

Office of School Facilities
Rose Diamond, Chief Facilities Officer

**SUBJECT: RENEWAL AND AUTHORIZATION TO EXECUTE AN
 AMENDMENT TO THE SUBLEASE AGREEMENT WITH U.S.
 PARKING & ASSOCIATES, INC., FOR 175 PARKING SPACES,
 LOCATED AT 1444 BISCAYNE BOULEVARD, MIAMI**

COMMITTEE: FACILITIES AND CONSTRUCTION REFORM

Background Information

Since October 2003, the District has used 175 parking spaces within the 1444 Biscayne Boulevard Building garage (1444 Garage), under a sublease agreement with U.S. Parking & Associates, Inc. (U.S. Parking), for District staff working at the School Board Administration Building (see location map). The 1444 Garage is owned by Biscayne Management Corporation (Biscayne Management), and leased to U.S. Parking, which operates and manages it, and has subleased 175 parking spaces to the District. In addition to the 175 parking spaces subleased by the District from U.S. Parking, the District leases an additional 150 parking spaces within the 1444 Garage directly from Biscayne Management under a separate lease agreement.

Renewal and amendment of Sublease Agreement

The District has completed its initial one-year term and the first of two one-year renewal option periods available under the sublease agreement. The current sublease term will expire on September 30, 2005. Terms of the sublease agreement give U.S. Parking the right to increase the rental rate prior to each renewal option period. U.S. Parking did not increase the rental rate prior to the first option period, but has advised that due to increased operating costs, the current rental rate of \$34.50 per space per month, which includes the City of Miami mandated 15% parking surcharge, will be increased to \$37.95 per space per month (inclusive of the surcharge) for the period of October 1, 2005 through September 30, 2006 (see enclosed rent schedule itemizing parking rates paid by the District in the vicinity). U.S. Parking is willing, however, to amend the sublease agreement to add one more option period (October 1, 2006 through September 30, 2007), with the rental rate to remain unchanged at \$37.95 per space per month.

Staff conducted a search of parking lots for lease within close proximity to the School Board Administration Building and found that the Omni Center, located at Biscayne Boulevard and 17 Street, is the only other available parking facility able to meet the District's needs. However, the Omni Center rental rate would be in the vicinity of \$50-55 per space per month, and only available to the District on a short term basis.

In light of the foregoing, it is recommended that the District exercise its only remaining renewal option under the current sublease agreement, for the period of October 1, 2005 through September 30, 2006, with the rental rate to increase from \$34.50 per space per month to \$37.95 per space per month (\$79,695 annually). In addition, given a continuing need for parking to serve District staff and because there is no other cost effective facility currently available in close proximity to serve this purpose, the sublease with U.S. Parking will be amended to provide the District with one additional one-year renewal option for the period of October 1, 2006 through September 30, 2007, under the same terms and conditions, including the new rental rate of \$37.95 per space per month (inclusive of the 15% parking surcharge).

No physical improvements requiring the use of District funds will be necessary as a result of the proposed Board action. All other terms and conditions of the current sublease agreement will remain unchanged, including:

- either party shall have the right to cancel the sublease agreement at any time, without penalty, by giving the other party 90 days prior written notice;
- U.S. Parking is responsible for providing custodial services and utilities and for maintaining and repairing the premises; and
- in order to meet the parking needs of any new tenants occupying vacant office space within the 1444 Biscayne Boulevard Building, U.S. Parking may, upon 30 days advance notice, reduce the number of parking spaces subleased to the District at a rate of four parking spaces for every 1,000 square feet of newly leased space. In such event, the monthly rental amount shall be adjusted proportionately.

Staff contacted the Supervisor of District Office Operations and the Administrative Director of the Office of School Facilities, who indicated a continuing need for this parking facility to serve District staff working at the School Board Administration Building for the one-year period commencing October 1, 2005 and ending September 30, 2006.

