PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

Meeting Date:	December 16, 2014	[] Consent [] Ordinance	[X] Regular [] Public Hearing					
Department: Facilities Development & Operations								
	I. <u>EX</u>	ECUTIVE BRIEF						
Lease Agreement	(R2006-0077), with Rober	t Weatherbee d/b/a Tl	xercise of the first option to extend he Sub Division, a sole proprietor, to					

Lease Agreement (R2006-0077), with Robert Weatherbee d/b/a The Sub Division, a sole proprietor, to continue to provide food services at the County's Vista Center 2300 Building in West Palm Beach at an annual rate of \$9,474.71 (\$27.15/SF).

Summary: Since January 1, 2007, Robert Weatherbee d/b/a The Sub Division (Weatherbee) has been leasing 349 square feet of space in the lunchroom area to provide food services at the County's Vista Center 2300 Building. On September 10, 2013, the Board approved a Third Amendment (R2013-1225) which extended the Lease for one (1) year through December 31, 2014, and added three (3) additional one (1) year extension options. Weatherbee has requested the County's consent to his exercise of the first extension option which will extend the term through December 31, 2015. Annual Rent during this extension will be increased by four percent (4%) to \$9,474.71 (\$27.15/SF). (PREM) **District 2** (HJF)

Background and Policy Issues: On July 31, 2005, Staff issued a Request for Proposals (RFP) to lease space and provide food services at the County's Vista Center 2300 Building. On January 10, 2006, the RFP was awarded to Sub Division (R2006-0077). The Lease premises consists of 349 square feet within the lunchroom area of the 2300 Building, together with the use of two (2) unassigned parking spaces within the parking garage. Pursuant to the RFP, Sub Division was required to pay for interior improvements, alterations and provide the kitchen equipment necessary to operate.

On December 1, 2009, the Board approved a First Amendment (R2009-2063) suspending the required 4% annual rent increase for a period of one (1) year due to economic conditions caused, in part, by the reduction of County staff located at the buildings at Vista Center. The 4% annual increases recommenced on January 1, 2011. On December 6, 2011, the Board approved a Second Amendment (R2011-1936) exercising the first extension option, and on December 4, 2012, the Board consented to the exercise of the second and final one (1) year extension option (R2012-1789). In November 2012, Sub Division provided documentation evidencing that their product costs had increased by approximately 25% and Staff authorized an increase of Sub Division's menu prices by approximately 13%.

(Continued on Page 3)

Attachments:

- 1. Location Map
- 2. Board Extension Consent Letter
- 3. Letter dated August 21, 2014, from Robert Weatherbee

Recommended By:	Let Anny Work	11/20/14	
	Department Director	Date	
Approved By:	Melle	i~/5)14	
	County Administrator	Ďate	

