

MEMORANDUM

Agenda Item No. 8(J)(1)

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

DATE: November 7, 2023

FROM: Geri Bonzon-Keenan
County Attorney

SUBJECT: Resolution approving and authorizing the County Mayor to execute, and exercise all rights set forth in, (1) the Third Amendment to the Campus Lease between Miami-Dade County (County) and Royal Caribbean Cruises Ltd. (RCG) with an estimated positive fiscal impact of \$163,000,000.00, reduced from \$260,000,000.00 in the Second Amendment and (2) the First Amendment to the Construction Agency Services with no change to estimated fiscal impact in the original Construction Agency Services Agreement and (3) the First Amendment to the Cruise Terminal Usage Agreement with an estimated positive fiscal impact of \$2,420,000,000.00 to the County, reduced from \$2,500,000,000.00 in the Original Cruise Terminal Usage Agreement; with respect to the Third Amendment to the Campus Lease, directing the County Mayor to provide a copy of such document to the Property Appraiser's Office; with respect to the Cruise Terminal Usage Agreement, authorizing the County Mayor to take all actions necessary to effectuate the same, including entry into design-build agreements at an estimated cost of \$425,000,000.00, increased from \$325,000,000.00, with RCG reimbursement in an amount of at least \$199,750,000.00, increased from \$152,750,000.00 plus interest at 6.5 percent, totaling up to \$396,402,000.00 in capital recovery fees to the County; authorizing the County Mayor to take such other acts, within certain parameters, as necessary to give effect to the agreements and amendments contemplated herein; and authorizing the County Mayor to utilize the project funding approved pursuant to Resolution No. R-684-23 to accomplish the purposes set forth herein

Resolution No. R-979-23

The accompanying resolution was prepared by the Port of Miami and placed on the agenda at the request of Prime Sponsor Commissioner Danielle Cohen Higgins.


Geri Bonzon-Keenan
County Attorney

GBK/jp

MDC001

Memorandum



Date: November 7, 2023

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

From: Daniella Levine Cava
Mayor 

Subject: Resolution Approving the Third Amendment to the Campus Lease; First Amendment to the Cruise Terminal Usage Agreement; and First Amendment to the Construction Agency Services Agreement, all between Miami-Dade County ("County") and Royal Caribbean Cruises Ltd. d/b/a Royal Caribbean Group ("RCG")

Executive Summary

This item seeks approval of amendments to the (1) Second Amendment to the Campus Lease, (2) Cruise Terminal Usage Agreement, and (3) Construction Agency Services Agreement approved or modified through Resolution No. R-1104-22. The principal objective of the agreements was to provide for the County's financing of RCG's campus improvements (a \$600 million project, which will be owned by the County) and, in exchange, RCG offered the County its largest passenger throughput guarantees upon completion of a new Cruise Terminal G ("CTG") and Berth 10.

The Second Amendment to the Campus Lease provided a financing contingency that granted RCG the right to reject the County's offered financing if it did not meet a financing threshold defined in the agreement. Because the Cruise Terminal Usage Agreement and Second Amendment to the Campus Lease were linked, rejection of the County's financing would result in a loss of the passenger throughput guarantees in the Cruise Terminal Usage Agreement.

Interest rates that have risen to 40-year highs (from a benchmark of 2.5% in October 2022 to approximately 5.5% in October 2023) made it impossible for the County to offer financing within a range acceptable to RCG, as defined in the Second Amendment to the Campus Lease. At the same time, the same pressures, along with rising construction costs, increased the cost of performing the CTG improvements, shifting risk to the County. Accordingly, the parties agreed to revisit the financial terms of the agreements to rebalance the parties' financial commitments.

With respect to the Campus Lease, the revisions contained in the Third Amendment to the Campus Lease

- remove the financing contingency (thereby ensuring that the increased passenger throughput guarantees—which move from 600,000 passenger movements per year to, eventually, 2.1 million passenger movements per year when both CTG and Berth 10 are substantially completed—will take effect); and
- maintain the County's maximum financed contribution to the campus project at \$450 million as previously approved by the Board; and

- provide for (a) the County's funding of \$15.5 million in project costs, which RCG will repay without interest if repaid before substantial completion or with interest at 6.5% after substantial completion over a period of up to 5 years; (b) a County contribution to RCG beginning in Fiscal Year 26-27 of between \$7 million and \$10 million annually (depending on RCG's achievement of a passenger throughput milestones) and thereafter stabilizing at \$10 million until the campus debt is retired or adjusted as a result of refinancing as provided below; and (c) the option of refinancing of the debt after 10 years, the benefits of which will go to the County through dollar-for-dollar reductions of the contribution described in (b) until the contribution is extinguished at which time any additional benefits will accrue to RCG.

With respect to the linked Cruise Terminal Usage Agreement, the revisions contained in the First Amendment to the Cruise Terminal Usage Agreement:

- adjust the maximum project cost estimates for the CTG project and Berth 10 from \$325 million to \$425 million, commensurately increasing RCG's contributions to the project, which will cover either 53% or 47% of the project's costs in the same manner as provided in the existing Second Amendment to the Campus Lease; and
- provide an added benefit to the County that any cost overruns of CTG occurring at the bid phase will be shared with RCG or reduced through value engineering or scope reductions; and
- extend the County's substantial completion timeline for CTG from December 1, 2026, to December 31, 2027.

With respect to the Construction Agency Services Agreement (which provides for RCG's management of the construction of the campus improvements), the revisions contained in the First Amendment to the Construction Agency Services Agreement:

- change the substantial completion deadline for the campus improvements from June 30, 2026, to January 1, 2027; and
- allow for the interim advancement of (a) up to \$5 million during construction, which shall be repaid by RCG to the County on or before substantial completion; and (b) a sum not to exceed \$30 million to reimburse the Construction Agent for certain costs of the project between project suspension and date of the second development period. Such payments are included within the \$450 million County financing obligation and will be repaid by RCG to the County on or before substantial completion of the campus improvements project.

Recommendation

It is recommended that the Board approve the accompanying resolution to:

- Approve and authorize the County Mayor or County Mayor's designee execute and exercise all rights contained in the (1) Third Amendment to the Campus Lease with an estimated positive fiscal impact to the County of \$163 million; (2) First Amendment to the Cruise Terminal Usage Agreement, with an estimated positive fiscal impact of \$2.42 billion to the

County; and (3) First Amendment to the Construction Agency Services Agreement with no change in estimated fiscal impact.

- Direct the County Mayor or County Mayor's designee to provide a copy of the Third Amendment to the Campus Lease to the Property Appraiser's Office in accordance with Resolution No. R-791-14;
- Direct the County Mayor or County Mayor's designee to take all actions necessary to effectuate the Cruise Terminal Usage Agreement, including entry into a design-build agreement for the construction of the cruise terminals contemplated in the Cruise Terminal Usage Agreement, at an estimated cost to the County of \$425 million with reimbursement from RCG in the amount of at least \$199.75 million plus interest at 6.5%, totaling \$396,402,000 in capital recovery fees to the County; and
- Authorize the County Mayor or County Mayor's designee to take other actions necessary to give effect to the Campus Lease, Cruise Terminal Usage Agreement, and Construction Agency Services Agreement, within certain parameters.
- Authorize the County Mayor or County Mayor's designee to utilize the project funding approved pursuant to Resolution No. R-684-23 to accomplish the purposes described in this memorandum, including (1) the County's self-reimbursement of up to \$30 million in advanced project funds and (2) placement of bond proceeds in an interest-bearing account, with such principal and interest to be used for the purpose of funding the campus project costs.

Delegated Authority

This item authorizes the County Mayor or County Mayor's designee to execute and exercise all rights, including rights of renewal and termination, contained in the (1) Third Amendment to the Campus Lease; (2) First Amendment to the Cruise Terminal Usage Agreement; and (3) Construction Agency Services Agreement. Without limiting the delegations of authority set forth in Resolution No. R-1104-22, this item also authorizes the County Mayor or County Mayor's designee take such other acts as are necessary to give effect to the agreements approved by this item, provided that such acts must (1) be consistent with the disclosures in the memorandum and the delegations set forth in this resolution and Resolution No. R-1104-22; (2) not put the County in any less favorable position, financially or otherwise, than that outline in the accompanying memorandum, this resolution, Resolution No. R-1104-22, and the agreements accompanying this resolution; (3) not contravene the policy, intent, or purpose of the Board as expressed in any of its legislative enactments; (4) as applicable, be reduced to writing and subject to the approval of the County Attorney's Office as to form and legal sufficiency; and (5) to utilize the project funding approved pursuant to Resolution No. R-684-23 to accomplish the purposes set forth in the revised agreements, including through the County's self-reimbursement of up to \$30 million in advanced project funds and the placement of bond proceeds into an interest-bearing account for use in connection funding the project.

Scope

PortMiami is located within District 5, represented by Commissioner Eileen Higgins. The impact of this agenda item is countywide as PortMiami is a regional asset and generates employment for residents throughout Miami-Dade County.

Fiscal Impact/Funding Source

On November 15, 2022, the Board approved Resolution R-1104-22 authorizing the County Mayor or County Mayor's designee to execute the Second Amendment to the Campus Agreement and the Cruise Terminal Usage Agreement. As approved, these agreements were subject to the County obtaining financing for the campus project that would result in RCG's lease payments increasing by \$44 million or less. If it had been possible for the County to obtain such financing, the agreements would have yielded positive net fiscal benefits to the County of \$2.76 billion (\$2.5 billion from the Cruise Terminal Usage Agreement plus \$260 million from the Second Amendment to the Campus Lease).

The revisions proposed to be made through this item are mutually beneficial insofar as they address unanticipated increases in construction and financing costs for both parties. In this respect, the County is protected from construction cost escalations that it would have been required to bear without the possibility of reimbursement from RCG, and RCG will receive an additional capital contribution from the County to offset interest-rate increases. Even with the revisions made to address the impacts of cost escalations, the County will substantially benefit from both the Campus Lease agreement and the Cruise Terminal Usage Agreement, which collectively have a positive fiscal impact on the County of \$2.58 billion (\$2.421 billion from the Cruise Terminal Usage Agreement plus \$163 from the Third Amendment to the Campus Lease), as follows.

A. Campus Lease

Approval of the Third Amendment to the Campus Lease will result in a positive fiscal impact to the County of \$163 million. While this impact represents a reduction in the previously anticipated positive fiscal impact to the County of \$260 million, the prior agreement was subject to a financing contingency and, upon reviewing the financing options presented by the County, RCG indicated that with increased interest rates the financial arrangement under the prior agreement was not tenable. This reduction in revenues will be offset by the revenues generated from the Cruise Terminal Usage Agreement, which was subject to the financing contingency set from in the Second Amendment to the Campus Lease. Notably, the Third Amendment to the Campus Lease is not subject to a financing contingency.

B. Cruise Terminal Usage Agreement

Approval of the First Amendment to the Cruise Terminal Usage Agreement will result in a positive fiscal impact to the County of \$2.42 billion. While this fiscal impact represents a reduction in the previously anticipated fiscal impact of \$2.5 billion, the effect on the fiscal impact from the accompanying item is less than the fiscal impact that the County would have incurred by bearing all costs associated with construction cost escalations, as the County would have been required to do before this proposed amendment. The revisions to the Cruise Terminal Usage Agreement will also

increase the maximum expenditure on the cruise terminal improvements from \$325 million to \$425 million, with RCG's contributions to such costs increasing to \$199,750,000 from \$152,750,000, plus interest at 6.5%, totaling up to \$396,402,000 in capital recovery fees to the County. In addition, the revisions to the Cruise Terminal Usage Agreement provide for RCG's quicker repayment of RCG's contribution towards the cruise terminal improvements over a period of 18 years rather than 30 years.

