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CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

Memorandum

MIAMI-DADE COUNTY

Date: April 8, 2008

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

From: George M. Burgess
County Manager

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

Resolution No. R-421-08

Subject: Lease Agreement at 7845-55 N.W. 148 Street, Miami Lakes for the Miami-Dade Corrections and Rehabilitation Department Property # 2022-00-00

RECOMMENDATION

It is recommended that the Board approve the attached resolution authorizing execution of a Lease Agreement at 7845-55 N.W. 148 Street, Miami Lakes, with the Graham Companies, a Florida Corporation, for warehouse and office space to be occupied by the Miami-Dade Corrections and Rehabilitation Department. The attached Lease Agreement has been prepared by the General Services Administration at the request of the Miami-Dade Corrections and Rehabilitation Department.

PROPERTY:	7845-55 N.W. 148 Street, Miami Lakes
COMMISSION DISTRICT:	13
COMMISSION DISTRICT IMPACTED:	Countywide
OWNER:	The Graham Companies, a Florida Corporation
COMPANY PRINCIPALS:	William Graham, Chief Financial Officer Stuart Wyllie, President, Director Carol G. Wyllie, Executive Vice President Edwin E. Feathers, Secretary, Treasurer
OWNER TRACK RECORD:	The County has no record of negative performance issues with the Graham Companies, a Florida Corporation.
USE:	40,000 square feet of warehouse and office space together with ground level and dock height roll-up doors and a 100,000 square foot parking lot.
JUSTIFICATION:	The Corrections and Rehabilitation Department has the need to utilize this facility for inventory control and bulk management of supplies and personnel equipment. The facility will also serve to store uniforms and supplies utilized in the daily operations of the correctional facilities. The program is currently located in warehouse space at the Landmark Center, 20600 N.W. 47 Avenue, Building 19. The warehouse space has extensive roofing problems and is leaking; therefore, it is imperative that the program move to another location as expeditiously as possible.

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

EFFECTIVE DATES: Commencing upon approval of the Board and acceptance of leased space and terminating five years thereafter.

RENTAL RATE: Annual base rent for the first year of the initial lease term is $328,000.00, which is equal to $8.20 per square foot. The annual rent for the second through fifth lease years and any renewal thereof shall be subject to a five percent (5%) increase each year over the prior year's base rent.

The Common Area Maintenance cost is currently estimated at $1.35 per square foot, which is equal to $54,000.00 on an annual basis and is deemed additional rent. The Ad Valorem Real Estate Taxes and Insurance are currently estimated at $.95 per square foot, which is equal to $38,000.00 on an annual basis and shall be paid together with the monthly base rental payments.

The County is responsible for reimbursing the landlord for tenant improvements, which shall not exceed $268,000.00. This cost will be amortized over the initial five year term and will be paid as additional rent at a rate of approximately $1.34 per square foot, which equals $53,600.00 annually.

FINANCIAL IMPACT: The total financial impact for the first lease year is estimated to be $526,862.56, which is comprised of the following:

First Year Occupancy Cost:

	Total Dollars	PSF
Annual Base Rent:		
Annual Base Rent	$ 328,000.00	$ 8.20
Direct Expense:		
CAM:	$ 54,000.00	$ 1.35
Building's Taxes & Insurance:	$ 38,000.00	$ .95
Electricity: (No A/C in Warehouse)	$ 17,500.00	$ .44
Water & Sewer:	$ 3,000.00	$ .08
Total Base Rent:	$ 440,500.00	$11.02
Indirect Expense:		
Tenant Improvements @ $1.34 psf:	$ 53,600.00 (First year)	
A/C (HVAC) service:	$ 2,500.00	
Lease Management Fee: (4%)	$ 13,120.00	
Phone & Data installation:	$ 16,000.00	
Relocation costs:	$ 1,200.00	
Total Cost, first year:	$ 526,920.00	

