

CITY OF NORTH MIAMI LEASE AGREEMENT

THIS LEASE AGREEMENT (“Lease”) is entered into this _____ day of _____, 2022 between the CITY OF NORTH MIAMI, a Florida municipal corporation (“City”) and THE ZENITH 79, LLC, a Florida limited liability company with a principal address of 12555 Biscayne Blvd., Suite 971, North Miami, FL 33181 (“Lessee”). The City and Lessee shall collectively be referred to as the “Parties”.

WITNESSETH

WHEREAS, the Lessee submitted a written proposal for the lease of the city-owned lot located between North East 138th Street and North East 139th Street; and between North East 11th Avenue and West Dixie Highway; and

WHEREAS, the city-owned lot has been leased for use as a car wash since 1994; and

WHEREAS, the Mayor and City Council adopted Resolution Number 2022-R-29 which determined that Lessee’s Proposal was in the best interest of the City, and formed the basis of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants which are acknowledged, the Parties agree as follows:

ARTICLE 1. LEASED PROPERTY

1.1 The City leases to Lessee a certain property in North Miami, Florida, situated generally, between North East 138th Street and North East 139th Street; and between North East 11th Avenue and West Dixie Highway, and specifically identified with folio number 06-2219-007-2120, as more particularly described Exhibit “A” (“Property”), attached herein and made part of the Lease.

ARTICLE 2. TERM

2.1 The Lease shall be for an initial term of ten (10) years beginning on the 1st day of May, 2022, and terminating on the 30th day of April, 2032. The Lease shall be renewable for two (2) additional ten (10) year periods, if agreed to in writing by the Parties. The Property may be sold by the City upon sixty (60) days written notice to Lessee. Upon such sale, the Lease shall terminate.

ARTICLE 3. RENTAL PAYMENTS

3.1 Rent Abatement. Rental payments shall not commence until the opening day of the business operated by the Lessee or the issuance of a business license for Lessee's business, whichever comes first.

3.2 Base Rent. For the initial term, the Lessee agrees to pay the City the following monthly base rent amount due and payable in monthly installments:

<u>Initial Lease Year</u>	<u>Monthly Base Rental Amount</u>	<u>Annual Total</u>
05/01/22 - 04/30/23	\$2,500.00	\$30,000.00
05/01/23 - 04/30/32	\$2,500.00 + CPI Adjustment annually	

3.3 CPI Adjustment. At the end of the first Lease year and for every Lease year thereafter (including any renewal periods) the Base Rent provided for in section 3.1 above shall be adjusted by adding to Base Rent a percentage amount equal to the percentage change in the U.S. Department of Labor, Bureau of Labor Statistics Consumer Price Index (All Items, All Urban Consumers, 1982-1984=100) which occurred during the previous twelve (12) month period for the Miami-Fort Lauderdale-West Palm Beach, FL, Metropolitan Statistical Area (MSA).

3.4 The Lessee agrees to pay the City without demand, the monthly rental amount by the first (1st) day of each and every month beginning with April 1, 2022. The monthly rental payment shall be made and delivered by the first day of each month, to the City of North Miami, Department of Finance, 776 N.E. 125th Street, North Miami, FL 33161.

3.5 In the event Lessee fails to pay any rent, fees or costs as required to be paid under the provisions of this Lease within thirty (30) days after becoming due, interest at twelve percent (12%) per annum shall accrue against the delinquent payment(s) from date due until paid. Implementation of this provision shall not preclude the City from terminating the Lease for default in the payment of rent, fees or costs, or from enforcing any other provisions.

