MEMORANDUM

Agenda Item No. 14(A)(14)

TO:

Honorable Chairwoman Audrey M. Edmonson

and Members, Board of County Commissioners

DATE:

July 23, 2019

FROM:

Abigail Price-Williams

County Attorney

SUBJECT:

Resolution approving the sublease of 180 square feet of office space located at the Republic Square II Building, 660 North Capitol Street, NW, Suite 419, Washington, D.C. between Miami-Dade County as a sublessee and the National Association of Counties, as sublessor, for premises owned by 660 North Capital Street Property LLC and to be used by the Miami-Dade County **Board of County Commissioners Office** of Intergovernmental Affairs ("OIA") for a term of six years for a total rent amount of \$77,613.00 plus County's proportionate share of certain operating expenses estimated not to exceed \$1,000.00 annually; directing the County Mayor to negotiate and finalize the terms of the Sublease Agreement and to negotiate the termination of the current OIA Sublease; directing the County Mayor to execute Sublease Agreement after finalization, to exercise any rights conferred therein, to perform all acts necessary to effectuate same, and to execute any necessary documents with respect to the termination of the current OIA Sublease, all subject to certain conditions

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor

Commissioner Sally A. Heyman.

County Attorney

APW/smm



MEMORANDUM

(Revised)

	and Members, Board of County Commissioners	DAIE:	July 23, 2019	
FROM:	Aligail Price-Williams County Attorney	SUBJECT:	Agenda Item No.	14(A)(14)
Ple	ase note any items checked.			
	"3-Day Rule" for committees applicable is	f raised		
	6 weeks required between first reading an	ıd public hearin	g	
	4 weeks notification to municipal officials hearing	required prior	to public	
	Decreases revenues or increases expenditu	ures without bal	ancing budget	
	Budget required			
	Statement of fiscal impact required			
	Statement of social equity required			
	Ordinance creating a new board requires report for public hearing	detailed County	Mayor's	
	No committee review			
	Applicable legislation requires more than present, 2/3 membership, 3/5's 7 vote requirement per 2-116.1(3)(h) or (4 requirement per 2-116.1(3)(h) or (4)(c) to be a considerable for 2-116.1(4)(c)(2) to be a considerable for 2-116.1(4)(c)(c)(2) to be a considerable for 2-116.1(4)(c)(c)(c)(c)(c)(c)(c)(c)(c)(c)(c)(c)(c)	, unanimou)(c), CDM , or CDMP 9	s, CDMP P 2/3 vote	
	Current information regarding funding so balance, and available capacity (if debt is	ource, index cod contemplated) r	e and available equired	

Approved	Mayor	Agenda Item No.	14(A)(14)
Veto		7-23-19	
Override			

RESOLUTION NO.	

RESOLUTION APPROVING THE SUBLEASE OF 180 SOUARE FEET OF OFFICE SPACE LOCATED AT THE REPUBLIC SQUARE II BUILDING, 660 NORTH CAPITOL STREET, NW, SUITE 419, WASHINGTON, D.C. BETWEEN MIAMI-DADE COUNTY AS A SUBLESSEE AND THE NATIONAL ASSOCIATION OF COUNTIES, AS SUBLESSOR, FOR PREMISES OWNED BY 660 NORTH CAPITAL STREET PROPERTY LLC AND TO BE USED BY THE MIAMI-DADE COUNTY BOARD OF COUNTY COMMISSIONERS OFFICE OF INTERGOVERNMENTAL AFFAIRS ("OIA") FOR A TERM OF SIX YEARS FOR A TOTAL RENT AMOUNT OF \$77,613.00 PLUS COUNTY'S PROPORTIONATE SHARE OF CERTAIN OPERATING EXPENSES ESTIMATED NOT TO EXCEED \$1,000.00 ANNUALLY; DIRECTING THE COUNTY **COUNTY** MAYOR'S **DESIGNEE** MAYOR OR TO TERMS OF THE NEGOTIATE AND FINALIZE THEAND TO NEGOTIATE SUBLEASE AGREEMENT CURRENT OIA SUBLEASE; TERMINATION OF THEDIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE SUBLEASE AGREEMENT AFTER FINALIZATION, TO EXERCISE ANY RIGHTS CONFERRED THEREIN, TO PERFORM ALL ACTS NECESSARY TO EFFECTUATE SAME, AND TO EXECUTE ANY NECESSARY DOCUMENTS WITH RESPECT TO THE TERMINATION OF THE CURRENT OIA SUBLEASE, ALL SUBJECT **CERTAIN CONDITIONS**

WHEREAS, on June 4, 2013, this Board, pursuant to Resolution No. R-460-13, approved the execution of a sublease agreement for 973 square feet of office space located at the Hall of States Building, 444 North Capitol Street, N.W., Suite 370, Washington D.C. with State Services Organization, Inc. for a term which expires on January 31, 2020 (the "Existing Sublease"); and

WHEREAS, this office space has been occupied by the County's Office of Intergovernmental Affairs ("OIA"), but the OIA has now determined that it requires less office space due to a reduction in staff; and

WHEREAS, the term of the Existing Sublease expires on January 31, 2020 and the County currently pays \$5,313.88 per month for the leased space; and

