

Facilities Planning and Construction
Paul J. Phillips, Chief Facilities Officer

SUBJECT: AUTHORIZATION TO EXECUTE A LEASE AGREEMENT WITH JACK THOMAS, INC., REALTORS, AS AGENTS FOR OMNI PARTNERSHIP, FOR PARKING SPACE FOR THE SCHOOL BOARD ADMINISTRATION BUILDING

Since November 1994, the Board has leased 200 parking spaces within the 1444 Biscayne Boulevard Building garage for District staff, from Biscayne Investment Corporation. The building owner has advised that, in the near future, the 200 parking spaces will no longer be available for District use. District Office Operations has indicated a continuing need for parking spaces, and staff has located suitable replacement facilities at 235 N.E. 16 Street (see attached location map). The new parking facility consists of a minimum of 57 paved spaces (parking lot #1), with an ability to add approximately 40 paved spaces (parking lot #2), and approximately 70 unpaved spaces (parking lot #3), should the Board require use of the full site. District Office Operations has advised that at such time as the lease at the 1444 Biscayne Boulevard Building garage is terminated, staff parking needs can be met by acquiring the use of approximately 130 parking spaces.

The owner of the 1444 Biscayne Boulevard Building garage has not provided an exact termination date, and may cancel the use of the 200 spaces, in whole or in part, with 30 days notice. Therefore, it is recommended that the District enter into a lease agreement with Jack Thomas, Inc., Realtors, which can be exercised at the District's discretion for a period not to exceed six months from execution of the lease, in increments up to 170 spaces. At such time as the District is notified of the cancellation, in whole or in part, of the parking spaces at the 1444 Biscayne Boulevard Building garage, or the Superintendent determines a need for additional staff parking facilities, the Superintendent shall have the authority to exercise the lease and initiate the lease commencement. Terms of the lease will require the District to initially lease all of parking lot #1. Thereafter, the Superintendent shall be authorized to increase the number of leased parking spaces within lots #2 and #3, at such time as they are required for District use. The District is currently pursuing a number of permanent parking options which may eventually allow the termination of all Central Administration parking leases.

In accordance with Division leasing procedures, when the duration of new leases is expected to exceed three years, or upon the completion of the original term of the existing lease, the Division shall perform an analysis to determine lease costs versus the costs associated with lease-purchase or purchasing a similar facility. Based on the need to only provide short term parking prior to the implementation of permanent parking options, leasing remains the District's most cost-effective option.

Pursuant to negotiating procedures, a Management Team meeting was held on June 28, 1999, for direction on negotiating strategies and parameters. Based on this direction, terms and conditions of the proposed lease agreement are as follows:

- the District shall have up to six months from the execution of the lease to exercise the agreement, with the Superintendent authorized to notify the landlord of its intention to initiate lease commencement for the use of up to 170 parking spaces. If the agreement is not exercised within six months from execution of the lease, the agreement shall be null and void and of no further force and effect;
- as of the commencement date of the agreement, the District will be obligated to lease a minimum of 57 parking spaces. Thereafter, the Superintendent shall have the authority to lease additional spaces in increments of 20 spaces, up to a maximum of 170 total spaces, upon 30 days written notice to the landlord;
- as of the commencement date of the agreement, the rental rate for parking spaces located within lots #1 and #2, shall be \$26.25 per parking space per month. The rental rate for parking spaces located within lot #3, shall be \$19.69 per parking space per month;
- as of the commencement date of the agreement, a one year term, with three one-year renewal option periods, at the Board's option;
- as of the commencement date of the agreement, the District shall be responsible for all utilities, supervision and site maintenance;
- as of the commencement date of the agreement, the District shall have the right to cancel the lease at any time by giving the landlord 180 days prior written notice;
- as of the commencement date of the agreement, the landlord will only have the right to cancel the lease if the District defaults under the terms of the lease and fails to cure the default, or if the landlord enters into a contract to develop the site;
- the annual rent during each of the three option periods shall remain unchanged; and
- the Superintendent shall be the party designated by the Board to grant or deny all approvals required by this lease, or to cancel this lease.

The proposed agreement has been reviewed by the School Board Attorney's Office and by the Office of Risk and Benefits Management. The Deputy Superintendent of Schools recommends approval of this agreement.

A copy of the proposed agreement will be placed on file in the Citizen Information Center and the Recording Secretary's Office.

RECOMMENDED:

That The School Board of Miami-Dade County, Florida, authorize the Superintendent or his designee:

1. to execute a lease agreement with Jack Thomas, Inc., Realtors, as agents for Omni Partnership, for a maximum of 170 parking spaces for the School Board Administration Building, at a rate of \$26.25 per parking space per month for paved spaces and \$19.69 per parking space per month for unpaved spaces, and under the terms and conditions set forth above; and
2. to exercise the lease agreement and initiate the lease commencement for a minimum of 57 parking spaces for a period of up to six months from execution of the lease. Thereafter, the Superintendent or his designee shall have the authority to lease additional parking spaces, up to a maximum of 170, as additional staff parking facilities are required.

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LOCATION MAP

