Agen

PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS AGENDA ITEM SUMMARY

Agenda Item #: 5 F 2

Meeting Date: March 20, 2012	[] Consent	[X] Regular
	[] Ordinance	[] Public Hearing

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve:

A) a Second Amendment to Sub-Lease Agreement (R2011-1595, R2001-0656) with the Boys and Girls Clubs of Palm Beach County, Inc. (BGCPBC) for the Bill Bailey Community Center in Belle Glade to: (i) assign responsibility for payment of the water, wastewater and electricity to the County for the period of April 1, 2012 through September 30, 2012 ("County Obligations") and (ii) obligate BGCPBC to reimburse the County for any expenditures on County Obligations in excess of \$21,000; and

B) a First Amendment to Agreement (R2001-0657) with the Palm Beach County Sheriff's Office (PBSO) for the operation of a Police Athletic League (PAL) Program to provide for the payment of a use fee in the amount of \$21,000 for the period of April 1, 2012 through September 30, 2012.

Summary: On October 18, 2011, the Board approved a First Amendment to Sub-Lease Agreement with BGCPBC that provided for a lease extension to the Sub-Lease through October 30, 2015, for BGCPBC's operation of various community based youth programs from the County's Bill Bailey Community Center Gymnasium located within the City of Belle Glade. PBSO also uses the premises for the operation of the PAL programs. On December 16, 2011, BGCPBC notified the County of funding shortfalls which jeopardize the continuation of programs from this particular facility. Staff believes it is important that the services continue to be provided from this facility not only for the youth, but also for community benefits as the only indoor recreational facility in this area and one of just a couple public assembly buildings in the Western Communities which can be used for post disaster recovery needs. In order to address the funding shortfall through the end of this budget year, PBSO/PAL will pay the County a \$21,000 use fee from non ad valorem sources. Between now and September 30, 2012, BGCPBC as well as the County and PBSO Staff will attempt to identify alternate sources of funding for the utility costs (approximately \$80,000 annually) which will likely include the requests of the BGCPBC for financial assistance through other County programs and/or Staff identifying these costs as an unfunded existing program requirement for the Board to consider as part of the budget process. After September 30, 2012, the funding obligations of both the County and PBSO/PAL will expire and BGCPBC will once again be obligated to pay for the utilities, which may force a decision on whether BGCPBC can continue its programming. All other terms of both the Sub-Lease and the PBSO/PAL Agreement remain in effect and unchanged. (FDO Admin) District 6 (HJF)

Background & Policy Issues: The existing Sub-Lease Agreement has been in existence since May 2001 and the First Amendment to Sub-Lease Agreement extended the term through October 30, 2015, which is the same term of the County's Lease Agreement (R2000-1807), as amended, with the School Board of Palm Beach County for County's use of the facility. The existing Sub-Lease Agreement assigns primary responsibility for the maintenance of the facility to the County, except for those maintenance items that are highly use driven and controlled such as custodial, utilities, grounds maintenance, interior painting, etc., which are the BGCPBC's maintenance responsibilities.

*Continued on Page 3 *

Attachments:

- Location Map
- 2. Letter from the Boys and Girls Clubs dated December 16, 2011
- 3. Second Amendment to Sub-Lease Agreement with BGCPBC
- 4. First Amendment to Agreement with PAL

Recommended by:	Army Wick	3/5/12
	Department Director	Date
Approved by:	Mer) Wh
	County Administrator	Date /

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fi	scal Impact:				
Fiscal Years	2012	2013	2014	2015	2016
Capital Expenditures		0-		0-	0-
Operating Costs	21,000	0-		0-	0-
External Revenues	(21,000)	0-	0-	0-	0-
Program Income (County)	0-	0-	0-	0-	0-
In-Kind Match (County)	0-	<u>-0-</u>	0-	0-	0-
NET FISCAL IMPACT		<u>-0-</u>			<u>-0-</u>
# ADDITIONAL FTE POSITIONS (Cumulative)					
Is Item Included in Current Bu			No_		
Budget Account No: Fund OC Reporting C	Departmentategory	nt <u>760</u> Unit	760 Object	t 4301	
B. Recommended Source	s of Funds/Sur	mmary of Fis	cal Impact:		
C. Departmental Fiscal Rev	iew:	MMENTS:	3.(0-12	
A. OFMB Fiscal and/or Co	12 3/14/12 Storney	oment & Control	Contraction of the Contraction o	de be ceimber of Dev. and Co B. where Developed Wor Will Developed	Is comply

Background & Policy Issues (Cont'd)

BGCPBC does not pay rent or a facility use fee.