ARTICLE 4. TAXES AND ASSESSMENTS

Taxes attributable to the Premises or the use of the Premises shall be allocated as follows:

4.1 REAL ESTATE TAXES: Tenant shall pay all real estate taxes and assessments that are assessed against the Premises during the time of this Lease. Real Property Taxes shall include any form of assessment, license, fee, rent, tax, levy, penalty or tax imposed by any authority having the direct or indirect power to tax, including any improvement district. For Purposes hereof, "Real Estate Taxes" shall mean all federal and state taxes, assessments, subdivision expenses and assessments, levies, fees, water and sewer rents and charges, and all other governmental charges, general and special, ordinary and extraordinary, foreseen and unforeseen, which are, at any time during the term of this lease, imposed or levied upon or assessed against the Property.

4.2 PERSONAL TAXES: Tenant shall pay all personal taxes and any other charges which may be levied against the Property and which are attributable to Tenant's use of the Premises, along with all sales and/ or use taxes that may be due in connection with lease payments (Sales and/ or use taxes are to be paid in addition to the monthly base rent and are not included in the base rent). Accordingly, Tenant shall pay before delinquency all taxes levied or assessed on Tenant's fixtures, improvements, furnishings, merchandise, equipment and personal property in and on the Premises, whether or not affixed to the real property. If Tenant in good faith contests the validity of any such personal property taxes, then Tenant shall at its sole expense defend itself and Landlord against the same and shall pay and satisfy any adverse determination or judgment that may be rendered thereon and shall furnish Landlord with a surety bond satisfactory to Landlord in an amount equal to 150% of such contested taxes. Tenant shall indemnify Landlord against liability for any such taxes and/ or any liens placed on the Premises in connection with such taxes. If at any time after any tax or assessment has become due or payable Tenant

or its legal representative neglects to pay such tax or assessment, Landlord shall be entitled, but not obligated, to pay the same at any time thereafter and such amount so paid by Landlord shall be repaid by Tenant to Landlord with Tenant's next rent installment together with interest at the highest rate allowable by law.

4.3 SALES TAX. Tenant agrees to pay to Landlord as and when Rent is due, any sales tax imposed or levied against any rent or any other charge or payment required hereunder to be made by Tenants which has been imposed or may be levied by any governmental agency having jurisdiction thereover.

ARTICLE 5. USE OF PROPERTY

5.1 The Lessee agrees that the Property shall be used for the purposes of parking or retail purposes, or for any use permitted under the City Code.

5.2 The Lessee agrees that the Property will not be used for any illegal or improper purposes, nor shall any disturbance, noise or annoyance whatsoever occur which is detrimental to the Property, to persons within the immediate vicinity or to the comfort of any residents in the vicinity.

5.3 Neither the Tenant nor anyone claiming through the Tenant shall have the right to file mechanics liens or any other kind of lien on the Premises and the filing of this Lease constitutes notice that such liens are invalid. Further, Tenant agrees to (1) give actual advance notice to any contractors, subcontractors or suppliers of goods, labor, or services that such liens will not be valid, and (2) take whatever additional steps that are necessary in order to keep the premises free of all liens resulting from construction done by or for the Tenant.

5.4 The Lessee shall be prohibited from parking or placing any boats, motor homes, inoperable vehicles or similar items on the Property.

ARTICLE 6. MAINTENANCE OF PROPERTY BY LESSEE

6.1 Lessee accepts the Property in "as is" condition, with any and all defects, latent and patent, if any, as existing at the beginning of this Lease excluding any underground pollution, unless caused by Lessee, existing as of the effective date of this Lease, if any,

and agrees at Lessee's sole cost and expense to maintain the Property in the same or better condition, order, and repair as existing at the commencement of this Lease and as subsequently improved, ordinary wear and tear thereof excepted.

6.2 Except as hereinafter expressly set forth herein as the responsibility of the Landlord, Tenant, at its sole expense, shall maintain or cause to be maintained the Property in good repair and condition and will make or cause to be made all repairs and replacements which may be required to keep all parts of the Property in good repair and condition, including, but not limited to, grounds, pavement, and landscaping. All work shall be done in a good and workmanlike manner with contractors and other parties reasonably approved by Landlord. All repairs and replacements shall be expeditiously completed in a good and workmanlike manner and in compliance with all applicable Legal Requirements.

