

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

Meeting Date: October 21, 2025

☒ **Consent** ☐ **Regular**
☐ **Ordinance** ☐ **Public Hearing**

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

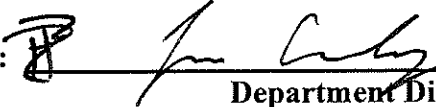
Motion and Title: Staff recommends motion to receive and file: a Subordination, Non-Disturbance, and Attornment Agreement (SNDA) with Seacoast National Bank, a national banking association, for a portion of the property located at 1200 South Congress Avenue in Palm Springs (Premises) which the County leases, for Palm Tran connection paratransit operations.

Summary: On April 8, 2025, the Board of County Commissioners (BCC) approved a Lease Agreement (R2025-0517) (Lease) with MG Congress, LLC, a Florida limited liability company, to lease the Premises for a term of eight (8) years commencing June 2, 2025, to provide centralized operations for the Palm Tran Connection paratransit services. A SNDA was included as an exhibit to the Lease and was subsequently executed on April 14, 2025 on behalf of the BCC by the County Administrator or designee, who in this case is the Director of the Facilities Development and Operations Department pursuant to the PREM Ordinance (2024-021). SNDAs are normal and customary in real estate transactions. The executed SNDA is now being submitted to the BCC as a receive and file. There is no fiscal impact associated with the approval of this item. Palm Tran will continue to have administrative responsibilities for the Lease. **(Property & Real Estate Management) District 3 (HJF)**

Background and Justification: In accordance with County PPM CW-O-051, all delegated contracts, agreements, and grants must be submitted by the initiating Department as a receive and file agenda item. The BCC approved the Lease of the Premises on April 8, 2025, to lease the Premises for a term of eight (8) years commencing June 2, 2025, with two (2) seven (7)-year renewal options, at an annual rent of \$2,065,000 (\$172,083.33/month) with 3% annual increases and subject to further increase to fair market rent at the commencement of each Extension Term. The property was acquired by MGX I, LLC, MGX II, LLC, and MGX III, LLC, each a Florida limited liability company (collectively, the MGX Entities). Jon Samuel is the manager of the MGX Entities and MG Congress, LLC. The PREM Ordinance provides delegated authority to the County Administrator or designee, who in this case is the Director of the Facilities Development and Operations Department, to execute SNDAs, which are standard in the administration of leases.

Attachments:

- 1. Location Map
- 2. Subordination, Non-Disturbance, and Attornment Agreement with Seacoast National Bank

Recommended By:  **Department Director** 9/18/25
Date

Approved By:  **Deputy County Administrator** 10/1/25
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2026	2027	2028	2029	2030
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT					
# ADDITIONAL FTE POSITIONS (Cumulative)					

Is Item Included in Current Budget? Yes ___ No X

Does this item include the use of federal funds? Yes ___ No X

Does this item include the use of State funds? Yes ___ No X

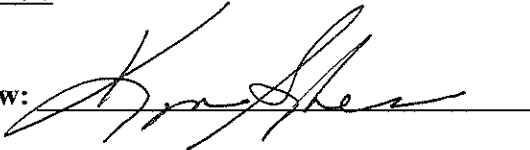
Budget Account No: Fund ___ Dept ___ Unit ___ Object ___

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

There is no fiscal impact associated with the SNDA.

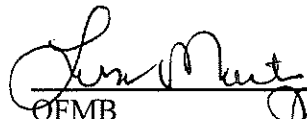
Fixed Asset Number: N/A

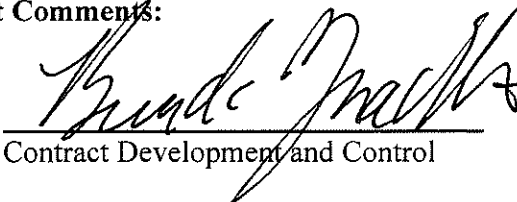
PCN: 70-43-44-08-00-000-3090

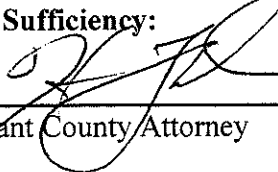
C. Departmental Fiscal Review: 

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:


OFMB 9/22/2028
9/22
SW 9-22-25


Contract Development and Control 9/25/25

B. Legal Sufficiency: 
9/30/25
Assistant County Attorney

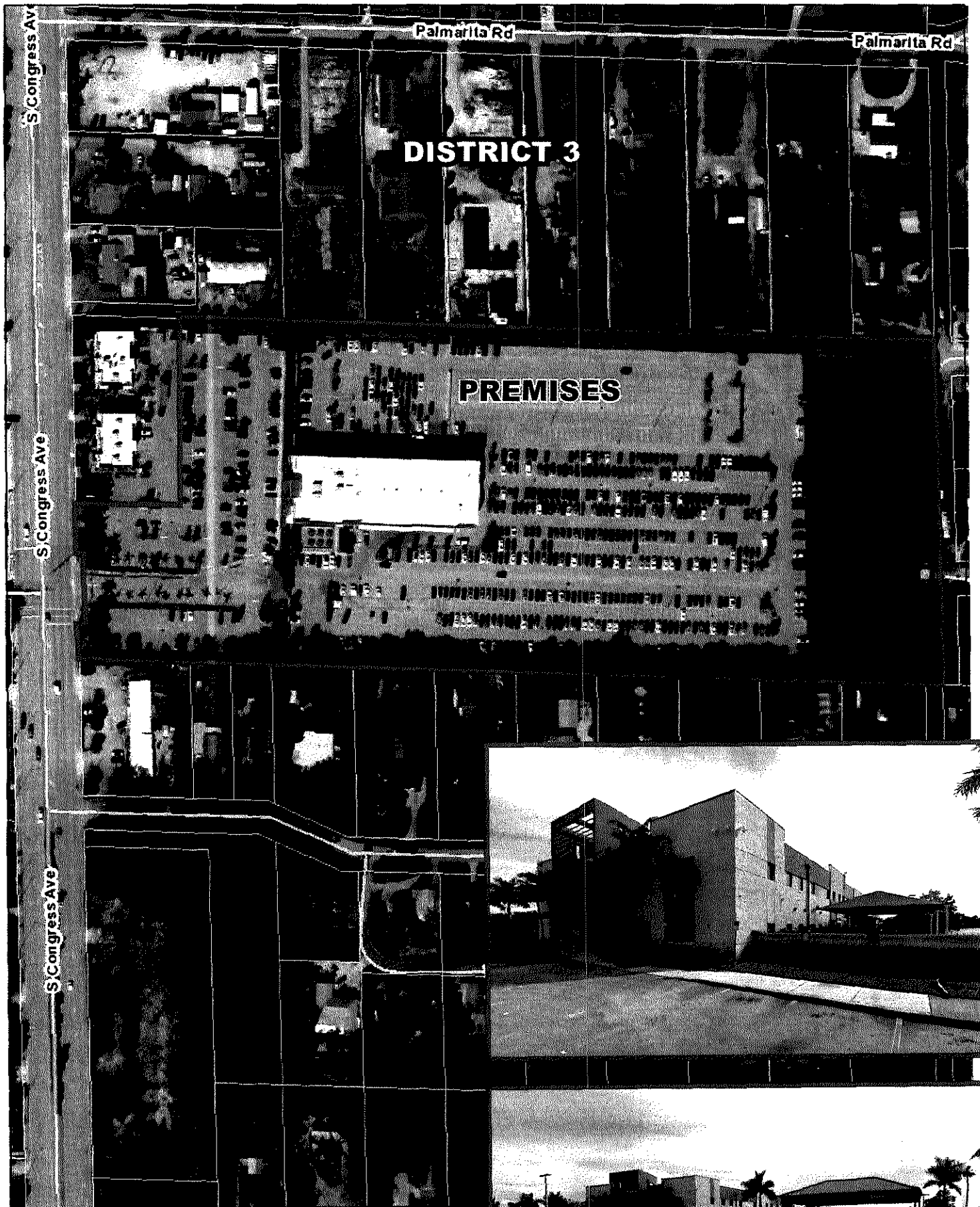
C. Other Department Review:

Department Director

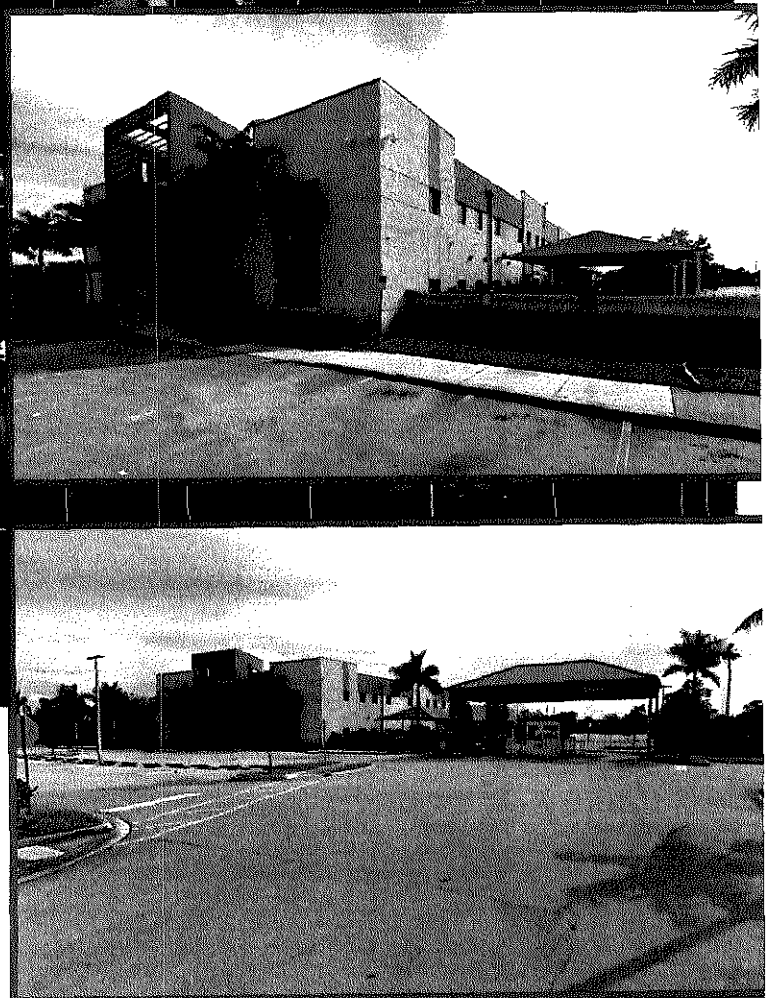
This summary is not to be used as a basis for payment.

LOCATION MAP

70-43-44-08-00-000-3090



February 20, 2025



Attachment # 1

Attachment #2

Subordination, Non-Disturbance, and Attornment Agreement

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

THIS AGREEMENT, made as of the 14th day of April, 2025, between SEACOAST NATIONAL BANK, a national banking association (hereinafter referred to as "**Lender**") and PALM BEACH COUNTY, a Political Subdivision of the State of Florida (hereinafter referred to as "**Tenant**");

WITNESSETH:

WHEREAS, Lender intends to become the owner and holder of a mortgage (the "**Mortgage**") from MGX I, LLC, MGX II, LLC and MGX III, LLC, each a Florida limited liability company (collectively the "**Borrower**") to be given to secure a note or obligation in the principal sum of Seventeen Million and No/100ths Dollars (\$17,000,000.00), which Mortgage will be recorded in the Public Records of Palm Beach County, Florida, simultaneously with the recordation of this Agreement, and which Mortgage encumbers the property therein more particularly described;

WHEREAS, Tenant, which is doing business as Palm Beach County, has entered into a lease dated April 8, 2025 (the "**Lease**"), with Borrower ("**Landlord**") demising certain space ("**Leased Premises**") located in Palm Springs, in the County of Palm Beach, and State of Florida, being more particularly described on Exhibit "A" attached hereto and by this reference made a part hereof, and such Leased Premises being a portion of the real estate encumbered by the Mortgage (the "**Mortgaged Premises**"); and

WHEREAS, the parties hereto mutually desire to have the Lease made subject and subordinate to the lien of the Mortgage and thereupon to establish certain rights of quiet and peaceful possession for the benefit of Tenant, together with certain obligations for attornment on the part of Tenant, all in the manner hereinafter provided.

NOW, THEREFORE, in consideration of the premises and the sum of Ten Dollars (\$10.00) in hand paid by Tenant to Lender, the receipt whereof is hereby acknowledged, Lender and Tenant do hereby mutually covenant and agree as follows:

1. Tenant, for itself, its successors and assigns, hereby covenants and agrees that the Lease shall be and the same is hereby made subject and subordinate to the lien of the Mortgage and to any extensions, consolidations, modifications or renewals thereof, advances thereunder, or supplements thereto, with the same force and effect as if the Mortgage had been executed, acknowledged, delivered and recorded prior to the execution, acknowledgment and delivery of the Lease.

