

**CITY OF CORAL GABLES, FLORIDA**

**RESOLUTION NO. 2025-447**

A RESOLUTION OF THE CITY COMMISSION APPROVING A LEASE BETWEEN THE CITY OF CORAL GABLES AS TENANT, AND 2020 PONCE DE LEON, LLC AS LANDLORD REGARDING THE PROPERTY LOCATED AT 2020 PONCE DE LEON BOULEVARD, SUITE 102A, CORAL GABLES, FLORIDA FOR A PERIOD OF THREE (3) YEARS FOR THE PURPOSE OF RELOCATING NUMEROUS STAFF MEMBERS OF THE CITY'S FINANCE DEPARTMENT.

**WHEREAS**, to allow for the on-going restoration of City Hall which requires temporary relocation of City staff, the City (the "Tenant") has identified office space located at 2020 Ponce de Leon Boulevard, Suite 102A (the "Premises") owned by 2020 Ponce de Leon, LLC (the "Landlord"); and

**WHEREAS**, the Premises consists of 3,597 square feet of office space; and

**WHEREAS**, Tenant and Landlord have negotiated lease terms for the Premises included in the proposed Lease in substantially the form attached as Exhibit "A", which include the following key terms:

- a three (3) year term commencing on December 1, 2025 with one three (3) year renewal option at market rate;
- an annual base rent of \$190,641.00 (\$53.00 PSF) escalating by three percent (3%) each year;
- no security deposit; and payment of pro rata share of any increases in the building's operating expenses, using 2026 as the base year, with controllable expenses capped at a maximum increase of five percent (5%) over the prior year's expenses.

**NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF CORAL GABLES:**

**SECTION 1.** That the foregoing "**WHEREAS**" clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Resolution upon the adoption hereof.

**SECTION 2.** That the Lease is hereby approved in substantially the form attached hereto as Exhibit "A", with such modifications as may be approved by the City Manager and City Attorney, consistent with the Commission's intent.

**SECTION 3.** That this Resolution shall become effective upon the date of its passage and adoption herein.

PASSED AND ADOPTED THIS EIGHTEENTH DAY OF NOVEMBER, A.D., 2025.

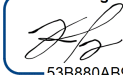
(Moved: Anderson / Seconded: Fernandez)

(Yeas: Castro, Fernandez, Lara, Anderson, Lago)

(Unanimous: 5-0 Vote)

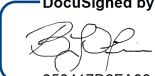
(Agenda Item: H-2)

APPROVED:

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VINCE LAGO  
MAYOR

ATTEST:

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BILLY Y. URQUIA  
CITY CLERK

APPROVED AS TO FORM  
AND LEGAL SUFFICIENCY:

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CRISTINA M. SUÁREZ  
CITY ATTORNEY

## LEASE AGREEMENT

This Lease Agreement (the “Lease”) is made and entered into as of the \_\_\_\_ day of November, 2025 (the “**Effective Date**”) by and between 2020 PONCE DE LEON LLC, a Florida limited liability company (the “**Landlord**”), and the CITY OF CORAL GABLES, a municipal corporation existing under the laws of the State of Florida (the “**Tenant**”).

**1. PREMISES.** In consideration of the rents, mutual covenants and agreements set forth herein, Landlord hereby leases to Tenant, and Tenant hereby leases from Landlord those certain ground floor premises located in that certain building situated at 2020 Ponce de Leon Boulevard, Coral Gables, FL 33134 (the “**Building**”), which premises are stipulated by Landlord and Tenant to consist of 3,597 rentable square feet as more particularly shown on the floor plan attached hereto as **Exhibit “A”** and designated as Suite 102A (the “**Premises**”), together with the non-exclusive right in common with the other tenants of the Building, to use and occupy the “**Common Areas**” (as hereinafter defined) on and subject to the terms and conditions hereinafter set forth. As used herein the term “Common Areas” shall mean and include all entrances, lobbies, corridors, stairways, stairwells, public restrooms, elevators, parking areas, loading and unloading areas, trash areas, roadways, walkways, sidewalks, driveways, landscaped areas, and all other areas or improvements that may be provided by Landlord for the common use of tenants in the Building, located in, on, adjacent to or under the Building. The Building (including, without limitation, the condominium unit in which the Premises is located) and the Common Areas are collectively referred to herein as the “**Project**.” The parties acknowledge that the Premises is located within a condominium project and is subject to that certain Declaration of Condominium for 2020 Ponce recorded in O.R. Book 27020, PG 4875 of the Public Records of Miami-Dade County Florida (the “**Declaration**”). To the extent that any work, services or obligations required to be performed or provided by Landlord under this Lease are, in fact, the responsibility of the “**Association**” (as defined in the Declaration) or other party pursuant to the Declaration, then Landlord shall use commercially reasonable and diligent efforts to enforce its rights under the Declaration to cause the Association or such other relevant party to perform such obligations. Additionally, to the extent that any consent or approval required to be obtained from Landlord under this Lease also requires the consent or approval of the Association, the Board (as defined in the Declaration) or any other party under the Declaration, Landlord shall use commercially reasonable and diligent efforts to obtain such consent or approval from the applicable party. Landlord shall not consent to any amendment or modification to the Declaration that would (i) unreasonably increase Tenant’s obligations or liability, (ii) unreasonably decrease Tenant’s rights under this Lease or the Declaration, or (iii) otherwise materially and adversely affect Tenant’s rights under this Lease, the use or enjoyment of the Premises, or Tenant’s access to or use of the Common Areas, without Tenant’s prior written consent, which shall not be unreasonably withheld, conditioned, or delayed. **Exhibit “A”** sets forth the general layout of the Premises. Tenant agrees that the Association has the right to change or alter any of the Common Areas or any other aspect of the Project in accordance with the Declaration.

**2. LEASE TERM; CONDITION OF PREMISES.** Landlord shall deliver possession of the Premises to Tenant clean and free of all debris and free and clear of all tenancies on December 1, 2025. The date on which such possession is actually delivered to Tenant shall be deemed the “Commencement Date,” provided that delivery may not occur prior to December 1, 2025 (the “**Commencement Date**”). The term of this Lease (the “**Lease Term**”) shall be for a period of thirty-six (36) months, commencing on the Commencement Date, and expiring on the last day of the thirty-sixth (36<sup>th</sup>) month following the Commencement Date, unless the Lease Term is renewed as provided under this Lease, in which event this Lease shall expire at the end of such exercised renewal period(s). Landlord represents and warrants to Tenant that, to Landlord’s actual knowledge, (i) the Premises complies with all applicable Laws (as hereinafter defined) in effect as of the Effective Date, including, but not limited to, the Americans with Disabilities Act of 1990, 42 U.S.C. §§12101 et seq. (1990) (“**ADA**”), (ii) that the Premises and this Lease

do not violate any covenants, declarations, or restrictions of record, and (iii) that there are no agreements, exclusives, restrictions or prohibitions affecting the Premises or this Lease that limit, conflict or otherwise interfere with Tenant's use of the Premises or other rights under this Lease in more than a de minimis manner.

**3. BASE RENT.** Tenant shall pay to Landlord "**Base Rent**" in monthly installments, as follows:

<b>Period</b>	<b>Monthly Base Rent</b>	<b>Annual Base Rent</b>
Rent Commencement Date through expiration of Lease Year 1	\$15,886.75	\$190,641.00
Lease Year 2	\$16,363.35	\$196,360.23
Lease Year 3	\$16,854.25	\$202,251.04

Tenant shall pay monthly Base Rent commencing sixty (60) days after the Commencement Date (the "**Rent Commencement**"). Tenant shall pay Base Rent in advance in equal monthly installments on the first day of each and every calendar month during the Lease Term; provided, however, that (i) the first monthly installment of Base Rent shall be payable on the Commencement Date (the "Prepaid Rent") and (ii) if the Rent Commencement Date commences on a day other than the first day of a calendar month, then Tenant shall pay to Landlord on or before the Rent Commencement Date a pro rata portion of Base Rent for that portion of the calendar month remaining from the Rent Commencement Date to the first day of the next following calendar month, and the Prepaid Rent shall be applied to the first full month following the Rent Commencement Date. Each twelve (12) month period commencing on Commencement Date or any anniversary thereof is referred to herein as a "**Lease Year**". Rent (as defined below) shall be paid either by check to the address that Landlord designates from time to time or electronic funds transfer to the bank instructions provided by Landlord.

**4. OPTION TO RENEW.** Tenant shall have one option to extend the Lease Term for a period of three (3) years (the "**Extended Lease Term**") by giving notice to Landlord thereof not less than one hundred eighty (180) days prior to the expiration of the initial Lease Term (the "**Renewal Notice**"), so long as Tenant is not in default beyond applicable notice and cure periods at the time Tenant exercises its option to extend the Lease Term. The Extended Lease Term shall be on and subject to all of the same terms, covenants and conditions as herein contained, except (i) for the payment of Base Rent as hereinafter provided and (ii) that there shall be no additional option to renew or extend the Lease Term. The Base Rent payable for the first (1st) Lease Year of the Extended Lease Term shall be equal to Fair Market Rent (as defined on **Exhibit "B"**), which shall be determined as set forth on **Exhibit "B"** attached hereto. Thereafter, Base Rent shall increase annually by three percent (3%) of the prior Lease Year's Base Rent (without regard to any abatement of Base Rent that may have occurred during the prior Lease Year). The option for an Extended Lease Term shall be exercised only by written notice from Tenant to Landlord given not less than one hundred eighty (180) days prior to the expiration of the initial Lease Term. The phrases "Lease Term," "term of this Lease," "Term" and similar phrases, as used in this Lease shall mean the initial Lease Term and the exercised Extended Lease Term, as appropriate.

