

# Memorandum



**Date:** July 1, 2008

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

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

**From:** George M. Burgess  
County Manager

**Subject:** Lease Agreement for Property Located at 19 West Flagler Street,  
Suites 207, 209 & 220, Miami, for the Office of the Inspector General  
Property # 4137-00-00

## RECOMMENDATION

It is recommended that the Board approve the attached resolution authorizing execution of a Lease Agreement at 19 West Flagler Street, Suites 207, 209 & 220 with Biscayne Building, Inc., a Florida Corporation for space occupied by the Office of the Inspector General. The attached Lease Agreement has been prepared by the General Services Administration at the request of the Office of the Inspector General.

**PROPERTY:** 19 West Flagler Street, Suites 207, 209 & 220, Miami

**COMMISSION DISTRICT:** 5

**COMMISSION DISTRICT IMPACTED:** Countywide

**OWNER:** Biscayne Building, Inc., a Florida Corporation

**COMPANY PRINCIPALS:** Dante M. Fiorini – 100%

**OWNER TRACT RECORD:** The County has no record of negative performance issues with Biscayne Building, Inc., a Florida Corporation

**USE:** 8,680 rentable square feet of air-conditioned office space.

**JUSTIFICATION:** The Office of the Inspector General has a need to continue utilizing this office space for administrative offices. The Department has been operating out of this office space since 2000.

**LEASE TERM:** Five years with one additional five-year renewal option period.

**EFFECTIVE DATES:** Commencing upon approval of the Board, and terminating five years thereafter.

**RENTAL RATE:** Annual rent for the first year of the initial lease term is \$165,440.80, which is equal to \$19.06 per square foot. The annual rent for the second through the fifth lease years and any renewal thereof shall be subject to increase each year by the Consumer Price Index. In no event shall the rental increase exceed five percent. The County is responsible for its proportionate share of the building's Common Area Maintenance (CAM), estimated at \$1.25 per square foot on an annual basis, which is equal to \$10,850.00 annually or \$904.17 on a monthly basis. The County is responsible for its pro-rata share of any increase in Real Estate taxes over base year 2008.

**FINANCIAL IMPACT:** The total financial impact for the first lease year is estimated to be \$182,908.43, which is comprised of the following:

**First-year Occupancy Cost:**

<u>Annual Base Rent</u>	<u>Total Dollars</u>	<u>PSF</u>
Annual Base Rent:	\$165,440.80	\$19.06
<u>Direct Expense:</u>		
CAM:	<u>\$ 10,850.00</u>	<u>\$ 1.25</u>
Total Base Rent:	\$176,290.80	\$20.31
<u>Indirect Expense:</u>		
Lease Management Fee: (4%)	<u>\$ 6,617.63</u>	
<b>Total Cost to County, first year:</b>	<b>\$182,908.43</b>	

**LEASE CONDITIONS:** Full service lease. The Landlord is responsible for electricity, water, waste disposal services, structure of the building, plumbing and electrical lines, air-conditioning equipment, roof and roof leaks, all common areas, janitorial and custodial services.

**CANCELLATION PROVISIONS:** The County may cancel this lease at any time by giving Landlord 90 days prior written notice.

**FUNDING SOURCE:** Proprietary Funds. This item has been budgeted by the Office of the Inspector General.

**CURRENT LEASE** The current lease agreement was approved by the Board on January 13, 2000 by Resolution No. R-25-00. The lease is for a two year term with three additional two-year renewal option periods. The current annual rental amount is \$138,390.48, which is equal to \$16.73 per square foot plus the Tenant pays its pro-rata share of increases in real estate taxes over base year 1999, which was \$4,360.74 in 2007. The lease expired on April 30, 2008. Due to the fact that the landlord did not return the executed lease agreement to the County until May 2, 2008, staff was unable to submit it to the Board for approval prior to the expiration date. However, the lease is on holdover until such time as the Board approves the new lease agreement.

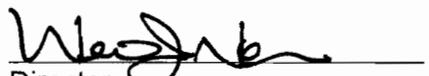
OTHER PROPERTIES EVALUATED: 28 West Flagler, Miami — \$22.00-35.00 PSF for a full service lease plus operating expenses, taxes, insurance and relocation costs.

29 West Flagler, Miami — \$25.00 PSF for a full service lease plus operating expenses, taxes, insurance and relocation costs.

150 West Flagler, Miami — \$34.00 PSF for a full service lease plus operating expenses, taxes, insurance and relocation costs.

MONITOR: Jane Marie Hundertmark, Real Estate Officer

DELEGATED AUTHORITY: Authorizes the County Mayor or his designee to execute the lease agreement, and exercise the renewal and cancellation provisions.

