

6F-2

Agenda Item #:

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: September 14, 2021 [] Consent [X] Regular
[] Ordinance [] Public Hearing

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: a First Amendment to Concessionaire Lease Agreement (R2019-0156) dated January 15, 2019 with Rick Macci Academy Inc. d/b/a Rick Macci Tennis Academy for the continued operation of a tennis, racquetball and pro shop concession at Burt Aaronson South County Regional Park i) modifying the original term to extend until January 14, 2023, ii) providing three (3) options to extend, for a period of two (2) years each; iii) increasing the annual rental rate to \$27,000 (\$2,250/monthly) retroactively from January 15, 2021, through January 14, 2023; iv) modifying the requirement for a minimum capital investment; v) and updating various standard County provisions.

Summary: On January 15, 2019, the Board of County Commissioners (Board) approved the current Concessionaire Lease Agreement (Agreement) with Rick Macci Academy (Macci) for a term of twenty (20) years, with no option to extend. The Agreement included the provision that Macci would invest \$2,581,000.00 in capital improvements at the facility. Due to the impact of COVID-19 on its business, Macci requested a shorter term, and reduction of the required capital improvements in exchange for an increase in the rental rate. Staff recognizes that Macci's business and operations have been severely impacted by COVID-19 restrictions and acknowledges that \$315,000.00 of actual improvements have been made. The Parks and Recreation Department (Parks) supports Macci's request. This First Amendment modifies the original term, extending it to January 14, 2023 and provides for three (3) extension options, each for a period of two (2) years; it increases the annual rent from \$18,360.00 (\$1,530.00 monthly) to \$27,000.00 (\$2,250.00 monthly) retroactively from January 15, 2021 until January 14, 2023, modifies the requirement for a minimum capital investment and updates various standard County provisions.

Continued on Page 3

Attachments:

- 1. Location Map
- 2. First Amendment
- 3. Macci's letter detailing the impact of COVID-19

Recommended By: [Signature] Department Director Date: 9/17/21

Approved By: [Signature] County Administrator Date: 9/2/21

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2021	2022	2023	2024	2025
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	<u>(\$19,275)</u>	<u>(\$27,000)</u>	<u>(\$27,461)</u>	<u>(\$28,010)</u>	<u>(\$28,570)</u>
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>(\$19,275)</u>	<u>(\$27,000)</u>	<u>(\$27,461)</u>	<u>(\$28,010)</u>	<u>(\$28,570)</u>
# 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: 580 UNIT: 5111 RSRC: 4726 Subunit: 07

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

Effective 01/15/21 through 01/14/23, the annual rent will be \$27,000.00 (\$2,250.00/monthly). Commencing 01/15/23, the rent will increase annually two percent (2%).

Fixed Assets Number N/A

C. Departmental Fiscal Review: [Signature]

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:

[Signature] 8/19/21
OFMB (A 8/19/21) LM BC 8/19/21
[Signature] 8/27/21
Contract Development and Control

B. Legal Sufficiency:

[Signature] 8/31/21
Assistant County Attorney

C. Other Department Review:

[Signature]
Department Director

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

The changes to the key terms of the agreement are summarized in the table that follows:

	Current Lease Agreement	Proposed Lease Amendment
Term	20 years, no extensions	10 years Initial term of 4 years, with three 2-years options to extend
Capital Improvements Contribution	\$2,581,000	\$315,000
Annual Rent	\$18,000	\$27,000

Upon the exercise of the first extension option, the rent will increase annually by two percent (2%). All other terms and conditions of the Agreement shall remain in full force and effect. Parks will continue to have administrative responsibility for this Agreement. **(Property & Real Estate Management) District 5 (HJF)**

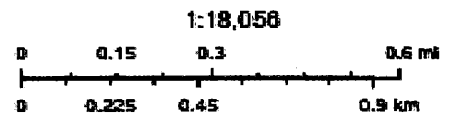
Background and Policy Issues: In May 2018, a Request for Proposals (RFP) was issued for the operation of a tennis, racquetball and pro shop concession at Burt Aaronson South County Regional Park. Out of the three (3) bids received the Selection Committee ranked Macci’s proposal the highest, due to his experience in operating concessions and pro shops, his extensive coaching experience and his proposed capital improvements.