LEASE CONDITIONS:	Gross lease. The Landlord is responsible for electrical lines, fixtures and equipment exterior to the building, roof and roof leaks, windows doors and frames, fire equipment, common areas, grounds maintenance, air conditioning and heating equipment. The County is responsible for utilities, janitorial and custodial services, electrical lines and fixtures and plumbing of the interior of the demised premises, in addition to Ad Valorem Taxes and Insurance estimated at $.95 per square foot (PSF) and Common Area Maintenance (CAM), estimated at $1.35 per square foot. The County is responsible for reimbursing the Landlord for the air conditioning monthly maintenance service and tenant improvements, to be paid on a monthly basis.
CANCELLATION PROVISION:	Either party may cancel after the initial five year lease term by providing 120 days prior written notice to the other party.
FUNDING SOURCE:	General Funds. This item has been budgeted by the Miami-Dade Corrections and Rehabilitation Department.
OTHER PROPERTIES EVALUATED:	5275 N.W. 163 Street, Miami Lakes –- $9.50 PSF triple net plus operating expenses. Tenant is responsible for utilities, janitorial and custodial services and tenant improvements. Landlord is responsible for the common areas and building structure. Tenant improvements were quoted at $539,000. 4101 N.W. 77 Avenue, Miami –- $8.75 PSF. Gross lease plus operating expenses, utilities, taxes and insurance. The tenant is responsible for tenant improvements, utilities, janitorial and custodial services. The landlord is responsible for the maintenance of the building, common areas and building structures. 1000 N.W. 17 Street, Miami –- $12.00 PSF. Gross lease. The tenant is responsible for build-out costs, utilities, maintenance of the demised premises, common area maintenance, building taxes and insurance. Landlord is responsible for the, maintenance and common areas and building structure.
LEASE MONITOR:	Margaret Araujo, Real Estate Officer.
DELEGATED AUTHORITY:	Authorizes the County Mayor or his designee to execute the lease agreement with The Graham Companies, to exercise the cancellation provision, and the one additional five-year renewal option period.

Director
General Services Administration

MEMORANDUM

(Revised)

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

DATE: April 8, 2008

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

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

Please note any items checked.

_____ "4-Day Rule" ("3-Day Rule" for committees) applicable if raised

_____ 6 weeks required between first reading and public hearing

_____ 4 weeks notification to municipal officials required prior to public hearing

_____ Decreases revenues or increases expenditures without balancing budget

_____ Budget required

_____ Statement of fiscal impact required

_____ Bid waiver requiring County Manager's written recommendation

_____ Ordinance creating a new board requires detailed County Manager's report for public hearing

_____ Housekeeping item (no policy decision required)

_____ No committee review

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(F)(1)(F)
4-8-08

RESOLUTION NO. R-421-08

RESOLUTION AUTHORIZING EXECUTION OF A LEASE AGREEMENT AT 7845-55 N.W. 148 STREET, MIAMI, WITH THE GRAHAM COMPANIES, A FLORIDA CORPORATION, FOR PREMISES TO BE UTILIZED BY THE MIAMI-DADE CORRECTIONS AND REHABILITATION DEPARTMENT, AND AUTHORIZING THE COUNTY MAYOR OR HIS DESIGNEE TO EXERCISE ANY AND ALL OTHER RIGHTS CONFERRED THEREIN

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

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board hereby approves the Lease Agreement between The Graham Companies, a Florida Corporation, for premises to be utilized by the Miami-Dade Corrections and Rehabilitation Department, in substantially the form attached hereto and made a part hereof; authorizes the County Mayor or his designee to execute same for and on behalf of Miami-Dade County; and authorizes the County Mayor or his designee to exercise any and all other rights conferred therein.

