

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

SUBJECT: ESTABLISH THE FAIR MARKET VALUE OF A PORTION OF THE DESIGN AND ARCHITECTURE SENIOR HIGH SCHOOL (DASH) SITE LOCATED AT 4001 NE 2 AVENUE, MIAMI, AND DIRECT THE SUPERINTENDENT TO ISSUE AN INVITATION TO BID FOR THE POSSIBLE SALE OF SAME, IN ACCORDANCE WITH THE PROCESS SET FORTH IN SCHOOL BOARD POLICY 7315 – DISPOSAL OF SURPLUS LAND AND OTHER REAL PROPERTY

COMMITTEE: FACILITIES AND CONSTRUCTION

LINK TO STRATEGIC BLUEPRINT: EFFECTIVE AND SUSTAINABLE BUSINESS PRACTICES

Introduction

At its meeting of April 5, 2015, the Board authorized the exploration of monetization opportunities through a sale or ground lease of a portion of the Design and Architecture Senior High School (DASH) site located at 4001 N.E 2 Avenue, Miami, to fund both a new, expanded state of the art DASH facility (potentially accommodating a post-secondary presence) and other District capital priorities.

Since that time, staff has undertaken a number of activities, including: a review of market conditions in the Design District area within which DASH is strategically located; a review of potential site reconfiguration options for an expanded DASH facility with on-site parking on a compressed footprint; identification of a best solution; commissioning of two appraisals as well as a review appraisal; and preliminary massing studies for an expanded facility on the reconfigured site(s) that will ensure long-term viability of a prized public school asset.

Additional Information

In reviewing possible options to optimize monetization of a portion of the site in the context of site feasibility, it became readily apparent that given the goals informing this initiative, the best position for the Board would be to retain ownership (fee simple title) of the resulting reconfigured school site and pursue disposition of the remainder through a competitive process. This approach would ensure that the Board never becomes a tenant or co-owner in interest with others, but rather retains an undivided sole interest in a valuable asset within a highly prestigious area of Miami.

In the vetting process, two scenarios emerged as potentially viable candidates (see attached). Scenario 1 would retain 28,026 square feet for the expanded school at the current site's northeast corner, along with a shared access easement of 7,127 square feet, with no street frontage on either N.E. 2 Avenue or N.E. 39 Street, and sell the balance, approximately 37,102 square feet. The other, labeled Scenario 2, which is the recommended preferred solution, proposes retaining 31,600 square feet for the expanded school, with frontage on N.E. 39 Street, DASH's current school entrance, and sale of the balance comprising approximately 40,655 square feet. This recommended solution is supported by higher property valuations as summarized below.

Scenarios	Appraisal 1 (appraisal performed by Blazejack)	Appraisal 2 (appraisal performed by CBRE)	Review Appraisal and Value (review and value performed by Blake)
<u>Scenario 1</u> Sell approximately 37,102 square feet of the current DASH site with commercial frontage on both N.E. 2 Avenue and N.E. 39 Street	\$39,900,000	\$41,000,000	\$49,200,000
<u>Scenario 2</u> (RECOMMENDED) Sell approximately 40,655 square feet of the current DASH site with commercial frontage on N.E. 2 Avenue	\$40,700,000	\$40,000,000	<u>\$53,900,000</u>

