

Office of School Facilities  
Jaime G. Torrens, Temporary Chief Facilities Officer

**SUBJECT: AUTHORIZATION TO:**

**1) EXECUTE AN AMENDMENT TO THE SUBLEASE AGREEMENT WITH U.S. PARKING & ASSOCIATES, INC., FOR A TOTAL OF 325 PARKING SPACES AT 1444 BISCAYNE BOULEVARD, MIAMI; AND**

**2) CANCEL THE LEASE AGREEMENT WITH BISCAYNE MANAGEMENT CORPORATION AT THE SAME LOCATION**

**COMMITTEE: FACILITIES AND CONSTRUCTION REFORM**

**LINK TO STRATEGIC PLAN: IMPROVE CONSTRUCTION SERVICES**

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. 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. Biscayne Management has now notified the District that, due to changing market conditions, it intends to increase the current rental for the 150 spaces leased to the District from \$28/space/month to \$57.50/space/month. Since this amount is considerably higher than the current rates being paid by the District at this location as well as in the vicinity, and given a continuing need for parking to serve District staff and visitors, staff contacted U.S. Parking, who advised that 150 additional parking spaces are available within the 1444 Garage, and expressed a willingness to amend the sublease agreement to increase the total number of spaces leased to the Board from 175 to 325, at a rate far better than that requested by Biscayne Management.

Amendment of Sublease Agreement

The District has completed the initial one-year term of its lease with U.S. Parking, and is in the last year of three one-year renewal option periods available under the sublease agreement, which will expire September 30, 2007 with no additional renewal options available. U.S. Parking has agreed to amend the sublease agreement to increase the quantity of parking spaces leased to the Board to 325, and extend the current term one additional year (October 1, 2007 through September 30, 2008), followed by three one-year renewal option periods (October 1, 2008 through September 30, 2011). The rental

rate paid to U.S. Parking the last two years has remained unchanged at \$37.95/space/month, but was anticipated to increase to approximately \$46/space/month in the event the District sought to extend its use of the 1444 Garage beyond the current term. U.S. Parking has agreed, instead, to a lesser increase, at a rate of \$41.67/space/month for the 325 spaces, effective June 1, 2007. This rate, which represents a 9.8% increase over U.S. Parking's current rate, will remain unchanged until September 30, 2008 (a total of 16 months). The rental rate for each of the three one-year renewal option periods will increase by 5% (\$43.75/space/month for the period of October 1, 2008 through September 30, 2009; \$45.93/space/month for the period of October 1, 2009 through September 30, 2010; and \$48.22/space/month for the period of October 1, 2010 through September 30, 2011). 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 lease 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 30 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.

Effective with the commencement date of the proposed amendment to the sublease agreement with U.S. Parking for the 325 spaces, the District will cancel the lease agreement with Biscayne Management for the use of 150 parking spaces.

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. The proposed sublease amendment will be reviewed by the Office of Risk and Benefits Management and the School Board Attorney's Office, prior to its execution.

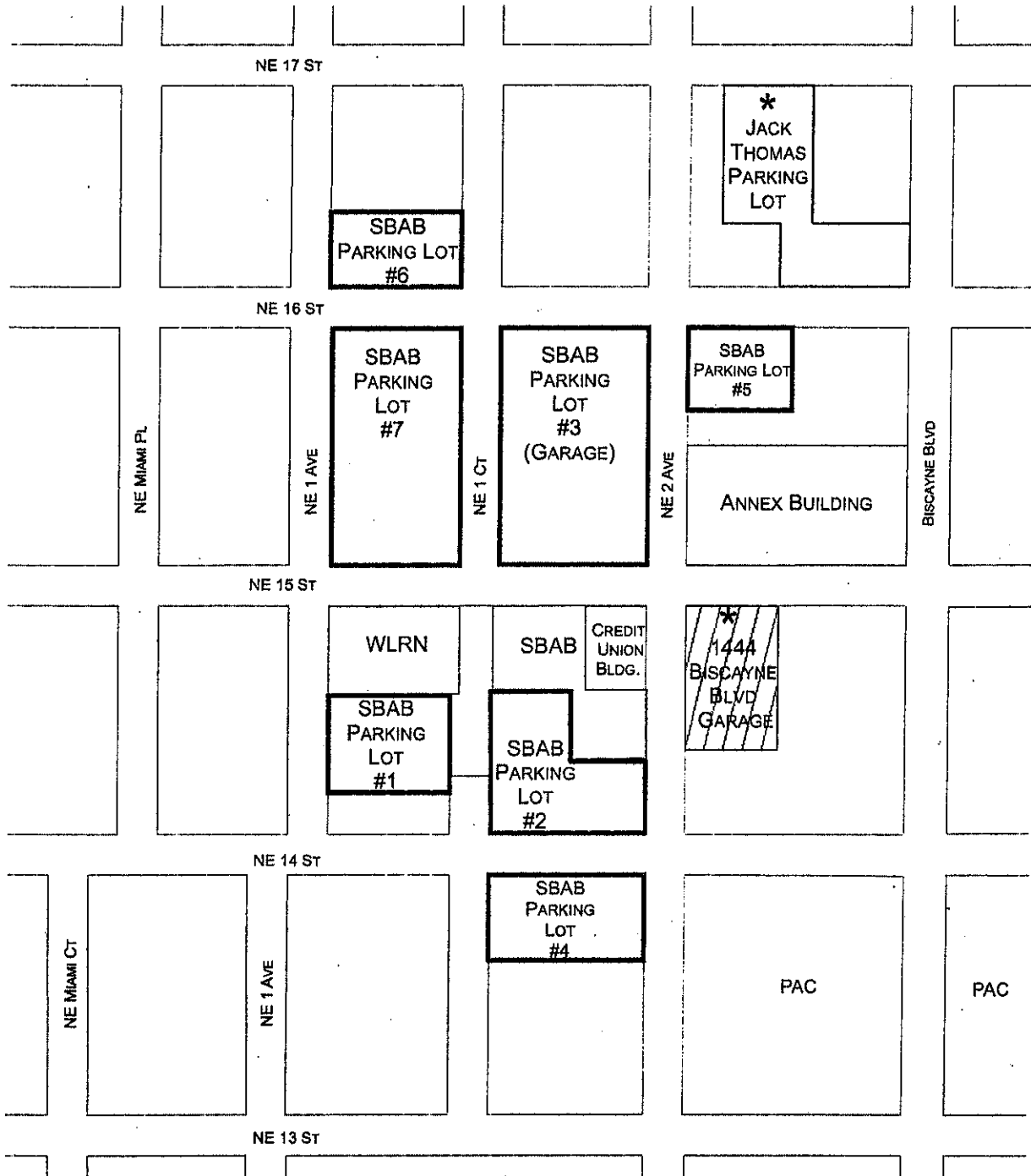
**RECOMMENDED:** That The School Board of Miami-Dade County, Florida, authorize the Superintendent or his designee to:

1) execute an amendment to the sublease agreement with U.S. Parking & Associates, Inc., for a total of 325 parking spaces, located at 1444 Biscayne Boulevard, for the period of June 1, 2007 through September 30, 2008, at a rental rate of \$41.67/space/month (\$162,504 annually), and to add three one-year renewal option periods under the terms and conditions noted above; and

2) cancel the lease agreement with Biscayne Management Corporation at the same location.

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# LOCATION MAP



**LEGEND**

 325 PARKING SPACES SUBLEASED FROM U.S. PARKING,

 PARKING LOTS CURRENTLY LEASED BY BOARD

