

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

- SUBJECT:**
- 1) RENEW LEASE AGREEMENT WITH PICASSO TOWER, INC., FOR OFFICE SPACE LOCATED AT 2800 BISCAYNE BOULEVARD, FOR THE DIVISION OF SCHOOL CHOICE AND PARENTAL OPTIONS; AND**
 - 2) CANCEL THE LEASE AGREEMENT EFFECTIVE WITH THE DATE OF RELOCATION OF THE DIVISION OF SCHOOL CHOICE AND PARENTAL OPTIONS TO A BOARD-OWNED FACILITY, BUT IN NO EVENT LATER THAN JUNE 30, 2008**

COMMITTEE: FACILITIES AND CONSTRUCTION REFORM

LINK TO STRATEGIC PLAN: IMPROVE CONSTRUCTION SERVICES

Background Information

Since January 12, 2004, the School Board (Board) has leased 3,885 square feet of office space located at 2800 Biscayne Boulevard, Suite 900 (see location map), for the Division of School Choice and Parental Options (School Choice), from Picasso Tower, Inc (landlord). The District has completed its initial three-year lease term and the first of two available one-year option periods. The current term of the agreement will expire on January 11, 2008. The lease agreement provides for the current rental rate of \$25 per square foot (\$97,125 annually), to be adjusted by either a 4% increase or by the increase in the CPI, whichever is less (in a not-to-exceed annual amount of \$101,010), during the remaining one-year option period.

Additional Information

In the past, and most recently at the September 5, 2007 meeting, the Board directed staff to explore alternatives to continued use by the District of all lease space, with an emphasis on making greater use of existing Board-owned facilities. To that end, staff determined that office space will be made available to School Choice within one or more Board-owned facilities. To ensure necessary capital improvements at a new location can be implemented, and not interfere with the upcoming FCAT testing period, it is recommended that the remaining one-year option period be exercised, with staff directed to effectuate the relocation of School Choice operations from its current leased location to a Board-owned facility, by or before June 30, 2008, and that the current lease agreement be cancelled effective with the date of the relocation, but in no event later than June 30, 2008.

Proposed Lease Renewal

In light of the foregoing, staff is recommending that the lease agreement be extended for the one-year period commencing January 12, 2008 and ending January 11, 2009, with the understanding that a notice of cancellation will be sent to the landlord by or before February 2008. The current rental rate of \$25 per square foot (\$97,125 annually), will be adjusted by either a 4% increase or by the increase in the CPI, whichever is less (in a not-to-exceed annual amount of \$101,010). 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 lease agreement will remain unchanged, including the following:

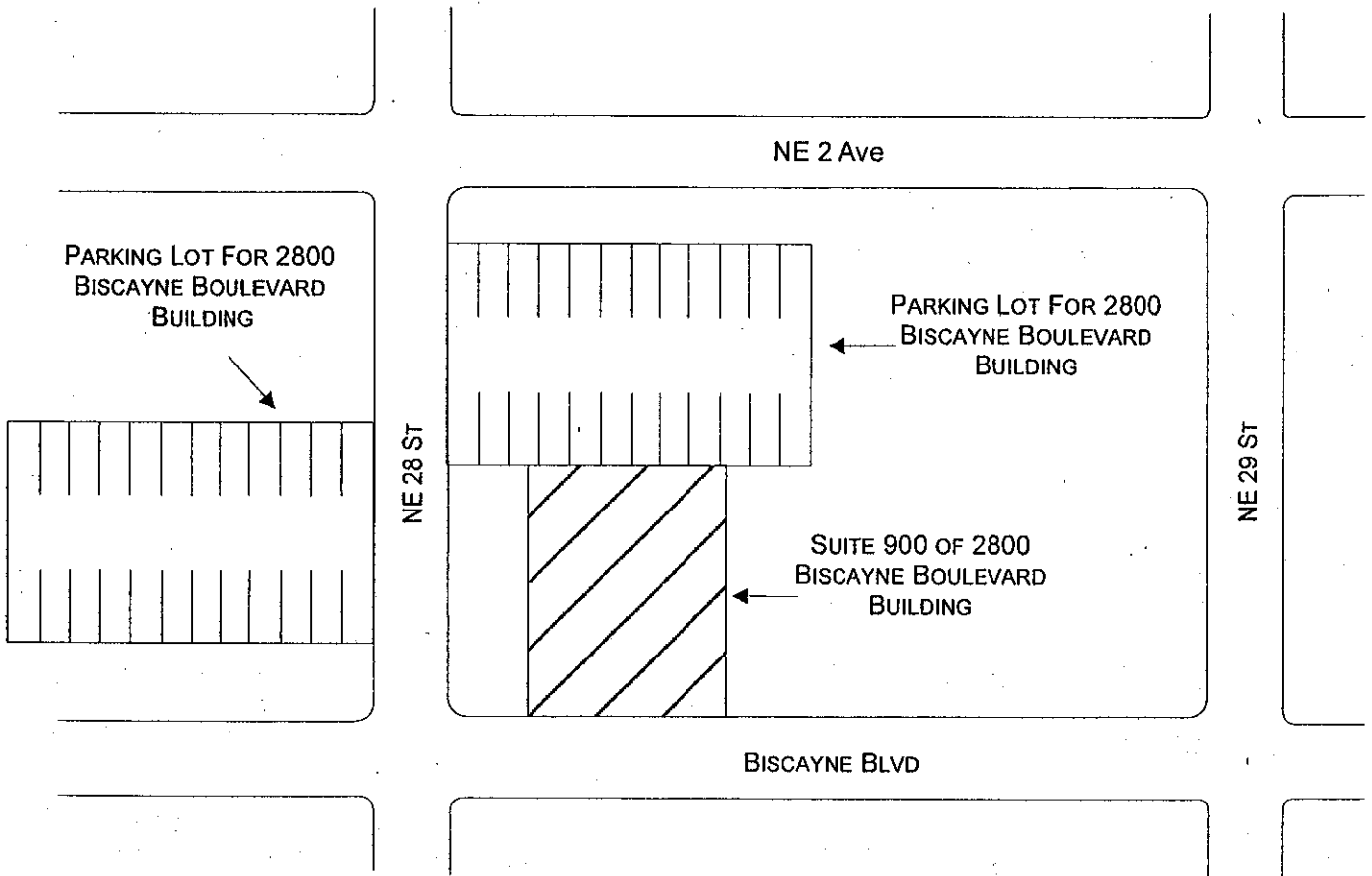
- either party shall have the right to cancel the lease agreement at any time, without penalty, by giving the other party 120 days prior written notice;
- the landlord will provide all building services, including utilities, custodial services and building maintenance, at no additional cost to the District;
- two parking lots, consisting of a total of approximately 125 parking spaces will remain available to all tenants of the building, on a first-come, first-served basis, at no additional cost;
- the landlord shall indemnify and hold the Board harmless from all liability which may arise as a result of the landlord's negligence, actions or failure to act under the terms of the lease agreement;
- the Board shall indemnify and hold the landlord harmless, to the extent of the limitations included within Florida Statutes, from all liability which may arise as a result of the Board's negligence, actions or failure to act under the terms of the lease agreement; 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.

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


- 1) in order to preserve the District's right to continue using the School Choice office facility beyond January 11, 2008, authorize the renewal of the lease agreement with Picasso Tower, Inc., for use of 3,885 square feet of office space located at 2800 Biscayne Boulevard for the Division of School Choice and Parental Options, at an annual rental rate not to exceed \$101,010, for the renewal option term commencing January 12, 2008 and ending January 11, 2009. All other terms and conditions of the lease agreement will remain unchanged; and
- 2) direct the Superintendent to effectuate the relocation of School Choice operations from its current leased location to a Board-owned facility, by or before June 30, 2008, with the current lease agreement to be cancelled effective with the date of the relocation, but in no event later than June 30, 2008.

IB: ib

LOCATION MAP



LEGEND

 DEMISED PREMISES
(3,885 SQUARE FEET OF OFFICE SPACE)
(NOT TO SCALE)

