

Office of School Facilities
Rose Diamond, Chief Facilities Officer

SUBJECT: AUTHORIZATION FOR THE SUPERINTENDENT TO FINALIZE NEGOTIATIONS AND EXECUTE A LEASE AGREEMENT WITH FLORIDA EAST COAST RAILWAY COMPANY FOR 25 FACULTY PARKING SPACES EAST OF THE DESIGN AND ARCHITECTURE SENIOR HIGH SCHOOL, LOCATED AT 4001 NE 2 AVENUE, MIAMI

COMMITTEE: FACILITIES AND CONSTRUCTION REFORM

Since December 1990, the Board has leased a portion of railroad right-of-way east of the Design and Architecture Senior High School (DASH), located at 4001 NE 2 Avenue, from Florida East Coast Railway Company (FEC), for 25 faculty parking spaces (see location map). In addition to faculty parking, the area is used for daily food service delivery, building handicap accessibility and emergency egress, and offers the only viable location for the placement of school garbage dumpsters. The current lease agreement will expire on December 17, 2006.

Because of changing economic conditions coupled with a dramatic increase in property values, the FEC is requiring that the District enter into a new lease agreement, as a condition of continued use. The proposed lease sets the rental rate for the next three years, with the rate for the first year of the proposed agreement to increase from the current \$4,650 per year (\$15.50 per space monthly), to \$7,175 per year (\$23.91 per space monthly). The lease rate during the second year will increase to \$9,700 (\$32.33 per space monthly), and will increase the third year to \$12,225 (\$40.75 per space monthly). Thereafter, the annual rental rate shall increase by 5% or the then prevalent rate for similar properties, whichever is higher. The parking rates currently paid by the District in the vicinity of the School Board Administration Building and DASH are provided as an exhibit to this agenda item. No physical improvements requiring the use of District funds will be necessary as a result of the proposed Board action.

District staff investigated possible alternate parking facilities. Other than the 25 parking spaces currently leased by the District from McCrory Design Associates, at 3930 NE 2 Avenue, also for the use of DASH, all parking lots in the vicinity are dedicated to tenants of adjoining office buildings, and no excess spaces are available for lease. The City of Miami has advised that rates for a monthly decal to use the municipal parking lot located three blocks south of DASH are approximately \$30.76 per space monthly. However, there is insufficient available capacity to accommodate 25 additional users.

Due to the absence of available alternate parking facilities in the vicinity, and the absolute need for the subject parking lot, it is recommended that the Superintendent be authorized to finalize negotiations and execute a lease agreement with the FEC. Certain provisions which are a part of the existing lease agreement will be incorporated in the proposed new lease agreement, and include the following terms and conditions:

- the District shall be responsible for payment of all utilities consumed on the premises, and for maintaining and keeping the premises in good order and repair;
- the District shall pay the FEC the greater of actual cost or \$350 for any inspection conducted by the FEC, the results of which show a violation of any federal, state or municipal law or regulation;
- to the limits of Section 768.28, Florida Statutes, as applicable, the Board shall indemnify, defend and hold harmless the FEC from and against any and all liability for any loss, injury or damage, regardless of the cause and regardless of whether attributable to the fault, failure or negligence of the FEC; and
- either party may cancel the agreement at any time with 30 days prior written notice.

In addition to the above, the proposed new lease agreement will include, substantially, the following terms and conditions:

- a one-year initial term commencing December 18, 2006, and ending December 17, 2007, with automatic renewals for the following two years, unless terminated by either party at least 30 days before the expiration of each successive term;
- the annual rental rate shall be set at \$7,175 (\$23.91 per space monthly) for the period of December 18, 2006 through December 17, 2007, \$9,700 (\$32.33 per space monthly) for the period of December 18, 2007 through December 17, 2008, and \$12,225 (\$40.75 per space monthly) for the period of December 18, 2008 through December 17, 2009;
- the District shall be liable for all special assessments, ad valorem taxes and any other Federal, State or local taxes from which it is not otherwise exempt; and
- the District will carry and maintain Commercial General Liability Insurance, Comprehensive Automobile Liability Insurance, Excess Liability Insurance, Property Insurance and Workers' Comprehensive and Employers' Insurance.

Staff contacted the principal of DASH, the Regional Center III Superintendent and the Associate Superintendent of School Operations, who indicated a continuing need for this parking facility.