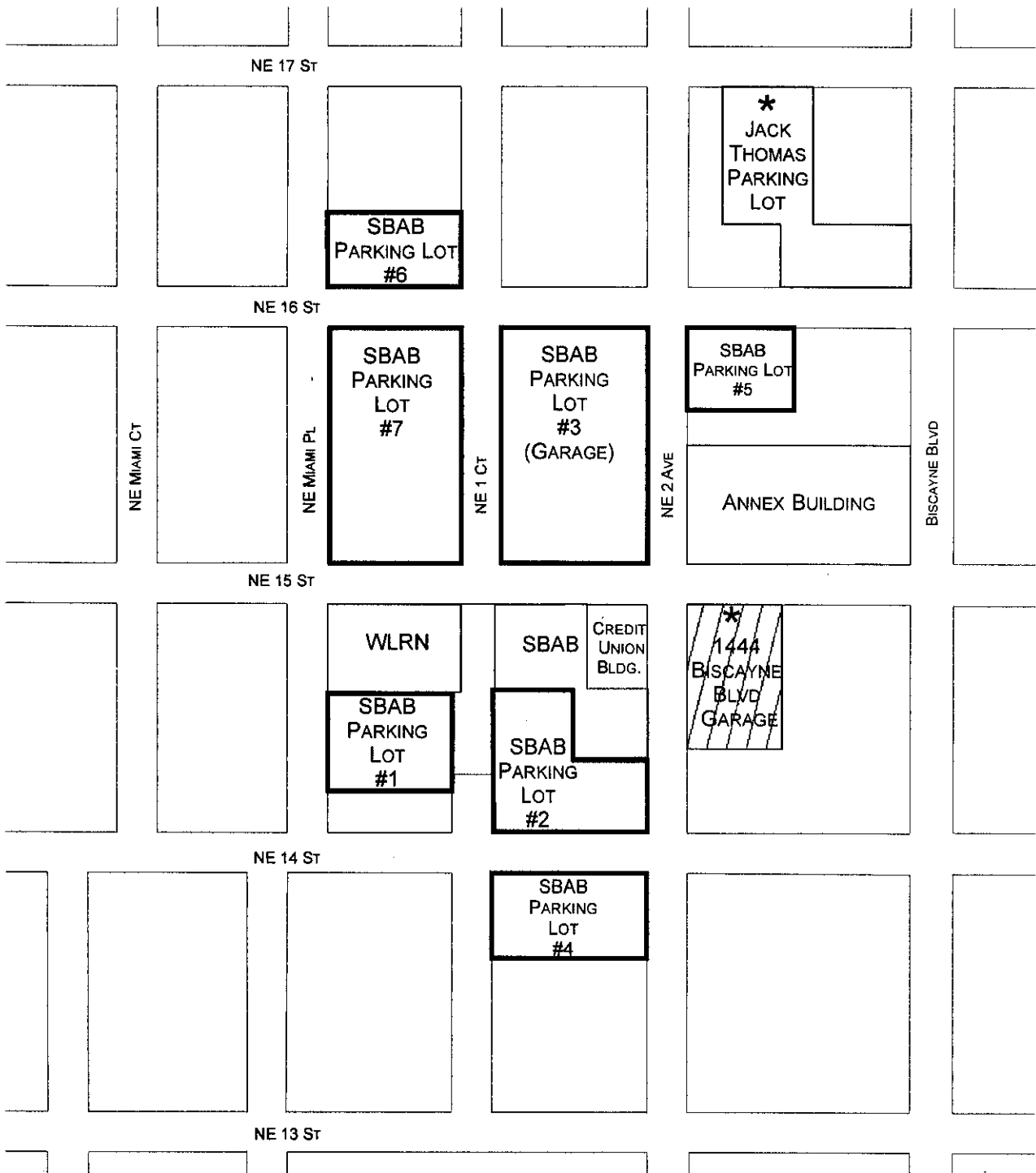
RECOMMENDED:

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


- 1) renew the sublease agreement with U.S. Parking & Associates, Inc., for 175 parking spaces, located at 1444 Biscayne Boulevard, at an annual rental amount of \$79,695. The term of the renewal option period will commence October 1, 2005, and will end September 30, 2006; and
- 2) authorize the Superintendent or his designee to execute an amendment to the sublease agreement with U.S. Parking & Associates, Inc., to provide the District with one additional one-year option period from October 1, 2006 through September 30, 2007, with the annual rental rate to remain unchanged at \$79,695. All other terms and conditions of the sublease agreement will remain unchanged.


MCA:rr

LOCATION MAP



LEGEND

 175 PARKING SPACES SUBLEASED FROM U.S. PARKING, AND 150 PARKING SPACES LEASED FROM BISCAYNE MANAGEMENT

 PARKING LOTS CURRENTLY LEASED BY BOARD



RENT SCHEDULE

LEASED PARKING FACILITIES			
<u>Location of Parking Facility</u>	<u># of spaces</u>	<u>Amount of Rent</u>	<u>Use</u>
1. Biscayne Management Corp. 1444 Biscayne Blvd. (parking garage)	150	\$50,400/year (\$28.00/space/month)	serves District staff in SBAB complex
2. Jack Thomas Lot 235 NE 16 Street (surface lot)	100	\$36,000/year (\$30.00/space/month)	serves District staff & visitors in SBAB complex
3. U.S. Parking & Associates 1444 Biscayne Boulevard (parking garage)	175	\$79,695/year (\$37.95/space/month) this amount includes the 15% City of Miami parking surcharge and is broken down as follows: \$69,300/year or \$33.00/space/month for rent & \$10,395/year or \$4.95/space/month for surcharge fee	serves District staff in SBAB complex