

Memorandum



Date: December 4, 2007

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

Agenda Item No. 8(F)(1)(F)

From: George M. Burgess
County Manager

Subject: Amendment to Lease Agreement for Property Located
at 1100 N.E. 163 Street, Suite 303, North Miami Beach
for Commissioner Sally A. Heyman's District Office
Property # 2217-00-00

RECOMMENDATION:

It is recommended that the Board approve the attached resolution authorizing execution of an Amendment to Lease Agreement with R-GEM Corp. at 1100 N.E. 163 Street, Suite 303 for premises utilized as a Commission District Office for Commissioner Sally A. Heyman. This Amendment has been prepared by the General Services Administration at the request of Commissioner Sally A. Heyman.

PROPERTY: 1100 N.E. 163 Street, Suite 303, North Miami Beach

COMMISSION DISTRICT: 4

IMPACTED DISTRICT(S): Countywide

OWNER: R-GEM Corporation

COMPANY PRINCIPALS: Mario Sapoznik - 50%
Rachel Sapoznik - 50%

OWNER'S TRACK RECORD: The County has no record of negative performance issues with R-GEM Corporation.

USE: 950 square feet of air-conditioned office space that includes off street parking spaces in common with other tenants.

PURPOSE OF AMENDMENT: (1) Upon approval by the Board of County Commissioners, the rental rate shall increase from \$14,572.94 (\$15.34 per square foot), to \$16,800 (\$17.68 per square foot) annually.

(2) The rental rate increase for the remaining renewal option period shall be increased from two percent to five percent.

EFFECTIVE DATE: This amendment will become effective upon approval by the Board of County Commissioners.

JUSTIFICATION: This amendment seeks to provide a larger rental rate increase than was called for in the original Lease Agreement with respect to the second renewal option period. The proposed increment will allow the Landlord to cover increased operational costs, specifically property insurance and taxes.

CURRENT LEASE: On October 22, 2002 the Board approved a Lease Agreement for a four-year term with three additional one-year renewal option periods (Resolution Number R-1195-02). The Lease is currently in its second renewal option period at an annual rate of \$14,572.94 or \$15.34 per square foot.

FINANCIAL IMPACT: The annual rental payment will increase by \$2,223 upon approval by the Board. The rental rate during the final renewal option period will increase by \$2,727.

These increments are the result of the proposed increases in both the per square footage rental rate from \$15.34 to \$17.68 and the cap increase of percentage from two percent to five percent upon renewal of the third (last) renewal optional period.

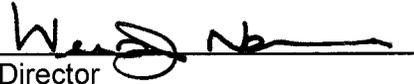
FUNDING SOURCE: General Funds. This item has been budgeted in District 4's operating budget.

OTHER PROPERTIES EVALUATED:

- (a) 1190 N.E. 163 Street, North Miami Beach - \$22.00 psf net of electric plus operating expenses.
- (b) 2040 N.E. 163 Street, North Miami Beach - \$20.00 psf net of electric plus common area maintenance.
- (c) 801 N.E. 167 Street, North Miami Beach - \$21.00 psf for a full service lease plus common area maintenance.

COMMENTS: For your reference, attached is a copy of the approved resolution and memorandum concerning the current Lease Agreement.

MONITOR: Margaret Araujo, Real Estate Officer



Director
General Services Administration

Approved _____ Mayor
Veto _____
Override _____

Ag(Item No. 6(F)(1)(C)
10-22-02

**OFFICIAL FILE COPY
CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
DADE COUNTY, FLORIDA**

RESOLUTION NO. R-1195-02

RESOLUTION AUTHORIZING EXECUTION OF LEASE AGREEMENT AT 1100 N.E. 163 STREET, SUITE 303, NORTH MIAMI BEACH WITH R-GEM CORP., A FLORIDA CORPORATION FOR PREMISES TO BE UTILIZED BY COMMISSIONER SALLY A. HEYMAN FOR A DISTRICT OFFICE; AND AUTHORIZING THE COUNTY MANAGER TO EXERCISE ANY AND ALL OTHER RIGHTS CONFERRED

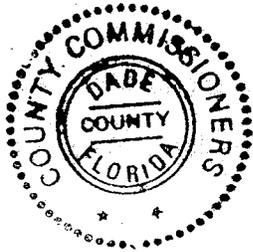
WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby approves the Lease Agreement between Miami Dade County and R-GEM, CORP., a Florida corporation for the premises to be utilized by Commissioner Sally A. Heyman for a district office, in substantially the form attached hereto and made a part hereof; and authorizes the County Manager to exercise any and all other rights conferred therein.

The foregoing resolution was offered by Commissioner **Jose "Pepe" Diaz** who moved its adoption. The motion was seconded by Commissioner **Dorrin D. Rolle** and upon being put to a vote, the vote was as follows:

Bruno A. Barreiro	aye	Dr. Barbara Carey-Shuler	aye
Jose "Pepe" Diaz	aye	Betty T. Ferguson	aye
Sally A. Heyman	aye	Joe A. Martinez	aye
Jimmy L. Morales	aye	Dennis C. Moss	aye
Dorrin D. Rolle	aye	Natacha Seijas	aye
Katy Sorenson	aye	Rebeca Sosa	aye
Sen. Javier D. Souto	aye		

The Chairperson thereupon declared the resolution duly passed and adopted this 22nd day of October, 2002. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.



MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as
to form and legal sufficiency. 

Richard B. Rosenthal

By: **KAY SULLIVAN**
Deputy Clerk

MEMORANDUM

Agenda Item No. 6(F)(1)(C)

TO: Honorable Chairperson and Members
Board of County Commissioners

DATE: October 22, 2002

FROM: 
County Manager

SUBJECT: Lease Agreement at
1100 N. E. 163 Street, Suite 303
with R-GEM CORP. for
Commissioner Sally A. Heyman

The attached Lease Agreement has been prepared by General Services Administration and is recommended for approval.

