

**CITY COUNCIL RESEARCH DIVISION
LEGISLATIVE SUMMARY**



JEFFREY R. CLEMENTS
Chief of Research
(904) 255-5137

117 West Duval Street
City Hall, Suite 425
Jacksonville, FL 32202
FAX (904) 255-5229

Bill Type and Number: Ordinance 2020-0422

Introducer/Sponsor(s): Council President at the request of the Mayor

Date of Introduction: July 28, 2020

Committee(s) of Reference: F

Date of Analysis: July 28, 2020

Type of Action: Authorizing Administration to execute a lease agreement; providing for oversight

Bill Summary: The bill authorizes the Administration to enter into a lease agreement with Northrop Grumman Systems Corporation concerning a leased property, Building 68A, at Cecil Commerce Center. The term of the Lease is five years, with three (3) five-year renewal options, for 56,679 square feet. The new monthly rent will be \$12,422.15 (\$2.63 per square foot with a three percent (3%) annual increase) and a \$200.00 monthly CAM fee. The Office of Economic Development will provide oversight and administration of the Lease.

Background Information: Northrup Grumman Storage Systems Corporation, a global aerospace and technology company, desires to renew its lease agreement with the City, for a City-owned warehouse building (Building 68A), at Cecil Commerce Center. The company has leased the warehouse since 2000, when the City took ownership of the building from the U.S. Navy. Northrup uses the building primarily for the storage of aerospace parts and components.

Policy Impact Area: Cecil Commerce Center; economic development

Fiscal Impact: Total New Monthly Rent is \$12,422.15 (\$2.63 SF with a 3% annual increase) and \$200.00 monthly CAM Fee.

Analyst: Baltiero