Agenda Item #: 3H-3

# PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

<b>Meeting Date:</b>	February 15, 2011	[X] Consent	[ ] Regular
		[ ] Ordinance	[ ] Public Hearing
Department:	Facilities Developmen		

## I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: Amendment Number Two to Lease Agreement (R96-984D) with the City of Delray Beach, Florida, for the County's continued operation of the Delray Head Start Center at an annual rate of \$1.00/year.

Summary: Since 1996 the County, on behalf of the Community Services Department Head Start Division, has leased approximately 1.0 acre of land located within Catherine Strong Park from the City of Delray Beach. Amendment No. 2 will extend the term for an additional four (4) years from July 23, 2011, to July 22, 2015, and provides four (4) - one (1) year extension options. The annual rent is \$1.00 a year, and the County will continue to reimburse the City for utility charges (FY11 reimbursement fees were \$4,928.58). The County has the right to terminate the Lease upon ninety (90) days prior written notice to City. (PREM) <u>District 7</u> (HJF)

Background and Justification: On July 23, 1996, the Board approved the initial Lease Agreement with the City of Delray Beach. The initial term of the Lease was for five years, ending on July 22, 2001, with one (1) extension period of five (5) years. On April 3, 2001 (R-2001-0481), the Board approved the exercise of the five (5) year extension option. On June 6, 2006 (R-2006-0984), the Board approved Amendment Number one, extending the term of the Lease for an additional five (5) years which will expire on July 22, 2011. This Amendment also modifies Section 6.02 to delete the reference to attorney fees, adds language acknowledging the power and authority of the Office of Inspector General and, updates the Notice provision for the County. The County will continue to pay for separately metered utilities. Florida Statutes Section 286.23 does not require that a Disclosure of Beneficial Interests be obtained.

The Delray Beach Head Start Program serves 64 children from ages 3-5 in four (4) modular classrooms purchased and maintained by the County. This Program is scheduled to be relocated to a new Head Start facility planned for construction within Delray Beach's Catherine Strong Park; construction of the facility has been delayed to FY 2015. This Amendment will provide for the continuation of Head Start services provided from this center.

### **Attachments:**

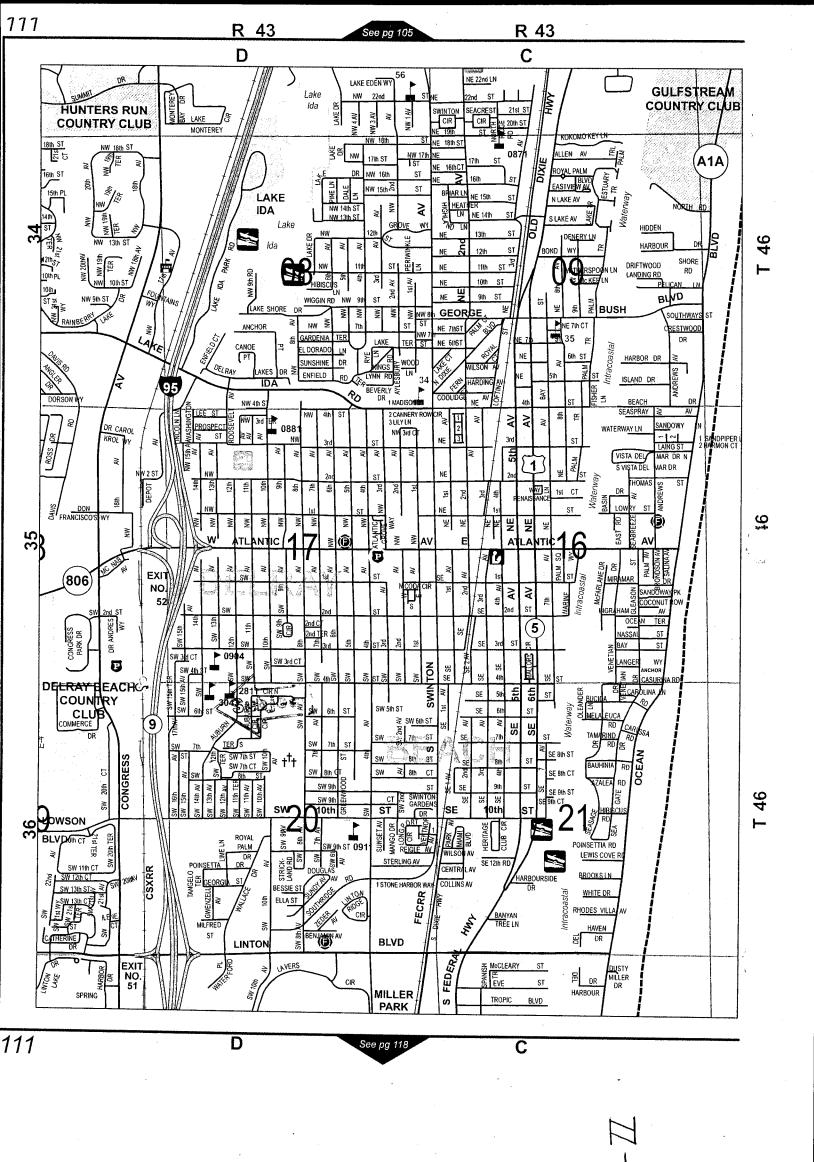
- 1. Location Map
- 2. Amendment Number Two to Lease Agreement
- 3. Budget Availability Statement

