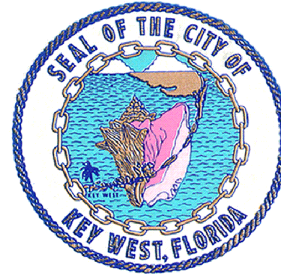


EXECUTIVE SUMMARY



TO: City Commission

FR: Jim Scholl

DT: November 29, 2017

RE: Lease Amendment for the Florida Keys Mosquito Control District Building

ACTION STATEMENT:

This is a request to approve a lease amendment to extend the lease with the Florida Keys Mosquito Control District for the building parcel located at 5224 College Road.

BACKGROUND:

The City previously entered into a lease agreement at this location in support of the Mosquito Control operations. The first extension of the lease for the building parcel expired May 5, 2014. The subsequent extension will expire at the end of March 2018. Therefor to provide continued support during the period requested to complete construction and re-location of new Mosquito Control District facilities due to the construction delays caused by Hurricane Irma, a lease extension is proposed to extend the term by 90 additional days. All of the current terms and conditions of the existing agreement as previously amended, will remain in full force and effect.

Premises:	Office	7,392 Square Feet
	Garage	2,399 Square Feet
	Lab/Warehouse	1,228 Square Feet
Term:	Beginning with the expiration of the lease extension April 1, 2018 and terminating June 30, 2018.	
Transition Period:	The FKMCD shall cease operations on March 31, 2018 and shall have three months to vacate the premises beginning April 1, 2018 and ending June 30, 2018.	
Rent:	The Rent for the lease extension period shall remain \$1.00 per year.	
Retroactive Rent:	In the event that the FKMCD continues to occupy any portion of the premises beyond the transition period, market rate rent will be charged retroactively to April 1, 2016 through June 30, 2018.	
Hold over Rent:	Pursuant to Florida Statute Section 83.06 FKMCD will be liable for double the market rate for the period beginning on July 1, 2018 and continuing through the date that FKMCD vacates the premises.	

Market Rate Rent: Current market rental rates have been provided by an independent appraisal company and an annual blended rate will be utilized based upon the following values:

Office -7,392 Square Feet @ \$28.00 per square foot

Garage - 2,399 Square Feet @ \$16.00 per square foot

Lab/Warehouse - 1,228 Square Feet @ \$16.00 per square foot

RECOMMENDATION:

Staff recommends the continued support of the use of the premises as proposed while the Mosquito Control District completes construction and re-location to new facilities.

ATTACHMENTS:

Third Lease Amendment

Second Amendment to Lease

Lease Extension Agreement - June 6, 1977

Lease - May 6, 1959