

Agenda Item #:

SA-2

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY

Meeting Date: May 20, 2014 ☐ Consent ☒ Regular  
☐ Ordinance ☐ Public Hearing

Department: Facilities Development & Operations

I. EXECUTIVE BRIEF

**Motion and Title:** Staff recommends motion to:

- A) approve** a Lease Agreement with Lutheran Services Florida, Inc., a not-for-profit 501(c)(3) Florida corporation ("LSF") for a building located at 990 US Highway 27 North, South Bay ("South Bay");
- B) adopt** a Resolution authorizing the Lease Agreement for South Bay;
- C) approve** a Lease Agreement with Lutheran Services Florida, Inc., a not-for-profit 501(c)(3) Florida corporation ("LSF") for a building located at 100 N. Chillingworth Drive, West Palm Beach ("West Palm Beach"); and
- D) adopt** a Resolution authorizing the Lease Agreement for West Palm Beach.

**Summary:** On September 24, 2013 the Board determined that the County would not apply for Federal Head Start grant funding and supported LSF's application to assume responsibility as Head Start grantee effective July 1, 2014. The buildings at South Bay and West Palm Beach are 19,443 sf and 20,822 sf, respectively and are solely occupied by Head Start. While the Leases are effective upon execution, occupancy of the buildings is contingent upon Federal approval of LSF's grant application. LSF will pay annual rent of One Dollar (\$1.00) and will assume full responsibility for the routine maintenance, repair and upkeep of the buildings. LSF is responsible for all utility costs and ISS will provide telephone and network communication services at LSF's cost. LSF will pay fifty percent (50%) of the capital renewal/replacement expenses, but for the first year. Specified County assets will remain at the premises for use by LSF and LSF will return the assets to County at the Lease Term or will pay County the undepreciated value of these assets. LSF has provided a \$225,000 performance bond for each of the two Leases. The bonds are required to be renewed on a year to year basis throughout the Lease Term and failure to obtain renewal or replacement bonds constitutes a Lease default. The initial Term of each Lease is five (5) years, with two (2), renewal options, for five (5) years each. The County may terminate the Leases; 1) immediately if LSF's grant application is not approved or funded on or before July 1, 2014, and 2) with 180 days notice prior to the end of the grant year. LSF may terminate the Leases with 90 day notice along with the obligation that LSF still fund 50% of the R/R Projects that have been undertaken by the County in that year. (FDO Admin) Countywide (HJF)

**Background and Policy Issues:** On September 24, 2013 the Board authorized staff to initiate negotiations with LSF to assume Head Start programming effective July 1, 2014. These Leases enable LSF to continue to offer Head Start programming at sites that are solely occupied by County's Head Start program. South Bay has a current student enrollment of approximately 144 students and West Palm Beach has a student enrollment of approximately 133. There is a related agenda item for the donation of property and equipment that has been requested by LSF for use in Head Start programming. Additionally, on June 3, 2014, ISS is presenting a network communication agreement with LSF for telephone and network communication services for all of the LSF leased buildings. LSF is a Florida not-for-profit 501 (C)(3) corporation and has provided the Disclosure of Beneficial Interests.

**Attachments:**

- A) Lease Agreement - South Bay  
B) Resolution - South Bay  
C) Lease Agreement - West Palm Beach  
D) Resolution - West Palm Beach

Recommended By: Anthony W. Wolf 4/24/14  
Department Director Date

Approved By: [Signature] 5/21  
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	(\$18,865.98)	(\$75,463.94)	(\$75,463.94)	(\$75,463.94)	(\$75,463.94)
External Revenues	(\$2.00)	(\$2.00)	(\$2.00)	(\$2.00)	(\$2.00)
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT	(\$18,867.98)	(\$75,465.94)	(\$75,465.94)	(\$75,465.94)	(\$75,465.94)
# ADDITIONAL FTE POSITIONS (Cumulative)					

**Is Item Included in Current Budget:** Yes Y No       

Budget Account No: Fund 1002 Dept 147 Unit 1451 Object 3403  
Program \_\_\_\_\_

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

Community Services expenses will be reduced by the custodial services and the landscaping maintenance responsibilities assumed by LSF. No capital savings have been shown as there are currently no planned renewal/replacement projects planned for these facilities. /

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

### **III. REVIEW COMMENTS**

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

**OFMB Fiscal and/or Contract Development Comments:**


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

*[Signature]* 4/30/14

OFMB *KV* 4/29  
*JL* 4/29  
*CC* 4/29

*D. J. Jacobson* 5/7/14  
Contract Development and Control  
5-7-14 *[Signature]*

### B. Legal Sufficiency:

  
Assistant County Attorney

**C. Other Department Review:**

Jennifer E. Cicello  
Department Director

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

**LEASE AGREEMENT**

**between**

**PALM BEACH COUNTY  
A POLITICAL SUBDIVISION OF THE  
STATE OF FLORIDA  
(County)**

**and**

**LUTHERAN SERVICES FLORIDA, INC.,  
a not for profit corporation  
(Tenant)**

**990 US Highway 27, North  
South Bay, FL 33493**

## **LEASE AGREEMENT**

**THIS LEASE** made and entered into \_\_\_\_\_, by and between **PALM BEACH COUNTY**, a political subdivision of the State of Florida, hereinafter referred to as "County" and **LUTHERAN SERVICES FLORIDA, INC.**, a not-for-profit corporation, hereinafter referred to as "Tenant".

### **WITNESSETH:**

**WHEREAS**, County is the owner of certain real property in the Town of South Bay, with an address of 990 US Highway 27 North, Palm Beach County, which is improved with a building and various other improvements located thereon, and which is described and depicted on Exhibit "A", attached hereto (the "Premises"); and

**WHEREAS**, Tenant is a not for profit entity doing business in the State of Florida providing Head Start program services; and

**WHEREAS**, Tenant has applied for grant funding from the Office of Head Start to be the local administrator of the Head Start program in Palm Beach County; and

**WHEREAS**, Tenant desires to continue Head Start program services at the Premises; and

**WHEREAS**, County is willing to lease the Premises to Tenant for the continued operation of the Head Start program as set forth hereinafter.

**NOW THEREFORE**, in consideration of the rents, covenants and agreements hereinafter reserved and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

### **ARTICLE I RECITALS**

The foregoing recitals are true and correct and are incorporated herein and made a part hereof by this reference.

## ARTICLE II DEFINITIONS

**“American with Disabilities Act” (“ADA”)** shall mean the Americans with Disabilities Act of 1990, Pub. L. No. 101-336, 104 Stat. 328 (1990).

**“Approved R/R Project”** shall mean an R/R Project that is included as part of the budget year’s Board approved R/R Project Schedule.

**“Art in Public Places Administrator”** shall mean the County’s Art in Public Places Administrator.

**“Board”** shall mean the Board of County Commissioners of Palm Beach County.

**“Capital Improvement(s)”** shall mean the provision of all labor and materials related to any improvement or betterment to any part of the Premises which has a useful life of more than one (1) year.

**“Capital Repair(s)”** shall mean the provision of labor and materials related to improvements or betterments at any part of the Premises that are necessary to sustain the Premises in an operating condition consistent with applicable standards and/or manufacturers’ recommendations and that add value to the Premises.

**“County Property”** shall mean personal property and equipment that will remain at the Premises for use by Tenant during the Lease Term and that is identified on the attached Exhibit “B”.

**“Documentation”** shall mean all writings, reports, notices, filings or forms, whether electronic or written, submitted to the Office of Head Start that pertain to an alleged accident, fall, injury or incident at the Premises requiring either a police response or for which medical care was sought.

**“Effective Date”** shall have the meaning as described in Section 22.18 of this Lease.

**“Emergency Capital Repair”** shall mean a Capital Repair that County determines is required to be made on an expedited basis: 1) to prevent further damage or destruction to the Premises, or 2) to remedy an unsafe condition, or 3) in response to a need when the delay incident to complying with all the governing rules, regulations or procedures would be detrimental to the interests, health, safety or welfare of the County.

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**“Facility”** shall mean the physical building and structural components of the Premises including any fixed personal property or improvements.

**“FDO”** shall mean the County’s Facilities Development & Operations Department.

**“Grant”** shall mean a Grant awarded by the Office of Head Start for the Tenant’s Head Start Zero to Five Grant Application for Head Start programming in Palm Beach County and which designates Tenant as principal grantee.

**“Grant Application”** shall mean the Tenant’s Head Start Zero to Five Grant Application submitted to the Office of Head Start, and which proposes that Tenant serve as the principal grantee for Head Start programming in Palm Beach County, Florida, for an initial five year project period, and includes any additional grant applications submitted by Tenant thereafter for Head Start programming in Palm Beach County.

**“Grant Year”** shall mean the one year period of time that Head Start grantees are funded for Head Start program operations pursuant to a Notice of Award from the Office of Head Start.

**“Head Start”** shall mean Head Start and Early Head Start programs that promote the school readiness of children ages birth to five from low income families and that serve infants, toddlers, pregnant women and their families who have incomes below the federal poverty level.

**“Information Systems Services (“ISS”)** shall mean the County’s Information Systems and Services department that is responsible for providing network services at the Premises pursuant to a Technology Service Agreement between Tenant and ISS.

**“Maintenance”** shall mean any work (preventative, routine or Repair/corrective) necessary to sustain the Premises in an operating condition consistent with applicable standards and manufacturers’ recommendations and does not add value to the Premises.

**“Notice of Grant Award” or “Notice of Award”** shall mean the Notice of Grant Award form that is delivered to Grant applicants by the Office of Head Start when a Grant Application is approved and which includes the approved project and budget periods and the amount of federal funds authorized pursuant to the Grant Application.

**“Occupancy Date”** shall mean the date that Tenant is permitted to physically occupy the Premises pursuant to the terms of this Lease.

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**“Office of Head Start”** shall mean the Office of Head Start, an Office of the Administration for Children & Families, Department of Health and Human Services.

**“Premises”** shall mean the real property and the Facility thereon as described and depicted on the attached Exhibit “A”.

**“Repair”** shall mean a form of Maintenance which may or may not involve the replacement of parts, components or materials.

**“R/R Program”** shall mean the County established repair and replacement program that addresses Capital Repairs in order to ensure that age, use and deterioration of the Premises does not adversely impact its use or the cost to maintain the Facility or Premises.

**“R/R Project”** shall mean a planned Capital Repair.

**“R/R Project Schedule”** shall mean the schedule of R/R Projects for the Premises which identifies each R/R Project for each budget year and the approved funding for each R/R Project as required to implement the R/R Projects for the Premises.

**“R/R Purchase Order”** shall mean the County issued purchase order for a Tenant implemented R/R Project in accordance with Section 10.03.

**“R/R Payment Request”** shall mean the Tenant request for reimbursement which includes the information and evidence of payment as set forth in Section 10.04.

**“SBE Vendor”** shall mean a small business enterprise which has been certified by the County’s Office of Small Business Assistance.

**“Updated R/R Project Schedule”** shall mean the revised R/R Project Schedule which is prepared by Tenant and includes any proposed additions to, or modifications of, the R/R Project Schedule, including Emergency Capital Repairs that are requested by Tenant for the current budget year on or before June 1<sup>st</sup> of any year during the Term.

**“Works of Art”** shall mean the wall paintings and murals located in the Premises.

## **ARTICLE III BASIC LEASE PROVISIONS**

### **Section 3.01 Premises.**

In consideration of the rents, covenants and agreements hereafter reserved and contained on the part of the Tenant to be observed and performed, the County demises and leases to the Tenant, and Tenant rents from County, the Premises.

### **Section 3.02 Length of Term and Effective Date.**

The term of this Lease shall commence upon the Effective Date, as hereinafter defined (the "Effective Date") and shall extend for a period of five (5) years thereafter (the "Term"), unless sooner terminated pursuant to the provisions of this Lease.

### **Section 3.03 Option to Extend.**

County hereby grants to Tenant, so long as Tenant shall not then be in default of any term, covenant, condition or payment of rent under this Lease beyond any applicable notice or cure period, the right and option to extend the Term of this Lease for two (2) successive period(s) of five (5) year(s) each, under the same terms and conditions of this Lease and commencing upon the expiration of the initial Term of this Lease or any extension thereof. Tenant shall exercise its option to extend, if at all, by written notice to the County received by the County on or before sixty (60) days prior to the expiration of the initial Term of this Lease or any extension thereof.

Failure of Tenant to duly and timely exercise its option to extend the Term of this Lease shall be deemed a waiver of Tenant's right to said option and all further options.

### **Section 3.04 Notice of Grant Award.**

Tenant shall provide County with a copy of the Notice of Grant Award, within three (3) business days of Tenant's receipt of same. If applicable, Tenant shall provide County with a copy of the notice that advises Tenant of the non-approval of the Grant Application within three (3) business days of Tenant's receipt of same. Additionally, and throughout the Term of this Lease, Tenant shall provide County with a copy of all: (1) Notices of Grant Award; (2) designation renewal notices; (3) notices relating to the Grant project budget; and (4) notices of Grant deficiencies, including, without limitation, notices of deficiency, suspension, or termination of a Grant, within three (3) business days following Tenant's receipt of same.



## **ARTICLE IV RENT**

### **Section 4.01 Annual Rent.**

Tenant shall pay County an annual net rent of One Dollar (\$1.00) (the "Annual Rent"), payable without notice on the Effective Date and each subsequent anniversary thereafter. Annual Rent shall be made payable to the Palm Beach County Board of County Commissioners and shall be delivered to the Palm Beach County Finance Department, Revenue Section, P.O. Box 4036, West Palm Beach, Florida 33402. County shall receive the rent payable hereunder free and clear of any and all impositions, liens, charges, and expense of any nature whatsoever relating to operation of the Premises, including without limitation those relating to taxes, if any, insurance, Repair, Maintenance, use, care or operation, except as specifically provided in this Lease.

### **Section 4.02 Additional Rent.**

Any and all sums of money or charges required to be paid by Tenant under this Lease other than the Annual Rent shall be considered "Additional Rent", whether or not the same is specifically so designated and County shall have the same rights to enforce due and timely payment by Tenant of all Additional Rent as are available to County with regards to Annual Rent.

### **Section 4.03 Sales, Use and Rent, Taxes, Assessments, Ad Valorem, Real and Personal Property Taxes.**

Tenant shall pay all sales, use or rent taxes assessed by any governmental authority against the Annual Rent and/or Additional Rent, if any, even if such tax is intended to be imposed against County. Notwithstanding the foregoing, Landlord hereby acknowledges receipt of a copy of Tenant's Form DR-14, Consumer's Certificate of Exemption, pursuant to which Tenant is exempt from the payment of Florida sales and use tax on, inter alia, real property rented. As long as such certificate, or any renewal thereof (provided that a copy of such renewal is delivered to Landlord) is in effect, Tenant shall not be required to pay sales tax on the Annual Rent or Additional Rent.

Tenant shall pay before delinquency all ad valorem and non ad valorem taxes and assessments, whether general or special and all tangible or intangible personal property taxes and assessments of any kind or nature which may be levied by any governmental authority against the Premises or Tenant's leasehold interest in the Premises or Tenant's Alterations and personal property located on the Premises except to the extent that Tenant and the purposes for which it is occupying the Premises are exempt pursuant to Section 196.192, Florida Statutes or any other provision of Florida law.

**Section 4.04 Unpaid Fees, Holdover.**

In the event Tenant fails to make timely payment of any rentals, fees, charges, and payments due and payable in accordance with the terms of this Lease within ten (10) days after same shall become due and payable, interest at the rate of one and one-half percent (1½ %) per month (or the highest rated permitted by law if lower) shall accrue against the delinquent payment(s) from the date due until the date payment is received by County. Such interest shall constitute Additional Rent. Notwithstanding the foregoing, County shall not be prevented from terminating this Lease for default in the payment of rentals, fees, charges, and payments due to County pursuant to this Lease or from enforcing any other provisions contained herein or implied by law. In the event Tenant shall holdover, refuse or fail to relinquish possession of the Premises at the expiration or termination of this Lease, Tenant shall be liable to County for any and all damages, and in addition thereto, Tenant shall also be strictly liable to pay to County during the entire period of such holdover, double the actual fair market rental value of the Premises.

**Section 4.05 Accord and Satisfaction.**

In the event Tenant pays any amount that is less than the amount stipulated to be paid under this Lease, such payment shall be considered to be made only on account of the stipulated amount. No endorsement or statement on any check or letter shall be deemed an accord and satisfaction. The County may accept any check or payment without prejudice to County's right to recover the balance due or to pursue any other remedy available to County pursuant to this Lease or under the law.

**ARTICLE V  
CONDITION OF LEASED PREMISES, ALTERATIONS**

**Section 5.01 Acceptance of Premises by Tenant.**

Tenant certifies that Tenant has inspected the Premises and accepts same "As Is", in its existing condition, together with all defects, latent or patent, if any, and subject to all easements, encumbrances, restrictions and matters of record. Tenant further acknowledges that the County has made no warranties or representations of any nature whatsoever regarding the Premises including, without limitation, any relating to the physical condition of the Premises or any improvements or equipment located thereon, or the suitability of the Premises or any improvements for Tenant's intended use of the Premises. No Repair work, alterations or remodeling of the Premises is required to be done by County as a condition of this Lease.

**Section 5.02 Alterations**

Tenant shall not make any improvements, additions, modifications or alterations to the Premises (hereinafter collectively referred to as "Alterations") other than performing Maintenance or Repair responsibilities as set forth in Article IX of this Lease,

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without the prior written consent of County in each instance, which may be withheld, granted, or granted subject to conditions as determined by County in its discretion. Tenant shall submit detailed plans and specifications for all such Alterations to County for County's written approval prior to commencing work on same. Tenant agrees and acknowledges that all work performed to the Premises, whether pursuant to this Section or otherwise, shall be performed and accomplished solely for the benefit of Tenant, and not for the benefit of County, such work being nevertheless subject to each and every provision of this Lease.

All work done by Tenant shall be done by a licensed and insured contractor in a good and workmanlike manner and shall be diligently prosecuted to completion strictly in accordance with the approved plans, specifications, and permits (if applicable). Tenant shall also require contractors to furnish satisfactory evidence of statutory Workers' Compensation & Employers Liability insurance, comprehensive General Liability insurance, comprehensive Business Automobile Liability insurance, and physical damage insurance on a Builder's Risk form with the interest of County endorsed thereon, in such amounts and in such manner as County may reasonably require. County may require additional insurance, and/or a performance bond, in such amount as County reasonably determines to be necessary, as a condition of its consent to any Alterations.

Upon giving its approval for any work or Alterations, County shall specify whether the Alteration is to be removed by Tenant, at Tenant's sole cost and expense, upon the termination or expiration of this Lease.

### **Section 5.03 No Liens**

Tenant covenants and agrees that nothing contained in this Lease shall be construed as consent by County to subject the estate of County to liability under the Construction Lien Law of the State of Florida, it being expressly understood that County's estate shall not be subject to such liability. Tenant shall notify any and all parties or entities performing work or providing materials relating to any Alterations made by Tenant of this provision of this Lease. If so requested by County, Tenant shall file a notice satisfactory to County in the Public Records of Palm Beach County, Florida stating that County's interest shall not be subject to liens for improvements made by Tenant. In the event that a construction lien is filed against the Tenant's Premises or other County property in connection with any work performed by or on behalf of Tenant, Tenant shall satisfy such claim, or transfer same to security, within 10 days from the date of filing. In the event that Tenant fails to satisfy or transfer such claim within said 10 day period, County may do so and thereafter charge Tenant, and Tenant shall promptly pay to County upon demand, as Additional Rent, all costs incurred by County in connection with the satisfaction or transfer of such claim, including attorney's fees. Further, Tenant

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agrees to indemnify, defend, and save County harmless from and against any damage or loss incurred by County as a result of any such construction lien.

## **ARTICLE VI USE OF PREMISES**

### **Section 6.01 Occupancy of Premises.**

Tenant's occupancy of the Premises is expressly contingent upon FDO's receipt of a Notice of Grant Award that is consistent with the Grant Application with a project budget period beginning on or before July 1, 2014 and which designates Tenant as principal grantee for Palm Beach County. Tenant shall not be permitted to occupy the Premises until such time as: (1) Tenant has provided FDO with a copy of a Notice of Grant Award in compliance with the requirements set forth in this section, and (2) the Director of FDO has provided Tenant with written approval to occupy.

### **Section 6.02 Use of Premises.**

Tenant shall use and occupy the Premises solely and exclusively for the operation of a Head Start program in accordance to the regulations and requirements of the Office of Head Start and the terms and conditions of this Lease. Tenant shall not use, permit, or suffer the use of the Premises for any other use, business, or purpose whatsoever without the prior written consent of County, which consent may be granted or withheld in County's sole discretion.

### **Section 6.03 Waste or Nuisance.**

Tenant shall not commit or suffer to be committed any waste upon the Premises, commit or permit the maintenance or commission of any nuisance or other act or thing which may result in damage or depreciation of value of the Premises or which may affect County's fee interest in the Premises or which results in an unsightly condition. Tenant shall be solely responsible for the handling and disposal of hazardous waste, including obtaining appropriate disposal containers. Tenant will keep refuse in proper fireproof containers within the interior portions of the Premises until removed to the dumpster(s). Tenant will keep the access to the Premises, the parking areas and other contiguous areas to the Premises free and clear of obstruction. Tenant, at its sole cost and expense, will keep the Premises free of rodents, vermin and other pests.

### **Section 6.04 Governmental Regulations.**

Tenant shall, at Tenant's sole cost and expense, comply with all ordinances, laws, statutes and regulations promulgated thereunder of all county, municipal, state, federal and other applicable governmental authorities, now in force, or which may hereafter be in force, pertaining to Tenant or Tenant's use of the Premises, or the Premises generally. Tenant shall indemnify, defend and save County harmless from any and all penalties,

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finest, costs, expenses, suits, claims, or damages resulting from Tenant's failure to perform its obligations in this Section.

**Section 6.05 Non-Discrimination.**

Tenant shall assure and certify that it will comply with the Title VI of the Civil Rights Act of 1964, as amended, and Palm Beach County Resolution No. R92-13, and shall not discriminate against any individual on the basis of their race, color, national origin, religion, ancestry, sex, age, marital status, familial status, sexual orientation, gender identity or expression, disability or genetic information with respect to any activity occurring on the Premises or conducted pursuant to this Lease.

