

LEASE AGREEMENT

THIS LEASE AGREEMENT ("Lease") is made this ___ day of _____, 2011, by and between the SCHOOL BOARD OF ST. LUCIE COUNTY, FLORIDA ("Lessor") and the AGRICULTURAL AND LABOR PROGRAM, INC. ("Lessee").

WITNESSETH

WHEREAS, the Lessee operates an early learning center for pre-kindergarten students at numerous locations in the City of Port St. Lucie, Florida; and

WHEREAS, on January 25, 2011, the Lessor granted conceptual approval to a cooperative lease agreement, whereby Lessor would lease to Lessee certain property located in Port St. Lucie, Florida, for use as an early learning center for pre-kindergarten students, a copy of which is attached hereto as Exhibit A and incorporated herein by reference ("Conceptual Approval"); and

WHEREAS, the Lessor and Lessee desire to enter into a lease agreement, under the terms and conditions set forth in this Lease;

NOW, THEREFORE, in consideration of the mutual promises, covenants, and considerations herein contained, to be kept and performed by each of the parties hereto, the parties agree as follows, to wit:

1. Leased Premises.

(a) The Lessor leases to the Lessee those certain lands lying within the City of Port St. Lucie, St. Lucie County, Florida, known as a portion of the Port St. Lucie Elementary School site, described more particularly in Exhibit B, incorporated herein by reference ("Leased Premises"). The Leased Premises may be generally described as follows: 10 modular classroom, 6 portable classrooms and associated site area, including the eastern parking lot.

(b) In addition, the Lessee shall have a non-exclusive lease for the parking lot more particularly described in Exhibit B, which it will share with other tenants of the Port St. Lucie Elementary School site.

2. Term. This Lease shall be for a period of five (5) year(s) commencing on the 15 day of June 2011, and terminating on midnight of the 15 day of June, 2016.

3. Rent. The Lessee covenants and agrees to pay, in legal tender and lawful money of the United States at the time of payment, without demand, a total of One Dollar (\$1.00) in advance payable on the date of execution of this Lease.

4. Use. The Leased Premises shall be used only for the educational enrichment of preschool children, and not for any profitable enterprise.

5. Alterations; Maintenance.

(a) The Lessee shall obtain the express written consent of the Lessor prior to placing any structure on or making any alteration or improvement to the Leased Premises. Improvements made under the Prior Lease shall be deemed approved by the Lessor.

(b) The Lessee shall be responsible for obtaining and furnishing the Lessor with copies of Certificates of Insurance from any contractor or subcontractor hired by the Lessee to provide construction on or alteration or improvement to the Leased Premises during the term of this Lease, including automobile liability insurance, general liability insurance, and workers' compensation insurance. The Lessee shall deliver to the Lessor a certificate of such insurance, which shall name the Lessor as an additional insured (except on the workers' compensation insurance). The contractors and subcontractors shall obtain Waivers of Subrogation endorsements under each insurance policy in favor of the Lessor.

(c) The Lessee shall be responsible for all planning, permitting, site preparation, installation, and other costs associated with any improvement placed upon or made to the Leased Premises during the term of this Lease.

(d) The Lessee agrees to and shall be responsible for any renovation or modification of the 10 modular classroom wing located on the Leased Premises that may be required to accommodate its use by Lessee, including those renovations currently planned as outlined in Exhibit C of this Lease, attached hereto and incorporated herein by reference ("Renovations").

(e) All improvements to the Leased Premises shall be undertaken in strict compliance with the State Uniform Building Code for Public Educational Facilities Construction as implemented through the State Requirements for Educational Facilities 2007 and 2009 Supplement, adopted by the Florida Board of Education through Fla. Admin. Code Rule 6A-2.0010.

(f) The Lessor does not expressly agree to any particular improvement made, or contracted for, by the Lessee during the term of this Lease. The interest of the Lessor shall not be subject to liens for improvements made or contracted for by the Lessor. The Lessee shall notify the contractor making any such improvement that the Lessor's liability for improvement is expressly prohibited by the Lease. The Lessee shall promptly pay all contractors and materialmen, and should any lien be made or filed against the Leased Premises, the Lessee shall bond against or discharge the same within ten (10) days after written request of the Lessor.

(g) The Lessee will keep the Leased Premises and all improvements in good order and repair, and in a clean, safe, and health condition at its own cost and expense. The Lessee agrees to mow the grounds regularly and to maintain a neat and orderly appearance throughout the Leased Premises.

(h) The Lessee hereby understands and consents that other portions of the property is being leased to others. The lessee will cooperate with the other lessees to the extent

possible on operational issues to minimize costs and disruption to each other's program. The Lessee shall share the parking lot described in Exhibit B with the other lessees. The Lessee shall coordinate with other lessees to maintain the parking lot.

6. Subleasing and Assignment. The Lessee agrees that neither this Lease nor any portion of the Leased Premises will be sublet or assigned without first securing the written approval of the Lessor. If any portion of the Leased Premises is sublet, the sublessee shall be responsible for maintaining the same insurance as required of the Lessee in Section 7 of this Lease.

