

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	<u>(\$3,177)</u>	<u>(\$3,177)</u>	<u>(\$3,177)</u>	<u>(\$3,177)</u>
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	_____	<u>(\$3,177)</u>	<u>(\$3,177)</u>	<u>(\$3,177)</u>	<u>(\$3,177)</u>
No. ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included In Current Budget? Yes _____ No _____
 Budget Account No: Fund 4100 Department 120 Unit 8430 RSource 4462

Reporting Category _____

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

This Amendment provides for a small increase of 46 square feet of storage space effective October 1, 2016. The current terminal rental rate is \$69.07 per square foot resulting in an increase in rental revenue of approximately \$3,177 per year.

C. Departmental Fiscal Review: CM Simon

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

 _____ OFMB 8/11/16	 _____ Contract Dev. and Control 8/15/16
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B. Legal Sufficiency:

Anne Delaney 8/16/16
 Assistant County Attorney

C. Other Department Review:

 Department Director

**EIGHTH AMENDMENT
TO RETAIL CONCESSION AGREEMENT**

THIS EIGHTH AMENDMENT TO RETAIL CONCESSION AGREEMENT (this "Amendment") is made and entered into _____, 2016, by and between Palm Beach County, a political subdivision of the State of Florida ("County"), and Paradies-Palm Beach, LLC ("Company"), a Florida limited liability company, having its office and principal place of business at 2849 Paces Ferry Road, Overlook I, Fourth Floor, Atlanta, Georgia 30339.

WITNESSETH:

WHEREAS, the County, by and through its Department of Airports (the "Department"), owns and operates the Palm Beach International Airport, located in Palm Beach County, Florida (the "Airport"); and

WHEREAS, the parties entered into that certain Retail Concession Agreement dated November 6, 2007 (R-2007-2052), as amended (the "Agreement"); and

WHEREAS, the parties desire to introduce a new concept to be called the "Flagler Gourmet Market" to replace the Heritage Booksellers (formerly branded as a New York Times Bookstore) located on Concourse B of the Airport terminal; and

WHEREAS, the parties hereto desire to amend the Agreement in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained and for such other good and valuable consideration, the receipt of which the parties hereby expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions:

1. Recitals. The recitals set forth above are true and correct and incorporated herein by this reference. Terms not defined herein shall have the meaning ascribed to them in the Agreement.

2. Replacement of Exhibit "A". Effective October 1, 2016, Exhibit "A" to the Agreement shall be deleted in its entirety and replaced with Exhibit "A" to this Amendment.

3. Flagler Gourmet Market - Unit B-1.

A. Company shall cause the design and construction of the Flagler Gourmet Market to be completed on or before June 9, 2017, unless otherwise approved in writing by the County, which approval shall not be unreasonably withheld for delays beyond the reasonable control of Company. The Flagler Gourmet Market shall be located in Unit B-1 and shall replace the Heritage Booksellers concept. The Flagler Gourmet Market shall be open for business within no more than thirty (30) days of completion of construction. Within sixty (60) days of completion of construction, Company shall provide a Statement of Costs for Unit B-1 and provide an updated depreciation schedule in accordance with the requirements of Section 7.02 of the Agreement. The parties acknowledge and agree that Company may elect to count the Allowable Costs of leasehold improvements for the Flagler Gourmet Market toward Company's Minimum Mid-Term Investment in accordance with Section 7.03 of the Agreement.

B. The parties acknowledge and agree the Flagler Gourmet Market shall be a market style concept primarily offering fresh, locally prepared pre-packaged grab and go food options, such as fresh sandwiches, salads and baked goods; fresh fruit; pre-packaged gourmet and specialty food products; and an assortment of high quality, healthy pre-packaged snack and food and beverage items.

C. Company may also sell an assortment of news and gift items and other sundries; provided that such items shall be incidental to the overall assortment of products sold from Unit B-1, unless otherwise agreed to in writing by County.

