

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

**Meeting Date:** November 16, 2021       Consent       Regular  
     Ordinance       Public Hearing  
**Department:** Facilities Development & Operations

**I. EXECUTIVE BRIEF**

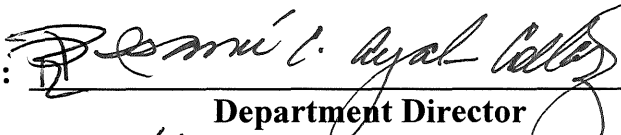
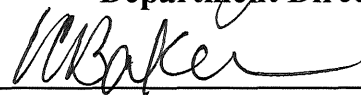
**Motion and Title: Staff recommends motion to approve:** Amendment Number Nine to Lease Agreement (R97-2126D) with GC Skees Industrial, LLC for the continued use of 6,000 SF of office and warehouse space by the Palm Beach County Sheriff's Office at an annual rate of \$78,529.39; extending the term for one (1) year, from January 1, 2022 to December 31, 2022, plus two 1-year options; and delegating the authority to terminate to County Administrator or designee which in this case shall be the Director of Facilities, Development & Operations Department.

**Summary:** Since January 1, 1998, the Board of County Commissioners (Board), on behalf of the Palm Beach County Sheriff's Office (PBSO), has leased office and warehouse space located at 1438 Skees Road in West Palm Beach. Ownership of the property has changed multiple times over the years. It is currently owned by GC Skees Industrial, LLC (Skees). The current term of the Lease Agreement expires December 31, 2021. This Amendment Number Nine extends the term for one (1) year-plus two (2) additional one (1) year automatic extension options. It also delegates the authority to terminate the lease to County Administrator or designee, which in this case shall be the Director of Facilities, Development & Operations Department. Effective January 1, 2022, the annual rent will remain at \$78,529.39 (\$13.09/sf), with subsequent annual rent adjustments of two percent (2%). All other terms of the lease agreement remain unchanged. The Property and Real Estate Management Division (PREM) will continue to have administrative responsibility of the lease agreement. **(Property & Real Estate Management) District 2 (HJF)**

**Background and Justification:** On December 16, 1997 (R97-2126D), the Board approved a 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 multiple 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, R2017-1039 and R2018-1174). 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 Skees, the current landlord/lessor in July 2014. The County does not have any County-owned space available at this time to suit the specialized duties performed by PBSO at this site. Future plans include relocating this unit to a County-owned facility. 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, Skees provided a Disclosure of Beneficial Interests and has confirmed that no ownership changes have occurred.

**Attachments:**

1. Location Map
2. Amendment Number Nine
3. Budget Availability Statement

**Recommended By:**       10/20/2021  
    **Department Director**      **Date**  
**Approved By:**       11/3/21  
    **County Administrator**      **Date**

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2022	2023	2024	2025	2026
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	<u>\$58,897</u>	<u>\$19,632</u>	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	<u><u>\$58,897</u></u>	<u><u>\$19,632</u></u>	=====	=====	=====
<b># ADDITIONAL FTE POSITIONS (Cumulative)</b>	_____	_____	_____	_____	_____

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 CY2022 as the term of the extension runs from January 1, 2022 through December 31, 2023

