

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2014	2015	2016	2017	2018
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	✂ _____	_____	_____	_____	_____
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget: Yes _____ No _____

Budget Account No: Fund _____ Dept _____ Unit _____ Object _____
 Program _____

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

*Fiscal Impact occurs beyond 2018. Rent is established by appraisal and may be adjusted periodically.

C. Departmental Fiscal Review: _____ *W* 1-22-14

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:

[Signature]

 OFMB 510 *28*
 1/24 *1/24*

[Signature] 1/27/14

 Contract Development and Control
 1-27-14 *[Signature]*

B. Legal Sufficiency:

[Signature] 1/27/14

 Assistant County Attorney

C. Other Department Review:

 Department Director

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

Background and Policy Issues Continued: In 2007, the Board approved a First Amendment extending the Lease for twelve (12) years until 2023 (R-2007-0827). In 2010, the Board approved a Second Amendment (R-2010-0083) reducing the rent from \$550/acre to \$500/acre as part of an overall rental reduction for all County leases in the Ag Reserve in response to the recession. A recent appraisal indicated that fair market rents in the Ag Reserve remain at \$500/gross acre.

The Bedners' current lease runs through 2023 (9 years from now) which arguably is sufficient for the Bedners' planning purposes. In addition, extending the Bedners' Lease now removes the future option to do an RFP to allow those farmers who do not currently have land in the Ag Reserve an opportunity to bid. However, this is a unique situation in that the Bedners sold their land to the County on the condition that they have the right to continue farming. Continuity in farming operations assists in preserving agricultural operations in the Ag Reserve. Extension of their lease will both ensure that the Bedners have a long term right to farm and inhibit changes that could otherwise impact the Bedner Farm land. As rent during the extension will continue to be subject to adjustment based upon appraisals, the County will always receive fair market rent.

Florida Statutes Section 286.23 requires that a Disclosure of Beneficial Interest be obtained when a property held in a representative capacity is leased to the County, but does not require such Disclosure when the County leases property to a tenant. Since the Statute does not require the Disclosure and since this is an amendment to the Lease Agreement for which a Disclosure was already provided, Staff did not request a new Disclosure. Previous disclosures identified Stephen W. Bedner (33-1/3%), Charles Bedner (33-1/3%) and Bruce Bedner (33-1/3%) as holding interests in Bedner Farm, Inc.

