

Facilities Planning and Construction
Paul J. Phillips, Chief Facilities Officer

**SUBJECT: AUTHORIZATION TO EXECUTE A PURCHASE AND SALE AGREEMENT
WITH MIAMI-DADE COUNTY FOR A PROPERTY FOR THE
NORTHEAST TRANSPORTATION CENTER**

At its February 10, 1999 meeting, the Board authorized staff to negotiate for the purchase of a bus storage and maintenance facility, located at 5901 N.W. 27 Avenue, Miami, Florida (see attached location map).

Pursuant to negotiating procedures, Management Team (MT) meetings were held on May 24, 1999, April 24, 2000 and July 21, 2000, in order to identify the specific parameters and strategies to be used in negotiating for the purchase of this property. Based on the MT recommendations, staff entered into negotiations with Miami-Dade County. The District commissioned two separate independent appraisals and a review appraisal for the property. The two appraisals reflected a fair market value of \$2,900,000 and \$2,100,000. The review appraiser provided an independent value of \$3,000,000. The average appraised value is \$2,666,666. A purchase and sale agreement for this property has been negotiated under the following terms and conditions:

- the purchase price shall be \$3,175,000;
- the seller shall be responsible for the cost of any outstanding taxes, special assessments or liens on the subject property, except those created by the District's use of the property;
- the seller shall be responsible for the requisite documentary stamps/surtax on the deed;
- the seller shall secure an updated abstract or a title commitment for the subject property;
- the seller shall secure a signed and sealed survey;
- the Board shall secure its own environmental assessment of the subject property;
- in the event that environmental problems are discovered, the Board shall not be obligated to proceed with the purchase of the subject property, and
- the seller shall remove or cure any liens and encumbrances, unless otherwise agreed to by the Board.

The subject property is described as:

Tract B of MTA North Division, as recorded in Plat Book 119, Page 45, of the Public Records of Miami-Dade County, Florida.

The negotiated purchase price for the subject property is approximately 20% above the average appraised value of the property; therefore, requiring an extraordinary vote of the Board to authorize the execution of a purchase and sale agreement. The reasons for recommending a purchase price in excess of appraised value are as follows:

- The District will not be required to make additional improvements to the facility; therefore, the cost will be \$3,175,000, compared to the estimated cost of approximately \$5,393,333, for the District to purchase a site and construct a similar facility.
- The District has leased the facility since 1989 at an annual lease rate of \$1 per year.
- The County has reduced their original asking price from \$3,450,000, to the negotiated price indicated, and staff does not believe that a lower price can be negotiated.
- The County has indicated that, should the District decide not to purchase the facility it would be their intent to put the property out for bid for acquisition, and there is a risk that the property could be purchased by another entity and the District be forced to vacate.
- This facility is conveniently located within the geographic area it serves. There is no available land in the neighborhood of the requested site for this purpose. All land surrounding the site is mostly developed as residential, with some commercial properties facing the major roads.

The Deputy Superintendent for School Operations recommends approval of this purchase.

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

1. the Superintendent or his designee to execute a purchase and sale agreement for the purchase of the subject property at a price of \$3,175,000, for the Northeast Transportation Center, under the terms and conditions set forth above; and
2. the payment of environmental assessments related to the purchase of the subject property.

JEM:ibd

LOCATION MAP