PROPERTY: 1100 N. E. 163 Street, Suite 303, North Miami Beach.

OWNER: R-GEM CORP.

COMPANY PRINCIPALS: Mario Sapoznik - 50%
Rachel Sapoznik - 50%

USE: 950 square feet of office space.

JUSTIFICATION: Commissioner Sally A. Heyman requires this office space in order to maintain her district office at this site.

LEASE TERM: Four years with three additional one-year renewal option periods.

RENTAL RATE: Annual rental is \$13,200.00, which is equal to \$13.89 per square foot. The annual rent for the second through the fourth lease years and for all subsequent renewal options will be increased by two percent per year.

LEASE CONDITIONS: Full service lease. The Landlord is responsible for janitorial and custodial services, electricity, water, waste disposal services, exterior of the building, plumbing, electrical lines, fixtures and equipment, air-conditioning and heating equipment.

EFFECTIVE DATE: Commences November 1, 2002 and terminating on October 31, 2006.

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CANCELLATION PROVISION: The County may cancel by giving 120 days prior written notice.

FUNDING SOURCE: General Fund.

**OTHER PROPERTIES
EVALUTATED:**

2040 N.E. 163 St - \$15.00 per square foot – Full service.
801 N.E. 167 St. - \$16.50 per square foot – Full service.



MEMORANDUM

(Revised)

TO: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

DATE: December 4, 2007

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 8(F)(1)(F)

Please note any items checked.

- "4-Day Rule" ("3-Day Rule" for committees) applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Bid waiver requiring County Manager's written recommendation
- Ordinance creating a new board requires detailed County Manager's report for public hearing
- Housekeeping item (no policy decision required)
- No committee review

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(F)(1)(F)

12-04-07

RESOLUTION NO. _____

RESOLUTION AUTHORIZING EXECUTION OF AN AMENDMENT TO LEASE AGREEMENT AT 1100 N.E. 163 STREET, SUITE 303, NORTH MIAMI BEACH, WITH R-GEM CORP., FOR PREMISES TO BE UTILIZED AS A COMMISSION DISTRICT OFFICE FOR COMMISSIONER SALLY A. HEYMAN; AND AUTHORIZING THE COUNTY MAYOR OR HIS DESIGNEE TO EXERCISE ANY AND ALL OTHER RIGHTS CONFERRED THEREIN

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby approves the Lease Agreement between R-Gem Corp., for premises to be utilized as a Commission District Office for Commissioner Sally A. Heyman, in substantially the form attached hereto and made a part hereof; authorizes the County Mayor or his designee to execute same for and on behalf of Miami-Dade County; and authorizes the County Mayor or his designee to exercise any and all other rights conferred therein.

The foregoing resolution was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____ and upon being put to a vote, the vote was as follows:

Bruno A. Barreiro, Chairman	
Barbara J. Jordan, Vice-Chairwoman	
Jose "Pepe" Diaz	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Joe A. Martinez	Dennis C. Moss
Dorrin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

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The Chairperson thereupon declared the resolution duly passed and adopted this 4th day of December, 2007. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF COUNTY
COMMISSIONERS

HARVEY RUVIN, CLERK

Approved by County Attorney as
to form and legal sufficiency. WR

Monica Rizo

By: _____
Deputy Clerk

AMENDMENT TO LEASE AGREEMENT

THIS AGREEMENT made this _____ day of _____, 2007, by and between R-GEM, CORP., a Florida Corporation, hereinafter called the "LANDLORD," and MIAMI-DADE COUNTY, a political subdivision of the State of Florida, herein called the "TENANT,"

WITNESSETH:

WHEREAS, by Resolution No. R-1195-02, adopted by the Board of County Commissioners on October 22, 2002, the Board authorized a Lease between the above named parties for that certain property located at 1100 N.E. 163 Street, Suite 303, North Miami Beach, Florida; and

WHEREAS, both LANDLORD and TENANT are desirous of amending said Lease as set forth below; and

WHEREAS, by Resolution No. _____, adopted _____, 2007, the Board of County Commissioners has authorized the amending of said Lease;

NOW, THEREFORE, in consideration of the restrictions and covenants herein contained, it is agreed that the said Lease is hereby amended as follows:

- 1) Rental Rate – Commencing upon approval of the Board of County Commissioners, the annual rent shall be increased from \$14,572.94, which is equal to \$15.34 per square foot on an annual basis to \$16,800.00, which is equal to \$17.68 per square foot on an annual basis. The increase in annual rent is due to increased operational costs for the building.
- 2) Article XVIII, "Option to Renew" – The third renewal option to renew is hereby modified to increase the renewal option period from two percent (2%) to five percent (5%).

In all other respects the said Lease shall remain in full force and effect in accordance with the terms and conditions specified therein.

Commissioner S. Heyman

IN WITNESS WHEREOF, the LANDLORD and TENANT have caused this Lease Agreement to be executed by their respective and duly authorized officers the day and year first above written.

(CORPORATE SEAL)

[Signature]
WITNESS

R-GEM, CORP.
A Florida Corporation

[Signature]
WITNESS

By: [Signature]
Mario Sapoznik
President

(LANDLORD)

(OFFICIAL SEAL)

ATTEST:
HARVEY RUVIN, CLERK

DADE COUNTY FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

By: _____
Deputy Clerk

By: _____
Carlos Alvarez
Mayor (TENANT)

Approved by County Attorney as to form and legal sufficiency: [Signature]

Prepared by: Margaret Araujo
Real Estate Officer
General Services Administration