While there are higher than typical maintenance costs at this facility relative to a typical County recreational center, most of the increased costs are a result of the type of construction and age of the facility, which are the responsibility of the County's. The source of higher expenses which remain the responsibility of the BGCPBC are; 1) custodial, grounds maintenance, electricity and water due to the size of this facility being considerably larger than most, and 2) the cost of water.

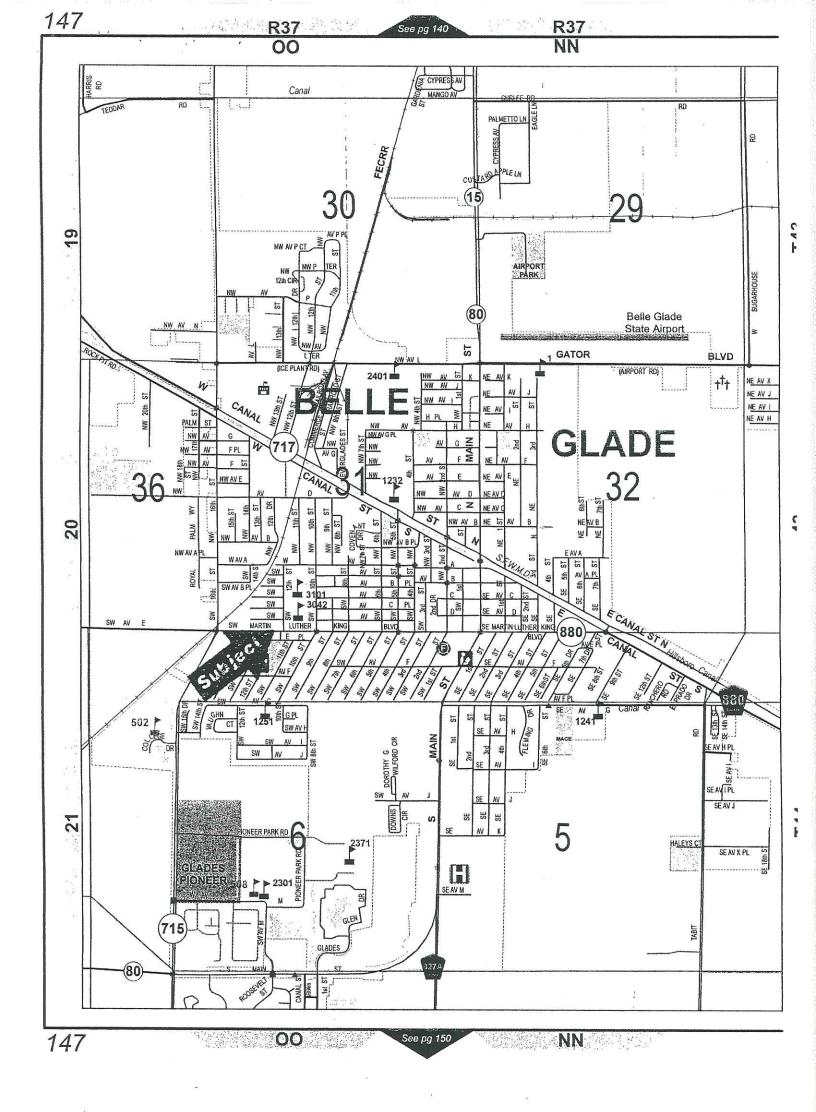
The PAL program has also operated out of this facility for the same time period and currently does not contribute to utilities, pay a use fee nor maintain their space, which is the responsibility of the County.