6.3 The City shall determine, in its sole discretion, Lessee's performance under this Article and upon failure of the Lessee to maintain or repair the Property as provided in this Article, the City may after thirty (30) days written notice enter the Property and perform all repairs and maintenance which may be necessary in and about the Property and add to the Monthly Rental Amount due the City, the amount of the cost of such repairs and maintenance, plus twenty-five percent (25%) administrative fees. The cost of such repairs, plus the administrative fees, shall be and constitute a part of the Monthly Rental Amount and shall be due and payable within ten (10) days after City invoices Lessee.

6.4 The Lessee shall operate and maintain, at its sole cost and expense, all the components of any existing water, industrial and sanitary sewer system and storm water drainage facilities, if any, within the boundaries of the Property. The City is not aware of any deficiency in such sanitary sewer systems and storm water drainage facilities as of the effective date of this Lease.

6.5 Lessee shall clean and repaint the bordering northern wall of the Property and be responsible for regular and routine maintenance and repair of the wall.

ARTICLE 7. CLEANLINESS OF PROPERTY BY LESSEE

7.1 Lessee shall keep the Property free of debris, garbage, junk vehicles, refuse and other waste matter and shall make appropriate arrangements for the removal of debris, garbage, vehicles, refuse, and waste matter on a daily basis.

7.2 The Lessee shall, at its sole cost and expense, remove from the Property all trash and refuse of any nature whatsoever which might accumulate and arise from the operation of the business. All trash and refuse shall be stored temporarily in closed containers approved by the City and shall be removed from the Property on a regular basis by Lessee. All chairs and garbage containers must be removed from the Property and properly stored at the end of each business day.

7.3 The Lessee shall, at its sole cost and expense, keep the Property clean at all times. If the Property is not kept clean, in the sole opinion of the City, the Lessee will be so advised. If corrective action is not immediately taken, the City may cause the Property to be cleaned and the Lessee shall assume and pay the cleaning cost, plus twenty-five (25%) administrative fees. Such costs of cleaning, plus the administrative fees, shall be and constitute a part of the Monthly Rental Amount and shall be due and payable within ten (10) days after City invoices Lessee.

ARTICLE 8. UTILITIES

8.1 Lessee shall pay for all utilities used on the Property. The City shall not have any obligation to provide any utilities to the Property in addition to those existing, if any, at the time of the execution of this Lease.

ARTICLE 9. ALTERATION OF PROPERTY

9.1 The Lessee shall make no permanent alterations, improvements or additions to the Property without the prior written consent of the City. Lessee agrees to surrender to Lessor, at the end of the term of this Agreement, the Premises in as good condition as the Premises were at the beginning of the term of this Lease Agreement, normal wear and tear, damage by fire, windstorm, natural disaster or other acts of God, excepted.

9.1.1 The Lessee may, at its sole cost and expense, install awnings on the Property only with the following conditions:

- a) The use of awnings shall be limited to a customer waiting area with seating;
- b) The awning shall meet the permitting requirements of the City Building & Zoning Department;
- c) The awning shall remain open on all four (4) sides;
- d) The awning shall be maintained in good and un-faded condition, free of defects, holes and tears;
- e) The Parties agree that there are awnings currently existing on the Property. The Parties agree that if the Lessee desires to place additional awnings on the Property it shall require the approval of the City Council; and
- e) The failure of Lessee to comply with any of the aforementioned conditions shall constitute a basis for the City to have the awnings removed from the Property.

9.2 The Lessee shall not, directly or indirectly, injure, mar, waste or in any manner deface the Property.

ARTICLE 10. LAWS, REGULATIONS AND PERMITS

10.1 The Lessee shall comply with City, county, state and federal laws, ordinances and regulations, as amended, which are applicable to Lessee's operation and activities under the Lease.

