

# Memorandum



**Date:** June 9, 2009

**To:** Honorable Chairman Dennis C. Moss  
and Members, Board of County Commissioners

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

**Subject:** Lease Agreement Located at 172 W. Flagler Street, Suites 310 and 330, Miami  
with Jack Thomas Inc., as agents for Flagler Building, LLLP  
for the General Services Administration Department  
Property # 4137-01-01

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Agenda Item No.

4 (C)

## RECOMMENDATION:

It is recommended that the Board approve the attached resolution authorizing execution of a Lease Agreement located at 172 W. Flagler Street, Suites 310 and 330, Miami, with Jack Thomas Inc., a Florida Corporation, as agents for Flagler Building, LLLP., for office space. The attached Lease Agreement has been prepared by General Services Administration.

**PROPERTY:** 172 W. Flagler Street, Suites 310 and 330, Miami

**COMMISSION DISTRICT:** 5

**COMMISSION DISTRICTS IMPACTED:** Countywide

**OWNER:** Flagler Building LLLP

Jack K. Thomas, Jr., P/D/S	21.66%
Henry Block, VP., and Catherine M. Block,	21.67%
Donald C. Thomas	11.67%
Kathleen R. Touby, Trust	25.00%
Murray McClain	5.00%
K. Lawrence Gragg, Esquire	5.00%
George Kanistras	5.00%
Donal Gildersleeve's Estate	5.00%

**OWNER'S TRACK RECORD:** The County has no record of negative performance issues with Jack Thomas, Inc., or Flagler Building, LLLP.

**USE:** 3,832 rentable square feet of air-conditioned and heated office space.

**JUSTIFICATION:** GSA's Design and Construction Services Division (DCSD) has the need to continue utilizing this facility for office space. DCSD has been in this facility since 2001. A new facility is currently being built; however, the completion and transition to move may take up to one year. In the interim, the department was able to negotiate a better rate by committing to a longer lease term, with a cancellation provision that allows the County to cancel the lease at any time with 60 days prior written notice.

LEASE TERM: Three years with one additional three-year renewal option period.

EFFECTIVE DATES: Commencing on the latter of, (1) upon the passage of the resolution of the Miami-Dade County Board of County Commissioners approving this Lease Agreement or (2) August 1, 2009 and terminating three years thereafter.

RENTAL RATE: The annual rent for the first year of the initial lease term is \$77,069.16, which is equal to \$20.11 per square foot on an annual basis. The annual rent for the second and third lease year of the initial lease term and any subsequent renewal option period shall be increased in accordance with the Consumer Price Index (CPI) and shall not exceed 5% per year unless the CPI adjustment is in excess of 7%, in which case, the adjustment to be applied shall be 5% plus half of the difference between the 5% and the higher CPI.

FINANCIAL IMPACT: The total financial impact for the first lease year is estimated to be \$80,151.93, which is comprised of the following:

**First Year Occupancy Cost:**

	<u>Total Dollars</u>	<u>PSF</u>
<u>Annual Base Rent:</u>		
Annual Base Rent	\$ 77,069.16	\$ 20.11
<u>Indirect Expense:</u>		
Lease Management Fee (4%)	<u>\$ 3,082.77</u>	

**Total Cost to County, first year: \$ 80,151.93**

LEASE CONDITIONS: Full service lease. The Landlord is responsible for electrical lines, fixtures and equipment, the integrity and structure of the building, roof and roof leaks, windows, doors and frames, fire equipment, exterior common areas, grounds maintenance, custodial and janitorial services, and air conditioning and heating equipment. The tenant is also responsible for its pro-rata share of 14.3% of any increases of the building's taxes and insurance costs over the base year 2009.

CANCELLATION PROVISION: The County may cancel the lease or any portion thereof, at any time by providing sixty (60) days prior written notice.

CURRENT LEASE: The current lease agreement was approved by the Board on May 22, 2001 by Resolution Number R-597-01. The lease is for a two-year term with three two-year renewal option periods. The lease expires July 31, 2009. The current annual rental amount is \$74,009.16 which is equal to \$19.31 per square foot on an annual basis.

