



AGENDA REPORT
April 10, 2018

SUBJECT:

Agreement to Amend and Extend Lease Agreement with Titusville-Cocoa Airport Authority
RE: North Area Parks Operations Office Space – District 1

FISCAL IMPACT:

Approval of this action will result in a fiscal impact to North Area Parks Operation's budget; Fund 1010, Account 250020 in the amount of \$8,342.64 for 12 months from April 1, 2018 through March 31, 2019. This is a budgeted expense. The balance of Fund 1010 is \$1,482,775.

DEPT/OFFICE:

Parks and Recreation

REQUESTED ACTION:

It is requested the Board of County Commissioners approve the Agreement to Amend and Extend the Lease Agreement with Titusville-Cocoa Airport Authority for North Area Parks Operation's usage of buildings and space at 475 N Williams Avenue, Titusville. It is further requested the Chairman be authorized to execute said Agreement.

SUMMARY EXPLANATION and BACKGROUND:

In May of 1983, Brevard County entered into a lease agreement with the Titusville-Cocoa Airport Authority (TICO) for the lease of 1.3 acres of land with buildings that serve as the location for the offices and maintenance compound for North Area Parks Operations.

Building C, 984 square feet, accommodates five (5) recreation staff responsible for athletics, aquatics and special programming. Building D, 2,064 square feet, accommodates five (5) administrative staff members. The maintenance compound is the office for three (3) staff members and includes two (2) 288 square foot sheds used to store janitorial supplies, chemicals, herbicides and pesticides used in routine maintenance; one (1) 437 square foot shed used to store equipment (bike racks, toilets, light bulbs, trash cans, etc.) used for routine maintenance needs; one (1) 529 square foot metal canopy shed used to store building supplies used in routine maintenance. In addition this location is where fifty (50) maintenance staff members reports daily and County vehicles are kept.

Historically, the lease is effective for a five (5) year term with an option of an annual adjustment in rent not to exceed the CPI for the local area. The previous agreement was effective from February 5, 2013 to March 31, 2018 with an ending monthly rental rate of \$648.67. On March 15, 2018 the TICO Board met and approved the new agreement to amend and extend the lease for a five (5) year term with the new monthly rental rate being

\$695.22 per month. Subsequent years, 2019 – 2022 will be subject to an annual adjustment, not to exceed the annual variation in the CPI for local area. The executed document was received by Parks and Recreation on March 22, 2018.

CLERK TO THE BOARD INSTRUCTIONS:

Two original documents sent to Parks and Recreation.

ATTACHMENTS:

Description

- ▢ **Agreement to Amend and Extend**
- ▢ **Drawing of Area to be Leased**



Tammy Rowe, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001
Fax: (321) 264-6972
Tammy.Rowe@brevardclerk.us

April 11, 2018

MEMORANDUM

TO: Mary Ellen Donner, Parks and Recreation Director

RE: Item II.B.1., Agreement to Amend and Extend Lease Agreement with Titusville-Cocoa Airport Authority

The Board of County Commissioners, in regular session on April 10, 2018, executed and approved the Agreement to Amend and Extend the Lease Agreement with Titusville-Cocoa Airport Authority for North Area Parks Operations usage of building and space at 475 N. Williams Avenue, Titusville. Enclosed are two fully-executed Agreement to Amend and Extend Lease Agreements for your action.

Your continued cooperation is greatly appreciated.

Sincerely yours,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Rowe, Deputy Clerk

/ds

Encls. (2)

cc: Contracts Administration
Finance
Budget

AGREEMENT TO AMEND AND EXTEND LEASE AGREEMENT

The TITUSVILLE-COCOA AIRPORT AUTHORITY, (the "Lessor"), and the Board of County Commissioners of Brevard County, Florida, a political subdivision of the State of Florida, (the "Lessee") have entered into this agreement (the "Agreement to Extend") on this _____day of March, 2018. Lessor and Lessee are collectively referred to as the "Parties," and the Parties do hereby agree as follows:

WITNESSETH:

WHEREAS, the Parties previously entered into a lease agreement on May 5, 1983, under Brevard County Contract No. 6102-2 83001, renumbered as 1342, Classification P-L/R, renamed P-ZSER, and amended by Addendum "A" on August 3, 1993; and further amended and extended by written agreements on August 14, 1998, March 18, 2003, March 18, 2008, and March 1, 2013, (collectively, the "Lease Agreement").

WHEREAS, the Parties desire to extend the term of the Lease Agreement for an additional five-year period of time as provided in the Lease Agreement; and

WHEREAS, the Parties desire to amend the Lease Agreement to adjust the monthly rental rate both for this five-year term and in the future.

