



Cover Memorandum/Staff Report

File #: 19-337

Agenda Date: 4/2/2019

Item #: 7.E.

TO: Mayor and Commissioners
FROM: Susan Goebel-Canning, Public Works Director
THROUGH: Caryn Gardner-Young, Assistant City Manager
THROUGH: Neal de Jesus, Interim City Manager
DATE: April 2, 2019

POLICY DIRECTION: AMERICAN LEGION POST 188

Recommended Action:

Provide comment and direction regarding the responsibility for the repairs of 196 NW 8th Avenue, a City of Delray Beach (City) facility also referred to as the American Legion Post 188.

Background:

The City owns property located at 196 NW 8th Avenue ("Property"). In 1982, the City entered into a lease agreement with the American Legion Post for one dollar for the American Legion to use the Property for a meeting hall. During the term of the American Legion Post 188 lease agreement, the American Legion Post 188 subleased the Property to Christians Reaching Out to Society Inc. Both entities have since vacated the facility; lease agreements are no longer effective.

Built in 1966, the three thousand square foot clubhouse has changed very little. The facility was recently evaluated by an architect for future use; findings suggested that the site is not yet functionally or economically obsolete though the building will require renovations prior to any use. Recommended renovations estimated \$446,000 to address health and safety issues as well as modifications to improve use. During the March 12, 2019 City Commission meeting, direction was given to proceed with discussions and lease options to the American Legion Post 188. The renovation project was re-evaluated to better understand the costs associated with performing health, safety and welfare issues only. Renovation costs for health, welfare and safety issues alone are estimated at \$66,000 and an additional \$107,000 for basic renovations usually performed to make a building comfortable for occupancy.

Staff is requesting City Commission direction regarding the where the responsibility of constructing the health/welfare/safety improvements as well as any other additional improvements should fall for the property located at 196 NW 8th Avenue if it is leased back to the American Legion.

City Attorney Review:

City Attorney will develop lease agreement following decision regarding funding responsibility

Funding Source/Financial Impact:

N/A at this time.

Timing of Request:

Lease agreement is set to expire this month and the American Legion would like to continue occupancy with limited interruption.