# 7649

# Alachua County Office of Management and Budget

Suzanne L. Gable, CPA John D. Johnson Director Grants/Contracts Administrator

July 26, 2011

#### MEMORANDUM

To:

Chris Bird

**Environmental Protection** 

From:

John Johnson, Grants/Contracts Administrator

Office of Management & Budget

Subject:

Grants/Contracts Approved by the Board of County Commissioners

on June 28, 2011 & Received in Contracts July 26, 2011

Enclosed please find a copy of the document referenced below which was approved by the Board on the date referenced above.

#### HOLBROOK GROUP INC.

Lease Agreement for Office Space located at 408 W. University Ave. (7,000

sq. ft. for EPD offices in the Seagle Annex)
Term: August 1, 2011 - September 30, 2016

Amount: \$8,166.00 Monthly beginning October 1, 2011

Account: Multi

Please forward the document to the vendor and keep a copy for your files. Thank you for your assistance.

#### **Enclosures**

CC:

Charlie Jackson

Finance & Accounting

Purchasing |

File

JDJ/jcp

# ALACHUA COUNTY AND HOLBROOK GROUP INC. LEASE FOR SEAGLE ANNEX

THIS AGREEMENT, made and entered into this <u>38</u> day of <u>June</u>, 2011, by and between Alachua County, a charter county and political subdivision of the State of Florida, by and through its Board of County Commissioners, hereinafter referred to as "Tenant", and Holbrook Group Inc., doing business at 1740 NW 12<sup>th</sup> Road, Gainesville, Florida, 32605 hereinafter referred to as the "Landlord".

#### WITNESSETH:

FOR AND IN CONSIDERATION of the rents, covenants, agreements, terms and conditions contained herein, the parties hereto mutually covenant and agree as follows:

- The Premises. The Landlord leases and rents to the Tenant and Tenant leases and rents from the Landlord ground level office space at the Scagle Building Annex, located at 408 W. University Ave, Gainesville, Alachua County, Florida, encompassing approximately seven thousand (7,000) square feet of space.
- Term. The term of this lease shall begin August 1, 2011, and end September 30,
   Beginning August 1, 2011, Tenant may utilize the Premises for all purposes, except that
   Tenant may not conduct business with the general public on the Premises until October 1, 2011.
- 3. Renewal. The Tenant shall have the option to renew this lease for up to four one-year periods at the same terms and conditions as outlined herein. The Tenant shall provide written notice 90 days prior the expiration of this lease to the Landlord of its intent to exercise its option to renew.
  - 4. Rent. Tenant shall pay no rent for August, 2011, and September 2011.

Beginning October 1, 2011, Tenant agrees to pay the Landlord monthly rental payments of Eight Thousand One Hundred and Sixty Six Dollars (S8,166.00). All rental payments shall be due on the first day of each month. The Tenant shall submit monthly rental payments to Holbrook Group Inc. and shall mail the rental payments to the Landlord at 1740 NW 12<sup>th</sup> Road, Gainesville, Florida, 32605. The Tenant shall make all subsequent rental payments on or before the first day of each month. The Tenant certifies that, as a governmental entity, it is exempt from state sales tax. The Tenant's tax exempt number is 11-06-024077-53C. Landlord may increase the annual rent, not to exceed the annual change in the Consumer Price Index or three percent, whichever is less, beginning with the first year of Lease renewal.

#### 5. <u>Alterations and Improvements.</u>

- a. Landlord shall make the improvements as specified in Exhibit "A" and "B" at no additional charge. Tenant, upon agreement of the Landlord, may modify these improvements with the written approval of the County Environmental Protection Department Director and Facilities Manager, provided said modifications do not alter the rent. The Tenant reserves the right to make alternations to the leased premises during the term of the lease with written approval of the Landlord. Approval shall not be unreasonably withheld. Tenant shall also have the right to make alteration to the premises, subject to approval of the landlord, prior to the date of useful occupancy. The landlord shall provide reasonable access for the County and its contractors to the premises.
- b. At the termination of the lease term by lapse of time or otherwise, the Tenant shall have the right to remove all personal property and fixtures of the Tenant brought onto or into the premises by the Tenant or at the expense of the Tenant.
  - c. Tenant is allowed to install conduit into the building and install optical

fiber throughout the building as necessary. Tenant will notify Landlord of its cable design and installation plan. The landlord may request reasonable modification to such plans and may provide a recommendation as to the location of the fiber. Tenant may remove this equipment upon termination of this Lease.

