

Agenda Item #:

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

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

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: Amendment Number One to Lease Agreement (R2002-0957) with the Milagro Foundation, Inc. for the County's continued use of a 2,100+/- SF child care building and surrounding land for the Delray Beach Early Head Start Program at an annual rate of \$37,200.

Summary: The County, on behalf of the Community Services Department, Head Start Division, has leased this building & surrounding land located at 346 SW 6th Avenue in Delray Beach since 2002. The current term of the Lease expires April 30, 2008. This Amendment: i) extends the term of the Lease for one (1) year from May 1, 2008 through April 30, 2009; and ii) updates the Notice provisions of both parties. The annual rental rate will increase by 46.39% from \$25,412.52 (\$12.10/sf) to \$37,200.00 (\$17.71/sf). The Landlord would prefer to have taken back this space to expand its programs, but agreed to extend the Lease for one year conditioned upon the rent increase. The County will continue to pay for separately metered utilities and has the right to terminate the Lease upon ninety (90) days prior written notice to Landlord. All other terms of the Lease remain in full force and effect. The Early Head Start Program will ultimately be relocated to the new Head Start facility projected to be constructed within Delray Beach's Catherine Strong Park and ready for occupancy in FY 2012. Staff is working to identify a facility to accommodate Early Head Start in the interim. (PREM) District 7 (HJF)

Background and Justification: On June 18, 2002 (R2002-0957), the Board approved the initial Lease with Ages & Stages, Inc. for a period of two (2) years and ten (10) months with an option to renew for a three (3) year period. The Board approved the renewal option in 2005 (R2005-0101). The County does not have any County-owned space currently available for the Early Head Start Program use. The Early Head Start Program will be relocated to the new Head Start facility planned for construction within Delray Beach's Catherine Strong Park in FY 2012. In December 2006, Ages & Stages, Inc. sold the property to Milagro Foundation, Inc., the new Landlord. The Early Head Start Program currently serves 16 children from 1 - 36 months of age. This Amendment will provide for the continuation of the Early Head Start Program for an additional year. Florida Statutes Section 286.23, requires that a Disclosure of Beneficial Interest be obtained when a property held in a representative capacity is leased to the County. The Milagro Foundation, Inc., a 501(c)(3) Florida Non Profit Corporation, the Landlord, provided the Disclosure attached as Exhibit "D" to this First Amendment. This Disclosure identifies that no person or entity holds a five percent (5%) or greater beneficial interest.

Attachments:

- 1. Location Map
- 2. Amendment Number One
- 3. Budget Availability Statement

Recommended By: Ray Ann May Wolf 4/1/08
Department Director Date

Approved By: [Signature] 4/14/08

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2008	2009	2010	2011	2012
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	<u>\$15,500.00</u>	<u>\$21,700.00</u>	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>\$15,500.00</u>	<u>\$21,700.00</u>	_____	_____	_____
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget: Yes X No _____
 Budget Account No: Fund 1002 Dept 147 Unit 1457 Object 4410
 Program EH20-GY07

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

C. Departmental Fiscal Review: _____

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:

[Signature] 4-7-08
 OFMB
 2/24/04
 4/10/08
 4/13/08

[Signature] 4/11/08
 Contract Development and Control

B. Legal Sufficiency:

[Signature] 4/11/08
 Assistant County Attorney

4/9/08

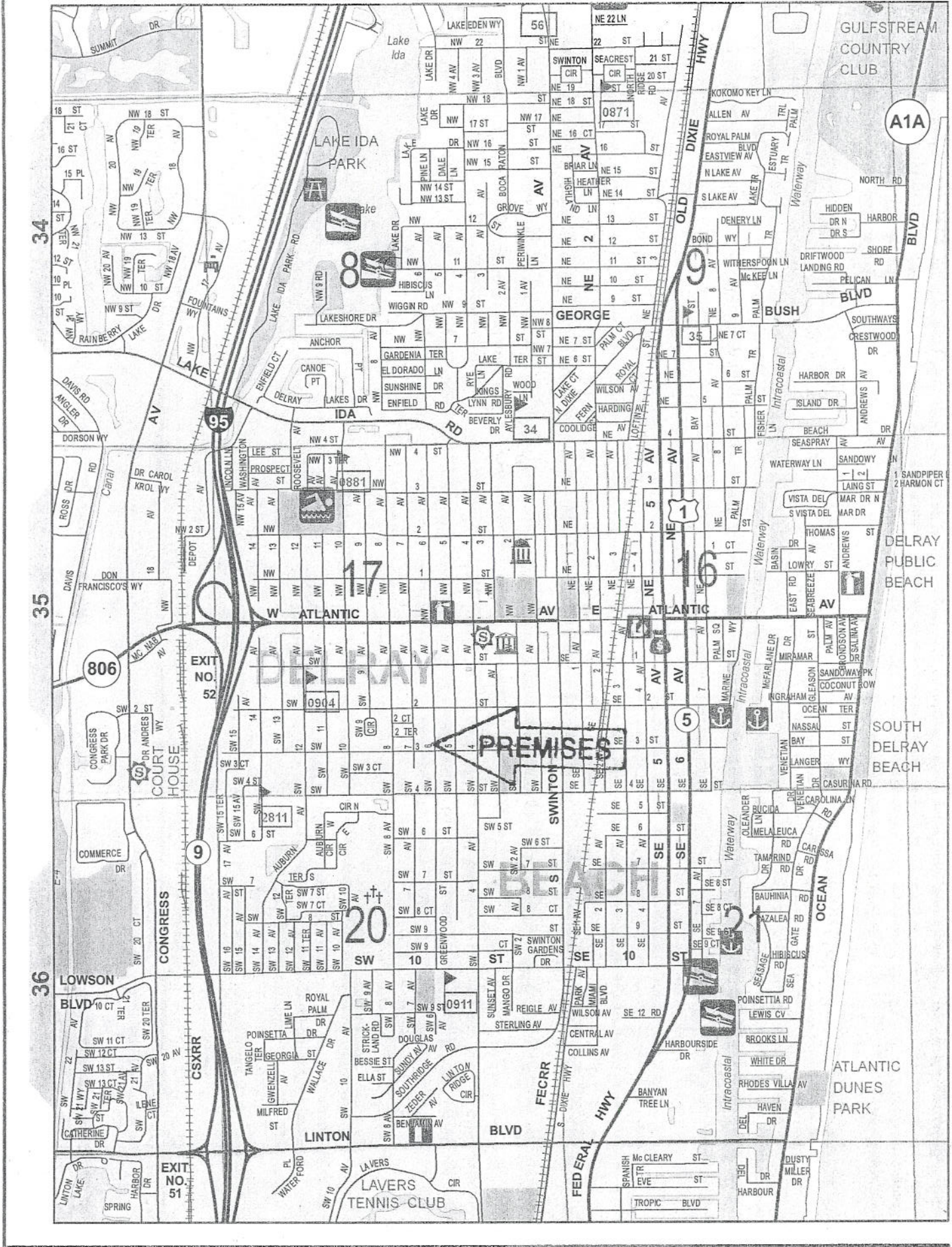
This amendment complies with our review requirements.

FDO is obtaining a corrected insurance certificate.

C. Other Department Review:

 Department Director

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



LOCATION MAP

ATTACHMENT # 1



AMENDMENT NUMBER ONE TO LEASE AGREEMENT

THIS AMENDMENT NUMBER ONE TO LEASE AGREEMENT (the "First Amendment") is made and entered into _____ by and between MILAGRO FOUNDATION, INC., a Florida Non Profit Corporation (hereinafter referred to as "Landlord") and PALM BEACH COUNTY, FLORIDA, a political subdivision of the State of Florida, on behalf of COMMUNITY SERVICES DEPARTMENT, HEAD START AND CHILDREN SERVICES DIVISION, (hereinafter referred to as "County").

