

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: October 21, 2008

Consent
 Ordinance

Regular
 Public Hearing

Department: Parks and Recreation

Submitted By: Parks and Recreation Department

Submitted For: Parks and Recreation Department

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: **A)** Termination of the tri-party Agreement (R2007-0053) with Cultural Trust of the Palm Beaches, Inc. and the Village of Wellington in an amount not-to-exceed \$1,000,000 from the 2002 Recreational and Cultural Facilities Bond for construction of the Cultural Trust Outdoor Entertainment Pavilion; and **B)** reallocation of the unexpended balance of \$822,296 to the Village of Wellington for construction of an amphitheatre at Wellington Community Center.

Summary: Cultural Trust of the Palm Beaches, Inc. failed to perform its obligations under a tri-party 2002 Recreational and Cultural Facilities Bond Agreement with the County and the Village of Wellington to construct an Outdoor Entertainment Pavilion on a 10-acre site west of Wellington Greens Mall. Failure to perform was a result of Cultural Trust cancelling its lease with Wellington for the property and not being financially able to construct the Outdoor Entertainment Pavilion at the leased site. As a result, it is necessary to cancel the tri-party funding Agreement with Cultural Trust and the Village of Wellington. The Village of Wellington has requested that the remaining unexpended balance of \$822,296 from the uncompleted project be redirected to Wellington for construction of an amphitheatre at the Wellington Community Center site. The District 6 Commissioner supports the reallocation of these funds to the Village of Wellington for the construction of the proposed amphitheatre. District 6 (PK)

Background and Policy Issues: On January 9, 2007, the Board entered into a tri-party funding Agreement with Cultural Trust of the Palm Beaches, Inc. and the Village of Wellington, allocating \$1,000,000 for design and construction of an Outdoor Entertainment Pavilion by Cultural Trust on property leased from the Village of Wellington. Following initial design, engineering, and minor site work at the leased property, Cultural Trust requested and received cancellation of the leased property from the Village of Wellington. For all practical purposes, Cultural Trust has ceased to exist as a viable organization which could follow through with its plan to construct the Outdoor Entertainment Pavilion.

The Village of Wellington feels that the central County area would still benefit from an amphitheatre, and has requested that Palm Beach County consider reallocating the balance of the funding from the previous Agreement to the Village for construction of a similar facility outdoor pavilion/amphitheatre proposed to be constructed at the Wellington Community Center site. Although a portion of the Bond money was previously disbursed to Cultural Trust for design, engineering, and preliminary site work, Wellington has indicated that it may be able to use portions of existing plans obtained by Cultural Trust and has also indicated that sufficient funding remains in the unexpended balance (\$822,296) to construct the proposed amphitheatre.

Upon approval of the Board to reallocate the \$822,296 to Wellington for construction of an amphitheatre at the Wellington Community Center site, staff will develop an Interlocal Agreement with the Village of Wellington and will place the Agreement on a subsequent Agenda for Board approval.

Attachment: Letters from Cultural Trust, Wellington Attorney, and Village of Wellington Commissioner authorization to redirect funding

Recommended by: 
Department Director

9/30/08
Date

Approved by: 
Assistant County Administrator

10/9/08
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2009	2010	2011	2012	2013
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)	_____	_____	_____	_____	_____

Is Item Included in Current Budget? Yes _____ No _____
 Budget Account No.: Fund _____ Department _____ Unit _____
 Object _____ Program _____

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

This agenda item does not have any additional fiscal impact to the County. Upon approval of this reallocation, a subsequent agenda item will be presented to the Board to re-direct the remaining \$822,296 to establish budget for this project.

C. Departmental Fiscal Review: ckopelakis

III. REVIEW COMMENTS

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

Atrollhite 10.7.08
 OFMB ~~10/7/08~~ *10/11/08*
CN 10/02/08
SH 10/10/08

Dr. J. Jucal 10/18/08
 Contract Development and Control
10/18/08

B. Legal Sufficiency:

Paul F. J. 10/9/08
 Assistant County Attorney

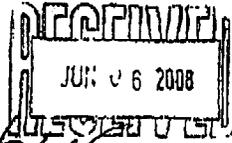
C. Other Department Review:

 Department Director

REVISED 10/95
 ADM FORM 01

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

Cultural Campers
CULTURAL TRUST OF THE PALM BEACHES



June 6, 2008

Mr. Paul Schofield
Village Manager
Village of Wellington
1400 Greenbrier Blvd.
Wellington, Florida 33414

Dear Paul:

This letter is a follow-up to our brief discussion regarding the position of the Cultural Trust of the Palm Beaches, Inc. and the Village of Wellington relative to the lease between these two entities.