In 2020, due to the impact of Covid-19 on its business model, the temporary shutdown of park facilities, travel restrictions, and a significant portion of its client base’s unwillingness to travel for tennis instruction, Macci requested the previously mentioned changes as it is not able to continue operating at the facility under the current Agreement. In 2019, prior to this request, Macci had made \$315,000.00 of actual improvements and repairs at the facility, which included resurfacing nineteen (19) tennis courts, redesigning and installing new fencing for better spectator viewing experience, refurbishing and painting multiple benches and fence poles at the facility, installing new windscreens and awnings, installing new flooring in the clubhouse, designing and painting mural with Parks and Recreation logo, and installing new landscaping amongst other things. Parks is sympathetic to these unforeseen operating challenges and recognizes that Macci runs excellent programs at the facility and brings significant industry recognition to the park. Parks manages this Agreement and is satisfied with Macci’s performance.

No changes in ownership have occurred and Richard Macci continues to have 100% ownership interest.



July 16, 2021



00-41-47-11-01-007-0010

AERIAL MAP



Attachment #1

Attachment #2
First Amendment (2 @ 7 pages)

FIRST AMENDMENT TO CONCESSIONAIRE LEASE AGREEMENT

THIS FIRST AMENDMENT TO CONCESSIONAIRE LEASE AGREEMENT (R2019-0156), (the “First Amendment”) is made and entered into _____, by and between **PALM BEACH COUNTY**, a political subdivision of the State of Florida, (“County”) and **RICK MACCI ACADEMY, INC. d/b/a RICK MACCI TENNIS ACADEMY**, a Florida Corporation (“Concessionaire”).

WHEREAS, County and Concessionaire entered into that certain Concessionaire Lease Agreement dated January 15, 2019 (R2019-0156) (the “Agreement”) for the use of the Premises as defined in the Agreement, which commenced on January 15, 2019, for a term of twenty (20) years; and

WHEREAS, Concessionaire has provided County with written notice that due to the impact of COVID-19 on their business, Concessionaire is unable to continue operating at the facility under the current Agreement; and

WHEREAS, the parties wish to modify (i) the Term of the Agreement; (ii) add extension options; (iii) the Annual Rent; (iv) incorporate certain language required by County; and (v) provide the County with termination rights.

NOW, THEREFORE, in consideration of the mutual covenants and agreement hereinafter set forth, and various other good and valuable considerations, 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 as ascribed to them in the Agreement, as amended.
2. Section 1.04 Length of Term and Commencement Date is deleted in its entirety and replaced with the following:

Section 1.04 Length of Term and Commencement Date.

Initial Term. The Effective Date and the Commencement Date of this Agreement is January 15, 2019. The term of this Agreement shall extend for a period of four (4) years to January 14, 2023, (the “Term”) unless sooner terminated pursuant to the provisions of this Agreement.

3. Section 1.05 Option to Extended is hereby added as follows;

Section 1.05 Option to Extend.

County hereby grants to Concessionaire, provided Concessionaire is not then in default of this Agreement, the right and option to extend the Term of this Agreement for three (3) successive period(s) of two (2) years each under the same terms and conditions as this Agreement and commencing upon the expiration of the initial Term of this Agreement or any extension thereof. Concessionaire shall exercise its option to extend, if at all, by written notice to the Department received by the Department no sooner than one hundred fifty (150) days but no later than ninety (90) days prior to the expiration of the initial Term of this Agreement or any extension thereof. Failure of Concessionaire to duly and timely exercise its option to extend the Term of this Agreement shall be deemed a waiver of Concessionaire's right to said extension option and all further extension options.

4. Section 2.02 Adjustment to Annual Rent is deleted in its entirety and replaced with the following:

Section 2.02 Adjustment to Annual Rent.

