

MIAMI BEACH
Invitation to Negotiate (ITN)
2025-013-ND
Cultural Arts Tenant for
Collins Park Artist Workforce Housing First Floor Space

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SECTION 0200

INSTRUCTIONS TO PROPOSERS & GENERAL CONDITIONS

1. GENERAL. This Invitation to Negotiate (ITN) is issued by the City of Miami Beach, Florida (the "City") to invite interested parties (prospective proposers) to submit proposals, for the City's consideration, to evaluate proposer qualifications, concept(s), scope of service(s), and financial quote(s) to select a firm with whom it may negotiate an agreement for the purpose noted herein. All documents released in connection with this solicitation, including all appendixes and addenda, whether included herein or released under separate cover, comprise the solicitation and are complementary to one another and together establish the complete terms, conditions, and obligations of the Proposers and, subsequently, the successful Proposer(s) (the "contractor[s]") if this ITN results in an award.

The City utilizes Periscope S2G (formally known as BidSync) (www.periscopeholdings.com or www.bidsync.com) for automatic notification of competitive solicitation opportunities and document fulfillment, including the issuance of any addendum to this ITN. Any prospective Proposer who has received this ITN by any means other than through Periscope S2G must register immediately with Periscope S2G to ensure it receives any addendum issued to this RFP. Failure to receive an addendum may result in disqualification of the proposal submitted.

2. BACKGROUND AND PURPOSE. The Collins Park Artist Workforce Housing Project ("Workforce Housing Project"), located at 224 23rd Street, is currently under construction with an anticipated completion in Spring 2025. This mixed-use residential development is designed to provide housing for income-eligible artists, educators, and other members of the Miami Beach workforce. The 7-story structure includes a 2,248-square-foot ground-floor space (the "Premises"), all or a portion of which is proposed for use by a not-for-profit organization and/or public purpose. The Workforce Housing Project will also contain eighty (80) residential workforce housing units dedicated to income-eligible Miami Beach workers and dormitory housing supporting the Miami City Ballet, Inc.'s dance education program.



Upon completion of the Workforce Housing Project, the condition of the Premises will be a baseline shell space with minimal building systems installed. The City seeks to activate this space, select a suitable tenant, and negotiate a lease or management agreement for the build-out, management, operation, and programming of the space.

The Premises: All, or a portion of, an approximately 2,248 sq. ft. of programmable space on the ground floor of the Workforce Housing Project at 224 23rd Street.

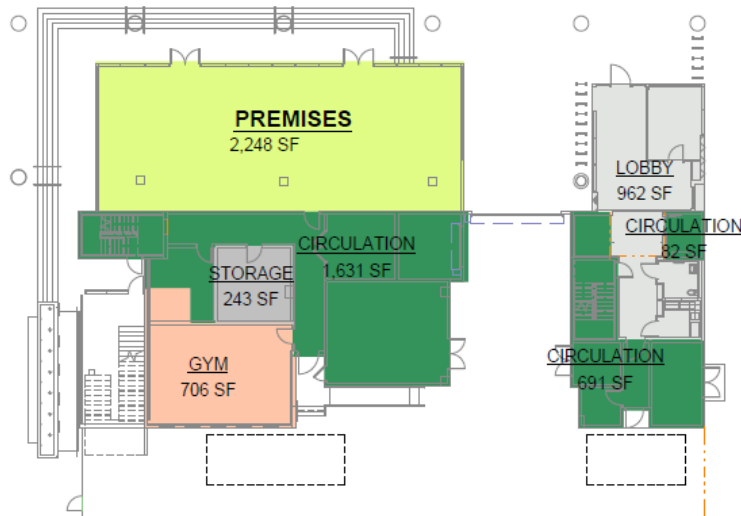
Term: The Initial Term shall be five (5) years, with two (2), two-year renewals, at the City's discretion.

Usage Restrictions: The space is reserved for not-for-profit purposes that align with the City's cultural and public service goals to enhance the Collins Park neighborhood, as detailed in Section 0200, Sub-Section 3, Scope of Services. Occupancy or use by for-profit entities is strictly prohibited.

2.1 Interested Parties. Interested parties are invited to submit proposals in accordance with Section 0300. A Pre-proposal conference will be held in accordance with Section 0100, Sub-sections 5 and 7. All proposals will be evaluated in accordance with the criteria found in Section 0400.

Building Area Legend

- CIRCULATION
- GYM
- LOBBY
- PREMISES
- STORAGE
- Calculating...



GROUND FLOOR (9.00' NGVD/DFE)

1" = 20'-0"

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3. SCOPE OF SERVICES. The City of Miami Beach is seeking proposals from qualified not-for-profit, 501(c)(3) organizations to activate all or a portion of the Premises. The selected organization will be responsible for designing, implementing, managing, and operating a programming strategy that enhances the cultural, civic, and artistic offerings of the Collins Park neighborhood.

3.1. Key Opportunity and Impact: The Collins Park Cultural District is a renowned hub for arts and culture in Miami Beach. It is home to the Miami City Ballet, The Bass Museum, the Rotunda, Miami Beach Regional Library, and the future Collins Park Performing Arts Center to be operated by Miami New Drama.

3.1.1. The City seeks interest from proposers that will complement and enhance the Collins Park neighborhood's existing cultural landscape. The selected proposer will help establish Collins Park as a premier destination for arts, education, and creative expression.

3.1.2. The City of Miami Beach is committed to fostering a vibrant cultural environment that reflects the diverse talents and heritage of its residents. The selected proposer will play a pivotal role in shaping the future of the Collins Park Cultural District, contributing to the City's long-term vision of supporting the arts, education, and civic engagement.

3.2. Cultural Activation and Programming: The selected proposer will curate a diverse range of events, exhibitions, performances, and/or community activities that reflect the cultural richness of Miami Beach. Programming should engage a broad audience, including residents, visitors, and local artists, and should foster cultural inclusivity, education, and engagement.

3.2.1. Reflecting and Celebrating Diversity: The City is committed to promoting cultural inclusivity, and the tenant's programming should reflect the diversity of Miami Beach's residents and

visitors.

3.2.2. Alignment with Cultural Mission: The selected proposer will align with the City's objective of promoting inclusivity, diversity, cultural engagement, and artistic expression within the Collins Park Cultural District. The City seeks interest from proposers whose programming will reflect Miami Beach's unique cultural heritage and engage underrepresented communities.

3.2.3. Street-Level Activation: The selected proposer will offer activities like performances or community art projects that activate the street-level space and engage the public.

3.2.4. Community Engagement and Education: The City seeks proposers with previous experience in offering arts or cultural education programs and the selected proposer will include plans for public engagement, such as workshops, lectures, community outreach, and educational programming, by offering programs that draw audiences from both within and outside the local community.

3.3. Creating Synergies within the Cultural Ecosystem: The selected proposer will not only operate independently but will also create synergies with the district's existing institutions, contributing to its overall cohesion as a cultural destination.

3.3.1. Complementing Existing Cultural Institutions: The City welcomes proposal concepts that collaborate and/or align with neighboring institutions like the Miami City Ballet and The Bass Museum and complement the character of the surrounding neighborhood.

3.3.2. Partnerships and Collaboration: The City encourages proposers to develop partnerships with local artists, cultural organizations, and educational institutions to maximize the impact of the space and increase community engagement.

3.4. Buildout, Operation, and Management: Upon construction completion of the Workforce Housing Project, the Premises will be delivered as a baseline shell with minimal building systems installed, which will include the following specifications: all required structural elements (columns, girders, beams, and joints); masonry or concrete exterior walls; concrete slab floor; electrical service with at least two (2) empty conduits for electrical service (but no electrical panel); one (1) empty telephone conduit from the point of service to a location within the Premises; domestic water and sanitary sewer lines to the Premises; storefront windows; HVAC supply and return lines stubbed into the Premises and valved off from the base building system (requiring an A/C system configured during the build-out); and a sprinkler system for the original baseline shell (with a separate sprinkler system for the finished space being necessary). The Premises will be configured with ceiling heights of approximately twelve (12) feet.

3.4.1. Design and Buildout: The selected proposer will present plans for the design, permitting, build-out, finishes, and completion of the Premises to ensure it is fully functional for its intended purpose. This includes addressing required systems such as lighting, HVAC, and sound, as well as ensuring compliance with all building and safety codes (including life safety).

3.4.2. Management and Operation: The selected proposer will be responsible for day-to-day operations, including maintenance and security. Accordingly, the City seeks interest from not-for-profit operators with experience managing cultural or artistic spaces.

3.5. Financial Viability: Under the terms of the ground lease and development agreement for the Workforce Housing Project, the City has leased the Premises pursuant to the City master lease agreement, at a negotiated first-year Annual Rent of \$62,634, or approximately \$28 per square foot. Annual Rent will escalate by two percent (2%) thereafter. In comparison, the asking rent for retail spaces of similar size within 300 feet of the property is estimated at between \$81 to \$99 per square foot. The negotiated rental rate for the Premises, which is below market rate, has been secured to enable a not-for-profit partner to sublease or manage the space at a significantly reduced cost.

In recognition of the vital role a not-for-profit tenant will play in activating the space, the City is open to considering financial support for a well-crafted proposal. For example, the City may consider providing assistance with costs related to building out and/or programming the space, depending on the scope and vision presented in the Proposer's activation plan. The proposer should also indicate any intention to eliminate or reduce reliance on City funding through private investment, grants, or other external funding streams to subsidize the cost of buildout and subsequent operation of the Proposer's intended use throughout the Initial Term.

3.6. Compliance with Tax-Exempt Bond Restrictions: The City leases the Premises pursuant to a master lease agreement, and any potential subtenancy pursuant to this ITN must comply with the tax-exempt bond restrictions of the Workforce Housing Project, as outlined in the City's master lease agreement. The selected organization may not engage in any trade or business at the Premises that is unrelated to the exempt purposes (as defined in Section 513(a) of the Internal Revenue Code (the "Code") of the organization.

The selected Proposer is strictly prohibited from any "Private Use," as defined in the City's master lease agreement (Appendix A). For the purposes of this ITN, "Private Use" means: (a) any activity constituting a trade or business (or group of trades or businesses) carried on by any person or entity other than the selected Proposer organization, a state or local governmental unit, or a 501(c)(3) organization; or (b) any unrelated trade or business (as defined in Section 513(a) of the Code) or any business not related to the exempt purpose of the selected Proposer organization, a state or local government, or a 501(c)(3) organization.

The selected Proposer may not enter into any agreement (a "Management Contract") with any person or entity to manage, operate, or provide services for any portion of the Premises unless the Management Contract complies with IRS Revenue Procedure 2017-13 (as may be amended by the IRS). Private Use also includes, without limitation, Management Contracts or the lease or rental of the Premises, or any part thereof, to third parties that are not organizations described in Section 501(c)(3) of the Code and using the Premises in a manner substantially related to their and the selected Proposer's exempt purposes.

This restriction does not apply to contracts for janitorial, maintenance, machine repair, billing services, or other incidental services, provided those contracts are on commercially reasonable terms. Additionally, as long as the Premises are subject to the lien of tax-exempt bonds, and to the extent required by applicable law, the Premises may not be used primarily for sectarian instruction or study, devotional activities, religious worship, or in connection with any school or department of divinity for the training of ministers, priests, rabbis, or other religious figures.

5. ANTICIPATED ITN TIMETABLE. The tentative schedule for this solicitation is as follows:

ITN Issued	November 1, 2024
Pre-Proposal Meeting	November 15, 2024, at 10:00 am ET Join on your computer or mobile app Click here to join the meeting Or call in (audio only) +1 786-636-1480 United States, Miami Phone Conference ID: #
Deadline for Receipt of Questions	November 22, 2024, at 5:00 pm ET
Responses Due	December 16, 2025, at 3:00 pm ET Join on your computer or mobile app Click here to join the meeting Or call in (audio only) +1 786-636-1480 United States, Miami

	Phone Conference ID: #
Evaluation Committee Review	TBD
Tentative Commission Approval	TBD
Contract Negotiations	Following Commission Approval

6. PROCUREMENT CONTACT. Any questions or clarifications concerning this solicitation shall be submitted to the Procurement Contact noted below:

Procurement Contact:

Natalia Delgado

Telephone:

(305) 673-7490

Email:

NataliaDelgado@miamibeachfl.gov

Additionally, the City Clerk is to be copied on all communications via email at RafaelGranado@miamibeachfl.gov or via facsimile: 786-394-4188.

