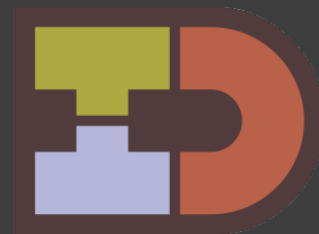


Amendments to Ground Lease for Cade Museum at Depot Park



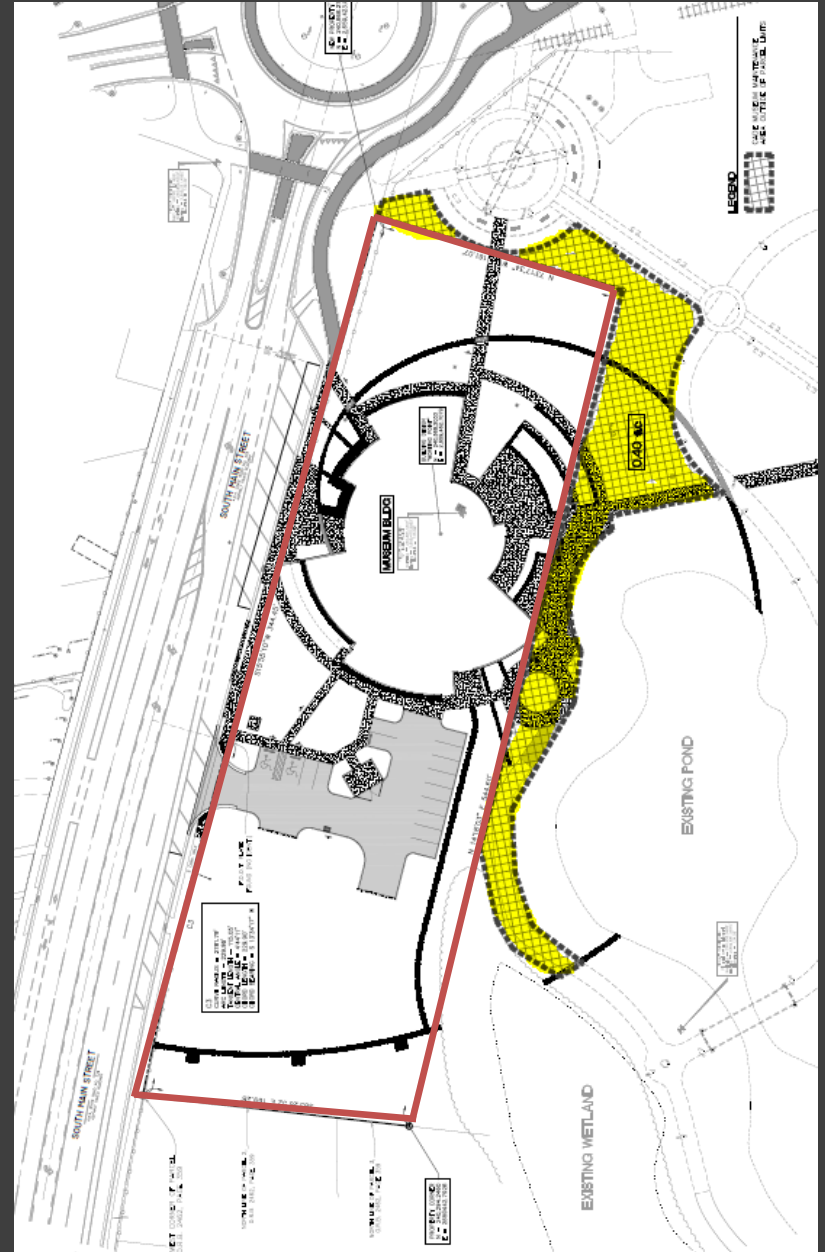
Cade Museum Lease

- 50 year lease was executed in July
- Executed lease allowed the museum to apply for a \$500,000 state cultural grant
- Today's agenda:
 - Request to amend lease boundary area
 - Request lease amendments to allow Cade Museum to receive construction financing



Extended Lease Boundary

- Requesting addition of .40 acre extended boundary
- Museum hardscape extends beyond original lease boundary due to unique building shape
- Extended boundary designed along natural and pathway contours of the park
- Cade Museum will be responsible for maintenance of extended boundary area



Construction Financing

- Opportunity to take advantage of New Market Tax Credits (NMTC)
- Construction financing for first phase of museum
- Financing entity assumes responsibility for construction
- Requesting some changes to the lease to accommodate this request
 - Extend term of the lease
 - Ability to assign/sublease
 - Allow leasehold financing
 - Broaden use for property



Details on Requested Lease Amendments

Current lease terms	Requests to Qualify for Construction Financing	Proposed Solution by City	Explanation
50 year lease term	Extend lease term to 75 or 99 years	65 years	
Assignment of the lease is not permitted	Ability to assign interest in leased premises to an affiliated entity	Acceptable	Affiliated entity must comply with the terms of the lease
Leasehold mortgage is prohibited	Remove prohibition on leasehold financing	Acceptable	Will include additional stipulations
Museum use only	Broaden the use of the property beyond museum use to increase the collateral value	City would expand allowable uses to Museum/Cultural/Educational facility with City Commission approval required and City would charge market rent for any other (commercial) uses [excluding inappropriate business types]	Contemplation of non-museum uses will require FDEP approval to locate into the park, as their prior approval was specifically for park use which includes museum use
Includes deadlines for completion of a future phase	Remove obligation to build future phases of the museum from the lease	Acceptable	Willing to strike all language requiring a future phase(s)
Lease contemplates temporary or permanent construction easements	All access easements in place prior to closing	Acceptable	Easement language can likely be removed
Various deadlines/conditions stated within lease	Removal of timing/conditions	Acceptable	The following timing/conditions can be removed: 3B, 4, 7B, 10B, 18-A-v. Item 6A may be altered if this route of financing is pursued.
Institutional controls for work on a remediated site	Removal of timing/conditions	City not able to remove these clauses	12 C and 12 D and 15 B are FDEP requirements

Cade Museum Project Schedule

- Groundbreaking event was held October 3, 2015
- Discussion of CRA infrastructure assistance (at CRA Board)
- February 15, 2016 Construction finance deal closes
- March 2016 museum construction begins
- Museum opening by June 2017



Recommendation

- 1) Authorize lease amendment to include extended boundary area
- 2) Authorize lease amendments requested by Cade Museum to qualify for construction financing subject to approval by the City Attorney as to form and legality