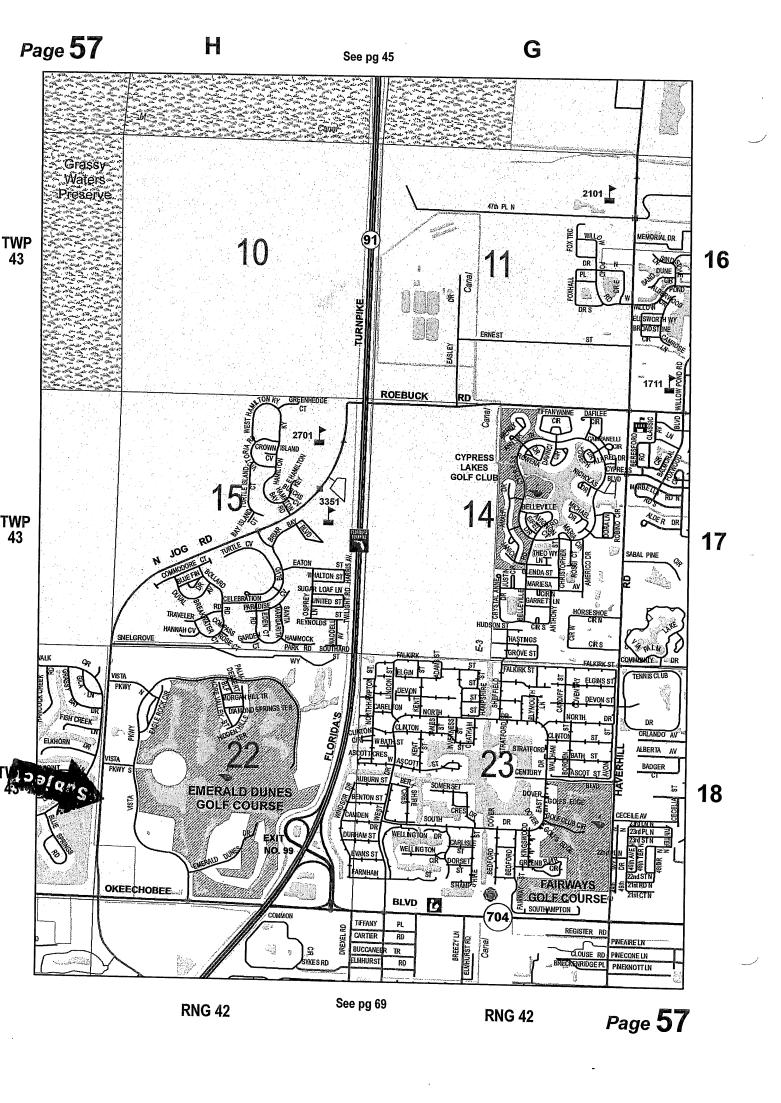
II. FISCAL IMPACT ANALYSIS

A.	Five Year Summary of	Fiscal Impact:				
Fisca	al Years	2015	2016	2017	2018	2019
Oper Exte Prog	ital Expenditures rating Costs rnal Revenues rram Income (County) ind Match (County	(\$7,106.	(\$2,36 %)			
NET	FISCAL IMPACT	(\$7,106. ·)	<u>(\$2,369</u>)			
	DITIONAL FTE ITIONS (Cumulative)					
Is Ite	em Included in Current B	udget: Yes		0		
Budg	get Account No: Fund	<u>0001</u> Dept Program	<u>800</u> U1	nit <u>8001</u>	Object <u>6225</u>	
В.	Recommended Sources Fixed Assets Number Departmental Fiscal Re	M09333	ary of Fiscal	Impact:	1-44 —	
		III. <u>REVIE</u> V	V COMMEN	<u>NTS</u>		
A.	OFMB Fiscal and/or Co	11/24/14	ontract Devel	Jacobo	Control 1114	
В.	Legal Sufficiency: Assistant County Attorney					
C.	Other Department Revie	ew:				
	Department Director					

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

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Background and Policy Issues (cont'd): On September 10, 2013, the Board approved a Third Amendment (R2013-1224) extending the lease for one (1) year, from January 1, 2014, through December 31, 2014, and added three (3) additional one (1) year extensions due to economic conditions negatively impacting their food and beverage sales, which reduced the expected return on Sub Division's initial investment. Weatherbee has also requested that the County grant him a rent reduction based on continued poor economic conditions. Other food service operations within County facilities are Tina's Café (\$6.50 per sq. ft.) and Blind Services (\$17.52 per sq. ft.). Tina's Café noted a drop off in business, received a rental reduction and has been continually late in paying its rent. Staff is evaluating Weatherbee's request and will return to the Board for further direction in the near future. Consenting to the exercise of this first extension option will extend the lease for one (1) year, from January 1, 2015, through December 31, 2015. Florida Statutes, Section 286.23, does not require a Disclosure of Beneficial Interests be obtained. Weatherbee has affirmed that its non-discrimination policy is consistent with the County's policy.



LOCATION MAP





Facilities Development & Operations Department

Property & Real Estate Management Division

2633 Vista Parkway West Palm Beach, FL 33411 Telephone - (561) 233-0217 www.pbcgov.com/fdo

> Palm Beach County Board of County Commissioners

Priscilla A. Taylor, Mayor

Paulette Burdick, Vice Mayor

Hal P. Valeche

Shelley Vana

Steven L. Abrams

Mary Lou Berger

Jess R. Santamaria

County Administrator

Robert Weisman

"An Equal Opportunity Affirmative Action Employer" Robert Weatherbee d/b/a The Sub-Division 5255 Whitewood Cove South Lake Worth, FL 33467

December 16, 2014

Re: Exercise of Option to Renew Lease Agreement, as amended, dated January 10, 2006 (R2006-0077)

Dear Mr. Weatherbee:

Pursuant to the provisions of Section 1.07 of the above referenced Lease Agreement, Palm Beach County hereby accepts your exercise of option to extend the term of the Lease for one (1) year through December 31, 2015.

ATTEST:

SHARON R. BOCK
CLERK & COMPTROLLER

By:______
Deputy Clerk

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

By:______
, Mayor

APPROVED AS TO FORM LEGAL SUFFICIENCY

APPROVED AS TO TERMS AND CONDITIONS

Assistant County Attorney

Department Director

WITNESSES:

AGREED TO/ ACCEPTED BY TENANT:

ROBERT WEATHERBEE d/b/a THE SUB-DIVISION, a sole

proprietor

By: __

Robert Weatherbee

Print Witness Name

Witness Signature

0:

Peta-Gaye Belizaire

Print Witness Name

G:\PREM\PM\In Lease\Vista Center Food Service\Opt 1 of 3 per Amd #3 2014\BCC Extension Ltr. 001.hf app 10-29-2014.docx

The Sub Division Robert Weatherbee, sole proprietor 5255 Whitewood Cove Lake Worth, Florida 33467 561-681-4700

Hand Delivered

August 21, 2014

Palm Beach County Property and Real Estate Management Division Attention Ross C. Hering, Director 2633 Vista Parkway West Palm Beach, FL 33411

RE: Request Exercise of first of three one-year options pursuant to the Third Amendment (R2013-1225) approved September 10, 2013, to Lease Agreement (R2006-0077), dated January 10, 2006 between Palm Beach County and Robert Weatherbee d/b/a the Sub Division, a sole proprietor.

Dear Mr. Hering:

Pursuant to Section 1.07 as amended, of the above referenced lease agreement please accept this as my request to exercise my first of three remaining one-year extension options.

Sincerely,

Robert Weatherbee D/B/A the Sub Division

Cc: County Attorney's Office, Palm Beach County Richard C. Bogatin, Property Specialist