

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

SUBJECT: AUTHORIZATION FOR THE SUPERINTENDENT TO FINALIZE NEGOTIATIONS AND EXECUTE LEASE AGREEMENTS BETWEEN THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA (AS LESSOR) AND THE MIAMI-DADE FOUNDATION FOR EDUCATIONAL INNOVATION, INC. (AS LESSEE) AT THE FOLLOWING LOCATIONS, FOR USE AS THE ACADEMY OF INTERNATIONAL EDUCATION CHARTER SCHOOL:

- 1) 1080 LABARON DRIVE, MIAMI SPRINGS,
- 2) 13835 NW 97 AVENUE, HIALEAH, AND
- 3) 6521 SW 62 AVENUE, SOUTH MIAMI

COMMITTEE: FACILITIES AND CONSTRUCTION REFORM

LINK TO STRATEGIC FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY

Background

The School Board ("Board"), at its meeting of July 13, 2011, approved a contractual agreement with the Miami-Dade Foundation for Educational Innovation, Inc. ("MDFEI"), operating as Academy of International Education Charter School ("school"), for a term of four years. The Board further authorized the Superintendent to negotiate and execute a management agreement to provide administrative and operation services ("Management Agreement"), and also authorized the Superintendent to negotiate lease agreements with MDFEI for use of three Board-owned facilities ("Lease Agreements"), and to bring terms and conditions of those Lease Agreements to the Board for approval at a meeting prior to the scheduled opening of the school. The facilities to be utilized by the school (collectively referred to herein as "facility" or "facilities") are located at:

- 1080 LaBaron Drive, Miami Springs
- 13835 NW 97 Avenue, Hialeah
- 6521 SW 62 Avenue, South Miami

In each instance, the Lease Agreement will convey to MDFEI the right to occupy specific portions of the facility (inclusive of building and grounds), with the opportunity to occupy additional areas within the facility, with 90 days advance written notice to the District, and subject to approval by the Superintendent. Many of the terms and conditions will be the same for each Lease Agreement, with the term to run concurrent with the above referenced Management Agreement with MDFEI. A few of the terms and conditions are unique to each location.

Proposed Lease Agreement terms common to all the three facilities

- the term shall run from August 4, 2011, through June 30, 2015, unless the Management Agreement is terminated, or the Lease Agreement is terminated sooner. Effective July 1, 2012, each subsequent year's term shall begin on July 1st and end on June 30th of the following calendar year, unless terminated sooner, as provided below;
- the initial base term may be extended for one additional term of five years (July 1, 2015 through June 30, 2020), at the sole option of the Board, provided the Management Agreement between the Board and MDFEI has likewise been extended, and MDFEI is not in default of any of the terms of the Lease Agreement;
- rent at \$1 per year;
- the Board shall provide routine building and grounds maintenance, as well as custodial/janitorial services, trash pick-up, utilities and property insurance at each location under the Lease Agreement. MDFEI shall reimburse the Board fully for these costs, based on the prior year's reported actual cost per square foot. This amount shall be reconciled at the end of each year and the difference, if any, between the amount collected and the actual incurred costs shall be reimbursed to the Board;
- effective with the commencement date of the Lease Agreement, MDFEI shall have the right to occupy certain space (demised premises) for one year under this Lease Agreement, provided however, that at least 90 days prior to seeking to expand its area of occupancy, MDFEI shall notify the Board in writing of the requested additional square footage, which approval may be granted by the Superintendent or his designee, at his sole discretion, and all appropriate exhibits to the Lease Agreement shall be adjusted accordingly;
- MDFEI may make improvements to the demised premises, at its sole cost and expense, but only subsequent to receiving written approval of same from the Superintendent or his designee, which shall include Board review for compliance with all laws and regulations governing public schools;
- MDFEI shall acknowledge and accept the authority of the Board to request and authorize audits, inspections, and reviews, including, but not limited to, the authority to access MDFEI's records, its legal representatives' and contractors' records and the obligation of MDFEI to make those records available upon request;
- MDFEI shall provide the Board with evidence of insurance in the types and amounts of coverage as required by the Board, including but not limited to Commercial General Liability Insurance, Automobile Liability Insurance, Workers' Compensation Insurance and Property Coverage, or as may be amended from time to time, and naming the Board as an additional insured on the Commercial General Liability Insurance;