For the period from January 15, 2021 through January 14, 2023, the amount of Annual Rent will be Twenty Seven Thousand and no/100 Dollars (\$27,000.00). If Concessionaire exercises its extension options, then on each anniversary date of the Commencement Date of this Agreement, starting on January 15, 2023, the Annual Rent shall be adjusted by multiplying the then current Annual Rent by one hundred and two percent (102%).

5. Section 3.02 Concessionaire's Alterations is deleted in its entirety and replaced with the following:

Section 3.02 Concessionaire's Alterations

Concessionaire shall be solely responsible for any and all improvements, repairs, alterations or other work necessary to render the Premises suitable for Concessionaire's intended use. Concessionaire shall not install any permanent improvements within the Premises without the County's written consent, which approval may be granted, withheld or conditioned in the County's sole and absolute discretion. Prior to commencing any work within the Premises, Concessionaire shall furnish to the Department for written and discretionary approval, plans and specifications showing equipment or utilities to be installed by Concessionaire within the Premises ("Alterations"). All work performed to the Premises, whether pursuant to this Section or otherwise, shall be performed and accomplished solely for the benefit of Concessionaire, and not for the benefit of County, such work being nevertheless subject to each and every provision of this Agreement. Department's approval of the plans and specifications submitted by Concessionaire in conjunction

with Concessionaire's Alterations may, at Department's sole option, be contingent upon the receipt by the Department of a surety company payment and performance bond obtained by Concessionaire at its sole cost and expense. County shall be named as an Obligee on any payment and performance bond and said bond shall be issued by a surety company satisfactory to County, insuring completion of Concessionaire's Alterations free and clear of all liens, encumbrances, chattel mortgages, conditional bills of sale and other title retention or security agreements or other charges, all in accordance with the plans and specifications approved by the Department. Concessionaire shall design and construct such Alterations at Concessionaire's sole cost and expense, in accordance with the requirements of this Agreement and in full compliance with applicable governmental laws, rules, orders, building codes and zoning regulations. All of Concessionaire's construction and Alterations shall be made and performed in a good and workmanlike manner and shall be diligently performed to completion strictly in accordance with the approved plans and specifications therefor.

6. Sections 3.07, and 3.08 of the Agreement are deleted in their entirety.

7. Section 3.09 Authority to Name, shall be renumbered 3.07

8. Section 4.02 (n) is deleted in its entirety and replaced with the following:

(n) As provided in F.S. 435.03, Concessionaire shall perform a Level I background check on each employee prior to the employee beginning work at the Concession. The Concessionaire shall provide a background screening affidavit, as provided by Department, documenting background check clearance in accordance with F.S. 435.03, to the Department prior to the employee commencing work at the Concession. Concessionaire shall re-screen all of its employees every three (3) years from the employee's original hire date. If a disqualifying offense, as provided in F.S. 435.03, is identified during a re-screen or Concessionaire is made aware of a disqualifying offense at any time during employment, Concessionaire shall notify Department of any disqualifying offense it has knowledge of as to any of its employees during the Term of this Agreement and Concessionaire shall immediately terminate employment of any and all employees whom Concessionaire discovers have committed a disqualifying offense.

9. Section 4.02 (o) is deleted in its entirety and replaced with the following:

(o) Concessionaire may, with the approval of the Director of Parks and Recreation Department suspend operation of the concession whenever the Park is closed due to severe storms, maintenance, construction, epidemic pandemic, disaster, or acts of God. Reasonable effort shall be made to reopen the Park in a timely manner following severe storms, maintenance, construction, epidemic pandemic, disaster, or acts of God. If the closure is for an extended period of time (greater than seven (7) consecutive days, the Director of Parks and Recreation Department shall prorate the monthly payment of Annual Rent.