10.2 The Lessee shall obtain, pay for and maintain all permits and licenses for its operation and activities.

10.3 The Lessee shall pay and be responsible for, all taxes and other costs lawfully assessed against or resulting from its leasehold interest in the Property and its operations under this Lease.

10.4 The Lessee agrees to procure and maintain the necessary fire extinguishers as required by law and shall at all times be familiar with and comply with the fire regulations and orders of Miami-Dade County Fire Department.

ARTICLE 11. CITY NOT LIABLE

11.1 The City shall not be under any duty or obligation to repair or maintain the Property, any portion thereof, or any facilities situated thereon during the term of the Lease.

11.2 The City is not responsible to Lessee for any claims of compensation for any losses, damages or injury sustained by the Lessee resulting from the condition of the Property or from the failure of any water supply, sewer or drainage facility, or caused by natural conditions, whether on the surface or underground, including stability, moving, shifting, settlement of ground, or displacement of materials by fire, water, windstorm, tornado, hurricane, act of war, civilian commotion or riot, or any cause beyond the control of the City.

11.3 All personal property placed on or moved onto the Property shall be at the risk of the Lessee. The City shall not be liable for any damages or loss of personal property arising from any reason whatsoever.

ARTICLE 12. TERMINATION

12.1 Notwithstanding any other provision of this Lease, the City or Lessee may terminate the Lease, with or without cause, upon one hundred eighty (180) days written notice to the other.

ARTICLE 13. DISCRIMINATION

13.1 The Lessee for itself, its successors in interest and assigns, covenants and agrees that no person, on the grounds of race, color, age, religion, sex, or national origin shall be subjected to discrimination concerning employment opportunities with Lessee or in the provision of services by Lessee.

ARTICLE 14. INDEMNIFICATION AND HOLD HARMLESS

14.1 The Lessee agrees to defend, indemnify, and hold the City harmless from any claim, demand, suit, loss, cost, expense or damage which may asserted, claimed, or recovered against or from the City by reason of any damage to property, or bodily injury, including death, sustained by any person whomsoever, and which said claim, demand, suit, loss, cost, expense or damage arises out of or is incident to or in any way connected with the Lessee's acts or omissions, or Lessee's operations hereunder, and regardless of whether such claim, demand, suit, loss, cost, expense or damage is caused in whole or in part by the City's negligence.

14.2 Nothing contained in this section or elsewhere in this Lease is in any way intended to be a waiver of the limitation placed upon the City's liability as set forth in Chapter 768, Florida Statutes. Additionally, the City does not waive sovereign immunity, and no claim or award against the City shall include attorney's fees, investigative costs or pre judgment interest.

14.3 The Lessee recognizes the broad nature of the indemnification and hold harmless clause, and voluntarily makes said covenant in recognition of the valuable consideration provided by the City under the Lease.

ARTICLE 15. INSURANCE

15.1 The Lessee agrees to procure and maintain liability insurance with an insurance company authorized to transact business in the State of Florida, acceptable to the City's Risk Management Department, with the policy showing "The City of North Miami, Florida, a Florida municipal corporation and its officers and employees," as an additional insured, and with limits set forth in Exhibit "B", as evidenced by a Certificate of Insurance, a signed copy of which shall be transmitted to the City prior to Lessee taking possession of the Property and for throughout the term of Lease. Aggregate limit policies are not acceptable. The insurance shall support Lessee's covenant of indemnity and hold harmless. Further, the Certificate of Insurance shall unequivocally provide for thirty (30) days written notice to City prior to any material change or cancellation of coverage. The liability insurance must be acceptable to and approved by City's Risk Management Department as to form and types of coverage.

15.2 Compliance with the foregoing insurance requirements shall not relieve the Lessee of its liability under any other portion of this Lease or as provided by law.