- MDFEI may use Board-owned furniture, fixtures and equipment (FF&E) located within the demised premises as of the commencement date of the Lease Agreement, subject to an inventory to be conducted jointly by the Board and MDFEI, prior to occupancy, which inventory shall become an exhibit to the Lease Agreement. At least annually, prior to the commencement of each new lease period, the inventory must be updated based on a joint assessment by the Board and MDFEI. MDFEI shall replace or provide compensation to the Board for any damaged or missing items at the then current cost;
- the Board shall retain the exclusive right at all times to be the sole authorizer and recipient of revenue generators, such as but not limited to third party advertising, the installation of wireless telecommunications facilities and other similar endeavors, in compliance with Board Policies, provided however, that such endeavors shall not interfere with MDFEI's rights to peaceful enjoyment under this Lease Agreement;
- The Board shall retain the right to provide before and after school care services, in space not used by MDFEI, at the Board's sole option;
- MDFEI shall be allowed to erect identification signage, subject to Board approval and in conformance with laws and regulations governing public schools, with said signage to include " a Miami-Dade County Public Schools Managed Charter";
- MDFEI shall indemnify and hold the Board harmless from all liability which may arise as a result of MDFEI's negligence, actions or failure to act under the terms of the Lease Agreement;
- the Board shall indemnify and hold MDFEI harmless, to the extent of the limitations included within Florida Statutes, from all liability which may arise as a result of the Board's negligence, actions or failure to act under the terms of the Lease Agreement;
- MDFEI shall be responsible for the payment of any taxes, fees or other assessments, including but not limited to sales tax, imposed on the facility due as a result of the occupancy and use of the demised premises by MDFEI;
- either party shall have the right to cancel the Lease Agreement at will by giving the other party at least 90 days prior written notice, provided the effective date of such cancellation does not fall during the regular school year, as defined by the Board's Elementary and Secondary School Calendar;
- in the event of default by MDFEI, which default is not cured within the prescribed timeframe, the Board shall have the right to immediately cancel the Lease Agreement and occupy the demised premises. Further, a default

by MDFEI under the Management Agreement, which default is not cured within the prescribed timeframe, shall constitute a default under the Lease Agreement, and the Board shall have the right to immediately cancel the Lease Agreement and occupy the demised premises;

- in the event of default by the Board, which default is not cured within the prescribed timeframe, MDFEI shall have the right to immediately cancel the Lease Agreement;
- MDFEI shall comply with all applicable laws, rules, regulations, ordinances and codes of all governmental authorities, including, without limitation, the Americans with Disabilities Act and the Jessica Lunsford Act;
- MDFEI shall accept the facility in its "as is, where is" condition as of the commencement date of the Lease Agreement, with no representations or warranties by the Board as to the physical condition or usability of the facility for any specific use;
- MDFEI shall not use, handle, generate, manufacture, produce, store, discharge, treat, remove, transport or dispose of Hazardous Substances at, in, upon, under, to or from the facility. "Hazardous Substances" shall include, but not be limited to, flammable substances, explosives, radioactive materials, asbestos, polychlorinated biphenyls, chemicals known to cause cancer, reproductive toxicity, pollutants, contaminants, hazardous wastes, medical wastes, toxic substances or related materials, petroleum and petroleum products, and substances declared to be hazardous or toxic by Federal, State or Local Environmental Laws;
- if, while in its period of use under this Lease Agreement, there is a requirement for infrastructure improvements or other regulatory compliance, MDFEI shall be responsible for fulfilling the applicable requirements, at its sole cost and expense;
- MDFEI may not assign or sublet any portion of the Facility;
- MDFEI shall surrender the facility to the Board, at the expiration, termination or cancellation of the Lease Agreement in as good condition as existed on the commencement date of the Lease Agreement, ordinary wear and tear excepted, including removal of all personal property and other items belonging to MDFEI. Any improvements constructed by MDFEI shall be removed and the area restored to the same or better condition as previously existed, unless the Board, at its sole option, chooses to keep the improvements;
- in the event of damage or destruction of all or portions of the facility, other than damage or destruction caused by MDFEI, the Board may, at its sole option, either cancel the Lease Agreement, or repair or replace the damaged

facilities, at the Board's expense;