When the BGCPBC notified the County of its funding shortfall, it indicated that the expenses associated with programming at this facility were higher than at other facilities and due to funding shortfalls it was seriously considering discontinuing programming from this facility although they would continue to serve the same number of kids, just without indoor recreational programming. In addition to the potential loss of the BGCPBC and PAL programs, there are long term facility considerations as well.

The facility which is of historical social significance in the community was literally saved from demolition about 12 years ago and since that time, the County has made significant capital improvements. However, due to the type and age of construction, the building needs constant, routine and specialized oversight and maintenance which can only be provided when the facility is in use and only afforded when delivering programs and services to the public. If programming were to cease, it is likely that the facility would deteriorate quickly and/or require demolition in order to avoid the liability associated with a vacant building. The demolition of this facility would eliminate the potential for expanded programming when funds become available and its value to the community in post disaster recovery efforts.

PBSO and the County determined that it would be possible forPAL to pay a use fee in the amount of \$21,000 for the period of time between April 1, 2012 and September 30, 2012 which the County would use to offset a portion of the BGCPBC's funding deficit. By the County paying the first \$21,000, there will be an incentive for the BGCPBC to control expenses associated with its use, which is consistent with the intent of the original Sub-Lease Agreement.

From now until September 30, 2012; PBSO and County Staff will be searching for non ad valorem funding sources to assist with utility and maintenance costs and BGCPBC has committed to aggressively pursue alternative and new funding sources as well.



LOCATION MAP



RECEIVED

DEC 1 9 2011

December 16, 2011

Ms. Audrey Wolf, Director
Palm Beach County
Facilities Development & Operations
2633 Vista Parkway
West Palm Beach, Florida 33411-5605

DIRECTOR'S OFFICE

Certified Mail: 7011 0110 0001 1263 1698

Dear Audrey,

As you are aware, we have been providing services at the gym in Belle Glade for nearly ten years and know we have made a difference in the lives of hundreds of middle and high school youth during that time. So it is with deep concern that I must inform you that the Board of Directors of the Boys & Girls Clubs of Palm Beach County is re-examining its ability to continue to provide services at the Bill Bailey Gymnasium.

Unfortunately, due to the change in the way Children Services Council has funded after school programs through Family Central, we have lost more than \$1.3 million over the past several years. That in combination with the current economic conditions and other revenue reductions, have placed us in a situation where we do not feel we will be able to meet the financial burden to cover the overhead, insurances, and maintenance at the gym. Because our first priority is the children, we will continue to operate out of the adjacent Teen Center to provide our education, leadership, technology, health, life skills and arts programming for the area's teens.

While we understand the county, like the rest of us, has had to make numerous tough decisions, we are hoping there is a way to help each other so that the Glades' area youth continue to receive the vital programs offered at the gym.

We want to thank you for your continued support over the years and hope you understand we truly hope to find a mutually beneficial solution. I hope we can discuss this further after the first of the year.

Sincerely,

Mary T. O'Comfor President & CEO



GREAT FUTURES START HERE.

Boys & Girls Clubs of Palm Beach County General Services Center (all mail) 800 Northpoint Parkway, Suite 204 West Palm Beach, FL 33407-1978 Ph 561-683-3287 Fax 561-683-1618 www.bgcpbc.org

Officers

<u>Chairman</u> Wallace Turner

Vice Chairmen
Reid Boren
Juan C. Cocuy
Christine D. Hanley
Danielle Hickox Moore

Secretary Sylvia S. James

Board of Directors
Bob Bertisch
James M. Carman
David S. Donten
Susanna Dwinell
Kim E. Fonseca
Christopher Havlicek
Julie Kime
Thomas M. Kirchhoff
Kevin T. Lamb
Troy Maschmeyer
Ross W. W. Meltzer
H. Woodward Middleton, Jr.
Alexis A. Morrill
Michael Mullin, III
Pat Murphy
Christine Pitts
Thomas C. Quick
Ted A. Scharch
Jay Shearouse
Mary Lou Watchman
James Zahringer