  
Director  
General Services Administration

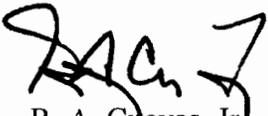


# MEMORANDUM

(Revised)

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

**DATE:** July 1, 2008

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

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

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

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

Veto \_\_\_\_\_

7-1-08

Override \_\_\_\_\_

RESOLUTION NO. \_\_\_\_\_

RESOLUTION AUTHORIZING EXECUTION OF A LEASE AGREEMENT AT 19 WEST FLAGLER STREET, SUITES 207, 209 AND 220, MIAMI, WITH BISCAYNE BUILDING, INC., A FLORIDA CORPORATION, FOR PREMISES TO BE UTILIZED BY THE OFFICE OF THE INSPECTOR GENERAL FOR ADMINISTRATIVE OFFICES; 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 Miami-Dade County and Biscayne Building, Inc., a Florida Corporation, for premises to be utilized by the Office of the Inspector General, for administrative offices, 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  
Carlos A. Gimenez  
Joe A. Martinez  
Dorrian D. Rolle  
Katy Sorenson  
Sen. Javier D. Souto

Audrey M. Edmonson  
Sally A. Heyman  
Dennis C. Moss  
Natacha Seijas  
Rebeca Sosa

The Chairperson thereupon declared the resolution duly passed and adopted this 1<sup>st</sup> day of July, 2008. 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

By: \_\_\_\_\_  
Deputy Clerk

Approved by County Attorney as  
to form and legal sufficiency.

MR

Monica Rizo

# LEASE AGREEMENT

THIS AGREEMENT made on the \_\_\_\_\_ day of \_\_\_\_\_, 2008, by and between BISCAYNE BUILDING, INC., a Florida Corporation, hereinafter called the "LANDLORD," and MIAMI-DADE COUNTY, a political subdivision of the State of Florida, hereinafter called the "TENANT,"

## *WITNESSETH:*

That LANDLORD, for and in consideration of the restrictions and covenants herein contained, hereby leases to TENANT and TENANT hereby agrees to lease from LANDLORD the premises described as follows:

Approximately 8,680 rentable square feet of air-conditioned and heated office space at 19 West Flagler Street; Suites 220, 207 & 209, Miami, Florida 33130.

The Building's square footage is 152,873 rentable square feet, of which 7,032 square feet of usable square feet is to be occupied by TENANT as the Premises. The ratio of rentable square footage to usable square footage in the Building is presently 23.438% (the "Factor"), which results in a rentable square footage in the Premises of 8680.

The terms "rentable" and "usable" square footage (or area) shall have the meanings ascribed to them by the Building Owners and Managers Association International (BOMA) as the "American National Standard", as amended and in effect at the time of the execution of this Lease. Rentable area for the Premises and the Building shall be recomputed upon completion of the Building and/or the Premises. The respective rentable areas of the Premises, the Building and the Factor shall be certified by a licensed architect or engineer or by a duly qualified measurement specialist by the LANDLORD upon completion of the Building and the Premises. TENANT shall have the right to independently review and measure the Premises and the Building upon TENANT's taking of possession of the Premises. If there is a dispute as to the respective rentable areas the Premises, the Building and the Factor, and the parties cannot resolve any differences, the parties agree to have their respective measurement experts appoint an independent third party certified expert, either licensed architect or engineer or duly qualified measurement specialist to arbitrate and make a final determination as to the final rentable square footage areas and the Factor and the parties agree to be bound by said determination of the third party independent measurement expert.

7

The calculation of the Rentable areas of the Premises and the Building shall be adjusted from time to time to reflect any structural change or change in the amount of the common areas of the building, or any change in use or function of any part of the Building. The Landlord shall furnish to Tenant notice of such recalculations as soon as they occur. The methodology of dispute resolution set forth above shall be applicable to any rentable areas of the respective premises and Building and the Factor.

TO HAVE AND TO HOLD unto the said TENANT for a term of five (5) years, commencing on the effective date of the resolution of the Board of County Commissioners approving this lease agreement, (the "Commencement Date"), and terminating Five (5) years thereafter, for an annual base rent of One Hundred Sixty-Five Thousand Four Hundred Forty Dollars and 80/100 (\$165,440.80), payable in twelve (12) equal monthly installments of Thirteen Thousand Seven Hundred Eighty Six Dollars and 73/100 (\$13,786.73), for the first year of the initial term. For the second through the fifth initial lease period the annual base rent will increase by the Consumer Price Index (CPI), as detailed in Article XVIII, "Rent Adjustment". TENANT agrees to pay LANDLORD rent, payable in advance on the first day of every month at 19 W. Flagler Street; Suite 310, Miami, Florida 33130 or at other such place and to other such person as LANDLORD may from time to time designate in writing as set forth herein. The October monthly installment rental payment for each year will be processed by the County after the close of the County's fiscal year, for each calendar year.