WHEREAS, the National Association of Counties ("NACo"), a Delaware not-for-profit corporation, has entered into a lease with its Landlord, 660 North Capitol Street Property, LLC, for space located at the Republic Square II Building, 660 North Capitol Street, N.W., Suite 419, Washington, D.C., and is willing to enter into a new sublease agreement with the County for less space at a substantially reduced annual rental payment (the "New Sublease"); and

WHEREAS, the New Sublease would be for 180 square feet of space, and will commence on September 1, 2019, and expire on August 31, 2025, for a total base rent during the six-year term of \$77,613.00; and

WHEREAS, the proposed rental rate for the New Sublease for the first year would be \$1,012.15 per month, and there is a 2.5 percent escalator for each subsequent year; and

WHEREAS, in addition to the base rent, the New Sublease requires the County to reimburse certain additional costs incurred by Landlord and NACo, calculated as a proportionate share of the space occupied by OIA; and

WHEREAS, examples of such additional costs include, but are not limited to, electricity supplied, cleaning and janitorial expenses, pest extermination, water charges, sewer charges, landscaping services, and repair and maintenance contracts; and

WHEREAS, the additional charges for the New Sublease are estimated to not exceed \$1,000.00 per year; and

WHEREAS, the New Sublease, consistent with the terms of the Existing Sublease, is governed by District of Columbia law, rather than Florida law, and requires the County to indemnify NACo and the Landlord without monetary limitation; and

WHEREAS, over the past decade, the OIA has benefited from having a full-time office in Washington, D.C. to better monitor federal legislation; and

WHEREAS, numerous organizations, including, but not limited to, profit and not-forprofit entities currently sublet space from NACo, which manages the Republic Square II in Washington, D.C.; and

WHEREAS, other agencies and associations that participate in the national legislative process on state and local issues are located in the building, which is located within blocks of the Capitol; and

WHEREAS, the County's Washington, D.C. presence has been highly successful to date, and by approving the New Sublease, the County can continue this effective presence through 2025, at a much more economical rate; and

WHEREAS, NACo is requiring the County to enter into the New Sublease no later than September 1, 2019, but the Existing Sublease does not expire, and is not cancellable, until January 31, 2020; and

WHEREAS, although the County may be able to negotiate a termination of the Existing Sublease prior to January 31, 2020, it is possible that the County may be required to pay rent and operating expenses for both the Existing Sublease, and the New Sublease, from the period from September 1, 2019 through January 31, 2020; and

WHEREAS, over the prior six years the County has paid rent under the Existing Sublease in the amount of \$253,655.00 and under the New Sublease, over the six year term, the County would pay rent in the amount of \$77,613.00; and

WHEREAS, even assuming that the County must continue to pay the additional rent due under the Existing Sublease for the period from September through January, it is in the best interest of the County to enter into the New Sublease in light of the significant cost savings arising from the reduced space and reduced annual rental payment; and

WHEREAS, this Board has considered the Mayor's memorandum, a copy of which is attached as Exhibit A and is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

<u>Section 1</u>. The foregoing recitals are incorporated in this Resolution and are approved.

Section 2. This Board approves the sublease of approximately 180 square feet of office space from NACo for the premises located at the Republic Square II Building, 660 North Capitol Street, NW, Suite 419, Washington, D.C. and owned by 660 North Capitol Street Property, LLC, to be utilized by OIA for a term of six years for a base rent in the total amount of \$77,613.00 during such term, plus certain operating and related costs and expenses.

Section 3. This Board directs the County Mayor or County Mayor's designee to negotiate and finalize the terms of the New Sublease, generally consistent with the terms and conditions set forth in the draft New Sublease attached hereto as Exhibit B, including and conditioned upon obtaining the approval of the Landlord of the Master Lease, and delegates to the County Mayor or County Mayor's designee the authority to do so provided that: (a) said

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terms and conditions are no less favorable, financially or otherwise, to the County as those terms contained in the New Sublease attached to this Resolution; and (b) no policies of this Board are violated or modified in the final terms of the Agreement.

Section 4. This Board authorizes the County Mayor or County Mayor's designee to execute the New Sublease after negotiation and finalization for and on behalf of Miami-Dade County after review and approval by the County Attorney's Office, to perform all acts necessary to effectuate same, and to exercise any and all rights conferred therein. A copy of the final, executed New Sublease shall be filed along with this Resolution with the Clerk of the Board.

Section 5. This Board authorizes the County Mayor or County Mayor's designee to negotiate a termination of the Existing Sublease, provided that the terms of the termination are no less financially favorable to the County than those contained in the Existing Sublease, and to execute any necessary documents with respect to the termination of the Existing Sublease.

The Prime Sponsor of the foregoing resolution is Commissioner Sally A. Heyman. It 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:

Audrey M. Edmonson, Chairwoman Rebeca Sosa, Vice Chairwoman

Esteban L. Bovo, Jr

Jose "Pepe" Diaz

Eileen Higgins

Joe A. Martinez

Dennis C. Moss

Xavier L. Suarez

Daniella Levine Cava
Sally A. Heyman
Barbara J. Jordan
Jean Monestime
Sen. Javier D. Souto

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The Chairperson thereupon declared this resolution duly passed and adopted this 23rd day of July, 2019. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the Board.