Next Steps

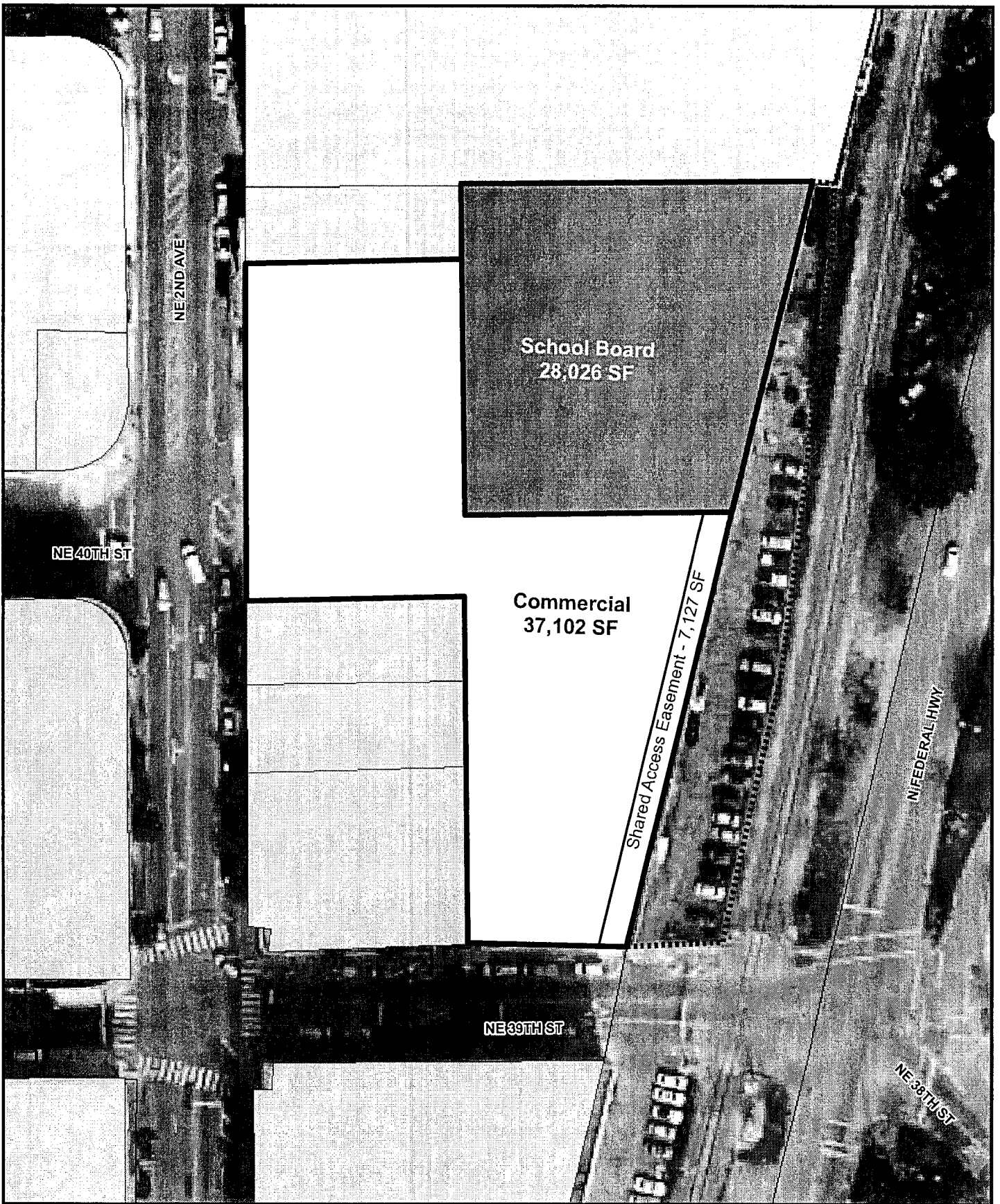
Under Board Policy 7315, prior to inviting bids in connection with the sale of Board-owned property, the Board is to establish the fair market value of the property at the median of the independent appraisals or a higher amount, as determined by the Board. In this case, it is the staff's recommendation that the fair market value of Scenario 2, the recommended option, be set at \$53,900,000. If approved, this amount will become the floor or minimum value that would be acceptable and considered a responsible, responsive bid to an Invitation To Bid (ITB), in addition to all other applicable ITB criteria, such as extended possession of the current site to allow the successful completion of the 2015-2016 school year, and possibly through December of 2016 to allow the temporary relocation of the DASH school to an alternate location as the new, expanded facility is built.

Should the Board approve this recommendation, an ITB will be prepared and issued after which an item will be submitted to the Board for further action.

