

Consent
II.C.1



AGENDA REPORT
October 24, 2017

SUBJECT:

Amendment of Waiver of Restrictive Covenant between Brevard County and Viera Development Corporation (VDC); and Sublease between Florida Department of Health and Orlando Health, Inc.

FISCAL IMPACT:

There is no fiscal impact associated with this action.

DEPT/OFFICE:

Central Services

REQUESTED ACTION:

It is requested that the Board of County Commissioners approve and execute the Amendment of Waiver of Restrictive Covenant; and approve the Sublease between the Florida Department of Health (FDOH) and Orlando Health, Inc. for space at Children's Medical Services, 2565 Judge Fran Jamieson Way, Viera.

SUMMARY EXPLANATION and BACKGROUND:

The Children Medical Services building located at 2625 Judge Fran Jamieson Way is owned by Florida Department of Health (FDOH) and is constructed on land leased from Brevard County. Brevard County acquired the property from Viera Development Corporation (VDC). The deed that conveyed the land to Brevard County included a restrictive covenant which provided that the land shall be utilized only for Brevard County governmental offices, related parking, and landscaping.

In 2007, a Waiver of Restrictive Covenant was made and entered into between Brevard County and VDC, allowing the County to lease the land to FDOH for the purpose of constructing and operating a children's medical services building. The term of the land lease between Brevard County and FDOH is 30 years, ending January 10, 2037.

FDOH desires to sublease a portion of the children's medical services building to Orlando Health, Inc. The prior Waiver of Restrictive Covenant is expressly limited to permitting the FDOH or other governmental authority to the parcel. Therefore, FDOH requested an Amendment to Waiver of Restrictive Covenant to enable FDOH and Orlando Health to enter into a Sublease, subject to the County consent in accordance with the Lease. The term of the Sublease shall run concurrent with the FDOH lease, ending January 10, 2037.

Approval of the Amendment of Waiver of Restrictive Covenant and Sublease will allow Orlando Health, Inc., to provide specialty medical services to children in the areas of cardiology, orthopedics, gastroenterology, hematology, oncology, infectious diseases and nephrology at the FDOH facility in Viera.

CLERK TO THE BOARD INSTRUCTIONS:

Return two executed originals to Central Services Department.

ATTACHMENTS:

Description

- [Amendment of Waiver of Restrictive Covenant](#)
- [Sublease between FDOH and Orlando Health](#)
- [Exhibit A](#)
- [Orlando Health Exhibit A](#)

Frank Abbate, County Manager

REVIEWERS:



Tammy Rowe, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001
Fax: (321) 264-6972
Tammy.Rowe@brevardclerk.us

October 25, 2017

MEMORANDUM

TO: Teresa Camarata, Central Services Director

RE: Item II.C.1., Amendment of Waiver of Restrictive Covenant with Viera Development Corporation (VDC); and Sublease Between Florida Department of Health and Orlando Health, Inc.

The Board of County Commissioners, in regular session on October 24, 2017, approved and executed the Amendment of Waiver of Restrictive Covenant with Viera Development Corporation (VDC); and approved the Sublease between the Florida Department of health (FDOH) and Orlando Health, Inc. for space at Children's Medical Services, 2565 Judge Fran Jamieson Way, Viera. Enclosed are two fully-executed Amendments of Waiver of Restrictive Covenant.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Rowe

Tammy Rowe, Deputy Clerk

Encls. (2)

cc: Contracts Administration
County Manager

AMENDMENT OF WAIVER OF RESTRICTIVE COVENANT

THIS AMENDMENT OF WAIVER OF RESTRICTIVE COVENANT (hereinafter referred to as this "Amendment") is made and entered into as of the 24 day of October, 2017 by and between VIERA DEVELOPMENT CORPORATION, a Florida corporation, f/k/a Central Brevard Development, Inc. (hereinafter referred to as "VDC") and BREVARD COUNTY, FLORIDA, a political subdivision of the State of Florida (hereinafter referred to as the "County").