10. The third paragraph of Section 6.01 Responsibility of Concessionaire is deleted in its entirety and replaced with the following:

Concessionaire shall, at a minimum, perform the following maintenance in the Premises on a regular and ongoing basis: a) clean interior and exterior walls, windows, doors, and surfaces; b) clean ceiling, floors, furnishings, lights, light bulbs, tubes, and Concession equipment as is customary for a similar quality concession found in a public recreation facility in Palm Beach County; c) keep patio furniture clean and free of stains. Concessionaire shall maintain the Premises and all areas within 75 feet of the Premises in a safe, clean, sanitary condition free of litter, refuse, and debris. Concessionaire shall provide adequate refuse containers in the Premises. Concessionaire shall regularly service all trash cans, including Park trash cans, located within the Premises. The trash cans shall be emptied into the dumpster on a regular basis in order to prevent the trash cans from overflowing. The Concessionaire shall not use the trash cans located outside of their designated areas to handle refuse generated by their operations. All refuse generated by the Concessionaire shall be deposited directly into the dumpster by Concession staff. The Concessionaire assumes the responsibility for the dumpster expense.

11. The contact information for the notices under Section 8.06 Insurance Terms and Conditions shall be updated with the following:

Palm Beach County
2700 6th Ave S
Lake Worth, FL 33461
Email: jsteele@pbcgov.org (561) 966-6654

12. Article XI Assignment, Subletting and Rights of Leasehold Mortgagees is renamed Assignment and Subletting.

13. The first sentence of Section 11.01 Consent Required is deleted in its entirety and replaced with the following:

Concessionaire shall not assign, mortgage, pledge or encumber this Agreement, in whole or in part, nor sublet or rent all or any portion of the Premises, nor enter into any management licensing or similar agreement without the prior written consent of County in each instance, which may be granted or withheld at County's sole and absolute discretion, except Concessionaire may sublease, without County's consent, a portion of the Premises to a school for the sole purpose of educating academy students.

14. Sections 11.03, 11.04, 11.05, 11.06, 11.07, 11.08, 11.09, 11.10 and 11.11 of the Agreement are deleted in their entirety.

15. Section 19.03 Notices Required by Agreement is hereby modified to add the following as to the Concessionaire:

With a copy to:

Scott E. Simowitz, Esq.
Moskowitz, Mandell, Salim & Simowitz, P.A.
800 Corporate Drive, Suite 500
Fort Lauderdale, Florida 33334
Telephone: (954) 491-2000
Fax: (954) 491-2051

16. With the exception of improvements completed at the time of execution of this Amendment the remaining requirements of Section II.B.4(g), Proposed Capital and Improvement Plan, of exhibit "C" to the Agreement are hereby waived.

17. The Agreement is hereby modified to add the following:

SECTION 19.27: Counterparts

This Agreement, including the exhibits referenced herein, may be executed in one or more counterparts, all of which shall constitute collectively but one and the same Agreement. The County may execute the Agreement through electronic or manual means. Concessionaire shall execute by manual means only, unless the County provides otherwise

SECTION 19.28: E-Verify - Employment Eligibility

Concessionaire warrants and represents that it is in compliance with section 448.095, Florida Statutes, as may be amended. Concessionaire shall: (1) register with and use the E-Verify System (E-Verify.gov), to electronically verify the employment eligibility of all newly hired workers; and (2) verify that all of the Concessionaire's subcontractors/subconsultants performing the duties and obligations of this Contract are registered with and use the E-Verify System to electronically verify the employment eligibility of all newly hired workers.

Concessionaire shall obtain from each of its subcontractors/subconsultants an affidavit stating that the subcontractor/subconsultant does not employ, contract with, or subcontract with an Unauthorized Alien, as that term is defined in section 448.095(1)(k), Florida Statutes, as may be amended. Concessionaire shall maintain a copy of any such affidavit from a subcontractor/subconsultant for, at a minimum, the duration of the subcontract and any extension thereof. This provision shall not supersede any provision of this Agreement which requires a longer retention period.

County shall terminate this Agreement if it has a good faith belief that Concessionaire has knowingly violated Section 448.09(1), Florida Statutes, as may be amended.

