

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Agenda Item #:

6 C-1

Meeting Date: January 9, 2007

☐ Consent ☒ Regular

☐ Ordinance ☐ Public Hearing

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: Amendment No. 4 to the Lease Agreement (R2002-1978) with the South Florida Science Museum, Inc. located adjacent to Lake Lytal Park.

Summary: On November 12, 2002, the Board approved a Lease Agreement with the South Florida Science Museum for the lease of approximately 11 acres of undeveloped property on the west side of Lake Lytal Park for the construction of a new science museum. The Agreement has been amended three previous times. In March 2005, the Board approved Amendment No. 1 to the Lease Agreement to modify the final fund raising milestone to December 21, 2007. In January 2006, the Board approved Amendment No. 3 to modify the interim fund raising milestones. Earlier this month, Staff received a request to: (1) again modify the interim fund raising milestones for 2006 and 2007, (2) extend the final fund raising milestone to December 31, 2009, (3) increase the final fund raising total to \$54,800,000, and (4) change the date construction is required to commence from November 2007 to April 2008. This request is the first time the Museum has asked to delay the start of construction. Failing to start construction by November 2007 would constitute a default on the current lease so changing the start date requires a change to default provision of the lease. Based on these revisions, the Museum would open in April 2010. To date, the Museum has raised \$21,655,144.00. The Museum has hired a fund raising consultant and a public relations firm to assist with the fund raising campaign. (FDO Admin) Countywide/ District 2 (HJF)

Background & Policy Issues: Amendment No. 4 proposes to change the fund raising milestone for December 31, 2006 from \$30,000,000 to \$21,600,000, change the fund raising milestone for December 31, 2007 from \$40,000,000 to \$32,600,000, extend the fund raising milestone date to December 31, 2009, increase the final fund raising total to \$54,800,000 and change the date construction is required to commence from November 2007 to April 2008. To date, the Museum has raised \$21,655,144.

Year	Original Milestones	Milestones after Am. 3	Milestones after Am. 4
2005	\$35,500,000	\$20,700,000	\$20,700,000
2006	\$40,000,000	\$30,000,000	\$21,600,000
2007		\$40,000,000	\$32,600,000
2008			\$44,000,000
2009			\$54,800,000

The funds raised to date include \$4,000,000 in Parks and Cultural Bond Funds and \$9,000,000 from the Dekelbourn Foundation Pledge Agreement which is set to expire in the fall of 2007. The Museum is hoping to secure a new pledge agreement in case the Museum fails to start construction by September 2007 as required. The Museum is conducting a public campaign to expand fund raising efforts with the help of its Fund raising Consultant and PR Firm. Staff is recommending the requested amendments to the lease agreement. All other terms of the Lease would remain in effect.

Attachments:

1. Amendment No. 4
2. Request from Science Museum
3. Capital Campaign Plan

Recommended by: _____

Department Director

Date

Approved by: _____

County Administrator

Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2007	2008	2009	2010	2011
Capital Expenditures	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Operating Costs	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
External Revenues	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
Program Income (County)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
In-Kind Match (County)	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>
NET FISCAL IMPACT	<u>-0-</u>	<u>-0 -</u>	<u>-0 -</u>	<u>-0-</u>	<u>-0-</u>
# ADDITIONAL FTE POSITIONS (Cumulative)	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Is Item Included in Current Budget? Yes No
 Budget Account No: Fund Dept Unit Object Reporting Category

B. Recommended Sources of Funds/Summary of Fiscal Impact:

There is no fiscal impact associated with this item.

C. Departmental Fiscal Review: _____

III. REVIEW COMMENTS:

A. OFMB Fiscal and/or Contract Development & Control Comments:

[Signature] 12.27.06 OFMB
[Signature] 12/28/06 Contract Dev. and Control

B. Legal Sufficiency:

[Signature]
 Assistant County Attorney
Amendment not executed at time of CAO Review

C. Other Department Review:

 Parks & Recreation Department

This amendment complies with our review requirements.

At the time of dsc's review, the Amendment was not executed.

AMENDMENT #4 TO LEASE AGREEMENT

THIS AMENDMENT #4 TO THE LEASE AGREEMENT, made and entered into _____ by PALM BEACH COUNTY, a political subdivision of the State of Florida, hereinafter referred to as "County" and the SOUTH FLORIDA SCIENCE MUSEUM, INC., a Florida not-for-profit 501(c)(3) organization (the "Tenant") with a Federal ID number of 59-0915177.

WITNESSETH:

WHEREAS, the Tenant has requested that Exhibit B "Fundraising Plan" of the Real Property Land Lease Agreement (R2002-1978) be modified to adjust the fundraising milestones for 2006 and 2007, extend the final fundraising milestone to December 31, 2009, increase the final fundraising total to \$54,800,000, and change the date construction is required to commence from November 12, 2007, to April 30, 2008; and

WHEREAS, the County is willing to agree to such modifications.

