

December 20, 2001

Facilities Planning and Construction
Suzanne A. Marshall, Chief Facilities Officer (Construction)

SUBJECT: AUTHORIZATION TO EXECUTE THIRD LEASE AMENDMENT WITH MIAMI SHORES/BARRY UNIVERSITY "CONNECTED LEARNING COMMUNITY" (CLC), INC., FOR THE USE OF SIX BOARD-OWNED PORTABLE CLASSROOMS

Since August 1997, the District has leased six Board-owned portable classrooms to the Miami Shores/Barry University "Connected Learning Community" (CLC), Inc. (Charter School), for use as a temporary facility to operate a charter school program. The lease agreement provided no renewal options and was to terminate on June 30, 2000. Prior to the expiration of the original lease term, the Charter School advised the District that although it was pursuing plans for a permanent facility, it could not relocate its operations before June 30, 2000. As a result, the Charter School requested a lease extension for an additional one-year period, and on March 15, 2000, the Board authorized the execution of a lease amendment, which extended the lease term through June 30, 2001. In September 2000, the Charter School approached the District with a request to extend the lease term once again for an additional one-year period, and on December 13, 2000, the Board authorized the execution of a second lease amendment, which extended the lease term through June 30, 2002 and increased the rental rate to \$2,964 per month (\$35,568 annually). The Charter School has now advised the District that although it is finalizing its plans for the construction of a permanent facility, it does not anticipate completion of this new facility by June 30, 2002. Accordingly, the Charter School has once again requested that the lease agreement be amended to extend the term for an additional one-year period commencing July 1, 2002 and ending June 30, 2003.

The current rental rate paid by the Charter School is \$494 per month for each of the six portable classrooms (\$35,568 annually). This amount represents the minimum cost for the District to lease replacement portable classrooms during the 2001-02 lease term, exclusive of set up and removal costs. Based on information received from the Department of Maintenance and Operations, the cost for the District to lease substitute portable classrooms during the 2002-03 lease term would be \$825 per unit per month (\$59,400 annually), exclusive of set up and removal costs. In order to allow the Charter School sufficient time to complete construction of its new permanent facility, the Deputy Superintendent of School Operations recommends that the District enter into a lease amendment to extend the lease term for an additional one-year period (from July 1, 2002 to June 30, 2003), and increase the rental rate for each portable classroom to an amount necessary to reimburse the District for the cost to lease six substitute portable classrooms.

Pursuant to established procedures, a Management Team (MT) meeting was held on December 6, 2001, for direction on negotiating strategies and parameters. The MT recommended that the Board enter into a third lease amendment with the Charter School under the following terms and conditions:

- a one-year extension of the lease term commencing July 1, 2002 and ending June 30, 2003, at a rental rate of \$825 per month for each of the six portable classrooms (\$59,400 annually), with no additional extensions; and
- all other terms and conditions of the lease agreement shall remain in full force and effect.

The proposed lease amendment will be reviewed by the School Board Attorney's Office and the Office of Risk and Benefits Management. The Deputy Superintendent of School Operations recommends approval of the proposed lease amendment.

A copy of the proposed lease amendment 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 to execute a third lease amendment with the Miami Shores/Barry University "Connected Learning Community" (CLC), Inc., for the use of six Board-owned portable classrooms, for an additional one-year period commencing July 1, 2002 and ending June 30, 2003, at an annual rental amount of \$59,400, and under the terms and conditions set forth above.

MMC:rr