

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

Meeting Date: July 1, 2014 **Consent** **Regular**
 Ordinance **Public Hearing**

Department: **Facilities Development & Operations**

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

A) Approve a Notice of Cancellation of Lease Agreement with City of Delray Beach dated April 15, 2008 (R2008-0632) providing for the lease of approximately 3.64 acres of City-owned property, partially within Catherine Strong Park for the construction of a permanent Head Start facility and any other government related improvements;

B) Approve a Termination of Memorandum of Agreement with the City of Delray; and

C) Authorize the County Administrator or his designee to prepare an alternate redevelopment plan for the South County Administrative Complex.

Summary: On April 15, 2008, the Board approved a Lease Agreement (Lease) with the City of Delray Beach (City) for land partially within Catherine Strong Park; 1) for the construction of a permanent Head Start facility in the same general location as temporary modular units that formerly housed Head Start, and 2) to make additional land available within the South County Administrative Complex for redevelopment. However, last year the Board entered into a contract with the School District as a delegate agency for the relocation of the Head Start operations from the temporary location within Catherine Strong Park to an alternate permanent location. Upon that relocation, the modular units were donated to the City and the City was advised that we would address the future of the Lease by April 2014, at which time the Lease requires that the County and the City meet to discuss the County’s construction timeline. Staff initiated that dialog with the City in January 2014, indicating that unmet County needs (unforeseen in 2008) have arisen but are not appropriate for placement on this Lease, but instead are appropriate for placement at the South County Administrative Complex. As such, County Staff recommends that; 1) this Lease be terminated and 2) Staff develop, after further coordination with the City, an alternate redevelopment plan for the South County Administrative Complex to ensure that the County’s unmet needs are fully met at the Complex or on alternate land within the City. **(PREM) District(s) 4, 5 & 7 (HJF)**

Background and Justification: In 2008, the County and the City entered into a Lease. Section 2.01 of the Lease states “The purpose of this Lease is to provide the County with a site on which to construct and operate a future permanent Head Start Facility. The County’s Head Start program in Delray Beach is currently operated in modular units on property leased from the City on the west side of the Park Property. The county has a plan in place to construct its future permanent Head Start facility at the County’s South County Administrative Complex, but the recent acquisition of six acres of land by the City has created an opportunity to locate the permanent Head Start Facility adjacent to the Park Property. Locating the permanent Head Start Facility on the Lease rather than at the South County Administrative Complex is more desirable to the County because it is closer to the Head Start program’s service area and more desirable to the City in order to maintain the services in the community and because it allows property at the South County Administrative Complex to become available for redevelopment. The City is very anxious to redevelop the Congress Avenue corridor of which the South County Administrative Complex is a part.”

Attachments:

- 1. Location Map
- 2. Notice of Cancellation Letter
- 3. Termination of Memorandum of Agreement
- 4. April 8, 2014 Letter to City Manager
- 5. May 12, 2014 Letter to City Manager

Recommended By: *Annny Wong* 6/9/14
Department Director **Date**

Approved By: *JCBaker* 6/16/14
for County Administrator **Date**

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

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

Is Item Included in Current Budget: Yes _____ No _____

Budget Account No: Fund _____ Dept _____ Unit _____ Object _____
 Program _____

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

* There is no fiscal impact with this item.

W 6.3.14

C. Departmental Fiscal Review: _____

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development Comments:

[Signature] 6/9/14
 OFMB *KW* *JP* *US* *6/9/14*

[Signature] 6/12/14
 Contract Development and Control
 5-12-14 *[Signature]*

B. Legal Sufficiency:

[Signature] 6/13/14
 Assistant County Attorney

C. Other Department Review:

 Department Director

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

Background and Justification (con't)

It is timely to revisit the redevelopment plan for the South County Administrative Complex because of; 1) the ties that have been created between the Lease and the South County Administrative Complex, 2) the City's recent efforts in the Congress Avenue corridor, which have not only resulted in positive and significant improvements in the area surrounding the South County Administrative Complex but also achieved some the objectives of the existing redevelopment plan, 3) the County's new needs to accommodate a permanent facility for the Tax Collector (which better accommodates Driver's License functions and the increase in traffic resulting from same) and the South County Homeless Resource Center, and 4) the County's acquisition of a civic site at West Atlantic Avenue and the Turnpike for the eventual relocation of a portion of the County services that are currently provided at the South County Administrative Complex.