The Trust very much appreciates the generosity of the Village in granting the Trust a long term lease on the ten acre "mall" site. Many dedicated volunteers have worked tirelessly to realize the mission of the Trust in order to improve the quality of life in Wellington and throughout the Western Communities.

However, recent events, including the forced postponement of the Jazz Festival, have placed this organization in a dire financial position.

Therefore, on behalf of the Board of Governors, I am asking the Village to accept the Trust's cancellation of participation in the lease.

Sincerely,
Richard Palenschat
Richard H. Palenschat
Board of Governors

RHP:vm

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www.culturaltrustpb.org

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July 31, 2008

Parks & Recreation Department
Attn: Dennis Eshleman
2700 Sixth Ave. So
Lake Worth, FL 33461

RE: Status of the Cultural Trust lease with the Village of Wellington

Dear Mr. Eshleman:

This letter is being sent in response to your inquiry as to the status of the Village's lease with the Cultural Trust for land on which the Cultural Trust was going to be constructing an amphitheater using funds from a County grant.

The lease with the Cultural Trust has been terminated and they tendered the property and leasehold back to the Village. The Village Council accepted the return of the property by motion and unanimous vote at its June 10, 2008, Village Council meeting. The Village has taken control of the property and it is now impossible for the Cultural Trust to fulfill its obligations under the terms of the Cultural Agreement.

As you are aware very few improvements and no permanent improvements were completed on the site. Most of the expenditures have been for design work on the amphitheater. The Village, at this junction has engaged in preliminary discussions to build the amphitheater at another location, if funding from the County were still available. It would be appreciated if your office would assist in the securing of an amendment to the Grant Agreement facilitating a transfer of the County Grant funds from the Cultural Trust to the Village, so that an amphitheater can be built within Wellington.

If acceptable to the County a revised agreement could be presented to the Village Council for their approval at the August 25, 2008, Village Council meeting.



VILLAGE OF WELLINGTON

Village Council

Darell Bowen, Mayor
Dr. Carmine A. Priore, Vice Mayor
Lizbeth Benacquisto, Councilwoman
Robert S. Margolis, Councilman
Matt Willhite, Councilman

Village Manager
Paul Schofield

September 19, 2008

SEP 19 2008

Commissioner Jess Santamaria
675 Royal Palm Beach Blvd
Royal Palm Beach, FL 33411

Dear Commissioner Santamaria:

The Village of Wellington would like to thank you for considering a grant award to the Village for the construction of an amphitheatre, proposed to be located on the property at the Wellington Community Center. Consistent with your discussions with Village Manager Paul Schofield, the Village is pleased to proceed with the amphitheatre project on the property.

We understand that the grant award will be for the balance of the funding previously awarded to the Cultural Trust of the Palm Beaches. The Cultural Trust has terminated its lease with the Village for the project and as such, we will not be pursuing the project.

Based on the foregoing, this letter shall also serve as our consent to terminate the original funding agreement for the original Cultural Trust project. We are excited at the opportunity to partner with the County and provide additional cultural and recreational opportunities for the western communities. We look forward to the county's approval of the grant award, and the continued partnership between Palm Beach County and the Village of Wellington.

Very truly yours,

James E. Barnes
Deputy Director of Operations
Village of Wellington

Nancy Beale

From: Johnnie Easton
Sent: Tuesday, September 23, 2008 11:38 AM
To: Dennis Eshleman
Cc: Cyndy Stephens E.
Subject: Cultural Trust Funds

Dennis,

After meeting with the Village of Wellington regarding the Cultural Trust of the Palm Beaches and the Village's desire to proceed with the construction of an amphitheater, I would support reallocating the remaining bond funds from the Cultural Trust, to the Village of Wellington, for this purpose. Could you please prepare the necessary agenda item and have it placed on the next available agenda for discussion by the Board?

Thank you.

Jess R. Santamaria
Palm Beach County
Board of County Commissioners
District VI
(561) 355-6300