

Office of School Facilities  
Rose Diamond, Chief Facilities Officer

**SUBJECT:            AUTHORIZATION FOR THE SUPERINTENDENT TO FINALIZE  
TERMS AND CONDITIONS OF A REQUEST FOR PROPOSAL  
FOR THE COMMERCIAL DEVELOPMENT OF A BOARD-  
OWNED PARKING LOT, LOCATED AT 1370 NE 2 AVENUE,  
MIAMI, FLORIDA, AND ISSUE SAME TO ALL INTERESTED  
PROPOSERS**

**COMMITTEE:        FACILITIES AND CONSTRUCTION REFORM**

Background

At its meeting of January 14, 2004, the Board authorized the Superintendent to issue a Request for Proposal (RFP) for the commercial development of a Board-owned parking lot located at 1370 NE 2 Avenue (Demised Premises), subsequent to review of the RFP criteria by the Urban Land Institute (ULI) or other independent review entity (see enclosed location map). A ULI Technical Advisory Panel Workshop was held in May, 2004, to determine the viability of the District's proposed RFP (as then structured), the ability of the Board-owned parcel to meet District and Miami Performing Arts Center (PAC) parking requirements and whether development of the Board-owned parcel for the purpose espoused in the RFP complimented the surrounding community under plans currently being developed by the Omni Community Redevelopment Authority (Omni CRA). At the conclusion of their review, the ULI panel provided preliminary feedback, and recommended the creation of a task force of stakeholders representing the District, PAC, Omni CRA, the Greater Miami Parking Authority, local businesses, local advisory Boards and others.

The Board, at its meeting of June 16, 2004, authorized the Superintendent to facilitate the creation of such a task force to formulate recommendations to make the proposed public/private mixed-use project on the Board-owned parcel more feasible, and directed the Superintendent to report back to the Board with proposed revisions to the RFP as soon as practicable. The task force recently completed its review, and issued a number of findings, including verification that the private sector has serious interest in developing a large commercial/residential project on land to the west of the PAC, comprised, in part, of the Board-owned parcel. The scale of potential value creation and the developer's need for the Board-owned parcel to complete a land assemblage, create an ideal time for the Board to pursue a public/private joint venture. Such a development could accommodate all or most of PAC's parking needs, satisfy economic and long-term parking requirements of the District, and address redevelopment and other land use objectives of the City of Miami and Omni CRA.

Given previous Board direction, and the need to provide potential developers with an opportunity to formulate an economically viable proposal for use of the Board-owned parcel, it is staff's recommendation that the following RFP criteria, at a minimum, be

established as the basis for the RFP, and that additional criteria be included as necessary to assure compliance with Risk Management, Legal, Finance, District Office Operations and other applicable staff department requirements. Due to the complexity of implementing such a public/private development, it is further recommended that the Proposers be allowed maximum flexibility in generating such a proposal.

Because of the time sensitive nature of issuing the RFP for the Board-owned parcel, it is recommended that the Superintendent be directed to finalize the RFP, in substantial conformance with the following criteria, and issue same to all interested Proposers. Terms of the proposed RFP are, substantially, as follows:

The Proposer shall structure the proposal to provide the best offer for purchase or long-term lease of the Demised Premises, with the final determination of the method and duration of such use to be subject to Board approval;

The Proposer shall, as part of the proposal, include provisions dealing with ownership of the Demised Premises and all improvements to be constructed on the Demised Premises, addressing, as applicable, air rights, retail rights, garage rights and land ownership. This may include provisions for "buy-out" by either party, at any time during the term of the long-term lease, at a value to be determined, and shall be subject to Board approval;

In the event a long-term lease is to be entered into, the Proposer may construct a mixed-use facility on the Demised Premises consisting of retail space, office space, a parking garage and/or residential space;

The Proposer shall, as part of the proposal, include a general description of terms and conditions of any proposed ground lease, parking garage management agreement or other such agreements proposed to be entered into with the Board. The Proposer is to include, as part of its proposal, a general description of terms and conditions of each such proposed agreement, in sufficient detail to allow evaluation of the proposal by the Selection Committee. Once selected, the successful Proposer shall stipulate to insurance, indemnification and surety provisions which adequately protect the Board's interests and which shall be subject to the approval of the District's Office of Risk and Benefits Management;

