

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: April 5, 2016 [X] Consent [] Regular
[] Ordinance [] Public Hearing

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to receive and file: a notice of exercise of the second option to extend Lease Agreement (R2006-0905) with Actualidad 1040AM, LLC (Actualidad) for Actualidad's continued use of approximately 16 acres and four (4) AM radio towers located in the Ag Reserve for \$33,765.26/year.

Summary: The County leases approximately 16 acres of land within the Bowman Farm Property in the Ag Reserve to Actualidad for operation of an AM radio tower. Exercising this second extension option will extend the term to May 15, 2021, with three (3) five (5) year extension options remaining. Pursuant to the Lease, Actualidad has the right to exercise its extension option and the Board has no discretionary authority to deny the exercise of this or the next option. On April 1, 2016, the rent will increase from \$32,781.81/year (\$2,731.82/mo.) to \$33,765.26/year (\$2,813.77/mo.). PREM will continue to have administrative responsibility for this Lease. (PREM) District 5/Countywide (HJF)

Background and Justification: The County acquired the Bowman Farm Property in the Ag Reserve in 2001. At that time, James Crystal Boynton Beach (JCBB) leased approximately 16 acres of the Bowman Farm. JCBB was a broadcasting company operating four (4) AM radio stations in Palm Beach and Broward counties and had four (4) AM radio antenna towers on the leased property. As the JCBB lease was expiring in 2002, a Request for Proposals was issued to lease the 16 acres and JCBB was the sole respondent. Due to Ag Bond revenue issues, JCBB was allowed to continue to lease the property on a month to month basis until 2006 when the parties entered into a new lease (R2006-0905). In 2012, JCBB sold its interest in the 1040AM radio station, including the FCC radio station license, tower and equipment to Actualidad. On April 17, 2012, (R2012-0596), the Board approved the Consent to Assignment and Amendment of Lease Agreement to Actualidad. The County may terminate this Lease at any time after May 16, 2026, with at least 6 months notice; Actualidad may terminate the Lease any time after October 13, 2013, with at least 6 months notice. State Statutes do not require a Disclosure of Beneficial Interests be obtained when the County leases property to a tenant. The Disclosure, Attachment 4, identifies Actualidad Networks of Florida (95%): Enrique Cusco (80%), Eduardo Cusco (10%), Jorge A. Gonzales (10%), and Edan Holding Company (5%): Abid Edan (51%), Norma Edan (49%) as holding interests in Actualidad 1040AM, LLC.

Attachments:

- 1. Location Map
- 2. Extension option request letter
- 3. Budget Availability Statement
- 4. Disclosure of Beneficial Interests

Recommended By: Army Wolf Department Director 3/11/16 Date

Approved By: W Baker County Administrator 3/30/16 Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

| Fiscal Years | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|------------------|-------------------------------------|------------------|--------------------|-------------|
| Capital Expenditures | | | | | |
| Operating Costs | (\$12,707) | (\$34,271) | (\$35,299) | (\$36,358) | (\$23,147) |
| External Revenues | | | | | |
| Program Income (County) | | | | | |
| In-Kind Match (County) | | | | | |
| NET FISCAL IMPACT | (\$12,707) | (\$34,271) | (\$35,299) | (\$36,358) | (\$23,147) |
| # ADDITIONAL FTE POSITIONS (Cumulative) | | | | | |
| Is Item Included in Current Budget: | Yes | <input checked="" type="checkbox"/> | No | | |
| Budget Account No: | Fund <u>1222</u> | Dept <u>800</u> | Unit <u>8011</u> | Object <u>6225</u> | |
| | Program _____ | | | | |

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

Fixed Asset Number N/A

C. Departmental Fiscal Review: _____ *W* ²⁻²⁹⁻¹⁶

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:

| | |
|---|---|
| <p><i>[Signature]</i> OFMB 3/16 3/16 3/17</p> | <p><i>[Signature]</i> 3/24/16 Contract Development and Control</p> |
|---|---|

