

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS <u>AGENDA ITEM SUMMARY</u>

Meeting Date:	March 14, 2017	[X] Consent [] Ordinance	[] Regular [] Public Hearing	
Department:	Facilities Developme	nt & Operations		

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: a Second Amendment to Lease Agreement (R-2013-0325) with Wallace K. Lutz, Sr. and Theresa C. Lutz, as co-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' Community Action Program, currently leases 1,050 SF office space at 607 South Main Street, Unit 102, in Belle Glade for services needed in the western communities. This Second Amendment will extend the term of the Lease Agreement for one (1) year from April 1, 2017 through March 31, 2018, and updates the County's standard Inspector General provision. The annual rent for this extension period will increase one percent (1%) from \$10,605.00 (10.10/SF) to \$10,711.05 (\$10.20/SF). The Lease Agreement will be managed by PREM. (PREM) District 6 (HJF)

Background and Justification: On March 12, 2013, the Board approved the Lease Agreement. The First Amendment (R2016-0182) dated February 9, 2016, updated County provisions and extended the term for one (1) year, which is due to expire March 31, 2017. The County is exercising the second of five (5) one (1) year extension options. This Second Amendment extends the term of the Lease Agreement for one (1) year from April 1, 2017 through March 31, 2018, updates the Inspector General provision and increases the rent by one percent (1%) during this period. The Community Action Program will continue to provide community services to the western communities. 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, submitted a Disclosure of Beneficial Interests in 2013, attached hereto as Attachment No. 4, for the Lease Agreement and has recently informed Staff that no changes have occurred as Wallace K. Lutz, Sr. and Theresa C. Lutz continue to each have fifty percent (50%) ownership interest.

Attachments:

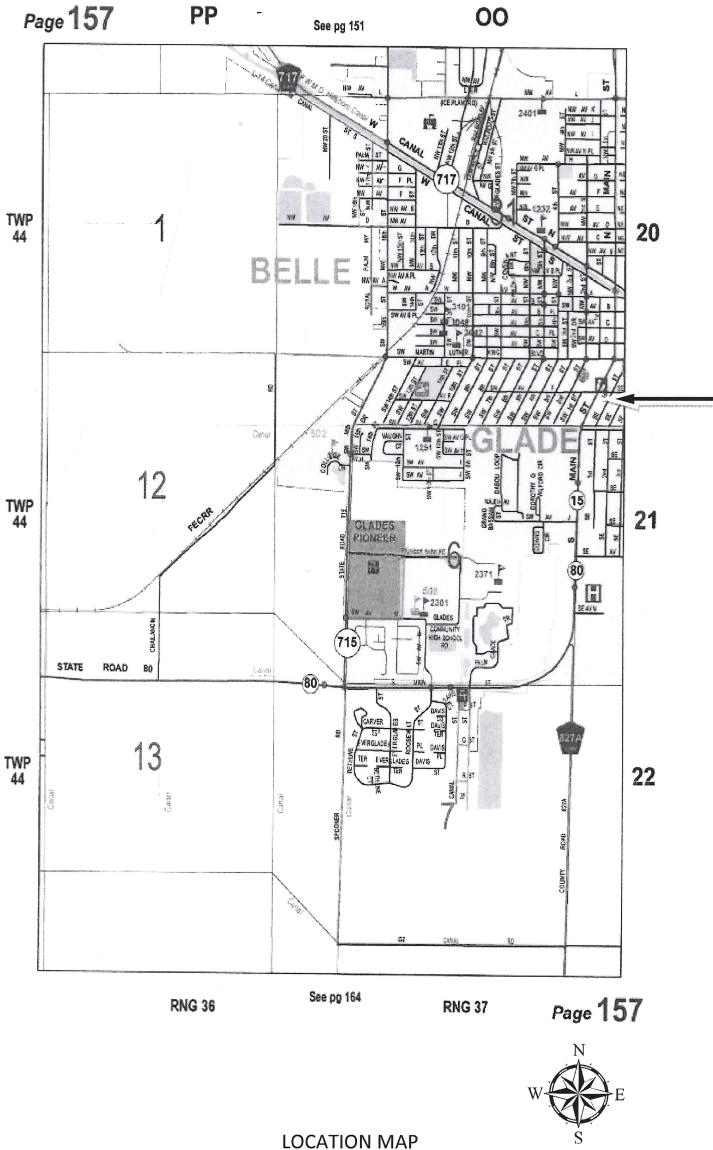
- 1. Location Map
- 2. Second Amendment to the Lease Agreement
- 3. Budget Availability Statement
- 4. Disclosure of Beneficial Interests

