Agenda Item #: **3H-10** 

## PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS <u>AGENDA ITEM SUMMARY</u>

Meeting Date:	March 12, 2013	[X] Consent	[] Regular
		[ ] Ordinance	[] Public Hearing

## Department: Facilities Development & Operations

#### I. <u>EXECUTIVE BRIEF</u>

Motion and Title: Staff recommends motion to approve: a Lease Agreement with Wallace K. Lutz, Sr., and Theresa C. Lutz, as Trustees of the Wallace K. Lutz, Sr. Revocable Living Trust Dated October 8, 1991, for 1,050 SF of office space at 607 South Main Street in Belle Glade for \$10,500/year.

**Summary:** The Department of Community Services' Community Action Program (CAP) currently operates from a County-owned building in South Bay that is in disrepair. Community Services wishes to continue providing CAP services in the western communities and needs to relocate. There is no other County space in this area which is available for this program. A 1,050 SF office at 607 South Main Street, Unit 102, in Belle Glade that is adjacent to the Community Services Department's Migrant Program in Unit 103 suits the County's and community's needs. The Lease term will commence April 1, 2013, and continue for three (3) years to March 31, 2016, with five (5) extension options each for one (1) year with one percent (1%) rent increases. The annual rent is fixed for the initial three (3) year term at \$10,500 (\$10.00/SF). Staff researched other available office space meeting the program requirements of the CAP and determined that this space is approximately \$2/SF lower than rates quoted for other available space. (**PREM**) **District 6 (HJF**)

**Background and Justification:** CAP assists residents and families in low to median income areas. CAP has been operating out of a County-owned facility in South Bay; however, that structure has been deteriorating and is beyond repair due to structural issues. Because of the continuing shortage of suitable County-owned space in the Belle Glade area, Staff researched sites based on consideration of accessibility from public transportation routes and rental terms. This site was deemed the most suitable and accommodating for the eligible community, in part due to the County also leasing space in the same plaza for the Migrant Program. The Lease will commence on April 1, 2013, and extend for three (3) years to March 31, 2016. The County will have five (5) one (1) year extension options with rent increasing by one percent (1%) during each extension. Florida Statutes Section 286.23 requires that a Disclosure of Beneficial Interests be obtained when a property held in a representative capacity is leased to the County. Wallace K. Lutz, Sr., and Theresa C. Lutz, as co-Trustees of the Wallace K Lutz, Sr. Revocable Trust Dated October 8, 1991, provided the Disclosure of Beneficial Interests attached hereto as Attachment No. 4. This Disclosure identifies Wallace K. Lutz, Sr., and Theresa C. Lutz with each having a fifty percent (50%) ownership interest.

#### Attachments:

- 1. Location Map
- 2. Lease Agreement
- 3. Budget Availability Statement
- 4. Disclosure of Beneficial Interests

Recommended By:	+ Anney Work	2/16/13	
	<b>Department Director</b>	Date '	
Approved By:	bert Ulusman	3-6-13	
	(0) County Administrator	Date	

## II. FISCAL IMPACT ANALYSIS

## A. Five Year Summary of Fiscal Impact:

Fiscal Years	2013	2014	2015	2016	2017
Capital Expenditures Operating Costs External Revenues Program Income (County) In-Kind Match (County)	<u>\$5,250</u>	<u>\$10,500</u>	<u>\$10,500</u>	<u>\$5,250</u>	
NET FISCAL IMPACT	<u>\$5,250</u>	<u>\$10,500</u>	<u>\$10,500</u>	\$5,250	<u>\$-0-</u>
# ADDITIONAL FTE POSITIONS (Cumulative)					
Is Item Included in Current Bu	dget: Yes	<u>X</u> N	lo		
Budget Account No: Fund	1003 Dept Program	: <u>145</u> Unit	. <u>1455</u> Obj	ect <u>4410 – C</u> 4	441 – GY12