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency is hereby acknowledged, the parties hereby agree as follows:

1. All terms of the Real Property Land Lease Agreement (R2002-1978) remain in full force and effect unless specifically modified below.
2. Delete Section 4.01(a) and replace it in its entirety with the following:
 - (a) Tenant shall perform, at its sole cost and expense, all work of whatsoever nature necessary to design and construct a first class science center consistent with the conceptual site plan attached as Exhibit "C", with an estimated project value of \$54,800,000 and Tenant's permitted uses of the Premises as specified in Section 5.01 of this Lease ("Tenant's Work"). Tenant agrees and acknowledges that all Tenant's Work, whether pursuant to this Section or otherwise, is performed and accomplished solely for the benefit and convenience of Tenant, and not for the benefit of County, such Work being nevertheless subject to each and every provision of this Lease.
3. Delete Section 12.01(a) and replace it in its entirety with the following:
 - (a) The failure of Tenant to obtain all government approvals and commence construction on the museum building within sixty-six (66) months of the Effective Date.

Science Museum- Amendment #4
12/19/06

Attachment 1

Page 1 of 2

4. Replace Exhibit B to the original Agreement entitled "Fundraising Milestones" with the Exhibit B attached to this Amendment, adjusting the 2006 and 2007 fund raising requirements, extending the final fundraising milestone to December 31, 2009, increasing the final fundraising total to \$54,800,000, and changing the date construction is required to commence from November 12, 2007, to April 30, 2008.

IN WITNESS WHEREOF, COUNTY and CONSULTANT have executed this Amendment, or have caused the same to be executed as of the day and year first above written.

ATTEST:

SHARON R. BOCK, CLERK AND
COMPTROLLER

PALM BEACH COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONERS

By: _____
Deputy Clerk

By: _____
Addie L. Greene, Chairperson

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

APPROVED AS TO TERMS
AND CONDITIONS

By: _____
County Attorney

By: _____
Director, Facilities Dev. & Ops.

SOUTH FLORIDA SCIENCE MUSEUM, INC.

By: _____
Witness Signature

By: _____
Executive Director

Printed Name

Printed Name

By: _____
Witness Signature

By: _____
Jeff Koons, Chairman of the Board

Printed Name

Science Museum- Amendment #4
12/19/06

Attachment 1

2072

December 1, 2006

Palm Beach County
Facilities Development & Operations Department
3200 Belvedere Road
Building 1169
West Palm Beach, FL 33406

Attn: Audrey Wolf

Re: Dekelbourn Science Center Project Update

Dear Audrey :

This is an update of status for the Dekelbourn Science Center Project. I have attached copies of the present "Discovery" Campaign Plan that details the fundraising plans for the next two years as well as a Historic Summary of items that have occurred from 2002 up to present day.

The Discovery Campaign for the South Florida Science Museum continues to proceed at a slower pace than anticipated in our lease agreement of 2002 as amended this past January. To date we have \$21,655,144 of committed donations and the public campaign is presently under way expanding the fundraising efforts. We have retained a Fundraising Consultant and a PR Firm and anticipate raising approximately \$11 million this winter season and through the end of 2007. In 2008 we are projecting an additional \$10.4 million and nearing the end of 2008 we should have approximately \$43 million towards our goal. The lease agreement Exhibit B as amended in January 2006 does not agree with these dates and amounts and per the lease we will be in default of the Lease Agreement on January 1, 2007. To avoid this we are requesting an Amendment to the Lease Agreement per the attached Revised Fundraising Timeline. You will note the overall goal of major funding detailed in the January 2006 Amendment was not achieved. The reasons for this failure are numerous but as you can see from the attached plan we are optimistic we now have the necessary tools in place to complete the task.

Our in-house team and advisors remain confident that there are design and bidding strategies available that will enable this Project to move forward. We also recognize the extreme time-sensitivity of getting the Project started. We are attempting to stay within the present footprint and design architecture to avoid changes to the Zoning DRO approval but there are some elements that may require refinement or changes. We will keep you advised of these options as they become apparent to the team.

With the funding and construction goals in place we are anticipating starting construction of the new facility in April 2008 with an opening in April 2010. These goals are not within the Lease Agreement time requirements and we will need to amend the Lease accordingly. The final cost of the project is estimated at approximately \$55 million. There is a possibility of an earlier start with a reduced scope in the fall of 2007 but we felt it prudent to acknowledge the potential delay to

Attachment 2

1063

2008. We are budgeting under an assumption of reduced exhibits, shelling certain areas for later fitout and phasing work in some areas in the event of an early construction start. The construction start delays are unfortunate but we continue to have the support of the community and are very appreciative of all the assistance and support the County Staff continues to provide.

We have also been in contact with Dennis Eshleman at Parks and Recreation regarding the 2002 County G.O. Bond Issue. We anticipate the Agreement to be executed at a BCC meeting early in the new year. We have been working directly with Susan Yinger to get this executed as soon as possible. The pledge totals include the \$4 million bond as a committed amount.

