

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: August 22, 2023 [] Consent [X] Regular
[] Ordinance [] Public Hearing

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

A) adopt a Resolution authorizing an extension of Lease Agreement with Pero Family Farms, LLC for an additional one (1) year term, retroactively, from July 1, 2023 through June 30, 2024 for the York parcel; and

B) approve Fifth Amendment to Lease Agreement with Pero Family Farms, LLC for continued use of approximately 270.91 acres in Agricultural Reserve in Boynton Beach, retroactively, from July 1, 2023 through June 30, 2024 at an annual rent of \$135,455.

Summary: On September 11, 2001, the Board of County Commissioners (Board) approved the Lease Agreement (R2001-1541) with Pero Farms, LLC (Pero) for approximately 272 acres of land located within the York parcel in the Agricultural Reserve (AG Reserve) for a term of ten (10) years at a rent of (\$1,205) per acre, with two (2) extension options, each for a period of five (5) years subject to the approval of the County in each instance. The First Amendment (R2010-0088), approved on January 12, 2010, reduced the rent to \$500 per acre. The Second Amendment (R2010-1884), approved on November 16, 2010, reduced the Premises by 1.09 acres for the Lyons Road expansion. On May 17, 2011 (R2011-0744), the Board consented to the first option extending the term through August 20, 2016. On June 21, 2016 through the Third Amendment (R2016-0767), the Board consented to the second option extending the term through August 20, 2021. On July 13, 2021, the Board approved the Fourth Amendment for the York lease term to run concurrently with the McMurrain Lease (R2013-0790) which expired on June 30, 2023. While staff was in the process of issuing a new Request for Proposals (RFP) for the continuation of commercial farming, it learned that the timing of the issuance would conflict with the planting and harvesting schedule as Pero had already begun its farming season. Staff believes it to be in the County's best interest to extend the lease term with Pero to preserve continued agricultural operations in the Agricultural Reserve. Staff will issue the RFP in the fall, allowing enough time for Pero to harvest and wrap up its operations while a new tenant is selected, therefore, minimizing disruptions in the continuity of operations. This Fifth Amendment will extend the term for one (1) additional year, commencing July 1, 2023 through June 30, 2024. If approved, the extension will have an annual fiscal impact of \$135,455. All other terms and conditions of the Agreement shall remain in full force and effect. The agreement will continue to be administered by Facilities Development and Operations. **(Property & Real Estate Management) District 5 (HJF)**

Background and Policy Issues:

Continued on Page 3

Attachments:

- 1. Location Map
- 2. Resolution
- 3. Fifth Amendment
- 4. Disclosure of Beneficial Interests

Recommended By: [Signature] 8/09/23
Department Director Date
Approved By: [Signature] 8/11/23
County Administrator Date

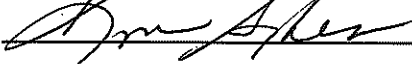
II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2023	2024	2025	2026	2027			
Capital Expenditures	_____	_____	_____	_____	_____			
Operating Costs	_____	_____	_____	_____	_____			
External Revenues	(\$135,455)	\$-0-	\$-0-	\$-0-	\$-0-			
Program Income (County)	_____	_____	_____	_____	_____			
In-Kind Match (County)	_____	_____	_____	_____	_____			
NET FISCAL IMPACT	<u>(\$135,455)</u>	<u>\$-0-</u>	<u>\$-0-</u>	<u>\$-0-</u>	<u>\$-0-</u>			
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____			
Is Item Included in Current Budget:		Yes	<input checked="" type="checkbox"/> No	_____	_____			
Does this item include the use of federal funds?	Yes	_____	No	<input checked="" type="checkbox"/>	_____			
Budget Account No:	Fund	<u>1222</u>	Dept	<u>800</u>	Unit	<u>8011</u>	Revenue	<u>6225</u>
			Program	_____			Resource	

