

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

SUBJECT: THAT THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA, AUTHORIZE THE SUPERINTENDENT TO:

- 1) EXECUTE A LEASE AGREEMENT WITH THE CITY OF CORAL GABLES ("CITY"), FOR INTERIM USE OF A PORTION OF THE CENTRAL EAST TRANSPORTATION CENTER, LOCATED AT 7011 S.W. 4 STREET, MIAMI, FLORIDA ("SITE"), FOR THE STORAGE AND MAINTENANCE OF CITY TROLLEYS;**
- 2) ACCEPT A ONE-TIME CONTRIBUTION FROM THE CITY OF \$200,000, AS CONSIDERATION FOR INTERIM USE OF THE SITE BY THE CITY, TO BE USED TO FUND THE REPLACEMENT OF THE SEATING IN THE CORAL GABLES SENIOR HIGH SCHOOL AUDITORIUM; AND**
- 3) GRANT OR DENY ALL APPROVALS REQUIRED UNDER THE LEASE AGREEMENT, INCLUDING PLACING THE CITY IN DEFAULT, AND RENEWING, EXTENDING, CANCELING, OR TERMINATING THE AGREEMENT**

COMMITTEE: FACILITIES AND CONSTRUCTION

LINK TO STRATEGIC FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY

Background

Since 2003, the City of Coral Gables ("City") has provided free Trolley service, intended to relieve local traffic congestion, alleviate parking requirements and connect downtown Coral Gables to surrounding areas through the Metrorail system. The City operates approximately nine Trolleys on an ongoing basis, serving approximately 5,000 commuters daily. Surveys have shown that the Trolley service has reduced the number of interlocal and local car trips by 20 percent along its route. The City currently operates the Trolleys out of a temporary facility, and is moving forward on constructing a permanent location to maintain and store the Trolley fleet. The City has advised that the temporary facility will no longer be available, and is seeking interim use of a portion of the Central East Transportation Center not currently utilized by the District, located at 7011 S.W. 4 Street (the "Site"), as an alternate location for a period of approximately 18 months, while the

permanent facility is constructed. The District's Stores & Mail Distribution and Materials Control Administration (collectively, "Onsite District Operations") occupy the area immediately adjacent to the Site. Onsite District Operations staff have reviewed the City's proposed use and determined that storage and maintenance of the Trolleys by the City at this location, on an interim basis, will not interfere with ongoing District operations.

As consideration for the Board allowing use of the Site, the City has offered to fund the replacement of the seating in the Coral Gables Senior High School auditorium, in the one-time amount of \$200,000.

Proposed Lease Agreement

The Deputy Superintendent/Chief Operating Officer, School Operations recommends entering into of the Lease Agreement. Accordingly, it is recommended that the Lease Agreement between the Board and City (collectively the "Parties") be authorized under, substantially, the following terms and conditions:

- The City shall have use of approximately 9,879 square feet of office/storage/maintenance space, approximately 255 square feet of shared restroom facilities and approximately fifteen (15) parking spaces for City staff vehicles (collectively the "Demised Premises") (see Exhibit "A");
- as consideration for use and occupancy of the Demised Premises throughout the term of this Agreement, and any renewal thereof, the City agrees to provide funding for the replacement of seating within the Coral Gables Senior High School auditorium, in the one-time amount of \$200,000. The City shall provide the funding to the Board within fifteen (15) days of the Commencement Date of the Lease Agreement. In the event the Parties agree to extend the term of the Lease Agreement, the City shall not be obligated to pay any additional consideration to the Board beyond the \$200,000 one-time payment provided for in the Lease Agreement;
- the City shall be responsible for the payment of any taxes, fees or other assessments, including but not limited to sales tax, imposed on the Site due as a result of the occupancy and use of the Demised Premises by the City;
- the City shall be responsible for payment of its prorated share of any and all utilities relating to the use and operation of the Demised Premises, including without limitation, electricity, water, sewer and storm water;
- the lease term shall be for eighteen (18) months, commencing on the date of City occupancy, but in no event later than June 1, 2015;
- the City may extend the term for one (1) year, under the same terms and condition, at the mutual agreement of the Parties. In the event the Lease Agreement is extended, the City shall not be obligated to pay any additional consideration beyond the one-time \$200,000 payment provided for in the Lease Agreement;

- the City shall have use of the Demised Premises on weekdays between the hours of 4:30 a.m. and 11:59 p.m., and on weekends between the hours of 10:00 a.m. and 10:00 p.m.;
- onsite District Operations supervisory staff shall have overall responsibility for any Site operational issues (e.g. Site security, Trolley parking locations, etc.), and the City shall comply with all such requirements established in this regard;
- the City shall have the right to cancel the Lease Agreement at any time with thirty (30) days notice. In addition, the City may also cancel the Lease Agreement in the event of default by the Board, which default is not cured, and in the event of damage or destruction to the Site. In the event of termination by the City during the initial eighteen (18) month lease term due to default by the Board, which default is not cured, the Board shall reimburse the City for the remaining prorated portion of the Consideration paid by the City, as amortized equally over said eighteen (18) month period;
- in addition to default by the City, which default is not cured, the Board shall have the right to cancel the Lease Agreement at any time, provided said cancellation is for a School District purpose, as determined solely by the Board, or in the event of sale of some or all of the Site, by giving the City written notice at least thirty (30) days prior to the effective date of said cancellation. In the event of cancellation by the Board during the initial eighteen (18) month lease term for a School District purpose, or in the event of sale of some or all of the Site, the Board shall reimburse the City for the remaining prorated portion of the \$200,000 paid by the City, as amortized equally over said eighteen (18) month period. Thereafter, the Board shall have the right to cancel the Lease Agreement at any time, without cause or penalty, by giving the City written notice at least thirty (30) days prior to the effective date of said cancellation;
- if, subsequent to the Effective Date of this Agreement, but prior to the Commencement Date, a determination is made by the City that the Demised Premises is not viable for its intended purposes, the City shall so notify the Board in writing, and this Agreement shall terminate as of the date of said notification, and be of no further force and effect;
- the City, at the City's expense, shall be responsible for all maintenance, repair and upkeep of the portion of the office/storage/maintenance building housing its Trolley maintenance operations, other than the shared restroom facilities, as is necessary to keep the same in a good, safe, clean and code compliant condition at all times;
- the Board, at the Board's expense, shall be responsible for routine maintenance and upkeep of the shared restroom facilities, in compliance with the School District's standards, operating procedures and frequency of service, as well as structural elements of the building, including the roof;