IT IS FURTHER MUTUALLY UNDERSTOOD AND AGREED BY THE RESPECTIVE PARTIES HERETO:

**ARTICLE I**  
**USE OF DEMISED PREMISES**

The area of the demised premises shall be used by TENANT for the performance of County business by County departments, agencies, and authorities and for the performance of work incidental thereto, which will necessarily entail services performed for the general public.

8

**ARTICLE II**  
**CONDITION OF PREMISES**

TENANT hereby accepts the premises to be in a state of good repair and suitable for usage by TENANT at the commencement of this Lease Agreement.

**ARTICLE III**  
**UTILITIES**

LANDLORD, during the term hereof, shall pay all charges for water, waste disposal services, and electricity used by TENANT.

**ARTICLE IV**  
**MAINTENANCE**

LANDLORD agrees to provide, repair or replace, as necessary, and maintain and keep in good repair, condition, and appearance, during the term of this Lease Agreement or any extension or renewal thereof, the exterior of the building and the following:

- Plumbing and electrical lines, fixtures, and equipment;
- Halls, stairways, elevators, lavatories;
- Trash and refuse disposal;
- Janitorial and custodial services;
- Air-conditioning and heating equipment;
- Roof and roof leaks;
- Windows, doors, and frames;
- Fire equipment, including inspection as required by applicable fire codes.

LANDLORD, at its sole cost and expense, shall perform or cause to be performed in the premises during the term of this Lease Agreement (except for Saturdays, Sundays, and holidays) after 5:00 p.m. the aforementioned maintenance, janitorial services and services as described above.

Upon the failure of LANDLORD to effect repairs or perform the above-stated services pursuant to this Lease Agreement after five (5) days' written notification to do so by TENANT, TENANT may cause the repairs to be made and deduct their cost from the rental payments due and to become due until in each

instance TENANT has fully recovered such costs in accordance with audited costs of repair furnished by TENANT to LANDLORD. In the event of an emergency, TENANT after proper notification to the LANDLORD and failure of the LANDLORD to take immediate action, may perform repairs that are the LANDLORD's responsibility and receive a credit against rental payments or a cash reimbursement from LANDLORD for the actual costs thereof. During the term of this Lease Agreement or any renewal thereof, in TENANT's reasonable judgment a condition exists with respect to any matter in which the LANDLORD is obligated to maintain, that which adversely affects TENANT's operations, and after proper notice, LANDLORD fails to repair same as required, TENANT may make such repairs and deduct the cost thereof from rental payments or any other amounts due to LANDLORD hereunder. All of the aforesaid repairs shall be made with reasonable diligence and in a good and workmanlike manner.

TENANT shall be responsible for the interior of the demised premises other than the above described items.

**ARTICLE V**  
**ALTERATIONS BY TENANT**

TENANT may not make any alterations, additions, or improvements in or to the premises without the written consent of LANDLORD. All additions, fixtures, or improvements (except but not limited to store and office furniture and fixtures which are readily removable without injury to the premises) shall be and remain a part of the premises at the expiration of this Lease Agreement. Subject to the above, any carpeting and removable partitions installed by TENANT within the demised premises shall remain TENANT's property and may be removed by TENANT upon the expiration of the Lease Agreement or any renewal or cancellation thereof.

**ARTICLE VI**  
**DESTRUCTION OF PREMISES**

In the event the demised premises should be destroyed or so damaged by fire, windstorm, or other

10

casualty to the extent that the demised premises are rendered untenable or unfit for the purpose of Tenant, either party may cancel this Lease Agreement by the giving of written notice to the other. However, if neither party shall exercise the foregoing right of cancellation within thirty (30) days after the date of such destruction or damage, LANDLORD shall cause the building and demised premises to be repaired and placed in good condition as soon as practical thereafter. In the event of cancellation, TENANT shall be liable for rents only until the date of such fire, windstorm, or other casualty. In the event of partial destruction which shall not render the demised premises wholly untenable, the rents shall be proportionately abated in accordance with the extent to which TENANT shall be deprived of use and occupancy. TENANT shall not be liable for rent during such period of time, as the premises shall be totally untenable by reason of fire, windstorm, or other casualty.

**ARTICLE VII**  
**DISABLED INDIVIDUALS**

LANDLORD understands, recognizes, and warrants to the best of its knowledge that all common areas are, and shall at all times be maintained, in accordance with the requirements for disabled individuals contained in the Americans with Disabilities Act of 1990 (the "ADA") and Section 553.501 et seq. of the Florida Statutes, as presently written and as may be hereafter amended.

LANDLORD further warrants that the demised premises and access thereto, including but not limited to rest rooms, hallways, entryways to the street, and accessible parking, if parking is provided under the Lease Agreement, shall be in compliance with the accessibility standards for government programs contained in the ADA and all requirements of Section 553.501 et seq. of the Florida Statutes. LANDLORD covenants and agrees that the demised premises and access thereto shall at all times be maintained in accordance with the requirements of Section 255.21 of the Florida Statutes at LANDLORD's cost and expense, except where changes are required as a result of TENANT's change in program or work force.

