

Office of School Facilities  
Rose Diamond, Chief Facilities Officer

**SUBJECT:            RENEWAL OF LEASE AGREEMENT WITH A.A. HOLDINGS, LLC,  
FOR THE SCHOOL FOR APPLIED TECHNOLOGY, LOCATED AT  
225 NE 34 STREET, MIAMI, FLORIDA**

**COMMITTEE:        FACILITIES AND CONSTRUCTION REFORM**

Background Information

Since September 1999, the Board has leased 12,760 square feet of space located at 225 NE 34 Street (see location map), for the School for Applied Technology (School) from A.A. Holdings, LLC. This alternative education program for at-risk students currently serves approximately 140 students. The District occupies the entire third floor of this facility and is entitled to use 30 parking spaces. The District has completed its initial three-year lease term and four of five available one-year renewal option periods, and the current term will expire September 22, 2006. This renewal period represents the last one-year renewal option period available under the current lease agreement.

Additional Information

Due to limited available classroom space at this site and escalating rental rates in the vicinity of the School, District staff explored alternate locations for this program, in an attempt to locate a facility that may prove more operationally efficient and cost effective for the District. This included use of existing Board-owned facilities, as well as relocation to other less costly available lease space. To date, no viable alternate space has been identified. District staff will continue its investigation and, if possible locations are identified, a cost-benefit analysis will be completed to determine the economic viability of moving this program. Should this search prove successful, staff will bring a recommendation to the Board to relocate the School, at which point the District can cancel the existing lease agreement, without penalty, with 180 days prior written notice.

The current annual rental rate of \$248,820 (\$19.50 per square foot) shall be adjusted according to the June 2006 Consumer Price Index, but in no event shall increase by more than 5% (\$261,261 annually). The term of the renewal option period will commence September 23, 2006 and will end September 22, 2007. No physical improvements requiring the use of District funds are necessary as a result of the proposed Board action. All other terms and conditions of the lease agreement will remain unchanged, including the following:

- the landlord is responsible, at its sole cost and expense, for providing all utilities, custodial services and building maintenance;
- the District has the right to cancel at any time by giving the landlord 180 days prior written notice; and

- the landlord has the right to cancel only if the District defaults under the terms of the lease and fails to cure such default.

Staff contacted the Principal of the School for Applied Technology, the Regional Superintendent of Regional Center IV and the Associate Superintendent of School Operations, who indicated a continuing need for this leased facility for the one-year period commencing September 23, 2006 and ending September 22, 2007.

**RECOMMENDED:** That The School Board of Miami-Dade County, Florida, authorize the renewal of the lease agreement with A.A. Holdings, LLC, for space for the School for Applied Technology, at an annual rental rate not to exceed \$261,261. The term of the renewal period will commence September 23, 2006, and will end September 22, 2007. All other terms and conditions of the lease agreement will remain unchanged.

# LOCATION MAP