The funding source for the campus improvements will be from a new debt issuance of Seaport Revenue Bonds under the existing Bond Ordinance passed by the Board via Resolution R-684-23. For the CTG and Berth 10 Projects the funding will come from future Seaport Department Revenue Bond issuances with the strategic use of Department funds, commercial paper, and other short-term financing instruments during the development cycle (including potential future grants for the cruise facilities).

C. Construction Agency Services Agreement

Approval of the First Amendment to the Construction Agency Services Agreement will not change the fiscal impact of the previously approved Construction Agency Services Agreement. While the Construction Agency Services Agreement increases the amount paid to RCG for post-pandemic design and construction work from \$15.5 million to \$30 million and allows for the advancement of up to \$5 million for construction costs ahead of draw schedule requirements, both amounts will be repaid to the County by RCG on or before substantial completion of the campus improvements project.

Track Record/Monitor

The Seaport Department staff members responsible for monitoring the agreement are Andy Hecker, Deputy Port Director; Elizabeth Ogden, Assistant Port Director, Capital Development; George Andrews, Assistant Port Director, Strategy and Economic Development; and Becky Hope, Assistant Port Director, Planning, Environment, Resiliency.

Background

With 100% of vessels back in service, the post-pandemic cruise industry has demonstrated its strength and resiliency as cruise travel continues to trend upwards, shattering the pre-pandemic passenger record of 6.8 million passengers achieved in 2019. Consistent with this growth, by 2031, the Cruise Terminal Usage Agreement, combined with guarantees from the other cruise agreements, will collectively guarantee 10.2 million passenger movements at PortMiami.

In preparation for increased future berth and passenger demand, PortMiami and RCG negotiated a new Cruise Terminal Usage Agreement and a restructured financing model for the expansion of RCG's global headquarters at PortMiami. RCG's global headquarters will bring approximately 1,000 new RCG employees to Miami-Dade County and the Cruise Capital of the World.

The amendments recommended for approval through this item are a result of rapidly changing circumstances in financial markets and the construction industry. Specifically, since November 15, 2022, the construction industry has continued to see significant cost increases and the Federal Reserve

benchmark interest rates have more than doubled from 2.5% on October 31, 2022, to the current 5.5% benchmark.

These rapidly changing circumstances could have resulted in termination of the parties' obligations under the previously approved agreements, depriving both parties of the benefits of the agreements. Specifically, both parties had walk-away rights that, in RCG's case, would have been triggered if annual debt service payments for the campus improvements exceeded \$44 million per year and, in the County's case, would have been triggered if the design and construction costs of the CTG project exceeded \$225 million. The amendments presented herein reflect the parties' efforts to rebalance the impacts of these external factors on the previously approved deal.

Although not addressed in the amendments recommended for approval in this item, the projects contemplated herein require implementation of the County's sustainability objectives, including consideration of sea level rise and the sustainable buildings program.

A. The Campus Lease

The primary purpose of the previously approved Second Amendment to the Campus Lease was to provide for the County's financing of the completion of the CTG Improvements, with repayment of all amounts financed by the County, with interest. Upon completion of the RCG campus improvements, the County will have title to a facility with a value estimated at \$600 million.

The Third Amendment to the Campus Lease retains this concept but addresses the escalation of interest rates which presented RCG with the option to reject the County's financing offer, which rejection would have deprived the County of the benefits of the Cruise Terminal Usage Agreement, which was linked to the County's financing of the campus improvements.

Under the Third Amendment to the Campus Lease, the uncertainty surrounding RCG's acceptance of the County's offered financing is removed. Over the last several months, the County and RCG have been collaborating on a financing plan providing for the issuance of 30-year Seaport revenue bonds with repayment terms that are acceptable to RCG. Prior to the presentation of this item to the Board, RCG confirmed its acceptance of the County's proposed financing, such that there is no longer a financing contingency that could result in the County's loss of the benefits of the Cruise Terminal Usage Agreement. The additional time necessary to arrange mutually agreeable financing also necessitates an adjustment of the completion deadline for the campus improvements, which the Third Amendment moves to April 30, 2027.

The Third Amendment to the Campus Lease rebalances the impacts of increased interest rates by providing for an additional County contribution to RCG in an amount ranging from \$7 million to \$10 million per year, depending on the passenger throughput that RCG generates through the Cruise Terminal Usage Agreement. This County payment stabilizes at \$10 million per year after the second year after substantial completion of the campus improvements, and the County is no longer required to make the payments once the debt issued for the campus improvements is retired. In addition, if RCG or the County exercise their refinancing rights and generates savings through that process, the County is entitled to a dollar-for-dollar reduction in the \$10 million payment.

In addition to the aforementioned payment, the Third Amendment to the Campus Lease provides for the County's self-financing of \$15.5 million for project costs. These project costs will be repaid by RCG without interest, if repaid within 30 days of the 5-year anniversary of substantial completion of the campus improvements; otherwise, the outstanding principal of the self-financed amount will be subject to interest at 6.5%.

The Third Amendment to the Campus Lease also allows for the County's procurement of the insurance required under the Campus Lease; provided, however, that RCG shall reimburse the County all costs it incurs in connection with the procurement of such insurance.

B. The Cruise Terminal Usage Agreement

Under the structure approved in Resolution No. R-1104-22, the County bore all responsibility for cost overruns in connection with the design and construction of the CTG and Berth 10 improvements. During planning and the early stages of design, it became clear that the previously established budget of \$325 million was unrealistic considering increasing construction costs and high interest rates. Indeed, costs for the project were estimated to have increased by \$290 million (including both principal and interest), and RCG would have had no obligation to participate in the additional costs.

While the County had protected itself from this scenario by providing for an option to abandon entry into the design-build agreement for the CTG project, exercising that right would have prejudiced the County by depriving it of the significant passenger throughput guarantees in the Cruise Terminal Usage Agreement—2.1 million annual passengers—and would have left a vacancy at Berth 10 for which the County has contractual obligations to MSC through the Cruise Terminal AA/AAA Agreement. Accordingly, under the existing agreements, the County would have been left with the choice to accept a reduced net positive fiscal impact decrease from \$2.8 billion to \$2.41 billion, or, alternatively, to forgo all revenues by abandoning the CTG and Berth 10 projects.

Under the First Amendment to the Cruise Terminal Usage Agreement, RCG will increase and guarantee its contribution to the CTG and Berth 10 project from \$325 million to \$425 million (more specifically, \$325 million for CTG plus \$100 million for Berth 10). With a RCG contribution to the County ranging from 47% and increasing to 53% (the reimbursement rate depending on whether extensions of the MAG are exercised) plus 6.5% interest, the additional contribution from RCG via capital recovery surcharges over 18 years will be \$396,402,000.

In addition, the First Amendment to the Cruise Terminal Usage Agreement provides the added benefit that further cost overruns with the project will be addressed either through (1) RCG's agreement to raise the cap on the amounts it agrees to reimburse the County for design and construction costs or, alternatively, through (2) County-imposed value engineering and scope reductions.

Further, the First Amendment to the Cruise Terminal Usage Agreement extends the substantial completion deadline for the County's completion of the design and construction of the CTG improvements from December 1, 2026, to December 31, 2027.

Finally, the First Amendment to the Cruise Terminal Usage Agreement provides an enhanced passenger throughput guarantee in FY 23-24 to make up for a pandemic-related passenger throughput shortfall that occurred in FY 22-23. Although the shortfall was of 91,184 passenger movements, the First Amendment to the Cruise Terminal Agreement exceeds that shortfall, providing for a 100,000 passenger movement step-up in FY 23-24.

C. The Construction Agency Services Agreement

The purpose of the Construction Agency Services Agreement is to provide for RCG's management of the construction of the campus improvements, including through the procurement, design, and construction phases.

The revisions contained in the First Amendment to the Construction Agency Services Agreement increase the amount of the County's reimbursement of costs incurred by RCG on design from the post-pandemic termination of design and construction to the present from \$15.5 million to \$30 million. This amount is included in the financing of RCG's campus improvements and is therefore subject to repayment. In addition, the First Amendment to the Construction Agency Services Agreement allows for the advancement by the County to RCG of up to a maximum of \$5 million during the project to be used for project costs. Any advanced funds shall be subject to repayment by RCG on or before the date of substantial completion of the campus project.



Jimmy Morales
Chief Operations Officer



MEMORANDUM

(Revised)

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

DATE: November 7, 2023

FROM: 
Gen Bonzon-Keenan
County Attorney

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

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 *Daniella Levine Carv* Mayor
Veto _____
Override _____

Agenda Item No. 8(J)(1)
11-7-23

RESOLUTION NO. R-979-23

RESOLUTION APPROVING AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE, AND EXERCISE ALL RIGHTS SET FORTH IN, (1) THE THIRD AMENDMENT TO THE CAMPUS LEASE BETWEEN MIAMI-DADE COUNTY (COUNTY) AND ROYAL CARIBBEAN CRUISES LTD. (RCG) WITH AN ESTIMATED POSITIVE FISCAL IMPACT OF \$163,000,000.00, REDUCED FROM \$260,000,000.00 IN THE SECOND AMENDMENT AND (2) THE FIRST AMENDMENT TO THE CONSTRUCTION AGENCY SERVICES WITH NO CHANGE TO ESTIMATED FISCAL IMPACT IN THE ORIGINAL CONSTRUCTION AGENCY SERVICES AGREEMENT AND (3) THE FIRST AMENDMENT TO THE CRUISE TERMINAL USAGE AGREEMENT WITH AN ESTIMATED POSITIVE FISCAL IMPACT OF \$2,420,000,000.00 TO THE COUNTY, REDUCED FROM \$2,500,000,000.00 IN THE ORIGINAL CRUISE TERMINAL USAGE AGREEMENT; WITH RESPECT TO THE THIRD AMENDMENT TO THE CAMPUS LEASE, DIRECTING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO PROVIDE A COPY OF SUCH DOCUMENT TO THE PROPERTY APPRAISER'S OFFICE; WITH RESPECT TO THE CRUISE TERMINAL USAGE AGREEMENT, AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO TAKE ALL ACTIONS NECESSARY TO EFFECTUATE THE SAME, INCLUDING ENTRY INTO DESIGN-BUILD AGREEMENTS AT AN ESTIMATED COST OF \$425,000,000.00, INCREASED FROM \$325,000,000.00, WITH RCG REIMBURSEMENT IN AN AMOUNT OF AT LEAST \$199,750,000.00, INCREASED FROM \$152,750,000.00 PLUS INTEREST AT 6.5 PERCENT, TOTALING UP TO \$396,402,000.00 IN CAPITAL RECOVERY FEES TO THE COUNTY; AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO TAKE SUCH OTHER ACTS, WITHIN CERTAIN PARAMETERS, AS NECESSARY TO GIVE EFFECT TO THE AGREEMENTS AND AMENDMENTS CONTEMPLATED HEREIN; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO UTILIZE THE PROJECT FUNDING APPROVED PURSUANT TO RESOLUTION NO. R-684-23 TO ACCOMPLISH THE PURPOSES SET FORTH HEREIN

WHEREAS, this Board desires to accomplish the purposes set forth in the accompanying memorandum, a copy of which is incorporated herein,

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

Section 1. Adopts as true and correct and incorporates herein the foregoing recital.

