

February 25, 2002

Business Operations  
Joe Arriola, Chief Business Officer

**SUBJECT: RENEWAL OF LEASE AGREEMENT WITH STEVEN BOREK FARMS  
FOR THE USE OF BOARD-OWNED LAND FOR AGRICULTURAL  
PURPOSES**

Since September 1986, the Board has leased a 10-acre parcel of vacant land located at S.W. 124 Avenue and S.W. 242 Street to Steven Borek Farms (Borek Farms) to be used for agricultural purposes (see location map). The land is designated for future use as an elementary school, however, a funding appropriation for construction is not included in the current Five-Year Work Program. Borek Farms has completed its initial one-year term and the first of two one-year renewal option periods available under the current lease agreement. The current lease term will expire on March 15, 2002. This proposed renewal represents the last of two one-year renewal option periods available under the lease agreement.

The lease specifies that the current annual lease rate of \$3,583.13 shall be adjusted by either a 5% increase or by the increase in the January Consumer Price Index (CPI), whichever is greater. The January CPI was 1.1%. As such, the annual lease rate shall be adjusted to \$3,762.29, which reflects a 5% increase. In order to determine the fair market rental rate for agricultural land in this area, staff secured an economic analysis from an appraiser in January 1998. The appraiser indicated that a rental rate of \$300 per acre per year (\$3,000/year) for agricultural land in this area was consistent with market demand. Staff subsequently negotiated a new lease rate of \$325 per acre per year, effective March 16, 1998. The appraiser recently advised that demand for agricultural land has declined since 1998 and the proposed lease rate of \$376.23 per acre per year is in excess of most other rental amounts being paid in the area. The term of the renewal option period will commence March 16, 2002, and will end March 15, 2003.

All other terms and conditions of the lease agreement will remain unchanged, including the following:

- the Board shall have the right to access the property for the purpose of conducting on-site inspections/testing related to any design or construction related activities;
- in addition to default and damage or destruction, either party shall have the right to cancel the lease agreement at any time by giving the other 120 days prior written notice; and
- Borek Farms, at its sole cost and expense, shall keep and maintain the premises

in a safe and secure condition, and free and clear of overgrowth and debris.

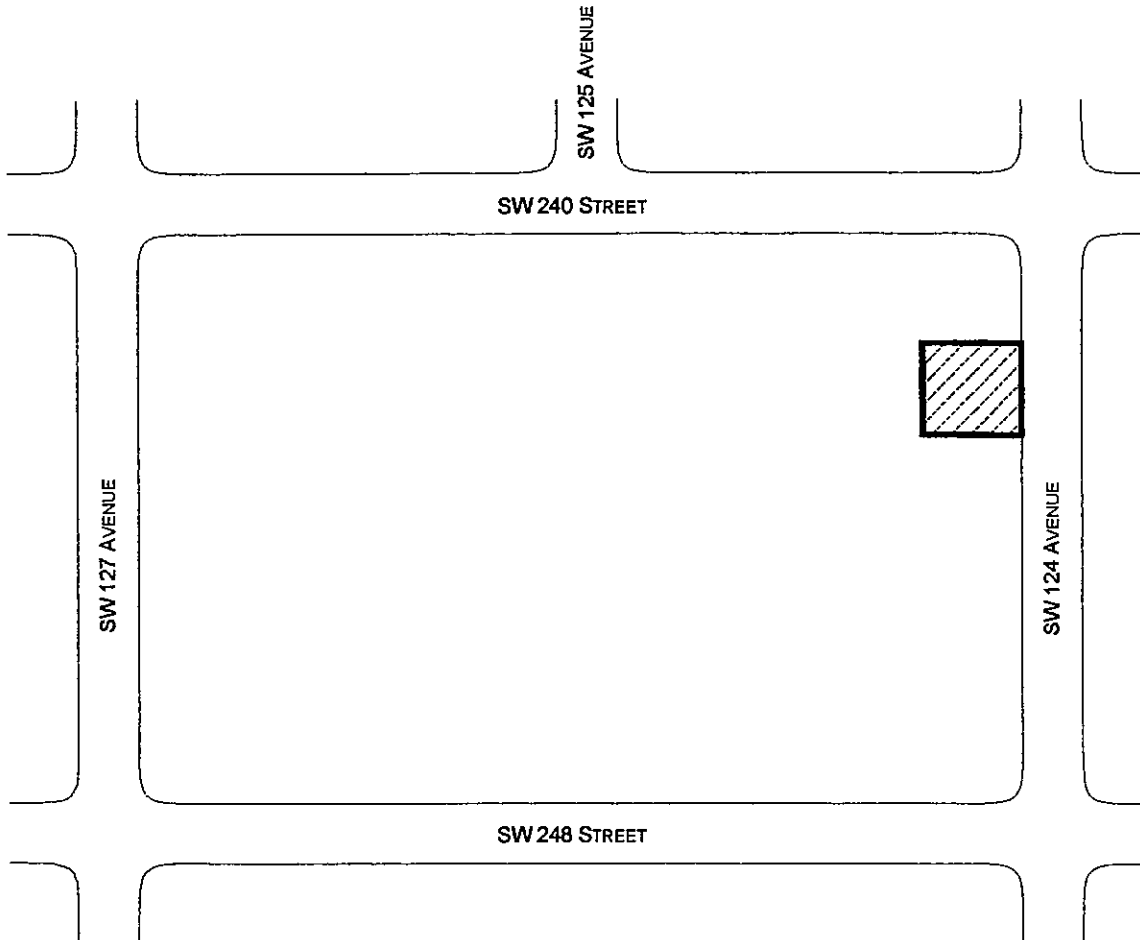
Staff has contacted the Executive Director of the Office of Capital Improvement Projects, the Region VI Superintendent, and the Associate Superintendent of School Operations, who approved Steven Borek's request to renew the lease term for the period commencing March 16, 2002 and ending March 15, 2003.

**RECOMMENDED:**

That The School Board of Miami-Dade County, Florida, authorize the renewal of the lease agreement with Steven Borek Farms for the use of Board-owned land for agricultural purposes, at an annual rental rate of \$3,762.29. The term of the renewal option period will commence March 16, 2002 and will end March 15, 2003. All other terms and conditions of the lease agreement will remain unchanged.

MMC:rr

# LOCATION MAP



**LEGEND**

 10 ACRE BOARD-OWNED SITE  
LEASED TO BOREK