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

HARVEY RUVIN, CLERK

By: _____

Approved by County Attorney as to form and legal sufficiency.

Debra Herman



EXHIBIT A

Memorandum MIAMIDADE

Date:

July 23, 2019

To:

Honorable Chairwoman Audrey M. Edmonson and Members, Board of County Commissioners

From:

Carlos A. Gimenez

Mayor

Subject:

Sublease Agreement between Miarki-Dade County and National Association of Counties,

for Property Located at 660 North Capitol Street, NW, Washington D.C.

Recommendation

It is recommended that the Board of County Commissioners (Board) authorize execution of the attached Sublease Agreement (Sublease) between Miami-Dade County (County) and the National Association of Counties (NACo), a Delaware not-for-profit corporation for property located at 660 North Capitol Street, NW, Washington, D.C., for use as a full-time office by the Miami-Dade County, Office of Intergovernmental Affairs (OIA). More specifically, the resolution does the following:

- Authorizes a sublease of 180 rentable square feet of air-conditioned office space known as Suite 419; and
- Authorizes a lease term of six years, or 72 months.

The Sublease will become effective on the date it has been executed by the County and NACo, after approval by the Landlord, as required by the Master Lease between NACo and the Landlord, and is anticipated to commence on September 1, 2019. The County and NACo each have the right, at any time, without cause, to terminate the Sublease by providing the other party with at least 60 days' advanced written notice.

Scope

The subleased premises will be utilized by OIA, as full-time office space, in order to, among other things, monitor federal legislation, and, therefore, this item has a countywide impact.

Fiscal Impact/Funding Source

The fiscal impact to the County is as follows: (i) \$12,150.00 or \$67.50 per square foot for the initial year of the sublease term; (ii) \$77,613.00 for the entire six year term, assuming that there is no cancellation by either NACo or the County; and (iii) other expenses under the Sublease on a pro rata basis based upon square footage, such as office and operating charges and taxes, as applicable ("Pro Rata Charges"). Based on historical information, the annual Pro Rata Charges to the County would not exceed \$1,000.00 on an annual basis.

Additionally, pursuant to Resolution No. R-460-13, the County is responsible to continue to pay rent and operating expenses for the existing premises occupied by OIA, pursuant to its current sublease (Existing Sublease) which expires on January 31, 2020, in the amount of \$28,069.00, unless subsequently leased or if such amount is mitigated.

The funding source for all expenses under the Existing Sublease and the Sublease is the General Fund.

The Internal Services Department has conducted an in-house survey of the comparable rental values in the area of Washington, D.C. to determine the subject property's market rental value. The findings are provided below.

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Honorable Chairwoman Audrey M. Edmonson and Members, Board of County Commissioners Page 2

601 New Jersey Ave, NW, Washington DC – \$67.00 per square foot on an annual basis. The Landlord is responsible for all operating expenses.

200 Massachusetts Ave, NW, Washington DC – \$87.00 per square foot on an annual basis. The Landlord is responsible for all operating expenses.

The price per square foot of the Sublease is near the bottom of this range.

Track Record/County Monitor

The County has no negative performance issues with NACo. Curtis Waybright of the Internal Services Department is the Monitor for the Sublease.

Delegated Authority

The Resolution delegates the authority to the County Mayor or County Mayor's designee to negotiate and finalize the terms of the Sublease and the termination of the Existing Sublease, to execute any documents necessary to effectuate the Sublease or to terminate the Existing Sublease, and to exercise any and all rights conferred in the Sublease, including any rights to terminate or cancel.

Background

Pursuant to Resolution No. R-460-13, the County, under the Existing Sublease, subleased 973 square feet of office space at 400-444 North Capitol Street, NW, Washington, D.C., which is currently utilized as office space by OIA, and which is scheduled to expire on January 31, 2020. Since leasing such office space, staff for the OIA has reduced in size and no longer requires the same size space, particularly for two personnel and two interns. Recently, office space has become available in a nearby building, leased by NACo, and NACo is willing to enter into the Sublease with the County conditioned upon the County commencing the sublease term on September 1, 2019, which is prior to the expiration of the Existing Sublease. The annual rent under the Sublease is substantially lower than the rent pursuant to the Existing Sublease. The Sublease will result in savings to the County, in light of the fact that for the previous six year period the County paid the amount of \$331,268.00 in rent. The cost savings is approximately 253,655.00, due to the need to reduce office space. Further, there is a need to enter into the Sublease by September 1, 2019, before such office space is marketed to another subtenant. The Resolution also delegates authority to the County Mayor or County Mayor's designee to negotiate and finalize the terms of the Sublease, provided that said terms and conditions are no less favorable, financially or otherwise, to the County as those terms contained in the Sublease attached to the Resolution and that no polices of this Board are violated or modified in the final terms of the Sublease. The Resolution additionally authorizes the County Mayor or County Mayor's designee to negotiate and finalize the termination of the Existing Sublease.