- the Lease Agreement shall be deemed inferior and subordinate to any existing or future financing or conveyance by the Board of the facility or any portions thereof;
- the Lease Agreement shall be construed and enforced according to the laws of the State of Florida and the venue for any disputes shall be Miami-Dade County, Florida;
- in the event of any litigation between the parties under the Lease Agreement, each party shall be responsible for its own attorney's fees and court costs through trials and appellate levels; and
- for purposes of the Lease Agreement, the Superintendent of Schools shall be the party designated by the Board to grant or deny any modifications and approvals required by the Lease Agreement, including without limitation renewing the Lease Agreement, amending any of its exhibits or canceling and/or terminating the Lease Agreement.

Proposed Lease Agreement terms unique to each Facility

1080 LaBaron Drive, Miami Springs:

- for the period of August 4, 2011 through June 30, 2012 (year one of the Lease Agreement), MDFEI shall lease approximately 15,015 gross square feet of classroom and ancillary space (see Exhibit "A"); and
- for year one of the Lease Agreement, MDFEI shall pay \$7.52 per gross square foot, annualized at \$112,846, which shall cover the facility's operating costs, such as routine building and grounds maintenance, custodial/janitorial services, trash pick-up, utilities and property insurance for the demised premises. This amount will be reconciled at the end of year one, and a new amount established for the following year and each year thereafter, based on the actual costs incurred by the Board; and
- MDFEI shall notify the Board in writing by 4 p.m., August 12, 2011, of any requested adjustments to the amount of space to be leased, which request, if approved by the Superintendent, shall be reflected in the Lease Agreement and all appropriate adjustments made thereto, including any required changes to the exhibits.

13835 NW 97 Avenue, Hialeah:

- for the period of August 4, 2011 through June 30, 2012 (year one of the Lease Agreement), MDFEI shall lease approximately 21,628 gross square feet of classroom and ancillary space (see Exhibit "B");

and

- for year one of the Lease Agreement, MDFEI shall pay \$5.76 per gross square foot, annualized at \$124,590 which shall cover the facility's operating costs, such as routine building and grounds maintenance, custodial/janitorial services, trash pick-up, utilities and property insurance for the demised premises. This amount will be reconciled at the end of year one, and a new amount established for the following year and each year thereafter, based on the actual costs incurred by the Board; and
- MDFEI shall notify the Board in writing by 4 p.m., August 12, 2011, of any requested adjustments to the amount of space to be leased, which request, if approved by the Superintendent, shall be reflected in the Lease Agreement and all appropriate adjustments made thereto, including any required changes to the exhibits.

6521 SW 62 Avenue, South Miami:

- for the period of August 4, 2011 through June 30, 2012 (year one of the Lease Agreement), MDFEI shall lease approximately 15,692 gross square feet of classroom and ancillary space (see Exhibit "C"); and
- for year one of the Lease Agreement, MDFEI shall pay \$5.32 per gross square foot, annualized at \$83,427 which shall cover the facility's operating costs, such as routine building and grounds maintenance, custodial/janitorial services, trash pick-up, utilities and property insurance for the demised premises. This amount will be reconciled at the end of year one, and a new amount established for the following year and each year thereafter, based on the actual costs incurred by the Board; and
- MDFEI shall notify the Board in writing by 4 p.m., August 12, 2011, of any requested adjustments to the amount of space to be leased, which request, if approved by the Superintendent, shall be reflected in the Lease Agreement and all appropriate adjustments made thereto, including any required changes to the exhibits.

