



Legislation Text

File #: 150613., **Version:** 1

Third Amendment to Memorandum of Understanding for Cade Museum & Depot Park (B)

In 2013 the CRA issued a Request for Proposal for the development of a museum at Depot Park. The Cade Museum Foundation submitted a proposal for the construction of a 45,000 sq ft building to house a museum. The museum will be located at the western edge of Depot Park along Main Street. Part of the Cade Museum Foundation's proposal included a request for a long-term ground lease from the City for the museum site. An additional portion of the Cade Museum Foundation's request was for CRA assistance with infrastructure costs. CRA staff and the Cade Museum representatives have been negotiating both a lease and a development agreement since the submission of the Cade Museum proposal.

A long term ground lease agreement was approved by the City Commission in July 2015. At the December 3, 2015 City Commission meeting the City Manager was authorized to execute lease amendments requested by the Cade Museum including amending the boundary area of the ground lease and extending the lease term from 50 years to 75 years and other requested changes to allow the Cade Museum to qualify for construction financing.

To demonstrate the parties' good faith in continuing to negotiate both the lease agreement and the development agreement, the parties entered into a Memorandum of Understanding dated October 2, 2012. One of the key provisions of the Memorandum of Understanding was for CRA staff to present the Cade Museum Foundation with a draft Development Agreement. An original Draft Development Agreement was presented in January 2013 but since that time, additional changes and negotiations have taken place.

The Cade Museum is now in the final stage of construction planning and staff and the Cade Museum are currently in discussions to determine areas where the Cade Museum may need further assistance with extraordinary infrastructure costs and how best the CRA can assist with any remaining needs. However, additional time is needed to finalize the draft development agreement for the Cade Museum's consideration.

In light of the ongoing discussions on the final element of the development agreement, staff is requesting a Third Amendment to the Memorandum of Understanding which, if approved, would move the date CRA staff must provide a draft Development Agreement to the Cade Museum Foundation from December 31, 2015 to May 31, 2016. This request will not impact the existing deadline to provide a final agreement by June 30, 2016.

The proposal received from the Cade Museum Foundation includes requests for infrastructure improvements at the site from the City and CRA and a \$150,000 landscape/hardscape allowance from the CRA. These requests are currently being negotiated and will be brought back to the CRA Board and City Commission.

City Manager to City Commission: Authorize the City Manager to execute the Third Amendment to Memorandum of Understanding, subject to approval by the City Attorney as to form and legality