

Financial Services
Mr. Ron Y. Steiger, Chief Financial Officer

**SUBJECT: AUTHORIZE NEGOTIATIONS FOR REQUEST FOR
 PROPOSAL NO. RFP-16-027-MT – SALE OF PROPERTY
 LOCATED AT 1370 N.E. SECOND AVENUE**

COMMITTEE: FISCAL ACCOUNTABILITY

**LINK TO STRATEGIC
BLUEPRINT: EFFECTIVE AND SUSTAINABLE BUSINESS PRACTICES**

The purpose of this Request for Proposals (“RFP”) is to offer for sale and/or development an existing parking lot (with a lot size of approximately 49,075 square feet) owned by The School Board of Miami-Dade County, Florida (“Board”), located at 1370 N.E. Second Avenue, Miami, Florida. The RFP requires that Proposers provide the Board fair market value or greater for the Demised Premises, which consideration may be provided in cash, through in-kind consideration, or a combination thereof. The in-kind consideration may include the development of office space and parking for the benefit of the Board either at the Demised Premises or another location acceptable to the Board.

The RFP was released on September 26, 2016, with no solicitation goals set by the Goal Setting Committee. In addition, the RFP required mandatory bidder attendance at the pre-proposal meetings, which was held on October 19, 2016 and December 7, 2016. The RFP closed on February 2, 2017 and the District received the following three (3) proposals: 1370 NE 2nd, LLC; Facilities Development Services Group, LLC; and PRH Investments, LLC.

The Selection Committee met and reviewed all three (3) proposals. 1370 NE 2nd LLC, an affiliate organization under Crescent Heights, proposed cash and in-kind consideration for the development of office space and parking for the Board, at the Demised Premises location. Also, PRH Investments, LLC, commonly known as The Related Group proposed cash only. The RFP proposal submission from Facilities Development Services Group, LLC. was deemed non-responsive, as the proposal proffered a ground lease solution, whereby the RFP requested fair market value cash and/or in-kind consideration, as noted above. Furthermore, Facilities Development Services Group, LLC., was comprised of the following subcontractors: Provident Resources Group, Stiles Construction, Zyscovich Architect, Structured Parking Solutions, Citigroup Global Markets, CORE Construction and Holland & Knight.

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The Selection Committee members voted for and invited the two (2) remaining proposers, 1370 NE 2nd, LLC and PRH Investments, LLC, to conduct oral presentations.

After several meetings and the request for Best and Final Pricing, the Selection Committee has recommended further negotiations with 1370 NE 2nd, LLC for a final award agreement. This determination was made based on the criteria noted in Section 5.3 of the RFP, which states that the Selection Committee members may negotiate with responsive and responsible proposers determined to be in the competitive range, which for purposes of the RFP, means each proposal be within ten (10) percent of the proposal determined to provide the greatest overall financial benefit to the Board. 1370 NE 2nd, LLC best and final proposal offered a fair market value of \$18,000,000, with in-kind consideration for construction and buildout of the property. PRH Investments, LLC best and final proposal offered \$15,000,000.

This recommendation will work in tandem with the May 11, 2016 Board approved item, specifically F-6, where authorization was given to the Superintendent to finalize negotiations and execute a Memorandum of Understanding (“MOU”) between the Board and Miami-Dade County (“County”). This item recommended that the Board make available to the County off-street parking that may be built through the results of this said RFP. Also, this item recommended that the County make available to the Board County-owned property that is acceptable for a future educational facility in the downtown Miami area.

Upon successful conclusion of the negotiations of this said RFP, an item for award will be presented to the Board for review and approval, which will incorporate facets of the May 11, 2016 Board approved item noted above.

RECOMMENDED: That The School Board of Miami-Dade County, Florida:

AUTHORIZE THE SUPERINTENDENT TO NEGOTIATE REQUEST FOR PROPOSAL NO. RFP-16-027-MT – SALE OF PROPERTY LOCATED AT 1370 N.E. SECOND AVENUE, to offer for sale and/or development an existing parking lot (with a lot size of approximately 49,075 square feet) owned by The School Board of Miami-Dade County, Florida (“Board”) with the highest ranked proposer, as follows:

1370 NE 2nd, LLC
2200 BISCAYNE BOULEVARD
MIAMI, FL 33137
OWNER/OFFICER: MICHAEL SHEITELMAN, VICE PRESIDENT