((

LANDLORD agrees to correct any and all violations of the obligations of LANDLORD under this Section within thirty (30) days of written notice by TENANT of the existence of the same, provided that, if such violations cannot feasibly be corrected within said thirty (30) day period, then LANDLORD agrees to commence such repairs within said thirty (30) day period and to diligently pursue the completion of same within a reasonable period thereafter.

LANDLORD recognizes and agrees that throughout the term of the Lease Agreement, TENANT may in its discretion change its employees or programs which operate from the leased premises. LANDLORD agrees that TENANT, may at TENANT's expense and subject to LANDLORD's prior reasonable approval; make such changes to the leased premises or the access thereto as may be required by TENANT to accommodate disabled individuals or to provide program accessibility in connection with any such change in TENANT's programs or work force.

**ARTICLE VIII**  
**NO LIABILITY FOR PERSONAL PROPERTY**

All personal property placed or moved in the premises above described shall be at the risk of TENANT or the owner thereof. LANDLORD shall not be liable to TENANT for any damage to said personal property unless caused by or due to negligence or willful misconduct of LANDLORD, LANDLORD's agents or employees.

**ARTICLE IX**  
**SIGNS**

Exterior signs will be of the design and form of letter to be first approved by LANDLORD, the cost of painting to be paid by TENANT. All signs shall be removed by TENANT at termination of this Lease Agreement and any damage or unsightly condition caused to building because of or due to said signs shall be satisfactorily corrected or repaired by TENANT.

12

**ARTICLE X**  
**LANDLORD'S RIGHT OF ENTRY**

LANDLORD or any of its agents shall have the right to enter said premises during all reasonable working hours, upon the giving of twenty-four (24) hours' prior notice, unless an emergency exists, to examine the same or to make such repairs, additions, or alterations as may be deemed necessary for the safety, comfort, or preservation thereof of said building or to exhibit said premises and to put or keep upon the doors or windows thereof a notice "FOR RENT" at any time within thirty (30) days before the expiration of this Lease Agreement.

**ARTICLE XI**  
**LIABILITY FOR DAMAGE OR INJURY**

TENANT shall not be liable for any damage or injury which may be sustained by any party or person on the demised premises other than the damage or injury caused solely by the negligence of TENANT, subject to all limitations of Florida Statutes, Section 768.28.

**ARTICLE XII**  
**PEACEFUL POSSESSION**

Subject to the terms, conditions, and covenants of this Lease Agreement, LANDLORD agrees that TENANT shall and may peaceably have, hold, and enjoy the premises above described, without hindrance or molestation by LANDLORD.

**ARTICLE XIII**  
**SURRENDER OF PREMISES**

TENANT agrees to surrender to LANDLORD at the end of the term of this Lease Agreement, or any extension thereof, said leased premises in as good condition as said premises were at the beginning of the term of this Lease Agreement, ordinary wear and tear and damage by fire and windstorm or other acts

13

of God excepted.

**ARTICLE XIV**  
**INDEMNIFICATION AND HOLD HARMLESS**

TENANT does hereby agree to indemnify and hold harmless the LANDLORD to the extent and within the limitations of Section 768.28, Florida Statutes, subject to the provisions of that Statute whereby the TENANT shall not be held liable to pay a personal injury or property damage claim or judgment by any one person which exceeds the sum of \$100,000, or any claim or judgments or portions thereof, which, when totaled with all other occurrence, exceeds the sum of \$200,000 from any and all personal injury or property damage claims, liabilities, losses or causes of action which may arise solely as a result of the negligence of the TENANT. However, nothing herein shall be deemed to indemnify the LANDLORD from any liability or claim arising out of the negligent performance or failure of performance of the LANDLORD or any unrelated third party.

**ARTICLE XV**  
**SUCCESSORS IN INTEREST**

It is hereby covenanted and agreed between the parties that all covenants, conditions, agreements, and undertakings contained in this Lease Agreement shall extend to and be binding on the respective successors and assigns of the respective parties hereto, the same as if they were in every case named and expressed.

**ARTICLE XVI**  
**SUBORDINATION**

TENANT covenants that this Lease Agreement is and at all times shall be subject and subordinate to the lien of any mortgage now existing or which LANDLORD or any subsequent owner of the demised premises, or the building of which said premises are a part, and to any and all advances made or to be made under said mortgage or mortgages and to the interest thereon.

