
LEASE AGREEMENT

Between

THE CITY OF MIAMI

and

GENERAL SERVICES ADMINISTRATION (GSA)

OF THE

UNITED STATES OF AMERICA

NOTICE

Attached is the Miami Law Enforcement Building Lease Agreement. This agreement, between the CITY OF MIAMI (City) and GENERAL SERVICES ADMINISTRATION (GSA), was signed on October 22, 1987. This agreement was based upon Public Law 99-591 adopted October 30, 1986.

This Agreement was negotiated with the City of Miami. The City neither profits from developing this project nor do they benefit from ad valorem taxation. The City is providing this service to the Government in support of the law enforcement effort in South Florida. The agreement is unique as it is not the "standard" leasing agreement normally found between GSA and a lessor.

Should the reader have questions concerning this agreement, please call Mr. Mike Roper, FTS 242-7651, GSA Contracting Officer or Mr. Tom Maguire, FTS 242-3107 Director of Planning.

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MIAMI LEASE AGREEMENT

THIS LEASE AGREEMENT entered into this 22nd day of October, 1987, by and between the City of Miami, a municipal corporation of the State of Florida, hereinafter referred to as ("CITY" or "LESSOR"), and the United States of America, acting by and through the General Services Administration, its agency, in accord with 40 U.S.C. 751 et. seq., 40 U.S.C. 490(h) and Public Law 99-591, hereinafter referred to as ("GOVERNMENT" or "LESSEE").

W I T N E S S E T H:

WHEREAS, pursuant to Public Law 99-591 adopted October 30, 1986, the GOVERNMENT is authorized to acquire a building constructed or acquired by or on behalf of the State of Florida or a political subdivision thereof by lease in Miami, Florida; and

WHEREAS, the CITY has determined that it would be advantageous to the CITY to enhance the offices of the [REDACTED], [REDACTED], and other federal agencies in the CITY; and

WHEREAS, on October 29, 1986, the GOVERNMENT, acting by and through the General Services Administration, and the CITY, acting by and through the City Manager, entered into a Memorandum of Understanding expressing their intent to enter into negotiations for the CITY to construct and lease to the GOVERNMENT, a building to house the [REDACTED] and other [REDACTED] [REDACTED] in Miami; and

WHEREAS, the parties have agreed that the amount of lease payment will be a negotiated figure calculated to reimburse the CITY all direct and indirect expenses while providing the GOVERNMENT with suitable space to house its [REDACTED] [REDACTED] [REDACTED] at a reasonable price in the shortest period of time possible; and

WHEREAS, pursuant to City Commission Resolution No. 87-746, the City Manager was authorized to negotiate and execute a Lease Agreement with the GOVERNMENT concerning the acquisition, development, construction and operation of an office building in the CITY OF MIAMI;

NOW THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

I

DEFINITIONS

1.1 Definitions

All terms defined in any part of this Agreement shall have the same meaning throughout this Agreement. The following terms shall have the meanings set forth opposite such terms, or in the specified provisions of this Agreement:

Additional Rent - See Section 3.2.

Agreement or Lease or Instrument - This Lease Agreement, as the same may be modified or amended from time to time.

Annual Rental - See Section 3.1.

Bonds - CITY OF MIAMI taxable Revenue Bonds, (in the amount of thirty million dollars (\$30,000,000) (or such other amount as agreed upon by the Parties) that may be issued at some later date.

Building - A building of approximately 250,000 square feet to house the [REDACTED] [REDACTED] [REDACTED], the [REDACTED] [REDACTED] [REDACTED] and other federal agencies.

Certificate of Occupancy - The certificate to be granted by the CITY upon completion of all Development Work and Construction Work in accordance with the Construction Documents and the satisfaction of all Legal Requirements of such certificate for the Building, enabling the Building to be utilized for the purposes set forth in this Agreement.

Commencement Date - The effective date when this initial thirty (30) year term begins is when the CITY issues a Certificate of Occupancy and the GOVERNMENT approves the substantially completed construction of the leased space.

Construction Documents - See Section 2.5.

Construction Work - Supply the construction and installation on the Project Land of all materials, supplies, equipment, tools, labor, supervision, utilities, transportation and other materials and services to complete the construction in substantial compliance with the Construction Documents.

Contractor - The individual, firm, partnership, corporation or other entity that does the Construction Work.

Developer - The individual who develops the Project or, in the event the CITY and GOVERNMENT determine to use a turnkey development process, the successful proposer.

Development Work - All work performed by Developer.

Replacement and Repair Expenses - See Section 10.9.

Initial Term - See Section 2.1.

Legal Requirements - The laws, rules and regulations of the United States of America, State of Florida and all other governmental bodies having jurisdiction over the Building or the Project Land, or any part thereof that are in effect on the date of execution and as may be subsequently amended, modified or adopted from time to time by due governmental process.

Project - All matters described below including but not limited to the Work and other work performed and to be performed by CITY, Developer, Contractor or GOVERNMENT or on behalf of the GOVERNMENT: (i) Development Work, (ii) Construction Work, (iii) acquisition of, and site work on, the Project Land, and (iv) all other matters reasonably incidental to development, and construction of the Building.

Project Costs - All costs incurred by or on behalf of the CITY or its designee's, or Developer, or Contractor, or GOVERNMENT in performance of their

respective obligations under this Lease, including but not limited to site acquisition, design, construction, bond counsel, appraisals, etc.

Excess Project Cost - Any Project Cost which exceeds thirty million dollars (\$30,000,000), for any reason whatsoever, for Development Work, Construction Work or any changes in the Work, including but not limited to any costs directly or indirectly paid or incurred by the CITY in fulfilling it's obligations hereunder, delays, force majeure or any reason whatsoever caused by act or omission of the GOVERNMENT or the CITY (including any negligent acts of the CITY), the GOVERNMENT shall be solely responsible for the Project Costs in excess of \$30,000,000.

Project Land - The Project Land is located in Miami, Florida and is comprised of 12 lots of Block 78 N, located between Northeast 4th and 5th Streets and Northeast 1st Avenue and Miami Avenue, more particularly described on Exhibit "A", as attached.

Renewal Terms - See Section 2.2.

Term - Initial Term and Renewal Terms, if applicable, as set forth in Section 2.

Work - Development Work, and Construction Work together with all other obligations of CITY, Developer or Contractor under this Lease or any other agreement entered into in the acquisition, development, and construction of the Project Land and/or the Building.

II

GENERAL TERMS AND CONDITIONS

2.1 Initial Term

The Initial Term of this Lease shall be for thirty (30) years beginning on the Commencement Date (the "Initial Term").

2.2 Renewal Terms

The GOVERNMENT has two (2) options to renew this Lease after the Initial Term. Each renewal option shall be for a period of twenty (20) years and may be exercised by the GOVERNMENT giving notice in writing to the CITY not less than one (1) year prior to expiration of the Initial Term or the first or second renewal period as applicable. In the event the GOVERNMENT exercises an option to renew, the GOVERNMENT shall pay the CITY no further rent or other payment except the actual and reasonable costs including liability insurance. At the end of the Initial Term and any time during the renewal terms, the GOVERNMENT has an option to receive a Quit Claim Deed in fee simple title to the premises from the CITY in consideration for One Hundred Dollars (\$100.00).

2.3 Option to Purchase

a. The GOVERNMENT will have the right at any time to assume outstanding indebtedness incurred by the CITY and to reimburse the CITY the outstanding unamortized expenses the CITY has incurred in acquiring and

providing the Project Land, the Building and any improvements related thereto leased to the GOVERNMENT. In consideration of such assumption and reimbursement, the CITY shall execute and deliver a fee simple title to the land and improvements by Quit Claim Deed to the United States. This option shall be assignable by the United States provided that the GOVERNMENT shall nevertheless remain liable to the CITY and the holder of any Bonds or debt obligations issued by the CITY for the Project.

b. The CITY agrees not to alienate or encumber the title to the Premises, or any part thereof, before commencement of, or during the Term, absent the prior written consent of the GOVERNMENT.

2.4 Redelivery of Project Land

Subject to the GOVERNMENT's right to purchase the Building and the Project Land, the GOVERNMENT at the expiration of this Lease including the renewal terms, if applicable, shall peaceably and quietly quit and surrender to the CITY, the Building and Project Land, in good order and condition.

2.5 Construction Documents

For the purpose of this Lease, Construction Documents shall consist of final working drawings and specifications including (without limitation) the following information:

a. Definitive site plans and specifications,

- b. Definitive architectural drawings and specifications,
- c. Definitive foundation and structural drawings and specifications,
- d. Definitive electrical and mechanical drawings specifications, and
- e. Final drawings and specifications for all LESSEE improvements.

2.6 Recitals

The parties represent, warrant and covenant that the foregoing recitals are accurate, which recitals are incorporated herein by reference.

III

RENT

3.1 Annual Rental

The rental payments for the Initial Term shall be in an amount calculated to reimburse the CITY all its actual costs, including but not limited to, CITY'S financing, acquisition, design, development, construction, and other Project Costs (including fees and expenses), provided that such expenses have been approved by GOVERNMENT. The annual rental shall be paid to CITY monthly in arrears in equal monthly installments or, if necessary, paid in some other mutually agreed time frame which would enable CITY to timely pay debt service on obligations issued to finance the Project.

3.2 Additional Rent

The additional rental payment for the Initial Term and the Renewal Terms shall be in an amount calculated to pay for the cost of insurance premiums, and to reimburse the CITY for any other expenses which the CITY has incurred provided that such expenses have been approved by GOVERNMENT.

3.3 Ad Valorem Taxation

Neither land, nor improvements, nor the lease shall be subject to CITY ad valorem real estate taxes nor City personal property taxation. In the event, a tax is levied on this lease and/or the real and/or personal property by an entity outside the control of the CITY, the GOVERNMENT will assume all costs to defend against or pay such taxes. The CITY will not assume any tax liability relating to the Project Land Building and the Lease.

IV

DESCRIPTION OF THE WORK

4.1 Three Step Plan

The CITY and the GOVERNMENT agree that subject to the terms of this Lease, the CITY will enter into a Three Step Plan to: (1) provide financing for this undertaking (2) acquire a site and (3) procure a development of the site to include plans, specification, site preparations and construction of