

EXECUTIVE SUMMARY

Agreement of Sale and Purchase between The School Board of Broward County, Florida and Luna Finance, LLC for the Purchase of the Site Commonly Referred to as North Side Elementary School Parking Lot (Site No. 004.1)

North Side Elementary School Parking Lot (Site No. 004.1) is a 1.48-acre site that is located on the north side of NE 11th Street between NE 3rd Avenue and NE 4th Avenue in the City of Fort Lauderdale. The property was purchased by the School Board on October 17, 1991 at a total cost of \$693,585 for the purposes of providing additional needed parking for teachers at North Side Elementary School. However upon purchase, the site was underutilized by the school's staff and teachers because of expressed concerns over safety and the distance of the parking lot from the School. The Broward Teachers Union (BTU) voiced support of the teachers concerns. To address these concerns, the School Board leased a parking lot with 28 parking spaces that is in close proximity to the School from The Shepherd's Way, Inc. for School's staff and teachers use.

Thereafter on April 20, 2010 and consistent with Section 1013.28, Florida Statutes (FS), the School Board of Broward County, Florida (SBBC) approved the surplus of the property to indicate that the site was no longer needed for educational purposes. Subsequently, District staff implemented due diligent processes and on March 10, 2011 marketed the property along with four (4) other SBBC owned surplus properties via Request for Proposal (RFP) 11-033T. At that time, only one of the four (4) marketed properties (the Metric Site) sold; however, no qualified offer was received for the North Side Elementary School Parking Lot Site.

At the October 25, 2011 SBBC Workshop, staff presented information on five (5) SBBC owned surplus properties (the three (3) properties that did not sell and two additional properties) with recommendation that the properties be put back on the market to contribute towards addressing projected budget shortfalls in the Five-Year District Educational Facilities Plan. Included in the presented properties was the North Side Elementary School Parking Lot Site. Options presented to market the properties were either via another RFP or via the services of a Commercial Real Estate Broker. However, neither option was implemented. Rather, staff was directed to market the properties via other means.

Approaches employed by the Facility Planning & Real Estate (FP&RE) Department to sell the properties included advertising sale of the properties via signs posted on each property, via an online real estate marketing service (Co-Star), advertised at selected local and national newspaper outlets, and via direct correspondence/communications to Broward County and pertinent municipalities and stakeholders such as the Fort Lauderdale Downtown Development Authority, Habitat for Humanity of Broward, County, etc. A few months ago, the FP&RE Department obtained a full subscription to LoopNet, and in addition to the other mediums cited herein, utilized the medium to market the property and other current marketed SBBC vacant surplus properties.

It should be noted that on December 17, 2013, the SBBC entered into contract with Forest Hills INV, LLC to purchase the property. However sometime in 2013, Forest Hills INV, LLC terminated the contract stating that after it conducted additional due diligence regarding the improvements it intended to make on the property, it realized that it would not make a reasonable return on its investments. As such, it offered to purchase the property at a reduced price; however, staff declined this offer and remarketed the property. Furthermore, it should be noted that the SBBC will not pay a real estate commission on this sale which would amount to substantial savings to the District.