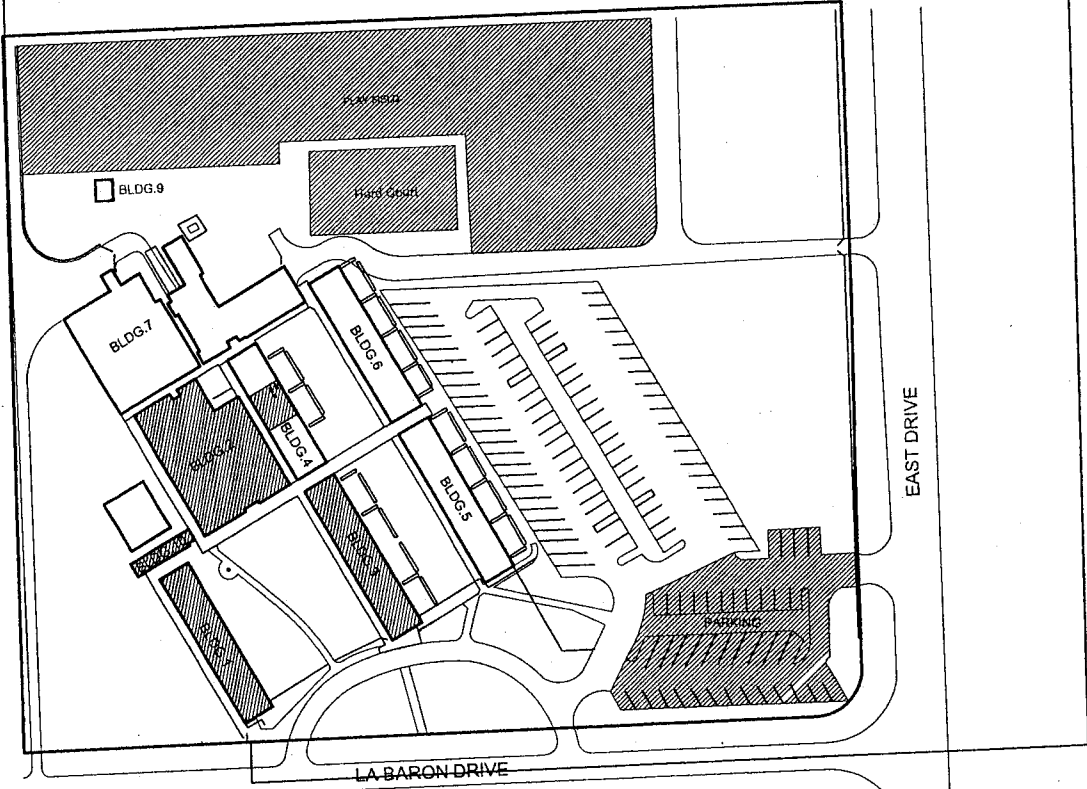
The Lease Agreement documents will be reviewed by the Office of Risk and Benefits Management and the School Board Attorney's Office prior to their execution. In addition, a copy of each Lease Agreement will be provided to the Board as supplemental information and a copy placed on file in the Citizen Information Office and with the Recording Secretary.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, authorize the Superintendent to finalize negotiations and execute lease agreements between The School Board of Miami-Dade County, Florida (as Lessor), and the Miami-Dade Foundation for Educational Innovation, Inc. (as Lessee), at the following locations under, substantially, the terms and conditions noted above, for use as the Academy of International Education Charter School:


- 1) 1080 LaBaron Drive, Miami Springs,
- 2) 13835 NW 97 Avenue, Hialeah, and
- 3) 6521 SW 62 Avenue, South Miami

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
EXHIBIT "A"



Legend

 Demised premises

N



Not to scale

EXHIBIT "A"

