

Meeting Date October 25, 2017		<b>AGENDA ITEM REQUEST</b>	
		Section 7	Consent J
		Item Number	7.J.2

Department	Real Estate
Requested Action:	

Consideration of approving a First Modification to Ambassador Services Inc. Two (2) Year Lease dated August 23, 2017. The Modification document has been reviewed and approved by General Counsel/Port Attorney. (Scott Shepard)

**Summary Explanation & Background:**

In order to assist ASI to expand their Cargo business with the immediate focus on lumber, Port Staff was able to relocate Citrus Transportation from the subject property to another location in the Port and allow ASI to expand their storage area.

This additional land will allow ASI to store additional lumber that is being used for Storm damage and for expansion of new homes in the Central Florida/SE Region.

This additional land will provide ASI a total of **97,560 SF (2.24 acres)** of fenced outside storage plus the existing **60,000 SF** warehouse.

- Address: 400 Dolphin Road
- Additional Land Area: 43,560 SF +/-
- Lease Expiration: August 31, 2019 (unchanged from original lease term)

**FINANCIAL INFORMATION**

	<b>Annual</b>	<b>Monthly</b>
Current Rent (Total):	\$ 276,225.00	\$ 23,018.75
New Rent (Total):	<u>\$ 326,340.00</u>	<u>\$ 27,195.00</u>
Additional Rent (Total):	<b>\$ 50,115.00</b>	<b>\$ 4,176.25</b>

Warehouse:	(60,000 SF @ \$2.50/sf)	\$ 150,000.00	\$ 12,500.00
Outside Storage:	(97,560 SF @ \$1.50/sf)	\$ 146,340.00	\$ 12,195.00
Shared area:	none		
Port Infrastructure Fee:	(60,000 SF @ \$.50/sf)	<u>\$ 30,000.00</u>	<u>\$ 2,500.00</u>
<b>TOTAL</b>		<b>\$ 326,340.00</b>	<b>\$ 27,195.00</b>

Note: above fees do not include other fees such as wharfage charges that are bill separately

**USE**

- Immediate use: Lumber storage

- Ongoing use: Cargo to be determined

**RECOMMENDATION:** Real Estate Staff recommends approval of the Lease Amendment that will be coterminous with the main lease for the Warehouse and storage area.

Financial Review by Pat Poston:	N/A		
Attachments:			
Contract/Agreement:	Reviewed by General Counsel	Yes X	No <input type="checkbox"/>
	Reviewed by Port Attorney	Yes X	No <input type="checkbox"/>
Department Approval: <b>Scott Shepard, CCIM, Director, Real Estate</b> SS	CEO Approval:	 John W. Murray, CEO	

**FIRST AMENDMENT TO  
LEASE AGREEMENT**

The **CANAVERAL PORT AUTHORITY**, as Landlord and **AMBASSADOR SERVICES INC.**, as Tenant under that Two Year Lease dated August 23, 2017 (the "Lease") stipulate and agree to amend said Lease as follows:

1. Section 1.1 of the Lease is hereby deleted in its entirety and replaced as follows:

1.1 PREMISES. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the property consisting of: (i) approximately 60,000 square feet of warehouse space located at 400 Dolphin Road, Cape Canaveral, FL 32920 (the "Building") and (ii) the approximately 97,560 square feet of vacant land located west and north of the Building (the "Additional Land") as depicted on the site plan ("Site Plan") attached hereto as Exhibit A. The Building and the Additional Land are collectively referred to herein as the "Premises".

2. Section 2.1 of the Lease is hereby deleted in its entirety and replaced as follows:

2.1 BASE RENT. Effective November 1, 2017, the base rental during the first year of the Term shall be Twenty-Seven Thousand One Hundred and 95/100 Dollars (\$27,195.00) per month [broken down as follows: \$12,500.00 per month for the Building, \$12,195.00 per month for the Additional Land, and \$2,500.00 per month for a Port Infrastructure Fee (PIF)] plus any applicable State of Florida sales tax that applies and all other taxes, fees, impact fees or assessments that may be levied by the State of Florida or any other taxing or assessment unit on the Premises.

3. Section 3.2 of the Lease is hereby deleted in its entirety and replaced as follows:

3.2 **PARKING AND OUTSIDE STORAGE.**

3.2.1 Vehicles of Tenant and its contractors, guests and invitees, shall be parked on the Premises adjacent to the Building (on south and/or east side) in a uniform fashion so as not to cause blockage of any means of ingress. Parking on any right-of-ways or in any manner that impedes traffic flow thereon is strictly prohibited. Landlord has the right to remove or require Tenant to remove any vehicle(s) parked outside of the Premises.

3.2.2 All cargo shall be stored within the boundaries of the Premises. Cargo stored outside the Premises will be subject to additional charges.

4. NO OTHER MODIFICATIONS. The Lease is amended only to the extent set out in this Amendment. Except as hereby amended, no other term, condition or provision of the Lease shall be deemed modified or amended. In all other respects, the existing terms and conditions of the Lease shall remain in full force and effect. From and after the date hereof, all references in the Lease, and any other document or instrument entered into in connection therewith, to the Lease shall be deemed to be references to the Lease as amended by this Amendment.

5. COUNTERPARTS; FACSIMILE SIGNATURES. This Amendment may be executed in one or more counterpart copies, each of which constitutes an original, but all which, when taken together, shall constitute one Lease binding upon all of the Parties hereto. Further, the Parties hereto may execute facsimile copies of this Amendment and the facsimile signature of any such Party shall be deemed an original and fully binding on said Party; provided, however, any Party executing this Amendment by facsimile signature agrees to promptly provide an original executed copy of this Amendment to the other. Each person signing on behalf of the Parties below, represent and warrant they have full authority to enter this Amendment on behalf of the respective Party.

*[Signature Page Follows]*

IN WITNESS WHEREOF, the Parties have executed this Amendment to the Lease as of the date last signed below.

**CANAVERAL PORT AUTHORITY,**  
an independent special taxing district and political  
subdivision of the State of Florida

Witnesses:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Thomas W. Weinberg, Chairman

ATTEST: \_\_\_\_\_  
Jerry W. Allender, Secretary/Treasurer

Date: \_\_\_\_\_, 2017

**AMBASSADOR SERVICES INC.,** a Florida  
corporation

Witnesses:

Aranka Eller

[Signature]

By: [Signature]  
Brian A. Hubert, President

Date: 10 October 16, 2017