

Office of Superintendent of Schools
Board Meeting of March 21, 2018

March 9, 2018

Alberto M. Carvalho, Superintendent of Schools

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

COMMITTEE: **FISCAL ACCOUNTABILITY & GOVERNMENT RELATIONS**

LINK TO STRATEGIC

BLUEPRINT: **EFFECTIVE AND SUSTAINABLE BUSINESS PRACTICES**

During the November 15, 2017 meeting, The School Board of Miami-Dade County, Florida (“Board”) approved item E-144, which requested the authorization for the Superintendent to negotiate for RFP16-027-MT, Sale of Property Located at 1370 N.E. 2nd Avenue, with the highest ranked proposer 1370 NE 2nd, LLC (Proposer). Additionally, via Agenda item F-3, on January 25, 2017, the Board authorized the Superintendent to conduct negotiations with the Omni Community Redevelopment Agency (CRA) to provide a collaborative framework under which the following outcomes might be achieved: 1) the Board make available to the CRA, under mutually acceptable terms and conditions, off-street parking on Board-controlled lots within the CRA boundaries, and 2) the CRA provide tax incentives and credits for potential development on Board-owned properties within the CRA boundaries. The Proposer’s inclusion of CRA involvement in their Best and Final Pricing led to a significant increase to the proposed value of the project and prompted the recommendation to negotiate.

In summary, this 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 Board, located at 1370 N.E. Second Avenue, Miami, Florida (see attached location map included with Attachment A), hereinafter referred to as the “Demised Premises,” as legally described in Attachment A. The current appraised value, of the fee simple estate of the Subject Property assuming the project proposed by the Proposer is \$20.6 million.

The Proposer is the owner of a parcel of land containing approximately 1.13 acres (Affiliated Land) located adjacent to the south boundary of the Demised Premises. The Proposer intends to (a) combine the Affiliated Land with the Demised Premises, once conveyed by the Board, to create a single, two-plus acre parcel of land and (b) construct a mixed-use development on the combined property that will include, among other things, 100,000 square feet of office space for the Board at a total build-out cost not to exceed \$420 per square foot, approximately 1,100 multifamily rental apartments, and a parking garage containing approximately 1,100 parking spaces at a total build-out cost not to exceed \$30,000 per parking space including 600 parking spaces to be conveyed to the CRA, (c) construct and build out the Board office unit to be conveyed to the Board. The Board and

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the Adrienne Arsht Center for the Performing Arts of Miami-Dade County, Inc. have complementary scheduling needs for the use of parking and will have shared use of the 600 parking spaces owned by the CRA.

The proposed terms - the Board's conveyance to the Proposer of the Demised Premises with an appraised value of \$20.6 million in exchange for 100,000 square feet of fully built-out office space valued at \$42 million and the use of 600 parking spaces owned by the CRA valued at \$18 million for a total of \$60 million worth of assets - are contingent upon the approved extension of the CRA through 2045 and a finalized Memorandum of Understanding with the CRA. Pursuant to Agenda Item F-5, approved September 6, 2017, the Board authorized negotiations addressing possible CRA created tax incentives and/or credits for the Board-owned properties within the Omni CRA Boundaries, should the life of the CRA be extended. If any of the described terms are not realized with the Proposer in final negotiations and/or final contract documents, the District may seek to reject this award.

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

- 1. AWARD** Request For Proposals No. RFP-16-02-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 with the highest ranked proposer, as follows:

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

- 2. AUTHORIZE** the Superintendent to finalize all required documents and agreements with Proposer and the Omni CRA and present to the Board for approval.