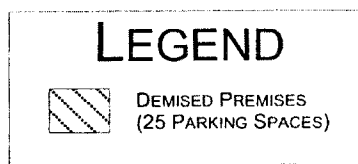
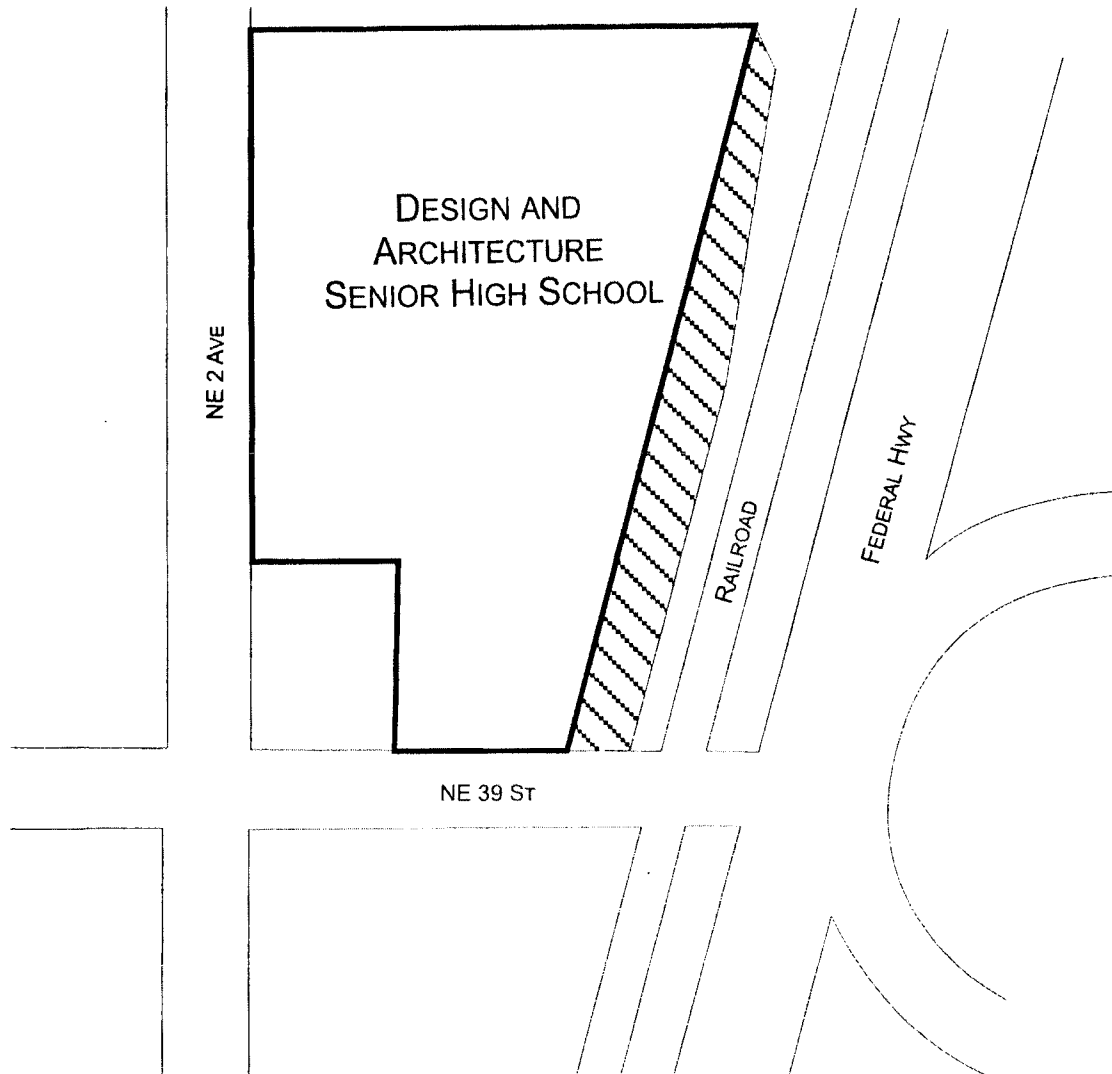
The new lease agreement will be reviewed by the School Board Attorney's Office and Office of Risk and Benefits Management prior to execution.

RECOMMENDED:

That the School Board of Miami-Dade County, Florida, authorize the Superintendent to finalize negotiations and execute a lease agreement with Florida East Coast Railway Company for 25 faculty parking spaces east of the Design and Architecture Senior High School, at an annual rental rate of \$7,175 for the period of December 18, 2006 through December 17, 2007, \$9,700 for the period of December 18, 2007 through December 17, 2008, and \$12,225 for the period of December 18, 2008 through December 17, 2009, and in conformance with the other terms noted above.

AB:rr

LOCATION MAP



RENT SCHEDULE

LEASED PARKING FACILITIES			
<u>Location of Parking Facility</u>	<u># of spaces</u>	<u>Amount of Rent</u>	<u>Use</u>
1. 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
2. Biscayne Management Corp. 1444 Biscayne Blvd. (parking garage)	150	\$50,400/year (\$28.00/space/month)	Serves District staff in SBAB complex
3. Jack Thomas Lot 235 NE 16 Street (surface lot)	100	\$36,000/year (\$30.00/space/month)	Serves District staff in SBAB complex
4. McCrory Design Associates Ltd. 3930 NE 2 nd Ave. (surface lot)	25	\$7,500 annual rate (\$25.00/space/month)	Serves faculty at DASH
5. Florida E. Coast Railway Co. NE 40 Street & 2 nd Ave. (surface lot)	25	Proposed annual lease rate of \$7,175/year (\$23.91/space/month)	Serves faculty at DASH