14

**ARTICLE XVII**  
**OPTION TO RENEW**

Provided this Lease Agreement is not otherwise in default, TENANT through its County Manager or his designee, is hereby granted the option to extend this Lease Agreement for one (1) additional five (5) year renewal period upon the same terms and conditions, except that rental rate shall be adjusted each renewal option periods, in accordance with the Consumer Price Index (CPI) not to exceed five (5%) percent, by giving LANDLORD notice in writing at least thirty (30) days prior to the expiration of this Lease Agreement or any extension thereof. Should TENANT neglect to exercise any extension option by the date specified above, TENANT's right to exercise shall not expire until thirty (30) business days after notice from LANDLORD of TENANT's failure to exercise the option.

**ARTICLE XVIII**  
**RENT ADJUSTMENT**

The base rent for the second year of the initial Lease term and for each twelve-month period thereafter shall be computed by multiplying the Annual Base Rent of \$ 165,440.80 by a fraction whose numerator shall be the Consumer Price Index (CPI) for the month of April of the following year and whose denominator shall be the Consumer Price Index (CPI) for May 2008. For purposes hereof, the Consumer Price Index to be used shall be the National Consumer Price Index for all Wage Earners & Clerical Workers, U.S. City Average (All items: 1982-84=100) issued by the U.S. Department of Labor, Bureau of Labor Statistics or any successor agency of the United States that shall issue indexes or data of similar type. The LANDLORD shall notify the TENANT of the adjusted monthly rent, in writing, prior to the respective anniversary date, if such rent adjustment occurs. In no event shall the rent adjustment exceed five percent (5 %) per annum, or be less than the rent for the immediately preceding year.

If LANDLORD does not submit to TENANT in writing the Consumer Price Index adjustment by December 31 of each anniversary year, then LANDLORD waives its right to the Consumer Price Index adjustment for the adjusted year.

15

**ARTICLE XIX**  
**ADDITIONAL RENT**  
**INCREASE OF OPERATING EXPENSES**

During the initial term of this lease, as well as any subsequent renewal option period, TENANT shall pay, as additional rent, the Biscayne Building, Inc. increase operating expenses above the base year 2007. TENANT shall pay its proportionate share, based on square footage, of the cost increases in the real estate taxes, insurance, utilities, security and other operating expenses for operating the Biscayne Building, Inc. They will be based on calendar year estimates and actual costs done by the end of February of the following year. For 2008, the costs for operating Biscayne Building, Inc. are estimated at \$ 1.25 per square foot.

Prior to or at the end of the calendar year, LANDLORD will submit to TENANT a statement for that year showing actual Operating Expenses incurred as grouped into the following categories: taxes, insurance, utilities, security, and other operating expenses for that year and the base year. TENANT shall, pay to LANDLORD the TENANT'S proportionate share of operating expenses in excess of the Base Year Operating Expenses over Base Year 2007. TENANT'S pro-rata share is based on 8,680 square feet of leased space or 5.68% percent within the total square footage of the building which is 152,873 square feet. This is to be paid as additional rent upon presentation of paid bills; TENANT agrees to pay the LANDLORD the November discounted amount.

TENANT shall have the right, upon advance notice, to visit the LANDLORD'S (or the Building Manager's) office in the Building during Business Hours, as hereafter defined, to inspect its books and records concerning the Additional Rent for any calendar year within thirty (30) days after the delivery of the Reconciliation Statement for such calendar year. The results of such inspection shall be for the benefit of LANDLORD and TENANT only, shall be maintained in confidence by TENANT, and shall not be disseminated or furnished to any other person or entity except employees or advisors, of TENANT who are involved in this function or a dispute arising therefrom, or by order of any court.

16

TENANT may use its own employees qualified in this field or accountants or other professionals to aid TENANT in conducting the inspection, but TENANAT may not use any auditing services or consultants that are paid on a contingent fee basis or are owned by, affiliated with, employed by or related to any office building LANDLORDS or office building management companies or services.

**ARTICLE XX**  
**CANCELLATION**

TENANT, through its County Manager or his designee, shall have the right to cancel this Lease Agreement at any time by giving LANDLORD at least ninety (90) days' written notice prior to its effective date.

**ARTICLE XXI**  
**ASSIGNMENT BY LANDLORD**

If the interests of LANDLORD under this Lease Agreement shall be transferred voluntarily or by reason of foreclosure or other proceedings for enforcement of any mortgage on the premises, TENANT shall be bound to such transferee (herein sometimes called the "Purchaser") for the balance of the term hereof remaining, and any extension or renewals thereof which may be effected in accordance with the terms and provisions hereof, with the same force and effect as if the Purchaser were the LANDLORD under this Lease Agreement, and TENANT does hereby agree to attorn to the Purchaser, including the Mortgagee under any such mortgage if it be the Purchaser, as its LANDLORD, said attornment to be effective and self-operative without the execution of any further instruments upon the Purchaser succeeding to the interest of the LANDLORD under this Lease Agreement. The respective rights and obligations of TENANT and the Purchaser upon such attornment, to the extent of the then remaining balance of the term of this Lease Agreement and any such extensions and renewals, shall be and are the same as those set forth herein. In the event of such transfer of LANDLORD's interests, LANDLORD

17

shall be released and relieved from all liabilities and responsibility to TENANT thereafter accruing under this Lease Agreement or otherwise and LANDLORD's successor by acceptance of rent from TENANT hereunder shall become liable and responsible to TENANT in respect to all obligations of the LANDLORD under this Lease Agreement. Notwithstanding any law to the contrary, LANDLORD and TENANT agree that the rights created by this Lease Agreement shall be subordinate to any other instruments affecting the premises, such as mortgages, subsequent purchase agreements, or encumbrances, whether presently in existence or later created or filed.

