Agenda Item #: 3H-5

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

Meeting Date:	February 6, 2018	[X] Consent [] Ordinance	[] Regular [] Public Hearing
Department:	Facilities Developmer	it & Operations	

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: exercise of the third option to extend 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, for 1,050 SF office space at 607 South Main Street in Belle Glade for \$10,818.16/year.

Summary: Since March 12, 2013, on behalf of the Department of Community Services' Community Action Program, the County has leased a 1,050 SF office space and two (2) parking spaces at 607 South Main Street, Unit 102, in Belle Glade for community services needed in the western communities. This third option will extend the term of the Lease Agreement for one (1) year from April 1, 2018 through March 31, 2019, and pursuant to the Lease Agreement, increase the annual rent one percent (1%) from \$10,711.05 (\$10.20/SF) to \$10,818.16 (\$10.30/SF). The Lease Agreement will continue to be managed by PREM. **(PREM) District 6 (HJF)**

Background and Justification: On March 12, 2013, the Board approved the initial Lease Agreement (R2013-0325) with Lutz for three (3) years with five (5) one (1) year extension options. The First Amendment (R2016-0182) dated February 9, 2016, exercised the first extension option and updated County provisions. The Second Amendment (R2017-0306) dated March 14, 2017, exercised the second extension option and updated the Inspector General provision. The County does not own suitable space in the Belle Glade area to accommodate the Community Action Program, therefore exercising this third option will continue to allow the Community Action Program to provide community services to the Belle Glade western communities for one (1) year until March 31, 2019, at an annual rate of \$10,818.16. 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 the Disclosure of Beneficial Interests in 2016, attached hereto as Attachment No. 4. Staff was recently informed 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. Option to Extend Letter
- 3. Budget Availability Statement
- 4. Disclosure of Beneficial Interests

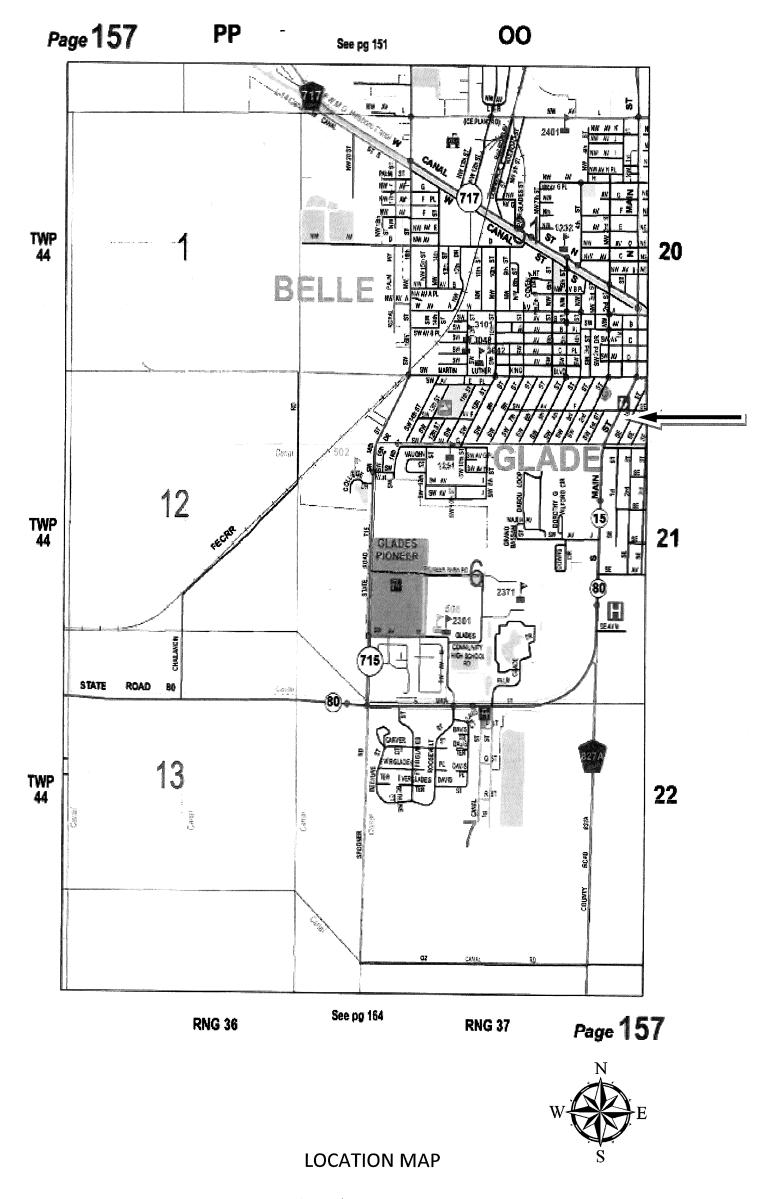
Recommended By:	Army Wif	1/9/18	
• 4	Department Director	Date	
Approved By:	ll Bake	1/31/18	
	County Administrator	Date	

