

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date:	August 14, 2018	<input checked="" type="checkbox"/> Consent	<input type="checkbox"/> Regular
		<input type="checkbox"/> Ordinance	<input type="checkbox"/> Public Hearing

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: Amendment Number Eight to Lease Agreement (R97-2126D) dated December 16, 1997, with GC Skees Industrial, LLC, for the County's continued use of 6,000 SF of office and warehouse space for the Palm Beach County Sheriff's Office at an annual rate of \$75,480 (\$6,290/month).



Summary: Since January 1, 1998, the County, on behalf of the Palm Beach County Sheriff's Office, has leased office and warehouse space located at 1438 Skees Road in West Palm Beach. The current term of the Lease Agreement expires December 31, 2018. This Amendment Number Eight extends the term for one (1) year, from January 1, 2019 to December 31, 2019, provides for two (2) additional one (1) year extension options and updates various standard County provisions. The extension options shall be automatically exercised each year unless the County provides 90 days prior written notice that it does not wish to exercise the then current option. Effective January 1, 2019, the annual rent will increase by 4.1% to \$75,480/yr. (\$12.58/sf), with subsequent annual rent adjustments of two percent (2%). All other terms of the Lease Agreement remain unchanged. This lease will no longer be required upon completion of the Infrastructure Sales Tax funded project which is underway and estimated to be completed in 2021. PREM will continue to have administrative responsibility of the Lease Agreement.

(PREM) District 2 (HJF)

Background and Justification: On December 16, 1997 (R97-2126D), the Board approved the Lease Agreement with C&D Development for a period of one (1) year with two (2) options to extend, each for a period of one (1) year. The Board has since approved various amendments (R99-1641, R2002-2267, R2007-1712, R2010-1406, R2011-0899, R2011-2008, and R2014-1981) and extension options (R98-1943, R2000-2058, R2002-176, R2005-992, R2006-1916, R2009-1515 and R2017-1039). In June 2007, C&D Development sold the property to Aspen Skees Road, LLC. In December 2013, Aspen Skees Road sold the property to 1426-1486 Skees Road Holdings, LLC, who then sold it to GC Skees Industrial, LLC, the current landlord/lessor in July 2014. The County does not have any County-owned space available to suit the specialized duties performed by PBSO at this site. This Amendment Number Eight extends the term of the Lease Agreement for one (1) year until December 31, 2019; adds two (2) renewal extension options; and updates the non-discrimination and Inspector General provisions. The annual rent will increase by 4.1% to \$75,480, with subsequent annual rent adjustment of two percent (2%). 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. In 2014, GC Skees Industrial, LLC, a Florida limited liability company, provided the Disclosure of Beneficial Interests listed as Attachment #4 and has recently informed Staff that no changes have occurred as Anthony DeRosa continues to have a 58.696% interest, Phyllis Sah McHenry's IRA and ROTH accounts continue to have a 13.043% interest and a 6.522% interest, respectively, and Dilea S. Wang, continues to have a 13.043% interest.

Attachments:

1. Location Map
2. Amendment Number Eight to Lease Agreement
3. Budget Availability Statement
4. Disclosure of Beneficial Interests

Recommended By:	 Department Director	7/23/18 Date
Approved By:	 County Administrator	8/9/18 Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2018	2019	2020	2021	2022
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	\$56,610	\$18,870	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	=====	\$56,610	\$18,870	=====	=====
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget: Yes ☒ No _____

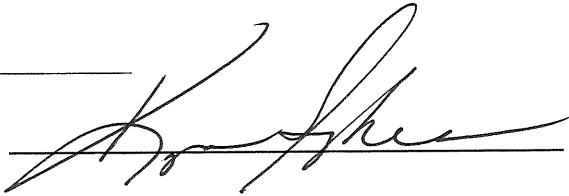
Does this item include the use of federal funds? Yes _____ No ☒

Budget Account No: Fund 0001 Dept 164 Unit 1604 Object 4410
Program _____

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

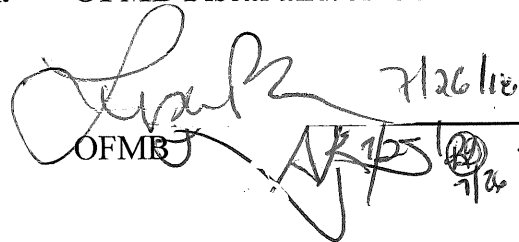
Above figures represent the rent for CY2019.