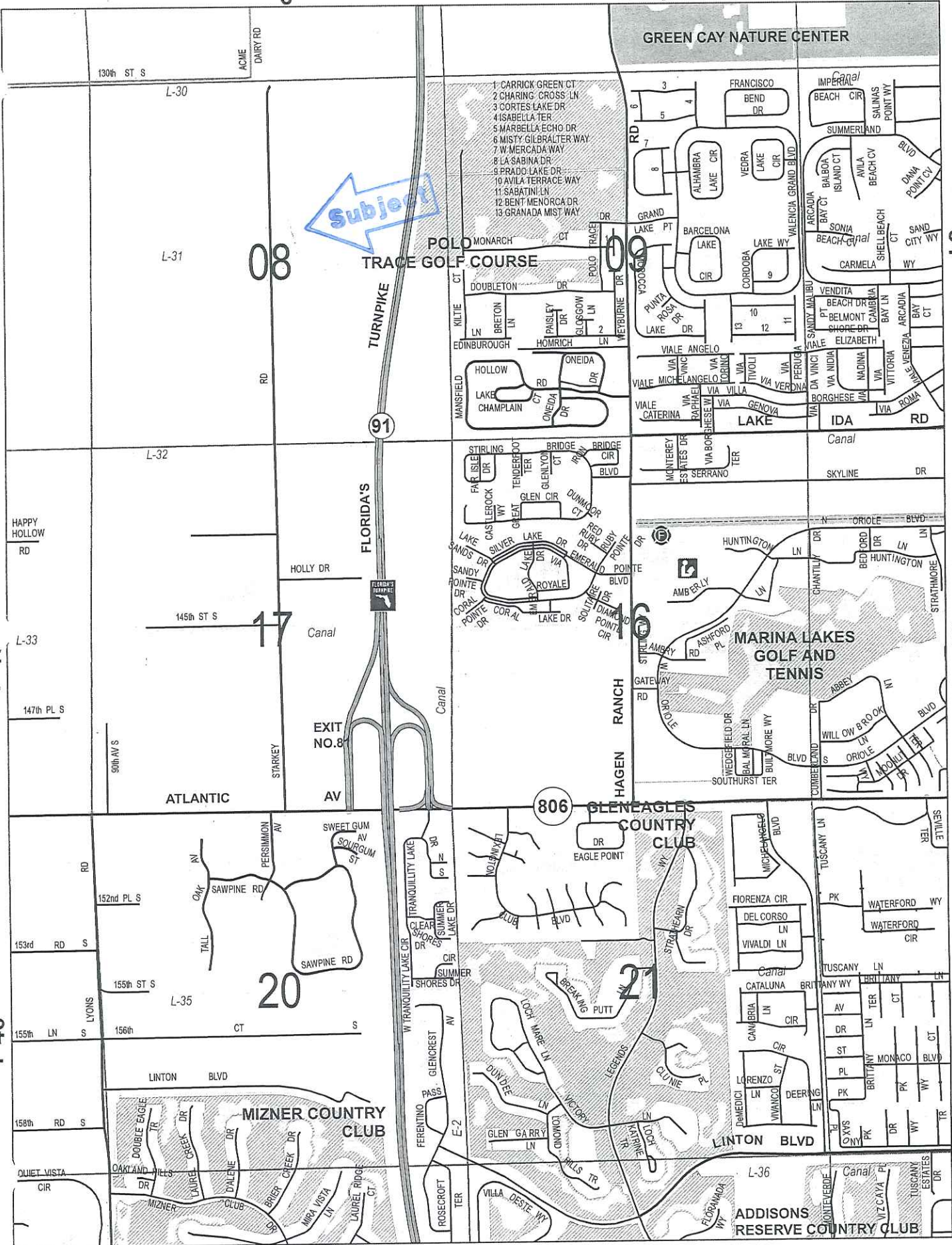
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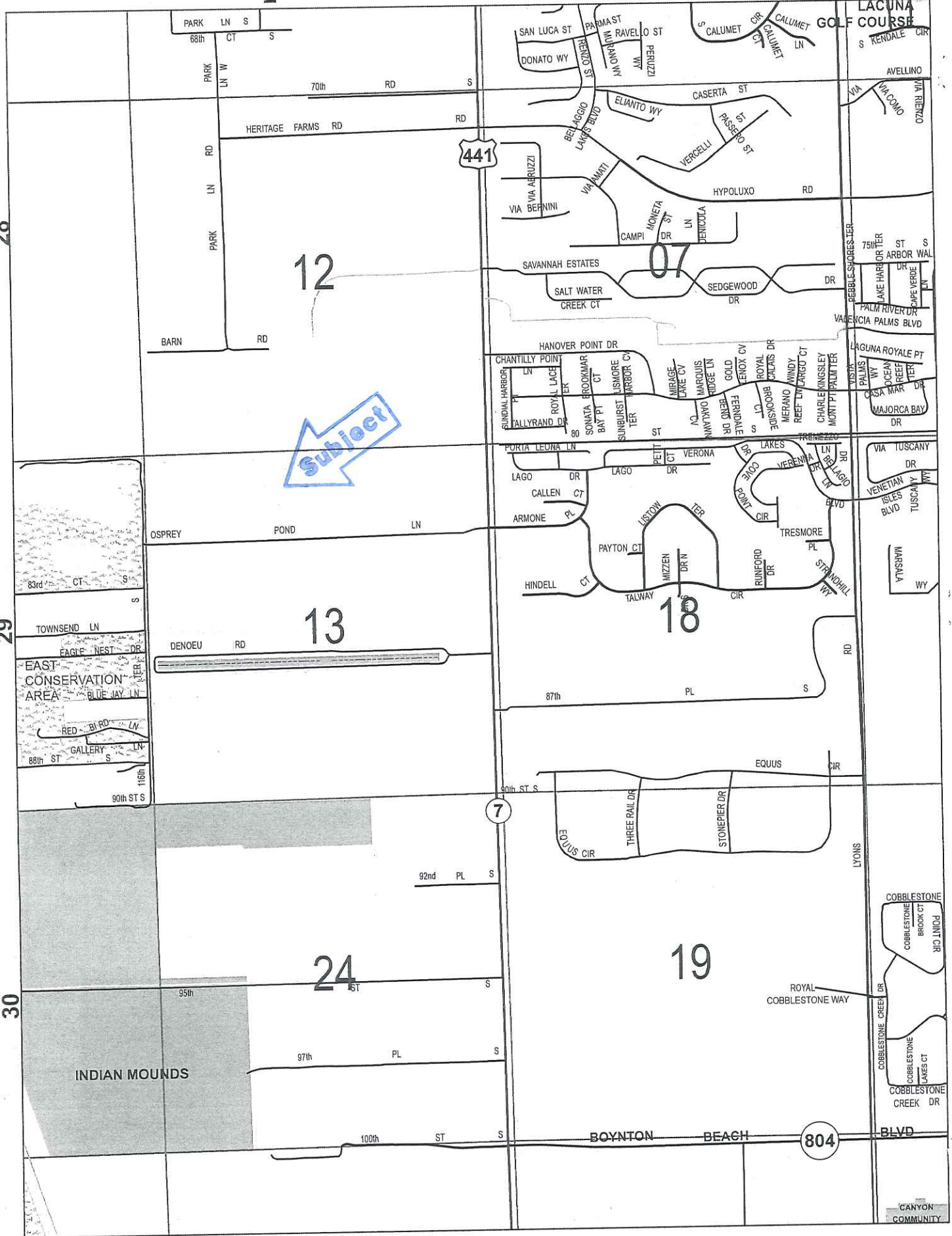
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LOCATION MAP