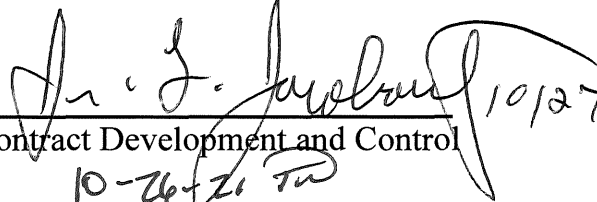
Fixed Asset Number \_\_\_\_\_

C. Departmental Fiscal Review: 


**III. REVIEW COMMENTS**

**A. OFMB Fiscal and/or Contract Development Comments:**

 10/22/21  
 OFMB 10-21-21  
 MG 10/21/21

 10/27/21  
 Contract Development and Control  
 10-26-21 TD

**B. Legal Sufficiency:**

 11/2/21  
 Assistant County Attorney

**C. Other Department Review:**

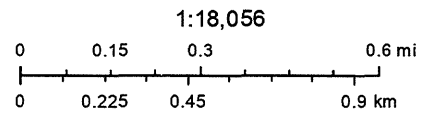
\_\_\_\_\_  
 Department Director

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

00-42-43-27-05-004-0101



October 12, 2021



LOCATION MAP

Attachment #1

Attachment #2 Amendment #9  
2 Copies 4 Pages Each

**AMENDMENT NUMBER NINE  
TO LEASE AGREEMENT**

**THIS AMENDMENT NUMBER NINE TO LEASE AGREEMENT** (“Amendment”), 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, 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**, Lessor is the successor in interest to C&D Development; 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 three (3) 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. 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 three (3) 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, 2022. 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 prior to the expiration of the then current term.

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

In the event that Lessee extends the Term of this Lease as provided in Section 1.03, as amended by this Amendment, the annual Gross Rent shall be payable as follows:

<u>Period</u>	<u>Rent annual/monthly</u>
January 1, 2022 – December 31, 2022	\$78,529.39/\$6,544.12
January 1, 2023 – December 31, 2023	\$80,099.98/\$6,674.99
January 1, 2024 – December 31, 2024	\$81,701.98/\$6,808.50

4. Article X, Annual Budgetary Funding/Cancelation, is hereby deleted in its entirety and replaced with the following:

The Term of this Lease shall be subject to annual budgetary funding by the Board of County Commissioners of Palm Beach County. Notwithstanding anything herein to the contrary, at any time the Lessee, through the County Administrator or its designee, may terminate this Lease for any reason upon ninety (90) days prior written notice to the Lessor.

5. This Amendment shall become effective when signed by all parties and approved by the Palm Beach County Board of County Commissioners (the "Effective Date").
6. Except as modified by this Amendment 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:

*Susie Drozew*  
Witness Signature

SUSIE DROZEW  
Print Witness Name

LESSOR:

GC SKEES INDUSTRIAL, LLC, a Florida  
limited liability company

By: *Anthony T. DeRosa*  
Anthony T. DeRosa , Manager

ATTEST:

JOSEPH ABRUZZ  
CLERK OF THE CIRCUIT COURT  
& COMPTROLLER

By: \_\_\_\_\_  
Deputy Clerk

LESSEE:

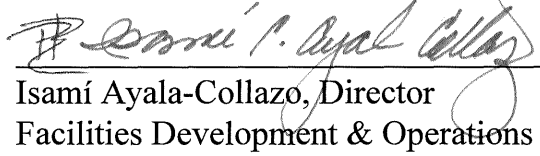
PALM BEACH COUNTY, a political  
subdivision of the State of Florida

By: \_\_\_\_\_  
Mayor

APPROVED AS TO  
LEGAL SUFFICIENCY

  
\_\_\_\_\_  
Chief Assistant County Attorney

APPROVED AS TO TERMS  
AND CONDITIONS

  
\_\_\_\_\_  
Isami Ayala-Collazo, Director  
Facilities Development & Operations





# BUDGET AVAILABILITY STATEMENT

REQUEST DATE: 10/8/21

REQUESTED BY: Richard Bogatin  
Manager, Property Management

PHONE: 233-0214  
FAX: 233-0210

PROJECT TITLE: PBSO Auto Theft Task Force Amendment #9

PROJECT NO.: 2021-5.009

Fiscal Years	2021	2022	2023	2024	2025
<b>Capital Expenditures</b>	_____	_____	_____	_____	_____
<b>Operating Costs</b>	<u>-0-</u>	<u>\$58,897</u>	<u>\$19,632</u>	<u>-0-</u>	<u>-0-</u>
<b>External Revenues</b>	_____	_____	_____	_____	_____
<b>Program Income (County)</b>	_____	_____	_____	_____	_____
<b>In-Kind Match (County)</b>	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	<u>-0-</u>	<u>\$58,897</u>	<u>\$19,632</u>	<u>-0-</u>	<u>-0-</u>
<b># ADDITIONAL FTE POSITIONS (Cumulative)</b>	_____	_____	_____	_____	_____