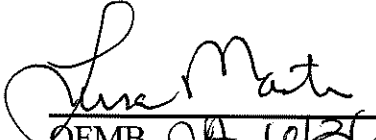
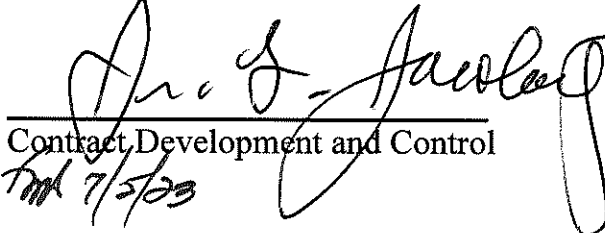
B. Recommended Sources of Funds/Summary of Fiscal Impact: Rent remains unchanged for the extension term. Rent is paid annually in the month of September each year.

Fixed Assets Number N/A

C. Departmental Fiscal Review: 

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:

<p><u></u> 6/30/2023 OFMB QA 6/30 6-30-23</p>	<p><u></u> 7/5/23 Contract Development and Control 7/5/23</p>
--	---

B. Legal Sufficiency:

 7/17/23
 Assistant County Attorney

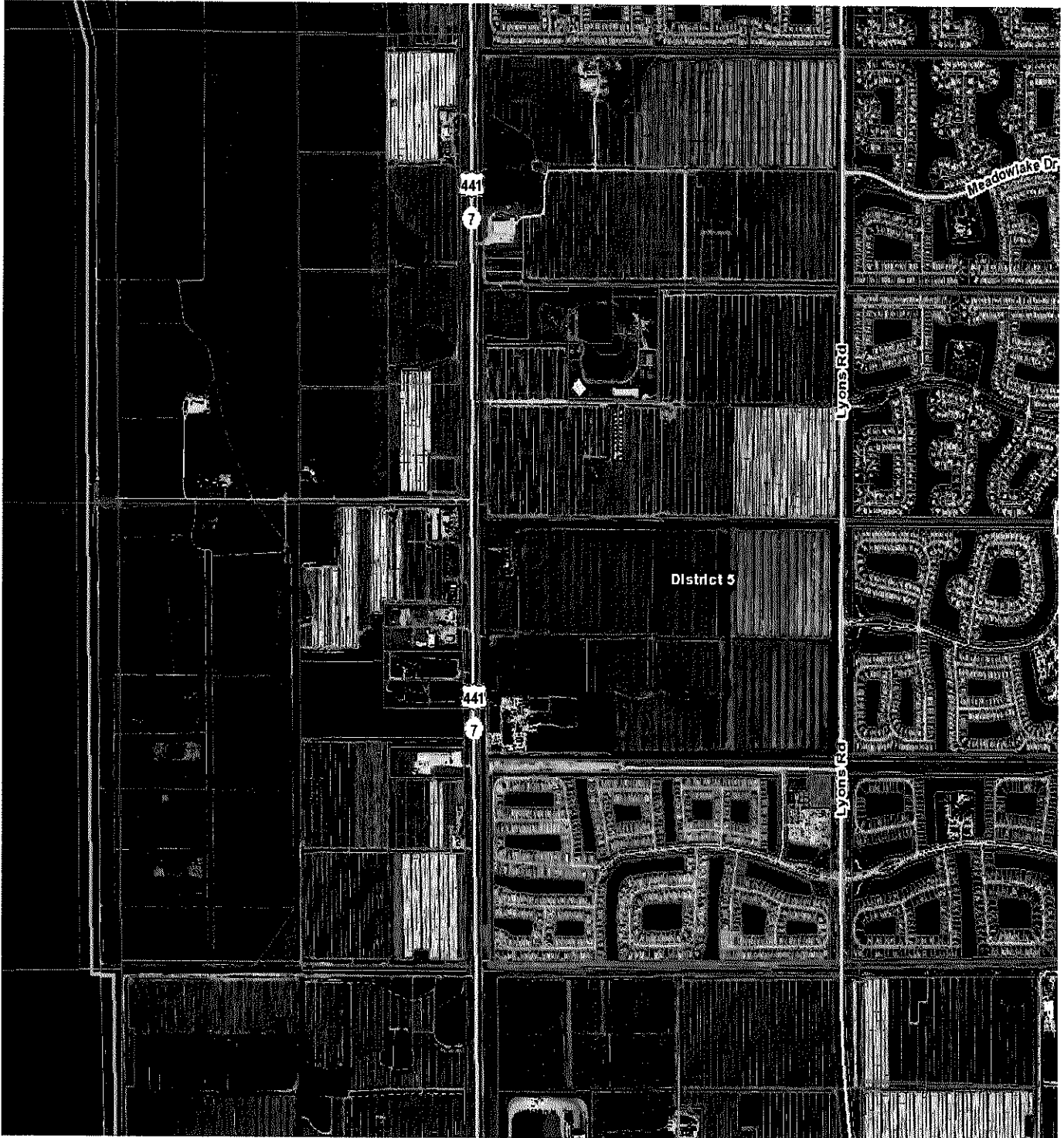
C. Other Department Review:

 Department Director

This summary is not to be used as a basis for payment.

Background and Policy Issues Continued: Pero leases approximately 270.91 acres of land located on the York Parcel in the Ag Reserve. Pero has maintained and replaced pumping and various other farming components and made improvements on the property which will remain on site upon surrender. A major element of the Ag Reserve Acquisition Program was to ensure continued agricultural operations; and staff is requesting that Pero be allowed to continue its farming operations until the RFP is completed and an award is made. The continuity of operations on the York parcel will assist in preserving agricultural operations in the Ag Reserve.

Pero provided the Disclosure of Beneficial Interests (DBI) listed as Attachment #4 in 2021 and has recently informed Staff that no change in ownership has occurred and is as follows: Peter Pero, IV (31%), Frank Pero (23%), Charles Pero (23%) and Angela Pero (23%) hold interests in Pero Family Farms, LLC.



00-42-43-27-05-062-0010

LOCATION MAP



Attachment #1

Attachment #2
Resolution (7 pages)

RESOLUTION NO. 2023-

RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AUTHORIZING A ONE YEAR EXTENSION OF A LEASE OF CERTAIN REAL PROPERTY TO PERO FAMILY FARMS LLC, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Pero Family Farms LLC, (“Tenant”), has made application to the Board of County Commissioners of Palm Beach County requesting that Palm Beach County extend the lease of certain real property owned by Palm Beach County and leased to Tenant for commercial agricultural purposes in the Agricultural (Ag) Reserve (R2001-1541); and

WHEREAS, Tenant has been farming the property since September 11, 2001 and the current lease expired on June 30, 2023 with no remaining options; and

WHEREAS, Tenant has begun its farming season by planting cover crops; and

WHEREAS, County is in the process of issuing a Request for Proposals to lease County owned real property within the Ag Reserve area for commercial farming; and

WHEREAS, the Board of County Commissioners of Palm Beach County hereby finds that a major element of the Ag Reserve Acquisition Program was to ensure continued farming operations in the Ag Reserve; extension of the Lease maintains continuity of existing farming operations in the Ag Reserve and such real property is not needed for County purposes.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:

Section 1. Recitals

The foregoing recitals are true and correct and incorporated herein by reference.

Section 2. Authorization to Lease Real Property

The Board of County Commissioners of Palm Beach County shall lease to Pero Family Farms LLC, pursuant to the Fifth Amendment to Lease attached hereto as Exhibit “A” and incorporated herein by reference, for a term of one (1) year and an annual rental

of one hundred thirty-five thousand, four hundred fifty-five dollars (\$135,455), subject to adjustment to market rent when requested by County, the real property identified in such Lease for the use identified above.

Section 3. Conflict with Federal or State Law or County Charter

Any statutory or Charter provisions in conflict with this Resolution shall prevail.

Section 4. Effective Date

The provisions of this Resolution shall be effective immediately upon adoption hereof.