FUNDING SOURCE: Internal Service Funds. This expense has been budgeted by General Services Administration.

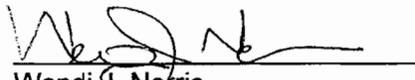
OTHER PROPERTIES EVALUATED: 168 S.E. 1 Street, Miami — \$23.00 per square foot on an annual basis for a full service lease plus pass through and relocation expenses.

14 N.E. 1 Avenue, Miami — \$25.00 per square foot on an annual basis for a full service lease plus Common Area Maintenance (CAM) and relocation expenses.

111 N.E. 1 Street, Miami — \$25.00 per square foot on an annual basis for a full service lease plus pass through and relocation expenses.

DELEGATED AUTHORITY: Authorizes the County Mayor or the County Mayor's designee to execute the lease agreement, exercise the cancellation provision and exercise the additional three-year renewal option period.

LEASE MONITOR: Margaret Araujo, Real Estate Officer.

  
Wendi J. Norris  
Director  
General Services Administration



# MEMORANDUM

(Revised)

**TO:** Honorable Chairman Dennis C. Moss      **DATE:** July 7, 2009  
and Members, Board of County Commissioners

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

**SUBJECT:** Agenda Item No.

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 Mayor'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.

Veto \_\_\_\_\_

Override \_\_\_\_\_

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

RESOLUTION AUTHORIZING EXECUTION OF A LEASE AGREEMENT AT 172 W. FLAGLER STREET, SUITES 310 AND 330, MIAMI, WITH JACK THOMAS INC., A FLORIDA CORPORATION, AS AGENTS FOR FLAGLER BUILDING, LLLP., FOR PREMISES TO BE UTILIZED BY THE GENERAL SERVICES ADMINISTRATION'S DESIGN AND CONSTRUCTION SERVICES DIVISION FOR ITS ADMINISTRATIVE OFFICES, WITH TOTAL FISCAL IMPACT TO MIAMI-DADE COUNTY NOT TO EXCEED \$534,527.00 FOR THE THREE-YEAR TERM OF THE LEASE INCLUDING THE OPTIONAL THREE-YEAR RENEWAL PERIOD, AND AUTHORIZING THE COUNTY MAYOR OR THE COUNTY MAYOR'S 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 Jack Thomas, Inc., a Florida Corporation, as agents for Flagler Building, LLLP., for premises to be utilized by the General Services Administration's Design and Construction Services Division for its administrative offices, with a total fiscal impact to Miami-Dade County not to exceed \$534,527.00 for the three-year term of the Lease including the optional three-year renewal period, in substantially the form attached hereto and made a part hereof; authorizes the County Mayor or the County Mayor's designee to execute same for and on behalf of Miami-Dade County; and authorizes the County Mayor or the County Mayor's designee to exercise any and all other rights conferred therein.

Dennis C. Moss, Chairman  
Jose "Pepe" Diaz, Vice-Chairman

Bruno A. Barreiro	Audrey M. Edmonson
Carlos A. Gimenez	Sally A. Heyman
Barbara J. Jordan	Joe A. Martinez
Dorrin D. Rolle	Natacha Seijas
Katy Sorenson	Rebeca Sosa
Sen. Javier D. Souto	

The Chairperson thereupon declared the resolution duly passed and adopted this 7th day of July, 2009. 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.

Jorge Martinez-Esteve



## LEASE AGREEMENT

THIS AGREEMENT made on the \_\_\_\_\_ day of \_\_\_\_\_, 2009 by and between JACK THOMAS, INC., as Agents for FLAGLER BUILDING, LLLP, 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 demised premises described as follows:

3,832 rentable square feet of air-conditioned and heated office space located at 172 West Flagler Street, Suite 310 and 330, Miami. Floor plan hereto, attached as "Exhibit A."

