

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date: **January 7, 2025**

Consent **Regular**
 Ordinance **Public Hearing**

Department: **Facilities Development & Operations**

I. EXECUTIVE BRIEF

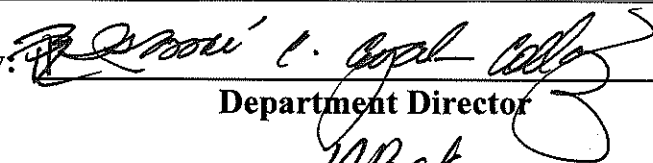
Motion and Title: Staff recommends motion to receive and file: exercise of the second option to extend Concessionaire Lease Agreement with Rick Macci Academy, Inc. d/b/a Rick Macci Tennis Academy (Macci) for the continued operation of a tennis, racquetball and pro shop concession at Burt Aaronson South County Regional Park, extending the term from January 15, 2025 through January 14, 2027 at an annual rent of \$28,652.62 (\$2,387.72/month).

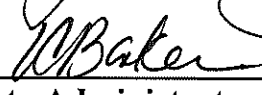
Summary: On January 15, 2019, the Board of County Commissioners (BCC) approved the Concessionaire Lease Agreement (R2019-0156), as amended with Macci for the operation of a tennis, racquetball and pro shop concession at Burt Aaronson South County Regional Park. The first of three options was exercised by Macci and received and filed by the BCC on December 6, 2022, and expires on January 14, 2025. Macci provided the County with a notice of its intent to exercise the second option to extend the Agreement from January 15, 2025 through January 14, 2027. Effective January 15, 2025 and pursuant to the terms of the Agreement, the annual rent shall increase by 2% to \$28,652.62 (i.e., \$2,387.72/month). All other terms and conditions of the Agreement shall remain in full force and effect. Parks and Recreation (Parks) will continue to have administrative responsibilities for this Agreement. **(Property & Real Estate Management) District 5 (HJF)**

Background and Justification: On January 15, 2019, the BCC approved the Concessionaire Lease Agreement with Macci for a term of twenty (20) years with no option to extend. The Lease Agreement included the provision that Macci would invest \$2,581,000 in capital improvements at the facility. Due to the impact of COVID-19 on its business, Macci requested a shorter term, and reduction of the required capital improvements in exchange for an increase in the rental rate. Staff recognized that Macci's business and operations had been severely impacted by COVID-19 restrictions and acknowledged that \$315,000 of actual improvements had been made. Parks supported Macci's request. On September 14, 2021, the First Amendment was approved to modify the original term to expire on January 14, 2023; provide for three (3) extension options, each for a period of two (2) years; increase the annual rent from \$18,360.00 (\$1,530/month) to \$27,000 (\$2,250/month) retroactively from January 15, 2021 through January 14, 2023; modify the requirement for a minimum capital investment; and update various standard County provisions. Parks manages this Agreement and is satisfied with Macci's performance. No changes in ownership occurred and Richard Macci continues to have 100% ownership interest.

Attachments:

1. Location Map
2. Second Option to Extend Letter
3. Budget Availability Statement
4. Disclosure of Beneficial Interests

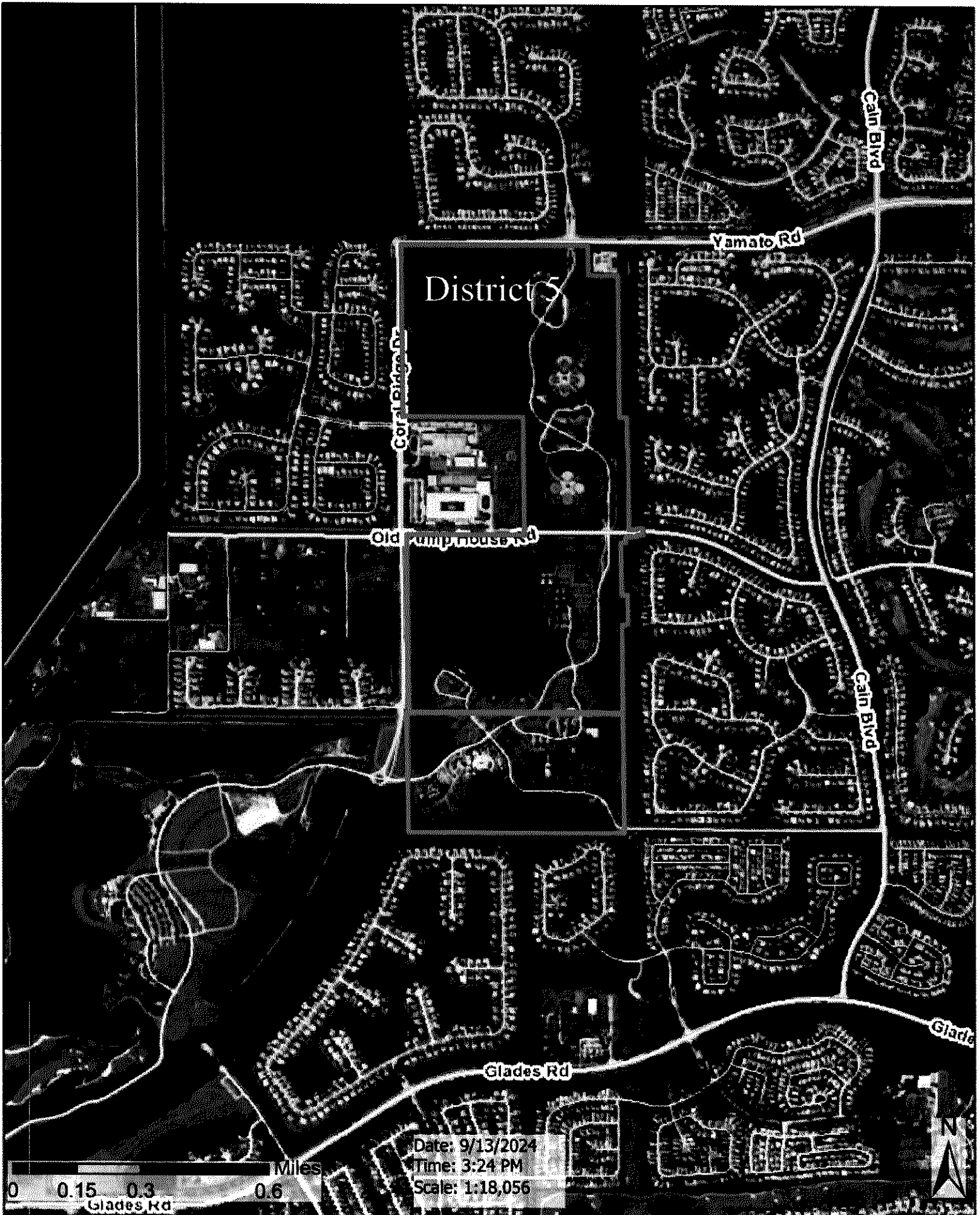
Recommended By:  11/30/24
Department Director Date

Approved By:  12/11/24
County Administrator Date

LOCATION MAP



00-41-47-11-01-007-0010



ATTACHMENT #1

ATTACHMENT #2
Second Option to Extend Letter (2 pages)

THE LAW OFFICE OF
WILLIAM L. EPSTEIN, P.A.

FLAGSTAR BANK BUILDING
5550 GLADES ROAD, SUITE 500
BOCA RATON, FL 33431

TELEPHONE (561) 395-4350
FACSIMILE (561) 892-6182
BILL@BILLEPSTEINLAW.COM

August 19, 2024

VIA FED EX TO EACH ADDRESS BELOW

Parks & Recreation Department
Attn: Director, Special Facilities Division
John Prince Park
2700 Sixth Avenue South
Lake Worth, FL 33461

And

✓ Palm Beach County
Property and Real Estate Management Division
Attn: Director
2633 Vista Parkway
West Palm Beach, FL 33411-5605

And

Palm Beach County Attorney's Office
Attn: Real Estate Attorney
301 North Olive Avenue, Suite 601
West Palm Beach, FL 33401

Re: Concessionaire Lease Agreement and First Amendment to Concessionaire Lease Agreement by and between Palm Beach County, a political subdivision of the State of Florida ("County") and Rick Macci Academy, Inc. d/b/a Rick Macci Tennis Academy, a Florida corporation ("Concessionaire") dated January 15, 2019 (R2019-0156) and September 14, 2021 (R2021-1373), respectively

Dear Sirs and/or Madame:

Please be advised that the undersigned represents Concessionaire in reference to the above-captioned matter.