Edward Marquez Deputy Mayor

AGREEMENT OF SUBLEASE 1 2 THIS AGREEMENT OF SUBLEASE (the "Sublease") is made as of the ____ day of , 2019 by and between NATIONAL ASSOCIATION OF COUNTIES, a Delaware 3 not-for-profit corporation (the "Sublessor") having an office at 660 N. Capitol Street, N.W., 4 Washington, D.C. 20001, Attn: Executive Director, and MIAMI-DADE COUNTY, a subdivision 5 of the State of Florida (the "Sublessee"). 6 7 WITNESSETH: 8 WHEREAS, pursuant to the Office Lease Agreement dated as of October 5, 2015, by and between 660 North Capitol Street Property LLC, a Delaware limited liability company, as landlord 9 (the "Landlord"), and Sublessor, as tenant (as may be amended, restated, supplemented or 10 modified from time to time, the "Lease"), Landlord leased to Sublessor certain office space (the 11 "Prime Lease Premises") on the third (3rd) and fourth (4th) floors in the building located at 660 12 N. Capitol Street, N.W., Washington, D.C. 20001-1431 and known as Republic Square II (the 13 "Building"); and 14 WHEREAS, Sublessor desires to sublease to Sublessee, and Sublessee desire to sublease 15 from Sublessor, certain space in the Prime Lease Premises, on the terms and conditions hereinafter 16 set forth. 17 NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for 18 other good and valuable consideration, the receipt and sufficiency of which are hereby 19 acknowledged, the parties agree as follows: 20 Subleasing of the Premises. Sublessor hereby subleases to Sublessee and Sublessee 21 hereby subleases from Sublessor one (1) office suite, namely, Suite 419 located on the fourth (4th) 22 floor of the Building in the Prime Lease Premises, as depicted on the plan attached hereto as 23 Exhibit A and consisting of 39,987 square feet, together with the right to use in common with the 24 other occupants of the Prime Lease Premises, the restroom located within the Prime Lease 25 Premises, subject to any modifications thereto required by any governmental authority in 26 connection with the obtaining of all permits and approvals required in connection with the work 27 to be performed therein by Sublessor, deemed for all purposes of this Sublease to be One Hundred 28 Eighty (180) rentable square feet (the "Premises"), upon and subject to all of the terms, covenants, 29 rentals and conditions hereinafter set forth. Sublessee acknowledges that an emergency egress 30 door shall be located in the Premises, and other subtenant(s) of Sublessor shall have the right to 31 exit through these doors, and through the Premises, in the event of emergency. 32 2. Term. 33 This Sublease shall be in full force and effect from the date it has been (a) 34 executed by Sublessor and Sublessee and Landlord has consented thereto. The term (the "Term") 35 day of , 2019 (the "Commencement of this Sublease shall commence on the 36 Date"), and expire on the seventy-two (72) full calendar month thereafter (the "Expiration Date"), 37

(b) As used in this Sublease, the term "Lease Year" shall have the meaning set forth in this subsection. The first Lease Year of the Term shall commence on the Commencement Date and terminate on the last day of twelfth (12th) full calendar month after such Commencement Date. Each subsequent Lease Year shall commence on the date immediately following the last

unless sooner terminated as hereinafter provided.

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day of the preceding Lease Year and shall continue for a period of twelve (12) full calendar months, except that the last Lease Year of the Term shall terminate on the date this Sublease expires or is otherwise terminated.

- (c) At any time during the Term of this Sublease, either party shall have the right to terminate this Sublease prior to the expiration of the Term; provided the terminating party delivers written notice to the non-terminating party at least sixty (60) days' prior to the proposed effective date of such termination ("Termination Notice"). In the event Sublessor desires to terminate this Sublease and delivers notice as provided in this Section 2(b), Sublessee shall be required to surrender the Subleased Premises as provided in Section 4 herein on or before the date that is sixty (60) days after Sublessee's receipt of the Termination Notice.
- (d) Notwithstanding the foregoing, in the event Sublessee is not in default past any and all applicable cure period(s) at the expiration of the Term, the Term shall automatically renew for a period of twelve (12) consecutive additional months, until such time as either Sublessor or Sublessee terminates this Sublease as further provided in Section 2(b) herein.

3. Rent.

United States, annual base rent ("Annual Base Rent"), payable in equal monthly installments (the "Monthly Base Rent"). Annual Base Rent shall be calculated, with respect to each Lease Year, as the product of the Rent per square foot, as set forth below, multiplied by the number of square feet of rentable area in the Premises, as set forth above. All such Monthly Base Rent is to be paid in advance, on the first (1st) day of each month during the Term, at the office of Sublessor, or such other place as Sublessor may designate, without any abatement, set-off or deduction of any kind whatsoever. Simultaneously with Sublessee's execution and delivery of this Sublease, Sublessee shall pay the first installment of Monthly Base Rent, which Sublessor shall credit toward the first full month's rent due to Sublessor hereunder. If the Commencement Date is a date other than the first day of a month, rent for the period commencing with and including the Commencement Date and ending on and including the day prior to the first day of the following month shall be prorated at the rate of one-thirtieth (1/30th) of the Monthly Base Rent per day and shall be due and payable on the Commencement Date.