The foregoing resolution was offered by Commissioner _____ who moved its adoption. The Motion was seconded by Commissioner _____, and upon being put to a vote, the vote was as follows:

- Commissioner Gregg K. Weiss, Mayor
- Commissioner Maria Sachs, Vice Mayor
- Commissioner Maria G. Marino
- Commissioner Michael A. Barnett
- Commissioner Marci Woodward
- Commissioner Sara Baxter
- Commissioner Mack Bernard

The Mayor thereupon declared the resolution duly passed and adopted this ____ day of _____, 2023.

PALM BEACH COUNTY, a political subdivision of the State of Florida
BOARD OF COUNTY COMMISSIONERS

JOSEPH ABRUZZO
CLERK OF THE CIRCUIT COURT & COMPTROLLER

By: _____
Deputy Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

APPROVED AS TO TERMS AND CONDITIONS

By: 
Assistant County Attorney

By: 
Department Director

Exhibit "A"

LEASE AGREEMENT

FIFTH AMENDMENT TO LEASE AGREEMENT

THIS FIFTH AMENDMENT to Lease Agreement R2001-1541 dated September 11, 2001, as amended by the First Amendment to Lease Agreement (R2010-0088) dated January 12, 2010; by the Second Amendment to Lease Agreement (R2010-1884) dated November 16, 2010; and the Third Amendment to Lease Agreement (R2016-0767) dated June 21, 2016; and the Fourth Amendment to Lease Agreement (R2021-0946) dated July 13, 2021 (collectively referred to herein as the "Lease"), is made and entered into this _____, by and between **Palm Beach County**, a political subdivision of the State of Florida, hereinafter referred to as "**County**", and **Pero Family Farms, LLC.**, a Florida limited liability company, hereinafter referred to as "**Tenant**".

WITNESSETH:

WHEREAS, Tenant entered into the Lease with County pursuant to which Tenant leases from County approximately 270.91 acres of farm land in the Agricultural Reserve area, for commercial agricultural purposes as defined in the Lease; and

WHEREAS, Tenant provided commercial farming since 2001 and the Lease expired on June 30, 2023 with no remaining options; and

WHEREAS, Tenant has begun its farming season by planting cover crops; and

WHEREAS, the County is in the process of issuing a Request for Proposals to lease this Agricultural (Ag) Reserve area for commercial farming, and it will be in the best interest of the County to maintain continuous farming operations; and

WHEREAS, County and Tenant wish to amend the Lease to extend the term for one (1) additional year, which supports continuity of operations in the Agricultural Reserve area in accordance with the Ag Reserve Acquisition Program and establish the rent through the extended term,.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and various other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The foregoing recitals are true and correct and are incorporated herein by reference. All defined terms as used herein shall have the same meaning and effect as in the Lease.

2. The Lease is hereby modified to add the following:

The Term of this Lease is hereby extended for one (1) year commencing on July 1, 2023 and expiring June 30, 2024, unless sooner terminated pursuant to the other provisions of this Lease ("Lease Term").

3. The Annual rent for the extended term will be \$135,455.00.

THE REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY.

IN WITNESS WHEREOF, County and Tenant have executed this Fifth Amendment, or have caused the same to be executed by their duly authorized representatives, as of the day and year first above written.

ATTEST:

COUNTY

**JOSEPH ABRUZZO
CLERK OF THE CIRCUIT
COURT & COMPTROLLER**

**PALM BEACH COUNTY, a political
subdivision of the State of Florida**

By: _____
Deputy Clerk

By: _____
Gregg K. Weiss, Mayor

**APPROVED AS TO
LEGAL SUFFICIENCY**

**APPROVED AS TO TERMS
AND CONDITIONS**

By: _____
Assistant County Attorney

By: _____
Department Director

WITNESS:

TENANT

PERO FAMILY FARMS, L.L.C.
a Florida limited liability company

Sign

Print Name

Sign

Print Name

By: _____

Name: _____

Title: _____

Attachment #3
Fifth Amendment (4 pages)

FIFTH AMENDMENT TO LEASE AGREEMENT

THIS FIFTH AMENDMENT to Lease Agreement R2001-1541 dated September 11, 2001, as amended by the First Amendment to Lease Agreement (R2010-0088) dated January 12, 2010; by the Second Amendment to Lease Agreement (R2010-1884) dated November 16, 2010; and the Third Amendment to Lease Agreement (R2016-0767) dated June 21, 2016; and the Fourth Amendment to Lease Agreement (R2021-0946) dated July 13, 2021 (collectively referred to herein as the "Lease"), is made and entered into this _____, by and between **Palm Beach County**, a political subdivision of the State of Florida, hereinafter referred to as "**County**", and **Pero Family Farms, LLC.**, a Florida limited liability company, hereinafter referred to as "**Tenant**".