**5. ADDITIONAL RENT.**

(a) In addition to the Base Rent as specified in this Lease, Tenant agrees to pay to Landlord as additional rent ("**Additional Rent**", and together with Base Rent and any other charges, costs or expenses payable by Tenant under this Lease, "**Rent**") Tenant's Proportionate Share (as hereinafter defined) of the amount by which Operating Expenses (as hereinafter defined) for any Lease Year during the Lease Term exceeds the total Operating Expenses incurred during the calendar year 2026 (the "**Base Year**").

Notwithstanding the foregoing, Controllable Operating Expenses (as hereinafter defined) shall not increase by more than five percent (5%) per Lease Year on a cumulative and compounding basis over the actual Controllable Operating Expenses for the Base Year. For purposes of this Lease, “**Controllable Operating Expenses**” shall mean all Operating Expenses other than those attributable to Common Expenses and Assessments (each as defined in the Declaration), real estate taxes, insurance premiums and utilities, and “**Tenant’s Proportionate Share**” shall mean 100%.

(b) For the purposes of determining Additional Rent, “**Operating Expenses**” shall mean and include (i) all real estate taxes and assessments with respect to the Premises actually paid by Landlord pursuant to this Lease (collectively, “**Real Estate Taxes**”), (ii) premiums for all insurance maintained by Landlord for the Premises pursuant to this Lease and actually paid to a third party insurer, (iii) the cost of all maintenance and repairs to the Premises paid by Landlord pursuant to this Lease, except as expressly set forth herein, (iv) services described in this Lease and all utilities for the Premises (except any utilities separately metered to tenants or consumed in tenants’ space); (v) Landlord’s share of Common Expenses and Special Assessments (as defined in the Declaration); (vi) a three percent (3%) management fee (the “**Management Fee**”); and (vii) all other reasonable and necessary out-of-pocket expenses, costs and disbursements of every kind and nature which Landlord shall pay or become obligated to pay in respect to or in connection with the operation and maintenance of any portion of the Premises, and which are usually considered “operating expenses” in accordance with generally accepted accounting practices, consistently applied. Notwithstanding the foregoing, such Operating Expenses shall not include the following: (A) the cost of alterations to space in the Building leased or to be leased to others; (B) depreciation or amortization of the Project, the Building or the Premises, or the Project’s, Building’s or Premises’ contents or components, and any equipment, fixtures, improvements or facilities used in connection therewith; (C) interest, principal payments and financing costs incurred in connection with any debt associated with the Project, including, the Premises, but not limited to, legal fees associated therewith; (D) federal, state and city income, excess profit, gift, estate, succession, inheritance, excise, capital, franchise and transfer taxes, any other taxes relating to the operation of Landlord’s business but not the Project; (E) expenses for capital improvements made to the Project, including the Premises, except for the cost of any capital improvement (i) made to comply with any Laws enacted after the Effective Date, or (ii) that results in actualized reduction of the Operating Expenses, provided that such amortized costs included in Operating Expenses shall not exceed the amount of the reduction realized therefrom, and any such amortization of the foregoing (i) and

(ii) shall be on a straight line basis over the useful life of the capital improvement, with an interest factor equal to the Wall Street Journal Prime Rate in effect at the time of Landlord’s having incurred the capital expenditure; provided, however, that only the portion of such amortized cost allocable to the Term of the Lease shall be included in Operating Expenses; (F) those expenses incurred in leasing space in the Building; (E) any cost or expenditure or any portion thereof for which Landlord has been reimbursed or is entitled to reimbursement, whether by insurance proceeds or otherwise, except reimbursements or other payments from other tenants of the Building in respect to costs and expenses which are Operating Expenses; (F) the cost of any alterations or improvements made to the Project, including the Premises, to effectuate compliance with applicable Laws enacted prior to the Effective Date or to correct any applicable building or fire code violation(s) or violation(s) of any other Laws, (G) expenses for the preparation of space or other work which Landlord performs for any tenant or prospective tenant of the Building or the Project; (H) expenses for repairs or restoration due to any occurrence covered by Landlord’s insurance or which is due to property being taken in condemnation; (I) expenses incurred in leasing or obtaining new tenants or retaining existing tenants (or any subleasing or assignments), including, without limitation, leasing commissions, legal expenses, advertising, marketing or promotional costs; (J) expenses incurred in enforcing the terms of any lease or costs incurred by Landlord relating to any violation by Landlord or any other tenant of the Building or the Project of the terms and conditions of any Laws or any lease covering any portion of the Building or Project; (K) expenses incurred for any maintenance, repair or replacement of any item to the extent such expense is covered under warranty or service contract; (L) the cost of any work or service performed for any tenant in the Building or the Project (other than Tenant) to a materially

greater extent or in a materially more favorable manner than furnished generally to tenants (including Tenant) in the Building or the Project; (M) accounting and legal fees relating to the ownership, construction, leasing or sale of the Building and the Project, including the Premises, and accounting and legal fees paid or imputed to full time employees of Landlord or any management agent; (N) any interest or penalty incurred due to the late payment or nonpayment by Landlord or any other tenant of any Operating Expense; (O) any amount paid to an entity or individual related to Landlord which exceeds the amount which would be paid for similar goods or services on an arms-length basis between unrelated parties; (P) the cost of correcting defects (latent, patent or otherwise) in the construction of the Building or the Project, including the Premises; (Q) any management, administrative or similar fees, except for the Management Fee; (R) any costs (including any damages or future claims asserted against Landlord in connection with the same) incurred to test, survey, cleanup, contain, abate, remove, remediate or otherwise remedy Hazardous Substances from the Building or the Project, including the Premises, which were present at the Building or the Project, including the Premises, prior to the Commencement Date or brought onto the Building or the Project, including the Premises, after the Commencement Date by a party other than Tenant or by those for whom Tenant is responsible for under this Lease; (S) Landlord's general overhead and administrative expenses which are not chargeable to Operating Expenses of the Building, the Premises, or the equipment, fixtures, and facilities use in connection with the Building or the Premises, in accordance with generally accepted accounting principles, including salaries and expense of Landlord's executive officers; (T) contributions to Operating Expense reserves; (U) any costs or expenses for sculpture, paintings, or other works of art; (V) any increase in taxes to the extent which results from the creation of additional area on the Land or in the Building unless Tenant's Proportionate Share is adjusted accordingly; (W) wages, compensation and benefits of all persons at or above the level of property manager (or equivalent) engaged in the operation, maintenance or security of the Building or the Project, and employer's Social Security taxes, unemployment taxes or insurance, and any other taxes which may be levied on such wages, salaries, compensation and benefits; (X) expenses incurred for any maintenance, repair or replacement of any item to the extent that it is covered under warranty or service contract; (Y) parking facilities' expenses, if charge is made for parking; (Z) rental on ground leases or other underlying leases; (AA) costs of replacing the roof of the Premises or any part of the Project; (BB) the costs of completely resurfacing or replacing the parking lot that serves the Building; (CC) any costs or expense which is expressly stated in this Lease to be at Landlord's cost and/or expense; (DD) any special assessments levied under the Declaration, and (EE) any other expense that according to generally accepted accounting principles is not considered a normal maintenance or operating expense. Notwithstanding anything herein to the contrary, no cost or expense that is properly included in Common Expenses or Special Assessments pursuant to the Declaration shall be deducted or excluded from Operating Expenses; provided, however, that in no event shall any Special Assessments be included as part of Operating Expenses other than to the extent such Special Assessments are assessed against the Premises. Notwithstanding the foregoing, to the extent that any Special Assessment assessed against the Premises arises from a capital improvement, then (i) the cost of the same shall be amortized on a straight line basis over the useful life of the capital improvement, with an interest factor equal to the Wall Street Journal Prime Rate in effect at the time of such Special Assessment being assessed against the Premises; provided, however, that only the portion of such amortized cost allocable to the Term of the Lease shall be included in Operating Expenses; and (ii) such Special Assessment shall not be included in Operating Expenses unless the capital improvement is (a) required by Laws enacted after the Commencement Date, (b) necessary for the structural integrity of the Building, or (c) necessary to maintain or restore the functionality of the Building Systems for safe and efficient operation. For the avoidance of doubt, Special Assessments for discretionary or aesthetic improvements, including, but not limited to, decorative finishes, artwork, landscaping enhancements, lobby renovations, branding, or similar non-essential upgrades shall not be included as part of Operating Expenses.

(c) Tenant's Proportionate Share of Operating Expenses in excess of the Operating Expenses incurred during the Base Year shall be paid in monthly installments on the first (1st) day of each month on the basis of Landlord's reasonable estimate of such excess; provided, however, that if Landlord so elects,

Tenant shall pay Tenant's Proportionate Share of Real Estate Taxes in excess of the Real Estate Taxes incurred during the Base Year annually in advance, within thirty (30) days after being billed by Landlord therefor; provided that Landlord's estimate of Real Estate Taxes shall be based on the prior year's Real Estate Taxes plus three percent (3%). Within ninety (90) days after the end of each Lease Year during the Lease Term, Landlord shall furnish Tenant with a detailed statement (the "**Annual Statement**") which shall show (a) the Operating Expenses incurred during the preceding Lease Year, (b) the amount by which such Operating Expenses exceed the Operating Expenses for the Base Year, (c) Tenant's Proportionate Share of such excess, (d) the total estimated payments made by Tenant during such Lease Year and (2) the balance due from Tenant or to be credited to Tenant, as applicable. If the actual amount of Tenant's Proportionate Share of Operating Expenses for such Lease Year exceeds the amount previously paid by Tenant, Tenant shall pay the difference within thirty (30) days after receipt of the Annual Statement. If the amount previously paid by Tenant exceeds the actual amount due, Tenant shall receive a credit against the next monthly installment(s) of Base Rent and estimated Operating Expenses (or, if the Lease has expired, such excess shall be promptly refunded to Tenant). An appropriate proration of Tenant's Proportionate Share of Operating Expenses shall be made with respect to any partial Lease Year. After the first Lease Year, Landlord's estimate of Tenant's Proportionate Share of Operating Expenses shall be based on the actual Operating Expenses for the prior calendar year, adjusted to reflect any known or reasonably anticipated increases, and shall continue to apply only to the extent such expenses exceed the Base Year amount.

