Agenda Item #: 3H-6

# PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS <u>AGENDA ITEM SUMMARY</u>

Meeting Date: April 1,

April 1, 2014

[X] Consent[ ] Ordinance

[ ] Regular[ ] Public Hearing

Department:

**Facilities Development & Operations** 

# I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to receive and file: a notice of cancellation of Lease Agreement with Prince of Belle Glade Gardens, LLC, and YTech-384 Units Belle Glade Investment, LLC (R-94-1093d), for the Belle Glade Head Start facility effective June 30, 2014.

**Summary:** On September 13, 1994, (R-94-1093d), the Board approved a Lease Agreement of a 5,248 sf building at 850 Palm Glades Drive in Belle Glade for the Community Services Head Start Division's operation of a Head Start program. The building is located in what was formerly known as the Palm Glade Apartment Complex and now known as Grand Lake Apartments. The current term of the Lease Agreement expires October 31, 2014. On September 24, 2013, the Board determined that the County would not apply for Federal grant funding to continue providing Head Start Services. As such, the children at this Head Start facility will be transitioned to the Palm Beach County School District. The Lease Agreement provides for a ninety (90) day cancellation notice. The termination of this Lease Agreement will become effective on June 30, 2014, allowing Staff sufficient time to prepare the space for return to the landlord. Early termination will save \$16,472.64 in rental payments. (PREM) District 6 (HJF)

**Background and Justification:** The ownership of the apartment complex has changed numerous times. The original lease approved in 1994 was with Glades Partnership, Ltd. When Amendment One was approved on October 6, 2009 (R2009-1670), the owner was Prince of Belle Glade Gardens, LLC. In late 2011, the Complex fell into foreclosure and several entities have owned the complex since then. Staff has repeatedly and unsuccessfully attempted to obtain necessary paperwork from each entity, including current owner YTech-384 Units Belle Glade Investment, LLC, to formally document ownership of the complex. This Notice of Cancellation was sent to Prince of Belle Glade Gardens as the owner which signed the last amendment and to YTech-384 as the current owner of record. As the County is discontinuing its operational role in the Head Start program, the children of this Head Start facility will be transitioned to the Palm Beach County School District. Terminating the Lease Agreement on June 30, 2014, will allow time to prepare the building for return to YTech-384.

#### Attachments:

- 1. Location Map
- 2. Letter dated March 20, 2014, canceling Lease Agreement effective June 30, 2014

Recommended By:	Ammy Wey Department Director	3/4/14 Date
Approved By:	County Administrator	>/ 4/ (1) Date

# II. FISCAL IMPACT ANALYSIS

# A. Five Year Summary of Fiscal Impact:

Fiscal Years	2014	2015	2016	2017	2018	
Capital Expenditures Operating Costs	(\$12,354.48)	(\$4,118.16)				
External Revenues Program Income (County) In-Kind Match (County						
NET FISCAL IMPACT	(\$12,354.48)	<u>(\$4,118.16)</u>			0	
# ADDITIONAL FTE POSITIONS (Cumulative)					<del></del>	
Is Item Included in Current Budget: Yes <u>No</u>						
Budget Account No: Fund	<u>1002</u> Dept HD20		Jnit <u>1451</u>	Object <u>44</u>	10	

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

Cancellation of the Lease Agreement effective 6/30/2014 will eliminate the \$4,118.16 per month rental payments on 7/1/2014 (FY14), 8/1/2014 (FY14), 9/1/2014 (FY14) and 10/1/2014 (FY15), as the Lease Agreement is scheduled to expire on 10/31/2014.

