

Business Operations
J.E. Surash, P.E., Chief Business Officer

SUBJECT: RENEWAL OF LEASE AGREEMENT WITH THE CITY OF NORTH MIAMI FOR THE USE OF CAGNI PARK FOR THE STUDENTS OF NORTH MIAMI MIDDLE SCHOOL

COMMITTEE: FACILITIES MANAGEMENT

Since 1954, the Board has leased Cagni Park, located on the southwest corner of N.E. 135 Street and N.E. 8 Avenue, for physical education activities for North Miami Middle School, from the City of North Miami (City).

The current agreement, which has been in place since 1994, provides for an annual lease rate of \$35,785.20, for the period of April 1, 2003 through March 31, 2004, which represents the Board's prorated share of the annual maintenance costs of the park. The lease rate is adjusted annually based on the percentage increase in the Municipal Cost Index (MCI). The lease further specifies that prior to the renewal of each five year-option term, the City and District shall review the annual maintenance cost to assure that it accurately reflects actual City expenses, and mutually approve and establish an applicable annual rental rate for the first year of each option period. The City has proposed a new annual rental rate of \$36,776.45, which represents an increase of 2.77% over the current amount. This increase conforms to the change in MCI from October 2002 to October 2003, and parallels the Consumer Price Index (CPI) of 2.16% for the same time period.

The District has completed its initial five-year term and is in the last year of the first five-year renewal option period, which will expire on March 31, 2004. This proposed renewal represents the second of five five-year renewal option periods available under the lease agreement. All other terms and conditions of the lease agreement will remain unchanged. The term of the renewal option period will commence April 1, 2004, and will end March 31, 2009. No physical improvements requiring the use of District funds will be necessary as a result of the proposed Board action. With the exception of the rental rate, the following terms and conditions of the lease agreement will remain unchanged:

- the City shall retain all responsibility for maintenance of the property, at its sole cost and expense; and
- either party may cancel the lease agreement at any time by giving the other party at least one year prior written notice.

Staff contacted the principal of North Miami Middle School, the ACCESS Center 2 Assistant Superintendent and the Associate Superintendent of ACCESS Centers, who

indicated a continuing need for this Park for the five-year period commencing April 1, 2004 and ending March 31, 2009.

RECOMMENDED:

That The School Board of Miami-Dade County, Florida, authorize the renewal of the lease agreement with the City of North Miami for the use of Cagni Park for the students of North Miami Middle School, at an annual rental rate of \$36,776.45, for the first year of the five-year renewal option period. The term of the renewal option period will commence April 1, 2004, and will end March 31, 2009. All other terms and conditions of the lease agreement will remain unchanged.

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