

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

SUBJECT: AUTHORIZATION TO EXECUTE A PURCHASE AND SALE AGREEMENT WITH MIAMI-DADE COUNTY FOR A PROPERTY FOR THE NORTHEAST TRANSPORTATION CENTER

At its February 10, 1999 meeting, the Board authorized staff to negotiate for the purchase of a bus storage and maintenance facility, located at 5901 N.W. 27 Avenue, Miami, Florida (see attached location map).

Pursuant to negotiating procedures, Management Team (MT) meetings were held on May 24, 1999, April 24, 2000 and July 21, 2000, in order to identify the specific parameters and strategies to be used in negotiating for the purchase of this property. Based on the MT recommendations, staff entered into negotiations with Miami-Dade County. The District commissioned two separate independent appraisals and a review appraisal for the property. The two appraisals reflected a fair market value of \$2,900,000 and \$2,100,000. Staff was concerned with the disparity between the two appraised values and, therefore, an independent review appraisal was ordered. The reviewer did not agree with either of the two previous appraised values and provided a new value of \$3,000,000. The County obtained its own appraisal with a value of \$3,450,000. By averaging the \$2,900,000 and \$3,000,000 appraised values, an average appraised value of \$2,950,000 was determined. A purchase and sale agreement for this property has been negotiated under the following terms and conditions:

- the purchase price shall be \$3,100,000;
- the seller shall be responsible for the cost of any outstanding taxes, special assessments or liens on the subject property, except those created by the District's use of the property;
- the seller shall be responsible for the requisite documentary stamps/surtax on the deed;
- the seller shall secure an updated abstract or a title commitment for the subject property;
- the seller shall secure a signed and sealed survey;
- the Board shall secure its own environmental assessment of the subject property;
- this purchase shall be conditioned upon Miami-Dade County's Department of Environmental Resources Management (DERM) agreeing not to impose any obligations on the District regarding the property, and conditioned upon the seller certifying to the District that there are no federal guidelines or restrictions that will negatively impact the District's ownership and

use of the property.

- the seller shall remove or cure any liens and encumbrances, unless otherwise agreed to by the Board.

The subject property is described as:

Tract B of MTA North Division, as recorded in Plat Book 119, Page 45, of the Public Records of Miami-Dade County, Florida.

The negotiated purchase price for the subject property is approximately 5% above the average appraised value of the property; therefore, requiring an extraordinary vote of the Board to authorize the execution of a purchase and sale agreement. The reasons for recommending a purchase price in excess of appraised value are as follows:

- The District will not be required to make additional improvements to the facility; therefore, the cost will be \$3,100,000, compared to the estimated cost of approximately \$5,393,333, for the District to purchase a site and construct a similar facility.
- The District has leased the facility since 1989 at an annual lease rate of \$1 per year.
- The County has reduced their original asking price from \$3,450,000, to the negotiated price indicated, and staff does not believe that a lower price can be negotiated.
- The County has indicated that, should the District decide not to purchase the facility it would be their intent to put the property out for bid for acquisition, and there is a risk that the property could be purchased by another entity and the District be forced to vacate.
- This facility is conveniently located within the geographic area it serves. There is no available land in the neighborhood of the requested size for this purpose. All land surrounding the site is mostly developed as residential, with some commercial properties facing the major roads.

The Deputy Superintendent for School Operations recommends approval of this purchase.

This item does not appear in the published agenda. The Board finds good cause to vary from the agenda since the District must authorize the purchase of the facility within the time frame prior to the County withdrawing acceptance of the offer.

RECOMMENDED:

That The School Board of Miami-Dade County, Florida, authorize:

1. the Superintendent or his designee to execute a purchase and sale agreement for the purchase of the subject property at a price of \$3,100,000, for the Northeast Transportation Center, under the terms and conditions set forth above; and
2. the payment of environmental assessments related to the purchase of the subject property.

JEM:lbd

LOCATION MAP