7. Indemnification; Insurance.

(a) The Lessee agrees forever to save and keep harmless and fully indemnify the Lessor, its officers, employees, and agents of and from all losses, liabilities, damages, claims, actions, legal proceedings, settlements, judgments, recoveries, costs, and expenses because of loss of, or damage to, property, or injury to or deaths of persons in any way arising out of or in connection with the occupancy of use of the Leased Premises by the Lessee, its employees, agents, or assigns, or the public, including but not limited to any loss or action resulting from the failure of the Lessee to comply with its obligations under this Lease.

(b) The Lessee shall, at its sole cost and expense, cause to be placed in effect immediately upon commencement of this Lease, and shall maintain in full force and effect during the term hereof, commercial general liability insurance, including contractual liability, to cover the hold harmless agreement set forth herein, with the limits of not less than:

Each Occurrence	\$1,000,000
Personal/Advertising Injury	\$1,000,000
Products/Completed Operations Aggregate	\$2,000,000
General Aggregate	\$2,000,000
Fire Damage – any one fire	\$1,000,000
Medical Expense - any one person	\$10,000

The Lessee shall deliver to the Lessor a certificate of such insurance, which shall provide that coverage shall not be cancelled without at least thirty (30) days prior written notice to the Lessor, and shall name the Lessor as an additional insured.

(c) The Lessee shall be responsible to for obtaining property insurance for any of its own property (buildings, contents, outdoor property, etc.) located on the Leased Premises.

8. Net Lease. The Lessee expressly understands and agrees that the Lessor shall not in any manner whatsoever be responsible or liable for any cost or expense incurred by the Lessee in any of the development, operation, or maintenance of the Leased Premises, nor for any fee, levy, or assessment, upon the Leased Premises during the term of this Lease, and any and all such costs and expenses shall be the sole responsibility and obligation of the Lessee. The Lessee agrees that this Lease shall be a completely net Lease for the Lessor; that the Lessor shall not be responsible during the term of this Lease for any cost, damage, expense, or outlay of any nature

whatsoever arising from or relating to the Leased Premises; and that the Lessee shall pay all charges, impositions, fees, levies, assessments, costs, and expenses of every nature and kind relating to the Leased Premises and the development, operation, and maintenance by the Lessee of and upon the Leased Premises. The Lessee will not suffer or permit any construction lien or other lien for work, labor, services, or materials to be attached to the Leased Premises or any part thereof or to any building or improvement constructed thereon.

9. Utilities. The Lessee shall during the term of this Lease be solely responsible for and promptly pay all charges for telephone, electricity, water, and all other utilities used or consumed on the Leased Premises, and for the removal of rubbish therefrom, and shall hold the Lessor harmless from any liability for such charges. In no event shall the Lessor be liable for any interruption or failure in the supply of any such utility to the Leased Premises.

10. [This Section is left intentionally blank.]

11. Americans with Disabilities Act. The Lessee shall be responsible for compliance upon the Leased Premises with all requirements of the Americans with Disabilities Act, and shall indemnify, defend, and save the Lessor harmless from any claim, damage, or loss resulting from the Lessee's failure to comply with the Act, which indemnification shall survive the termination of this Lease.

12. Sole Agreement. This Lease constitutes the sole and only agreement of the parties and supersedes any prior understanding or written or oral agreement between the parties respecting the subject matter within it, including but not limited to the Prior Lease.

13. Amendment. No amendment, modification, or alteration of the terms of this Lease shall be binding unless the same shall be in writing and duly executed by the parties.

14. Notices. All notices to be given under this Lease shall be addressed to the proper party at the following addresses:

Lessor:

School Board of St. Lucie County, Florida
4204 Okeechobee Road
Fort Pierce, Florida 34947
Attn: Executive Director of Facilities
With Copy to: Daniel Harrell, Attorney

Lessee:

The Agricultural and Labor Program, Inc.
300 Lynchburg Road, Lake Alfred, FL 33850

Attn: Elizabeth Young, Director
With Copy to: _____

15. Termination.

(a) In the event the Leased Premises shall be deserted, abandoned, or vacated for more than ninety (90) days or if default be made in performance of the covenants and agreements in this Lease, the Lessor may, if it so elects at any time thereafter, terminate this Lease upon giving to the Lessee forty-five (45) days notice in writing.

(b) Upon the giving of any notice as provided in paragraph (a) or (b) above, this Lease and the term thereof shall terminate, expire, and come to an end on the date fixed in such notice as if such date were the date originally fixed in this Lease for the termination or expiration.

IN WITNESS WHEREOF, the Lessor and the Lessee have executed this Lease as of the day and year first above-written.

Lessor:

Attest:

SCHOOL BOARD OF ST. LUCIE
COUNTY, FLORIDA

Michael J. Lannon
Superintendent and Ex Officio
Secretary

By:

Kathryn Hensley, Chair

Lessee:

THE AGRICULTURAL AND LABOR
PROGRAM, INC.