- d. Tenant may utilize the existing conduit in the building for its communications and data needs. Tenant may attach communications equipment to the roof of the Seagle Building or the Seagle Building Annex subject to approval of the Landlord and in accordance with all building codes and, regulations. Approval shall not be unreasonably withheld. Any fiber, wire or conduit or communications equipment installed by Tenant may be removed by Tenant upon termination of the lease. Landlord understands that the ability to connect this communications equipment is necessary for the proper use of the Premises by Tenant and Landlord shall make every reasonable effort to accommodate Tenant's needs and requests. Tenant may remove this equipment upon termination of this lease.
- e. Tenant shall pay for any required permits for modifications or alternation made by the Tenant.
- f. The Landlord is authorized to modify the build out specified in Exhibit B with approval of the County Facility Manager and County Environmental Protection Director provided said modifications do not increase the lease rate set forth in Section 4
- 6. <u>Use of Premises.</u> The Tenant shall use the premises for Alachua County business activities and any other activities deemed necessary by the County to conduct business of the County or its Constitutional Officers.
- 7. <u>Compliance with Law.</u> The Landlord shall comply with all federal, state, and local laws pertaining to zoning, fire protection, construction, and maintenance of the leased space. The

Landlord agrees to assume full financial responsibility for compliance with these laws, rules, ordinances, to include Titles II and III of the American with Disabilities Act, state and local laws pertaining to the zoning, construction, handicap requirements as provided for in Chapter 553, Part V, Florida Statutes, and maintenance of the property. The Landlord shall be responsible for the provision, maintenance, and repair of all fire protection equipment necessary to conform with city, county, and state fire protection laws, rules, ordinances, codes, regulations, and handicap requirements required by Chapter 553, Part V, Florida Statutes.

- 8. <u>Surrender of Premises</u>. Upon termination of the lease term, by lapse of time or otherwise, the Tenant shall surrender the premises in as good a condition as the same was received at the commencement of the lease term, with signs of reasonable use, wear, tear, and damage excepted.
- 9. <u>Services and Repairs</u>. The Landlord and the Tenant acknowledge the following conditions and agree that services shall be provided by the Landlord and the Tenant as follows:
- a. Landlord shall maintain the exterior of the building, the landscaped areas, the heating and air conditioning equipment, the plumbing equipment and the electrical and mechanical equipment and all common areas.
- b. Landlord shall provide in a timely manner for the maintenance, repairs and replacement of any building equipment.
- c. Landlord shall be responsible for replacing expired light bulbs and the timely replacement of HVAC filters.
- d. Landlord shall maintain the roof, structure, structural supports, floor covering, ceiling tiles, doors, locks, and windows. Landlord shall keep the building envelope

sealed against moisture and vermin.

- e. Tenant is responsible for maintaining communication and data wiring, within leased space. Tenant is responsible for providing hardware, such as telephones, computers, file servers, and associated switching equipment. Tenant shall maintain any other Tenant installed wiring.
- f. Tenant and its guests have the non-exclusive right to parking in the adjacent Seagle Building parking lots. Tenant shall park as directed by the Landlord for the optimization of parking. Landlord shall designate and maintain a physically secure parking area for fifteen (15) County owned vehicles that shall be allowed to park 24 hours a day, seven days a week. At a minimum, this secure parking area shall include security fencing and a lockable entrance and exit gate. Landlord shall provide Tenant with access to enter and exit the secure parking area 24 hours a day, seven days a week.
- g. Tenant shall have sole authority over the control of temperature in the leased area, but shall exercise reasonable energy practices.
- h. Tenant shall be liable for any damage to the building or any part thereof caused by the negligence of willful actions of the Tenant, the Tenant's employees, or guests. The Tenant shall promptly repair such damage. If the Tenant fails to repair such damage, the Landlord shall do so at the expense of the Tenant and the cost thereof shall be treated as additional rent due hereunder; provided however, that the Landlord shall provide the Tenant with prior written notice of the estimated cost of repair prior to the Landlord performing such repair, unless such repair is reasonably required to prevent other immediate damage to the building and there is insufficient time to provide such notice.
  - i. The Tenant shall be responsible for decorating or redecorating the space

exclusively occupied by the Tenant after commencing occupancy.