Recommended By:	Anny Work	1/20/11	
	Department Director	Date	
Approved By:	Agrey	1/27/11	
	County Administrator	Date	

## II. FISCAL IMPACT ANALYSIS

A.	A. Five Year Summary of Fiscal Impact:						
Fisca	l Years	2011	2012	2013	2014	2015	
Oper Exter Progr	tal Expenditures ating Costs rnal Revenues ram Income (County) and Match (County	\$1.00	\$5,251.00 	\$5,513.50 	\$5,789.13 	\$4,879.45 	
NET	FISCAL IMPACT	<u>\$1.00</u>	<u>\$5,251.00</u>	\$5,513.50	\$5,789.13	<u>\$4,879.45</u>	
	DITIONAL FTE TIONS (Cumulative)		:				
Is Ite	m Included in Current Bud	dget: Yes	_X_	No			
Budg	et Account No: Fund	<u>1002</u> Dept	<u>147</u>	Unit <u>1451-</u> <u>04</u>	Object 431	<u>10</u> 88	
	<b>P</b>	rogram	_		HD	019-GY10	
В.	Recommended Sources of	f Funds/Sumn	nary of Fisc	al Impact:			
C.	Rent is \$1.00 per year w/o increases. FY 12 reflects the estimated \$5,250 for reimbursement to City of Delray Beach for County's prorated share of utility storm water and solid waste removal fees. FY12-FY15 reflects 5% annual increases.						
	e e e e e e e e e e e e e e e e e e e	III. <u>REVIE</u>	CW COMM	ENTS			
A. OFMB Fiscal and/or Contract Development Comments:  Fy201 Reimbursement to be paid in February 2011, no additional piscal impact 1/25/11  OFMB  OFMB							
В.	Legal Sufficiency:  Assistant County Attorney	27/11		This amendment cor our review requirem	*		
C.	Other Department Review	w:					
	Department Director						
	.*						

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



LOCATION MAP ATTACHMENT # 1

#### AMENDMENT NUMBER TWO TO LEASE AGREEMENT

THIS AMENDMENT NUMBER TWO TO LEASE AGREEMENT ("Amendment Number Two") made and entered into \_\_\_\_\_\_\_\_, by and between the CITY of DELRAY BEACH, FLORIDA, a Florida municipal corporation, hereinafter referred to as "Lessor" and PALM BEACH COUNTY, a political subdivision of the State of Florida, on behalf of the Department of Community Services, Head Start and Children Services Division, hereinafter referred to as "Lessee".

#### WITNESSETH:

WHEREAS, Lessor and Lessee entered into a Lease Agreement dated July 23, 1996 (R96-984D) (the "Lease"), for the lease of the Premises as defined therein to be used for the establishment and operation of a child day care center, business office, meeting room and recreational center in conjunction with Lessee's Head Start child care and development program as described in the Lease; and

WHEREAS, the Term of the Lease, as extended by Amendment Number One To Lease Agreement dated June 6, 2006 (R2006-0984), currently expires on July 22, 2011; and

WHEREAS, the parties wish to amend the Lease to (i) approve a four (4) year extension of the term of the Lease, (ii) provide for four (4) one (1) year extension options, and (iii) incorporate certain language required by Lessee; and

WHEREAS, Lessor hereby acknowledges that Lessee is not delinquent in the payment of rent and is not in default of any of the terms and conditions of the Lease.

NOW, THEREFORE, in consideration of the premises and mutual covenants and conditions contained herein, Lessor and Lessee agree as follows:

- 1. The recitals set forth herein above are true and correct and incorporated herein by reference. Terms not defined herein shall have the same meaning as in the Lease.
- 2. The Term of the Lease is hereby extended for a period of four (4) years commencing on July 23, 2011, and expiring on July 22, 2015.
- 3. Lessee is hereby granted the right to extend the Term of the Lease for four (4) additional periods of one (1) year each in the manner provided for in Section 1.04(b) of the Lease.