WITNESSETH:

WHEREAS, Ages & Stages, Incorporated, the original Landlord, and County entered into a Lease Agreement dated June 18, 2002 (R2002-0957) (the "Lease"), for the use of the Premises as defined in the Lease, which includes the entire "South Building" and surrounding area, including parking, located at 346 SW 6th Avenue, Delray Beach, Florida 33444, and which Lease commenced on July 1, 2002, and expired on April 30, 2005; and

WHEREAS, the Lease provided County with one (1) three-year option to renew the Lease; and

WHEREAS, County exercised the renewal option on January 11, 2005 (R2005-0101) to extend the Term of the Lease from May 1, 2005, through April 30, 2008; and

WHEREAS, Ages & Stages, Incorporated, sold the Property including the Premises to Milagro Foundation, Inc., on December 8, 2006, and County was provided notice of such sale; and

WHEREAS, the parties desire to extend the term of the Lease for an additional one (1) year; and

WHEREAS, Landlord hereby acknowledges that County is not delinquent in the payment of rent and is not in default of any of the terms and conditions of the Lease; and

NOW, THEREFORE, in consideration of the premises and mutual covenants and conditions contained herein, the parties agree to modify the Lease as follows:

1. The foregoing recitals are true and correct and incorporated herein by reference. Terms not defined herein shall have the same meaning and effect as in the Lease.

2. **Section 1.03, Length of Term and Effective Date** is modified to extend the term of this Lease for an additional one (1) year commencing on May 1, 2008 and expiring on April 30, 2009 (the "Term").

3. **Section 2.01, Annual Rent** is modified to provide that commencing on May 1, 2008, County shall pay Landlord an Annual Rent of Thirty-Seven Thousand Two Hundred Dollars (\$37,200.00), which shall be payable in equal monthly installments of Three Thousand One Hundred Dollars (\$3,100.00) per month payable on the first day of each month in advance.

4. **Section 15.04, Notices** is modified as follows:

(a) if to the Landlord at:

Milagro Foundation, Inc.
Attention: Executive Director
340 SW 6th Avenue
Delray Beach, FL 33444

(b) if to the County at:

Property & Real Estate Management Division
Attention: Director
2633 Vista Parkway
West Palm Beach, FL 33411-5605

5. **Section 15.18, Disclosure of Beneficial Interests**, is hereby added as follows:

Section 15.18 Disclosure of Beneficial Interests.

Landlord represents that simultaneously with Landlord's execution of this First Amendment, Landlord has executed and delivered to County, the Landlord's Disclosure of Beneficial Interests attached as Exhibit "D" hereto and made a part hereof, (the "Disclosure") disclosing the name and address of every person or entity having a 5% or greater beneficial interest in the ownership of the Premises as required by Section 286.23 of the Florida Statutes unless Landlord is exempt under the statute. Landlord warrants that in the event there are any changes to the names and addresses of the persons or entities having a 5% or greater beneficial interest in the ownership of the Premises after the date of execution of the Disclosure until the Effective Date of this First Amendment, Landlord shall immediately, and in every instance, provide written notification of such change to the Lessee pursuant to Section 15.04 of this Lease, as amended.

6. This First Amendment shall become effective when signed by all parties and approved by the Palm Beach County Board of County Commissioners (the "Effective Date").

7. Except as modified by this First Amendment, the Lease remains unmodified and in full force and effect and the parties hereby ratify, confirm, and adopt the Lease, as amended, in accordance with the terms thereof.

IN WITNESS WHEREOF, Landlord and County hereto have executed this First Amendment on the day and year first written above.