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

C. Departmental Fiscal Review:

2-19-13

## III. <u>REVIEW COMMENTS</u>

A. OFMB Fiscal and/or Contract Development Comments:

**OFM** 

3/5/13 opment and

B. Legal Sufficiency:

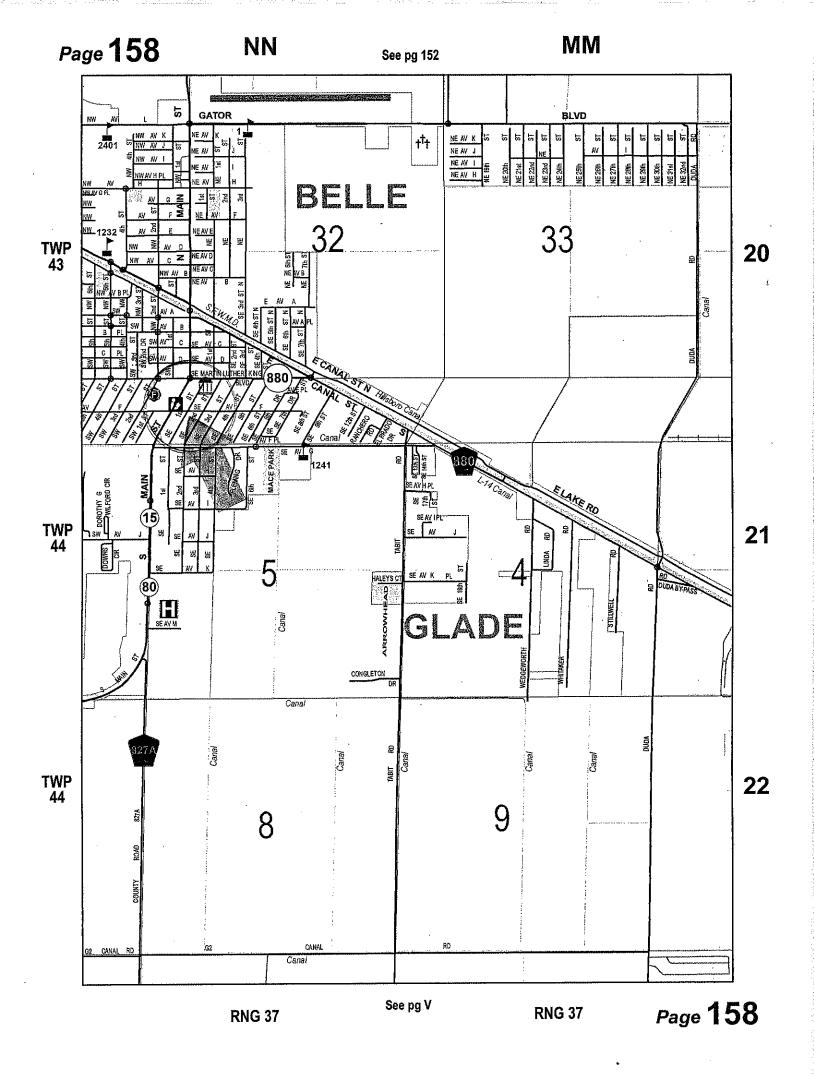
16/13 Sunty Attorney

C. Other Department Review:

Department Director

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

\pbcfs1\FDO\COMMON\PREM\AGENDA\2013\03-12\C-S CAP Lutz ss.2.docx



LOCATION MAP

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#### LEASE AGREEMENT

#### between

## Wallace K. Lutz, Sr., and Theresa C. Lutz, as Trustees of the Wallace K. Lutz, Sr. Revocable Living Trust Dated October 8, 1991 (Landlord)

and

## PALM BEACH COUNTY,

#### A POLITICAL SUBDIVISION OF THE

## STATE OF FLORIDA

(County)

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#### LEASE AGREEMENT

#### THIS LEASE AGREEMENT, made and entered into

\_\_\_\_\_, by and between WALLACE K. LUTZ, SR., AND THERESA C. LUTZ, AS TRUSTEES OF THE WALLACE K. LUTZ, SR. REVOCABLE LIVING TRUST DATED OCTOBER 8, 1991, AND ANY AMENDMENTS THERETO, hereinafter referred to as "Landlord" and PALM BEACH COUNTY, a political subdivision of the State of Florida, on behalf of Palm Beach County Community Services Department, Community Action Program, hereinafter referred to as "County".

#### WITNESSETH:

WHEREAS, Landlord is the owner of certain real property in Palm Beach County, Florida, located at 607 South Main Street, Belle Glade, Florida 33430, which property is legally described in Exhibit "A" attached hereto and by reference made a part hereof (the "Property"); and

WHEREAS, the property is improved with an office building (the "Building") and County desires to lease the Premises as hereinafter defined for the purpose of establishing a Community Action Program office; and

WHEREAS, Landlord is willing to lease the Premises to the County for the above described purposes.

**NOW THEREFORE**, in consideration of the rents, covenants, and agreements hereinafter reserved and contained on the part of the County to be observed and performed, the Landlord demises and leases to County, and the County rents from Landlord the Premises as hereinafter defined upon the following terms and conditions:

#### ARTICLE I BASIC LEASE PROVISIONS

#### Section 1.01 Premises.

The Premises subject to this Lease shall consist of Unit 102, consisting of approximately 1,050 total gross square feet of floor space in the Building, as determined in accordance with BOMA building measurement standards, as depicted on Exhibit "A" and by reference made a part hereof (the "Premises").

#### Section 1.02 Parking and Common Areas.

The use and occupancy of the Premises by County shall include the exclusive right to use two (2) parking spaces as depicted on Exhibit "A", attached hereto and by reference made a part hereof, as well as non-exclusive use of the Building Common Areas (the "Common Areas").

#### Section 1.03 Length of Term.

The term of this Lease shall commence on April 1, 2013 (the "Rental Commencement Date"), and shall extend for a period of three (3) years thereafter (the "Term"), unless sooner terminated pursuant to the provisions of this Lease.

## Section 1.04 Option to Extend.

County shall have the right and option, provided it is not then in default under this Lease, to extend the Term for five (5) successive one (1) year option period(s). County shall exercise such option(s) by providing Landlord with notice of such election prior to the end of the then current term. If County exercises the option(s), the Annual Rent will increase one percent (1%) at the beginning of each option(s).

## ARTICLE II RENT

#### Section 2.01 Annual Rent.

County shall pay Landlord for the use and occupancy of the Premises an annual gross rental of Ten Thousand Five Hundred and no/100 Dollars (\$10,500.00) (the "Annual Rent") payable in equal monthly installments of Eight Hundred Seventy Five and no/100 Dollars (\$875.00) per month payable on the first day of each month in advance. This Lease is intended to be a "gross" lease and County's obligations hereunder shall be limited to those specifically set forth herein.

#### Section 2.02 Payment.

All rent due hereunder shall be payable on or before the first day of each and every month of the Term of this Lease. If the Term hereof commences and/or expires on other than the first or last day of a calendar month, the Annual Rent payable for such month shall be prorated. County is a tax-exempt entity. No sales or use tax shall be included or charged with Annual Rent. Payment of Rent will be made upon the receipt of an invoice from Landlord mailed to the Palm Beach County Finance Department at P.O. Box 4036, West Palm Beach, Florida 33402. Each monthly invoice must be received at least fifteen (15) days but not more than thirty (30) days in advance of the date payment is due. Payment will be mailed to Landlord at the address set forth in Section 15.04 of this Lease.