4. Article 1, Definitions, of the Agreement is hereby amended to delete the definition of "Monthly Privilege Fee" in its entirety and replace it with the following:

Monthly Privilege Fee means the percentage of monthly Gross Receipts paid by Company for the privilege of operating a retail concession at the Airport and shall be equal to the sum of the following:

A. twelve percent (12%) of monthly Gross Receipts for all sales from Units MT-1 (PGA Tour Shop) and MT-2A (Brighton/Brooks Brothers), excluding sales of Personal Services and Traveler Services from such concession units. The concession units identified in this Paragraph A shall be Locally or Nationally Branded Specialty Retail Stores;

B. twelve percent (12%) of monthly Gross Receipts for all sales from Unit MT-3 (Comfort Zone) and Unit C-4 (Comfort Zone) and from the sale of Personal Services from any other concession unit, if any;

C. twenty percent (20%) of monthly Gross Receipts for all sales from Units MT-2B (Palm Beach Expressions) and MT-4 (Kids Zoo), excluding sales of Personal Services and Traveler Services from such concession units;

D. twenty two percent (22%) of monthly Gross Receipts for all sales from Units MT-2C (Worth Avenue News), MT-5 (Oceanfront News), B-2 (Coral Cove News), B-3 (Tropical News kiosk), C-1 (Coral Cove News), C-2 (Tech For Take-Off), C-3 (CNBC News), and temporary concession units, excluding sales of Personal Services and Traveler Services from such concession units;

E. ten percent (10%) of monthly Gross Receipts for all sales from Unit A-1 (Coastal News) and Unit MT-3A (Business Center) and from the sale of Traveler Services from any other concession unit, if any; and

F. For Unit B-1 (Flagler Gourmet Market), the Monthly Privilege Fee shall be the following:

- i. fifteen point one percent (15.1%) of monthly Gross Receipts for all sales of food and beverage items; and
- ii. twenty two percent (22%) of monthly Gross Receipts for all sales of news and gifts and other sundries.

In the event the concession units identified in Paragraph A above cease operating as Locally or Nationally Branded Specialty Retail Store(s), the percentage of monthly Gross Receipts for all sales from such concession unit(s) shall be increased in accordance with the percentages established in this Agreement for similar concepts. For example, a general news and gift concept would be twenty-two percent (22%) of monthly Gross Receipts and a bookstore concept would be twenty percent (20%) of monthly Gross Receipts. Company acknowledges and agrees that any change in concepts shall be subject to prior written approval of the County.

5. Article 1, Definitions, of the Agreement is hereby amended to delete the definition of "Privilege Fee" in its entirety and replace it with the following:

Privilege Fee means the percentage of annual Gross Receipts paid by Company for the privilege of operating a retail concession at the Airport and shall be equal to the sum of the following:

A. twelve percent (12%) of annual Gross Receipts for all sales from Units MT-1 (PGA Tour Shop) and MT-2A (Brighton/Brooks Brothers), excluding sales of Personal Services and Traveler Services from such concession units. The concession units identified in this Paragraph A shall be Locally or Nationally Branded Specialty Retail Stores;

B. twelve percent (12%) of annual Gross Receipts for all sales from Unit MT-3 (Comfort Zone) and Unit C-4 (Comfort Zone) and from the sale of Personal Services from any other concession unit, if any;

C. twenty percent (20%) of annual Gross Receipts for all sales from Units MT-2B (Palm Beach Expressions) and MT-4 (Kids Zoo), excluding sales of Personal Services and Traveler Services from such concession units;

D. twenty two percent (22%) of annual Gross Receipts for all sales from Units MT-2C (Worth Avenue News), MT-5 (Oceanfront News), B-2 (Coral Cove News), B-3 (Tropical News kiosk), C-1 (Coral Cove News), C-2 (Tech For Take-Off), C-3 (CNBC News), and temporary concession units, excluding sales of Personal Services and Traveler Services from such concession units; and

E. ten percent (10%) of annual Gross Receipts for all sales from Unit A-1 (Coastal News) and Unit MT-3A (Business Center) and from the sale of Traveler Services from any other concession unit, if any; and

F. For all sales from Unit B-1 (Flagler Gourmet Market), the Privilege Fee shall be the following:

- i. fifteen point one percent (15.1%) of annual Gross Receipts for all sales of food and beverage items; and
- ii. twenty two percent (22%) of annual Gross Receipts for all sales of news and gifts and other sundries.