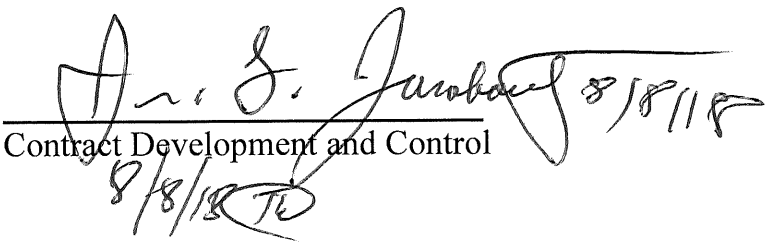
Fixed Asset Number n/a

C. Departmental Fiscal Review: 

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:


OFMB 7/26/18
AK 7/25/18
7/26/18


Contract Development and Control 8/8/18
8/8/18 TC

B. Legal Sufficiency:


Assistant County Attorney
for Hon. J. Tolson

C. Other Department Review:

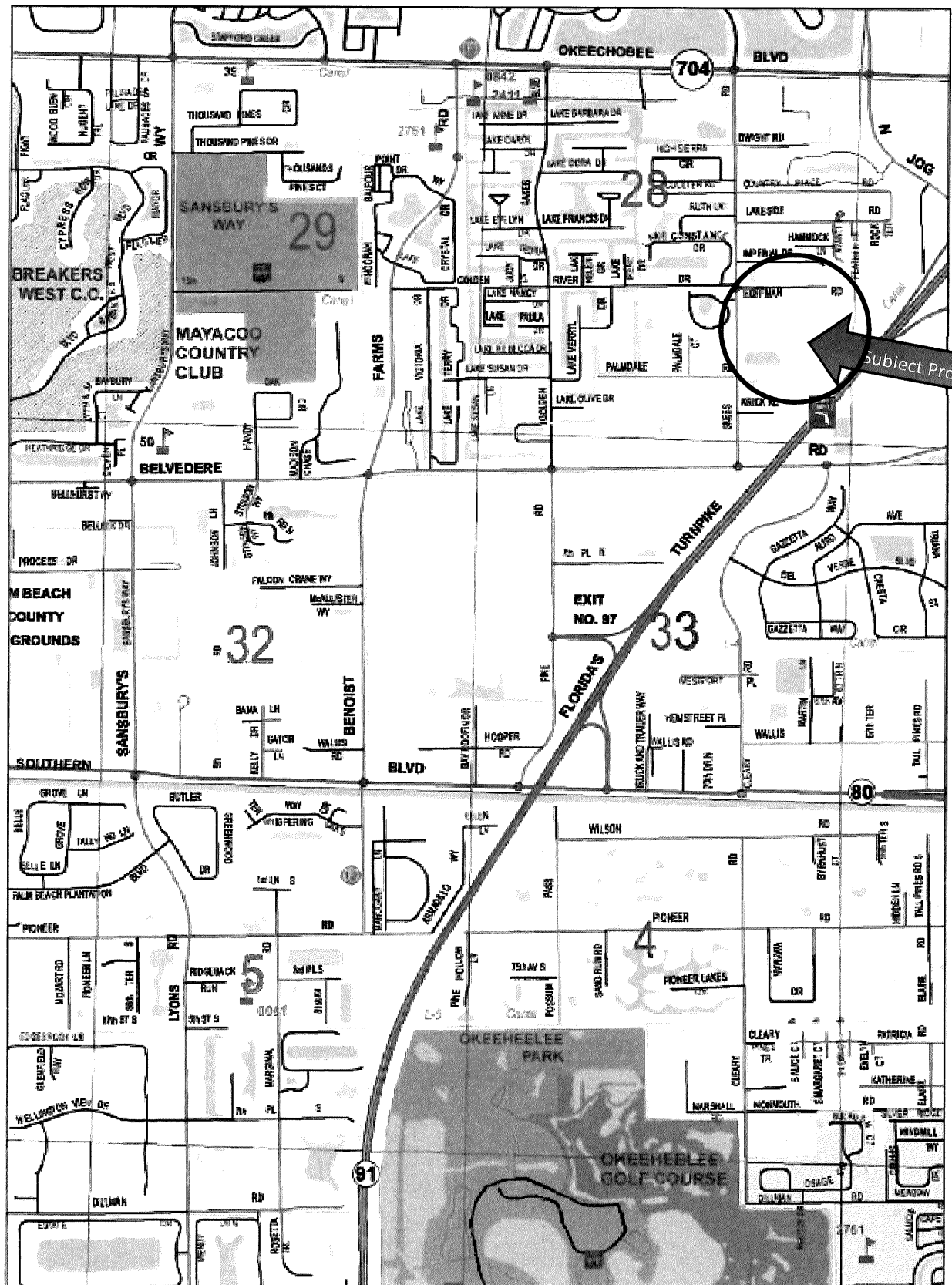
Department Director

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

TWP
43

TWP
43

TWP
44



19

20

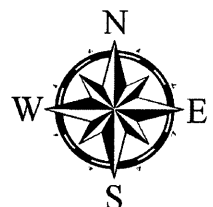
21

RNG 42

See pg 78

RNG 42

Page 68



LOCATION MAP

Attachment #1

Attachment #2

Amendment Number Eight to Lease Agreement (2 @ 5 pages)

**AMENDMENT NUMBER EIGHT
TO LEASE AGREEMENT**

THIS AMENDMENT NUMBER EIGHT TO LEASE AGREEMENT (“Amendment Number Eight”), made and entered into on _____, by and between **GC SKEES INDUSTRIAL, LLC**, a Florida limited liability company, hereinafter referred to as “Lessor” and **PALM BEACH COUNTY**, a political subdivision of the State of Florida, by and through its Board of Count Commissioners, on behalf of the **PALM BEACH COUNTY SHERIFF’S OFFICE**, hereinafter referred to as “Lessee”.

WITNESSETH:

WHEREAS, C&D Development, the original Lessor, and Lessee entered into that certain Lease Agreement dated December 16, 1997 (R97-2126D) (the “Lease”) for warehouse space located at 1438-B Skees Road, West Palm Beach, Florida (the “Premises”), which Lease commenced on January 1, 1998; and

WHEREAS, C&D Development sold the Premises to Aspen Skees Road, LLC; and

WHEREAS, Aspen Skees Road, LLC sold the Premises to 1426-1486 Skees Road Holdings, LLC; and

WHEREAS, 1426-1486 Skees Road Holdings, LLC sold the Premises to GC Skees Industrial, LLC; and

WHEREAS, Lessee wishes to exercise its second and final one (1) year extension option to extend the Term of the Lease; and

WHEREAS, the parties wish to amend the Lease to add additional extension option periods, adjust the rental rate for the Premises and incorporate certain language required by Lessee; and

WHEREAS, Lessor has agreed to provide two (2) additional one (1) year options to the Term of the Lease.

NOW, THEREFORE, in consideration of the premises and mutual covenants and conditions contained herein, Lessor and Lessee 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 as in the Lease.

