

Mayor and Council Communication

DATE: 01/12/21

M&C FILE NUMBER: M&C 21-0036

LOG NAME: 218900 SUNRISE POINT CT

SUBJECT

(CD 7) Authorize Lease Amendment with the Lake Worth Sailing Club for the City-Owned Property Located at 8900 Sunrise Point Court to Allow for a 30-Year Term with Two Ten-Year Renewal Options

RECOMMENDATION:

It is recommended that the City Council authorize restating and amending the lease agreement with the Lake Worth Sailing Club for the City-owned property located at 8900 Sunrise Point Court, legally described as Lot 5, Block 19, Lake Worth Leases, to allow for one 30-year term at an annual lease rate of \$17,136.31 with annual escalations of two percent of the annual lease rate for the first 30 years and to include two ten-year options to renew at market adjusted rates.

DISCUSSION:

Lake Worth Sailing Club entered into their last authorized 10-year lease renewal in March 2016 for the property located at 8900 Sunrise Point Ct, legally described as Lot 5, Block 19, Lake Worth Leases. The current lease is scheduled to expire in March 2026. The current lease rate as of March 2020 is \$16,800.30 per year and it is scheduled to increase to \$17,136.31 per year in March 2021.

The Lake Worth Sailing Club desires to make additional capital improvements to the property and in doing so, asked the City for a long-term lease for the enjoyment of the improvements by its members and the public. City staff recommends amending the existing lease to allow for a 30-year term at an annual lease rate of \$17,136.31 with annual escalations of two percent of the annual lease rate for the first 30 years and to include two additional ten-year options to renew at market-adjusted rates.

The lease rate was determined using the current rate schedule in effect for the lease.

The property is located in COUNCIL DISTRICT 7.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendation and authorization of lease amendment, funds will be deposited into the General Fund. The Water Department (and Financial Management Services) is responsible for the collection and deposit of funds due to the City.

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Additional Information Contact: Nita Shinsky 8053