ARTICLE 16. DEFAULT

16.1 If Lessee fails to pay any portion of the rent, fees or costs due within fifteen (15) days after City transmits a written Past Due Statement to the Lessee, the City may give Lessee notice in writing of its intention to terminate the Lease. The Lessee may attempt to prevent termination of Lease by paying in full or by making assurances in writing to pay the City within ten (10) days. If payment has not been made within the time period assured by the Lessee, the CITY may, at its option, immediately terminate the Lease, enter the Property and repossess the Property from the Lessee. It shall not be necessary for City to make such entry to effectuate the termination.

ARTICLE 17. NO WAIVER BY THE CITY

17.1 No waiver of default by the City of any of the terms, conditions, or covenants of this Lease to be kept and performed by Lessee shall be construed to be or act as a waiver by the City of any subsequent default on the part of the Lessee.

ARTICLE 18. EASEMENTS

17.1 Nothing in this Lease shall impair any existing utility easement nor impair the right of access to any existing or necessary utility lines.

18.2 The City reserves the right to grant non-exclusive utility easements, licenses and rights-of-way to others over, under, through, across or on the Property, provided however that such grant is not materially detrimental to the proper conduct of Lessee's business.

ARTICLE 19. CONSENT AND APPROVAL

19.1 Nothing in this Lease shall be construed to waive or limit the City's governmental authority as a political subdivision of the State of Florida to regulate Lessee or its business operations. Where approval or consent of the City is required under this Lease, such consent or approval shall be deemed to refer to the City's consent or approval as landlord and such consent or approval shall be contractual in nature and shall not be in lieu of any required governmental approval of City. The City Manager or City Manager's designee shall act for the City in matters relating to contractual approvals and notices.

ARTICLE 20. SANITARY AND INDUSTRIAL WASTE DISPOSAL

20.1 The Lessee shall dispose of any sanitary or industrial waste generated on the Property in a manner approved by the City and in full compliance with all applicable Federal, State and County laws, statutes, ordinances, rules and regulations.

20.2 Disposition by Lessee of sanitary or industrial waste in violation of the provisions of this section shall constitute a default of this Lease. In the event of such default, the Lessee shall immediately cease the disposal of such waste and shall take all necessary steps to comply with all applicable Federal, State and County laws, statutes, ordinances, rules and regulations. Lessee's business operation shall cease until such time Lessee can demonstrate to City compliance with this section.

ARTICLE 21. ASSIGNMENT AND SUBLetting

21.1 Assignment of Lease. The Lessee shall not in any manner, assign, transfer, mortgage, pledge, encumber or otherwise convey an interest in this Lease, or any part thereof, without the prior written consent of the City.

21.2 Subletting. The Lessor shall not sublet the Property without prior notification to the City and the execution of a hold harmless release agreement in favor of the City of North Miami, in a form deemed to be acceptable by the City Attorney.

ARTICLE 22. RIGHTS RESERVED TO THE CITY

22.1 Rights not specifically granted to the Lessee by this Lease are reserved to the City.

ARTICLE 23. INVALIDITY OF CLAUSES

23.1 The invalidity of any portion, article, paragraph, provision or clause in this Lease shall have no effect upon the validity of any other portion article, paragraph, provision or clause.

ARTICLE 24. VENUE/ LAWS OF FLORIDA

24.1 The venue for any action arising from this Lease shall be in Miami-Dade County, Florida, and the laws of the State of Florida shall apply.

ARTICLE 25. MODIFICATIONS

25.1 This Lease constitutes the entire lease agreement between the Parties and shall be modified or amended only by written agreement of the Parties.

ARTICLE 26. SECURITY

26.1 The Lessee acknowledges and accepts full responsibility for the security and protection of any equipment and facilities on the Property and for prevention of unauthorized access to its facilities.

26.2 The Lessee acknowledges and fully understands that police security protection provided by the City for the Property is limited to that provided to any other business situated within City limits by the Police Department and acknowledges that any special security deemed necessary for additional protection of the Property shall be the sole responsibility of the Lessee and shall involve no cost to the City.

