



Agenda Report

2725 Judge Fran Jamieson
Way
Viera, FL 32940

New Business - Community Services Group

J.5.

9/14/2021

Subject:

Staff Direction, Re: Tourism Development Office lease and Visitor Information Center (VIC) lease

Fiscal Impact:

5-year lease with 5-year renewal for office space would be approximately \$1,126,656.00 (\$102,894 annually with 2% or CPI escalator) out of Fund 1440 for office space. 5-year lease with 5-year renewal for Visitor Information Center out of Fund 1445 would be approximately \$160,321.00 (\$13,985 annually with 3% escalator).

Dept/Office:

Tourism Development Office

Requested Action:

It is requested that the Board of County Commissioners review and provide direction to staff for a potential new office lease, including a move, to 801 N. Atlantic Avenue, Suite 400, Cocoa Beach, FL 32931. Additionally, provide direction and approve potential move of Visitor Information Center to 267 W. Cocoa Beach Causeway, Cocoa Beach, FL 32931.

Summary Explanation and Background:

The Tourism Development Office (TDO) has searched for various potential office space options including renewing the current space at 430 Brevard Avenue, Suite 150, Cocoa, FL 32922. The existing office space lease is up in June, 2022. However, the building is up for sale and although the owners are willing to give an extension to the existing lease, there are out clauses in case the building is sold and the TDO would have to vacate with relatively short notice. By proactively finding new office space now, this would provide for the smooth transition and future of the TDO.

The recommended new office space sits in the tourism corridor between SR 520 and Minuteman Causeway on A1A. It includes 5,560 square feet of space in 2 sections on the 4th floor of the SunTrust Building. This new lease would begin on or about October 1, 2021 and would be for 5 years with a 5-year renewal option. Please note, while this lease cost is higher than then current lease, the lease is for five years without the threat of short notice of vacating and the lease cost is lower than other sites reviewed.

The TDO engaged Lightle, Beckner, Robison, a commercial real estate company, to look at the least expensive office space options in Central Brevard. Class A office space in that area is running approximately \$20 a square foot. While some warehouse and medical office space runs less, the configurations are not conducive to the needs of the TDO. Warehouse space typically includes large back office space with rolling doors, while medical space typically has many smaller spaces that were used for patient interaction or medical procedures.

The TDO also looked at space in the Viera area, but lease costs exceed the average costs of the county, running \$24 per square foot and up.

As the TDO is a tourism-oriented organization, having space within the tourism corridor makes more sense. This would also allow the office space to be close to the Visitor Information Center which will be moved to 267 W. Cocoa Beach Causeway, Cocoa Beach, FL 32931. This space is in a strip mall near the corner of Cocoa Beach Causeway (SR 520) and A1A, a high traffic tourism area for both cars and pedestrians.

An additional benefit of the potential move to the Cocoa Beach office space is there would be enough room to hold Tourist Development Council and committee meetings on site (up to 40 of these meetings a year). This would save the County travel expenses and staff time. Committee meetings involve up to 5 staff traveling from the TDO offices to the Government Center and being out of the office for 3 - 4 hours at a time. By being able to conduct meetings on site, it would save significant hours of travel and mileage expenses.

Options for the Board to consider:

- Move office space and Visitor Information Center to Cocoa Beach
- Remain in current offices and sign an option to renew with the possibility of being asked to vacate upon sale of the building
- Remain in current offices and continue search for other office space with direction from the Board on what parameters should be utilized (location, lease amounts, etc.)

Clerk to the Board Instructions:

Please send Board Memo to Director, Tourism Development Office.



September 15, 2021

M E M O R A N D U M

TO: Peter Cranis, Tourism Development Office Director

RE: Item J.5., Staff Direction for Tourism Development Office Lease and Visitor Information Center (VIC) Lease

The Board of County Commissioners, in regular session on September 14, 2021, approved moving the Tourism Development Office to 801 N. Atlantic Avenue, Suite 400, Cocoa Beach, FL 32931; and approved moving the Visitor Information Center to 267 W. Cocoa Beach Causeway, Cocoa Beach, FL 32931.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
RACHEL M. SADOFF, CLERK

A handwritten signature in cursive script, reading "Kimberly Powell".

Kimberly Powell, Clerk to the Board

cc: Finance
Budget