**ARTICLE XXII**  
**NON-DISTURBANCE**

The Lease Agreement shall be subordinate and subject to all ground or underlying leases and mortgages covering the fee of the property, or which at any time thereafter affect the property, and to all renewals, modifications, or replacements thereof; provided, however, that with respect to any ground lease agreement, underlying lease agreement, or mortgage subsequent to the date of this Lease Agreement, such subordination shall not be effective unless and until LANDLORD shall obtain from any and all such ground lessors, underlying lessors, and/or lenders a written agreement with TENANT wherein any and all such ground lessors, underlying lessors, and/or lenders shall agree that the Lease Agreement shall not be divested or in any way affected by foreclosure, other default proceedings, or other succession in interest by or under any ground lease agreement, lease agreement mortgage, or obligation secured thereby, so long as TENANT complies with the terms, conditions, and covenants of this Lease Agreement and performs its obligations under this Lease Agreement (said agreement being referred to herein as a "Non-Disturbance Agreement"). If LANDLORD shall so fail to obtain a Non-Disturbance Agreement from any ground lessor, holder of any mortgage, or underlying lessor, then the parties recognize that this Lease Agreement shall be and remain superior to any such ground lease agreement, underlying lease agreement, and/or mortgage entered into or executed subsequent to the date of this Lease Agreement. Further, with respect to any and all existing ground lease agreement, underlying lease agreement, and/or mortgage, prior to the

18

commencement of the construction of LANDLORD's Work landlord shall obtain from any and all ground lessors, underlying lessors, and/or lenders a Non-Disturbance Agreement. LANDLORD and TENANT agree that the terms, conditions, and covenants contained here in shall not be altered or affected by any subsequent change in ownership of the Property by reason of foreclosure, conveyance, or otherwise. Any document purporting to transfer ownership in the Property, whether presently in existence or not, shall be subordinate to this Agreement, and subject to the terms, obligations, and covenants herein. In the event that a change of ownership in the Property results in any additional costs to TENANT by material alteration of the terms of this Agreement, LANDLORD agrees to indemnify TENANT for such costs.

**ARTICLE XXIII**  
**NOTICES**

It is understood and agreed between the parties hereto that written notice addressed and sent by certified or registered mail, return receipt requested, first class, postage prepaid and addressed as follows:

**TENANT:**  
General Services Administration  
Real Estate Development  
111 NW First Street, Suite 2460  
Miami, Florida 33128

**LANDLORD:**  
Biscayne Building, Inc.  
19 West Flagler Street, Suite 310  
Miami, Florida 33130

shall constitute sufficient notice to TENANT, and written notice addressed to LANDLORD, and mailed or delivered to the address as stated above, shall constitute sufficient notice to LANDLORD to comply with the terms of this Lease Agreement. Notices provided herein in this paragraph shall include all notices required in this Lease Agreement or required by law.

**ARTICLE XXIV**  
**ENVIRONMENTAL QUALITY**

Without prejudice to any other obligation of LANDLORD pursuant to this Lease Agreement, LANDLORD shall at all times comply with the following requirements:

A. INDOOR AIR QUALITY. LANDLORD shall at all times maintain the Heating, Ventilating, and Air Conditioning System (HVAC) and shall perform at least the minimum periodic preventive maintenance on the HVAC system equipment as specified in the attached Exhibit "A" "HVAC System Preventive Maintenance For Leased Space" applicable to the TENANT premises.

B. WATER QUALITY. LANDLORD shall, prior to occupancy by TENANT and following any buildout, changes, or repairs by LANDLORD involving the plumbing system, have the drinking water sampled and tested for lead by a recognized Testing Laboratory. Results of such tests shall not exceed the EPA standard for lead in drinking water of 15 PPB. The drinking water test shall be paid for by the LANDLORD and the original test results shall be furnished to the TENANT.