ATTACHMENT A

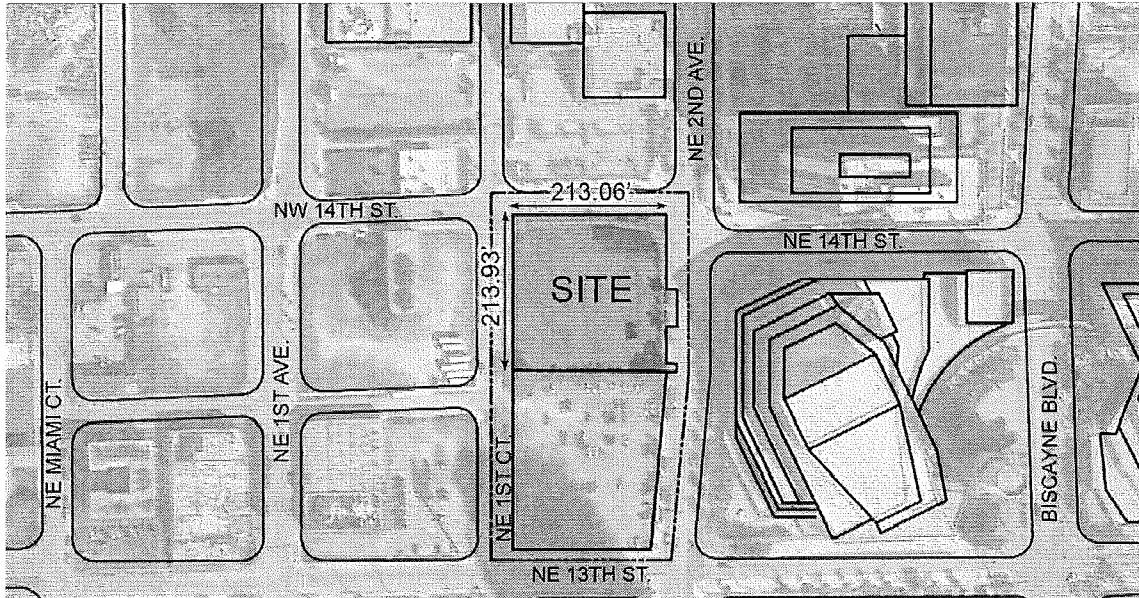
LEGAL DESCRIPTION

Lots 1 through 8, in Block 25 of "ALICE BALDWINS ADDITION to the Baldwin Addition to the City of Miami", according to the plat thereof recorded in Plat Book 1 at Page 119 of the Public Records of Dade County, Florida, together with that certain strip of land lying between Block 25, of ALICE BALDWIN'S ADDITION, as herein described, and Block 1 of "RICKMER'S ADDITION to the City of Miami", according to the plat thereof recorded in Plat Book 1 at Page 200 of the Public Records of Dade County, Florida, said strip of land extending from Northeast 2nd Avenue to Northeast 1st Court; LESS

Beginning at the Southeast corner of Lot 4 Block 25 of "ALICE BALDWINS ADDITION to the Baldwin Addition to the City of Miami", according to the plat thereof as recorded in Plat Book 1 at Page 119 of the Public Records of Dade County, Florida; thence run North along the east boundary line of Lots 4 and 1 of said Block 25 to the Northeast corner of said Lot 1; thence a distance of 16.35 feet more or less, to a point; thence run South on a straight line through said Lots 1 and 4 to a point on the South line of said Lot 4 which is 17.71 feet more or less, West of the point beginning; thence run East on the said South line of Lot 4 a distance of 17.71 feet more or less, to the point of beginning; AND LESS

Beginning at the Southeast corner of Lot 8, Bock 25 of "ALICE BALDWINS ADDITION to the Baldwin Addition to the City of Miami", according to the plat thereof as recorded in Plat Book 1 at Page 119 of the Public Records of Dade County, Florida; thence run North along the East boundary line of said Lot 8 a distance of 50 feet, more or less, to the Northeast corner thereof; thence run West on the North line of said Lot 8 a distance of 18.39 feet, more or less, to a point; thence run Southerly though said Lot 8 to a point on the South line of said Lot 8, which point is 19.08 feet, more or less, West of the point of beginning; thence run East on the said South line of Lot 8 a distance of 19.08 feet, more or less, to the point of beginning.

Folio #: 01-3136-014-0010
01-3136-014-0020



Office of Superintendent of Schools
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March 7, 2018

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

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