Lease Year	Rent Per Square Foot	Monthly Base Rent	
1	\$67.50	\$1,012.50	
2	\$69.19	\$1,037.85	
3	\$70.92	\$1,063.80	
4	\$72.70	\$1,090.50	
5	\$74.52	\$1,117.80	
6	\$76.35	\$1,145.25	

(b) All amounts payable by Sublessee to Sublessor pursuant to this Sublease shall be deemed and constitute rent and, in the event of any non-payment thereof and after the

lapse of any applicable grace period, Sublessor shall have all of the rights and remedies provided herein, in the Lease, and at law or in equity for non-payment of rent. Sublessee's obligation to pay rent hereunder shall be on account of the period from and after the Commencement Date and shall survive the Expiration Date or sooner termination of this Sublease.

Effective from and after January 1, 2019, Sublessee shall pay to Sublessor as additional rent (i) Sublessee's Proportionate Share of the difference between Operating Charges (as defined in the Lease) payable by Sublessor under the Lease with respect to the applicable calendar year, and Operating Charges paid by Sublessor under the Lease with respect to calendar year 2019, (ii) Sublessee's Proportionate Share of the difference between Office Specific Charges (as defined in the Lease) payable by Sublessor under the Lease with respect to the applicable calendar year, and Office Specific Charges paid by Sublessor under the Lease with respect to calendar year 2019, (iii) Sublessee's Proportionate Share of the difference between Real Estate Taxes (as defined in the Lease) payable with respect to the applicable calendar year, and Real Estate Taxes paid by Sublessor under the Lease with respect to calendar year 2019, (iv) Sublessee's Proportionate Share of any and all amounts which by the terms of the Lease become due and payable by the Sublessor to Landlord and (v) fees that would be due and payable by Sublessor but for the acts, requests for services and/or failure to act reasonably of Sublessee. The term "Sublessee's Proportionate Share" shall mean the result obtained by multiplying one hundred percent (100%) by a fraction, the numerator being the number of rentable square feet in the Premises and the denominator being the number of rentable square feet in the Prime Lease Premises.

4. Care, Surrender and Restoration of the Premises.

- (a) Without limiting any other provision of this Sublease or the Lease, Sublessee shall take good care of the Premises, suffer no waste or injury thereto and shall comply with all laws, orders and regulations which are imposed on Sublessor, as tenant under the Lease, and are applicable to the Premises and/or Sublessee's use thereof. Upon the Expiration Date or sooner termination of this Sublease, Sublessee shall quit and surrender the Premises to Sublessor in the condition such Premises were in on the Commencement Date, broom clean, in good order and condition, ordinary wear and tear excepted.
- shall remove from the Premises at its sole expense all of its personal property. Upon removal of Sublessee's property from the Premises, Sublessee shall, at its sole expense, promptly repair and restore the Premises to the condition existing prior to the placement of such personal property upon the Premises and repair any damage to the Premises and/or the Building related to such removals, so as to restore the Premises to the condition required under subsection (a) above, or, at Sublessor's election, as may otherwise be required under the Lease. All property permitted or required to be removed by Sublessee upon the Expiration Date or sooner termination of this Sublease remaining on the Premises after such Expiration Date or sooner termination shall be deemed abandoned and may, at the election of Sublessor, either be retained as Sublessor's property or may be removed from the Premises by Sublessor, at Sublessee's expense. Any such expenses shall be paid by Sublessee to Sublessor upon demand therefor.
- 5. <u>Use</u>. Sublessee shall use and occupy the Premises, subject to the terms of the Lease, solely for general office use, and for no other purpose.
 - 6. <u>Incorporation of Terms of Lease</u>. Except as otherwise provided herein, Sublessor

and Sublessee agree that this Sublease is subordinate to the Lease. The terms, provisions, covenants, stipulations, conditions, rights, obligations, remedies and agreements of the Lease are incorporated into this Sublease by reference and made a part hereof as if herein set forth at length, and shall, as between Sublessor and Sublessee (as if they were the Landlord and Tenant, respectively, under the Lease and as if the Premises being sublet hereby were the premises demised under the Lease), constitute the terms of this Sublease, including without limitation, the late payment fee and interest on past due rent, except to the extent that they do not expressly relate to the Premises or are expressly inapplicable to, or expressly modified or eliminated by, or otherwise addressed by, the terms of this Sublease. Notwithstanding the foregoing provisions of this Sublease to the contrary, it is expressly understood and agreed that Sections 3.1, 3.2, 3.5, 3.6, 15.2, 21.3, Articles XI and XXVI of the Lease, and Exhibit B (Leasehold Improvements) of the Lease shall not be applicable with respect to this Sublease or the Premises. Sublessor and Sublessee each agree to observe and be bound by each and every covenant, condition and provision of the Lease insofar as any such covenant, condition or provision affects the Premises or Sublessee's use thereof. Sublessee acknowledges that it has reviewed and is familiar with the Lease, and Sublessor represents that the copy of the Lease attached hereto as Exhibit B is the first page of a copy of the Lease.