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of F	iscal Impact:					
Fiscal Years	2018	2019	2020	2021	2022	
Capital Expenditures Operating Costs External Revenues Program Income (County) In-Kind Match (County	<u>\$5,409</u>	\$5,409				
NET FISCAL IMPACT	<u>\$5,409</u>	<u>\$5,409</u>				
# ADDITIONAL FTE POSITIONS (Cumulative)				,		
Is Item Included in Current Bu	udget: Yes	<u>X</u>	No			
Does this item include the use of	f federal funds	s? Yes_	No			
Budget Account No: 50% Fund	<u>1003</u> Dep	t <u>145</u>	Unit <u>1455</u>	Object	4410 - C441 GY16	
Budget Account No: 50% Fund	<u>1009</u> Dep		Unit <u>1462</u>	Object	4410 - <u>LH11</u> <u>GY17</u>	
B. Recommended Sources of			ıl Impact:			
Fixed Asset Number						
	III. <u>REVIE</u>	W COMMI	ENTS			
A. OFMB Fiscal and/or Con OFMB PRINCIPLE OFM	116/18	A	relopment and (Control	117118	
B. Legal Sufficiency:	/	. ,,,,				
Assistant County Attorney	<u>//8</u>					
C. Other Department Review	v:					
Department Director						

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



Attachment #1



Facilities Development & Operations Department

Property & Real Estate Management Division

2633 Vista Parkway
West Palm Beach, FL 33411
Telephone - (561) 233-0217
Facsimile (561) 233-0210
www.pbcgov.com/fdo

Palm Beach County Board of County Commissioners

Melissa McKinlay, Mayor

Mack Bernard, Vice Mayor

Hal R. Valeche

Paulette Burdick

Dave Kerner

Steven L. Abrams

Mary Lou Berger

County Administrator

Verdenia C. Baker

"An Equal Opportunity
Affirmative Action Employer"

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
7013 2630 0000 6412 5994

February 6, 2018

Wallace K. Lutz, Sr. And Theresa C. Lutz, Trustees of the Wallace K. Lutz, Sr. Revocable Living Trust dated October 8, 1991, and any Amendments Thereto c/o Lutz Rentals, P.O. Box 2741 Belle Glade, FL 33430

RE: Exercise of Third Option to Extend Lease Agreement (R2013-0325) dated March 12, 2013, as amended, with Palm Beach County for Community Services Department's Community Action Program at 607 South Main Street, Unit 102 in Belle Glade.

Dear Mr. & Mrs. Lutz:

Pursuant to the provisions of Section 1.04 of the above referenced Lease Agreement, Palm Beach County is hereby exercising the third option to extend the term of said Lease Agreement for an additional period of one (1) year effective April 1, 2018, through March 31, 2019.

Sincerely,

ATTEST:

SHARON R. BOCK, CLERK & COMPTROLLER

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

Deputy Clerk

By:______ Melissa McKinlay, Mayor

APPROVED AS TO FORM AND LEGAL SUFFICIENCY APPROVED AS TO TERMS AND CONDITIONS

By:
Assistant County Attorney

Audrey Wolf Director

Facilities Development & Operations

C:\Users\mjackson\Documents\Renewal Ltr. hf app 1-3-2018.docx

BUDGET AVAILABILITY STATEMENT

PROJECT TITLE: Belle Glade Com		EQUEST DATE: 12/27/17 REQUESTED BY: Della M. Lowery			PHONE: (561) 233-0239 FAX: (561) 233-0210		
	munity Action I	Program Lease –	Option 3 of 5	PROJECT	NO.:2017-5-025		
Fiscal Years	2018	2019	2020	2021	2022		
Capital Expenditures Operating Costs External Revenues	<u>\$5,409</u>	<u>\$5,409</u>					
Program Income (County) In-Kind Match (County							
NET FISCAL IMPACT	<u>\$5,409</u>	<u>\$5,409</u>					
# ADDITIONAL FTE POSITIONS (Cumulative)							
BUDGET ACCOUNT NUMBER FUND: 1002 DEPT: 145 10 1006 147 IS ITEM INCLUDED IN CURRI	UNIT: 1 SENT BUDGET	1455 OB. 162 : YES	J: 4410 4410 NO	SUB OBJ:	C411 6		
IDENTIFY FUNDING SOURCE I ☐ Ad Valorem (source/type: ☐ Non-Ad Valorem (source/type: ☐ Grant (source/type: ☐ Park Improvement Fund (source/type) ☐ General Fund ☐	-and l)))) rederal/Davis E	Bacon		
				,			
SUBJECT TO IG FEE?	□ YES		Y	0			