- 2. Lessee hereby exercises the second and final one (1) year extension option, extending the Term of the Lease until December 31, 2019, at an annual Gross Rent of \$75,480.00/\$6,290.00.
- 3. Section 1.03, Option to Extend, is hereby deleted in its entirety and replaced with the following:

Section 1.03 Option to Extend.
Lessor hereby grants to Lessee so long as Lessee shall not be in default of any term, covenant, condition, or payment of Rent under this Lease, the right and option to renew the Term of this Lease for two (2) successive periods of one (1) year each under the same terms and conditions of this Lease, the first of such options commencing upon on January 1, 2020. Lessee shall be deemed to have exercised its then current option to extend unless the Lessee provides notice to Lessor of its election not to exercise its option, which notice must be received by the Lessor on or before 90 days prior to the expiration of the then current term.

- 4. Section 2.03, Rent During Extended Terms, is hereby deleted in its entirety and replaced with the following:

In the event that Lessee exercises its option(s) to extend the Term of this Lease as provided in Section 1.03, as amended by this Amendment Number Eight, the annual Gross Rent shall be payable as follows:

<u>Period</u>	<u>Rent annual/monthly</u>
January 1, 2020 – December 31, 2020	\$76,989.60/\$6,415.80
January 1, 2021 – December 31, 2021	\$78,529.39/\$6,544.12

- 5. The following provision, which appears in Amendment Number Four, as amended by Amendment Number Five, “Palm Beach County has established the Office of the Inspector General, Ordinance R2009-049, which is authorized and empowered to review past, present and proposed County contracts, transactions, accounts and records. All parties doing business with the County and receiving County funds shall fully cooperate with the Inspector General including providing access to records relating to this Lease. The Inspector General has the power to subpoena witnesses, administer oaths, require the production of records, and audit, investigate, monitor, and inspect the activities of the Lessor, its officers, agents, employees, and lobbyists in order to ensure compliance with contract/lease specifications and detect corruption and fraud.” is hereby deleted in its entirety and replaced with the following:

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.

6. The following provision, which appears in Amendment Number Seven, "The parties agree that no person shall, on the grounds of race, color, sex, age, national origin, disability, religion, ancestry, marital status, familial status, sexual orientation, gender identity or expression, or genetic information, be excluded from the benefits of, or be subjected to any form of discrimination under any activity conducted pursuant to this Lease. Pursuant to Palm Beach County Resolution No. R2014-1421, as may be amended, Lessor has submitted a signed statement affirming that its non-discrimination policy is in conformance with the policy of the County." is hereby deleted in its entirety and replaced with the following:

Pursuant to Palm Beach County Resolution R2017-1770, as may be amended, the parties agree that no person shall, on the grounds of race, color, religion, disability, sex, age, national origin, ancestry, marital status, familial status, sexual orientation, gender identity or expression, or genetic information, be excluded from the benefits of, or be subjected to any form of discrimination under any activity conducted pursuant to this Lease. Failure to meet this requirement shall be considered a default of the Lease.

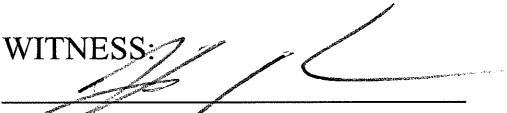
7. This Amendment Number Eight shall become effective when signed by all parties and approved by the Palm Beach County Board of County Commissioners (the "Effective Date").
8. Except as modified by this Amendment Number Eight and the prior amendments, the Lease remains unmodified and in full force and effect, and the parties hereby ratify, confirm, and adopt the Lease, as amended, in accordance with the terms thereof.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the parties have caused this Amendment Number Eight to be executed as of the day and year first written above.