LANDLORD:

MILAGRO FOUNDATION, INC.,
a Florida non profit corporation

WITNESS:


Witness Signature

Stephanie Scott-Johnson
Print Witness Name


Witness Signature

Sarah Brothers
Print Witness Name

By: 
Marlo Belkin, Executive Director

ATTEST:

SHARON R. BOCK
CLERK & COMPTROLLER

By: _____
Deputy Clerk

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

By: _____
Assistant County Attorney

TENANT:

PALM BEACH COUNTY, FLORIDA,
a political subdivision of the State of Florida

By: _____
Addie L. Greene, Chairperson

APPROVED AS TO TERMS
AND CONDITIONS

By: 
Audrey Wolf, Director
Facilities Development & Operations

EXHIBIT "D"

LANDLORD'S DISCLOSURE OF BENEFICIAL INTERESTS



LANDLORD'S DISCLOSURE OF BENEFICIAL INTERESTS
(REQUIRED BY FLORIDA STATUTES 286.23)

TO: PALM BEACH COUNTY CHIEF OFFICER, OR HIS OR HER OFFICIALLY
DESIGNATED REPRESENTATIVE

STATE OF FLORIDA
COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority, this day personally appeared, hereinafter referred to as "Affiant", who being by me first duly sworn, under oath, deposes and states as follows:

1. Affiant is the President (position - i.e. president, partner, trustee) of Milagro Foundation, Inc. (name and type of entity - i.e. ABC Corporation, XYZ Limited Partnership), (the "Owner") which entity is the owner of the real property legally described on the attached Exhibit "A" (the "Property").

2. Affiant's address is: 340 SW 6th Ave, Delray Beach, FL
33444

3. Attached hereto as Exhibit "B" is a complete listing of the names and addresses of every person or entity having a five Percent (5%) or greater beneficial interest in the Owner and the percentage interest of each such person or entity.

4. Affiant acknowledges that this Affidavit is given to comply with Florida Statutes 286.23, and will be relied upon by Palm Beach County in its lease of the Property.

5. Affiant further states that Affiant is familiar with the nature of an oath and with the penalties provided by the laws of the State of Florida for falsely swearing to statements under oath.

6. Under penalty of perjury, Affiant declares that Affiant has examined this Affidavit and to the best of Affiant's knowledge and belief it is true, correct, and complete.

FURTHER AFFIANT SAYETH NAUGHT.

[Signature], Affiant

(Print Affiant Name)

BARRY HALPERIN

The foregoing instrument was acknowledged before me this 5th day of November, 2007, by Barry Halperin

who is personally known to me or who has produced _____ as identification and who did take an oath.

[Signature]
Notary Public

Carol Howard
(Print Notary Name)

NOTARY PUBLIC
State of Florida at Large

My Commission Expires: 1-19-2011

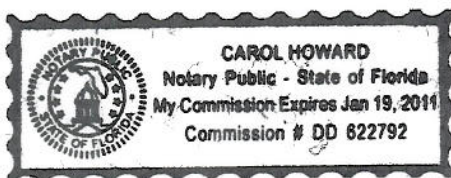


EXHIBIT "A"

PROPERTY

THE SOUTH 100 FEET OF THE EAST 100 FEET OF THE SOUTH ½ BLOCK 16, TOGETHER WITH THE NORTH 100 FEET OF THE SOUTH 204.88 FEET OF THE EAST 135 FEET OF THE SOUTH ½ BLOCK 16, AND THE SOUTH 204.88 FEET OF THE EAST 100 FEET, LESS THE SOUTH 100 FEET AND THE NORTH 100 FEET OF THE SOUTH ½ BLOCK 16. TOWN OF LINTON, FLORIDA, N/K/A DELRAY BEACH, ACCORDING TO THE PLAT THEROF AS RECORDED IN THE PLAT BOOK 1, PAGE 3, PUBLIC RECORDS OF PALM BEACH COUNTY, FLORIDA.

EXHIBIT "B"

**SCHEDULE TO BENEFICIAL
INTERESTS IN PROPERTY**

Name _____ **Address** _____ **Percentage of Interest** _____

Landlord is only required to identify five percent (5%) or greater beneficial interest holders. If none, so state. Landlord must identify individual owners. If, by way of example, Landlord is wholly or partially owned by another entity, such as a corporation, Landlord must identify such other entity, its address and percentage interest, as well as such information for the individual owners of such other entity.