We should also note that the Dekelbourn Foundation pledge agreement expires in the fall of 2007 and we are hopeful a new agreement will be in place should we not meet their requirements of a September 2007 start. The present agreement amounts are included in our pledge totals.

On a positive note, we have received a State Cultural Facilities Program grant of \$500,000 and these funds will be used for site prep work and landscaping that will start in January. We are awaiting final approval of a Restricted Covenant by the BCC at the December Board meeting. We are also hoping to continue work with the County Departments on site work prior to full building permit. We have cleared the site of exotic vegetation and have fenced off the Kirk Road and Gun Club sides of the site to avoid further waste dumping on the site by unknown persons.

Please do not hesitate to contact me directly with questions or comments or if further information is required.

Very truly yours,

Dekelbourn Science Center

Ian Kulin, Project Manager

Cc: J. Rosebush, J. Glidden, C. Hamilton

Attachment 2
2023

EXHIBIT "B"

DISCOVERY CAMPAIGN for the
South Florida Science Museum

FUNDRAISING TIMETABLE

November 2005

<i><u>Milestone Deadline</u></i>	<i><u>Year Total</u></i>	<i><u>Accumulated Total</u></i>
Prior 2005*		\$19,000,000
12/31/05	\$700,000	\$19,700,000
12/31/07	\$15,300,000	\$36,000,000
12/31/08	\$8,000,000	\$44,000,000

* Amount includes from Palm Beach County, \$4,000,000 in bond referendum proceeds and full Dekelboun Foundation pledge of \$10,000,000.

Attachment 2

3063

Exhibit "B"

FUND-RAISING MILESTONES AND PLAN

This Exhibit sets forth the fund-raising milestones which have been developed by the Tenant and adopted by the County. The Tenant will be responsible for annually submitting a report prepared by a certified public accountant, identifying the funds raised in the previous calendar year. Such report need not identify the names of the donors; however, it must identify the donation and pledges which are committed to in writing (without conditions which are contrary to the requirements of this lease) and/or actually received. The report shall be submitted to the Facilities Development & Operations Department by January 15th each year, beginning with the reporting year 2002. The Department shall review the report for compliance with the fund raising milestones identified below.

In February of each year, the Department shall notify the Board of County Commissioners of the status of the Tenant's compliance with these requirements. The Tenant acknowledges that a failure to comply with the requirements of these fund-raising milestones will be considered a default pursuant to Article 3 and 12.01(c).

DEKELBOUM SCIENCE CENTER
FUND-RAISING MILESTONES

Milestone Deadline	Year Total	Accumulated Total
12/31/01	\$ 2,500,000	\$ 2,500,000
12/31/02	\$ 5,500,000	\$ 8,000,000
12/31/03	\$10,500,000	\$18,500,000
12/31/04*	\$ 500,000	\$19,000,000
12/31/05	\$ 700,000	\$19,700,000
12/31/06	\$ 1,900,000	\$21,600,000
12/31/07	\$11,000,000	\$32,600,000
12/31/08	\$11,400,000	\$44,000,000
12/31/09	\$10,800,000	\$54,800,000

* This amount includes \$4,000,000 in from Palm Beach County bond referendum proceeds (11/02), State of Florida Awards and all other prior pledges and gifts to the project.

A Attachment 3

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SOUTH FLORIDA SCIENCE MUSEUM

Timeline for Fundraising

For

*The Proposed Dekelboun Science Center
In Lake Lytal Park*

Prepared for

The Palm Beach County Commission

INTRODUCTION

The South Florida Science Museum is a highly successful institution according to all objective standards as well as the subjective opinions of the media, community and political leaders, membership and overall visitors. Over the last forty-six years, it has been singled out for support by such funding organizations as the Florida State Council of the Arts, Quantum Foundation, the Community Foundation for Palm Beach and Martin Counties, Gertrude E. Skelly Foundation, Motorola Foundation, Bank America Foundation, and the Forest Lattner Foundation, among many others.

Descriptions used by community leaders during a feasibility study conducted by the The Charles Webb Company for the Museum included "a phenomenal treasure," "unique," "has mass appeal," "we need more of this." The Museum is perceived as extremely positive for its commitment to serve the citizens of Palm Beach County, particularly schoolchildren and traditionally underserved audiences.

During the last five years, the Museum has significantly increased attendance and membership, and school class visits have grown by 200%. Trustees and staff have met the realistic goals and objectives of continuing to operate in a facility that is clearly too small to serve the community's needs for the future. Sound fiscal oversight and management have allowed for aggressive expansion of educational programs and exhibits to help meet current needs.