NOW, THEREFORE, in consideration of the premises and the Parties' mutual covenants, the Parties agree as follows:

1. Lessee has requested, and Lessor has agreed to grant to Lessee, a fourth five (5) year extension of the Lease Agreement until March 31, 2023, under the same terms and conditions as provided in the Lease Agreement. As a result and by execution hereof, the Lease Agreement is extended until March 31, 2023 under the terms and conditions of this Agreement to Extend and the Lease Agreement.
2. The Parties agree that the rental rate for this five-year period will be adjusted to Six Hundred Ninety-Five and 22/100 Dollars (\$695.22) per month, effective April 1, 2018. In addition, the Parties agree that the Lessor will adjust the rental rate each subsequent year on April 1, and such adjustment shall establish a new rental rate, which rate shall not be increased by more than the annual variation in the CPI for the local area.
3. The Parties further agree that rent for the demised premises under the Lease Agreement shall be re-adjusted before the commencement of any additional extensions of the Lease Agreement should the Parties agree to any such additional extensions in the future. If the Parties should agree to an additional extension of the Lease Agreement so that it will continue beyond March 31, 2023, the Parties agree the following procedure will be followed to establish the base monthly rental amount to be paid under the Lease Agreement beginning April 1, 2023:

- (a) Pursuant to the Lease Agreement, Lessee must notify Lessor in writing of its request to extend the Lease Agreement for an additional term at least 60 days before the expiration of the current term.
- (b) Upon receiving the notice identified in subparagraph (a), above, Lessor shall obtain, at its sole cost and expense, two (2) appraisals of the demised premises to determine the fair market rental value ("FMV") thereof based upon Lessee's use of the demised premises at that time. Lessor shall then average the two appraisals to arrive at an FMV for the demised premises, calculate the base monthly rent ("BMR") and provide that figure, together with the two appraisals, to the Lessee for review.
- (c) Lessee shall have ten (10) business days (or any other period of time as agreed to by the Parties in writing) to review the calculation of BMR and appraisals from Lessor and shall notify Lessor in writing if Lessee accepts or rejects the BMR calculation provided by Lessor. If Lessee accepts Lessor's BMR calculation, then the same shall be established as the base monthly rent under the Lease Agreement beginning April 1, 2023, and that BMR shall be subject to additional increases annually, which rate shall not be increased by more than the annual variation in the CPI for the local area and which shall be formalized in a future written agreement to extend.
- (d) If Lessee rejects Lessor's BMR calculation, Lessee shall notify Lessor in writing before the expiration of the 10-business-day period identified in subparagraph (c), above, of such rejection. Lessee shall then have thirty (30) days (or any other period of time as agreed to by the Parties in writing) to obtain its own appraisal at its sole cost and expense to determine the FMV of the demised premises, use that appraisal to calculate the BMR and provide Lessee's BMR calculation, together with a copy of its appraisal, to Lessor. Upon receipt of the same, Lessor shall have ten (10) business days to review and notify Lessee if Lessor accepts or rejects Lessee's BMR calculation. If Lessor accepts Lessee's BMR calculation, then the same shall be established as the base monthly rent under the Lease Agreement beginning April 1, 2023, and that BMR shall be subject to additional increases annually, which rate shall not be increased by more than the annual variation in the CPI for the local area and which shall be formalized in a future written agreement to extend.
- (e) If Lessor rejects Lessee's BMR calculation, then Lessor shall so notify Lessee in writing before the expiration of the 10-business-day period identified in subparagraph (c), above, of such rejection and, at the same time, shall select one of its two appraisers and notify Lessee of such selection. The appraiser selected by Lessor and Lessee's appraiser (as identified in subparagraph (d), above) shall then together agree upon and select a third appraiser (the "Neutral Appraiser"). The Neutral Appraiser shall then prepare and provide to the Parties his/her own appraisal

identifying demised premises' FMV and calculating the demised premises' BMR. The BMR calculated by the Neutral Appraiser shall be binding on the Parties, shall be established as the base monthly rent under the Lease Agreement beginning April 1, 2023 and shall be subject to additional increases annually, which rate shall not be increased by more than the annual variation in the CPI for the local area and which shall be formalized in a future written agreement to extend.

- (f) The Neutral Appraiser cannot have provided services of any kind to either of the Parties in the twelve (12) months immediately preceding Lessee's request for an extension of the Lease Agreement, nor can the Neutral Appraiser be employed by or have a substantial relationship with the appraisers (or their corporations/companies) selected under subparagraphs (b) or (d), above. The cost of the Neutral Appraiser shall be borne equally by the Parties.
 - (g) Any appraiser selected by the Parties or by their appraisers under this paragraph must be an MAI (Member – Appraisal Institute).
4. The Parties agree that all the terms and conditions of the Lease Agreement, inclusive of all amendments, which is incorporated herein by this reference, to the extent they are not inconsistent with the provisions of this Agreement, are hereby reaffirmed and shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have hereunto set their hands and seals on the date first above written.

(Signature Page Follows)

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Alexandria Campbell

Witness

Kimberly J. Parke
Witness

**TITUSVILLE-COCOA AIRPORT
AUTHORITY**

By: Michael D. Powell
Michael D. Powell, C.M., ACE
Chief Executive Officer

Approved as to Form and Legality this _____
Day of _____, 2018

GrayRobinson, P.A.

