

Business Operations
Joe Arriola, Chief Business Officer

**SUBJECT: RENEWAL OF LEASE AGREEMENT WITH THE SOUTH FLORIDA
EDUCATIONAL FEDERAL CREDIT UNION FOR THE USE OF 25 BOARD-
OWNED PARKING SPACES**

Since July 2001, the Board has leased 25 parking spaces located at N.E. 15 Street and N.E. 1 Court (see location map) to the South Florida Educational Federal Credit Union (Credit Union), for use by Credit Union staff at its new facility located adjacent to the School Board Administration Building (SBAB). Since the Credit Union property is too small to provide any on-site parking, the City of Miami Planning and Zoning Department required the Credit Union to provide 25 off-site parking spaces as a condition to issuing a building permit. Given the long-standing relationship between the Credit Union and the School Board, the District agreed to lease the required parking spaces to the Credit Union, which has allowed for the continuation of valuable banking services for School Board employees in close proximity to the SBAB complex. At the time the lease agreement was negotiated, however, the District informed the City of Miami and the Credit Union that the Board's commitment to lease the required parking spaces to the Credit Union would be limited to a two-year period. The Credit Union has completed its initial one-year term. The current term of the lease agreement will expire on June 30, 2002. This proposed renewal represents the first and only one-year renewal option period available under the lease agreement.

At the July 11, 2001 Board meeting, the Board asked staff to investigate the possibility of increasing the rental rate charged to the Credit Union in light of the higher rate paid by the Board for use of the Thomas Post lot as a result of the recently imposed City of Miami 20% parking surcharge. Based on the foregoing, staff is recommending that the lease agreement be amended to increase the rental rate charged to the Credit Union to \$33 per space per month, which is \$825 monthly (\$9,900 annually), as appropriate compensation for the loss of Board-owned spaces. The amount paid for parking lots leased by the Board within the vicinity of the SBAB range from \$22.93 to \$32.58 per space per month (see rent schedule). Moreover, the Credit Union, in exercising its option to renew the lease agreement, requested that the District extend the term for an additional five-year period, instead of the one-year renewal term provided under the current agreement. However, given that staff is currently investigating the long-term staff and visitor parking needs required to serve the SBAB complex, including an economic analysis of leased parking facilities, it is staff's recommendation that the Board renew the agreement for the single one-year option period provided under the terms of the agreement. Such a renewal will be at the increased rental rate noted above. Prior to the end of the one-year option period, the District will determine its long-term parking needs, and can negotiate an appropriate lease agreement with the Credit Union for its continued use of these parking facilities at a rate and for a period of time that is in the best interest of the Board.

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 by giving the other party 60 days prior written notice; and
- the Board is responsible for maintenance of the premises.

The term of the renewal option period will commence July 1, 2002, and will end June 30, 2003.