TO HAVE AND TO HOLD unto the said TENANT for a term of three (3) years, commencing on the latter of: 1) The effective date of the resolution of the Board of County Commissioners ("the Board") approving this lease agreement, (the "Effective Date"), or 2) August 1, 2009 and terminating three (3) years thereafter. The annual rental for the Demised Premises for the first lease year of the initial lease term, shall be Seventy-Seven Thousand Sixty-Nine and 16/100 Dollars (\$77,069.16), payable in Twelve equal monthly installments of Six Thousand Four-Hundred Twenty-Two and 43/100 Dollars (\$6,422.43), payable in advance on the first day of every month to Jack Thomas Inc., Trust Account, C/O Jack Thomas, Inc. Realtors 25 S.W. 2 Avenue, Miami, Florida 33130 or at such other place and to such other person as LANDLORD may from time to time designate in writing, as set forth herein. The annual rental for the second and third lease year of the initial lease term shall be increase as per Consumer Price Index (CPI) in accordance with Article XXII, Rent Adjustment of the Lease Agreement. 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.

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

LANDLORD, at its own expense, shall cause the demised premises to be in a state of good repair and suitable for usage by TENANT at the commencement of this Lease Agreement. Subject to the above, TENANT hereby accepts the demised premises to be in a state of good repair and suitable for usage by TENANT at the commencement of the term 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;
- Trash and refuse disposal;
- Janitorial and custodial services referenced in Exhibit B, "Janitorial Services";
- Halls, stairways, elevators, and lavatories;
- Air-conditioning and heating equipment as per Exhibit A, "HVAC system preventive Maintenance";
- 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 demised premises during the term of this Lease Agreement (except for Saturdays, Sundays, and holidays) the

maintenance, trash disposal, janitorial services, custodial services, and services as described above and referenced in the attached Exhibit C, "Janitorial Services" of the Lease Agreement.

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, if 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. TENANT shall use its best efforts not to commit or allow any waste or damage to be committed on any portion of the Demised Premises. Any damage caused due to the willful negligence or acts of the TENANT, its agents, employees, invitees or visitors shall be repaired at TENANT's own cost and expense. Upon failure of the TENANT to make such repairs, LANDLORD may perform such repairs and TENANT shall reimburse LANDLORD the costs thereof, as additional rent upon presentation of paid bills for such repairs.

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

TENANT may not make any alterations, additions, or improvements in or to the demised 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 demised premises) shall be and remain a part of the demised premises at the expiration of this Lease Agreement. Subject to the above, 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 hereof. Throughout the term of this Agreement, LANDLORD agrees to provide any additions, fixtures, or other improvements that TENANT may request, and TENANT shall reimburse LANDLORD for any such additions, fixtures, or improvements separately invoiced to the TENANT at the rates agreed-upon with the LANDLORD for such services.

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

In the event the demised premises or any portion thereof should be destroyed or so damaged by fire, windstorm, or other casualty so as to make the demised premises unusable by TENANT, either party may cancel this Lease Agreement for its convenience by the giving of written notice to the other at any time after the occurrence of the fire, windstorm, or other casualty. In the event of cancellation under this Article; neither party shall be responsible to the other party for any expenses associated with the cancellation and TENANT shall only be liable to LANDLORD for such rents as may be due as of the date TENANT vacates the premises.

If neither party shall exercise the foregoing right of cancellation, LANDLORD shall, to the best of its abilities, cause the building and demised premises to be repaired and placed in good condition within one hundred twenty (120) days following the date of casualty, time being of the essence. If the demised premises sustained damages such that repairs cannot be completed within one hundred twenty (120) days, TENANT shall be entitled to cancel the Lease Agreement by the giving of written notice to LANDLORD at any time, notwithstanding the commencement of any repairs by LANDLORD. TENANT shall not be liable for rent during such period of time as the demised premises shall be untenable by reason of fire, windstorm or other casualty.

In the event of partial destruction or damages to the demised premises which do not render the demised premises untenable, the rents shall be proportionately abated in accordance with the extent to which TENANT is deprived of use, occupancy or full enjoyment of the premises, unless TENANT exercises its right of cancellation as set forth above.

**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 restrooms, 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 those requirements 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 demised premises. LANDLORD agrees that TENANT may, at TENANT's expense, make such changes to the demised 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 demised 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**

Interior and/or 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 the building because of or due to said signs shall be satisfactorily corrected or repaired by TENANT.