Recommended By:	Armywork	49(17
	Department Director	Date
Approved By:	Maler	2/28/17
	County Administrator	Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:					
Fiscal Years	2017	2018	2019	2020	2021
Capital Expenditures Operating Costs External Revenues Program Income (County) In-Kind Match (County	<u>\$5,356</u>	\$5,356			
NET FISCAL IMPACT	\$5,356	\$5,356			
# ADDITIONAL FTE POSITIONS (Cumulative)					
Is Item Included in Current Bu	dget: Yes	_X No			
Budget Account No: 50% Fund	<u>1003</u> Dept	<u>145</u> Unit	t <u>1455</u>	Object <u>4410</u>	<u>C441</u> <u>GY16</u>
Budget Account No: 50% Fund	1009 Dept	<u>145</u> Unit	<u>1462</u>	Object <u>4410</u>	
B. Recommended Sources of Funds/Summary of Fiscal Impact: Fixed Asset Number					
OFMB Ga 2 14 A	tract Developm	1)~5	es: Jarofent pment and C	Control	17
B. Legal Sufficiency: Assistant County Attorney	27/17	7297		•	
C. Other Department Review	v:				
Department Director					

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



Attachment #1

SECOND AMENDMENT TO LEASE AGREEMENT

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

WITNESSETH:

WHEREAS, Landlord and County entered into that certain Lease Agreement dated March 12, 2013 (R2013-0325), as amended by that certain First Amendment to Lease Agreement dated February 9, 2016 (R2016-0182) (collectively, the "Lease"), for the use of the Premises as defined in the Lease; and

WHEREAS, County has provided Landlord with written notice that County wishes to exercise the second of five available one-year renewal options; and

WHEREAS, County wishes to amend the Lease to incorporate certain language required by County.

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

- 1. The foregoing recitals are true and correct and incorporated herein by reference. Terms not defined herein shall have the same meaning ascribed to them in the Lease.
- 2. The parties agree that the Term of the Lease shall be renewed for one year commencing on April 1, 2017, extending the Term through March 31, 2018. In accordance with Section 1.04, Annual Rent shall be adjusted to Ten Thousand Seven Hundred Eleven Dollars and Five Cents (\$10,711.05) payable in equal monthly installments of Eight Hundred Ninety-Two Dollars and Fifty-Nine Cents (\$892.59) per month payable on the first day of each month in advance.
- 3. Section 15.20 Office of the Inspector General, of the Lease is deleted in its entirety and replaced with the following:

Section 15.20 Palm Beach County Office of the Inspector General Audit Requirements.

Palm Beach County has established the Office of the Inspector General in Palm Beach County Code, Section 2-421 - 2-440, as may be amended. The Inspector General is authorized with the power to review past, present and proposed County contracts, transactions, accounts and records. The Inspector General's authority includes, but is not limited to, the power to audit, investigate, monitor, and inspect the activities of entities contracting with the County, or anyone acting on their behalf, in order to ensure compliance with contract requirements and to detect corruption and fraud. Failure to cooperate with the Inspector General or interfering with or impeding any investigation shall be a violation of Palm Beach County Code, Section 2-421 - 2-440, and punished pursuant to Section 125.69, Florida Statutes, in the same manner as a second degree misdemeanor.

- 4. Except as set forth herein, the Lease remains unmodified and in full force and effect.
- 5. This Second 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.

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

LANDLORD:

Print Witness Name Takke Henolog Witness Signature Pobeat Henolog Print Witness Name
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WITNESS:
Witness Signature Worwood
Print Witness Name
Eleter Hende &
Witness Signature
Robert W. Hendrix
Print Witness Name

WITNESS:

Witness Signature

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

By:

THERES A G. LETZ, as Trustee

of the Wallace K. Lutz, Sr. Revocable Living Trust dated October 8, 1991, and any amendments thereto

ATTEST:	
SHARON R. BOCK CLERK & COMPTROLLER	PALM BEACH COUNTY, a political subdivision of the State of Florida
By:	By:Paulette Burdick, Mayor
Signed and delivered in the presence of:	
Witness Signature	
Print Witness Name	
Witness Signature	
Print Witness Name	
APPROVED AS TO FORM AND LEGAL SUFFICIENCY	APPROVED AS TO TERMS AND CONDITIONS
By: Chief Assistant County Attorney	By: The Annu Work Department Director