(d) Landlord shall keep records of its expenditures during each Lease Year for at least two (2) years and upon Tenant's written request, shall make such records available to Tenant for inspection and shall permit Tenant's accountants to examine and audit such of its records as may be reasonably required to verify such statements, at reasonable times during business hours. Tenant, at its expense, shall have the right no more frequently than once per calendar year following thirty (30) days prior written notice to Landlord, to audit Landlord's books and records relating to Operating Expenses. Any audit that discloses a discrepancy of more than five percent (5%) in the annual Operating Expenses shall be at Landlord's expense and Landlord shall reimburse Tenant for the actual cost of the audit (not to exceed \$5,000.00) within thirty (30) days of the result of the audit. Should Landlord disagree with the results of Tenant's audit, and the parties cannot reach an agreement within thirty (30) days after using commercially reasonable and good faith efforts to resolve the disagreement, Landlord and Tenant shall refer the matter to an independent certified public accountant mutually-agreed by the parties (the "CPA"), who shall work with Landlord and Tenant in good faith to resolve the discrepancy. The fees and costs of the CPA shall be shared equally by Landlord and Tenant, and the decision of the CPA shall be final and binding upon each of Landlord and Tenant. Except as otherwise set forth in this Section, each party shall be responsible for its own audit-related fees and costs. Any discrepancy shall be promptly corrected by a payment of any shortfall to Landlord by Tenant within thirty (30) days after the applicable audit, or by a credit against the next payment(s) of Rent hereunder or (at Tenant's election) a refund from Landlord of the overpaid amount within thirty (30) days, as may be applicable. In the event Tenant does not contest a statement of Operating Expenses within two (2) years after it is rendered, such statement shall become binding and conclusive on both Landlord and Tenant, except that any such statement which may contain material misrepresentations shall not be binding and conclusive on Tenant. In the event Landlord shall fail to invoice Tenant for any Additional Rent pursuant to this Section within eighteen (18) months, then Landlord shall be deemed to have waived its right to collect such Additional Rent. In addition, in the event that Landlord shall fail to invoice Tenant for any Additional Rent pursuant to this Section within six (6) months following the expiration or termination of the Term of this Lease, then Landlord shall be deemed to have waived its right to collect such Additional Rent. Notwithstanding anything in this Lease to the contrary, Tenant may not have any audit conducted by any entity whose compensation or other payment from Tenant with respect to such audit shall be partly or entirely based on the outcome of such audit.

## 6. USE OF PREMISES

(a) During the Lease Term and any renewals or extensions of this Lease, Tenant may use and occupy the Premises for operation of an office and uses ancillary thereto. Landlord acknowledges that Tenant presently intends to use the Premises for an office, and in connection therewith, may operate and maintain on the Premises such office equipment and other facilities for the use by its employees, personnel, and agents, as Tenant may deem necessary, desirable or convenient for the conduct of its business.

(b) Tenant shall have the sole discretion to determine the days and business hours during which it operates within the Premises, including the right to open or close for business on a temporary or permanent basis, provided that Tenant continues to timely pay all amounts due under this Lease and otherwise complies with terms of this Lease. Tenant shall have exclusive use of and full-time access to the Premises twenty-four (24) hours per day, seven (7) days per week, year-round, subject to interruptions caused by emergency conditions.

(c) Tenant covenants and agrees, at all times during the Term and such other times as Tenant occupies the Leased Premises or any part thereof, to comply, at its own cost and expense, with the Association's Rules and Regulations attached to this lease as **Exhibit "D"** and made a part hereof, provided the Rules and Regulations are non-discriminatorily applicable to all other similarly situated tenants. Further, Tenant shall comply with and observe all other reasonable rules and regulations established by the Association or Landlord, from time to time, provided Tenant is given thirty (30) days notice of such other rules and regulations and the same are non-discriminatorily applicable to all other similarly situated tenants. In the event of any conflict or inconsistency between the body of this Lease and the Rules and Regulations, the body of this Lease shall prevail.

## 7. ENVIRONMENTAL COMPLIANCE.

(a) During the Term of this Lease, Tenant shall comply with all Environmental Laws (as hereinafter defined) applicable to the operation or use of the Premises. Tenant shall not generate, use, treat, store, handle, release or dispose of, or permit the generation, use, treatment, storage, handling, release or disposal of Hazardous Substances (as hereinafter defined) on the Premises or the Project, or transport or permit the transportation of Hazardous Substances to or from the Premises or the Project except for limited quantities of household cleaning products and office supplies used or stored at the Premises and required in connection with the routine operation and maintenance of the Premises, and in compliance with all applicable Environmental Laws.

(b) **"Hazardous Substances"** as such term is used in this Lease means any hazardous or toxic substance, material or waste, regulated or listed pursuant to any federal, state or local environmental law, including, without limitation, the Clean Air Act, the Clean Water Act, the Toxic Substances Control Act, the Comprehensive Environmental Response Compensation and Liability Act and the Occupational Safety and Health Act, as well as gasoline or any other petroleum product or byproduct, polychlorinated biphenyls, asbestos and urea formaldehyde. **"Environmental Laws"** as such term is used in this Lease means any federal, state or local statute, law, rule, regulation, ordinance, code, policy or rule of common law now or hereafter in effect and in each case as amended, and any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree or judgment, relating to the environment, health, safety or Hazardous Substances.

(c) Tenant shall indemnify, defend, and hold harmless Landlord from and against any third-party claims, damages, liabilities, or costs (including reasonable attorneys' fees and disbursements) to the extent arising directly from the presence of Hazardous Substances on the Premises caused by the negligence or willful misconduct of Tenant, its agents, employees, or contractors during the Term; provided, however, that Tenant shall have no obligation to indemnify Landlord to the extent such claims, damages, liabilities,



or costs to the extent arising from the negligence or willful misconduct of Landlord or its agents, employees, or contractors. In no event shall Tenant be responsible for the presence or release of any Hazardous Substances in, on, under, or about the Premises not directly caused by Tenant or its agents, employees, or contractors.

(d) Landlord represents and warrants to Tenant that (i) to the best of Landlord's knowledge, there are no Hazardous Substances in, on or under the Premises or the Project, including, without limitation, asbestos or mold, and (ii) Landlord has received no notice, whether oral or written, of the presence or release of any Hazardous Substances in, on, under or about the Premises or the Project.

**8. TAXES.** Landlord shall pay and discharge prior to their delinquency, all real estate taxes and assessments for public improvements, now or hereinafter assessed or levied against the Premises during the term of this Lease, and all penalties and interest thereon. Tenant shall reimburse Landlord, as part of Operating Expenses, for Tenant's Proportionate Share of the amount by which such taxes and assessments exceed the amount of real estate taxes and assessments incurred during the Base Year, in accordance with the terms of this Lease.

**9. MAINTENANCE.** Landlord shall, as part of Operating Expenses, maintain or cause to be maintained in good repair and condition, (i) the Common Areas, (ii) all structural elements and components of the Building, including, without limitation, the foundation, footings, concrete slab, structural columns, structural beams, load-bearing and exterior walls, demising walls, structural floors (excluding floor coverings), structural supports, roof, roof membrane, and roof covering (collectively, the "**Building Structure**"), (iii) all of the doors and the windows of the Premises, (iv) all utility lines not exclusively serving the Premises and those exclusively serving the Premises up to and including the point of connection into the Premises, (v) electric, water, gas, plumbing and sewer, fire alarm, sprinkler, life-safety, HVAC, mechanical, and other building systems (collectively, the "**Building Systems**") whether located within or outside the Premises. Landlord shall make or cause to be made all repairs and replacements, whether foreseen or unforeseen, ordinary or extraordinary, and do such other things as may be required to maintain all of the foregoing elements in the condition specified in this Section, and all of the foregoing shall be performed in a good and workman-like manner. Landlord shall keep all of the foregoing elements clean and free of all refuse and rubbish, dust and dirt. Landlord shall be responsible, at its sole cost and expense (and not as part of Operating Expenses), for any damage to the Premises caused by the negligence or misconduct Landlord, or its agents, employees or contractors. Except for Landlord's obligations set forth above, Tenant shall keep the interior, non-structural portions of the Premises in good repair and condition, including, but not limited to, utility lines exclusively serving the Premises after the point of connection into the Premises, excepting ordinary wear and tear, loss by fire or other casualty or damage caused by Landlord, its employees, agents or contractors. Tenant shall also be responsible for any repairs to the Building necessitated by the negligence or misconduct of Tenant or its agents, employees, or contractors. Tenant shall perform its obligations under this Section in a good and workman-like manner.

