



Legislation Text

File #: 150563., **Version:** 1

Amendments to Ground Lease for Cade Museum at Depot Park (B)

This is a request for the City Commission to approve lease amendments at Depot Park.

The Cade Museum was selected in a 2013 RFP process to locate a new museum for creativity and invention on an approximately 2.155 acre parcel at the western edge of Depot Park along Main Street. A 50 year ground lease was executed in July 2015 ahead of completion of a final development agreement so that the museum could be eligible to apply for a significant Cultural Facilities grant sponsored by the Florida Department of State, Division of Cultural Affairs, Florida Council on Arts and Culture.

The Cade Museum is requesting a change to the museum boundary area to accommodate the design of the hardscape elements that surround the museum's unique building shape. The extended boundary would add approximately .40 acres to the museum boundaries, and the museum would be solely responsible for the maintenance of this extended boundary area for the entire term of the ground lease.

The Cade Museum has subsequently pursued construction financing and may be eligible for New Markets Tax Credits (NMTC). The lender has requested changes to the terms of the lease in order for the Cade Museum to qualify for this financing, including extending the lease term, the ability to assign the lease to an affiliate, allowing leasehold financing and broadening the use of the property. Staff has worked with the City Attorney to mitigate risk to the City with the adoption of these potential changes. In its presentation, Staff will describe the proposed lease changes in detail and detail its efforts to work with the Cade Museum to meet significant milestones required for them to qualify for \$3.2mm in construction financing.

None at this time.

City Manager to City Commission: 1) authorize lease amendments to include extended boundary area; and 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.