WITNESSETH:

WHEREAS, Tenant entered into the Lease with County pursuant to which Tenant leases from County approximately 270.91 acres of farm land in the Agricultural Reserve area, for commercial agricultural purposes as defined in the Lease; and

WHEREAS, Tenant provided commercial farming since 2001 and the Lease expired on June 30, 2023 with no remaining options; and

WHEREAS, Tenant has begun its farming season by planting cover crops; and

WHEREAS, the County is in the process of issuing a Request for Proposals to lease this Agricultural (Ag) Reserve area for commercial farming, and it will be in the best interest of the County to maintain continuous farming operations; and

WHEREAS, County and Tenant wish to amend the Lease to extend the term for one (1) additional year, which supports continuity of operations in the Agricultural Reserve area in accordance with the Ag Reserve Acquisition Program and establish the rent through the extended term,.

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, and various other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The foregoing recitals are true and correct and are incorporated herein by reference. All defined terms as used herein shall have the same meaning and effect as in the Lease.

2. The Lease is hereby modified to add the following:

The Term of this Lease is hereby extended for one (1) year commencing on July 1, 2023 and expiring June 30, 2024, unless sooner terminated pursuant to the other provisions of this Lease ("Lease Term").

3. The Annual rent for the extended term will be \$135,455.00.

THE REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY.

IN WITNESS WHEREOF, County and Tenant have executed this Fifth Amendment, or have caused the same to be executed by their duly authorized representatives, as of the day and year first above written.

ATTEST:

COUNTY

JOSEPH ABRUZZO
CLERK OF THE CIRCUIT
COURT & COMPTROLLER

PALM BEACH COUNTY, a political
subdivision of the State of Florida

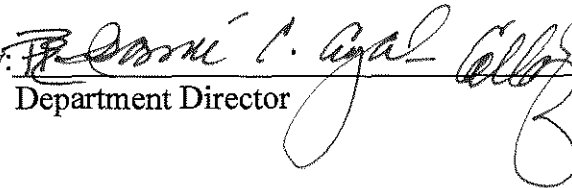
By: _____
Deputy Clerk

By: _____
Gregg K. Weiss, Mayor


APPROVED AS TO
LEGAL SUFFICIENCY

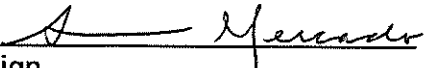
APPROVED AS TO TERMS
AND CONDITIONS

By:  _____
Assistant County Attorney

By:  _____
Department Director

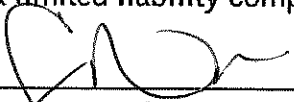
WITNESS:


Sign
Diana Chato.
Print Name


Sign
Steven Mercado
Print Name

TENANT

PERO FAMILY FARMS, L.L.C.
a Florida limited liability company

By: 
Name: Annela Pero
Title: Pres. Ltd

Attachment #4
Disclosure of Beneficial Interests (4 pages)

TENANT'S DISCLOSURE OF BENEFICIAL INTERESTS

TO: PALM BEACH COUNTY CHIEF OFFICER, OR HIS OR HER OFFICIALLY DESIGNATED REPRESENTATIVE

STATE OF FLORIDA
COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority, this day personally appeared Angela Pero, hereinafter referred to as "Affiant", who being by me first duly sworn, under oath, deposes and states as follows:

1. Affiant is the President (position - i.e. president, partner, trustee) of Pero Family Farms LLC (name and type of entity - i.e. ABC Corporation, XYZ Limited Partnership), (the "Tenant") which entity is the lessee of the real property legally described on the attached Exhibit "A" (the "Property").