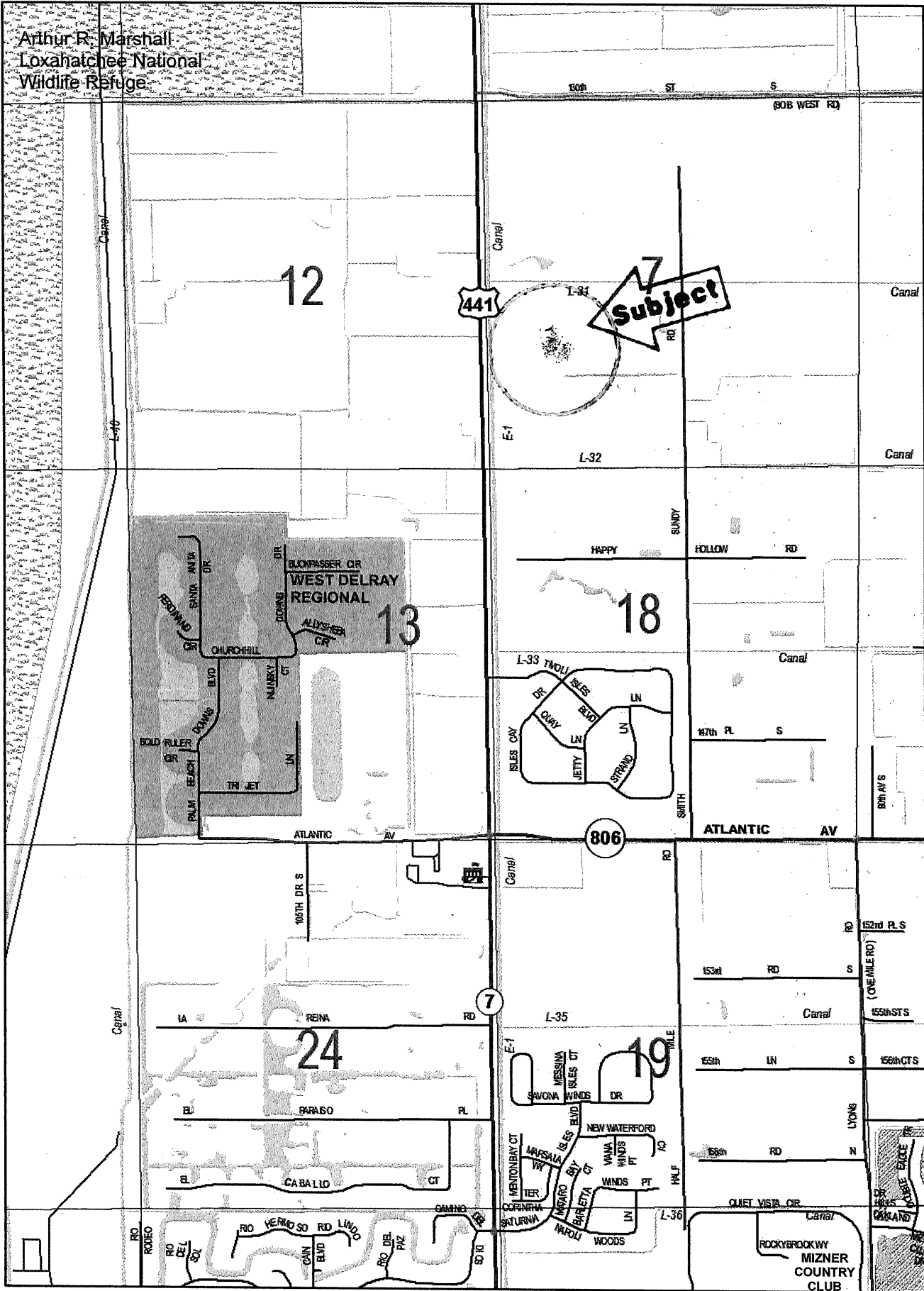
B. Legal Sufficiency:

[Signature] 3/29/16
 Assistant County Attorney

C. Other Department Review:

 Department Director

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



TWP 46

TWP 46

TWP 46

34

35

36

RNG 41

See pg 114

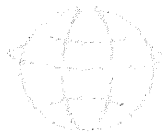
RNG 42

Page 107

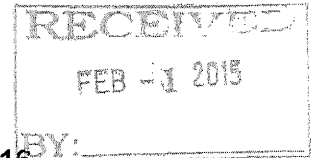
LOCATION MAP

Attachment 1
1 pg





actualidad
1040AM



January 29, 2016

Palm Beach County
Property and Real Estate Management Division
Attn: Director
2633 Vista Parkway
West Palm Beach, FL 33411-5605

Re: Lease Agreement dated May 16, 2006 as amended by a Consent to Assignment and Amendment of Lease Agreement dated as of April 17, 2012 between PALM BEACH COUNTY, FLORIDA, a Political Subdivision of the State of Florida as Landlord and ACTUALIDAD 1040 LLC, a Florida limited liability company as Tenant (the "Lease")

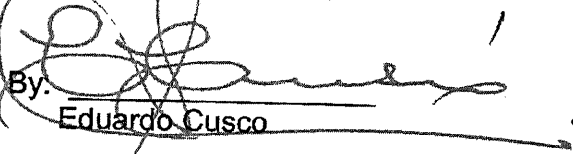
Dear Sir or Madam:

In accordance with Section 1.03 of the referenced Lease, Tenant hereby provides written notice of its exercise of the option to extend the Term of the referenced Lease for a period of 5 years from and after the current termination date of May 16, 2016; accordingly, the Term of the Lease is extended to May 16, 2021.

From and after the exercise of this option, Tenant shall have two (2) additional successive five (5) year renewal options.

Capitalized terms shall have the meanings ascribed to them in the Lease.

ACTUALIDAD 1040AM, LLC

By: 
Eduardo Cusco

cc: Palm Beach County Attorney's Office
Attn: Real Estate Attorney
301 North Olive Avenue, Suite 601
West Palm Beach, FL 33401

Attachment 2
1 pg

BUDGET AVAILABILITY STATEMENT

REQUEST DATE: 02/24/16 REQUESTED BY: Della M. Lowery PHONE: (561) 233-0239
 FAX: (561) 233-0210
 PROJECT TITLE: Actualidad 1040AM, LLC PROJECT NO.:2016-5.003

| Fiscal Years | 2016 | 2017 | 2018 | 2019 | 2020 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| Capital Expenditures | _____ | _____ | _____ | _____ | _____ |
| Operating Costs | _____ | _____ | _____ | _____ | _____ |
| External Revenues | (\$12,707.40) | (\$34,271.76) | (\$35,299.92) | (\$36,358.92) | (\$23,147.47) |
| Program Income (County) | _____ | _____ | _____ | _____ | _____ |
| In-Kind Match (County) | _____ | _____ | _____ | _____ | _____ |
| NET FISCAL IMPACT | (\$12,707.40) | (\$34,271.76) | (\$35,299.92) | (\$36,358.92) | (\$23,147.47) |
| # ADDITIONAL FTE POSITIONS (Cumulative) | _____ | _____ | _____ | _____ | _____ |

**** By signing this BAS your department agrees to these staff costs and your account will be charged upon receipt of this BAS by FD&O. Unless there is a change in the scope of work, no additional staff charges will be billed.**

BUDGET ACCOUNT NUMBER
 FUND: 1222 DEPT: 800 UNIT: 8011 OBJ: 6225 SUB OBJ: _____

IS ITEM INCLUDED IN CURRENT BUDGET: YES _____ NO _____

IDENTIFY FUNDING SOURCE FOR EACH ACCOUNT: (check all that apply)

Ad Valorem (source/type: _____)

Non-Ad Valorem (source/type: _____)

Grant (source/type: _____)

Park Improvement Fund (source/type: _____)

