

Facilities Planning and Construction
Suzanne A. Marshall, Chief Facilities Officer (Construction)

SUBJECT: RENEWAL OF LEASE AGREEMENT WITH BISCAYNE MANAGEMENT CORPORATION FOR ADMINISTRATIVE OFFICE SPACE AT THE 1444 BISCAYNE BOULEVARD BUILDING

Since January 2000, the Board has leased 9,985 square feet of office space in the 1444 Biscayne Boulevard Building for the Office of Workforce Development Education, Division of Materials Management, Division of Procurement Management, Pre-qualification and Educational Facilities Compliance, Bureau of Management and Accountability, and One Community One Goal, from Biscayne Management Corporation. The lease includes 50 parking spaces, at no additional cost to the District. The current lease term will expire on January 24, 2002.

Pursuant to established procedures, a Management Team meeting was held on July 30, 2001, for direction on strategies and parameters. Based on this direction, a renewal of the lease agreement for an additional one-year term was recommended.

The lease specifies that the current annual lease rate of \$18.63 per square foot (\$186,020.52 annually), will be adjusted by either a 5% increase or by the increase in the September Consumer Price Index (CPI), whichever is less. As the September CPI is anticipated to be no more than 4%, this would effectively increase the annual rent by no more than \$7,488.75. However, in no event could the cost exceed \$19.56 per square foot (\$195,306.60 annually). 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. The term of the renewal option period will commence January 25, 2002, and will end January 24, 2003. Since this renewal represents the last of two one-year renewal options available under the lease agreement, and provided that there is an ongoing District need, staff will conduct a cost-benefit analysis to determine whether lease, lease-purchase or purchase is the most cost-effective option for continued District use.

The Assistant Superintendent of the Office of Career Preparation and Innovative Programs; Associate Superintendent for the Bureau of Procurement and Materials Management; Deputy Superintendent for Management and Accountability; and Deputy Superintendent for Education recommend approval of the proposed lease renewal.

RECOMMENDED:

That The School Board of Miami-Dade County, Florida, authorize the renewal of the lease agreement with Biscayne Management Corporation for 9,985 square feet of administrative office space in the 1444 Biscayne Boulevard Building, at an annual rental amount not to exceed \$195,306.60. The term of the renewal option period will commence January 25, 2002, and will end January 24, 2003. All other terms and conditions of the lease agreement will remain unchanged.

MMC:hf