

MEMORANDUM

Agenda Item No. 14(A)(3)

TO: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

DATE: June 21, 2023

FROM: Geri Bonzon-Keenan
County Attorney

SUBJECT: Resolution approving terms of and authorizing execution by the County Mayor of an amendment to the office lease agreement (“Amendment”) between Miami-Dade County and 915 Office Center, LLC, a Florida limited liability company, for the property located at 915 NE 125 Street, Suite 2A, Miami, Florida, utilized by the County as a district office for County Commission District 2, with a remaining term of approximately 46 months, increasing the fiscal impact of the original lease from \$294,035.99, inclusive of base rent and lease management fees, to \$364,982.17, including \$37,134.46 for increased square footage, a \$1,856.72 increase in lease management fees, and up to \$31,955.00 in tenant improvements, and authorizing an additional optional four-year renewal period having a fiscal impact of \$376,617.32, inclusive of lease management fees, with a total estimated increased fiscal impact to the County of \$447,563.50; and authorizing the County Mayor to take all actions necessary to exercise all rights conferred in the lease agreement, as amended, and to take all actions necessary to effectuate same

The accompanying resolution was prepared by Internal Services Department and placed on the agenda at the request of Prime Sponsor Commissioner Marleine Bastien.



Geri Bonzon-Keenan
County Attorney

GBK/uw


MDC001

Memorandum



Date: June 21, 2023

To: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

From: Daniella Levine Cava
Mayor 

Subject: Amendment to Lease Agreement between 915 Office Center, LLC, a Florida limited liability company, and Miami-Dade County for Property Located at 915 NE 125 Street, Suite 2A, Miami, Florida, 33161
Lease No. 06-2230-007-1470-L01

Summary

This item is for the approval of an Amendment to Lease Agreement (“Amendment”), between 915 Office Center, LLC, (“Landlord”), a Florida limited liability company, and Miami-Dade County (“County”), for the County-leased property located at 915 NE 125 Street, Suite 2A, Miami, Florida, 33161 (“Premises”). The Premises consist of approximately 2,708 square feet of air-conditioned office space, together with the right to two reserved parking spaces and the non-exclusive right to use the parking lot in common with other tenants. The Premises are utilized by the County as a district office for the Commissioner of District 2. The Lease Agreement (“Lease”) is currently in its four-year renewal option term, which was exercised on May 1, 2023, and has no additional renewal options. This Lease is full-service, with a current rental rate of \$24.72/SF and an annual rent increase of three percent.

The proposed Amendment will make the following changes to the Lease:

- A) Increase the footage of the Premises by 374 SF, to a total of 3,082 SF with a fiscal impact of \$37,134.46 and a management fee of \$1,856.72;
- B) Add one additional four-year option to renew the Lease Agreement with a fiscal impact of \$376,617.32; and
- C) Approve \$31,955.00 in tenant improvements and provide for Landlord to construct said tenant improvements on behalf of the County.

Recommendation

It is recommended that the Board of County Commissioners (“Board”) approve the terms of and authorize the execution of the Amendment between the County and the Landlord, for the Premises located at 915 NE 125 Street, Suite 2A, Miami, Florida, 33161, which is utilized as a district office. More specifically, the resolution does the following:

- Approves increasing the existing Premises by 374 square feet to a total of 3,082 square feet of air-conditioned office space along with a corresponding increase in rent in the amount of \$37,134.46 for the additional 374 square feet; and
- Approves funding for tenant improvements, to be constructed by Landlord in the amount of \$31,955.00; and
- Authorizes one (1) additional four-year option to renew in the amount \$376,617.32.

The Amendment becomes effective on the first day of the next month following the effective date of the resolution approving the Amendment.

Scope

The Premises are located in Commission District 2, which is represented by Commissioner Marleine Bastien. Written notice of the Amendment was provided to the Commissioner.

Fiscal Impact/Funding Source

The fiscal impact to the County for the four-year renewal option term of the original lease is increased from \$294,035.99, inclusive of base rent and lease management fees, to \$364,982.17, which increase is comprised of: (i) \$37,134.46 for increased square footage; (ii) \$1,856.72 increase in lease management fees; and (iii) up to \$31,955.00 to be utilized for tenant improvements to the Premises.

The Lease includes an annual rental increase of three percent. The fiscal impact should the County choose to exercise the one (1), four-year option to renew, is estimated to be \$376,617.32. The total increased fiscal impact for approximately eight years of possession of the Premises (to include base rent, lease management fees, and tenant improvements) is estimated to be \$447,563.50. The funding source is the "G1001 (Chartfield CC01020202) No Grant" classification.