In response to a request from the Board of County Commissioners of Palm Beach County, and in keeping with proposed lease terms for the Lake Lytal Park site, the Museum presents in these pages a comprehensive plan to create broader awareness of the Museum's activities, assets, and contributions to our community, followed by a plan of action and timeline to raise the sufficient funds in order to build the proposed new Dekelboum Science Center for the citizens of Palm Beach County and South Florida.

**SOUTH FLORIDA SCIENCE MUSEUM
CAPITAL CAMPAIGN**

**HISTORIC WORK PLAN & TIMELINE
March 1, 2002 to November 30, 2007**

The following Summary Work Plan outlines the major activities and actions completed for the *Campaign Preparation/Advance Gifts Phase (March 1- December 31, 2002)* *Lead Gifts Phase (January 1-December 31, 2003, Major Gifts Phase (January 1,- December 31, 2004) and Community Gifts Phase (January 1, 2005 – November 30, 2006)* of the South Florida Science Museum's Capital Campaign.

Work Completed as of June 30, 2002

- Held second Select Committee Focus Group-City Club, NPB, FL- April 25, 2002
- Organized Select Committee on the future of the South Florida Science Museum and held initial meeting in Palm Beach on February 20, 2002
- Reviewed annual fundraising systems and developed program to increase operational support
- Provided forms and procedures for database management and pledge reporting to support campaign activities
- Developed list of Advance Gift prospects (those committed to Museum's goals and ready to give)
- Began identification of candidates for Campaign leadership positions
- Prepared comprehensive Case for Support and early hand out materials
- Conducted research on foundation prospects
- Organized and conducted Board solicitations
- Produced written campaign materials: Cultivation Handout, Fact Sheet, Question & answers, Key Phrases
- Prepared draft script for Campaign audiovisual presentation
- Prepared script for audiovisual presentation to PB County School Board
- Provided outline and work plan for development of a long range Strategic Plan
- Obtained \$10M Challenge Grant from Dekelboum Foundation
- Engaged PR consultant to audit Museum's effective use of mass media (report submitted 5/17/02)

Campaign Preparation/Advance Gifts Phase
Work Completed as of December 31, 2002

- Produced Interim Campaign Status Report
- Prepared Interim brochure for distribution in late fall of 2002
- Designed and produced informational pieces for distribution to prospects and foundations
- Produced final annual report and determined actions to be taken

- Surveyed local residents in an “audience opinion” mode about SFSM
- Successfully met with Cultural Council and established a plan for the November, 2002 election to support the November 5, 2002 Cultural & Parks Bond Referendum
- Identified, cultivated and recruited candidates for Campaign Leadership, including Honorary Chair(s), Campaign Chair and members of Campaign Steering Committee
- Organized campaign Steering Committee to include sub-committee chairs and Fund Raising Counsel
- Organized Government Funding Task Force
 - Identified and recruited chairpersons and members with contacts in or knowledge of government funding sources; Bill Meyer, Jeff Koons, Co-Chairs
 - Began research of government funding sources including available state grants and potential matching funds from county bond referendum
- Cultivated and solicited Advance Gifts Prospects
- Produced Campaign audiovisual with help of Palm Beach County School District
- Created list of Named Gift Opportunities
 - Worked with Counsel to develop a list of naming opportunities for areas in new science center and for endowing programs, staff positions, etc.
- Developed list of Lead Gift Prospects (\$500,000 and above)
 - Provided Counsel with prospects for research
 - Prospect Review Committee rated, reviewed and assigned prospects
- Planned and conducted cultivation events for Lead Gift Prospects
 - Held Annual Gala
 - Held Annual Golf Tournament
 - Recruited hosts, developed guest lists and scheduled events
- Began solicitation of priority Lead Gift Prospects
- Planned Public Information & Promotion Plan to increase visibility and strengthen
 - Hired Carey O'Donnell & Associates PR firm to assist in delivery of PR plan and community awareness program
 - Public Information and Promotion Program Committee formed, comprised of Board members and others who had expertise in these fields and developed and implemented public information strategies to support the Capital Campaign
- Produced Campaign Brochure
 - Campaign Director and Marketing Committee approved final format for brochure, worked with fund raising counsel and graphic artist firm to produce brochure
 - Selected designer and coordinated production of brochure; Creative Marketing Media, Inc.

LEAD GIFTS PHASE

Work completed as of December 31, 2003

- Expanded Prospect list and continued prospect review and rating
 - Assigned prospects to Campaign Leadership members
- Solicited Lead Gift Prospects
- Cultivated and solicited government funding sources as appropriate
- Organized Corporate and foundation cultivation and solicitation
 - Recruited chairs and organized corporate gifts and foundation gift committees
 - Identified national corporations and foundation prospects and provided officer/ trustee lists for Board review and possible contacts
- Implemented public relations and information strategies