**10. COMPLIANCE WITH AUTHORITIES.** Notwithstanding anything to the contrary contained in this Lease, Landlord shall be responsible for compliance with any requirements of any board of fire underwriters or similar body relating to the Premises and Building and any other law, rule, statute, regulation, code, or ordinance of any governmental agency or body having jurisdiction over the Building (collectively, "**Laws**"), except as otherwise expressly provided in this Section. Landlord hereby covenants and agrees, at its sole expense, to maintain the Building and Common Areas in compliance with all applicable Laws, including but not limited to, ADA. Landlord hereby agrees that Tenant shall have no responsibility for failure of the Premises, Building, or Common Areas to comply with applicable Laws which are in effect and applicable to the Premises, Building, or Common Areas as of the Effective Date. Tenant hereby covenants and agrees, at its sole expense, to comply with all applicable Laws relating to Tenant's use and occupancy of the Premises, provided that Tenant shall not be required to modify or

otherwise improve the Premises unless required as a result of and specifically related to (i) any action taken by Tenant in violation of Applicable Laws during the Term or (ii) any leasehold improvements performed by Tenant.

**11. UTILITIES AND SERVICES.** Landlord agrees to furnish the Premises with heat and air conditioning, elevator services, if installed, water, sanitary sewer, trash removal, gas, and power and electric current for lighting, ordinary office equipment and business appliances. If any utilities provided to Tenant are separately metered, Tenant shall pay all costs associated with the usage of such utilities directly to the utility service provider and all costs of telephone installations and internet service.

Notwithstanding anything to the contrary contained in this Lease, if Tenant cannot reasonably use the Premises or any portion thereof for Tenant's intended business operations by reason of any interruption in services to be provided by Landlord that is the result of Landlord's negligence or misconduct, and Tenant does not in fact use the Premises, and such condition exists for more than five (5) consecutive business days, then all Rent payable hereunder shall be equitably abated for that portion of the Premises that Tenant is unable to use for Tenant's intended business operations after said fifth (5th) business day until such service is restored to the Premises. Tenant shall not, however, be entitled to any abatement of Rent payable hereunder if the interruption or abatement in service or the failure by Landlord to furnish such was beyond the control of Landlord. Except in the case of an emergency, Landlord will give Tenant at least five (5) business days prior notice if Landlord intends to interrupt any services required to be furnished by the Landlord. Landlord shall insure that any such interruptions are minimized to the extent reasonably possible. If the interruption of services is caused by the Association, Landlord shall use commercially reasonable efforts to cause the Association to promptly restore the interrupted services. Such efforts shall include, without limitation, promptly notifying the Association of the issue, following up regularly, and taking any reasonable steps available to Landlord under the Declaration.

**12. ALTERATION OF PREMISES; SIGNAGE.**

(a) Tenant may make alterations and improvements to the interior of the Premises which do not (i) require the consent of the Association, (ii) require any municipal permits or approvals, (iii) cost in excess of \$50,000 in the aggregate or (iv) affect the Building Structure or Building Systems in a material manner, without the prior consent of Landlord. In the event that Landlord's consent is required hereunder, such consent shall not be unreasonably withheld or delayed following Tenant's submission of plans and specifications for approval. All such alterations and improvements shall be performed in a good and workmanlike manner and in compliance with all applicable Laws. All alterations and improvements made by Tenant in accordance with this Section that remain in the Premises at the expiration of this Lease shall become the property of Landlord.

(b) Tenant may, without Landlord's consent, install temporary partitions, shelves, bins, equipment, trade fixtures and other personal property in the Premises. These items shall remain Tenant's property and may be removed by Tenant prior to the expiration or earlier termination of this Lease. Tenant shall repair any damage to the Premises caused by such removal.

(c) Landlord approves the installation by Tenant of fiber optic cabling to service the Premises, subject to approval by the Association and/or the Board, if required, and Landlord agrees to use commercially reasonable and diligent efforts to obtain such approval from the Association and/or the Board, as applicable.

(d) Tenant shall have the right to, at its sole cost and expense, (i) install one (1) exterior sign on the front of the Building immediately above the Premises in a location reasonably acceptable to Landlord and in the maximum size and configuration allowed by the Association and applicable Laws, (ii) display

Building standard signage upon entry of the Premises, and (iii) display such signage that Tenant may consider necessary or desirable on the interior of the Premises. Landlord shall provide Tenant with Building standard lobby directory signage.

### **13. MUTUAL INDEMNIFICATION.**

(a) Subject to the provisions of Section 15(e), Tenant shall indemnify, defend and save Landlord harmless from and against any and all third party claims, damages, causes of action, liability, costs and expenses in connection with loss of life, bodily injury and/or damage to personal property to the extent arising directly or indirectly from or out of (i) Tenant's use or occupancy of the Premises, (ii) any negligent act or willful misconduct of Tenant, its agents, employees, or contractors or (iii) any failure on the part of Tenant to perform or comply with any of the covenants, agreements, terms or conditions contained in this Lease with which Tenant, on its part, must comply or perform. Notwithstanding anything herein to the contrary, Landlord shall remain solely liable for Landlord's and its affiliates', employees', agents' and contractors' own gross negligence and willful misconduct. This Section shall survive the expiration or other termination of this Lease.

(b) Subject to the provisions of Section 15(e), Landlord will indemnify, defend and save Tenant harmless from and against any and all third party claims, damages, causes of action, liability, costs and expenses in connection with loss of life, bodily injury and/or damage to personal property to the extent arising directly or indirectly from or out of (i) any negligent act or willful misconduct of Landlord or its affiliates, or the agents, employees, or contractors of Landlord or its affiliates, or (ii) any failure on the part of Landlord to perform or comply with any of the covenants, agreements, terms or conditions contained in this Lease with which Landlord, on its part, must comply or perform. Notwithstanding anything herein to the contrary, Tenant shall remain solely liable for Tenant's and its affiliates', employees', agents' and contractors' own gross negligence and willful misconduct. This Section shall survive the expiration or other termination of this Lease.

### **14. INSURANCE; WAIVER OF SUBROGATION.**

(a) **General Liability Insurance - Tenant.** Tenant shall at all times during the Term of this Lease and at its own cost and expense procure and continue in force a policy of commercial general liability insurance (also known as broad form comprehensive general liability insurance), insuring against liability for bodily injury, property damage and personal injury arising out of the use, operation or occupancy of the Premises in an amount of not less than Two Million Dollars (\$2,000,000.00), combined single limit. Tenant shall name as additional insureds Landlord, Landlord's lender (if requested by Landlord in writing), Landlord's successors and assigns, the Association and any property manager for the Project (if requested by Landlord in writing).

(b) **Property Insurance – Tenant.** Tenant shall procure and maintain at all times during the Term of this Lease at its sole cost and expense, "all risk" property insurance coverage, with standard exceptions, covering its fixtures, equipment and personal property located on the Premises, together with insurance against vandalism and malicious mischief. Landlord shall have no interest in the proceeds of insurance maintained by Tenant and will sign all documents which are reasonably necessary or appropriate in connection with the settlement of any claim or loss by Tenant, provided that such documents do not affect any separate claim that Landlord may have.

(c) **Worker's Compensation – Tenant.** Tenant shall maintain worker's compensation insurance as required by applicable Laws.

(c) **Insurance – Landlord.** Landlord agrees to cause the condominium unit containing the Premises and all improvements owned by Landlord, but excluding anything insured by Tenant above,

against loss or damage by any perils covered by a standard broad form "all risk" property insurance policy in an amount equal to the full replacement value. Landlord shall also use commercially reasonable efforts to cause the Association to maintain commercial general public liability insurance against claims for personal injury, death or property damage occurring in, on or about the Common Areas, the Project, portions of the Building not leased to Tenant and the sidewalks and areas adjacent to the Premises and the Project under Landlord's control to afford protection to the minimum limit of One Million Dollars (\$1,000,000.00) per occurrence, Two Million Dollars (\$2,000,000.00) in the aggregate, for any personal injury, death or property damage. Landlord shall provide to Tenant upon written request a certificate of insurance reflecting such coverage carried by Landlord. Tenant shall pay Tenant's Proportionate Share of Landlord's insurance premiums for such insurance as part of Additional Rent in accordance with Section 5(b) above.

(d) **General Insurance Requirements.** The foregoing minimum limits of insurance coverage required to be maintained shall in no way limit or diminish Landlord's or Tenant's liability hereunder. All insurance policies required to be carried hereunder shall be issued by insurance companies having a rating of at least A-VI, as set forth in the most recent issue of "Best's Insurance Guide." All policies obtained by Landlord or Tenant under the terms of this Lease shall have an effective coverage date which is the same as the Commencement Date. Any party may satisfy its obligations regarding insurance pursuant to an umbrella policy.

(d) **Certificates of Insurance.** On or before the Commencement Date, Landlord and Tenant shall each deliver to the other certificates of the insurance required to be maintained hereunder. Landlord and Tenant shall also deliver to each other at least five (5) days prior to the expiration date of such policy or policies (or of any renewal policy or policies), certificates for renewal policies of such insurance. In the event either Landlord or Tenant receives notice of cancellation or other material change in the insurance policies required hereunder, such party shall immediately forward a copy of such notice to the other party.

(e) **Subrogation.** Notwithstanding anything contained in this Lease to the contrary, Landlord and Tenant hereby release each other and each other's agents, officers and employees of liability and responsibility, and each hereby waives any and every claim which arises or may arise in its favor against the other party hereto during the Term of this Lease, for any loss or damage that may occur to their respective property (including, but not limited to the Premises), arising from any cause that (i) would be insured against under the terms of any property insurance required to be carried hereunder, or (ii) is insured against under the terms of any property insurance actually carried by Landlord or Tenant, regardless of whether it is required hereunder. The foregoing waiver shall apply regardless of the cause or origin of the claim, including but not limited to, the negligence of Landlord or Tenant or their agents, officers and employees, and shall apply regardless of the extent of the actual coverage (for example, each party shall be responsible for any deductible, co-insurance or self-insurance with respect to the insurance maintained by that party). Landlord and Tenant hereby agree to give to each insurance company which has issued property insurance covering the Premises written notice of the terms of such mutual waivers, if required by the terms of such policies, and to cause such insurance policies to be properly endorsed, if necessary, to prevent the invalidation of such insurance coverages by reason of such mutual waivers.