The foregoing resolution was offered by Commissioner Dorrin D. Rolle, who moved its adoption. The motion was seconded by Commissioner Sally A. Heyman and upon being put to a vote, the vote was as follows:

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

The Chairperson thereupon declared the resolution duly passed and adopted this 8th day of April, 2008. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

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

HARVEY RUVIN, CLERK

By: Kay Sullivan
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Monica Rizo

LEASE AGREEMENT

THIS LEASE AGREEMENT made on the day of , 2008, by and between THE GRAHAM COMPANIES, a Florida Corporation, hereinafter called the "LANDLORD," and MIAMI-DADE COUNTY, a political subdivision of the State of Florida, hereinafter called the "TENANT,"

WITNESSETH:

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

> 40,000 square feet of warehouse and office space located at 7845-55 N.W. 148 Street, Miami Lakes, Florida together with ground level and dock height roll-up doors and approximately 100,000 square feet of ground area and parking lot.

TO HAVE AND TO HOLD unto the said TENANT for a term of Five (5) years, commencing on the later of, (1) the effective date of the resolution of the Board of County Commissioners approving this lease agreement, or (2) the acceptance of leased space by TENANT, following the completion of alterations by LANDLORD, which shall not be unreasonably withheld or delayed, but no later than July 1, 2008, (the "Commencement Date"), and terminating Five years thereafter, for and at a total rental of Three Hundred Twenty Eight Thousand Dollars and 00/100 ($328,000.00), for the first lease year, payable in twelve (12) equal monthly installments of Twenty Seven Thousand Three Hundred Thirty-Three Dollars and 33/100 ($27,333.33), payable in advance on the first day of every month to The Graham Companies, 6843 Main Street, Miami Lakes, Florida 33014 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 rental rate for the second through the fifth lease year and any subsequent renewal option periods shall be increased by five percent (5%) each year. 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.

Corrections

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. The purpose of said County business shall be for storage and administrative purposes.

ARTICLE II
CONDITION OF DEMISED PREMISES

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

ARTICLE III
UTILITIES

TENANT, during the term hereof, shall pay all charges for electricity and water, storm water and sewer services 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 exterior to the building;
Air-conditioning and heating equipment, to be reimbursed by TENANT;
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 the aforementioned maintenance.

TENANT shall provide LANDLORD with a minimum of fifteen (15) days written notice, except in the case of an emergency in which case, notice must be immediate or reasonable under the circumstances of needed repairs and LANDLORD shall have a reasonable time thereafter, time being of the essence, to cause work on said repairs to be commenced, and once commenced, said work shall be continued and completed with reasonable dispatch provided that LANDLORD shall not be liable for failure to complete such repairs by reason of Force Majeure. In the event of an emergency, TENANT after proper notification to the LANDLORD and failure of the LANDLORD to diligently pursue said repairs that are the LANDLORD's responsibility 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, unless said failure to repair is by reason of Force Majeure as stated herein, 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 throughout the term of this lease agreement and any renewals thereof, shall reimburse LANDLORD on a monthly basis for HVAC system preventive maintenance and any labor related thereto as per exhibit "A" HVAC System Preventive Maintenance for Leased Space, of this lease agreement. Should said air conditioning system (HVAC) have an irreparable malfunctioning which requires replacement, TENANT shall then, reimburse the LANDLORD fifty percent (50%) of the cost of replacement if replacement is necessary, in which case, the cost to replace said HVAC system shall be equally divided between LANDLORD and TENANT.

TENANT shall provide at its expense janitorial and custodial services, insect and pest control, waste disposal services, electrical and plumbing services necessary to maintain the demised premises.

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, and furnishings installed by TENANT within the demised premises shall remain TENANT's property and may be removed by TENANT upon the expiration of the Lease Agreement or any renewal or cancellation thereof. In case of damage, the area of removal shall be repaired and brought back to its original condition at TENANT's expense. In the event LANDLORD consents to such additions or improvements, 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 entire demised premises or a portion thereof containing at least fifty percent (50%) of the demised premises, should be destroyed or so damaged by fire, windstorm, or other casualty, 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 expense associated with the cancellation, and TENANT shall only be liable to LANDLORD for such rents as may be due as of the date of such fire, windstorm, or other casualty.

