City of Pensacola

222 West Main Street
Pensacola, FL 32502

Memorandum

File #: 20-00271 City Council 5/28/2020

LEGISLATIVE ACTION ITEM

SPONSOR: City Council Vice President Jared Moore

SUBJECT:

PENSACOLA SPORTS ASSOCIATION SECOND AMENDMENT TO LEASE AGREEMENT

RECOMMENDATION:

That City Council approve a second amendment to the lease agreement with the Pensacola Sports Association (PSA) for the property located at 101 West Main Street to extend the lease for a period of three (3) years, terminating on October 31, 2026.

HEARING REQUIRED: No Hearing Required

SUMMARY:

On May 13, 1993, the Community Redevelopment Agency (CRA) approved a 30-year lease agreement with the Pensacola Sports Association (PSA) for the lease of the property located at 101 West Main Street. On July 14, 2003, the CRA approved an amendment to the lease agreement to provide additional parking for the development of the Pensacola Association of Realtors (PAR) office at 107 West Main Street.

The amended agreement authorizes lease of the building and thirteen (13) parking spaces to the PSA, along with a sublease of thirty-two (32) parking spaces to PAR. The agreement terminates on October 31, 2023. Approval of the amendment authorizes a three (3) year extension terminating on October 31, 2026. Beginning November 1, 2023, rent payments would increase, pursuant to a 2% rate escalation, from $5,940 to $6,059 per year, plus sales and use taxes, through the amended termination date. In addition, the Lessee would have the right to terminate the lease agreement without penalty with 30 days prior written notice.

PRIOR ACTION:

May 13, 1993 - CRA approved a lease agreement with the Pensacola Sports Association for the lease of the 101 West Main Street parcel.

May 13, 1993 - City Council ratified the CRA's approval of a lease agreement with the Pensacola Sports Association for the lease of the 101 West Main Street parcel.

March 23, 1995 - CRA approved a 12-month extension of the date outlined in Section 4 of the lease

agreement for the lease of the 101 West Main Street parcel.

July 14, 2003 - CRA approved an amendment to the lease agreement to provide additional parking for the development of the Pensacola Association of Realtors office located at 107 West Main Street.

April 20, 2020 - CRA approved the second amendment to the lease agreement

FUNDING:

N/A

FINANCIAL IMPACT:

Under the current lease terms, the CRA receives, on an annual basis, rent in an amount totaling $5,940, plus applicable sales and use taxes. The amendment will increase revenues to $6,059 per year plus applicable sales and use taxes beginning November 1, 2023, through the termination of the lease.

STAFF CONTACT:

Don Kraher, Council Executive
Kerrith Fiddler, Deputy City Administrator - Community Development
M. Helen Gibson, AICP, CAR Administrator
Victoria D'Angelo, Assistant CRA Administrator

ATTACHMENTS:

1) PSA 2nd Amended Lease Agreement

PRESENTATION: No