

ITEM #49

ADDITIONAL MATERIAL

**Regular Meeting
SEPTEMBER 10, 2020**

SUBMITTED AT THE REQUEST OF

COUNTY ADMINISTRATION



BERTHA W. HENRY, County Administrator

115 S. Andrews Avenue, Room 409 • Fort Lauderdale, Florida 33301 • 954-357-7362 • FAX 954-357-7360

MEMORANDUM

DATE: September 3, 2020

TO: Board of County Commissioners

FROM: Bertha Henry, County Administrator

A handwritten signature in blue ink, appearing to be "Bertha Henry", is written over the "FROM:" line.

SUBJECT: Young At Art Separation Agreement - Historical Information and Current Receivables - Agenda Item No. 49

Please find attached three documents that provide additional information regarding the County's historical and more recent relationship with Young At Art (YAA), which in summary reflects **a total of \$803,932 owing to the County, \$422,708 prior to the Covid-19 pandemic and \$381,224 post the pandemic**. Note: late fees and other expenses were incurred pre-Covid-19 but are attributed to post-Covid-19 because of when they were billed.

The "Historical Summary" document outlines the original 2004 agreement for the construction of the current facility housing YAA, and subsequent changes made over the years.

The "Payment History" document provides a history of YAA payments under the current lease. Items in red indicate either a late payment or an unpaid invoice.

The "Rents and Charges Due" document shows all outstanding expenses owed to the County; when those expenses were incurred and how long they have been outstanding (aging).

If you have any questions, please contact Assistant County Administrator Alan Cohen at alcohen@broward.org or at 954-357-7364.

w/ attachments

cc: Andrew Meyers, County Attorney
Robert Melton, County Auditor
Monica Cepero, Deputy County Administrator
Alan Cohen, Assistant County Administrator
Mike Kerr, Deputy County Attorney
Kelvin Watson, Director of Libraries
Scott Campbell, Director of Facilities Management

Historical Summary of Relationship Between Young At Art (YAA) and Broward County

- February 2004, the County entered into agreement with YAA for design and construction of a Children’s Museum – County to provide \$3 million in funding, YAA to match with \$6 million.
- December 2006, agreement amended to include a 40-year lease provision at \$1 per year. YAA to also pay \$1.2 million/year for 11 years for their share of actual construction costs.
- 2007-2014, YAA defaults on agreement and makes no payments previously agreed upon
- February 2014, agreement amended to include a 37-year debt obligation repayment schedule, a new lease agreement and a requirement that 50% of unrestricted pledge payments be turned over to County to apply to outstanding debt principle.
- April 2016, County Auditor reports that YAA owes County \$240,888 for FY15 and \$282,148 for FY16 related to required pledge payments not turned over to the County. Board directs staff to begin renegotiating the agreement.
- January 2017, staff negotiates a new agreement with YAA, which then informs County it will be unable to execute the agreement due to concerns about its ability to honor the financial terms. YAA suggests and the County agrees to a straightforward lease agreement.
- June 2018, Board approves new YAA lease, with lease and operating expenses payments, relieving YAA of a \$10.9 million debt to the County
- December 2018, YAA begins new pattern of late payments to County
- June 2019, YAA stops paying operating expenses payments to County
- March 2020, YAA stops paying lease payments to County

Payments due to County pre-Covid-19 Emergency Declaration	\$422,708
Payments due to County post-Covid-19 Emergency Declaration	\$381,224
Total due to County from YAA as of 9/9/20	\$803,932