ARTICLE 27. NOTICE

27.1 Notices to City shall be sufficient if sent by certified mail, return receipt requested, postage prepaid, addresses to:

City Manager
City of North Miami
776 N.E 125th Street
North Miami, FL 33161

With a copy to:

City of North Miami
776 N.E 125th Street
North Miami, FL 33161

Attn: City Attorney

And notices to Lessee, if sent by certified mail, return receipt requested, postage prepaid, addressed to:

Castra Pierre-Louis, Manager
The Zenith 79, LLC
12555 Biscayne Blvd., Suite 971
North Miami, FL 33181

Or such other respective address as the Parties may designate to each other in writing from time to time.

ARTICLE 28. SURRENDER OF PROPERTY

28.1 Upon the termination of this Lease, the Lessee shall deliver Property to the City in a good, clean and neat condition.

28.2 Within five (5) days following the termination of this Lease, Lessee shall have removed all personal property situated on the Property. Any personal property of Lessee not removed in accordance with this section may be removed by the City for storage at the cost of Lessee. Failure on the part of Lessee to reclaim its personal property within fifteen (15) days from the date of termination shall, at the City's option, constitute a gratuitous transfer of title to the City for whatever disposition method is deemed to be in the best interest of the City.

28.2 In the event the Lessee shall refuse or fail to give up the possession of the Property upon termination of the Lease, the Lessee shall be liable for double rent, as provided for in Section 83.06, Florida Statutes, as may be amended.

ARTICLE 29. LIMITATIONS OF LIABILITY

29.1 The City desires to enter into this Lease only if in doing so the City can place a limit on the City's liability to Lessee for any cause of action for money damages due to

an alleged breach by the City or for any action or claim by Lessee arising from this Lease, so that its liability be limited to a maximum of \$100.00. Accordingly, the Lessee hereby agrees that the City shall not be liable to Lessee for damages in excess of \$100.00, for any action or claim by Lessee arising out of this Lease.

IN WITNESS WHEREOF, the CITY and the LESSEE have executed this Lease, the day and year first written above.

ATTEST:

City of North Miami, Florida,
"City"

Vanessa Joseph, Esq.
City Clerk

Theresa Therilus, Esq.
City Manager

The Zenith 79, LLC,
"Lessee"

By: _____

Print Name: _____

Title: _____

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

Jeff P. H. Cazeau
City Attorney

EXHIBIT "A"

Lots 12 and 13 of Block 72 of IRONS MANOR HIGH PINE ADDITION SECTION A
according to the plat thereof as recorded in Plat Book 23 at Page 80 Public Records of
Dade County, Florida. Folio No. 06-2219-007-2120

EXHIBIT “B”

City Of North Miami

INSURANCE REQUIREMENTS

INSURANCE STATEMENT

As a condition precedent to the effectiveness of this Lease, during the term of this Lease and during any renewal or extension term of this Lease, LESSEE, at its sole expense, shall provide insurance of such types and with such terms and limits as noted below. Providing proof of and maintaining adequate insurance coverage are material obligations of LESSEE. LESSEE shall provide LESSOR a certificate of insurance evidencing such coverage. LESSEE's insurance coverage shall be primary insurance as respects to LESSOR for all applicable policies. The limits of coverage under each policy maintained by LESSEE shall not be interpreted as limiting LESSEE's liability and obligations under this Lease. All insurance policies shall be through insurers authorized or eligible to write policies in the State of Florida and possess an A.M. Best rating of A-, VII or better, subject to the approval of LESSOR's Risk Manager.