C. NOTICE OF PEST MANAGEMENT OPERATIONS. The use of pesticide sprays or dusts in the leased premises as part of pest control services shall only be used in places of infestation as observed by TENANT or demonstrated by sticky traps or other such devices but never as a preventative measure. Such spot sprays or dusts shall be only after normal working hours to allow for ventilation before TENANT employees re-enter the TENANT premises. TENANT encourages LANDLORD to employ the use of traps, baits, or portable vacuums before resorting to pesticide sprays or dusts. LANDLORD shall give TENANT twenty-four (24) hours' notice prior to commencement of pest control services that include sprays or dusts with any kind of pesticide or other chemicals. LANDLORD shall provide reasonable assurance that any and all such chemicals are being handled in accordance with the Material Safety Data Sheet (MSDS) provided by their manufacturer.

D. NOTICE OF RENOVATION OPERATIONS. LANDLORD shall act to prevent the

20

degradation of indoor air quality during any building renovation, remodeling, and similar activities that could allow off-gassing from embodied chemicals in construction materials, furniture, or equipment into spaces occupied by common areas used by TENANT. LANDLORD and its designated contractor will use only nontoxic paint or other surface coatings, and will cause the space to be continuously ventilated with outside air to prevent the build-up of chemical gases from construction materials, carpet, carpet glues, or other emissive materials during the buildout or renovation of the demised space.

**ARTICLE XXV**  
**HOLDOVER**

If TENANT, with LANDLORD's consent, remains in possession of the premises after expiration of the term and if LANDLORD and TENANT have not executed an expressed written agreement as to such holding over, then such occupancy shall be a tenancy from month to month at a monthly rental for the first month, after expiration of the term, equivalent to one hundred percent (100%) of the monthly rental in effect immediately prior to expiration, such payments to be made as herein provided. In the event of such holding over, all of the terms of the Lease Agreement including the payment of all charges owing hereunder other than rent shall remain in force and effect on said month to month basis.

**ARTICLE XXVI**  
**RULES AND REGULATIONS**

TENANT agrees to abide by the rules and regulations as shown in Exhibit "B" attached hereto as a part of this agreement.

**ARTICLE XXVII**  
**WRITTEN AGREEMENT**

This Lease Agreement contains the entire agreement between the parties hereto and all previous negotiations leading thereto, and it may be modified only by resolution approved by the Board of County Commissioners.

21

IN WITNESS WHEREOF, 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)

Leand C. Palmer  
WITNESS  
[Signature]  
WITNESS

BISCAYNE BUILDING, INC.,  
a Florida Corporation

By: [Signature] (LANDLORD)  
Dante Fiorini, President

(OFFICIAL SEAL)

ATTEST:  
HARVEY RUVIN, CLERK

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

By: \_\_\_\_\_  
Deputy Clerk

By: \_\_\_\_\_ (TENANT)  
Carlos Alvarez  
County Mayor

22

## EXHIBIT "A"

### HVAC SYSTEM PREVENTIVE MAINTENANCE FOR LEASED SPACE

The following components are typically found in the Heating, Ventilating, and Air Conditioning (HVAC) systems in Miami-Dade County buildings; each component has the typical maintenance activity and minimum frequency noted:

- I. FILTERS - Applicable to all supply conditioned air to TENANT premises:
  - A. High-efficiency type (ASHRAE rated 85%) - preferred - changed every 2 years.
  - B. Electrostatic antimicrobial - minimum acceptable - cleaned every 30 days.
- II. OUTSIDE AIR INTAKE - applicable on all central systems:
  - A. Check for cleanness and operation if motorized louvers - filter preferred - quarterly.
- III. TEMPERATURE AND HUMIDITY - Temperature 73-78 degrees - Humidity 50-60%:
  - A. ASHRAE generally accepted comfort zone for South Florida.
  - B. Check controls and verify temperature and humidity are at or near guidelines - monthly.
- IV. AIR HANDLER - Separate type or self contained in AC package unit as applicable:
  - A. Clean coils and check for leaks and loose connections - check quarterly.
  - B. Lubricate fan motors and check belts - quarterly.
  - C. Check air intake and exhaust - quarterly.
  - D. Check fan motors for overheating and vibration - quarterly.
  - E. Check structural frame for sturdiness - quarterly.
  - F. Check and clean contact points in switches - quarterly.
  - G. Check condensate drip pan for standing water. Clean and spray with algicide quarterly.
  - H. Check, remove trash, and clean condensate drain and trap - quarterly.
- V. COMPRESSOR - Separate or self-contained in AC package unit as applicable:
  - A. Check for indication of leakage - monthly.
  - B. Check pressure and temperature - quarterly.
- VI. PUMPS as applicable:
  - A. Inspect belts for damage, tension, and alignment - quarterly.
  - B. Check bearings and seals (motor and pump) - quarterly or semi-annually.
  - C. Check phase voltage and impeller - yearly.
- VII. COOLING TOWER as applicable:
  - A. Check water level - minimum monthly - prefer weekly.
  - B. Check oil level in gear reducers - monthly.
  - C. Check for leaks and excessive noise or vibration - monthly.
  - D. Check water quality/chemical treatment - monthly.
- VIII. BUILDING EXTERIOR:
  - A. Check for water infiltration into walls or above ceilings to prevent mold and mildew - quarterly.
- IX. CEILING TILES:
  - A. Check and replace any ceiling tile that shows water stains to prevent mold spores - quarterly.
- X. SUPPLY AND RETURN AIR DUCTS:
  - A. Remove ceiling diffuser and clean, check for visible sign of dirt around the opening or dirt coming out of duct openings on supply air diffusers - yearly. If they are dirty, then clean the ducts.