County Staff has had preliminary discussions with City Staff regarding alternative redevelopment plans for the Complex and believes that it is possible to appropriately accommodate all County uses while still disposing of approximately 1-2 acres of the Complex for both a transit and community serving use(s).

TWP 46

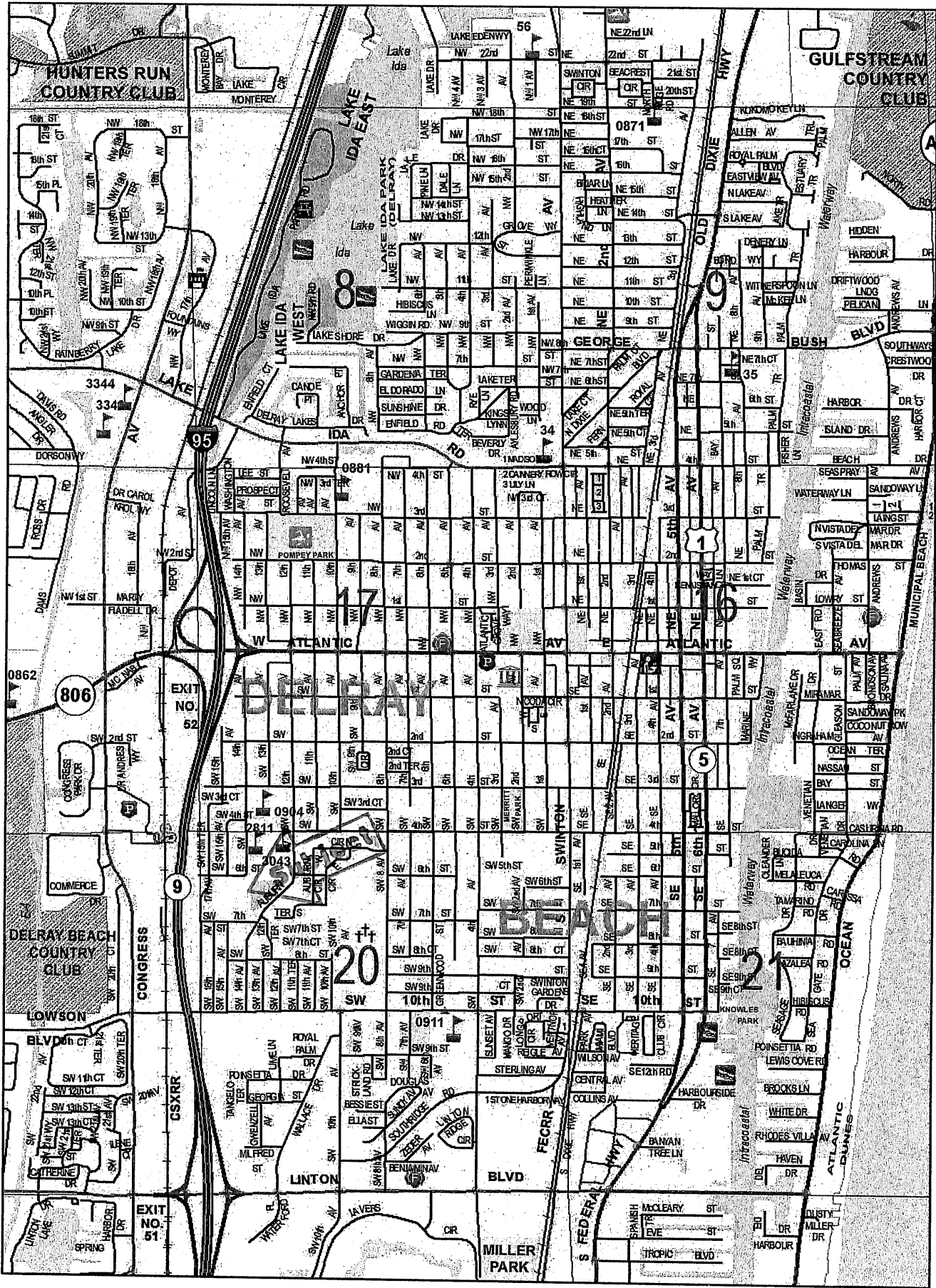
TWP 46

TWP 46

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35

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Facilities Development & Operations Department