- 4. Section 6.02 of the Lease is hereby modified to delete the reference to "attorney's fees."
- 5. Section 14.02(b) of the Lease is hereby modified to change Lessee's address as follows:

Lessee:

Palm Beach County

Property & Real Estate Management Division

Attn: Director 2633 Vista Parkway

West Palm Beach, FL 33411

The addresses for the copies remain unchanged.

- 6. Palm Beach County has established the Office of the Inspector General, Ordinance R2009-049, as may be amended. The Inspector General's authority includes but is not limited to the power to review past, present and proposed County contracts, transactions, accounts and records, to require the production of records, and audit, investigate, monitor, and inspect the activities of the parties or entities with which the County enters into agreements, their officers, agents, employees, and lobbyists in order to ensure compliance with contract specifications and detect corruption and fraud. All parties or entities doing business with the County or receiving County funds shall fully cooperate with the Inspector General including granting the Inspector General access to records relating to the agreement and transaction.
- 7. Except as specifically modified by this Amendment Number Two, all of the terms and conditions of the original Lease, as amended, remain unmodified, in full force and effect and are hereby ratified by the parties.
- 8. This Amendment Number Two shall not become effective until executed by both parties, and the effective date of this Amendment Number Two shall be the later of the date upon which the Palm Beach County Board of County Commissioners approves this Amendment Number Two at a formal meeting of the Board or the date upon which the City of Delray Beach approves this Amendment Number Two at a formal meeting of the City Commission.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, the parties hereto have each executed this Amendment Number Two on the day and year set forth below.

ATTEST:	LESSEE:			
SHARON R. BOCK CLERK & COMPTROLLER	PALM BEACH COUNTY, a political subdivision of the State of Florida			
By: Deputy Clerk	By: Karen T. Marcus, Chair			
	Date:			
WITNESS:				
Witness Signature				
Print Witness Name				
Witness Signature				
Print Witness Name				
APPROVED AS TO FORM AND LEGAL SUFFICIENCY	APPROVED AS TO TERMS AND CONDITIONS			
_	By: Ret Armingliag			
By:Assistant County Attorney	Audrey Wolf, Director			
	Facilities Development & Operations			

ATTEST:

By City Clerk

LESSOR:

CITY OF DELRAY BEACH

By: 1 Elson Si

Date: 12/7/2010

WITNESS:

SWar & Maloney

SUSAN L. Maloney

LUC ('L

Print Witness Name

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: JOMAN TO

G:\Property Mgmt Section\Out Lease\Delray Bch Headstart Fac @ CS Park\Amendment 2\Amend.001.HF app.111510.doc

# **BUDGET AVAILABILITY STATEMENT**

REQUEST DATE: 12/27/10 REQUESTED BY: Richard C. Bogatin					PHONE: 561.233-0214 FAX: 561-233-0210	
PROJECT TITLE: Delray Beach Hea	d Start Catheri	ne Strong Park Ar	nendment No. T	wo PROJECT 1	NO.: <u>2010.5.020</u>	
Fiscal Years	2011	2012	2014	2015	2016	
Capital Expenditures Operating Costs External Revenues Program Income (County) In-Kind Match (County	\$1.00	\$5,251.00*	\$5,513.50* 	\$5,789.13* 	\$4,879.45* 	
NET FISCAL IMPACT	\$1.00	\$5,251.00*	\$5,513.50*	\$5,789.13*	\$4,879.45*	
# ADDITIONAL FTE POSITIONS (Cumulative)  *\$1.00 per year no increa approx \$5.250 per year with ** By signing this BAS your departm this BAS by FD&O. Unless there is a  BUDGET ACCOUNT NUMBER	h estimated 5 <i>ent agrees to t</i>	% yearly increas these staff costs ar	es. nd your account additional staff (	will be charged	upon receipt of	
FUND: 1002 DEPT: 147  IS ITEM INCLUDED IN CURREN	UNIT: 1	SUB	OBJ:	9-GY10 X JM	1/12/11	
IDENTIFY FUNDING SOURCE FO  ☐ Ad Valorem (source/type: ☐ Non-Ad Valorem (source/type:  X☐ Grant (source/type: ☐ Park Improvement Fund (source/type)  X☐ General Fund ☐	pe:		X□	) ) ) ) Federal/Davis Ba		
SUBJECT TO IG FEE?	_ YES	X	NO			
Department: Community Service  BAS APPROVED BY: Music  ENCUMBRANCE NUMBER:  C:\Documents and Settings\tmalhotr\Local Set WIN 7 (2).docx	. Nalhe	DAT DAT	/	/// /// /// /// /// /// /// // // // //	ense (031110)	