23

**EXHIBIT**  
**JANITORIAL SERVICES**

The LANDLORD agrees to furnish janitorial and cleaning services as part of this Lease Agreement. This includes furnishing all cleaning/maintenance equipment and cleaning supplies as required, including but not limited to, bathroom tissue, paper towels, trash receptacle liners and hand soap (preferably liquid). All supplies are to be of good quality acceptable in the janitorial profession and of satisfactory quality suitable to the needs of personnel.

Cleaning of the facility shall be accomplished in accord with the following schedule:

a) **FLOORS**

Daily: Carpeted areas - vacuum.  
Non-carpeted areas - dust mop - spray buff as required, remove gum and other materials, spot damp mop to remove stains or spots.

Weekly: Non-carpeted areas - damp mop and spray buff.

Monthly: Strip and wax lobby, waiting and tile restroom areas.

Quarterly: Strip and wax hallway floors. (Apply three coats of Johnson Complete Wax or equivalent).

Semiannually: Machine clean carpets in hallways. Other areas are to be cleaned, if their condition so dictates.

Strip, reseal and wax with nonskid wax all normally waxed floors.

Annually: Machine clean all carpet throughout the facility.

b) **WALLS, CEILINGS, INTERIOR DOORS, LEDGES, ETC.**

Weekly: Spot clean. Clean light switch plates and surrounding wall areas. Dust windowsills, ledges, fixtures, etc.

Monthly: Dust or vacuum HVAC registers.

Annually: Clean all light fixtures diffuse and wipe dust off light bulbs.

c) **WINDOWS AND GLASS**

Daily: Spot clean entrance and vicinity glass both inside and outside.

Spot clean directory and internal glass or windows.

24

Semiannually: Clean inside of external windows.

d) WATER FOUNTAINS

Daily: Clean and sanitize. Replenish supply of disposable cups (if applicable).

e) FURNISHINGS

Daily: Dust tables, chairs, credenzas, file cabinets, bookcases, etc.

Do not disturb any papers lying on desks or cabinets.

Weekly: Dust and clean all ornamental wall decorations, pictures, charts, chalkboards, etc.

Dust draperies, blinds or other window treatments.

Semiannually: Vacuum all drapes, blinds or other window treatments.

f) TRASH AND REFUSE

Daily: Empty and clean all trash receptacles. Receptacle liners are to be used and changed as necessary.

Remove all collected trash to external dumpsters or trash containers.

In conference rooms, reception areas, etc., remove accumulated trash, paper cups, soda cans, etc.

g) RESTROOMS

Daily: Maintain in a clean sanitary condition: floors, walls, doors, stalls, partitions, shelves, sinks, commodes, urinals, bath facilities, soap and towel dispensers.

Clean and polish mirrors.

Empty and sanitize trash and sanitary napkin receptacles.

Replenish supplies of tissue, towels and soap.

Monthly: Clean ceramic tile surfaces with a strong cleaner or bleach so that tile and grout have uniform color.

h) LOUNGE AND KITCHEN AREAS

Daily: Clean and sanitize sinks and counter areas.

NOTE: THE WASHING OF EMPLOYEE'S DISHES OR THE REFRIGERATOR IN THE LOUNGE OR KITCHEN AREAS ARE NOT REQUIREMENTS OF THIS CONTRACT.

25

i) EXTERIOR

Daily: Sweep outside area immediately adjacent to building entrances.  
Keep parking lot and surrounding grass areas free of trash.

Empty outside trash receptacles.

Weekly: Sweep all exterior access areas, e.g., sidewalks, porches,  
courtyards, etc.

Perform other such services as are necessary to keep the facility clean and in a sanitary condition. In providing of the aforementioned services:

Only actual employees of the janitorial contractor are to be admitted to the premises. During after hours cleaning, all outside doors are to be locked and janitorial staff is not to provide access to anyone into the facility. Janitorial staff is to check exterior doors and windows to insure the facility is secure at the time of leaving the facility.

LANDLORD shall provide reasonable assurance that any and all chemicals are being handled in accordance with the Material Safety Data Sheet (MSDS) provided by their manufacturer.

A copy of the MSDS for each cleaning agent or chemical used by janitorial service shall be provided to TENANT. Only those cleaning agents or chemicals approved by TENANT shall be used in the demised premises.