Section 2. Approves and authorizes the County Mayor or County Mayor's designee to execute, in substantially the form attached hereto, the (a) Third Amendment to the Campus Lease with an estimated positive fiscal impact to the County of \$163,000,000.00, reduced from \$260,000,000.00 in the Second Amendment to the Campus Lease; (b) First Amendment to the Construction Agency Services Agreement with no change in estimated fiscal impact; and (c) First Amendment to the Cruise Terminal Usage Agreement, with an estimated positive fiscal impact of \$2,420,000,000.00 to the County, reduced from \$2,500,000,000.00 in the original Cruise Terminal Usage Agreement, each of these agreements between the County and Royal Caribbean Cruises, Ltd. d/b/a Royal Caribbean Group ("RCG"). With respect to each of the foregoing agreements, the Board authorizes the County Mayor or County Mayor's designee to exercise all rights contained therein, unless expressly reserved to the Board, including rights of extension and termination.

Section 3. With Respect to the Third Amendment to the Campus Lease, this Board directs the County Mayor or County Mayor's designee to provide a copy of the Third Amendment to the Property Appraiser's Office in accordance with Resolution No. R-791-14.

Section 4. With respect to the Cruise Terminal Usage Agreement, authorizes the County Mayor or County Mayor's designee to take all actions necessary to effectuate the Cruise Terminal Usage Agreement, including entry into one or more design-build agreements for the

construction of the cruise terminals and berths contemplated in the Cruise Terminal Usage Agreement, at an estimated cost to the County of \$425,000,000.00, increased from \$325,000,000.00, with reimbursement from RCG in the amount of at least \$199,750,000.00, increased from \$152,750,000.00, plus interest at 6.5 percent, totaling up to \$396,402,000.00 in capital recovery fees to the County.

Section 5. Authorizes the County Mayor or County Mayor's designee to take any other acts necessary to give effect to the agreements contemplated herein; provided, however, that such acts shall (1) be consistent with the disclosures in the memorandum and the delegations set forth in this resolution and Resolution No. R-1104-22; (2) not put the County in any less favorable position, financially or otherwise, than that outlined in the accompanying memorandum, this resolution, Resolution No. R-1104-22, and the agreements accompanying this resolution; (3) not contravene the policy, intent, or purpose of the Board as expressed in any of its legislative enactments; and (4) as applicable, be reduced to writing and subject to the approval of the County Attorney's Office as to form and legal sufficiency.

Section 6. Authorizes the County Mayor or County Mayor's designee, in connection with the campus improvements contemplated in the Second Amendment to the Campus Lease, to utilize the project funding approved pursuant to Resolution No. R-684-23 to accomplish the purposes set forth therein, including (1) the County's self-reimbursement of up to \$30,000,000.00 in advanced project funds and (2) placement of bond proceeds in an interest-bearing account, with such principal and interest to be used for the purpose of funding the campus improvements project.

The foregoing resolution was offered by Commissioner **Danielle Cohen Higgins** , who moved its adoption. The motion was seconded by Commissioner **Raquel A. Regalado** and upon being put to a vote, the vote was as follows:

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

The Chairperson thereupon declared this resolution duly passed and adopted this 7th day of November, 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: Basia Pruna
Deputy Clerk

Approved by County Attorney
as to form and legal sufficiency.

MAG

Miguel A. Gonzalez

THIRD AMENDMENT TO CAMPUS LEASE

THIS THIRD AMENDMENT TO CAMPUS LEASE (the “Third Amendment”) is entered into and effective as of November __, 2023 (the “Effective Date”) by and between Miami-Dade County, a political subdivision of the State of Florida (“County”), and Royal Caribbean Cruises Ltd. d/b/a Royal Caribbean Group, a Liberian corporation (“Lessee”).

RECITALS

WHEREAS, County and Lessee are parties to that certain Campus Lease dated June 13, 2019 (approved through Resolution No. R-520-19) (the “Campus Lease”), as amended by that First Amendment to Campus Lease dated January 31, 2022 (approved through Resolution No. R-40-22) (the “First Amendment”) and that Second Amendment to Campus Lease dated December 1, 2022 (approved through Resolution No. R-1104-22) (the “Second Amendment” and collectively with the First Amendment and Campus Lease, the “Lease”) pursuant to which Lessee leases from County the Leased Premises located at 1050 and 1080 Caribbean Way, Miami, Florida, and Lessee and County committed to developing additional improvements for Lessee’s global headquarters campus on land owned by the County, defined in the Lease as the “Campus Improvements,” including, but not limited to improvements to existing office buildings, a new office building, and a new parking garage; and

WHEREAS, as a result of the global COVID-19 pandemic and its impacts, including restrictions on travel, closure of many ports globally, and significant economic and operational repercussions on the cruise industry, construction of the Campus Improvements was suspended as of the Project Suspension Date by notice from Lessee to County dated April 3, 2020; and

WHEREAS, prior to the Project Suspension Date, Lessee commenced work on the Campus Improvements, such that as of the Effective Date of this Third Amendment, partial completed structures exist on the Premises and the 1040 Building has been fully demolished; and

WHEREAS, in July 2021, Lessee notified County of its intent to resume the Campus Improvements and sought an extension to certain timelines set forth in the Lease, resulting in the First Amendment; and

WHEREAS, on December 1, 2022, Lessee and County executed the Second Amendment which sets forth the guidelines for the Campus Financing of the New Campus Improvements, wherein Lessee agrees to repay the County for the New Campus Improvements through a revised Rent Schedule that would reflect the cost of completing the New Campus Improvements, including additional debt service coverage required in connection with such financing; and

WHEREAS, the Lessee represents that it has, through competitive processes consistent with the competitive processes required under Florida law, identified architectural, engineering, and construction firms for the design and construction of the Campus Improvements, and County desires to engage Lessee to provide construction agency services for the design and construction of the Campus Improvements pursuant to the Construction Agency Services Agreement; and

WHEREAS, County’s maximum investment in the Campus Improvements pursuant to the

Campus Financing shall not exceed the Maximum Project Cost exclusive of (i) the capitalization of any interest that would otherwise be due under the financing during the Development Period and (ii) any reserve requirements established as part of the financing arrangements, interest and other financing costs in an amount to meet bond covenant debt service coverage, if applicable; and

WHEREAS, on July 18, 2023, the Board of County Commissioners approved Resolution No. R-684-23 authorizing the issuance of \$600,000,000 aggregate principal amount of County, Florida Seaport revenue bonds for the development and construction of the New Campus Improvements; and

WHEREAS, County and Lessee desire to enter into this Third Amendment in order to further amend the Lease, as set forth below.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which being hereby acknowledged, County and Lessee agree to amend the Lease as follows:

TERMS AND CONDITIONS

1. **Recitals; Conflict.** The Recitals are adopted as true and correct and incorporated into this Third Amendment. In the event of a conflict between the terms of the Lease and the terms of this Third Amendment, the terms of this Third Amendment shall govern.

2. **Application of Lease Terms.** Capitalized terms used in this Third Amendment and not defined herein shall have the meanings ascribed to them in the Lease.

3. **Definitions.** **Exhibit A** is hereby amended to provide for the following amended and restated definitions.

Area 2 Additional Rent: shall mean that portion of the Campus Rent that is due, in connection with the Campus Financing in accordance with **Exhibit 1a** to this Third Amendment, commencing from the Area 2 Additional Rent Commencement Date through the conclusion of the thirtieth (30th) rent year following the Area 2 Additional Rent Commencement Date.

Completion Deadline: April 30, 2027, which date shall be extended on a day-by-day basis for each day after the Financing Deadline that a failure or delay in obtaining funding for the New Campus Improvements creates a delay on the critical path of the design or construction of the New Campus Improvements.

Financing Confirmation: shall mean the irrevocable written notice issued by County to Lessee (i) certifying that the County is able and has the capacity to raise sufficient funds in the amount of the Maximum Project Cost for the purpose of performing the development and construction of the New Campus Improvements, and (ii) countersigned by Lessee agreeing and acknowledging the terms and conditions of the proposed Campus Financing.

Financing Deadline: shall mean December 1, 2023, as may be extended by the agreement of the Parties, which extensions cannot be unreasonably conditioned,

withheld, or denied.

Lease Term Commencement Date: shall mean the date of Substantial Completion, but in no event later than the Completion Deadline, which date shall be extended on a day-by-day basis for each day after the Financing Deadline that a failure or delay in obtaining funding for the New Campus Improvements creates a delay on the critical path of the design or construction of the New Campus Improvements. Lessee shall not be permitted to take possession of and occupy the New Campus Improvements until the Lease Term Commencement Date.

The following definitions are hereby added to Exhibit A:

Additional Rent Payment: shall have the meaning set forth in Section 21(c) of the Lease.

Adjusted Area 2 Additional Rent: shall have the meaning set forth in Section 21(d)(6) of the Lease.

Adjusted Area 2 County Contribution: shall have the meaning set forth in Section 10.1(a) of the Lease.

Area 2 Additional Rent Commencement Date: shall mean September 15, 2026.

Area 2 County Contribution: shall have the meaning set forth in Section 10.1(a) of the Lease.

Campus Financing Prepayment Notice: shall have the meaning set forth in Section 21(f)(1) of the Lease.

Campus Refinancing: shall have the meaning set forth in Section 21(d) of the Lease.

Campus Refinancing Adjustment: shall mean a one-time adjustment in the Rent Schedule to accurately reflect the debt service payment requirements under the Campus Refinancing once the Campus Refinancing is finalized.

Campus Refinancing Notice: shall have the meaning set forth in Section 21(d)(1) of the Lease.

Construction Parking Spaces: shall have the meaning set forth in Section 26.3 of the Lease.

County Financing: shall have the meaning set forth in Section 21(c) of the Lease.

County Issued Campus Refinancing Notice: shall have the meaning set forth in Section 21(e) of the Lease.

Credit Termination Date: means the first date that the Area 2 Additional Rent payments are reduced to Zero.

Lessee Sourced Prepayment Funds: shall have the meaning set forth in Section

21(f) of the Lease.

4. Rents. Section 10.1 of the Lease is hereby amended and restated as follows:

10.1 Campus Rent. Commencing on the Effective Date and throughout the Term, Lessee shall pay to County the Campus Rent, plus any applicable sales tax, in accordance with the **Campus Rent Schedule** that is attached hereto as **Exhibit 1** and **Exhibit 1a** to the Second Amendment. The Parties agree to review and update the Campus Rent Schedule on **Exhibit 1a** with respect to Area 2 Additional Rent as required after the Campus Financing Adjustment is determined, and in the event of a Campus Refinancing, once the Campus Refinancing Adjustment is determined.

(a) Lessee shall be entitled to a credit against the Area 2 Additional Rent (the “Area 2 County Contribution”). The Area 2 County Contribution shall be credited equally across all Area 2 Additional Rent payments due from Lessee to County, and if an increase in the Area 2 County Contribution is warranted as provided in Section 10.1(a)(1), the additional amount shall be applied to the next Area 2 Additional Rent payment due after the Parties determine the amount of the increase, which determination shall be made on or before October 31, 2027. The Area 2 County Contribution shall be determined as follows:

- (1) In the first year commencing on the Area 2 Additional Rent Commencement Date, the Area 2 County Contribution shall be Seven Million Dollars (\$7,000,000.00), with an adjustment at the end of County’s 2026-2027 Fiscal Year in the event Lessee exceeds the MAG set forth in the Cruise Terminal Usage Agreement for such period. If Lessee delivers in excess of 1.2M passengers, the Area 2 County Contribution shall be increased to Eight Million Five Hundred Thousand Dollars (\$8,500,000), and if Lessee delivers in excess of 1.5M passengers, the Area 2 County Contribution shall be increased to Ten Million Dollars (\$10,000,000);
- (2) Subject to certain adjustments as set forth in subsection (3) below, beginning on the second year after the Area 2 Additional Rent Commencement Date and ending on the Credit Termination Date, the Area 2 County Contribution shall be Ten Million Dollars (\$10,000,000);
- (3) In the event of a Campus Refinancing which results in an Adjusted Area 2 Additional Rent, the Area 2 County Contribution will be reduced on a dollar-for-dollar basis (the “Adjusted Area 2 County Contribution”). By way of example, if the Adjusted Area 2 Additional Rent is Five Million Dollars (\$5,000,000) less than the Area 2 Additional Rent, the Adjusted Area 2 County Contribution shall be Five Million Dollars (\$5,000,000) less than the Area 2 County Contribution. The County shall not be required to provide

Lessee with the Area 2 County Contribution or the Adjusted Area 2 County Contribution as of the Credit Termination Date.

