



Interoffice Memorandum

REAL ESTATE MANAGEMENT ITEM 1

DATE: May 3, 2021

TO: Mayor Jerry L. Demings
-AND-
County Commissioners

THROUGH: Mindy T. Cummings, Manager *MTIC*
Real Estate Management Division

FROM: Alex Feinman, Assistant Manager *AF*
Real Estate Management Division

CONTACT PERSON: **Mindy T. Cummings, Manager**

DIVISION: **Real Estate Management**
Phone: (407) 836-7090

ACTION REQUESTED: Approval and execution of First Amendment to Lease by and between G&C OC Investors, LLC and Orange County, Florida and authorization for the Real Estate Management Division to exercise renewal options, execute tenant estoppel certificates, and furnish notices, required or allowed by the lease, as needed

PROJECT: EPD at Saratoga
3165 McCrory Place, Orlando, Florida 32803
Lease File #2067

District 5

PURPOSE: To continue to provide office and laboratory space for the Environmental Protection Division.

ITEM: First Amendment to Lease
Cost: Year 1 - \$43,025.08 per month
Year 2 - \$44,325.84 per month
Year 3 - \$45,646.61 per month
Year 4 - \$47,007.41 per month
Year 5 - \$48,408.22 per month
Size: 24,014 square feet
Term: five years
Options: One, 5-year renewal

BUDGET: Account No.: 0001-043-0201-3620

APPROVALS: Real Estate Management Division
County Attorney's Office
Environmental Protection Division
Risk Management Division

REMARKS: County currently leases office and laboratory space in the Saratoga Building at 3165 McCrory Place, Orlando (Site) pursuant to the Lease Agreement approved by the Board on May 19, 2015 (Lease).

This First Amendment to Lease renews the term for five years, updates the expansion and first refusal rights, updates parking spaces, and provides for additional improvements to the lease space.

All other terms and conditions of the Lease shall remain in effect.

MAY 18 2021

FIRST AMENDMENT TO LEASE

THIS FIRST AMENDMENT TO LEASE (this “**Amendment**”) is made effective as of the latest date set forth beneath the parties’ signatures below (the “**Amendment Date**”) by and between **G&C OC INVESTORS, LLC**, a Florida limited liability company (“**Landlord**”) and **ORANGE COUNTY, FLORIDA**, a charter county and political subdivision of the State of Florida (“**Tenant**”).

WITNESSETH:

A. Landlord (as successor in interest to DRA CRT Orlando Central Center LLC) and Tenant are the parties to the Lease dated May 19, 2015 (the “**Lease**”).

B. The Lease provides for the lease of Suite 200 (the “**Premises**”), consisting of a total of 24,014 rentable square feet in the Saratoga Building located at 3165 McCrory Place, Orlando, Florida 32803 (the “**Building**”) in the Orlando Central Center (the “**Project**”).

C. Section 30 of the Lease provides that: “Tenant shall have the option (the “**Renewal Option**”) to extend the Term for two (2) successive periods of sixty (60) consecutive months each (each, a “**Renewal Term**”).”

D. As the Tenant wishes to exercise the first of two (2) above-stated renewal options, the Landlord and Tenant hereby agree to extend the Term of the Lease subject to the terms and conditions of this Amendment.

NOW, THEREFORE, for and in consideration of the agreements set forth in this Amendment, the receipt and sufficiency of which consideration is hereby acknowledged, Landlord and Tenant amend the Lease as follows:

1. Incorporation of Recitals. The above recitals are true and correct and are incorporated as a material part of this Amendment as if set forth in full.

2. Definitions. All defined terms in this Amendment shall have the same meaning as in the Lease, except if otherwise noted.

3. Lease. Unless explicitly altered or amended by this Amendment, the Lease’s terms, covenants, conditions, and agreements shall continue to be in full force and effect.

4. Amendments to Lease. Through their execution of this Amendment, the parties agree to the following amendments to the Lease, which shall hereby be applicable and binding upon the parties for the Term of the Amendment.

A. Exhibits

- (1) Exhibits “A” and “D” to the Lease are hereby affirmed and fully incorporated into this Amendment.

(2) Exhibits “B,” “C,” and “E,” to the Lease are hereby stricken in their entirety.

B. Section 3 (“Term and Possession”) of the Lease:

The Term of the Lease is hereby renewed for an additional 60 full calendar months, commencing on January 1, 2021 and expiring at 6:00 pm Orlando, Florida time on December 31, 2025.

C. Section 5 (“Rent and Sales Tax”) of the Lease:

Effective as of January 1, 2021, Tenant shall pay Base Rent to Landlord as to the Premises pursuant to the rent chart set forth below, plus applicable taxes, as and when due under the Lease.

PERIOD	ANNUAL RATE/RSF	MONTHLY BASE RENT
January 1, 2021 – December 31, 2021	\$21.50	\$43,025.08
January 1, 2022 – December 31, 2022	\$22.15	\$44,325.84
January 1, 2023 – December 31, 2023	\$22.81	\$45,646.61
January 1, 2024 – December 31, 2024	\$23.49	\$47,007.41
January 1, 2025 – December 31, 2025	\$24.19	\$48,408.22

As a political subdivision of the State of Florida, Tenant represents to Landlord that its rights of tenancy and occupancy under this Lease are exempt from the imposition of Florida State sales and use taxes. Tenant shall furnish to Landlord satisfactory proof of such exemption, and Tenant shall not be liable for payment of such taxes for so long as the exemption is in effect and to the extent such exemption is in effect.

D. Section 6 (“Operating Expenses and Taxes”) of the Lease:

Effective as of January 1, 2021, the Base Year is hereby changed to 2021.

E. Section 10 (“Condition of Premises/Alterations”) of the Lease:

Except as provided in the Work Letter attached hereto as **Amendment Exhibit “A”**, Tenant accepts the Premises, the Building, and the Project in their “as is” “where is” “with all faults” condition, and Landlord shall not be required to make any improvements to the Premises, the Building, or the Project or provide or pay any improvement allowances or payments to Tenant under the Lease for

Tenant's occupancy of the Premises, and Tenant acknowledges that all construction obligations and allowances and other amounts required to be paid from Landlord to Tenant under the Lease have been performed and paid in full.

F. Section 30 ("Renewal Options") of the Lease:

Landlord and Tenant agree that this Amendment constitutes Tenant's exercise of the first of two Renewal Options under Section 30 of the Lease and that Tenant shall continue to have the right to exercise the second and final Renewal Option upon and subject to the terms and provisions of Section 30 of the Lease. For avoidance of doubt, if the final Renewal Option is exercised, the final expiration date would be December 31, 2030.

G. Section 31 ("Expansion Option") is hereby amended and restated as follows:

31. SECOND FLOOR SPACE. Provided that (i) this Lease is in full force and effect, (ii) Tenant has not committed a default under this Lease during the 12 month period prior to the time Tenant delivers to Landlord the notice required under this Section, and no default exists under this Lease and no event has occurred that upon notice or the passage of time would constitute a default under this Lease, and (iii) Tenant is not delinquent on any sums due under this Lease, Tenant shall have the one time right to the space on the second floor of the Building shown on **Amendment Exhibit "B"** attached hereto (the "**Second Floor Space**"). Should the Tenant choose to utilize its one time right to expand into the Second Floor Space, within 10 business days after Landlord's receipt of Tenant's formal written request for proposed terms and conditions, Landlord (or its broker) shall provide written notice to Tenant ("**Landlord's Proposal**") of the proposed terms and conditions for a potential lease to Tenant. Such Base Rent rate for the Second Floor Space as set forth in Landlord's Proposal shall not be materially different than the applicable Base Rent rate set forth in section 4C of this Amendment. If, within 30 days of Landlord's Proposal, Tenant does not provide written notice to Landlord of its acceptance of Landlord's Proposal, then Landlord shall be free to lease all or any portion of such space to any third party upon any terms and conditions satisfactory to Landlord. Tenant acknowledges and agrees that this Section shall not be deemed or construed to (i) grant to Tenant any right of first refusal, right of first offer or any other right to lease any space in the Building; (ii) require Landlord to deliver any Landlord's Proposal in response to any inquiry from Tenant, except for the Tenant's formal writing indicating that it intends to exercise its one-time right to expand pursuant to this Section, at which point the Landlord must provide a Landlord's Proposal; or (iii) require the parties to commence or continue any discussions after any delivery of any Landlord's Proposal, except for good-faith discussions regarding the Landlord's Proposal submitted in response to the Tenant's formal writing indicating that it intends to exercise its one-time right to expand pursuant to this Section.

H. Section 32 (“Right of First Refusal”).

As modified by this Section 4H of this Amendment, Tenant shall continue to have the Right of First Refusal set forth in Section 32 of the Lease. Effective as of Amendment Date of this Amendment, the Expansion Space is changed to be solely the Second Floor Space shown on **Amendment Exhibit “B”** attached hereto.

5. Additional Terms and Conditions. In addition to the above-stated alterations and amendments to the terms and conditions of the Lease, the parties hereby agree that the following additional terms and conditions shall apply for the Term of this Amendment:

A. Maintenance. As part of the Landlord Work described on **Amendment Exhibit “A”** attached to this Amendment, Landlord is installing a dishwasher and private shower in the Premises. Notwithstanding anything in the Lease to the contrary, Landlord shall be obligated to repair, maintain, or replace such shower facility or dishwasher and to provide janitorial or pest control services as to the shower facility; provided that: (a) if such damage is caused by an act or omission of Tenant or Tenant’s employees, agents, customers, visitors, invitees, licensees, contractors, assignees or subtenants any Tenant Party, then such repairs shall be at Tenant’s sole expense, (b) in no event shall Landlord be obligated to provide towels or towel service to the private shower facility or soap, shampoo, or personal hygiene products to the private shower facility, and (c) Landlord shall not be required to make any repairs, maintenance, or replacements resulting from: (1) any additional alteration or modification to the Premises performed by, or on behalf of, the Tenant; (2) fire and other casualty, except as provided by Section 12 of this Lease, or (3) condemnation, except as provided in Section 13 of this Lease. Tenant shall provide Landlord with written notice if Tenant believes that the plumbing system serving the shower facility and/or dishwasher is in need of repair, maintenance or replacement. In such event, Landlord shall, at Tenant’s sole cost and expense, perform the required repair, maintenance or replacement items as to the plumbing system serving the shower facility and/or dishwasher. Tenant shall reimburse Landlord for all such costs incurred by Landlord in connection with the repair, maintenance or replacement of the plumbing system serving the shower facility and/or dishwasher within 30 days of receipt of an invoice therefor. Tenant, as a material part of the consideration to Landlord, hereby assumes all risk of illness or injury to persons arising from any cause in connection with the dishwasher and/or private shower facility; provided, however, the foregoing release and waiver shall not apply to the extent such claims are caused by Landlord's negligence or willful misconduct. Notwithstanding the foregoing, in the event such repair, maintenance, or replacement of the shower facility or dishwasher is necessary as a direct result of Tenant or Tenant’s employees or agent, Landlord shall make such repair, maintenance, or replacement at Tenant’s expense.

- B. Reserved Parking.** Two reserved parking spaces (such reserved spaces shall count towards the 5 per 1,000 ratio set forth in Section 4 of the Lease) shall be provided to Tenant during the Term of the Lease with the locations of the specific spaces determined by Landlord from time-to-time (provided that in all events the locations shall be reasonably close to the entrance to the Premises located on the southwest side of the Building). Landlord shall have no obligation to monitor the use of such reserved spaces by any other tenants. Except for such 2 reserved parking spaces, all of Tenant's parking shall be non-reserved on a first-come, first served basis.
- C. Driveway.** Upon and subject to all applicable laws, statutes, codes, ordinances, orders, zoning, rules, regulations, conditions of approval and requirements of all federal, state, county, municipal and governmental authorities, all permits, licenses, approvals and other entitlements issued by governmental entities, any covenants, conditions and restrictions encumbering the Building, and any rules and regulations levied and/or modified by Landlord from time to time, Landlord shall continue to allow use of the driveway on the southeast side of the Building by Tenant's guests for sample drop-offs. Landlord shall provide notice to Tenant in the event such use becomes a nuisance. Following such notice, if such use continues to be a nuisance, Landlord may elect to negate this provision.

6. Broker. Landlord and Tenant represent and warrant that they have neither consulted nor negotiated with any broker or finder as to this Renewal Lease, except Tower Realty Partners, Inc. ("**Landlord's Broker**") and CBRE, Inc. ("**Tenant's Broker**"). Landlord's Broker shall be paid any commissions pursuant to the terms of separate written commission agreement between Landlord and Landlord's Broker. Tenant's Broker shall be paid any commissions due in connection with this Amendment in accordance with the terms of a separate agreement between Tenant's Broker and Landlord's Broker. Landlord and Tenant shall indemnify, defend, and save the other harmless from and against any claims for fees or commissions from anyone other than the Landlord's Broker and Tenant's Broker with whom they have dealt concerning the Premises or this Amendment including attorneys' fees incurred in the defense of any such claim.

7. Counterparts. This Amendment may be executed in counterparts with the same effect as if both parties hereto had executed the same document. Both counterparts shall be construed together and shall constitute a single Amendment.

8. Conflicts. In the event of any conflict between the provisions of the Lease and the provisions of this Amendment, this Amendment shall control.

9. Miscellaneous. This Amendment shall be binding upon and inure to the benefit of the parties to this Amendment, their legal representatives, successors, and permitted assigns. Tenant hereby acknowledges and affirms that the Lease is in full force and effect and, to the best of Tenant's knowledge, there are no known claims, offsets, or breaches of the Lease, or any known action or causes of action by Tenant against Landlord directly or indirectly relating to the Lease. The parties agree that the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Amendment.

The parties ratify and confirm the terms of the Amendment as modified by this Amendment. The Lease, as amended, contains the entire agreement between Landlord and Tenant as to the Premises, and there are no other agreements, oral or written, between Landlord and Tenant relating to the Premises. All prior understandings and agreements between the parties concerning these matters are merged into this Amendment, which alone fully and completely expresses their understanding.

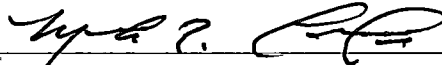
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Landlord and Tenant have duly executed this Amendment as of the latest date below.

"LANDLORD":

G&C OC INVESTORS, LLC, a Florida limited liability company

By: G&C OC Management, Inc., a Florida corporation

By: 

Printed Name: MARK E. CORLEU

Title: PRES.

Date: 4.23.2021

Landlord and Tenant have duly executed this Amendment as of the latest date below.

“TENANT”:
ORANGE COUNTY, FLORIDA

By: Board of County Commissioners

By: *Jerry L. Demings*
Jerry L. Demings
for Orange County Mayor

Date: *19 May 2021*

ATTEST: Phil Diamond, CPA, County Comptroller
As Clerk to the Board of County Commissioners

By: *Craig Stopysa*
for Deputy Clerk

Printed Name: *Craig Stopysa*



AMENDMENT EXHIBIT "A"

WORK LETTER

Landlord Work

Tenant has inspected the Premises and has requested that Landlord make the following improvements to the Premises (collectively, the "**Landlord Work**"): (i) install Building soundproofing in wall between the private office and the Panther training room; (ii) install a private shower facilities in a location within the Premises acceptable to Tenant; (iii) install hands-free toilet and urinal flushing systems in the Common Area restrooms on the second floor of the Building; and (iv) install a Building standard dishwasher in the breakroom of the Premises. The Landlord Work shall be installed using Building standard (as reasonably determined by Landlord) materials and finishes, except as otherwise specifically provided herein. The cost of such Landlord Work shall be completed at the Landlord's sole expense and shall not be taken, in any part, from the Tenant's "Allowance" as further discussed and established below.

Tenant acknowledges and agrees that Landlord may undertake the Landlord Work during or after normal business hours. Tenant accepts that some reasonable noise, dust, odor, vibration or inconvenience may arise in the course of Landlord undertaking the Landlord Work. Tenant shall cooperate with Landlord in connection with the Landlord Work and shall provide Landlord, its contractors, and their respective agents and employees reasonable access to the Premises as may be necessary and/or convenient for the performance of the Landlord Work. Upon Landlord's request, Tenant shall ensure that all of Tenant's and its employees' personal items, computers, wiring, inventory, equipment, racking and the like within the Premises are moved to the extent deemed necessary by Landlord to perform the Landlord Work. Movement of furniture and heavy equipment shall be completed by the Landlord or the hired contractor of the Landlord. Landlord shall have no liability of any kind to Tenant for any damages, loss of quiet enjoyment, interruption of Tenant's business operations in the Premises, or any claims of any other type, including, without limitation, claims of constructive eviction, claims for rent abatement, or claims resulting from damage to furnishings, fixtures, personal property, decorations, equipment and other items located in the Premises, arising out of, in connection with or as a result of Landlord's performance of the Landlord Work, except to the extent of Landlord's negligence or willful misconduct, and in no event shall Landlord be required to pay any overtime or special rates in connection with performance of the Landlord Work.

Tenant Improvements

Subject to the terms, conditions, and restrictions of the Amendment and all applicable laws, ordinances, codes, rules, and regulations, from and after the beginning of the Amendment's Term, Tenant may make cosmetic improvements to the Premises as may be desired by Tenant which will not (i) affect any of the Building systems (including mechanical, electrical, and plumbing systems) or life safety systems or the structural elements of the Building; (ii) be visible from the exterior of the Premises; or (iii) adversely interfere with the operation of the Building or the provision of services or utilities to other tenants in the Building ("**Tenant Improvements**"), and Landlord shall reimburse Tenant for Tenant's actual out-of-pocket third party costs of the Tenant Improvements in an amount up to (but not to exceed) \$150,000.00 ("**Allowance**"). Notwithstanding the

foregoing, upon written notice delivered from Tenant to Landlord at any time before the Allowance Determination Deadline, Tenant shall have the right to apply all or a portion of the then-remaining Allowance as a credit against Monthly Base Rent. Such credit may be applied for the next full calendar month(s) following Landlord's receipt of such notice until the credit is extinguished. In the event that the cost of the Tenant Improvements exceeds the Allowance, then the entire amount of such excess shall be Tenant's sole liability.

Prior to commencing any Tenant Improvements, Tenant shall obtain Landlord's prior written consent to the plans and specifications for such Tenant Improvements which shall not be unreasonably withheld, conditioned or delayed. Tenant shall obtain all permits and approvals required for the performance of the Tenant Improvements. At least five (5) business days prior to commencement of the Tenant Improvements, Tenant shall provide to Landlord written notice of the commencement of the Tenant Improvements, as well as a schedule for completion of such work. Tenant shall perform the Tenant Improvements in a good, workmanlike, and lien free manner using licensed and insured contractors reasonably approved by Landlord, in accordance with all applicable laws, ordinances, codes, rules, regulations, and the rules and regulations promulgated by Landlord for the Building. Within ten (10) business days after completion of the Tenant Improvements, Tenant shall provide to Landlord as-built drawings or plans and specifications reflecting such alterations, improvements and/or additions. Landlord shall pay the Allowance to Tenant within thirty (30) days after Landlord's receipt of Tenant's invoice therefor (including such back-up documentation as is reasonably requested by Landlord, including, without limitation, final and unconditional releases of lien from the general contractor, all subcontractors, material suppliers and others entitled to lien Landlord's property under Florida law) following completion of any specific component of the Tenant Improvements.

In no event shall Landlord be required to (i) pay the Allowance to Tenant if Tenant is in default under the Lease, beyond any applicable notice and cure period; or (ii) expend more than the Allowance for Tenant Improvements. The Tenant shall have until June 30, 2022 (the "**Allowance Determination Deadline**") to, in writing, notify the Landlord as to how the Tenant intends to utilize any remaining Allowance funds. Such determination shall be at the Tenant's sole discretion, but may include amortizing the remaining Allowance funds across the Tenant's remaining rent payments, or applying such funds as rent credits for future rent payments. Should the Tenant fail to notify the Landlord of its intended use of the remaining Allowance funds by the Allowance Determination Deadline, then any portion of the Allowance funds yet to be used or otherwise encumbered by the Tenant as of the Allowance Determination Deadline shall be retained by Landlord.

AMENDMENT EXHIBIT "B"

SECOND FLOOR SPACE