#### **ARTICLE III**

## CONDUCT OF BUSINESS AND USE OF PREMISES BY COUNTY

#### Section 3.01 Use of Premises.

The Premises shall be used for the establishment and operation of a government office for community service projects or other governmental purposes. County shall not use, permit, or suffer the use of the Premises for any other purpose whatsoever without the prior written consent of Landlord which consent shall not be unreasonably withheld. County's obligations under this Lease are contingent upon such use of the Premises being in compliance with all applicable zoning laws, rules, and regulations affecting the Premises.

#### Section 3.02 Conduct.

County shall not commit waste upon the Premises, nor maintain, commit, or permit the maintenance or commission of a nuisance thereon, or use the Premises for any unlawful purpose. County acknowledges that its employees and the Premises shall, throughout the Term of this Lease, be in full compliance with all federal, state, county, and local statutes, laws, rules, and regulations respecting the use and occupancy of the Premises, provided County shall not be required to make alterations, additions, or improvements to the Building in order to conform therewith.

#### Section 3.03 Hazardous Substances.

County shall comply with all applicable Federal, State and local laws, regulations and ordinances protecting the environment and natural resources and regulating hazardous substances.

#### Section 3.04 Surrender of Premises.

Upon termination, expiration, or cancellation of this Lease, County, at its sole cost and expense, shall remove County's personal property and removable fixtures and equipment from the Premises, and shall surrender the Premises to the Landlord. Upon surrender of the Premises, title to any Alterations shall vest in Landlord.

## ARTICLE IV ALTERATION OF LEASED PREMISES

#### Section 4.01 Landlord's Work.

Landlord shall perform, at its sole cost and expense, the alterations, improvements and additions set forth on Exhibit "B" attached hereto ("Landlord's Work"). Landlord shall perform Landlord's Work in a good and workmanlike manner and shall diligently pursue the same until completion. In the event Landlord's work has not been completed by thirty (30) days following the Effective Date hereof, County shall have the option of terminating this Lease by written notice to Landlord.

#### Section 4.02 (a) County's Work.

County shall be entitled to make alterations, improvements, or additions to the Premises in addition to those to be performed by Landlord, (hereinafter, collectively "Alterations") at its sole cost and expense. County agrees and acknowledges that all County's Alterations installed on the Premises by County, whether pursuant to this Section or otherwise, shall be performed and accomplished solely for the benefit and convenience of County, and not for the benefit of Landlord, such Alterations being nevertheless subject to each and every provision of this Lease. Any Alterations to the Premises, the value of which exceeds Twenty-Five Thousand Dollars (\$25,000), shall require the prior written approval of Landlord in each instance, which approval shall not be unreasonably withheld. County shall submit plans and specifications for all such Alterations to Landlord for Landlord's written approval prior to County commencing work on same. Landlord shall provide written response within thirty (30) days after receipt of request therefore by County, failing which Landlord shall be deemed to have consented to such plans and specifications. All work done by County in connection with any Alterations, repairs, and maintenance on the Premises shall be done in a good and workmanlike manner.

#### (b) Construction Liens.

Landlord and County shall comply with the Construction Lien Law, Florida Statutes Chapter 713, Part I, to the extent applicable to Landlord and County, in the construction of any improvements to the Premises and shall obtain a public construction performance bond in accordance with Florida Statutes section 255.05, if required by such statute. In the event a construction lien is filed against the Premises in connection with any work performed by or on behalf of the Landlord or County, the party performing such work shall promptly cause such lien to be removed from the Premises.

#### ARTICLE V REPAIRS AND MAINTENANCE OF PREMISES

#### Section 5.01 Responsibility of County.

County shall maintain the following portions of the Premises in good repair and condition at County's sole cost and expense during the entire Term of this Lease: interior walls and partitions, interior painting, plumbing fixtures, electrical fixtures, replacement of air conditioning filters, exterior windows, floor coverings, doors, janitorial services, phone, cable and TV. Notwithstanding the foregoing, County shall have no obligation to make modifications to the Premises required by law, nor have any responsibility for restoration of the Premises in the event of a casualty. Further, County shall have no obligation to repair any damage arising from any negligent or intentional act or omission of Landlord, its employees, agents, invitees or any third parties. In the event that maintenance activity is required and is not specifically assigned in this Section 5.01 to the County, it shall be the responsibility of the Landlord.

## Section 5.02 Responsibility of Landlord.

(a) Except as provided in Section 5.01 above, Landlord shall maintain the Premises and all portions thereof in good repair and tenable condition during the Term of this Lease, except in the case of damage arising from County's negligent or intentional acts. If the Landlord shall fail to promptly repair any item in the Premises required to be repaired by Landlord under this Lease within thirty (30) days of notice from County of the need for such repair, the County may complete such repairs and the Landlord shall reimburse County for all expenses incurred by County in doing so. Landlord shall be solely responsible for any equipment replacement (exclusive of County provided and owned equipment) required as a result of failure, age, or any other reason other than negligent or intentional acts of County.

Landlord shall be responsible for all costs and expenses to ensure that the **(b)** Premises adheres to the most current version of the American Society of Heating, Refrigeration and Air-conditioning Engineers' ("ASHRAE") Standards on ventilation for acceptable indoor air quality throughout the Term of this Lease. Should building sickness symptoms materialize subsequent to the Commencement Date, Landlord shall perform at its sole cost and expense necessary air quality and environmental testing of the heating, ventilation and air-conditioning ("HVAC") system servicing the Premises by a certified and licensed environmental company within thirty (30) days of the County's written notice of any adverse conditions, subject to the availability of such certified and licensed technicians. Landlord shall provide County with a copy of all such testing reports. If any such testing report reveals that the HVAC system fails to comply with the ASHRAE Standards and/or does not provide a healthy indoor air environment as required by applicable laws and regulations, Landlord shall remedy such non-compliance with due diligence at its sole cost and expense. If such non-compliance causes a portion or all of the Premises to be untenable, all Rent due and payable for the untenable area of the Premises shall abate until such portion of the Premises is brought into compliance.