If neither party shall exercise the foregoing right of cancellation, LANDLORD shall cause the building and demised premises to be repaired and placed in good condition within one hundred eighty (180) days following the date of casualty, time being of the essence, subject to delays caused by force

majeure. If the demised premises sustained damages such that repairs cannot be completed within one hundred eighty (180) days, subject to delays caused by force majeure, 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 be untenantable 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 untenantable, 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 the requirements of Section 255.21 of the Florida Statutes at LANDLORD's cost and expense, except where changes are required as a result of TENANT's change in program or work force.

LANDLORD agrees to correct any and all violations of the obligations of LANDLORD under this Section within sixty (60) days of written notice by TENANT of the existence of the same, provided that, if such violations cannot feasibly be corrected within said sixty (60) day period, then LANDLORD agrees to commence such repairs within said sixty (60) 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 and subject to LANDLORD's prior reasonable approval, 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 gross 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 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 all reasonable working hours, upon the giving of twenty-four (24) hours' prior notice, unless an emergency exists, to examine the same or to make such repairs, additions, or alterations as may be deemed necessary for the safety, comfort, or preservation thereof of said building or to exhibit said demised premises and to put or keep upon the doors or windows thereof a notice "FOR RENT" at any time within ninety (90) days before the expiration of this Lease Agreement.

ARTICLE XI
LIABILITY FOR DAMAGE OR INJURY

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

ARTICLE XII
PEACEFUL POSSESSION

Subject to the terms, conditions, and covenants of this Lease Agreement, LANDLORD agrees that TENANT shall and may peaceably have, hold, and enjoy the 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 at the beginning of the term of this Lease Agreement, ordinary wear and tear and damage by fire and windstorm 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 any grossly negligent act or intentional misconduct 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
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.

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 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. Notwithstanding any law to the contrary, LANDLORD and TENANT agree that the rights created by this Lease Agreement shall not be subordinate to any other instruments affecting the demised premises, such as mortgages, subsequent purchase agreements, or encumbrances, whether presently in existence or later created or filed.

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. LANDLORD and TENANT agree that the terms, conditions, and covenants contained here in shall not be altered or affected by any subsequent change in ownership of the Property by reason of foreclosure, conveyance, or otherwise. Any document purporting to transfer ownership in the Property, whether presently in existence or not, shall be subordinate to this Agreement, and subject to the terms, obligations, and covenants herein. In the event that a change of ownership in the Property results in any additional costs to TENANT by material alteration of the terms of this Agreement, LANDLORD agrees to indemnify TENANT for such costs.

ARTICLE XVIII
OPTION TO RENEW

Provided this Lease Agreement is not otherwise in default, TENANT through its County Manager or his designee is hereby granted the option to extend this Lease Agreement for one (1) additional five-year renewal option period upon the same terms and conditions, except that the rental rate shall be adjusted each renewal period by five percent (5%) each year, by giving LANDLORD notice in writing at least (120) days prior to the expiration of this Lease Agreement or any extension thereof.

ARTICLE XIX
CANCELLATION

TENANT, through its County Manager or his designee, shall have the right to cancel this Lease Agreement after the initial lease term, by giving LANDLORD at least 120 days written notice prior to its effective date. LANDLORD shall have the right to cancel this lease agreement after the initial lease term, by giving TENANT at least 120 days written notice prior to its effective date.

ARTICLE XX
NOTICES

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

TENANT:

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

LANDLORD:

The Graham Companies
6843 Main Street
Miami Lakes, Florida 33014

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
IMPROVEMENTS OF THE DEMISED PREMISES

A. LANDLORD'S WORK: Subject to the terms, conditions, and covenants of this Lease Agreement, LANDLORD, at its expense, shall complete and prepare the demised premises for TENANT's initial occupancy in good, workmanlike, and timely manner in accordance with Exhibit "B". LANDLORD reserves the rights, however:

1. to substitute materials of equivalent grade and quality when and if any material specified in the Plans shall not be readily and reasonably available;
2. to make changes necessitated by conditions met in the course of construction, provided that TENANT's approval of any such change shall first be obtained (which approval shall not be unreasonably withheld or delayed so long as there shall be general conformity with the Plans); and
3. to make changes as required by the local building department in order to obtain a building permit or Certificate of Occupancy.