If County has a good faith belief that Concessionaire's subcontractor/subconsultant has knowingly violated Section 448.09(1), Florida Statutes, as may be amended, County shall notify Concessionaire to terminate its contract with the subcontractor/subconsultant and Concessionaire shall immediately terminate its contract with the subcontractor/subconsultant.

If County terminates this Agreement pursuant to the above, Concessionaire shall be barred from being awarded a future contract by County for a period of one (1) year from the date on which this Agreement was terminated. In the event of such contract termination, Concessionaire shall also be liable for any additional costs incurred by County as a result of the termination.

18. Except as modified by this First Amendment, the Agreement remains unmodified and in full force and effect in accordance with the terms thereof.

(Remainder of the page intentionally left blank)

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

ATTEST:

JOSEPH ABRUZZO
CLERK OF THE CIRCUIT COURT &
COMPTROLLER

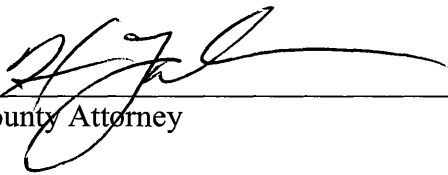
PALM BEACH COUNTY, a political
subdivision of the State of Florida

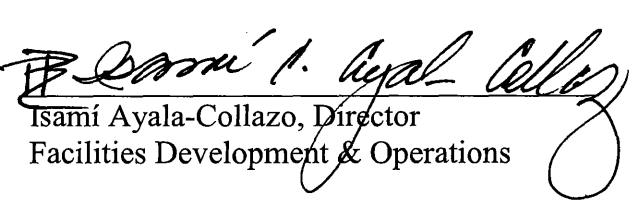
By: _____
Deputy Clerk

By: _____
Dave Kerner, Mayor

APPROVED AS TO LEGAL
SUFFICIENCY:

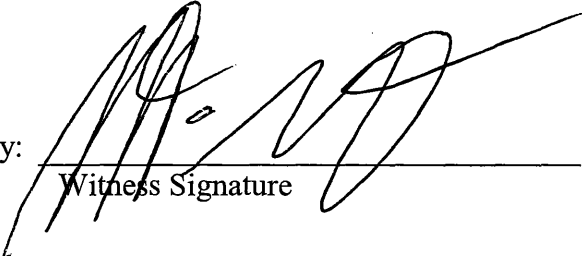
APPROVED AS TO TERMS AND
CONDITIONS:

By: 
County Attorney

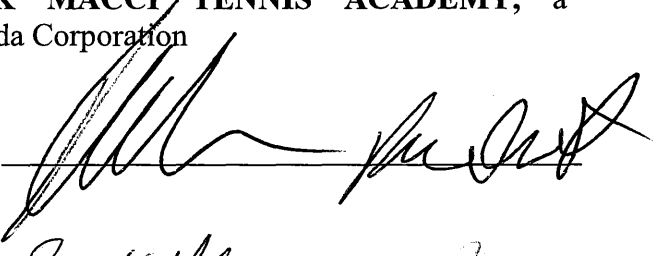
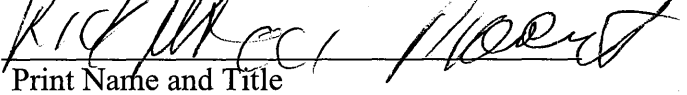
By: 
Isami Ayala-Collazo, Director
Facilities Development & Operations

ATTEST:

CONCESSIONAIRE:
RICK MACCI ACADEMY, INC. d/b/a
RICK MACCI TENNIS ACADEMY, a
Florida Corporation

By: 
Witness Signature

Scott E. Sinair
Witness Printed Name

By: 
By: 
Rick Macci, President
Print Name and Title

Attachment #3
COVID-19 Impact letter (3 pages)

LAW OFFICES
MOSKOWITZ, MANDELL, SALIM & SIMOWITZ, P.A.