- 10. <u>Utilities.</u> Landlord shall pay all electrical, gas, water, sewer and refuse charges. Tenant shall contract for recyclable paper pick-up. Tenant shall be responsible for shredding or other security measures for confidential refuse.
- a. Tenant shall provide any access control or electronic security for the Tenant occupied space.
- 11. <u>Janitorial</u> Landlord shall provide janitorial services for the space exclusively occupied by the Tenant, as well as for common areas.
  - 12. <u>Pest Control</u> Landlord shall provide pest control services.
- Inspection. The Landlord or its representatives, successors, or assigns shall have access to the premises at all reasonable times for the purpose of inspecting the premises or taking such action as may be necessary to protect the premises from loss or damage; provided, however that the Landlord's right of entry and inspection shall be subject to security requirements of the Tenant. The Landlord agrees to provide reasonable and adequate advance notice to the Tenant of any inspection and the Tenant shall have the right to have a staff member present during any inspection. Notice shall be provided to both the Alachua County Environmental Protection Department and the Alachua County Facilities Management Division, except in case of an emergency where the Premises or Tenant's property is at immediate risk of damage.
- 14. <u>Title Status.</u> The Landlord represents that it owns the premises in fee-simple, subject only to encumbrances, assessments, and restrictions which will not interfere with the intended use of the premises, and that it has the full right, power, and authority to enter into this lease for the term herein granted.
  - 15. Insurance. The Landlord shall obtain fire and extended coverage insurance upon

the leasehold premises and Landlord's improvements thereto in their full insurable value. The Landlord shall provide to the Tenant proof of such insurance coverage prior to the Tenant taking occupancy of the premises. The Tenant is responsible for its property.

- placed on the land or building by the Landlord. The Tenant will recognize as its Landlord under this lease and attorn to any persons succeeding to the interest of the Landlord under this lease in the event of foreclosure of any mortgage or the execution of any deed in lieu of such foreclosure. This provision is self operative and no further document is required unless requested by any mortgagee. If so requested, Tenant shall execute and deliver an instrument or instruments confirming its attornment as provided herein at no cost; provided, however, that no such mortgagee or successor in interest shall be bound by any payment of rent for more than one month in advance, or any amendment or modification of this lease made without the express written consent of such mortgagee. If Tenant shall refuse or fail to execute, acknowledge, and deliver such document, Tenant herby irrevocably appoints Landlord as Tenant's attorney-in-fact for ratifying all Landlord's acts pursuant to this section.
- 17. <u>Sublease.</u> Tenant may sublease all or part of the premises and shall provide notice to the Landlord.
- 18. <u>Non-Waiver</u>. The failure of any party to exercise any right in this Agreement will not waive such right.
- 19. <u>Cumulative Remedies</u>. All of the rights, powers, and privileges conferred by this lease upon the parties shall be cumulative and in addition to those otherwise provided by law, and shall not be deemed to preclude those rights and remedies provided by law.

- 20. Entire Agreement, Modification and Waiyer. This lease contains the entire agreement of the parties and supersedes all prior agreements. No amendment or modification of this lease shall be valid unless and until the same is reduced in writing and executed by both parties. No failure of a party to exercise any power given by this instrument, or to insist upon strict compliance of any obligation hereunder, and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of the future right to demand exact compliance with the terms of this lease.
- 21. Signs. Tenant shall have the right to install a sign on the exterior of the Scagle Building Annex and a free standing sign near the parking lot entrance to the leased space. All signage must be approved by Landlord and be consistent and appropriate to the signage of the rest of the building. Signs must be removed by Tenant at the end of the lease.

  Damage caused by the erection or removal shall be paid by Tenant. Tenant shall pay for signage.
- 22. <u>Landlord's Covenant of Quiet Enjoyment.</u> So long as the Tenant is not in default under the conditions, and during the term of this lease and any extension of said term, the Tenant's quiet and peaceful enjoyment of the premises shall not be disturbed or interfered with by anyone claiming by, through, or under the Landlord.
- 23. <u>Police Security</u>. Tenant agrees that Landlord has no duty to provide police or security guards. The decision to provide police or security guards shall not give rise to an increased duty of care.
- 24. Radon Gas. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found

in buildings in Florida. Additional information regarding radon and radon testing may be

obtained from your County health unit.