C. Departmental Fiscal Review: \_

## III. <u>REVIEW COMMENTS</u>

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

OFM

14 /elopment and ontrol

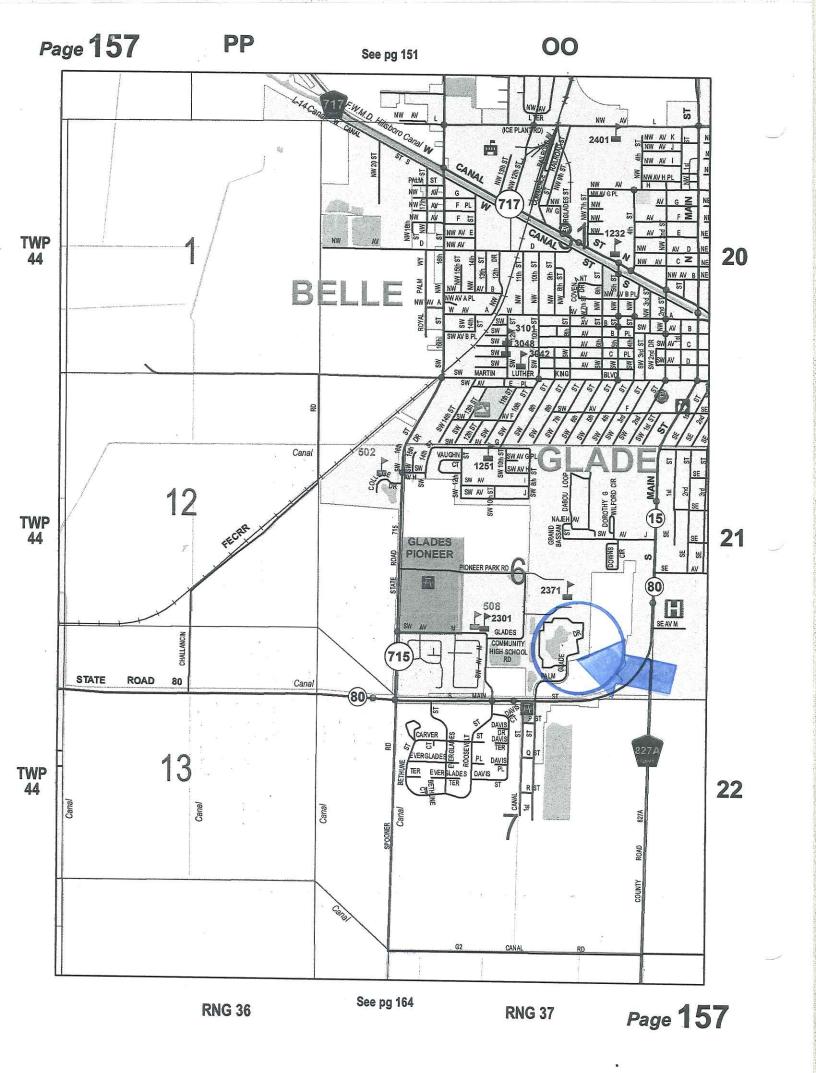
B. Legal Sufficiency: ssistant County

C. Other Department Review:

Department Director

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

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LOCATION MAP

#### CERTIFIED MAIL RETURN RECEIPT REQUESTED



# Facilities Development & Operations Department

Property & Real Estate Management Division

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Palm Beach County Board of County Commissioners

Priscilla A. Taylor, Mayor

Paulette Burdick, Vice Mayor

Hal P. Valeche

Shelley Vana

Steven L. Abrams

Mary Lou Berger

Jess R. Santamaria

**County Administrator** 

Robert Weisman

"An Equal Opportunity Affirmative Action Employer" March 20, 2014

Prince of Belle Glade Gardens, LLC (7010 0290 0000 7884 4848) Moses Fried, Managing Member 2000 S. Main Street Belle Glade, FL 33430

YTech-384 Units Belle Glade Investment, LLC (7010 0290 0000 7884 4473) Yamal Yidios, Manager 888 Brickell Avenue, 3<sup>rd</sup> Floor Miami, FL 33131

#### **RE:** Notice of Cancellation of Lease Agreement

Dear Messrs. Fried and Yidios:

Pursuant to Article X of the Lease Agreement dated September 13, 1994, (R-94-1093d), as amended ("Lease"), between Palm Beach County ("Lessee") and former owner Prince of Belle Glade Gardens, LLC ("Prince") and current owner YTech-384 Units Belle Glade Investment, LLC, ("YTech"), for the leasing of the Head Start building located at 850 Palm Glades Drive in Belle Glade, County hereby notifies Prince and YTech that County is hereby cancelling the Lease effective June 30, 2014. County shall remove County's personal property and removable fixtures and equipment and will surrender the leased premises to Landlord on or prior to June 30, 2014.

Please direct any questions concerning this matter to Steven K. Schlamp, Property Specialist, at <u>sschlamp@pbcgov.org</u> or at (561) 233-0239.

Sincerel Ross C. Hering Director

RCH:SKS

cc: Fran Mila, PSMG Management ; 2000 S. Main Street, Belle Glade, FL 33430 (7010 0290 0000 7884 4435; & via e-mail at <u>fmila@psmgrp.com</u>)

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