NAME

ADDRESS

There are no Board Members who have made contributions greater than 5% of our operating budget. The program is operational based upon grants from a variety of family foundations, Children Services Council, Community Foundation and the United Way. Any additional monies are raised through fundraising events. The Milagro Foundation is a 501 C 3. There are no individual entities that have beneficial interest in its assests.

BUDGET AVAILABILITY STATEMENT

REQUEST DATE: 09/10/2007

REQUESTED BY: Nicholas Lambiase, Jr., CPM, Property Specialist, FD&O - PREM

SENT TO: Dr. Carmen Nicholas, Director Head Start & Children Services

PROJECT NAME: Delray Beach Early Head Start Amendment No. 1

IS ITEM INCLUDED IN CURRENT BUDGET: YES X NO

BUDGET ACCOUNT NO:

FUND: 1002 DEPT: 147 UNIT: 1457 OBJ: 4410 PROGRAM: EH20-0407

FIVE YEAR SUMMARY OF FISCAL IMPACT:

FISCAL YEARS	2008	2009	2010	2011	2012
CAPITAL EXP.	_____	_____	_____	_____	_____
RENT	<u>\$15,500.00</u>	<u>\$21,700.00</u>	_____	_____	_____
OPERATING COSTS	_____	_____	_____	_____	_____
MONTHLY UTILITIES	_____	_____	_____	_____	_____
EXTERNAL REVENUE	_____	_____	_____	_____	_____
PROGRAM INCOME (CTY)	_____	_____	_____	_____	_____
IN KIND MATCH (CTY)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>\$15,500.00</u>	<u>\$21,700.00</u>	_____	_____	_____

PROPOSED BCC MEETING DATE: 12/04/2007

BAS APPROVED BY: Rebecca E. Williams DATE: Oct 17, 2007

G:\Property Mgmt Section\Out Lease\Ages & Stages Early Headstart DELRAY\Amendment No. 1\BAS, Amendment.doc

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)
02/28/08

PRODUCER
Ridge Insurance Agencies, Inc.
2275 S Federal Hwy, suite 140
Delray Beach, FL 33483

INSURED
Milagro Foundation, Inc.
340 SW 6th Ave.
Delray Beach, FL 33444

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

INSURER A: Colony Insurance Company
INSURER B: Progressive
INSURER C:
INSURER D:
INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PER YEAR <input type="checkbox"/> LOC	GL3220665	09/11/2007	09/11/2008	EACH OCCURRENCE \$ 1,000,000 FIRE DAMAGE (Any one fire) \$ MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ 1,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000
	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	05508944	12/08/2007	12/08/2008	COMBINED SINGLE LIMIT (Per accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
	EXCESS LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC & STATUTORY LIMITS OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
	OTHER				

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

PALM BEACH COUNTY, DEPT OF PARKS & RECREATION
2700 6TH AVE
LAKE WORTH, FL 33461

CERTIFICATE HOLDER <input checked="" type="checkbox"/> ADDITIONAL INSURED, INSURER LETTER: PALM BEACH COUNTY, DEPT OF PARKS & RECREATION 2700 6TH AVE LAKE WORTH, FL 33461	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAILED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE
---	--

ACORDTM EVIDENCE OF PROPERTY INSURANCE

DATE
3/7/2008

THIS IS EVIDENCE THAT INSURANCE AS IDENTIFIED BELOW HAS BEEN ISSUED, IS IN FORCE, AND CONVEYS ALL THE RIGHTS AND PRIVILEGES AFFORDED UNDER THE POLICY.