The coverages, limits and/or endorsements required herein protect the interests of LESSOR, and these coverages, limits and/or endorsements shall in no way be required to be relied upon when assessing the extent or determining appropriate types and limits of coverage to protect LESSEE against any loss exposures, whether as a result of this Lease or otherwise. The requirements contained herein, as well as LESSOR's review or acknowledgement, are not intended to and shall not in any manner limit or qualify the liabilities and obligations assumed by LESSEE under this Lease. The following insurance policies and coverages are required:

(Property Leased)

Car Wash Property -13820 West Dixie HWY- North Miami FL 33161

Property Coverage

Coverage must be afforded in an amount not less than 100% of the replacement value of the property with a deductible of no more than \$25,000 each claim. Coverage form shall include, but not be limited to:

- All Risk Coverage including Flood and Windstorm with no coinsurance clause.
- Any separate Flood and/or Windstorm deductibles are subject to approval by LESSOR

This policy shall insure the interests of LESSOR and LESSEE in the property against all risk of physical loss and damage, and name LESSOR as a Loss Payee.

All insurance proceeds received by or on account of this Lease, shall be used for the purpose of reconstruction or repair, as the case may be, of any of the property, structures, improvements or fixtures contained within the Lease so damaged or destroyed.

LESSEE shall, at its own expense, take all reasonable precautions to protect the Premises from damage or destruction.

Builder's Risk Coverage

For improvements under construction, coverage must be afforded in an amount not less than 100% of the total project cost, including soft costs, with a deductible of no more than \$25,000 each claim.

Coverage form shall include, but not be limited to:

- All Risk Coverage including Flood and Windstorm with no coinsurance clause
- Guaranteed Policy Extension provision
- Storage and transport of materials, equipment, supplies of any kind whatsoever to be used on or incidental to the project
- Equipment Breakdown for testing of all mechanized, pressurized, or electrical equipment

This policy shall insure the interests of LESSOR, LESSEE, and subcontractors in the property against all risk of physical loss and damage, and name LESSOR as a Loss Payee. This insurance shall remain in effect until the work is completed and the property has been accepted by LESSOR.

Collection of Insurance

In the event of destruction of or damage to over fifty percent (50%) of any of the Premises or the buildings, other structures and Improvements covered by insurance and LESSEE's election to rebuild the Premises or the buildings, other structures and Improvements pursuant to LESSEE's option provided in this Lease, the funds payable pursuant to such insurance policies shall be payable to, and deposited in, a commercial national bank as trustee, located in North Miami, Florida, selected by LESSOR, as a trust fund, and the funds shall be used for the purpose of reconstruction or repair, as the case may be, of any of the buildings, other structures or Improvements so damaged or destroyed. Such reconstruction and repair work shall be done in strict conformity with the ordinances and charter of LESSOR. Should the cost of reconstruction or repair exceed the amount of funds available from the proceeds of such insurance policy, and the LESSEE intends to reconstruct or repair, they are responsible for the difference. If the LESSEE does not intend to reconstruct or repair, the LESSOR has first right of insurance proceeds for costs of demolition and remediation. Any proceeds in excess of the costs for demolition and remediation shall be payable to the LESSEE.

Commercial General Liability

Coverage must be afforded under a Commercial General Liability policy with limits not less than:

- \$1,000,000 each occurrence and \$2,000,000 aggregate for Bodily Injury, Property Damage,
- \$1,000,000 each occurrence and \$2,000,000 aggregate for Products and Complete Operations
- \$100,000 each occurrence for Damage to Rented Premises

Policy must include (If required) coverage for contractual liability and independent contractors.

LESSOR, (City of North Miami) a Florida municipal corporation, its officials, employees, and volunteers are to be covered as an additional insured with a CG 20 26 04 13 Additional Insured — Designated Person or Organization Endorsement or similar endorsement providing equal or broader Additional Insured Coverage with respect to liability arising out of activities performed by or on behalf of LESSEE. The insurance coverage shall contain no special limitation on the scope of protection afforded to LESSOR, its officials, employees, and volunteers.

Pollution and Remediation Legal Liability (Hazardous Materials)

The Lessee/Tenant shall procure and maintain Pollution and Remediation Legal Liability insurance as defined as hazardous by Florida or federal law in an amount not less than \$1,000,000 per claim insuring the City against liability for bodily injury, property damage, legal defense and remediation arising out of the operation and occupancy of the Premises.

