

Office of Superintendent of Schools  
Board Meeting of September 7, 2005

August 31, 2005

Office of School Facilities  
Rose Diamond, Chief Facilities Officer

**SUBJECT:            AUTHORIZATION FOR THE SUPERINTENDENT TO FINALIZE  
NEGOTIATIONS AND EXECUTE AN AGREEMENT WITH LEVIEV  
BOYMELGREEN PERFORMING ARTS COMPLEX, LLC, FOR THE  
COMMERCIAL DEVELOPMENT OF A BOARD-OWNED PARKING  
LOT, LOCATED AT 1370 NE 2 AVENUE, MIAMI**

**COMMITTEE:        FACILITIES AND CONSTRUCTION REFORM**

The Board, at its meeting of August 17, 2005, authorized the Superintendent to enter into a contractual agreement with Leviev Boymelgreen Performing Arts Complex, LLC (Boymelgreen), for the commercial development of a Board-owned parking lot, located at 1370 NE 2 Avenue. The District had previously issued a Request For Proposal (RFP) to all interested parties, seeking proposals for the purchase or long-term lease of the property. As a condition of the RFP, the successful proposer was to 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, and take into consideration the Board's desire for approximately 1,000 parking spaces to be made available for Performing Arts Center (PAC) use evenings and weekends.

Boymelgreen responded to the RFP, with a proposal to purchase the property for construction of a mixed-use development, including parking facilities that will be made available to the District and the PAC. District staff have met with representatives of Boymelgreen on several occasions to negotiate proposed terms and conditions of such an agreement. In addition, since the proposed agreement is for the purchase of Board-owned land, it will be necessary for the Board to declare the land, as described in attachment 1, to be unnecessary or unsuitable for educational purposes, in compliance with Board Rule and Florida Statutes.

In order to assure that the final agreement complies with Risk Management, Legal, Finance, District Office Operations and other applicable staff department requirements, it is recommended that the Superintendent be authorized to finalize negotiations and execute an agreement with Boymelgreen, under substantially the following terms and conditions:

- Boymelgreen shall purchase the property from the Board in fee simple, for the sum of \$8,000,000;
- As part of its development of the property, Boymelgreen shall construct a new parking garage on the site, and/or other adjacent land owned or controlled by Boymelgreen (approximate 36 month construction period), after which the District

shall have use of 750 parking spaces for District staff, visitors and invitees, during the hours of 6:00 am to 6:00 pm, weekdays, at no cost to the Board, for a period of 10 years;

- At the completion of the 10-year period of free use of the 750 parking spaces, these parking spaces will remain available to the Board under a lease agreement, at the verified market rate, less 20%;
- The District shall have continuing use of the 125 staff parking spaces currently on the property, at no cost, prior to initiation of construction related activities by Boymelgreen. At such time as construction begins, and prior to occupancy in the new parking garage, the District will provide alternate staff parking facilities; the majority of which can be accommodated within the large surface parking lot located north of WLRN, after closure of NE 1 Court is completed and the area properly modified;
- Boymelgreen shall enter into a separate agreement with the PAC for 1,000 parking spaces, during PAC events evenings and weekends. Prior to completion of the new parking garage, the PAC shall utilize interim parking facilities in the vicinity, and is in discussions with staff for possible after-hours use of District parking lots;
- Boymelgreen shall make approximately 25,000-30,000 square feet of commercial space available within the mixed-use facility to be constructed on the property, or other adjacent land owned or controlled by Boymelgreen, for use as an Early Childhood Center or other educational purpose, as well as up to 200,000 square feet of space for offices, under terms and conditions to be negotiated, and subject to Board approval; and
- The agreement shall include indemnification, insurance and surety provisions, which provisions shall be subject to review and approval by the Office of Risk and Benefits Management.

It should be noted that the Net Present Value of the 750 parking spaces being provided at no cost to the District for 10 years, is approximately \$5,500,000. This, coupled with the \$8,000,000 purchase price, provides the Board with an effective return of approximately \$13,500,000.

The agreement will be reviewed by the School Board Attorney's Office and Office of Risk and Benefits Management prior to execution.

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

- 1) authorize the Superintendent to finalize negotiations and execute an agreement with Leviev Boymelgreen Performing Arts Complex, LLC, for the commercial development of a Board-owned parking lot, located at 1370 NE 2 Avenue, including a purchase price of \$8,000,000, and substantially in conformance with the other terms and conditions noted above; and
- 2) declare the land to be unnecessary or unsuitable for educational purposes, in compliance with Board Rule and Florida Statutes.

MAL:sj

## ATTACHMENT 1

### LEGAL DESCRIPTION

Lots 1 through 8, in Block 25 of "ALICE BALDWINS ADDITION to the Baldwin Addition to the City of Miami", according to the plat thereof recorded in Plat Book 1 at Page 119 of the Public Records of Dade County, Florida, together with that certain strip of land lying between Block 25, of ALICE BALDWIN'S ADDITION, as herein described, and Block 1 of "RICKMER'S ADDITION to the City of Miami", according to the plat thereof recorded in Plat Book 1 at Page 200 of the Public Records of Dade County, Florida, said strip of land extending from Northeast 2nd Avenue to Northeast 1st Court; LESS

Beginning at the Southeast corner of Lot 4 Block 25 of "ALICE BALDWINS ADDITION to the Baldwin Addition to the City of Miami", according to the plat thereof as recorded in Plat Book 1 at Page 119 of the Public Records of Dade County, Florida; thence run North along the east boundary line of Lots 4 and 1 of said Block 25 to the Northeast corner of said Lot 1; thence a distance of 16.35 feet more or less, to a point; thence run South on a straight line through said Lots 1 and 4 to a point on the South line of said Lot 4 which is 17.71 feet more or less, West of the point beginning; thence run East on the said South line of Lot 4 a distance of 17.71 feet more or less, to the point of beginning; AND LESS

Beginning at the Southeast corner of Lot 8, Block 25 of "ALICE BALDWINS ADDITION to the Baldwin Addition to the City of Miami", according to the plat thereof as recorded in Plat Book 1 at Page 119 of the Public Records of Dade County, Florida; thence run North along the East boundary line of said Lot 8 a distance of 50 feet, more or less, to the Northeast corner thereof; thence run West on the North line of said Lot 8 a distance of 18.39 feet, more or less, to a point; thence run Southerly through said Lot 8 to a point on the South line of said Lot 8, which point is 19.08 feet, more or less, West of the point of beginning; thence run East on the said South line of Lot 8 a distance of 19.08 feet, more or less, to the point of beginning.

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