#### Section 5.03 Hazardous Substance Indemnification by Landlord.

Landlord hereby represents and warrants to County that there is not located in, on, upon, over, or under the Premises: (i) asbestos in any form; (ii) urea formaldehyde foam insulation; (iii) polychlorinated biphenyls; or (iv) any other chemical, material, or substance which is prohibited, limited, or regulated by federal, state, county, regional, or local authority. If said substance(s) exist, Landlord shall promptly remove said substance(s) at Landlord's sole cost and expense. County shall be fully responsible for any pollutants, odors, vapors, chemicals, and the like emitted by County's own furniture, fixtures, office machines, and equipment.

#### ARTICLE VI INSURANCE

#### Section 6.01 Liability Insurance.

County shall, during the entire Term hereof, provide Landlord with a certificate evidencing self-insurance coverage for comprehensive general liability in the amount of Two Hundred Thousand Dollars (\$200,000) per person and Three Hundred Thousand Dollars (\$300,000) per incident or occurrence and Workers' Compensation insurance covering all employees in accordance with Chapter 440 Florida Statutes. In the event the Legislature should change the County's exposure by Statute above or below the sums insured against, the County shall provide insurance to the extent of that exposure.

#### Section 6.02 Personal Property.

All of County's personal property placed or moved in the Premises shall be at the risk of the County or the owner thereof. Except as otherwise provided herein, Landlord shall not be liable for any damage to such personal property, except to the extent caused by the Landlord, its agents', or its employees' willful or negligent acts or omissions.

#### Section 6.03 Insurance by Landlord.

Landlord shall, during the entire Term hereof, keep in full force and effect with an insurance company licensed to do business in the State of Florida and subject to the approval of the Risk Management Department of the County, one or more policies providing for the following coverage:

a. <u>Liability Insurance:</u> General Liability Insurance in an amount not less than Five Hundred Thousand Dollars (\$500,000) per occurrence combined single limit bodily injury and property damage liability. The General Liability policy shall include coverage for Premises-Operations, Contractual Liability, and Broad Form Property Damage Liability coverage. In no event shall the limits of said insurance policies be considered as limiting the liability of Landlord under this Lease.

b. <u>Fire and Extended Coverage Insurance</u>: Insurance covering the Premises and all Alterations made by or on behalf of County in an amount not less than eighty percent (80%) of their actual cash value, providing protection against any peril included within the standard classification of "Fire and Extended Coverage," together with insurance against sprinkler damage, vandalism, theft, and malicious mischief. The proceeds of such insurance, so long as this Lease remains in effect, shall be used to repair or replace the Premises and Alterations so insured.

c. <u>Workers Compensation Insurance</u>: Workers Compensation Insurance covering all of Landlord's employees in accordance with Chapter 440 Florida Statutes.

d. <u>Additional Insured</u>: Landlord agrees to endorse County as an Additional Insured with a CG026 Additional Insured – Designated Person or Organization endorsement to the Commercial General Liability. The additional insured shall read "Palm Beach County Board of County Commissioners, a political subdivision of the State of Florida, its Officers, Employees and Agents." Coverage shall be provided on a primary basis.

A Certificate of Insurance evidencing such insurance coverage shall be provided to the County within thirty (30) days of the date of County's execution of this Lease, such Certificate indicating at least thirty (30) days prior notice to County of cancellation or adverse material change in coverage. The Certificate of Insurance shall include the name and address of the Certificate Holder: Palm Beach County Board of County Commissioners c/o Property & Real Estate Management Division, 2633 Vista Parkway, West Palm Beach, FL 33411-5605.

## ARTICLE VII DAMAGE OR DESTRUCTION OF PREMISES AND/OR COUNTY'S ALTERATIONS

In the event the Premises shall be destroyed or so damaged or injured by fire or other casualty during the Term of this Lease, or any extension thereof, whereby the same shall be rendered untenable, in whole or in part, County shall have the right to terminate this Lease, whereupon the parties shall be relieved of all further obligations hereunder occurring subsequent to the date of such casualty. In the event the County elects to terminate this Lease as provided in this Section, the Annual Rent payable hereunder shall be prorated to the date of the casualty. In the event County does not exercise its right to terminate this Lease due to any such casualty, Landlord shall promptly commence restoration of the Premises and diligently pursue such restoration to completion using materials of like kind and quality or better. The rental due hereunder relating to the portion of the Premises render untenable shall be abated from the date of such casualty until completion of such restoration.

## ARTICLE VIII UTILITIES AND SERVICES

Landlord shall provide water, sewer, electricity and telephone utility service to the Premises, at Landlord's sole cost and expense. Landlord shall be solely responsible for and promptly pay directly to the utility company or the provider of such service all charges or assessments for trash collection and removal. County shall be responsible for and promptly pay when due directly to the utility company or service provider, all service charges for water, sewer, electric, telephone and any other utility used or consumed by County. Landlord shall not be liable for an interruption or failure in the supply of such service to the Premises resulting from a failure of the utility company to provide service to the Premises.

#### ARTICLE IX ASSIGNMENT AND SUBLETTING

County may not assign, mortgage, pledge, or encumber this Lease in whole or in part, nor sublet all or any portion of the Premises, without Landlord's prior written consent, which shall not be unreasonably withheld. In the event of an approved assignment, County shall be released from any further obligation hereunder. Any sale, mortgage, pledge, or encumbrance of the Property by Landlord shall be subject to the terms of this Lease.