Parks & Recreation Department
Attn: Director, Special Facilities Division

Palm Beach County
Property and Real Estate Management Division
Attn: Director

Palm Beach County Attorney's Office
Attn: Real Estate Attorney

August 19, 2024
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This letter shall serve as formal notice pursuant to Section 1.05 (entitled Option To Extend) of the Concessionaire Lease Agreement, as same is amended by Paragraph 3 of the First Amendment to Concessionaire Lease Agreement, that Concessionaire does hereby elect to exercise its rights under the aforementioned sections/paragraphs and documents to extend the term of the Concessionaire Lease Agreement, as amended by the First Amendment to Concessionaire Lease Agreement, and Concessionaire does hereby extend same under the aforementioned option. This extension shall be the second of three two-year extensions granted under and pursuant to the Concessionaire Lease Agreement, as amended by the First Amendment to Concessionaire Lease Agreement. The first of the three two-year extensions was previously exercised by Concessionaire by letter to County dated August 17, 2022 for the two-year period commencing on January 15, 2023 and terminating on January 14, 2025.

Accordingly, the term of the Concessionaire Lease Agreement, as same is amended by the First Amendment to Concessionaire Lease Agreement, and as previously extended by Concessionaire, is hereby extended for an additional two years commencing from the existing termination date of January 14, 2025. The term of this two-year extension of the Concessionaire Lease Agreement, as amended by the First Amendment to Concessionaire Lease Agreement, shall commence on January 15, 2025 and shall terminate on January 14, 2027 (subject to Concessionaire's right to extend the term for one additional two-year period pursuant to Section 1.05 of the Concessionaire Lease Agreement).

Thank you for all of your courtesies. Please do not hesitate to contact me if you have any questions or comments regarding anything contained herein.

Sincerely,



William L. Epstein

WLE/abs

cc: Mr. Rick Macci

ATTACHMENT #3
Budget Availability Statement (1 page)

The information below justifies the figures listed on the attached BAS for South County Regional Park – Tennis Center **Option 2 of 3**; commencing **01/15/25** the annual rent will increase 2% to **\$28,652.62** (\$2,387.72 monthly).

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2025	2026	2027	2028	2029
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	<u>(\$20,455)</u>	<u>(\$29,142)</u>	<u>(\$8,443)</u>	<u>(\$-0-)</u>	<u>(\$-0-)</u>
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>(\$20,455)</u>	<u>(\$29,142)</u>	<u>(\$8,443)</u>	<u>(\$-0-)</u>	<u>(\$-0-)</u>
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

FY2025:

- The exercise of this *second* of *three* options will extend the term for 2-years from **01/15/25** to **01/14/27**.
- Commencing **01/15/25** the **Annual Rent** will be **\$28,652.62**; pursuant to **Section 2.01** of the Agreement, any fractional of month will be calculated on the **basis of a 30 day month** and paid on a **per diem basis**; **Section 2.02** of the **First Amendment**, the rent increases two percent (2%) annually commencing **01/15/23**.
- **$\$28,090.80 \times 102\% = \$28,652.62$ annual $\div 12 = \$2,387.72$ per month $\div 30 = \$79.59$ per day.**
-
- 01/15/25 – 01/31/25 = 17 days x \$79.59 = \$1,353.03
- 02/01/25 – 09/30/25 = 8 months x \$2,387.72 = \$19,101.76
-
- \$1,353.03 + \$19,101.76 = \$20,454.79

FY2025 TOTAL = \$20,454.79

FY2026

- 10/01/25 – 12/31/25 = 3 months x \$2,387.72 = \$7,163.16
- 01/01/26 – 01/14/26 = 14 days x \$79.59 = \$1,114.26
-
- **$\$28,652.62 \times 102\% = \$29,225.67$ annual $\div 12 = \$2,435.47$ per month $\div 30 = \$81.18$**
-
- 01/15/26 – 01/31/26 = 17 days x \$81.18 = \$1,380.06
- 02/01/26 – 09/30/26 = 8 months x \$2,435.47 = \$19,483.76
-
- \$7,163.16 + \$1,114.26 + \$1,380.06 + \$19,483.76 = \$29,141.24

FY2026 TOTAL = \$29,141.24

FY2027

- 10/01/26 – 12/31/26 = 3 months x \$2,435.47 = \$7,306.41
- 01/01/27 – 01/14/27 = 14 days x \$81.18 = \$1,136.52
-
- \$7,306.41 + \$1,136.52 = \$8,442.93

FY2027 TOTAL = \$8,442.93

ATTACHMENT #4
Disclosure of Beneficial Interests (3 pages)

EXHIBIT "E"
TO THE CONCESSIONAIRE LEASE AGREEMENT

CONCESSIONAIRE'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 RICHARD MACCI, 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 RICK MACCI ACADEMY, INC. (name and type of entity - i.e. ABC Corporation, XYZ Limited Partnership), (the "Concessionaire") which entity is providing concession services on the real property legally described on or depicted in the attached Exhibit "A" (the "Premises").

