

RESOLUTION 2017-10-02

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (“DIA”) INSTRUCTING THE CHIEF EXECUTIVE OFFICER (“CEO”) TO EFFECTUATE AN AGREEMENT WITH THE NORTH FLORIDA LAND TRUST FOR THE LEASE OF THAT CITY-OWNED PROPERTY COMMONLY REFERRED TO AS “BREWSTER HOSPITAL” PURSUANT TO NOTICE OF DISPOSITION ISP-0511-17; AMENDING THE GENERAL TERMS AND CONDITIONS ADOPTED AS PART OF RESOLUTION 2017-05-01 AND RESOLUTION 2017-07-02; RECOMMENDING THAT THE CITY COUNCIL OF JACKSONVILLE ADOPT LEGISLATION EFFECTUATING THE PURPOSES OF THIS RESOLUTION; INSTRUCTING ITS CEO TO TAKE ALL NECESSARY ACTIONS TO EFFECTUATE THE PURPOSES OF THIS RESOLUTION, INCLUDING BUT NOT LIMITED TO, THE EXECUTION OF A LEASE AGREEMENT OR FUNCTIONAL EQUIVALENT; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, DIA is the designated Community Redevelopment Agency for the North Bank Community Redevelopment Area (“CRA”), to which a Community Redevelopment Plan was adopted by Ordinance 2014-0560-E; and

WHEREAS, the vacant building and real property commonly known as Brewster Hospital located at 843 W. Monroe Street, Jacksonville, Florida (the “Property”) is located within Downtown’s North Bank CRA; and

WHEREAS, by adoption of Resolution 2017-05-01, the DIA instructed its CEO to issue a notice for disposition as required by Section 163.380(3)(a), Florida Statutes, and Section 122.434(a), Ordinance Code; and

WHEREAS, through the City’s Procurement Department DIA issued notice of disposition ISP-0511-17 in accordance with the above mentioned statutory and local ordinance code requirements; and

WHEREAS, after the required 30-day notice period, the DIA did not receive any further proposals in response to ISP-0511-17; and

WHEREAS, via Resolution 2017-05-01 the DIA previously approved the general terms and conditions for lease of the Brewster Hospital to the North Florida Land Trust, Inc.; and

WHEREAS, via Resolution 2017-07-02 the DIA reaffirmed the terms and conditions previously adopted via Resolution 2017-05-01; and

WHEREAS, the DIA desires to modify the terms and conditions previously approved via Resolution 2017-07-02 to increase the lease abatement amount from \$250,000 to a maximum of \$350,000 based on the actual, documented costs of improvement; establishing a base rent within the first five (5) year term at seventy-one thousand one hundred and zero dollars (\$71,100.00) paid in monthly installments of five thousand nine hundred and twenty-five dollars (\$5,925.00); and reaffirm all other terms and conditions approved via Resolution 2017-05-01 and Resolution 2017-07-02; and

WHEREAS, Section 122.434(d), Ordinance Code, requires City Council approval of the agreement if the sales price of the property to be disposed of is greater than \$25,000, **NOW THEREFORE**

BE IT RESOLVED, by the Downtown Investment Authority:

Section 1. The DIA finds that the recitals set forth above are true and correct and are incorporated herein by this reference.

Section 2. The DIA approves the following to the terms and conditions:

- A. **Initial Term.** Five (5) years
- B. **Renewal Terms.** The Tenant shall have the option to renew this Lease for two (2) additional, consecutive five (5) year periods; except that the annual Lease Fee beginning with the second renewal period shall be at the then current market lease rate for Type A office space as determined by Downtown Investment Authority.
- C. **Lease Fee.** Initial Lease Fee shall be in the annual amount of seventy-one thousand one hundred and zero dollars (\$71,100.00) and shall be paid by Tenant to Landlord in monthly installments of five thousand nine hundred and twenty-five dollars (\$5,925.00).
- D. **Lease Fee Abatement.** For the Initial Term of this Lease, Tenant shall be eligible to receive an annual credit against the Lease Fee in a lease abatement amount of up to seventy-one thousand one hundred and zero dollars (\$71,100.00), with a total maximum aggregate lease abatement of three hundred and fifty thousand dollars (\$350,000.00). The lease fee abatement is limited to the initial five (5) year term.
- E. **Taxes and Other Charges.** The Tenant shall be solely responsible for all taxes, assessments, and fees of any kind relating to the Property or Tenant's use thereof.
- F. **Brewster and Community Nurses Association.** An area within the building's first floor will be designated to house an exhibit memorializing the history of Brewster Hospital. That area will be available to the Brewster and Community Nurses Association for meetings and events.

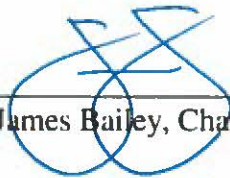
Section 3. The DIA recommends that the Jacksonville City Council adopt legislation authorizing a lease for the Property consistent with the general terms and conditions identified in Section 2 of this resolution.

Section 4. The DIA authorizes its CEO to take all necessary action to effectuate the purposes of this Resolution, including but not limited to, executing a lease agreement or its functional equivalent.

Section 5. This Resolution shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY


James Bailey, Chair

January 10¹⁷, 2018
Date

VOTE: In Favor: 6 Opposed: 0 Abstained: 0