MAJOR GIFTS PHASE

Work completed as of December 31, 2004

- Developed list of Major Gift Prospects (\$25,000 -\$499,999)
 - Researched prospect list
 - Reviewed, rated and assigned Major Gift Prospects
 - Added to database records
- Printed a 4-color, 12 page + insert cards campaign brochure for distribution
- Recruited chair and organized Major Gifts Committee for Campaign Council
- Continued Campaign volunteer recruitment as needed
- Continued cultivation and solicitation of Lead Gift prospects
- Coordinated one-on-one appointments with prospects and committee members
- Solicited Major Gift Prospects
- Hired Wilesmith Advertising Agency to produce a series of TV spots to highlight the importance of science to the community. These will be shown in 2005 for the new center.
- Continued to prepare and submit corporate and foundation proposals
 - Return on Investment Proposals
 - Foundation Grant Proposals
- Plan and organize Community Gifts Phase
 - Created outline for public phase of the Campaign, including Community Gifts
 - Committee and sub-committees, solicitation methods and a draft of community gifts brochure
 - Recruited chair and volunteers for Community Gifts Committee
 - Opened discussion with committee members and Palm Beach County School District to develop school based fund raising programs
 - Solicit foundations for possible match of school based fundraising programs

COMMUNITY GIFTS PHASE (January 1, 2005 – November 30, 2005)

- Produce Community Gifts brochure
- Conduct Community Gift Solicitations
- Complete outstanding Major Gift Solicitations
- Continue and intensify publicity and special events programs
- Create ongoing planned giving program to continue to add to Science Center project endowment following the conclusion of the campaign

Work completed as of October 31, 2005

- Updated and designed and implemented web site – www.dekelboumscience.org with page to solicit donations to the campaign
- Developed a general public donor recognition program at \$100-\$500 range
- Established a Paver Brick Recognition Program to be implemented during construction
- Established a Community Awareness Council to assist in developing a community wide public relations plan
- Received high ranking (9th of 42) for State of Florida Cultural Facilities request of \$500,000. If funded by Governor, we would receive the first of a potential \$1.5M support grant at \$500K annually
- Held a series of appointments with State of Florida Legislators in support for inclusion of a \$4M line item budget request for the project to match County Bond.
- Formulated plans for additional funding (CIBR) requests through county legislative delegation
- Hired new fund raising counsel
- Re-hired PR Firm
- Began design of materials in support of new campaign identification for public phase

Work Completed as of October 31, 2006

- Undertook and completed a comprehensive value engineering study to establish an accurate and updated project budget. This was done for two reasons: Construction Cost and materials budget affected by hurricanes; and to address the slow down in charitable giving locally and nation wide.
- Received Award Letter for \$500,000 funding from State of Florida Cultural Facilities Department for Phase 1 of three Phase submission.
- Filed Phase 2 of State of Florida \$500,000 request to Cultural Facilities Department.
- Filed appropriations request for Florida Legislature in the amount of \$8 million, \$4 million on the House side and \$4 million on the Senate side.
- Submitted an additional \$4 million CIBR request, \$2M on House (Rep. Mary Brandenburg) and \$2M on Senate (Sen. Jeff Atwater)

- Obtained Federal Earmark assignment of \$300,000 for the project under **HR 109-515 for HR 5647 Labor/HHS under IMLS**. Currently still in place.
- Obtained \$250,000 Earmark for Engineering is Elementary from Senator Bill Nelson; rejected in committee in August Of 2006
- Held Major **Groundbreaking Ceremony on February 17, 2006**; attended by hundreds of guests with speeches from Congressman E. Clay Shaw, PB County Commissioner Warren Newell, State Senator Jeff Atwater and others. Formally broke ground with ceremonial bulldozing of materials.
- Completed major up-date to all campaign materials in preparation for public phase of Discovery Campaign.
- Developed special "Giving" page for web site (dekelboumscience.org) that will allow donors to make varying amounts of gifts to the campaign.
- Developed Top 100 Donor List that includes individuals, corporations and foundations and matched them to specific SFSM Trustees and Campaign Leadership Volunteers.
- Named three additional Campaign Co-Chairs with Sydelle Meyer; new three are Gary Klein, Regional CEO, Wachovia Banks; Leo Albert, Palm Beach Philanthropist and Robert Gottlieb, Palm Beach Philanthropist and South Palm Beach Town Councilman.
- Developed Corporate Business Contact Plan to begin to engage the community in the campaign. Personal visits with Chamber of Commerce CEO's, Economic Council and other corporate leaders (11) with continuing contact in the future.
- Received a formal resolution from the Palm Beach County School District as to their joining in partnership with the Campaign and their willingness to support the Campaign by establishing a school based fundraising program that would be matched by a private foundation. (June 28, 2006) (see attached)
- Established Educational partnership with Scripps Research Institute-Florida to deliver outreach programs to school children; \$250,000 grant from Quantum Foundation.
- Solicited and received in-kind services for preliminary site work from landscapers and Palm Beach County Sheriff's Department.
- Negotiated with the Elsie & Marvin Dekelboum Family Foundation a **new pledge agreement (February 25, 2006- Copy attached)**. This agreement provides the project with \$9M payable within sixty (60) days upon proof of completion of the original \$42M project goal and, formal or hard construction beginning by September of 2007. Both parties had agreed that the original construction beginning deadline was unrealistic.
- Retained and contracted a CEO & President of the Dekelboum Science Center Capital Campaign; James R. Rosebush officially started on September 15, 2006.
- Raised \$1.8M in new gifts and pledges prior to October 31, 2006.
- Designed a formal Endowment Plan and goal for the Project (\$25M).
- Contracted with local PR Firm, Waters Pelton for public phase of Campaign.
- Contracted with State & Federal Lobbyists; Kirk Consulting (State) & U.S. Strategies Corporation (Federal) who is also PB County's Lobbyist.

