

**Lee County Board of County Commissioners
Agenda Item Summary**

Blue Sheet No. 20040692

1. REQUESTED MOTION:

ACTION REQUESTED: Consider, approve and authorize the Chairman on behalf of the Board, to execute the First Amendment to Lease Agreement with the City of Fort Myers for the rental and occupancy of the County's new "Building Inspectors and Code Enforcement Building" ("Building") at 1735 Hendry Street, Fort Myers, adding a new Exhibit C. (Payment Schedule).

WHY ACTION IS NECESSARY: Provides a First Amendment to the Lease Agreement for the payment for the long-term use of the first floor of the new Building by the City of Fort Myers, incorporating final cost numbers for the project and a new Exhibit C. (Payment Schedule).

WHAT ACTION ACCOMPLISHES: Provides for a revised Payment Schedule (Exhibit C.) for occupancy in the Building by the City of Fort Myers Building Department and Code Enforcement staff.

2. DEPARTMENTAL CATEGORY:

COMMISSION DISTRICT #

A12C

3. MEETING DATE:

06-08-2004

4. AGENDA:

- CONSENT
- ADMINISTRATIVE
- APPEALS
- PUBLIC
- WALK ON
- TIME REQUIRED:

5. REQUIREMENT/PURPOSE:

(Specify)

- STATUTE CH.163, F.S.
- ORDINANCE
- ADMIN. CODE
- OTHER

6. REQUESTOR OF INFORMATION:

- A. COMMISSIONER
- B. DEPARTMENT County Attorney
- C. DIVISION General Services
- BY: David M. Owen
Chief Assistant County Attorney

[Signature]
5/26/04

7. BACKGROUND:

The City of Fort Myers has relocated its Building Department into the new County Code Enforcement / Building Inspectors Building. The City of Fort Myers is occupying the first floor of the new building, and in return, is making lease payments to Lee County for a period of thirty (30) years, which when paid, will equal the cost of the first floor and "working space".

(BACKGROUND CONTINUED - NEXT PAGE)

8. MANAGEMENT RECOMMENDATIONS:

9. RECOMMENDED APPROVAL:

| A Department Director | B Purchasing or Contracts | C Human Resources | D Other | E County Attorney | F Budget Services | | | | G County Manager |
|-----------------------------|------------------------------------|-------------------------|------------|--------------------------------------|----------------------|----------------|----------------|----------------|---------------------|
| N/A | N/A | N/A | N/A | <i>[Signature]</i> <i>5/26/04</i> | OA | OM | RISK | GC | <i>[Signature]</i> |
| | | | | | <i>5/26/04</i> | <i>5/26/04</i> | <i>5/26/04</i> | <i>5/26/04</i> | |

10. COMMISSION ACTION:

- APPROVED
- DENIED
- DEFERRED
- OTHER

CO. ATT. FORWARDED TO CO. ADMIN.
[Signature]

RECEIVED BY COUNTY ADMIN: *[Signature]*

COUNTY ADMIN FORWARDED TO: *[Signature]*
5-26-04
4:45pm

BACKGROUND: (Continued)

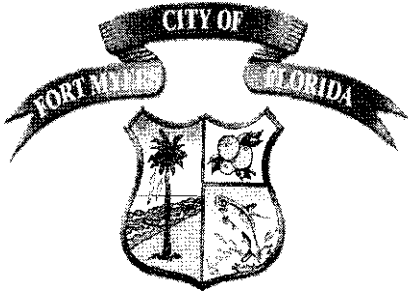
On August 19, 2003, the Board and the City entered into a Lease Agreement for the occupancy of and the payment for, the first floor of the new Building Inspectors and Code Enforcement Officials Building on Hendry Street.

The Lease in its Exhibit C. provided tentative figures for the lease payments based upon construction estimates.

In April, 2004, the final costs were established for the Building, to include the first floor costs which form the basis for the lease payments by the City.

This First Amendment to the Lease incorporates a new Exhibit C. which sets out the final payment numbers for the City's lease payments.

The Amendment was adopted by the City at its regular City Council meeting of Monday, May 18, 2004, and is now presented for Board of County Commissioners' approval and execution by the Chairman.



CITY OF FORT MYERS, FLORIDA

CITY CLERK'S OFFICE
PO DRAWER 2217
FORT MYERS, FL 33902
239-332-6740 TEL
239-461-2650 FAX
WWW.CITYFTMYERS.COM

May 20, 2004

David M. Owen, Esq.
Lee County Attorney Office
Post Office Box 398
Fort Myers FL 33902-0398

Dear Mr. Owen:

Enclosed are four (4) originals of the First Amendment to the Lease Agreement dated August 19, 2003 between Lee County and the City of Fort Myers for the first floor of the County owned building located at 1820 Hendry Street. The First Amendment corrects the lease payments due to the County from the City.