Property and Real Estate Management Division

2633 Vista Parkway
West Palm Beach, FL 33411-5605

Telephone - (561) 233-0217
Facsimile - (561) 233-0210
www.pbcgov.com/fdo

Palm Beach County Board of County Commissioners

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Paulette Burdick, Vice Mayor

Hal R. Valeche

Shelley Vana

Steven L. Abrams

Mary Lou Berger

Jess R. Santamaria

County Administrator

Robert Weisman

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July 1, 2014

Certified Mail # _____
Return Receipt Requested

R. Brian Shutt, Esq.
Office of the City Attorney
City of Delray Beach
200 N.W. 1st Avenue
Delray Beach, FL 33444

Re: Notice of Cancellation of Lease Agreement (R2008-0632)

Dear Mr. Shutt:

Pursuant to Section 16.01, Funding, of the Lease Agreement, dated April 15, 2008, between the County and the City of Delray Beach, the County hereby notifies City that County will cancel the Lease effective at the end of the day on September 29, 2014.

The County shall surrender the leased premises to the City and will remove County's personal property on or prior to September 29, 2014, and thereafter all performance of this Lease shall cease.

Please direct any questions concerning this matter to Richard C. Bogatin, Property Specialist, at (561) 233-0214, or by e-mail: rbogatin@pbcgov.org.

ATTEST:

SHARON R. BOCK,
COMPTROLLER

By: _____
Deputy Clerk

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

By: _____
Priscilla A. Taylor, Mayor

APPROVED AS TO FORM
LEGAL SUFFICIENCY

By: [Signature]
Assistant County Attorney

APPROVED AS TO TERMS AND
CONDITIONS

By: [Signature]
Audrey Wolf, Director
Facilities Development & Operations

Prepared by/Return to:
Margaret Jackson, Contract Analyst
Palm Beach County
Property and Real Estate Management Division
2633 Vista Parkway
West Palm Beach, Florida 33411-5605

TERMINATION OF MEMORANDUM OF AGREEMENT

THIS TERMINATION OF MEMORANDUM OF AGREEMENT (“Termination”) is made and entered into on _____, by and between PALM BEACH COUNTY, a political subdivision of the State of Florida, hereinafter referred to as “County”, and CITY OF DELRAY BEACH, a Florida municipal corporation hereinafter referred to as “City”.

WITNESSETH:

WHEREAS, County and City entered into that certain Lease Agreement, dated April 15, 2008, (R2008-0632) (the “Lease”), to provide County land for development of a Head Start facility; and

WHEREAS, County recorded a Memorandum of Lease in ORB 22647, Page 126, (the “Memorandum”) in the public records of Palm Beach County, Florida, for the purpose of giving public notice of the existence of the Lease; and

WHEREAS, the County determined the County would not apply for Federal grant funding to continue providing Head Start services and, as a result thereof, the County and City seek to terminate the Lease and Memorandum, and discharge the same from the Public Records.

NOW, THEREFORE, the parties hereby terminate the Memorandum and render the same null and void and of no further force or effect and the Clerk of Court for Palm Beach County is hereby directed to cancel and extinguish the Memorandum wherever the same appears among the public records of Palm Beach County, Florida.

(Remainder of page intentionally left blank)

IN WITNESS WHEREOF, the parties have caused this Termination to be executed as of the date first-above written.