In the event the concession units identified in Paragraph A above cease operating as Locally or Nationally Branded Specialty Retail Store(s), the percentage of annual Gross Receipts for all sales from such concession unit(s) shall be increased in accordance with the percentages established in this Agreement for similar concepts. For example, a general news and gift concept would be twenty-two percent (22%) of annual Gross Receipts and a bookstore concept would be twenty percent (20%) of annual Gross Receipts. Company acknowledges and agrees that any change in concepts shall be subject to prior written approval of the County.

6. Article 1, Definitions, is hereby amended to delete the definition of Street Prices in its entirety and to replace it with the following:

Street Prices means the average price of items of like size and quality sold at retail outlets in Palm Beach County. Street Prices for pre-packaged grab and go food and beverage items, such as sandwiches, salads and bakery items, shall be comparable to prices for quick-service food and beverage items of comparable content and quality at retail bakeries, delicatessen or grocery stores in Palm Beach County. Street Prices for printed materials shall be the price listed on the inside or outside cover of the materials.

7. Paragraph Headings. The heading of the various sections of this Amendment are for convenience and ease of reference only, and shall not be construed to define, limit, augment or describe the scope, context or intent of this Amendment or any part or parts of this Amendment.

8. Ratification of Agreement. Except as specifically modified herein, all of the terms and conditions of the Agreement shall remain unmodified and in full force and effect and are hereby ratified and confirmed by the parties hereto.

9. Effective Date. This Amendment shall be considered effective when signed by all parties and approved by the Palm Beach County Board of County Commissioners. Notwithstanding the foregoing, the parties acknowledge and agree the modification of the Privilege Fees applicable to Unit B-1 shall not become effective and shall remain twenty percent (20%) of Gross Receipts for all sales from Unit B-1 until the opening of the Flagler Gourmet Market for business at the Airport.

IN WITNESS WHEREOF, the parties hereto have duly executed this Amendment as of the day and year first above written.

ATTEST:

Sharon R. Bock, Clerk & Comptroller

By: _____
Deputy Clerk

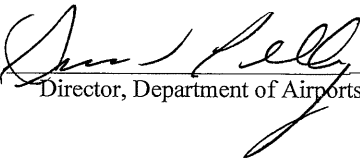
**PALM BEACH COUNTY, a political
subdivision of the State of Florida, by
its Board of County Commissioners**

By: _____
Mary Lou Berger, Mayor

**APPROVED AS TO FORM AND
LEGAL SUFFICIENCY**

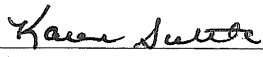
By: _____
County Attorney

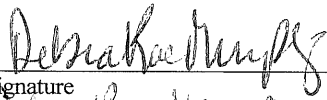
**APPROVED AS TO TERMS
AND CONDITIONS**

By:  _____
Director, Department of Airports

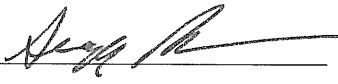
ATTEST:

**Signed, sealed and delivered in the
presence of two witnesses for
Company:**


Signature
Karen Suttle
Name (type or print)


Signature
Deborahae Murphy
Name (type or print)

**Paradies-Palm Beach, LLC,
a Florida limited liability company**

By:  _____
Gregg S. Paradies
Name (type or print)
President
Title

(Seal)

EXHIBIT "A"
LEASED PREMISES

PALM BEACH INTERNATIONAL AIRPORT (PBI)

MAIN TERMINAL, PRE-SECURITY	
Unit No.	Approximate Size (Sq. Ft.)
MT – 1 (PGA Tour Shop)	1,082
MT – 2A (Brighton/Brooks Brothers)	1,090
MT – 2B (Palm Beach Expressions)	1,198
MT – 2C (Worth Avenue News)	1,808
MT – 3 (Comfort Zone)	1,063
MT – 3A (Business Center)	1,199
MT – 4 (Kids Zoo)	1,343
MT – 5 (Oceanfront News)	2,572