The Proposer shall take into consideration the Board's potential desire to utilize commercial space within the mixed-use facility to be constructed by the Proposer on the Demised Premises, or other adjacent land owned or controlled by the Proposer, for educational purposes, under terms and conditions to be negotiated, and subject to Board approval;

The Proposer is to include, as part of its proposal, additional economic incentives to compensate the Board for the long-term use of Board-owned land, if any;

The Proposer shall, as part of the proposal, take into consideration the Board's potential desire to enter into a long-term agreement for a minimum of 750 parking

spaces for use by District staff, visitors and invitees, during the hours of 6:00 am to 6:00 pm, weekdays, at no cost to the Board. Additionally, the Proposer shall take into consideration the Board's potential desire to enter into a long-term agreement for a reduced "after-hours" quantity of not less than 125 parking spaces, as required by the District on an infrequent/as-needed basis, at no cost to the Board;

The Proposer shall take into consideration the Board's desire to consummate an Agreement for use of the Demised Premises as soon as possible;

The Proposer shall take into consideration the Board's desire for approximately 1,000 parking spaces to be made available for Performing Arts Center use evenings and weekends;

The Proposer shall accept the Demised Premises in its "as-is" condition as of the commencement date of the Agreement. The Board makes no representations as to the suitability of the site for any particular purpose, or any subterranean or environmental conditions that may impact the ability of the Proposer to construct and operate its proposed improvements. The successful Proposer shall have a period to conduct all appropriate due diligence, at the Proposer's expense;

In the event a long-term lease is to be entered into, the Proposer shall be responsible for any and all costs associated with the construction and operation of the proposed improvements including, but not necessarily limited to, salary and fringe benefits, insurance, maintenance, custodial, utilities and reasonable/customary security costs;

In the event a long-term lease is to be entered into and the Proposer intends to construct a parking garage on the Demised Premises, the Proposer shall include provisions for the Proposer or its designee to obtain all operating permits and pay all parking surcharge and other fees, and retain all responsibility for the daily operation of the parking garage, with all proceeds derived from the management and/or operation of the parking garage to be collected by the Proposer or its designee;

In the event a long-term lease is to be entered into and any or all of the existing District parking lot on the Demised Premises are rendered unusable to District staff and visitors due to the Proposer's construction related activities, the Proposer shall provide comparable parking facilities to the District, in close proximity to the Demised Premises, at no cost to the Board;

In the event a long-term lease is to be entered into, any Federal, State or local taxes, ad valorem or other taxes, assessments, charges, surcharges or fees accruing from the Proposer's improvements to, or use of, the Demised Premises, including the City of Miami Parking Surcharge Ordinance, shall be chargeable to and paid by the Proposer when due;

The Agreement entered into by the Board with the successful Proposer shall include indemnification, insurance and surety provisions, which provisions shall be subject to review and approval by the District's Office of Risk and Benefits Management; and .

The Board shall review the terms and conditions proffered by the successful Proposer and may, at its sole discretion and without penalty, choose to not enter into an Agreement for the commercial development of the site.

In order to be considered for this project, in the event a long-term lease is to be entered into, each Proposer will be required to provide documentation relative to the following: experience and qualifications in building/operating large commercial parking garages, retail space, office space and/or residential space, as applicable; organization structure and staffing; conceptual project description and schedule; Joint Venture Agreement (if Proposer is a joint venture); a minimum of three (3) professional/business references; and financial capability. Each of the Proposers responding to the RFP will be required to make a presentation to a Selection Committee. The Selection Committee will, in turn, make a recommendation to the Superintendent for further action. The proposed members of the Selection Committee are:

- Chief Facilities Officer
- Planning Officer, Facilities Planning
- a representative from the Division of Business Development and Assistance
- Chief Financial Officer or designee
- a representative from the Office of Risk and Benefits Management
- School Board Attorney or designee (non-voting)
- a representative from Procurement Management Services (non-voting)

The estimated timeline for implementation is as follows:

Procurement Contract Review Committee .....	June 30, 2005
Request Board authorization to finalize and issue RFP and approval of Selection Committee .....	July 13, 2005
Mailing of RFP .....	July 14, 2005
Pre-proposal Conference .....	July 27, 2005
Opening of Proposals .....	August 8, 2005
Evaluation by Selection Committee .....	August 9, 2005
Oral presentations .....	August 10, 2005
Contract Award (tentative) .....	August 17, 2005

