



Polk County

Legislation Text

File #: 24-1074, Version: 1

SUBJECT

Approve Lease Agreement between Ruthven Business Park II, LLC and Polk County. (\$236,000.04, initial estimated annual expense)

DESCRIPTION

The Lawrence W. Crow, Jr., building located at 455 N. Broadway in Bartow was constructed in 1960 and has outlived its useful life. It is in need of repair and environmental remediations which are cost prohibitive based on its use as all administrative functions have been relocated to other facilities and its main use is to support climate-controlled storage for the Sheriff. Due to the growth that has occurred and the additional growth that is expected in the near future the County anticipates that the Clerk of Court/Judicial system will expand along with County administrative needs. The County is moving forward within its five-year CIP to construct a new sally port to maintain the Sheriff's transfer operations which includes the demolition of the existing building which is expected to start within the coming months. For cost efficiency and to accommodate the demolition schedule the County seeks to lease warehouse space to accommodate the Sheriff's storage needs as well as the County's need during natural disaster recovery until a county warehouse facility can be designed and constructed.

County staff, along with representatives from the Sheriff's office, reviewed multiple warehouse properties and a facility was identified which will accommodate the storage needs of the Sheriff and the County. The property, located at 3115 Drane Field Road in Lakeland, consists of five bays containing a total of approximately 16,000 square feet of dock high, climate-controlled warehouse space. The owner of the property, Ruthven Business Park II LLC, has presented a proposed Lease Agreement for the rental of the space for an initial term of three years commencing on August 1, 2024, with an option for two consecutive one year renewal terms. The initial monthly rental rate consists of the base rent amount of \$13,666.67 plus the costs of improvements amortized over three years in the monthly amount of \$3,600 plus estimated triple net expenses (CAM, property taxes, insurance, etc.) in the amount of \$2,400 for a total initial monthly amount of \$19,666.67 for the first year. The base rent will increase by four percent each year through the term of the lease including any renewal terms if exercised. The County Attorney's Office, the Real Estate Services Administrator and the Sheriff's Office have reviewed the Lease Agreement and recommend approval. Approving the aforementioned Lease Agreement will allow the Sheriff and the County to utilize the warehouse space to accommodate their storage needs until such time as a replacement storage facility is constructed.

RECOMMENDATION

Request Board approve the above-mentioned Lease Agreement.

FISCAL IMPACT

Funds are available for the lease payments in the estimated annual amount of \$236,000.04 for year 1; \$242,559.96 for year 2 and \$249,382.44 for year 3 for a total estimated amount of \$727,942.44 in the Sheriff General Fund.

CONTACT INFORMATION

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