

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date: March 12, 2013 **Consent** **Regular**
 Ordinance **Public Hearing**

Department: **Facilities Development & Operations**

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: Amendment Number Eight to Lease Agreement (R91-437-D) with Wallace K. Lutz, Sr., and Theresa C. Lutz, as Trustees of the Wallace K. Lutz, Sr. Revocable Living Trust Dated October 8, 1991.

Summary: The County, on behalf of the Department of Community Services' Migrant Program, currently leases 699 SF of office space at 607 South Main Street, Unit 103, Belle Glade, as a satellite office. This Amendment extends the term of the Lease for two (2) years from June 1, 2013, to May 31, 2015, at the current rental rate of \$7,366.80 (\$10.54/SF). The Amendment also provides two (2) extension options each for a period of two (2) years. Rent during each option period will increase by two percent (2%). Staff researched other available office space for lease and determined that the rental rate for this lease is approximately \$2/SF less than other available space. Extending this Lease will avoid the cost and disruption associated with a move and is in the best interest of the County. **(PREM)**

District 6 (HJF)

Background and Justification: Since its inception in 1978, the Migrant Program has maintained a satellite office in Belle Glade. This program helps strengthen the ability of eligible migrant and seasonal farm workers and their dependents to achieve economic self-sufficiency through their participation in education, skills training and supportive services. Among the services offered are career counseling, remedial education, high school or GED program, job skills training, tuition assistance, work experience, job search and placement assistance.

Since June 1991, the satellite office has been located at 607 South Main Street, Unit 103, Belle Glade, under a Lease Agreement initially with Wallace K. Lutz, Sr. and Theresa C. Lutz, his wife. The Lease Agreement has been extended and amended (R94-135D, R95-154D, R96-484D, R98-673D, R2000-0948, R2002-0655, R2005-0870, R2008-0868 and R2011-0743) and the term currently expires May 31, 2013. Because of the lack of suitable County-owned space in the Belle Glade area and the desire to continue the Migrant Program's tenancy in the same location, Staff has negotiated Amendment Number Eight which provides for a two (2) year extension until May 31, 2015, with no rent increase, offers two (2) term extensions for two (2) years each with two percent (2%) rent adjustments, updates the County's insurance liability coverage amounts pursuant to State Statutes and revises the landlord's minimum insurance liability coverage. 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. Amendment Number Eight to Lease Agreement
- 3. Budget Availability Statement
- 4. Disclosure of Beneficial Interests

Recommended By: Robert Armyworf 2/16/13
Department Director Date

Approved By: Robert Williams 3-6-13
for 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	\$2,455.60	\$7,366.80	\$4,911.20		
External Revenues					
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT	\$2,455.60	\$7,366.80	\$4,911.20	\$-0-	\$-0-
# ADDITIONAL FTE POSITIONS (Cumulative)					

Is Item Included in Current Budget: Yes No

Budget Account No: Fund 1004 Dept 142 Unit 1427 Object 4410-FW19-GY12
 Program _____

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

C. Departmental Fiscal Review: _____ *[Signature]* 2-19-13

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:

[Signature] 2/22/13
 OFMB
 2/21/13
 CC 2/21/13

[Signature] 3/5/13
 Contract Development and Control
 3-5-13

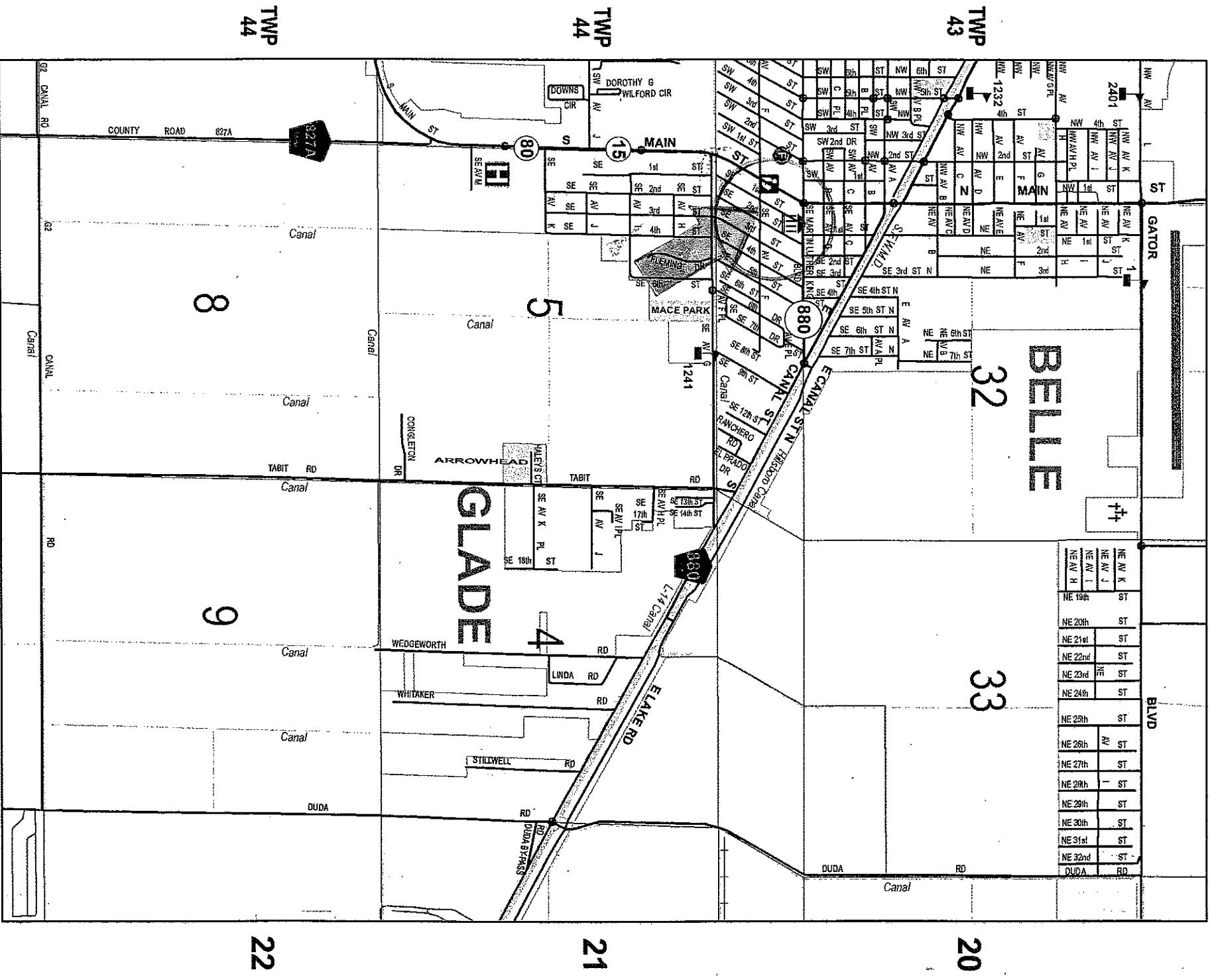
B. Legal Sufficiency:

[Signature] 3/6/13
 Assistant County Attorney

C. Other Department Review:

 Department Director

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



RNG 37

See pg V

RNG 37

Page 158

LOCATION MAP



TWP 44

TWP 43

TWP 43

22

21

20

AMENDMENT NUMBER EIGHT TO LEASE AGREEMENT

THIS AMENDMENT NUMBER EIGHT TO LEASE AGREEMENT ("Amendment Number Eight") made and entered into on _____, by and between WALLACE K. LUTZ, SR. AND THERESA C. LUTZ, TRUSTEES OF THE WALLACE K. LUTZ, SR. REVOCABLE LIVING TRUST DATED OCTOBER 8, 1991, AND ANY AMENDMENTS THERETO, hereinafter referred to as "Lessor" and PALM BEACH COUNTY, a political subdivision of the State of Florida, on behalf of Palm Beach County Community Services Department, Migrant Program, hereinafter referred to as "Lessee".

WITNESSETH:

WHEREAS, Wallace K. Lutz, Sr. and Theresa C. Lutz, his wife, the original Lessor ("Original Lessor"), and Lessee entered into that certain Lease Agreement dated April 9, 1991 (R91-437D) (the "Lease"), for the use of the Leased Premises as defined in the Lease, which includes 699 net square feet of office space at 607 South Main Street, Unit 103, Belle Glade, Florida 33430; and

WHEREAS, after execution of the Lease, Original Lessor transferred its interest in the Leased Premises to Lessor; and

WHEREAS, the Lease has been amended and extended, and the current term of the Lease expires on May 31, 2013; and

WHEREAS, the parties wish to amend the Lease to (i) approve a two (2) year extension of the term of the Lease upon the same lease terms and conditions, and (ii) provide Lessee with two (2) extension options each for a period of two (2) years; and

WHEREAS, Lessor hereby acknowledges that Lessee is not delinquent in the payment of Rent and is not in default of any of the terms and conditions of the Lease; and

NOW, THEREFORE, in consideration of the premises and mutual covenants and conditions contained herein, the parties agree to modify the Lease as follows:

1. The foregoing recitals are true and correct and incorporated herein by reference. Terms not defined herein shall have the same meaning and effect as in the Lease.
2. The term of the Lease is hereby further extended for a period of two (2) years commencing on June 1, 2013, and expiring on May 31, 2015 (the "Extended Term").
3. **Section 5, Option To Renew**, is hereby deleted in its entirety and replaced with the following:

Section 5, Option To Renew: Lessee shall have the right and option, provided it is not then in default under this Lease, to extend the Term of this Lease for two (2) periods of two (2) years each. Lessee shall exercise such option by providing Lessor with written notice of such election not less than sixty (60) days prior to expiration of the Term. If Lessee exercises the option(s), the Rent will be as follows:

June 1, 2015, to May 31, 2017: The Rent will increase two percent (2%) to \$7,514.14 per year (\$626.18 per month).