2. Provided Tenant is not in default under the terms of the Lease (beyond any period given Tenant to cure such default, and after notice, if any, required by the Lease), then:

(a) The right of possession of Tenant to the Leased Premises and Tenant's rights arising out of the Lease shall not be affected or disturbed by Lender in the exercise of any

of its rights under the Mortgage or the note secured thereby; nor shall Tenant be named as a party defendant to any foreclosure of the lien of the Mortgage, nor in any other way be deprived of its rights under the Lease.

(b) In the event that Lender or any other person acquires title to the Mortgaged Premises pursuant to the exercise of any remedy provided for in the Mortgage, the Lease shall not be terminated or affected by said foreclosure or sale or transfer in lieu of foreclosure of any such proceedings and Lender hereby covenants that any sale by it of the Mortgaged Premises pursuant to the exercise of any rights and remedies under the Mortgage or otherwise, shall be made subject to the Lease and the rights of Tenant thereunder; and Tenant covenants and agrees to attorn to Lender or such other person as its new landlord and the Lease shall continue in full force and effect as a direct lease between Tenant and Lender or such other person upon all the terms, covenants, conditions and agreements set forth in the Lease.

(c) If Lender or any other person shall succeed to the interest of Landlord under the Lease, Lender or such other person shall be bound to Tenant under all of the terms, covenants and conditions of the Lease, and Tenant shall, from and after Lender's or such other person's succession to the interest of Landlord under the Lease, have the same remedies against Lender or such other person for the breach of any agreement contained in the Lease that Tenant might have had under the Lease against Landlord if Lender or such other person had not succeeded to the interest of Landlord; provided, however, that Lender or such other person shall not be:

(1) liable for any act or omission of any prior landlord (including Landlord); or

(2) subject to any offsets or defenses which Tenant might have against any prior landlord (including Landlord) except those which arose out of such landlord's default under the Lease; or

(3) bound by any rent or additional rent which Tenant might have paid for more than the current month to any prior landlord (including Landlord); or

(4) bound by any agreement or modification of the Lease made without Lender's consent.

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns, and without limiting such, it is expressly understood that all references herein to Lender shall be deemed to include also any subsequent holder of the Mortgage and/or any other persons succeeding to title to the premises encumbered by the Mortgage, or any part thereof, whether by virtue of foreclosure, or sale or transfer in lieu of foreclosure, or pursuant to the exercise of any rights and remedies under the Mortgage, or otherwise.

[SIGNATURE/NOTARY PAGES TO FOLLOW]

[SIGNATURE/NOTARY PAGE - LENDER]

LENDER:

SEACOAST NATIONAL BANK,
a national banking corporation

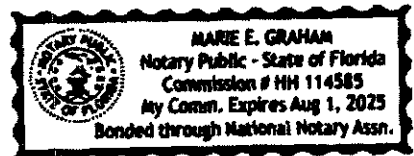
By: [Signature]
Name: Jaime Castano
Title: SVP

STATE OF Florida
COUNTY OF Miami-Dade: ss.

The foregoing instrument was acknowledged before me by means of ☒ physical presence
or ☐ online notarization this 4 day of March, 2025, by Jaime Castano,
SVP of SEACOAST NATIONAL BANK, a national banking association. He/She is
personally known to me or has produced _____ as identification.

My commission expires: Aug 1, 2025
My commission number is: HH 114585

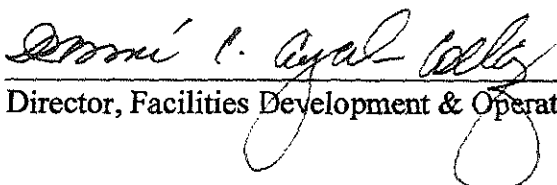
Notary Public Marie E. Graham
Name of Notary Printed: Marie E. Graham
(NOTARY SEAL)



SIGNATURE/ NOTARY PAGE FOR TENANT

TENANT

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

By: 
Director, Facilities Development & Operations

APPROVED AS TO
LEGAL SUFFICIENCY

By: **Howard J. Falcon III**

Assistant County Attorney

Digitally signed by Howard J. Falcon III
DN: cn=Howard J. Falcon III, o=Palm Beach County, ou=Enterprise
IT, email=HJFalcon@pbc.gov, c=US
I am approving this document
2025.04.11 10:28:07-0400
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APPROVED AS TO TERMS
AND CONDITIONS

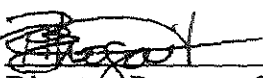
By: 
Director, Property & Real Estate Management

EXHIBIT "A"