**1080 LE BARON DRIVE
MIAMI SPRINGS, FLORIDA 33166**

Building 01 - All Rooms

Building 02 - All Rooms

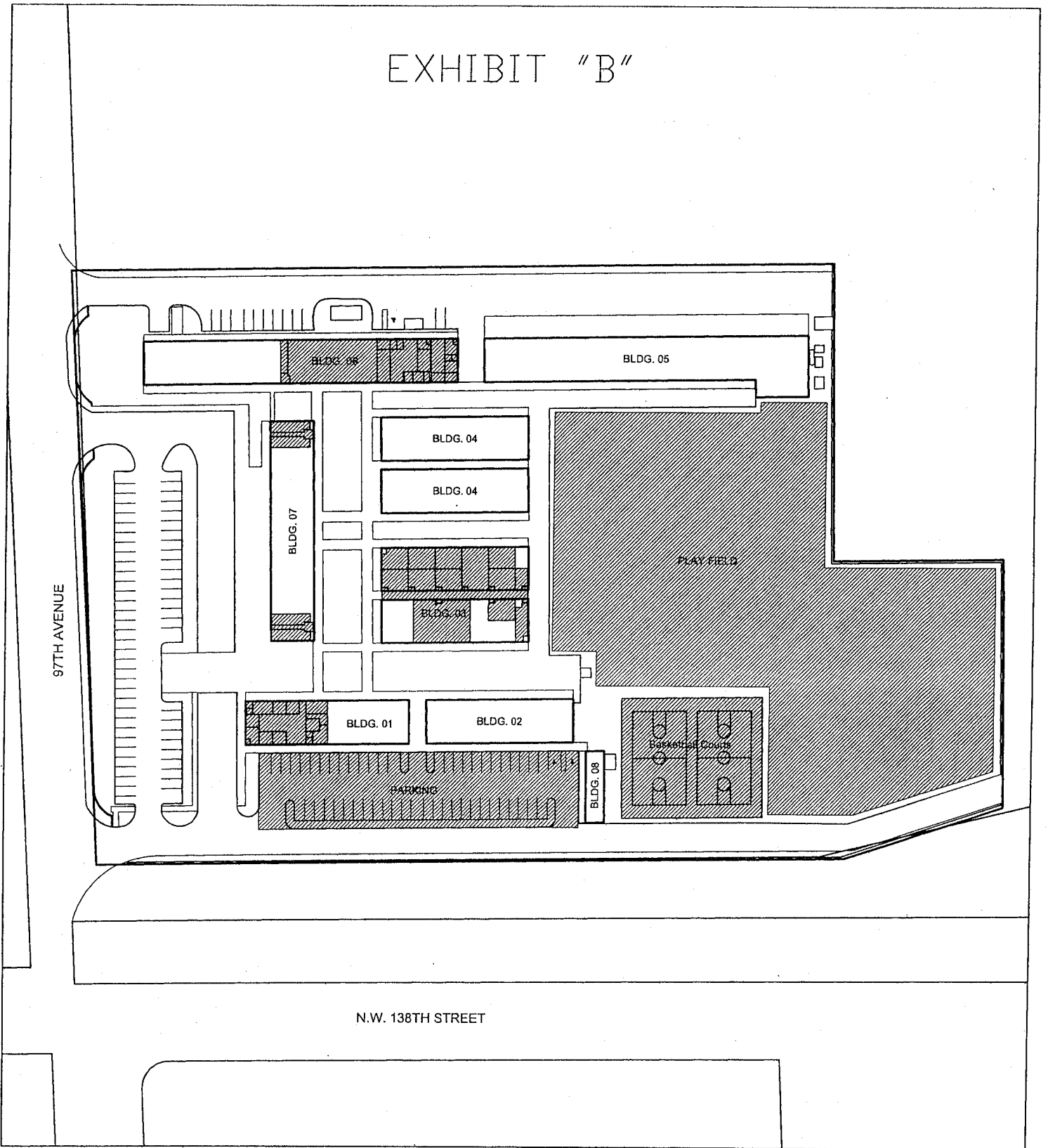
Building 03 - All Rooms

Building 04 - Room 012


Entire Play field

Portion of Parking Lot


EXHIBIT "B"



Legend

 Demised premises

N



Not to scale

EXHIBIT "B"

**13838 NW 97 AVENUE
HIALEAH, FLORIDA 33018**

Building 01 - Rooms 001, 001A, 001B, 001C, 001D, 001E, 001F, 001G, 001H, 001X,
001J, 001K, 001L, 001M, 002, 003D, 003L

Building 03 - Rooms 015, 015A, 016, 016A, 017, 017A, 018, 019, 020, 021, 021A, 022,
023