Signed and delivered
in the presence of:


WITNESS:



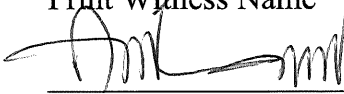
Witness Signature



Print Witness Name



Witness Signature

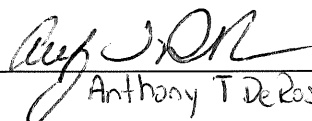


LEONARDO J. AMADOR

Print Witness Name

LESSOR:

GC SKEES INDUSTRIAL, LLC, a Florida
limited liability company

By: 

Anthony T. De Rosa Manager

(Seal)

ATTEST:

SHARON R. BOCK
CLERK & COMPTROLLER

By: _____
Deputy Clerk

Signed and delivered
in the presence of:

Witness Signature

Print Witness Name

Witness Signature

Print Witness Name

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY



Assistant County Attorney

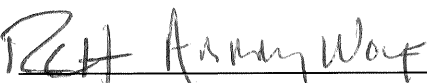
LESSEE:

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

By: _____
Melissa McKinlay, Mayor

(SEAL)

APPROVED AS TO TERMS
AND CONDITIONS



Audrey Wolf, Director
Facilities Development & Operations

BUDGET AVAILABILITY STATEMENT

REQUEST DATE: 06/13/18 REQUESTED BY: Della M. Lowery PHONE: 233-0239
Property Specialist FAX: 233-0210

PROJECT TITLE: PBSO Auto Theft Task Force Amendment #8 PROJECT NO.: 2018-5.016

Fiscal Years	2018	2019	2020	2021	2022
Capital Expenditures					
Operating Costs	-0-	\$56,610	\$18,870	-0-	-0-
External Revenues					
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT	-0-	\$56,610	\$18,870	-0-	-0-
# 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: 0001 DEPT: 164 UNIT: 1604 OBJ: 4410 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: FD&O for PBSO
BAS APPROVED BY: DATE: 6/15/18
ENCUMBRANCE NUMBER:

Attachment # 3
1 pg

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~~ MIAMI DADE

BEFORE ME, the undersigned authority, this day personally appeared, Anthony De Rosa, hereinafter referred to as "Affiant", who being by me first duly sworn, under oath, deposes and states as follows:

1. Affiant is the Manager (position - i.e. president, partner, trustee) of GC Skees Industrial (name and type of entity - i.e. ABC Corporation, XYZ Limited Partnership), (the "Landlord") which entity is the owner of the real property legally described on the attached Exhibit "A" (the "Property").

2. Affiant's address is: 9600 NW 28 St. Ste 2A
Doral, FL 33172

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.

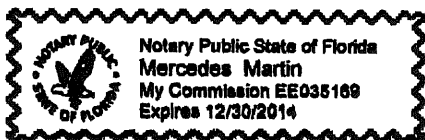
5. Affiant further states that Affiant is familiar with the nature of an oath and with the penalties provided by the laws of the State of Florida for falsely swearing to statements under oath.

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.

Anthony De Rosa, Affiant
Print Affiant Name: Anthony De Rosa

The foregoing instrument was sworn to, subscribed and acknowledged before me this 3rd day of November, 20 14, by Anthony De Rosa [] who is personally known to me or [] who has produced _____ as identification and who did take an oath.



Mercedes Martin
Notary Public

Mercedes Martin
(Print Notary Name)

