

Agenda Item #:

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: June 19, 2007 [X] Consent [] Regular
[] Ordinance [] Public Hearing

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: a Second Amendment To and Reinstatement of Lease Agreement (R-2002-2261) with the School Board of Palm Beach County for its continued use of approximately 4.53 acres located adjacent to the County Stockade on Fairgrounds Road for \$21,705.90.

Summary: On December 17, 2002, the Board approved the initial Lease Agreement with the School Board for a term of three (3) years with one (1) option to extend. The property is being used by the School Board for a temporary grounds maintenance storage facility pending completion of construction of a permanent facility at Belvedere Road and Skees Road. On September 13, 2005, the School Board exercised its option to extend the Lease term through December 16, 2006. On November 21, 2006, the Board approved the First Amendment extending the term of the Lease through June 16, 2007. This Second Amendment extends the term of the Lease for six (6) months, from June 17, 2007 through December 16, 2007. The rent for this extension period is \$21,705.90. Staff supports this extension as it will not interfere with the County's construction schedule for the expansion of the adjacent County Stockade. All other terms of the Lease Agreement remain unchanged. (PREM) District 6 (HJF)

Background and Justification: The School Board has utilized this property since 2002 and will vacate the premises upon completion of construction of a new complex on Belvedere Road which is currently in the permitting stage. The School Board is encountering delays with the permitting and is requesting an additional six (6) month extension.

Attachments:

- 1. Location Map
- 2. Letter of Request from the School District
- 3. Second Amendment To And Reinstatement of Lease Agreement

Recommended By: *Ray* *Amy Wolf* *5/31/07*
Department Director Date

Approved By: *[Signature]* *5/16/07*
County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2007	2008	2009	2010	2011
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	(12,541.19)	(9,164.71)	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	(12,541.19)	(9,164.71)	_____	_____	_____
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget: Yes _____ No X

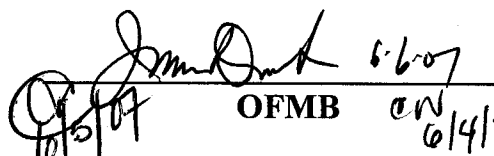
Budget Account No: Fund 0001 Dept 800 Unit 8001 Object 6202
 Program _____

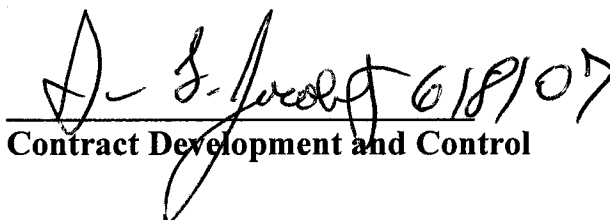
B. Recommended Sources of Funds/Summary of Fiscal Impact:

C. Departmental Fiscal Review: _____

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:


 OFMB 6/6/07
6/4/07


 Contract Development and Control 6/18/07

B. Legal Sufficiency:

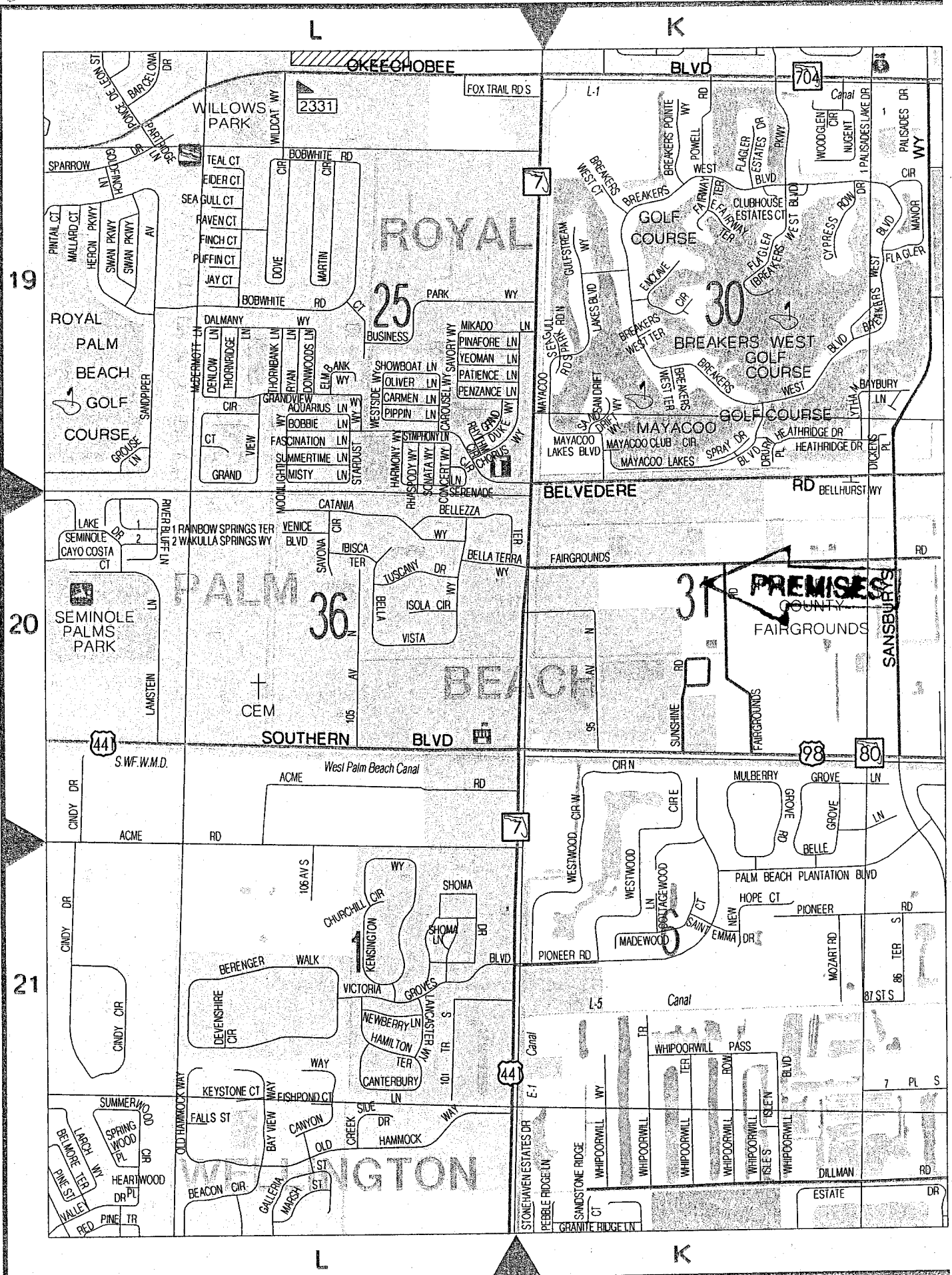

 Assistant County Attorney 6/11/07

This amendment complies with our review requirements.

C. Other Department Review:

 Department Director

This summary is not to be used as a basis for payment.



LOCATION MAP
ATTACHMENT #1





THE SCHOOL DISTRICT OF
PALM BEACH COUNTY, FLORIDA

REAL ESTATE SERVICES
3300 FOREST HILL BOULEVARD, B-246
WEST PALM BEACH, FL 33406

(561) 434-8021 FAX: (561) 434-8482

BARRY I. PRESENT
DIRECTOR OF REAL ESTATE SERVICES

ARTHUR C. JOHNSON
SUPERINTENDENT

March 15, 2007

CERTIFIED MAIL
7005 3110 0001 8064 1544

Mr. Ross C. Hering, Director
Property & Real Estate Management
Palm Beach County
3200 Belvedere Road, Bldg. 1169
West Palm Beach, Florida 33406-1544

RECEIVED

RE: Lease Agreement – (R2002-2261) Fairgrounds dated Dec. 17, 2002 **MAR 19 2007**

Dear Mr. *Hering*:

The Board of County Commissioners approved a First Amendment to Lease Agreement with the School Board of Palm Beach County providing continued use of approximately 4.53 acres, located adjacent to the County Stockade on Fairgrounds Road through June 16, 2007.