ISD conducted an in-house survey of the comparable rental values in the immediate area to determine the market rental value of similar properties. The findings are provided below.

- 1175 NE 125 St., Miami, Florida - \$27.00 per square foot on an annual basis. Landlord is responsible for all operating expenses.
- 650 NE 126 St., Miami, Florida - \$24.59 per square foot on an annual basis. Tenant is responsible for paying utilities, common area expenses, and certain services.
- 1005 NE 125 St., Miami, Florida - \$26.00 per square foot on an annual basis. Tenant is responsible for paying utilities, common area expenses, and certain services.

Track Record/Monitor

Upon a responsibility review, ISD has not identified any issues which would impact the performance of the lease. André M. Bouclé of ISD will be responsible for the monitoring of the Lease. As required by Section 2-8.6.5 of the Miami-Dade County Code, the following is the ownership structure of 915 Office Center, LLC:

915 Office Center, LLC is a Florida Limited Liability Company and is managed by Yoram Izhak and C.S. Aviation Holdings 3, LLC. Its ownership structure is as follows:

- 50% C.S. Aviation Holdings, LLC
- 15% Yleana Izhak Grantor Retained Annuity Trust 01/01/16
- 15% Yoram Izhak Grantor Retained Annuity Trust 01/01/16
- 13.5% Yoram & Yleana Izhak, T/E
- 4% Arye E. Maller Living Trust 07/22/20

Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners
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- 1.5% Segrera Family Holdings, LLC
- 1% Robert A. Brandt Revocable Trust 04/20/16

C.S Aviation Holdings 3, LLC, as 50% owner, is wholly owned and managed by CS Aviation Consultants, Inc.

C.S. Aviation Consultants, Inc. is a Florida Profit Corporation whose corporate officers, pursuant to Sunbiz, are Hagit Shashua Yahalomi and Michal Shashua. Its ownership structure is as follows:

- 59% Carmel Shashua Children's Trust
- 10.5% Michal Shashua Irrevocable Trust
- 10.5% Hagit Yaholomi Irrevocable Trust
- 10% Michal Shashua
- 10% Hagit Yaholomi

Delegation of Authority

This item authorizes the County Mayor or the County Mayor's designee to execute the Amendment, to take all actions necessary to effectuate the Amendment, and to exercise all other rights conferred therein, including but not limited to the right to exercise the optional renewal terms set forth in the Lease and Amendment and the right of termination.

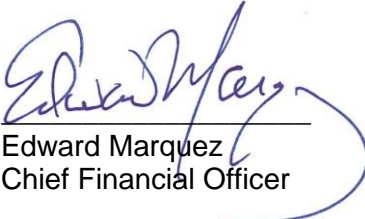
Background

The County is amending the Lease for the purpose of increasing the Premises square footage by 374 SF, for a total of approximately 3,082 SF of air-conditioned office space, adding one additional four (4) year option to renew the Lease, and authorizing the Landlord to construct certain tenant improvements on behalf of the County. The Premises serve as a district office for the District 2 Commissioner, who began her term in November 2022. The district office is necessary in order to serve and respond to the needs of her constituents and the various communities within the district. The Real Estate Development Division of ISD negotiated and drafted the Amendment for the Premises on behalf of the District Commissioner's Office.

Pursuant to the terms and conditions of the Lease, the County has the following termination rights:

- Early termination of the Lease upon 60 days' written notice to the Landlord, without cause; and
- The right to terminate the Lease upon 30 days' notice to the Landlord in the event that quiet enjoyment of the premises is prohibited or otherwise interfered with by an action or an inaction of the Landlord.

The County's monthly rental payment obligation shall be modified to account for the increased footage upon the effective date of the Amendment. The tenant improvements to the Premises may commence as of the effective date of the Amendment.


Edward Marquez
Chief Financial Officer



MEMORANDUM
(Revised)

TO: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

DATE: June 21, 2023

FROM: 
Gen Bonzon-Keenan
County Attorney

SUBJECT: Agenda Item No. 14(A)(3)

Please note any items checked.