- (b) Commencing on the Effective Date until the Lease Term Commencement Date, Lessee shall pay Campus Rent to County in the annual amount set forth in the Campus Rent Schedule, subject to annual adjustments pursuant to section 10.2(a) below. In the event payment of rent under this Section 10.1(b) occurs in the middle of a monthly payment period, the last month's rent shall be prorated accordingly.
- (c) Commencing on the Lease Term Commencement Date, Lessee shall pay Campus Rent to County in the amount set forth in the Campus Rent Schedule subject to (i) the Campus Financing Adjustment, (ii) annual adjustments pursuant to Section 10.2 below, (iii) the Area 2 County Contribution, and (iv) if applicable, the Campus Refinancing Adjustment and Adjusted Area 2 County Contribution. If the last month of the Term is less than a complete month, the last month's rent shall be prorated accordingly.

5. Campus Financing. Section 21 of the Second Amendment is hereby amended and restated as follows:

- (a) County's Financing Rights. Subject to Applicable Laws, as determined in the sole discretion of County, and County's sole judgment regarding the cost, benefit, and risks (of any kind) to County of the financing options considered by County, County agrees to issue 30-year senior lien taxable seaport revenue bonds with a ten-year call with capitalized interest resulting in a first debt service payment from the County on the Area 2 Additional Rent Commencement Date. The debt shall have a principal amount sufficient to fund the Maximum Project Cost. The remainder of the Maximum Project Cost will be raised through the reinvestment into the project of savings generated through (a) utilization of the owner-directed purchase program provided by Florida law (estimated at \$2,400,000.00 based on utilization of the program for the purchase of at least \$40,000,000.00 in eligible materials); (b) the County Financing described in Section 21(c) below; and (c) interest earned through the structured investment portfolio mechanism established in accordance with the Draw Schedule. The County will fund a reserve account and pay debt-issuance closing costs.
- (b) Prior the Effective Date, the Parties executed the Financing Confirmation and the County shall use commercially reasonable efforts to issue the County Financing on the terms and conditions set forth therein, including in accordance with the financing schedule attached to the Financing Confirmation (but in no event later than the Financing Deadline).
- (c) County agrees to fund via its own resources Fifteen Million Five Hundred Dollars (\$15,500,000.00) (the "County Financing") for certain Project costs to be mutually agreed upon between the Parties to be funded outside of the Campus Financing as

part of the Maximum Project Cost. Any County Financing funded by County shall be repaid by Lessee to County as an additional rent payment (the "Additional Rent Payment") to be made, at Lessee's election, at any time between the date of Substantial Completion and the five (5) year anniversary of Substantial Completion; provided, however that, (i) if the Additional Rent Payment is made within thirty (30) days of Substantial Completion, the Additional Rent Payment shall be without interest, and (ii) if the Additional Rent Payment is made after thirty (30) days of Substantial Completion, the Additional Rent Payment shall be increased by accrued interest in an amount equal to six and one half percent (6.5%) per annum calculated on the outstanding County Financing amount from the date that is thirty (30) days following the date of Substantial Completion through the date the County Financing is paid in full. Payments of the Additional Rent Payment shall be made on a monthly basis and interest, if any, shall capitalize on an annual basis.

- (d) It is anticipated that the Campus Financing will be for a term of thirty (30) years and will contain a callability provision allowing the County to prepay the Campus Financing at any time commencing in year ten (10). To the extent the Campus Financing is callable on or after the initial ten-year period (or as otherwise permitted by the Campus Financing), then County shall have an obligation to pursue a refinancing of the Campus Financing upon written request of Lessee and in accordance with the following procedures (the "Campus Refinancing"):
 - (1) In the event Lessee elects for County to pursue the Campus Refinancing, Lessee shall provide written notice to the County (the "Campus Refinancing Notice") requesting that County complete a new financing in an amount equal to the outstanding principal balance of the Campus Financing plus any outstanding but unpaid accrued interest on the Campus Financing plus any call premiums payable upon early retirement of the Campus Financing, with the proceeds from the new financing to be used to repay the Campus Financing. Such Campus Refinancing Notice may be provided at any time beginning one (1) year prior to the date the Campus Financing may be redeemed;
 - (2) Upon receipt of the Campus Refinancing Notice, County shall reasonably pursue refinancing options that may be available at such time as requested by Lessee in accordance with Applicable Laws, as determined in the sole discretion of the County, and County's sole judgment regarding the cost, benefit, and risks (of any kind) to County of the financing options considered by County. County shall not have the obligation to make representations regarding the characteristics or availability of the Campus Refinancing, and County's sole obligation hereunder shall be to make inquiries regarding refinancing and to present refinancing options to Lessee;
 - (3) With respect to any refinancing options presented by County to Lessee, which options shall be presented within sixty (60) days of receipt of the Campus Refinancing Notice, the timing and terms of the refinancing

(including tenor, amortization profile, callability, capitalized interest, debt reserves, etc.) shall be mutually agreed by the Parties, and subject to Lessee's final approval;

- (4) Payment of closing costs shall be paid by Lessee or incorporated into the Campus Refinancing and required reserves for the Campus Refinancing shall be mutually agreed upon by the Parties. In addition, the Campus Refinancing shall reimburse County for third party, documented closing costs incurred in connection with the Campus Financing;
- (5) Upon closing of the Campus Refinancing, the proceeds of the Campus Refinancing shall be used to repay the Campus Financing; and
- (6) Lessee shall receive the full benefit of the Campus Refinancing and the Area 2 Additional Rent payment will be reduced in accordance with the Campus Refinancing Adjustment (the "Adjusted Area 2 Additional Rent"). Concurrently with the closing of the Campus Refinancing, the Parties will update the Area 2 Additional Rent Schedule to accurately reflect the Adjusted Area 2 Additional Rent and the Adjusted Area 2 County Contribution.

(e) In the event Lessee has not provided the County with a Campus Refinancing Notice, County shall have the right to pursue a Campus Refinancing in accordance with the terms and conditions of subsection (d) by providing Lessee with written notice of its desire to do so (the "County Issued Campus Refinancing Notice"); provided, however, that by issuing the County Issued Refinancing Notice the County shall guarantee that the resulting Adjusted Area 2 Additional Rent payable by Lessee to County will be less than (i) the Area 2 Additional Rent, minus (ii) the Area 2 County Contribution. In the event the Campus Refinancing results in an Adjusted Area 2 Additional Rent that is higher than (i) the Area 2 Additional Rent minus (ii) the Area 2 County Contribution, the Adjusted Area 2 Additional Rent shall be reduced to an amount equal to (i) the Area 2 Additional Rent, minus (ii) the Area 2 County Contribution. In addition, a proposed Campus Refinancing pursuant to a County Issued Campus Refinancing Notice may not increase the duration of the overall financing term without the written approval of Lessee.

(f) Alternatively, in lieu of a Campus Refinancing, Lessee may elect for County to prepay the Campus Financing through the utilization of funds provided by Lessee, either directly or through a third-party financing source ("Lessee Sourced Prepayment Funds").

- (1) In such event, Lessee shall provide County with a Campus Financing prepayment notice requesting that County prepay the Campus Financing along with details on the Lessee Sourced Redemption Funds and the timing for the availability of such funds (the "Campus Financing Prepayment Notice");
- (2) Upon receipt of the Campus Financing Prepayment Notice, the Parties shall use good-faith efforts to coordinate the prepayment of the Campus Financing through use of the Lessee Sourced Redemption Funds; and

- (3) Concurrently with the prepayment of the Campus Financing using Lessee Sourced Redemption Funds, the Parties will update the Rent Schedule to eliminate the Area 2 Additional Rent and the Area 2 County Contribution.

6. Notices. Section 25 of the Lease is hereby amended to provide that notice to Lessee shall be provided to the attention of the Chief Financial Officer.

7. Shared Garage. Section 26.3 of the Campus Lease is hereby amended and restated as follows:

26.3 Shared Garage. In addition to Lessee's right to exclusively use one thousand (1,000) spaces in the Shared Garage until the expiration of the Campus Lease, from the Effective Date of the Second Amendment through the date on which a temporary certificate of occupancy is received for the New Parking Garage, Lessee shall pay for five hundred (500) parking spaces at the open ground rate established in Port Tariff No. 010 (calculated based on 153 square feet per space), as may be amended from time to time. Thereafter, Lessee shall be required to pay for its use of parking spaces in the Shared Garage above and beyond the one thousand (1,000) exclusive spaces at the parking rate established in Port Tariff No. 010 of \$5.25 per square foot as may be amended from time to time. To the extent Lessee requests spaces in addition to the 500 spaces provided herein for its construction workers or other Project related-users (the "Construction Parking Spaces"), and County confirms the availability of such Construction Parking Spaces, then at the County's sole discretion County may authorize Lessee's use of such additional Construction Park Spaces, and Lessee shall not be required to pay for its use of the additional Construction Parking Spaces, subject to the limitations contained in this Section 26.3. The Parties agree to review the availability of the Construction Parking Spaces on a quarterly basis. In the event the County requires use of the Construction Parking Spaces for any Port-related needs (including, but not limited to, cruise passenger parking, employee parking, or construction parking), County shall provide a written notice to Lessee and Lessee shall vacate the Construction Parking Spaces within sixty (60) days of such written notice, and County shall use commercially reasonable efforts to identify an alternate parking location that is, in all respects determined by the County available for usage, within the Port for the Construction Parking Spaces.

8. Insurance. Notwithstanding anything to the contrary in Section 40 (Insurance Requirements for Lessee), the County agrees that if it is able to obtain some or all of the required insurance coverages at more competitive rates than those that can be obtained by Lessee, either by utilizing County's existing insurance and/or obtaining standalone policies, County will insure all or a portion of the Campus at the request of Lessee, and all costs incurred by County in obtaining such insurance shall be reimbursed by Lessee. The County agrees to cooperate with Lessee to review and renew such coverages/policies on an annual basis.

9. Proceeds of Casualty Termination. In the event of a Casualty termination, the net proceeds of insurance actually received by Lessee pursuant to Section 40 of this Lease and covering such damage or destruction shall be paid in the following order of priority:

First, to pay the remaining balance of the Campus Financing, if any; then

Second, to pay the remaining balance of the County Financing, if any; then

Third, costs associated with demolition and cleanup of the damaged portion of the Campus (if such work is requested in writing by County); then

Fourth, to Lessee, the remaining book value, if any; then

Fifth, to County, the entire remaining balance of such amount, if any.

10. No Other Amendments. Other than the amendments expressly set forth above, the remainder of the Lease shall be unaffected hereby.

11. Counterpart Execution. This Third Amendment may be executed in multiple counterparts, each of which shall be fully effective as an original, which together shall constitute only one (1) instrument.