#### ARTICLE X DEFAULT

#### Section 10.01 Default by County.

The occurrence of any one or more of the following shall constitute an Event of Default by County under this Lease: (i) failure by County to pay the Annual Rent within fifteen (15) days after receipt of notice from Landlord; (ii) failure by County to perform or observe any of the agreements, covenants, or conditions contained in this Lease on County's part to be performed or observed for more than thirty (30) days after notice from Landlord of such failure; (iii) County's vacating or abandoning the Premises; or (iv) County's leasehold estate being taken by execution, attachment, or process of law. If any Event of Default occurs, then, at any time thereafter while the Event of Default continues, Landlord shall have the right to give County notice that Landlord intends to terminate this Lease upon a specified date not less than thirty (30) days after the date notice is received by County, and this Lease shall then expire on the date specified as if that date had been originally fixed as the expiration date of the Term of this Lease. If, however, the default is cured within such period or within a reasonable period thereafter if the same cannot be cured within such period and County undertake such cure within such period and the Landlord is so notified, this Lease will continue.

#### Section 10.02 Default by Landlord.

Landlord shall be in default of this Lease if Landlord shall fail to observe or perform any term, covenant, or condition of this Lease on the Landlord's part to be observed or performed, and the Landlord fails to remedy the same within thirty (30) days after notice from County. In the event the default is of such a nature that it cannot be reasonably cured within the foregoing thirty (30) day period, Landlord shall be entitled to a reasonable period of time under the circumstances in which to cure said default, provided that Landlord diligently proceeds with the curing of the default. In the event that the default is not cured by Landlord within the foregoing time period, County, at County's option, may either cure said default and Landlord shall reimburse County for all expenses incurred by County in doing so, or County may give to the Landlord a thirty (30) days notice specifying that the County intends to terminate this Lease. Upon receipt of said notice and expiration of the thirty (30) day period, this Lease and all obligations of County hereunder shall terminate and County shall thereupon be relieved of all further obligations hereunder.

#### ARTICLE XI ACCESS BY LANDLORD

Landlord and Landlord's agents and employees shall have the right to enter upon the Premises at all reasonable times to examine the same, and to make any repairs which may be required or permitted hereunder. Landlord shall provide County with twenty four (24) hours advance notice prior to exercising such right except in an emergency in which event no notice shall be required and shall exercise such right in a manner which minimizes the impact upon County's use of the Premises.

## ARTICLE XII ANNUAL BUDGETARY FUNDING/CANCELLATION

This Lease and all obligations of County hereunder are subject to and contingent upon annual budgetary funding by the Board of County Commissioners of Palm Beach County. Notwithstanding anything in this Lease to the contrary, County shall have the right to cancel this Lease for any reason upon ninety (90) days prior written notice to Landlord, whereupon the parties shall be relieved of all further obligation hereunder.

## ARTICLE XIII QUIET ENJOYMENT

Upon the observance and performance of all the covenants, terms, and conditions on County's part to be observed and performed, County shall peaceably and quietly hold and enjoy the Premises for the Term hereby demised and any extensions thereof without hindrance or interruption by Landlord or any other person or persons lawfully or equitably claiming by, through, or under the Landlord, subject, nevertheless, to the terms and conditions of this Lease.

#### ARTICLE XIV CONDEMNATION

If all or part of the Premises shall be taken, condemned or conveyed pursuant to agreement in lieu of condemnation for public or quasi public use, the entire compensation or award therefore, including any severance damages, shall be apportioned between Landlord and County in proportion to the value of their respective interests and the rent shall be recalculated effective upon the date of vesting of title in the condemning authority to reflect the reduction in the Premises. County shall also be entitled to receive compensation for the value of any Alterations or other improvements made by County to the Premises and moving expenses. In addition, County may elect to terminate this Lease in which event this Lease shall terminate effective as of the date title is vested in the condemning authority, whereupon the parties shall be relieved of all further obligations occurring subsequent to the date of termination. In the event the County elects to terminate this Lease this Lease as provided in this Article, the Rent payable hereunder shall be prorated to the date of termination. County will be allowed not less than sixty (60) days notice to remove its property from the Premises.

#### ARTICLE XV MISCELLANEOUS

#### Section 15.01 Waiver, Accord and Satisfaction.

The waiver by Landlord of any default of any term, condition, or covenant herein contained shall not be a waiver of such term, condition, or covenant, or any subsequent

default of the same or any other term, condition, or covenant herein contained. The consent or approval by Landlord to or of any act by County requiring Landlord's consent or approval shall not be deemed to waive or render unnecessary Landlord's consent to or approval of any subsequent similar act by County.

#### Section 15.02 Public Entity Crimes.

As provided in Florida Statutes 287.132-133, Landlord hereby certifies that neither Landlord nor its employees, who will perform hereunder, have been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) month period immediately preceding the Effective Date of the Term of this Lease. This certification is required pursuant to Florida Statues 287.133 (3)(a).

#### Section 15.03 Entire Agreement.

This Lease and any Exhibits attached hereto constitute all agreements, conditions, and understandings between Landlord and County concerning the Premises. All representations, either oral or written, shall be deemed to be merged into this Lease. Except as herein otherwise provided, no subsequent alteration, waiver, change, or addition to this Lease shall be binding upon Landlord or County unless reduced to writing and signed by them.