25. <u>Proration.</u> Rental and other amounts owed by the Tenant shall be prorated between the

Landlord and the Tenant at the commencement and end of the lease term, unless

otherwise herein agreed to the contrary.

26. Successors or Assigns. The covenants and conditions herein contained shall, subject to

the provisions as to assignment, apply to and bind the heirs, successors, executors,

administrators, and assigns of the parties hereto.

27. <u>Casualty.</u> If the lease premises shall be damaged by fire, explosion, windstorm, or any

other casualty, not caused by the Tenant, the Landlord shall initiate any needed repairs

within ten (10) days and put the lease premises in good condition as rapidly as reasonably

possible, not to exceed forty-five (45) days, and the Tenant shall be entitled to an

abatement of rent during the period of time in which the leased premises are not suitable

for occupancy and not used by the Tenant. If the leased premises shall be damaged to the

extent of more than twenty-live percent (25%), either party may, at its election,

terminate this lease by giving written notice to the other party within five (5) days after

the occurrence of such damage.

28. Notices. Except as otherwise provided herein, any notice, acceptance, request, or

approval from either party to the other party shall be in writing and sent by certified mail,

return receipt requested or personally delivered with signed proof of delivery. The

Tenant's representative and the Landlord's representatives are:

Tenant:

Facilities Manager

105 SE 1<sup>st</sup> Avenue-Suite 2B

Gainesville, Florida 32601

and

Director, Alachua County Environmental Protection Department 408 W. University Ave

Gainesville, Florida 32601

Landlord:

David Holbrook 1740 NW 12<sup>th</sup> Road

Gainesville, Florida, 32605

A copy of any notice hereunder shall be sent to:

J. K. Irby, Clerk Post

Office Box 939 Gainesville, Fl. 32602

Attn: Finance and Accounting

And to:

Office of Management Budget

Attention: Contracts

105 SE 1<sup>st</sup> Avenue-Suite 6,

Gainesville, FL 32601

29. <u>Eminent Domain.</u> If any portion of the land or property demised hereunder shall be taken

under eminent domain proceedings, then the Tenant shall be entitled to a pro rata

reduction in rent based upon the amount of the building and land taken through such

eminent domain proceedings, (2) a share of the full compensation paid by the

condemning authority based on the term of the lease, and (3), the Tenant shall have the

right to terminate this lease in the event of such eminent domain proceedings.

30. Default and Termination.

a. If either party fails to fulfill its obligations under this Lease Agreement or

if either party breaches any of the conditions or covenants of this Lease Agreement, the other

party may terminate this Agreement. However, prior to such termination, written notice shall

be given to the party in default stating the failure or breach and providing a reasonable time

period for correction of same. In the event the defect or default is not corrected within the

allotted reasonable time, this Lease Agreement may be terminated upon 30 days prior written

notice without further notice or demand and without prejudice to any right or remedy that the parties may have.

- b. Notwithstanding the foregoing provisions, it is expressly agreed that this Agreement is contingent upon the availability of funds lawfully appropriated by the Tenant and, if funds to finance this lease become unavailable, the Tenant may terminate this lease upon no less than thirty (30) days' notice, written and delivered by certified mail, return receipt requested, or in person with signed proof of delivery. The Tenant shall be the sole and final authority as to the availability of funds. In the event of termination hereunder, rent shall be prorated so that the Tenant shall be responsible for payment of rent up to and including the full month in which the Tenant vacates the premises.
- c. Tenant may terminate for its own convenience after 30 months, without penalty, and shall give the Landlord 90 days written notice:
- 31. <u>Severability Clause.</u> If any clause or any of the terms or conditions of this lease are held to be invalid for any reason, all other clauses or terms and conditions shall remain in full force and effect as set out herein.
- 32. Third Party Beneficiaries. This agreement does not create any relationship with, or any rights in favor of, any third party.
- 33. <u>Captions and Sections Headings</u>. Captions and sections headings used herein are for convenience only and shall not be used in construing the Agreement.
- 34. <u>Construction.</u> This agreement shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared by one of the parties. It is recognized that both parties have substantially contributed to the preparation of this Agreement.

Governing Law. This Agreement shall be governed in accordance with the laws of the 35. State of Florida. Venue shall be in Alachua County, Florida.

reement to be executed en.