B. LANDLORD shall substantially complete all work and improvements as set forth in the Plans within ninety (90) calendar days of the full execution of this Lease Agreement. Improvements to

the demised premises shall be deemed substantially completed when all work is done in accordance with the Plans notwithstanding the necessity to correct, adjust, or complete certain items ("Punch-List" items), so long as such corrections, adjustments, or completions do not impede TENANT from using and occupying the demised premises for the purposes intended, as expressed in the Plans. LANDLORD shall complete such Punch-List at its expense at a time mutually convenient to both parties.

C. LANDLORD shall not charge TENANT any construction supervision, management supervision, consultation, or other fees with respect to the construction of the improvements to the demised premises.

D. TENANT shall have the right to request from LANDLORD additional tenant interior improvements to the demised premises, per Exhibit "C" of this Lease Agreement at TENANT's expense not to exceed $268,000.00, which equals $1.34 per square foot on an annual basis. LANDLORD shall submit to TENANT the itemized costs for the entire costs of interior improvements to the demised premises prior to any work being started by the LANDLORD and his agents. Any additional tenant interior improvements shall be reimbursed to the LANDLORD and shall be amortized over the initial five-year term of the lease agreement and shall be paid as additional rent, upon satisfactory completion of the additional tenant interior improvements and presentation of an itemized invoice.

ARTICLE XXII
COMMON AREA MAINTENANCE AND REAL ESTATE TAXES

1. The building's total leaseable area is 40,000 square feet of which TENANT occupies 40,000 square feet or 100%. TENANT shall be responsible for its pro-rata share of 100% of Common Area Maintenance (CAM), which is estimated at $1.35 per square foot or $4,500.00 on a monthly basis, and Ad Valorem Taxes, which are estimated at .95¢ per square foot or $3,166.66 on a monthly basis, such CAM and Ad Valorem Taxes shall become additional rent payable with the monthly installment of rent under the terms of this Lease.

2. CAM shall include but not be limited to landscaping, grounds maintenance, utility costs for common area, management fee, roof repair, painting, capital improvements mandated by governmental

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authorities, insurance premiums for all risks, fire, casualty and liability, pest control, utilities and trash removal services for the common area. CAM shall not include costs incurred in advertising, promotional costs or signage of the building. Any increase in the recurring controllable portion of CAM shall not exceed ten percent (10%) of the previous year's expenses.

3. Ad Valorem Taxes which are levied with respect to the Building or the land appurtenant to the Building, or with respect to any improvements, fixtures and equipment used in connection with the operation of the Building and said land, shall be calculated on the November discounted amount.

4. The annual determination of CAM shall be made by LANDLORD by a certified public accountant, licensed in the State of Florida, selected by LANDLORD shall be binding upon LANDLORD and TENANT. TENANT may review the books and records supporting such determination in the office of LANDLORD, or LANDLORD's agent, during normal business hours, upon giving LANDLORD five (5) days advance written notice within sixty (60) days after receipt of such determination, but in no event more often than once in any one year period. LANDLORD will give TENANT written notification of the amount of such estimate and TENANT agrees that it will pay, by increase of its monthly installments of rent due, additional rent in the amount of such estimate. Such increase shall commence annually on the anniversary of this Lease Agreement.