800 CORPORATE DRIVE • SUITE 500
FORT LAUDERDALE, FLORIDA 33334

MICHAEL W. MOSKOWITZ¹
SCOTT E. SIMOWITZ¹
CRAIG J. MANDELL
WILLIAM G. SALIM, JR.^{**}
SCOTT M. ZASLAV^{*}
ARI J. GLAZER[^]
TODD A. ARMBRUSTER
ARTHUR E. LEWIS

BROWARD (954) 491-2000
TELECOPIER (954) 491-2051
Email Ssimowitz@MMSSLaw.com

OF COUNSEL

SHIRLEY D. WEISMAN, P.A.

ALSO ADMITTED IN NY & DC^{*}
ALSO ADMITTED IN MA^{**}
ALSO ADMITTED IN NY & CT^{*}
ALSO ADMITTED IN NY[^]

Scott E. Simowitz

CERTIFIED CIRCUIT COURT MEDIATOR¹

July 19, 2021
VIA E MAIL AND U.S. MAIL
ecall@pbcgov.org

Eric Call, Department Director
Palm Beach County Parks and Recreation Department
2700 Sixth Avenue South
Lake Worth, Florida 33461
Eric Call, Department Director

Re: Rick Macci Academy, Inc. d/b/a Rick Macci Tennis Academy and Rick Macci, individually (jointly "Macci") Concessionaire Lease with Palm Beach County (The "County")

Dear Mr. Call:

Please be advised that this office represents Macci in reference to the above captioned matter. This correspondence is in furtherance of the ongoing modification discussions relating to Macci's existing concessionaire lease of the Tennis & Racquetball Center (The "Lease") located within Burt Aaronson South County Regional Park (The "Park").

Initially, it is important to note that from the onset of the lease agreement with the County, Macci, a world renowned juniors tennis coach and member of the tennis hall of fame, has undertaken his responsibilities and obligations, both financial and performance based, under the lease with great enthusiasm. In fact, the execution of the lease and the creation of the Rick Macci Tennis Academy within the Park have been the culmination of a life's dream and ambition of Macci. Prior to the onset of the pandemic, in less than one year's time Macci had undertaken a complete revitalization and transformation of the Tennis & Racquetball Center into a world class facility. He invested in excess of \$315,000.00 into hard improvements to the facility and has advanced an additional \$1,475,000.00 in deposits, payments and retainers directed to, if not for the pandemic, future anticipated and ongoing improvements. In essence, as readily acknowledged by County officials associated with The Park, Macci has more than complied with all obligations of the Concessionaire as defined and required in and by virtue of the Lease.

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Frankly, the relationship between Macci and the County per the Lease has been excellent and mutually advantageous. Unfortunately, unforeseen by anyone, commencing in/about March 2020, the nation came under the suffocating grip of an overwhelming and all consuming pandemic. The spread of the COVID-19 virus resulted in, among other things, the entry of an emergency order by the County which, as of April 1, 2020 closed all parks with Palm Beach County and effectively terminated Macci's business as therein contemplated.

The April 1, 2020 closure of the parks combined with the continued spread of the COVID-19 virus resulted in financial devastation to many in our community. Macci has not been spared. While the County has since opened the parks and tennis facilities, same has failed to have a significant positive business impact upon the Macci Tennis Academy. Macci has lost the vast majority, if not all, of his students, faculty and staff. Revenue has been devastated. Allow me to elaborate.

Macci Academy suffered a forty-eight percent (48%) decline in gross income during calendar year 2020 as compared to calendar year 2019. In fact, as the Park was not closed until April 1, 2020, the actual decline in revenue of 48% was incurred in only a nine-month period of time. If one were to extrapolate out the lost revenue over a full twelve month year, the loss would have exceeded sixty percent (60%). The dramatic decline in revenue continues into calendar year 2021 notwithstanding the reopening of the Park and the "return to normalcy" amongst our society. Frankly, this decline is exacerbated by the fact that most, if not all of Macci Academy students reside in foreign countries and areas outside of South Florida. As travel restraints remain in effect for all foreign travel into the United States, Macci has been unable to reclaim any of the aforementioned foreign students. Unfortunately, American students domiciled outside of the South Florida area have evidenced a COVID-19 reluctance to return as well. Such has resulted in continued dramatic decreases in Academy revenue.