- "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
- Statement of social equity required
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's present ____, 2/3 membership ____, 3/5's ____, unanimous ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) ____, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) ____) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 14(A)(3)
6-21-23

RESOLUTION NO. _____

RESOLUTION APPROVING TERMS OF AND AUTHORIZING EXECUTION BY THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE OF AN AMENDMENT TO THE OFFICE LEASE AGREEMENT ("AMENDMENT") BETWEEN MIAMI-DADE COUNTY AND 915 OFFICE CENTER, LLC, A FLORIDA LIMITED LIABILITY COMPANY, FOR THE PROPERTY LOCATED AT 915 NE 125 STREET, SUITE 2A, MIAMI, FLORIDA, UTILIZED BY THE COUNTY AS A DISTRICT OFFICE FOR COUNTY COMMISSION DISTRICT 2, WITH A REMAINING TERM OF APPROXIMATELY 46 MONTHS, INCREASING THE FISCAL IMPACT OF THE ORIGINAL LEASE FROM \$294,035.99, INCLUSIVE OF BASE RENT AND LEASE MANAGEMENT FEES, TO \$364,982.17, INCLUDING \$37,134.46 FOR INCREASED SQUARE FOOTAGE, A \$1,856.72 INCREASE IN LEASE MANAGEMENT FEES, AND UP TO \$31,955.00 IN TENANT IMPROVEMENTS, AND AUTHORIZING AN ADDITIONAL OPTIONAL FOUR-YEAR RENEWAL PERIOD HAVING A FISCAL IMPACT OF \$376,617.32, INCLUSIVE OF LEASE MANAGEMENT FEES, WITH A TOTAL ESTIMATED INCREASED FISCAL IMPACT TO THE COUNTY OF \$447,563.50; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO TAKE ALL ACTIONS NECESSARY TO EXERCISE ALL RIGHTS CONFERRED IN THE LEASE AGREEMENT, AS AMENDED, AND TO TAKE ALL ACTIONS NECESSARY TO EFFECTUATE SAME

WHEREAS, on May 1, 2019, pursuant to Resolution No. R-516-19, the County, as tenant, entered into that certain lease agreement ("Lease") with 915 Office Center, LLC, a Florida limited liability company, as landlord ("Landlord"), for the County's occupancy of approximately 2,708 square feet of office space located at 915 NE 125 Street, Suite 2A, Miami, Florida 33161 ("Premises"), to be utilized by the County as a district office for County Commission District 2; and

WHEREAS, on May 1, 2023, the County renewed the Lease for an additional four year term; and

WHEREAS, the County and Landlord are desirous of making certain changes to the Lease via the Amendment, namely: to increase the footage of the Premises by 374 square feet, to a total of 3,082 square feet; to have Landlord perform certain tenant improvements upon the Premises on behalf of the County; and to add one additional four-year option to renew the Lease; and

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:

Section 1. The foregoing recitals are incorporated into this resolution and are approved.

Section 2. This Board hereby approves the Amendment between Miami-Dade County and 915 Office Center, LLC, in substantially the form attached hereto and made a part hereof as Exhibit 1, for the property located at 915 NE 125 Street, Miami, Florida, Suite 2A, with a cumulative additional cost for the remaining 46 month term of \$37,134.46 based upon increased square footage and \$1,856.72 in additional lease management fees to be paid to ISD, \$31,955.00 for tenant improvements, and, \$376,617.32 should the additional four-year option to renew be exercised, for a total fiscal impact of \$447,563.50.

Section 3. This Board authorizes the County Mayor or County Mayor's designee to execute the Amendment for and on behalf of the County, to exercise all rights conferred therein including but not limited to the right of termination and to exercise the optional renewal, and to take all actions necessary to effectuate same.

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

Oliver G. Gilbert, III, Chairman	
Anthony Rodríguez, Vice Chairman	
Marleine Bastien	Juan Carlos Bermudez
Kevin Marino Cabrera	Sen. René García
Roberto J. Gonzalez	Keon Hardemon
Danielle Cohen Higgins	Eileen Higgins
Kionne L. McGhee	Raquel A. Regalado
Micky Steinberg	

The Chairperson thereupon declared this resolution duly passed and adopted this 21st day of June, 2023. 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

JUAN FERNANDEZ-BARQUIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.



Debra Herman

Exhibit 1

FIRST AMENDMENT TO OFFICE LEASE AGREEMENT

THIS FIRST AMENDMENT TO THE OFFICE LEASE AGREEMENT (the “Amendment”), made effective on this ____ day of July, 2023 (as amended, the “Lease Agreement”), by and between 915 Office Center, LLC, a Florida limited liability company, whose principal place of business is located at 696 N.E. 125 Street, North Miami, Florida 33166 (“Landlord”), and Miami-Dade County, a political subdivision of the State of Florida, whose principal place of business is located at 111 N.W. First Street, Miami, Florida 33128 (“County”), collectively referred to as the “Parties”.