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

LANDLORD or any of its agents shall have the right to enter said demised premises during reasonable working hours, upon the giving of 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, health, or preservation thereof of said building or to exhibit said demised premises and to put or keep on the doors or windows thereof a notice "FOR RENT" at any time within sixty (60) 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 person or person on the demised premises other than the damage or injury caused 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 demised premises above described without hindrance or molestation by LANDLORD.

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

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

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

LANDLORD shall indemnify and hold harmless the TENANT and its officers, employees, agents and instrumentalities from any and all liability, losses or damages, including attorneys' fees and costs of defense, which the TENANT or its officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature arising out of, relating to, or resulting from the performance of this AGREEMENT by the LANDLORD or its employees, agents, servants, partners, principals or subcontractors. LANDLORD shall pay all claims and losses in connections therewith and shall investigate and defend all claims, suits or actions of any kind or nature in the name of the TENANT, where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorney's fees which may issue thereon. LANDLORD expressly understands and agrees that any insurance protection required by this AGREEMENT or otherwise provided by LANDLORD shall in no way limit the responsibility to indemnify, keep and save harmless and defend the TENANT, or its officers, employees, agents, and instrumentalities as herein provided.

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**  
**ASSIGNMENT OR SUBLET**

TENANT may assign this Lease Agreement or any part thereof or sublet all or any part of the demised premises without prior written consent of LANDLORD. Any assignment or subletting shall be evidenced in writing in a form acceptable to LANDLORD.

**ARTICLE XVI**  
**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 demised 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 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.

**ARTICLE XVII**  
**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 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 Lease 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 Lease Agreement, LANDLORD agrees to indemnify TENANT for such costs.

**ARTICLE XVIII**  
**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 XIX**  
**SUBORDINATION**

TENANT covenants that his Lease Agreement is and at all times shall be subject and subordinate to the lien of any mortgages now existing or which LANDLORD or any subsequent owner of the Demised

Premises shall make, covering said Demised Premises or the building of which said Demised Premises are a part of and to any and all advances made or to be made under said mortgage or mortgages and to the interest thereon.

**ARTICLE XX**  
**NOTICES**

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

**TENANT:**

Real Estate Section  
Facilities and Utilities Management Division  
General Services Administration  
111 N.W. First Street, Suite 2460  
Miami, Florida 33128

**LANDLORD:**

Jack Thomas, Inc.  
Agents for Flagler Building, LLLP  
25 S.W. 2 Avenue  
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 XXI**  
**OPTION TO RENEW**

Provided this Lease Agreement is not otherwise in default, TENANT, through its County Mayor or the County Mayor's designee, is hereby granted the option to extend this Lease Agreement for One (1) additional three-year renewal option period, upon the same terms and conditions, except that the rental rate shall be adjusted in accordance with the Consumer Price Index (CPI), as outlined in Article XXII, "Rent Adjustment", by giving LANDLORD notice in writing at least Ninety (90) 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 XXII**  
**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 Base Rent of Seventy-Seven Thousand Sixty-Nine and 16/100 Dollars (\$77,069.16) by a fraction whose numerator shall be the Consumer Price Index (CPI) for the month which is two months prior to the date of such period and whose denominator shall be the Consumer Price Index (CPI) for June 1, 2009. For purposes hereof, the Consumer Price Index to be used shall be the National Consumer Price Index for all Urban Consumers, 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 rent adjustment shall not exceed five percent (5%) per annum unless, the calculation indicates an adjustment in excess of seven percent (7%), in which case, the adjustment to be applied shall be five percent (5%) plus half of the indicated adjustment which exceeds five percent (5%). In no event shall the rent for any subsequent year be less than the rent for the previous year.

**ARTICLE XXIII**  
**TERMINATION RIGHTS OF TENANT**

TENANT, through its County Mayor or the County Mayor's designee, shall have the right to terminate this Lease Agreement, or any portion thereof at any time, by giving LANDLORD at least Sixty (60) days' written notice prior to its effective date.