June 1, 2017, to May 31, 2019: The Rent will increase two percent (2%) to \$7,664.42 per year (\$638.70 per month).

4. **Section 17 (a) Insurance** is modified to reflect that the Lessee's coverages are increased from \$100,000 per person to \$200,000 per person, and from \$200,000 per incident of occurrence to \$300,000 per incident of occurrence.

5. **Section 17 (b) Insurance** is modified to reflect that the Lessor's minimum amount of coverage is increased from \$250,000 to \$500,000.

6. Lessor represents that simultaneously with Lessor's execution of this Amendment Number Eight, Lessor has executed and delivered to Lessee, the Lessor's Disclosure of Beneficial Interests attached as Exhibit "A" 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 Leased Premises as required by Section 286.23 of the Florida Statutes unless Lessor is exempt under the statute. Lessor 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 Leased Premises after the date of execution of the Disclosure until the Effective Date of this Amendment Number Eight, Lessor shall immediately, and in every instance, provide written notification of such change to the Lessee pursuant to Section 8 of the Lease.

7. This Amendment Number Eight shall become effective when signed by all parties and approved by the Palm Beach County Board of County Commissioners (the "Effective Date").

8. Except as set forth herein, the Lease as amended remains unmodified and in full force and effect and the parties hereby ratify, confirm, and adopt the Lease as amended hereby.

IN WITNESS WHEREOF, Lessor and Lessee hereto have executed this Amendment Number Eight on the day and year first written above.

LESSOR:

WITNESS:

Jennifer De La Cruz
Witness Signature

JENNIFER DE LA CRUZ
Print Witness Name

Cindy Barnes
Witness Signature

CINDY BARNES
Print Witness Name

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

WITNESS:

Jennifer De La Cruz
Witness Signature

JENNIFER DE LA CRUZ
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

Cindy Barnes
Witness Signature

CINDY BARNES
Print Witness Name

ATTEST:

SHARON R. BOCK
CLERK & COMPTROLLER

By: _____
Deputy Clerk

WITNESS:

Witness Signature

Print Witness Name

Witness Signature

Print Witness Name

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

By: 
Assistant County Attorney

LESSEE:

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

By: _____
Steven L. Abrams, Mayor

APPROVED AS TO TERMS
AND CONDITIONS

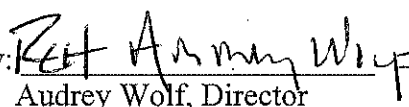
By: 
Audrey Wolf, Director
Facilities Development & Operations

EXHIBIT "A"

LESSOR'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:

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

2. Affiant's address is: 607 So. Main St., #107,
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 Lessor 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.

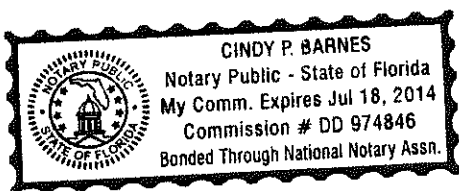
6. Under penalty of perjury, Affiant declares that Affiant has examined this Affidavit
and to the best of Affiant's knowledge and belief it is true, correct, and complete.

FURTHER AFFIANT SAYETH NAUGHT.

W.K. Lutz, Affiant
Print Name: Wallace K. Lutz, Sr.

Theresa C. Lutz, Affiant
Print Name: Theresa C. Lutz

The foregoing instrument was sworn to, subscribed and acknowledged before me this 6th
day of February, 2013, by Wallace and Theresa Lutz
[] who is personally known to me or [] who has produced _____
as identification and who did take an oath.



Cindy P. Barnes
Notary Public
CINDY P. BARNES
(Print Notary Name)

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

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.

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

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

ATTACHMENT NO. 4

**LESSOR'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:

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

2. Affiant's address is: 607 So. Main St., #107, 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 Lessor 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.

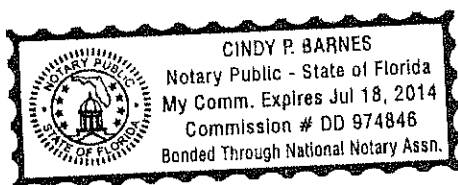
6. Under penalty of perjury, Affiant declares that Affiant has examined this Affidavit and to the best of Affiant's knowledge and belief it is true, correct, and complete.

FURTHER AFFIANT SAYETH NAUGHT.

W. K. Lutz, Affiant
Print Name: Wallace K. Lutz, Sr.

Theresa C. Lutz, Affiant
Print Name: Theresa C. Lutz

The foregoing instrument was sworn to, subscribed and acknowledged before me this 6th day of February, 2013, by Wallace and Theresa Lutz [] who is personally known to me or [] who has produced _____ as identification and who did take an oath.



Cindy P. Barnes
Notary Public
CINDY P. BARNES
(Print Notary Name)

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

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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