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BUDGET AVAILABILITY STATEMENT

	QUESTED BY: I	Jelia Wi. Lowery	'	PHONE: (: FAX: (:	561) 233-0210
PROJECT TITLE: Belle Glade Com	munity Action Pr	ogram Lease – C	Option 2 of 5	PROJECT	NO.:2017-5-001
Fiscal Years	2016	2017	2018	2019	2020
Capital Expenditures			Militar Reproductive and American	***************************************	Marie de la constante de la co
Operating Costs External Revenues	\$5,355.53	<u>\$5,355.53</u>	-		de la constantina de
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# ADDITIONAL FTE		1			
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Wednesday 01/04/17, page 1 of 1 /

Below is rent only information justifying the figures listed on the attached BAS for Belle Glade Community Action Program Lease – Option -2 of 5:

Fiscal Years	2017	2018	2019	2020	2021
Capital Expenditures	AND THE CONTRACT OF THE CONTRA	Particular de la constantina della constantina d	-		
Operating Costs External Revenues	<u>\$5,355.53</u>	\$5,355.53		Market Commission of the Commi	
Program Income (County)		V-0-24			
In-Kind Match (County)					
NET FISCAL IMPACT	<u>\$5,355.53</u>	<u>\$5,355.53</u>	Not the first day and the top land	No. that part has may may may may may	that had had had place their first page train

For FY2017:

- The Agreement expires on 03/31/17.
- The current rent is \$10,605.00 annually = \$883.75 monthly.
- Per Second Amendment, the term is being extended for one year from 04/01/17 03/31/18.
- The rent will be increasing one percent (1%) pursuant to (R2013-0325).
- The rent for one year will be \$10,711.05 (\$892.59 per month rounded up).
- 04/01/17 9/30/17 = 6 months.
- $$10,711.05 \div 12 \text{ months } x 6 \text{ months} = $5,355.53$

FY2017 TOTAL = \$5,355.53

For FY2018:

- 10/1/16 03/31/17 = 6 months.
- $$10,711.05 \div 12 \text{ months } \times 6 \text{ months} = $5,355.53$

FY2018 TOTAL = \$5,355.53

For FY2019:

- n/a

FY2019 TOTAL = \$-0-

For FY2020:

- n/a

FY2020 TOTAL =<u>\$-0-</u>

For FY2021:

- n/a

FY2021 TOTAL =\$-0-

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LANDLORD'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 Eute, hereinafter referred to as "Affiant", who being by me first duly sworn, under oath, deposes and states as follows:

- 1. Affiant is the Trustee of Wallace K. Lutz, Sr. Revocable Living Trust which entity is the owner of the real property legally described on the attached Exhibit "A".
 - 2. Affiant's address is: P. O. Box 2741, 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 Landlord 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.	
Print Afflant Name: 6.4 L. T. Affiant	
produced [] who is personally known as identification and control of the	ad acknowledged before me this
Notary Public - State of Florida My Comm. Expires Jul 18, 2018 Commission # FF 138886	(Print Notary Name) NOTARY PUBLIC State of Florida at Large My Commission Expires:

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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

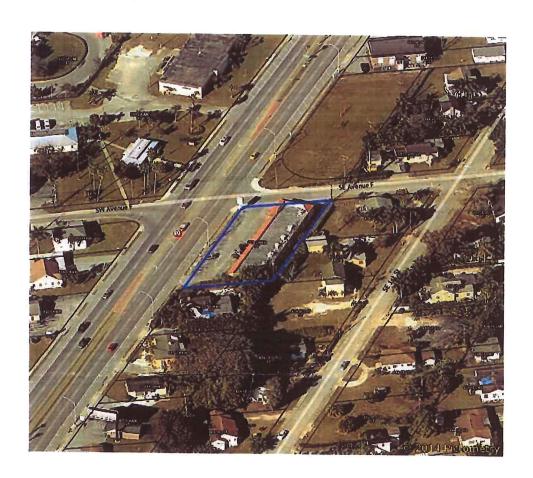


EXHIBIT "B"

SCHEDULE TO BENEFICIAL INTERESTS IN PROPERTY

Landlord is only required to identify five percent (5%) or greater beneficial interest holders. If none, so state. Landlord must identify individual owners. If, by way of example, Landlord is wholly or partially owned by another entity, such as a corporation, Landlord 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
Wallace K. Cate, Str.	607 So Mar Strater, Belle Finde, Fl 33490	55%
Wallace K. Catz, Str.	4	50),
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