2. Affiant's address is: 14095 State Road 7, Delray Beach, FL 33446

3. Attached hereto, and made a part hereof, as Exhibit "B" is a complete listing of the names and addresses of every person or entity having a five percent (5%) or greater beneficial interest in the Tenant and the percentage interest of each such person or entity.

4. Affiant further states that Affiant is familiar with the nature of an oath and with the penalties provided by the laws of the State of Florida for falsely swearing to statements under oath.

5. Under penalty of perjury, Affiant declares that Affiant has examined this Affidavit and to the best of Affiant's knowledge and belief it is true, correct, and complete, and will be relied upon by Palm Beach County relating to its lease of the Property.

FURTHER AFFIANT SAYETH NAUGHT.

[Signature], Affiant

Print Affiant Name: Angela Pero, President

The foregoing instrument was sworn to, subscribed and acknowledged before me by means of [] physical presence or [] online notarization this 6 day of March, 2021, by Angela Pero, President [] who is personally known to me or [] who has produced _____ as identification and who did take an oath.



[Signature]
Notary Public

(Print Notary Name)

NOTARY PUBLIC
State of Florida at Large
My Commission Expires: _____

1.44

EXHIBIT "A"
Page 1 of 2
THE "PREMISES"

272 Acre Parcel
Legal Description

TRACT 25 LIES THE EAST 30 FEET FOR LYONS ROAD RIGHT OF WAY TRACTS 26 THROUGH 31 AND THE E 1/2 OF THE 30 FOOT ABANDONED RIGHT OF WAY WEST OF AND ADJACENT TO TRACT 32. TRACT 31 TOGETHER WITH THE E 1/2 OF THE 30 FOOT ABANDONED RIGHT OF WAY LYING WEST OF AND ADJACENT TO TRACT 41 AND TRACTS 42 THROUGH 48 LESS THE EAST 30 FEET OF TRACT 48 FOR LYONS ROAD RIGHT OF WAY, IN BLOCK 22 OF PALM BEACH FARMS COMPANY PLAT NO. 1 ACCORDING TO PLAT BOOK 2 AS RECORDED IN PLAT BOOK 2, PAGES 45 TO 54, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

AND

TRACTS 43 AND 44 TOGETHER WITH THE W 1/2 OF THE ABANDONED RIGHT OF WAY LYING EAST OF AND ADJACENT TO TRACTS 33 AND 34 IN BLOCK 22 OF PALM BEACH FARMS COMPANY PLAT NO. 1 ACCORDING TO PLAT BOOK 2 AS RECORDED IN PLAT BOOK 2, PAGES 45 TO 54, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

and

TRACT 6 LIES THE NORTH THIRTY FEET, TRACT 7 LIES THE NORTH THIRTY FEET, TRACT 8 LIES THE NORTH THIRTY FEET AND WEST FORTY FEET, TRACT 9 LIES THE WEST FORTY FEET, TRACT 10 LIES THE WEST FORTY FEET, TRACT 11 LIES THE WEST FORTY FEET, TRACT 12 LIES THE WEST FORTY FEET.

ALL OF WHICH ARE LOCATED IN BLOCK 22 OF PALM BEACH FARMS COMPANY PLAT NO. 1 ACCORDING TO THE PLAT RECORDED IN PLAT BOOK 2 AT PAGES 45 TO 54, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

TOGETHER WITH

HALF BIRTH FOOT PLATTED CORNER RIGHT OF WAY ABANDONED BY PALM BEACH COUNTY REGULATION WHICH WAS ABANDONED IN OFFICIAL RECORD BOOK 268, PAGE 204, ACCORDING EAST AND WEST LYING BETWEEN THE FOLLOWING ANGLES OF LAND:

TRACT 13 LIES THE WEST FORTY FEET, TRACT 14 AND TRACT 15 ON THE NORTH AND TRACT 14, TRACT 15 AND TRACT 16 LIES THE WEST FORTY FEET ON THE SOUTH.