RECITALS:

A. VDC, as "Grantor", executed and delivered to the County, as "Grantee", that certain Warranty Deed with Reservation of Easement and Containing Restrictive Covenants, Rights of Reverter and Grant of Easement dated June 29, 1989 and recorded June 29, 1989 in Official Records Book 3004, page 1695, Public Records of Brevard County, Florida (hereinafter referred to as the "Deed"). The real property conveyed under and pursuant to the Deed is hereinafter referred to as the "Land".

B. Under subparagraph 3(a) of the Deed, a restrictive covenant was imposed on the Land which provides that the Land shall be utilized only for Brevard County governmental offices and related parking and landscaping (hereinafter referred to as the "Restrictive Covenant").

C. By virtue of that certain "Waiver of Restrictive Covenant" between VDC and the County dated as of January 9, 2007 (hereinafter referred to as the "Prior Waiver"), VDC waived the Restrictive Covenant for the purpose of permitting the Florida Department of Health (hereinafter referred to as the "FDOH") to lease that portion of the Land described in the Prior Waiver as the "FDOH Parcel" from the County for the purpose of constructing and operating a children's medical services building pursuant to that certain Lease Agreement between the County and the FDOH dated January 9, 2007 (hereinafter referred to as the "Lease").

D. The Prior Waiver pertains only to the FDOH Parcel and is expressly limited to permitting the FDOH (or other governmental authority) to use the FDOH Parcel for a children's medical services building and related uses as specifically provided therein; and the Prior Waiver provides that the waiver provided thereunder shall automatically terminate upon (i) the assignment of the Lease to a nongovernmental tenant, or (ii) the termination or expiration of the Lease.

E. The FDOH has notified the County of its desire to sublease a portion of the children's medical services building located on the FDOH Parcel (hereinafter referred to as the "Proposed Sublease") to Orlando Health, Inc., a Florida not-for-profit corporation (hereinafter referred to as "Orlando Health"); a non-governmental entity providing specialty medical services to children in the areas of cardiology, orthopedics, gastroenterology, hematology oncology, infectious diseases and nephrology.

F. The County has requested that the County and VDC amend the Prior Waiver to enable FDOH and Orlando Health to enter into the Sublease, subject to the County's consent in accordance with the Lease.

G. VDC and the County desire to amend the Prior Waiver as expressly provided herein and on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Recitals; Definitions. The recitals set forth hereinabove are true and correct in all respects and are incorporated herein by reference as if set forth herein verbatim. The capitalized terms used herein shall have the same meanings as set forth in the Prior Waiver unless otherwise expressly defined herein.

2. Amendment of Prior Waiver. Paragraph 2 of the Prior Waiver is deleted in its entirety and the following substituted in lieu thereof:

“2. Waiver of Restrictive Covenant. VDC hereby waives the Restrictive Covenant for the purpose of permitting the FDOH Parcel to be used for the construction and operation of a children's medical services building thereon. County acknowledges and agrees that the waiver provided for the immediately preceding sentence is limited strictly to the FDOH Parcel and is not applicable to any other portion of the Land. County further acknowledges and agrees the waiver provided for in this paragraph 2 is limited to permitting the use of the FDOH Parcel by the FDOH, other governmental authority or a non-governmental entity expressly consented to by VDC, for a children's medical services building and related parking and landscaping. No other use of the FDOH Parcel shall be permitted unless such use is in accordance with and not prohibited by the Restrictive Covenant. The waiver provided for in this paragraph 2 shall automatically terminate upon (i) the assignment of the Lease to a non-governmental tenant unless consented to in advance by VDC, or (ii) the termination or expiration of the Lease. Upon the termination or expiration of the Lease, the Restrictive Covenant will be and remain in full force and effect as if the waiver provided for in this paragraph 2 had never been granted. VDC's consent to an assignment of the Lease wholly or in part to a non-governmental entity as a tenant or sub-tenant may be withheld by VDC for any reason whatsoever in VDC's sole and absolute discretion.”

3. Consent to Orlando Health as a Subtenant under the Lease. VDC hereby consents to Orlando Health as a subtenant under the Lease.

