

City of Riviera Beach, Florida

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CITY OF RIVIERA BEACH - MEMORANDUM

TO: MAYOR AND CITY COUNCIL

FROM: DAWN WYNN, CITY ATTORNEY

SUBJECT: RESOLUTION AUTHORIZING AN AMENDMENT TO LEASE

TERMS WITH GSH HOLLY LLC. FOR APPROXIMATELY

SEVENTEEN THOUSAND THREE HUNDRED AND EIGHT (17,308) RENTABLE SQUARE FEET (RSF) OF OFFICE SPACE AT THE PORT CENTER FOR A ONE YEAR TERM, WITH TWO ONE-YEAR

OPTIONS TO RENEW THE LEASE

DATE: DECEMBER 2, 2020

Background

On May 1, 2005, the City entered into a lease agreement for the lease of office space located at the Port Center, 2051 Martin Luther King Drive, Riviera Beach, Florida, for a term of three years. Since that time, the City has entered into six prior amendments extending the term of the lease.

At such time, the City of Riviera Beach still requires office space to accommodate Police and Civil Drug Court in the amount of <u>15,367</u> rentable square feet.

Additionally, the City of Riviera Beach also requires office space to accommodate the Riviera Beach Re-entry Program in an amount of <u>1,941</u> rentable square feet.

The City is currently leasing Suite 100 for Police and Civil Drug Court; Suite 302 for the Human Resources Department; Suite 307 for the Riviera Beach Re-entry Program; and Suite 310/312 for the Procurement Department and the Human Resource Testing Center/Conference Room.

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However, the Seventh Amendment will only serve to extend the lease for Suites 100 and 307, Police, Civil Drug Court, and the Riviera Beach Re-entry Program.

Negotiations have been made with the landlord for best value based on current market conditions and consideration to the total square footage for the desired space leased.

The City and the landlord have finalized a Seventh Amendment to the Lease Terms to reflect the reduced amount of office space and extend the lease for an additional year at the terms agreed upon, with two one-year options to renew the lease, as attached hereto.

City staff finds that it is in the City's best interest to enter into this Seventh Amendment to the Lease, extending the Lease for the limited space referenced. This Resolution seeks authorization from the City Council to enter into this Seventh Amendment.

Citywide Goal:

The Citywide goal is to promote the health, safety, and general welfare of its residents and visitors.

Budget/Fiscal Impact:

The fiscal impact to the City for the first year extension will amount to Nineteen Dollars and Twenty Five Cents (\$19.25) per rentable square foot (RSF). There is a total of Seventeen Thousand Three Hundred and Eight (17,308) RSF. The total cost of this lease extension for the first year amounts to Three Hundred Thirty Three Thousand, One Hundred Seventy Nine Dollars (\$333,179.00.)

Thereafter, said rent shall escalate annually at the rate of Seventy-Five Cents (0.75) per RSF.

The Office of the City Attorney has abided by all procurement and fiscal policies that would apply to this matter.

Recommendation(s):

The Office of the City Attorney recommends the approval of the Seventh Amendment to the Port Center Lease as it has been negotiated in the best interests of the City.

DSW/lb



