



Legislation Text

File #: 120623., **Version:** 1

Lease with SharpSpring, LLC for Suite 100 of the 802 NW 5th Avenue Commercial Building (B)

The CRA building was developed as a catalyst for increased commercial development along the 5th Avenue corridor. While the second floor houses the CRA office, the first floor was constructed as a shell for a future business.

In late 2008, the CRA approved 802 NW 5th Avenue as the site of the new CRA mixed-use office building, bringing Class A office space to the Fifth Avenue Pleasant Street Redevelopment Area. In consultation with neighborhood residents and community leaders, the CRA decided that a new office building should be a driver for new jobs, business and economic activity along 5th Avenue.

Construction was completed in the summer of 2010 and the CRA moved into Suite 200 in August 2010. The first floor, Suite 100, was left as an unfinished shell to allow for maximum flexibility for future uses.

Staff has marketed Suite 100 using various channels, including the use of a commercial real estate broker. However, not having the space in move-in ready condition has been a barrier to securing a tenant. Feedback received from several companies and commercial real estate brokers indicated that a build out was necessary to make the space leasable. Accordingly, the CRA has begun work on a basic “vanilla shell” build-out of the space, including pouring the floor, adding plumbing fixtures, furring out the walls and completing the electrical and HVAC work etc. This work will prepare the space for tenant use, while maintaining the flexibility of the space. Additional build-out and furnishings will be provided by tenants, as needed.

Last month a local technology company, SharpSpring LLC., expressed interest in leasing the space. Accordingly, staff began negotiating terms and preparing a lease document with the CRA Attorney.

SharpSpring is a local technology company that provides a comprehensive sales and marketing management solution for businesses, allowing them to track and optimize every aspect of the sales cycle from “lead to close.” The company plans to initially locate 8-10 employees in the space with plans to expand to fifteen employees within the next few years.

Bringing SharpSpring into the 802 NW 5th Avenue commercial building will contribute to the City’s innovation economy as well as create high-wage, high-growth jobs within the Fifth Avenue Pleasant Street Redevelopment Area.

CRA approval is needed before a lease can be executed by the CRA Executive Director.

Upon execution the CRA and SharpSpring, LLC. will enter into a 3-year lease at \$9.50/SF with a 3% annual increase. This rental rate is in line with current Gainesville commercial market rates. As part of the lease

terms, SharpSpring is providing an upfront good faith payment of the first year's rent in lieu of personal guarantee.

CRA Executive Director to CRA Board: Authorize the CRA Executive Director to execute a lease with SharpSpring LLC., subject to review as to form and legality by the CRA Attorney.