4. Full Force and Effect. Except as specifically amended hereby, the Prior Consent shall be and remains in full force and effect; and except as expressly waived by the terms of the Prior Waiver with respect to the FDOH Parcel, as modified by this Amendment, all of the restrictive covenants set forth in the Deed shall be and remain in full force and effect without any waiver.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed in the respective names as of the day and year first above written.

-Signatures next page-

WITNESSES:

Charlene R. Spangler
Print Name: Charlene R. Spangler
Karen E. Esposito
Print Name: Karen E. Esposito

VIERA DEVELOPMENT CORPORATION,
a Florida corporation

By: [Signature]
Name: Stephen L. Johnson
Title: President

WITNESSES:

Kimberly J. Powell
Print Name: Kimberly J. Powell
Donna Scott
Print Name: Donna Scott

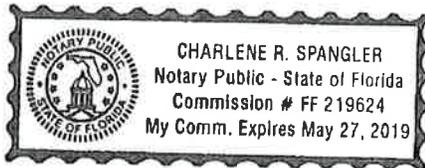
BREVARD COUNTY, FLORIDA, a political
subdivision of the State of Florida

By: [Signature]
Name: RITA BRITCHETT VICE CHAIRWOMAN
Title: Brevard County Board of
County Commissioners
Approved by Board October 24,

STATE OF FLORIDA]
]]
COUNTY OF BREVARD]

ATTEST:
[Signature]
SCOTT ELLIS, CLERK

The foregoing instrument was acknowledged before me this 9th day of October, 2017, by Stephen L. Johnson, as President of VIERA DEVELOPMENT CORPORATION, a Florida corporation, on behalf of the corporation. Said person is (check one) personally known to me, produced a driver's license (issued by a state of the United States within the last five (5) years as identification, or produced other identification, to wit: _____.



Print Name: Charlene R. Spangler
Notary Public, State of Florida
Commission No.: FF 219624
My Commission Expires: 5/27/2019

STATE OF FLORIDA]
]]
COUNTY OF BREVARD]

The foregoing instrument was acknowledged before me this ___ day of _____, 2017, by Curt Smith, as Chairman of the BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS. Said person is (check one) personally known to me, produced a driver's license (issued by a state of the United States within the last five (5) years as identification, or produced other identification, to wit: _____.

Print Name: _____
Notary Public, State of Florida
Commission No.: _____
My Commission Expires: _____

DRAFT
SUBLEASE AGREEMENT

THIS AGREEMENT is entered into this ____ day of October, 2017, by and between the **FLORIDA DEPARTMENT OF HEALTH**, hereinafter referred to as the "Sublessor", and **ORLANDO HEALTH, INC.**, hereinafter referred to as the "Sublessee".

WHEREAS, the Sublessor, pursuant to Ch. 06-025, §3 at 632B, Laws of Fla., was appropriated \$5,242,200, to construct a state-owned Children's Medical Services (CMS) building to serve the Brevard County area; and

WHEREAS, the state of Florida requires ownership or a long-term lease of land to construct the building so as to protect the aforementioned investment; and

WHEREAS, the County of Brevard recognized the benefits of the CMS program to the citizens of Brevard County and entered into a long-term lease of county-owned land to the Florida Department of Health for the purposes of constructing the CMS building specified in Ch. 06-025, §3 at 632B, Laws of Fla; and,

WHEREAS, the Sublessor now desires to sublease a portion of said CMS building located on the land leased to it by the County of Brevard to Orlando Health, Inc., a not-for-profit corporation, providing pediatric outpatient medical clinic services for children with special health care needs; now, therefore it is agreed as follows:

WITNESSETH

The Sublessor, in consideration of the payments to be made by the Sublessee of the Shared Facility Costs (SFC) specified herein, and in consideration of the performance by the Sublessee of the covenants hereinafter provided, does hereby sublease to the Sublessee the property and premises depicted in Exhibit A, located at 2565 Judge Fran Jamieson Way, Viera, Florida, 32940. See attached description and sketch known as: Exhibit A.