**ARTICLE XXIV**  
**HEATING, VENTILATION, AND AIR-CONDITIONING**

LANDLORD acknowledges that it is responsible for providing and maintaining, at no cost or expense to TENANT, a good, sufficient, and safe heating, ventilation, and air conditioning system to cool

and heat the entire demised premises uniformly, and sufficient with TENANT's use of the demised premises. LANDLORD, at LANDLORD's cost, shall provide air conditioning and heating service from 6:30 a.m. to 6:30 p.m., Monday through Friday throughout the term of this Lease Agreement or any renewal or extension thereof. Should TENANT require air conditioning or heating service during other hours not specified herein, TENANT may request such service in writing twenty-four (24) hours in advance and will be billed at a rate of Twenty Dollars and 00/100 (\$20.00) per hour, to be paid monthly by TENANT as additional rent.

**ARTICLE XXV**  
**HVAC MAINTENANCE**

Without limiting the obligations of LANDLORD as set forth in ARTICLE IV, "Maintenance" of this Lease Agreement, LANDLORD shall be required to initiate and maintain a commercial HVAC system maintenance contract, or contracts, subject to TENANT's approval prior to LANDLORD's execution of said contract, which shall call for regular maintenance and service to such systems in accordance with industry standards.

**ARTICLE XXVI**  
**MAINTENANCE AND JANITORIAL SERVICES**

LANDLORD, at its sole cost and expense, shall perform or cause to be performed in the demised premises, on a daily basis during the term of this Lease Agreement (except for Saturdays, Sundays, and holidays) after 5:00 p.m., the maintenance and janitorial services with respect to the demised premises. LANDLORD shall repair, replace, and maintain, at its sole cost and expense, the HVAC, electrical, mechanical, utility, and plumbing systems servicing the demised premises, the roof and all other structural elements of the building except for damages to the interior of the demised premises caused by the negligence or willful misconduct of TENANT or TENANT's employees, agents, contractors, visitors, and/or invitees.

**XXVII**  
**AD-VALOREM TAXES AND INSURANCE**

If the real property Ad-Valorem taxes assessed against the property of which the Demised premises is a part, shall be increased during the term of this Lease Agreement or any extension or renewal thereof,

in relation to such taxes for the year 2009, the TENANT shall pay its pro-rata share, which is agreed to be 14.3% of any increase, payable as additional rent upon presentation of a paid tax bill. It is agreed that the Ad-Valorem taxes due in November of each year shall be the figure used to compute the TENANT's obligation under this article, whether or not the LANDLORD pays the taxes in November or later.

**ARTICLE XXVIII**  
**CONDITIONS PRECEDENT TO COMMENCEMENT OF TERM**

The following conditions precedent must be satisfied prior to the Commencement Date:

- A. TITLE: LANDLORD must own and hold fee simple title, without encumbrance, conditions, restrictions, or exceptions, except for encumbrance that LANDLORD has provided to TENANT for non-material matters which do not adversely and materially affect the use and enjoyment of the demised premises in the manner contemplated by TENANT.
- B. NON-DISTURBANCE AND FUNDING AGREEMENT: LANDLORD shall have obtained a Non-Disturbance Agreement from all lenders.
- C. GOVERNMENTAL APPROVAL: This Lease Agreement shall be authorized and approved by the appropriate authorities of Miami-Dade County.

**ARTICLE XXIX**  
**WAIVER OF LANDLORD'S LIEN**

LANDLORD, for itself and its successors and assigns, does hereby waive all rights to levy and/or distraint and all lien rights accrued and accruing as to all personal property, machinery, fixtures, and equipment, affixed or otherwise, now or hereafter belonging to or in the possession of TENANT. Further, TENANT may at its discretion remove from time to time all or part of its personal property, machinery, trade fixtures, and equipment.

**ARTICLE XXX**  
**FORCE MAJEURE**

TENANT and LANDLORD shall be excused for the period of any delay and shall not be deemed in default with respect to the performance of any of the non-monetary terms, covenants, and conditions of the Lease Agreement when prevented from so doing by cause or causes beyond TENANT's or LANDLORD's control, excluding filing of bankruptcy, but which shall include, without limitation, all

labor disputes, governmental regulations or controls, fire or other casualty, acts of God, or any other cause, whether similar or dissimilar to the foregoing, not within the control of TENANT or LANDLORD.

