

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

**SUBJECT: RENEWAL OF LEASE AGREEMENT WITH G. D. ROSS PROPERTIES FOR A PHYSICAL EDUCATION ANNEX, MULTI-PURPOSE CLASSROOM AND EXHIBIT GALLERY FOR THE DESIGN AND ARCHITECTURE SENIOR HIGH SCHOOL**

Since May 1996, the Board has leased 11,044 square feet of office space located at 4141 N. E. 2 Avenue, for a physical education annex, multi-purpose classroom and exhibit gallery for the Design and Architecture Senior High School, from G. D. Ross Properties. The current lease term will expire on April 30, 2001.

In compliance with District leasing procedures, staff surveyed the surrounding area and determined that no viable alternative location is available for either lease, lease-purchase or purchase. In addition, staff is currently investigating the possibility of constructing a facility to house the physical education, multi-purpose classroom and exhibit gallery functions on the school site. Should this option be cost effective, the information will be brought to the Management Team at a future meeting for further discussion and direction.

Pursuant to negotiating procedures, a Management Team meeting was held on January 8, 2001, for direction on negotiating strategies and parameters. Based on this direction, a lease renewal with G. D. Ross Properties for an additional five-year term was recommended.

The lease specifies that the current annual lease rate of \$11.54 per square foot (\$127,447.80 annually), will be adjusted by either a 5% increase or by the increase in the March Consumer Price Index (CPI), whichever is less. As the March CPI is anticipated to be no more than 3.7%, this would effectively increase the annual rent by no more than \$4,748.92. However, in no event could the annual cost exceed \$12.12 per square foot (\$133,853.28 annually). No physical improvements requiring the use of District funds are necessary as a result of the proposed Board action.

All other terms and conditions of the lease agreement will remain unchanged. The term of the renewal option period will commence May 1, 2001, and will end April 30, 2006. This renewal represents the only five-year renewal option period available under the lease agreement. It should be noted that the lease has a four-month cancellation notice provision.

The principal of the Design and Architecture Senior High School, Region Superintendent for Region III, and Deputy Superintendent of School Operations recommend approval of the proposed lease renewal.

The owner of the property is Gerald D. Ross, doing business as G. D. Ross Properties.

**RECOMMENDED:**

That The School Board of Miami-Dade County, Florida, authorize the renewal of the lease agreement with G. D. Ross Properties for a physical educational annex, multi-purpose classroom and exhibit gallery for the Design and Architecture Senior High School, at an annual rental amount not to exceed \$133,853.28. The term of the renewal option period will commence May 1, 2001, and will end April 30, 2006. All other terms and conditions of the lease agreement will remain unchanged.

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