

**CITY COUNCIL RESEARCH DIVISION  
LEGISLATIVE SUMMARY**



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**Bill Type and Number:** Ordinance 2023-494

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

**Date of Introduction:** August 8, 2023

**Committee(s) of Reference:** F, NCSPHS

**Date of Analysis:** August 10, 2023

**Type of Action:** Authorization to execute lease agreement; designation of oversight agency

**Bill Summary:** The bill authorizes the Mayor to execute a lease between the City and Florida Blue for approximately 59,000 square feet of office space in the Florida Blue (Blue Cross and Blue Shield of Florida) building at 532 Riverside Avenue in Brooklyn to house personnel from the Jacksonville Sheriff's Office. The Sheriff's Office is designated as the oversight agency for the lease.

**Background Information:** The lease, spread over 3 floors (1<sup>st</sup>, 9<sup>th</sup> and 10<sup>th</sup>) in the tower, is for an initial term of 149 months at an initial rate of \$20 per square foot, escalating at 3% per year. There are two 5-year renewal options at the same annual escalation rate. The lease also includes 5 parking spaces per 1,000 rentable square feet plus an additional 3,567 square feet of space in the parking garage at an initial rate of \$6 per square foot, subject to a 3% annual escalator. The lease provides that rent is abated for the first 10 months while tenant improvements are underway. The landlord will provide a Tenant Improvement Allowance of \$3,447,950 and the JSO is required to contribute \$1 million toward Tenant Improvements. The landlord will oversee and manage the build-out of all leased areas at a "not-to-exceed" cost of \$5,447,950.

The additional office space is needed due to the growth in JSO personnel to meet City population and service call growth since the Police Memorial Building on Bay Street opened in 1977.

**Policy Impact Area:** JSO operations

**Fiscal Impact:** The initial \$1 million for tenant improvements will be allocated from the JSO's FY22-23 budget. The new lease will become effective in FY23-24 and costs will be included in the upcoming budget.

**Analyst:** Clements