**Section 6.06 Surrender of Premises.**

Upon termination or expiration of this Lease, Tenant, at its sole cost and expense, if so directed by County, shall remove Tenant's personal property, removable fixtures and equipment from the Premises and shall surrender the Premises to the County in the same condition the Premises were in as of the Effective Date of this Lease, reasonable wear and tear excepted. Upon surrender of the Premises, title to any and all remaining improvements, Alterations or personal property within the Premises shall vest in County.

**Section 6.07 Hazardous Materials.**

Tenant and County hereby acknowledge that County occupied the Premises for Head Start Program operations and that Tenant has inspected the Premises and to the best of both parties' knowledge there is not currently located in, on, upon, over, or under the Premises any Hazardous Materials. However, if any preexisting contamination exists or is discovered during the term of this Lease, County shall promptly remove said substance(s) in accordance with Environmental Laws at County's sole cost and expense ("Environmental Remediation"). Tenant may temporarily discontinue program operations, or work in good faith with County to identify a temporary location for said program during a period of Environmental Remediation.

Tenant shall not use, maintain, store or dispose of any contaminants including, but not limited to, Hazardous Materials or toxic substances, chemicals or other agents used or produced in Tenant's operations, on the Premises or any adjacent land in violation of Environmental Laws. Furthermore, Tenant shall not cause or permit the Release of Hazardous Materials upon the Premises or upon adjacent lands in violation of Environmental Laws and shall operate and occupy the Premises in compliance with all Environmental Laws. For purposes hereof, Hazardous Materials shall mean any hazardous or toxic substance, material, waste of any kind, petroleum product or by-product, contaminant or pollutant as defined or regulated by Environmental Laws. Release shall mean the release, storage, use, handling, discharge or disposal of Hazardous

Materials. Environmental Laws shall mean any applicable federal, state or local laws, statutes, ordinances, rules, regulations or other governmental restrictions.

Any Release of a Hazardous Material, in violation of Environmental Laws, whether by Tenant or any third party, shall be reported to County immediately upon the knowledge thereof by Tenant. Tenant shall be solely responsible for the entire cost of the Environmental Remediation as a result of a Release of Hazardous Materials in violation of Environmental Laws upon the Premises or emanating from the Premises onto adjacent lands, as a result of the use and occupancy of the Premises by Tenant, or Tenant's agents, licensees, invitees, subcontractors or employees.

Tenant hereby agrees to indemnify, defend and hold harmless County from and against any and all claims, suits, judgments, loss, damage, fines or liability which may be incurred by County, including reasonable attorney's fees and costs at trial and on appeal, which may arise directly, indirectly or proximately as a result of any violation or the Release of any Hazardous Materials upon the Premises in violation of Environmental Laws. Tenant's responsibility hereunder shall continue and apply to any violation hereof, whether the same is discovered during the term hereof or otherwise. While this provision establishes contractual liability of Tenant, it shall not be deemed to eliminate or diminish any statutory or common law liability of Tenant.

In the event of any Release of Hazardous Materials upon the Premises in violation of Environmental Laws and such Release did not occur prior to the Occupancy Date and is not the result of the use and occupancy of the Premises by Tenant, or Tenant's agents, licensees, invitees, subcontractors or employees, but is caused by a third-party or source unconnected to the Lease, then the Environmental Remediation shall be considered an Emergency Capital Repair pursuant to the provisions of Section 10.06 of this Lease.

Tenant acknowledges the County would not have entered into this Lease without the indemnification contained herein and acknowledges the receipt and sufficiency of separate good and valuable consideration for such indemnification. This provision shall survive the expiration or termination of this Lease.

## **ARTICLE VII WORKS OF ART**

Tenant acknowledges that the Premises houses original commissioned Works of Art. Tenant shall have no right, title or interest, in and to the Works of Art. County retains all right, title and interest, in and to the Works of Art. Tenant shall have no right to copy, publish, reproduce, photograph or distribute any image or reproduction of the Works of Art, absent the express consent of the County in each instance. The artist has

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expressly reserved every right available to the artist under the Federal Copyright Act, Visual Artists Rights Act of 1990 (VARA), and other applicable statutes to control the making or dissemination of copies or reproductions of the designed Works of Art.

Tenant hereby agrees to indemnify, defend and hold harmless County from and against any and all claims, suits, judgments, loss, damage, fines or liability which may be incurred by County, including reasonable attorney's fees and costs, which may arise directly, indirectly or proximately as a result of any Tenant violation or infringement of the artist's rights under the Federal Copyright Act, VARA, or other applicable statute, or the Tenant's unauthorized dissemination, use, duplication, or altering of the Works of Art, or any violation of this section. Tenant's responsibility hereunder shall continue and apply to any violation hereof, whether the same is discovered during the term hereof or otherwise.

Tenant shall take reasonable and prudent measures and precautions to protect the Works of Art from damage and vandalism. Tenant's reasonable and prudent measures to protect the Works of Art shall include the imposition and enforcement of program and facility rules, including but not limited to: no posting, taping, or affixing by any means or method of, signs, pictures, banners, posters, bulletin boards or any other wall covering or display, on or over, or touching the Works of Art. Reasonable and prudent measures include establishing restrictions on the use and placement of furniture and equipment to avoid damage by scraping or scratching or pushing against the Works of Art. Other reasonable and prudent measures include imposing rules regarding the necessary supervision and appropriate locations for use of any, tool, paint, pen, crayon, pencil, marker, or other drawing or writing materials or implements, as well as for the consumption of chewing gum, candy, food and/or drinks, and for the proper securing and locking of the Facility.

Tenant shall not remove, replace, relocate, Repair or Maintain the Works of Art. County shall be solely responsible for the performance of all Maintenance and Repair to the Works of Art. County shall the right to access the Facility for the purposes of inspecting the Works of Art and performing any required Maintenance, restoration, Repair, removal, relocation or other action as County determines is appropriate. Inspections shall be performed with reasonable advance notice during regular business hours. Repairs, Maintenance, restoration or other required work shall be coordinated with Tenant in advance to the extent practicable to minimize disruption to Tenant's operations. Tenant shall reimburse County for all costs and expenses related to the Maintenance, Repair and/or restoration of the Works of Art which may include reasonable artist's fees for the supervision of, or the performance of the restoration or required work, if such Maintenance, Repair and/or restoration results from vandalism, or from Tenant's failure to abide by the terms and conditions of this Article VII.

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Tenant shall inspect the Works of Art on a regular basis, no less than quarterly, for the purpose of assessing and reporting any damage, destruction, loss or vandalism to the Works of Art. Tenant shall promptly notify the County's Art in Public Places Administrator in the event of any damage, destruction, loss or vandalism to the Works of Art.

## **ARTICLE VIII COUNTY PROPERTY**

### **Section 8.01 County Property.**

The County Property identified on the attached Exhibit "B" shall remain at the Premises for use by Tenant during the Lease Term. Tenant's use of the County Property shall be strictly limited to uses relating to the Tenant's Head Start program in Palm Beach County. At all times the County Property shall remain the sole and exclusive property of the County, and the Tenant shall have no right, title or interest therein or thereto except as expressly set forth in this Agreement.

Tenant certifies that Tenant has inspected the County Property and accepts same "As Is", in its existing condition, together with all defects, latent or patent, if any. Tenant further acknowledges that the County has made no warranties or representations of any nature whatsoever regarding the County Property including, without limitation, any relating to the physical condition of the County Property, or the suitability of the County Property for Tenant's intended use. Tenant certifies that it shall use the County Property in a safe and appropriate manner and for its intended purpose.

At the conclusion of the Term, Tenant shall return the County Property to County in good condition and repair as specified herein, normal wear and tear excepted.

### **Section 8.02 Repair and Maintenance of County Property.**

The County Property identified on the attached Exhibit "B" shall be Repaired and Maintained by Tenant at Tenant's sole cost and expense. Tenant shall be solely responsible for ensuring that said County Property remains in good operating condition at all times.

### **Section 8.03 Reservation of Right to Identify Property.**

The County retains the right to make a final determination as to whether a particular asset located at the Premises on the Occupancy Date and not specifically identified on Exhibit "B" is in fact County Property. It is the Tenant's responsibility to seek a determination regarding any asset that has not been identified.



**Section 8.04 Tenant Responsibility for Reimbursement.**

Tenant shall be solely responsible for loss of or damage to County Property including loss or damage from acts of vandalism, but specifically excluding normal wear and tear. In the event of loss or damage, Tenant shall repair or replace the County Property with property that meets County requirements for functionality and that is the equivalent or better than the original in terms of age, condition and value, or Tenant can compensate County for the undepreciated value of the asset as of the Effective Date of the Lease.

**ARTICLE IX  
MAINTENANCE AND OPERATING REPAIR BY TENANT**

**Section 9.01 Maintenance and Repair Responsibilities of Tenant.**

Except as otherwise expressly provided herein, Tenant shall be solely responsible for all costs of, and the performance of, the Maintenance and Repair and operation of the Premises, as required to keep the Premises in good condition at all times, on a year-round basis. The Maintenance and Repair responsibilities of Tenant include, but are not limited to, the enumerated responsibilities contained in this Article IX. Any Maintenance and/or Repair that requires a modification to the walls or ceilings and/or removes, replaces, or alters any infrastructure, cabling or structure within the wall or ceiling is subject to the prior written consent of County in each instance, which may be withheld, granted, or granted subject to conditions as determined by County in its discretion.

Maintenance and Repair responsibilities of Tenant include the primary base building/systems, including, components of foundation and substructure, structural systems, exterior wall systems, roof systems, exterior vandalism, electrical system, energy control system, base building HVAC, CCTV system, fixed fire suppression infrastructure, backflow prevention, water and sewer systems, site work and infrastructure and grounds maintenance and irrigation for the Premises.

Maintenance and Repair responsibilities of Tenant also include all secondary building systems and the interior portions of the Premises including, but not limited to, ceiling systems, floor covering, interior wall and partitions, signage, building safety and regulatory systems, and all alterations or improvements currently existing or constructed hereinafter on or about the Premises. Tenant shall be solely responsible for the Maintenance and Repair and upkeep of the security, access control (card reader and keys) and intrusion alarm monitoring systems and connected equipment, non-fixed fire suppression system, painting, lighting fixtures, and interior plumbing lines and fixture Repairs.

Maintenance and Repair responsibilities of Tenant include all Repair and Maintenance of personal property and equipment, including Repair and Maintenance necessary to maintain code or regulatory compliance for all equipment and personal property at the Premises. Tenant shall be solely responsible for all Repair or Maintenance issues identified during program licensing or renewal or as a result of any regulatory inspections, audits or reviews. Tenant shall be responsible for funding and performing all routine custodial maintenance or service, pest control services, exterior pressure cleaning and window washing, upkeep of furniture, Repair or Maintenance to equipment including kitchen equipment, telephone services and systems, audio/video systems, closed circuit television systems and equipment, computer communications networks and all those Repairs or Maintenance requirements that are common to the operation of any Head Start program including, but not limited to waste receptacles, spill maintenance, cleaning air conditioning vents, cleaning of walls, floors, doors, picking up litter, disposal of waste and garbage in the designated dumpster, hazardous waste disposal and other Repairs or Maintenance customarily handled by a handyman or laborer.

Tenant is solely responsible for program related security, including all security requirements for the Premises, the program participants, employees, contractors or invitees. Tenant shall be solely responsible for all Maintenance and Repairs required as a result of acts of vandalism to the interior and exterior of the Premises or failure of the Tenant to properly secure the Premises. Tenant shall be responsible for any damages or repairs resulting from Tenant's failure to comply with the conditions of this Lease. Tenant shall comply with all development or regulatory approval conditions or requirements applicable to the Premises. Tenant shall be solely responsible for all indoor air quality complaints, Repairs or Maintenance requirements.

All building signage shall be subject to the advance approval of FDO in each instance. Tenant shall submit proposed plans designating the size, placement, style and content of the sign to FDO for approval. FDO shall respond to Tenant within seventy two (72) business hours with approval or denial. If denied, County shall provide specific recommendations to address the issue(s) resulting in denial. Tenant shall not post building signage until same has been approved by County. Tenant's name shall not be listed on the monument or marquis signs.

County shall provide Tenant with copies of building plans and specifications ("Building Plans") as required for the Tenant to fulfill its licensing obligations pursuant to this Lease within thirty (30) days of the Tenant's Occupancy of the Premises. Tenant acknowledges and agrees that the Building Plans are confidential and exempt from public disclosure pursuant to Florida Statutes §119.071(3)(a)1 and 2 and §119.071(3)(b), that the Building Plans are being provided to Tenant subject to Tenant's agreement to protect the confidential status of same and that Tenant shall use the same degree of care that

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Tenant would utilize for its own confidential information, but in no event less than a reasonable degree of care, to safeguard and protect the confidentiality of the Building Plans at all times. Tenant shall not duplicate, disclose or use the Building Plans for any purpose other than as set forth in this Section. At the termination of this Lease, all Building Plans shall be returned to County.

**Section 9.02 Repair and Maintenance Performance Standards.**

All Maintenance and Repairs performed by Tenant shall be performed on a routine basis as is reasonably required to prevent deterioration of the Premises, in a good and workmanlike fashion, utilizing good quality materials, supplies, components and replacement parts that are of equal or better quality than the quality of those being repaired or replaced, with all reasonable efforts made to preserve the aesthetics of the building. Maintenance and Repair performed by Tenant shall be comparable to County Maintenance and Repair without a noticeable visible difference between Tenant performed Maintenance and Repair and County performed Maintenance and Repair and such that there shall be no impact to County, for example, accelerated renewal/replacement as a result of Tenant's performance of Maintenance and Repair responsibilities, or lack thereof.

**Section 9.03 ADA Compliance Responsibilities.**

Tenant and County have inspected the Facility, including the existing configuration and the fixed furniture and equipment, and to the best of their knowledge and belief, the Facility is compliant with the requirements of the ADA, with or without reasonable accommodations, as of the Effective Date. County affirms that there are no pending ADA claims related to the Facility.

Beginning on the Occupancy Date, Tenant shall assume and be solely responsible for all ADA compliance requirements and shall indemnify, defend and save harmless the County from and against any and all ADA claims, suits, actions, damages and/or causes of action arising from or related to Tenant's lease of the Premises, Tenant's operation of a Head Start program at the Premises, Tenant additions, changes, deletions or modifications to the Premises, the Facility, personal property, fixed furniture or equipment, or relating in any way to Tenant's failure to comply with the requirements of the ADA.

Tenant shall advise the County of any claim which alleges that the Premises are not in compliance with the requirements of the ADA within forty-eight (48) hours of receipt. Within fifteen (15) business days of receipt of the claim, the Tenant shall evaluate the conditions and present the County with a plan for bringing the Premises into compliance, highlighting any modifications that the Tenant believes are the County's responsibility. Tenant shall have sole financial responsibility for the costs and expenses required to bring

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the Premises into compliance unless Tenant can demonstrate that such non-compliance existed and was the County's responsibility prior to the Occupancy Date. The County will review the plan in a timely manner and approval shall not be unreasonably withheld.

Tenant shall advise the County of any change in law or regulation which may impact the compliance status of the Premises within ten (10) business days of Tenant's notice of an enrolled law or approved regulation. Tenant shall present the County with a plan for bringing the Premises into compliance no later than twenty (20) business days after notice of the law or regulation. Tenant shall have sole financial responsibility for the costs and expenses associated with bringing the Premises into compliance with any enrolled law or approved regulation. The County will review the plan in a timely manner and approval shall not be unreasonably withheld.

Tenant has the obligation to implement reasonable operating accommodations to achieve ADA compliance, but to the extent that modifications to the Premises are required, they will be considered Capital Repairs pursuant to Article X of this Lease.

**Section 9.04 Rights of County Regarding Maintenance and Repair.**

The County shall have the right, but not the obligation to inspect the Premises at reasonable times, upon reasonable request, to observe whether the Tenant is performing its obligations pursuant to this Lease, including, without limitation, its Repair and Maintenance obligations, to review the condition of the Facility for the purpose of making a recommendation on the Annual R/R Project Schedule and to inspect Works of Art. In addition, County shall have the right to enter and inspect the Premises without notice, if the County has reason to believe that an emergency situation exists at the Premises. If, in the County's reasonable opinion, the Tenant has not performed its Repair and Maintenance obligations pursuant to the terms set forth in this Lease, the County shall provide written notice to the Tenant identifying the specific deficiencies, and the Tenant shall have thirty (30) days from the date of such notice during which to commence a cure to correct or remedy the deficiencies and sixty (60) days from the date of such notice within which to correct or remedy the deficiencies. If Tenant fails to commence a cure within thirty (30) days of the notice, or fails to correct or remedy an identified deficiency within sixty (60) days of the notice, then such failure will be considered a default under this Agreement and County may proceed pursuant to Article XIII (Financial Guarantee) and/or Article XVIII (Default).

**Section 9.05 Reporting of Accidents Required Prior to Maintenance and Repair.**

Tenant shall complete a Palm Beach County Supervisor Incident Report Form ("Incident Form"), attached hereto as Exhibit "C" each time: 1) There is an accident, fall or injury at the Premises, there is an incident requiring a police response at the Premises, or medical attention is sought at the Premises as a result of an accident, fall, injury or

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incident at the Premises (collectively a "Premises Accident"); or 2) Tenant has actual knowledge that, an accident, fall or injury occurred at the Property, there was an incident requiring a police response at the Property, or medical attention was sought at the Property as a result of an accident, fall, injury or incident at the Property (collectively "Property Accidents"). In addition, Tenant shall complete the Incident Form each time Tenant has actual knowledge that medical attention was sought at a later time as a result of a Premises Accident or a Property Accident (collectively a "Medical Incident").

Tenant shall provide County with a copy of the completed Incident Form promptly, or as soon thereafter as practicable, but in no event later than twenty-four (24) hours following a Premises Accident and Tenant shall provide County with a complete Incident Form no later than twenty-four (24) hours following Tenant's actual knowledge of a Property Accident or Medical Incident.

In lieu of preparation of the Incident Form, Tenant may provide County with copies of existing Documentation prepared by Tenant for the Office of Head Start. To the extent reasonably necessary, Tenant shall immediately block-off and prevent access to the Accident area and take such other action as is required to protect the participants and invitees, preserve the Accident area in its "as-is" condition, and prevent further damage to, or deterioration of the Facility. Except as required to protect the Facility, the participants or invitees, Tenant shall not make any changes to the condition of the Accident area or perform any Repairs or Maintenance to the Accident area prior to County approval of same. County will respond to Tenant within twenty-four (24) hours of receipt of an Incident Form or other Documentation of an Accident.

## **ARTICLE X CAPITAL REPAIRS**

### **Section 10.01 R/R Projects.**

The County has established and funded an R/R Program in order to ensure that age, use and deterioration of a facility does not adversely impact its use or the cost to maintain the facility. To that end the County has established an R/R Project Schedule which extends over five years and identifies each R/R Project for each budget year as required to implement the R/R Program of the County. The proposed R/R Project Schedule is submitted to the Board as a part of the County's annual budget process in order to obtain approval and funding for the fiscal year's scheduled R/R Projects.

No later than January 15 of each year, Tenant shall submit to County, its proposed R/R Project Schedule for the Premises for submission to the Board for approval with the annual budget request. The Tenant will be notified within a reasonable time after approval of the County budget by the Board, if the R/R Project Schedule has been

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approved in whole or in part. County shall schedule each Approved R/R Project on the schedule when it fits into County's overall work plan, after coordinating the timing and operational impacts with the Tenant. Tenant recognizes that the implementation of an R/R Project may require the Tenant to incur temporary program interruptions and/or additional operating costs during implementation. Nevertheless, Tenant is obligated to allow the County to implement each Approved R/R Project for the Premises within 12 months of the Board approval of the R/R Project. Tenant may request approval to perform the work for an R/R Project; however, approval shall be at the sole and absolute discretion of the County. If approved, Tenant performed work must be performed within the funding amount approved by the Board and approved expenditures will be reimbursed in accordance to the terms and conditions set forth below. County shall have no obligation to reimburse Tenant for expenditures that exceed the Board approved funding for the R/R Project.

The County's obligation to fund or reimburse Tenant for R/R Projects in any budget year is limited to those R/R Projects that are reflected on the budget year's Board Approved R/R Project Schedule. The County, or Tenant if approved by County, shall undertake and perform the R/R Project(s) set forth on the Approved R/R Project Schedule, subject to the terms and conditions set forth in this Article X. All such R/R Projects shall be performed in a good and workmanlike manner using good quality materials and supplies, and components and replacement parts that are of equal or better quality than the quality of those being Repaired or replaced and shall be performed through completion. The County, or Tenant if approved by County, shall obtain all development approvals and permits from the appropriate regulatory agencies prior to commencing any R/R Projects and shall perform all such R/R Projects in compliance with the effective Florida Building Code, supplements thereto, and any municipal or local amendments thereto.

For each County fiscal year beginning with the 2016 fiscal year (commencing October 1, 2015 and terminating September 30, 2016), and each fiscal year thereafter during the Term hereof, the Tenant shall be responsible for fifty percent (50%) of the costs of completing all R/R Projects on the Approved R/R Project Schedule, including Emergency Capital Repairs performed by County. For County implemented projects, the County shall undertake the project and invoice the Tenant for either, (a) fifty percent (50%) of the actual cost associated with the R/R Project, or (b) fifty percent (50%) of the Board approved R/R Project cost, whichever is less. Tenant payment will be due to the County within thirty days of receipt of the invoice, except that invoices for Emergency Capital Repairs shall be due one hundred and twenty (120) days from the invoice date. For Tenant implemented R/R Projects, the County shall reimburse the Tenant either, (a) fifty percent (50%) of the actual R/R Project cost, or (b) fifty percent (50%) of the Board approved R/R Project cost, whichever is less, provided that the Tenant complies with the reimbursement provisions set forth below. Notwithstanding the above, the Board has no

obligation to fund any portion of an R/R Project required to be funded by Tenant pursuant to Section 9.03 of this Lease, or that is not approved for funding by the Board.

**Section 10.02 Updated R/R Project Schedule.**

The Tenant shall have the right to request additions to, or modifications of, the R/R Project Schedule by submitting an Updated R/R Project Schedule (incorporating such proposed modifications, including any and all modifications made necessary due to Emergency Capital Repairs) to the County on or before June 1st of any year during the Term of this Agreement. The Tenant shall submit, with the Updated R/R Project Schedule, a detailed written narrative for each and every R/R Project not included in the then-current R/R Project Schedule, describing each R/R Project in detail and including an explanation as to why such R/R Project had previously not been included in the R/R Project Schedule. Within fourteen (14) days after the County's receipt of the Updated R/R Project Schedule, representatives of County and the Tenant shall meet at the Premises ("On Site Meeting") in order to review and discuss the proposed modification. County shall have the right, but not the obligation, in its sole and absolute discretion to approve the proposed modification. Notwithstanding anything in this section, County shall have no obligation to fund an R/R Project that is not approved for funding by the Board.