CONCOURSE A, POST-SECURITY	
Unit No.	Approximate Size (Sq. Ft.)
A – 1 (Coastal News)	272

CONCOURSE B, POST-SECURITY	
Unit No.	Approximate Size (Sq. Ft.)
B – 1 (Flagler Gourmet Market)	605
B – 2 (Coral Cove News)	1,358
B – 3 (Tropical News Kiosk)	616

CONCOURSE C, POST-SECURITY	
Unit No.	Approximate Size (Sq. Ft.)
C – 1 (Coral Cove News)	1,315
C – 2 (Tech For Take-Off)	312
C – 3 (CNBC News)	2,272
C – 4 (Comfort Zone)	800

OFFICE & STORAGE AREAS	
Unit No.	Approximate Size (Sq. Ft.)
MT – S1	1,371
MT – S2	391
MT – S3	353
MT – S4	985
MT – S5	550
MT – S6	1,252
MT – S7	337
MT – S8	141
MT – S9	291
C – S1	498

Square footage listed on this Exhibit "A" is subject to re-measurement by County pursuant to Section 2.01 of the Agreement.

EXHIBIT "A"
LEASED PREMISES
PBI Main Terminal - Level 2

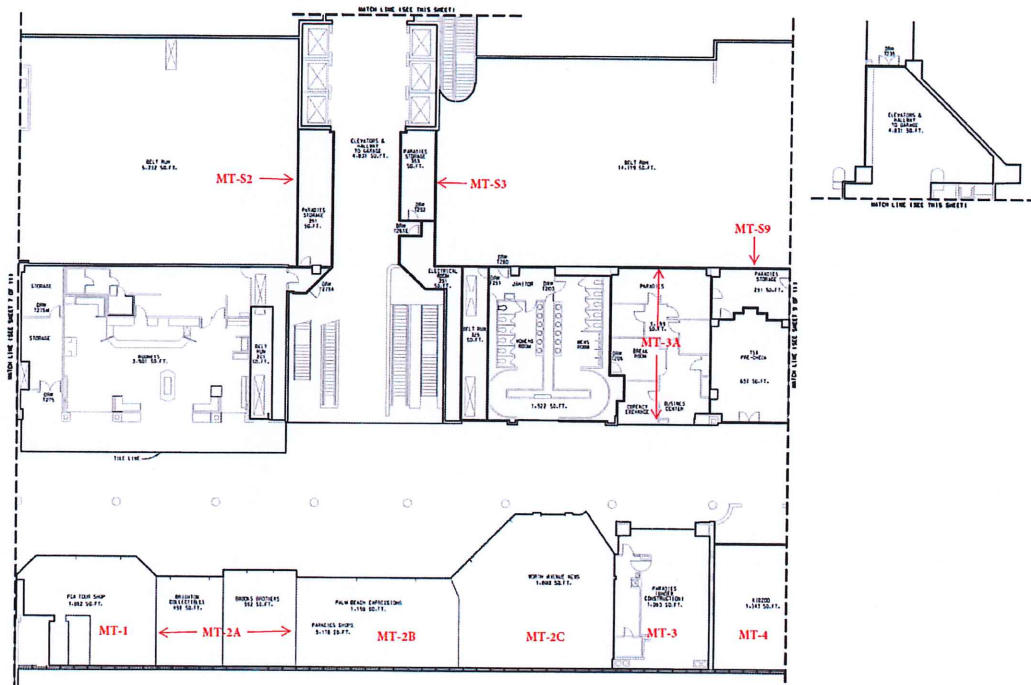


EXHIBIT "A"
LEASED PREMISES
PBI Main Terminal - Level 2

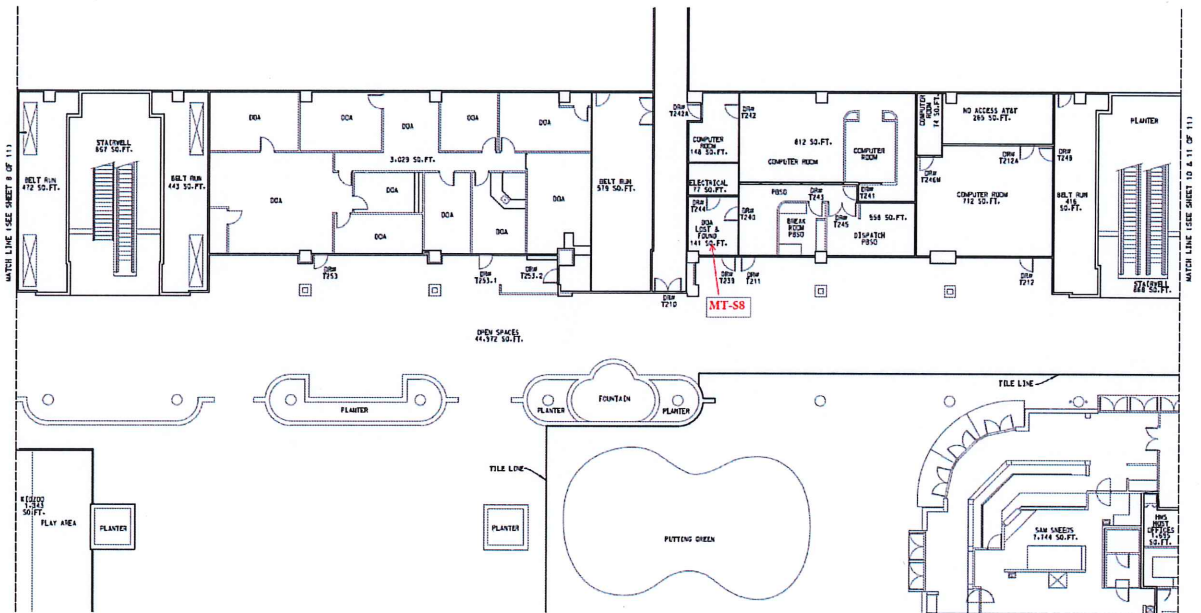
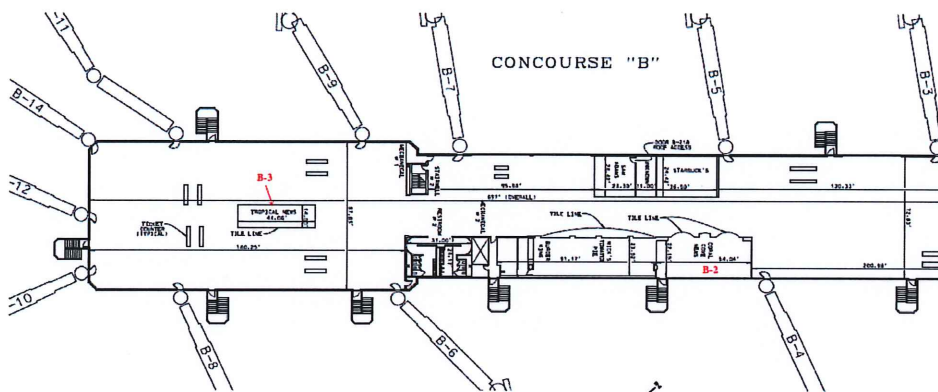


EXHIBIT "A"
LEASED PREMISES
PBI Concourse B - Level 2



ENCLOSURE "A"

NAME	SQUARE FEET
ENCLOSURE TOTAL	91,037 SQ. FT.
NEW VON TRAPP	620 SQ. FT.
PROFESIONAL NEWS	816 SQ. FT.
GRILL CONC NEWS	1266 SQ. FT.
STATION'S	280 SQ. FT.
WALL'S TAVELLE #18	2428 SQ. FT.
6 BUREAU #100	349 SQ. FT.
SEE ABOVE	
RESTROOM # 1	818 SQ. FT.
RESTROOM # 2	884 SQ. FT.
RESTROOM # 3	31 SQ. FT.
STAIRWELL # 1	141 SQ. FT.
STAIRWELL # 2	141 SQ. FT.
UNKNOW	275 SQ. FT.
MECHANICAL # 1	83 SQ. FT.
MECHANICAL # 2	201 SQ. FT.
MECHANICAL # 3	143 SQ. FT.
MECHANICAL # 4	70 SQ. FT.
TOTAL	91,037 SQ. FT.

