PORT TAMPA BAY NOTICE OF PUBLIC HEARING

Notice is hereby given of a public hearing to be held at 10:00 a.m., July 20, 2018 before the Tampa Port Authority, d/b/a Port Tampa Bay at its offices located at 1101 Channelside Drive, Tampa, Florida 33602, to hear public comments regarding the following:

LEASE AGREEMENT WITH SPARTAN MATERIALS OF TAMPA, LLC

Additional information is available online at www.tampaport.com. All written comments and objections directed toward the foregoing matter should be filed with Port Tampa Bay, Real Estate Department, at 1101 Channelside Drive, Tampa, Florida 33602 by 12:00 noon on July 19, 2018. Oral comments and objections may be presented at the hearing.

In accordance with the federal Americans with Disabilities Act and Section 286.26, Florida Statutes, persons with disabilities requiring reasonable accommodation to participate in this hearing should call (813) 905-5031 or fax (813) 905-5029 not later than 48 hours prior to the hearing.

ANY PERSON WHO DECIDES TO APPEAL ANY DECISION OF THE PORT TAMPA BAY WITH RESPECT TO ANY MATTER CONSIDERED AT THIS PUBLIC HEARING WILL NEED A RECORD OF THE PROCEEDINGS AND, FOR SUCH A PURPOSE, MAY NEED TO HIRE A COURT REPORTER TO ENSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

To be published Friday, June 29, 2018 In the Tampa Bay Times

BACKGROUND INFORMATION FOR PUBLIC HEARING JULY 20, 2018 AT 10:00 A.M.

LEASE AGREEMENT WITH SPARTAN MATERIALS OF TAMPA, LLC

Spartan Materials of Tampa, LLC ("Spartan") is an international supplier of fly ash, a byproduct of coal-fired power plants, to the concrete industry. Spartan desires to lease property from Port Tampa Bay for the operation of a dry bulk terminal. Port Tampa Bay has two (2) possible sites located on Causeway Boulevard for Spartan to lease ("Premises"). However, during Spartan's site planning, Spartan desires to lease a warehouse from Port Tampa Bay for temporary operations ("Temporary Premises").

Port Tampa Bay and Spartan have agreed to the terms stated below for both the Temporary Premises and the final Premises and these terms were approved by Port Tampa Bay's Board of Commissioners at the Board Meeting held on June 19, 2018. This Public Hearing is being held to add additional acreage of approximately 1.71 acres of paved land contiguous with the warehouse space for the Temporary Premises, located on Hooker's Point, as shown on Exhibit "A".

Temporary

Premises: Temporary Premises would be the use of a warehouse (Building 310),

containing approximately 66,640 square feet and approximately 1.71 acres of paved land contiguous with the warehouse space, located on Hooker's

Point, as shown on Exhibit "A".

Premises: The Premises would consist of approximately six and six tenths (6.6) acres

of land located on Causeway Boulevard, as shown on Exhibit "B". Port Tampa Bay and Spartan will coordinate with each other to finalize which site is selected as the Premises. Once Spartan commences operations on the Premises, the Temporary Premises would be vacated by Spartan and returned to Port Tampa Bay in the same condition as Spartan received it.

Use: Processing and handling of fly ash and other cementitious products.

Term: The Term would commence with the Temporary Premises and be for a

period of twenty (20) years, with three (3) five (5) year Lease Extension

Options. The Term would commence upon execution of the Lease.

Rent: Rent for the Lease would be as follows:

Lease Years 1 - 2: (Temporary Premises) - Rent for the Temporary

Premises would be \$166,600.00 per year.

In the event Spartan commences operations on the Premises prior to the end of Lease Year 2, Rent for the Premises would be calculated at \$25,000.00 per acre per year.

Lease Year 3: Rent would be \$25,000.00 per acre annually or \$165,000.00 total annually.

Lease Years 4 - 20: Rent would be based on the Rent for Lease Year 3, as adjusted by the increase in the CPI, but not less than 0%.

Extension Options: Rent would be based upon the fair market value as determined by an appraisal process or as mutually agreed upon by Port Tampa Bay and Spartan.

Annual Tonnage Guarantee:

The minimum Annual Tonnage Guarantee (ATG) would be as follows:

Lease Years 1 - 2: 100,000 tons of cementitious products.

Lease Years 3 - 6: 200,000 tons of cementitious products.

Lease Years 7 - 20: 350,000 tons of cementitious products.

Lease Extension Options: 350,000 tons of cementitious products.

Improvements:

Spartan would be responsible for all improvements to the Premises and agrees to take the Premises and all existing improvements "AS-IS"". .

Spartan would have the right to construct building improvements, silos, pipelines, conveyors, rail spurs, and other improvements on the Premises, all subject to prior review and approval by Port Tampa Bay. The rail improvements depicted on Exhibit "A" do not exist at this time and is a depiction of the possibility of rail service to the Premises. Port Tampa Bay will use its best efforts to obtain rail service to the Premises.

Other:

Spartan would be responsible for all utilities, real estate taxes, site improvements, insurance, maintenance of the Premises, and compliance with all seaport security, environmental and all other applicable regulations and laws. All appropriate environmental restrictions would apply to the premises.

Exhibit "A" **Temporary Property**



Exhibit "B" Sketch of the Property