#### Section 15.04 Notices.

All notices, consents, approvals, and elections (collectively, "notices") to be given or delivered by or to any party hereunder shall be in writing and shall be (as elected by the party giving such notice) hand delivered by messenger, courier service, or national overnight delivery service (provided in each case a receipt is obtained), telecopied or faxed, or alternatively shall be sent by United States Certified Mail, with Return-Receipt Requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery, courier services, or national overnight delivery service, or on the date of transmission with confirmed answer back if telecopier or fax if transmitted before 5PM on a business day and on the next business day if transmitted after 5PM or on a nonbusiness day, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby designate the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

(a) If to the Landlord at:

Wallace K. Lutz as Trustee of the Wallace K. Lutz, Sr. Revocable Trust dated October 8, 1991
c/o Lutz Builders
607 South Main Street, Suite 107
Belle Glade, FL 33430
Telephone: 561-996-9786
Fax: 561-996-0244

(b) If to the County at:

Property & Real Estate Management Division Attention: Director 2633 Vista Parkway West Palm Beach, Florida 33411-5605 Telephone: 561-233-0217 Fax: 561-233-0210 with a copy to:

Palm Beach County Attorney's Office Attention: Real Estate 301 North Olive Avenue, Suite 601 West Palm Beach, Florida 33401 Telephone: 561-355-2225 Fax: 561-355-4398

Any party may from time to time change the address to which notice under this Lease shall be given such party, upon three (3) days prior written notice to the other parties.

## Section 15.05 Disclosure of Beneficial Interest

Landlord represents that simultaneously with Landlord's execution of this Lease, Landlord has executed and delivered to County, the Landlord's Disclosure of Beneficial Interests attached hereto as Exhibit "C", attached hereto and made a part hereof, (the "Disclosure") disclosing the name and address of every person or entity having a 5% or greater beneficial interest in the ownership of the Property as required by Section 286.23 of the Florida Statutes unless Landlord is exempt under the statute. Landlord warrants that in the event there are any changes to the names and addresses of the persons or entities having a 5% or greater beneficial interest in the ownership of the Property after the date of execution of the Disclosure until the Effective Date of the Lease, Landlord shall immediately, and in every instance, provide written notification of such change to the County pursuant to Section 15.04 of this Lease.

#### Section 15.06 Brokers' Commission.

Each of the parties represents and warrants to the other that they have not dealt with any real estate salesperson, agent, finder, or broker in connection with this Lease.

#### Section 15.07 Severability.

If any term of this Lease, or the application thereof to any person or circumstances, shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application or such term to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term of this Lease shall be valid and enforceable to the fullest extent permitted by law.

#### Section 15.08 Captions.

The captions in this Lease are included for convenience only and shall not be taken into consideration in any construction or interpretations of this Lease or any of its provisions.

#### Section 15.09 Recording.

County shall be entitled to record this Lease or a Memorandum of Lease in the public records of Palm Beach County for the purpose of providing public notice of County's interest in the Premises.

#### Section 15.10 Waiver of Jury Trial.

THE PARTIES HERETO WAIVE TRIAL BY JURY IN CONNECTION WITH PROCEEDINGS OR COUNTERCLAIMS BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER IN CONNECTION WITH THIS LEASE.

## Section 15.11 Governing Law and Venue.

This Lease shall be governed by and interpreted according to the laws of the State of Florida and venue shall be in a state court of competent jurisdiction in Palm Beach County.

#### Section 15.12 Time of Essence.

Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

#### Section 15.13 Benefit and Binding Effect.

This Lease shall be binding upon and inure to the benefit of the heirs, successors, legal representatives, and assigns of the parties hereto.

#### Section 15.14 Radon.

Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from County's public health unit.

#### Section 15.15 Non-Exclusivity of Remedies.

No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

#### Section 15.16 Non-Discrimination.

The parties agree that no person shall, on the grounds of race, color, sex, age, national origin, disability, religion, ancestry, marital status, familial status, sexual orientation, or gender identity or expression, be excluded from the benefits of, or be subjected to any form of discrimination under any activity conducted pursuant to this Lease.

#### Section 15.17 Construction.

No party shall be considered the author of this Lease since the parties hereto have participated in extensive negotiations and drafting and redrafting of this document to arrive at a final agreement. Thus, the terms of this Lease shall not be strictly construed against one party as opposed to the other party based upon who drafted it. In the event that any section, paragraph, sentence, clause, or provision hereof is held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Lease and the same shall remain in full force and effect.

#### Section 15.18 Incorporation by Reference.

Exhibits attached hereto and referenced herein shall be deemed to be incorporated into this Lease by reference.

#### Section 15.19 No Third Party Beneficiary.

No provision of this Lease is intended to, or shall be construed to, create any third party beneficiary or to provide any rights to any person or entity not a party to this Lease, including but not limited to any citizens of County or employees of County or Landlord.

#### Section 15.20 Office of the Inspector General.

Palm Beach County has established the Office of the Inspector General. The Inspector General's authority includes but is not limited to the power to review past, present and proposed County contracts, transactions, accounts and records, to require the production of records, and audit, investigate, monitor, and inspect the activities of the parties or entities with which the County enters into agreements, their officers, agents, employees, and lobbyists in order to ensure compliance with contract specifications and detect corruption and fraud. All parties or entities doing business with the County or receiving County funds shall fully cooperate with the Inspector General including granting the Inspector General access to records relating to the agreement and transaction.

#### Section 15.21 Effective Date of Lease.

This Lease 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.

## REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, Landlord and County have executed this Lease, or have caused the same to be executed, as of the day and year first above written.