The Bid title/number shall be referenced in all correspondence. All questions or requests for clarification must be received no later than seven (7) calendar days prior to the date proposals are due as scheduled in Section 0100-3. All responses to questions/clarifications will be sent to all prospective Proposers in the form of an addendum.

7. PRE-PROPOSAL MEETING OR SITE VISIT(S). A pre-proposal meeting or site visit(s) may be scheduled. Attendance for the pre-proposal meeting shall be via web conference and recommended as a source of information but is not mandatory. Prospective Proposers interested in participating in the Pre-Proposal Meeting, must follow these steps:

Join on your computer or mobile app

[Click here to join the meeting](#)

Or call in (audio only)

+1 786-636-1480 United States, Miami

Phone Conference ID: #

Prospective Proposers, who are participating, should send an email to the contact person listed in this ITN expressing their intent to participate.

8. PRE-PROPOSAL INTERPRETATIONS. Oral information or responses to questions received by prospective Proposers are not binding on the City. They will be without legal effect, including any information received at a pre-submittal meeting or site visit(s). The City, by means of Addenda, will issue interpretations or written addenda clarifications that are considered necessary by the City in response to questions. Only questions answered by written addenda will be binding and may supersede terms noted in this solicitation. The addendum will be released through *Periscope S2G*. Any prospective Proposer who has received this ITN by any means other than through *Periscope S2G* must register immediately with *Periscope S2G* to ensure it receives any addendum issued to this ITN. Failure to receive an addendum may result in disqualification of the proposal. Written questions should be received no later than the date outlined in the **Anticipated ITN Timetable** section.

9. CONE OF SILENCE. This ITN is subject to, and all Proposers are expected to be or become familiar with, the City's Cone of Silence Requirements, as codified in Section 2-486 of the City Code. Proposers shall be solely responsible for ensuring compliance with all applicable provisions of the City's Cone of Silence and shall be subject to any sanctions, as prescribed therein, including rendering their response voidable, in the event of such non-compliance. Communications regarding this solicitation are to be submitted in writing to the Procurement Contact named herein with a copy to the City Clerk at rafaelgranado@miamibeachfl.gov

10. ADDITIONAL INFORMATION OR CLARIFICATION. After proposal submittal, the City reserves the right to require additional information from Proposers team members or sub-consultants) to determine qualifications (including, but not limited to, litigation history, regulatory action, or additional references) and financial capability (including, but not

limited to, annual reviewed/audited financial statements with the auditors notes for each of their last two complete fiscal years).

11. PROPOSER RESPONSIBILITY. Before submitting a response, each Proposer shall be solely responsible for making any investigations, evaluations, and examinations, as it deems necessary, to ascertain all conditions and requirements affecting the full performance of the Contract. Ignorance of such conditions and requirements, or failure to make such evaluations, investigations, and examinations, will not relieve the Proposer from any obligation to comply with every detail and with all provisions and requirements of the Contract and will not be accepted as a basis for any subsequent claim whatsoever for any monetary consideration on the part of the Proposer.

12. DETERMINATION OF AWARD. The City Manager may appoint an evaluation committee to assist in the evaluation of proposals received. The evaluation committee is advisory only to the City Manager. The City Manager may consider the information provided by the evaluation committee process or may utilize other information deemed relevant. The City Manager's recommendation need not be consistent with the information provided by the evaluation committee process and takes into consideration Miami Beach City Code Section 2-369, including the following considerations:

- (1) The ability, capacity, and skill of the Proposer to perform the Contract.
- (2) Whether the Proposer can perform the Contract within the time specified, without delay or interference.
- (3) The character, integrity, reputation, judgment, experience, and efficiency of the Proposer.
- (4) The quality of performance of previous contracts.
- (5) The previous and existing compliance by the Proposer with laws and ordinances relating to the Contract.

The City Manager may recommend to the City Commission the Proposer(s) s/he deems to be in the best interest of the City or may recommend rejection of all proposals. The City Commission shall consider the City Manager's recommendation and may approve such recommendation. The City Commission may also, at its option, reject the City Manager's recommendation and select another Proposal or Proposals that it deems to be in the best interest of the City, or it may also reject all Proposals.

13. NEGOTIATIONS. Following selection, the City reserves the right to enter into further negotiations with the selected Proposer. Notwithstanding the preceding, the City is in no way obligated to enter into a contract with the selected Proposer in the event the parties are unable to negotiate a contract. It is also understood and acknowledged by Proposer that no property, Contract, or legal rights of any kind shall be created at any time until and unless an Agreement has been agreed to, approved by the City, and executed by the parties.

14. PERISCOPE S2G (FORMERLY BIDSINC). The Procurement Department utilizes Periscope S2G, a Supplier-to-Government electronic bidding (e-Bid) platform. If you would like to be notified of available competitive solicitations released by the City, you must register and complete your vendor qualifications through Periscope S2G, Supplier-to-Government www.bidsync.com/Miami-Beach. Registration is easy and will only take a few minutes. For detailed instructions on how to register, complete vendor qualifications, and submit electronic bids, visit <https://www.miamibeachfl.gov/city-hall/procurement/for-approval-how-to-become-a-vendor/>.

Should you have any questions regarding this system or registration, please visit the above link or contact Periscope S2G, Supplier-to-Government, at support@bidsync.com or 800.990.9339, option 1, option 1.

15. HOW TO MANAGE OR CREATE A VENDOR PROFILE ON VENDOR SELF SERVICE (VSS). In addition to registering with Periscope S2G, the City encourages vendors to register with our online Vendor Self-Service web page, allowing City vendors to easily update contacts, attachments (W-9), and commodity information. The Vendor Self-Service (VSS) webpage (<https://selfservice.miamibeachfl.gov/vss/Vendors/default.aspx>) will also provide you with purchase orders and payment information.

Should you have any questions or comments, do not hesitate to submit them to vendorsupport@miamibeachfl.gov.

16. SUPPLIER DIVERSITY. In an effort to increase the number and diversity of supplier options in the procurement of goods and services, the City has established a registry of LGBT-owned businesses, as certified by the National LGBT Chamber of Commerce (NGLCC), and small and disadvantaged businesses, as certified by Miami-Dade County. See authorizing resolutions [here](#).

If your company is certified as an LGBT-owned business by NGLCC or as a small or disadvantaged business by Miami-Dade County, click on the link below to be added to the City's supplier registry (Vendor Self-Service) and bid system (Periscope S2G, Supplier-to-Government). These are two different systems, and you must register for both.

Click to see acceptable certification and to register: <https://www.miamibeachfl.gov/city-hall/procurement/how-to-become-a-vendor/>.

17. E-VERIFY. As a contractor, you are obligated to comply with the provisions of Section 448.095, Fla. Stat., "Employment Eligibility." Therefore, you shall utilize the US Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by the Contractor during the term of the Contract and shall expressly require any subcontractors performing work or providing services pursuant to the Contract to utilize the US Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by the subcontractor during the Contract term.

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SECTION 0200

GENERAL CONDITIONS

FORMAL SOLICITATIONS TERMS & CONDITIONS - GOODS AND SERVICES. By virtue of submitting a proposal in response to this solicitation, Proposer agrees to be bound by and in compliance with the Terms and Conditions for Services (dated 10.27.22), incorporated herein, which may be found at the following link:

<https://www.miamibeachfl.gov/city-hall/procurement/standard-terms-and-conditions/>

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SECTION 0300 PROPOSAL SUBMITTAL INSTRUCTIONS AND FORMAT

1. ELECTRONIC RESPONSES (ONLY). Proposals must be submitted electronically through Periscope S2G (formerly BidSync) on or before the date and time indicated. Hard copy proposals or proposals received through email or facsimile are not acceptable and will be rejected.

A Proposer may submit a modified proposal to replace all or any portion of a previously submitted proposal until the deadline for proposal submittals. The City will only consider the latest version of the bid.

Electronic proposal submissions may require the uploading of attachments. All documents should be attached as separate files in accordance with the instructions included in Section 4 below. Attachments containing embedded documents or proprietary file extensions are prohibited. It is the Bidder's responsibility to ensure that its bid, including all attachments, is uploaded successfully.

Only proposal submittals received and time stamped by Periscope S2G (formerly BidSync) prior to the proposal submittal deadline shall be accepted as submitted in a timely manner. Late bids cannot be submitted and will not be accepted. Proposers are cautioned to allow sufficient time for the submittal of bids and uploading of attachments. Any technical issues must be submitted to Periscope S2G (formerly BidSync) by contacting (800) 990-9339 (toll-free) or S2G@periscopeholdings.com. The City cannot assist with technical issues regarding submittals and will in no way be responsible for delays caused by any technical or other issue.

It is the sole responsibility of each Proposer to ensure its proposal is successfully submitted in BidSync prior to the deadline for proposal submittals.

2. NON-RESPONSIVENESS. Failure to submit the following requirements shall result in a determination of non-responsiveness. Non-responsive proposals will not be considered.

1. Bid Submittal Questionnaire
2. Failure to comply with Minimum Eligibility Requirement (See Section 0300, Tab 1).

3. OMITTED OR ADDITIONAL INFORMATION. Failure to complete and submit the Bid Submittal Questionnaire (submitted electronically) and the Financial Proposal with the bid and by the deadline for submittals shall render a proposal non-responsive. Non-responsive proposals will not be considered. With the exception of the Bid Submittal Questionnaire (completed and submitted electronically) and the Financial Proposal, the City reserves the right to seek any omitted information/documentation or any additional information from Proposer or other sources, including but not limited to any firm or principal information, applicable licensure, resumes of relevant individuals, client information, financial information, or any information the City deems necessary to evaluate the capacity of the Proposer to perform in accordance with contract requirements. Failure to submit any omitted or additional information in accordance with the City's request shall result in the proposal being deemed non-responsive.

4. ELECTRONIC PROPOSAL FORMAT. In order to maintain comparability, facilitate the review process, and assist the Evaluation Committee in the review of proposals, it is strongly recommended that proposals be organized and tabbed in accordance with the tabs and sections as specified below. The electronic submittal should be tabbed as enumerated below and contain a table of contents with page references. The electronic proposal shall be submitted through the "Line Items" attachment tab in Periscope S2G.

TAB 1 Cover Letter & Minimum Qualifications Requirements

1.1 Cover Letter and Table of Contents. The cover letter must introduce the proposer, including the proposer's legal name, and identify the proposer's primary contact for this solicitation. The letter should be concise, summarizing the proposal's main points and affirming the proposer's understanding of the project's goals and objectives. The cover letter must also include a Table of Contents that outlines all sections of the proposal for easy reference.

1.2 Minimum Qualifications Requirements. The following are the Minimum Eligibility Requirements for this solicitation. Proposers must submit the required submittal(s) documenting compliance with each minimum requirement. Failure to meet these minimum requirements will result in the proposal being deemed non-responsive and will disqualify the proposer from further consideration.

1.2.1. Not-for-profit Status: Respondents must be a not-for-profit, tax-exempt organization operating under Section 501(c)(3) of the Internal Revenue Code.

Required Submittals: Documentation verifying 501(c)(3) status, such as IRS determination letter.

TAB 2 Experience & Qualifications

2.1 Organizational Chart: Provide an organizational chart illustrating the relationship and reporting hierarchy for all firms, principals and personnel involved in the proposal. The chart should clearly define the responsibilities of the prime proposer, its personnel, and any sub-contractors and their personnel.

2.2 Qualifications of Proposing Firm. Submit detailed information demonstrating the experience and track record of the proposing firm or its principals in delivering services similar to those outlined in this solicitation. This includes expertise in managing or programming cultural, arts, or community spaces, particularly in collaboration with public entities or in urban environments.

Required Submittals: For each relevant project/program, provide the following:

- Project/Program name and description, including client and budget
- Start and completion dates
- Project/Program contact information (phone and email)

2.3 Similar Experience of Subconsultant(s)/Sub-contractor(s), if applicable: Summarize projects/programs where subconsultants/sub-contractors or their principals have provided services similar to those defined in this solicitation. Include the following details for each project/program:

- Project/program name and scope of services provided;
- Key individuals involved (referenced in Section 2.1)
- Client name and contact information
- Duration of the engagement.

2.3.1 Evidence of Prior Working Experience: If sub-consultant(s)/sub-contractor(s) are part of the proposal, provide evidence of successful prior collaboration. Include the project description, client contact information, and term of engagement for each project.

TAB 3 Cultural Programming and Activation

This section should be arranged in the following manner to facilitate review by the Evaluation Committee.

3.1. Executive Summary: Provide a concise overview of the business plan, summarizing key points, goals, and how the proposed use aligns with the City's objectives and/or goals. Highlight unique elements, target market, public engagement, and projected financial sustainability.

