3H-8

Agenda Item #:

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

| Meeting Date: | April 15, 2008 | [X] Consent [] Ordinance | [] Regular [] Public Hearing |
|---------------|--------------------------|---------------------------|-----------------------------------|
| Department: | Facilities Development & | Operations | |

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve:

- A) Lease Agreement with the City of Delray Beach to provide the County approximately 3.64 acres of land for development of a future Head Start facility; and
- B) Memorandum of Lease to be recorded in the public records to provide notice of the Lease.

Summary: The County's Head Start Program in Delray Beach is currently operated out of modular buildings on property leased from the City on the west side of the City's Catherine Strong Park (R-96-984-D). The County donated the land for the Park to the City in 1994 (R-94-1762-D). The City recently purchased an additional 6 acres of property for incorporation into the Park. The City's acquisition of this additional property provides an opportunity to redevelop the Park and improve drainage for the Park, the adjacent Boys and Girls Club Facility and the Auburn Trace low income housing project. The City is assisting the County by making approximately 3.64 acres of the Park property available to the County in an effort to establish a permanent location for Head Start within the community it serves. The property will be leased by the County for 99 years and the County will pay the City a lump sum payment of \$340,631.24 for that portion of the property purchased by the City (approximately 2.25 acres) within 30 days of the date of issuance of a certificate of occupancy for the new Head Start Facility. If the parties are able to create a legal lot of record, the City will convey the property to the County. The County has the right to terminate the Lease Agreement at any time by providing the City ninety (90) days written notice. The Lease Agreement provides for the City to: 1) obtain required re-zoning; 2) grant drainage and flowage easements for legal positive storm water outfall; 3) accommodate supplemental storm water retention; and 4) obtain releases of easements and use restrictions. If requested, the County will enter into a cross parking easement with the adjacent Boys & Girls Club. The County will continue to operate the existing Head Start facility under the existing lease until completion of the new facility. At that time, the County will remove the modular buildings and improvements and then terminate the existing lease. (PREM) District 7 (HJF) *** continued on page 3 ***

| Attachment | ls: | |
|------------|----------|-----|
| 1. | Location | Мар |

Agenda item is more than 50 pages; may be viewed in Administration.

- 2. Lease Agreement
- 3. Memorandum of Lease
- 4. July 23, 1996 Agenda Item (R-96-984-D)
- 5. December 6, 1994 Agenda Item authorizing conveyance of the Park property to the City (R-94-1762-D)

| Recommended By: | Est Among Work | 3/31/08 | |
|-----------------|-----------------------------|---------|--|
| | Department Director | Date | |
| Approved By: | detaile | 4/14/0 | |
| | County Administrator | Date | |

II. FISCAL IMPACT ANALYSIS

| A. | A. Five Year Summary of Fiscal Impact: | | | | | | | |
|---|---|--------------------|--------------------|-----------------|--------------|-----------------|--|--|
| Fisca | l Years | 2008 | 2009 | 2010 | 2011 | 2012 | | |
| Capital Expenditures Operating Costs External Revenues Program Income (County) In-Kind Match (County) | | 1.00 | 1.00 | <u> 700,000</u> | 7,365000 | 1.00 | | |
| NET FISCAL IMPACT | | 1.00 | 1.00 | 700,000 | 7,365,000 | 1.00 | | |
| # ADDITIONAL FTE POSITIONS (Cumulative) | | | | | | | | |
| | m Included in Current Buset Account No: Fund | | No | | ct_4414_ | | | |
| В. | Prog Recommended Sources of | | – nmary of Fisc | al Imnact: | | | | |
| | Pursuant to Section 16.01 of the Lease, the County has the right to terminate the Lease at any time upon ninety (90) days notice to the City. Prior to proceeding with construction of the Head Start Facility, funding for the lease/purchase price will need to be approved by the Board. Otherwise, the County has the right to terminate the Lease. Consideration by the County for the lease/purchase is \$340,631.24, which was calculated based on the per acre purchase price (\$249,169.44) paid by the City, multiplied by the 2.25 acre portion of the Head Start property purchased by the City, less extraordinary development costs associated with the property of \$220,000. The purchase price may be adjusted based upon | | | | | | | |
| C. | \$249,169.44 per acre for the difference between the estimated and final acreage of the Head Start property. Departmental Fiscal Review: | | | | | | | |
| (100 m) | | | | T. Comment | | | | |
| | | III. REV | IEW COMM | ENTS | | | | |
| A. | OFMB Fiscal and/or Con Fihre Fivoing Sovree 4.4. OFMB | of Charact Develor | 30ND REV | nents: | Mand Control | P. | | |
| В. | Legal Sufficiency: Assistant County Attorn Other Department Revie | | At 1 | the to | me pt | to the vere not | | |
| | Department Director | vv • | | - | | | | |

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This summary is not to be used as a basis for payment.

Background and Justification: The County's Head Start program in Delray Beach is currently operated in modular units on property leased from the City on the west side of the City's Catherine Strong Park. The County has a plan in place to construct its future permanent Head Start facility at the County's South County Administrative Complex; however, the recent acquisition of 6.02 acres of land by the City has created an opportunity to locate the permanent Head Start facility adjacent to where it is currently located. Locating the permanent Head Start facility on this property rather than the South County Administrative Complex is more desirable to the County because it is closer to the Head Start Program's service area, and more desirable to the City because it maintains the services in the community and it allows the South County Administrative Complex to become available for redevelopment. The current lease with the City for the property where the County's existing Head Start modular buildings are located requires the County to provide ninety (90) days notice of termination of the lease. Within the ninety (90) day termination period, the County, at its sole cost and expense, will remove the modular buildings from the leased premises together with all associated above-ground improvements. The removal of improvements will include the capping and removal of utilities, if necessary. The County Attorney's Office is of the opinion that a Disclosure of Beneficial Interest is not required for transactions between the County and another governmental entity.