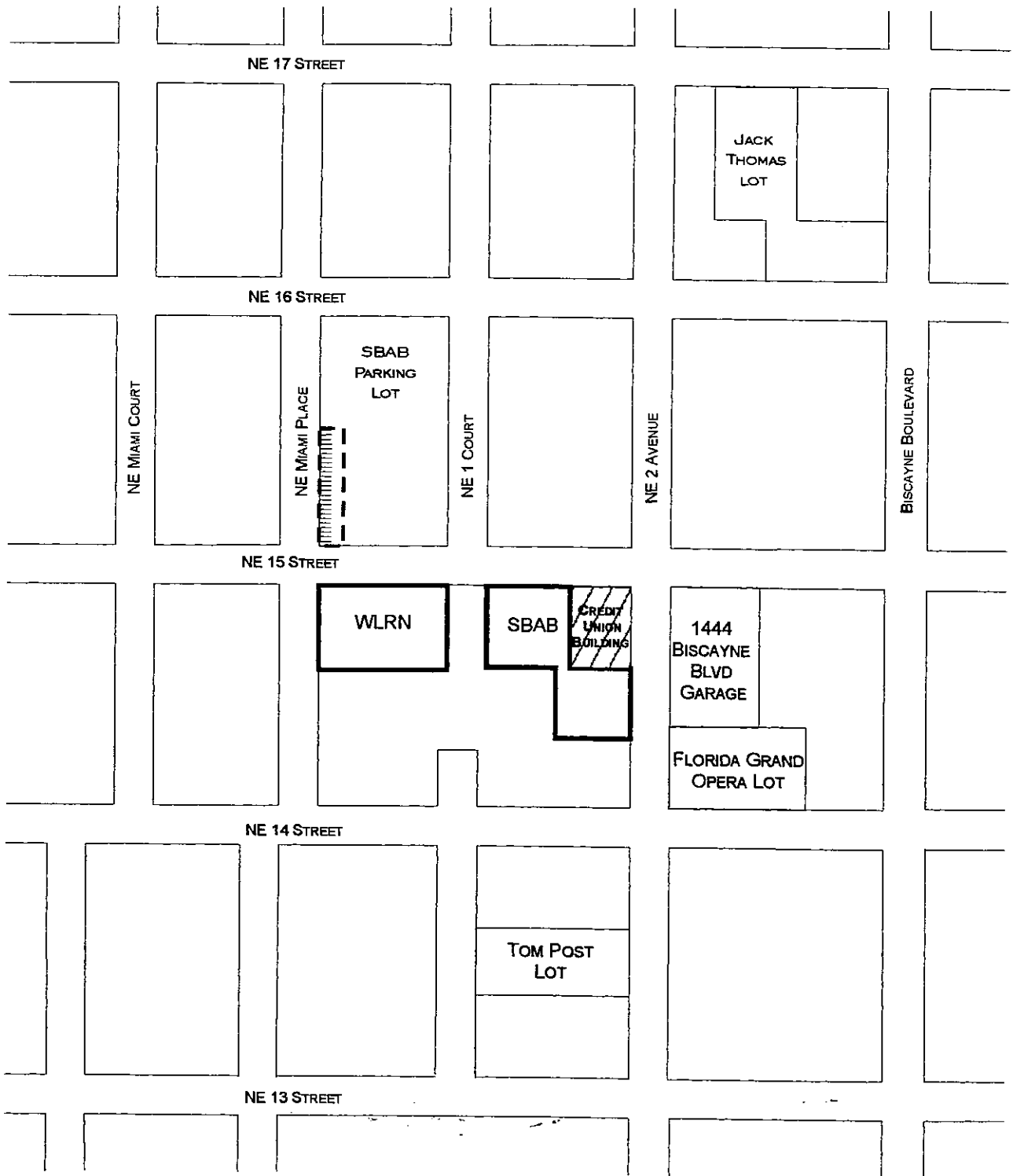
Staff contacted the Supervisor of District Office Operations and the Administrative Director of Business Operations, who recommend approval of the Credit Union's request to renew the lease term for the period commencing July 1, 2002 and ending June 30, 2003. The proposed lease amendment will be reviewed by the School Board Attorney's Office, the Supervisor of District Office Operations and the Administrative Director of Business Operations prior to its execution.

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


1. authorize the Superintendent or his designee to execute a lease amendment with the South Florida Educational Federal Credit Union to increase the rental rate to \$33 per space per month (\$9,900 annually); and
2. authorize the renewal of the lease agreement with the South Florida Educational Federal Credit Union, for use of 25 Board-owned parking spaces, at an annual rental amount of \$9,900. The term of the renewal option period will commence July 1, 2002, and will end June 30, 2003. All other terms and conditions of the lease agreement will remain unchanged.

MMC:rr

LOCATION MAP



LEGEND

 DEMISED PREMISES
(25 PARKING SPACES)



RENT SCHEDULE

LEASED PARKING FACILITIES			
<u>Location of Parking Facility</u>	<u># of spaces</u>	<u>Amount of Rent</u>	<u>Use</u>
1. Thomas Post lot 1340 NE 2 nd Avenue (surface lot)	75	\$29,322/year (\$32.58/space/month) this amount includes the 20% City of Miami parking surcharge and is broken down as follows: \$24,435/year or \$27.15/space/month for rent & \$4,887/year or \$5.43/space/month for surcharge fee	serves District staff & visitors in SBAB complex
2. Biscayne Management Corp. 1444 Biscayne Blvd. (parking garage)	200 (150 at \$28 per space per month, plus an additional 50 spaces, which are included at no charge under office space lease, for a total of 200 parking spaces)	\$50,400/year (\$28.00/space/month)	serves District staff in SBAB complex
3. Jack Thomas Lot 235 NE 16 Street (surface lot)	100	\$31,500/year (\$26.25/space/month)	serves District staff & visitors in SBAB complex
4. Florida Grand Opera lot 1411 NE 2 nd Avenue (surface lot)	125	\$34,395/year (\$22.93/space/month)	serves District staff in SBAB complex
PARKING SPACES LEASED TO THE CREDIT UNION			
<u>Location of Parking Facility</u>	<u># of spaces</u>	<u>Amount of Rent</u>	<u>Use</u>
SBAB Parking Lot NE 15 Street & NE 1 Court (surface lot)	25	\$9,000/year (\$30/space/month)	serves Credit Union staff at branch adjacent to SBAB complex

Note: The rental rate of \$30/space/month currently charged to the Credit Union for the lease of 25 Board-owned parking spaces shall be increased to \$33/space/month for the period commencing July 1, 2002 and ending June 30, 2003.