You previously indicated to me that the County would require use of the fairground property for the expansion of the stockade. We understand that it would be possible to extend our current lease for an additional 6-month period expiring on December 16, 2007 at the same rate or \$21,705.90 for the extension period.

Please let us know if there is anything further that you may need from us, otherwise we will be looking forward to receiving the necessary paperwork for the Second Amendment.

We appreciate the continued consideration.

Sincerely,

Barry I. Present, Director
Real Estate Services

cc: Samara J. Cooper, Assistant Director, PREM
Richard C. Bogatin, Property Management Manager, PREM
Ray Walter, Manager, PREM
Joseph M. Sanches, Chief of Facilities Management
Martin Mets, Director – Maintenance & Plant Operations, SDPBC

**SECOND AMENDMENT TO AND REINSTATEMENT OF LEASE AGREEMENT
BETWEEN PALM BEACH COUNTY AND THE SCHOOL BOARD OF PALM BEACH
COUNTY**

THIS SECOND AMENDMENT AND REINSTATEMENT OF LEASE AGREEMENT (the "Second Amendment") is made and entered into _____ by and between Palm Beach County, a political subdivision of the State of Florida ("County") and The School Board of Palm Beach County, a corporate body politic pursuant to the Constitution of the State of Florida ("Tenant" or "School Board").

WITNESSETH:

WHEREAS, County and Tenant entered into a three-year Lease dated December 17, 2002 (Resolution No. R2002-2261) (the "Lease"), wherein Tenant leased from County approximately 4.53 acres of the property described in Exhibit "A" attached hereto and made a part hereof, said lease parcel being depicted in Exhibit "B" attached hereto and made a part hereof; and

WHEREAS, Tenant exercised its one-year option to extend the Lease until December 16, 2006; and

WHEREAS, County and Tenant entered into a First Amendment to the Lease dated November 21, 2006 (Resolution No. R2006-2430) (the "First Amendment") which extended the Lease until June 16, 2007; and

WHEREAS, the Lease term ended on June 17, 2007; and

WHEREAS, County and Tenant desire to reinstate the Lease, as amended, and amend it further to extend the Lease for an additional six months; and

WHEREAS, County and Tenant acknowledge and agree that during the period from June 17, 2007 until the Effective Date of this Second Amendment, the parties were and are bound by the terms of the Lease, as amended; and

WHEREAS, the Lease provides for the term of the Lease to be extended with the mutual consent of the parties; and

WHEREAS, County and Tenant have agreed to extend the term of the Lease for an additional six months and provide for a retroactive Commencement Date of June 17, 2007.

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. The foregoing recitals are true and correct and incorporated herein by reference. Terms not defined herein shall have the same meaning as ascribed to them in the Lease.
2. Article I, Section 1.02, of the Lease, is deleted in its entirety and replaced with the following:

This Lease shall commence on June 17, 2007 (the "Commencement Date"), and shall terminate on December 16, 2007 (the "Term"). The Term of this Lease may be modified or extended with the mutual consent of the parties.

3. Article II, Section 2.01 of the Lease, as amended, is deleted in its entirety and replaced with the following:

Tenant shall pay County rent for the term of the Lease in the amount of Twenty-One Thousand Seven Hundred Five and 90/100 Dollars (\$21,705.90) (the "Rent"). School Board acknowledges and agrees that it owes County rent in the amount of Twenty-One Thousand Seven Hundred Five and 90/100 Dollars (\$21,705.90) for the Lease term that commenced on December 17, 2006 and ends on June 16, 2007 (the "Unpaid Rent") and there are no defaults, set-offs, claims, counter-claims, or cross-claims of any nature