Unit Board Representatives Gary T. Barrette David Browne George D. Buckner, II Juan A. Nelson Richard J. Seymour Dolly Steinman

Directors For Life/Past Chairmen William K. Caler, Jr. Juan Cocuy Barkley S. Henderson John Herring Michael Noto F. Martin Perry Richard J. Seymour Lee K. Spencer Joseph A. Vassallo Dennis Witkowski Col. Alfred M. Worden

President & CEO Mary T. O'Connor

Club Locations: Belle Glade, Boca Raton, Canal Point, Delray Beach, Pahokee, Riviera Beach, South Bay, Wellington, West Palm Beach









SECOND AMENDMENT TO SUB-LEASE AGREEMENT

THIS SECOND AMENDMENT TO SUB-LEASE AGREEMENT (the "Second Amendment") is made and entered into ______ by and between PALM BEACH COUNTY, a political subdivision of the State of Florida ("County"), and BOYS AND GIRLS CLUBS OF PALM BEACH COUNTY, INC., a Florida not-for-profit corporation ("B&G Clubs"). County and B&G Clubs are sometimes referred to herein collectively as the "parties".

WITNESSETH:

WHEREAS, County and B&G Clubs entered into that certain Sub-Lease Agreement dated May 1, 2001 (R2001-0656) (the "Lease"), for the use of the Premises as defined in the Lease, which Lease commenced on October 30, 2001, and has since been extended and amended by the First Amendment to Sub-Lease Agreement dated October 18, 2011(R2011-1595); and

WHEREAS, County leases the Premises from School Board pursuant to the Primary Lease dated October 31, 2000 (R2000-1807); and

WHEREAS, County and B&G Clubs wish to modify the terms of Article VI of the Lease.

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

- 1. The foregoing recitals are true and correct and incorporated herein by reference. Terms not defined herein shall have the same meaning ascribed to them in the Lease.
- 2. Article VI, Utilities, is hereby modified to add the following language:

Notwithstanding the above, the parties agree that for the period commencing on April 1, 2012, and extending through September 30, 2012, County shall be responsible for payment of, and shall pay directly to the utility provider(s), all charges and assessments for electricity, water, and sewer used on the Premises. County's responsibility for the costs of electricity, water, and sewer combined shall not exceed the total amount \$21,000. In the event the cost of the utilities exceeds \$21,000, County shall submit an invoice to B&G Clubs for the amount(s) in excess of \$21,000, and B&G shall remit payment of the invoiced amount to County within thirty (30) days after receipt. Commencing October 1, 2012, B&G Clubs shall again be responsible for the costs of all utilities.

- 3. Except as set forth herein, the Lease remains unmodified and in full force and effect.
- 4. This Second Amendment is expressly contingent upon the approval of the Palm Beach County Board of County Commissioners and shall become effective only when signed by all parties and approved by the Palm Beach County Board of County Commissioners.

IN WITNESS WHEREOF, the parties have duly executed this Second Amendment as of the day and year first written above.

ATTEST;

SHARON R. BOCK CLERK & COMPTROLLER

Assistant County Attorney

COUNTY:

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

By:	By:	
By: Deputy Clerk	By:Shelley Vana, Chair	
Signed and delivered		
in the presence of:		
Witness Signature		
Print Witness Name		
Witness Signature		
withess signature		
Print Witness Name		
APPROVED AS TO FORM	APPROVED AS TO TERMS	
AND LEGAL SUFFICIENCY	AND CONDITIONS	
0/2//	A (1)	/

Audrey Wolf, Director

Facilities Development & Operations

WITNESSES:

B&G CLUBS: BOYS AND GIRLS CLUBS OF PALM BEACH COUNTY, INC., a Florida not-forprofit corporation

3

Witness Signature

TANICE DA Print Witness Name

(SEAL)

Mary O'Connor, President

Corporation not-for-profit

J. Tamara Anton

Print Witness Name

FIRST AMENDMENT TO AGREEMENT

THIS FIRST AMENDMENT TO AGREEMENT (the "First Amendment") is made and entered into ______ by and between PALM BEACH COUNTY, a political subdivision of the State of Florida ("County"), and RIC L. BRADSHAW, in his official capacity as SHERIFF OF PALM BEACH COUNTY, a State constitutional officer ("Sheriff"). County and Sheriff are sometimes referred to herein collectively as the "parties".

