

Office of School Facilities
Rose Diamond, Chief Facilities Officer

**SUBJECT: AUTHORIZE THE SUPERINTENDENT TO FINALIZE
NEGOTIATIONS AND EXECUTE AN AMENDMENT TO THE
LEASE AGREEMENT WITH 4141 DESIGN CORP., FOR USE OF
APPROXIMATELY 14,344 SQUARE FEET OF SPACE,
LOCATED AT 4141 NE 2 AVENUE, FOR THE DESIGN AND
ARCHITECTURE SENIOR HIGH SCHOOL**

COMMITTEE: FACILITIES CONSTRUCTION AND REFORM

Since May 1996, the School Board (Board) has leased 11,044 square feet of space within the Miami Inter Design II (MID II) building, located at 4141 NE 2 Avenue (see location map), for a physical education annex, multi-purpose classroom and exhibit gallery for the Design and Architecture Senior High School (DASH). The MID II building is located in the heart of the Miami Design District, adjacent to DASH's main campus. DASH is a design magnet high school offering a 4-year curriculum in academics and professional design fields. The District is in its last renewal option period and the lease agreement will expire on April 30, 2006. The school has indicated a continuing need for classroom space in this particular geographic area to serve DASH students. In addition, due to an expansion of programs at DASH, both the school and Regional Center III have requested that additional space be leased to address the school's current and long-term space and operational requirements.

In light of the foregoing, staff contacted the landlord, 4141 Design Corp., who has agreed to extend the term of the existing lease, and advised that an additional 3,300 square feet of space is also available within the MID II building for use by DASH (see location map). As such, any extension of the lease beyond its current expiration date will reflect a total of 14,344 square feet.

The District currently pays \$13.01 per square foot for the existing 11,044 square foot premises, and is responsible for all utilities, custodial services, routine maintenance and repairs for the leased area. The new rental rate for the combined 14,344 square foot area will be \$14 per square foot, plus \$4 per square foot as the District's proportionate share of building ownership, operating and occupancy expenses. The District will also be responsible for all custodial services, maintenance, repairs, utilities, and any difference between the \$4 per square foot paid on building ownership, operating and occupancy expenses and the actual amount incurred by the landlord for such expenses. It is recommended that the lease agreement be amended to incorporate the additional 3,300 square feet of space, extend the lease term, and modify several other terms and conditions of the lease agreement.

REVISED

The proposed lease amendment will include, substantially, the following terms and conditions:

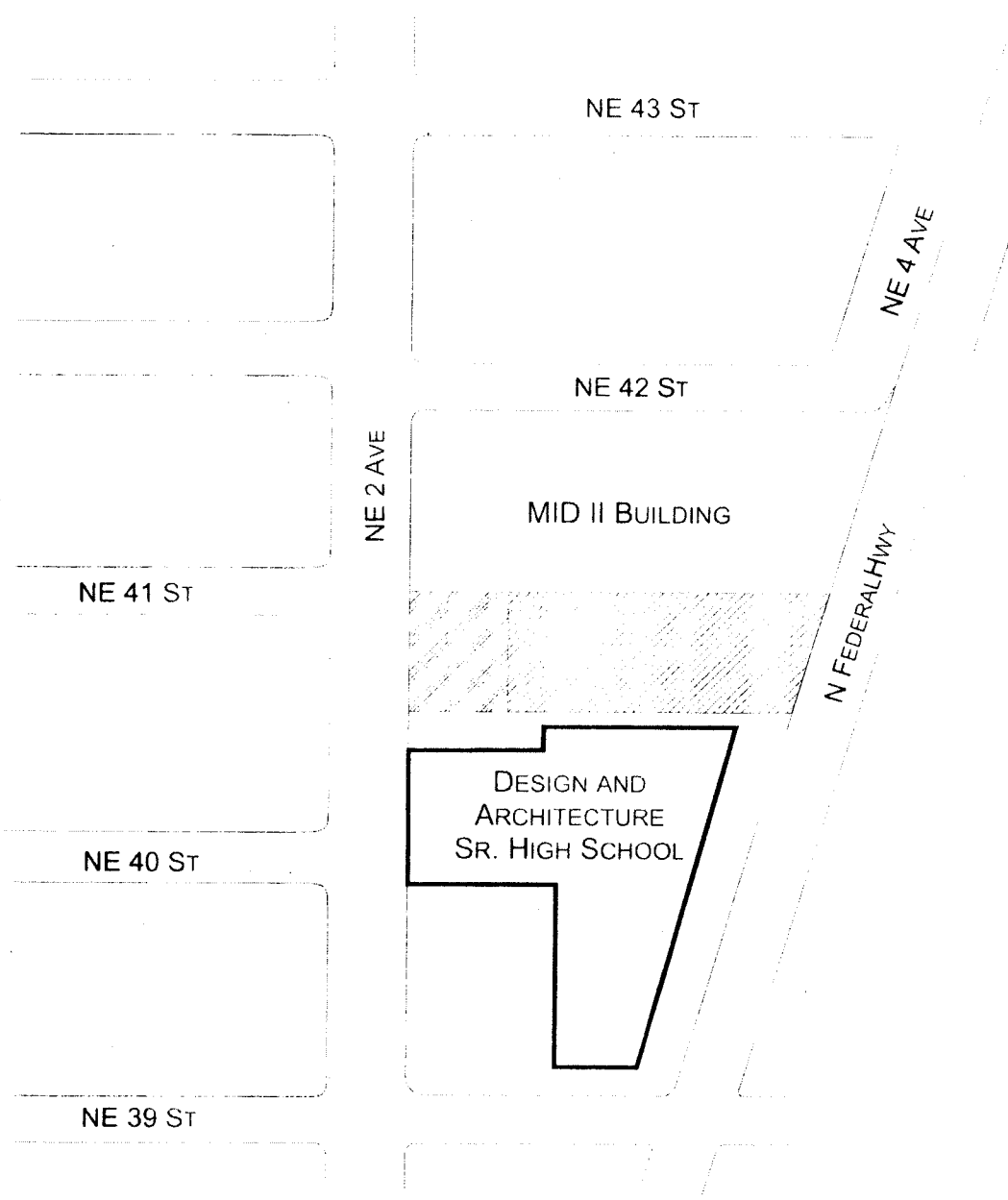
- the lease shall be for a total of 14,344 square feet of space. This includes the 11,044 square feet of space currently used by the District, plus an additional 3,300 square feet;
- a five-year term commencing May 1, 2006 and ending April 30, 2011, with no renewal options. Payment of rent on the additional 3,300 square foot area shall not commence until the improvements to the space are substantially complete;
- the rental rate for the first year of the five-year term shall be \$14 per square foot, plus \$4 per square foot as the District's proportionate share of building ownership/operating expenses, for a total rental cost of \$18 per square foot (\$258,192 annually). At the end of each year, the District shall reimburse the landlord for any difference between the \$4 per square foot paid on building ownership/operating expenses and the actual amount incurred by the landlord for such expenses;
- the rental rate for each additional year of the five-year term shall be adjusted by 5%;
- the landlord shall modify the new lease area (3,300 square feet) to meet DASH's operational needs. The District shall reimburse the landlord for the cost of the work, at a "not-to-exceed" amount to be established by the District;
- the District shall be responsible for all maintenance, repairs and custodial services to the demised premises;
- the landlord shall provide all maintenance, repairs and custodial services to the building common areas;
- the District shall be responsible for payment of all utilities serving the demised premises, including, without limitation, electricity, water, sewer and trash removal services;
- the Landlord shall provide the District with 10 unreserved parking spaces to be used on a first-come, first-serve basis; and
- the Superintendent of Schools shall be the party designated by the Board to grant or deny all approvals required by this lease agreement, or to cancel this lease agreement.

The DASH principal, Regional Center III Superintendent and Associate Superintendent for School Operations recommend entering into the proposed lease amendment. The lease agreement will be reviewed by the School Board Attorney's Office and the Office of Risk and Benefits Management prior to execution.

RECOMMENDED: That The School Board of Miami-Dade County, Florida authorize the Superintendent or his designee to finalize negotiations and execute a lease amendment with 4141 Design Corp., to add an additional 3,300 square feet of space to the demised premises (for a total of 14,344 square feet) and pay the cost to improve the new area at a "not-to-exceed" price established by the District, extend the lease term for the period of May 1, 2006 through April 30, 2011, at an annual lease rate of \$258,192 for the first year of the five-year term, plus any additional building ownership/operating expenses, and other terms and conditions, as noted above.



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LOCATION MAP



ADD

LEGEND

-  Existing Premises (11,044 square feet)
-  Expansion on Premises (3,300 square feet)

(NOT TO SCALE)