(f) **Self Insurance.** Under Section §768.28 of the Florida Statutes, the state and its agencies and subdivisions are authorized to be self-insured, enter into risk management programs, or purchase liability insurance for whatever coverage they may choose, or to have any combination thereof, in anticipation of any claim, judgment which they may be liable to pay pursuant to this Section 14. It is understood and agreed that the Tenant is a qualified self-insured governmental entity, and as such shall evidence insurance or self-insurance subject to the limitations of liability as set forth under Section §768.28

**15. MECHANIC'S LIENS.** Tenant shall not suffer or permit any mechanic's liens or materialman's liens to be filed against the Premises or the Project with respect to work or services performed or materials furnished to Tenant or the Premises. If any such liens are filed, Tenant shall cause same to be released within thirty (30) days after Tenant's receipt of written notice of the filing of such lien by bonding or other reasonable method.

**16. LANDLORD'S RIGHT OF ENTRY.** At reasonable times during normal business hours, Landlord or its agents shall have the right to enter the Premises in order to examine it, perform its obligations under this Lease, or to show it to lenders, ground lessors, purchasers, or within the last twelve (12) months prior to the expiration or earlier termination of this Lease, to prospective tenants. Landlord, however, must provide Tenant not less than forty-eight (48) hours prior written notice (except in cases of emergency) and must use commercially reasonable efforts to minimize interference with Tenant's use and enjoyment of the Premises.

**17. CONDEMNATION, FIRE AND OTHER CASUALTY.**

(a) If the Building, the Common Areas, the Premises or any material portion thereof is taken by eminent domain or conveyed in lieu thereof, and such taking renders the Premises wholly untenantable or the use of the Common Areas is impaired to the extent resulting in a material interference with the operations of Tenant's business or access to the Premises, then this Lease shall terminate as of the date when possession thereof is required to be surrendered, and all rights and obligations of Tenant in and under this Lease shall immediately cease and terminate, except for the obligations that expressly survive termination. If only a portion of the Premises, Building, or Common Areas is taken and the remainder is reasonably suitable for Tenant's continued use and occupancy, and the Lease is not otherwise terminated under Section 18(b) below, then this Lease shall continue in full force and effect, provided that Rent shall be equitably abated to reflect the portion of the Premises rendered untenantable or the extent of the impairment to Tenant's use. Landlord shall, at its sole cost and expense, promptly restore the remaining Premises and Common Areas to a condition as nearly as reasonably possible to that existing immediately prior to such taking.

All awards or proceeds from any taking shall belong to Landlord, except that Tenant shall be entitled to make a separate claim against the condemning authority for the value of Tenant's leasehold interest, unamortized costs of leasehold improvements made at Tenant's expense, relocation expenses, loss of business, and other damages recoverable under applicable Law.

(b) If the Premises or the Building is damaged by fire or other casualty and (i) the Premises are rendered wholly unsuitable for Tenant's continued use; (ii) the damage occurs during the final twelve (12) months of the Term; (iii) the estimated cost of repair or restoration as estimated by a contractor, architect or other construction consultant selected by Landlord and Tenant, exceeds 1/3 of the full replacement cost of the Building and/or the Premises (whichever is applicable); or (iv) the estimated time to complete restoration exceeds one hundred eighty (180) days from the date of the casualty, as determined by a contractor, architect or other construction consultant selected by Landlord and Tenant, then either Landlord or Tenant may terminate this Lease by written notice to the other within thirty (30) days after the date of the casualty or receipt of the applicable estimate, whichever is later. Such termination shall be effective as of the date of the casualty, and any prepaid Rent shall be promptly refunded to Tenant. If the Lease is not terminated, Landlord shall, at its sole cost and expense, promptly restore the Premises and the Building (excluding any alterations or improvements made by Tenant at its expense) to substantially the condition existing on the Commencement Date. Rent shall be equitably abated during the period of

untenantability in proportion to the portion of the Premises rendered unusable by Tenant for the conduct of its business. If Landlord fails to substantially complete restoration within two hundred ten (210) days following the casualty, Tenant shall have the right to terminate this Lease by written notice to Landlord at any time prior to substantial completion of such restoration. Notwithstanding the foregoing, if insurance

proceeds attributable to Tenant's alterations or improvements (constructed at Tenant's sole cost) are made available to Tenant, Tenant shall be responsible for restoring such improvements, provided that Rent shall continue to abate during such restoration so long as Tenant is diligently pursuing completion. If Landlord does not restore the Premises, Tenant shall retain all insurance proceeds attributable to such Tenant improvements.

Notwithstanding the foregoing provisions of this Section 18(b), in the event that insurance proceeds applicable to improvements or alterations constructed by Tenant at its expense are made available to Tenant, Tenant shall be responsible for restoring such tenant improvements and alterations; provided, however, that Tenant's obligation to pay Base Rent and Additional Rent abatement shall continue during such period of restoration so long as Tenant is diligently pursuing the completion of such restoration. In the event that Landlord does not restore the Premises, Tenant shall retain all insurance proceeds applicable to such tenant alterations and improvements constructed by Tenant at its expense. In the event such insurance proceeds are not available to Tenant despite Tenant's good faith efforts to obtain them, Tenant shall not be obligated to restore such alterations or improvements, and Landlord shall have no claim to such improvements or proceeds.

## **18. REMEDIES IN THE EVENT OF DEFAULT.**

(a) The following shall constitute an "**Event of Default**" hereunder: (i) Tenant enters into a sublease or assignment of this Lease other than in accordance with Section 20; (ii) Tenant fails to make payment of any installment of Base Rent or any Additional Rent or other sum payable by Tenant hereunder within ten (10) days after receipt of written notice of non-payment; (iii) Tenant fails to perform any other provision of this Lease on Tenant's part to be performed and fails to cure such failure within thirty (30) days after receipt of written notice, or if such breach cannot reasonably be cured within such thirty (30) day period, such longer period of time as may be reasonably required (but not in excess of ninety (90) days), so long as Tenant is diligently prosecuting such cure to completion; (iv) a petition in bankruptcy is filed by or against Tenant (provided Tenant shall have ninety (90) calendar days to stay any involuntary proceeding); or (v) Tenant makes an assignment for the benefit of its creditors, or a receiver is appointed for Tenant and such receiver is not dismissed within sixty (60) days of its appointment.

Upon the occurrence of an Event of Default, Landlord shall have the option to pursue any one of the following remedies, without limitation:

- (i) Terminate this Lease and re-enter and retake possession by legal process, and declare immediately due and payable the entire amount of the Base Rent then remaining to be paid under this Lease for the balance of the lease term, adjusted to present value at six percent (6%) per annum, less the fair rentable value of the Premises for the balance of the term also adjusted to present value at the rate of six percent (6%) per annum; or
- (ii) Terminate Tenant's right of possession without terminating this Lease and re-enter and retake possession by legal process, expel Tenant and remove all property therefrom and re-let the Premises for the Tenant's account and receive the rent therefrom. Tenant shall thereafter be obligated to pay to Landlord an amount equal to the Rent due under this Lease for the remaining Term, less the amount of any rent from any substitute tenant, together with Landlord's out-of-pocket costs of re-letting including, without limitation,

the alterations, redecorating and reasonable and customary real estate broker's fees and commissions.

Landlord may also, at its option, but shall not in any event be obligated, perform any obligation of Tenant under this Lease that Tenant fails to meet within applicable notice and cure periods (or without

notice and cure, in the event of an emergency condition), and, if Landlord so elects, all reasonable costs and expenses actually incurred by Landlord in performing such obligations, plus interest at ten percent (10%) per annum, shall be reimbursed by Tenant to Landlord on demand and shall be considered Rent for the purposes of this Lease. The performance by Landlord of any such obligation shall not constitute a release or waiver of any of Tenant's obligations under this Lease.

Pursuit of any of the foregoing remedies shall not preclude pursuit of any of the other remedies herein provided or any other remedies provided by Law, and no reference to any specific right or remedy in this Lease shall at any time preclude Landlord from exercising any other right, from having any other remedy, or from maintaining any action to which it may otherwise be entitled under this Lease, at law or in equity. Landlord shall use commercially reasonable and good faith efforts to mitigate its damages. No waiver by Landlord of any violation or breach of any of the terms, provisions and covenants of this Lease shall be deemed or construed to constitute a waiver of any other violation or breach of any of the terms, provisions and covenants herein contained, nor shall pursuit of any remedy herein provided constitute a forfeiture or waiver of any Rent due to Landlord hereunder or of any damage accruing to Landlord by reason of the violation of any of the terms, provisions and covenants herein contained. Forbearance by Landlord to enforce one or more of the foregoing remedies provided upon an Event of Default by Tenant shall not be deemed or construed to constitute a waiver of such default or the ability to select which remedy Landlord desires.

(b) In the event Landlord is in default under the terms of this Lease, Tenant may provide written notice of such default to Landlord. Upon the expiration of thirty (30) days following the giving of such notice, if Landlord (i) has failed to cure such default or (ii) in the case of a default (other than the payment of money) which by its nature cannot reasonably be cured within such thirty (30) day period, Landlord does not within such 30-day period commence to cure the default, and thereafter diligently pursue and complete the cure in a reasonable period of time, then in either such event, (A) Tenant may exercise all rights and remedies available at law and in equity, and (B) if such failure materially interferes with Tenant's business operations or poses a threat to the health and safety of Tenant or its invitees, Tenant may take reasonable actions within the Premises to remedy the default and perform the obligations of Landlord which have not been fully or properly performed. Landlord shall reimburse Tenant, upon written demand, for all reasonable costs and expenses actually incurred by Tenant in connection with the foregoing self-help right plus interest at ten percent (10%) per annum.