**Section 10.03 Tenant R/R Project Requirements.**

For each R/R Project that has been approved by County for Tenant implementation as set forth in Section 10.01, the Tenant shall use its standard purchasing practices; provided that all purchases are undertaken and awarded by a competitive process. For each and every funded R/R Project on the Approved R/R Project Schedule, and prior to Tenant entering into a contract or purchase order for any individual R/R Project, the Tenant shall submit: (i) a bid tabulation sheet that sets forth the vendor/contractor name and bid amount for each bid response ("R/R Project Bid Tabulation Sheet"), and (ii) a copy of Tenant's proposed contract or purchase order which contains the scope of work to be purchased and a copy of the vendor's/contractor's insurance certificate naming the County as an additional insured and certificate holder with such limits, coverages and endorsements as may be reasonably required by County.

In the event that Tenant does not choose to contract with the vendor/contractor who submitted the lowest bid reflected on the R/R Project Bid Tabulation Sheet, the Tenant shall provide the County with a written explanation as to why the lowest bidder was not chosen. Unless the Tenant has included qualification based criteria in the bid and the Tenant can reasonably demonstrate that the low bidder did not meet those qualification criteria, the only justifications for not choosing the low bidder are either: (i) an award to the next lowest bidder in order to contract with a Palm Beach County certified SBE Vendor and the SBE Vendor's bid does not exceed one hundred and ten

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percent (110%) of the low bidder's price, or (ii) an award to the next lowest bidder in order to contract with a bidder meeting the Palm Beach County definition of local business and the local business's bid does not exceed one hundred and five percent (105%) of the low bidder's price. Within seven (7) days of County's receipt of the foregoing, the County will issue a R/R Purchase Order to Tenant in the amount of the intended awardee's bid plus an additional five percent (5%) contingency.

**Section 10.04 Payment Process Against R/R Project Purchase Orders for Tenant Implemented Approved R/R Projects.**

R/R Payment Request(s) against an R/R Purchase Order(s) shall be made at intervals determined by the Tenant, but no more frequently than semi-monthly and for no more than 50% of the costs incurred and paid to date. An R/R Payment Request against an R/R Purchase Order shall be made by the Tenant to the County and shall include all of the following components: (i) the R/R Purchase Order number; (ii) a copy of the vendor's/contractor's request for payment or invoice; and (iii) evidence of payment by the Tenant. For purposes of this Section 10.04, a copy of a check written by the Tenant that is made payable to the vendor/contractor in the amount set forth on the vendor's/contractor's request for payment or invoice, shall constitute evidence of payment. Any R/R Payment Request which includes a request for use of contingency funds, shall also include a copy of the change order issued by the Tenant to the vendor/contractor and shall specifically identify: (i) the scope of work included in the change order; (ii) the amount of the change order; (iii) the new total contract amount; and (iv) an explanation of the reason for the change order. Any final R/R Payment Request against each R/R Purchase Order shall be marked accordingly. Once the County has received a R/R Payment Request on an R/R Purchase Order, together with all of the foregoing documentation, the County shall within five (5) business days from receipt of the R/R Payment Request, review the request and notify the Tenant if such request is complete or deficient. If the R/R Payment Request is deficient the Tenant shall resubmit its request to the County and the County shall within five (5) business days from receipt of the Tenant's subsequent R/R Payment Request review such submittal and notify the Tenant if such submittal is complete or deficient. This process shall continue until such time as the County receives a complete R/R Payment Request. Once the County receives a complete R/R Payment Request and approves the same, County shall make payment against the R/R Purchase Order within twenty-one (21) calendar days.

**Section 10.05 Miscellaneous.**

The same requirements and process set forth above in Section 10.03 and Section 10.04 shall apply and shall be used in connection with the reimbursement to the Tenant of the costs and expenses incurred by the Tenant for all design, testing lab, and construction services agreements entered into in connection with R/R Projects as well as any permit fees paid to a governmental entity.

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**Section 10.06 Emergency Capital Repairs.**

If, at any time during the Term, the Tenant reasonably believes that Emergency Capital Repairs need to be made to the Premises, the Tenant shall immediately take corrective and preventative operational, security and safety precautions to protect all users, invitees and guests and to prevent further damage or deterioration to the Premises, which by way of illustration only, may include stopping program operations or removing one or more areas of the Premises from access and use. Tenant shall also immediately notify County specifying the nature of the identified Emergency Capital Repair and the Tenant's proposed scope of work to address the Repair. County will meet Tenant at the Premises within forty-eight (48) business hours to assess and discuss the Emergency Capital Repair. If County concurs with the requirement for an Emergency Capital Repair, County will review the scope of work and approve or modify it and determine whether County will implement the Emergency Capital Repair. If County approves Tenant implementation of an Emergency Capital Repair, Tenant will be eligible for reimbursement by the County if Tenant includes such Emergency Capital Repair in its proposed Updated R/R Project Schedule submitted for the County's approval in accordance with Section 10.02 hereof, except as otherwise provided in Section 9.03.

**ARTICLE XI  
CAPITAL IMPROVEMENTS**

At any time during the Term of the Lease, Tenant may request approval to undertake Capital Improvements to the Premises. The Capital Improvements request shall include, but not be limited to: 1) a narrative description of the need/justification for the work, 2) a detailed description of the scope of work, 3) the proposed project budget, and 4) the implementation plan. If the Tenant is requesting that the County share in the costs of the Capital Improvements, then the request shall identify the specific amount of funding being requested and the estimated timing of the need for such funding.

FDO, on behalf of the County, shall review each Capital Improvement request and respond in writing within 60 days as to whether the request is sufficient or requires further information to complete its evaluation. After receipt of FDO's position, Tenant shall advise whether it desires for the request to be reviewed by the Board for final consideration. FDO's position does not in any way bind the County to approve any Capital Improvement request. Only the Board can approve a Capital Improvement request.

## **ARTICLE XII UTILITIES**

Tenant shall be solely responsible for and promptly pay all costs and expenses relating to providing utility services to the Premises, including, without limitation, construction and connection charges and shall pay directly to the utility company or the provider of such service all charges and assessments for any utility services provided including, without limitation, telephone, water, sewer, gas, electricity, trash collection and removal or any other utility used or consumed on the Premises. In no event shall County be liable for an interruption or failure in the supply of any such utility to the Premises.

## **ARTICLE XIII FINANCIAL GUARANTEE**

Tenant shall, at its sole cost and expense, maintain in full force and effect throughout the duration of this Agreement, a surety bond in a minimum amount of Two Hundred and Twenty-Five Thousand Dollars (\$225,000) as a financial guaranty of Tenant's performance under the terms of this Agreement, including, but not limited to Tenant's Maintenance and Repair responsibilities. The surety bond shall be issued by an insurance company or surety company qualified to do business in the State of Florida, which company shall be acceptable to the County which shall be determined in the County's sole and absolute discretion. The surety bond shall be substantially in the form attached hereto as Exhibit "D". Alternatively, Tenant shall deliver to County a clean irrevocable Letter of Credit for Two Hundred and Twenty-Five Thousand Dollars (\$225,000), in a form and drawn upon a financial institution acceptable to County. In the event Tenant elects to deliver a Letter of Credit, such Letter of Credit shall have a minimum term of five (5) years. Upon the failure of Tenant to perform any of the obligations of this Lease, County shall be entitled to draw upon the financial guarantee in addition to any other rights or remedies available to County. County acknowledges that it has received such original surety bond or Letter of Credit, as applicable. At least fifteen (15) days prior to a non-renewal or cancellation of the bond or Letter of Credit, Tenant shall notify County of such non-renewal or cancellation and provide County with commitment documents or other assurances reasonably satisfactory to County regarding the replacement of the surety bond or Letter of Credit. Failure to renew or replace an expired or canceled Letter of Credit or bond as required by this Section within fifteen (15) days after the expiration or cancellation date shall constitute a default under this Lease entitling County to all available remedies.

## **ARTICLE XIV INSURANCE**

Unless otherwise specified in this Lease, Tenant shall maintain, at its sole expense, in full force and effect at all times during the life of this Lease or the performance of work hereunder, beginning on or before the Occupancy Date, insurance limits, coverages or endorsements required herein. Tenant hereby agrees the requirements contained herein, as well as County's review or acceptance of insurance, is not intended to and shall not in any manner limit nor qualify Tenant's liabilities and obligations under this Lease.

### **Section 14.01 Commercial General Liability.**

Tenant shall maintain: Commercial General Liability with limits of liability not less than \$1,000,000 Each Occurrence including coverage for, but not limited to, Premises/Operations, Products/Completed Operations, Contractual Liability, Personal/Advertising Injury and Cross Liability; Fire Legal liability with a limit not less than \$100,000; and Medical Payments (when available) with a limit not less than \$5,000. Tenant shall ensure such coverage is provided on a primary basis.

### **Section 14.02 Business Auto Liability.**

Tenant shall maintain Business Automobile Liability with limits of liability not less than \$500,000 Each Occurrence for owned, non-owned, and hired automobiles. In the event Tenant has no owned automobiles, this requirement shall be to maintain only Hired & Non-Owned Auto Liability. This amended coverage may be satisfied by way of endorsement to the Commercial General Liability, or separate Business Auto Liability. Tenant shall ensure such coverage is provided on a primary basis.

### **Section 14.03 Workers' Compensation & Employers Liability.**

Tenant shall maintain Workers' Compensation & Employers Liability in accordance with Chapter 440 Florida Statutes and applicable Federal Acts. Tenant shall ensure such coverage is provided on a primary basis.

### **Section 14.04 Premises Insurance.**

Tenant shall maintain property insurance in an amount not less than 100% of the total replacement cost of any alterations, betterments and improvements made by or on behalf of Tenant as well as Tenant's contents located on the Premises. The settlement clause shall be on a Replacement Cost basis. Coverage shall be written with a Special - Cause of Loss (All-Risk) form. Coverage shall be provided on a primary basis.

### **Section 14.05 Additional Insured Endorsement.**

Tenant shall cause each liability insurance policy required to be maintained by Tenant to be endorsed to add the County as an Additional Insured on, except for

Workers' Compensation and Business Auto Liability. The CG 2011 Additional Insured - Managers or Lessors of Premises or CG 2026 Additional Insured - Designated Person or Organization endorsements, or their equivalent, shall be used to endorse the Commercial General Liability policy. The standard Additional Insured endorsement offered by the insurer shall be used to endorse the other policies, when required. Tenant shall ensure the Additional Insured endorsements provide coverage on a primary basis. The Additional Insured endorsement shall read "Palm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees and Agents", c/o Property & Real Estate Management Division, 2633 Vista Parkway, West Palm Beach, FL 33411-5605.

#### **Section 14.06 Certificate of Insurance.**

Tenant shall provide the County with a certificate of insurance evidencing limits, coverages and endorsements required herein. The certificate of insurance shall include a minimum of thirty (30) day endeavor to notify due to cancellation or non-renewal of coverage. In the event coverage is cancelled or not renewed during the life of this Lease, Tenant shall furnish thirty (30) days prior to, but in no case later than the expiration of such insurance, a new certificate of insurance evidencing replacement coverage. Should Tenant fail to maintain the insurance required herein, the County shall have the right, but not the obligation, to purchase or maintain said insurance, and Tenant shall promptly pay as Additional Rent, upon demand from County, all premiums and expenses incurred by County.

#### **Section 14.07 Waiver of Subrogation.**

Tenant hereby agrees to a Waiver of Subrogation for each required policy. When required by the insurer or should a policy condition not allow a pre-loss agreement to waive subrogation without an endorsement, Tenant shall notify its insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy, which includes a condition prohibiting such an endorsement, or voiding coverage should Tenant enter into such an agreement on a pre-loss basis.

#### **Section 14.08 Premiums and Proceeds.**

Tenant shall not keep, use, sell or offer for sale in or upon the Premises any article which may be prohibited by any condition, provision or limitation of the property, flood, or wind insurance policies. Tenant shall be responsible for all premiums, including increases, for all insurance policies required by this Lease. All property, flood or windstorm insurance proceeds as a result of a loss shall be made available for use to promptly replace, Repair or rebuild the buildings, betterments and improvements, including those made by or on behalf of Tenant, in order to ensure a replacement cost settlement and avoid policy cancellation.

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**Section 14.09 Deductibles, Coinsurance, & Self-Insured Retention.**

Tenant shall be fully and solely responsible for any deductible, coinsurance penalty, or self-insured retention, including any losses, damages, or expenses not covered due to an exhaustion of limits or failure to comply with the policy terms.

**Section 14.10 Right to Review, Reject or Adjust Insurance.**

The County's Risk Management Department shall have the right, but not the obligation, to review, reasonably adjust, reasonably reject or accept insurance policies, limits, coverages, or endorsements throughout the life of this Lease. Acceptance of insurance policies or coverage shall not be unreasonably withheld. The County reserves the right, but not the obligation, to review and reject any insurer providing coverage because of poor financial condition or by way of illegal operation. The County shall provide Tenant written notice of such action, and Tenant shall agree to cure or comply with such action within thirty (30) days receipt thereof.

**Section 14.11 No Representation of Coverage Adequacy.**

The limits, coverages or endorsements identified herein primarily transfer risk and minimize liability for the County, and Tenant agrees not to rely upon such requirements when assessing risk or determining appropriate types or limits of coverage to protect Tenant against any loss exposures, whether as a result of this Lease or otherwise.

**Section 14.12 Insurance for Special Events and Outside Persons/Groups.**

Excluding County or its affiliates, when Tenant permits or schedules the use of the Premises for a special event or outside persons/groups, Tenant shall require the special event or outside person/group to maintain Commercial General Liability, as described in Section 14.01, with limits of liability not less than \$1,000,000. Tenant shall ensure that County and Tenant are named as Additional Insured under such policy, as described in Section 14.05. Tenant shall obtain and, when requested by the County, furnish copies of certificates of insurance evidencing such coverage for the special event or outside person/group.

**ARTICLE XV  
INDEMNIFICATION**

Tenant shall indemnify, defend and save harmless the County from and against any and all claims, suits, actions, damages and/or causes of action arising during the Term of this Lease for any personal injury, loss of life, and/or damage to property sustained in or about the Premises, by reason, during, or as a result of the use and occupancy of the Premises by the Tenant, its agents, employees, licensees, invitees, and any subtenant, and from and against any orders, judgments, and/or decrees which may be

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entered thereon, and from and against all costs, reasonable attorney's fees, expenses and liabilities incurred in and about the defense of any such claim at trial or on appeal. In the event County shall be made a party to any litigation commenced against Tenant or by Tenant against any third party, then Tenant shall protect and hold County harmless and pay all costs and reasonable attorney's fees incurred by County in connection with such litigation, and any appeals thereof. Tenant recognizes the broad nature of this indemnification provision and specifically acknowledges that County would not have entered into this Lease without Tenant's agreement to indemnify County and further acknowledges the receipt of good and valuable separate consideration provided by County in support hereof in accordance with the laws of the State of Florida. This provision shall survive expiration or termination of this Lease.

#### **ARTICLE XVI DESTRUCTION OF PREMISES**

In the event the Premises shall be destroyed or so damaged or injured by fire or other casualty during the Term of this Lease or any extension thereof, whereby the same shall be rendered untenable, in whole or in part, then the County shall, at its sole option, either commence restoration thereof within sixty (60) days and thereafter diligently pursue the restoration to completion, or alternatively, County shall have the right, at its option, not to restore the Premises but to terminate this Lease and to retain all insurance proceeds payable on account of said casualty as County's sole property. In the event that County elects to terminate this Lease, the parties shall be relieved of all further obligations hereunder arising after the date of such termination. The termination herein mentioned shall be evidenced in writing.

#### **ARTICLE XVII ASSIGNMENT AND SUBLETTING**

Tenant may not assign, mortgage, pledge or encumber this Lease in whole or in part, nor sublet or rent all or any portion of the Premises nor grant any easements affecting the Premises, without prior written consent of County, which may be granted or withheld at County's sole and absolute discretion. Any assignment, mortgage, pledge, encumbrance or subletting without such consent shall be null and void, without legal effect and shall constitute a breach of this Lease. This provision shall be construed to include a prohibition against any assignment, mortgage, pledge, encumbrance, or sublease, by operation of law, legal process, receivership, bankruptcy, or otherwise, whether voluntary or involuntary.

## **ARTICLE XVIII DEFAULT**

### **Section 18.01 Default by Tenant.**

The occurrence of any one or more of the following shall constitute an Event of Default by Tenant under this Lease: (i) Tenant's failure to pay any sum due hereunder within fifteen (15) days after the same shall become due; (ii) Tenant's failure to commence Head Start program operations at the Premises on or before July 1, 2014; (iii) Tenant's failure to perform or observe any of the agreements, covenants or conditions contained in the Lease on Tenant's part to be performed or observed if such failure continues for more than thirty (30) days after written notice from County; (iv) Tenant's vacating the Premises for a period of thirty (30) days or abandoning same; (v) Tenant's leasehold estate being taken by execution, attachment or process of law or being subjected to any bankruptcy proceeding; (vi) Change in the Tenant's corporate status to for-profit status; or (vii) Termination of the Grant or change in the Tenant's Grant status from a principal grantee to a delegate agency grantee.

If any Event of Default occurs, then at any time thereafter while the Event of Default continues, County shall have the right to pursue such remedies as may be available to County under the law, including, without limitation, the right to give Tenant notice that County intends to terminate this Lease upon a specified date not less than three (3) days after the date notice is received by Tenant, in which event this Lease shall then expire on the date specified as if that date had been originally fixed as the expiration date of the Term of this Lease. If, however, the default is cured within the three (3) day period and the County is so notified, this Lease will continue.

If Tenant's Grant status is changed from principal grantee for Head Start operations in Palm Beach County to a delegate agency grantee, then County intends to commence negotiations with the replacement principal grantee for occupancy of the Premises. Tenant may be permitted to continue Head Start operations at the Premises as set forth in this Lease pending negotiations with the new principal grantee, and thereafter County shall provide Tenant with notice of termination as set forth above. This provision is in no way intended to effectuate a waiver of any rights or remedies available to County if an Event of Default occurs.

### **Section 18.02 Default by County.**

County shall not be in default unless County fails to perform obligations required of County within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to County, specifying wherein County has failed to perform

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such obligations; provided, however, that if the nature of County's obligations is such that more than thirty (30) days are required for performance then County shall not be in default if County commences performance within such thirty (30) day period and thereafter diligently pursues the same to completion.

### **ARTICLE XIX ANNUAL BUDGETARY FUNDING/CANCELLATION**

This Lease and all obligations of County hereunder are subject to and contingent upon annual budgetary funding and appropriations by the Palm Beach County Board of County Commissioners, provided however, that an Early Termination pursuant to this Article shall be subject to the notice provision set forth in Article XX (Early Termination).

### **ARTICLE XX EARLY TERMINATION**

County shall have the right to terminate this Agreement, for any reason, upon the expiration of at least one hundred eighty (180) days notice prior to the end of the Tenant's then-current Grant Year.

County shall have the right to terminate this Agreement, immediately by written notice to Tenant if: (1) Tenant has not received a Notice of Grant Award as a result of Tenant's Grant Application on or before July 1, 2014; or (2) upon notice to Tenant from the Office of Head Start that the Grant Application project budget will not be funded on or before July 1, 2014; or (3) upon notice from the Office of Head Start that the Grant Application is not approved.

Tenant shall have the right to terminate this Agreement, for any reason, upon the expiration of at least ninety (90) days prior written notice to County, provided however that Tenant shall be responsible for fifty percent (50%) of the costs of completing all R/R Projects on the Approved R/R Project Schedule including Emergency Capital Repairs performed by County, that have been performed, initiated or undertaken by County up to the date of termination and provided that Tenant's duties and obligations pursuant to this Lease, including, but not limited to, Tenant's Maintenance and Repair obligations, shall continue until the termination of this Lease.



**ARTICLE XXI  
QUIET ENJOYMENT**

Upon payment by the Tenant of the Annual Rent, Additional Rent and other charges herein provided, and upon the observance and performance of all the covenants, terms and conditions on Tenant's part to be observed and performed, Tenant shall peaceably and quietly hold and enjoy the Premises for the Term hereby demised without hindrance or interruption by County or any other person or persons lawfully or equitably claiming by, through or under the County, subject, nevertheless, to the terms and conditions of this Lease.

**ARTICLE XXII  
MISCELLANEOUS**

**Section 22.01 Entire Agreement.**

This Lease and any Exhibits attached hereto constitute all agreements, conditions and understandings between County and Tenant concerning the Premises. All representations, either oral or written, shall be deemed to be merged into this Lease. Except as herein otherwise provided, no subsequent alteration, waiver, change or addition to this Lease shall be binding upon County or Tenant unless reduced to writing and signed by County and Tenant.

**Section 22.02 Notices.**

All notices, consents, approvals, and elections (collectively, "notices") to be given or delivered by or to any party hereunder shall be in writing and shall be (as elected by the party giving such notice) hand delivered by messenger, courier service, or national overnight delivery service (provided in each case a receipt is obtained), or alternatively shall be sent by United States Certified Mail, with Return-Receipt Requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery, courier services, or national overnight delivery service, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby designate the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

(a) If to the County at:

Property and Real Estate Management Division  
Attention: Director  
2633 Vista Parkway  
West Palm Beach, Florida 33411-5605

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With a copy to:

Palm Beach County Attorney's Office  
Attention: Real Estate  
301 North Olive Avenue, Suite 601  
West Palm Beach, Florida 33401

(b) If to the Tenant at:

Lutheran Services Florida, Inc.  
3627A West Waters Avenue  
Tampa, Florida 33614

With a copy to:

Lynn W. Stone, MBA  
QA Compliance and Contracts Manager  
Lutheran Services Florida-Head Start Program  
2210 Tall Pines Dr., Suite 210  
Largo, FL 33771

Any party may from time to time change the address at which notice under this Lease shall be given such party, upon three (3) days prior written notice to the other parties.

**Section 22.03 Disclosure of Beneficial Interests.**

Tenant represents that simultaneously with Tenant's execution of this Lease, Tenant has executed and delivered to County, the Tenant's Disclosure of Beneficial Interests attached hereto as Exhibit "E", attached hereto and made a part hereof, (the "Disclosure") disclosing the name and address of every person or entity having a 5% or greater beneficial interest in the ownership of the Tenant. Tenant warrants that in the event there are any changes to the names and addresses of the persons or entities having a 5% or greater beneficial interest in the ownership of the Tenant after the date of execution of the Disclosure until the Effective Date of the Lease, Tenant shall immediately, and in every instance, provide written notification of such change to the County pursuant to Section 22.02 of this Lease.

**Section 22.04 Severability.**

If any term of this Lease or the application thereof to any person or circumstances shall be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Lease, or the application of such term to persons or circumstances

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other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term of this Lease shall be valid and enforceable to the fullest extent permitted by law.

**Section 22.05 Broker's Commission.**

Tenant represents and warrants that Tenant has not dealt with any real estate salesperson, agent, finder or broker in connection with this Lease and further agrees to indemnify, defend and hold harmless County from and against any claims or demands of any such salesperson, agent, finder or broker claiming to have dealt with Tenant. The foregoing indemnification shall include all costs, expenses and fees, including reasonable attorney's fees at trial and all appellate levels, expended or incurred in the defense of any such claim or demand.

**Section 22.06 Recording.**

Tenant shall not record this Lease, or any memorandum or short form thereof, without the written consent and joinder of County, which may be granted or withheld at County's sole discretion.

**Section 22.07 Waiver of Jury Trial.**

THE PARTIES HERETO WAIVE TRIAL BY JURY IN CONNECTION WITH PROCEEDINGS OR COUNTER CLAIMS, BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER, IN CONNECTION WITH THIS LEASE.

**Section 22.08 Governing Law and Venue.**

This Lease shall be governed by and interpreted according to the laws of the State of Florida. Venue shall be in a State court of competent jurisdiction in Palm Beach County, Florida.

**Section 22.09 Radon.**

Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from County's public health unit.

**Section 22.10 Time of Essence.**

Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

**Section 22.11 Waiver, Accord and Satisfaction.**

The waiver by County of any default of any term, condition or covenant herein contained shall not be a waiver of such term, condition or covenant, or any subsequent default of the same or any other term, condition or covenant herein contained. The consent or approval by County to or of any act by Tenant requiring County's consent or approval shall not be deemed to waive or render unnecessary County's consent to or approval of any subsequent similar act by Tenant.

**Section 22.12 Non-exclusivity of Remedies.**

No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

**Section 22.13 Construction.**

No party shall be considered the author of this Lease since the parties hereto have participated in extensive negotiations and drafting and redrafting of this document to arrive at a final agreement. Thus, the terms of this Lease shall not be strictly construed against one party as opposed to the other party based upon who drafted it. In the event that any section, paragraph, sentence, clause, or provision hereof is held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Lease and the same shall remain in full force and effect.

**Section 22.14 Incorporation by Reference.**

Exhibits attached hereto and referenced herein shall be deemed to be incorporated into this Lease by reference.

**Section 22.15 Survival.**

Notwithstanding any early termination of this Lease, Tenant shall remain obligated hereunder to perform any duty, covenant or obligation imposed upon Tenant hereunder arising prior to the date of such termination.

**Section 22.16 No Third Party Beneficiary.**

No provision of this Lease is intended to, or shall be construed to, create any third party beneficiary or to provide any rights to any person or entity not a party to this Lease, including but not limited to any citizens of County or employees of County or Tenant.

**Section 22.17 Office of the Inspector General.**

Palm Beach County has established the Office of the Inspector General. 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.

**Section 22.18 Effective Date of Lease.**

This Lease shall be effective upon execution by all parties and is expressly contingent upon approval by the Board ("Effective Date").

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

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

**WITNESS:**

**LUTHERAN SERVICES FLORIDA,  
INC., a not-for-profit corporation**

Heidi Greenslade  
Witness Signature  
Heidi Greenslade  
Print Witness Name

By: [Signature]  
Louis Finney, Jr. Vice President



[Signature]  
Witness Signature  
Gary W. Johnson  
Print Witness Name

**ATTEST:**

**SHARON R. BOCK  
CLERK & COMPTROLLER**

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

By: \_\_\_\_\_  
Deputy Clerk

By: \_\_\_\_\_  
Priscilla A. Taylor, Mayor

**APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY**

**APPROVED AS TO TERMS AND  
CONDITIONS**

By: [Signature]  
Assistant County Attorney

By: [Signature] 12  
Director, Facilities Development  
& Operations

**SCHEDULE OF EXHIBITS**

EXHIBIT "A"	THE PREMISES
EXHIBIT "B"	COUNTY PROPERTY
EXHIBIT "C"	SUPERVISOR INCIDENT FORM
EXHIBIT "D"	SURETY/PERFORMANCE BOND
EXHIBIT "E"	TENANT'S DISCLOSURE OF BENEFICIAL INTERESTS

EXHIBIT "A"

Consisting of

LEGAL DESCRIPTION

and

PROPERTY DEPICTION

SOUTH BAY

990 US Highway 27, North, Palm Beach County



LEGAL DESCRIPTION  
SOUTH BAY

990 US Highway 27, North, Palm Beach County

BEING A PORTION OF THAT PARCEL OF LAND DESCRIBED IN OFFICIAL RECORD BOOK 4983, PAGE 1264, PALM BEACH COUNTY PUBLIC RECORDS, LYING IN SECTIONS 10 AND 11, TOWNSHIP 44 SOUTH, RANGE 36 EAST, PALM BEACH COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE LAKE OKEECHOBEE MEANDER LINE AND EAST LINE OF THE WEST HALF OF THE WEST HALF OF STATE LOT 3, SECTION 11, TOWNSHIP 44 SOUTH, RANGE 36 EAST; THENCE NORTH  $48^{\circ}48'09''$  WEST ALONG SAID LAKE OKEECHOBEE MEANDER LINE A DISTANCE OF 690.93 FEET TO A POINT LYING ON THE NORTHEASTERLY RIGHT-OF-WAY LINE OF STATE ROAD 25 AND 80 (U.S. #27) AS SHOWN ON RIGHT-OF-WAY MAP SECTION 93100-2113, SHEET 9 OF 10, DATED APRIL, 1963, NO REVISIONS AND ACCORDING TO OFFICIAL RECORDS BOOK 902, PAGE 235, PALM BEACH COUNTY PUBLIC RECORDS; THENCE NORTH  $25^{\circ}21'52''$  WEST, ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE A DISTANCE 212.48 FEET TO A POINT OF CURVATURE, SAID CURVE BEING CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 2945.93 FEET AND A CENTRAL ANGLE OF  $30^{\circ}16'24''$ ; THENCE NORTHWESTERLY ALONG SAID RIGHT-OF-WAY LINE AND CURVE AN ARC DISTANCE OF 1556.54 FEET TO A POINT ON A RADIAL LINE (BEING THE WESTERLY LINE OF A PARCEL DESCRIBED IN OFFICIAL RECORD BOOK 2521, PAGE 298 AND OFFICIAL RECORD BOOK 2580, PAGE 542, PALM BEACH COUNTY PUBLIC RECORDS) AND THE POINT OF BEGINNING; THENCE CONTINUE ALONG SAID RIGHT-OF-WAY LINE AND CURVE THROUGH A CENTRAL ANGLE OF  $7^{\circ}41'36''$  FOR AN ARC DISTANCE OF 395.56 FEET TO A POINT OF TAGENCY; THENCE NORTH  $63^{\circ}19'52''$  WEST ALONG SAID RIGHT-OF-WAY LINE A DISTANCE OF 318.49 FEET; THENCE NORTH  $26^{\circ}40'08''$  EAST DEPARTING SAID RIGHT-OF-WAY LINE A DISTANCE OF 350.00 FEET; THENCE SOUTH  $63^{\circ}19'52''$  EAST PARALLEL TO SAID RIGHT-OF-WAY LINE A DISTANCE OF 318.49 FEET TO A POINT OF CURVATURE, SAID CURVE BEING CONCAVE TO THE SOUTHWEST AND CONCENTRIC TO SAID RIGHT-OF-WAY LINE, HAVING A RADIUS OF 3295.93 FEET AND A CENTRAL ANGLE OF  $7^{\circ}41'36''$ ; THENCE SOUTHEASTERLY ALONG SAID CURVE AN ARC DISTANCE OF 442.56 FEET TO A POINT ON A RADIAL LINE AND BEING THE NORTHERLY MOST CORNER OF A PARCEL DESCRIBED IN OFFICIAL RECORD BOOK 2580, PAGE 542, PALM BEACH COUNTY PUBLIC RECORDS; THENCE

Page 1 of 2

Exhibit "A" Legal Description  
South Bay

SOUTH 34°21'44" WEST ALONG SAID RADIAL LINE AND THE NORTHWESTERLY LINE OF SAID PARCELS DESCRIBED IN OFFICIAL RECORD BOOK 2580, PAGE 542 AND OFFICIAL RECORD BOOK 2521, PAGE 298 PALM BEACH COUNTY PUBLIC RECORDS A DISTANCE OF 350.00 FEET TO THE POINT OF BEGINNING.

PARCEL CONTAINS 258,143 SQUARE FEET OR 5.9261 ACRES MORE OR LESS.

TOGETHER WITH

STRIP DESCRIPTION FOR INGRESS/EGRESS EASEMENT

A STRIP OF LAND 60 FEET IN WIDTH FOR INGRESS/EGRESS EASEMENT PURPOSES LYING 30 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE BEING A PORTION OF THAT PARCEL OF LAND DESCRIBED IN OFFICIAL RECORD BOOK 4983, PAGE 1264, PALM BEACH COUNTY PUBLIC RECORDS, LYING IN SECTIONS 10 AND 11, TOWNSHIP 44 SOUTH, RANGE 36 EAST, PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE LAKE OKEECHOBEE MEANDER LINE WITH THE EAST LINE OF THE WEST HALF OF THE WEST HALF OF STATE LOT 3, SECTION 11, TOWNSHIP 44 SOUTH, RANGE 36 EAST; THENCE NORTH 48°48'09" WEST ALONG SAID LAKE OKEECHOBEE MEANDER LINE A DISTANCE OF 690.93 FEET TO A POINT LYING ON THE NORTHEASTERLY RIGHT-OF-WAY LINE OF STATE ROAD 25 AND 80 (U.S. #27) AS SHOWN ON RIGHT-OF-WAY MAP SECTION 93100-2113, SHEET 9 AND 10, DATED APRIL, 1963, NO REVISIONS AND ACCORDING TO OFFICIAL RECORD BOOK 902, PAGE 235, PALM BEACH COUNTY PUBLIC RECORDS; THENCE NORTH 25°21'52" WEST, ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE A DISTANCE 212.48 FEET TO A POINT OF CURVATURE, SAID CURVE BEING CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 2945.93 FEET AND A CENTRAL ANGLE OF 37°58'00"; THENCE NORTHEASTERLY ALONG SAID RIGHT-OF-WAY LINE AND CURVE AN ARC DISTANCE OF 1952.10 FEET TO A POINT OF TANGENCY; THENCE NORTH 63°19'52" WEST ALONG SAID RIGHT-OF-WAY LINE A DISTANCE OF 348.49 FEET TO THE POINT OF BEGINNING; THENCE NORTH 26°40'08" EAST DEPARTING SAID RIGHT-OF-WAY LINE AND ALONG SAID CENTERLINE A DISTANCE OF 350.00 FEET TO THE POINT OF TERMINATION.

EASEMENT CONTAINS 21,000 SQUARE FEET OR 0.4821 ACRES.

## PROPERTY DEPICTION

SOUTH BAY  
990 US Highway 27  
South Bay, FL

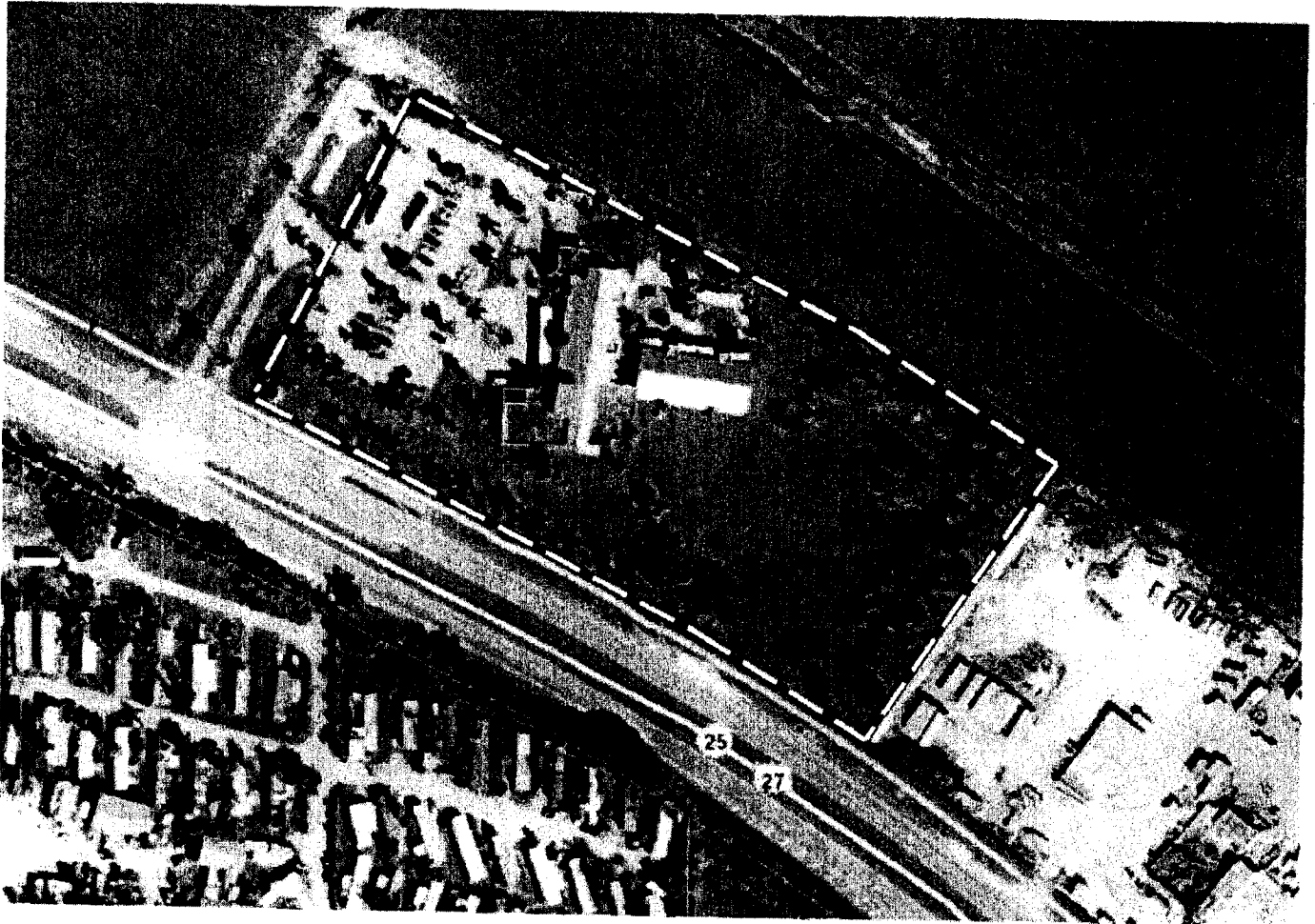


Exhibit "A" Property Depiction  
South Bay

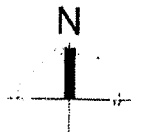


EXHIBIT "B"  
COUNTY PROPERTY

SOUTH BAY

---

- 1) Fire alarm system
- 2) Intrusion alarm system
- 3) All window treatments or blinds
- 4) All fixtures and all fixed, installed, attached or bolted personal property including modular workstations or personal property otherwise attached to the Premises.
- 5) Telephone Systems and Equipment (To be Repaired and Maintained by ISS pursuant to Technology Service Agreement)

EXHIBIT "C"



Palm Beach County Supervisor Incident Report

Occupational Health Clinic: 561-233-5450

For serious injuries or illnesses contact the  
Emergency Operations Center: 561-233-3500

Please type print clearly. This form must be filled out by the Immediate Supervisor for work related injuries or illnesses only.

EMPLOYEE INFORMATION

Name: \_\_\_\_\_ Job Title: \_\_\_\_\_  
Department/Division: \_\_\_\_\_ Immediate Supervisor: \_\_\_\_\_  
Station and/or Shift: \_\_\_\_\_ Immediate Supervisor's telephone number: \_\_\_\_\_

INCIDENT DETAIL

Date of Incident: \_\_\_\_\_ Time: \_\_\_\_\_ AM/PM Date incident reported to Immediate Supervisor: \_\_\_\_\_

Incident Location: \_\_\_\_\_

Briefly describe how the incident occurred: \_\_\_\_\_  
\_\_\_\_\_

Describe injury / illness & state part of body affected: \_\_\_\_\_  
\_\_\_\_\_

Did the employee seek medical treatment? ☐ Yes ☐ No  
If yes, what type/where? ☐ First Aid ☐ Occupational Health Clinic ☐ Other, please specify \_\_\_\_\_

INVESTIGATIVE DETAIL

WITNESSES:

1. \_\_\_\_\_ NAME \_\_\_\_\_ TELEPHONE NUMBER \_\_\_\_\_  
2. \_\_\_\_\_ NAME \_\_\_\_\_ TELEPHONE NUMBER \_\_\_\_\_

Action needed to prevent recurrence \_\_\_\_\_  
\_\_\_\_\_

Was the employee using the appropriate personal protective equipment? ☐ Yes ☐ No ☐ Not Applicable

Was the employee following appropriate safety procedures? ☐ Yes ☐ No ☐ Not Applicable

Signed \_\_\_\_\_ IMMEDIATE SUPERVISOR Date \_\_\_\_\_

Department/Division Head Review: \_\_\_\_\_

Signed \_\_\_\_\_ DEPARTMENT/DIVISION HEAD Date \_\_\_\_\_

\*\*\*\*\*

EMPLOYEE SIGNATURE: \_\_\_\_\_ Date \_\_\_\_\_

Please separate and distribute copies as follows:

White: Personnel Green: Loss Control Canary: Department Pink: Clinic Goldenrod: Employee

## **EXHIBIT "D"**

### **PERFORMANCE BOND**

**KNOW ALL MEN BY THESE PRESENTS:** That Lutheran Services Florida, Inc., a Florida nonprofit corporation (hereinafter called Principal), as Principal, and North American Specialty Insurance Company Incorporated, a New Hampshire corporation duly authorized and licensed to do business in the State of Florida (hereinafter called Surety), as Surety, are held and firmly bound unto Palm Beach County, a political subdivision of the State of Florida (hereinafter called the Obligee), as Obligee, in the full and just sum of Two Hundred and Twenty Five Thousand Dollars (\$225,000.00) lawful money of the United States of America to be paid to the Board of County Commissioners of Palm Beach County to which payment will and truly to be made, the said Principal and Surety bind themselves and each of their administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

**WHEREAS,** the above bound Principal has entered into a certain written agreement with the above mentioned Obligee, dated May 20, 2014, to Lease that real property located at 990 U.S. Highway 27, North, South Bay, West Palm Beach, Florida, as more fully set forth in Agreement No. \_\_\_\_\_, which agreement is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein; and

**WHEREAS,** the Obligee has agreed to accept a bond guaranteeing the performance of said agreement.

**NOW THEREFORE,** the conditions of this obligation are such that if Principal shall faithfully perform such agreement within the time therein specified, and shall in every respect fulfill its obligations thereunder, and shall indemnify and save harmless the Obligee against or from all claims, costs, expenses, damages, injury or loss, including contingent costs to carry out and execute all the provisions of said agreement, within the time therein specified, then this obligation shall be void; otherwise, it shall remain in full force and effect.

**THE TERM** of this bond begins May 20, 2014 and ends May 19, 2015, and may be renewed with a continuation certificate.

No suit shall be brought on this bond after one year following its termination. Neither non-renewal nor cancellation by the Surety, nor failure or inability of the Principal to file a replacement bond, shall constitute a loss of the Obligee recoverable under this bond. This bond shall only be subject to cancellation/non-renewal on the annual expiration date hereof, as may be extended by by any subsequent continuation certificates.

IN WITNESS WHEREOF, the Principal and Surety have executed these presents this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

ATTEST:

PRINCIPAL

LUTHERAN SERVICES FLORIDA, INC., a  
Florida nonprofit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Principal Address:

3627A West Waters Avenue  
Tampa, Florida 33614

SURETY

NORTH AMERICAN SPECIALTY INSURANCE  
COMPANY INCORPORATED, a New Hampshire  
corporation duly authorized and licensed to do  
business in the State of Florida

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Print Name

Surety Address:

By: \_\_\_\_\_  
Its Attorney-in-Fact

(Attach Power of Attorney)

650 Elm Street, 6<sup>th</sup> Floor  
Manchester, NH 03101-2524



**TENANT'S DISCLOSURE OF BENEFICIAL INTERESTS**

TO: PALM BEACH COUNTY CHIEF OFFICER, OR HIS OR HER OFFICIALLY  
DESIGNATED REPRESENTATIVE

STATE OF FLORIDA  
COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority, this day personally appeared Louis Finney, hereinafter referred to as "Affiant", who being by me first duly sworn, under oath, deposes and states as follows:

1. Affiant is the Vice President, of Head Start/Early Head Start of Lutheran Services Florida, Inc., (Head Start) a Florida not for profit corporation, (the "Tenant") which entity is the lessee of the real property legally described on the attached Exhibit "A" (the "Property").

2. Affiant's address is: 2210 Tall Pines Drive, Suite 220, Largo, FL 33771.

3. Attached hereto, and made a part hereof, as Exhibit "B" is a complete listing of the names and addresses of every person or entity having a five percent (5%) or greater beneficial interest in the Tenant and the percentage interest of each such person or entity.

4. Affiant further states that Affiant is familiar with the nature of an oath and with the penalties provided by the laws of the State of Florida for falsely swearing to statements under oath.

5. Under penalty of perjury, Affiant declares that Affiant has examined this Affidavit and to the best of Affiant's knowledge and belief it is true, correct, and complete, and will be relied upon by Palm Beach County relating to its lease of the Property.

FURTHER AFFIANT SAYETH NAUGHT.

[Signature], Affiant  
Print Affiant Name: Louis Finney

The foregoing instrument was sworn to, subscribed and acknowledged before me this 19<sup>th</sup> day of March, 2014, by Louis Finney [ ☒ ] who is personally known to me or [ ☐ ] who has produced \_\_\_\_\_ as identification and who did take an oath.

