

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

SUBJECT: AUTHORIZATION FOR THE SUPERINTENDENT TO FINALIZE NEGOTIATIONS AND EXECUTE AN AMENDMENT TO THE LEASE AGREEMENT WITH McCrory Design Associates, LTD., FOR USE OF 25 FACULTY PARKING SPACES, LOCATED AT 3720-3750 BISCAYNE BOULEVARD, BY THE DESIGN AND ARCHITECTURE SENIOR HIGH SCHOOL

COMMITTEE: FACILITIES AND CONSTRUCTION REFORM

LINK TO STRATEGIC PLAN: IMPROVE CONSTRUCTION SERVICES

Background

Since May 1996, the Board has leased 25 parking spaces on a surface parking lot located at 3720-3750 Biscayne Boulevard (see location map), for use by Design and Architecture Senior High School (DASH) staff, from McCrory Design Associates, Ltd. (McCrory). The current term of the lease agreement will expire on May 9, 2009, and there are no renewal provisions.

Staff contacted the landlord, who expressed a willingness to amend the lease to allow continued District use of the parking lot. Although the landlord originally proffered a substantially higher lease rate, at the request of staff, the landlord has now agreed to extend the lease term for an additional two-year period, with the rental amount to remain unchanged for the first year at \$28.60 per space monthly (\$8,250 annually). The rental amount will increase by 4% to \$29.74 per space monthly (\$8,922 annually) during the second year of the lease term. This provides for an average lease rate over the two year period of \$29.18 per space monthly (\$8,754 annually).

District Due Diligence Process

After securing the concurrence from the Principal of DASH and the South Central Regional Center Superintendent that there is a continuing need for staff parking at the school, and in compliance with District leasing procedures, the Facilities Planning Department conducted a search of potential alternate parking facilities (see market analysis). There are no Board-owned sites in close proximity to the school, or on the DASH campus to site the 25 parking spaces. Other than the 25 parking spaces currently leased for the use of DASH from the Florida East Coast Railway Company (see location map), privately-owned parking lots in the vicinity are dedicated to tenants of adjoining office buildings, and there are no additional spaces available for lease. Staff also contacted the City of Miami Parking Authority (City) concerning the possible use of a nearby municipal parking lot located at NW 2 Avenue and 37 Street, for use by DASH.

The City advised that there are currently no available spaces for lease at that location; additionally, even if there were spaces available, the rate for a monthly decal at that lot would have been \$36.92 per space monthly, which is higher than the proposed new monthly rate (two-year average monthly rate of \$29.18 per space) being proposed at the McCrory parking lot.

Proposed Lease Amendment

In light of the fact that there are no other immediate feasible alternatives to provide the needed additional parking for DASH, as more fully discussed above, it is recommended that the lease agreement be amended to extend the term for a two-year period commencing May 10, 2009 and ending May 9, 2011. The current rental rate of \$28.60 per space monthly (\$8,250 annually), will remain unchanged for the period commencing May 10, 2009 and ending May 9, 2010, and then increase by 4% to \$29.74 per space monthly (\$8,922 annually) for the period commencing May 10, 2010 and ending May 9, 2011. This provides for an average lease rate over the two year period of \$29.18 per space monthly (\$8,754 annually), which is below parking rates paid by the District in the vicinity (see rent schedule). 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, including:

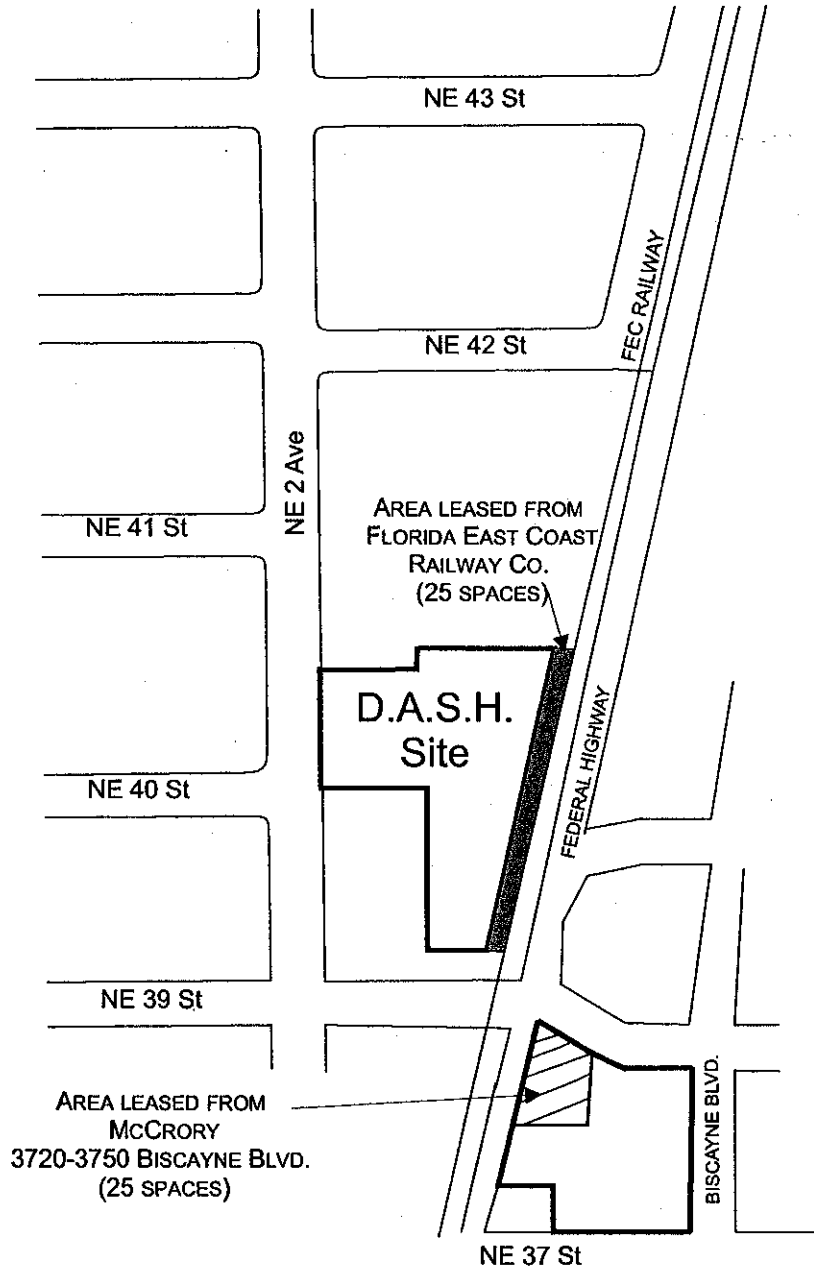
- the landlord, at its sole cost and expense, shall maintain and keep the demised premises clean and usable for District parking; and
- either party shall have the right to cancel this lease at any time by giving the other party 30 days prior written notice.

The principal of DASH, South Central Regional Center Superintendent and Deputy Superintendent, School/District Operations, recommend executing the proposed lease amendment, at an annual rental rate of \$8,250 for the period of May 10, 2009 through May 9, 2010 and \$8,922 for the period of May 10, 2010 through May 9, 2011. The proposed lease amendment will be reviewed by the Office of Risk and Benefits Management and the School Board Attorney's Office, prior to its execution.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, authorize the Superintendent to finalize negotiations and execute an amendment to the Lease Agreement with McCrory Design Associates, Ltd., for use of 25 faculty parking spaces by the Design and Architecture Senior High School, to extend the term from May 10, 2009 to May 9, 2011, at an annual rental amount of \$8,250 for the period of May 10, 2009 through May 9, 2010 and \$8,922 for the period of May 10, 2010 through May 9, 2011. All other terms and conditions of the lease agreement will remain unchanged.

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LOCATION MAP



RENT SCHEDULE

LEASED PARKING FACILITIES			
<u>Location of Parking Facility</u>	<u># of spaces</u>	<u>Amount of Rent</u>	<u>Use</u>
1. McCrory Design Associates Ltd. 3720-3750 NE 2 Avenue Current location (surface lot)	25	Proposed two-year average of \$8,754/year (\$29.18/space/month)	Serves faculty at DASH
2. Florida E. Coast Railway Co. NE 40 Street & 2 nd Ave. (surface lot)	25	\$12,225/year (\$40.75/space/month)	Serves faculty at DASH

MARKET ANALYSIS

Market Analysis for possible alternate parking facilities for the Design and Architecture Senior High School

Option	Facility Location	Available Spaces For Lease	Lease Cost/Pkg Space
1	McCrory Design Associates (<u>current location</u>) 3720-3750 Biscayne Boulevard	25	\$28.60 (1 st year) \$29.74 (2 nd year)
2	Miami Parking Authority (municipal parking lot) NE 37 Street and 2 Ave.	0	\$36.92
3	Kobi Karp Architecture (paved lot) 3900 Biscayne Boulevard	0	N/A
4	Atlas Plaza 114-130 NE 38 St (paved lot)	0	N/A
5	Southeastern Conf. Association of Seventh day Adventist 4201 NE 2 Ave (paved lot)	0	N/A
6	Dacra Realty and Development 151 NE 40 St (paved lot)	0	N/A
7	Dacra Realty and Development 161 NE 40 St (paved lot)	0	N/A
8	Dacra Realty and Development 270 NE 39 St-(undeveloped vacant lot)	0	N/A
9	Dacra Realty and Development NE 40 Street and 1 Ave (paved Lot)	0	N/A