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THIRD AMENDMENT TO LEASE AGREEMENT

THIS THIRD AMENDMENT TO LEASE AGREEMENT (R2001-0582) (the "Third Amendment") entered into as of _____ by and between PALM BEACH COUNTY, FLORIDA, a political subdivision of the State of Florida, hereinafter referred to as "County" and BEDNER FARM, INC. (a Florida corporation), with offices located at 14186 Starkey Road, Delray Beach, FL 33446 (EIN: #59-1784981) hereinafter referred to as "Tenant".

WITNESSETH

WHEREAS, County and Tenant entered into a Lease Agreement dated June 26, 2001, which was approved under Resolution No. 2001-0582 on April 17, 2001 (the "Lease"), pursuant to which Tenant leases approximately 262 acres (the "Premises") as legally described in the Lease; and

WHEREAS, County and Tenant entered into a First Amendment to Lease Agreement (R2007-0827) on May 15, 2007 (the "First Amendment"), extending the term of the Lease for twelve (12) years; and

WHEREAS, County and Tenant entered into a Second Amendment to Lease Agreement (R2010-0083) on January 12, 2010 (the "Second Amendment"), which reduced the rent, revised the method for adjusting rent, and provided for documentation of Tenant's crop yields; and

WHEREAS, the Lease term expires May 31, 2023; and

WHEREAS, Tenant is concerned about incremental changes to the land use and zoning regulations for the Ag Reserve and the potential impact of such changes on the Tenant's ability to continue farming and wants to ensure that the younger members of Tenant's family will have the ability to continue farming; and

WHEREAS, the parties wish to modify this Lease on the terms and conditions set forth herein.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, as well as other good and valuable considerations, the receipt of which is hereby acknowledged by both parties, County and Tenant agree as follows:

1. The foregoing recitals are true and correct and incorporated herein by reference.
2. Section 1.03 Option to Renew, is hereby amended as follows:

The words "... for nine (9) successive periods..." in the first sentence are revised to state "... for thirty-one (31) successive periods...". All the rest and remainder of Section 1.03 is unchanged and remains in full force and effect.

