



Legislation Text

File #: ID#17-3973, **Version:** 1

SUBJECT/RECOMMENDATION:

Approve a Development Agreement between the Community Redevelopment Agency of the City of Clearwater and The Ring Workspaces, LLC, and authorize the appropriate officials to execute same.

SUMMARY:

In an effort to support the economic development and downtown revitalization goals, objectives, and principles found in the City and CRA Redevelopment Plan and the CRA Board of Trustees Strategic Plan, the CRA would like to contribute funds to a project focused on providing a co-working space to Downtown Clearwater. The CRA views the addition of a co-work space as a major opportunity to further its strategies by attracting and supporting new entrepreneurial small businesses and activating the downtown core.

The Ring Workspaces, LLC has proposed the construction of a co-work space will be located at 600 Cleveland Street (One Clearwater Tower), on the building's third floor and part of its second floor, with square footage totaling around 18,000 square feet. Parking for the space will be provided by a parking lot located at 630 Laura Street, which is adjacent to the project site.

As a part of the agreement, the city's "Clearwater Business SPARK" program, which provides services and support to small businesses and entrepreneurs in every stage of development, will be provided a physical office space within the development at no cost, as well as a membership for the City and its partners.

The overall cost of the project is estimated to be \$1,800,000, with \$1,200,000 being invested by The Ring Workspaces, LLC and the CRA reimbursing a maximum amount of \$600,000 for build out of the interior space. In consideration of the CRA's contribution, The Ring Workspaces, LLC and the landlord (600 Cleveland, LLC) would have an obligation to operate the site as a co-work space for five years from the completion date of the project. This obligation will be backed by a performance mortgage on the site located at 630 Laura Street and the performance mortgage will be reduced by 20% for each year of operation as a co-work space.

The Ring Workspaces, LLC will also be required to provide the CRA an annual report of their operation to the CRA, which will be based on areas described in Exhibit K of the agreement. This report is due to the CRA Executive Director by December 31st of each year.

APPROPRIATION CODE AND AMOUNT:

Funds are available in capital improvement project 388-94893, to fund this contract.