**ARTICLE XXXI**  
**LANDLORD'S DEFAULT**

It shall constitute a default of this Lease Agreement by LANDLORD if, except as otherwise provided in this Lease Agreement, LANDLORD fails to observe or perform any of the covenants, conditions, or provisions of this Lease Agreement to be observed or performed by LANDLORD, where such failure shall continue for a period of thirty (30) days after written notice thereof from TENANT to LANDLORD; provided, however, that if the nature of LANDLORD's non-compliance is such that more than thirty (30) days are reasonably required for its cure, then LANDLORD shall not be deemed to be in default if LANDLORD commenced such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion. In the event of any such default by LANDLORD, TENANT may at any time terminate this Lease Agreement within seven (7) days written notice to LANDLORD or bring an action for damages, or injunctive relief (it being recognized that in such event TENANT is irreparably harmed for which there is no adequate remedy at law). No remedy of TENANT provided for in the Lease Agreement shall be considered to exclude or suspend any other remedy provided for herein, but the same shall be cumulative and in addition to TENANT's remedies at law or in equity.

**ARTICLE XXXII**  
**WAIVER**

If, under the provisions hereof, LANDLORD or TENANT shall institute proceedings and a compromise or settlement thereof shall be made, the same shall not constitute a waiver of any covenant herein contained nor of any of LANDLORD's or TENANT'S rights hereunder, unless expressly stated in such settlement agreement. No waiver by LANDLORD or TENANT of any provision hereof shall be deemed to have been made unless expressed in writing and signed by both parties. No waiver by LANDLORD or TENANT of any breach of covenant, condition, or agreement herein contained shall operate as a waiver of such covenant, condition, or agreement itself, or of any subsequent breach thereof.

No payment by TENANT or receipt by LANDLORD of lesser amount than the monthly installments of rent (or additional rent obligations stipulated) shall be deemed to be other than on account of the earliest stipulated rent nor shall any endorsement or statement on any check or letter accompanying a check for payment of rent or any other amounts to LANDLORD be deemed an accord and satisfaction and LANDLORD may accept such check or payment without prejudice to or waiver of LANDLORD's right to recover the balance of such rent or other amount owed or to pursue any other remedy provided in this Lease Agreement. No reentry by LANDLORD and no acceptance by LANDLORD of keys from TENANT shall be considered an acceptance of a surrender of this Lease Agreement.

**ARTICLE XXXIII**  
**DEFAULT OF TENANT**

If TENANT shall fail to pay any monthly installment or item of rent on the date when the same becomes due or shall violate or fail to perform any of the other conditions, covenants, or agreements herein made by TENANT, and if such violation or failure continues for a period of thirty (30) days after written notice thereof to TENANT by LANDLORD, except for failure to pay rent, which shall have a fifteen (15) day period for cure after written notice thereof to TENANT by LANDLORD, and further, if TENANT shall be diligently attempting to cure such failure to perform any other conditions, covenants, or agreements, the time to cure, such failure shall be extended for so long as TENANT shall diligently prosecute (such cure) then LANDLORD may proceed with any remedy available at law or in equity in the State of Florida or by such other proceedings, including reentry and possession, as may be applicable. All rights and remedies of LANDLORD under this Lease Agreement shall be cumulative and shall not be exclusive of any other rights and remedies provided to LANDLORD under applicable law.

**ARTICLE XXXIV**  
**LANDLORD'S RIGHT TO REPAIR**

LANDLORD shall have access to all air conditioning and heating equipment and to all other mechanical, electrical, plumbing and utility installations servicing the Building and the demised premises upon twenty-four (24) hours prior written notice to TENANT, except in the event of an emergency, in which case such notice shall be reasonable under the circumstances. At the election of TENANT, LANDLORD shall be accompanied by an employee of TENANT, except in the event of an emergency.

LANDLORD shall use its best efforts to minimize any interference to TENANT's usage of the demised premises during the exercise of any rights granted to LANDLORD herein. In the event that, because of the act or negligence of LANDLORD, its employees, agents, or contractors, LANDLORD shall fail to provide, or cause to be provided, to substantially all of the demised premises, air conditioning, plumbing (unless LANDLORD shall provide other facilities in the building), any elevator service or electricity for more than two (2) continuous business days, the rent shall equitably abate based on any substantial portion of the demised premises affected until the situation is corrected. Notwithstanding anything contrary to the above, any act caused by force majeure is not included herein.