12. Entire Agreement. This Third Amendment contains the entire agreement of the parties hereto with respect to the matters specifically addressed herein, and other than as expressly set forth in this Third Amendment, no other agreement, statement or promise, regarding the matters covered hereby, made by any party hereto, or to any employee, officer or agent of any party hereto, which is not contained herein, shall be binding or valid. This Third Amendment may not be amended, modified or supplemented except by written instrument executed by County and Lessee, and, as to County, only after such written instrument is first authorized by an effective written resolution duly approved by the Board of County Commissioners of Miami-Dade County.

IN WITNESS WHEREOF, this Third Amendment has been executed and delivered as of the date first written above.

Attest: _____

COUNTY:
MIAMI-DADE COUNTY, FLORIDA,
a political subdivision of the State of Florida

Approved as to form and legal sufficiency:

By: _____

Miguel A. Gonzalez
Assistant County Attorney:

Name: _____

Title: _____

LESSEE:
ROYAL CARIBBEAN CRUISES LTD.
DBA ROYAL CARIBBEAN GROUP,
a Liberian corporation

By: Naftali Holtz
Name: Naftali Holtz
Title: Chief Financial Officer



EXHIBIT 1
DEVELOPMENT PERIOD MONTHLY RENTS

Monthly Rent Start Date			Base Monthly Rent*	County Credit**	Area 2***	Monthly Rent
October	17	2023	\$470,006	(\$50,917)		\$419,089
November	17	2023	\$470,006	(\$50,917)		\$419,089
December	17	2023	\$470,006	(\$50,917)		\$419,089
January	17	2024	\$470,006			\$470,006
February	17	2024	\$470,006			\$470,006
March	17	2024	\$470,006			\$470,006
April	17	2024	\$470,006			\$470,006
May	17	2024	\$479,359			\$479,359
June	17	2024	\$479,359			\$479,359
July	17	2024	\$479,359			\$479,359
August	17	2024	\$479,359			\$479,359
September	17	2024	\$479,359			\$479,359
October	17	2024	\$479,359			\$479,359
November	17	2024	\$479,359			\$479,359
December	17	2024	\$479,359			\$479,359
January	17	2025	\$479,359			\$479,359
February	17	2025	\$479,359			\$479,359
March	17	2025	\$479,359			\$479,359
April	17	2025	\$479,359			\$479,359
May	17	2025	\$488,898			\$488,898
June	17	2025	\$488,898			\$488,898
July	17	2025	\$488,898			\$488,898
August	17	2025	\$488,898			\$488,898
September	17	2025	\$488,898			\$488,898
October	17	2025	\$488,898			\$488,898
November	17	2025	\$488,898			\$488,898
December	17	2025	\$488,898			\$488,898
January	17	2026	\$488,898			\$488,898
February	17	2026	\$488,898			\$488,898
March	17	2026	\$488,898			\$488,898
April	17	2026	\$488,898			\$488,898
May	17	2026	\$498,628			\$498,628
June	17	2026	\$498,628			\$498,628
July	17	2026	\$498,628			\$498,628
August	17	2026	\$498,628			\$498,628
September	17	2026	\$498,628			\$498,628
November	17	2026	\$498,628			\$498,628
December	17	2026	\$498,628			\$498,628
January	17	2027	\$498,628			\$498,628
February	17	2027	\$498,628			\$498,628
March	17	2027	\$498,628			\$498,628
April	17	2027	\$498,628			\$498,628
*Rent escalates annually at 1.99% compounded every 12 months (May 17th anniversary) until the Lease Term Commencement Date which shall occur no later than April 30, 2027. If Substantial Completion is achieved earlier Exhibit 1 will be adjusted accordingly.						
**Remainder of \$611,000 credit for RCG assumption of utilities and landscaping.						

EXHIBIT 1								
LEASE RENT SCEHDULE EFFECTIVE on LEASE TERM COMMENCEMENT DATE*								
		Area 1 Rent**	Area 2 Rent	Total Rent***		Area 1 Rent**	Area 2 Rent	Total Rent
Rent Year	1	\$3,655,608	\$2,437,072	\$6,092,681	Rent Year	21	\$5,421,400	\$3,614,267
Rent Year	2	\$3,728,355	\$2,485,570	\$6,213,925	Rent Year	22	\$5,529,286	\$3,686,191
Rent Year	3	\$3,802,549	\$2,535,033	\$6,337,582	Rent Year	23	\$5,639,319	\$3,759,546
Rent Year	4	\$3,878,220	\$2,585,480	\$6,463,700	Rent Year	24	\$5,751,542	\$3,834,361
Rent Year	5	\$3,955,396	\$2,636,931	\$6,592,327	Rent Year	25	\$5,865,997	\$3,910,665
Rent Year	6	\$4,034,109	\$2,689,406	\$6,723,515	Rent Year	26	\$5,982,731	\$3,988,487
Rent Year	7	\$4,114,388	\$2,742,925	\$6,857,313	Rent Year	27	\$6,101,787	\$4,067,858
Rent Year	8	\$4,196,264	\$2,797,509	\$6,993,773	Rent Year	28	\$6,223,213	\$4,148,808
Rent Year	9	\$4,279,770	\$2,853,180	\$7,132,949	Rent Year	29	\$6,347,054	\$4,231,370
Rent Year	10	\$4,364,937	\$2,909,958	\$7,274,895	Rent Year	30	\$6,473,361	\$4,315,574
Rent Year	11	\$4,451,799	\$2,967,866	\$7,419,665	Rent Year	31	\$6,602,181	\$4,401,454
Rent Year	12	\$4,540,390	\$3,026,927	\$7,567,317	Rent Year	32	\$6,733,564	\$4,489,043
Rent Year	13	\$4,630,744	\$3,087,163	\$7,717,906	Rent Year	33	\$6,867,562	\$4,578,375
Rent Year	14	\$4,722,896	\$3,148,597	\$7,871,493	Rent Year	34	\$7,004,227	\$4,669,484
Rent Year	15	\$4,816,881	\$3,211,254	\$8,028,135	Rent Year	35	\$7,143,611	\$4,762,407
Rent Year	16	\$4,912,737	\$3,275,158	\$8,187,895	Rent Year	36	\$7,285,768	\$4,857,179
Rent Year	17	\$5,010,501	\$3,340,334	\$8,350,834	Rent Year	37	\$7,430,755	\$4,953,837
Rent Year	18	\$5,110,210	\$3,406,806	\$8,517,016	Rent Year	38	\$7,578,627	\$5,052,418
Rent Year	19	\$5,211,903	\$3,474,602	\$8,686,505	Rent Year	39	\$7,729,442	\$5,152,961
Rent Year	20	\$5,315,620	\$3,543,746	\$8,859,366	Rent Year	40	\$7,883,258	\$5,255,505
Option Year	41	\$8,040,135	\$5,360,090	\$13,400,225	Option Year	46	\$8,872,608	\$5,915,072
Option Year	42	\$8,200,133	\$5,466,756	\$13,666,889	Option Year	47	\$9,049,173	\$6,032,782
Option Year	43	\$8,363,316	\$5,575,544	\$13,938,860	Option Year	48	\$9,229,251	\$6,152,834
Option Year	44	\$8,529,746	\$5,686,497	\$14,216,243	Option Year	49	\$9,412,913	\$6,275,276
Option Year	45	\$8,699,488	\$5,799,659	\$14,499,147	Option Year	50	\$9,600,230	\$6,400,154
*Lease Term Commencement Date subject to Substantial Completion and terms in Third Amendment to Campus Lease, no later than April 30, 2027. If Substantial Completion is earlier than outside date Exhibit 1 will be updated accordingly.								
**Area 1 and Area 2 Rent is paid monthly in advance of the month for which rent is due. Annual rent increase is 1.99%								
***Total Campus Rent excluding Area 2 Additional Rent which is set forth on Exhibit 1a.								

EXHIBIT 1a.*

Payment Due Date (no later than)	Area 2 Additional Rent**
September 15 2026	\$27,028,543
March 15 2027	\$22,715,411
September 15 2027	\$22,715,411
March 15 2028	\$22,715,411
September 15 2028	\$22,715,411
March 15 2029	\$22,715,411
September 15 2029	\$22,715,411
March 15 2030	\$22,715,411
September 15 2030	\$22,715,411
March 15 2031	\$22,715,411
September 15 2031	\$22,715,411
March 15 2032	\$22,715,411
September 15 2032	\$22,715,411
March 15 2033	\$22,715,411
September 15 2033	\$22,715,411
March 15 2034	\$22,715,411
September 15 2034	\$22,715,411
March 15 2035	\$22,715,411
September 15 2035	\$22,715,411
March 15 2036	\$22,715,411
September 15 2036	\$22,715,411
March 15 2037	\$22,715,411
September 15 2037	\$22,715,411
March 15 2038	\$22,715,411
September 15 2038	\$22,715,411
March 15 2039	\$22,715,411
September 15 2039	\$22,715,411
March 15 2040	\$22,715,411
September 15 2040	\$22,715,411
March 15 2041	\$22,715,411
September 15 2041	\$22,715,411
*Area 2 Additional Rent is subject to the Campus Finance Adjustment Period. The amounts set forth above are based on pricing estimate on October 25, 2023.	
**Subject to refinancing in Section 21(d-f) of the Third Amendment to Campus Lease.	

EXHIBIT 1a. (cont.)*

Payment Due Date (no later than)	Area 2 Additional Rent**
March 15' 2042	\$22,715,411
September 15 2042	\$22,715,411
March 15 2043	\$22,715,411
September 15 2043	\$22,715,411
March 15 2044	\$22,715,411
September 15 2044	\$22,715,411
March 15 2045	\$22,715,411
September 15 2045	\$22,715,411
March 15 2046	\$22,715,411
September 15 2046	\$22,715,411
March 15 2047	\$22,715,411
September 15 2047	\$22,715,411
March 15 2048	\$22,715,411
September 15 2048	\$22,715,411
March 15 2049	\$22,715,411
September 15 2049	\$22,715,411
March 15 2050	\$22,715,411
September 15 2050	\$22,715,411
March 15 2051	\$22,715,411
September 15 2051	\$22,715,411
March 15 2052	\$22,715,411
September 15 2052	\$22,715,411
March 15 2053	\$22,715,411
September 15 2053	\$22,715,411
March 15 2054	\$22,715,411
September 15 2054	\$22,715,411
March 15 2055	\$22,715,411
September 15 2055	\$22,715,411
March 15 2056	\$22,715,411
September 15 2056	\$22,715,411
*Area 2 Additional Rent is subject to the Campus Finance Adjustment Period. The amounts set forth above are based on pricing estimate on October 25, 2023.	
**Subject to refinancing in Section 21(d-f) of the Third Amendment to Campus Lease.	

**FIRST AMENDMENT TO
CRUISE TERMINAL USAGE AGREEMENT
(Cruise Terminal G, Shared Terminal, and Berth 10)**

This First Amendment (the “First Amendment”) to the Cruise Terminal Usage Agreement (the “Agreement”) is entered into this ____ day of November 2023 by and between Miami-Dade County (the “County”), a political subdivision of the State of Florida, and Royal Caribbean Cruises Ltd., d/b/a Royal Caribbean Group (“RCG”), a Liberian corporation. The County and RCG are each a “Party,” and, jointly, are the “Parties.”

RECITALS

WHEREAS, on November 15, 2022, the Board of County Commissioners approved Resolution No. R-1104-22 authorizing the County to enter into the Agreement providing for the County’s design and construction of improved and expanded cruise terminal facilities in and around the local of Cruise Terminal G; and

WHEREAS, under the Agreement, the Parties agreed that the Project Budget for the design and construction of the Cruise Terminal G Improvements and Berth 10 Improvements was Three Hundred Twenty-Five Million Dollars (\$325,000,000.00); and

WHEREAS, the Agreement further provides that the County is not required to enter into a Design-Build Agreement for the design and construction of the Cruise Terminal G Improvements if the contract price would exceed Two Hundred Twenty-Five Million Dollars (\$225,000,000.00), identified in the Agreement as the “CTG Project Maximum”; and

WHEREAS, under the Agreement, the CTG Substantial Completion Date was December 1, 2026; and

WHEREAS, during the course of planning of the Cruise Terminal G Improvements, as a result of the increasing costs of construction and design requests by RCG, it has become clear that the Design-Build Agreement will exceed the CTG Project Maximum; and

WHEREAS, in consideration of changes that RCG has requested to the Campus Lease, the Parties desire to amend the Agreement as set forth herein.

NOW, THEREFORE, in exchange for good and valuable consideration, the receipt and sufficiency of which the Parties acknowledge, the Parties agree as follows:

TERMS AND CONDITIONS

1. Section 1.02 of the Agreement is amended and restated as follows:

Effective Date. This Agreement shall become effective upon the Effective Date of the First Amendment; provided, however, that on or before that date, the Board of County Commissioners shall have adopted a resolution approving the First Amendment and authorizing its execution, the County Mayor’s veto period shall have expired or been waived, and the First Amendment shall have been executed by the County Mayor or County Mayor’s designee (the “Effective Date”).

2. Section 1.03(d) is amended and restated as follows:

Renewal Incentive. Provided that the RCG is not in default under the terms of this Agreement, if RCG exercises the first renewal option set forth in Section 1.03(b), RCG's repayment of the RCG Contribution will terminate when RCG has been invoiced for and paid the Incentive Revenue Target. In the event the Incentive Revenue Target is met prior to the date RCG is obligated to exercise the first extension option set forth in Section 1.03(d) (36 months before the expiration date), the County shall no longer charge RCG the Capital Recovery Surcharge unless RCG fails to exercise such extension option, at which time the Capital Recovery Surcharge shall be charged by the County until such time as the RCG Contribution is paid in full.

3. Section 2.02(c) of the Agreement is amended and restated as follows:

The Design-Build Agreement.

. . . .

- (c) The maximum project budget is Four Hundred Twenty-Five Million Dollars (\$425,000,000.00) (the "Project Budget"), provided that, subject to Section 2.02(c)(5), the County shall not be obligated to enter into any Design-Build Agreement for the Cruise Terminal G Improvements exceeding Three Hundred Twenty-Five Million Dollars (\$325,000,000.00) inclusive of any contingencies and allowances (the "CTG Project Maximum"). The Project Budget shall be mutually agreed by the Parties and shall include all contingencies and provisions for fees and other costs customarily included within County construction contracts such as dedicated allowances for permitting and compliance with the Art in Public Places Program. Except as provided in Section 2.02(c)(5), any increase in the mutually agreed Project Budget for reasons other than a RCG Requested Change shall be the sole risk, cost, and expense of the County. It is expressly agreed by the County that RCG shall only be liable to County for Project Budget costs up to the RCG Contribution and that RCG shall have no liability for any amount above said contribution, except for a RCG Requested Change.

4. Section 2.02(c)(2) is hereby amended and restated as follows:

Project Budget Savings. To the extent the actual cost of the Project (as determined by the actual costs incurred on the design, engineering, development, and construction of the Project) is less than Four Hundred Eight Million Seven Hundred Fifty Thousand Dollars (\$408,750,000), then the Parties agree that the Capital Recovery Surcharge paid by RCG shall be reduced so that RCG's payment obligation is based on the actual cost of the Project (plus costs and interest consistent with those set forth in Exhibit D), except that such adjustment shall be limited to those savings exceeding Four Hundred Eight Million Seven Hundred Fifty Thousand Dollars (\$408,750,000). By way of example, if the actual costs incurred on the Project is Four Hundred Five Million Seven Hundred Fifty Thousand Dollars (\$405,750,000), then the Capital Recovery Surcharge will be adjusted to reflect a Four Hundred Twenty-Two Million Dollar (\$422,000,000) project cost for

purposes of the Capital Recovery Surcharge (\$425,000,000 minus \$3,000,000). The County shall credit RCG the difference between the amounts paid by RCG under the pre-adjusted Capital Recovery Surcharge until such credit is exhausted in its entirety.

5. Section 2.02(c)(5) is hereby added:

CTG Project Maximum Overruns. To the extent the highest-ranked, responsible and responsive proposal for a Design-Build Agreement exceeds the CTG Project Maximum, the County shall have the right, (i) if agreed by RCG, to share such excess costs with RCG, with such excess costs added to the RCG Contribution or (ii) to exercise the rights that the County has with respect to Cost Overruns.

6. Section 3.02(c) shall be amended to add the following sentence at the conclusion of that Section:

In the alternative to the remedies afforded under this Section 3.02(c), the County may, in its sole and exclusive discretion, absorb the additional costs exceeding the Material Adverse Change threshold.

7. The following definitions set forth in Exhibit A to the Agreement shall be amended and restated as follows:

“CTG Project Maximum” shall mean Three Hundred Twenty-Five Million Dollars (\$325,000,000.00) inclusive of any contingencies and allowances.

“CTG Substantial Completion Date” shall mean the Substantial Completion date established in the Design-Build Agreement for the Substantial Completion of the Cruise Terminal G Improvements, to be no later than December 31, 2027.

The definition of Financing Confirmation shall be deleted.

“Project Budget” is the maximum project budget in the amount of Four Hundred Twenty-Five Million Dollars (\$425,000,000.00).

“Repayment Commencement Date” shall mean the date RCG shall commence payment of the RCG Contribution (October 1, 2024).

“Surplus Cap” means the amount in the Reconciliation Account not to exceed forty percent (40%) of the then-applicable Minimum Annual Guarantee (taking into account any Surplus credits from the Existing CTG Agreement including, any existing Surplus balance as of the Effective Date herein) as provided for in Section 3.04(a).

8. Exhibits C and D shall be replaced with Exhibits C and D to this First Amendment.

IN ACCEPTANCE WHEREOF, Miami-Dade County and Royal Caribbean Group have set their respective hands as of the date and year appearing by their respective signatures.

Royal Caribbean Group

By: Naftali Holtz

Print: Naftali Holtz

Title: Chief Financial Officer

Dated: October 30, 2023.

Attest:

Print: Lauren Ainsley

Miami-Dade County, Florida

By: _____

Print: _____

Title: _____

Dated: _____, 2023.

By: _____

Assistant County Attorney
As to Form and Legal Sufficiency

Exhibit C

RCG Passenger Movement Minimum Annual Guarantee (MAG)*

<u>Fiscal Year**</u>	<u>MAG</u>	<u>Fiscal Year</u>	<u>MAG</u>
Development Phase (1)		First Option to Extend	
2023-24***	700,000	2042-43	2,100,000
2024-25	600,000	2043-44	2,100,000
2025-26	750,000	2044-45	2,100,000
2026-27	750,000	2045-46	2,100,000
Initial Term Phase I (2)		2046-47	2,100,000
2027-28	1,500,000	2047-48	2,100,000
2028-29	1,500,000	2048-49	2,100,000
2029-30	1,500,000	Second Option to Extend	
2030-31	1,500,000	2049-50	2,100,000
2031-32	1,500,000	2050-51	2,100,000
Initial Term Phase II (3)		2051-52	2,100,000
2032-33	1,750,000	2052-53	2,100,000
2033-34	1,750,000	2053-54	2,100,000
2034-35	1,750,000	2054-55	2,100,000
2035-36	1,750,000	2055-56	2,100,000
2036-37	1,750,000	Third Option to Extend	
Initial Term Phase III		2056-57	2,100,000
2037-38	2,100,000	2057-58	2,100,000
2038-39	2,100,000	2058-59	2,100,000
2039-40	2,100,000	2059-60	2,100,000
2040-41	2,100,000	2060-61	2,100,000
2041-42	2,100,000	2061-62	2,100,000
		2062-63	2,100,000

*In accordance with the Cruise Terminal Usage Agreement and First Amendment to Cruise Terminal Usage Agreement.

**Fiscal Year is October 1 through September 30.

***2023-24 MAG in excess of 600,000 RCG commitment satisfies previous shortfalls.

1. RCG shall not be required to utilize the Reconciliation Account established in Section 3.04 for any Shortfall Amount that is equal to or less than twenty percent (20%) of the Minimum Annual Guarantee that is applicable during the Development Period nor shall any Shortfall Amount be owed so long as the Shortfall is within the 20% threshold during the Development Period.

2. In the event Cruise Terminal G is not substantially completed by December 31, 2027, the MAG shall remain at 750,000 annual passenger movements (pro-rated accordingly for any partial year) until such time as Substantial Completion is obtained.

3. In the event Berth 10 is not substantially complete by the Commencement of Initial Term Phase III, the MAG shall remain at 1,750,000 annual passenger movements (pro-rated accordingly for any partial year) until such time as Substantial Completion is obtained.

Exhibit D

RCG CRS @ 53%, reducing to 47% of Applicable Project Cost*			
ROYAL CARIBBEAN (RCG) PROJECT CONTRIBUTION FEE SCHEDULE & RATES			
CRS-TERM 17 Years	Project Cap*** 6.5% Interest Rate	CRS Passenger Movement Equivalent	CRS Fee Per Passenger Movement
Fiscal Year**	Annual CRS Fee Guarantee***	Passenger Movements	
2023-24			
2024-25	\$4,752,000	600,000	\$7.92
2025-26	\$7,897,500	750,000	\$10.53
2026-27	\$8,137,500	750,000	\$10.85
2027-28	\$16,755,000	1,500,000	\$11.17
2028-29	\$17,265,000	1,500,000	\$11.51
2029-30	\$17,775,000	1,500,000	\$11.85
2030-31	\$18,315,000	1,500,000	\$12.21
2031-32	\$18,855,000	1,500,000	\$12.57
2032-33	\$22,662,500	1,750,000	\$12.95
2033-34	\$23,345,000	1,750,000	\$13.34
2034-35	\$24,045,000	1,750,000	\$13.74
2035-36	\$24,762,500	1,750,000	\$14.15
2036-37	\$25,515,000	1,750,000	\$14.58
2037-38	\$31,521,000	2,100,000	\$15.01
2038-39	\$32,466,000	2,100,000	\$15.46
2039-40	\$33,453,000	2,100,000	\$15.93
2040-41	\$34,440,000	2,100,000	\$16.40
2041-42	\$34,440,000	2,100,000	\$16.40
	\$396,402,000		
****Projected Balance at the end of Initial Term.	\$0		
*Determination of 53% or 47% subject to renewal incentive in Section 1.03(d) of the Cruise Terminal Usage Agreement			
**Fiscal year means October 1 through September 30.			
***With 2% cost for debt issuance included. To be adjusted reflecting actual project costs in accordance with terms of the Cruise Terminal Usage Agreement and First Amendment to Cruise Terminal Usage Agreement. The Annual CRS Fee Guarantee is the minimum due in the amount listed for each fiscal year regardless of actual passenger movements for that fiscal year.			
****In the event of a CRS balance at the end of the Initial Term (i) if the first extension option is exercised by RCG, the CRS shall continue to be charged during the Initial Term until there is a zero balance or (ii) if the first extension option is not exercised by RCG, the full CRS balance shall be deemed payable by RCG within 30 days of the expiration of the Cruise Terminal Usage Agreement.			

**FIRST AMENDMENT TO
CONSTRUCTION AGENCY SERVICES AGREEMENT**

THIS FIRST AMENDMENT TO CONSTRUCTION AGENCY SERVICES AGREEMENT (the “First Amendment”) is entered into and effective as of November __, 2023 (the “Effective Date”) by and between Miami-Dade County, a political subdivision of the State of Florida (“County”), and Royal Caribbean Cruises Ltd. d/b/a Royal Caribbean Group, a Liberian corporation (“Lessee” or “Construction Agent”).

RECITALS

WHEREAS, County and Lessee are parties to that certain Campus Lease dated June 13, 2019 (approved through Resolution No. R-520-19) (the “Campus Lease”), as amended by that First Amendment to Campus Lease dated January 31, 2022 (approved through Resolution No. R-40-22) (the “First Amendment”) and that Second Amendment to Campus Lease dated December 1, 2022 (approved through Resolution No. R-1104-22) (the “Second Amendment” and collectively with the First Amendment and Campus Lease, the “Lease”) pursuant to which Lessee leases from County the Leased Premises located at 1050 and 1080 Caribbean Way, Miami, Florida, and Lessee and County committed to developing additional improvements for Lessee’s global headquarters campus on land owned by the County, defined in the Lease as the “Campus Improvements,” including, but not limited to improvements to existing office buildings, a new office building, and a new parking garage; and

WHEREAS, County and Lessee have agreed to enter into that Third Amendment to Campus Lease dated even date herewith (the “Third Amendment”), which among other things, extends certain timelines set forth in the Lease; and

WHEREAS, County and Lessee are parties to that certain Construction Agency Services Agreement dated December 1, 2022 (approved through Resolution No. R-1104-22) (the “Agreement”), pursuant to which County desires to engage Construction Agent to provide construction agency services for the design and construction of the Campus Improvements, and Construction Agent desires to perform such services; and

WHEREAS, County and Construction Agent desire to enter into this First Amendment in order to amend the Agreement, as set forth below.

NOW THEREFORE, in consideration of the mutual covenants and agreements set for herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto intending to be legally bound, hereby agree to the following:

TERMS AND CONDITIONS

1. Recitals. The Recitals are adopted as true and correct and incorporated into this First Amendment.

2. Application of Terms. Capitalized terms used in this First Amendment and not defined herein shall have the meanings ascribed to them in the Agreement.

3. The definition of **Project Budget** is hereby amended and restated as follows:

Project Budget: shall mean the budget for the entire Project. The Project Budget will be attached to this Agreement as **Exhibit C** once prepared in accordance with Section 6.2.

4. The definition of **Draw Schedule** is hereby added to Article 1 and shall have the meaning set forth in Section 7.2.8 of the Agreement, added to the Agreement pursuant to Section 11(b) of this First Amendment.

5. The definition of **Plans and Specifications** is hereby amended and restated as follows:

Plans and Specifications: shall mean the plans and specifications attached hereto as **Exhibit B**, approved by the County and provided by Construction Agent to the General Contractor for the Project, which plans and specifications may be modified from time to time to incorporate design changes as the Project progresses, as mutually agreed by the County and Construction Agent.

6. Project Design. A new Section 2.3.2 is hereby added to the Agreement:

2.3.2 Notwithstanding anything contained in the Agreement to the contrary, the County acknowledges that, subject to the limitations contained herein, Construction Agent may modify the Plans and Specifications to (i) value engineer the Project, (ii) incorporate changes required by the Governmental Authority, or (iii) incorporate other design changes which benefit the Project, as determined by Construction Agent in its reasonable discretion. Notwithstanding the foregoing, the Construction Agent shall not have the authority, without the County's written consent, to materially reduce the scope of the critical Project elements as currently designed and described on **Attachment 1**, attached hereto and incorporated by this reference, in a manner that, in the County's reasonable determination, materially adversely impacts the facility that will be titled to the County. Construction Agent will meet with the County as determined by Construction Agent in its reasonable discretion to provide an overview of any proposed design changes to the critical Project elements set forth on **Attachment 1**, which would materially modify the Plans and Specifications for approval by County, which County shall not unreasonably withhold, condition, or delay.

7. Authority of Construction Agent.

- a. Section 2.5.1 of the Agreement is hereby amended and restated to (i) remove the obligation for General Contractor to submit a cost loaded Project Schedule, and (ii) correct a scrivener's error to a section reference, as follows:

Construction Agent shall have the authority, on County's behalf, to oversee and direct the construction of the Project, including but not limited to, approval of building, site and other plans (to the extent the Construction Agent's directions are consistent with the County's approved Plans and Specifications), obtaining building and other permits, negotiating and executing the Construction Agreement and other contracts, monitoring construction and making periodic inspections, approval of any of the General Contractor's invoices for payment (to the extent those invoices are consistent with the GMP and the Project Schedule

prepared in accordance with Section 6.3, except as otherwise approved by County), and submission of payment, all in accordance with the terms and conditions contained herein. Nothing in the foregoing, however, shall be read or construed to authorize the Construction Agent to override a requirement of this Agreement or an approval or prerogative reserved to the County pursuant to this Agreement.

b. Section 2.5.3 is hereby amended and restated as follows:

Construction Agent, as County's agent, is hereby authorized on behalf of County to negotiate and execute, and shall execute on behalf of County, such construction and other contracts (including the Construction Agreement) as may be required for the construction of Project (the Construction Agreement and such other contracts being hereinafter called collectively, "**Third-Party Contracts**", provided that in no event shall such term include subcontracts entered into by the General Contractor) in accordance with the Plans and Specifications, as long as the total amount of such Third Party Contracts does not obligate the County to expend amounts in excess of the Project Budget (amounts prefunded by Lessee in accordance with Section 7.2.1 of this Agreement shall not be deemed to be County expended amounts). Any Third-Party Contract that would obligate the County to expend amounts in excess of the Project Budget shall be subject to the cost-reduction procedures set forth in Section 9.3; such cost-reduction shall be implemented prior to entry into such Third-Party Contract. It is the intent of the Parties that all Third-Party Contracts be entered into by Construction Agent as agent for County, and each Third-Party Contract entered into by the Construction Agent shall identify the County as an intended third-party beneficiary. For the avoidance of doubt, to the extent that Construction Agent is not deemed, for any reason, to have been acting as agent for County in connection with the execution of any Third Party Contracts, Construction Agent hereby irrevocably assigns to County all of the rights arising under and related to each and every Third Party Contract and all documents executed pursuant thereto, and County hereby expressly assumes and agrees to observe and perform its obligations under each such Third Party Contract executed by Construction Agent on behalf of County in accordance with this Agreement. Notwithstanding the preceding sentence, the County shall not be required to assume (i) any Third-Party Contract entered into by the Construction Agent for any purpose other than for the construction of the Project in accordance with the Plans and Specifications, or (ii) any Third Party Contract(s) if the assumption of such Third Party Contracts would collectively require the County to expend amounts in excess of the Project Budget. Nothing in the foregoing Section or this Agreement shall be construed so as to require the County to fund any amount greater than the Maximum Project Cost.

8. Covenants of Construction Agent. Section 2.6(iv) is hereby amended and restated as follows:

(iv) protect the County's financial interests by, without limitation, not entering into any contractual obligations, written or otherwise, that would cause the County to incur expenses greater than the Project Budget and where appropriate, by disputing unsubstantiated claims by any claimants under Third Party Contracts entered into by Construction Agent under this Agreement; and

9. Project Budget. Section 6.2 of the Agreement is hereby amended and restated as follows:

The Project Budget for the Project will be prepared by Construction Agent and approved by County within thirty (30) days of the Execution Date and will be attached hereto as Exhibit C. The Project Budget shall be updated within thirty (30) days of the Effective Date and shall replace the Project Budget initially attached hereto as Exhibit C. The Project Budget shall include adequate contingencies of both time and money (with detailed contingency categories) as mutually agreed by the Parties to ensure successful delivery of the Project. Any increases to the Project Budget must be approved by the written consent of both Construction Agent and the Contract Administrator, subject to the limitations on the Contract Administrator's authority as previously provided. Notwithstanding any mutually agreed upon increases to the Project Budget, County shall not be required to expend more than the Maximum Project Cost, inclusive of both the Campus Improvements and Future Improvements, and any overruns beyond the Maximum Project Cost shall be borne exclusively by the Lessee.

10. Payments to Construction Agent.

- a. Section 7.1.1 of the Agreement, as contemplated, is hereby amended to clarify that the Project Manager Fee shall (i) be funded directly by County outside of the Project Financing, in a lump sum amount included with the first Application for Payment in accordance with the Draw Schedule, and (ii) be excluded from the Maximum Project Cost.
- b. Section 7.1.2 of the Agreement is hereby amended and restated as follows:

County shall pay Construction Agent a lump sum not-to-exceed amount of Thirty Million Dollars (\$30,000,000) to reimburse Construction Agent for certain costs and expenses incurred by Construction Agent in connection with the design and development of the Project between the Project Suspension Date and the Second Development Period. Such payment shall be included in the Maximum Project Cost. Within thirty (30) days of the Effective Date, Construction Agent shall provide County with supporting documentation of the costs and expenses incurred by Construction Agent, and County shall have thirty (30) days to review and comment on such supporting documentation. The Parties shall meet to discuss the County's comments, if any, and County shall issue payment to Construction Agent no later than ten (10) business days following receipt of the supporting documentation. The County will reimburse itself for this contribution from Bond proceeds.

11. Payments to General Contractor.

- a. Section 7.2 of the Agreement (retainage) is hereby amended and restated as follows:

County shall pay General Contractor in accordance with the terms and conditions contained in this Section 7.2. The Construction Agreement shall provide for the withholding of retainage in an amount not lower than ten percent (10%) for the first fifty percent (50%) of the construction work, and five percent (5%) thereafter which

shall be released only upon Final Completion of the Project.

- b. Section 7.2.1 (Application for Payment) of the Agreement is hereby amended to add the following sentence to the end of the paragraph:

Construction Agent shall require the General Contractor to submit monthly Application for Payments until receipt of the final Application for Payment upon Final Completion of the Project. County will continue to process and pay such Applications for Payment until Final Completion of the Project, even if the Applications for Payment exceed the Maximum Project Cost or Project Budget, provided that Construction Agent shall prefund County at least ten (10) business days prior to the submission of each payment exceeding the Maximum Project Cost to ensure timely administration of payments by County.

- c. A new Section 7.2.8 is hereby added:

7.2.8 As part of the Financing Confirmation (as defined in the Lease), the Parties will agree on a mutually agreed upon draw schedule for the Project (the "Draw Schedule"). In the event the Construction Agent requires funds for direct Project related expenses in excess of the amounts specified in the Draw Schedule for any particular month, the County shall advance up to Five Million Dollars (\$5,000,000) from its working capital at no additional cost or penalty to the Project. Funds advanced pursuant to this Section 7.2.8 shall be reimbursed to County from a future draw under the Draw Schedule as mutually agreed by the Parties. At no time shall the amount of funds advanced pursuant to this Section exceed Five Million Dollars (\$5,000,000) at any one time. All amounts advanced pursuant to this Section 7.2.8 shall be repaid to the County on the date of Substantial Completion.

12. Agreement Regarding GMP and Substantial Completion Date. The Substantial Completion Date referenced in Section 9.1 of the Agreement as June 30, 2026, is hereby modified to extend the Substantial Completion date, by no later than January 1, 2027, subject to Force Majeure and other permitted extensions as set forth in the Agreement and Lease.

13. Changes to Construction Agreement. Section 10.1 is hereby amended and restated as follows:

Construction Agent shall have the authority to approve any changes to the Construction Agreement that would increase, decrease, or otherwise modify the scope of work to be provided by the General Contractor without the consent of the Contract Administrator so long as such changes do not (i) increase the GMP, or (ii) delay the Substantial Completion Date. Such changes must be contained in a Change Order, a copy of which shall be provided to Contract Administrator. Any change order that impacts GMP or the Substantial Completion Date must be approved by Contract Administrator; provided, however, such approval to increase the GMP shall not be unreasonably withheld so long as the Project Budget will not be exceeded. Subject to the limitations of the preceding sentences, costs of additional services contained in a written Change Order will be compensated in accordance with the terms and conditions of the Construction Agreement. The Construction Agent shall not have the authority to materially reduce the scope of the

critical Project elements set forth on Attachment 1, in a manner that in the County's determination adversely impacts the facility that will be titled to the County, unless approval from the County is received in writing.

14. Completion of Construction. Section 11.11 of the Agreement is hereby amended to add the following sentence to the end of the paragraph:

In addition to Construction Agent's obligation to provide as-built drawings to County in accordance with this Section 11.11, if the Final Cost of the Project exceeds the Maximum Project Cost, then Construction Agent shall provide County with supporting documentation for all amounts spent over the Maximum Project Cost. The foregoing, however, shall not be construed to obligate the County to expend more than the Maximum Project Cost.

15. Article 21.6 of the Agreement is hereby created to read as follows:

21.6 A. Inspector General. According to Section 2-1076 of the Code of Miami-Dade County, the County has established the Office of the Inspector General (IG) which may, on a random basis, perform audits, inspections, and reviews of all County contracts or Public Health Trust contracts. This random audit is separate and distinct from any other audit by the County. To the extent required by the County Code, to pay for the functions of the Office of the Inspector General, any and all payments to be made to the Construction Agent under this Agreement will be assessed one quarter (1/4) of one (1) percent of the total amount of the payment, to be deducted from each payment as the same becomes due unless.

The Miami-Dade Office of Inspector General is authorized to investigate County affairs and empowered to review past, present and proposed County and Public Health Trust programs, accounts, records, contracts and transactions. In addition, the Inspector General has the power to subpoena witnesses, administer oaths, require the production of witnesses and monitor existing projects and programs. Monitoring of an existing project or program may include a report concerning whether the project is on time, within budget and in conformance with plans, specifications and applicable law. The Inspector General shall have the power to audit, investigate, monitor, oversee, inspect and review operations, activities, performance and procurement process including but not limited to project design, bid specifications, (bid/proposal) submittals, activities of the Construction Agent, its officers, agents and employees, lobbyists, County and Public Health Trust staff and elected officials to ensure compliance with contract specifications and to detect fraud and corruption.

Upon ten (10) days written notice, the Construction Agent shall make all requested records and documents available to the Inspector General for inspection and copying. The Inspector General shall have the right to inspect and copy all documents and records in the Construction Agent's

possession, custody or control which in the Inspector General's sole judgment, pertain to performance of the Agreement, including, but not limited to original estimate files, change order payment application files, worksheets, proposals and contracts from and with successful Subcontractors and suppliers, all Project-related correspondence, memoranda, instructions, financial documents, construction documents, (bid/proposal) and contract documents, back-change documents, all documents and records which involve cash, trade or volume discounts, insurance proceeds, rebates, or dividends received, payroll and personnel records and supporting documentation for the aforesaid documents and records.

The Construction Agent shall make available at its office at all reasonable times the records, materials, and other evidence regarding the acquisition (bid preparation) and performance of this Agreement, for examination, audit, or reproduction, until four (4) years after final payment under this Agreement or for any longer period required by statute or by other clauses of this Agreement. In addition:

If this Agreement is completely or partially terminated, the Construction Agent shall make available records relating to the work terminated until four (4) years after any resulting final termination settlement; and the Construction Agent shall make available records relating to appeals or to litigation or the settlement of claims arising under or relating to this Agreement until such appeals, litigation, or claims are finally resolved.

To the extent required by the County Code, the provisions in this Section shall apply to the Construction Agent, General Contractor, and Third-Party Contractor, and their vendors, consultants, and their officers, agents, employees, subcontractors and suppliers. The Construction Agent and General Contractor shall incorporate the provisions in this Section in all subcontracts and all other contracts executed in connection with the performance of this Agreement.

Nothing in this Section shall impair any independent right to the County to conduct audits or investigative activities. The provisions of this Section are neither intended nor shall they be construed to impose any liability on the County by the Construction Agent or General Contractor, any vendor, and consultants or third parties.

Exception: The above application of one quarter (1/4) of one percent fee assessment shall not apply to the following contracts:

(a) IPSIG contracts; (b) contracts for legal services; (c) contracts for financial advisory services; (d) auditing contracts; (e) facility rentals and lease agreements; (f) concessions and other rental Contracts; (g) insurance contracts; (h) revenue-generating contracts; (i) contracts where an IPSIG is

assigned at the time the contract is approved by the Trust; (j) professional service agreement under \$1,000; (k) management agreements; (l) small purchase orders as defined in Miami-Dade County Administrative Order 3-2; (m) federal, state and local government-funded grants; and (n) inter-local agreements. Notwithstanding the foregoing, the Trust may authorize the inclusion of the fee assessment of one-quarter (1/4) of one percent in any exempted contract at the time of award.

Nothing contained above shall in any way limit the powers of the Inspector General to perform audits on all contracts including, but not limited to, those contracts specifically exempted above.

B. Independent Private Sector Inspector General (IPSIG)

The attention of the Construction Agent is hereby directed to the requirements of A.O. 3-20 and R-516-96; the County shall have the right but not the obligation to retain the services of an independent private-sector inspector general (IPSIG) who may be engaged to audit, investigate, monitor, oversee, inspect and review the operations, activities and performance of the Construction Agent and County in connection with this Agreement. The scope of services performed by an IPSIG may include, but are not limited to, monitoring and investigating compliance with Agreement; project costs; and investigating and preventing corruption and fraud.

The IPSIG may perform its services at all levels of the contracting and procurement process including but not limited to project design, establishment of bid specifications, bid submittals, activities of Construction Agent, its officers, agents and employees, lobbyists, County staff and elected officials.

Upon ten (10) days written notice to Construction Agent from an IPSIG, the Construction Agent shall make all requested records and documents available to the IPSIG for inspection and copying. The IPSIG shall have the right to examine all documents and records in the Construction Agent's possession, custody or control which in the IPSIG's sole judgment pertain to performance of the Agreement, including but not limited to original estimate files, bid and change order estimates, worksheets, proposals and contracts from and with successful and unsuccessful subcontractors and suppliers, all project-related correspondence, memoranda, instructions, financial documents, construction documents, bid and contract documents, back-charge document, all documents and records which involve cash, trade or volume discounts, insurance proceeds, rebates, or dividends received, payroll and personnel records, and supporting documentation for the aforesaid documents and records.

The provisions in this Section shall apply to the Construction Agent, its

officers, agents and employees. The Construction Agent shall incorporate the provisions in this section in all subcontracts and all other agreements executed by the Construction Agent in connection with the performance of this Agreement. Nothing in this Agreement shall impair any independent right of the County to conduct audit or investigative activities. The provisions of this Section are neither intended nor shall they be construed to impose any liability on the County by the Construction Agent or third parties.

16. No Other Amendments. Other than the amendments expressly set forth above, the remainder of the Agreement shall be unaffected hereby.

17. Counterpart Execution. This First Amendment may be executed in multiple counterparts, each of which shall be fully effective as an original, which together shall constitute only one (1) instrument.

18. Entire Agreement. This First Amendment contains the entire agreement of the parties hereto with respect to the matters specifically addressed herein, and other than as expressly set forth in this First Amendment, no other agreement, statement or promise, regarding the matters covered hereby, made by any party hereto, or to any employee, officer or agent of any party hereto, which is not contained herein, shall be binding or valid. This First Amendment may not be amended, modified or supplemented except by written instrument executed by County and Lessee, and, as to County, only after such written instrument is first authorized by an effective written resolution duly approved by the Board of County Commissioners of Miami-Dade County.

[Signatures follow]

IN WITNESS WHEREOF, the Parties hereto have hereunto set their hands under seals, the day and year first above written.

Signed, sealed and delivered
in the presence of:

MIAMI-DADE COUNTY,
FLORIDA, a political subdivision
of the State of Florida

By: _____
Daniella Levine Cava
County Mayor

Approved as to legal form and sufficiency

ATTEST:
CLERK OF THE BOARD

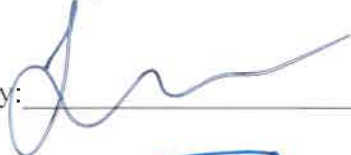
Assistant County Attorney

By: _____
Deputy Clerk

Signed, sealed and delivered

ROYAL CARIBBEAN CRUISES LTD.

ATTEST:

By: _____


By: _____


By: _____
Name: Naftali Holtz
Title: Chief Financial Officer



Attachment 1

Critical Project Elements

The Project will consist of a new office building, a new parking garage, and connecting hardscapes between these two new structures and the existing 1050 and 1080 buildings to create a cohesive campus. The profile of the office building is intended to be an iconic addition to the Miami Skyline with dramatic lines inspired by Royal Caribbean Group's fleet and expansive glass glazing in all directions and at all ten levels of the building. Of the ten office floors, seven will be dedicated to employee offices and workstations with an aggregate capacity of approximately 1,480 workstations. Floors one, two, and ten will be common areas. The first floor will include the main lobby with 18 ft ceilings, a marketplace, and a 400-seat cafeteria style dining facility with wrap-around, bay-front interior and exterior seating. A grand staircase will lead up to the second floor with a coffee shop, and the entry to a two-story auditorium with a capacity of ~598 people and presentation stage with a backdrop of 22' of panoramic glass with stunning views of downtown Miami. The majority of the second floor of the building will be dedicated to the Innovation Lab, a collaborative center with multiple conference rooms, and breakout spaces. Floors three through nine will be dedicated to assigned workspace for employees with varying capacities of approximately 100 – 300 employees per floor plus conference rooms, break-out areas, pantries, and exterior balconies accessible from each respective floor. The tenth floor will be a flexible conference style space to host receptions, dinners, and events with a nearly 360-degree view of PortMiami and downtown Miami. The office building will have approximately 380,000 sq. ft and will include six passenger elevators and one service elevator. Additionally, the building will feature the usual supporting elements such as double bay loading dock, waste handling, and a covered drop-off and entrance.

The parking complex will include nine floors, an air-conditioned elevator lobby, an open-air roof, and a parking capacity of approximately 1,400 spaces including approximately 140 EV-ready spaces. Additionally, a two-story, ~17,500 sq. ft. fitness center will be located on the Southern end of the parking garage featuring expansive glass glazing and views of the Miami skyline. Within the fitness center will be group exercise rooms, weight training and cardio zones as well as other wellness amenities. The parking structure also contains the major mechanical and electrical facilities supporting both buildings, including the emergency backup generation and energy plant.

The hardscapes that connect the new campus will reside between the 1050 and 1080 buildings as well as the new office and new parking garage and fitness center; the existing parking lots East of 1050 and 1080 buildings will remain intact. The hardscapes will include a lush lawn across various elevations, accent landscaping, covered and uncovered walkways, and seating areas. Additionally, a new limited surface lot to the West of the new office will accommodate visitor parking along with the ground level of the parking structure.