

TOWN OF PALM BEACH

Information for Town Council Meeting on August 10, 2021

TO: Mayor and Town Council

FROM: Kirk Blouin, Town Manager

RE: Request to Approve Amended and Restated Ground Lease Agreement Between the Town of Palm Beach, Florida (Town) and CRE Fund at Okeechobee Boulevard, LLC (Tenant), Subject to Certain Guaranties by AHS Residential, LLC (Guarantor) for Property Consisting of Approximately 28.38 Acres Located Outside of the Town's Boundaries at Okeechobee Boulevard, West Palm Beach, Florida (Property) **Resolution No. 094-2021**

DATE: August 3, 2021

STAFF RECOMMENDATION

Staff recommends Town Council approve the proposed Amended and Restated Ground Lease Agreement between the Town of Palm Beach, Florida, a Political Subdivision of the State of Florida and CRE Fund at Okeechobee Boulevard, LLC, a Florida Limited Liability Company for Town of Palm Beach Property, located at 5976 Okeechobee Boulevard as negotiated by Akerman LLP on behalf of the Town of Palm Beach for a term of 50 years from the Date of Beneficial Occupancy, with one ten year renewal term, at the discretion of the Town and the Tenant.

SUMMARY EXPLANATION/BACKGROUND

The negotiation for the Ground Lease was addressed by a real estate partner with experience in Ground Leasing. The Town had engaged Akerman LLP. The firm was hired February 2019 by the Town Manager's Office.

Akerman represented the Town in extensive negotiations to modify the original Ground Lease dated as of October 13, 2019.

Please find attached a detailed Summary Explanation prepared by Janis Cheezman of Akerman LLP.

FISCAL IMPACT/FUNDING SOURCE

The Base Rent is duplicated from the submittal in 2019. Please refer to attached 2019 Memorandum outlining revenue.

TOWN ATTORNEY REVIEW

As noted above, the negotiation for the Ground Lease was addressed by the firm Akerman LLP.

CC: Paul Brazil, P.E., Public Works Director
Dean Mealy, Purchasing Manager