



Cover Memorandum/Staff Report

File #: 18-0979 CRA

Agenda Date: 1/25/2022

Item #: 9A.

TO: CRA Board of Commissioners
FROM: Kim Phan, Legal Advisor
THROUGH: Renée A. Jadusingh, Esq., Executive Director
DATE: January 25, 2022

REQUEST LETTER FROM EMANUEL JACKSON, SR. PROJECT, INC.- 700 WEST ATLANTIC AVENUE, UNIT 700

Recommended Action:

- A) Board discussion regarding the Request Letter received from Emanuel Jackson, Sr. Project, Inc., dated December 15, 2021, regarding the CRA-owned property at 700 West Atlantic Avenue, Unit 700.
- B) Board Direction on Potential Options:
 - 1) Prepare a public notice for invitation to lease 700 West Atlantic Avenue, Unit 700; or
 - 2) Negotiate a month-to-month lease agreement with a monthly rental rate and bring back the lease agreement to the CRA Board for consideration; or
 - 3) Take no action and EJS's current Lease Agreement will expire on January 31, 2022.

Background:

Emanuel Jackson, Sr. Project, Inc. ("EJS") is a tenant located at 700 West Atlantic Avenue, Unit 700 ("Subject Property"). On November 9, 2017, the CRA executed a two (2) year commercial lease agreement with EJS for the Subject Property that terminated on January 14, 2020. On January 28, 2020, the CRA Board approved and the CRA executed a one-year (February 1, 2020 to January 31, 2021) Lease Agreement for the Subject Property. On October 14, 2020, EJS submitted a request to the CRA to renew its Lease Agreement until January 31, 2022. On November 12, 2020, the CRA Board approved a First Amendment to the Lease Agreement with EJS to extend the term until January 31, 2022.

On or around December 15, 2021, EJS submitted a request ("Request Letter") to the CRA to renew the Lease Agreement for an additional two (2) years until January 31, 2024. In the same Request Letter, EJS also requested consideration of an unsolicited partnership with the CRA for a future endeavor and expressed its interest in negotiating with the CRA to acquire land within the CRA District for "free or at a discounted cost." The CRA also received eight (8) letters of support for EJS.

If the CRA Board chooses to enter into a commercial lease with EJS, then section 163.380, Florida Statutes sets forth the requirements and process. See §163.380(3)(a), Fla. Stat. Accordingly, public notice inviting proposals for the subject real property must be given thirty (30) days prior to execution of any contract to lease real property by the CRA. The CRA must then consider all the proposals received including the proposers financial and legal ability to redevelop or rehabilitate the real property. After negotiations, the CRA may accept a proposal deemed in the public interest and in accordance with statutory requirements.

Section 163.380(3)(a), Florida Statutes - Disposal of Property in Community Redevelopment Area - states that:

Prior to disposition of any real property or interests therein in a community redevelopment area, any county, municipality, or community redevelopment agency shall give public notice of such disposition by publication in a newspaper having a general circulation in the community, at least 30 days prior to the execution of any contract to sell, lease, or otherwise transfer real property and, prior to the delivery of any instrument of conveyance with respect thereto under the provisions of this section, invite proposals from, and make all pertinent information available to, private redevelopers or any persons interested in undertaking to redevelop or rehabilitate a community redevelopment area or any part thereof. Such notice shall identify the area or portion thereof and shall state that proposals must be made by those interested within 30 days after the date of publication of the notice and that such further information as is available may be obtained at such office as is designated in the notice. The county, municipality, or community redevelopment agency shall consider all such redevelopment or rehabilitation proposals and the financial and legal ability of the persons making such proposals to carry them out; and the county, municipality, or community redevelopment agency may negotiate with any persons for proposals for the purchase, lease, or other transfer of any real property acquired by it in the community redevelopment area. The county, municipality, or community redevelopment agency may accept such proposal as it deems to be in the public interest and in furtherance of the purposes of this part. . . . Thereafter, the county, municipality, or community redevelopment agency may execute such contract in accordance with the provisions of subsection (1) and deliver deeds, leases, and other instruments and take all steps necessary to effectuate such contract.

Alternatively, the CRA Board also has the option to continue leasing the Subject Property to EJS on a month-to-month basis. Currently, the 700 West Atlantic Avenue building has four (4) tenants, EJS and three (3) retail/commercial tenants. The three (3) retail/commercial tenants both have month-to-month lease agreements with negotiated rental rates. Currently, the 700 West Atlantic Avenue building has four (4) tenants, EJS and three (3) retail/commercial tenants. The three (3) retail/commercial tenants both have month-to-month lease agreements with negotiated rental rates. Should the CRA Board approve a month-to-month lease agreement, CRA staff will need direction as it relates to negotiating a monthly rental rate. Any month-to-month lease agreement with a negotiated rental rate will be brought back before the CRA Board for consideration.

Lastly, the CRA Board can take no action and the Lease Agreement will expire on January 31, 2022.

As it relates to EJS's requests to consider a future partnership and acquisition of land, the CRA Executive Director directed EJS to refer to the CRA's Purchasing Policies and Procedures Manual and advised that the CRA does not currently have any real property to dispose of. More specifically, the CRA's Purchasing Policies and Procedures Manual sets forth the requirements and process for unsolicited proposals. See CRA's Purchasing Policies and Procedures Manual, p. 21 "Unsolicited Proposals."

At this time, the Request Letter from Emanuel Jackson, Sr. Project, Inc. is before the CRA Board for discussion and CRA staff is seeking direction on the following potential options:

- 1) Prepare a public notice for invitation to lease 700 West Atlantic Avenue, Unit 700; or
- 2) Negotiate a month-to-month lease agreement with a monthly rental rate and bring back the lease agreement to the CRA Board for consideration; or
- 3) Take no action and EJS's current Lease Agreement will expire on January 31, 2022.

Attachment(s): Exhibit A: EJS Lease and Amendment; Exhibit B -EJS Request Letter dated December 15, 2021; Exhibit C - Letters of Support for EJS; Exhibit D: CRA Purchasing Policies and Procedures Manual

CRA Attorney Review:

N/A

Finance Review:

N/A

Funding Source/Financial Impact:

N/A