- 7. <u>Covenants with Respect to the Lease</u>. Except as otherwise expressly provided herein, all acts to be performed and all of the terms and provisions to be observed by Sublessor with respect to the Premises, as Tenant under the Lease, shall be performed and observed by Sublessee. Sublessee covenants and agrees that Sublessee shall not do anything that would constitute a default under the Lease or omit to do anything that Sublessee is obligated to do under the terms of this Sublease so as to cause a default under the Lease.
- 8. <u>Utilities and Services</u>. Notwithstanding anything to the contrary contained in this Sublease, Sublessor shall not be obligated to perform for Sublessee any services of any nature whatsoever or furnish to Sublessee or the Premises any utilities of any nature whatsoever, including without limitation, heat, electricity, air conditioning, elevator service, cleaning, window washing or trash removal services, however, Sublessor shall exercise reasonable efforts to obtain such utilities and services for the Premises from the Landlord pursuant to and in accordance with the terms of the Lease. Sublessee shall be responsible for any additional costs incurred by Sublessor in connection with this Sublease, whether due to extra services provided to Sublessee or otherwise.
 - 9. [Intentionally Omitted]

- 10. [Intentionally Omitted]
- 11. Representations and Warranties. Each party represents and warrants to the other that it has the power and authority to enter into this Sublease, and that this Sublease is the valid and binding obligation of such party and is enforceable against it in accordance with its terms
- 12. <u>Indemnification</u>. Sublessee agrees to indemnify Sublessor, Sublessor's agents, employees, and contractors, and Landlord (collectively referred to as the "**Indemnified Party**") against and hold each Indemnified Party harmless from any loss, cost, liability or expense (including, without limitation, reasonable attorneys' fees and related disbursements) incurred by such Indemnified Party by reason of (a) any injuries to persons or damage to property occurring in, on or about the Premises, other than those arising from the negligence or willful misconduct of such Indemnified Party, (b) any work or thing whatsoever done or condition created by Sublessee

in, on or about the Premises or the Building, (c) any act or omission of Sublessee, its agents, contractors, servants, employees, invitees or licensees, or (d) any failure by Sublessee to perform or observe any of the covenants and obligations required of Sublessee under this Sublease, including without limitation, any breach of the Lease caused or permitted by Sublessee. In addition to, and not in limitation of the foregoing, wherever the Sublessor as tenant under the Lease has agreed to indemnify the Landlord with respect to the Premises, so in this Sublease, Sublessee likewise agrees to indemnify Sublessor and Landlord. Sublessee's obligations under this Section shall survive the expiration or termination of this Sublease.

- Default. Sublessor shall not be liable to Sublessee for any default of Landlord under the Lease. Sublessee acknowledges and agrees that Sublessor shall not be responsible for a breach of any of the representations and warranties of the Landlord under the Lease. In addition, notwithstanding the incorporation of the terms of the Lease, Sublessor and Sublessee acknowledge and agree that Sublessor is not responsible or liable for making any repairs or restoration (including but not limited to the event of any casualty or condemnation) or otherwise complying with any of Landlord's obligations or providing any of the services and/or utilities required to be provided by Landlord under the Lease, and that Sublessor's sole obligation with respect thereto shall be to promptly make demand upon Landlord for the performance or cure of the subject matter following Sublessor's receipt of Sublessee's request, and thereafter to use its commercially reasonable good faith efforts to take such action as is reasonably required to promptly cause Landlord to cure, cause the cure or obtain the cure of the subject default to the extent provided herein. Sublessee shall not have any claim against Sublessor by reason of Landlord's failure or refusal to comply with any of the provisions of the Lease. This Sublease shall remain in full force and effect notwithstanding Landlord's failure or refusal to comply with any such provisions of the Lease and Sublessee shall pay Rent and all other charges provided for herein without any abatement, deduction or setoff whatsoever. Sublessee further covenants not to take any action or do or perform any act or fail to perform any act which would result in the failure or breach of any of the covenants, agreements, terms, provisions or conditions of the Lease on the part of Sublessor thereunder.
- 14. Approvals and Consents. Notwithstanding anything to the contrary contained in this Sublease, Landlord's consent or approval shall be required for all matters under this Sublease for which the approval or consent of Landlord is required under the Lease. Upon execution and delivery of this Sublease by both parties, Sublessor shall promptly and diligently seek Landlord's consent to this Sublease. Sublessor shall have no obligation to pay any fee or charge of any nature whatsoever other than customary and reasonable fees and charges which are required to be paid under the Lease in connection with or as a condition to obtaining such consent and shall suffer and incur no liability to Sublessee for its failure to obtain such consent.

15. [Intentionally Omitted].

- 16. <u>Time Limits</u>. In the event Sublessee receives from Sublessor any notice to cure any default hereunder or under the Lease which notice is based on a notice sent to Sublessor by Landlord pursuant to the Lease, Sublessee shall cure such condition three (3) days prior to the time required of Sublessor by Landlord for the cure thereof.
- 17. Assignment and Subletting. Notwithstanding anything to the contrary contained in the Lease, Sublessee, for itself, its successors and assigns, expressly covenants that it shall not assign, whether by operation of law or otherwise, or pledge or otherwise encumber this Sublease, or sublet all or any part of the Premises. Any attempted assignment or subletting shall be void and

of no force and effect. Sublessor reserves the right to transfer and assign its interest in and to this Sublease to any entity or person whom shall succeed to Sublessor's interest in and to the Lease.