(c) The aforementioned thirty (30) day period of time permitted for Landlord to cure its default and the periods of time permitted for Tenant to cure defaults hereunder shall be extended if the default cannot be cured within the time period allowed herein, so long as such party is diligently and continuously attempting to cure.

(d) The cure periods set forth in this Section 18 shall be extended for any period of time during which the defaulting party is actually delayed in, or prevented from, curing due to force majeure events outside the reasonable control of the defaulting party, including, without limitation, fire or other casualty, acts of God, strikes, pandemics, lockouts, shortages of labor or materials, wars, insurrections, terrorism, civil disorder, embargoes, declaration of national emergencies, power shortages or outages, enactment, adoption, or promulgation of new laws, or the application or enforcement of laws. Notwithstanding the foregoing, there shall be no extended period in which to make any payment or cure a monetary default.

**19. NOTICES.** All notices, demands and requests which may be given or which are required to be given by either party to the other must be in writing. All notices, demands and requests by Landlord or Tenant shall be addressed as follows (or to such other address as a party may specify by duly given notice from time to time):

RENT PAYMENT ADDRESS:

2020 PONCE DE LEON LLC  
175 SW 7th Street, Suite 2112  
Miami, Florida 33130

LEGAL NOTICE ADDRESS FOR LANDLORD

2020 PONCE DE LEON LLC  
175 SW 7th Street, Suite 2112  
Miami, Florida 33130 Attention: Olga Valdes-Fauli

TENANT: THE CITY OF CORAL GABLES  
405 Biltmore Way  
Suite 100  
Coral Gables, FL 33134  
Attn: Cristina Suarez, City Attorney

WITH A COPY TO: HOLLAND & KNIGHT LLP  
701 Brickell Ave, Suite 3300  
Miami, FL 33131  
Attn: Vivian de las Cuevas-Diaz

Notices, demands or requests which Landlord or Tenant are required or desire to give the other hereunder shall be deemed to have been properly given for all purposes if (i) sent by registered or certified mail, return receipt requested, postage prepaid or (ii) sent by national recognized overnight courier service such as FedEx. Any notice under this Lease delivered by registered or certified mail shall be deemed to have been given and effective on the earlier of (A) the third day following the day on which the same shall have been mailed with sufficient postage prepaid; or (B) the delivery date indicated on the return receipt; Any notice sent by overnight courier service shall be deemed given, and effective upon the first (1<sup>st</sup>) business day after such notice is delivered to or picked up by the overnight courier service. The parties shall notify the other of any change in address, which notification must be at least fifteen (15) days in advance of it being effective. Notices may be given on behalf of any party by such party's legal counsel.

**20. ASSIGNMENT AND SUBLETTING.** Tenant shall have no right to sublet all or any portion of the Premises without the prior written consent of Landlord, which consent shall not be unreasonably withheld. Each such sublease shall be subject and subordinate to this Lease. Notwithstanding the foregoing, Tenant shall not assign this Lease in whole or in part without the prior written consent of Landlord, which consent shall not be unreasonably withheld; provided that, without the consent of Landlord, Tenant may (i) reorganize, merge or restructure its departments, divisions, or functions, including creating or dissolving subordinate entities; (ii) enter into intergovernmental agreements, partnerships, or cooperative arrangements with other governmental entities for use of the Premises; and (iii) take any actions required to comply with applicable public law or governmental requirement. In the event an assignment requires Landlord's consent, Tenant shall request Landlord's consent in writing and within thirty (30) days after service of such request, Landlord shall notify Tenant that it consents or refuses to consent to the

sublease or assignment. No sublease, assignment or any other transfer by Tenant, either with or without Landlord's consent, required or otherwise, during the Lease Term, shall release Tenant from any liability under the terms of this Lease, nor shall Tenant be relieved of the obligation of performing any of the terms of this Lease.

**21. TENANT'S WORK.** Tenant shall be responsible, at Tenant's sole cost and expense, for the build-out of the improvements to the Premises desired by Tenant ("**Tenant's Work**") in accordance with the plans attached hereto as **Exhibit "C"** ("**Approved Space Plans**"), which Approved Space Plans



Landlord has approved. Landlord shall use commercially reasonable and diligent efforts to obtain, or to assist Tenant in obtaining, all necessary approvals of the Approved Space Plans and Tenant's Work from the Association, the Board, or other party required under the Declaration. No material changes to the Approved Space Plans shall be made without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed. Tenant shall deliver to Landlord the working drawings ("**Working Drawings**") for Tenant's Work for Landlord's review and approval, which approval shall not be unreasonably withheld, conditioned or delayed. Within ten (10) business days after Landlord's receipt of the Working Drawings, Landlord shall notify Tenant of either its (i) approval or (ii) reasonable comments. If Landlord provides reasonable comments, Tenant shall revise the Working Drawings accordingly and resubmit the revised Working Drawings as soon as reasonably practicable. Landlord shall then have five (5) business days after receipt of the revised Working Drawings to either (i) approve or (ii) provide reasonable comments. This process shall continue until Landlord approves the Working Drawings. If Landlord fails to provide its approval or reasonable comments within the foregoing required time periods, Tenant may resubmit the Working Drawings to Landlord with a reminder notice stating, in ALLCAPS, "IF LANDLORD DOES NOT PROVIDES ITS APPROVAL OR REASONABLE COMMENTS WITHIN FIVE (5) BUSINESS DAYS AFTER RECEIPT OF THIS NOTICE, LANDLORD SHALL BE DEEMED TO HAVE APPROVED THE WORKING DRAWINGS INCLUDED WITH THIS NOTICE". Landlord's failure to provide its approval or reasonable comments within such 5-business day period shall be deemed approval of the Working Drawings included with such reminder notice. Notwithstanding the foregoing, any approvals of the Working Drawings that may be required from the Association, the Board or any other party required under the Declaration must still be obtained, and Landlord agrees to use commercially reasonable and diligent efforts to obtain, or to assist Tenant in obtaining, all necessary approvals of the Working Drawings from the Association, the Board, or other party required under the Declaration.

**22. ATTORNEY'S FEES.** In the event of any legal or equitable action arising out of this Lease, the prevailing party shall be entitled to recover all fees, costs and expenses, together with reasonable attorneys' fees incurred in connection with such action.

**23. GOVERNING LAW.** This Lease shall be governed by the laws of the state in which the Premises are located.

**24. QUIET ENJOYMENT.** Landlord represents and covenants that Landlord owns the Premises in fee simple, and has full right, power and authority to enter into this Lease for the term herein granted without the need for any additional consent, and Landlord covenants and agrees with Tenant that upon Tenant paying the Base Rent and Additional Rent and observing and performing all the terms, covenants and conditions on Tenant's part to be observed and performed, Tenant may peaceably and quietly enjoy the Premises, free from any interference or molestation.

**25. HOLDING OVER AND SURRENDER OF PREMISES.** A holdover beyond the expiration of the Term shall operate as an extension of this Lease from month to month on the same terms and conditions as herein provided, except for duration and that (i) for the first sixty (60) days of any such holdover, the Base Rent shall be 125% of the amount of the Base Rent due and payable hereunder for the last full month of the Term, and (b) after the first sixty (60) days of any such holdover, the Base Rent shall

be 150% of the amount of the Base Rent due and payable hereunder for the last full month of the Term. Such extended term may be terminated either by Landlord or Tenant by giving 30 days' written notice to the other. This Section shall in no way constitute a consent by Landlord to any holding over by Tenant upon the expiration or earlier termination of this Lease, provided, however, Landlord's monetary remedies for such holdover shall be limited to collection of holdover rental as specified above. At the expiration of the Term or any holdover, Tenant shall surrender to Landlord the Premises to Landlord in broom clean and in good condition (ordinary wear and tear and damage by casualty, condemnation and other causes beyond the reasonable control of Tenant, excepted), and shall remove all of its personal property and trade fixtures,

including any signs, notices and displays. Tenant shall perform all repairs made necessary by the removal of any such personal property and trade fixtures, prior to the expiration of the Term of this Lease.

**26. SUBORDINATION TO MORTGAGES.** This Lease shall be subordinate to the Declaration as well as to the lien of any existing mortgage or deed to secure debt upon the Premises, Building or the Project. The word "mortgage", as used herein, includes a mortgage, deed of trust or other similar instrument and any modification, extension, or renewal thereof. Tenant's acknowledgement and agreement of subordination provided for in this Section is self-operative and no further instrument of subordination shall be required; however, that, upon request from time to time by Landlord, Tenant shall execute a subordination agreement in such form as may be reasonably required by any mortgage holder.

**27. WAIVER OF LANDLORD'S LIEN.** Landlord hereby waives any lien rights which it may otherwise have concerning Tenant's property, which shall include furniture, fixtures, equipment, any and all equipment and/or supplies utilized by Tenant in its business operations, and Tenant shall have the right to remove the same at any time without Landlord's consent.

**28. SUCCESSORS AND ASSIGNS.** This Lease shall bind and inure to the benefit of the respective heirs, personal representatives, successors and assigns of Landlord and Tenant.

**29. BROKERS.** Neither Landlord nor Tenant has dealt with any broker or agent in connection with the negotiation or execution of this Lease, other than Savills Inc. on behalf of Landlord. Landlord shall pay such broker pursuant to a separate agreement with such broker. Each party agrees to indemnify, defend, and hold the other against all claims for brokerage commissions or other compensation for services rendered at its instance in connection with this transaction.