ALL OF WHICH ARE LOCATED IN BLOCK 22 OF PALM BEACH FARMS COMPANY PLAT NO. 1 ACCORDING TO THE PLAT RECORDED IN PLAT BOOK 2 AT PAGES 45 TO 54, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

and

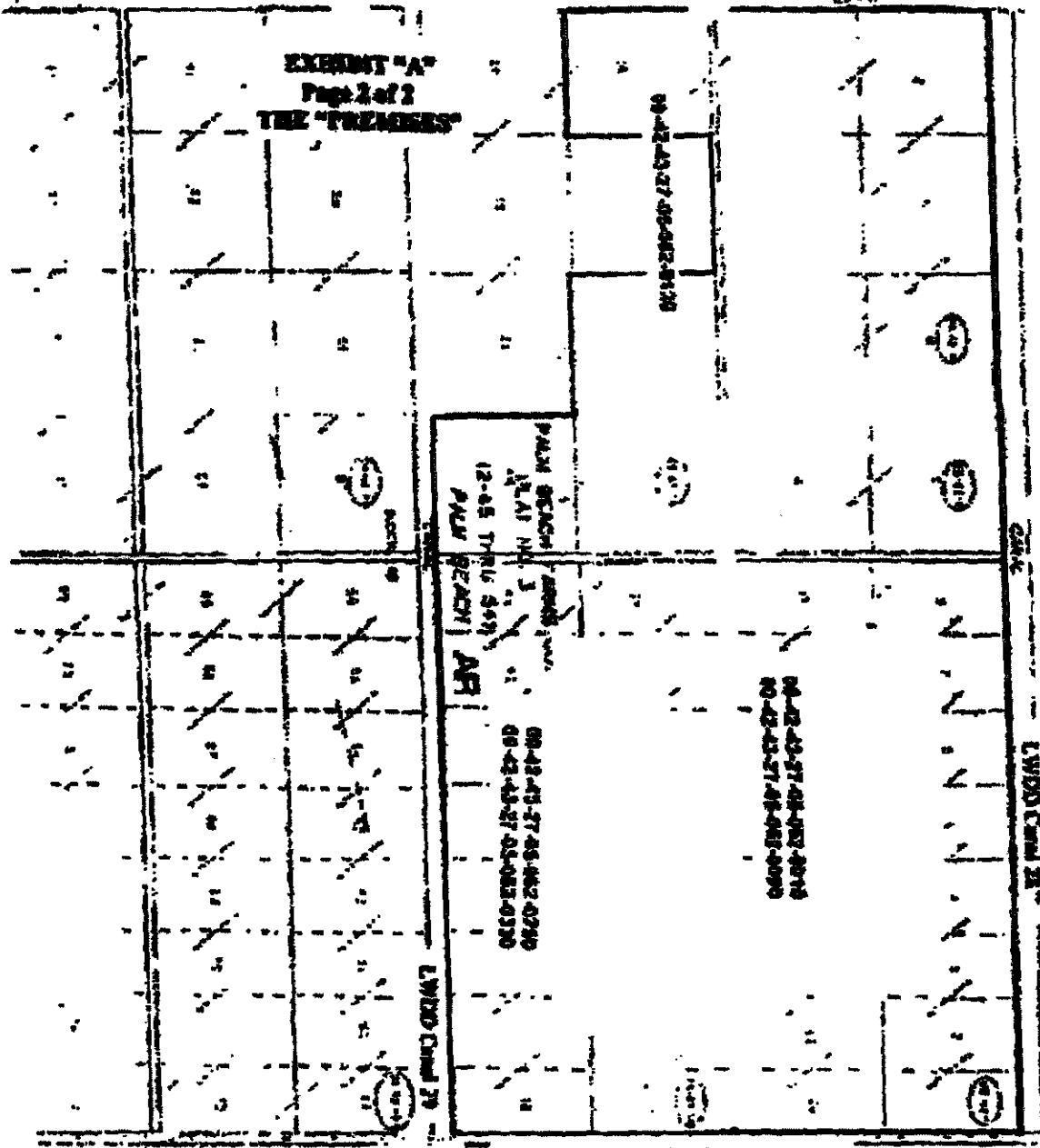
TRACTS 1 THROUGH 5 AND TRACTS 6 THROUGH 11 BLOCK 22 OF PALM BEACH FARMS COMPANY PLAT NO. 1 ACCORDING TO THE PLAT RECORDED IN PLAT BOOK 2 PAGES 45 TO 54, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