18. Insurance.

- (a) Sublessee shall obtain and keep in full force and effect during the Term with regard to the Premises, at its sole cost and expense, commercial general public liability insurance, property damage insurance, and fire and extended coverage insurance and any other insurance coverage required to be obtained by Sublessor, as tenant under the Lease, and such insurance coverage shall be in the nature and amounts set forth therein. Such insurance policies shall name Sublessor and Landlord (and such other person as Sublessor may request by notice to Sublessee from time to time) as additional insureds thereunder. Any reference to Landlord in that provision of the Lease relating to the tenant's insurance requirements shall include both Sublessor and Landlord. Sublessee shall pay all premiums and charges for such insurance. If Sublessee shall fail to obtain such insurance, Sublessor may, but shall not be obligated to, obtain the same, in which event the amount of the premium paid shall be paid by Sublessee to Sublessor upon Sublessor's demand therefor. Such amount shall be deemed additional rent hereunder and shall be collectible by Sublessor in the same manner and with the same remedies as though said sums were Monthly Base Rent reserved hereunder.
- (b) On or before the date of this Sublease, Sublessee shall furnish to Sublessor and Landlord certificates evidencing the aforesaid insurance coverage, and renewal certificates shall be furnished to Sublessor and Landlord at least thirty (30) days prior to the expiration of each policy for which a certificate was theretofore furnished. All insurance policies required of Sublessee hereunder shall provide that Sublessor and Landlord will be given at least thirty (30) days prior written notice of any cancellation or material change in the policy, or any other expiration or defaults thereunder.
- (c) Sublessee acknowledges that neither Landlord nor Sublessor will carry any insurance in favor of Sublessee, of Sublessee's furniture, fixtures, equipment, improvements, appurtenances or other property of Sublessee in or about the Premises.
- (d) Notwithstanding the foregoing, for so long as the initial named Sublessee as specified in the opening paragraph of this Sublease remains the sole occupant of the Premises, Sublessee shall have the right to self-insure in lieu of obtaining the insurance described above.
- 19. Release and Waiver of Subrogation. Any property damage, fire or extended coverage insurance policy obtained by Sublessee, and covering the Premises or the personal property, fixtures and equipment located therein or thereon, shall contain an endorsement pursuant to which the respective insurance companies waive subrogation against Landlord and Sublessor. Sublessee hereby releases Sublessor and Landlord to the limits of the coverage of the insurance policies required to be held by Sublessee under this Sublease with respect to any claim (including a claim for negligence) which it might otherwise have against Sublessor and Landlord for loss, damage or destruction with respect to its property.
- 20. <u>Hold-Over</u>. If Sublessee shall not immediately surrender the Premises at the end of the Term or Renewal Term, as applicable, then Sublessee shall, by virtue of this Sublease, become a tenant at sufferance at a monthly rental equal to twice the Monthly Base Rent plus any additional rent due under the terms of this Sublease, commencing with the first day following the end of the Term or Renewal Term, as applicable. Sublessee, as a tenant at sufferance, shall be

subject to all of the conditions and covenants of this Sublease (including payment of additional rent) as though the tenancy had originally been a monthly tenancy. During the holdover period, each party hereto shall give to the other at least thirty (30) days written notice to quit the Premises, except in the event of nonpayment of Monthly Base Rent or additional rent when due, or of the material breach of any other provision hereof by Sublessee, in which event, Sublessee shall not be entitled to any notice to quit, the usual thirty (30) days' notice to quit being expressly waived. Without limiting the generality of Paragraph 12 above, and notwithstanding anything to the contrary contained in this Paragraph 20, Sublessee specifically agrees to be responsible for, and indemnify and hold Sublessor harmless from and against, all costs incurred by Sublessor under the Lease (including, without limitation, holdover rent for the entire Prime Lease Premises, to the extent charged by Landlord) to the extent it results from Sublessee's failure to surrender the Premises on the Expiration Date.

21. Notices.

- (a) Any notice, demand or communication required or desired hereunder by either party to the other shall be in writing and shall be given when personally delivered or three (3) days after sent by certified or registered mail, first class, postage prepaid, or one (1) business day after delivery to a recognized national overnight courier, to the party for whom intended (i) prior to the Commencement Date, at the Building. Either party may, by like written notice, designate a new address to which such notice, demand or communication shall thereafter be given.
- (b) Sublessee shall promptly after receipt thereof, furnish to Sublessor by hand delivery a copy of any notice, demand or other communication received from Landlord with respect to the Premises.

22. Landlord's Consent.

- (a) Sublessor and Sublessee each acknowledge and agree (i) that this Sublease is subject to, and will not be effective without the receipt of, the written consent of Landlord in accordance with the terms of the Lease, and (ii) that Landlord's consent to this Sublease shall not create any contractual liability or duty on the part of Landlord to Sublessee, and shall not in any manner increase, decrease or otherwise affect the rights and obligations of Landlord and Sublessor, as landlord and tenant under the Lease, with respect to the Premises.
- (b) This Sublease is subject and subordinate to the Lease, the first page of which is attached as Exhibit B, and to the matters to which the Lease is or shall be subordinate. In the event of the termination of the Lease, or the re-entry or dispossession of Sublessor, as tenant, by Landlord under the Lease, Landlord, at its option, may either terminate this Sublease, in which case Sublessee shall peacefully vacate the Premises, or require Sublessee to attorn to Landlord as its sublessor pursuant to the then applicable terms of this Sublease for the remaining term hereof, except that Landlord shall not be (i) liable for damages for any previous act or omission of Sublessor under this Sublease, (ii) subject to any offset which theretofore accrued to Sublessee against Sublessor, or (iii) bound by any previous modification of this Sublease not consented to in writing by Landlord or by a previous prepayment of rent more than one month in advance.