YOUNG AT ART BROWARD Lease Payment History

Invoice Date	Period	Amount	Inv#	Due Date	Date Paid	Amount Paid	Additional Late Fee Rent Due	Late Fee for Operating Expenses
	July 2018 Rent	25,000		7/1/2018	7/3/2018	25,000		
	August 2018 Rent	25,000		8/1/2018	7/31/2018	25,000		
7/25/2018	Apr-Jun 2018 Operating Exp	73,793	LI10000047	8/25/2018	8/20/2018	73,793		
	September 2018 Rent	25,000		9/1/2018	9/5/2018	25,000		
	October 2018 Rent	25,000		10/1/2018	10/4/2018	25,000		
	November 2018 Rent	25,000		11/1/2018	11/5/2018	25,000		
	December 2018 Rent	25,000		12/1/2018	12/5/2018	25,000		
11/15/2018	Jul-Sep 2018 Operating Exp	76,471	LI10000053	12/15/2018	6/6/2019	76,471		3,823.55
	January 2019 Rent	25,000		1/1/2019	1/7/2019	25,000	1,250	
	February 2019 Rent	25,000		2/1/2019	2/7/2019	25,000	1,250	
	March 2019 Rent	25,000		3/1/2019	3/4/2019	25,000		
2/20/2019	Oct-Dec 2018 Operating Exp	74,365	LI10000056	3/20/2019	8/15/2019	74,365		3,718.25
	April 2019 Rent	25,000		4/1/2019	4/6/2019	25,000	1,250	
	May 2019 Rent	25,000		5/1/2019	4/26/2019	25,000		
5/20/2019	Jan-Mar 2019 Operating Exp	75,253	LI10000060	6/20/2019	UNPAID	0.00		3,762.65
	June 2019 Rent	25,000		6/1/2019	6/6/2019	25,000	1,250	
	July 2019 Rent	25,750		7/1/2019	7/5/2019	25,750		
	August 2019 Rent	25,750		8/1/2019	8/5/2019	25,750		
	September 2019 Rent	25,750		9/1/2019	9/24/2019	25,750	1,250	
9/5/2019	Apr-Jun 2019 Operating Exp	80,243	LI10000063	10/5/2019	UNPAID	0.00		4,012.15
	October 2019 Rent	25,750		10/1/2019	10/7/2019	25,750	1,250	
	November 2019 Rent	25,750		11/1/2019	11/5/2019	25,750		
	December 2019 Rent	25,750		12/1/2019	12/20/2019	25,750	1,250	
11/25/2019	Jul-Sep 2019 Operating Exp	86,476	LI10000067	12/25/2019	UNPAID	0.00		4,323.80
	January 2020 Rent	25,750		1/1/2020	5/22/2020	25,750	1,250	
	February 2020 Rent	25,750		2/1/2020	6/22/2020	25,750	1,250	
	March 2020 Rent	25,750		3/1/2020	UNPAID	0.00	1,250	
2/27/2020	Oct-Dec 2019 Operating Exp	81,950	LI10000070	3/27/2020	UNPAID	0.00		4,097.50
6/1/2020	Jan-Mar 2020 Operating Exp	81,052	LI10000078	6/30/2020	UNPAID	0.00		4,052.60
	Prorated Expense pre-Covid-19	73,028						3,651.40
8/11/2020	Billing Correction for Operating Expenses incurred Pre COVID-19	64,081	LI10000080	9/11/2020	Unbilled			
	April 2020 Rent	25,750		4/1/2020	UNPAID	0.00	1,250	
	May 2020 Rent	25,750		5/1/2020	UNPAID	0.00	1,250	
	June 2020 Rent	25,750		6/1/2020	UNPAID	0.00	1,250	
6/1/2020	Jan-Mar 2020 Operating Exp	81,052	LI10000078	6/30/2020	UNPAID	0.00		4,052.60
	Prorated Expense post-Covid-19	8,024						401.20
	July 2020 Rent	26,522		7/1/2020	UNPAID	0.00	1,250	
	August 2020 Rent	26,522		8/1/2020	UNPAID	0.00	1,250	
	September 2020 Rent	26,522		9/1/2020	UNPAID	0.00	1,250	
8/10/2020	Apr-Jun 2020 Operating Expense	100,400	LI0000079	9/10/2020	Unbilled	0.00		
8/11/2020	Billing Correction for Operating Expenses incurred Post COVID-19	4,021	LI10000081	9/11/2020	Unbilled			

YOUNG AT ART OF BROWARD

Rents and Other Charges Due and Owed to the County

As of September 9, 2020

Expense	Accounting Date	Total Line Amount	Future	Current	Aging Analysis				
					31-60	61-90	91-120	121-365	366-1460
MAR RENT	3/1/2020	25,750.00						25,750.00	
APR RENT	4/1/2020	25,750.00						25,750.00	
MAY RENT	5/1/2020	25,750.00						25,750.00	
JUN RENT	6/1/2020	25,750.00					25,750.00		
JUL RENT	7/1/2020	26,522.00				26,522.00			
AUG RENT	8/1/2020	26,522.00			26,522.00				
Jan-Mar 2019 Oper. Exp.	5/20/2019	75,253.00							75,253.00
Apr-Jun 2019 Oper. Exp.	9/5/2019	80,243.00						80,243.00	
Jul-Sept 2019 Oper. Exp.	11/21/2019	86,476.00						86,476.00	
Oct-Dec 2019 Oper. Exp.	2/27/2020	81,950.00						81,950.00	
Jan-Mar 2020 Oper. Exp.**	6/1/2020	81,052.00					81,052.00		
Apr-Jun 2020 Oper. Exp.	8/10/2020	100,499.00		100,499.00					
Back bill to correct previous invoices	TBD	64,081.00		64,081.00					
Back bill to correct previous invoices	TBD	4,021.00		4,021.00					
PENDING (For Late Fees)	TBD	38,940.00	38,940.00						
PENDING (For Late Fees)	TBD	7,601.00	7,601.00						
Total Amount Due and Owed to the County		803,932.00							
Amount Due pre-Covid-19 EO of 3/22/20***		422,707.87							
Amount Due post-Covid-19 EO of 3/22/20		381,224.13							

**Note: The County's first Emergency Order that shut down non-essential businesses was issued on 3/22/20.

The Jan-Mar 2020 Operating Expenses attributable to pre-Covid expenses were pro-rated to exclude the last days of March 2020.

***Notwithstanding when they were incurred, all late fees in this chart were counted as post-Covid-19 expenses