TOGETHER WITH THE 30 FOOT ABANDONED RIGHT OF WAY LYING BETWEEN TRACTS 1 & 2 & 3 LIES NORTH 30 FEET AND TRACTS 4 & 5, AND THE 30 FOOT ABANDONED RIGHT OF WAY LYING SOUTH OF TRACTS 6-11 LIES EAST 30 FEET, AND THAT PART OF THE 30 FOOT RIGHT OF WAY LOCATED IN BLOCK 22 OF THE PALM BEACH FARMS COMPANY PLAT NO. 1 RECORDED IN PLAT BOOK 2, PAGES 45 TO 54, WHICH ARE MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BOUNDED ON THE NORTH BY A LINE BEING CONNECTED FROM THE SOUTHWEST CORNER OF TRACT 6 TO THE SOUTHWEST CORNER OF TRACT 10, BOUNDED ON THE EAST BY A LINE BEING CONNECTED FROM THE SOUTHWEST CORNER OF TRACT 10 TO THE SOUTHWEST CORNER OF TRACT 11, BOUNDED ON THE SOUTH BY A LINE BEING CONNECTED FROM THE SOUTHWEST CORNER OF TRACT 11 TO THE SOUTHWEST CORNER OF TRACT 12, BOUNDED ON THE WEST BY A LINE BEING CONNECTED FROM THE SOUTHWEST CORNER OF TRACT 12 TO THE SOUTHWEST CORNER OF TRACT 13, BOUNDED ON THE EAST BY A LINE BEING CONNECTED FROM THE SOUTHWEST CORNER OF TRACT 13 TO THE SOUTHWEST CORNER OF TRACT 14, BOUNDED ON THE SOUTH BY A LINE BEING CONNECTED FROM THE SOUTHWEST CORNER OF TRACT 14 TO THE SOUTHWEST CORNER OF TRACT 15, BOUNDED ON THE WEST BY A LINE BEING CONNECTED FROM THE SOUTHWEST CORNER OF TRACT 15 TO THE SOUTHWEST CORNER OF TRACT 16.

AND INCLUDING THEREWITH THE EAST 30 FEET OF TRACTS 1 & 2, THE EAST 30 FEET OF TRACT 3, AND NORTH 30 FEET OF TRACTS 4 & 5, LAYING WITHIN ORANGE DISTRICT - LATVIA, CORP. NO. 221.

EXHIBIT "A"
Page 2 of 2
THE "PREMISES"



Theoretical Lyons Road (unimproved)

Scale (approx.): 1" = 1 mile



**Palm Beach County
Compliance Summary Report**

Vendor Number	Vendor Name	AM Best Rating	Insurance Carrier	Policy #	Eff. Date	Exp. Date	Coverage	Contract Number	Contract Name
DX00001493	PERO FAMILY FARMS		Compliant					R2001-1541	PERO/YORK AG LANDS
		A++g , XV	The Phoenix Insurance Company	8100S2362812314G	5/1/2023	5/1/2024	Auto Liability		
		A++g , XV	Travelers Property Casualty Company of America	CUP0S2523002314	5/1/2023	5/1/2024	Excess Liability		
		A++g , XV	The Charter Oak Fire Insurance Company	Y6600S248789COF23	5/1/2023	5/1/2024	General Liability		
		A++g , XV	The Charter Oak Fire Insurance Company	1051341202075	12/22/2022	12/22/2023	Workers Comp		

Risk Profile : Standard - General Services

Required Additional Insured : Palm Beach County Board of County Commissioners

Ownership Entity :