

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.