



Legislation Text

File #: 13038, Version: 1

TITLE

Amended and Restated Lease Agreement With Tampa General Hospital Hernando, LLC; Consent to Assignment of Lease to HMA Hernando, LLC, Health Management Associates, LLC, and Tampa General Hospital Hernando, LLC; Interlocal Agreement With Florida Development Finance Corporation; and First Amendment to Deed of Easement With Bellsouth Telecommunications, LLC, d/b/a AT&T Florida

BRIEF OVERVIEW

Hernando County owns the property currently leased to HMA Hernando, LLC (HMA) as Bravera Health of Brooksville (17240 Cortez Boulevard) and Bravera Health of Spring Hill (10461 Quality Drive). The existing guarantor is Health Management Associates, LLC. HMA has been negotiating to sell both hospitals and related facilities to Tampa General Hospital Hernando, LLC (TGHH) and it is anticipated that closing will occur on or about December 1, 2023. As part of the closing, Hernando County has been asked to approve the following documents:

1. Amended and Restated Lease Agreement

Hernando County will enter into an amended lease for both sites with Tampa General Hospital Hernando, LLC, with Florida Health Sciences Center, Inc. as Guarantor. The term will be 50 years.

2. Consent to Assignment of Lease

The Consent to Assignment provides for a release of Hernando HMA and Health Management Associates' obligations under the existing lease and the existing guaranty.

3. Interlocal Agreement

This agreement with Florida Development Finance Corporation (FDFC) is necessary in order for FDFC to issue bonds or other indebtedness for the benefit of Florida Health Sciences Center, Inc., related to financing or refinancing the acquisition of the hospitals and related facilities.

4. First Amendment to Deed of Easement

While preparing for the sale of the hospitals, it was discovered that a 1991 Deed of Easement granted to Southern Bell Telephone and Telegraph, n/k/a Bellsouth Telecommunications, LLC d/b/a AT&T Florida, incorrectly described the easement area such that it runs through the hospital itself. In order to close, an amendment has been prepared for Hernando County's execution that corrects the easement description.

FINANCIAL IMPACT

The base rent is \$300,000 annually with a 2% increase each year thereafter.

LEGAL NOTE

The Board is authorized to act on this matter pursuant to Chapter 125, Florida Statutes.

RECOMMENDATION

It is recommended that the Board approve and authorize the Chairman's signature on the attached Amended and Restated Lease Agreement, Consent to Assignment of Lease, Interlocal Agreement with Florida Development Finance Corporation, and First Amendment to Deed of Easement with Bellsouth Telecommunications, LLC.