[Signature]  
Notary Public  
JoAnne Ratliff  
(Print Notary Name)

NOTARY PUBLIC  
State of Florida at Large  
My Commission Expires: \_\_\_\_\_



Exhibit "A"

To

Exhibit "E"

990 US Highway 27, North, Palm Beach County

### LEGAL DESCRIPTION

BEING A PORTION OF THAT PARCEL OF LAND DESCRIBED IN OFFICIAL RECORD BOOK 4983, PAGE 1264, PALM BEACH COUNTY PUBLIC RECORDS, LYING IN SECTIONS 10 AND 11, TOWNSHIP 44 SOUTH, RANGE 36 EAST, PALM BEACH COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE LAKE OKEECHOBEE MEANDER LINE AND EAST LINE OF THE WEST HALF OF THE WEST HALF OF STATE LOT 3, SECTION 11, TOWNSHIP 44 SOUTH, RANGE 36 EAST; THENCE NORTH  $48^{\circ}48'09''$  WEST ALONG SAID LAKE OKEECHOBEE MEANDER LINE A DISTANCE OF 690.93 FEET TO A POINT LYING ON THE NORTHEASTERLY RIGHT-OF-WAY LINE OF STATE ROAD 25 AND 80 (U.S. #27) AS SHOWN ON RIGHT-OF-WAY MAP SECTION 93100-2113, SHEET 9 OF 10, DATED APRIL, 1963, NO REVISIONS AND ACCORDING TO OFFICIAL RECORDS BOOK 902, PAGE 235, PALM BEACH COUNTY PUBLIC RECORDS; THENCE NORTH  $25^{\circ}21'52''$  WEST, ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE A DISTANCE 212.48 FEET TO A POINT OF CURVATURE, SAID CURVE BEING CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 2945.93 FEET AND A CENTRAL ANGLE OF  $30^{\circ}16'24''$ ; THENCE NORTHWESTERLY ALONG SAID RIGHT-OF-WAY LINE AND CURVE AN ARC DISTANCE OF 1556.54 FEET TO A POINT ON A RADIAL LINE (BEING THE WESTERLY LINE OF A PARCEL DESCRIBED IN OFFICIAL RECORD BOOK 2521, PAGE 298 AND OFFICIAL RECORD BOOK 2580, PAGE 542, PALM BEACH COUNTY PUBLIC RECORDS) AND THE POINT OF BEGINNING; THENCE CONTINUE ALONG SAID RIGHT-OF-WAY LINE AND CURVE THROUGH A CENTRAL ANGLE OF  $7^{\circ}41'36''$  FOR AN ARC DISTANCE OF 395.56 FEET TO A POINT OF TAGENCY; THENCE NORTH  $63^{\circ}19'52''$  WEST ALONG SAID RIGHT-OF-WAY LINE A DISTANCE OF 318.49 FEET; THENCE NORTH  $26^{\circ}40'08''$  EAST DEPARTING SAID RIGHT-OF-WAY LINE A DISTANCE OF 350.00 FEET; THENCE SOUTH  $63^{\circ}19'52''$  EAST PARALLEL TO SAID RIGHT-OF-WAY LINE A DISTANCE OF 318.49 FEET TO A POINT OF CURVATURE, SAID CURVE BEING CONCAVE TO THE SOUTHWEST AND CONCENTRIC TO SAID RIGHT-OF-WAY LINE, HAVING A RADIUS OF 3295.93 FEET AND A CENTRAL ANGLE OF  $7^{\circ}41'36''$ ; THENCE SOUTHEASTERLY ALONG SAID CURVE AN ARC DISTANCE OF 442.56 FEET TO A POINT ON A RADIAL LINE AND BEING THE NORTHERLY MOST CORNER OF A PARCEL DESCRIBED IN OFFICIAL RECORD BOOK 2580, PAGE 542, PALM BEACH COUNTY PUBLIC RECORDS; THENCE SOUTH  $34^{\circ}21'44''$  WEST ALONG SAID RADIAL LINE AND THE NORTHWESTERLY LINE OF SAID PARCELS DESCRIBED IN OFFICIAL RECORD BOOK 2580, PAGE 542

Exhibit "A"  
To  
Exhibit "E"

990 US Highway 27, North, Palm Beach County

AND OFFICIAL RECORD BOOK 2521, PAGE 298 PALM BEACH COUNTY PUBLIC RECORDS A DISTANCE OF 350.00 FEET TO THE POINT OF BEGINNING.

PARCEL CONTAINS 258,143 SQUARE FEET OR 5.9261 ACRES MORE OR LESS.

TOGETHER WITH

STRIP DESCRIPTION FOR INGRESS/EGRESS EASEMENT

A STRIP OF LAND 60 FEET IN WIDTH FOR INGRESS/EGRESS EASEMENT PURPOSES LYING 30 FEET ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE BEING A PORTION OF THAT PARCEL OF LAND DESCRIBED IN OFFICIAL RECORD BOOK 4983, PAGE 1264, PALM BEACH COUNTY PUBLIC RECORDS, LYING IN SECTIONS 10 AND 11, TOWNSHIP 44 SOUTH, RANGE 36 EAST, PALM BEACH COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE LAKE OKEECHOBEE MEANDER LINE WITH THE EAST LINE OF THE WEST HALF OF THE WEST HALF OF STATE LOT 3, SECTION 11, TOWNSHIP 44 SOUTH, RANGE 36 EAST; THENCE NORTH 48°48'09" WEST ALONG SAID LAKE OKEECHOBEE MEANDER LINE A DISTANCE OF 690.93 FEET TO A POINT LYING ON THE NORTHEASTERLY RIGHT-OF-WAY LINE OF STATE ROAD 25 AND 80 (U.S. #27) AS SHOWN ON RIGHT-OF-WAY MAP SECTION 93100-2113, SHEET 9 AND 10, DATED APRIL, 1963, NO REVISIONS AND ACCORDING TO OFFICIAL RECORD BOOK 902, PAGE 235, PALM BEACH COUNTY PUBLIC RECORDS; THENCE NORTH 25°21'52" WEST, ALONG SAID NORTHEASTERLY RIGHT-OF-WAY LINE A DISTANCE 212.48 FEET TO A POINT OF CURVATURE, SAID CURVE BEING CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 2945.93 FEET AND A CENTRAL ANGLE OF 37°58'00"; THENCE NORTHEASTERLY ALONG SAID RIGHT-OF-WAY LINE AND CURVE AN ARC DISTANCE OF 1952.10 FEET TO A POINT OF TANGENCY; THENCE NORTH 63°19'52" WEST ALONG SAID RIGHT-OF-WAY LINE A DISTANCE OF 348.49 FEET TO THE POINT OF BEGINNING; THENCE NORTH 26°40'08" EAST DEPARTING SAID RIGHT-OF-WAY LINE AND ALONG SAID CENTERLINE A DISTANCE OF 350.00 FEET TO THE POINT OF TERMINATION.

EASEMENT CONTAINS 21,000 SQUARE FEET OR 0.4821 ACRES.

PCN: 58-36-44-10-00-000-1100

## Exhibit “E”

## INTERESTS IN PROPERTY

Tenant is only required to identify five percent (5%) or greater beneficial interest holders. If none, so state. Tenant must identify individual owners. If, by way of example, Tenant is wholly or partially owned by another entity, such as a corporation, Tenant must identify such other entity, its address and percentage interest, as well as such information for the individual owners of such other entity.

## OF INTEREST

**individuals or entities that have a beneficial interest in its assets.**

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper appears to be a standard notebook or legal pad style.

**RESOLUTION NO. 20\_\_**

**RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AUTHORIZING THE LEASE OF CERTAIN REAL PROPERTY TO LUTHERAN SERVICES FLORIDA, INC., PURSUANT TO FLORIDA STATUTE SECTION 125.38; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, Lutheran Services Florida, Inc. a Florida not-for-profit corporation ("LSF") has made application to the Board of County Commissioners of Palm Beach County requesting that Palm Beach County lease certain real property owned by Palm Beach County to LSF for use by LSF for Head Start and/or Early Start services to promote the school readiness of low income children by enhancing their cognitive, social and emotional functioning and to provide early, intensive and comprehensive child development services and family support services for low-income families; and

**WHEREAS**, the Board of County Commissioners of Palm Beach County hereby finds that the aforementioned use constitutes a use for the community interest and welfare, such real property is required for such use and such real property is not needed for County purposes.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:**

**Section 1.   Recitals**

The foregoing recitals are true and correct and incorporated herein by reference.

**Section 2.   Authorization to Lease Real Property**

The Board of County Commissioners of Palm Beach County shall lease to LSF, pursuant to the Lease attached hereto and incorporated herein by reference, for a term of five (5) years and an annual rental of One Dollar (\$1.00), the real property identified in the Lease for the use identified above.

**Section 3.   Conflict with Federal or State Law or County Charter**

Any statutory or Charter provisions in conflict with this Resolution shall prevail.

**Section 4. Effective Date**

The provisions of this Resolution shall be effective immediately upon adoption hereof.

The foregoing resolution was offered by Commissioner \_\_\_\_\_ who moved its adoption. The Motion was seconded by Commissioner \_\_\_\_\_, and upon being put to a vote, the vote was as follows:

Commissioner Priscilla A. Taylor, Mayor  
Commissioner, Paulette Burdick, Vice Mayor  
Commissioner Hal R. Valeche  
Commissioner Shelley Vana  
Commissioner Steven L. Abrams  
Commissioner Mary Lou Berger  
Commissioner Jess R. Santamaria

The Mayor thereupon declared the resolution duly passed and adopted this day of \_\_\_\_\_, 2014.

PALM BEACH COUNTY, a political  
subdivision of the State of Florida  
BOARD OF COUNTY COMMISSIONERS

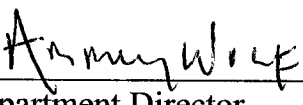
SHARON R. BOCK  
CLERK & COMPTROLLER

By: \_\_\_\_\_  
Deputy Clerk

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY

APPROVED AS TO TERMS  
AND CONDITIONS

By:   
Assistant County Attorney

By:   
Department Director

**LEASE AGREEMENT**

**between**

**PALM BEACH COUNTY**  
**A POLITICAL SUBDIVISION OF THE**  
**STATE OF FLORIDA**  
**(County)**

**and**

**LUTHERAN SERVICES FLORIDA, INC.,**  
**a not for profit corporation**  
**(Tenant)**

**100 N Chillingworth Drive**  
**West Palm Beach**

**LEASE AGREEMENT**

**THIS LEASE** made and entered into \_\_\_\_\_, by and between **PALM BEACH COUNTY**, a political subdivision of the State of Florida, hereinafter referred to as "County" and **LUTHERAN SERVICES FLORIDA, INC.**, a not-for-profit corporation, hereinafter referred to as "Tenant".

**WITNESSETH:**

**WHEREAS**, County is the owner of certain real property in the City of West Palm Beach, with an address of 100 North Chillingworth Drive, which is improved with a building and various other improvements located thereon, and which is depicted and described on Exhibit "A", attached hereto (the "Premises"); and

**WHEREAS**, Tenant is a not for profit entity doing business in the State of Florida providing Head Start program services; and

**WHEREAS**, Tenant has applied for grant funding from the Office of Head Start to be the local administrator of the Head Start program in Palm Beach County; and

**WHEREAS**, Tenant desires to continue Head Start program services at the Premises; and

**WHEREAS**, County is willing to lease the Premises to Tenant for the continued operation of the Head Start program as set forth hereinafter.

**NOW THEREFORE**, in consideration of the rents, covenants and agreements hereinafter reserved and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

**ARTICLE I  
RECITALS**

The foregoing recitals are true and correct and are incorporated herein and made a part hereof by this reference.



## **ARTICLE II DEFINITIONS**

**"American with Disabilities Act"** ("ADA") shall mean the Americans with Disabilities Act of 1990, Pub. L. No. 101-336, 104 Stat. 328 (1990).

**"Approved R/R Project"** shall mean an R/R Project that is included as part of the budget year's Board approved R/R Project Schedule.

**"Art in Public Places Administrator"** shall mean the County's Art in Public Places Administrator.

**"Board"** shall mean the Board of County Commissioners of Palm Beach County.

**"Capital Improvement(s)"** shall mean the provision of all labor and materials related to any improvement or betterment to any part of the Premises which has a useful life of more than one (1) year.

**"Capital Repair(s)"** shall mean the provision of labor and materials related to improvements or betterments at any part of the Premises that are necessary to sustain the Premises in an operating condition consistent with applicable standards and/or manufacturers' recommendations and that add value to the Premises.

**"County Property"** shall mean personal property and equipment that will remain at the Premises for use by Tenant during the Lease Term and that is identified on the attached Exhibit "B".

**"Documentation"** shall mean all writings, reports, notices, filings or forms, whether electronic or written, submitted to the Office of Head Start that pertain to an alleged accident, fall, injury or incident at the Premises requiring either a police response or for which medical care was sought.

**"Effective Date"** shall have the meaning as described in Section 22.18 of this Lease.

**"Emergency Capital Repair"** shall mean a Capital Repair that County determines is required to be made on an expedited basis: 1) to prevent further damage or destruction to the Premises, or 2) to remedy an unsafe condition, or 3) in response to a need when the delay incident to complying with all the governing rules, regulations or procedures would be detrimental to the interests, health, safety or welfare of the County.

**"Facility"** shall mean the physical building and structural components of the Premises including any fixed personal property or improvements.

**“FDO”** shall mean the County’s Facilities Development & Operations Department.

**“Grant”** shall mean a Grant awarded by the Office of Head Start for the Tenant’s Head Start Zero to Five Grant Application for Head Start programming in Palm Beach County and which designates Tenant as principal grantee.

**“Grant Application”** shall mean the Tenant’s Head Start Zero to Five Grant Application submitted to the Office of Head Start, and which proposes that Tenant serve as the principal grantee for Head Start programming in Palm Beach County, Florida, for an initial five year project period, and includes any additional grant applications submitted by Tenant thereafter for Head Start programming in Palm Beach County.

**“Grant Year”** shall mean the one year period of time that Head Start grantees are funded for Head Start program operations pursuant to a Notice of Award from the Office of Head Start.

**“Head Start”** shall mean Head Start and Early Head Start programs that promote the school readiness of children ages birth to five from low income families and that serve infants, toddlers, pregnant women and their families who have incomes below the federal poverty level.

**“Information Systems Services” or “ISS”** shall mean the County’s Information Systems and Services department that is responsible for providing network services at the Premises pursuant to a Technology Service Agreement between Tenant and ISS.

**“Maintenance”** shall mean any work (preventative, routine or Repair/corrective) necessary to sustain the Premises in an operating condition consistent with applicable standards and manufacturers’ recommendations and does not add value to the Premises.

**“Notice of Grant Award” or “Notice of Award”** shall mean the Notice of Grant Award form that is delivered to Grant applicants by the Office of Head Start when a Grant Application is approved and which includes the approved project and budget periods and the amount of federal funds authorized pursuant to the Grant Application.

**“Occupancy Date”** shall mean the date that Tenant is permitted to physically occupy the Premises pursuant to the terms of this Lease.

**“Office of Head Start”** shall mean the Office of Head Start, an Office of the Administration for Children & Families, Department of Health and Human Services.

**“Premises”** shall mean the real property and the Facility thereon as described and depicted on the attached Exhibit “A”.

**“Repair”** shall mean a form of Maintenance which may or may not involve the replacement of parts, components or materials.

**“R/R Program”** shall mean the County established repair and replacement program that addresses Capital Repairs in order to ensure that age, use and deterioration of the Premises does not adversely impact its use or the cost to maintain the Facility or Premises.

**“R/R Project”** shall mean a planned Capital Repair.

**“R/R Project Schedule”** shall mean the schedule of R/R Projects for the Premises which identifies each R/R Project for each budget year and the approved funding for each R/R Project as required to implement the R/R Projects for the Premises.

**“R/R Purchase Order”** shall mean the County issued purchase order for a Tenant implemented R/R Project in accordance with Section 10.03.

**“R/R Payment Request”** shall mean the Tenant request for reimbursement which includes the information and evidence of payment as set forth in Section 10.04.

**“SBE Vendor”** shall mean a small business enterprise which has been certified by the County’s Office of Small Business Assistance.

**“Updated R/R Project Schedule”** shall mean the revised R/R Project Schedule which is prepared by Tenant and includes any proposed additions to, or modifications of, the R/R Project Schedule, including Emergency Capital Repairs that are requested by Tenant for the current budget year on or before June 1<sup>st</sup> of any year during the Term.

**“Works of Art”** shall mean the wall paintings and murals located in the Premises.

### **ARTICLE III BASIC LEASE PROVISIONS**

#### **Section 3.01 Premises.**

In consideration of the rents, covenants and agreements hereafter reserved and contained on the part of the Tenant to be observed and performed, the County demises and leases to the Tenant, and Tenant rents from County, the Premises.

**Section 3.02 Length of Term and Effective Date.**

The term of this Lease shall commence upon the Effective Date, as hereinafter defined (the "Effective Date") and shall extend for a period of five (5) years thereafter (the "Term"), unless sooner terminated pursuant to the provisions of this Lease.

**Section 3.03 Option to Extend.**

County hereby grants to Tenant, so long as Tenant shall not then be in default of any term, covenant, condition or payment of rent under this Lease beyond any applicable notice or cure period, the right and option to extend the Term of this Lease for two (2) successive period(s) of five (5) year(s) each, under the same terms and conditions of this Lease and commencing upon the expiration of the initial Term of this Lease or any extension thereof. Tenant shall exercise its option to extend, if at all, by written notice to the County received by the County on or before sixty (60) days prior to the expiration of the initial Term of this Lease or any extension thereof.

Failure of Tenant to duly and timely exercise its option to extend the Term of this Lease shall be deemed a waiver of Tenant's right to said option and all further options.

**Section 3.04 Notice of Grant Award.**

Tenant shall provide County with a copy of the Notice of Grant Award, within three (3) business days of Tenant's receipt of same. If applicable, Tenant shall provide County with a copy of the notice that advises Tenant of the non-approval of the Grant Application within three (3) business days of Tenant's receipt of same. Additionally, and throughout the Term of this Lease, Tenant shall provide County with a copy of all: (1) Notices of Grant Award; (2) designation renewal notices; (3) notices relating to the Grant project budget; and (4) notices of Grant deficiencies, including, without limitation, notices of deficiency, suspension, or termination of a Grant, within three (3) business days following Tenant's receipt of same.

**ARTICLE IV  
RENT****Section 4.01 Annual Rent.**

Tenant shall pay County an annual net rent of One Dollar (\$1.00) (the "Annual Rent"), payable without notice on the Effective Date and each subsequent anniversary thereafter. Annual Rent shall be made payable to the Palm Beach County Board of County Commissioners and shall be delivered to the Palm Beach County Finance Department, Revenue Section, P.O. Box 4036, West Palm Beach, Florida 33402. County shall receive the rent payable hereunder free and clear of any and all impositions, liens, charges, and expense of any nature whatsoever relating to operation of the Premises, including without limitation those relating to taxes, if any, insurance, Repair, Maintenance, use, care, or operation, except as specifically provided in this Lease.

**Section 4.02 Additional Rent.**

Any and all sums of money or charges required to be paid by Tenant under this Lease other than the Annual Rent shall be considered "Additional Rent", whether or not the same is specifically so designated and County shall have the same rights to enforce due and timely payment by Tenant of all Additional Rent as are available to County with regards to Annual Rent.

**Section 4.03 Sales, Use and Rent, Taxes, Assessments, Ad Valorem, Real and Personal Property Taxes.**

Tenant shall pay all sales, use or rent taxes assessed by any governmental authority against the Annual Rent and/or Additional Rent, if any, even if such tax is intended to be imposed against County. Notwithstanding the foregoing, Landlord hereby acknowledges receipt of a copy of Tenant's Form DR-14, Consumer's Certificate of Exemption, pursuant to which Tenant is exempt from the payment of Florida sales and use tax on, inter alia, real property rented. As long as such certificate, or any renewal thereof (provided that a copy of such renewal is delivered to Landlord) is in effect, Tenant shall not be required to pay sales tax on the Annual Rent or Additional Rent.

Tenant shall pay before delinquency all ad valorem and non ad valorem taxes and assessments, whether general or special and all tangible or intangible personal property taxes and assessments of any kind or nature which may be levied by any governmental authority against the Premises or Tenant's leasehold interest in the Premises or Tenant's Alterations and personal property located on the Premises except to the extent that Tenant and the purposes for which it is occupying the Premises are exempt pursuant to Section 196.192, Florida Statutes or any other provision of Florida law.

**Section 4.04 Unpaid Fees, Holdover.**

In the event Tenant fails to make timely payment of any rentals, fees, charges, and payments due and payable in accordance with the terms of this Lease within ten (10) days after same shall become due and payable, interest at the rate of one and one-half percent (1½ %) per month (or the highest rated permitted by law if lower) shall accrue against the delinquent payment(s) from the date due until the date payment is received by County. Such interest shall constitute Additional Rent. Notwithstanding the foregoing, County shall not be prevented from terminating this Lease for default in the payment of rentals, fees, charges, and payments due to County pursuant to this Lease or from enforcing any other provisions contained herein or implied by law. In the event Tenant shall holdover, refuse or fail to relinquish possession of the Premises at the expiration or termination of this Lease, Tenant shall be liable to County for any and all damages, and in addition thereto, Tenant shall also be strictly liable to pay to County during the entire period of such holdover, double the actual fair market rental value of the Premises.

**Section 4.05 Accord and Satisfaction.**

In the event Tenant pays any amount that is less than the amount stipulated to be paid under this Lease, such payment shall be considered to be made only on account of the stipulated amount. No endorsement or statement on any check or letter shall be deemed an accord and satisfaction. The County may accept any check or payment without prejudice to County's right to recover the balance due or to pursue any other remedy available to County pursuant to this Lease or under the law.

**ARTICLE V  
CONDITION OF LEASED PREMISES, ALTERATIONS**

**Section 5.01 Acceptance of Premises by Tenant.**

Tenant certifies that Tenant has inspected the Premises and accepts same "As Is", in its existing condition, together with all defects, latent or patent, if any, and subject to all easements, encumbrances, restrictions and matters of record. Tenant further acknowledges that the County has made no warranties or representations of any nature whatsoever regarding the Premises including, without limitation, any relating to the physical condition of the Premises or any improvements or equipment located thereon, or the suitability of the Premises or any improvements for Tenant's intended use of the Premises. No Repair work, alterations or remodeling of the Premises is required to be done by County as a condition of this Lease.

**Section 5.02 Alterations**

Tenant shall not make any improvements, additions, modifications or alterations to the Premises (hereinafter collectively referred to as "Alterations") other than performing Maintenance or Repair responsibilities as set forth in Article IX of this Lease, without the prior written consent of County in each instance, which may be withheld, granted, or granted subject to conditions as determined by County in its discretion. Tenant shall submit detailed plans and specifications for all such Alterations to County for County's written approval prior to commencing work on same. Tenant agrees and acknowledges that all work performed to the Premises, whether pursuant to this Section or otherwise, shall be performed and accomplished solely for the benefit of Tenant, and not for the benefit of County, such work being nevertheless subject to each and every provision of this Lease.

All work done by Tenant shall be done by a licensed and insured contractor in a good and workmanlike manner and shall be diligently prosecuted to completion strictly in accordance with the approved plans, specifications, and permits (if applicable). Tenant shall also require contractors to furnish satisfactory evidence of statutory Workers' Compensation & Employers Liability insurance, comprehensive General Liability insurance, comprehensive Business Automobile Liability insurance, and physical damage insurance on a Builder's Risk form with the interest of County endorsed thereon, in such amounts and in such manner as County may reasonably require. County may require

additional insurance, and/or a performance bond, in such amount as County reasonably determines to be necessary, as a condition of its consent to any Alterations.

Upon giving its approval for any work or Alterations, County shall specify whether the Alteration is to be removed by Tenant, at Tenant's sole cost and expense, upon the termination or expiration of this Lease.

#### **Section 5.03 No Liens**

Tenant covenants and agrees that nothing contained in this Lease shall be construed as consent by County to subject the estate of County to liability under the Construction Lien Law of the State of Florida, it being expressly understood that County's estate shall not be subject to such liability. Tenant shall notify any and all parties or entities performing work or providing materials relating to any Alterations made by Tenant of this provision of this Lease. If so requested by County, Tenant shall file a notice satisfactory to County in the Public Records of Palm Beach County, Florida stating that County's interest shall not be subject to liens for improvements made by Tenant. In the event that a construction lien is filed against the Tenant's Premises or other County property in connection with any work performed by or on behalf of Tenant, Tenant shall satisfy such claim, or transfer same to security, within 10 days from the date of filing. In the event that Tenant fails to satisfy or transfer such claim within said 10 day period, County may do so and thereafter charge Tenant, and Tenant shall promptly pay to County upon demand, as Additional Rent, all costs incurred by County in connection with the satisfaction or transfer of such claim, including attorney's fees. Further, Tenant agrees to indemnify, defend, and save County harmless from and against any damage or loss incurred by County as a result of any such construction lien.

### **ARTICLE VI USE OF PREMISES**

#### **Section 6.01 Occupancy of Premises.**

Tenant's occupancy of the Premises is expressly contingent upon FDO's receipt of a Notice of Grant Award that is consistent with the Grant Application with a project budget period beginning on or before July 1, 2014 and which designates Tenant as principal grantee for Palm Beach County. Tenant shall not be permitted to occupy the Premises until such time as: (1) Tenant has provided FDO with a copy of a Notice of Grant Award in compliance with the requirements set forth in this section, and (2) the Director of FDO has provided Tenant with written approval to occupy.

#### **Section 6.02 Use of Premises.**

Tenant shall use and occupy the Premises solely and exclusively for the operation of a Head Start program in accordance to the regulations and requirements of the Office of Head Start and the terms and conditions of this Lease. Tenant shall not use, permit, or suffer the use of the Premises for any other use, business, or purpose whatsoever without

the prior written consent of County, which consent may be granted or withheld in County's sole discretion. Tenant acknowledges that the Premises are subject to a Notice of Federal Interest filed with the Board on May 1, 2012 (R2012-0618) and that Tenant's interest in and use of the Premises is subject to all regulations, restrictions and requirements pertaining to said Notice of Federal Interest.

**Section 6.03 Waste or Nuisance.**

Tenant shall not commit or suffer to be committed any waste upon the Premises, commit or permit the maintenance or commission of any nuisance or other act or thing which may result in damage or depreciation of value of the Premises or which may affect County's fee interest in the Premises or which results in an unsightly condition. Tenant shall be solely responsible for the handling and disposal of hazardous waste, including obtaining appropriate disposal containers. Tenant will keep refuse in proper fireproof containers within the interior portions of the Premises until removed to the dumpster(s). Tenant will keep the access to the Premises, the parking areas and other contiguous areas to the Premises free and clear of obstruction. Tenant, at its sole cost and expense, will keep the Premises free of rodents, vermin and other pests.

**Section 6.04 Governmental Regulations.**

Tenant shall, at Tenant's sole cost and expense, comply with all ordinances, laws, statutes and regulations promulgated thereunder of all county, municipal, state, federal and other applicable governmental authorities, now in force, or which may hereafter be in force, pertaining to Tenant or Tenant's use of the Premises, or the Premises generally. Tenant shall indemnify, defend and save County harmless from any and all penalties, fines, costs, expenses, suits, claims, or damages resulting from Tenant's failure to perform its obligations in this Section.

**Section 6.05 Non-Discrimination.**

Tenant shall assure and certify that it will comply with the Title VI of the Civil Rights Act of 1964, as amended, and Palm Beach County Resolution No. R92-13, and shall not discriminate against any individual on the basis of their race, color, national origin, religion, ancestry, sex, age, marital status, familial status, sexual orientation, gender identity or expression, disability or genetic information with respect to any activity occurring on the Premises or conducted pursuant to this Lease.

**Section 6.06 Surrender of Premises.**

Upon termination or expiration of this Lease, Tenant, at its sole cost and expense, if so directed by County, shall remove Tenant's personal property, removable fixtures and equipment from the Premises and shall surrender the Premises to the County in the same condition the Premises were in as of the Effective Date of this Lease, reasonable wear and tear excepted. Upon surrender of the Premises, title to any and all remaining improvements, Alterations or personal property within the Premises shall vest in County.



**Section 6.07 Hazardous Materials.**

Tenant and County hereby acknowledge that County occupied the Premises for Head Start Program operations and that Tenant has inspected the Premises and to the best of both parties' knowledge there is not currently located in, on, upon, over, or under the Premises any Hazardous Materials. However, if any preexisting contamination exists or is discovered during the term of this Lease, County shall promptly remove said substance(s) in accordance with Environmental Laws at County's sole cost and expense ("Environmental Remediation"). Tenant may temporarily discontinue program operations, or work in good faith with County to identify a temporary location for said program during a period of Environmental Remediation.

Tenant shall not use, maintain, store or dispose of any contaminants including, but not limited to, Hazardous Materials or toxic substances, chemicals or other agents used or produced in Tenant's operations, on the Premises or any adjacent land in violation of Environmental Laws. Furthermore, Tenant shall not cause or permit the Release of Hazardous Materials upon the Premises or upon adjacent lands in violation of Environmental Laws and shall operate and occupy the Premises in compliance with all Environmental Laws. For purposes hereof, Hazardous Materials shall mean any hazardous or toxic substance, material, waste of any kind, petroleum product or by-product, contaminant or pollutant as defined or regulated by Environmental Laws. Release shall mean the release, storage, use, handling, discharge or disposal of Hazardous Materials. Environmental Laws shall mean any applicable federal, state or local laws, statutes, ordinances, rules, regulations or other governmental restrictions.

Any Release of a Hazardous Material, in violation of Environmental Laws, whether by Tenant or any third party, shall be reported to County immediately upon the knowledge thereof by Tenant. Tenant shall be solely responsible for the entire cost of the Environmental Remediation as a result of a Release of Hazardous Materials in violation of Environmental Laws upon the Premises or emanating from the Premises onto adjacent lands, as a result of the use and occupancy of the Premises by Tenant, or Tenant's agents, licensees, invitees, subcontractors or employees.

Tenant hereby agrees to indemnify, defend and hold harmless County from and against any and all claims, suits, judgments, loss, damage, fines or liability which may be incurred by County, including reasonable attorney's fees and costs at trial and on appeal, which may arise directly, indirectly or proximately as a result of any violation or the Release of any Hazardous Materials upon the Premises in violation of Environmental Laws. Tenant's responsibility hereunder shall continue and apply to any violation hereof, whether the same is discovered during the term hereof or otherwise. While this provision establishes contractual liability of Tenant, it shall not be deemed to eliminate or diminish any statutory or common law liability of Tenant.

In the event of any Release of Hazardous Materials upon the Premises in violation of Environmental Laws and such Release did not occur prior to the Occupancy Date and is not the result of the use and occupancy of the Premises by Tenant, or Tenant's agents, licensees, invitees, subcontractors or employees, but is caused by a third-party or source unconnected to the Lease, then the Environmental Remediation shall be considered an Emergency Capital Repair pursuant to the provisions of Section 10.06 of this Lease.

Tenant acknowledges the County would not have entered into this Lease without the indemnification contained herein and acknowledges the receipt and sufficiency of separate good and valuable consideration for such indemnification. This provision shall survive the expiration or termination of this Lease.

## **ARTICLE VII WORKS OF ART**

Tenant acknowledges that the Premises houses original commissioned Works of Art. Tenant shall have no right, title or interest, in and to the Works of Art. County retains all right, title and interest, in and to the Works of Art. Tenant shall have no right to copy, publish, reproduce, photograph or distribute any image or reproduction of the Works of Art, absent the express consent of the County in each instance. The artist has expressly reserved every right available to the artist under the Federal Copyright Act, Visual Artists Rights Act of 1990 (VARA), and other applicable statutes to control the making or dissemination of copies or reproductions of the designed Works of Art.

Tenant hereby agrees to indemnify, defend and hold harmless County from and against any and all claims, suits, judgments, loss, damage, fines or liability which may be incurred by County, including reasonable attorney's fees and costs, which may arise directly, indirectly or proximately as a result of any Tenant violation or infringement of the artist's rights under the Federal Copyright Act, VARA, or other applicable statute, or the Tenant's unauthorized dissemination, use, duplication, or altering of the Works of Art, or any violation of this section. Tenant's responsibility hereunder shall continue and apply to any violation hereof, whether the same is discovered during the term hereof or otherwise.

Tenant shall take reasonable and prudent measures and precautions to protect the Works of Art from damage and vandalism. Tenant's reasonable and prudent measures to protect the Works of Art shall include the imposition and enforcement of program and facility rules, including but not limited to: no posting, taping, or affixing by any means or method of, signs, pictures, banners, posters, bulletin boards or any other wall covering or display, on or over, or touching the Works of Art. Reasonable and prudent measures include establishing restrictions on the use and placement of furniture and equipment to avoid damage by scraping or scratching or pushing against the Works of Art. Other reasonable and prudent measures include imposing rules regarding the necessary

supervision and appropriate locations for use of any, tool, paint, pen, crayon, pencil, marker, or other drawing or writing materials or implements, as well as for the consumption of chewing gum, candy, food and/or drinks, and for the proper securing and locking of the Facility.

Tenant shall not remove, replace, relocate, Repair or Maintain the Works of Art. County shall be solely responsible for the performance of all Maintenance and Repair to the Works of Art. County shall the right to access the Facility for the purposes of inspecting the Works of Art and performing any required Maintenance, restoration, Repair, removal, relocation or other action as County determines is appropriate. Inspections shall be performed with reasonable advance notice during regular business hours. Repairs, Maintenance, restoration or other required work shall be coordinated with Tenant in advance to the extent practicable to minimize disruption to Tenant's operations. Tenant shall reimburse County for all costs and expenses related to the Maintenance, Repair and/or restoration of the Works of Art which may include reasonable artist's fees for the supervision of, or the performance of the restoration or required work, if such Maintenance, Repair and/or restoration results from vandalism, or from Tenant's failure to abide by the terms and conditions of this Article VII.

Tenant shall inspect the Works of Art on a regular basis, no less than quarterly, for the purpose of assessing and reporting any damage, destruction, loss or vandalism to the Works of Art. Tenant shall promptly notify the County's Art in Public Places Administrator in the event of any damage, destruction, loss or vandalism to the Works of Art.

## **ARTICLE VIII COUNTY PROPERTY**

### **Section 8.01 County Property.**

The County Property identified on the attached Exhibit "B" shall remain at the Premises for use by Tenant during the Lease Term. Tenant's use of the County Property shall be strictly limited to uses relating to the Tenant's Head Start program in Palm Beach County. At all times the County Property shall remain the sole and exclusive property of the County, and the Tenant shall have no right, title or interest therein or thereto except as expressly set forth in this Agreement.

Tenant certifies that Tenant has inspected the County Property and accepts same "As Is", in its existing condition, together with all defects, latent or patent, if any. Tenant further acknowledges that the County has made no warranties or representations of any nature whatsoever regarding the County Property including, without limitation, any relating to the physical condition of the County Property, or the suitability of the County Property for Tenant's intended use. Tenant certifies that it shall use the County Property in a safe and appropriate manner and for its intended purpose.

At the conclusion of the Term, Tenant shall return the County Property to County in good condition and repair as specified herein, normal wear and tear excepted.

**Section 8.02 Repair and Maintenance of County Property.**

The County Property identified on the attached Exhibit "B" shall be Repaired and Maintained by Tenant at Tenant's sole cost and expense. Tenant shall be solely responsible for ensuring that said County Property remains in good operating condition at all times.

**Section 8.03 Reservation of Right to Identify Property.**

The County retains the right to make a final determination as to whether a particular asset located at the Premises on the Occupancy Date and not specifically identified on Exhibit "B" is in fact County Property. It is the Tenant's responsibility to seek a determination regarding any asset that has not been identified.

**Section 8.04 Tenant Responsibility for Reimbursement.**

Tenant shall be solely responsible for loss of or damage to County Property including loss or damage from acts of vandalism, but specifically excluding normal wear and tear. In the event of loss or damage, Tenant shall repair or replace the County Property with property that meets County requirements for functionality and that is the equivalent or better than the original in terms of age, condition and value, or Tenant can compensate County for the undepreciated value of the asset as of the Effective Date of the Lease.

**ARTICLE IX  
MAINTENANCE AND OPERATING REPAIR BY TENANT**

**Section 9.01 Maintenance and Repair Responsibilities of Tenant.**

Except as otherwise expressly provided herein, Tenant shall be solely responsible for all costs of, and the performance of, the Maintenance and Repair and operation of the Premises, as required to keep the Premises in good condition at all times, on a year-round basis. The Maintenance and Repair responsibilities of Tenant include, but are not limited to, the enumerated responsibilities contained in this Article IX. Any Maintenance and/or Repair that requires a modification to the walls or ceilings and/or removes, replaces, or alters any infrastructure, cabling or structure within the wall or ceiling is subject to the prior written consent of County in each instance, which may be withheld, granted, or granted subject to conditions as determined by County in its discretion.

Maintenance and Repair responsibilities of Tenant include the primary base building/systems, including, components of foundation and substructure, structural systems, exterior wall systems, roof systems, exterior vandalism, electrical system, energy control system, base building HVAC, CCTV system, fixed fire suppression infrastructure, backflow prevention, water and sewer systems, site work and infrastructure and grounds maintenance and irrigation for the Premises.

Maintenance and Repair responsibilities of Tenant also include all secondary building systems and the interior portions of the Premises including, but not limited to, ceiling systems, floor covering, interior wall and partitions, signage, building safety and regulatory systems, and all alterations or improvements currently existing or constructed hereinafter on or about the Premises. Tenant shall be solely responsible for the Maintenance and Repair and upkeep of the security, access control (card reader and keys) and intrusion alarm monitoring systems and connected equipment, non-fixed fire suppression system, painting, lighting fixtures, and interior plumbing lines and fixture Repairs.

Maintenance and Repair responsibilities of Tenant include all Repair and Maintenance of personal property and equipment, including Repair and Maintenance necessary to maintain code or regulatory compliance for all equipment and personal property at the Premises. Tenant shall be solely responsible for all Repair or Maintenance issues identified during program licensing or renewal or as a result of any regulatory inspections, audits or reviews. Tenant shall be responsible for funding and performing all routine custodial maintenance or service, pest control services, exterior pressure cleaning and window washing, upkeep of furniture, Repair or Maintenance to equipment including kitchen equipment, telephone services and systems, audio/video systems, closed circuit television systems and equipment, computer communications networks and all those Repairs or Maintenance requirements that are common to the operation of any Head Start program including, but not limited to waste receptacles, spill maintenance, cleaning air conditioning vents, cleaning of walls, floors, doors, picking up litter, disposal of waste and garbage in the designated dumpster, hazardous waste disposal and other Repairs or Maintenance customarily handled by a handyman or laborer.

Tenant is solely responsible for program related security, including all security requirements for the Premises, the program participants, employees, contractors or invitees. Tenant shall be solely responsible for all Maintenance and Repairs required as a result of acts of vandalism to the interior and exterior of the Premises or failure of the Tenant to properly secure the Premises. Tenant shall be responsible for any damages or repairs resulting from Tenant's failure to comply with the conditions of this Lease. Tenant shall comply with all development or regulatory approval conditions or requirements applicable to the Premises. Tenant shall be solely responsible for all indoor air quality complaints, Repairs or Maintenance requirements.

All building signage shall be subject to the advance approval of FDO in each instance. Tenant shall submit proposed plans designating the size, placement, style and content of the sign to FDO for approval. FDO shall respond to Tenant within seventy- two (72) business hours with approval or denial. If denied, County shall provide specific recommendations to address the issue(s) resulting in denial. Tenant shall not post building

signage until same has been approved by County. Tenant's name shall not be listed on the monument or marquis signs.

County shall provide Tenant with copies of building plans and specifications ("Building Plans") as required for the Tenant to fulfill its licensing obligations pursuant to this Lease within thirty (30) days of the Tenant's Occupancy of the Premises. Tenant acknowledges and agrees that the Building Plans are confidential and exempt from public disclosure pursuant to Florida Statutes §119.071(3)(a)1 and 2 and §119.071(3)(b), that the Building Plans are being provided to Tenant subject to Tenant's agreement to protect the confidential status of same and that Tenant shall use the same degree of care that Tenant would utilize for its own confidential information, but in no event less than a reasonable degree of care, to safeguard and protect the confidentiality of the Building Plans at all times. Tenant shall not duplicate, disclose or use the Building Plans for any purpose other than as set forth in this Section. At the termination of this Lease, all Building Plans shall be returned to County.

#### **Section 9.02 Repair and Maintenance Performance Standards.**

All Maintenance and Repairs performed by Tenant shall be performed on a routine basis as is reasonably required to prevent deterioration of the Premises, in a good and workmanlike fashion, utilizing good quality materials, supplies, components and replacement parts that are of equal or better quality than the quality of those being repaired or replaced, with all reasonable efforts made to preserve the aesthetics of the building. Maintenance and Repair performed by Tenant shall be comparable to County Maintenance and Repair without a noticeable visible difference between Tenant performed Maintenance and Repair and County performed Maintenance and Repair and such that there shall be no impact to County, for example, accelerated renewal/replacement as a result of Tenant's performance of Maintenance and Repair responsibilities, or lack thereof.

#### **Section 9.03 ADA Compliance Responsibilities.**

Tenant and County have inspected the Facility, including the existing configuration and the fixed furniture and equipment, and to the best of their knowledge and belief, the Facility is compliant with the requirements of the ADA, with or without reasonable accommodations, as of the Effective Date. County affirms that there are no pending ADA claims related to the Facility.

Beginning on the Occupancy Date, Tenant shall assume and be solely responsible for all ADA compliance requirements and shall indemnify, defend and save harmless the County from and against any and all ADA claims, suits, actions, damages and/or causes of action arising from or related to Tenant's lease of the Premises, Tenant's operation of a Head Start program at the Premises, Tenant additions, changes, deletions or modifications to the Premises, the Facility, personal property, fixed furniture or equipment, or relating in any way to Tenant's failure to comply with the requirements of the ADA.

Tenant shall advise the County of any claim which alleges that the Premises are not in compliance with the requirements of the ADA within forty-eight (48) hours of receipt. Within fifteen (15) business days of receipt of the claim, the Tenant shall evaluate the conditions and present the County with a plan for bringing the Premises into compliance, highlighting any modifications that the Tenant believes are the County's responsibility. Tenant shall have sole financial responsibility for the costs and expenses required to bring the Premises into compliance unless Tenant can demonstrate that such non-compliance existed and was the County's responsibility prior to the Occupancy Date. The County will review the plan in a timely manner and approval shall not be unreasonably withheld.

Tenant shall advise the County of any change in law or regulation which may impact the compliance status of the Premises within ten (10) business days of Tenant's notice of an enrolled law or approved regulation. Tenant shall present the County with a plan for bringing the Premises into compliance no later than twenty (20) business days after notice of the law or regulation. Tenant shall have sole financial responsibility for the costs and expenses associated with bringing the Premises into compliance with any enrolled law or approved regulation. The County will review the plan in a timely manner and approval shall not be unreasonably withheld.

Tenant has the obligation to implement reasonable operating accommodations to achieve ADA compliance, but to the extent that modifications to the Premises are required, they will be considered Capital Repairs pursuant to Article X of this Lease.

#### **Section 9.04 Rights of County Regarding Maintenance and Repair.**

The County shall have the right, but not the obligation to inspect the Premises at reasonable times, upon reasonable request, to observe whether the Tenant is performing its obligations pursuant to this Lease, including, without limitation, its Repair and Maintenance obligations, to review the condition of the Facility for the purpose of making a recommendation on the Annual R/R Project Schedule and to inspect Works of Art. In addition, County shall have the right to enter and inspect the Premises without notice, if the County has reason to believe that an emergency situation exists at the Premises. If, in the County's reasonable opinion, the Tenant has not performed its Repair and Maintenance obligations pursuant to the terms set forth in this Lease, the County shall provide written notice to the Tenant identifying the specific deficiencies, and the Tenant shall have thirty (30) days from the date of such notice during which to commence a cure to correct or remedy the deficiencies and sixty (60) days from the date of such notice within which to correct or remedy the deficiencies. If Tenant fails to commence a cure within thirty (30) days of the notice, or fails to correct or remedy an identified deficiency within sixty (60) days of the notice, then such failure will be considered a default under this Agreement and County may proceed pursuant to Article XIII (Financial Guarantee) and/or Article XVIII (Default).

### **Section 9.05 Reporting of Accidents Required Prior to Maintenance and Repair.**

Tenant shall complete a Palm Beach County Supervisor Incident Report Form ("Incident Form"), attached hereto as Exhibit "C" each time: 1) There is an accident, fall or injury at the Premises, there is an incident requiring a police response at the Premises, or medical attention is sought at the Premises as a result of an accident, fall, injury or incident at the Premises (collectively a "Premises Accident"); or 2) Tenant has actual knowledge that, an accident, fall or injury occurred at the Property, there was an incident requiring a police response at the Property, or medical attention was sought at the Property as a result of an accident, fall, injury or incident at the Property (collectively "Property Accidents"). In addition, Tenant shall complete the Incident Form each time Tenant has actual knowledge that medical attention was sought at a later time as a result of a Premises Accident or a Property Accident (collectively a "Medical Incident").