City Council, at its regular meeting held on May 17, 2004, approved the First Amendment to the Lease.

Please obtain the signature of the Chairman of the Board of Lee County Commissioners on all originals, retain three for your file and return one original to my attention.

Yours truly,

CITY OF FORT MYERS

Marie Adams

Marie Adams, CMC
City Clerk

MA:mf

Enclosures

FIRST AMENDMENT
TO
LEASE

LEE COUNTY BOARD OF COUNTY COMMISSIONERS
POST OFFICE BOX 398
FORT MYERS, FLORIDA 33902-0398

THIS FIRST AMENDMENT TO LEASE AGREEMENT, is entered into on this ____ day of _____, 2004, by and between **LEE COUNTY** ("County"), a political subdivision of the State of Florida, party of the first part, hereinafter called the Lessor, and the **CITY OF FORT MYERS** ("City"), acting by and through its Mayor and City Council, a municipal corporation of the State of Florida, party of the second part, hereinafter called the Lessee, collectively, the "Parties", hereto.

WITNESSETH:

THAT on August 19, 2003, the Parties entered into that certain Lease Agreement for the City's lease of the first floor of the County's new Building Inspectors and Code Enforcement Officials Building; and,

THAT the Parties now desire to amend that certain Lease Agreement to reflect the correct dollar amounts for the City's lease payments based upon final figures for the cost of the construction of the first floor of the Building occupied by the City; and,

THAT the Parties now enter into this First Amendment To Lease for the purpose of establishing the correct lease payments due to the County from the City for its occupation of the first floor of the Building (principal and interest), by adopting a new Exhibit C. to the Lease Agreement.

The following amendments to the August 13, 2003 Lease Agreement are hereby made:

1. Paragraph II., "RENT", is hereby amended to read as follows:

II. RENT

The Lessor hereby leases to the Lessee and the Lessee hereby leases from the Lessor the above described premises for the term set out in this Lease. The Lessee agrees to pay the Lessor the total sum, not to exceed Four Million, Seven Hundred Ninety-Three Thousand, Four Hundred Ninety Dollars and 38/100 (\$4,793,490.38) for the use of the premises for the term of this Lease. Payments shall be made in March and September of each year pursuant to the payment schedule attached as Exhibit C., hereto, which is drafted for a total project cost of \$2,338,937.00. In no event, will the Lessee be responsible for more than \$4,793,490.38, total rent. The rent shall be paid to the Lessor at: Lee County Finance, 2115 Second Street, P.O. Box 398, Fort Myers, Florida 33902-0398. Payments not made within forty-five (45) days of the due dates in March and September of each year pursuant to the revised Exhibit C., will be charged a penalty of one percent (1%) per month on the amount due until paid.

2. A revised Exhibit C., dated April 9, 2004, is attached hereto and hereby replaces Exhibit C. to the August 19, 2003 Lease, in its entirety.
3. All other terms, conditions, obligations and requirements of the August 19, 2003 Lease will remain in full force and effect for the term of Lease unless otherwise amended by the Parties pursuant to Section XXVI of the Lease.

IN WITNESS WHEREOF, the Lessor and Lessee have caused this Lease Agreement to be executed by their respective and duly authorized officers the day and year first written above.

ATTEST: CHARLIE GREEN
CLERK OF COURTS

LESSOR,
BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA

By: _____
Deputy Clerk

By: _____
Chairman

APPROVED AS TO FORM:

By: _____
Office of the County Attorney

ATTEST:

LESSEE,
CITY OF FORT MYERS

By: Marie Adams
City Clerk Marie Adams

By: Jim Humphrey
Mayor Jim Humphrey
5/18/2004

APPROVED AS TO FORM:

By: Grant W. Alley
City Attorney Grant W. Alley

PAYMENT SCHEDULE

Loan Amortization Schedule - City of Fort Myers 30 Years

Background:

The new building cost \$6.94 million and contains 45,000 square feet on three floors (15,000 square feet per floor). A project detail spreadsheet has been developed that provides the costs for each floor of the building. The City of Fort Myers occupies the first floor. Final costs for the first floor are \$2,391,692. Road Impact Fee Credits in the amount of \$52,755 are deducted from that amount leaving a balance of \$2,338,937 that will be financed. It is assumed that payments will extend for 30 years with level debt service.