The following express stipulations and conditions are made a part of this Sublease Agreement

1. **Term.** The term of this sublease shall commence on the date first written above, or the date it is fully executed, whichever is later, and end on January 10, 2037 unless sooner terminated pursuant to the provisions of this sublease.
2. **Acceptance of the Premises.** The Sublessee accepts the premises in its present condition and without any future improvements by the Sublessor.
3. **Rent.** Rent will not be charged for use by the Sublessee of the subleased premises.
4. **Utilities and Maintenance.** The Sublessee shall be responsible for, and promptly pay monthly, all Shared Facility Costs (SFC) charges for all shared utility, services and facility maintenance costs as defined in Exhibit B. The Sublessee shall pay all charges for all separate utilities and services provided solely for the benefit of the Sublessee to the leased premises, and the Sublessee shall be responsible for all Sublessee requested improvements to the premises to support operations of the Sublessee.

5. Insurance. The Sublessee shall at all times and at its cost, maintain public liability insurance or a program of self-insurance covering the subleased premises with limits of at least \$100,000 per person and \$200,000 per occurrence or the statutory limit set forth in section 769.29, Florida Statutes, whichever is greater, for personal injury, loss of property, or death resulting from the negligent act or omission of a Orlando Health, Inc. employee, agent or volunteer while acting in the course and scope of their employment or duties, pursuant to the provisions and limitations of Chapter 284, Part U, and section 768.28, Florida Statutes. The Sublessee shall provide the Sublessor with a copy of the public liability policy.

6. Use of Premises. The Sublessee shall use the subleased premises for the purpose of providing outpatient medical clinic services to children with special health care needs and related activities in support of such medical services and for no other use unless agreed to in writing in advance by the Sublessor in compliance with the Sublessor's underlying lease.

7. Compliance with Laws and Regulations. The Sublessee shall comply with all state, county, and city laws, ordinances, rules, and regulations affecting or respecting the use or occupancy of the subleased premises by Sublessee or the business at any time thereon transacted by the Sublessee.

8. Assignment and Subletting. The Sublessee shall not assign this sublease or sublet all or any part of the subleased premises. Private contractors providing health services in support of Orlando Health, Inc. services from the subleased premises shall not be prohibited by provisions of this sublease.

9. Waiver. No waiver of any of the covenants and agreements herein contained or of any breach thereof shall be taken to construe a waiver of any other subsequent breach of such covenants and agreements or to justify or authorize the non-observance at any other time of the same or any other covenants and agreements hereof.

10. Validity. It is understood and agreed that in the event any provision of this Sublease Agreement is held to be invalid, such portion shall be deemed severable, and it shall not invalidate or impair the agreement as a whole or any other provision of the agreement. If a court of competent jurisdiction determines the entire Sublease Agreement to be void or illegal, this agreement shall be immediately terminated.

11. Notices. All notices under this Sublease Agreement given to the Sublessor shall be given to the Chief, Bureau of General Services, Florida Department of Health, 4052 Bald Cypress Way, Bin B06, Tallahassee, Florida 32399-1734 or at such other place as the Sublessor may designate in writing. All notices given to the Sublessee shall be given to Orlando Health, Inc., Attention: Director of Real Estate, 1414 Kuhl Avenue, MP 71, Orlando, FL 32806 or at such other place as the Sublessee may designate in writing. All notices shall be in writing and shall be sent by certified mail or by personal delivery. Changes to the persons being noticed in this section do not require a formal amendment to this Sublease Agreement.

12. Construction by Sublessee. The Sublessee shall have the right, at any time and from time to time during the term of this sublease, to alter and make improvements on the subleased premises subject to the following conditions:

- A. The cost of any such construction, reconstruction, demolition, or of any change, alteration, or improvements shall be borne and paid for by the Sublessee, who shall contract the work.
- B. Before any work is undertaken the design must be documented through Construction Documents prepared by a Florida registered Architect or Engineer, and the documents and the plan for implementation found acceptable by the Sublessor at the sole discretion of the Sublessor.

