

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY**

**Meeting Date:**      **May 6, 2014**                      ☒ **Consent**                      ☐ **Regular**  
    ☐ **Ordinance**                      ☐ **Public Hearing**

**Department:** Facilities Development & Operations

## **I. EXECUTIVE BRIEF**

**Motion and Title:** Staff recommends motion to receive and file: the termination of the Lease Agreement (R-88-2142d) with The Lord's Place, Inc., a Florida not for profit corporation, for the Head Start facility located in Pahokee effective June 30, 2014.

**Summary:** The Pahokee Head Start site is located at 380 Dr. Martin Luther King, Jr. Blvd. in Pahokee and is owned by the City of Pahokee, and leased to The Lord's Place, Inc. (TLP) through a Lease dated February 11, 1986, as amended (City Lease). Soon after the City Lease was executed, the current facility was constructed by TLP. On December 13, 1988 (R-88-2142d), the County entered into a Lease Agreement with TLP (County Lease) to lease the facility and has been providing Head Start services since January 1989. On September 24, 2013, the Board determined the County would not apply for Federal grant funding to continue providing Head Start services and supported Lutheran Services Florida, Inc. (LSF), assuming the County's role as principal grantee, in partnership with the School Board of Palm Beach County and the Children's Services Council of Palm Beach County, in obtaining the grant award. The City, TLP, County and LSF have determined that it is in the best interest for the City to enter into a new lease directly with LSF for the Head Start facility. Accordingly, the City has notified TLP that the City Lease will be terminated on June 30, 2014. The City and LSF are in negotiations to enter into a new lease for the continued operation of a Head Start facility in Pahokee that is expected to commence on July 1, 2014. The County will leave the fire and intrusion alarm systems that were installed and these improvements will become the property of the City upon the termination of the Lease as provided for in the Lease. **(PREM) District 6 (HJF)**

**Background and Justification:** The City owns the land on which the Pahokee Head Start site is located upon. Through a City Lease with TLP dated February 11, 1986, as amended, the land was leased for ninety nine (99) years; however, the City has the right to terminate the City Lease anytime after the initial fifteen (15) years (which occurred in 2001). After the current facility was constructed at this site, the County, on behalf of the Community Services Department, subleased the facility and associated ground area from TLP through a Lease Agreement dated December 13, 1988.

(continued on page 3)

**Attachments:**

1. Location Map
2. Letter from the City to TLP dated February 26, 2014, terminating the City Lease
3. E-mail from the City to TLP dated March 4, 2014, clarifying the June 30, 2014, termination date of the City Lease
4. Letter from TLP to the County dated March 4, 2014, terminating the County Lease on June 30, 2014

Recommended By: [Signature] Anthony Wong 4/9/14  
Department Director Date

Approved By: [Signature] [Signature] 4/10/14  
County Administrator Date

## II. FISCAL IMPACT ANALYSIS

### A. Five Year Summary of Fiscal Impact:

Fiscal Years	2014	2015	2016	2017	2018
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	* -0-	-0-	-0-	-0-	-0-
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget: Yes \_\_\_\_\_ No \_\_\_\_\_

Budget Account No: Fund \_\_\_\_\_ Dept \_\_\_\_\_ Unit \_\_\_\_\_ Object \_\_\_\_\_  
Program \_\_\_\_\_

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

\* Termination of the County Lease by TLP will save the County approximately \$70,000 annually in maintenance costs, including but not limited to custodial, landscaping, utilities, etc. in Community Services' Budget.

*W* 4-10-14

### C. Departmental Fiscal Review: \_\_\_\_\_

## III. REVIEW COMMENTS

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

This amount was included in the estimated savings previously presented to the Board. It is not additional savings.

OFMB

*4/11/14*

*4/14/2014*

Contract Development and Control

*4-14-14*

*Sidhu*

### B. Legal Sufficiency:

*4/15/14*  
Assistant County Attorney

### C. Other Department Review:

\_\_\_\_\_  
Department Director

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



**Background and Justification (cont'd.):** On May 4, 2004, the Board approved a First Amendment to the County Lease (R2004-0803) which revised the rent and insurance provisions. On September 24, 2013, the Board determined that the County would not apply for Federal grant funding to continue providing Head Start services and supported Lutheran Services Florida, Inc., a Florida not for profit corporation (LSF), assuming the County's role as principal grantee, in partnership with the School Board of Palm Beach County and the Children's Services Council of Palm Beach County, in obtaining the grant award. In order to continue Head Start operations in Pahokee, through Staff negotiations with the City, TLP and LSF, the parties determined it was in everyone's best interest to terminate the City Lease and County Lease, and the City would then enter into a new lease with LSF for the Head Start operations at this facility. Accordingly, the City has notified TLP that the City Lease is being terminated on June 30, 2014, and TLP has notified the County that the County Lease is being terminated on June 30, 2014. A new lease between the City and LSF for the continued operation of a Head Start facility in Pahokee is currently being negotiated and is expected to commence on July 1, 2014. In January 2014, the County remitted a \$1,344.04 annual rental payment to TLP. The parties have agreed that a proration reimbursement will not be requested as termination of the County Lease by TLP will save the County approximately \$70,000 annually in maintenance costs.



TWP  
42

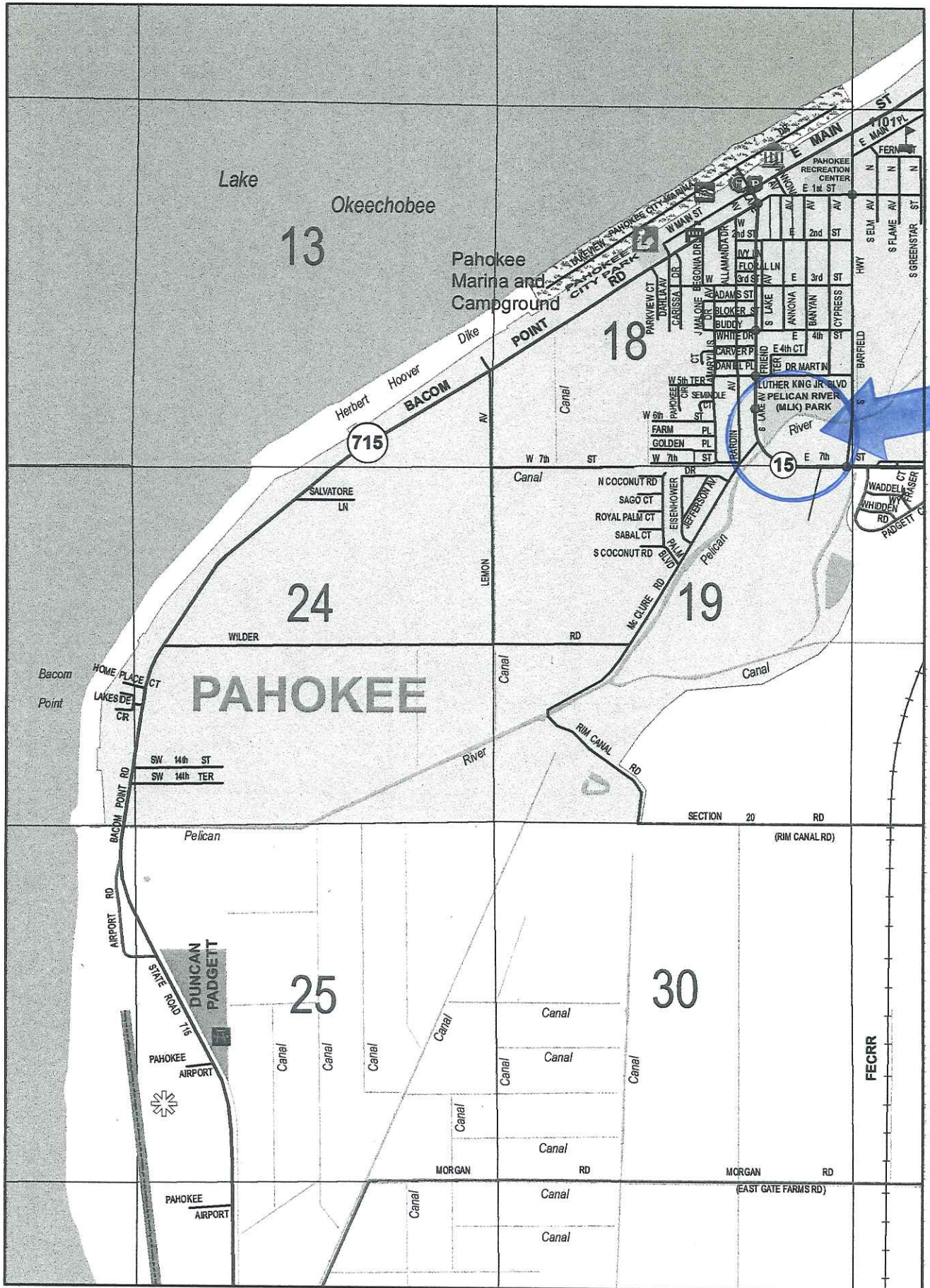
TWP  
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TWP  
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RNG 36

See pg 143

RNG 37

LOCATION MAP

II



**BRANDENBURG & ASSOCIATES, P.A.**

11891 U.S. Highway One, Suite 100  
North Palm Beach, Florida 33408  
(561) 799-1414  
www.BrandenburgPA.com

**Gary M. Brandenburg**

Gary@BrandenburgPA.com

ATTORNEY AT LAW

February 26, 2014

Diana L. Stanley, Chief Executive Officer  
The Lord's Place, Inc.  
2808 N. Australian Avenue  
West Palm Beach, FL 33407

*Re: Termination of Pahokee Lease*

Dear Ms. Stanley:

The City Commission, during their Regular meeting on Tuesday, February 25, 2014, discussed the status of The Lord's Place lease, dating back to 1988. The Commission instructed me to notify you of the termination of the lease. Please consider this letter your official Notice of Termination.

Please contact Mr. Moore, the City Manager, so that we can assure a smooth transition of the property.

It is our understanding that Lutheran Services Florida, Inc., may be interested in continuing the Head Start program that was started by The Lord's Place and subsequently administered by Palm Beach County. The Commission indicated that they would consider a lease directly to Lutheran Services Florida if they continue the Head Start program. If the program does not continue, then the Commission will prioritize the best use of the property. The City of Pahokee also wanted me to express their sincere thanks to The Lord's Place for their many years of service in the Pahokee community. We look forward to learning of any new plans you might have for the City.

Sincerely,

BRANDENBURG & ASSOCIATES, P.A.

By: \_\_\_\_\_

Gary M. Brandenburg

Cc: Mayor Colin Walkes  
Derrek Moore, City Manager  
Audrey Wolfe  
Lutheran Services Florida, Inc.



**Steve Schlamp**

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**From:** Chauncey Taylor  
**Sent:** Tuesday, March 04, 2014 10:49 AM  
**To:** Steve Schlamp  
**Subject:** FW: Pahokee lease

## Chauncey Taylor, II

Director, Facilities Services  
PBC Facilities Development & Operations  
(561) 233-0221  
(561) 233-2052 Fax  
[ctaylor@pbcgov.org](mailto:ctaylor@pbcgov.org)



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**From:** Gary Brandenburg [<mailto:Gary@brandenburgpa.com>]  
**Sent:** Tuesday, March 04, 2014 10:49 AM  
**To:** [TDouthwright@thelordsplace.org](mailto:TDouthwright@thelordsplace.org)  
**Cc:** Derrek Moore; Colin Walkes; Chauncey Taylor  
**Subject:** Pahokee lease

Toby;

Please accept this as the City of Pahokee's response to your request for clarification of the date for termination of the lease.

I understand the funding for the existing program ends on June 30<sup>th</sup>, 2014, at which time the County was to transition the program to the Lutheran Services of Florida. Consequently, to make for a smooth transition the termination of the lease is set for June 30<sup>th</sup>, 2014.

On June 30<sup>th</sup> the City will inspect the premises.

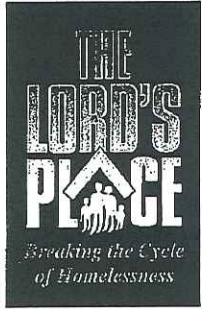
In the interim we will be in contact with The Lutheran services to work out a continuing relationship.

Thank you for your good services to the residents of Pahokee.

Gary

Gary Brandenburg, Esq.  
Brandenburg & Associates, P.A.  
11891 U.S. Highway One, Suite 100  
North Palm Beach, FL 33408  
(561) 799-1414  
(561) 371-1824 (cell)  
(561) 758-7496 (Sandy cell)  
[Gary@BrandenburgPA.com](mailto:Gary@BrandenburgPA.com)





March 4, 2014

Mr. Chauncey Taylor, II  
Director, Facilities Services  
Palm Beach County  
2633 Vista Parkway  
West Palm Beach, FL 33411-5067

Re: Termination of Pahokee Lease

Dear Mr. Taylor:

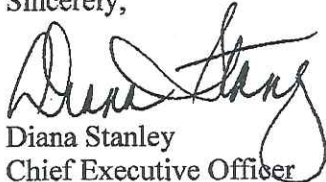
Please accept this letter as notification of the termination of the lease between Palm Beach County and The Lord's Place, Inc. dated December 13, 1988 for the Head Start site in Pahokee.

As you know, the City of Pahokee has terminated the lease between The Lord's Place and the City of Pahokee. Accordingly, The Lord's Place will no longer be able to act as the Lessor for your lease and hereby terminate the lease effective on June 30, 2014.

It is our understanding that the City of Pahokee will be in contact with Lutheran Services Florida directly to discuss an agreement with them to continue the Head Start Program in that facility.

Thank you for your assistance and attention to this matter.

Sincerely,



Diana Stanley  
Chief Executive Officer



P.O. Box 3265, West Palm Beach, FL 33402 Phone (561) 494-0125 Fax (561) 494-2922  
[www.thelordsplace.org](http://www.thelordsplace.org)

The Lord's Place is a 501(c)(3) organization and all donations are tax-deductible according to IRS Rules and Regulations. Tax ID # 59-2240502