIFIED MAIL**

Mr. Steven Shechtman, President  
Santa's Enchanted Forest, Inc.  
11900 Biscayne Boulevard, Suite 500  
Miami, FL 33184

**RE: Notice of Non-Compliance with Agreement**

Dear Mr. Shechtman:

This formal **Notice of Non-Compliance** is issued pursuant to the Lease Agreement (the "Agreement") by and between Miami-Dade County (the "County") and Santa's Enchanted Forest, Inc. (the "Lessee" or "Santa's Enchanted Forest") dated March 15, 2000 regarding Santa's Enchanted Forest violation of the terms and conditions of said Agreement as herein set forth below.

Specifically, a final inspection of the Attraction Site (as defined in Section 1, Purpose, of the Agreement) was performed by the County which revealed, among other things, that Santa's Enchanted Forest has failed to restore the Attraction Site to its original condition by February 1<sup>st</sup>, the deadline established in the Agreement.

Pursuant to Section 15, Scope of Services and Facilities, of the Agreement, "[t]he maximum time availability of this area for the special event purposes covered by this Agreement, including set-up and take down, is July 15<sup>th</sup> through **January 30<sup>th</sup>** each year" *[emphasis added]*. Subsection 15.A of the Agreement further states that "Lessee will be responsible for restoring the attraction site to its original condition upon termination of the attraction or at the end of the annual agreement period."

Additionally, Section 20, Quality of Lessee's Services, subsection C of the Agreement states that "Lessee shall take good care of premises, shall use the same in a careful manner and shall, at its sole cost and expense, keep and repair, and upon the expiration of this Agreement, or its termination in any manner, shall deliver said premises to the County in not worse condition than the same was at the commencement of this Agreement, loss by fire or other casualty and ordinary wear and tear are the only exceptions."

Below is a non-exhaustive report outlining forty-seven (47) violations at the Attraction Site that must be **immediately** repaired or removed by Santa's Enchanted Forest:

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### Equestrian Center Area:

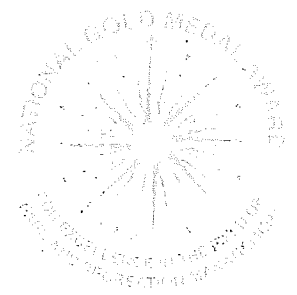
1. There is a broken faucet in the men's restroom south of the Equestrian Center that must be repaired.
2. There are toilet seat covers missing in the women's restroom south of the Equestrian Center that need to be replaced.
3. Christmas lights are still hanging throughout the park and must be taken down.
4. The portable green restroom currently located in the back of the Equestrian Center area must be removed.
5. An estimated 200 feet of damaged chain-link fence throughout the Attraction Site needs to be repaired.
6. An estimated 600 feet of damaged windscreen that separates the Attraction Site from the Equestrian Center barns needs to be repaired.
7. Several speed bumps that were removed from the main parking lot in order to operate Santa's Enchanted Forest rides need to be replaced.
8. The east soccer field that was damaged by Santa's Enchanted Forest RV parking must be rolled and leveled as it is a safety hazard.
9. There are several damaged sections of the wooden fence located in the area in front of the pump house.
10. Several breaker boxes throughout the Attraction Site were knocked down and need to be repaired.
11. There are electrical wires exposed on light posts throughout the Attraction Site that must be repaired and inspected.
12. There are multiple piles of aluminum and other debris which were abandoned and covered with mulch along the fence of the 874 Expressway.

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### Barn Area:

13. All broken or bent yellow bollards on the west side of Barns D, E and F need to be repaired.
14. The area used for overflow parking between Barn E and the southeast corner of south arena that was destroyed during Santa's Enchanted Forest operation needs to be fully re-sodded.
15. The broken electrical pull box by the fence line of southwest corner of Barn E was damaged by Santa's Enchanted Forest patrons accessing the overflow parking areas and must be repaired.
16. Final repairs must be made to the chain-link fence from the south restroom towards the lake where cut outs on fence were temporarily mended.
17. The hydraulic located on the west side of the soccer field by the edge of the road needs to be removed and the remaining hole refilled with fresh soil.
18. The trench/rutted area on the grass strips west of the soccer field needs which was damaged by the motocross performance must be repaired.







