

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

SUBJECT: AUTHORIZE THE SUPERINTENDENT TO:

- 1) EXECUTE A NEW LEASE AGREEMENT WITH THE CITY OF MIAMI ("CITY"), FOR USE OF SPACE BY THE CITY AT LINDSEY HOPKINS TECHNICAL COLLEGE, LOCATED AT 750 N.W. 20 STREET, MIAMI, FLORIDA, TO OPERATE A WORKFORCE DEVELOPMENT CENTER; AND
- 2) GRANT OR DENY ALL APPROVALS REQUIRED UNDER THE LEASE AGREEMENT, INCLUDING INCREASING OR DECREASING THE AREA OCCUPIED BY THE CITY, RENEWING, EXTENDING, CANCELING OR TERMINATING THE LEASE AGREEMENT, AND PLACING THE CITY IN DEFAULT, AS MAY BE APPLICABLE

COMMITTEE: FACILITIES AND CONSTRUCTION

LINK TO STRATEGIC FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY

Background

Since 2012, the City of Miami ("City") has leased space at the School Board-owned Lindsey Hopkins Technical College, located at 750 N.W. 20 Street, Miami ("Facility"), to operate a Workforce Development Center ("Center"), pursuant to a lease agreement ("Existing Agreement") between the City and the School Board ("Board"). The City occupies approximately 7,734 square feet of space within the Facility, and has use of three (3) reserved parking spaces in the Facility's parking garage, as well as non-exclusive use of additional parking on a first-come first-served basis ("Demised Premises"). Prior to occupying the Facility, the City made substantive capital improvements to the Demised Premises, at its sole cost. The current term of the Existing Agreement expires on June 30, 2015, with no renewal periods remaining. The City has advised that it wishes to continue using the Demised Premises beyond the June 30, 2015 expiration date, and has requested that the parties enter into a new lease agreement under similar terms and conditions.

It is anticipated that operation of the Center within the Facility will continue to generate referrals to District adult and technical education programs, and provide an in-house career services center for Lindsey Hopkins Technical College students.

Proposed New Lease Agreement

The Deputy Superintendent/Chief Operating Officer, School Operations, recommends entering into a new lease agreement with the City. Accordingly, it is recommended that the Board authorize entering into a new lease agreement ("New Lease") with the City for continued use of the existing Demised Premises under, substantially, the following terms and conditions:

- the Demised Premises shall consist of approximately 7,734 square feet of space, comprising rooms E402, E403, E404, E405, E406, E407, E413, E414, E415, E416 and E417, as well as the adjacent common areas. In addition, the City shall have use of three (3) reserved parking spaces within the Facility's parking garage, as well as non-exclusive use of additional parking on a first-come first-served basis;
- an initial lease term of one (1) year (July 1, 2015 – June 30, 2016), with two (2) one-year renewal terms, at the mutual agreement of the parties;
- in the event the City seeks to expand or decrease the Demised Premises, the City shall notify the Board in writing at least ninety (90) days prior to the proposed effective date of such adjustment, which approval may be granted by the Superintendent, at his sole discretion, and all appropriate exhibits to the New Lease shall be adjusted prospectively, accordingly;
- the City may make, at its sole cost and expense, additional 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 accept the Demised Premises in its "as is, where is" condition as of the commencement date of the New Lease, 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 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;