23. Miscellaneous.

(a) This Sublease may not be extended, renewed, terminated (other than in accordance with the terms hereof), or otherwise modified except by an instrument in writing signed by the party against whom enforcement of any such modification is sought.

- (b) It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this Sublease, which alone fully and completely expresses their agreement. This Sublease has been entered into after full investigation, neither party relying upon any statement, representation or warranty made by the other not embodied in this Sublease.
- (c) The section headings appearing herein are for purposes of convenience only and are not deemed to be a part of this Sublease.
- (d) The provisions of this Sublease shall be governed by and construed in accordance with the laws of the District of Columbia. Any action or proceeding in connection with any matter arising out of or in any way connected with this Sublease, Sublessee's use or occupancy of the Premises, and/or any claim for injury or damage related thereto shall be brought and maintained in the Federal District Court for the Federal District in which the Building is located, or the applicable state court for the county in which the Building is located.
 - (e) Time is of the essence as to the obligations contained in this Sublease.
- (f) Sublessor and Sublessee each hereby waive trial by jury in any action, proceeding or counterclaim brought by either of them against the other in connection with any matter arising out of or in any way connected with this Sublessee's use or occupancy of the Premises, and/or any claim for injury or damage.
- (g) Sublessor and Sublessee each hereby agree that neither shall be permitted to record this Sublease nor any memorandum nor assignment thereof.

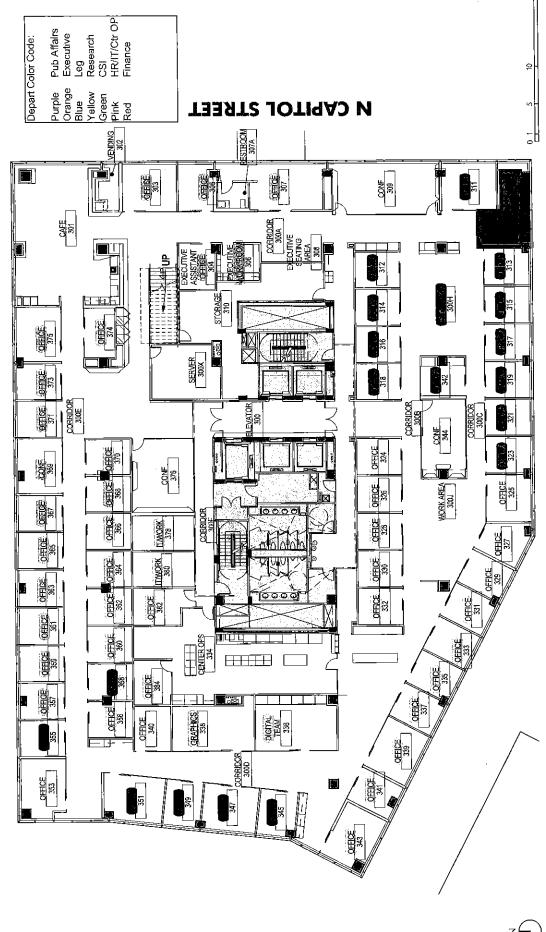
[signatures appear on following page]

316 317 318 319	first above written.	F, this Sublease has been duly executed as of the day and year
320	WITNESS/ATTEST:	SUBLESSOR:
321 322		NATIONAL ASSOCIATION OF COUNTIES, a Delaware not-for-profit corporation
323		
324 325 326		By: Name: Title:
327 328	WITNESS/ATTEST:	SUBLESSEE:
329 330 331		MIAMI-DADE COUNTY, a subdivision of the State of Florida
332 333		By:
334 335		Name:Title:
336		

EXHIBIT A

Plan of Premises

G STREET



NACO PLAN - LEVEL 3 545 MORTH CAPITOL STREET, PAN 1004/16 scale 1/16"=1"0"

OFFICE 415

S €

OBBY/REC 402

AFFILIATES 420

GF0A 430

NACE 450

OFFICE 453

OFFICE 422

OFFICE 424

OFFICE 426

436 H

462 462

OFFICE 461

DFFICE/TEAM ROOM 406

A63

OFFICE 413

OFFICE 411

CONF 401

CONF

OFFICE 427

OFFICE 439

CONF 431

OFFICE 454

OFFICE 451

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OFFICE 414

OFFICE 419

NOT IN CONTRACT

NACO PLAN - LEVEL 4
5.5.2 MORTH CAMET, RIM
10/04/16 scale 1/15"=1"0"

NARC 470

OFFICE 476

EXHIBIT B

Lease

[FIRST PAGE ATTACHED HERETO]

EXHIBIT B TO SUBLEASE

Signature Copy

OFFICE LEASE AGREEMENT BY AND BETWEEN

660 NORTH CAPITOL STREET PROPERTY LLC

AND

NATIONAL ASSOCIATION OF COUNTIES

Republic Square II 660 North Capitol Street, N.W. Washington, D.C. 20001-1431