CAB

3. Section 4.04 Non-Discrimination, is hereby deleted in its entirety and replaced as follows:

Tenant shall assure and certify that it will comply with the Title VI of the Civil Rights Act of 1964, as amended, and Palm Beach County Resolution No. R92-13, and shall not discriminate against any individual on the basis of their race, color, national origin, religion, ancestry, sex, age, marital status, familial status, sexual orientation, gender identity or expression, or disability with respect to any activity occurring on the Premises or conducted pursuant to this Lease.

4. 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.

5. 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 Palm Beach County or employees of County or Tenant.

6. Except as modified by this Third Amendment, the Lease remains unmodified and in full force and effect in accordance with the terms thereof.

7. This Third 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.

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CAB

IN WITNESS WHEREOF, the parties have set their hands and seals to this Third Amendment as of the date written above.

Signed, sealed and delivered in the presence of:

ATTEST:

SHARON R. BOCK,
Clerk and Clerk & Comptroller

COUNTY

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

By: _____
Deputy Clerk

By: _____
Priscilla A. Taylor, Mayor

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

APPROVED AS TO TERMS AND CONDITIONS:

By: [Signature]
Assistant County Attorney

By: [Signature]
Department Director

Kimberley Leonard
Witness
KIMBERLEY LEONARD
Printed Name

TENANT
BEDNER FARM, INC.
By: [Signature]
Printed Name: Charles Bedner
Title: pres

Robin Newbeck
Witness
Robin Newbeck
Printed Name

Seal

RESOLUTION NO. 2014-

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AUTHORIZING AN EXTENSION OF THE LEASE WITH BEDNER FARM, INC.; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Bedner Farm, Inc., a Florida corporation ("BFI"), pursuant to a Lease Agreement dated June 26, 2001 (R2001-0582), as amended, leases 262 acres of land from Palm Beach County in the Ag Reserve for agricultural purposes;

WHEREAS, BFI has requested that County extend the term of the Lease for ten (10) years by granting BFI ten (10) successive options to extend the term of the Lease, each for a period of one (1) year; and

WHEREAS, the Board of County Commissioners of Palm Beach County hereby finds that a major element of the Ag Reserve Acquisition Program was to ensure continued agricultural operations in the Ag Reserve; continuity of farming operations assists in preserving agricultural operations in the Ag Reserve; extension of the Lease maintains continuity of existing farming operations; and the County will receive fair market value rent as determined by appraisal during the extensions of the Lease, and it is therefore in the best interest of the County to extend the Lease to preserve agricultural production on the property.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:

Section 1. Recitals

The foregoing recitals are true and correct and incorporated herein by reference.

Section 2. Authorization to Extend the Term of the Lease

The Board of County Commissioners of Palm Beach County shall grant BFI ten (10) successive options to extend the term of the Lease, each for a period of one (1) year, pursuant to the Third Amendment to Lease attached hereto and incorporated herein by reference, with rent during said extended term being adjusted to Fair Market Value as determined by appraisal.

Section 3. Conflict with Federal or State Law or County Charter.

Any statutory or Charter provisions in conflict with this Resolution shall prevail.

Section 4. Effective Date.

The provisions of this Resolution shall be effective immediately upon adoption hereof.

The foregoing Resolution was offered by Commissioner _____

who moved its adoption. The Motion was seconded by Commissioner _____,

and upon being put to a vote, the vote was as follows:

- Commissioner Priscilla A. Taylor, Mayor
- Commissioner Paulette Burdick, Vice Mayor
- Commissioner Hal R. Valeche
- Commissioner Shelley Vana
- Commissioner Steven L. Abrams
- Commissioner Mary Lou Berger
- Commissioner Jess R. Santamaria

The Mayor thereupon declared the Resolution duly passed and adopted this _____ day of _____, 2014.

PALM BEACH COUNTY, a political subdivision of the State of Florida
BOARD OF COUNTY COMMISSIONERS

SHARON R. BOCK
CLERK & COMPTROLLER

By: _____
Deputy Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

By  _____
Assistant County Attorney

APPROVED AS TO TERMS
AND CONDITIONS

By  _____
Department Director