PRODUCER Presby & Company, Inc. Richard Presby PO Box 11150 Fort Lauderdale, FL 33339		PHONE (A/C No. Ext): (954)491-2216	COMPANY North Pointe Insurance - () - Ext.	
CODE: AGENCY CUSTOMER ID #: INSURED	SUB CODE:	LOAN NUMBER	POLICY NUMBER 2094118124	CONTINUED UNTIL TERMINATED IF CHECKED
Milagro Foundation Inc. 340 S. W. 6th Avenue Delray Beach, FL 33444		EFFECTIVE DATE 11/29/2007	EXPIRATION DATE 11/29/2008	<input type="checkbox"/>
THIS REPLACES PRIOR EVIDENCE DATED:				

PROPERTY INFORMATION

LOCATION/DESCRIPTION		
340 S. W. 6th Avenue	Delray Beach	FL Building
346 S. W. 6 Avenue	Delray Beach	FL Building

COVERAGE INFORMATION

COVERAGE/PERILS/FORMS	AMOUNT OF INSURANCE	DEDUCTIBLE
340 S. W. 6th Building Coverage Including Replacement Cost Coverage	\$250,000	\$1,000.
346 S. W. 6th Building Coverage Including Replacement Cost Coverage	\$260,000	\$1,000.


REMARKS (Including Special Conditions)

the board of county commissioners palm beach county is covered as an additional insured as respects the building located at 346 s. w. 6th avenue, delray beach, fl

CANCELLATION

THE POLICY IS SUBJECT TO THE PREMIUMS, FORMS, AND RULES IN EFFECT FOR EACH POLICY PERIOD. SHOULD THE POLICY BE TERMINATED, THE COMPANY WILL GIVE THE ADDITIONAL INTEREST IDENTIFIED BELOW 30 DAYS WRITTEN NOTICE, AND WILL SEND NOTIFICATION OF ANY CHANGES TO THE POLICY THAT WOULD AFFECT THAT INTEREST, IN ACCORDANCE WITH THE POLICY PROVISIONS OR AS REQUIRED BY LAW.

ADDITIONAL INTEREST

NAME AND ADDRESS BOARD OF CTY. COMMISSIONERS PALM BEACH COUNTY ATTENTION: DIRECTOR 2633 VISTA PARKWAY WEST PALM BEACH FL 33411- ATTN: NICHOLAS LAMBIASE FAX: 561-233-0210	<input type="checkbox"/> MORTGAGEE	<input checked="" type="checkbox"/> ADDITIONAL INSURED
	<input type="checkbox"/> LOSS PAYEE	LOAN #
AUTHORIZED REPRESENTATIVE 		



Milagro Center
340 SW Sixth Avenue
Delray Beach, FL 33444
phone: 561-279-2970
fax: 561-279-2507
www.milagrocenter.org

Board Members

November 1, 2007

Officers

Barry Halperin
President

Seabron A. Smith
Vice President

Jeffrey L. Cohen
Vice President

Brian Hinners
Treasurer

Mary Ann Knaus
Secretary

Officers

Claire Berger

Laura DiBello

Ellen Halperin

Kurt G. Knaus

Linda Lake

Sue Weeks

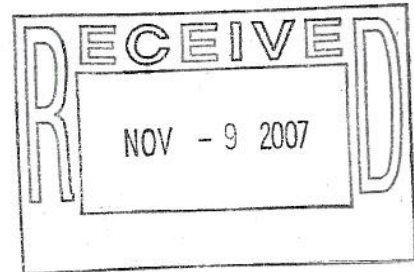
Executive Director

Marlo 'Dharani' Belkin

To Whom It May Concern:

The undersigned, the duly authorized President of the Milagro Foundation, Inc., a non-profit corporation in the State of Florida, does hereby certify that Marlo Belkin, the Executive Director, is authorized to execute on behalf of the Milagro Foundation, Inc. that certain Lease Agreement between Palm Beach County and the Milagro Foundation, Inc. whereby the Milagro Foundation, Inc. would permit Palm Beach County to use the property located at 346 SW Sixth Avenue, Delray Beach, Florida for the operation of the Early Head Start Program.

Barry Halperin, President
Milagro Foundation, Inc.



Cultivating the young artists of tomorrow from today's at risk communities