3.2. Programming Concept: Describe the overall concept and planned programming for the space. Detail how and with what frequency the space will be utilized, including planned events, cultural and/or artistic programming, and how it will enhance the cultural environment of the Collins Park neighborhood. Clearly explain how the proposal aligns with the City's goal for promoting arts, education, and civic engagement.

3.2.1. Reflecting and Celebrating Diversity: The proposed concept should promote cultural inclusivity. Describe how the proposed programming will reflect the diversity of Miami Beach's residents and visitors.

3.2.2. Alignment with City's Cultural Mission: Explain how the proposed use aligns with the City's objective of promoting inclusivity, diversity, cultural engagement, and artistic expression within the Collins Park Cultural District. Proposals should highlight how programming will reflect Miami Beach's unique cultural heritage and engage underrepresented communities.

3.2.3. Street-Level Activation: The proposal should propose and describe activities like performances or community art projects that activate the street level and engage the public.

3.2.4. Community Engagement and Education: Describe how the proposed programming includes plans for public engagement, such as workshops, lectures, community outreach, and educational programming.

3.3. Partnerships and Collaboration: Outline any plans for programming, community engagement, and collaboration that align with the existing cultural institutions of the Collins Park Cultural District and complement the character of the surrounding neighborhood.

Responses shall be in sufficient detail and include supporting documentation, as applicable, which will allow the Evaluation Committee to complete a full review.

TAB 4 Operational and Management Plan

4.1. Operational Plan: Explain the operational structure, including staffing, roles, responsibilities, and proposed operating hours. Detail any specific management approaches to ensure the space remains active and aligned with the City's cultural mission. Proposals should also outline plans for day-to-day operations, including maintenance and security.

4.2. Marketing Approach: The proposal should demonstrate how the selected proposer will complement and enhance the Collins Park neighborhood's existing cultural landscape and reinforce Collins Park as a premier destination for arts, education, and creative expression.

4.2.1. Market Analysis: Provide a market analysis that identifies target audiences, stakeholders, and competitors. Discuss how the proposed programming will serve and complement Miami Beach's unique demographic and cultural landscape.

4.2.2. Marketing Strategy: Outline the marketing and promotional strategies that will be used to drive awareness and participation. Include details on partnerships, pricing, and any special initiatives to attract a broad range of patrons, drawing audiences from both within and outside of Miami Beach.

4.3. Financial Viability: Provide detailed financial projections for the first three years of operation, including startup costs, revenue, expenses, and profitability/viability.

TAB 5 Design Concept

5.1. Buildout and Improvements: Provide a detailed description of how the proposer intends to complete the design, permitting, build-out, finishes, and completion of the Premises. To the extent possible, proposals should include a comprehensive plan for building out the space to ensure it is fully functional for its intended purpose. This includes addressing required systems such as lighting, HVAC, and sound, as well as ensuring compliance with all building and safety codes (including life safety).

5.2. Layout and Facilities: Provide a general overview of the intended layout of the Premises, including a description of the functional use of the Premises, and to the extent the proposal envisions use as an event space, detail any capacities and technical equipment. Note that outdoor events and sound projection will

require ad hoc City approval.

5.3. Financing for Buildout and Operation: Proposals should include how proposer intends to eliminate or reduce reliance on City funding, through private investment, grants, or other external funding streams, to subsidize the cost of buildout and subsequent operation of the proposer's intended use throughout the Initial Term.

5.4. Timeline. Provide a detailed timeline for the activation of the space, from handover to the selected operator through to full operation.

TAB 6	Financial for Buildout and Operation
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<p>6.1 Financing for Buildout and Operation: Proposals should include how the proposer intends to eliminate or reduce reliance on City funding through private investment, grants, or other external funding streams to subsidize the cost of buildout and subsequent operation of the proposer's intended use throughout the Initial Term.</p>
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SECTION 0400

PROPOSAL EVALUATION

1. EVALUATION COMMITTEE. An Evaluation Committee, appointed by the City Manager, may meet to evaluate each Proposal in accordance with the qualitative criteria set forth below. In doing so, the Evaluation Committee may review and score all proposals received, with or without requiring presentations. It is important to note that the Evaluation Committee is advisory only and does not make an award recommendation to the City Manager or the City Commission. The City Manager will utilize the results to take one of the following actions:

- a. In the event that only one responsive Proposal is received, the City Manager, after determination that the sole responsive Proposal materially meets the requirements of the ITN, may, without an evaluation committee, recommend to the City Commission that the Administration enter into negotiations or
- b. The City Manager may recommend that the City Commission authorize negotiations or award a contract to one or more firms in accordance with Section 0100, Sub-section 12, or
- c. The City Manager may Recommend that the City Commission short-list one or more firms for further consideration by the Evaluation Committee or
- d. The City Manager may recommend to the City Commission that all firms, if more than one (1) responsive submittal is received, be rejected.

2. PRESENTATIONS BY SHORT-LISTED FIRMS. If a short-listing of firms responding to this ITN is approved, the short-listed firms may be required to make presentations to and be interviewed by the Evaluation Committee. In further considering the short-listed firms, the Evaluation Committee will utilize the criteria set forth in Sub-section 4 below.

3. TECHNICAL ADVISORS. The City, at its discretion, may utilize technical or other advisers to assist the evaluation committee or the City Manager in evaluating proposals.

3. EVALUATION OF QUALITATIVE FACTORS (QUALIFICATIONS, CULTURAL PROGRAMMING & ACTIVATION, OPERATIONAL & MANAGEMENT PLAN, DESIGN CONCEPT, AND FINANCIAL FOR BUILDOUT AND OPERATION). The Evaluation Committee shall only consider qualitative factors in Tabs 2, 3, 4, 5, and 6. The Evaluation Committee shall not consider quantitative factors (e.g., exceptions to the lease agreement) in its review of proposals. The Evaluation Committee's role is solely in an advisory capacity to the City Manager. The results of the Evaluation Committee process do not constitute an award recommendation. The City Manager may utilize, but is not bound by, the results of the Evaluation Committee process, as well as consider any feedback or information provided by staff, consultants or any other third-party, as well as consideration of the quantitative factors, in developing an award recommendation to be presented to the City Commission for consideration. In its review of proposals received, the Evaluation Committee may review and score all proposals, with or without conducting interview sessions, in accordance with the following criteria. The Procurement Department will assign points for Veteran's Preference, pursuant to Section 2-374 of the City Code, as applicable.

Qualitative Criteria (Points Assigned by Evaluation Committee)		Maximum Points
Experience & Qualifications (Tab 2)		20
Cultural Programming and Activation (Tab 3)		30
Operational and Management Plan (Tab 4)		20
Design Concept (Tab 5)		15
Financial for Buildout and Operation (Tab 6)		15
TOTAL AVAILABLE POINTS for Qualitative Criteria		100
Quantitative Criteria (Points Assigned by Procurement Department)		Maximum Points

Veteran's Preference Points	5
TOTAL AVAILABLE POINTS for Qualitative and Quantitative	105

6. QUANTITATIVE CRITERIA. Following the results of the evaluation of the qualitative criteria by the Evaluation Committee, the Bidders may receive additional points, which will be added by City staff. Veterans' Preference points will be assigned in accordance with Section 2-374 of the City Code.

7. DETERMINATION OF FINAL RANKING. The sum of the evaluation criteria points will be converted to rankings in accordance with the example below:

		Bidder A	Bidder B	Bidder C
Committee Member 1	Qualitative Points	82	76	80
	Quantitative Points	22	15	12
	Total	104	91	92
	Rank	1	3	2
Committee Member 2	Qualitative Points	79	85	72
	Quantitative Points	22	15	12
	Total	101	100	84
	Rank	1	2	3
Committee Member 2	Qualitative Points	80	74	66
	Quantitative Points	22	15	12
	Total	102	89	78
	Rank	1	2	3
Low Aggregate Score		3	7	8
Final Ranking*		1	2	3

It is important to note that the results of the proposal evaluation process in accordance with Section 0400 do not represent an award recommendation. The City Manager will utilize the results of the proposal evaluation process and any other information he deems appropriate to develop an award recommendation to the City Commission, which may differ from the results of the proposal evaluation process and final rankings.

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APPENDIX A

MIAMI BEACH

CITY'S MASTER LEASE AGREEMENT

ITN 2025-013-ND

Cultural Arts Tenant for Collins Park Artist
Workforce Housing First Floor Space

PROCUREMENT DEPARTMENT
1755 Meridian Avenue, 3rd Floor
Miami Beach, Florida 33139

LEASE

Between

CFC-MB I, LLC

(Landlord)

and

CITY OF MIAMI BEACH

(Tenant)

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LEASE

THIS LEASE (**"Lease"**) is entered into as of June 1, 2023, by and between CFC-MB I, LLC, an Arizona limited liability company, a wholly-owned affiliate of Community Finance Corporation, an Arizona not for profit corporation authorized to transact business in the State of Florida, solely in its capacity as landlord (**"Landlord"**), and City of Miami Beach, a Florida municipal corporation, solely in its capacity as tenant (**"Tenant"**) and together with Landlord, each a **"Party"** and collectively, the **"Parties"**), each of which, intending to be legally bound, and to bind their respective successors and assigns, hereby agree upon the following terms and conditions, including the following defined terms:

RECITALS

Landlord is the owner of the Building and has a long-term leasehold estate in the Land (as hereinafter defined), pursuant to that certain Ground Lease dated as of June 1, 2023, by and between the City of Miami Beach, as the fee owner of the Land, and Landlord, as lessee therein (the **"Ground Lease"**). Landlord and Tenant desire to enter this Lease, subject to all the terms and conditions set forth herein and subject to the terms of the Ground Lease.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant hereby agree as follows:

1. **Definitions.**

1.1 **"Building"**: The building (**"Building"**) to be located at the property having an address of 224 23rd Street, Miami Beach, Florida and legally described on Exhibit A-1 attached hereto and incorporated herein (the **"Land"**).

1.2 **"Premises"** or **"Leased Premises"**: Those areas of that portion of the Building located on Floor 1 of the Building consisting of approximately 2,248 square feet, identified as **"Retail"** on the Ground Floor layout contained in Exhibit A-2 attached hereto and incorporated herein.

1.3 **"Initial Term"**: Landlord and Tenant are entering into this Lease, subject to the subletting and use restrictions contained herein, for an initial term of five (5) Lease Years following the Initial Commencement Date of the Lease.

(a) The Lease shall start from the Initial Commencement Date. The first Lease Year for the Initial Term shall commence on the January 1st immediately after delivery of the Premises to the Tenant, currently anticipated to be March 1, 2025. From there forward, each Lease Year shall begin on January 1st and end December 31st of each calendar year.

(b) The term **"Initial Commencement Date"** shall mean the date on which the Premises are delivered to the Tenant for occupancy. The term **"Final Expiration Date"** shall mean the last day of the Initial Term or of any subsequent renewal term under this Lease. The term of

this Lease (the “**Term**”) shall commence on the Initial Commencement Date and expire on December 31 of the fifth Lease Year; provided, however, at Tenant’s sole option, to be exercised by notice in writing to Landlord upon not less than six (6) months prior to the expiration of the then-current Term (“**Tenant’s Right to Extend**”), Tenant may thereafter renew for seven (7) additional and consecutive periods of five (5) Lease Years each (collectively, the “**Extended Terms**”, and each, an “**Extended Term**”) on the same terms and conditions as set forth in this Lease (as same may be amended), except Rent payable for the Premises during each Extended Term shall be as set forth in Section 1.5 below, but shall not be less than the final year of the prior Term. Tenant’s written notice exercising an Extended Term shall constitute sufficient evidence of such extension without any further action by the Parties. Thereafter, as used herein, the term “**Term**” shall include the Initial Term and any Extended Term, as applicable.

1.4 “**Rent Payment Date**”: All Rent shall be abated during the first three (3) full calendar months of the Term (e.g., if the Initial Commencement Date is March 1, 2025, Rent shall be abated through May 31, 2025). On the Initial Commencement Date, Tenant shall prepay the first six (6) installments of Monthly Rent in the aggregate amount of \$31,317.00, which shall be applied to the six (6) payments of Monthly Rent commencing on the first (1st) day of the fourth (4th) full calendar month after the Initial Commencement Date and the expiration of the three-month Rent abatement period. Thereafter, all Rent shall be due and payable in monthly installments (i) on the first (1st) day of each month during the Term, in advance, commencing on the first day of the tenth (10th) full calendar month after Initial Commencement Date (the “**Initial Monthly Payment Date**”). Rent shall be prorated for any partial calendar month during the Term. If the Initial Commencement Date occurs on any day other than the first day of a calendar month, the prorated Rent due for the partial calendar month prior to the Initial Monthly Payment Date shall be due on the Initial Monthly Payment Date and shall be paid together with the Rent for the calendar month in which the Initial Monthly Payment Date occurs.