Schedule:

| | 2,338,937.00 | | | | 5.34% | |
|------|-----------------|--------------|----------------|---------------------|-----------------------|--|
| Year | Principal 3/1 | Interest 3/1 | Interest 9/1 | Annual Debt Service | Principal Outstanding | |
| | | | | | 2,338,937.00 | |
| 2004 | 97,333.39 | - | 62,449.62 | 159,783.01 | 2,241,603.61 | |
| 2005 | 40,081.38 | 59,850.82 | 59,850.82 | 159,783.01 | 2,201,522.22 | |
| 2006 | 42,221.73 | 58,780.64 | 58,780.64 | 159,783.01 | 2,159,300.50 | |
| 2007 | 44,476.37 | 57,653.32 | 57,653.32 | 159,783.01 | 2,114,824.13 | |
| 2008 | 46,851.40 | 56,465.80 | 56,465.80 | 159,783.01 | 2,067,972.73 | |
| 2009 | 49,353.27 | 55,214.87 | 55,214.87 | 159,783.01 | 2,018,619.46 | |
| 2010 | 51,988.73 | 53,897.14 | 53,897.14 | 159,783.01 | 1,966,630.73 | |
| 2011 | 54,764.93 | 52,509.04 | 52,509.04 | 159,783.01 | 1,911,865.79 | |
| 2012 | 57,689.38 | 51,046.82 | 51,046.82 | 159,783.01 | 1,854,176.42 | |
| 2013 | 60,769.99 | 49,506.51 | 49,506.51 | 159,783.01 | 1,793,406.42 | |
| 2014 | 64,015.11 | 47,883.95 | 47,883.95 | 159,783.01 | 1,729,391.31 | |
| 2015 | 67,433.52 | 46,174.75 | 46,174.75 | 159,783.01 | 1,661,957.80 | |
| 2016 | 71,034.47 | 44,374.27 | 44,374.27 | 159,783.01 | 1,590,923.33 | |
| 2017 | 74,827.71 | 42,477.65 | 42,477.65 | 159,783.01 | 1,516,095.62 | |
| 2018 | 78,823.51 | 40,479.75 | 40,479.75 | 159,783.01 | 1,437,272.12 | |
| 2019 | 67,433.52 | 46,174.75 | 46,174.75 | 159,783.01 | 1,369,838.60 | |
| 2020 | 71,034.47 | 44,374.27 | 44,374.27 | 159,783.01 | 1,298,804.13 | |
| 2021 | 74,827.71 | 42,477.65 | 42,477.65 | 159,783.01 | 1,223,976.43 | |
| 2022 | 78,823.51 | 40,479.75 | 40,479.75 | 159,783.01 | 1,145,152.92 | |
| 2023 | 83,032.68 | 38,375.17 | 38,375.17 | 159,783.01 | 1,062,120.24 | |
| 2024 | 86,633.63 | 36,574.69 | 36,574.69 | 159,783.01 | 975,486.61 | |
| 2025 | 90,426.87 | 34,678.07 | 34,678.07 | 159,783.01 | 885,059.74 | |
| 2026 | 94,422.67 | 32,680.17 | 32,680.17 | 159,783.01 | 790,637.06 | |
| 2027 | 98,631.85 | 30,575.58 | 30,575.58 | 159,783.01 | 692,005.22 | |
| 2028 | 103,065.79 | 28,358.61 | 28,358.61 | 159,783.01 | 588,939.43 | |
| 2029 | 107,692.03 | 26,045.49 | 26,045.49 | 159,783.01 | 481,247.40 | |
| 2030 | 112,520.82 | 23,631.09 | 23,631.09 | 159,783.01 | 368,726.57 | |
| 2031 | 117,562.99 | 21,110.01 | 21,110.01 | 159,783.01 | 251,163.58 | |
| 2032 | 122,829.93 | 18,476.54 | 18,476.54 | 159,783.01 | 128,333.65 | |
| 2033 | 128,333.65 | 15,724.68 | 15,724.68 | 159,783.01 | (0.00) | |
| | 2,338,937.00 | 1,196,051.88 | 1,258,501.50 | 4,793,490.38 | | |
| | Total Interest: | | \$2,454,553.38 | | | |

9-Apr-04

Rate of 5.34% is based upon the average bond rate over a 30 year period using the Bond Buyer 25 Revenue Bond Index (A rated credit) on October 17, 2003 when the City of Fort Myers took occupancy of the first floor.