

SEMINOLE COUNTY GOVERNMENT AGENDA MEMORANDUM

SUBJECT: Renewal and Fifth Amendment to 25th Street (SR46A) MVI Station Lease (Ahoy Marine)

DEPARTMENT: Administrative Services **DIVISION:** Support Services

AUTHORIZED BY: Steve Howard, Director **CONTACT:** Meloney Lung, Manager **EXT.** 5256

Agenda Date <u>12/12/06</u> Regular <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Work Session <input type="checkbox"/> Briefing <input type="checkbox"/>
Public Hearing – 1:30 <input type="checkbox"/> Public Hearing – 7:00 <input type="checkbox"/>

MOTION/RECOMMENDATION: Approve and authorize Chairman to execute the renewal and fifth amendment to the lease for Ahoy Marine.

BACKGROUND:

In November 1985, The Board of County Commissioners (BCC) approved a five year lease of the 1.2 acre parcel number 06-20-31-502-0300-0010 (the 25th Street MVI Station in Sanford), to Ahoy Marine, Inc. The BCC renewed the lease for an additional five year term in 1990. In 1991, the BCC added a .5 acre parcel, parcel number 06-20-31-502-0100-0300, located across the street from the west side of the leased property. The BCC renewed the lease for an additional five year term in October 1995 and December 2000. In November 2005, the lease was renewed for one year and expires on December 31, 2006.

Staff requested an appraisal be conducted on the two parcels. Two factors were generated from this appraisal, the suggested market lease rate and the market value (Table A). In addition, staff requested the Seminole County Property Appraiser's Office give their assessment for both parcels. Table A illustrates the findings:

Table A

Parcel	Appraised Market Value	Market Lease Rate	Property Appraiser's Value
06-20-31-502-0300-0010	\$340,000	\$9.00 Sq. ft \$26,901 annually	\$336,649
06-20-31-502-0100-0300	\$150,000	\$15,000 annually	\$109,302

Reviewed by: <u>[Signature]</u> Co Atty: <u>[Signature]</u> DFS: _____ Other: _____ DCM: <u>[Signature]</u> CM: <u>[Signature]</u>
File No. <u>CASSS01</u>

District 5, Commissioner Carey

The current lease with Ahoy Marine (both parcels) calculates the lease rate by multiplying the 2,989 sq ft building by \$4.73 for an annual rate of \$14,147.53. Staff is recommending that the lease rate be calculated differently to allow for the rate to move closer to market value. The new rate would take into account both parcels separately and future renewals include a 3% increase for the parcel with structure and 10% for the vacant parcel. Table B illustrates the suggested rate for year one and any additional renewals in the future:

Table B

	06-20-31-502-0300-0010	06-20-31-502-0100-0300
Year One	\$7.00 Sq. Ft. \$20,923 annually	\$2,500 annually
Year Two	\$7.21 Sq. Ft. \$21,551 (3%) annually	\$2,750 (10%) annually
Year Three	\$7.43 Sq. Ft. \$22,208 (3%) annually	\$3,025 (10%) annually
Year Four	\$7.65 Sq. Ft. \$22,866 (3%) annually	\$3,327.50 (10%) annually
Year Five	\$7.88 Sq. Ft. \$23,553 (3%) annually	\$3,660 (10%) annually

With the changes indicated, Ahoy Marine, Inc. will have an increase of 66% this year. The County continues to have a termination clause that allows for a 30 day termination with a written notice delivered to the tenant.

**RENEWAL AND FIFTH AMENDMENT TO
25TH STREET (SR 46A) MVI STATION LEASE**

THIS RENEWAL AND FIFTH AMENDMENT is made and entered into this _____ day of _____, 20____ and is to that certain Lease made and entered into on the 26th day of November, 1985, between **AHOY MARINE, INC.**, whose address is 511 E. 25th Street, Sanford, Florida 32773, hereinafter referred to as "TENANT," and **SEMINOLE COUNTY**, a political subdivision of the State of Florida, whose address is Seminole County Services Building, 1101 East First Street, Sanford, Florida 32771, hereinafter referred to as "LANDLORD".

W I T N E S S E T H:

WHEREAS, the TENANT and LANDLORD entered into the above-referenced Lease on November 26, 1985, as amended on September 1, 1991, November 30, 1995, December 12, 2000, and November 17, 2005, for lease of certain property; and

WHEREAS, the parties desire to renew and amend the Lease so as to enable both parties to continue to enjoy the mutual benefits it provides,

NOW, THEREFORE, in consideration of the mutual understandings and agreements contained herein, the parties agree to amend the Lease as follows:

1. **RENEWAL.** The Lease is hereby renewed for the term of one (1) year from January 1, 2007 through December 31, 2007, unless terminated sooner as provided for therein and may, at the option of the parties be renewed for four (4) additional one-year terms.

2. **AMENDMENT.** The TENANT shall pay to the LANDLORD as rent for the renewal term beginning January 1, 2007 and ending December 31, 2007, and for any additional one-year terms, the following:

- (a) January 1, 2007 through December 31, 2007
 Lot 1, including building @ \$7.00/sq. ft. = \$20,923.00
 Lot 30: \$2,500.00
 Total: \$23,423.00
- (b) January 1, 2008 through December 31, 2008
 Lot 1, including building @ \$7.21/sq. ft. = \$21,551.00
 Lot 30: \$2,750.00
 TOTAL: \$24,301.00
- (c) January 1, 2009 through December 31, 2009
 Lot 1, including building @ \$7.43/sq. ft. = \$22,208.00
 Lot 30: \$3,025.00
 TOTAL: \$25,233.00
- (d) January 1, 2010 through December 31, 2010
 Lot 1, including building @ \$7.65/sq. ft. = \$22,866.00
 Lot 30: \$3,327.50
 TOTAL: \$26,193.50
- (e) January 1, 2011 through December 31, 2011
 Lot 1, including building @ \$7.88/sq. ft. = \$23,553.00
 Lot 30: \$3,660.00
 TOTAL: \$27,213.00

3. Except as herein modified, all terms and conditions of the Lease, as amended, shall remain in full force and effect for the term of this Renewal/Amendment, as originally set forth in said Lease.

IN WITNESS WHEREOF, the parties hereto have executed this instrument for the purpose herein expressed.

ATTEST:

AHOY MARINE, INC.


 STEVE E. MEADORS, Secretary

By: 
 STEVE E. MEADORS, President

(CORPORATE SEAL)

Date: 11/16/2006

ATTEST:

BOARD OF COUNTY COMMISSIONERS
SEMINOLE COUNTY, FLORIDA

MARYANNE MORSE
Clerk to the Board of
County Commissioners of
Seminole County, Florida.

By: _____
CARLTON HENLEY, Chairman

Date: _____

For the use and reliance
of Seminole County only.

As authorized for execution
by the Board of County Commissioners
at their _____, 20____
regular meeting.

Approved as to form and
legal sufficiency.



County Attorney

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AC/jjr
11/13/06