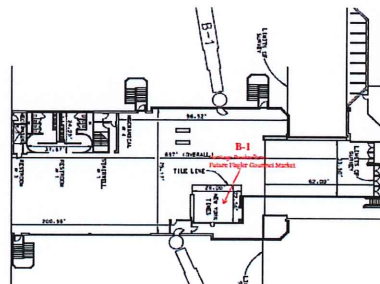


EXHIBIT "A"
 LEASED PREMISES
 PBI Concourse C - Level 2

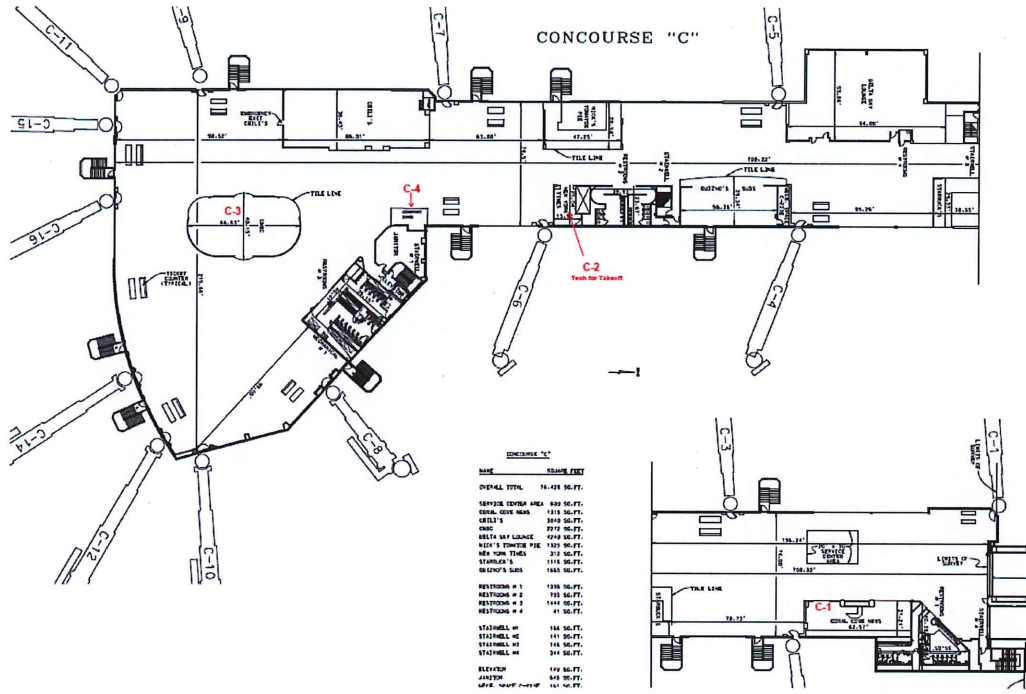


EXHIBIT "A"
LEASED PREMISES
PBI Main Terminal - Level 2

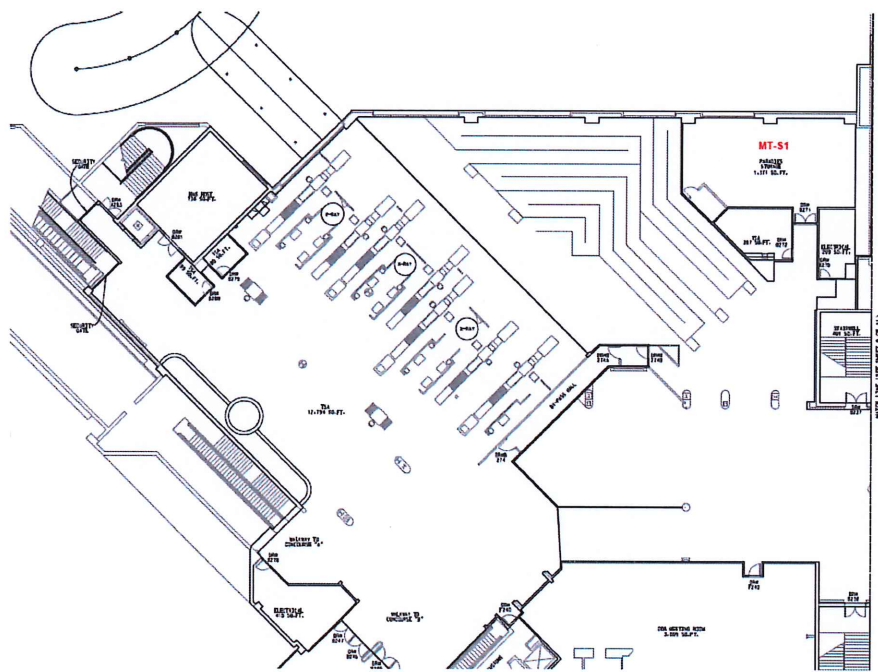
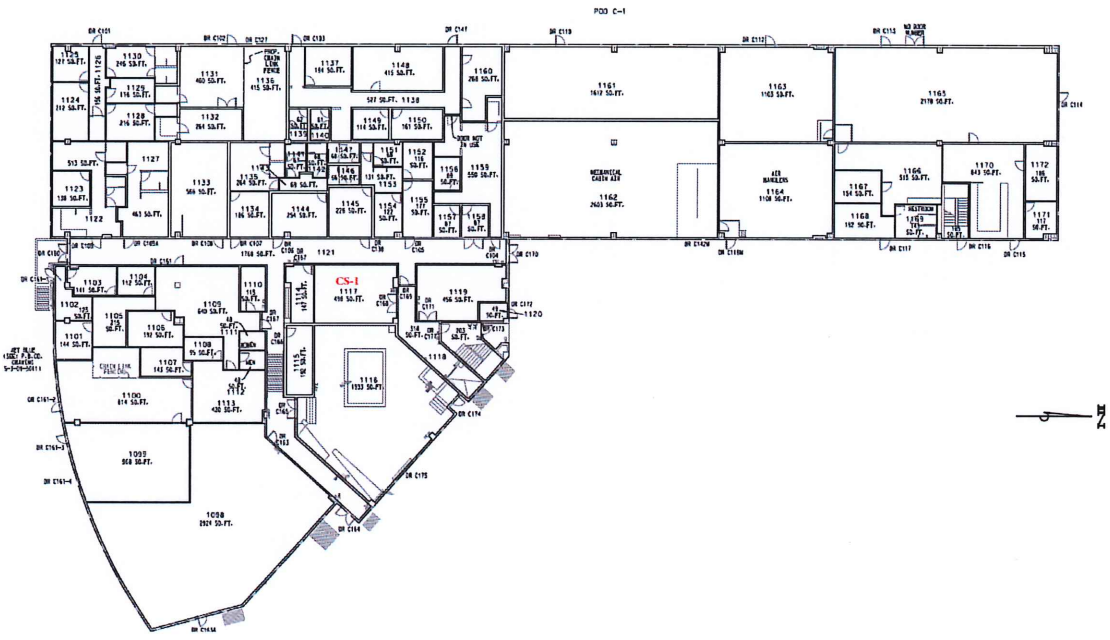


EXHIBIT "A"
LEASED PREMISES
PBI Main Terminal - Level 1



[Simple View](#)

Summary of Certificates

This report displays detailed Certificate of Insurance information for a selected Insured. Any items shown in red are deficient. Click on the Insured Name to update contact information.