Tenant shall provide County with a copy of the completed Incident Form promptly, or as soon thereafter as practicable, but in no event later than twenty-four (24) hours following a Premises Accident and Tenant shall provide County with a complete Incident Form no later than twenty-four (24) hours following Tenant's actual knowledge of a Property Accident or Medical Incident.

In lieu of preparation of the Incident Form, Tenant may provide County with copies of existing Documentation prepared by Tenant for the Office of Head Start. To the extent reasonably necessary, Tenant shall immediately block-off and prevent access to the Accident area and take such other action as is required to protect the participants and invitees, preserve the Accident area in its "as-is" condition, and prevent further damage to, or deterioration of the Facility. Except as required to protect the Facility, the participants or invitees, Tenant shall not make any changes to the condition of the Accident area or perform any Repairs or Maintenance to the Accident area prior to County approval of same. County will respond to Tenant within twenty-four (24) hours of receipt of an Incident Form or other Documentation of an Accident.

## **ARTICLE X CAPITAL REPAIRS**

### **Section 10.01 R/R Projects.**

The County has established and funded an R/R Program in order to ensure that age, use and deterioration of a facility does not adversely impact its use or the cost to maintain the facility. To that end the County has established an R/R Project Schedule which extends over five years and identifies each R/R Project for each budget year as required to implement the R/R Program of the County. The proposed R/R Project Schedule is submitted to the Board as a part of the County's annual budget process in order to obtain approval and funding for the fiscal year's scheduled R/R Projects.



No later than January 15 of each year, Tenant shall submit to County, its proposed R/R Project Schedule for the Premises for submission to the Board for approval with the annual budget request. The Tenant will be notified within a reasonable time after approval of the County budget by the Board, if the R/R Project Schedule has been approved in whole or in part. County shall schedule each Approved R/R Project on the schedule when it fits into County's overall work plan, after coordinating the timing and operational impacts with the Tenant. Tenant recognizes that the implementation of an R/R Project may require the Tenant to incur temporary program interruptions and/or additional operating costs during implementation. Nevertheless, Tenant is obligated to allow the County to implement each Approved R/R Project for the Premises within 12 months of the Board approval of the R/R Project. Tenant may request approval to perform the work for an R/R Project; however, approval shall be at the sole and absolute discretion of the County. If approved, Tenant performed work must be performed within the funding amount approved by the Board and approved expenditures will be reimbursed in accordance to the terms and conditions set forth below. County shall have no obligation to reimburse Tenant for expenditures that exceed the Board approved funding for the R/R Project.

The County's obligation to fund or reimburse Tenant for R/R Projects in any budget year is limited to those R/R Projects that are reflected on the budget year's Board Approved R/R Project Schedule. The County, or Tenant if approved by County, shall undertake and perform the R/R Project(s) set forth on the Approved R/R Project Schedule, subject to the terms and conditions set forth in this Article X. All such R/R Projects shall be performed in a good and workmanlike manner using good quality materials and supplies, and components and replacement parts that are of equal or better quality than the quality of those being Repaired or replaced and shall be performed through completion. The County, or Tenant if approved by County, shall obtain all development approvals and permits from the appropriate regulatory agencies prior to commencing any R/R Projects and shall perform all such R/R Projects in compliance with the effective Florida Building Code, supplements thereto, and any municipal or local amendments thereto.

For each County fiscal year beginning with the 2016 fiscal year (commencing October 1, 2015 and terminating September 30, 2016), and each fiscal year thereafter during the Term hereof, the Tenant shall be responsible for fifty percent (50%) of the costs of completing all R/R Projects on the Approved R/R Project Schedule, including Emergency Capital Repairs performed by County. For County implemented projects, the County shall undertake the project and invoice the Tenant for either, (a) fifty percent (50%) of the actual cost associated with the R/R Project, or (b) fifty percent (50%) of the Board approved R/R Project cost, whichever is less. Tenant payment will be due to the County within thirty days of receipt of the invoice, except that invoices for Emergency Capital Repairs shall be due one hundred and twenty (120) days from the invoice date. For Tenant implemented R/R Projects, the County shall reimburse the Tenant either, (a) fifty percent (50%) of the actual R/R Project cost, or (b) fifty percent (50%) of the Board approved R/R Project cost, whichever is less, provided that the Tenant complies with the reimbursement provisions set forth below. Notwithstanding the above, the Board has no

obligation to fund any portion of an R/R Project required to be funded by Tenant pursuant to Section 9.03 of this Lease, or that is not approved for funding by the Board.

#### **Section 10.02 Updated R/R Project Schedule.**

The Tenant shall have the right to request additions to, or modifications of, the R/R Project Schedule by submitting an Updated R/R Project Schedule (incorporating such proposed modifications, including any and all modifications made necessary due to Emergency Capital Repairs) to the County on or before June 1st of any year during the Term of this Agreement. The Tenant shall submit, with the Updated R/R Project Schedule, a detailed written narrative for each and every R/R Project not included in the then-current R/R Project Schedule, describing each R/R Project in detail and including an explanation as to why such R/R Project had previously not been included in the R/R Project Schedule. Within fourteen (14) days after the County's receipt of the Updated R/R Project Schedule, representatives of County and the Tenant shall meet at the Premises ("On Site Meeting") in order to review and discuss the proposed modification. County shall have the right, but not the obligation, in its sole and absolute discretion to approve the proposed modification. Notwithstanding anything in this section, County shall have no obligation to fund an R/R Project that is not approved for funding by the Board.

#### **Section 10.03 Tenant R/R Project Requirements.**

For each R/R Project that has been approved by County for Tenant implementation as set forth in Section 10.01, the Tenant shall use its standard purchasing practices; provided that all purchases are undertaken and awarded by a competitive process. For each and every funded R/R Project on the Approved R/R Project Schedule, and prior to Tenant entering into a contract or purchase order for any individual R/R Project, the Tenant shall submit: (i) a bid tabulation sheet that sets forth the vendor/contractor name and bid amount for each bid response ("R/R Project Bid Tabulation Sheet"), and (ii) a copy of Tenant's proposed contract or purchase order which contains the scope of work to be purchased and a copy of the vendor's/contractor's insurance certificate naming the County as an additional insured and certificate holder with such limits, coverages and endorsements as may be reasonably required by County.

In the event that Tenant does not choose to contract with the vendor/contractor who submitted the lowest bid reflected on the R/R Project Bid Tabulation Sheet, the Tenant shall provide the County with a written explanation as to why the lowest bidder was not chosen. Unless the Tenant has included qualification based criteria in the bid and the Tenant can reasonably demonstrate that the low bidder did not meet those qualification criteria, the only justifications for not choosing the low bidder are either: (i) an award to the next lowest bidder in order to contract with a Palm Beach County certified SBE Vendor and the SBE Vendor's bid does not exceed one hundred and ten percent (110%) of the low bidder's price, or (ii) an award to the next lowest bidder in order to contract with a bidder meeting the Palm Beach County definition of local business and the local business's bid does not exceed one hundred and five percent (105%) of the low bidder's price. Within

seven (7) days of County's receipt of the foregoing, the County will issue a R/R Purchase Order to Tenant in the amount of the intended awardee's bid plus an additional five percent (5%) contingency.

**Section 10.04 Payment Process Against R/R Project Purchase Orders for Tenant Implemented Approved R/R Projects.**

R/R Payment Request(s) against an R/R Purchase Order(s) shall be made at intervals determined by the Tenant, but no more frequently than semi-monthly and for no more than 50% of the costs incurred and paid to date. An R/R Payment Request against an R/R Purchase Order shall be made by the Tenant to the County and shall include all of the following components: (i) the R/R Purchase Order number; (ii) a copy of the vendor's/contractor's request for payment or invoice; and (iii) evidence of payment by the Tenant. For purposes of this Section 10.04, a copy of a check written by the Tenant that is made payable to the vendor/contractor in the amount set forth on the vendor's/contractor's request for payment or invoice, shall constitute evidence of payment. Any R/R Payment Request which includes a request for use of contingency funds, shall also include a copy of the change order issued by the Tenant to the vendor/contractor and shall specifically identify: (i) the scope of work included in the change order; (ii) the amount of the change order; (iii) the new total contract amount; and (iv) an explanation of the reason for the change order. Any final R/R Payment Request against each R/R Purchase Order shall be marked accordingly. Once the County has received a R/R Payment Request on an R/R Purchase Order, together with all of the foregoing documentation, the County shall within five (5) business days from receipt of the R/R Payment Request, review the request and notify the Tenant if such request is complete or deficient. If the R/R Payment Request is deficient the Tenant shall resubmit its request to the County and the County shall within five (5) business days from receipt of the Tenant's subsequent R/R Payment Request review such submittal and notify the Tenant if such submittal is complete or deficient. This process shall continue until such time as the County receives a complete R/R Payment Request. Once the County receives a complete R/R Payment Request and approves the same, County shall make payment against the R/R Purchase Order within twenty-one (21) calendar days.

**Section 10.05 Miscellaneous.**

The same requirements and process set forth above in Section 10.03 and Section 10.04 shall apply and shall be used in connection with the reimbursement to the Tenant of the costs and expenses incurred by the Tenant for all design, testing lab, and construction services agreements entered into in connection with R/R Projects as well as any permit fees paid to a governmental entity.

**Section 10.06 Emergency Capital Repairs.**

If, at any time during the Term, the Tenant reasonably believes that Emergency Capital Repairs need to be made to the Premises, the Tenant shall immediately take corrective and preventative operational, security and safety precautions to protect all users,

invitees and guests and to prevent further damage or deterioration to the Premises, which by way of illustration only, may include stopping program operations or removing one or more areas of the Premises from access and use. Tenant shall also immediately notify County specifying the nature of the identified Emergency Capital Repair and the Tenant's proposed scope of work to address the Repair. County will meet Tenant at the Premises within forty-eight (48) business hours to assess and discuss the Emergency Capital Repair. If County concurs with the requirement for an Emergency Capital Repair, County will review the scope of work and approve or modify it and determine whether County will implement the Emergency Capital Repair. If County approves Tenant implementation of an Emergency Capital Repair, Tenant will be eligible for reimbursement by the County if Tenant includes such Emergency Capital Repair in its proposed Updated R/R Project Schedule submitted for the County's approval in accordance with Section 10.02 hereof, except as otherwise provided in Section 9.03.

## **ARTICLE XI CAPITAL IMPROVEMENTS**

At any time during the Term of the Lease, Tenant may request approval to undertake Capital Improvements to the Premises. The Capital Improvements request shall include, but not be limited to: 1) a narrative description of the need/justification for the work, 2) a detailed description of the scope of work, 3) the proposed project budget, and 4) the implementation plan. If the Tenant is requesting that the County share in the costs of the Capital Improvements, then the request shall identify the specific amount of funding being requested and the estimated timing of the need for such funding.

FDO, on behalf of the County, shall review each Capital Improvement request and respond in writing within 60 days as to whether the request is sufficient or requires further information to complete its evaluation. After receipt of FDO's position, Tenant shall advise whether it desires for the request to be reviewed by the Board for final consideration. FDO's position does not in any way bind the County to approve any Capital Improvement request. Only the Board can approve a Capital Improvement request.

## **ARTICLE XII UTILITIES**

Tenant shall be solely responsible for and promptly pay all costs and expenses relating to providing utility services to the Premises, including, without limitation, construction and connection charges and shall pay directly to the utility company or the provider of such service all charges and assessments for any utility services provided including, without limitation, telephone, water, sewer, gas, electricity, trash collection and removal or any other utility used or consumed on the Premises. In no event shall County be liable for an interruption or failure in the supply of any such utility to the Premises.

## **ARTICLE XIII FINANCIAL GUARANTEE**

Tenant shall, at its sole cost and expense, maintain in full force and effect throughout the duration of this Agreement, a surety bond in a minimum amount of Two Hundred and Twenty-Five Thousand Dollars (\$225,000) as a financial guaranty of Tenant's performance under the terms of this Agreement, including, but not limited to Tenant's Maintenance and Repair responsibilities. The surety bond shall be issued by an insurance company or surety company qualified to do business in the State of Florida, which company shall be acceptable to the County which shall be determined in the County's sole and absolute discretion. The surety bond shall be substantially in the form attached hereto as Exhibit "D". Alternatively, Tenant shall deliver to County a clean irrevocable Letter of Credit for Two Hundred and Twenty-Five Thousand Dollars (\$225,000), in a form and drawn upon a financial institution acceptable to County. In the event Tenant elects to deliver a Letter of Credit, such Letter of Credit shall have a minimum term of five (5) years. Upon the failure of Tenant to perform any of the obligations of this Lease, County shall be entitled to draw upon the financial guarantee in addition to any other rights or remedies available to County. County acknowledges that it has received such original surety bond or Letter of Credit, as applicable. At least fifteen (15) days prior to a non-renewal or cancellation of the bond or Letter of Credit, Tenant shall notify County of such non-renewal or cancellation and provide County with commitment documents or other assurances reasonably satisfactory to County regarding the replacement of the surety bond or Letter of Credit. Failure to renew or replace an expired or canceled Letter of Credit or Bond as required by this Section within fifteen (15) days after the expiration or cancellation date shall constitute a default under this Lease entitling County to all available remedies.

## **ARTICLE XIV INSURANCE**

Unless otherwise specified in this Lease, Tenant shall maintain, at its sole expense, in full force and effect at all times during the life of this Lease or the performance of work hereunder, beginning on or before the Occupancy Date, insurance limits, coverages or endorsements required herein. Tenant hereby agrees the requirements contained herein, as well as County's review or acceptance of insurance, is not intended to and shall not in any manner limit nor qualify Tenant's liabilities and obligations under this Lease.

### **Section 14.01 Commercial General Liability.**

Tenant shall maintain: Commercial General Liability with limits of liability not less than \$1,000,000 Each Occurrence including coverage for, but not limited to, Premises/Operations, Products/Completed Operations, Contractual Liability, Personal/Advertising Injury and Cross Liability; Fire Legal liability with a limit not less than \$100,000; and Medical Payments (when available) with a limit not less than \$5,000. Tenant shall ensure such coverage is provided on a primary basis.

### **Section 14.02 Business Auto Liability.**

Tenant shall maintain Business Automobile Liability with limits of liability not less than \$500,000 Each Occurrence for owned, non-owned, and hired automobiles. In the event Tenant has no owned automobiles, this requirement shall be to maintain only Hired & Non-Owned Auto Liability. This amended coverage may be satisfied by way of endorsement to the Commercial General Liability, or separate Business Auto Liability. Tenant shall ensure such coverage is provided on a primary basis.

### **Section 14.03 Workers' Compensation & Employers Liability.**

Tenant shall maintain Workers' Compensation & Employers Liability in accordance with Chapter 440 Florida Statutes and applicable Federal Acts. Tenant shall ensure such coverage is provided on a primary basis.

### **Section 14.04 Premises Insurance.**

Tenant shall maintain property insurance in an amount not less than 100% of the total replacement cost of any alterations, betterments and improvements made by or on behalf of Tenant as well as Tenant's contents located on the Premises. The settlement clause shall be on a Replacement Cost basis. Coverage shall be written with a Special - Cause of Loss (All-Risk) form. Coverage shall be provided on a primary basis.

### **Section 14.05 Additional Insured Endorsement.**

Tenant shall cause each liability insurance policy required to be maintained by Tenant to be endorsed to add the County as an Additional Insured on, except for Workers' Compensation and Business Auto Liability. The CG 2011 Additional Insured - Managers or Lessors of Premises or CG 2026 Additional Insured - Designated Person or

Organization endorsements, or their equivalent, shall be used to endorse the Commercial General Liability policy. The standard Additional Insured endorsement offered by the insurer shall be used to endorse the other policies, when required. Tenant shall ensure the Additional Insured endorsements provide coverage on a primary basis. The Additional Insured endorsement shall read "Palm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees and Agents", c/o Property & Real Estate Management Division, 2633 Vista Parkway, West Palm Beach, FL 33411-5605.

**Section 14.06 Certificate of Insurance.**

Tenant shall provide the County with a certificate of insurance evidencing limits, coverages and endorsements required herein. The certificate of insurance shall include a minimum of thirty (30) day endeavor to notify due to cancellation or non-renewal of coverage. In the event coverage is cancelled or not renewed during the life of this Lease, Tenant shall furnish thirty (30) days prior to, but in no case later than the expiration of such insurance, a new certificate of insurance evidencing replacement coverage. Should Tenant fail to maintain the insurance required herein, the County shall have the right, but not the obligation, to purchase or maintain said insurance, and Tenant shall promptly pay as Additional Rent, upon demand from County, all premiums and expenses incurred by County.

**Section 14.07 Waiver of Subrogation.**

Tenant hereby agrees to a Waiver of Subrogation for each required policy. When required by the insurer or should a policy condition not allow a pre-loss agreement to waive subrogation without an endorsement, Tenant shall notify its insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy, which includes a condition prohibiting such an endorsement, or voiding coverage should Tenant enter into such an agreement on a pre-loss basis.

**Section 14.08 Premiums and Proceeds.**

Tenant shall not keep, use, sell or offer for sale in or upon the Premises any article which may be prohibited by any condition, provision or limitation of the property, flood, or wind insurance policies. Tenant shall be responsible for all premiums, including increases, for all insurance policies required by this Lease. All property, flood or windstorm insurance proceeds as a result of a loss shall be made available for use to promptly replace, Repair or rebuild the buildings, betterments and improvements, including those made by or on behalf of Tenant, in order to ensure a replacement cost settlement and avoid policy cancellation.

**Section 14.09 Deductibles, Coinsurance, & Self-Insured Retention.**

Tenant shall be fully and solely responsible for any deductible, coinsurance penalty, or self-insured retention, including any losses, damages, or expenses not covered due to an exhaustion of limits or failure to comply with the policy terms.

**Section 14.10 Right to Review, Reject or Adjust Insurance.**

The County's Risk Management Department shall have the right, but not the obligation, to review, reasonably adjust, reasonably reject or accept insurance policies, limits, coverages, or endorsements throughout the life of this Lease. Acceptance of insurance policies or coverage shall not be unreasonably withheld. The County reserves the right, but not the obligation, to review and reject any insurer providing coverage because of poor financial condition or by way of illegal operation. The County shall provide Tenant written notice of such action, and Tenant shall agree to cure or comply with such action within thirty (30) days receipt thereof.

**Section 14.11 No Representation of Coverage Adequacy.**

The limits, coverages or endorsements identified herein primarily transfer risk and minimize liability for the County, and Tenant agrees not to rely upon such requirements when assessing risk or determining appropriate types or limits of coverage to protect Tenant against any loss exposures, whether as a result of this Lease or otherwise.

**Section 14.12 Insurance for Special Events and Outside Persons/Groups.**

Excluding County or its affiliates, when Tenant permits or schedules the use of the Premises for a special event or outside persons/groups, Tenant shall require the special event or outside person/group to maintain Commercial General Liability, as described in Section 14.01, with limits of liability not less than \$1,000,000. Tenant shall ensure that County and Tenant are named as Additional Insured under such policy, as described in Section 14.05. Tenant shall obtain and, when requested by the County, furnish copies of certificates of insurance evidencing such coverage for the special event or outside person/group.

**ARTICLE XV  
INDEMNIFICATION**

Tenant shall indemnify, defend and save harmless the County from and against any and all claims, suits, actions, damages and/or causes of action arising during the Term of this Lease for any personal injury, loss of life, and/or damage to property sustained in or about the Premises, by reason, during, or as a result of the use and occupancy of the Premises by the Tenant, its agents, employees, licensees, invitees, and any subtenant, and from and against any orders, judgments, and/or decrees which may be entered thereon, and from and against all costs, reasonable attorney's fees, expenses and liabilities incurred in and about the defense of any such claim at trial or on appeal. In the event County shall be



made a party to any litigation commenced against Tenant or by Tenant against any third party, then Tenant shall protect and hold County harmless and pay all costs and reasonable attorney's fees incurred by County in connection with such litigation, and any appeals thereof. Tenant recognizes the broad nature of this indemnification provision and specifically acknowledges that County would not have entered into this Lease without Tenant's agreement to indemnify County and further acknowledges the receipt of good and valuable separate consideration provided by County in support hereof in accordance with the laws of the State of Florida. This provision shall survive expiration or termination of this Lease.

## **ARTICLE XVI DESTRUCTION OF PREMISES**

In the event the Premises shall be destroyed or so damaged or injured by fire or other casualty during the Term of this Lease or any extension thereof, whereby the same shall be rendered untenable, in whole or in part, then the County shall at its sole option either commence restoration thereof within sixty (60) days and thereafter diligently pursue the restoration to completion, or alternatively, County shall have the right, at its option, not to restore the Premises but to terminate this Lease and to retain all insurance proceeds payable on account of said casualty as County's sole property. In the event that County elects to terminate this Lease, the parties shall be relieved of all further obligations hereunder arising after the date of such termination. The termination herein mentioned shall be evidenced in writing.

## **ARTICLE XVII ASSIGNMENT AND SUBLETTING**

Tenant may not assign, mortgage, pledge or encumber this Lease in whole or in part, nor sublet or rent all or any portion of the Premises nor grant any easements affecting the Premises, without prior written consent of County, which may be granted or withheld at County's sole and absolute discretion. Any assignment, mortgage, pledge, encumbrance or subletting without such consent shall be null and void, without legal effect and shall constitute a breach of this Lease. This provision shall be construed to include a prohibition against any assignment, mortgage, pledge, encumbrance, or sublease, by operation of law, legal process, receivership, bankruptcy, or otherwise, whether voluntary or involuntary.

## **ARTICLE XVIII DEFAULT**

### **Section 18.01 Default by Tenant.**

The occurrence of any one or more of the following shall constitute an Event of Default by Tenant under this Lease: (i) Tenant's failure to pay any sum due hereunder within fifteen (15) days after the same shall become due; (ii) Tenant's failure to commence

Head Start program operations at the Premises on or before July 1, 2014; (iii) Tenant's failure to perform or observe any of the agreements, covenants or conditions contained in the Lease on Tenant's part to be performed or observed if such failure continues for more than thirty (30) days after written notice from County; (iv) Tenant's vacating the Premises for a period of thirty (30) days or abandoning same; (v) Tenant's leasehold estate being taken by execution, attachment or process of law or being subjected to any bankruptcy proceeding; (vi) Change in the Tenant's corporate status to for-profit status; or (vii) Termination of the Grant or change in the Tenant's Grant status from a principal grantee to a delegate agency grantee.