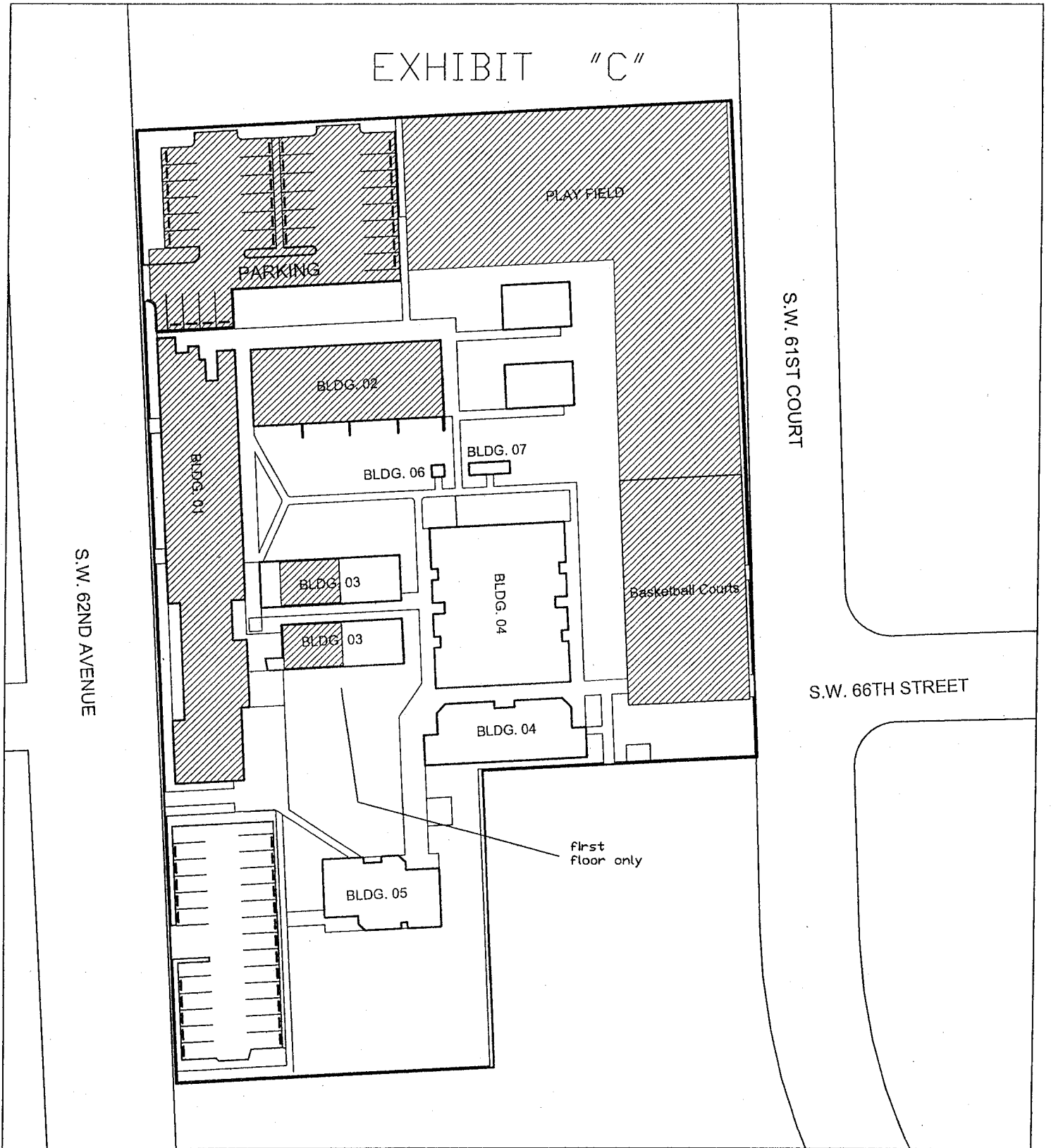
Building 06 - Rooms 037, 037A, 037B, 038, 038A, 038B, 038C, 038D, 038E, 038F,
038G, 038H, 038J, 038K, 039, 039A, 039B, 039C, 039D, 039E, 039F, 039G

Building 07 - Rooms 040, 041, 042, 047, 048, 049


Entire Play field

Portion of Parking Lot


EXHIBIT "C"



Legend

 Demised premises

N



Not to scale

EXHIBIT "C"

6521 SW 62 AVENUE
SOUTH MIAMI, FLORIDA 33143

Building 01 - All Rooms

Building 02 - All Rooms

Building 03 - Rooms 009, 011

Entire Play field

Portion of Parking Lot