IN WITNESS WHEREOF, t	ne parties have caused this Lease Agreement
for the uses and purposes therein exp	pressed on the day and year first above-writte
	By: Lee Pinkoson, Chair Board of County Commissioners
ATTEST:	Board of County Commissioners
Alexa Donaly DE  J. K. Irby, Clerk  (SEAL)	APPROVED AS TO FORM  Alachua County Attorney's Office
	HOLBROOK GROUP, INC  By:
Witness or Attest	David Holbrook
By: Presia Smitto	Title:
Print Name	Date: 6/24/11

#### EXHIBIT A

#### Construction to be performed by Landlord

The intent of this description is for the Landlord to make Tenant approved modifications to the leased space to provide for an open, flexible work environment. The Landlord will provide a "turn-key" project to the Tenant with the exception of specialized Tenant improvements and personal property. This means the Tenant can move into the space with its furniture, phones, and other personal property and begin operations. It specifically does not include items unique to the Tenant like built in shelves and counters unless specifically listed below.

Timeline: Landlord shall have all construction completed no later than August 30, 2011.

Landlord shall work with Tenant to coordinate Tenants installation of telecommunications and data equipment. The Facilities Manager may extend this deadline in writing. However, rent shall not be due until two weeks after construction is complete, or October 1, 2011, whichever is later.

Partitions or partition walls for separating 14 desk based workstations in open areas

Additional open area for 16 existing EPD modular workstations

Nine private offices (including one executive, five managerial, and 3 supervisory)

Window Blinds

Flooring (carpet and tile)

Base

Ceiling

#### Painting

High efficiency HVAC, ductwork, controls and zones

IIVAC: 24 hour availability

Electrical circuits to meet Tenant's requests

Lighting fixtures

Conduit for up to 10 outlets each for phones and computers per 1,000 sf

Install, certify and verify network cable infrastructure and data and telephone connections for up to 300 ports, as per design.

Restrooms as required by code are to be ADA Compliant

Fire sprinkler system

Building security system

Permitted building plan will be provided by Landlord's architect/engineer

All other costs associated with the construction Included Modifications

Increased size HVAC supply in server closet

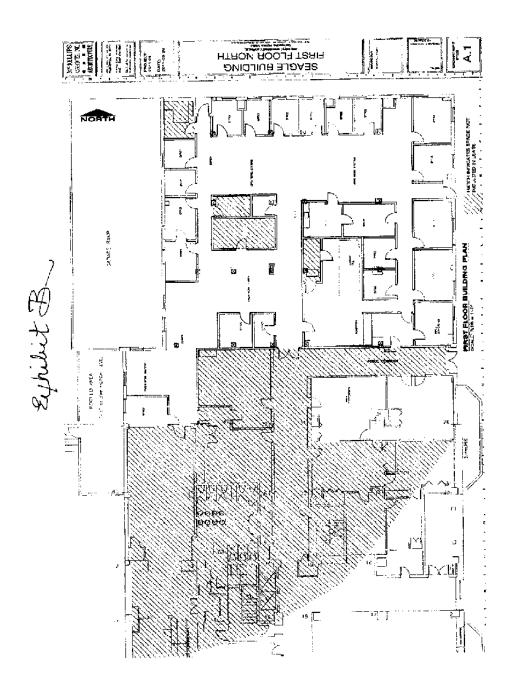
### Specifically Excluded

Moving & Storage of Tenant Personal Property

Tenant signage

**EXHIBIT B** 

# Floor Plan for Office Layout



# **EXHIBIT C**

### JANITORIAL SERVICE

1.	Three times weekly empty all waste baskets and trash containers.
2.	Three times weekly dust mop all hard surface floors.
3.	Three times weekly vacuum carpeting in all traffic areas. Once a week vacuum under desks and chairs or more as needed. Clean Spots in carpet with spot cleaner.
4.	Three times weekly dust and clean level surfaces of countertops, desks, telephones, chairs, tables, files, other office furniture. Papers on any desks, tables, files, etc. will not be disturbed.
5.	Three times weekly clean all mirrors.
6.	Three times weekly clean all drinking fountains
7.	Three times weekly clean all break rooms. (Washing dishes and cleaning refrigerator is not included.)