In addition, as the Park closed and the Academy business plummeted, Macci was unable to maintain its world class team of tennis instructors and coaches. Prior to the pandemic, the Academy maintained no less than eighteen (18) full time world-class coaches and instructors. As a result of the pandemic, that roster has been reduced to a total of seven (7). Simply put, unable to generate sufficient revenue to exist, Academy instructors and coaches terminated their relationship with Macci and moved to other facilities, outside of the South Florida area. None of the aforementioned coaches and/or instructors have, to date, returned to the Academy.

Facing the aforementioned catastrophic economic conditions, Macci scrambled to salvage both his business, in general and the Academy, in particular. He recreated a business model and for the first time in his career, became a life coach as well as management consultant. In addition, he created, marketed and sold tennis teaching videos, Macci books, NetRicks and other form of zoom and internet related items. In addition, he created the "Battle of Boca" tennis tournament program.

Finally, in an effort to introduce and further engage residents of Palm Beach County to the sport of tennis generally and the Macci Academy in particular, Macci unilaterally reduced all costs to Palm Beach County residents for all forms of tennis lessons and related activities to fifty percent

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(50%) of the rate charged pre-pandemic and of the rate still charged to all non-Palm Beach County residents. This unilateral reduction resulted in a significant increase in the use, by Palm Beach County residents of the Macci facility at the Park.

The dramatic modification in business model and creative sales activity by Macci resulted in an increase in revenue and the short term salvation of the Academy.

Under the current circumstances, however, it is all but impossible for Macci to continue forward with the Academy while honoring future obligations under the lease. He faces financial devastation to a business model that was a lifetime in the making. As such, it is critical that in order to survive the economic harm caused by the pandemic, Macci and The County must modify the Lease on a going forward basis. With that in mind, the parties have engaged in a year long discussion as to potential modifications to the Lease. The discussions have resulted in agreed upon remedial measures and modifications and have culminated in the preparation of the proposed First Amendment to Concierge Lease Agreement (The "Amendment"). The Amendment will permit Macci to continue forward with the world-class tennis facility and with it bring world wide tennis recognition to Palm Beach County, Florida. At the same time, Palm Beach County enjoys a world class tennis facility open and available to all residents of the County, with the increased notoriety and credibility enjoyed by the County as a result thereof. In essence, a win-win for all involved.

As such, we urge the County to acknowledge the need for the Amendment, the inherent reasonableness of the terms contained therein and to join Macci in executing same. Macci looks forward to years of world class tennis available to the residents of Palm Beach County, Florida.

Needless to say, feel free to contact the undersigned should you have any questions or require any additional information.

Very truly yours,

MOSKOWITZ, MANDEL, SALIM & SIMOWITZ, P.A.


By: Scott E. Simowitz, Esq.

SES/ms

CC: Paul Connell and Kirk Brooks (By e-mail only)

For OFMB only.

BUDGET AVAILABILITY STATEMENT

REQUEST DATE: 03/30/21

REQUESTED BY: Della M. Lowery
Property Specialist/PREM

PHONE: 233-0239
FAX: 233-0210

PROJECT TITLE: South County Regional Park – Tennis Center 1st Amendment

PROJECT NO.: 2020-5.014

Fiscal Years	2021	2022	2023	2024	2025
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	<u>(\$19,275)</u>	<u>(\$27,000)</u>	<u>(\$27,461)</u>	<u>(\$28,010)</u>	<u>(\$28,570)</u>
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>(\$19,275)</u>	<u>(\$27,000)</u>	<u>(\$27,461)</u>	<u>(\$28,010)</u>	<u>(\$28,570)</u>
# 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: 581 UNIT: 511 ^{RSRC} ~~OBJ:~~ 4726 SUB OBJ: _____

