

1 Resolution No. 22 -2012

2 Resolution to Act on Offer of Endeavors Adult Development Center to Modify Terms of Adult
3 Development Center Lease Agreement for 2012
4 (Accept or Reject Offer)
5

6 TO THE HONORABLE SUPERVISORS OF THE COUNTY BOARD OF THE COUNTY OF
7 POLK:

8
9 Ladies and Gentlemen:

10
11 WHEREAS Polk County, as landlord, and Endeavors Adult Development Center, Inc. (Endeavors),
12 as tenant, have entered into a Lease Agreement for the lease of the Polk County Adult Development
13 Center building; and

14
15 WHEREAS, the Lease Agreement required, among other things, for Endeavors to pay monthly rent for
16 the month of December 2011 in the sum of \$ 4,000; and

17
18 WHEREAS, during the development of the 2012 budget, Polk County and Endeavors negotiated
19 amended provisions of the lease agreement and both parties agreed to the amended provisions with
20 an effective date of January 1, 2012; and

21
22 WHEREAS, among amendments agreed upon, the amount of rental and periodic payment provision
23 required Endeavors to pay an annual rental amount of Thirty-four Thousand Eight Hundred
24 (\$34,800) Dollars, paid in monthly payments of Two Thousand Nine Hundred (\$2,900) Dollars
25 commencing on the 1st day of January 2012, and on or before the 1st day of each successive month
26 thereafter.

27
28 WHEREAS, Endeavors had defaulted on the terms of the Lease Agreement by failing to pay the
29 December 2011 rent in the sum of \$4,000 and by failing to pay the rent due for the months of
30 January, February, March, and April, each in the sum of \$2,900; and

31
32 WHEREAS, pursuant to its rights under the Lease Agreement and under law, Polk County did serve,
33 on April 12, 2012, Endeavors with a Notice of Default which demanded Endeavors correct the
34 default consistent with the terms of the Lease Agreement by paying the outstanding sum of \$15,600
35 within 15 days, or alternatively, take action to suspend the time to correct the default by submitting a
36 remedial action/payment plan with adequate consideration that would correct the default in a manner
different than full payment, as provided in the Lease Agreement; and

37
38 WHEREAS, on April 26, 2012, Endeavors served Polk County with an offer to modify the lease
39 agreement, seeking to reduce the annual rental payment to \$30,000 and adopt a periodic rental
40 payment schedule as follows: \$1,000.00 a month for the months of January through June 2012;
and \$4,000.00 a month for the months of July through December 2012; and

41
42 WHEREAS, Endeavors tendered with said offer a check in the sum of \$9,000 which would, upon
43 acceptance of the offer, apply to the rent amount of \$4,000, past due for December 2011; to the rent
44 past due in the sum of \$5,000, as modified under the offer, for the months of January through April
45 2012 at the monthly rental rate of \$1,000; and to the current month of May 2012 in the amount of
\$1,000; and

46 WHEREAS, On April 26, 2012, Polk County served Endeavors with an Acknowledgement of
47 Receipt, Notice of Suspension of Time to Correct Default/ Reservation of Rights, a copy of
48 which is attached hereto and incorporated herein.

49 WHEREAS, the offer of Endeavors is a material change to the provisions of the Lease Agreement
50 which Polk County and Endeavors must mutually agree to before the terms of such offer may be part
51 of the Lease Agreement; and

52 WHEREAS, pursuant to Wisconsin Statute Section 59.01, the Polk County Board of Supervisors is
53 authorized to accept or reject the terms of leases involving lands and buildings of Polk County.

54 (Select Either Option A or Option B)

55 *****

56 Option A:

57 NOW, THEREFORE, BE IT RESOLVED that, pursuant to Wisconsin Statute Section 59.01, the
58 Polk County Board of Supervisors, on behalf of Polk County, accepts and adopts the offer of
59 Endeavors to modify the Lease Agreement as contained in its letter dated April 26, 2012,
60 attached hereto and incorporated herein.

61 BE IT FURTHER RESOLVED that this resolution shall be effective retroactively to January
62 1, 2012, upon passage and publication within 10-days of passage consistent with Wisconsin
63 Statute Section 65.90(5)(a).

64 *****

65 Option B:

66 NOW, THEREFORE, BE IT RESOLVED that, pursuant to Wisconsin Statute Section 59.01, the
67 Polk County Board of Supervisors, on behalf of Polk County, rejects the offer of Endeavors to
68 modify the Lease Agreement as contained in its letter dated April 26, 2012, attached hereto
69 and incorporated herein.

70 BE IT FURTHER RESOLVED that this resolution shall be effective upon passage.

71 *****

72 Funding Amount and Source: Budgeted Rental Income Reduced from \$34,800 to \$30,000

73 Finance Committee Advised: May 9, 2012

74 Finance Committee Recommendation: Outstanding Upon Distribution to County Board

75 Polk County Property, Forestry and Recreation Committee: May 7, 2012

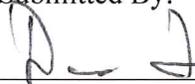
76 Polk County Property, Forestry and Recreation Committee Recommendation: Outstanding Upon
77 Distribution to County Board

78 Date Submitted to County Board: May 4, 2012 for the May 15, 2012 Meeting

79 Effective Date: If Option A is selected, then the resolution is effective upon passage and
80 publication pursuant to Section 65.90(5)(a) and upon the modification of the
81 Lease Agreement is effective retroactively to January 1, 2012.
82

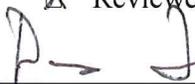
83 If Option B is selected, then the resolution is effective upon passage.
84

85 Submitted By:

86 
87 _____
88 Dana Frey, County Administrator

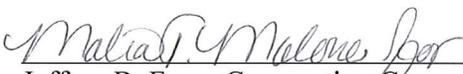
89
90 Review By County Administrator:

- 91 Recommended
92 Not Recommended
93 Reviewed Only

94 
95 _____
96 Dana Frey, County Administrator

97 Review By Corporation Counsel:

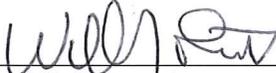
- 98 Approved as to Form
99 Recommended
100 Not Recommended
101 Reviewed Only

102
103 
104 _____
105 Jeffrey B. Fuge, Corporation Counsel

106 County Board Action:
107

108 On May 15, 2012, the Polk County Board of Supervisors adopted Resolution No.
109 _____: Resolution to Act on Offer of Endeavors Adult Development Center
110 to Modify Terms of Adult Development Center Lease Agreement for 2012 (Accepted/
111 Option A) by a two-thirds vote of all supervisors of _____ in favor and _____
112 against.
113

114 On ^{June 19} May 15, 2012, the Polk County Board of Supervisors adopted Resolution No.
115 ²²⁻¹² _____: Resolution to Act on Offer of Endeavors Adult Development Center
116 to Modify Terms of Adult Development Center Lease Agreement for 2012 (Rejected/ Option
117 B) by a majority vote of _____ in favor and _____ against. ^{by unanimous voice}
118 ^{Vote}

119 
120 _____
121 William F. Johnson, IV, Chairperson

122 Attest:  Dated: 6-27-12
123 _____
Carole T. Wondra, County Clerk