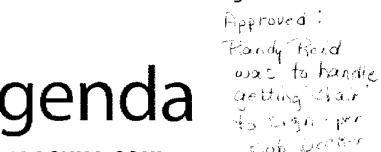
Three times weekly clean all urinals, toilets, and sinks with solution containing an

approved disinfectant.

8.

9.	Three times weekly damp mop restroom floors.
10.	As needed spot clean smudges on restroom partitions and walls
11.	Three times weekly stock all restrooms.
12.	Twice yearly shampoo carpets.
13.	Provide such other service as is needed to maintain the premises in a clean condition.
14.	Not included in normal-service is the removal of moving boxes and similar extra ordinary trash (including trash from moving in or out).





## **ALACHUA COUNTY BOARD OF COUNTY COMMISSIONERS**

June 28, 2011 Regular BoCC Meeting Agenda Item #14

Title

Request for Approval of Lease Agreement with Holbrook Group, Inc. for Office Space for the Environmental Protection Department (Amended)

Amount

\$98,000.00

Description

Board approval is requested for a lease agreement between Alachua County and The Holbrook Group, Inc. to relocate Environmental Protection Department offices.

Recommendation

Approve and execute the Lease Agreement between Alachua County and The Holbrook Group, Inc. for office space for the Environmental Protection Department.

<u>Alternative(s)</u>
Authorize staff to negotiate a new lease with McGurn Investments, Inc. for a smaller office layout to continue EPD operations at current office location. Do not approve Lease Agreement with The Holbrook Group, Inc.

Requested By

Chris Bird and Charlie Jackson

Originating Department

Environmental Protection and Administrative Services/Facilities Management

Attachment(s) Description

Lease Agreement EPD Office Lease Proposals Cost Comparisons

#### **Documents Requiring Action**

Lease Agreement

**Executive Summary** 

As a cost savings measure, Facilities Management has worked with the Environmental Protection Department (EPD) to evaluate office relocation proposals. Staff recommends Board approval of a lease agreement with The Holbrook Group, Inc. for office space in the annex adjacent to the Seagle Building located at 408 W. University Avenue, Gainesville. The proposed lease begins August 1, 2011 and ends September 30, 2016. Rent payments begin October 1, 2011. The lease may be renewed for four additional one year periods.

**Background** 

Staff has evaluated six options for consolidating EPD office space (see EPD Office Lease Costs Proposals Comparison Attachment). The Seagle Building annex is recommended as the lowest cost proposal that best meet's EPD operational requirements. Compared to EPD's current FY11 office lease, for FY12 the proposed lease agreement would provide a consolidated office floor plan that would yield a 43% reduction in annual leasing costs and a 21% reduction in total leased area. The proposed relocation of EPD offices will require reallocation of an estimated \$ 50,000 of authorized FY11 budget to cover one time FY11 expenses

associated with moving (\$ 15,000), connection equipment to access County fiber/data network (\$ 10,000), replacement telephone system (\$ 15,000) and office and equipment setup (\$10,000).

**Issues**1. EPD's current office lease at the Union Street Station expires September 30, 2011. In order to avoid lease penalty costs, by July 1, 2011, Alachua County needs to provide the current Landlord notice of lease termination. 2. The proposed lease needs to be approved as soon as possible to allow sufficient time for the new Landlord to complete build out and for County ITS to install internet access, computers, telephones, and associated network equipment to provide for EPD to relocate and to be fully operational at the new office location by October 1, 2011. 3. The reallocation of FY11 budget to provide for one time relocation expenses may require reductions in EPD program workplans for the fourth quarter of FY11. 4. A leased office provides EPD greater flexibility to adjust adjust office space needs to match staffing and program levels in response to changes in local, state, and federal funding. 5. Sufficient County-owned office space is not available to accommodate EPD's current space needs.

Fiscal Recommendation

Approve the \$98,000 Lease Agreement for FY12

Fiscal Alternative(s)

County will be obligated to additional recurring leasing costs.

General Fund, MSTU, Fund 401, Fund 178, Fund 087, Fund 125, Fund 201, Fund 400, Fund 401

<u>Account Code(s)</u> 001-5500, 001-5511, 001-5521, 001-5560, 001-5595, 008-5511, 008-5521, 087-551, 125-5551, 178-5531, 201-5551, 400-5560, 401-5531, 401-5541

Attachment: EPD Office Relocation Comparison.pdf

Attachment: HOLBROOK LEASE 408 W University Ave 06222011 pdf