

RESOLUTION No. 2008-143-830

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, EXERCISING A RIGHT OF FIRST OFFER WITH BRI 1814 GGOP, LLC ("BRI"), FOR ADDITIONAL SPACE FOR CITY HALL; AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE A SIXTH ADDENDUM TO THAT CERTAIN LEASE AGREEMENT BETWEEN THE CITY OF MIAMI GARDENS AND BRI, LLP; PROVIDING FOR THE ADOPTION OF REPRESENTATIONS; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City is currently operating under a lease with BRI 1814 GGOP, LLC ("BRI") for the current City Hall space ("Lease") that expires on December 31, 2009, and

WHEREAS, previously the City executed five Addendums to the Lease Agreement, whereby the City leased an additional space, and

WHEREAS, BRI has offered the City a right of first offer for additional space based upon the same terms and conditions as containing the original lease with certain exceptions, and

WHEREAS, the City Manager has identified the need for additional space for City operations, and

WHEREAS, the City Manager recommends that the City Council exercise the right of first offer, and lease up to an additional 14,012 of space for City Hall in accordance with the terms outlined in the Staff Report that accompanies this item,

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS, FLORIDA, AS FOLLOWS:

Section 1. ADOPTION OF REPRESENTATIONS: The foregoing Whereas paragraphs are hereby ratified and confirmed as being true, and the same are hereby made a specific part of this Resolution.

Section 2. EXERCISE OF RIGHT OF FIRST OFFER: The City Council

hereby exercises the right of first offer and authorizes the City Manager to negotiate and execute a Sixth Addendum to Lease Agreement with BRI in accordance with the terms outlined in the Staff Report that accompanies this item, subject to the review and approval of the City Attorney.

Section 3. EFFECTIVE DATE: This Resolution shall take effect immediately upon its final passage.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF MIAMI GARDENS AT ITS REGULAR MEETING HELD ON JULY 9, 2008.


SHIRLEY GIBSON, MAYOR

ATTEST:


RONETTA TAYLOR, CMC, CITY CLERK

Prepared by SONJA KNIGHTON DICKENS, ESQ.
City Attorney

SPONSORED BY: Danny Crew, City Manager

MOVED BY: Councilwoman Pritchett
SECOND BY: Councilman Gilbert

VOTE: 6-0

Mayor Shirley Gibson	<u>X</u> (Yes)	___ (No)
Vice Mayor Barbara Watson	___ (Yes)	___ (No) (not present)
Councilman Melvin L. Bratton	<u>X</u> (Yes)	___ (No)
Councilman Aaron Campbell	<u>X</u> (Yes)	___ (No)
Councilman Andre' Williams	<u>X</u> (Yes)	___ (No)
Councilwoman Sharon Pritchett	<u>X</u> (Yes)	___ (No)
Councilman Oliver Gilbert, III	<u>X</u> (Yes)	___ (No)

City of Miami Gardens

1515-200 NW 167th Street
Miami Gardens, Florida 33169



Mayor Shirley Gibson
Vice Mayor Barbara Watson
Councilman Melvin L. Bratton
Councilman Aaron Campbell Jr.
Councilwoman Sharon Pritchett
Councilman Oliver Gilbert III
Councilman André Williams

Agenda Cover Page

Date: July 9th, 2008

Fiscal Impact: No Yes X

Public hearing

Quasi-Judicial

(If yes, explain in Staff Summary)

Ordinance

Resolution X

Funding Source:

1st Reading

2nd Reading

Contract/P.O. Requirement: Yes X No

advertising requirement:

Yes No

Sponsor Name/Department:

RFP/RFQ/Bid #

Dr. Danny O. Crew, City Manager

Title

A Resolution of the City Council of the City of Miami Gardens, Florida, exercising a Right of First Offer with BRI 1814 GGOP, LLC ("BRI"), for additional space for City Hall; Authorizing the City Manager to negotiate and execute a Sixth Addendum to that certain Lease Agreement between the City of Miami Gardens and BRI, LLP; Providing for the adoption of representations; Providing an effective date.

Staff Summary

The City purchased the Wachovia property in January 2008, which Council approved as the future site of City Hall. The critical steps in the process include: space assessment, design, engineering, bidding, permitting and construction. These combined areas would be approximately 3 ½ to 5 years and as such, the earliest timeframe for occupying the new City Hall would be Summer 2012.

The City currently has 24,825 square feet that we rent at rates of \$13.84, \$18.72 and \$19.06 per square feet. We looked at the spatial needs for the current city services and the anticipated needs until City Hall would be completed. We then approached our landlord about potential property that is available for us to lease during this timeframe. As a result of the negotiations, the owner has offered us the "Right of first Refusal" on additional property with the following terms:

- Up to an additional 14,012 in space within the current complex;

- Space offerings of up to 8,161 in Building 6; 1,152 in building 4; 1,960 in Building 7, and 2,739 in Building 8;
- Releasing 300 square foot that city currently leases that is contiguous to the Café;
- Rental rate of 2006 contracts (\$18.72 per square foot), versus market rate (approximately \$21 per square foot);
- Build-out, carpeting & painting of existing new space at owner's expense (estimated \$4 per square feet);
- 6 month free rent on additional property;
- Align termination dates of new & existing properties;
- Extend term of current lease for an additional 2 years (from March 31st, 2010 to March 31st, 2012).

We propose using approximately 10,357 square feet in additional space (540 less 304SF- Building 4; 8,161SF – Building 6; and 1,960SF – Building 7) and have provided preliminary drawings of assignments in **Exhibit 1**. Some of the major changes that would be accommodated if this were done:

Parks & Recreation administrative/recreation staff at Cloverleaf has increased to 12, with the potential for 6 to 10 additional personnel funded by grants for a 3-year period. The current Cloverleaf location can no longer accommodate this group, as it is physically and technically undersized. In addition, there are benefits to co-locating with the administrative staff with the supervisors of the Recreational functions.

Police – when the Police building was purchased, we considered it adequate to provide the local services. Since that time, we have expanded to include: Dispatch, Canine, Motor and Specialized Services.

IT – during the last year our IT staff has significantly increased to support the doubling of staff and the complex network used by our Police Department.

Purchasing – a separate, secure area would be provided for Procurement, which would allow for the protection of our files and maintain the integrity of our bidding process.

Media & Events – assigning an appropriate location for this area.

Capital Improvement Program – assign an appropriate location to this area, tasked with the current \$36MM improvements for the Parks.

School Crossing Guard – relocating this area from the current location next to the Café.

Any space that the owner proposes, could be available to us within a few weeks once painting, carpeting and minor remodeling is done. Any space that we do not lease will be offered to the public for lease. If we need it in the future, there is no guarantee that space would be available, or how favorable the terms would be.

The owner has also committed to over \$100,000 in general property improvements within the complex, including:

- Improving the parking lot landscaping;
- Adding additional exterior lighting on buildings 4, 5, 6, 7;
- Renovating the landscaping, furniture receptacles in the courtyard around the fountain;
- Adding handicap-accessibility signage;
- Adding an additional handicap accessible ramp;
- Funding upgrades to the Café in Building 4.

We recommend leasing an additional net 10,357 square feet in Buildings 4, 6 and 7 at the rate of \$18.72 per square foot, under the conditions mentioned earlier in the memo. All other terms and conditions would be consistent with the prior lease agreement. Money for this is included in the FY09 Budget. The City's original agreement and subsequent addenda were with Golden Glades Association, LLP. They have since sold the property and assigned their interests to BRI 1814 GGOP, LLC.

Recommendation:

We recommend that the Council authorize the City Manager to negotiate and execute a 6th Lease Addendum, with BRI 1814 GGOP, LLC for the lease of additional office space within the Golden Glades Office complex.

SIXTH ADDENDUM TO LEASE AGREEMENT

By and between

BRI 1814 GGOP ,LLC
As Landlord

and

CITY OF MIAMI GARDENS
As Tenant

THIS SIXTH ADDENDUM TO OFFICE LEASE (the "Sixth Addendum") entered into as of July 15th, 2008, by and between the City Of Miami Gardens, a municipal corporation (the "Tenant") whose address is 1515 N. W 167TH Street, Suite # 200, Miami, Florida 33169, and BRI 1814 GGOP, LLC, a Delaware Limited Liability Company authorized to do business in Florida (the "Landlord"), whose address is 1140 East .

WHEREAS, Golden Glades Assoc. LLP, a predecessor of Landlord, and Tenant entered into that certain Office Building Lease dated March 5, 2004, First Addendum to Office Lease dated August 25, 2004, Second Addendum to Office Lease dated December 14, 2005, Third Addendum To Office Lease dated August 24, 2006, Fourth Addendum to Office Lease dated October 31, 2006, and Fifth Addendum to Office Lease dated January 11th, 2007 (herein collectively referred to as the "Lease Agreement") for rental of 24,825 square feet ("Existing Premises") in the Golden Glades Office Park ("Property"); and

WHEREAS, Golden Glades Assoc. LLP assigned to Landlord all of its rights, title, and interests to the Lease Agreement;

WHEREAS, Tenant desires to expand the Premises and Landlord is willing to accommodate such expansion.

WHEREAS, the Term of the existing Lease Agreement expires on March 31, 2010 ("Original Term"), and both parties desire to extend the term of the Lease;

WHEREAS, Tenant and Landlord desire to amend and clarify certain provisions of the Lease Agreement.

NOW THEREFORE, for good and valuable consideration the receipt and sufficiency of which are hereby conclusively acknowledged, the parties hereto agree that the Lease Agreement is amended as follows:

1. The term of the Lease Agreement is extended to March 31, 2012.
2. The Existing Premises shall be expanded to include the following additional suites ("Additional Premises") depicted in the attached floor plans marked as

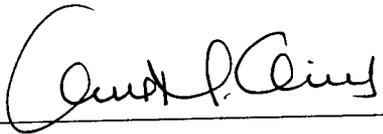
Exhibit "A" and attached hereto and made a part hereof, which are stipulated to have the following dimensions for purposes of the Lease Agreement:

a. Suite 6-300	8,161 SF
b. Suite 7-440	1,960 SF
c. Suite 4-128	<u>540 SF</u>
SUB TOTAL	10,661 SF
Less	
d. Suite 4-101	304 SF
NET TOTAL	10,357 SF

3. Landlord shall build the Expansion Space, at its sole cost, in good workmanship, with good quality materials, and in accordance with the specifications set forth in **Schedule "B"**, attached hereto and made a part hereof, including, without limitation, new carpet and paint, and certain additional doors and wall openings. Delivery of property to the tenant will be upon completion of the build-out and improvements. Landlord shall deliver the Expansion Space to Tenant on or before October 1st, 2008.
4. Tenant shall commence payment of rent for the Expansion Space six (6) months after delivery of property to the tenant. The initial monthly base rent payable for the Expansion Space shall be \$18.72 per square foot ($\$18.72 \times 10,357 \text{ SF}$ annually/12= \$16,156.92 per month). The rent for the Expansion Premises shall be subject to the regular annual escalations contained in the last Addendums of the Lease Agreement starting the first adjustment on July 1, 2009 and through the new date of termination of the Lease Agreement. The rent for the Existing Premises shall be in accordance with the Lease Agreement and any subsequent Addendum. Tenant shall continue reimbursing Landlord for electricity. Tenant shall be responsible for providing Janitorial Services to leased Premises, but may request Janitorial Services be provided by the Landlord and provide the necessary reimbursements to Landlord for same. The Expansion Space shall be subject to all of the provisions of the Lease Agreement not amended herein, including without limitation, use, repairs, and alterations by tenant, base year operating costs, signs, parking, and rules and regulations. Tenant shall not have to place any additional deposit for the Expansion Premises.
5. Landlord shall complete the following renovations of the Property on or before 12 months from the date of execution of this Addendum hereof:
 - a. Adding oak trees to the parking lot landscaping;
 - b. Adding additional exterior lighting on buildings 4, 5, 6, 7;
 - c. Renovating the landscaping, furniture receptacles in the courtyard around the fountain;
 - d. Adding handicap-accessibility signage;
 - e. Adding an additional handicap accessible ramp;
 - f. Funding upgrades to the Café in Building 4 up to \$10,000.

6. Ratification; Controlling Provisions. The provisions of this Addendum shall prevail to the extent that there are any inconsistencies between this Addendum and the Lease Agreement. Except as expressly hereby modified, all other terms and provisions of the Lease Agreement and subsequent Addendums are hereby ratified and confirmed.

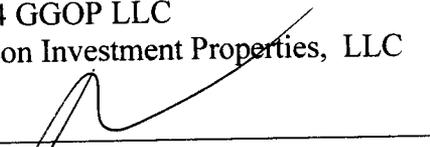
Witness to Landlord:


Print Name AND ANZ

Landlord:

BRI 1814 GGOP LLC

By: Beacon Investment Properties, LLC

By: 

Print Name Artel Bentate

Title Managing Member

Witness to Tenant:


Print Name STEWART M HUGH

Tenant:

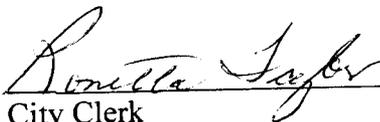
CITY OF MIAMI GARDENS

By: 

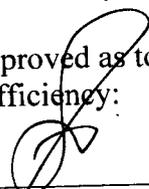
Print Name: Dr. Danny O. Crew

Title City Manager

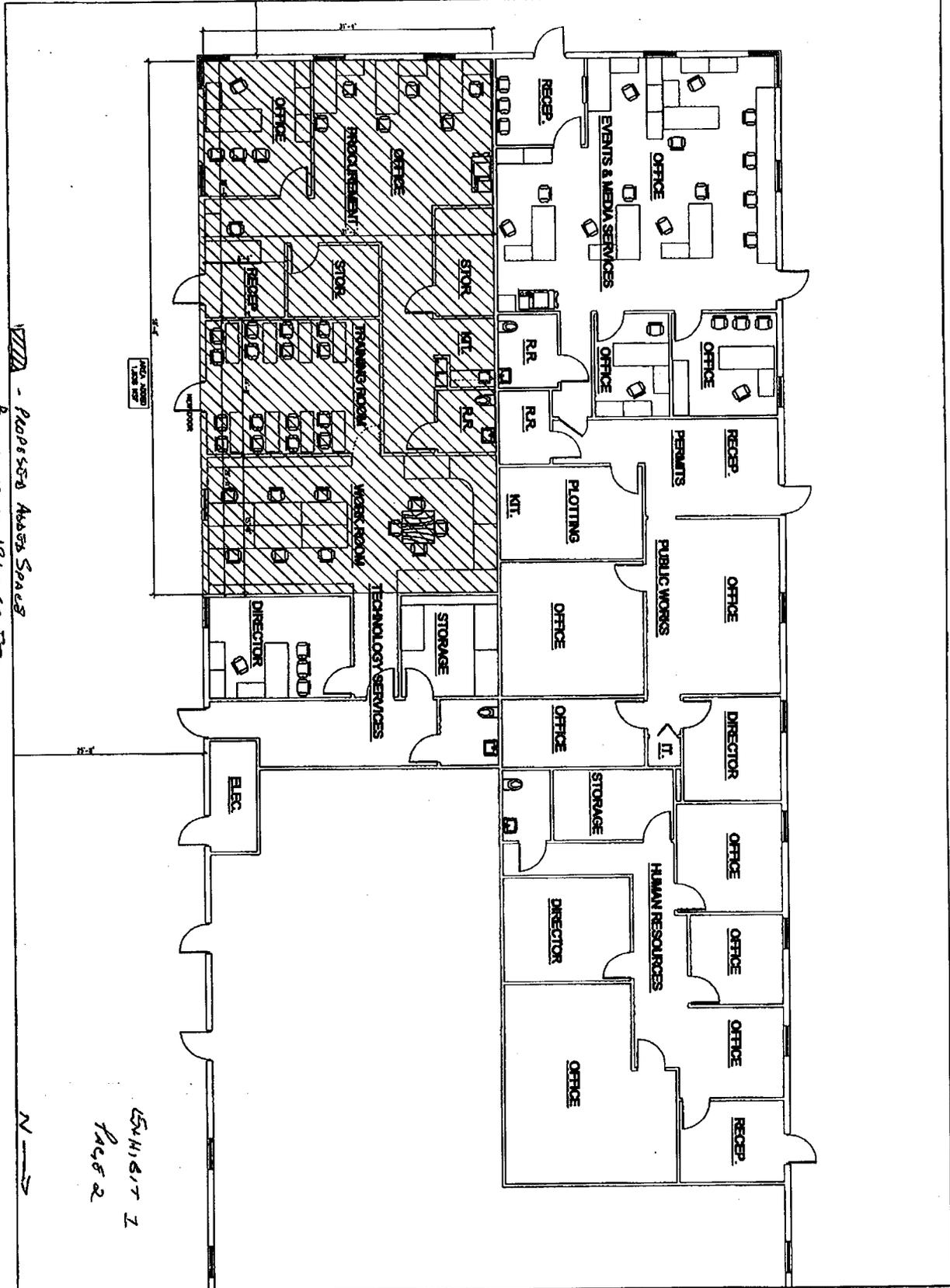
ATTEST:


City Clerk
Ronetta Taylor, CMC

Approved as to form and legal
Sufficiency:


Sonja K. Dickens, City Attorney

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Project Title: Drawing Title:		Revisions # Date Description		Author & Date Name & ALID# Checked & Date Design Approval Proj. No.	
Project No. / Revision Date / Time Scale / Units		1 2 3 4 5		[Blank] [Blank] [Blank] [Blank]	