WHEREAS, pursuant to Resolution No. R-516-19, the County approved and executed the Lease Agreement with Landlord for 2,708 square feet office space located at 915 N.E. 125 Street, Suite 2A, Miami, Florida 33161 (the “Premises”); and

WHEREAS, the County exercised its renewal option on May 1, 2023, pursuant to Section 2(c) of the Lease Agreement; and

WHEREAS, the County desires to make certain changes to the Lease Agreement, namely: to expand the Premises by approximately 374 square feet, to add a second four (4) year renewal option to the Lease Agreement, and to cause to be performed certain improvements upon the Premises, and Landlord is amenable to said changes; and

WHEREAS, the Landlord has agreed to construct the desired improvements upon the Premises on behalf of the County, and the County has agreed to reimburse Landlord for construction of the improvements.

NOW, THEREFORE, in consideration for the mutual promises and covenants contained in this Amendment, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the County and Landlord agree as follows:

WITNESSETH:

1. **Recitals.** The Parties agree that all of the foregoing recitals are true and correct, and incorporated by this reference in this Amendment.
2. **Valid Amendment.** The Parties agree that this Amendment amends the Lease Agreement in accordance with Section 30(f) thereof.
3. **Effect of Amendment.** The Parties agree that all of the terms and conditions in the Lease Agreement remain in full force and in effect, except for such terms and conditions that are expressly amended by this Amendment. Where the terms of this Amendment conflict with the provisions of the Lease Agreement, this Amendment shall control.
4. **Defined Terms.** The Parties agree that, unless specifically defined herein, all of the capitalized terms used but not defined in this Amendment shall have the respective meanings set forth in the Lease Agreement.

5. Counterparts. This Amendment may be executed in counterparts, each of which shall be deemed an original and all of which together constitute one and the same instrument. Facsimile or electronically transmitted signatures shall be deemed for all purposes to be originals.
6. Modification of Premises Footage. Subsection (a) of Section 1 of the Lease Agreement, titled "Lease Grant" is hereby deleted in its entirety and replaced with the following:
 - (a) Landlord hereby leases to the Tenant that certain Premises, which is located at 915 N.E. 125 Street, Suite 2A, Miami, Florida 33161, consisting of 3,082 rentable square feet of space, located on the Second Floor of the Building, which office space is shown on the floor plan illustration that is attached hereto, marked as "Exhibit A," and is included herein by reference.
7. Renewal Option Period. Subsection (c) of Section 2 of the Lease Agreement, titled "Term" is hereby deleted in its entirety and replaced with the following:
 - (c) Tenant shall have the option to extend the Term of this Lease by providing written notice to the Landlord a minimum of sixty (60) days prior to the end of the initial Term, for up to two (2) additional four (4) year periods ("Renewal Option Periods"). Tenant may only exercise the Renewal Option Periods if there exist no material defaults beyond any applicable notice and cure periods. Further, upon the Tenant's exercise of its rights pertaining to the Renewal Option Periods, this Lease shall be renewed for an additional four (4) year period, without the requirement of any further action, lease, or agreement by either party, and all of the terms and conditions of this Lease shall be extended to the Renewal Option Periods, including the amount of the Rent as outlined below.
8. Additional Tenant Improvements. Section 2 of the Lease Agreement, titled "Term" is hereby modified to include the following:
 - (e) Tenant shall be responsible for providing its own furniture for the Premises and for the provision of all information technology connectivity and installation. Landlord shall be responsible for the following New Tenant Improvements within the Premises, as described in Section 2(e)(1) below. Tenant shall be fully responsible for all costs and expenses in an amount not to exceed thirty-one thousand nine-hundred fifty-five and 00/100 dollars (\$31,955.00) and in accordance with the provisions of this Lease Agreement:
 1. The New Tenant Improvements shall be in the layout, with the partitions and improvements and substantially in the form of Exhibit "C" attached hereto and made a part hereof, with such modifications thereto as may be approved by the Tenant.
 2. Landlord shall retain the services of a licensed and insured construction contractor to undertake any needed demolition of the Premises and the construction of the New Tenant Improvements, if applicable.
 3. Prior to proceeding with any work, Landlord shall submit the final cost and pricing for the New Tenant Improvements to the County for its review and approval.