Asbestos Liability Coverage

For sudden and gradual occurrences and in an amount not less than \$1,000,000 per claim arising out of work performed under or in any way related to this Agreement. Any contractor performing any asbestos abatement procedures must be licensed and in full compliance with State and Federal laws and regulations.

Disposal Coverage

Any Asbestos Abatement Contractor shall designate the permitted disposal site used and furnish a Certificate of Insurance from the disposal facility for Environmental Impairment Liability Insurance, covering liability for sudden and accidental occurrences in an amount not less than \$1,000,000 per claim and shall include liability for non-sudden occurrences in an amount not less than \$1,000,000 per claim.

Insurance Certificate Requirements

- LESSEE shall provide LESSOR with valid Certificates of Insurance (binders are unacceptable) at least ten (10) days prior to execution of this Lease and no later than thirty (30) days prior to commencement of any improvements
- LESSEE shall provide a Certificate of Insurance to LESSOR with a thirty (30) day notice of cancellation; ten (10) days' notice if cancellation is for nonpayment of premium.
- In the event that the insurer is unable to accommodate the cancellation notice requirement, it shall be the responsibility of LESSEE to provide the

proper notice. Such notification will be in writing by registered mail, return receipt requested, and addressed to the certificate holder.

- d. In the event this Lease term goes beyond the expiration date of the insurance policy, LESSEE shall provide LESSOR with an updated Certificate of Insurance no later than ten (10) days prior to the expiration of the insurance currently in effect. LESSOR reserves the right to suspend this Lease until this requirement is met.
- e. LESSOR shall be named as an Additional Insured on all liability policies.

The Certificate Holder should read as follows:

City of North Miami
776 NE 125th Street
North Miami, FL 33161

LESSEE has the sole responsibility for all insurance premiums and shall be fully and solely responsible for any costs or expenses as a result of a coverage deductible, co-insurance penalty, or self-insured retention; including any loss not covered because of the operation of such deductible, co-insurance penalty, self-insured retention, or coverage exclusion or limitation. Any costs for adding LESSOR as an Additional Insured shall be at LESSEE's expense.

LESSEE's insurance coverage shall be primary insurance as respects to LESSOR, (**City of North Miami**) a Florida municipal corporation, its officials, employees, and volunteers. Any insurance or self-insurance maintained by LESSOR, its officials, employees, and volunteers shall be non-contributory.

Any exclusions or provisions in any insurance policy maintained by LESSEE that excludes coverage required in this Lease shall be deemed unacceptable and shall be considered breach of contract.

All required insurance policies must be maintained during the Lease. Any lapse in coverage shall be considered breach of contract. In addition, LESSEE must provide confirmation of coverage renewal via an updated certificate should any policies expire prior to the expiration of this Lease. LESSOR reserves the right to review, at any time, coverage forms and limits of LESSEE's insurance policies.

All notices of any claim/accident (occurrences) under this Lease shall be provided to LESSEE's insurance company and LESSOR's Risk Management office, as soon as practical.

Other Insurance Provisions:

- A. Violation of the terms of this agreement and its subparts shall constitute a breach of the written contract and so the city at its sole discretion, may cancel the contract and all rights, title and interest of the contractor shall thereupon cease and terminate.

- B. The city reserves the right to require or adjust any of the insurance coverage's it deems necessary depending upon the company, the agreement and the potential exposures.
- C. The city requires being named "**Additional Insured**" on all certificates of insurance. Certificates of Insurance can only be endorsed by an insurance agency or insurance company.

THE UNDERSIGNED LESSEE/TENANT HAS READ THE FOREGOING REQUIREMENTS AND AGREES TO THE TERMS.

WITNESS

LESSEE/TENANT

DATE

CITY OF NORTH MIAMI