By:

Deloris Johnson, Chief Executive Officer

By:

Elizabeth Young, Director

EXHIBIT A

[CONCEPTUAL APPROVAL]

Approved by the School Board
of St. Lucie County on 1-25-11


Kathryn Hensley, Chairman

January 25, 2011 Regular Workshop
Agenda Item #13

Title

Conceptual Approval of Cooperative Lease Agreement - Port St. Lucie Elementary School Site (Revised)

Description

The School District has had a collaborative agreement with the Agricultural and Labor Program, Inc. (ALPI) for about 3 decades. By this agreement, the School Board has provided a location for ALPI to place its modular building that provides an early learning center for pre-kindergarten students.

Currently, ALPI has a facility at Village Green Environmental Studies School (VGESS) that services about 60 students. They also have a rental facility at 1420 SE Westmoreland Boulevard, Port St. Lucie, FL 34952 in the Club Med area. ALPI only has two facilities in Port St. Lucie and they both are located on the east side of the City and are not centrally located to serve all of Port St. Lucie. The Facility at VGESS has some operational issues that have caused concerns for the school. The District has explored solutions to the operational concerns and recognized another campus location could provide better service to the families in Port St. Lucie.

In 2009, Port St. Lucie Elementary School (PSLE) was closed. The main building of that school was demolished because it was beyond its useful life. That campus currently has a cafeteria, 10 modular classroom wing, and 6 portable classrooms. The 6 portable classrooms and cafeteria are operational. The 10 modular classroom wing has an air-conditioning system that requires a chiller. The chiller plant was demolished as part of the work in 2009. In order to use the wing, a new chiller or different type of air-conditioning unit must be installed. The cost to do this work is approximately \$360,000.

Staff has presented the opportunity to ALPI to utilize the classroom buildings at the PSLE site. ALPI has indicated they would like to proceed with a lease for the site. This would allow them to expand services in an economical manner to families in Port St. Lucie.

Staff has had a variety of discussions pertaining to the remainder of the property. Port St. Lucie Parks and Recreation Department has expressed interest in maintaining and using the athletic fields adjacent to Sportsman Park. This would allow the City to expand the T-ball program. The Boys and Girls Club (B&GC) has also expressed interest in using the cafeteria for a Boys and Girls Club Clubhouse. This program is similar to an after-care program that allows a much reduced rate for families. Students can become a member of the clubhouse for an annual cost of \$10 or \$20. The normal after-care program at B&GC is about \$35-\$50 per week. The B&GC is seeking private/grant funding to operate another clubhouse in St. Lucie County. A B&GC clubhouse at the site would again enhance child development opportunities in the area.

This would allow the school district to:

- Solve the operational issues at VGESS.
- Eliminate any operational expenses for maintaining the PSLE school site.
- Cost avoidance of the capital expenses.

Recommendation

The Superintendent is recommending the Board approve a conceptual use for the facility and direct staff to negotiate lease agreements with ALPI, the City of Port St. Lucie, and the Boys' and Girls' Club of St. Lucie County.

My Contact

Marry E. Sanders, P.E.
Executive Director of Growth Management, Land Acquisition, Inter-Governmental Relations, Facilities & Maintenance
phone 772.340.7105

Financial Impact

No direct cost to the District. The proposed use will provide a cost avoidance of about \$ 20,000 per year to maintain and provide utilities to the site. It will also provide approximately \$360,000 capital investment by the lease that will benefit the District facility.

EXHIBIT B

[LEASED PREMISES]



EXHIBIT C

[RENOVATIONS]

Port St. Lucie Elementary Modular Classrooms

Summary of items that will need to be addressed at the PSLE Campus: The following is a list of items that will need to be addressed so the modular classroom wing at Port St Lucie Elementary can be reoccupied by ALPI.

HVAC Systems: the heating ventilation and air conditioning (HVAC) system was disconnected when the main building was demolished. Dehumidifiers were put in the buildings to control moisture levels. A new system must be installed. The two options to restore the HVAC system are:

1. Install a new chiller, or
2. Replace the room chilled water units with self-contained DX units.

Electrical Systems: The classroom room wing was being supplied power through the main school buildings electrical service. When the main building was demolished we hooked up a partial service to the classroom bldg. This will have to address with a new service from FP&L and labor and materials from an electrical contractor.

Telephone and Data Systems: The main telephone and data wiring ran through the main classroom building were disconnected when it was demolished. These system main wires from the street will need to be replaced. In the electrical bid there are allowances for running the conduits from the street to the classroom building. In the project worksheet there is a price for a new phone system. The tenant will need to install a data rack and data server. The estimate did not include this work.

Fire Alarm System: The fire alarm system will need to be addressed as it too has been disconnected during the demolition.

Test & Balance of HVAC systems: An allowance for the test and balance of the HVAC systems is included in the estimate.

Water & Sewer Utility: The water service will need to be split so each tenant may receive a separate bill.

Cleaning: An allowance for cleaning the interior and the exterior of the classroom building is included.

Architects/Engineering Design: Complete design for Architect and Engineering is required.