*\*\* 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: 10/8/2021

ENCUMBRANCE NUMBER: \_\_\_\_\_

Below is rent only information justifying the figures listed on the attached BAS for the PBSO Auto Theft Task Force Amendment Number Nine:

Fiscal Years	2021	2022	2023	2024	2025
Capital Expenditures	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Operating Costs	<u>-0-</u>	<u>\$58,897</u>	<u>\$19,632</u>	<u>-0-</u>	<u>-0-</u>
External Revenues	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Program Income (County)	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
In-Kind Match (County)	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
NET FISCAL IMPACT	<u>\$ -0-</u>	<u>\$58,897</u>	<u>\$19,632</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

**For FY2021:**

- The Lease expires on 12/31/21.
- As the term expires on 12/31/21, rent has already been budgeted for

**FY2021 TOTAL = \$-0-**

**For FY2022:**

- As the term expires on 12/31/21, rent has already been budgeted for 10/01/21 – 12/31/21.
- Amendment 9 will extend the term from Jan-2022 to Dec-2022.
- Per the Amendment 9, Jan-2022 to Dec-2022 the rent will be \$78,529.39/\$6,544.12
- 1/1/22 – 9/30/22 = 9 months.
- \$6,544.12 x 9 months = \$58,897.08.

**FY2022 TOTAL = \$58,897.08**

**For FY2023:**

- 10/01/22 – 12/31/22 = 3 months.
- \$6,544.12 x 3 months = \$19,632.36.
- \* Does not include funds for options as we are expecting to relocate the Unit.

**FY2023 TOTAL = \$19,632.36**

**For FY2024:**

- N/A

**FY2024 TOTAL = \$-0-**

**For FY2025:**

- N/A

**FY2025 TOTAL = \$-0-**



Department of State / Division of Corporations / Search Records / Search by Entity Name /

**Detail by Entity Name**

Florida Limited Liability Company  
GC SKEES INDUSTRIAL, LLC

**Filing Information**

<b>Document Number</b>	L14000099196
<b>FEI/EIN Number</b>	47-1157796
<b>Date Filed</b>	06/20/2014
<b>State</b>	FL
<b>Status</b>	ACTIVE

**Principal Address**

9600 N.W. 25TH STREET  
#2A  
MIAMI, FL 33172

**Mailing Address**

9600 N.W. 25TH STREET  
#2A  
MIAMI, FL 33172

**Registered Agent Name & Address**

DEROSA, ANTHONY  
9600 N.W. 25TH STREET  
#2A  
MIAMI, FL 33172

Name Changed: 04/06/2016

**Authorized Person(s) Detail**

**Name & Address**

Title MGR

DEROSA, ANTHONY  
9600 N.W. 25TH STREET, #2A  
MIAMI, FL 33172

Title MGR

MCHENRY, PHYLLIS  
3471 MAIN HIGHWAY #203  
COCONUT GROVE, FL 33133

**Annual Reports**

<b>Report Year</b>	<b>Filed Date</b>
2019	04/08/2019
2020	03/05/2020
2021	03/16/2021

**Document Images**

<a href="#">03/16/2021 -- ANNUAL REPORT</a>	<a href="#">View image in PDF format</a>
<a href="#">03/05/2020 -- ANNUAL REPORT</a>	<a href="#">View image in PDF format</a>
<a href="#">04/08/2019 -- ANNUAL REPORT</a>	<a href="#">View image in PDF format</a>
<a href="#">03/28/2018 -- ANNUAL REPORT</a>	<a href="#">View image in PDF format</a>
<a href="#">04/04/2017 -- ANNUAL REPORT</a>	<a href="#">View image in PDF format</a>
<a href="#">04/06/2016 -- ANNUAL REPORT</a>	<a href="#">View image in PDF format</a>
<a href="#">04/06/2015 -- ANNUAL REPORT</a>	<a href="#">View image in PDF format</a>
<a href="#">06/20/2014 -- Florida Limited Liability</a>	<a href="#">View image in PDF format</a>