DISCOVERY
A Vision for the Future

THE CAMPAIGN
FOR
THE SOUTH FLORIDA SCIENCE MUSUEM

December 1, 2005

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SFSM Exhibit "B"

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I. PURPOSE

To present a concise fund raising plan for the successful completion of a Now amended **\$54.8** million capital campaign undertaken by the South Florida Science Museum (SFSM).

II. CAMPAIGN GOAL: \$54,800,000

Components: **\$50,800,000**

Construction **\$31,300,000**

Exhibits **\$7,000,000**

Staffing **\$5,400,000**

Other **\$7,100,000**

Fund Raising/Promotion **\$3,200,000**

Financing **\$800,000**

III. CAMPAIGN ORGANIZATION

Campaign Co-Chairs:

Sydelle Meyer; Gary Klein; Leo Albert; Robert Gottlieb

Board of Trustees:

Jeff Koons, Chairman

Gary Klein, Vice-Chairman

Campaign Leadership Staff:

James S. Rosebush, CEO Discovery Campaign

Charles M. Hamilton, Director

Leah Campbell, Executive Assistant

In addition to the above, additional members of the SFSM Board will be asked to serve on specific committees as follows:

- Prospecting
- Trustee Solicitation
- Leadership Gifts
(\$100,000 and higher)
- Major gifts
(\$10,000 to \$99,999)
- Special Gifts
(Gifts under \$10,000)

IV. STAFFING AND CAMPAIGN MANAGEMENT

The overall management of the Campaign will now be assumed by James Rosebush, CEO. Charles Hamilton continues as Campaign Director and the campaign has moved into its own offices at the Community Foundation of Palm Beach and Martin Counties. The current CEO of the SFSM, Bob Callahan will support the campaign where needed. There are now four (4) Co-Chairs of the Campaign and they are Sydelle Meyer, Gary Klein, Leo Albert and Robert Gottlieb.

V. CAMPAIGN TIMETABLE

2005

By December 31

Determine revised Campaign goal and individual project allocations.

Conduct interviews of selected Board, current Leadership Council members, Campaign lead donors.

Recruit Campaign Chair, Honorary Co-Chair(s).

Review and revitalize Campaign Leadership Council; conduct day-long retreat for Leadership Council to review Campaign Plan and their role in the campaign.

Complete and Implement Campaign Plan.

Develop theme for Campaign.

Revise Case Statement as necessary and prepare and produce all external campaign materials.

With PR agency, develop and implement communications plan for the Campaign.

Utilize October 15th public "makeover" event as one of the initial tools to demonstrate a new commitment to the community premised on the philosophy of "you isn't seen nothing yet" as the SFSM looks to the future.

Complete Trustee and Leadership Council solicitation; continue calls on leadership, major, and special gifts.

Continue work on all governmental requests.

Submit to County request for extension on fund raising goal requirements as part of the land-lease agreement.

Continue prospect research with focus on leadership and major gifts.

Finalize new Dekelboum Foundation pledge agreement.

Secure additional commitments totaling \$1 million.

2006

January 1 – June 30

Announce Campaign at *The Diamond Constellation Ball* in January.

Conduct "How to Ask for a Major Gift" seminar in early February for staff and volunteers who are participating in the gift solicitation portion of the Campaign.

Hold "land-clearing" party on the site in February as a media event for Board and Leadership Council members, as well as major donors to the Science Museum and to the Campaign.

Begin small group (couple) receptions in private homes to present the Campaign to leadership/major gift prospects.

Conduct Leadership Council meetings on a monthly basis.

Assign Leadership Council members to solicitation committees; expand and assign volunteer corps to cover prospect base.

Continue leadership and major gift solicitation.

Complete work on all governmental requests.

Prepare draft of campaign newsletters for production in March and May of 2007.

Continue prospect research with focus on leadership and major gifts.

July 1 – December 31, 2006

Continue small group (couple) receptions in private homes for leadership/major gift prospects.

Complete leadership and major gift solicitations; begin work on special gifts solicitations.

Continue monthly Leadership Council meetings.

Hold major donor/prospect luncheon as update to Campaign.

Achieve total gifts to Campaign of \$21.5 million.