1.5 “**Rent**”: The rent (“**Rent**”) payable for the Premises shall be determined as follows (if Tenant’s Right to Extend is exercised, the renewal escalations shall continue reflecting a two percent (2%) escalation amount).

<u>Period</u>	<u>Annual Rent</u>	<u>Monthly Rent</u>
1 st Partial Lease Year*	\$62,634 (prorated, as applicable)	\$5,219.50
1st Lease Year*	\$62,634 (prorated, as applicable)	\$5,219.50
2 nd Lease Year	\$63,886	\$5,323.83
3 rd Lease Year	\$65,164	\$5,430.33
4 th Lease Year	\$66,467	\$5,538.92
5 th Lease Year	\$67,797	\$5,649.75
6 th Lease Year	\$69,153	\$5,762.75
7 th Lease Year	\$70,536	\$5,878.00

8 th Lease Year	\$71,946	\$5,995.50
9 th Lease Year	\$73,385	\$6,115.42
10 th Lease Year	\$74,853	\$6,237.75

* If the first year of the Term is a partial calendar year consisting of six (6) months or less, then the Monthly Rent shall be the 1st Partial Lease Year Monthly Rent set forth above. If the first year of the Term is a partial year consisting of more than six (6) months, then the Monthly Rent shall be the 1st Lease Year Monthly Rent set forth above. For illustration purposes only, (x) if the Initial Commencement Date occurs on or after July 1, 2025 and before January 1, 2026, then 2025 shall constitute the 1st Partial Lease Year and Monthly Rent shall be the 1st Partial Lease Year Monthly Rent set forth above and 2026 shall constitute the 1st Lease Year and the Monthly Rent shall be the 1st Lease Year Monthly Rent set forth above and (y) if the Initial Commencement Date occurs after December 31, 2024 and on or before June 30, 2025, then 2025 shall constitute the 1st Lease Year and Monthly Rent shall be the 1st Lease Year Monthly Rent set forth above and 2026 shall constitute the 2nd Lease Year and Monthly Rent shall be the 2nd Lease Year Monthly Rent set forth above.

(a) The Rent is deemed gross rent and represents the entire amount payable each year as set forth above for use and occupancy of the Premises (including all Common Areas (as defined below) and Amenities (as defined below), except those Amenities, if any, for which an additional fee shall be charged as identified on Exhibit B attached hereto and incorporated herein). Unless otherwise directed by Landlord in writing, Rent shall be made payable to Landlord and sent to the following address:

CFC-MB I, LLC
333 N. Wilmont Rd
Ste. 227
Tucson, AZ 85711
Attention: Gary Molenda

(b) In the event that any payment for Rent due to Landlord from Tenant under this Lease is not paid within five (5) business days of the date due, then interest shall accrue on the unpaid balance until paid at a rate equal to ten percent (10%) per annum.

1.6 **“Amenities”**: Tenant shall have the right to use on a non-exclusive basis, the amenities listed on Exhibit B attached hereto and incorporated herein by reference (the **“Amenities”**), which Amenities shall be provided at Landlord’s sole cost and expense.

1.7 **“Restricted Uses” and “Ffivetenants”**: The Premises can only be used by the City for uses specific to City business or it may be subleased to and/or managed by, without Landlord’s approval but with prior written notice to Landlord, not-for-profit/tax exempt entities existing and operating under 26 U.S.C. 501(c)3, preferably with a cultural or performing arts purpose, such subtenants or managers hereinafter referred to as **“Eligible Subtenants”** and individually as an **“Eligible Subtenant.”** Tenant understands and agrees that no part of the Premises may be subleased by Tenant to, or managed by, third parties other than Eligible Subtenants without prior

below, in which case Landlord may grant or withhold such approval in its sole and absolute discretion.

1.8 **“Other Tenants”**: Landlord shall have the right but not the obligation to lease at any time to individuals or entities, other than Tenant, all other spaces and areas of the Building which are not the Premises, which shall be individually and collectively referred to herein as the **“Other Tenants.”**

1.9 **“Common Areas”**: Tenant and Eligible Subtenants shall have the right, in common with Other Tenants in the Building, to use all common areas of the Building and the Land, including without limitation all common bathrooms, trash rooms, electrical rooms, mechanical rooms, lobbies, hallways (including, without limitation, service hallway in rear of Premises), each of which shall be located on the ground floor of the Building, and all stairways, elevators, off-street loading areas and other exterior areas and those areas provided for the Amenities together with reasonable access thereto to and from the Premises (collectively, the **“Common Areas”**). No area leased exclusively to any Other Tenant shall be included in the Common Areas, and none of the Common Areas shall be leased exclusively to any Other Tenant. Notwithstanding the foregoing, Landlord shall have the right to temporarily close the Amenities or Common Areas if and to the extent reasonably necessary in connection with routine maintenance and repairs; provided that in connection with any closure of the common bathrooms, reasonable alternative bathrooms shall be provided by Landlord. Landlord may from time to time establish reasonable rules regarding the use of the Common Areas which shall apply equally and uniformly to Tenant and to Other Tenants, provided however, if Landlord reasonably determines that there has been a violation of any of such rules by any Eligible Subtenant, Landlord shall promptly deliver written notice of such violation to Tenant, and Tenant shall take such actions as Tenant shall deem reasonable to address the violation and encourage future compliance by the violating Eligible Subtenant with such rules in the future.

1.10 **“Services”**: Services that shall be provided by the Landlord, shall consist of trash removal services, Utilities, interior and exterior window washing, and facilities maintenance, including all exterior areas of the Building (including landscaping and irrigation), and first class janitorial services to the Premises consistent with the level of services provided for commercial office space, specifically limited to trash disposal from waste bins, dusting of furniture and fixtures, vacuuming of carpeted areas, mopping or sweeping of uncarpeted areas, and monthly window cleaning. Should the Tenant or a Subtenant require additional specialized services, Tenant shall be responsible for any additional charges incurred for such specialized services.

1.11 **“Manager”**: As of the Effective Date, Landlord has retained Servitas Management Group, LLC, as asset manager to provide property management services to the Building (**“Manager”**). At Landlord’s direction, Manager will retain other subcontractors and agents (such as janitorial services) on behalf of Landlord to perform work and services at the Building. All references in this Lease to “Manager” refer to Manager on behalf of and as agent for Landlord, unless the context clearly states otherwise and includes all successors and assigns of Servitas Management Group, LLC. As of the first date upon which Tenant is entitled to obtain possession to any portion of the Premises, and so long as the Building is then-owned or controlled by Landlord, Landlord’s property manager shall be Manager. As of the first date upon which Tenant is entitled to obtain possession to any portion of the Premises, Manager shall provide for reasonable

methods for reviewing and screening of staff of Manager permitted to work within the Premises in order to ensure the safety and security of the Eligible Subtenants. Throughout the Term, Landlord agrees to provide reasonable prior written notice to Tenant (of at least ninety (90) days) of any proposed change, at any time and from time to time, during the Term of the property management service provider at the Building.

1.12 “**Effective Date**” means the later of (a) the date of execution and delivery of this Lease by the Parties and (b) the date on which the City Commission has approved the execution and delivery of this Lease by Tenant.

1.13 “**City Commission**” means the governing and legislative body of the City of Miami Beach, Florida.

1.14 “**Utilities**” means water (including water for domestic uses and for fire protection), sewer service, garbage collection services, or any similar service, but specifically, for purposes of Landlord’s ongoing maintenance obligations under this Lease, excludes Tenant Utilities.

1.15 “**Tenant Utilities**” means telephone, electricity, cable TV and internet services to the Premises.

1.16 “**Interest Rate**” means the lower of (a) a rate of interest equal to five percent (5%) per annum above the Prime Rate or (b) the highest rate permitted by applicable law. For these purposes.

1.17 “**Prime Rate**” means the highest annual prime rate (or base rate) published from time to time in The Wall Street Journal under the heading “Money Rates” or any successor index representing the rate in effect for corporate loans at large U.S. money center commercial banks (whether or not such rate has actually been charged by any such banks) or if such rate is no longer published, then the highest annual rate charged from time to time at a large U.S. money center commercial bank, selected by the City, on short term, unsecured loans to its most creditworthy large corporate borrowers.

2. Use.

2.1 General. The definitions above (and the terms, provisions, agreements, and exhibits included or referenced therein) and the Recitals shall be deemed incorporated in this Lease as if fully restated herein. Subject to the terms and conditions herein stated, Landlord hereby leases to Tenant the Premises for the Term. On the Initial Commencement Date, Landlord shall deliver the Premises to Tenant in good working order, condition and repair, as hereinabove provided, and the Premises shall be in compliance with all Laws, all at Landlord’s expense.

2.2 Delivery of Premises. Landlord will provide Tenant with exclusive possession of the designated Premises in accordance with the Work Standards and Specifications for Preparation of Premises set forth on Exhibit C attached hereto and incorporated herein as well as the Delivery Specifications set forth on Exhibit D attached hereto and incorporated herein.

2.3 Ground Lease. Notwithstanding anything to the contrary contained herein, this Lease shall be subject and subordinate to the terms and conditions of the Ground Lease, as the same may be amended.

3. **Assignment and Subleasing.**

3.1 During the Term, Tenant shall have the right, with prior written notice to Landlord, to sublease portions or all of the Premises only to the Eligible Subtenants (each, a “**Sublease**”) provided that: (a) no Sublease term shall extend beyond any Expiration Date of this Lease; provided, however, such Sublease may provide for renewal or extension terms which shall become effective upon any Extension Term in accordance with this Lease; and (b) Tenant shall keep Landlord informed throughout the Term of this Lease of the identity of each Eligible Subtenant. If a Sublease expires or is terminated prior to the expiration of the Term, Tenant shall have the right to sublease the affected portion(s) of the Premises to new Eligible Subtenant(s) for the remainder of the Term. Promptly following Landlord’s request, Tenant shall deliver to Landlord a copy of Tenant’s form of sublease agreement (the “**Sublease Agreement**”) and, at any time Tenant materially modifies its form of Sublease Agreement, Tenant shall deliver to Landlord a copy of such modified form of Sublease Agreement. Except as otherwise expressly set forth herein, Tenant shall not assign this Lease, in whole or in part, without Landlord’s prior written consent, which shall not be unreasonably withheld provided that the assignee’s use of the Premises will not contravene the restrictions against Private Use specified in Section 18.1.

3.2 Except as set forth in this Lease, Landlord covenants and agrees that Landlord, for itself, and each of its agents, contractors, employees, licensees or other related parties ~~shall not~~ (and shall have no right to) directly interact, notify, communicate or otherwise deal with the Eligible Subtenants or their use and occupancy of the Premises (other than communications relating to routine operation and maintenance of the Premises or the Building, and/or in the event of any Emergency (as hereinafter defined) as reasonably determined by Landlord or its agents, contractors, employees, licensees or other related parties, as applicable), it being agreed by Landlord that any and all such communication, notification, directive or other information from Landlord or the other parties noted above shall be communicated only to Tenant, who shall then communicate same to Eligible Subtenants, as appropriate. As used in this Lease, “**Emergency**” shall be defined as any condition at or about the Premises or the Building, as applicable, which presents a significant and imminent risk of loss of life or harm to the health or welfare of any persons or a significant threat to property.

4. **Agreements and Obligations.**

4.1 Legal Compliance of Building. Landlord hereby represents and warrants to Tenant that at all times during the Term, the Building (including the Premises) and Landlord’s operation or maintenance of same, shall be in material compliance with all applicable certificates of occupancy, statutes, codes, regulations, rules and other governmental and quasi-governmental restrictions and requirements (including laws regulating Hazardous Materials and life-safety codes) (collectively, the “**Laws**”) in effect as of the Effective Date. Throughout the Term, Landlord shall keep and maintain the Building at Landlord’s expense in a neat, orderly, good, operable and safe condition and repair, and in compliance with all Laws, as may be amended from time to time, and Landlord shall provide first class janitorial services to all of the Common Areas. To the

extent that such existing Laws are amended, or new Laws are enacted after the Effective Date, Landlord shall comply with all such amended and/or new Laws, as applicable, at Landlord's sole cost and expense.

4.2 Building Common Areas. Landlord shall ensure that the Building Common Areas will be available from 8:00 a.m. to 12:00 a.m. seven (7) days per week and such other times as may be requested by Tenant and reasonably approved by Landlord during the Term by Tenant and its Eligible Subtenants, except in the case of damage or destruction or as otherwise provided herein. Building Common Areas are not intended to include any area or space in the Premises which is for the exclusive use of the Tenant hereunder. Tenant shall not be responsible for any damage to the Common Areas except to the extent caused by the negligence or misconduct of Tenant. As used in this Section 4.2, "damage" shall not include ordinary wear and tear, latent defects or damage by casualty or condemnation.

4.3 Building Repairs and Maintenance. Landlord shall be responsible at Landlord's sole cost and expense for all repair, maintenance and replacement of the Building (including the Premises) including, without limitation, all heat, air conditioning, ventilation, plumbing, electrical, glass, security and structural components and systems and all appliances, fixtures and other appurtenances contained in or serving the Premises throughout the Term except as may be damaged by an act or omission of gross negligence or willful misconduct by Tenant or any Eligible Subtenants, in which case the actual and reasonable cost and expense of such repair, maintenance and replacement shall be borne by Tenant. As used in this Section 4.3, "damage" shall not include ordinary wear and tear, latent defects or damage by casualty or condemnation. Landlord shall provide at all times during the Term, at no cost to Tenant, all Utilities in good working order and repair. Landlord shall bear the cost of all the Utilities throughout the Term. Tenant shall pay for Tenant Utilities throughout the Term; provided that Landlord shall deliver the Premises with fully functioning Tenant Utilities in good working order and repair serving the Premises.

4.4 Indemnification. Landlord shall and does hereby indemnify, protect, defend and hold Tenant and its directors, officers, agents, contractors, employees, and invitees (but specifically excluding Eligible Subtenants and their guests and/or invitees) (the "**Tenant Indemnified Parties**") against and from any and all claims, actual damages (but specifically excluding all special, punitive, indirect and consequential damages unless the same are actually assessed against a Tenant Indemnified Party by a third party), liabilities, obligations, losses, causes of action, costs and expenses (including, but not limited to, reasonable attorneys' fees and court costs) suffered or incurred by any or all of the Tenant Indemnified Parties and arising from or as a result of (i) any breach or default in the performance of any obligation of Landlord to be performed pursuant to the terms of this Lease or (ii) act or omission which constitutes willful misconduct or negligence by Landlord or any officer, agent, employee, guest or invitee of Landlord.

4.5 Pest Control.

(a) Landlord has implemented and shall continue to implement and maintain a pest control plan throughout the Building to prevent and remediate any infestation of pests in

accordance with applicable Laws and at its sole cost and expense. Tenant and Eligible Subtenants will reasonably cooperate with Landlord's pest control plan.

4.6 Initial Inspection, Return of Premises and Final Inspection.

(a) Upon taking possession of the Premises, Tenant will make commercially reasonable efforts to conduct an inspection of the Premises and note any defects, damage or other conditions observed on the provided inspection report to Landlord within twenty one (21) days following the Initial Commencement Date (the "**Premises Condition Report**" or "**PCR**"), which upon completion and return will become part of this Lease. Tenant will request Tenant's representative to reasonably cooperate with and facilitate the completion of this process, however the failure of Tenant to comply with the foregoing shall not be deemed a breach or default by Tenant under this Lease. Landlord's acceptance and approval of the PCR will be conclusive evidence of such existing defects, damage, and conditions. Landlord agrees to have such defects, damage or other conditions repaired or remedied at Landlord's expense within a reasonable time after Landlord's receipt of the PCR. In addition to the foregoing, prior to the Initial Commencement Date (or earlier date to the extent any portion of the Premises shall be occupied by Tenant prior to the Initial Commencement Date), Tenant shall have the right to inspect the Premises and to report to Landlord any defects, damage or other conditions observed by Tenant and Landlord agrees to have such defects, damage or other conditions promptly repaired or remedied to meet the Tenant's requirements at Landlord's expense.

(b) Upon the Expiration Date of the Term, Tenant shall return the Premises to Landlord in as good condition as Tenant received same on the Initial Commencement Date, customary and reasonable wear and tear, latent defects, and damage by casualty and condemnation excepted. Within ten (10) business days after the Expiration Date of the Term, Landlord and Tenant shall jointly inspect the Premises to determine the condition of the Premises. If the Premises have not been returned to Landlord in at least as good condition as Tenant received same, customary and reasonable wear and tear, latent defects, Force Majeure and damage by casualty and condemnation excepted, Landlord shall repair the Premises to the condition required herein. In the event that the Premises (or any portion thereof) are not surrendered to Landlord on or prior to the date required hereunder for any reason other than casualty, condemnation or Force Majeure, the provisions set forth in Section 19.9 herein below shall apply. As used herein, "**Force Majeure**" means acts of God, labor disputes (whether lawful or not), material or labor shortages, restrictions by any Governmental Authority, civil riots, floods, hurricanes, epidemics or pandemics (including, but not limited to, COVID-19), and any other cause not within the reasonable control of Landlord or Tenant, as the case may be (which shall expressly exclude the satisfaction of Landlord's or Tenant's financial obligations).

4.7 Funding Condition. In the event that Tenant does not appropriate sufficient funds for the lease of the Premises for any Lease Year, Tenant shall have the right to terminate this Lease upon not less than ninety (90) days' prior written notice to Landlord, which notice shall specify the effective date of termination, and thereafter, this Lease shall be null and void and the Parties shall have no further obligations hereunder.

5. **Default.**

5.1 In the event Tenant fails to make any monetary payments when due as required by this Lease, Landlord shall promptly notify Tenant of such breach in writing and Tenant shall have ten (10) business days after receipt of such notice to cure such monetary breach. In the event Tenant breaches any of its non-monetary obligations hereunder, Landlord shall promptly notify Tenant of such breach in writing and Tenant shall have twenty (20) days after receipt of such notice to cure such non-monetary breach, provided however, that in the event such breach is not reasonably able to be cured within said twenty (20) day cure period, such cure period shall be extended for such time as is reasonably necessary for Tenant to effect a cure as long as Tenant is diligently and reasonably pursuing a cure of such breach. Should Tenant fail to cure any such monetary breach within the ten (10) business day cure period noted above (except as hereinafter provided) or cure any non-monetary breach within the twenty (20) day cure period (as same may be extended) noted above, Landlord shall have all rights and remedies available under the Laws of the State of Florida.

5.2 In the event Landlord shall breach any of its obligations hereunder, Tenant shall promptly notify Landlord of such breach in writing and, except as otherwise provided in this Section 5.2 and/or elsewhere in this Lease, Landlord shall have thirty (30) days after receipt of such notice to cure such breach, provided, however, that (a) if there is imminent threat to persons or property, Landlord shall use diligent effort to immediately cure such breach and (b) if there is no such emergent threat, in the event such breach is not reasonably able to be cured within said thirty (30) day cure period, but such cure has been commenced and is being diligently prosecuted, such cure period shall be extended for such time as is reasonably necessary for Landlord to effect such cure but no event shall such extension exceed sixty (60) days. In the event Landlord fails to cure any such breach within the cure period, Tenant shall have all rights and remedies available under the Laws of the State of Florida.

5.3 Notwithstanding Section 5.2, if Landlord fails or neglects to maintain, repair and replace the Building (including the Premises) or to perform any of the other obligations required of Landlord by the terms of this Lease in accordance with the provisions set forth herein within sixty (60) days after receipt of written notice from Tenant of the necessity therefor or in the event Landlord fails to provide janitorial services to the Building as required by this Lease, then Tenant may, after proper notice and a thirty (30) day period to cure by Landlord, terminate this Lease, or, at Tenant's option with respect to any failure by Landlord to perform its obligations with respect to the Premises, Tenant shall have the right but not the obligation to cure any such failure on Landlord's behalf and to offset the costs of such cure, together with interest at the Interest Rate from the date such costs are incurred by Tenant, against any payment of Rent or other amounts due to Landlord hereunder. The foregoing remedies shall be without prejudice to any other right or remedy available to Tenant hereunder or under applicable law.

5.4 Notwithstanding any provisions in this Lease to the contrary, except as set forth in Section 4.4 hereof, in no event shall Landlord or Tenant (or any Eligible Subtenant) be liable for any special, consequential, indirect, punitive, or non-economic damages arising out of this Lease or any use and occupancy of the Premises, in whole or in part.

6. **Notices.** Any notices required or permitted to be given hereunder shall be given in writing and shall be delivered and effective (a) if delivered in person, when delivered; (b) if delivered by certified mail, postage prepaid, return receipt requested, three (3) business days after deposit with the United States Postal Service; or (c) if delivered by a commercial overnight

courier that guarantees next day delivery and requires a written receipt, signed by the addressee, one (1) business day after deposit. Such notices shall be addressed as follows:

Landlord:

CFC-MB I, LLC
333 N. Wilmont Rd.
Ste. 227
Tucson, AZ 85711
Attention: Gary Molenda

With a copy to:
Servitas Management Group LLC.
5525 N. MacArthur Blvd
Suite 760 Irving, Texas 75038

Tenant:

City Manager
City of Miami Beach
1700 Convention Center Drive
Miami Beach, FL 33139
Attention: Alina T. Hudak
Telephone: 305-673-7000
Email: alinahudak@miamibeachfl.gov
citymanager@miamibeachfl.gov

With a copy to:
City Attorney
City of Miami Beach
1700 Convention Center Drive
Floor 4
Miami Beach, FL 33139
Attention: Rafael Paz
Telephone: 305-673-7470 x6277
Email: rafaelpaz@miamibeachfl.gov

7. **Estoppel Certificates.** Tenant shall, at any time, upon not less than thirty (30) days' prior written request by Landlord, execute, acknowledge and deliver to Landlord a statement in writing, certifying (i) that this Lease is unmodified and in full effect (or, if there have been modifications, that this Lease is in full effect as modified, setting forth such modifications), (ii) the dates to which Rent payable hereunder has been paid, (iii) that no default by either Landlord (to Tenant's knowledge) or Tenant exists hereunder or, as applicable, specifying each such default, (iv) the remaining Term hereof, and (v) such other matters as may reasonably be requested by Landlord or Landlord's lender. Landlord shall, at any time, upon not less than thirty (30) days' prior written request by Tenant execute, acknowledge and deliver to Tenant a statement in writing, certifying (i) that this Lease is unmodified and in full effect (or, if there have been modifications, that this Lease is in full effect as modified, setting forth such modifications), (ii) the dates to which Rent payable hereunder has been paid, (iii) that no default by either Landlord or Tenant exists hereunder or, as applicable, specifying each such default, (iv) the remaining Term hereof, and (v) such other matters as may reasonably be requested by Tenant. It is intended that any such statements may be relied upon by any lender, the recipient of such statements or their assignees or by any prospective lender, purchaser, assignee or subtenant of Landlord or Tenant, as the case may be.

8. Insurance.

8.1 Tenant's Insurance. At all times during the Term, Tenant shall maintain Comprehensive General Liability ("CGL") coverage of at least:

- 1) \$1,000,000.00 per occurrence;
- 2) \$2,000,000.00 general aggregate;
- 3) \$2,000,000.00 products and completed operations;
- 4) \$1,000,000.00 aggregate for personal injury; and
- 5) Umbrella/Excess Liability coverage providing Combined of Liability coverage of at least \$4,000,000.00 (per occurrence and in the aggregate).

8.2 All of Tenant's insurance shall name Landlord and Landlord's lenders as Additional Insureds. The Additional Insured Endorsement for CGL coverage shall state that the coverage provided to the Additional Insureds is primary and non-contributory with any other insurance available to the Additional Insureds. If the Additional Insured has insurance which is applicable to the loss, such insurance shall be excess and noncontributory. To the extent available from the applicable insurer, Landlord shall be given notice no less than thirty (30) days in advance of any cancellation or non-renewal thereof. All of Tenant's insurance shall be provided by companies having a Best rating of at least A- or better. Prior to the commencement of the Term, Tenant shall provide to Landlord certificates of insurance to evidence Tenant's compliance with the terms of Sections 8.1 and 8.2. A renewal certificate evidencing any insurance required to be maintained by Tenant shall be provided no fewer than ten (10) days prior to the expiration of any policy. If Tenant elects to exercise Tenant's Right to Extend for a period of time exceeding a cumulative period of thirty (30) years or greater, Tenant shall maintain insurance that is commercially reasonable for similar types of tenancies in existence at such time. Notwithstanding anything to the contrary set forth in this Lease, Tenant shall have the right to self insure any loss in lieu of maintaining any insurance required under this Lease.

8.3 Landlord's Insurance. At all times during the Term, Landlord will maintain in full force and effect all-risk "special perils" insurance insuring the Building for the Building's full replacement cost (excluding the foundation) and the contents thereof for its full replacement cost (excluding personal property of Tenant or Eligible Subtenants or Other Tenants). In addition, Landlord shall maintain in force during the entire Term of this Lease comprehensive general liability insurance, including, without limitation, limits of at least \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate addressing bodily injury and property damage, personal and advertising injury, and products and completed operations, contractual liability coverage as outlined in ISO Form CG 001 or its equivalent with excess umbrella liability coverage in an amount of not less than \$5,000,000.00 per occurrence and with an annual aggregate of not less than \$5,000,000.00. Prior to the commencement of the Term, Landlord shall provide to Tenant certificates of such insurance to evidence Landlord's compliance with the terms of this Section

8.3. All additional insured endorsements shall require that Tenant be given no less than thirty (30) days' notice in advance of any cancellation, non-renewal or material modification thereof. All of Landlord's insurance shall be provided by companies having a Best rating of at least A- or better. A renewal certificate evidencing any insurance required to be maintained by Landlord shall be provided no later than ten (10) days prior to the expiration of the policy.]

9. **Damage or Destruction.**

9.1 If the Building (including the Premises) is damaged or destroyed or rendered partially or wholly untenable for its accustomed use by fire or other casualty (such an event hereinafter referred to as "**Damage**"), the Term of this Lease shall continue but all Rent and other charges due from Tenant to Landlord hereunder shall abate from the first (1st) day of such Damage until such Damage shall have been repaired by Landlord, and further provided that if within ninety (90) days after the date of such Damage, Landlord has not repaired such Damage, then Tenant shall have the right to terminate this Lease by delivering written notice thereof to Landlord and an additional thirty (30) days after the expiration of such ninety (90) day period to complete such repairs. In the event that Landlord restores the Building before Tenant has terminated the Lease, Tenant shall accept possession of the Premises as so restored and resume payment of Rent.

9.2 In the event that Landlord undertakes any restoration or repair of the Building following any damage as described above, Landlord shall use commercially reasonable efforts to repair and restore the Building to a condition substantially the same, or better, than the condition of the Building which existed immediately prior to such damage, at Landlord's expense. In addition, in the event of such damage, Landlord shall take immediate action as may be reasonably necessary to secure the damaged area(s) and protect against any further damage, injury or loss. Landlord shall not be liable for any damage to or destruction of any personal property of Tenant or any of the Eligible Subtenants. Landlord shall keep Tenant reasonably apprised of its restoration schedule and shall provide Tenant with prior written notice at least sixty (60)) days prior to the anticipated delivery to Tenant of any restored areas of the Premises.

9.3 Notwithstanding anything to the contrary set forth herein, Landlord shall be obligated to restore all Damage to the Premises and the Building to the extent required to be restored by Landlord, as ground lessee, pursuant to the Ground Lease.

10. **Condemnation.** In the event that any portion of the Building (including the Premises) is taken by any public authority under power of eminent domain or is conveyed under threat of such taking, at Tenant's option, the Term of this Lease shall terminate (regardless of any notice and cure periods afforded to Landlord as set forth in this Lease) and all Rent, fees and other payments due and payable hereunder by the Tenant shall abate from the date of such act of eminent domain or conveyance in lieu thereof, or this Lease shall not terminate, but Rent and all other charges payable hereunder shall abate from the date of such act of eminent domain or conveyance in lieu thereof, pro-rata, based upon the square footage of the Premises so taken or reduced for the remainder of the Term.

11. **Quiet Enjoyment.** So long as Tenant shall not be in breach of Tenant's obligations under this Lease beyond applicable notice and cure periods, Tenant shall be entitled to peaceful and quiet

enjoyment of the Premises, undisturbed by Landlord or any person or entity claiming possession through or under Landlord, subject to the terms of this Lease.

12. Utilities.

12.1 Landlord shall, as part of the initial construction of the Premises, provide for two sub-meters for the measuring of electricity for the Premises, allowing for service to separate portions of the Premises.

12.2 Upon reasonable prior written notice to Tenant (of at least 72 hours, provided, however, no prior notice shall be required to be given in the event of any Emergency as reasonably determined by Landlord, but Landlord shall use reasonable efforts to promptly provide telephonic notice as soon as practicable after undertaking any of the actions set forth in this Section 12), Landlord shall have the right to temporarily suspend any one or more of the Utilities or other services to the Premises (other than security services to the Building or the Premises) in order to perform maintenance and/or repair and/or protect the Building, Premises, Tenant and/or Eligible Subtenants from risk or harm or loss; provided however that in the event any Essential Services (as hereinafter defined) are not fully restored by Landlord within twenty-four (24) hours of such suspension, Rent shall abate until such time as all Essential Services (as hereinafter defined) are fully restored.

12.3 As used in this Section 12, “**Essential Services**” shall be deemed to mean the electricity, gas, heating, ventilating and air conditioning, water, sewer and elevator services (but only in the event of a complete interruption of elevator services) servicing the Premises.

12.4 In the event of any Force Majeure event, which event temporarily suspends any Essential Services or security services to the Premises, and which event was not caused in whole or in part by the actions or omissions of Landlord, all Rent and other charges due from Tenant to Landlord hereunder shall abate from the fourth (4th) date of such suspension until full restoration of all such Essential Services or security services; and further provided that if within thirty (30) days after the date of such suspension, Landlord has not obtained the restoration of such Essential Services then Tenant shall have the right, notwithstanding any provision to the contrary herein (including Section 5.2 above), to terminate this Lease by delivering written notice thereof to Landlord prior to Landlord’s completion of such restoration work.

12.5 Notwithstanding any provision herein, if any suspension or interruption of Utilities or other services (including, without limitation, Essential Services and/or security services) arises in whole or in part by the actions or omissions of Landlord or Landlord’s property manager, all Rent and other charges due hereunder from Tenant to Landlord with respect to the Premises so effected shall automatically abate from the first (1st) day of such suspension or interruption until full restoration of such Utilities and/or other services, regardless of any notice and cure periods afforded to Landlord in this Lease, and further provided that if such Utilities and services are not fully restored to all affected portions of the Premises within five (5) days after the commencement of such suspension or interruption, Tenant shall have the right, *inter alia*, to terminate this Lease, effective immediately, as of the first day of such suspension, regardless of any notice and cure periods afforded to Landlord in this Lease, and all Rent and other charges shall be pro-rated as of the effective date of such termination on the basis of portions of the Premises so affected, or, at

Tenant's option, Tenant shall have the right but not the obligation to undertake to restore such Utilities or other services serving the Premises and to offset the costs thereof, together with interest at the Interest Rate from the date such costs are incurred by Tenant, against any payment of Rent or other amounts due to Landlord hereunder.

13. **Landlord's Entry.** Neither Landlord nor any of Landlord's agents, contractors, employees, licensees, invitees or other related parties shall (and none of the foregoing have any right to) enter the Premises and/or any portion thereof (leased hereunder, or otherwise subleased to any Eligible Subtenant under a Sublease) without prior written notice to Tenant (and where possible, a schedule shall be provided to Tenant for entry approval). Tenant or a designated employee or agent of Tenant must be present at all times to accompany Landlord or any of Landlord's agents, contractors, employees, licensees, invitees or other related parties, including as a result of an event or on-going routine maintenance or cleaning (except (i) in the event Landlord is responding to a written request for work or repair submitted by Tenant or any Eligible Subtenant and in each such case of entry, Landlord (or Landlord's agent) shall leave written notice detailing the date and nature of work or repair undertaken by Landlord (or Landlord's agent); and (ii) in the event of an Emergency as reasonably determined by Landlord, in which case Landlord shall notify Tenant of such entry as soon as possible by telephone with a written notice promptly delivered thereafter to Tenant, detailing the cause and nature of such entry). Notwithstanding the foregoing, Landlord shall not be permitted to unreasonably disturb any Eligible Subtenant's use and enjoyment of the Premises.

14. **Security.** Upon receipt of a record of all Eligible Subtenants who have Tenant's authorization to be residing in the Premises, and therefore, should be allowed access to the Building (the "Subtenant List") from Tenant, Landlord shall be responsible for keeping such list, as modified by Tenant from time to time. Either Landlord or Tenant may call the police, fire department or paramedics for any situation it deems requires legal intervention or an emergency response. Landlord shall maintain and operate the existing key card access and entry system (the "**Key Card System**"), or any replacement key card system that the Landlord may from time to time reasonably decide to adopt, for use by Tenant and the Eligible Subtenants for entrance into the Building and the Premises. Landlord shall issue to Tenant key cards for use with the Key Card System (the "**Key Cards**"); Tenant shall be responsible for issuing Key Cards directly to the Eligible Subtenants and shall use all commercially reasonable efforts to return the Key Cards to Landlord at such time as Tenant or an Eligible Subtenant no longer has the right to have access to the Building as provided herein. The cost of all replacements for lost Key Cards (as opposed to non-functioning Key Cards) shall be borne by Tenant. Landlord shall throughout the Term keep the Key Card System in good working order and repair at Landlord's expense. To the extent provided in this Lease, Tenant shall be responsible for the conduct of Tenant and the Eligible Subtenants within the Premises, but Tenant shall expressly have no obligations with respect to the safety and security of the Building, except to the extent that such security and safety are compromised by any gross negligence or willful misconduct of Tenant. Notwithstanding anything to the contrary set forth in this Lease, Tenant, at Tenant's option and at Tenant's sole cost and expense, may elect to utilize its own key card access and entry system for the Premises, in which case, Tenant shall issue a key card to Landlord for its use in connection with the exercise of Landlord's rights and obligations under this Lease.

15. **Modification of the Building.** Tenant and Eligible Subtenants shall not construct, demolish, or make any modification or cause any of the foregoing to be done to any part of the Premises (individually and collectively, “**Alterations**”) without the prior written consent of Landlord which consent shall not be unreasonably withheld, conditioned or delayed, including without limitation, in connection with Landlord’s review and approval of Tenant’s proposed plans and specifications therefor.

16. **Mechanic’s Liens.**

16.1 Tenant shall not permit mechanic’s or other liens to be placed upon the Building, the Premises or Tenant’s leasehold interest in connection with any work or service performed or purportedly performed for which Tenant shall have contracted. If a lien is so placed, Tenant shall, within twenty (20) days of notice from Landlord of the filing of the lien, fully discharge the lien by settling the claim that resulted in the lien or by bonding or insuring over the lien in the manner prescribed by the applicable lien law unless the Building is being refinanced or sold (to any party other than Tenant) and Landlord notifies Tenant in writing of such impending refinance or sale, in which case, such twenty (20) day period shall be shortened to ten (10) days from the date Tenant receives such notice from Landlord. If Tenant fails to discharge or bond or insure over the lien in the manner prescribed by the applicable lien law within said period, then, in addition to any other right or remedy of Landlord, Landlord may bond or insure over the lien or otherwise discharge the lien. Tenant shall reimburse Landlord for the actual and reasonable amount paid by Landlord to bond or insure over the lien or discharge the lien, including, without limitation, reasonable attorneys’ fees (if and to the extent permitted by law) as additional rent within thirty (30) days after receipt of an invoice from Landlord.

16.2 In the event that Landlord consents to any construction by Tenant as provided by Section 15 of the Lease, Tenant hereby acknowledge and agrees, and shall cause any contractor or subcontractor of Tenant to acknowledge and agree, that to the fullest extent permitted by applicable Laws and subject to Landlord recording a notice of no liens in the public records of the County in which the Premises are located pursuant to Chapter 713, Florida Statutes, all mechanic’s lien and other lien rights of any contractor or subcontractor and other parties retained by or on behalf of Tenant or such contractor or subcontractor shall be junior and subordinate to the lien(s) of all of Landlord’s lender or lenders, and to the interest of any and all subsequent purchasers of the Land or the Building, or both. Tenant shall require all contractors and subcontractors, or other party retained by any contractor or subcontractor to subordinate, to the fullest extent permitted by applicable Laws, its lien rights as provided in the preceding sentence.

17. **Non-liability of Landlord.** Provided Landlord shall have satisfied its obligations set forth herein, including but not limited to providing limited security to the Premises during the Term as set forth in Section 14 above, and so long as Landlord shall not have performed or undertaken any actions or omissions of willful misconduct or gross negligence, Landlord shall not be liable for any damage to the property of Tenant, the Eligible Subtenants, their invitees or of others located in the Building, nor for the loss of or damage to any property of Tenant, the Eligible Subtenants or their invitees. All property of Tenant and the Eligible Subtenants kept or stored in the Building shall be so kept or stored at the risk of Tenant and such Eligible Subtenants only, subject to Landlord’s obligation to provide security services for the Building and the Premises.

18. Tax Exempt Bond Compliance.

18.1 General Private Use Limits. As of the Effective Date, and all times thereafter during the Lease Term (including any Extended Terms) but only so long as the Leased Premises are subject to the lien of tax-exempt bonds (the “**Bonds**”) and only as and to the extent required by applicable Law, Tenant shall not assign or sublease any portion of the Leased Premises to another party other than an Eligible Subtenant without Landlord’s prior written consent as further described above. The Leased Premises have been and will be used solely for activities directly related to the exempt purposes of Tenant and the Eligible Subtenants. Tenant does not expect to and shall not perform any act, enter into any agreement, or use or permit any portion of the Leased Premises, to be used in any manner by an entity other than a state or local government or a 501(c)(3) organization (but only to the extent such organization is using the Leased Premises exclusively in activities directly related to the exempt purposes of such organization), or for any trade or business unrelated to the exempt purposes (as defined in Section 513(a) of the Internal Revenue Code (the “**Code**”)) of Tenant or such Eligible Subtenant. Thus, no portion of the Leased Premises, in the aggregate, will be used for any “Private Use” as defined in this Section 18.1. For purposes of this Lease, “**Private Use**” means (a) the conduct of any activity or activities constituting a trade or business (or group of trades or businesses) carried on by any person or entity other than Tenant, a state or local governmental unit or a 501(c)(3) organization or (b) any unrelated trade or business (as defined in Section 513(a) of the Code) or any business not related to the exempt purpose of Tenant, a state or local government or a 501(c)(3) organization. Private Use shall also include, without limitation, Management Contracts (as defined below) entered into with, and the lease or rental of the Leased Premises or any part thereof to, third parties that are not organizations described in Section 501(c)(3) of the Code using the Leased Premises in a manner substantially related to their and Tenant’s exempt purpose. The amount of Private Use is measured over the remaining term of the Lease based on the portion of the total square footage of the Leased Premises subject to the Private Use arrangement and the portion of time the Private Use takes place as compared to the aggregate time the Leased Premises actually are used for all purposes. A lease or rental of the Leased Premises that is not an unrelated trade or business activity is not a Private Use if the term of such lease or rental is (i) not more than one hundred (100) days (including any renewal options) if the compensation under the lease or other arrangement is determined, or redetermined at the time of any renewal, at generally applicable, fair market value rates but use pursuant to such leases is not reasonably available to natural Persons not engaged in a trade or business, or (ii) not more than fifty (50) days (including any renewal options) if the compensation under the lease or other arrangement is determined, or redetermined at the time of any renewal, in a negotiated arm’s length transaction and compensation under the lease is at fair market value.

18.2 Service Contracts. So long as the Leased Premises are subject to the lien of tax-exempt Bonds, and only as and to the extent required by applicable Law, Tenant represents, warrants and covenants that Tenant has not entered into, does not expect to and will not enter into any agreement (a “**Management Contract**”) with any Person (a “**Management Company**”) that provides for such Management Company to manage, operate or provide services with respect to any portion of the Leased Premises unless such Management Contract satisfies the requirements set forth in IRS Revenue Procedure 2017-13, as may be amended by the IRS after the date hereof (an “**Eligible Management Contract**”). Such rules shall not apply to contracts for janitorial, maintenance, machine repair, billing services, or other incidental services, so long as such

contracts are on commercially reasonable terms. Tenant shall have the right to enter into Eligible Management Contracts without Landlord's consent.

18.3 Sectarian Use. So long as the Leased Premises are subject to the lien of tax-exempt Bonds and only as and to the extent required by applicable law, Tenant has not and will not permit any portion of the Leased Premises to be used primarily for sectarian instruction or study or as a place of devotional activities or religious worship or as a facility used primarily in connection with any part of a program of a school or department of divinity for any religious denomination or the training of ministers, priests, rabbis or other similar Persons in the field of religion.

18.4 Ongoing Compliance. So long as the Leased Premises are subject to the lien of tax-exempt Bonds and only as and to the extent required by applicable law, Tenant will promptly respond to periodic requests for information by Landlord or its agents regarding the federal tax status of Tenant and any actual or anticipated Private Use, including providing related documentation to Landlord or its agents. Tenant will comply with reasonable requests to make the Leased Premises available for a site visit by the IRS in connection with any examination of the Bonds, which Bonds will be repaid from the rent collected by Landlord, subject to any notice requirements applicable under the Lease.

18.5 Acknowledgement of Reliance. Tenant hereby acknowledges and understands that Landlord will and is entitled to, rely on the representations made in this Section 18 in making their own representations with respect to the Bonds and the use of the Leased Premises, and that Landlord's counsel with respect to the Bonds will and are entitled to, rely on the representations made in this Section 18, in rendering their respective opinions related to the Bonds.

18.6 Conflicts. In the event of any inconsistency between the provisions of this Section 18 and any other provisions of the Lease, the provisions of this Section 18 shall prevail.

19. **Miscellaneous.**

19.1 This Lease shall be construed and enforced in accordance with the laws of the State of Florida.

19.2 The captions of this Lease are for convenience only and are not to be construed as part of this Lease and shall not be construed as defining or limiting in any way the scope or intent of the provisions hereof. In the event any provision of this Lease is determined to be invalid or unenforceable, such provision shall be deemed severed from the Lease and the remainder of the Lease shall not be affected thereby.

19.3 This Lease represents the final and entire agreement between Tenant and Landlord and supersedes all other communications, negotiations, representations and agreements by Landlord and Tenant. This Lease may be amended only in writing signed by both Landlord and Tenant.

19.4 In the event of a transfer of Landlord's interest in the Premises, if and to the extent permitted pursuant to the Ground Lease, the transferee shall take subject to Tenant's interests in this Lease and Tenant shall attorn to and recognize the transferee as Landlord under this Lease for the balance of the Term provided such transferee shall assume Landlord's obligations hereunder

and recognize Tenant's rights hereunder, and thereafter, this Lease shall continue as a direct lease between Tenant and such transferee. All of the covenants, agreements, conditions and undertakings contained in this Lease shall extend and inure to and be binding upon the parties hereto and their permitted successors and assigns.

19.5 This Lease may be signed in separate counterparts, all of which, when signed and delivered, shall constitute the same document. Subject to Section 19.17 below, a party's signature on this Lease transmitted by that party by facsimile copy (including without limitation, via email transmission) shall be binding on such party.

19.6 To the maximum extent permitted by law, Landlord and Tenant agree that all actions or proceedings arising in connection with this Lease shall be tried and determined only in the State and Federal courts located in the County of Miami-Dade, State of Florida. To the maximum extent permitted by law Landlord and Tenant hereby expressly waive any right it may have to assert the doctrine of forum non conveniens or to object to venue to the extent any proceeding is brought in accordance with this Section 19.6.

19.7 TO THE MAXIMUM EXTENT PERMITTED BY LAW, LANDLORD AND TENANT HEREBY EXPRESSLY WAIVE ANY RIGHT TO TRIAL BY JURY OF ANY ACTION, CAUSE OF ACTION, CLAIM, DEMAND, OR PROCEEDING ARISING UNDER OR WITH RESPECT TO THIS LEASE AND/OR THE PREMISES, OR IN ANY WAY CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE DEALINGS OF LANDLORD AND TENANT WITH RESPECT TO THIS LEASE, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT, OR OTHERWISE. TO THE MAXIMUM EXTENT PERMITTED BY LAW, LANDLORD AND TENANT HEREBY AGREE THAT ANY SUCH ACTION, CAUSE OF ACTION, CLAIM, DEMAND OR PROCEEDING SHALL BE DECIDED BY A COURT TRIAL WITHOUT A JURY AND THAT LANDLORD AND TENANT, OR BOTH, MAY FILE A COPY OF THIS LEASE WITH ANY COURT OR OTHER TRIBUNAL AS WRITTEN EVIDENCE OF THE CONSENT OF LANDLORD AND TENANT TO THE WAIVER OF ITS RIGHT TO TRIAL BY JURY.

19.8 Landlord and Tenant represent and warrant to the other that neither of them has had any dealings with any broker or agent in connection with the transactions contemplated hereby. Landlord and Tenant covenant to pay, hold harmless and indemnify the other from and against any and all costs, expenses or liability for any compensation, commissions and charges claimed by any broker or agent, with respect to the transactions contemplated hereby or the negotiation thereof and arising by virtue of the acts of the indemnifying party.

19.9 In the event that Tenant or any Eligible Subtenant or any licensee, user or other occupant claiming possession by or through Tenant or any Eligible Subtenant remains in possession or occupancy for a period of more than two (2) business days after the date the Premises (or any portion thereof) are to be surrendered to Landlord as required hereunder, such continued occupancy or possession shall not be deemed a holdover by Tenant with respect to the entire Premises leased herein, but shall be deemed a tenancy at sufferance on the same terms and conditions, but in lieu of Rent otherwise due and payable in the amount set forth herein, Tenant shall pay Rent on a per diem basis (using a thirty (30) day month) for the Premises, calculated

using a monthly rate equal to 150% of the then-current Monthly Rent. For avoidance of doubt, the parties further agree that during any such tenancy created by the provisions of this Section 19.9, Rent will be due and payable on the entire Premises notwithstanding the fact that such continued occupancy or possession affects less than all of the Premises. Notwithstanding the foregoing, in no event shall Tenant be liable for any consequential, punitive, indirect, special or non-economic damages as a result of any such holdover at the Premises, and the increased Rent amounts set forth in this Section 19.9 shall be deemed liquidated damages for Landlord, and Landlord's sole remedy in lieu of all others.

19.10 Landlord represents and warrants to Tenant that, as of the date Tenant is entitled to obtain possession of any portion of the Premises, and thereafter, throughout the Term, any "Hazardous Material" (as defined below) located in the Building and not caused by any act or omission of Tenant or any officer, agent, employee, guest or invitee of Tenant shall be managed in accordance with all applicable Laws. Landlord and Tenant agree that neither party shall transport, use, store, maintain, generate, manufacture, handle, dispose, release or discharge any Hazardous Material upon or about the Building, or permit any employees, agents, contractors, invitees of Tenant, or other Eligible Subtenants of the Premises, to engage in such activities upon or about the Building, except in accordance with applicable Laws. The term "**Hazardous Material**" for purposes hereof shall mean any chemical, substance, material or waste or component thereof which is now or hereafter listed, defined or regulated as a hazardous or toxic chemical, substance, material or waste or component thereof by any federal, state or local governing or regulatory body having jurisdiction, or which would trigger any employee or community "right-to-know" requirements adopted by any such body. Notwithstanding the foregoing, the parties agree that the use of customary consumer cleaning products, and computer and office supplies by Landlord, Tenant or any Eligible Subtenant in non-reportable quantities shall not be deemed "Hazardous Materials" for the purposes of this Section 19.10. Landlord represents and warrants that to its actual knowledge, there are no Hazardous Materials at, in, about or under the Building in violation of applicable Laws.

19.11 The failure of Landlord or Tenant to insist on strict compliance with any terms hereof or to exercise any right or remedy shall not waive such terms or rights or remedies. Waiver of any agreement regarding any breach by Landlord or Tenant shall not affect any subsequent or other breach by such party unless so stated. No waiver by Landlord or Tenant of any violation or provision of this Lease shall be effective unless expressed in writing and signed by the party so waiving such violation or provision.

19.12 In the event of the sale or other transfer of Landlord's right, title and interest in this Lease, the Premises, or the Building (except in the case of a sale-leaseback financing transaction in which Landlord is the lessee), upon the express written assumption of this Lease by the transferee, Landlord shall be released from all liability and obligations hereunder derived from this Lease arising out of any act, occurrence or omission relating to the Premises or this Lease occurring after the consummation of such sale or transfer. Tenant shall have no right to terminate this Lease or to abate Rent nor to deduct from, nor setoff, nor counterclaim against Rent solely because of any sale or transfer (including, without limitation, any sale-leaseback) by Landlord or its successors or assigns.

19.13 Any obligations of Landlord and Tenant accruing prior to the expiration of Term of this Lease shall survive the expiration or earlier termination of the Lease, and Landlord and Tenant shall promptly perform all such obligations whether or not any Terms of this Lease shall have expired or this Lease has been terminated.

19.14 Nothing contained in this Lease shall be deemed or construed by the parties to this Lease, or by any third party, to create the relationship of principal and agent, partnership, joint venture, or any association between Landlord and Tenant, it being expressly understood and agreed that neither the method of computation of rent nor any other provisions contained in this Lease nor any acts of the parties to this Lease shall be deemed to create any relationship between Landlord and Tenant other than the relationship of landlord and tenant.

19.15 Landlord and Tenant have jointly participated in the drafting of this Lease. Accordingly, this Lease shall be construed neither for nor against Landlord or Tenant notwithstanding the party which drafted same, but shall be given a fair and reasonable interpretation in accordance with the meaning of its terms and the intent of the parties.

19.16 Except as expressly provided herein, each covenant, agreement, obligation or other provision of this Lease to be performed by Landlord or Tenant (including, but not limited to, Tenant's obligation to pay Rent) is a separate and independent covenant of such party, and is not dependent on any other provision of this Lease.

19.17 Tenant represents and warrants as of the Effective Date that this Lease has been duly authorized, executed and delivered by and on behalf of Tenant and constitutes the valid and binding agreement of Tenant in accordance with its terms. Landlord represents and warrants that this Lease has been duly authorized, executed and delivered by and on behalf of Landlord and constitutes the valid and binding agreement of Landlord in accordance with its terms, and that no third party consents to the terms and conditions of this Lease are required to be obtained by Landlord prior to the validity, effectiveness or enforceability of this Lease (or if such consents are required, Landlord has obtained all of same, without reservation or condition). Notwithstanding anything to the contrary set forth herein, the Parties acknowledge and agree that this Lease shall not be binding upon Tenant and the Effective Date shall not be deemed to have occurred until the City Commission has approved the execution and delivery of this Lease by the Tenant.

19.18 As used herein, the term "business day" shall mean any day other than a Saturday, Sunday, any federal or State of Florida authorized holiday.

19.19 Landlord represents and warrants to Tenant that as of the Effective Date:

(a) The execution and delivery of this Lease is not in violation of any law, ordinance, agreement, provision or encumbrance to which Landlord, the Premises, the Building, the Land or the Common Areas is or may be subject.

(b) Upon completion, the Land and the Building will be and will remain in compliance with all Laws (including Laws relating to the Hazardous Materials). Landlord has not received any notice of non-compliance by the Land for its intended use as dormitories, related facilities and/or residential facilities and, with respect to the Premises, for governmental, performing arts and/or cultural purposes.

(c) Landlord agrees that if it is determined that the ownership of the Building must be held in separate condominium units in order to obtain various tax benefits including, without limitation, exemption from ad valorem taxation for the Premises, Landlord shall create such a condominium regime and Tenant shall reasonably cooperate in that regard at no cost or expense to Tenant.

(d) The only party holding a mortgage, deed of trust or other voluntarily granted lien instrument which encumbers Landlord's ground leasehold interest in the Building (or any portion thereof) is Miami-Dade County Industrial Development Authority, and its successors or assigns ("Lender"), and Landlord has received no written notification as of the Effective Date that Lender has assigned or sold its interest in such mortgage, deed of trust or lien instrument (in whole or in part) to any other person or entity or that Landlord is in breach or default under any such mortgage, deed of trust or lien instrument. Further, Landlord is not in breach or default of, and is not aware of any matter, fact, event or condition which, with the giving of notice or passage of time (or both) would be a breach or default under, any such mortgage, deed of trust or lien instrument.

19.20 Notwithstanding any provision herein to the contrary, if any, Tenant shall not be liable for any damage to the Premises or other portions of the Building caused by Other Tenants or persons in the Building (other than the Eligible Subtenants but only as and to the extent expressly set forth in this Lease, as applicable), tenants of adjacent property or the Building, or the public, or cause by operations in construction of any private, public or quasi-public work.

19.21 In the event of a judicial or administrative proceeding or action by one party against the other party with respect to the interpretation or enforcement of this Lease, the prevailing party shall be entitled to recover its reasonable costs and expenses, including reasonable attorneys' fees and expenses, whether at the investigative, pre-trial, trial or appellate level from the non-prevailing party. The prevailing party shall be determined by the court based upon an assessment of which party's major argument or positions prevailed.

19.22 As used in this Lease, the words "abate", "reduce" and words of similar import and construction which modify Tenant's obligations to pay Rent (and any other charges, costs, and expenses due Landlord, if any) shall be interpreted as if followed by the words "without recapture" in each instance.

19.23 All transactions with respect to the Eligible Subtenants' use and occupancy of the Premises shall be between Tenant and the Eligible Subtenants.

19.24 The descriptive headings of the paragraphs of this Lease are inserted for convenience only and shall not control or affect the meaning or construction of any provisions of this lease. Words such as "herein", "hereinafter", "hereunder" when used in reference to this Lease, refer to this Lease as a whole (including the Exhibits to this Lease) and not merely to a subdivision in which such words, unless the context otherwise requires. The singular shall include the plural and the masculine gender shall include the feminine and neuter, and vice versa, unless the context otherwise requires. The word "including" shall not be restrictive and shall be interpreted as if followed by the words "without limitation".

19.25 To the extent permitted by applicable Law, the terms, conditions, covenants and obligations set forth in this Lease (including, without limitation, the amount of Rent payable) shall be kept confidential and shall not be disclosed by any party without the prior written consent of the other party (which consent shall not be unreasonably withheld or delayed) except to those officers, partners, employees, directors, attorneys, accountants, financial advisers, investors, lenders or regulatory authorities who reasonably and legitimately need to know such information for the purpose of assisting such party in connection with the leasing arrangements contemplated herein, or except as may be required by judicial order or in order to comply with applicable Laws; provided however that each party shall give the other party at least seven (7) business days prior written notice of any intended or proposed disclosure of such confidential information as permitted aforesaid.

19.26 Notwithstanding anything to the contrary set forth herein, nothing herein shall preclude the Tenant's City Manager from seeking direction from or electing to have the City Commission determine any matter arising out of or related to this Lease, including any approval contemplated under this Lease (within the timeframe specified therefor as if the approval was being determined by the City Manager), any proposed amendment or modification to this Lease or any separate agreement relating to the Premises or otherwise referenced in this Lease.

[REMAINDER OF PAGE INTENTIONALLY BLANK;
SIGNATURES FOLLOW ON IMMEDIATELY SUCCEEDING PAGE]

IN WITNESS WHEREOF, Landlord and Tenant have entered into this Lease as of the Effective Date.

LANDLORD:

TENANT:

CFC-MB I, LLC, an Arizona limited liability company

CITY OF MIAMI BEACH, FLORIDA, a Florida municipal corporation

By: **COMMUNITY FINANCE CORPORATION**, an Arizona nonprofit corporation, its sole member

By: _____

Name: Alina T. Hudak

By: 

Its: City Manager

Name: Michael S. Hammond

Its: President

ATTEST:

By: _____

City Clerk

Approved for form and legal sufficiency:

By: _____

City Attorney

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Its: City Manager

By: _____

Name: Michael S. Hammond


Its: President



JUN - 5 2023

ATTEST:

JUN - 5

By: 
City Clerk

Approved for form and legal sufficiency:

By: 

For City Attorney

Exhibit A-1
Legal Description of the Land

A PORTION OF LOTS 7, 9 AND 11, BLOCK 2, ACCORDING TO THE PLAT OF "AMENDED MAP OF THE OCEAN FRONT PROPERTY OF THE MIAMI BEACH IMPROVEMENT COMPANY", AS RECORDED IN PLAT BOOK 5 AT PAGE 7 OF THE PUBLIC RECORDS OF MIAMI-DADE COUNTY, FLORIDA, LESS THE NORTHERLY 10 FEET THEREOF FOR RIGHT-OF-WAY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE NORTHWEST CORNER OF SAID LOT 11; THENCE ALONG THE WEST LINE OF SAID LOT 11 ALSO BEING THE EAST RIGHT-OF-WAY LINE OF LIBERTY AVENUE, SOUTH 19°24'55" WEST 10.00 FEET TO POINT OF BEGINNING.

THENCE ALONG SOUTH RIGHT OF WAY LINE OF 23rd STREET SOUTH 70°05'35" EAST 150.01 FEET; THENCE ALONG EAST LINE OF SAID LOT 7, SOUTH 19°54'25" WEST 88.56 FEET; THENCE NORTH 70°05'35" WEST 14.00 FEET; THENCE SOUTH 19°54'25" WEST 15.14 FEET; THENCE NORTH 70°05'35" WEST 136.01 FEET; THENCE ALONG SAID WEST LINE OF LOT 11 AND SAID EAST RIGHT-OF WAY LINE OF LIBERTY AVENUE, NORTH 19°54'25" EAST 103.70 FEET TO THE POINT OF BEGINNING.

SAID LANDS SITUATE, LYING, AND BEING IN THE CITY OF MIAMI BEACH, MIAMI-DADE COUNTY, FLORIDA.

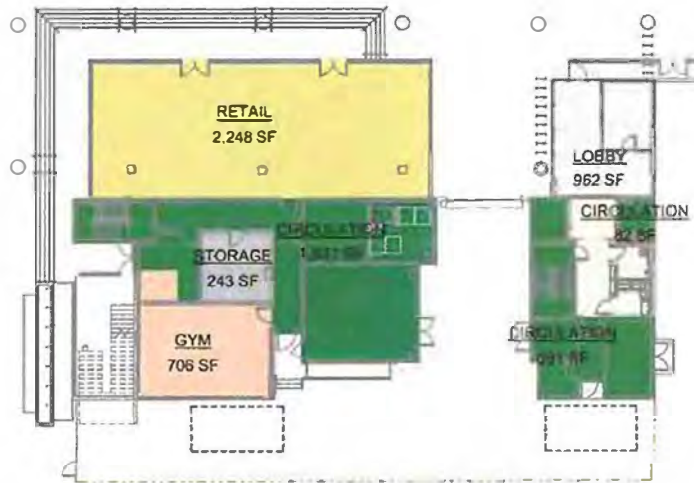
Common Address: 224 23rd St.
Miami Beach, FL 33139-1714

Parcel: 02-3226-001-0460

Exhibit A-2
The Premises

Building Area Legend

- CIRCULATION
- GYM
- LOBBY
- RETAIL
- STORAGE



GROUND FLOOR | 1" = 30' 0" (1)

Exhibit B
List of Amenities

Landlord at its expense will provide and keep in good working order, repair and condition the following amenities (the “Amenities”) for the exclusive or non-exclusive use of Tenant, and its Subtenants, as applicable, with no additional cost to the Tenant except as noted herein:

1. Storage areas (which shall be under exclusive control of Tenant during such use), subject to availability; and
2. Lockers for storage of delivery packages for 72 hours or less.

Exhibit C
Work Standards and Specifications for Preparation of Premises

Landlord shall deliver the Premises to Tenant upon the Initial Commencement Date, in the following conditions, ordinary wear and tear excepted:

- The entire Premises including Common Areas will be cleaned to professional standards.
- All Utilities and Tenant Utilities will be fully functioning as agreed in this Lease.
- Walls and flooring will be in new condition.
- All Amenities (as stated in Exhibit B) will be clean and functional and otherwise in the condition required by this Lease.

Exhibit D
Delivery Specifications

The Premises shall be delivered to Tenant by Landlord with the following specifications, together with such modifications and additions requested by Tenant and reasonably approved by Landlord in connection with the proposed use of the Premises:

1. All required structural elements, including columns, girders, beams, and joists.
2. Masonry or concrete exterior walls.
3. Floor: Concrete slab.
4. Egress Door: Egress will be provided per City Code requirements.
5. Electrical Service: Landlord shall provide two (2) empty conduits for electrical service; Landlord to coordinate with Tenant or its subtenant(s) to confirm the size of the panel. Distribution within the Premises to be by Tenant. Electrical panel by Tenant.
6. Telephone: Landlord shall provide one (1) empty conduit from point of service to a location within the tenant space.
7. Water: Landlord will bring domestic water and sanitary sewer lines to the tenantspace.
8. Storefront: Landlord shall provide code-compliant storefront system (including windows).
9. Heating, Ventilation and Air Conditioning: Landlord will provide a supply and return line from the base building system stubbed into the tenant space and valved off. Tenant will be required to provide its own A/C system.
10. Sprinkler System: Landlord to provide code-compliant sprinkler system for original baseline shell design. Tenant will provide code-compliant sprinkler system for finished space.