- should the Board require use of some or all of the paved parking area for a special event or function or any other reason, the Board shall request said use through the City's designated representative, with a minimum of seventy-two (72) hours advance notice. Approval of said requests shall not be unreasonably withheld, provided such use does not conflict with the City's operations or previous obligations. Notwithstanding the above, the Board reserves the right, in its sole discretion, to modify the exact location and layout of the paved parking areas allocated to the City. Such modification will be done with a minimum of seventy-two (72) hours advance notice and in consultation with the City representative, to minimize any impact on the City's Trolley operations. The Board and City shall coordinate as necessary to assure the City's use of the Demised Premises does not impact or restrict the Board's Onsite District Operations, and that the balance of the facility will remain functional for Board operations;
- the City may make, at its sole cost and expense, certain interior improvements to the Demised Premises, provided that the plans are first submitted to and approved in writing by the Board. All work shall be performed in compliance with all applicable laws, rules and regulations, including, without limitation, the Florida Building Code, the Americans with Disabilities Act, the Jessica Lunsford Act, the State Requirements for Educational Facilities, and the Miami-Dade County Public Schools criteria and standards, as the same may be amended from time to time;
- the District's Building Department shall review and approve any required construction documents, issue any required construction permits and provide final acceptance of any work at the Demised Premises;
- the City shall, prior to execution of the Agreement, provide the Board with confirmation of the City's self-insurance program;
- the Parties shall indemnify and hold the other harmless, subject to the monetary limitations contained in Florida Statute, Section 768.28, from all liability which may arise as a result of the other parties negligence, actions or failure to act under the terms of the Lease Agreement;
- the City shall accept the Demised Premises, including, but not limited to office/storage/maintenance space, driveways and parking lots, 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 Demised Premises for any specific use or purpose;
- if, while in its period of use under this Lease Agreement, there is a requirement for infrastructure improvements or other regulatory compliance due to the lease, use or occupancy of the Demised Premises by the City, the City shall be responsible for fulfilling the applicable requirements, at its sole cost and expense;

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- the City shall surrender the Demised Premises 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 the City. Any improvements constructed by the City shall become the property of the Board, without compensation due to the City, with the exception of any improvements that, prior to installation, the Parties agree will be removed by the City. In such case, the City shall remove such improvement(s) and restore the area to the same or better condition as previously existed;
- in the event of damage or destruction of all or portions of the Demised Premises, other than damage or destruction caused by the Board, the City may, at its sole option, either cancel the Lease Agreement, or repair or replace the damaged facilities, at the City's expense;
- damage or destruction of all or portions of the Demised Premises caused by the Board, shall be repaired by the Board at its sole cost and expense;
- the City may not assign or sublet any portion of the Demised Premises;
- the City shall comply with all applicable laws, rules, regulations, ordinances and codes of all governmental authorities, including, without limitation, Board Policies, the Americans with Disabilities Act and the Jessica Lunsford Act;
- the City agrees, at its own expense, and upon written request by the Board, to defend any suit, action or demand brought against the Board on any claim or demand arising out of, resulting from, or incidental to performance under the Lease Agreement;
- the City shall acknowledge and accept the authority of the Board to request and authorize audits, inspections, and reviews related to the Lease Agreement, including, but not limited to, the authority to access the City's records, its legal representatives' and contractors' records and the obligation of the City to retain and make those records available upon request;
- the Lease Agreement shall be deemed inferior and subordinate to any existing or future financing or conveyance by the Board of the Site 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;

- for purposes of the Lease Agreement, the Superintendent of Schools or his/her designee shall be the party designated by the Board to modify the areas or periods of use of the Site by the City, and review and approve all matters relating to the City's construction of improvements within the Demised Premises, if any; and
- in addition, 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, placing the City in default, and renewing, extending, cancelling or terminating the Lease Agreement.

The proposed Lease Agreement has been reviewed by the School Board Attorney's Office and the Office of Risk and Benefits Management for legal sufficiency and risk management issues, respectively, and found to be in compliance. The City of Coral Gables City Commission, at its meeting of March 25, 2015, authorized the City Manager to enter into the subject Lease Agreement under, substantially, the terms and conditions noted above.

A copy of the proposed Lease Agreement has been placed on file with the Citizen's Information Center and the Recording Secretary.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, authorize the Superintendent to:

- 1) execute a lease agreement with the City of Coral Gables ("City"), for interim use of a portion of the Central East Transportation Center, located at 7011 S.W. 4 Street, Miami, Florida ("Site"), for the storage and maintenance of City trolleys, under, substantially, the terms and conditions noted above;
- 2) accept a one-time contribution from the City of \$200,000, as consideration for interim use of the Site by the City, to be used to fund the replacement of the seating in the Coral Gables Senior High School auditorium; and
- 3) grant or deny all approvals required under the Lease Agreement, including placing the City in default, and renewing, extending, canceling or terminating the Agreement.

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