2007

January 1 – November 30

Hold series of evening events throughout eight county areas. Palm Beach, Broward, Martin, Indian River, Okeechobee, St. Lucie, Glades, Hendry.

Complete special gifts solicitations.

Make second asks on those individuals whose initial gifts weren't at the level expected. Target foundations, corporations and individuals including new trustees and leadership volunteers.

Conduct general public/direct mail campaign for multiple-year gifts of <\$10,000. Include "special" appeals such as a brick paver campaign, a school-based penny campaign, and online giving program to name just a few. Production of letter complete, mailing in mid-December of 2006.

Continue monthly Leadership Council meetings.

Achieve campaign goal of \$34.6+ million.

Establish Endowment Campaign for \$25M and solicit individuals that
Have a history of supporting endowment programs.

Continue major fundraising asks, utilizing site construction work area.

VI. CAMPAIGN FUND RAISING/PROMOTION BUDGET

Estimated Budget
October 1, 2005 – November 30, 2007

<u>Item</u>	<u>Amount</u>
Consultants (fund raising)	\$1,000,000
Consultants (public relations)	190,000
Consultants (lobbyists - federal, state)	300,000
Campaign Materials	75,000
Special Events	75,000
Donor Cultivation	25,000
Donor Recognition	70,000
Advertising	172,000
Web Site/Bill Board	15,000
Travel	18,000
Administrative	152,000
Staffing	877,000
Previous Expenditures	<u>240,000</u>
TOTAL	\$3,209,000

VII.

THE SOLICITATION PROCESS: PROJECTED SOURCES OF SUPPORT

The Campaign is a special gifts effort to raise \$54.8million from a selected group of donors to construct a new Science Center for the community. As such, it will include active solicitation in the following categories:

- Board and Leadership Council

The personal solicitation of the members of the Board and the Leadership Council will be undertaken under the leadership of the Chairman of the SFSM Board and the Campaign Chair.

- Leadership Gifts

This capital gifts effort will focus on those individuals, corporations, and foundations that can make a multiple-year gift of \$100,000 or more. The Leadership Gifts Committee will coordinate solicitation of prospects thought to be able to make gifts at this level.

- Major Gifts

This major gift effort will focus on those individuals, corporations, and foundations that can make a multiple-year gift of between \$10,000 and \$99,999. A larger committee of volunteers will be required for this endeavor, necessitating the recruitment of others beyond the Leadership Gifts Committee, and possibly the Board.

- Special Gifts

The special gifts program will be comprehensive in breadth and reach out to the general public, including individuals, corporations, and foundations, as well as those who may have special interest in the SFSM, such as vendors. It will be conducted through one-on-one solicitations, as well as through a direct mail campaign supported, possibly, by telemarketing. If telemarketing is used, the Campaign Budget will be increased accordingly.

VIII.

PROJECTED PRIVATE AND PUBLIC SECTOR GIFTS NEEDED

In order to meet its \$54.8 million goal, the Campaign should achieve the following approximate distribution of capital gifts. Experience suggests that while not every prospect can or will give at the desired level, Leadership Gifts of \$100,000 or more will account for approximately 90% of the Campaign goal. As the below chart indicates, capital gifts of varying sizes will be needed, and every gift is important to the success of the campaign.

<u>Gift Size</u>	<u># Needed</u>	<u>Amount</u>	<u>Cumulative</u>
\$10,000,000	1	\$10,000,000	\$10,000,000
5,000,000	2	10,000,000	20,000,000
2,000,000	5	10,000,000	30,000,000
1,000,000	9	9,000,000	39,000,000
500,000	10	5,000,000	44,000,000
250,000	14	3,500,000	47,500,000
100,000	20	2,000,000	49,500,000
50,000	30	1,500,000	51,000,000
25,000	50	1,250,000	52,250,000
10,000	100	1,000,000	53,250,000
<10,000	Many	1,550,000	<u>54,800,000</u>
TOTALS:	241+		\$54,800,000

NOTE: In order to generate 239+ gifts, it's important to realize that it Normally requires 3-4 legitimate, interested prospects to secure each gift being projected, which would suggest that the Campaign will require a prospect base of, at a minimum, about 700 good, qualified candidates.

IX.

CAMPAIGN MATERIALS AND PROMOTION

Below is a listing of Campaign-related promotional materials which have been prepared or are in process for the **DISCOVERY** Campaign. Essentially, such materials need to reflect the goals of the Campaign in a tasteful, cost-effective manner, while still carrying their messages in a dramatically promotional way.

- Campaign Case Statement

The case statement articulates the reason and rationale for the Campaign. It is the basis for all solicitations, be they with individuals, corporations, or foundations, as well as all campaign materials.

- Campaign Brochure

The “external” document for the Campaign. It is designed to represent the “spirit” of the campaign both through the written word and visually, and is designed to clearly articulate the case for the campaign and the goals selected. One of the most critical pieces of the Campaign.