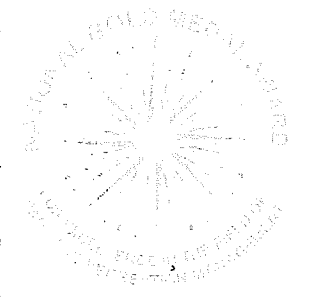
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19. All electrical pull boxes located on the edges of the roads throughout the property south of the Christmas tree and west of the Palmetto Expressway must be properly replaced. Multiple units were either covered with dirt or filled with "cold patch".
20. Proper lids must be installed on sewer line boxes and PVC pipes from the area north of maintenance east towards the wooded area along the fence line to control sewage vapors.
21. All remaining yellow storage containers must be removed from the soccer field, Barn F, the area north of the maintenance building and the area by the front entrance by Bird Road.
22. All remaining game trailers and trucks near the Palmetto fence line must be removed.
23. All metal sleeve anchors in between the railroad ties that are covered with mulch must be removed.
24. All damaged portions of chain-link fence behind Barns A-F must be repaired.
25. All vehicles, RV trailers and storage trailers must be removed from the main entrance by Bird Road.
26. The chain link fence that was installed by the white iron gate at the front entrance must be removed.
27. The white office trailer must be removed from the front entrance.
28. All holes made from installing temporary fencing by the back-ride area along the lake towards the maintenance area must be filled and covered.
29. All areas used for parking must be fertilized from north of the Veterans memorial, the green road by the lake and the area west and north of shelter 13.
30. The yellow cargo container left at the main entrance of the attraction site must be removed.
31. The two (2) 3x3 concrete slabs that were used for the white castle display must be removed.
32. The five (5) white telephone poles near the office trailer must be removed.
33. The brown shed near the main office trailer must be removed.
34. The metal pink bow hanging on a tree at a height of approximately twenty (20) feet near the office trailer must be taken down.
35. The telephone poles with metal designs must be removed along the entire stretch of the park.
36. The support post on the side gate east of Barns D and E was bent and must be reset.
37. The two (2) 4-inch metal pipes remaining by the 874 Expressway fence line must be removed.
38. The fence line by the 874 Expressway was improperly repaired and must be fixed.
39. The three (3) telephone poles on the ground by the 874 Expressway fence line must be removed.
40. The pile of crushed blue plywood must be removed.

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41. The candy cane box and green stack of plywood next to the green restroom containers must be removed.
42. The Waste Management dumpster existing on the premises must be removed.
43. The two (2) trailers by the Barn F pasture must be removed.
44. The hole left inside the pasture next to the rolling gate post must be filled.
45. The seven (7) yellow storage containers must be removed from the property.
46. The telephone pole installed east of the new bus stop in the main parking lot must be taken down and removed.
47. The extension cords dangling in the trees west of the south restrooms must be taken down.

Please respond to these findings within five (5) business days of receipt of this letter in order to prevent any further action by the County, up to and including termination pursuant to the terms and conditions of the Agreement, including termination as specifically noted in Section 42, Termination by County, subsections B.ii and C.i.

If you have any questions or concerns, please contact me at (305) 755-7974 or via email at [sarah.vickery@miamidade.gov](mailto:sarah.vickery@miamidade.gov). Thank you.

Sincerely,

Sarah Vickery, Esq.  
Manager, Contracts & Procurement Division

- c: Christina Salinas-Cotter, Assistant Director, Performance Excellence  
Perry I. Perez, Chief, Contracts & Procurement Division

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RECIPIENT



## ATTACHMENT C



Parks, Recreation and Open Spaces  
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March 5, 2020

### **NOTICE OF LEASE EXPIRATION via certified mail**

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Mr. Steve Shechtman, President  
Santa's Enchanted Forest, Inc.  
11900 Biscayne Boulevard, Suite 500  
Miami, FL 33184

#### **RE: Notice of Lease Expiration for Santa's Enchanted Forest, Inc.**

Dear Mr. Shechtman:

This **Notice of Lease Expiration** is formally issued in accordance with Section 52 (Notices) of the Lease Agreement (the "Agreement") by and between Miami-Dade County (the "County") and Santa's Enchanted Forest, Inc. (the "Lessee" or "Santa's Enchanted Forest") dated March 15, 2000.

In accordance with the provisions of the Agreement, the County, through its Parks, Recreation and Open Spaces Department (the "Department"), notifies Santa's Enchanted Forest of the expiration of the Agreement effective March 14, 2020 at 11:59:59 p.m. Eastern Daylight Saving Time and reaffirms the corresponding obligations of the parties as contained therein.

As set forth in Section 2 (Initial Term), the Initial Term of ten (10) years and its subsequent extension for a total of ten (10) years by the two five (5) year renewal periods exercised in accordance with Section 3 (Option to Renew) together have made the Lease continuous in its operation from the beginning to its termination for total period of twenty (20) years. No further renewal periods are available, and the County hereby confirms the expiration of the Agreement effective on the date set forth above.

Pursuant to Section 48 (County Action at Termination) and Section 50 (County Right to Restrict Entry Upon Agreement Termination) of the Agreement, which states in part "[t]he Lessee, within two (2) calendar days following the termination of this Agreement will remove all of its personal property", please take all necessary steps to vacate the Facilities as defined in the Agreement, and restore said Facilities to a neat, clean and safe condition.

Additionally, pursuant to Section 14 (Reports and Records), subsection B, please submit to the Department the required financial statements and report of sale within sixty (60) days of the date of Agreement expiration, as more fully set forth therein.

**Notice of Lease Expiration for Santa's Enchanted Forest, Inc.**

**March 5, 2020**

**Page 2 of 2**

Please note that this letter does not constitute a waiver of the County's rights under the Agreement and is not intended to replace any portion of the Agreement.

Please do not hesitate to contact Ms. Christina Salinas Cotter, Assistant Director of Performance Excellence, at (305) 755-7889 or Mr. Perry Perez, Chief of Contracts and Procurement, at (305) 755-5459 if you have any questions.

Thank you for your partnership with Miami-Dade County. We wish you success in your future endeavors.

Sincerely,



Maria I. Nardi, Director

c: Christina Salinas-Cotter, Assistant Director, Performance Excellence  
Perry I. Perez, Chief, Contracts & Procurement Division  
Monica Rizo Perez, Esq., Miami-Dade County Attorney's Office  
Melanie Spencer, Esq., Miami-Dade County Attorney's Office