General Fund Operating Budget Federal/Davis Bacon

_____ _____ _____

SUBJECT TO IG FEE? YES NO

Department: Environmental Resources Management

BAS APPROVED BY: *Eue Henry* DATE: 2/24/16

ENCUMBRANCE NUMBER:

Attachment 3
1 pg

TENANT'S DISCLOSURE OF BENEFICIAL INTERESTS

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 Jorge A. Gonzalez, hereinafter referred to as "Affiant", who being by me first duly sworn, under oath, deposes and states as follows:

1. Affiant is the Vice-President (position - i.e. president, partner, trustee) of Actualidad 1040AM, LLC (the "Tenant") which entity is the lessee of the real property legally described on the attached Exhibit "A" (the "Property").

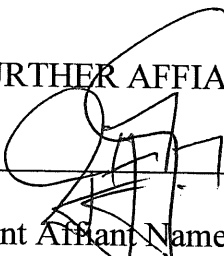
2. Affiant's address is: c/o Actualidad 1040AM, LLC,
2525 Ponce de Leon Blvd., Suite 250,
Coral Gables, FL 33134

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 Tenant and the percentage interest of each such person or entity.

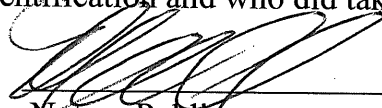
4. Affiant further states that Affiant is familiar with the nature of an oath and with the penalties provided by the laws of the State of Florida for falsely swearing to statements under oath.

5. 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, and will be relied upon by Palm Beach County relating to its lease of the Property.

FURTHER AFFIANT SAYETH NAUGHT.


_____, Affiant
Print Affiant Name: Jorge A. Gonzalez

The foregoing instrument was sworn to, subscribed and acknowledged before me this 4th day of February, 2016, by Jorge A. Gonzalez, [X] who is personally known to me or [] who has produced _____ as identification and who did take an oath.



Notary Public
MIRIAM CRUZ-BUSTILLO

(Print Notary Name)



NOTARY PUBLIC
State of Florida at Large
My Commission Expires: May 11 2016

EXHIBIT "A"

PROPERTY

Premises known as a portion of property control number 00-42-46-07-01-000-0090, and legally described as Tracts 79 and 80, Less the North 65.0 feet and all of Tracts 81, and 82, Block 7, Palm Beach Farms Plat No. 1, according to the Plat thereof as recorded in Plat Book 2, Pages 26 through 28, inclusive, Public Records of Palm Beach County, Florida in Palm Beach County, Florida.

EXHIBIT "B"

SCHEDULE TO BENEFICIAL INTERESTS IN PROPERTY

Tenant is only required to identify five percent (5%) or greater beneficial interest holders. If none, so state. Tenant must identify individual owners. If, by way of example, Tenant is wholly or partially owned by another entity, such as a corporation, Tenant 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

ACTUALIDAD 1040AM, LLC, a Florida limited liability company is a wholly owned subsidiary of ACTUALIDAD MEDIA GROUP LLC (formerly known as ACTUALIDAD 1020AM, LLC) a Florida limited liability company owned as follows:

*95% by ACTUALIDAD NETWORKS OF FLORIDA, LLC (formerly known as UNION RADIO NETWORK OF FLORIDA, LLC, a Delaware limited liability company) whose outstanding memberships interest are owned:

Enrique Cusco c/o 2525 Ponce de Leon Blvd., #250 80%
Coral Gables, FL 33134

Eduardo Cusco c/o 2525 Ponce de Leon Blvd., #250 10%
Coral Gables, FL 33134

Jorge A. Gonzalez c/o 2525 Ponce de Leon Blvd., #250 10%
Coral Gables, FL 33134

*5% by EDEN HOLDINGS COMPANY, a Florida corporation whose shareholders are:

Adib Eden c/o 9415 SW 144 Street 51%
Miami, FL 33167

Norma Eden c/o 9415 SW 144 Street 49%
Miami, FL 33167