Signed, sealed and delivered in the presence of:

ATTEST:

SHARON R. BOCK
CLERK & COMPTROLLER

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


By: _____
Deputy Clerk

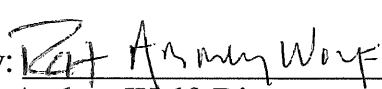
By: _____
Priscilla A. Taylor, Mayor

(SEAL)

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

APPROVED AS TO TERMS
AND CONDITIONS

By: 
Assistant County Attorney

By: 
Audrey Wolf, Director
Facilities Development & Operations

Signed, sealed and delivered in the presence of:

ATTEST:

By: _____
City Clerk

CITY OF DELRAY BEACH, a
municipal corporation created and
existing under the laws of the State of
Florida

By: _____
Cary Glickstein, Mayor

(SEAL)

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY

By: _____
City Attorney



Facilities Development &
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www.pbcgov.com/fdo



Palm Beach County
Board of County
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Shelley Vana

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Jess R. Santamaria

County Administrator

Robert Weisman, P.E.

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April 8, 2014

Louie Chapman, City Manager
City of Delray Beach
100 N.W. 1st Avenue
Delray Beach, FL 33444

Re: Status of the Redevelopment Plan for South County Administrative Complex and Lease Agreement (R2008-0632) Between City of Delray Beach and Palm Beach County for a Permanent Head Start Facility within Catherine Strong Park

Dear Mr. Chapman,

Over the last three months, staff of the City and the County have met to discuss the status of two joint redevelopment partnerships between the County and the City; 1) the redevelopment plan for the County's South County Administrative Complex, and 2) a 3.6 acre land lease within Catherine Strong Park. Much has changed since the County and City entered into these partnerships in 2007 and 2008 respectively.

The City's recent efforts in the Congress Ave corridor have resulted in positive and significant improvements in the area surrounding the South County Administrative Complex, which achieve some objectives of the joint redevelopment plan and negate others. At the same time, the County's needs for facilities have changed and the County now has unmet needs for expanded and new County facilities within the City of Delray Beach. Because of these needs, it is no longer possible for the County to declare as surplus and dispose of the approximately 40% of its holdings at the South County Administrative Complex as originally envisioned. In our meetings we conceptually discussed an alternate redevelopment plan which meets the needs of the County, continues to reconstruct the new governmental buildings in a more urban and cohesive design, enhances access to the Tri-Rail station and still allows for the disposal of 1-2 acres for a community serving commercial and/or retail use(s).

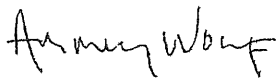
On April 15, 2008, the City and County entered into a 99 year lease agreement to provide land upon which the County would construct a permanent Head Start facility. As you are aware, in the last 18 months, the County entered into a contract with the School Board as a delegate agency for the relocation of operations from the County's modular units located within Catherine Strong Park to classrooms at the School Board's Village Academy property. Upon completion of that relocation, the lease for the temporary Head Start site was terminated and the County's modular units were subsequently conveyed to the City at no cost.

Page 1 of 2

As a result of that successful relocation and the County no longer being the Federal Head Start grantee, the County no longer has need for the leased land *for Head Start purposes*. The Lease does, however, allow the County to use the leased land *“for the construction and operation of its Head Start Facility and any other future government-related improvements subject to all applicable zoning laws, rules, and regulations affecting the Premises (emphasis added).”* Given this allowance it would seem counterintuitive for the County to terminate the lease when it has unmet needs within the City. Nonetheless, County staff believes that; 1) the uses are better situated upon the County-owned land at the South County Administrative Complex than any other location within the City, and 2) the ongoing collaborative relationship between the County and the City will result in the City supporting the County in its efforts to locate regional services within the City. To that end, County Staff is prepared to recommend to the BCC that it: 1) support an alternate redevelopment plan for the South County Administrative Complex, 2) work with the City to ensure that the County’s unmet needs are met either on the County land or alternate land within the City, and 3) terminate the 99 year lease within Catherine Strong Park.

We will be ready to proceed with the item to the BCC when we receive confirmation that City Staff is in concurrence with County Staff’s recommendation. Please advise us of your position on this matter at your earliest convenience.

