



Agenda Item # ^{9A}
January 11, 2018

20 N. Swinton Avenue
Delray Beach, FL 33444

~ CRA BOARD SUMMARY ~

REQUEST TO AMEND LEASE AGREEMENT WITH CAREERSOURCE OF PALM BEACH COUNTY AT 186 NW 5TH AVENUE TO ALLOW FOR MANPOWER OCCUPANCY

Background:

On May 11, 2017, the CRA Board accepted a proposal by CareerSource Palm Beach County (CareerSource) to activate the vacant CRA property at 186 NW 5 Avenue into a new, in-area career center ("Career Cottage") for job seekers seeking career and job placement services. Although the CRA had also received and reviewed proposals from Manpower and Premier Staffing Solutions, it was determined at the time due to space constraints the proposal by CareerSource was the best respondent to meet the needs of the community. Consequently on July 27, 2017, the CRA Board approved an initial three (3) year commercial lease with CareerSource for the 1,091 square foot building with an option to renew for an additional twelve (12) month period for a reduced rate of \$12 per year with requirements to also provide the CRA with:

- Quarterly reports on CareerSource programs at Career Cottage
- On demand local workforce, labor market and unemployment reports and statistics
- Local job, hiring and trade fairs
- Delray Beach Career Expo
- Workforce roundtables with local employers and small business owners
- "How to Hire" employer workshop series

Request by CareerSource to Allow Manpower Occupancy at Career Cottage:

Since then, CareerSource has readied the facility and completed its staffing and operation plans for its opening on Thursday, January 18, 2018. As a result of reductions in funding, and in subsequent partner conversations with Manpower, a leader in innovative workforce solutions, there is now a desire by CareerSource Palm Beach County to allocate an office for no charge to Manpower who plans on adding one (1) staff member to the facility to supplement CareerSource's staff and services to the community. Manpower's offering of an agile and flexible workforce model to meet the needs of their corporate and business clients seeking talent will complement CareerSource's job seeker services and provide a more robust job placement aspect of Career Cottage.

Policy:

The CRA's standard commercial lease agreement does not allow for the right to sublet (Article 10 – see below) and it has not been the CRA's practice to allow it due to potential legal complications it might create if the CRA would need to terminate a lease due to any of its default provisions. In assessing the uniqueness of this facility and the fact that the CRA initiated the project with the possibility of having multiple tenants one of which was Manpower, staff is recommending the approval of CareerSource Palm Beach County's request to allow for the occupancy of Manpower as a sublessor due to the public benefit expected to be derived from the enhanced level of career and job placement services by both entities to the community.

ARTICLE 10
RESTRICTIONS ON ASSIGNMENT, MORTGAGING AND SUBLETTING

10.1 Lessee shall not, voluntarily or by operation of law, sell, assign, transfer, mortgage, pledge or create a security interest in this Lease, or sublet the Premises. Any purported sale, assignment, transfer, mortgage, pledge, creation of a security interest in or other disposition or encumbrance of this Lease or subletting of the Premises in violation of this Section shall be null and void and of no force or effect. Any sale or transfer, voluntarily or by operation of law, of the controlling interest in any firm, corporation or other entity then having the rights of Lessee hereunder shall be deemed an assignment of this Lease and shall require the consent of Lessor as provided in this Section.

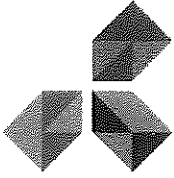
If the CRA Board approves this recommendation, CareerSource would be required to enter into a Memorandum of Understanding with Manpower relating to the shared office space with operational expenses and Manpower would need to provide adequate proof of insurance to the CRA, including naming the CRA as an additional insured, along with proof of business tax receipts.

Recommended Action:

Authorize the CRA Board Attorney to amend the CareerSource Palm Beach County lease agreement to allow for the occupancy of Manpower into Career Cottage at 186 NW 5 Avenue and authorize the CRA Board Chair and Executive Director to execute the amendment.

Submitted By: Joan K. Goodrich, Economic Development Director

Attachments: Letter of Request from CareerSource Received December 27, 2017



CareerSource
PALM BEACH COUNTY

RECEIVED
DEC 27 2017
BY:

January 21, 2017

ATTN: Mr. Jeff Costello, Executive Director
Delray Beach Community Redevelopment Agency
20 North Swinton Avenue
Delray Beach, Florida 33444

Dear Mr. Costello:

CareerSource Palm Beach County is respectfully requesting approval to share space with Manpower at the Harvel Career Cottage we currently lease from the Delray Beach Community Redevelopment Agency. As a result of reductions in funding we have incurred, Manpower is willing to participate and collaborate with CareerSource that now allows us to continue providing the same level of services. Manpower will provide at no cost job order and job placement information services.

We have successfully partnered with Manpower for many years to meet the ever growing job placement challenges of the residents of the city of Delray Beach. With Manpower's global presence, local expertise and leveraging their expertise, we will be in a position to determine the current and future skills gaps, identify people from various backgrounds who need help entering the workforce, and apply that expertise to create solutions that benefit both job seekers and employers. Our partnership at the Delray Harvel Career Cottage with Manpower will be beneficial to the city and its revitalization efforts. Together we can do so much for this area and are excited to have Manpower join us in this endeavor!

Thank you in advance for your cooperation and assistance. I look forward to hearing from you soon.

Sincerely,

Steve Craig
President/CEO