**30. PARTIAL INVALIDITY.** If any provision of this Lease or its application to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of that provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected, and each provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

**31. TIME; RIGHTS CUMULATIVE; INDEPENDENT COVENANT; SURVIVAL.** Time is of the essence of this Lease. All rights and remedies of the parties shall be cumulative and non-exclusive of any other remedy at law or in equity. The obligation of Tenant to pay all Rent and other sums hereunder provided to be paid by Tenant and the obligation of Tenant to perform Tenant's other covenants and duties hereunder constitute independent, unconditional obligations to be performed at all times provided for hereunder, save and except only when abatement thereof or reduction therein is expressly provided for in this Lease and not otherwise. Whether or not stated elsewhere in this Lease, the terms of this Lease with respect to any obligation of Landlord or Tenant to pay any sum owing or to perform any act after the expiration or other termination of this Lease (including, but not limited to, the performance of any indemnification, defense or hold harmless obligation) shall survive the expiration or other termination of this Lease.

**32. WAIVER OF CONSEQUENTIAL, SPECIAL AND PUNITIVE DAMAGES.** Neither Landlord nor Tenant is liable to the other under, or in connection with, this Lease for any consequential, special or punitive damages, and both Landlord and Tenant waive, to the full extent permitted by law, any claim for consequential, special or punitive damages.

**33. WAIVER OF TRIAL BY JURY.** To the extent permitted by applicable Law, Landlord and Tenant each hereby waive the right to trial by jury of any cause of action, claim, counterclaim or cross-complaint in any action, proceeding or other hearing brought by either Landlord against Tenant or Tenant against Landlord or any matter whatsoever arising out of, or in any way connected with, this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises or any claim of injury

or damage, or the enforcement of any remedy under any law, statute, or regulation, emergency or otherwise, now or hereafter in effect.

**34. ENTIRE AGREEMENT; INTERPRETATION.** This Lease contains the entire agreement between the parties and cannot be amended unless the amendment is in writing and executed by the party against whom the enforcement of the amendment is sought. No representations, understandings, agreements, warranties or promises with respect to the Premises or the Building or with respect to past, present or future tenancies, rents, expenses, operations or any other matter have been made or relied upon in the making of this Lease other than those specifically set forth herein. Sectional headings in this Lease are solely for convenience of reference and shall not in any way limit or amplify the terms and provisions hereof. This Lease can be modified only by a written instrument signed by Landlord and Tenant.

**35. NO OPTION; COUNTERPARTS.** The submission of this Lease by Landlord to Tenant for examination shall not constitute a reservation of or option for the Premises. This Lease shall become effective only upon execution thereof by both parties and delivery thereof to Tenant. This Lease may be executed electronically or otherwise in any number of counterparts via electronic transmission or otherwise, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

**36. PUBLIC RECORDS.** Records subject to the provisions of Public Records Law, Florida Statutes Chapter 119, shall be kept and maintained in accordance with such Statute. Landlord acknowledges that records and books, not subject to exemption under Chapter 119, may be disclosed and/or produced to third parties by the Tenant in accordance with requests submitted under Chapter 119 or court orders without penalty or reprisal to the Tenant for such disclosure and/or production. Landlord also agrees to assert, in good faith, any relevant exemptions provided for under Chapter 119 for records in its possession on behalf of the City. Furthermore, Landlord agrees to comply with the provisions outlined in Section 119.0701 of the Florida Statutes, the requirements of which are incorporated by reference herein.

**37. LIMITATION OF LIABILITY/SOVEREIGN IMMUNITY.** It is specifically understood and agreed that Landlord shall not be personally liable for any of the covenants, conditions or provisions of this Lease. In the event of a breach or default by Landlord of any of its obligations under this Lease, Tenant shall look solely to the interest of the Landlord in the Premises for the satisfaction of Tenant's remedies. The limitations on Tenant's right of recovery against Landlord set forth in this Section shall survive the expiration or other termination of this Lease. Landlord and Tenant acknowledge that the Florida Doctrine of Sovereign Immunity bars all claims against Tenant other than claims arising out of this Lease. Specifically, Landlord acknowledges that it cannot and will not assert any claims against Tenant, unless the claim is based upon a breach by Tenant of this Lease. Furthermore, Landlord understands that it has no right and will not make any claims based upon any of the following: (i) claims based upon any alleged breach by Tenant of warranties or representations not specifically set forth in this Lease; (ii) claims based upon negligence or any tort not arising out of this Lease; (iii) claims upon alleged acts or inaction by Tenant, its elected officials, attorneys, administrators, consultants, agents, or any Tenant employee not relating to

this Lease; or (iv) claims based upon an alleged waiver of any of the terms of this Lease (other than a waiver provided in writing by Tenant). Nothing in this Lease is intended to (A) estop or affect Tenant's exercise of its regulatory or (B) operate as a waiver of Tenant's sovereign immunity, as set forth in the Florida Constitution and Florida Statutes Chapter 768.28. Tenant retains the full extent of its sovereign immunity in relation to the exercise of its regulatory authority.

**38. RADON GAS.** RADON IS A NATURALLY OCCURRING RADIOACTIVE GAS THAT, WHEN IT HAS ACCUMULATED IN A BUILDING IN SUFFICIENT QUANTITIES, MAY PRESENT HEALTH RISKS TO PERSONS WHO ARE EXPOSED TO IT OVER TIME. LEVELS OF RADON THAT EXCEED FEDERAL AND STATE GUIDELINES HAVE BEEN FOUND IN BUILDINGS IN FLORIDA.

ADDITIONAL INFORMATION REGARDING RADON TESTING MAY BE OBTAINED FROM YOUR COUNTY PUBLIC HEALTH UNIT.

**39. MISCELLANEOUS.** The terms Landlord and Tenant as herein contained shall include singular and/or plural, masculine, feminine and/or neuter, heirs, successors, personal representatives and/or assigns wherever the context so requires or admits. The words "including" and similar words shall mean "including, but not limited to,". All exhibits attached to this Lease, if any, are hereby incorporated in and made a part hereof. Landlord and Tenant each certify that it is not acting directly or indirectly for or on behalf of any person, group, entity or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, entity, nation or transaction pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control; and that it is not engaged in this transaction, directly or indirectly on behalf of any such person, group, entity or nation. Each party agrees to defend, indemnify and hold harmless the other from and against any and all claims, damages, losses, risks, liabilities, and expenses (including reasonable attorney's fees and costs) arising from or related to any breach of the foregoing certification; this indemnity shall survive expiration or earlier termination of this Lease.

**40. DUE AUTHORIZATION.** The person(s) executing this Lease on behalf of Landlord or Tenant, as the case may be, hereby covenants and warrants that: such persons are duly authorized to execute and deliver this Lease on behalf of Landlord or Tenant; and this Lease constitutes a valid and binding agreement of Landlord or Tenant, as the case may be, in accordance with the terms hereof.

(Remainder of Page intentionally left blank)

18

**THE PARTIES HERETO** have executed this Lease as of the Effective Date.

**LANDLORD:**

**2020 PONCE DE LEON LLC**, a Florida  
limited liability company

By:

Name:

Alejandro Velez



Title: Manager

**TENANT:**

**CITY OF CORAL GABLES**, a  
municipal corporation of the State of Florida

By:

Name: Peter Iglesias

Title: City Manager

**APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY:**

By:  
Name: Cristina Suarez  
Title: City Attorney

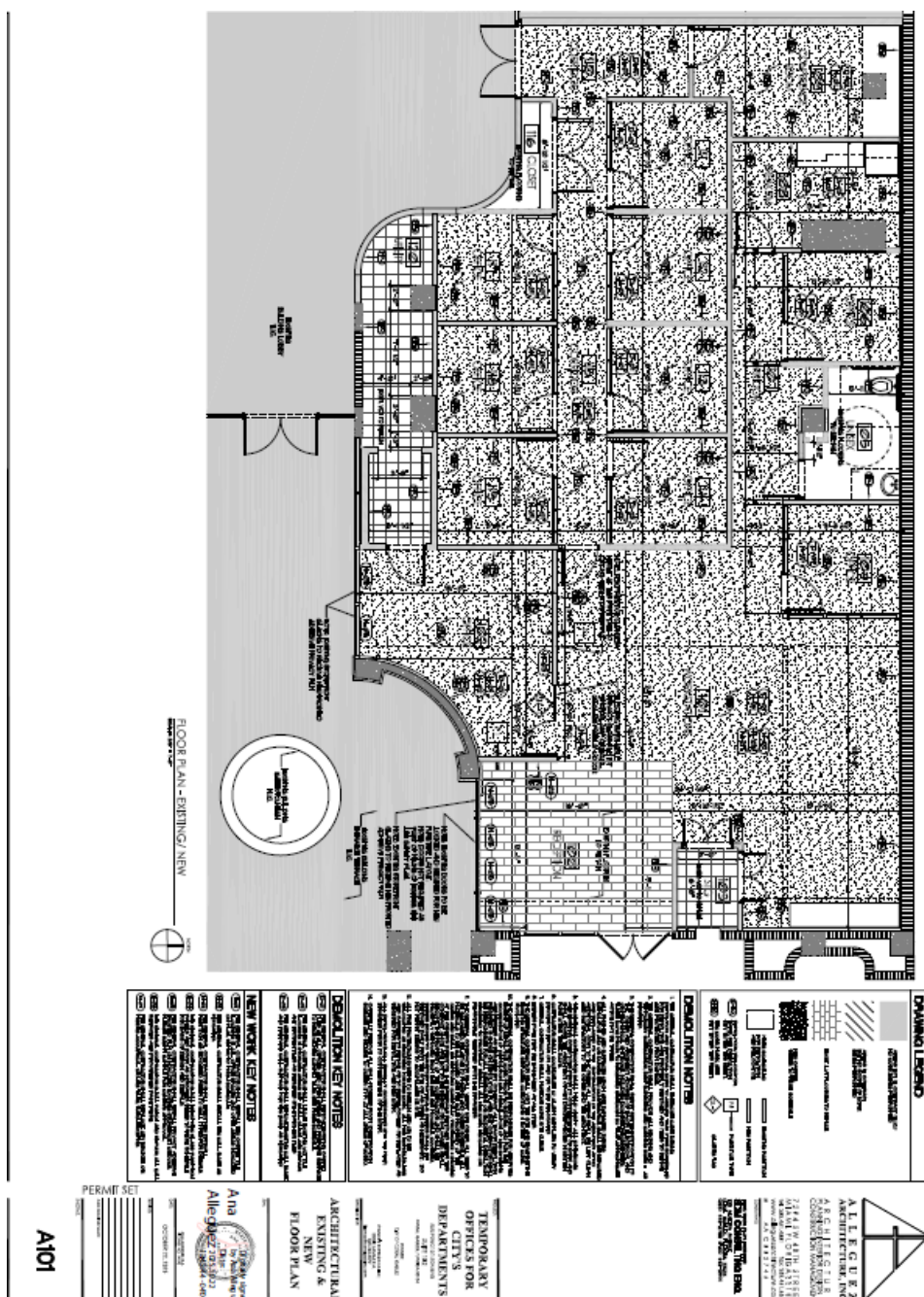
**ATTEST:**

By:  
Name: Billy Urquia  
Title: City Clerk

19

**EXHIBIT "A"**

Floor Plan of Premises



**EXHIBIT “B”**

### Fair Market Rent for the Extended Lease Term

The term, “**Fair Market Rent**”, as used in the Lease shall mean the fair market base rental rate that a willing tenant would pay, and a willing landlord would accept, to renew a lease of space comparable to the Premises in an arms-length transaction in the Pertinent Market (as hereinafter defined). The determination of the Fair Market Rent shall take into account all relevant factors. The term “**Pertinent Market**” means, collectively, the Premises and other comparable properties in the City of Coral Gables.

Within thirty (30) days after Landlord's receipt of the Renewal Notice, Landlord shall deliver written notice to Tenant ("**Landlord's Fair Market Rent Notice**") advising Tenant of Landlord's determination of the Fair Market Rent for the Premises for the Extended Lease Term ("**Landlord's Fair Market Rent Determination**"). Within thirty (30) days following Tenant's receipt of Landlord's Fair

Market Rent Notice, Tenant shall either (i) deliver written notice to Landlord notifying Landlord of its agreement with Landlord's Fair Market Rent Determination (the "**Agreement Notice**"), whereupon the Landlord's Fair Market Rent Determination shall be established as the Base Rent payable by Tenant for the first (1st) year of the Extended Lease Term, or (ii) deliver written notice to Landlord of Tenant's disagreement with Landlord's Fair Market Rent Determination (the "**Disagreement Notice**"). If Tenant fails to deliver to Landlord either an Agreement Notice or a Disagreement Notice within such thirty (30) day period, then Landlord shall send a reminder notice to Tenant, and if Tenant fails to provide its Agreement Notice or Disagreement Notice within five (5) business days of receipt of such reminder notice, Tenant shall be deemed to have accepted Landlord's Fair Market Rent Determination and the same shall be established as the Base Rent payable by Tenant for the first (1st) year of the Extended Lease Term.

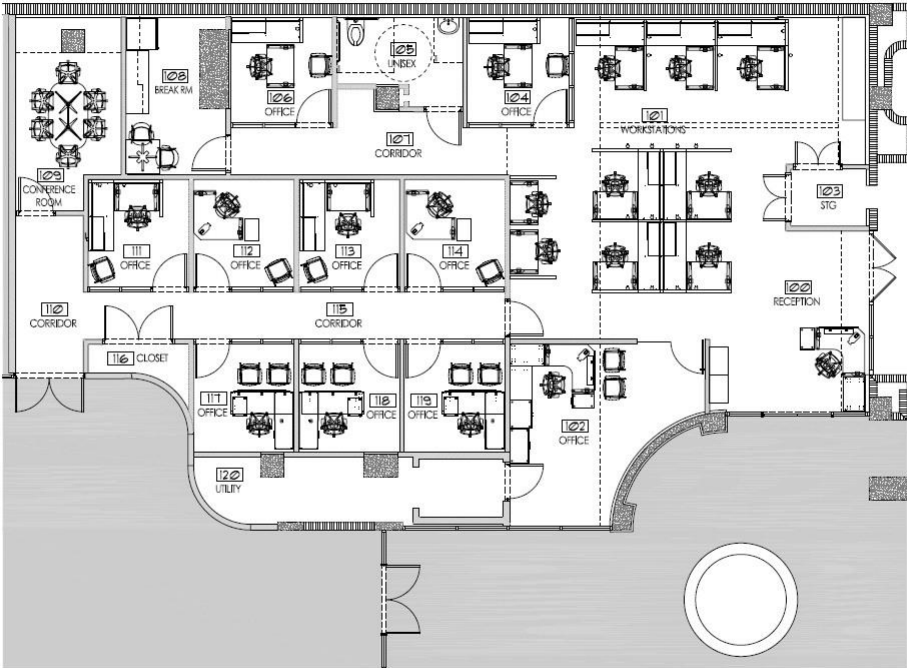
If Tenant delivers a Disagreement Notice to Landlord, Landlord and Tenant shall negotiate in good faith to agree in writing upon the Fair Market Rent for the Premises for the Extended Lease Term for a period of thirty (30) days following the date of Landlord's receipt of the Disagreement Notice (the "**Negotiation Period**"). If at the end of the Negotiation Period the parties fail to reach an agreement upon the Fair Market Rent then, within fifteen (15) days following the expiration of the Negotiation Period, each party shall give written notice to the other party setting forth the name and address of an Agent (as hereinafter defined) appointed by such party for purposes of determining the Fair Market Rent. As used in this **Exhibit "B"** only, the term "Agent" shall mean an independent commercial real estate broker or agent who is licensed and in good standing in the State where the Premises is located and has at least ten (10) years' experience leasing of properties comparable to the Premises in the Pertinent Market. If either party fails to appoint an Agent within the foregoing time frame, the Fair Market Rent shall be determined by the Agent selected by the other party, which determination shall be conclusive and binding on the parties. If each party timely appoints an Agent, then within thirty (30) days following the appointment of the second Agent, each Agent shall independently make their own determination as to the Fair Market Rent and shall simultaneously deliver its determination to the other Agent in writing. If the two Agents' determinations of the Fair Market Rent are not the same, but the higher of such two (2) determinations is less than one hundred five percent (105%) of the lower of such determinations, then the Fair Market Rent shall be established as the average of the two determinations. If, however, the higher of such determinations is greater than the lower of such determinations by more than one hundred five percent (105%), then the two Agents shall mutually select a third Agent (the "**Third Agent**") within ten (10) business days. If the Agents fail to agree upon such Third Agent within such ten (10) business day period, either party may petition the American Arbitration Association or a court of competent jurisdiction to select such Third Agent. The Third Agent, however selected, shall be a person who has not previously acted in any capacity for either Landlord Tenant. Within thirty (30) days following the appointment of the Third Agent, the Third Agent shall select either the Landlord's Agent's determination or the Tenant's Agent determination of the Fair Market Rent that such Third Agent believes most closely reflects the Fair Market Rent for the Premises for the Extended

Lease Term. Such determination by the Third Agent shall be final and binding on both parties as the Fair Market Rent to be established as the Base Rent payable by Tenant for the Extended Lease Term. Each party shall pay any and all fees and expenses incurred in connection with such party's Agent and the fees and expenses for the Third Agent will be borne equally by the parties.


If Tenant duly exercises the option for the Extended Lease Term, then following the determination of the Fair Market Rent for the Extended Lease Term, Landlord and Tenant shall promptly enter into an amendment of this Lease, in a form reasonably acceptable to both parties (the "**Renewal Amendment**"), to reflect the renewal of the Lease for the Extended Lease Term and the Base Rent payable by Tenant for the Extended Lease Term, provided, however, that the failure of either party to so execute the Renewal Amendment shall not in any way impair the effectiveness of Tenant's exercise of the Renewal Option in question or the renewal of the Term for the Extended Lease Term.

EXHIBIT "C"

Approved Space Plans



NEW FURNITURE PLAN  
SCALE: 1/8" = 1'-0"



**ALLEGUEZ ARCHITECTURE, INC.**  
ARCHITECTURE  
CONSULTING ENGINEERING  
CONSTRUCTION MANAGEMENT

1228 S.W. 4TH STREET  
MIAMI, FLORIDA 33135  
TEL: 305.441.1111 • FAX: 305.441.1112  
www.alleguezarchitecture.com

**REGISTERED PROFESSIONAL ENGINEER**  
STATE OF FLORIDA  
NO. 12543  
EXPIRATION DATE: 12/31/2024

**TEMPORARY OFFICES FOR CITY'S DEPARTMENTS**

DESIGNED BY: ALLEGUEZ ARCHITECTURE, INC.  
DATE: 10/1/2021  
TOTAL SHEETS: 10 (THIS IS SHEET 10)

**ARCHITECTURAL FURNITURE PLAN**

PROJECT: CITY OF MIAMI - TEMPORARY OFFICES  
SHEET: 10 OF 10  
DATE: 10/1/2021  
BY: [Signature]

PERMIT SET

DATE: OCTOBER 01, 2021

**A102**  
**EXHIBIT-A**