WITNESSETH:

WHEREAS, County and Sheriff entered into that certain Agreement dated May 1, 2001 (R2001-0657) (the "Agreement") for the operation of a Police Athletic League Program ("PAL Program") in the Gym as defined in the Agreement; and

WHEREAS, County and Boys and Girls Clubs of Palm Beach County ("B&G Clubs") entered into that certain Sub-Lease Agreement dated May 1, 2001 (R2001-0656) (the "Lease"), for the use of the Premises as defined in the Lease, which Premises includes the Gym; and

WHEREAS, it is the intent of County, Sheriff and B&G Clubs that the PAL Program and the B&G Clubs programs be operated concurrently, and Sheriff agreed to be bound by the obligations in the Lease; and

WHEREAS, the parties wish to acknowledge that the Lease has been amended by the First Amendment to Sub-Lease Agreement dated October 18, 2011 (R2011-1595), which amendment extended the term of the Lease among other things, and which amendment Sheriff agrees to be bound by; and

WHEREAS, County and Sheriff also wish to provide for Sheriff's payment of a one-time use fee for the Gym.

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

- 1. The foregoing recitals are true and correct and incorporated herein by reference. Terms not defined herein shall have the same meaning ascribed to them in the Agreement.
- 2. The parties agree that for the period commencing on April 1, 2012, and extending through September 30, 2012, Sheriff shall be responsible for payment of a one-time use fee in the amount of \$21,000. County shall submit an invoice to Sheriff for the amount of \$21,000 within thirty (30) days of the effective date of this First Amendment, and Sheriff shall remit payment of the invoiced amount to County within thirty (30) days after receipt thereof. Payment shall be made payable to the Palm Beach County Board of County Commissioners and mailed to Palm Beach County Finance Department at P.O. Box 4036, West Palm Beach, Florida 33402.

- 3. Except as set forth herein, the Agreement remains unmodified and in full force and effect.
- 4. This First Amendment is expressly contingent upon the approval of the Palm Beach County Board of County Commissioners and shall become effective only when signed by all parties and approved by the Palm Beach County Board of County Commissioners.

IN WITNESS WHEREOF, the parties have duly executed this First Amendment as of the day and year first written above.

ATTEST: SHARON R. BOCK CLERK & COMPTROLLER	COUNTY: PALM BEACH COUNTY, a political subdivision of the State of Florida
By:	By:
Deputy Clerk	Shelley Vana, Chair
Signed and delivered in the presence of:	
Witness Signature	
Print Witness Name	
Witness Signature	
Print Witness Name	· · · · · · · · · · · · · · · · · · ·
A PROPOSITION A GITTO FLORIAL	A DDD OVED A G TO TED AG
APPROVED AS TO FORM AND LEGAL SUFFICIENCY	APPROVED AS TO TERMS AND CONDITIONS
AND LEGAL SUFFICIENCY	A LEAD TO A STATE OF THE ACT OF T
If fell	Am meny Wont
Assistant County Attorney	Audrey Wolf, Director

Facilities Development & Operations

SHERIFF:

ATTEST:

The state of the s

Ву: Ц

CHIEL DEPUT

RIC L. BRADSHAW, IN HIS OFFICIAL CAPACITY AS SHERIFF OF PALM

BEACH COUNTY, FLORIDA

a State Constitutional Officer

Bv:

Ric L. Bradshaw, Sheriff

Signed and delivered in the presence of:

William Ci

Witness Signature

R. McWilliams

Print Witness Name

Witness Signature

williess signature

Annette Marvin Print Witness Name

APPROVED AS TO FORM AND

LEGAL SUFFICIENCY:

Bv:

PBSO Assistant Legal Advisor

 $G:\label{lem:condition} G:\label{lem:condition} G:\l$