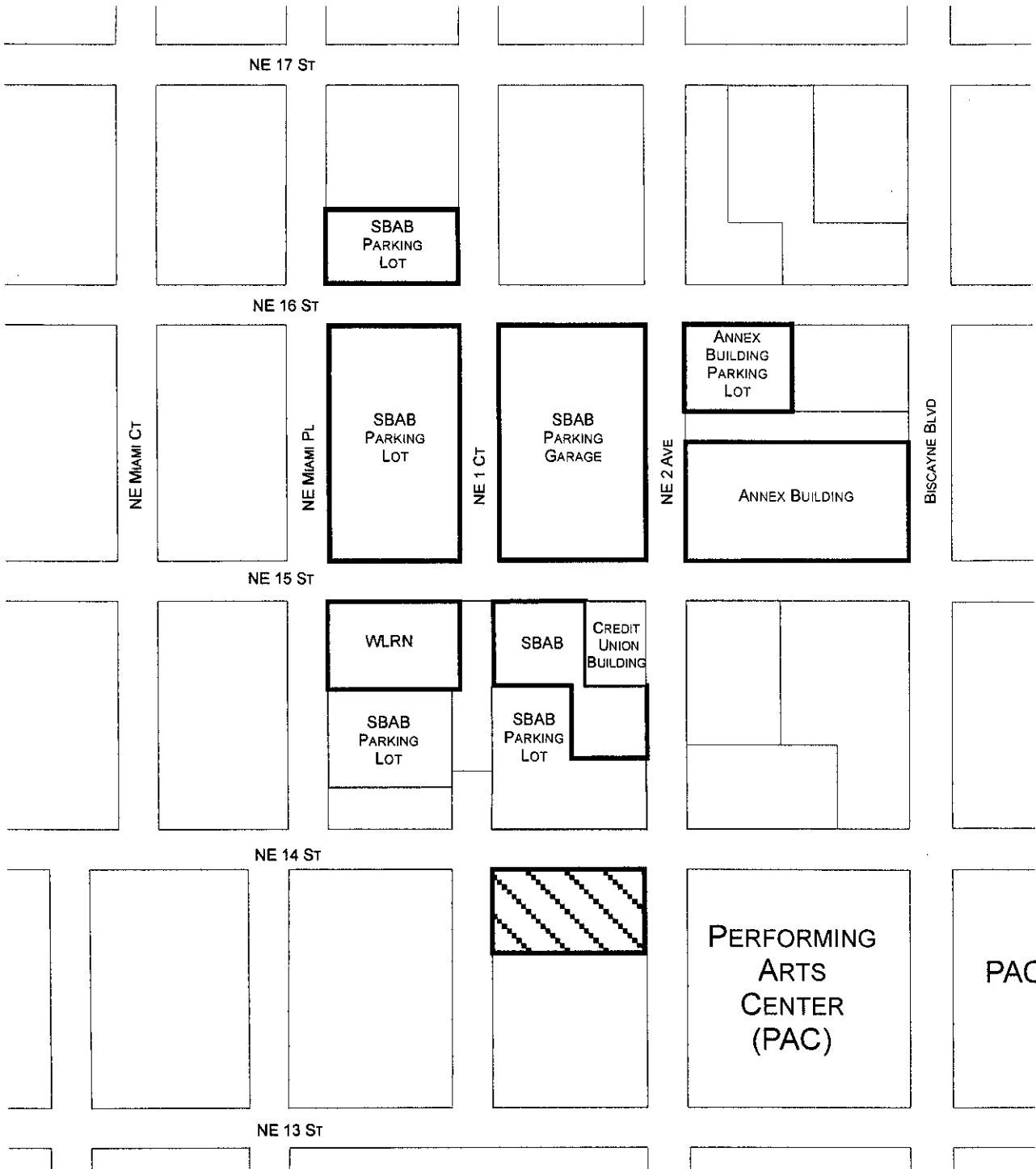
**RECOMMENDED:**

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

1. finalize a Request For Proposal for the commercial development of a Board-owned parking lot located at 1370 NE 2 Avenue, Miami, Florida, with RFP criteria to conform, substantially, to the terms noted above, and issue same to all interested Proposers;
2. bring the results of the RFP, along with a recommendation for further action, to the Board at a future Board meeting for comment and direction; and
3. approve the Selection Committee listed above to evaluate proposals submitted.

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# LOCATION MAP



**LEGEND**



Board-Owned Parking Lot, Located at 1370 N.E. 2 Avenue, available for commercial development