WITNESS:

<u>Almufer De La Cenuz</u> Witness Signature

Jenniker De La Cruz Witness Name Print

Arnes Witness Signature

LINDY BARNES

Print Witness Name

LANDLORD: By:

WALLACE/K. LUTZ, SR., as Trustee of the Wallace K. Lutz, Sr. Revocable Living Trust dated October 8, 1991, and any amendments thereto

WITNESS:

. De La Corruz <u>Alnuter</u> Witness Signature

Jennifer De La Cru Print Witness Name

Witness Sig ature

INDY BARNES

Print Witness Name

By: Theresa C. Lutz

THERESA C. LUTZ, as Trustee of the Wallace K. Lutz, Sr. Revocable Living Trust dated October 8, 1991, and any amendments thereto

## ATTEST:

## SHARON R. BOCK CLERK & COMPTROLLER

By:

Deputy Clerk

Signed and delivered in the presence of:

Witness Signature

Print Witness Name

Witness Signature

Print Witness Name

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By:

Assistant County Attorney

 $G: \label{eq:premin} G: \label{eq:premin} G: \label{eq:premin} MOut Lease \label{eq:premin} Belle Glade CAP \label{eq:premin} Lease \label{eq:premin} Out \label{eq:premin} Lease \label{eq:premining} Statement \label{eq:statement} Statement \label{statement} Stat$ 

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

By:

Steven L. Abrams, Mayor

APPROVED AS TO TERMS AND CONDITIONS

By: Ket Annu Wor Department Director

## **SCHEDULE OF EXHIBITS**

EXHIBIT "A" - LEGAL DESCRIPTION OF THE PROPERTY

EXHIBIT "B" - LANDLORD'S WORK

EXHIBIT "C" - LANDLORD'S DISCLOSURE OF BENEFICIAL INTERESTS

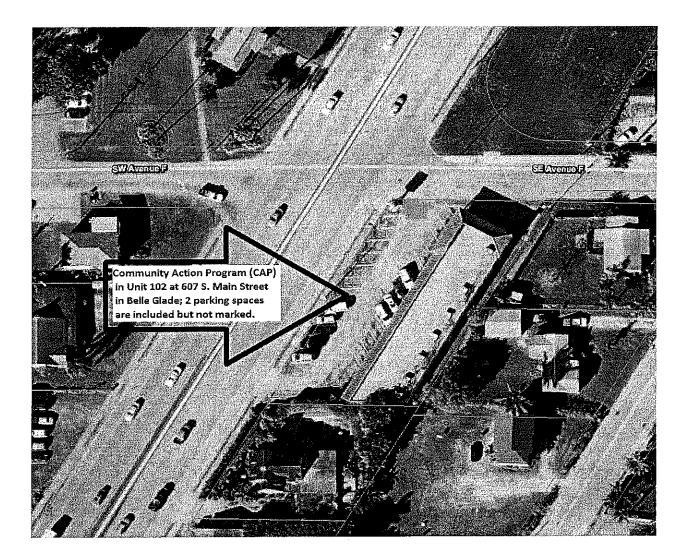
## EXHIBIT "A"

## **LEGAL DESCRIPTION OF THE "PROPERTY"**

Legal Description: Lot 4, less the South 8 feet, and all of Lots 1, 2 and 3, Block 4, REPLAT OF HOLLOWAY ADDITION TO BELLE GLADE, City of Belle Glade, Palm Beach County, Florida, as recorded in Plat Book 18, Page 16 of the Public Records of Palm Beach County, Florida, LESS AND NOT INCLUDING, the West 17 feet thereof, measured at right angles to the West Lot lines, for the right-of-way of State Road 80 (South Main Street), as described in Warranty Deed recorded in OR Book 4070, page 1076.

Parcel Control Number: 04-37-43-41-05-004-0010

Address: 607 South Main Street, Belle Glade, FL 33430



## EXHIBIT "B"

## LANDLORD'S WORK

(1) Landlord to repair light fixture outside of rear door of Unit 102.

(2) Landlord to clean the interior of Unit 102 including steam cleaning the carpet.

(3) Landlord to clean the interior and exterior glass areas of the door and windows.

#### **EXHIBIT "C"**

#### LANDLORD'S DISCLOSURE OF BENEFICIAL INTERESTS (REQUIRED BY FLORIDA STATUTES 286.23)

PALM BEACH COUNTY CHIEF OFFICER, OR HIS OR HER OFFICIALLY TO: DESIGNATED REPRESENTATIVE

#### STATE OF FLORIDA COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority, this day personally appeared, <u>Wallace</u> and <u>Theresa Lutz</u>, hereinafter referred to collectively as "Affiant", who being by me first duly sworn, under oath, deposes and states as follows:

Lutz, Sr. <u>Revocable Living Trust</u> (position - i.e. trustee) of <u>Wallace K</u>. (name of the trust), (the "Landlord") which entity is the owner of the real property legally described on the

attached Exhibit "A" (the "Property'

Belle Glade, FL 33430

Attached hereto, and made a part hereof, as Exhibit "B" is a complete listing of 3. the names and addresses of every person or entity having a five percent (5%) or greater beneficial interest in the Landlord and the percentage interest of each such person or entity.

Affiant acknowledges that this Affidavit is given to comply with Florida Statutes 4. 286.23, and will be relied upon by Palm Beach County in its lease of the Property.

Affiant further states that Affiant is familiar with the nature of an oath and with the penalties provided by the laws of the State of Florida for falsely swearing to statements under oath.

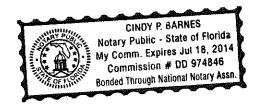
Under penalty of perjury, Affiant declares that Affiant has examined this 6. Affidavit and to the best of Affiant's knowledge and belief it is true, correct, and complete.

FURTHER AFFIANT SAYETH NAUGHT.

Print Name: Walterek Unto, Sr. , Affiant

Print Name: Theresa C. Lutz, Affiant

[L] who is personally known to me or [ ] who has produced as identification and who did take an oath.