NOTARY PUBLIC

State of Florida at Large

My Commission Expires: 12/30/2014

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Attachment #4
1 of 3 pgs

EXHIBIT "A"
PROPERTY

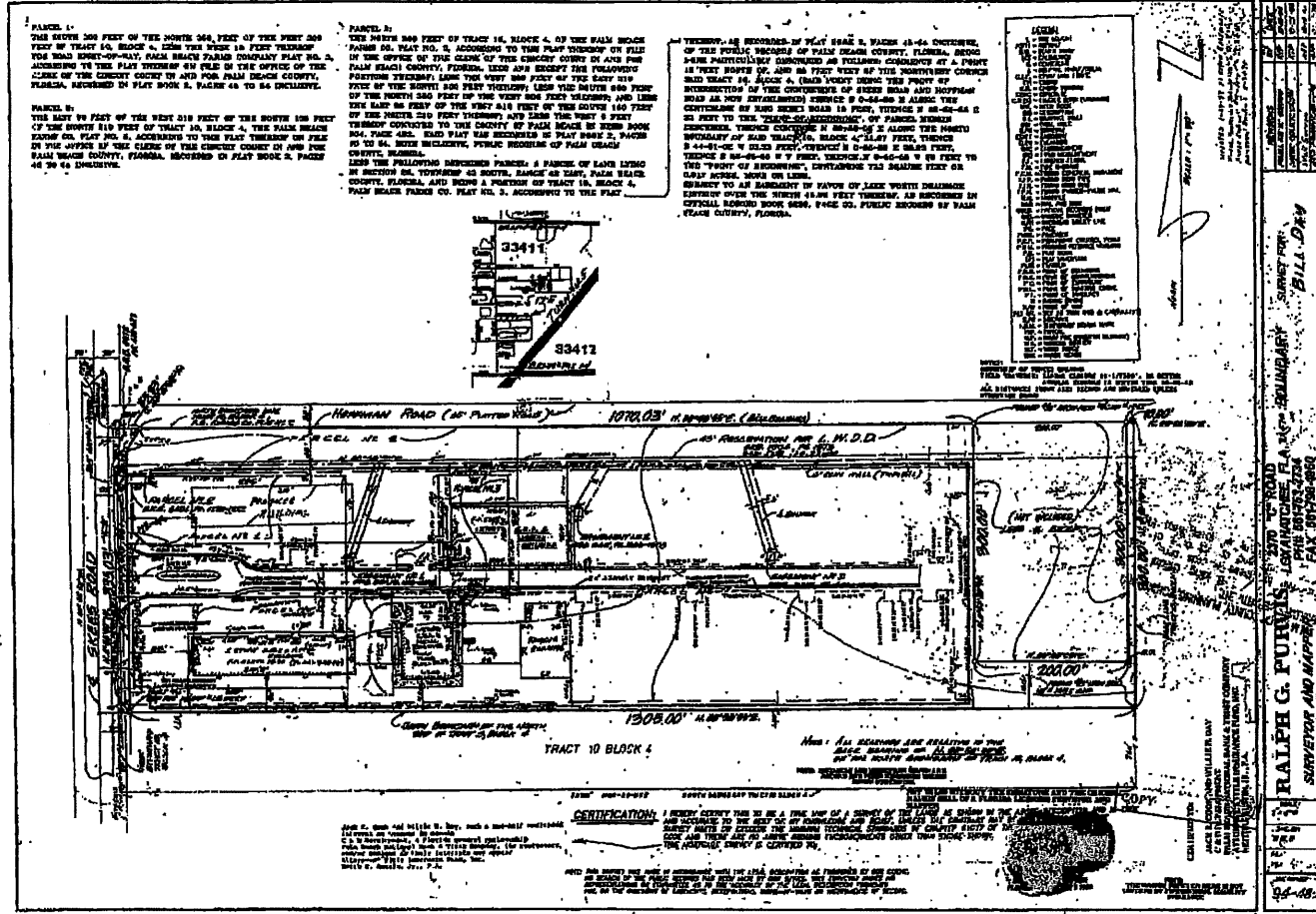


Exhibit "A" Property known as Parcel Control Number 00-42-43-27-05-004-0101.

Attachment #4
243

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
Anthony	9600 NW 25 St. 2A	58.696%
DePass	Doral, FL 33172	
* Phyllis Sah		
McHenry IRA	3471 Main Highway 3203	13.043%
	Coconut Grove, FL 33133	
* Phyllis Sah		
McHenry ROTH	3471 Main Highway 3203	6.522%
	Coconut Grove, FL 33133	
Dilea S		
Wang	7365 Main St #106	13.043%
	Stratford, CT 06614	

* Phillis Sah McHenry is the 100% owner
of her IRA and Roth.

The remaining interests are less than 5%.

Attachment #4
3 of 3