2. Affiant's address is: 19608 ESTUARY DR.
BOCA RATON, FL 33498

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 concessionaire 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 entering into a Concessionaire Lease Agreement for the Premises.

FURTHER AFFIANT SAYETH NAUGHT.

[Signature], Affiant
Print Affiant Name: RICK MACCI

The foregoing instrument was sworn to, subscribed and acknowledged before me this 26th day of NOVEMBER, 2018, by RICHARD MACCI who is personally known to me or [] who has produced as identification and who did take an oath.

[Signature]
Notary Public

EDWARD MARINO
(Print Notary Name)

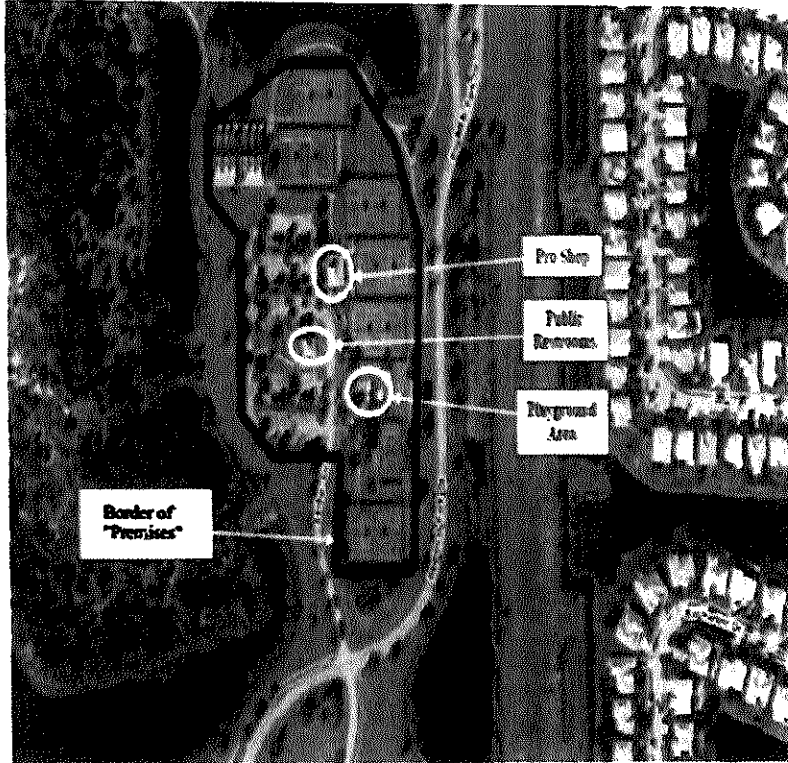
NOTARY PUBLIC
State of Florida at Large

My Commission Expires: 08/27/2020



EXHIBIT "A"

PREMISES



**NONGOVERNMENTAL ENTITY HUMAN
TRAFFICKING AFFIDAVIT (§ 787.06(13), Fla. Stat.)
THIS AFFIDAVIT MUST BE SIGNED AND NOTARIZED**

I, the undersigned, am an officer or representative of Rick Macchi Tennis Trc.
(CONTRACTOR) and attest that CONTRACTOR does not use coercion for labor or services as
defined in section 787.06, Florida Statutes.

**Under penalty of perjury, I hereby declare and affirm that the above stated facts are true
and correct.**

[Handwritten Signature]
(signature of officer or representative)

RICK MACCHI
(printed name of officer or representative)

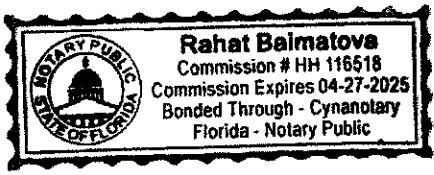
State of Florida, County of Palm Beach

Sworn to and subscribed before me by means of physical presence or online notarization
this, 26th day of September 2024, by Macchi Richard.

Personally known OR produced identification .

Type of identification produced M 200-741-54-447-0.

[Handwritten Signature]
NOTARY PUBLIC
My Commission Expires:
State of Florida at large



(Notary Seal)