Sincerely,



Audrey Wolf, Director
Facilities Development and Operations

Cc: Ross Hering, Director Property and Real Estate Management
Eric McClellan, Sr. Planner
Bob Barcinski, Assistant City Manager
Mark McDonnell, City of Delray Beach, Assistant Planning & Zoning Director
Vincent Nolan, City of Delray Beach CRA, Economic Development Director
Lula Butler, City of Delray Beach, Community Improvement Director



May 12, 2014

Louie Chapman, City Manager
City of Delray Beach
100 N.W. 1st Avenue
Delray Beach, FL 33444

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Re: Status of the Redevelopment Plan for South County Administrative Complex and Lease Agreement (R2008-0632) Between City of Delray Beach and Palm Beach County for a Permanent Head Start Facility within Catherine Strong Park

Mr. Chapman –

On 4/8/14 I sent the attached letter to your office summarizing the meetings of County and City Staff that were conducted on 1/27 and 3/20/14. The conclusion of that letter was that *"County Staff is prepared to recommend to the BCC that it 1) support an alternate redevelopment plan for the South County Administrative Complex, 2) work with the City to ensure that the County's unmet needs are met either at the County land or alternate land within the City, and 3) terminate the 99 year lease within Catherine Strong Park."*

Based on that conclusion and City Staff's decision to promptly set an agenda for advancing that conclusion, you can imagine my surprise when I indirectly received a hard copy of the attached memo authored by you and sent to the City Commission dated 5/1/14, as I had not heard anything from City Staff since our 3/20/14 meeting or in response to follow-up emails to you seeking status. Further, your memo also contained a City Staff position that is adverse to the County's ability to appropriately plan for its unmet needs. However, all meetings seemed to conclude with City Staff understanding that an alternate plan was now required, that proactive actions by both the County and the City provide the opportunity to strategically modify the Complex's plan to remain consistent with the intent of the redevelopment plan for the corridor, and that City Staff was not objecting to the conceptual direction of the alternate plan except for the Homeless Resource Center (HRC) which needed further discussion. Since the County and City staffs have long had a successful partnership in joint recommendations that have been instrumental in redevelopment of areas within the City including that surrounding the South County Administrative Complex, County Staff understood that further discussions regarding the HRC were to come before the initial release of information to the City Commission and prior to finalizing a planning approach that could lead to an alternate redevelopment plan for the Complex.

Importantly, you will recall that all of the County's unmet needs must be sited (whether on County property or other property) and the alternate plan for the South County Administrative Complex finalized and funded before the County will be in a position to dispose of any portion of the Complex property for non-County uses.

I am also surprised by the concluding characterization regarding County Staff's position on the release of the Catherine Strong lease, as we could not have been clearer in our meetings as well as in my 4/8/14 letter that we are prepared to release the lease at this time. The lease would have already been released but for your request for time to digest the assumptions for the existing redevelopment plan as well as the City- and County-driven factors that have changed since 2007, and then develop an approach for bringing an alternate redevelopment plan for the South County Administrative Complex and the uses that may entail to the attention of the City Commission.

Nonetheless, I remain confident that the County and City can collaboratively work as we have so many times in the past to move the City's redevelopment efforts forward and at the same time have the City be the host to regional serving County facilities. To that end, on 7/1/14 we will proceed with a BCC item recommending that the Board; 1) support an alternate redevelopment plan for the South County Administrative Complex, 2) continue to work with the City to ensure that the County's unmet needs are met, and 3) terminate the 99 year lease within Catherine Strong Park.

I hope that we could meet again at least once in the next three weeks in an attempt to reach a mutual understanding and establish an action plan prior to the 7/1/14 BCC meeting. If you have any questions or would like to set another meeting, please do not hesitate to call.

Sincerely,



Audrey Wolf, Director
Facilities Development & Operations

attachments

c: Mayor Priscilla Taylor, and Members of the Board of County Commissioners
Robert Weisman, County Administrator
Ross Hering, Director PREM
Eric McClellan, FDO/Sr. Planner
Jon Van Arnam, Assistant County Administrator
Channel Wilkins, Director Community Services
Claudia Tuck, Director Human Services
Bob Barcinski, City of Delray Beach, Assistant City Manager
Mark McDonnell, City of Delray Beach, Assistant Planning and Zoning Director
Vincent Nolan, City of Delray Beach, Community Improvement Director
Lula Butler, City of Delray Beach, Community Improvement Director