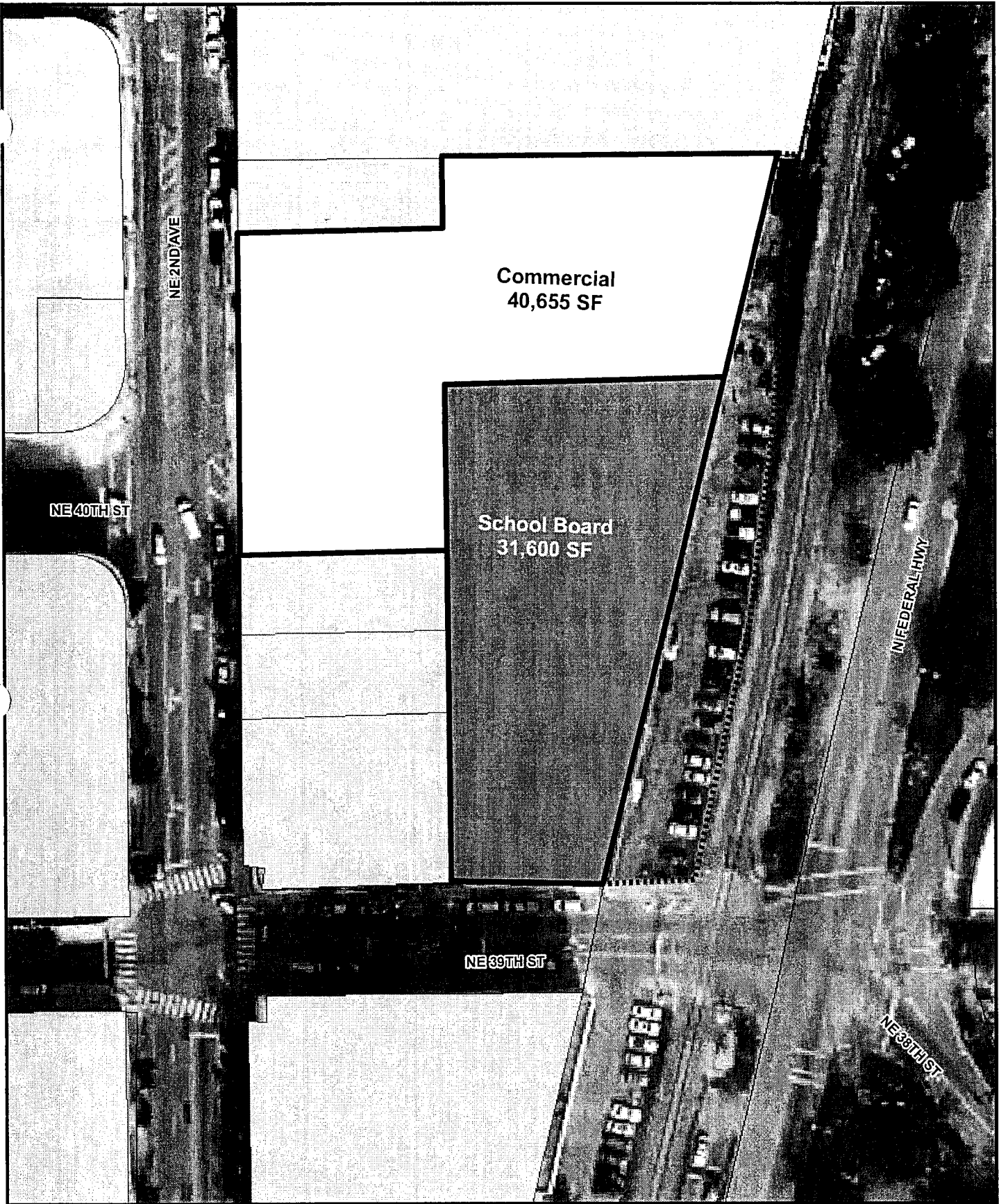
RECOMMENDED:

That The School Board of Miami-Dade County, Florida, establish the fair market value of a portion of the Design and Architecture Senior High School (DASH) site located at 4001 N.E. 2 Avenue, Miami, at \$53,900,000, and direct the Superintendent to issue an Invitation To Bid for the possible sale of same, in accordance with the process set forth in School Board Policy 7315 – Disposal of Surplus Land and Other Real Property.

JGT:



Scenario 1



Scenario 2