- Videotape/DVD Presentation

The “visual” case statement. This piece will be between 7-9 minutes and will be used by staff and volunteers in their presentations to prospective donors. It is a “thumb nail” sketch of the projects included in the campaign, and is designed to help volunteers remember all the important pieces of the campaign.

- Direct Mail Brochure

“Mini” campaign brochure to be used with the direct mail program as part of the special gifts effort.

- Campaign Stationery Materials

A unique set of Campaign-related stationery materials will be developed to reflect the “theme” of the Campaign. Included in this set should be:

- ✓ Campaign letterhead (with Leadership Council) and matching
- ✓ Pledge card and matching BRE
- ✓ Campaign folders
- ✓ Other packaging and mailing materials (mailing labels, note pads, executive stationary, etc.)

- Campaign Newsletter

An appropriate series of campaign updates should be prepared to inform volunteers and donors of campaign progress and to cultivate interest in potential donors. Listed in this newsletter would be the names of all those who have made gifts of \$1,000 or more; articles would include major gifts given and naming opportunities utilized.

- Public Relations Activities

Close coordination should be achieved between those promotional efforts and materials directly organized for the Campaign and the continuing public relations efforts pursued by the SFSM. All public relations activity for the Campaign should be cleared through the SFSM President and CEO.

X. **COMMEMORATIVE GIFT OPPORTUNITIES**

A formally adopted list of commemorative, or named, giving opportunities accomplished three principal Campaign needs:

- It sets goals for the leadership giving necessary to complete the Campaign successfully.
- It conveys the value that the institution has placed on itself and its Campaign objectives.
- It sets fair market values for donors so that they can feel assured they are receiving appropriate recognition for the important giving they commit to the program.

The following partial list of commemorative gift opportunities should be of continuing assistance to solicitors and donors. A complete list is available in the Campaign collaterals.

<u>Naming Opportunity</u>	<u>Amount</u>
New Science Center Reserved	\$10,000,000
Large Format Theater	3,000,000
Changing Exhibition Gallery	2,000,000
Aquarium Gallery	2,000,000
Endowed Programs	1,000,000-5,000,000

XI.

FORMS OF GIVING AND CAMPAIGN GUIDELINES

The SFSM is prepared to receive various kinds of gifts, and campaign staff is equipped to develop individualized giving plans which will enable prospects to give at their maximum potential. Donor may make outright gifts or certain types of deferred gifts to the Campaign as follows:

- Outright gifts of cash and securities

This should be the solicitor's first priority with each prospect, as it is most desirable from the Museum's standpoint. A contribution of an outright gift combined with a multiple-year cash pledge will be the most commonly sought. Pledges to the Campaign may be paid over a five-year period, although longer pledge payment schedules may be available with the approval of the Museum's President and CEO and the Campaign Chair.

- Deferred gifts

Deferred giving utilizing charitable tax planning techniques may enable a prospective donor to find a way to make a larger capital gift to the Campaign than he or she may have thought possible. At the same time, such a gift may maximize tax and economic benefits. Such planned giving techniques are sophisticated, and it is important to involve the Museum's President and CEO and the Campaign Director in considering such an approach. In addition to talking with a prospect, conversations regarding a planned gift will normally be undertaken with a prospect's legal and/or financial advisor(s)/

Since the **DISCOVERY** Campaign is primarily a "bricks and mortar" campaign, only those gifts in the form of Charitable Lead Trusts will be counted toward the Campaign goal. Other deferred gifts such as real estate, life insurance, and closely held stock will be accepted, but will only be counted toward the goal if sold and the proceeds directed to the Campaign. Other deferred gifts such as Charitable Remainder Trusts will not be counted toward the goal, but will be gratefully accepted, and where appropriate provide for named gift opportunities; the same will apply to restricted bequests to the endeavor. Finally, unrestricted bequests received by the SFSM during the active phase of the Campaign will count toward the Campaign goal only if they are so directed by the SFSM Board of Trustees.

All campaign pledges **must be in writing** and are payable on a schedule established by the donor, but for the most part will not exceed a five-year payout period. All gifts will be officially processed and acknowledged through the SFSM.

XII. THE ROLE OF THE SMALL GIFT

By its very nature, a capital campaign is more concerned with the size of pledges than with the number of donors. Thus, the **DISCOVERY** Campaign will focus on seeking the largest pledges possible from prospective donors capable of substantial commitments – i.e., \$10,000 and higher. But it is also important for the future funding of the SFSM that as many donors “invest” in the success of the Campaign as is possible, which, in turn, will provide the prospect base for an annual fund effort in support of the SFSM in the future.

Therefore, the **DISCOVERY** Campaign will use as its final phase a general direct mail campaign to many former members, donors, and other interested friends of the SFSM in an effort to significantly expand the base of support for this campaign. And, based on the success of this endeavor, a telemarketing phase may also be implemented.