NOTARY PUBLIC State of Florida at Large My Commission Expires: 7/18/2014

INDY P. JAKI

(Print Notary Name)

#### **EXHIBIT "A"**

#### PROPERTY

Legal Description: Lot 4, less the South 8 feet, and all of Lots 1, 2 and 3, Block 4, REPLAT OF HOLLOWAY ADDITION TO BELLE GLADE, City of Belle Glade, Palm Beach County, Florida, as recorded in Plat Book 18, Page 16 of the Public Records of Palm Beach County, Florida, LESS AND NOT INCLUDING, the West 17 feet thereof, measured at right angles to the West Lot lines, for the right-of-way of State Road 80 (South Main Street), as described in Warranty Deed recorded in OR Book 4070, page 1076.

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Parcel Control Number: 04-37-43-41-05-004-0010

Address: 607 South Main Street, Belle Glade, FL 33430

## EXHIBIT "B"

#### SCHEDULE TO BENEFICIAL INTERESTS IN PROPERTY

Landlord is only required to identify five percent (5%) or greater beneficial interest holders. If none, so state. Landlord must identify individual owners. If, by way of example, Landlord is wholly or partially owned by another entity, such as a corporation, Landlord must identify such other entity, its address and percentage interest, as well as such information for the individual owners of such other entity.

NAME	ADDRESS	PERCENTAGE OF INTEREST
Wallace K. Lufz, Sr.	60750 Man Str, 107, Belle Flade, FL 33430	50%
Wallace Kilder, Sr. Keresa Cilate	n '	50)0
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## BUDGET AVAILABILITY STATEMENT

REQUEST DATE:	1/29/2013	REQU		Steven K. Schla Prop. Spec., PR		PHONE: FAX:	233-0239 233-0210
PROJECT TITLE:	Belle Glade C	ommunity Act	ion Program	F	PROJECT NO.	: 2012-5,	030
Fiscal Years		2013	2014	2015	2016	2017	
Capital Expenditur Operating Costs External Revenues Program Income (C In-Kind Match (Co	County)	5,250	10,500	<u>10,500</u>	<u>5,250</u>	<u>-0-</u>	
NET FISCAL IMP	ACT	<u>\$5,250</u>	<u>\$10,500</u>	<u>\$10,500</u>	<u>\$5,250</u>	<u>-0-</u>	
# ADDITIONAL F POSITIONS (Cum ** By signing this BAS y BAS by FD&O. Unless	ulative)	agrees to these e in the scope o	staff costs and ) f work, no addii	your account will tional staff charg	be charged upc	n receipt of	îthis
budget account fund: 1003 is item included	NUMBER DEPT:	145	UNIT	: 1455	obj: 4410 sub obj: N0		GY12 Chuncks
IDENTIFY FUNDING Ad Valorem (source/ O Non-Ad Valorem (source/ Grant (source/type: Park Improvement Fin General Fund	type: urce/type: FcdCrCu und (source/type						October
SUBJECT TO IG	FEE?	$\Box$ YES	Щл	íO			

Department: <u>Community Services</u>	
BAS APPROVED BY:	DATE:

ENCUMBRANCE NUMBER:

G:\PREM\PM\Out Lease\BelleGladeCAP\BAS.012913.doc

## **ATTACHMENT NO. 4**

## LANDLORD'S DISCLOSURE OF BENEFICIAL INTERESTS (REQUIRED BY FLORIDA STATUTES 286.23)

TO: PALM BEACH COUNTY CHIEF OFFICER, OR HIS OR HER OFFICIALLY DESIGNATED REPRESENTATIVE

STATE OF FLORIDA COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority, this day personally appeared, Wallace and Theresa Lutz, hereinafter referred to collectively as "Affiant", who being by me first duly sworn, under oath, deposes and states as follows:

Lutz, Sr. Affiant is the Trustee (position - i.e. trustee) of Wallace K. the trust), (the "Landlord") which entity is the owner of the real property legally described on the attached Exhibit "A" (the "Property").

# Belle Glade, FL 33430

3. Attached hereto, and made a part hereof, as Exhibit "B" is a complete listing of the names and addresses of every person or entity having a five percent (5%) or greater beneficial interest in the Landlord and the percentage interest of each such person or entity.

4. Affiant acknowledges that this Affidavit is given to comply with Florida Statutes 286.23, and will be relied upon by Palm Beach County in its lease of the Property.

5. Affiant further states that Affiant is familiar with the nature of an oath and with the penalties provided by the laws of the State of Florida for falsely swearing to statements under oath.

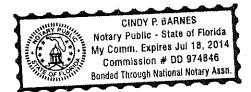
6. Under penalty of perjury, Affiant declares that Affiant has examined this Affidavit and to the best of Affiant's knowledge and belief it is true, correct, and complete.

FURTHER AFFIANT SAYETH NAUGHT.

Print Name: Walfarrek - (uts, Sr. Affiant

Print Name: Theresa C. Litz, Affiant

The foregoing instrument was sworn to, subscribed and acknowledged before me this <u>(dtl</u> day of <u>) (0 uduut</u>, 20<u>13</u>, by <u>1 allace and herea with</u> <u>[1]</u> who is personally known to me or [] who has produced <u>0</u> as identification and who did take an oath.



NOTARY PUBLIC State of Florida at Large My Commission Expires: 7/18/2014/

Public

 $\mathcal{D}$ 

(Print Notary Name)

#### EXHIBIT "A"

#### PROPERTY

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NAME	ADDRESS	PERCENTAGE OF INTEREST
Wallace K. Lufz, Sr. Kerresa Ca Latz	Belle Flade, FL 33430	50%
- Beresa Calate	γ '	50%
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