5. When the above mentioned actual determination of TENANT's liability for CAM and/or Ad Valorem Taxes is made for any Lease Year and when TENANT is so notified in writing, then:

If the total "Additional Rent" TENANT actually paid on account of CAM Expenses and/or Ad Valorem Taxes for the lease year is greater than LANDLORD's liability for CAM Expenses and/or Ad Valorem Taxes, then LANDLORD shall credit the difference against the next due payments to be made by TENANT. If the total "Additional Rent" TENANT actually paid on account of CAM Expenses and/or Ad Valorem Taxes for the lease year is less than LANDLORD's liability for CAM Expenses, then TENANT shall reimburse such deficiency to LANDLORD as "Additional Rent" in one lump sum within

thirty (30) days of receipt of LANDLORD's bill.

ARTICLE XXIII
ENVIRONMENTAL QUALITY

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

A. INDOOR AIR QUALITY. LANDLORD shall at all times maintain the Heating, Ventilating, and Air Conditioning System (HVAC) and shall perform at least the minimum periodic preventive maintenance on the HVAC system equipment as specified in the attached Exhibit "A" "HVAC System Preventive Maintenance For Leased Space, applicable to the TENANT premises. Such HVAC services rendered shall be reimbursed to LANDLORD by TENANT as per Article IV, "Maintenance" of this Lease Agreement.

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

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

D. NOTICE OF RENOVATION OPERATIONS. LANDLORD shall act to prevent the 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, carpet glues, or other emissive materials during the buildout or renovation of the demised space.

ARTICLE XXIV
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 XXV
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 XXVI
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 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 XXVII
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 owed 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 XXVIII
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 ten (10) 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 that 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 XXIX
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 XXX
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 at a monthly rental for the first month, after expiration of the term, equivalent to one hundred fifty percent (150%) of the monthly rental in effect immediately prior to expiration, such payments to be made as herein provided. In the event of such holding over, all of the terms of the Lease Agreement including the

payment of all charges owing hereunder other than rent shall remain in force and effect on said month to month basis.

ARTICLE XXXI
WRITTEN AGREEMENT

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

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)

THE GRAHAM COMPANIES
A Florida Corporation

Jacqueline Milson
WITNESS

WITNESS

By: _____
Carol G. Wyllie
Executive Vice President
(LANDLORD)

(OFFICIAL SEAL)

ATTEST:

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

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

By: _____
Carlos Alvarez
County Mayor
(TENANT)

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

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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"
BUILDING IMPROVEMENTS

LANDLORD at its sole cost and expense agrees to make the following building improvements at no cost to TENANT for TENANT's initial occupancy:

a. Carpet and paint the office portion of the demised premises using LANDLORD's standard materials.
b. Replace ceiling tiles and insulation throughout the east and west side of the office space.
c. Replace all vinyl tile flooring.
d. Install window treatments.
e. Provide all electrical switches and outlets in good working order.
f. Provide all air conditioning units in good working order.
g. Provide all plumbing in good working order.
h. Repair smoke alarm system
i. Repair or replace any exterior and interior lighting as necessary.

EXHIBIT "C"
ADDITIONAL TENANT IMPROVEMENTS

TENANT agrees to reimburse LANDLORD up to $268,000.00, which equals 1.34 per square foot on an annual basis, for additional tenant improvements requested by TENANT amortized over the initial five year term as stated in Article XXI, "Tenant Improvements" of the Lease Agreement. Additional tenant improvements requested by TENANT shall include the items described below.

a. Apply Epoxy paint to the entire warehouse floor.
b. Relocate and/or ad warehouse lighting (estimated at $10,000).
c. Supply and install pallet shelving throughout warehouse and in storage area per specifications provided in bids by Par Steel Shelving Co., or All Rack & Shelving, Inc. (estimated at $70,000).
d. Motorize warehouse roll up doors.
e. Supply and install accordion-style shutters on all windows.
f. Remove and cap one utility sink.
g. Remove piping in warehouse near old paint booth area.
h. Remove warehouse wall and all its components such as electric, network and telephone lines.
i. Remove interior wall and all its components such as electric, network and telephone lines.
j. Remove vinyl flooring in the air conditioned storage area and replace with carpet.