If any Event of Default occurs, then at any time thereafter while the Event of Default continues, County shall have the right to pursue such remedies as may be available to County under the law, including, without limitation, the right to give Tenant notice that County intends to terminate this Lease upon a specified date not less than three (3) days after the date notice is received by Tenant, in which event this Lease shall then expire on the date specified as if that date had been originally fixed as the expiration date of the Term of this Lease. If, however, the default is cured within the three (3) day period and the County is so notified, this Lease will continue.

If Tenant's Grant status is changed from principal grantee for Head Start operations in Palm Beach County to a delegate agency grantee, then County intends to commence negotiations with the replacement principal grantee for occupancy of the Premises. Tenant may be permitted to continue Head Start operations at the Premises as set forth in this Lease pending negotiations with the new principal grantee, and thereafter County shall provide Tenant with notice of termination as set forth above. This provision is in no way intended to effectuate a waiver of any rights or remedies available to County if an Event of Default occurs.

#### **Section 18.02 Default by County.**

County shall not be in default unless County fails to perform obligations required of County within a reasonable time, but in no event later than thirty (30) days after written notice by Tenant to County, specifying wherein County has failed to perform such obligations; provided, however, that if the nature of County's obligations is such that more than thirty (30) days are required for performance then County shall not be in default if County commences performance within such thirty (30) day period and thereafter diligently pursues the same to completion.

**ARTICLE XIX**  
**ANNUAL BUDGETARY FUNDING/CANCELLATION**

This Lease and all obligations of County hereunder are subject to and contingent upon annual budgetary funding and appropriations by the Palm Beach County Board of County Commissioners, provided however, that an Early Termination pursuant to this Article shall be subject to the notice provision set forth in Article XX (Early Termination).

**ARTICLE XX**  
**EARLY TERMINATION**

County shall have the right to terminate this Agreement, for any reason, upon the expiration of at least one hundred eighty (180) days notice prior to the end of the Tenant's then-current Grant Year.

County shall have the right to terminate this Agreement, immediately by written notice to Tenant if: (1) Tenant has not received a Notice of Grant Award as a result of Tenant's Grant Application on or before July 1, 2014; or (2) upon notice to Tenant from the Office of Head Start that the Grant Application project budget will not be funded on or before July 1, 2014; or (3) upon notice from the Office of Head Start that the Grant Application is not approved.

Tenant shall have the right to terminate this Agreement, for any reason, upon the expiration of at least ninety (90) days prior written notice to County, provided however that Tenant shall be responsible for fifty percent (50%) of the costs of completing all R/R Projects on the Approved R/R Project Schedule including Emergency Capital Repairs performed by County, that have been performed, initiated or undertaken by County up to the date of termination and provided that Tenant's duties and obligations pursuant to this Lease, including, but not limited to, Tenant's Maintenance and Repair obligations, shall continue until the termination of this Lease.

**ARTICLE XXI**  
**QUIET ENJOYMENT**

Upon payment by the Tenant of the Annual Rent, Additional Rent and other charges herein provided, and upon the observance and performance of all the covenants, terms and conditions on Tenant's part to be observed and performed, Tenant shall peaceably and quietly hold and enjoy the Premises for the Term hereby demised without hindrance or interruption by County or any other person or persons lawfully or equitably claiming by, through or under the County, subject, nevertheless, to the terms and conditions of this Lease.

**ARTICLE XXII  
MISCELLANEOUS**

**Section 22.01 Entire Agreement.**

This Lease and any Exhibits attached hereto constitute all agreements, conditions and understandings between County and Tenant concerning the Premises. All representations, either oral or written, shall be deemed to be merged into this Lease. Except as herein otherwise provided, no subsequent alteration, waiver, change or addition to this Lease shall be binding upon County or Tenant unless reduced to writing and signed by County and Tenant.

**Section 22.02 Notices.**

All notices, consents, approvals, and elections (collectively, "notices") to be given or delivered by or to any party hereunder shall be in writing and shall be (as elected by the party giving such notice) hand delivered by messenger, courier service, or national overnight delivery service (provided in each case a receipt is obtained), or alternatively shall be sent by United States Certified Mail, with Return-Receipt Requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery, courier services, or national overnight delivery service, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby designate the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

- (a) If to the County at:

Property and Real Estate Management Division  
Attention: Director  
2633 Vista Parkway  
West Palm Beach, Florida 33411-5605

With a copy to:

Palm Beach County Attorney's Office  
Attention: Real Estate  
301 North Olive Avenue, Suite 601  
West Palm Beach, Florida 33401

- (b) If to the Tenant at:

Lutheran Services Florida, Inc.  
3627A West Waters Avenue  
Tampa, Florida 33614

With a copy to:

Lynn W. Stone, MBA  
QA Compliance and Contracts Manager  
Lutheran Services Florida-Head Start Program  
2210 Tall Pines Dr., Suite 210  
Largo, FL 33771

Any party may from time to time change the address at which notice under this Lease shall be given such party, upon three (3) days prior written notice to the other parties.

**Section 22.03 Disclosure of Beneficial Interests.**

Tenant represents that simultaneously with Tenant's execution of this Lease, Tenant has executed and delivered to County, the Tenant's Disclosure of Beneficial Interests attached hereto as Exhibit "E", attached hereto and made a part hereof, (the "Disclosure") disclosing the name and address of every person or entity having a 5% or greater beneficial interest in the ownership of the Tenant. Tenant warrants that in the event there are any changes to the names and addresses of the persons or entities having a 5% or greater beneficial interest in the ownership of the Tenant after the date of execution of the Disclosure until the Effective Date of the Lease, Tenant shall immediately, and in every instance, provide written notification of such change to the County pursuant to Section 22.02 of this Lease.

**Section 22.04 Severability.**

If any term of this Lease or the application thereof to any person or circumstances shall be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Lease, or the application of such term to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term of this Lease shall be valid and enforceable to the fullest extent permitted by law.

**Section 22.05 Broker's Commission.**

Tenant represents and warrants that Tenant has not dealt with any real estate salesperson, agent, finder or broker in connection with this Lease and further agrees to indemnify, defend and hold harmless County from and against any claims or demands of any such salesperson, agent, finder or broker claiming to have dealt with Tenant. The foregoing indemnification shall include all costs, expenses and fees, including reasonable attorney's fees at trial and all appellate levels, expended or incurred in the defense of any such claim or demand.

**Section 22.06 Recording.**

Tenant shall not record this Lease, or any memorandum or short form thereof, without the written consent and joinder of County, which may be granted or withheld at County's sole discretion.

**Section 22.07 Waiver of Jury Trial.**

THE PARTIES HERETO WAIVE TRIAL BY JURY IN CONNECTION WITH PROCEEDINGS OR COUNTER CLAIMS, BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER, IN CONNECTION WITH THIS LEASE.

**Section 22.08 Governing Law and Venue.**

This Lease shall be governed by and interpreted according to the laws of the State of Florida. Venue shall be in a State court of competent jurisdiction in Palm Beach County, Florida.

**Section 22.09 Radon.**

Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from County's public health unit.

**Section 22.10 Time of Essence.**

Time is of the essence with respect to the performance of every provision of this Lease in which time of performance is a factor.

**Section 22.11 Waiver, Accord and Satisfaction.**

The waiver by County of any default of any term, condition or covenant herein contained shall not be a waiver of such term, condition or covenant, or any subsequent default of the same or any other term, condition or covenant herein contained. The consent or approval by County to or of any act by Tenant requiring County's consent or approval shall not be deemed to waive or render unnecessary County's consent to or approval of any subsequent similar act by Tenant.

**Section 22.12 Non-exclusivity of Remedies.**

No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

**Section 22.13 Construction.**

No party shall be considered the author of this Lease since the parties hereto have participated in extensive negotiations and drafting and redrafting of this document to arrive at a final agreement. Thus, the terms of this Lease shall not be strictly construed against one party as opposed to the other party based upon who drafted it. In the event that any section, paragraph, sentence, clause, or provision hereof is held by a court of competent jurisdiction to be invalid, such shall not affect the remaining portions of this Lease and the same shall remain in full force and effect.

**Section 22.14 Incorporation by Reference.**

Exhibits attached hereto and referenced herein shall be deemed to be incorporated into this Lease by reference.

**Section 22.15 Survival.**

Notwithstanding any early termination of this Lease, Tenant shall remain obligated hereunder to perform any duty, covenant or obligation imposed upon Tenant hereunder arising prior to the date of such termination.

**Section 22.16 No Third Party Beneficiary.**

No provision of this Lease is intended to, or shall be construed to, create any third party beneficiary or to provide any rights to any person or entity not a party to this Lease, including but not limited to any citizens of County or employees of County or Tenant.

**Section 22.17 Office of the Inspector General.**

Palm Beach County has established the Office of the Inspector General. 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.

**Section 22.18 Effective Date of Lease.**

This Lease shall be effective upon execution by all parties and is expressly contingent upon approval by the Board ("Effective Date").

THE REMAINDER OF THIS PAGE IS LEFT INTENTIONALLY BLANK

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

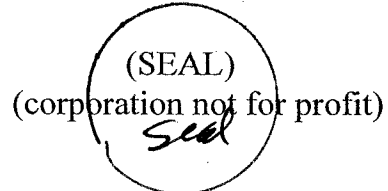
**WITNESS:**

**LUTHERAN SERVICES FLORIDA,  
INC., a Florida not-for-profit  
corporation**

Heidi Greenslade  
Witness Signature

Heidi Greenslade  
Print Witness Name

By: [Signature]  
Louis Finney, Jr. Vice President



[Signature]  
Witness Signature

Gary W. Johnson  
Print Witness Name

**ATTEST:**

**SHARON R. BOCK  
CLERK & COMPTROLLER**

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

By: \_\_\_\_\_  
Deputy Clerk

By: \_\_\_\_\_  
Priscilla A. Taylor, Mayor

**APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY**

**APPROVED AS TO TERMS AND  
CONDITIONS**

By: [Signature]  
Assistant County Attorney

By: [Signature]  
Director, Facilities Development  
& Operations



## **SCHEDULE OF EXHIBITS**

EXHIBIT	"A"	THE PREMISES
EXHIBIT	"B"	COUNTY PROPERTY
EXHIBIT	"C"	PALM BEACH COUNTY SUPERVISOR INCIDENT REPORT
EXHIBIT	"D"	SURETY/PERFORMANCE BOND
EXHIBIT	"E"	TENANT'S DISCLOSURE OF BENEFICIAL INTERESTS

**EXHIBIT "A"**

Consisting of

LEGAL DESCRIPTION

And

PROPERTY DEPICTION

100 North Chillingworth Drive, West Palm Beach

EXHIBIT "A"  
Legal Description

100 N Chillingworth Drive  
West Palm Beach, FL

Lot 39 of Replat of Tract "X", Palm Beach Lakes South, according to the plat thereof, recorded in Plat Book 45, at Page 117, of the Public Records of Palm Beach County, Florida.

PCN: 74-43-43-19-15-000-0390

EXHIBIT "A"  
Property Depiction  
100 N Chillingworth Drive  
West Palm Beach, FL



EXHIBIT "B"  
COUNTY PROPERTY

WEST PALM BEACH

Tenant Maintained

- 1) Fire alarm system
- 2) Intrusion alarm system
- 3) All window treatments or blinds
- 4) All fixtures and all fixed personal property including all items affixed, bolted, installed or otherwise attached to the Premises
- 5) Telephone Systems and Equipment (To be Repaired and Maintained by ISS pursuant to Technology Service Agreement)

EXHIBIT "C"



Palm Beach County Supervisor Incident Report

Occupational Health Clinic: 561-233-5450

For serious injuries or illnesses contact the  
Emergency Operations Center: 561-233-3500

Please type print clearly. This form must be filled out by the Immediate Supervisor for work related injuries or illnesses only.

EMPLOYEE INFORMATION

Name: \_\_\_\_\_ Job Title: \_\_\_\_\_  
Department/Division: \_\_\_\_\_ Immediate Supervisor: \_\_\_\_\_  
Station and/or Shift: \_\_\_\_\_ Immediate Supervisor's telephone number: \_\_\_\_\_

INCIDENT DETAIL

Date of Incident: \_\_\_\_\_ Time: \_\_\_\_\_ AM/ PM Date incident reported to Immediate Supervisor: \_\_\_\_\_

Incident Location: \_\_\_\_\_

Briefly describe how the incident occurred: \_\_\_\_\_  
\_\_\_\_\_

Describe injury / illness & state part of body affected: \_\_\_\_\_  
\_\_\_\_\_

Did the employee seek medical treatment? ☐ Yes ☐ No  
If yes, what type/where? ☐ First Aid ☐ Occupational Health Clinic ☐ Other, please specify \_\_\_\_\_

INVESTIGATIVE DETAIL

WITNESSES:

1. \_\_\_\_\_ NAME \_\_\_\_\_ TELEPHONE NUMBER \_\_\_\_\_  
2. \_\_\_\_\_ NAME \_\_\_\_\_ TELEPHONE NUMBER \_\_\_\_\_

Action needed to prevent recurrence \_\_\_\_\_  
\_\_\_\_\_

Was the employee using the appropriate personal protective equipment? ☐ Yes ☐ No ☐ Not Applicable  
Was the employee following appropriate safety procedures? ☐ Yes ☐ No ☐ Not Applicable

Signed \_\_\_\_\_ IMMEDIATE SUPERVISOR Date \_\_\_\_\_

Department/Division Head Review: \_\_\_\_\_  
\_\_\_\_\_

Signed \_\_\_\_\_ DEPARTMENT/DIVISION HEAD Date \_\_\_\_\_

\*\*\*\*\*

EMPLOYEE SIGNATURE: \_\_\_\_\_ Date \_\_\_\_\_

Please separate and distribute copies as follows:  
White: Personnel Green: Loss Control Canary: Department Pink: Clinic Goldenrod: Employee

## **EXHIBIT "D"**

### **PERFORMANCE BOND**

**KNOW ALL MEN BY THESE PRESENTS:** That Lutheran Services Florida, Inc., a Florida nonprofit corporation (hereinafter called Principal), as Principal, and North American Specialty Insurance Company Incorporated, a New Hampshire corporation duly authorized and licensed to do business in the State of Florida (hereinafter called Surety), as Surety, are held and firmly bound unto Palm Beach County, a political subdivision of the State of Florida (hereinafter called the Obligee), as Obligee, in the full and just sum of Two Hundred and Twenty Five Thousand Dollars (\$225,000.00) lawful money of the United States of America to be paid to the Board of County Commissioners of Palm Beach County to which payment will and truly to be made, the said Principal and Surety bind themselves and each of their administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

**WHEREAS**, the above bound Principal has entered into a certain written agreement with the above mentioned Obligee, dated May 20, 2014, to Lease that real property located at 100 Chillingworth Drive, West Palm Beach, Palm Beach County, Florida, as more fully set forth in Agreement No. \_\_\_\_\_, which agreement is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein; and

**WHEREAS**, the Obligee has agreed to accept a bond guaranteeing the performance of said agreement.

**NOW THEREFORE**, the conditions of this obligation are such that if Principal shall faithfully perform such agreement within the time therein specified, and shall in every respect fulfill its obligations thereunder, and shall indemnify and save harmless the Obligee against or from all claims, costs, expenses, damages, injury or loss, including contingent costs to carry out and execute all the provisions of said agreement, within the time therein specified, then this obligation shall be void; otherwise, it shall remain in full force and effect.

**THE TERM** of this bond begins May 20, 2014 and ends May 19, 2015, and may be renewed with a continuation certificate.

No suit shall be brought on this bond after one year following its termination. Neither non-renewal nor cancellation by the Surety, nor failure or inability of the Principal to file a replacement bond, shall constitute a loss of the Obligee recoverable under this bond. This bond shall only be subject to cancellation/non-renewal on the annual expiration date hereof, as may be extended by by any subsequent continuation certificates.

IN WITNESS WHEREOF, the Principal and Surety have executed these presents this  
\_\_\_\_ day of \_\_\_\_\_, 2014.

ATTEST:

PRINCIPAL

LUTHERAN SERVICES FLORIDA, INC., a  
Florida nonprofit corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Principal Address:

3627A West Waters Avenue  
Tampa, Florida 33614

SURETY

NORTH AMERICAN SPECIALTY INSURANCE  
COMPANY INCORPORATED, a New Hampshire  
corporation duly authorized and licensed to do  
business in the State of Florida

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Witness Signature

\_\_\_\_\_  
Print Name

Surety Address:

By: \_\_\_\_\_  
Its Attorney-in-Fact

(Attach Power of Attorney)



650 Elm Street, 6<sup>th</sup> Floor  
Manchester, NH 03101-2524

**TENANT'S DISCLOSURE OF BENEFICIAL INTERESTS**

TO: PALM BEACH COUNTY CHIEF OFFICER, OR HIS OR HER OFFICIALLY  
DESIGNATED REPRESENTATIVE

STATE OF FLORIDA  
COUNTY OF PALM BEACH

BEFORE ME, the undersigned authority, this day personally appeared Louis  
Finney, hereinafter referred to as "Affiant", who being by me first duly sworn, under  
oath, deposes and states as follows:

1. Affiant is the Vice President, of Head Start/Early Head Start of Lutheran  
Services Florida, Inc., (Head Start) a Florida not for profit corporation, (the "Tenant")  
which entity is the lessee of the real property legally described on the attached  
Exhibit "A" (the "Property").
2. Affiant's address is: 2210 Tall Pines Drive, Suite 220, Largo, FL 33771.
3. Attached hereto, and made a part hereof, as Exhibit "B" is a complete  
listing of the names and addresses of every person or entity having a five percent (5%) or  
greater beneficial interest in the Tenant and the percentage interest of each such person or  
entity.
4. Affiant further states that Affiant is familiar with the nature of an oath and  
with the penalties provided by the laws of the State of Florida for falsely swearing to  
statements under oath.
5. Under penalty of perjury, Affiant declares that Affiant has examined this  
Affidavit and to the best of Affiant's knowledge and belief it is true, correct, and  
complete, and will be relied upon by Palm Beach County relating to its lease of the  
Property.

FURTHER AFFIANT SAYETH NAUGHT.

[Signature], Affiant  
Print Affiant Name: Louis Finney

The foregoing instrument was sworn to, subscribed and acknowledged before me this 19<sup>th</sup>  
day of March, 2014, by Louis Finney [ ☒ ] who is  
personally known to me or [ ☐ ] who has produced \_\_\_\_\_ as  
identification and who did take an oath.

[Signature]  
Notary Public  
JoAnne Ratliff  
(Print Notary Name)

NOTARY PUBLIC  
State of Florida at Large  
My Commission Expires: \_\_\_\_\_

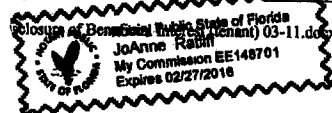


Exhibit "A"  
To  
Exhibit "E"

100 N Chillingworth Drive  
West Palm Beach, FL

Lot 39 of Replat of Tract "X", Palm Beach Lakes South, according to the plat thereof, recorded in Plat Book 45, at Page 117, of the Public Records of Palm Beach County, Florida.

PCN: 74-43-43-19-15-000-0390

**To  
Exhibit "E"**

Tenant is only required to identify five percent (5%) or greater beneficial interest holders. If none, so state. Tenant must identify individual owners. If, by way of example, Tenant is wholly or partially owned by another entity, such as a corporation, Tenant must identify such other entity, its address and percentage interest, as well as such information for the individual owners of such other entity.

**None. Lutheran Service Florida, Inc is a 501(c)(3) organization. There are no individuals or entities that have a beneficial interest in its assets.**

**RESOLUTION NO. 20\_\_**

**RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, AUTHORIZING THE LEASE OF CERTAIN REAL PROPERTY TO LUTHERAN SERVICES FLORIDA, INC., PURSUANT TO FLORIDA STATUTE SECTION 125.38; AND PROVIDING FOR AN EFFECTIVE DATE.**

**WHEREAS**, Lutheran Services Florida, Inc. a Florida not-for-profit corporation ("LSF") has made application to the Board of County Commissioners of Palm Beach County requesting that Palm Beach County lease certain real property owned by Palm Beach County to LSF for use by LSF for Head Start and/or Early Start services to promote the school readiness of low income children by enhancing their cognitive, social and emotional functioning and to provide early, intensive and comprehensive child development services and family support services for low-income families; and

**WHEREAS**, the Board of County Commissioners of Palm Beach County hereby finds that the aforementioned use constitutes a use for the community interest and welfare, such real property is required for such use and such real property is not needed for County purposes.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:**

**Section 1.   Recitals**

The foregoing recitals are true and correct and incorporated herein by reference.

**Section 2.   Authorization to Lease Real Property**

The Board of County Commissioners of Palm Beach County shall lease to LSF, pursuant to the Lease attached hereto and incorporated herein by reference, for a term of five (5) years and an annual rental of One Dollar (\$1.00), the real property identified in the Lease for the use identified above.

**Section 3.   Conflict with Federal or State Law or County Charter**

Any statutory or Charter provisions in conflict with this Resolution shall prevail.

**Section 4. Effective Date**

The provisions of this Resolution shall be effective immediately upon adoption hereof.

The foregoing resolution was offered by Commissioner \_\_\_\_\_ who moved its adoption. The Motion was seconded by Commissioner \_\_\_\_\_, and upon being put to a vote, the vote was as follows:

Commissioner Priscilla A. Taylor, Mayor  
Commissioner, Paulette Burdick, Vice Mayor  
Commissioner Hal R. Valeche  
Commissioner Shelley Vana  
Commissioner Steven L. Abrams  
Commissioner Mary Lou Berger  
Commissioner Jess R. Santamaria

The Mayor thereupon declared the resolution duly passed and adopted this day of \_\_\_\_\_, 2014.

PALM BEACH COUNTY, a political  
subdivision of the State of Florida  
BOARD OF COUNTY COMMISSIONERS

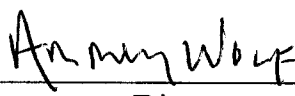
SHARON R. BOCK  
CLERK & COMPTROLLER

By: \_\_\_\_\_  
Deputy Clerk

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY

APPROVED AS TO TERMS  
AND CONDITIONS

By:  \_\_\_\_\_  
Assistant County Attorney

By:  \_\_\_\_\_  
Department Director