ATTACHMENT #3

whatsoever by Tenant with regard to Unpaid Rent. Tenant's payment of Rent and Unpaid Rent shall be in the form of a credit in favor of the County to be applied towards County's anticipated purchase from School Board of the Bill Bailey Recreation Center located at 1101 S.W. Martin Luther King Blvd, Belle Glade. In the event County and School Board determine that there will not be a transaction involving the sale of the Bill Bailey Recreation Center to County, County shall notify School Board in writing that Rent and Unpaid Rent are due to County. If such notice is given by County to School Board, all Rent and Unpaid Rent shall be due, even if the term of the Lease has expired and School Board has vacated the Premises. School Board shall remit payment to County within 30 days of receipt of such notice (the "Remittance Period"). If not applied towards County's purchase of the Bill Bailey Recreation Center, Rent and Unpaid Rent shall be made payable to the Palm Beach County Board of County Commissioners and shall be delivered to the Palm Beach County Finance Department, P.O. Box 4036, West Palm Beach, Florida, 33402. This Lease shall be what is commonly referred to as "triple net" to County, it being understood by the parties that County shall receive the rent payable hereunder free and clear of any and all impositions, taxes, liens, charges, and expense of any nature whatsoever relating to ownership or operation of the Premises, including without limitation those relating to taxes, if any, insurance, repair, maintenance, use, care, or operation. Wherever the term "Annual Rent" is used in the Lease, it shall be deemed to include "Rent" as that term is defined in the First Amendment and this Second Amendment.

4. The following is added to the end of Article II, Section 2.04 of the Lease:

Notwithstanding anything to the contrary contained herein, School Board shall not owe County any interest on the Rent or Unpaid Rent for any of the time prior to the end of the Remittance Period. If full payment of the Rent and Unpaid Rent has not been received by County by the expiration of the Remittance Period, interest on the amount due shall accrue in accordance with the terms of this Section.

5. Except as set forth herein, the Lease remains unmodified and in full force and effect, and County and Tenant hereby ratify, confirm, and adopt the Lease as amended hereby.
6. This Second Amendment is expressly contingent upon the approval of the Palm Beach County Board of County Commissioners, and shall become effective only when signed by all parties and approved by the Palm Beach County Board of County Commissioners (the "Effective Date").

IN WITNESS WHEREOF, the parties have duly executed this Second Amendment as of the day and year first written above.

Signed in the presence of:

TENANT:

THE SCHOOL BOARD OF PALM BEACH COUNTY, FLORIDA, a corporate body politic pursuant to the Constitution of the State of Florida

By: 

William G. Graham, Chairman

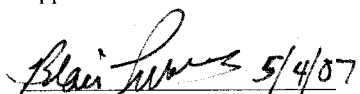
ATTEST:

By: 

Arthur C. Johnson, PhD., Superintendent

Date: 5/16/07

Approved as to Form:

 5/4/07
School Board Attorney

ATTEST:

COUNTY:

PALM BEACH COUNTY, a
political subdivision of the State of Florida

SHARON R. BOCK
CLERK & COMPTROLLER

By: _____
Deputy Clerk

By: _____

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

Assistant County Attorney

APPROVED AS TO TERMS
AND CONDITIONS

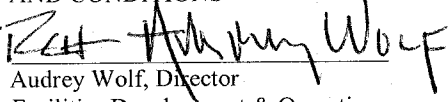

Audrey Wolf, Director
Facilities Development & Operations

EXHIBIT "A" to Lease

Description of County's Property

The following described land, situate, lying and being in Palm Beach County, Florida.

TRACT 8, BLOCK 8, PALM BEACH FARMS COMPANY PLAT NO. 3, AS SAME IS RECORDED IN PLAT BOOK 2, PAGES 45 THROUGH 54, INCLUSIVE, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA, LESS HOWEVER, THE SOUTH 20.59 FEET THEREOF (AS MEASURED AT RIGHT ANGLES TO SAID SOUTH LINE) AND LESS THE WEST 45.58 FEET THEREOF (AS MEASURED AT RIGHT ANGLES TO SAID WEST LINE). CONTAINING 18.71 ACRES, MORE OR LESS.

P.C.N. 00-42-43-27-05-008-0081

EXHIBIT "B" To Lease

The Premises