IS ITEM INCLUDED IN CURRENT BUDGET: YES X 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
- _____ _____ _____

Department: Parks & Recreation Department

BAS APPROVED BY: *[Signature]*

DATE: 04/01/21

ENCUMBRANCE NUMBER: _____

FOR OFFICE ONLY

The information below justifies the figures listed on the attached BAS for South County Regional Park – Tennis Center First Amendment, the annual rent will be \$27,000.0 from 01/15/21 thru 01/14/23; commencing 01/15/23 will increase 2% annually.

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2021	2022	2023	2024	2025
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	(\$19,275)	(\$27,000)	(\$27,461)	(\$28,010)	(\$28,570)
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	(\$19,275)	(\$27,000)	(\$27,461)	(\$28,010)	(\$28,570)
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

FY2021:

- The First Amendment is for a term of four years commencing retroactively on 01/15/19 to 01/14/23.
- **Annual Rent \$27,000.00 commencing 01/15/21;** pursuant to *Section 2.01 of the Agreement*, any fractional of month will be calculated on the basis of a 30 day month and paid on a per diem basis; *Section 2.02 of the First Amendment*, the rent increases two percent (2%) annually commencing 01/15/23.
- **\$27,000.00 annual ÷ 12 = \$2,250.00 per month ÷ 30 = \$75.00 per day.**
- 01/15/21 – 01/31/21 = 17 days x \$75.00 = \$1,275.00
- 02/01/21 – 09/30/21 = 8 months x \$2,250.00 = \$18,000.00
- \$1,275.00 + \$18,000.00 = \$19,275.00

FY2021 TOTAL = \$19,275.00

FY2022

- 10/01/21 – 09/30/22 = 12 months x \$2,250.00 = \$27,000.00

FY2022 TOTAL = \$27,000.00

FY2023

- 10/01/22 – 12/31/22 = 3 months x \$2,250.00 = \$6,750.00
- 01/01/23 – 01/14/23 = 14 days x \$75.00 = \$1,050.00
- **\$27,000.00 x 102% = \$27,540.00 annual ÷ 12 = \$2,295.00 per month ÷ 30 = \$76.50**
- 01/15/23 – 01/31/23 = 17 days x \$76.50 = \$1,300.50
- 02/01/23 – 09/30/23 = 8 months x \$2,295.00 = \$18,360.00
- \$6,750.00 + \$1,050.00 + \$1,300.50 + \$18,360.00 = \$27,460.50

FY2023 TOTAL = \$27,460.50

FY2024

- 10/01/23 – 12/31/23 = 3 months x \$2,295.00 = \$6,885.00
- 01/01/24 – 01/14/24 = 14 days x \$76.50 = \$1,071.00
- **\$27,540.00 x 102% = \$28,090.80 annual ÷ 12 = \$2,340.90 per month ÷ 30 = \$78.03**
- 01/15/24 – 01/31/24 = 17 days x \$78.03 = \$1,326.51
- 02/01/24 – 09/30/24 = 8 months x \$2,340.90 = \$18,727.20
- \$6,885.00 + \$1,071.00 + \$1,326.51 + \$18,727.20 = \$28,009.71

FY2024 TOTAL = \$28,009.71

FY2025

- 10/01/24 – 12/31/24 = 3 months x \$2,340.90 = \$7,022.70
- 01/01/25 – 01/14/25 = 14 days x \$78.03 = \$1,092.42
- **\$28,090.80 x 102% = \$28,652.62 annual ÷ 12 = \$2,387.72 per month ÷ 30 = \$79.59**
- 01/15/25 – 01/31/25 = 17 days x \$79.59 = \$1,353.03
- 02/01/25 – 09/30/25 = 8 months x \$2,387.72 = \$19,101.76
- \$7,022.70 + \$1,092.42 + \$1,353.03 + \$19,101.76 = \$28,569.91

FY2025 TOTAL = \$28,569.91