**ARTICLE XXXV**  
**ESTOPPEL CERTIFICATES**

LANDLORD and TENANT agree, at any time and from time to time, upon not less than thirty (30) business days prior written notice by such party, to execute, acknowledge, and deliver to the other a statement in writing:

A. certifying that this Lease Agreement has been unmodified since its execution and is in full force and effect (or if Lease Agreement has been modified since its execution, that it is in full force and effect, as modified, and stating the modifications);

B. stating the dates, if any, to which the rent and sums hereunder have been paid by TENANT;

C. stating whether or not to the knowledge of LANDLORD or TENANT, as the case may be, there are then existing any defaults under this Lease Agreement (and, if so, specifying the same); and

D. stating the address to which notices to LANDLORD or TENANT, as the case may be, should be sent. Any such statement delivered pursuant thereto shall provide that such statement may be relied upon by LANDLORD or TENANT or any prospective purchaser or mortgagee or lessee or assignee of the Property, or any part thereof or estate therein.

**ARTICLE XXXVI**  
**AMENDMENT**

All amendments to this Lease Agreement must be in writing and signed by LANDLORD prior to submittal to the Board of County Commissioners.

**ARTICLE XXXVII**  
**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 "HVAC System Preventive Maintenance For Leased Space" applicable to 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 LANDLORD and the original test results shall be furnished to TENANT.

C. NOTICE OF PEST MANAGEMENT OPERATIONS. The use of pesticide sprays or dusts in the demised premises as part of pest control services shall only be used in places of infestation as demonstrated by sticky traps or other such devices observed by TENANT or 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 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 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 and 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, caulk or other emissive materials during the buildout or renovation of the demised space.

**ARTICLE XXXVIII**  
**HOLDOVER**

If TENANT, with LANDLORD's consent, remains in possession of the demised 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 with a monthly rental for the first month, after expiration of the term, equivalent to one hundred five percent (100%) of the monthly rental in effect immediately prior to expiration, such payments to be made in advance as 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 premises on a month basis.

**ARTICLE XXXIX**  
**GOVERNING LAW**

This Agreement, including any exhibits or amendments, if any, and all matters relating thereto (whether in contract, statute, tort or otherwise) shall be governed by and construed in accordance with the laws of the State of Florida.

**ARTICLE XL**  
**WRITTEN AGREEMENT**

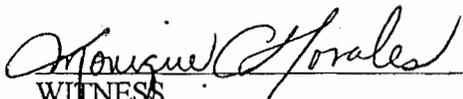
This Lease Agreement contains the entire agreement between the parties hereto and all other oral negotiations leading thereto, and it may be modified only by resolution approved by the Board of County Commissioners.

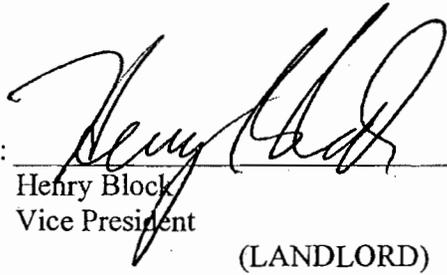
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IN WITNESS WHEREOF, LANDLORD and TENANT have caused this Lease Agreement to be executed by their respective and duly authorized officers the day and year first above written.

(CORPORATE SEAL)

JACK THOMAS, INC.  
A Florida Corporation  
as Agents for Flagler Building, LLLP.

  
WITNESS

By:   
Henry Block  
Vice President  
(LANDLORD)

(OFFICIAL SEAL)

ATTEST:  
HARVEY RUVIN, CLERK

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

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

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

Approved by the County Attorney as  
to form and legal sufficiency. \_\_\_\_\_

## 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.

**EXHIBIT "B"**  
**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 - dustmop - 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 fixture diffuses 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.

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.

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 demised premises. During after hours cleaning, all outside doors are to be locked and janitorial staff are not to provide access to anyone into the facility. Janitorial staff are 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.