Thursday, August 04, 2016

[Images](#)

[Contracts](#)

Insured: [Paradies-Palm Beach, LLC](#)

Insured ID: PBI-PS-09-01

Status: **Compliant (with overrides)**

ITS Account Number: PLC811

Project(s): **Palm Beach County - Airport Properties**

Insurance Policy	Required	Provided	<u>Override</u>
<u>General Liability</u>			
Expiration: 7/1/2017			
General Aggregate:	\$5,000,000	\$5,000,000	
Products - Completed Operations Aggregate:	\$5,000,000	\$2,000,000	X
Personal And Advertising Injury:	\$5,000,000	\$2,000,000	X
Each Occurrence:	\$5,000,000	\$1,000,000	X
Fire Damage:	\$0	\$0	
Medical Expense:	\$0	\$0	
<u>Excess/Umbrella Liability</u>			
Expiration: 7/1/2017			
Each Occurrence:	\$0	\$10,000,000	
Aggregate Limit:	\$0	\$10,000,000	
<u>Workers Compensation/Employers Liability</u>	WC Stat. Limits	WC Stat. Limits	X
Expiration: 7/1/2017			
Each Accident:	\$100,000	\$1,000,000	
Disease - Policy Limit:	\$0	\$0	
Disease - Each Employee:	\$500,000	\$1,000,000	
<u>Property Insurance</u>	Replacement Cost	Replacement Cost	
Expiration: 7/1/2017	Loss Payee	Loss Payee	
<u>Business Interruption Insurance</u>	Loss of Rents Not Less Than 6 Months	Loss of Rents Not Less Than 6 Months	
Expiration: 7/1/2017	Extra Expense Coverage	Extra Expense Coverage	

Notifications

There were no deficiency letters issued.

Do you have an updated Certificate? Click the button below to submit a Certificate.

[Certificate Submittal](#)

AFFIDAVIT OF LIMITED LIABILITY COMPANY

STATE OF GEORGIA

COUNTY OF COBB

BEFORE ME, the undersigned authority, personally appeared, the undersigned who by me being first duly sworn, depose(s) and say(s) that:

1. The undersigned is the President, Chief Executive Officer and a Manager of Paradies – Palm Beach LLC, a limited liability company organized and existing under the laws of the State of Florida (“Company”).

2. Articles of Organization of the Company have been filed, and are on-file with, the Florida Department of State and such articles are incorporated herein by reference.

3. The Company is in good standing and is authorized to transact business in the State of Florida as of the date hereof.

4. The company is a manager managed limited liability company.

5. The undersigned has been authorized by requisite action of the Company’s Board of Managers and its Members to act on behalf of the Company and legally bind the Company and execute contracts and other instruments relating to the transaction of business of the Company.

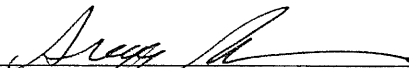
6. The undersigned has the right and authority to enter into that certain EIGHTH AMENDMENT TO RETAIL CONCESSION AGREEMENT between Palm Beach County, a political subdivision of the State of Florida and the Company (the “Agreement”), which is incorporated herein by reference and made a part hereof, and such other instruments as may be necessary and appropriate for the Company to fulfill its obligations under such Agreement, including amendment(s) and termination of such Agreement.

7. Upon execution and delivery of such Agreement and documents by the undersigned, all of the aforesaid shall be valid agreements of and be binding upon the Company.

8. The transactions contemplated herein will not violate any of the terms and conditions of the Company’s operating agreement, articles of organization or of any other agreement and amendments thereto of whatever kind between the Company and any third person.

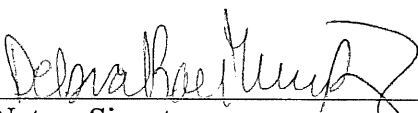
9. The undersigned acknowledges that affiant is familiar with the nature of an oath and the penalties provided by the laws of the State of Florida and that this Affidavit is being given to induce Palm Beach County to enter into the Agreement.

FURTHER AFFIANT SAYETH NAUGHT,



Gregg Paradies, Individually, and as a
Manager of Paradies-Palm Beach, LLC

SWORN TO AND SUBSCRIBED before me on this ____ day of August, 2016, by Gregg Paradies, Manager of Paradies – Palm Beach, LLC on behalf of the Company who is personally known to me and who did take an oath.



Notary Signature **Debra Rae Murphy**
Notary Public
Paulding County, Georgia
Print Notary Name **My Commission Expires 1/27/19**

NOTARY PUBLIC

State of Georgia at large

My Commission Expires: