



Interoffice Memorandum

REAL ESTATE MANAGEMENT ITEM 1

DATE: April 4, 2019

TO: Mayor Jerry L. Demings
and the
Board of County Commissioners

THROUGH: Paul Sladek, Manager *PS*
Real Estate Management Division

FROM: Alex Feinman, Leasing Program Manager *AF*
Real Estate Management Division

CONTACT PERSON: Paul Sladek, Manager

DIVISION: Real Estate Management
Phone: (407) 836-7090

ACTION REQUESTED: Approval and execution of Seventh Amendment to Lease Agreement by and between William D. Bishop Sr., as Trustee of the William D Bishop Trust dated December 11, 1963, and Orange County, Florida and delegation of authority to the Real Estate Management Division to exercise renewal options and furnish notices, required or allowed by the lease, as needed

PROJECT: Kaley Street – SOE Headquarters
119 West Kaley Street, Orlando, Florida 32806
Lease File #2018

District 6

PURPOSE: To continue to provide office and warehouse space for the Supervisor of Elections.

ITEM: Seventh Amendment to Lease Agreement
Cost: Year 1 - \$62,883.02 base rent per month
Year 2 - \$64,454.84 base rent per month
Year 3 - \$66,066.21 base rent per month
Year 4 - \$67,717.87 base rent per month
Year 5 - \$69,410.81 base rent per month
Size: 91,400 square feet
Term: 5 years
Options: Two, 5-year renewals

BUDGET: Account No.: 0001-043-0201-3620

APPROVALS: Real Estate Management Division
Orange County Supervisor of Elections
County Attorney's Office
Risk Management Division

REMARKS: The County currently leases 91,400 square feet at 119 West Kaley Street for the Supervisor of Elections (SOE) under leases approved by the Board on May 7, 1991 and March 11, 1993, as amended and extended. The SOE occupies 27,875 square feet of office space and 63,525 square feet of warehouse space.

This action renews the lease for an additional five (5) years and provides for two (2) additional 5-year renewals. This action also provides for a more transparent maintenance and responsibility list and outlines construction work that was completed using monies requested by SOE on November 17, 2017 and approved by the Board on January 23, 2018.

All other terms and conditions of the Lease shall remain in effect.

WILLIAM D. BISHOP TRUST
and
ORANGE COUNTY, FLORIDA

SEVENTH AMENDMENT TO LEASE AGREEMENT

THIS SEVENTH AMENDMENT TO LEASE AGREEMENT (the “**Seventh Amendment**”) is made as of the date last executed below (the “**Seventh Amendment Effective Date**”) and entered into by and between William D. Bishop Sr., as Trustee of the William D. Bishop Trust dated December 11, 1963 (**Lessor**) and Orange County, Florida, a charter county and political subdivision of the State of Florida (“**Lessee**”).

RECITALS:

- A. William D. Bishop and Lessee entered into that certain Lease Agreement dated May 7, 1991 and that certain Lease Agreement approved by the Orange County Board of County Commissioners (“**BCC**”) on March 11, 1993, as amended by that certain Amendment to Lease approved by BCC on April 15, 1997, and by that certain Extension, Modification and Amendment to Lease approved by the BCC on March 13, 2001, and by that certain Third Amendment to Lease approved by the BCC on June 24, 2003, and by that certain Fourth Amendment to Lease approved by the BCC on October 11, 2005, and by that certain Fifth Amendment to Lease approved by the BCC on May 19, 2009, and by that certain Sixth Amendment to Lease approved by the BCC on April 22, 2014 (collectively, the “**Lease**”).
- B. William D. Bishop conveyed ownership of the Leased Premises (hereinafter defined) to Lessor via a Warranty Deed recorded in the Orange County Public Records on May 24, 2017.
- C. Lessor and Lessee acknowledge that the Lease is set to expire on April 30, 2019.
- D. Lessor warrants that Lessee is now in possession of the property, described in Exhibit “A,” located at 119 West Kaley Street, Orlando, Florida (“**Leased Premises**”) and that the Lease is valid and presently in full force and effect.
- E. Lessee desires and Lessor agrees to allow Lessee to extend the term of the Lease.

F. Lessor and Lessee hereby confirm and ratify, except as modified below, all of the terms, conditions, and covenants in the Lease.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessor and Lessee agree as follows:

1. Recitals. The recitals set forth above are true and correct and are incorporated herein by this reference.

2. Definitions. Defined (capitalized) terms used herein, but not defined herein, shall have the meanings given to such terms by the Lease.

3. Extension of Term. The term of the Lease is hereby extended for one (1) additional term of five (5) years, commencing May 1, 2019, and terminating April 30, 2024 (“**Seventh Amendment Term**”).

4. Rent. Lessee shall continue to pay Rent and Additional Rent during the Seventh Amendment Term as outlined in Exhibit “B” attached hereto.

5. Taxes and Insurance. As outlined on Exhibit “B” below, during the Seventh Amendment Term, Lessee shall pay the taxes and insurance for the Leased Premises. No later than March 30 of each calendar year, Lessor shall provide Lessee with a statement of charges for taxes and insurance. In the event Lessor’s charge is greater than the charge as outlined in Exhibit “B,” Lessee shall pay Lessor the outstanding balance. In the event Lessor’s charge is less than the charge as outlined in Exhibit “B,” Lessee shall receive a rental credit in a subsequent month no later than three months following Lessee’s receipt of the statement of charges.

6. Renewal Option. Lessee may request renewal of the Lease for up to two (2) additional consecutive terms of five (5) years each, by providing written notice to Lessor at least ninety (90) days prior to the expiration of the applicable term. Lessee’s Manager of Real Estate Management Division is authorized to execute such renewal.

7. Maintenance and Repairs. Lessor and Lessee shall maintain the Leased Premises and shall be responsible for all costs and maintenance, operations, system repair, and janitorial services, etc., as outlined in Exhibit “C.”

8. Previous Construction. Lessee hereby acknowledges that Lessor has completed construction work on the Leased Premises, as outlined in Exhibit “D.”

9. Right of First Offer. Pursuant to Section 4 of the Fifth Amendment to Lease, Lessor hereby acknowledges Lessee’s Right of First Offer.

10. Effects; Conflicts. Except as set forth in this Seventh Amendment, all other terms

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and provisions of the Lease are hereby ratified and confirmed and shall remain in full force and effect. In the event of any conflict between the provisions of this Seventh Amendment and the provisions of the Lease, the provisions of this Seventh Amendment shall control.

11. Counterparts. This Seventh Amendment may be executed in two or more counterpart copies, each of which shall be fully effective as an original, and all of which together shall constitute one and the same instrument. Signature pages may be detached from the counterparts and attached to a single copy of this document to physically form one document.

(signature pages follow)

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IN WITNESS WHEREOF, Lessor and Lessee have caused this “Seventh Amendment to Lease” to be executed by their respective officers and parties thereunto duly authorized to be effective as of the Seventh Amendment Effective Date.

Signed, sealed and delivered
in the presence of:

LESSOR:

William D. Bishop Sr., as Trustee of the William D.
Bishop Trust dated December 11, 1963

Witness: Tina Arnold

Print Name: Tina Arnold

By: William D. Bishop
William D. Bishop

Witness: Summer Adams Title: Trustee

Print Name: Summer Adams Date: March 28, 2019

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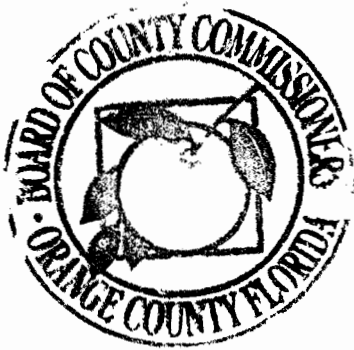
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IN WITNESS WHEREOF, Lessor and Lessee have caused this "Seventh Amendment to Lease" to be executed by their respective officers and parties thereunto duly authorized to be effective as of the Seventh Amendment Effective Date.

LESSEE:

ORANGE COUNTY, FLORIDA

By: Board of County Commissioners



By: *Bryan W. Brooks*
Jerry L. Demings
Orange County Mayor

Date: *23 April 2019*

ATTEST: Phil Diamond, CPA, County Comptroller
As Clerk to the Board of County Commissioners

By: *Katie Smith*
Deputy Clerk

Printed Name: **Katie Smith**

EXHIBIT "A"
LEASED PREMISES

OL 2464 R 946

The East 20 feet of Lots 16 and 17; all of Lots 7, 8, 9, 18, 19 and 20, Block "E", "LUCERNE HEIGHTS", as recorded in Plat Book "E", page 59, public records of Orange County, Florida.

ALSO: That part of Pennsylvania Avenue (now vacated) as shown on said plat of "LUCERNE HEIGHTS", lying East of the Northerly projection of the West boundary of said East 20 feet of Lot 10 and West of the Northerly projection of the East boundary of said Lot 7. (LESS: Begin at the Southeast corner of Lot 20, Block "E", "LUCERNE HEIGHTS SUBDIVISION", as recorded in Plat Book "E", page 59, public records of Orange County, Florida, run West along the South line of Lots 17-18-19 and 20 of said Block "E", to the Southwest corner of the East 20 feet of Lot 17, thence North along the West line of the East 20 feet of Lot 17, a distance of 2 feet, thence Easterly to a point on the East line of Lot 18, said point being 4 feet North of the South line of said lot, thence Easterly to a point on the East line of Lot 20, thence South 5 feet to the point of beginning.)

AND ALSO: Block "D", "LUCERNE HEIGHTS", as recorded in Plat Book "E", page 59, public records of Orange County, Florida. (LESS: The East 250 feet thereof. ALSO LESS: The South 24 feet thereof (LESS: The East 325 feet thereof). AND ALSO LESS: Beginning at a point on the North line of Pennsylvania Avenue (if produced), said point being 1605 feet, more or less, Westwardly, measured along said avenue line from the East line of Section 2, Township 23 South, Range 29 East, said point also being the point of intersection of said avenue line (if produced) with the Easterly boundary line of the Atlantic Coast Line Railroad Company's right-of-way; thence Northwardly along said right-of-way line, that is parallel with and 20 feet Eastwardly, measured at right angles, from the center line of said Railroad Company's Southbound main track, 56.2 feet; thence Eastwardly, parallel with said avenue line produced, 9.3 feet; thence Southwardly, parallel with said center line 56.2 feet; thence Westwardly, along said avenue line (produced) 9.3 feet to the point of beginning).

Subject to any right, title or interest the Atlantic Coast Line Railroad may have over that part of the Westerly nine feet of said Block "D" as evidenced by deed recorded in Deed Book 811, page 684, recorded September 7, 1949, Public Records of Orange County, Florida.

SCHEDULE "A"

RECORDED & RECORD VERIFIED

Thomas H. Smith
County Commissioner, Orange Co., Fla.

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EXHIBIT “B”
RENT SCHEDULE

Total Square Footage	Office	Warehouse	Escalator
	27,875	63,525	2.5%

YEAR	Office PSF	Wrhse PSF	Base Rent (Annual)	Annual Taxes*	Annual Insurance*	Annual Gross Rent	Monthly Rent
1	\$14.81	\$5.38	\$754,596.25	\$73,797.90	\$26,067.75	\$845,458.90	\$71,204.91
2	\$15.18	\$5.51	\$773,458.08	\$73,797.90	\$26,067.75	\$873,323.73	\$72,776.98
3	\$15.56	\$5.65	\$792,794.53	\$73,797.90	\$26,067.75	\$892,660.18	\$74,388.35
4	\$15.95	\$5.79	\$812,614.40	\$73,797.90	\$26,067.75	\$912,480.05	\$76,040.00
5	\$16.35	\$5.94	\$832,929.76	\$73,797.90	\$26,067.75	\$932,795.41	\$77,732.95

*Note: Lessor and Lessee hereby agree that the Annual Taxes and Annual Insurance as outlined above are based on actual costs incurred by Lessor during calendar year 2018 and are subject to annual adjustments as necessary.

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EXHIBIT “C” MAINTENANCE AND REPAIRS

Lessor and Lessee acknowledge and agree the following will constitute Maintenance and Repair responsibilities regarding the Leased Premises:

	Lessor (“Bishop”) or Lessee (“County”)	Comments
Cabinets, Vanities, and Countertops	County	
Carpet and/or Tile (incl. Deep Cleaning, Repair, and Replacement)	County	
Changes / Additions to Building	N/A	
Common Area Maintenance	Bishop	
Dumpsters / Trash	County	
Elevators	N/A	
Exterior Cleaning	Bishop	
Exterior Doors (incl. Closure Devices, Frames, Molding, etc.)	County	
Exterior Electrical: Meter Base, Outlets, Switches, etc.	Bishop	
Exterior Lighting (Pole and Building Fixtures)	Bishop	
Exterior Painting	Bishop	
Exterior Plumbing (incl. Septic Tanks, Lift Stations, Pumps, etc.)	Bishop	
Exterior Walls, Building Envelope, and other Structural Components	Bishop	
Exterior Windows	County	
Fire Alarm Systems (incl. False Alarms)	County	
Fire Extinguishers	County	
Generators	N/A	
HVAC (incl. Filters, Repairs, and Replacement)	County	
Interior Doors (incl. Closure Devices, Frames, Molding, etc.)	County	
Interior Electrical: Main Switchgear & Breakers	County	
Interior Electrical: Outlets, Switches, Light Fixtures, Distribution Panels, etc.	County	
Interior Decoration (incl. Paint, Hanging Pictures, Shelves, TV’s, Dispensers, etc.)	County	
Interior Plumbing: Faucets, Toilets, Sinks, Water Heaters, Appliances etc. (incl. Leaks under Slab or Inside Walls)	County	
Interior Windows, Glass Partitions, Window Treatments, Ceiling Tiles	County	
Irrigation Systems (incl. Controllers, Pumps)	Bishop	
Janitorial	County	
Landscaping (incl. Debris Clean-up & Storm Drainage)	Bishop	
Life Safety / Fire Sprinklers / Fire Hood Suppression	Bishop	
Locks / Key Management	County	

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Overhead Doors / Automatic Gates (incl. Closure Devices, etc.)	Both	County Repair Bishop Replace
Parking Lot and Driveway (incl. Hardscapes)	Bishop	
Pest Control (incl. removal/disposal of dead animals)	County	
Roof	Bishop	
Security Systems / Cameras	County	
Signage	County	
Utilities – Electrical	County	
Utilities – Internet Access, Phones, IT equipment	County	
Utilities – Water / Sewer	County	
Other:		
Other:		
Other:		
Other:		

EXHIBIT “D”
PREVIOUS CONSTRUCTION

Lessor and Lessee acknowledge and agree the following was work previously completed to the Leased Premises between the Sixth Amendment to Lease approved by the BCC on April 22, 2014 and the Seventh Amendment Effective Date:

Work completed by Lessor at Lessor’s sole expense, pursuant to Landlord’s Responsibilities as outlined in Section 7 of the Lease Agreement dated May 7, 1991:

- Cut trees along the north side of the Leased Premises.
- Patched potholes in parking area along the side of the Leased Premises.

Work completed by Lessor at Lessee’s sole expense, with authorization by Lessor, as part of Lessee’s upgrades in 2018 for the Vote by Mail sorter. Lessor hereby acknowledges that no further action or monies are owed by Lessee in connection with this work:

- Installed breakroom in the 3rd bay including addition of air conditioning.
- Redemised supply room to make two (2) rooms.
- Created and installed supply room in the 2nd bay.

Notwithstanding the foregoing or anything to the contrary, Lessor and Lessee acknowledge that there is an ongoing plumbing issue with the main drain line. Lessor and Lessee are diligently pursuing resolution.