By: _____
Adam M. Bird, Esq., Counsel/Titusville-Cocoa
Airport Authority

**BOARD OF COUNTY
COMMISSIONERS OF BREVARD
COUNTY, FLORIDA**

By: Rita Pritchett
Rita Pritchett, Chair

ATTEST:

Scott Ellis
Scott Ellis, Clerk

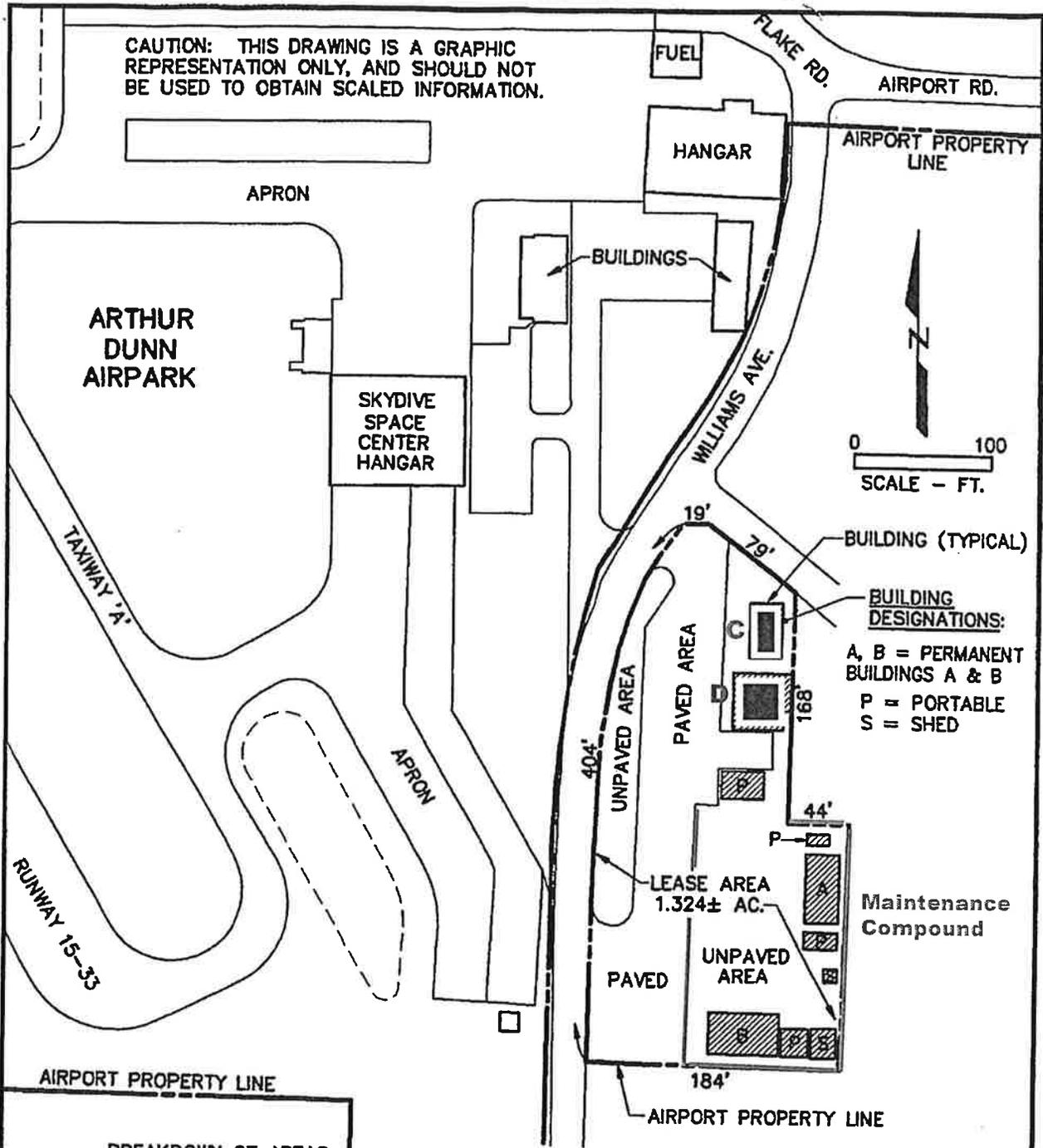
AS APPROVED BY THE BOARD ON
April 10, _____, 2018

Reviewed for legal form and content:

Matthew Long
Assistant County Attorney

Print Name: _____

CAUTION: THIS DRAWING IS A GRAPHIC REPRESENTATION ONLY, AND SHOULD NOT BE USED TO OBTAIN SCALED INFORMATION.



BREAKDOWN OF AREAS

BUILDINGS (A & B)	2,840 SF	0.061 AC
BUILDINGS (P & S)	4,530 SF	0.104 AC
PAVED AREA	22,580 SF	0.518 AC
UNPAVED AREA	27,910 SF	0.641 AC
TOTAL	57,660 SF	1.324 AC

**BREVARD COUNTY
PARKS AND RECREATION
LEASE AREA**

**AT ARTHUR DUNN AIRPARK
TITUSVILLE, FLORIDA**