

**CITY OF HOLLYWOOD  
INTEROFFICE MEMORANDUM**

**TO:** Mayor and Commissioners

**DATE:** October 3, 2016

**FROM:** Jeffrey P. Sheffel  
City Attorney

**SUBJECT:** Proposed Lease Agreement with the School Board of Broward County, Florida  
(SBBC)

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I have reviewed the above captioned agreement for form and legality. The general business terms and other significant provisions are as follows:

- 1) Department/Division involved – Parks, Recreation and Cultural Arts
- 2) Type of Agreement – Lease Agreement
- 3) Method of Procurement (RFP, bid, etc.) – n/a
- 4) Term of Contract
  - a) initial – 5 years commencing on November 1, 2016 and concluding on October 31, 2021.
  - b) renewals (if any) – .no
  - c) who exercises option to renew – n/a
- 5) Contract Amount – First year’s annual rental payment in the amount of \$39,208.56 plus a flat rate for utilities in the amount of \$1,070.10 which increases by 3% each year of the agreement starting in Year 2. The annual rental amount for Years 2 through 5 are as follows:
  - (a) Year 2 - \$62,891.64 plus utilities
  - (b) Year 3 - \$86,754.78 plus utilities
  - (c) Year 4 - \$89,357.75 plus utilities
  - (d) Year 5 - \$92,038.12 plus utilities
- 6) Termination rights – Either party may cancel this lease with or without cause upon 180 calendar days written notice.
- 7) Indemnity/Insurance Requirements – To the extent permitted by law, each party is fully responsible for its own acts of negligence or its agent’s acts of negligence and the damages resulting thereof.

TERM SHEET FOR MCNICOL MIDDLE SCHOOL LEASE AGREEMENT WITH  
BROWARD COUNTY SCHOOL BOARD

8) Scope of Services - This lease agreement allows the City to continue to use a portion of Building 1 at the McNicol Middle School for administrative offices for the Dept. of Parks, Recreation and Cultural Arts.

9) City's prior experience with Vendor (if any) – Yes.

10) Other significant provisions – n/a.

cc: Wazir A. Ishmael, Ph.D., City Manager