 $G:\label{lem:condition} G:\label{lem:condition} G:\l$

Tuesday, December 27, 2017, page 1 of 1 /

Below is the rent only information justifying the figures listed on the attached BAS for Belle Glade Community Action Program Lease – Option – 3 of 5:

Fiscal Years	2018	2019	2020	2021	2022
Capital Expenditures				-	
Operating Costs	<u>\$5,409</u>	<u>\$5,409</u>			
External Revenues					***************************************
Program Income (County)					
In-Kind Match (County)					***************************************
NET FISCAL IMPACT	<u>\$5,409</u>	\$5,409	1000 table table table table table table table		

For FY2018:

- The Agreement expires on 03/31/18.
- The current rent is \$10,711.05 annually = \$892.59 monthly.
- Exercising Option 3 will extend the term for one year from 04/01/18 03/31/19.
- The rent will be increasing one percent (1%) pursuant to (R2013-0325).
- $10,711.05 \times 101\% = 10,818.16$ annually
- $$10,818.16 \div 12 \text{ months} = $901.51 \text{ monthly (rounded down)}$
- 04/01/18 9/30/18 = 6 months.
- $$901.51 \times 6 \text{ months} = $5,409.06$

FY2018 TOTAL = \$5,409.06

For FY2019:

- 10/01/18 03/31/19 = 6 months.
- $$901.51 \times 6 \text{ months} = $5,409.06$

FY2019 TOTAL = \$5,409.06

For FY2020:

- n/a

 $\mathbf{FY2020}\ \mathbf{TOTAL} = \underline{\$-0}$

For FY2021:

- n/a

FY2021 TOTAL = \S -0-

For FY2022:

- n/a

 $\mathbf{FY2022}\ \mathbf{TOTAL} = \underline{\$-0}$

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 Lutz, 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.	
Affiant , Affiant	
Print Affant Name: 6.4 Let	
The foregoing instrument was sworn to, subscribed ar	nd acknowledged before me this
4 day of <u>ANUARY</u> , 2016, by	W.K. LUTZ
	nown to me or [] who has
produced as identification an	nd who did take an oath
	Civaly P. Balinas
	Notary Public
WIND CONTROL OF THE PROPERTY O	ANNIBRIO
CINDY P. BARNES Notary Public - State of Florida	CINDY P.BARNES
My Comm. Expires Jul 18, 2018 Commission # FF 138886	(Print Notary Name)
The state of the s	NOTADA DIDI 10
	NOTARY PUBLIC
	State of Florida at Large
	My Commission Expires:

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

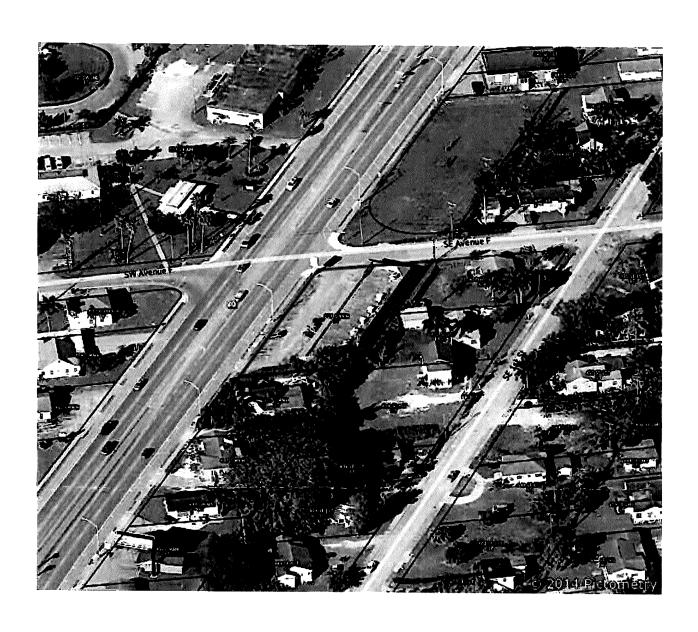


EXHIBIT "B"

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. Latz, Sr.	Belle Gende, Fl 33490	50% 50%		
theresa C. Cutz		50)3		