- the City shall surrender the Demised Premises to the Board, at the expiration, termination or cancellation of the New Lease in as good condition as existed on the commencement date of the New Lease, ordinary wear and tear excepted, including removal of all personal property and other items belonging to the City. Any improvements constructed by the City under the Existing Agreement or New Lease 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;
- rent at \$1 per year;
- prior to the start of the initial lease term and each subsequent renewal period, the City will provide the District with a written list of days the City would like use of the Demised Premises during periods when the Facility would otherwise be closed, for the District's review and approval ("Additional Days"). The City shall reimburse the Board for operating expenses borne by the District to keep the Facility open during the Additional Days, including utilities, custodial and janitorial staff and services, and security staff ("Operating Expenses");
- based on actual fiscal year 2013-2014 expenses, the amount of Operating Expenses for the initial term of the New Lease is estimated at \$1,734.48 per day (e.g., \$696.14 per day for custodial and security services, and \$1,038.34 per day for utilities). This amount will be adjusted once the actual costs at the Facility for fiscal year 2014-2015 are determined;
- the amount of Operating Expenses will be reconciled at the end of each year, and a new amount established for the following year and each year thereafter, if any, based on actual costs incurred by the Board. The difference, if any, between the amount collected and the actual incurred costs shall be reimbursed or credited to the applicable party;
- either party shall have the right to cancel the New Lease, without cause or penalty, by giving the other party at least ninety (90) days prior written notice;
- in the event of default by the City, which default is not cured within the prescribed timeframe, the Board shall have the right to cancel the New Lease and occupy the Demised Premises;
- in the event of default by the Board, which default is not cured within the prescribed timeframe, the City shall have the right to immediately cancel the New Lease;
- the City shall provide proper supervision and security in its use of the Demised Premises. In addition, the City may, at its option and at its sole cost and expense, procure security personnel beyond the standard and routine security personnel

supplied by the Board at the Facility, to furnish additional security for the Demised Premises. The City agrees that the Board's security personnel shall not be responsible for providing enhanced or extra services for the Demised Premises;

- 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 the City's rights to peaceful enjoyment under the New Lease;
- the City shall be allowed to erect identification signage, subject to Board approval and in conformance with laws and regulations governing public schools;
- in the event of damage or destruction of all or portions of the Demised Premises, other than damage or destruction caused by the City, the Board may, at its sole option, either cancel the New Lease, or repair or replace the damaged facilities, at the Board's expense;
- damage or destruction of all or portions of the Demised Premises caused by the City, shall be repaired or replaced by the City, at its sole cost and expense;
- the Demised Premises shall be staffed solely by City employees and used exclusively for the operation of a Workforce Development Center.
- the New Lease shall be subject to Florida's Public Records Laws. The parties understand the broad nature of these laws and both agree to comply with Florida's Public Records Laws and laws relating to records retention;
- the City shall provide the Board with evidence of self-insurance;
- the City shall indemnify and hold the Board harmless, subject to the monetary limitations contained in Florida Statute, Section 768.28, from all liability which may arise as a result of the City's negligence, actions or failure to act under the terms of the New Lease;
- the Board shall indemnify and hold the City harmless, subject to the monetary limitations contained in Florida Statute, Section 768.28, from all liability which may arise as a result of the Board's negligence, actions or failure to act under the terms of the New Lease;
- the City 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 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 may not assign or sublet any portion of the Demised Premises;
- the New Lease 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 New Lease 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 New Lease, each party shall be responsible for its own attorney's fees and court costs through trials and appellate levels;
- 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 Facility as a result of the occupancy and use of the Demised Premises by the City;
- for purposes of the New Lease, the Superintendent of Schools or his/her designee shall be the party designated by the Board to grant or deny all approvals required by the New Lease dealing with any interior improvements to be constructed within the Demised Premises by the City, and reviewing and approving the Additional Days requested by the City; and
- in addition to the above, for purposes of the New Lease, the Superintendent of Schools shall be the party designated by the Board to grant or deny any approvals required by the New Lease, including, without limitation, increasing or decreasing the area of the Demised Premises, amending any of the exhibits to the New Lease, placing the City in default, and renewing, extending, canceling or terminating the New Lease.

The proposed New Lease 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. A copy of the proposed New Lease has been placed on file with the Citizen's Information Center and the Office of the Recoding Secretary.

RECOMMENDED:

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

- 1) execute a new lease agreement with the City of Miami ("City"), for use of space by the City at Lindsey Hopkins Technical College, located at 750 N.W. 20 Street, Miami, Florida, to operate a Workforce Development Center, under, substantially, the terms and conditions noted above; and
- 2) grant or deny all approvals required under the Lease Agreement, including increasing or decreasing the area occupied by the City, renewing, extending, canceling or terminating the lease agreement and placing the City in default, as may be applicable.

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