4. It is agreed that should the Tenant be required to temporarily move out of the Premises during the period in which the Landlord performs the New Tenant Improvements to the Premises, the Landlord shall allow the Tenant to occupy any available office space within the same Building, or at another location owned by the Landlord within the City of North Miami, at no additional cost or expense to the Tenant.

Landlord shall immediately commence the work associated with the New Tenant Improvements upon the effective date of this Amendment and shall complete such New Tenant Improvements within ninety (90) days of the effective date of this Amendment, delays resulting from force majeure excepted. Landlord and Tenant understand and agree that all costs and expenses for the Tenant Improvements shall be paid by Landlord and reimbursed by Tenant. Prior to entering into any contract or undertaking any work that would incur costs and expenses for which Landlord shall later seek reimbursement from the County, Landlord shall first obtain the County's written consent. The Landlord understands and agrees that the County's budget for the New Tenant Improvements shall not exceed thirty-one thousand nine-hundred fifty-five and 00/100 dollars (\$31,955.00) and in no event shall the cost of the New Tenant Improvements exceed such budget. The Landlord and Tenant agree that once the Tenant Improvements have been completed, the Tenant shall pay Landlord for the New Tenant Improvements that were approved by the County. A walkthrough of the Premises shall be performed by the Parties to mutually confirm completion of the Tenant Improvements by Landlord. The County shall pay for the New Tenant Improvements upon completion as additional Rent under this Lease Agreement, to be made in one, lump-sum payment, which payment shall be due and payable following the completion of the work, submitting proof of payment in a form acceptable to the County and within 30 days from the receipt of a final invoice from the Landlord to the Tenant.

9. Revised Rent Table. Subsection (a) of Section 3 of the Lease Agreement, titled "Rent" is hereby modified to include the following:

As of the effective date of the First Amendment to Office Lease Agreement, rent shall be as follows:

Renewal	Monthly Rent	Annual Rent	Square Foot Cost
Year 5	\$ 6,348.92	\$ 76,187.04	\$ 24.72
Year 6	\$ 6,538.98	\$ 78,467.72	\$ 25.46
Year 7	\$ 6,734.17	\$ 80,810.04	\$ 26.22
Year 8	\$ 6,937.07	\$ 83,244.82	\$ 27.01

Second Renewal	Monthly Rent	Annual Rent	Square Foot Cost
Year 9	\$ 7,145.18	\$ 85,742.16	\$ 27.82
Year 10	\$ 7,359.54	\$ 88,314.43	\$ 28.65
Year 11	\$ 7,580.32	\$ 90,963.86	\$ 29.51
Year 12	\$ 7,807.73	\$ 93,692.78	\$ 30.40

IN WITNESS WHEREOF, the Landlord has caused this Amendment to be executed by its duly authorized representative, and Tenant has caused this Lease to be executed in its name by the County Mayor, as authorized by the Board of County Commissioners; all on the day and year first hereinabove written.

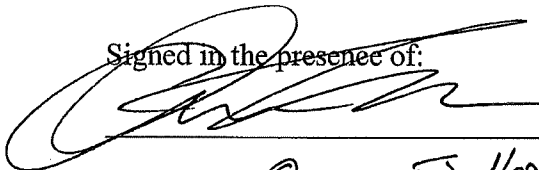
(OFFICIAL SEAL)

LANDLORD

915 OFFICE CENTER, LLC

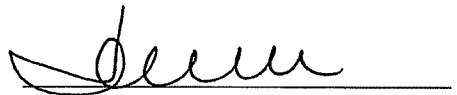
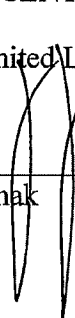
A Florida Limited Liability Company

Signed in the presence of:



Print Name: Oscar Fiallos

By: Yoram Izhak
Manager



Print Name: Jeanne Castillo

(OFFICIAL SEAL)

TENANT

ATTEST:

MIAMI-DADE COUNTY, FLORIDA

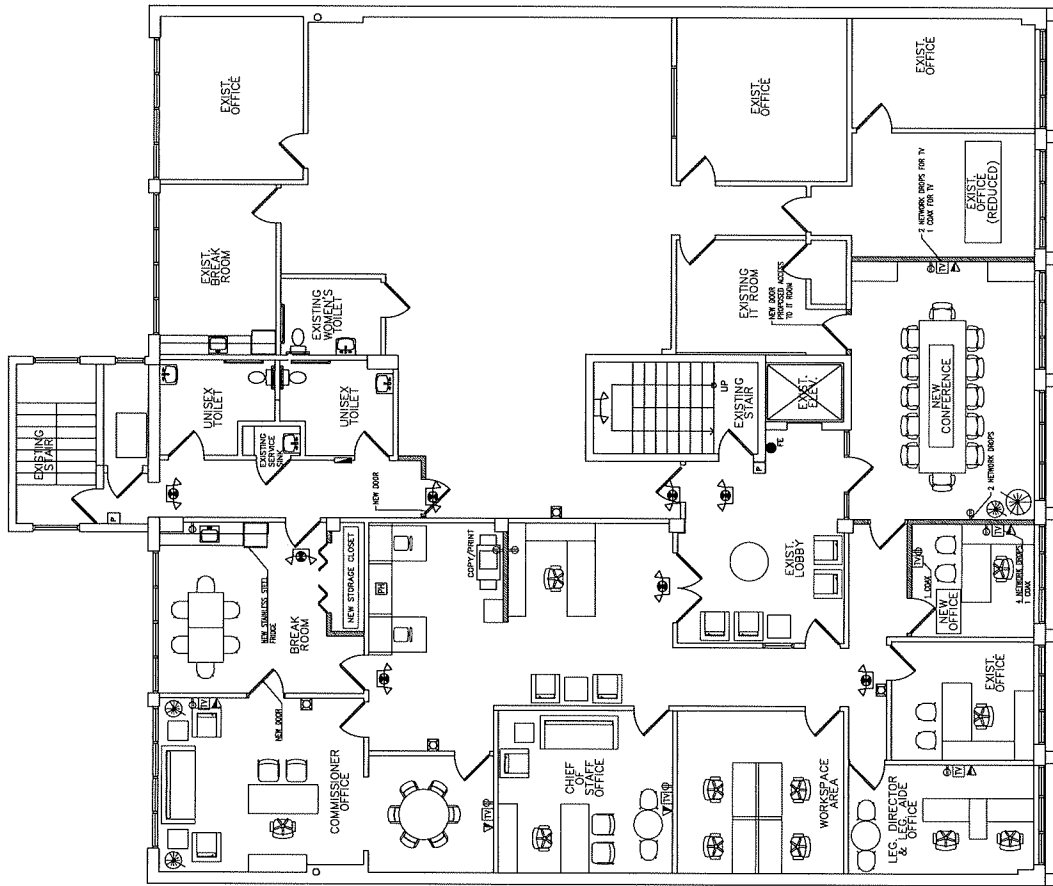
LUIS G. MONTALDO, CLERK
AD INTERIM

BY ITS BOARD OF COUNTY
COMMISSIONERS

By: _____
Deputy Clerk

By: _____
Daniella Levine Cava
Mayor

Approved by the County Attorney as
to form and legal sufficiency: _____



ESC 3/32" = 1' - 0"

OFFICES OF COMMISSIONER BASTIEN
 PROJECT LOCATION / 915 NE 125th ST
 AREA / 3,082 SF

SYMBOL LEGEND

- ⊕ NEW DUPLEX RECEPTACLE
- ◁ NEW WALL MOUNTED COMBINATION VOICE/DATA NETWORK DROPS OUTLET.
- TV NEW WALL MOUNTED TELEVISION CASK OUTLET.
- ===== NEW DRYWALL PARTITION (FLOOR TO CEILING).

Lunch Room	Framing	Drywall	door installed	Demolition	Trash haul
New Closet	\$700.00	\$450.00	\$450.00		
Cabinet outlet	\$0.00				
Reception Area	\$700.00	\$650.00			
Tenant to hire artist to provide seal					
IT closet	\$500.00	\$450.00	\$600.00	\$800.00	\$400.00
Door move to access rest room	\$800.00	\$600.00	\$500.00	\$500.00	\$250.00
Adding office by conference	\$1,500.00	\$1,200.00	\$900.00	\$400.00	\$100.00
Conference room	\$1,500.00	\$1,500.00		\$1,000.00	\$700.00
Ceiling work through out	\$1,500.00				
Flooring work	\$2,500.00				
Electrical	\$1,500.00				
Mechanical work	\$900.00				
Paint entire space	\$6,000.00				
New Stainless steel refiger.	\$1,000.00				
Total all trades	\$17,600.00	\$4,850.00	\$2,450.00	\$2,700.00	\$1,450.00
Sub Total	\$29,050.00				
Project management	\$2,905.00				
Total	\$31,955.00				