

**SUMMARY OF REQUEST**

**DATE:** July 27, 2022

**FACILITY:** Broward Health Corporate Spectrum Building 1700

**PROGRAM/PRODUCT LINE:** Real Estate & Construction Services

**REQUEST:** Request board approval for capital funding to build out the current boardroom (Suite 105) and Material Operations (Suite 110) to accommodate a leased space.


**PURPOSE:** Broward Health will lease the suite(s) to long-term tenants for 10 year leases with negotiated renewal options.

**CAPITAL REQUIRED:** Total Project Cost is \$3,193,118 (not-to-exceed) for design and construction. The project cost includes a tenant improvement allowance of \$863,050.

**FISCAL IMPACT:** FY 22 and FY 23

**BUDGET STATUS:** Capital project currently not in FY22 approved budget.

**LEGAL REVIEW:** The contract is subject to General Counsel's review and approval as to legal form and conditioned on no material changes in the approved business terms.

**APPROVED:**  
Shane Strum  
07/08/2022 07:08 EDT

DATE: \_\_\_\_\_

Shane Strum, President/CEO BH

**M E M O R A N D U M**

**TO:** Board of Commissioners

**FROM:** Shane Strum, President/CEO BH

**DATE:** 07/27/2022

**SUBJECT:** Request board approval for capital funding to build out the current boardroom (Suite 105) and Material Operations (Suite 110) to accommodate leased spaces .

**BACKGROUND**

Broward Health's corporate real estate strategic plan is to attract tenants that provide services which aligns with the mission and vision of the organization.

**ACTION/PROJECT DESCRIPTION**

Board approval for funding of \$3,193,118 (not-to-exceed) for design and construction for buildouts at Broward Health Corporate, Spectrum 1700 building space. The project cost includes a tenant improvement allowance of \$863,050.

**FINANCIAL/BUDGETARY IMPACT**

**Capital Impact:** FY 22 and FY 23 - Total Project Cost is \$3,193,118 (not-to-exceed) for design and construction. The project cost includes a tenant improvement allowance of \$863,050.

**Revenue Impact: NOTE:** Tenant Improvement (TI) amortization will be calculated and memorialized in the lease to be included into the lease payments for cost above \$50/SF of TI allowance.

**JUSTIFICATION**

Supports Broward Health initiatives to provide high quality care to all patients served.

**STAFF RECOMMENDATION**

**Therefore, it is requested that the Board of Commissioners of the North Broward Hospital District authorize the District to approve the funding of \$3,193,118 for design and construction for buildouts at Broward Health Corporate, Spectrum 1700 building with a tenant improvement allowance of \$863,050.**