- C. All accepted, documented work shall be performed by licensed and insured contractors in conformance with the accepted documents, applicable codes, standards and permit requirements.

In each of the foregoing instances, the Sublessor shall be without expense therefore; the cost and expense of, including, but not limited to, said approvals, permits, and impact fees, to be borne solely by the Sublessee.

13. Restrictions. The use and occupancy of the Subleased Area as an outpatient medical clinic for children with special health care needs which will be subject to the following restrictions:

- A. Any act which, by chemical or mechanical or surgical means, has the primary, intended result of terminating a fetal or embryonic pregnancy or causing a miscarriage is prohibited.
- B. Any act which, by chemical or mechanical or surgical means, has the primary, intended result or permanent sterilization is prohibited.
- C. Donor insemination of semen or insemination of semen that is totally artificial is prohibited; and in-vitro experimentation or fertilization with human semen is prohibited.
- D. Sublessee will not erect any signage in or about the interior and exterior of the Subleased Area without Sublessor's written consent.
- E. The Sublessor manages physical security of the building through a system of keyed locks and the use of an electronic access control system. Sublessee desired modifications to the systems and Sublessee use of access control devices will be by request to the Sublessor. Requests that the Sublessor determines will reduce building security will not be implemented. The Sublessee shall reimburse the Sublessor for all costs related to a request at such time as a request is implemented. Access control will remain under the Sublessor's control.

14. Sublessee's Ownership of Fixtures and Machinery. It is expressly understood and agreed that any and all fixtures, machinery, and equipment of whatsoever nature at any time constructed, placed, or maintained upon any part of the premises by the Sublessee in compliance with this Sublease shall be and remain the property of the Sublessee.

The Sublessee shall have the right at any time during the Sublessee's occupancy of the premises or within a reasonable time thereafter, to remove any equipment owned or placed by the Sublessee in or upon the premises, or acquired by the Sublessee, whether before or during this sublease, but the Sublessee shall not be obliged to do so.

15. Surrender of Premises. At the termination or expiration of the tenancy hereby created, the Sublessee shall surrender the premises in good condition, reasonable wear and tear excepted, and damage by unavoidable casualty excepted. In the event that no further use of the subleased premises is needed, the Sublessee shall make written notification to the Sublessor at least six months prior to the requested termination and release of the subleased premises. Termination by the Sublessor shall be terminated without further obligation upon the unavailability of the subleased facility or with one year notice to the Sublessee. The Sublessee shall remove all of its equipment before surrendering the premises and shall repair any damage to the subleased premises caused thereby. The Sublessee's obligation to observe or perform this covenant shall survive the expiration or other termination of the term of this Sublease Agreement. It is provided however, if the Sublessee holds over after cancellation of this Sublease Agreement, the Sublessee shall be considered a 'tenant at sufferance'. Such action

shall not be deemed to constitute a waiver by the Sublessor of its rights of re-entry or right to evict the Sublessee or take other action against the Sublessee.

16. **Attorneys' Fees.** If any action at law or equity shall be brought on breach of, or to enforce or interpret any covenants, terms or conditions of this Sublease Agreement, or for recovery of possession of the premises, each party shall be responsible for payment of its own costs and attorney & fees.

17. **Entire Agreement.** This Sublease Agreement constitutes the entire agreement between the parties. No amendment, waivers modifications, additions, or addenda to this Sublease Agreement shall be valid unless in writing and signed by both the Sublessor and the Sublessee, except for the Notices provision in paragraph 11.

SUBLESSOR

FLORIDA DEPARTMENT OF HEALTH

By: _____ (SEAL)

Witness

Print/Type Witness Name

Type/Print Name

Title: _____

Witness

Print/Type Witness Name

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____,
20____, by _____, as _____, of
_____, who is/are personally known to me or who has produced
_____ as identification.

Notary Public, State of Florida

Print/Type Notary Name

SUBLEESSEE

ORLANDO HEALTH, INC.

By: _____ (SEAL)

Witness

Print/Type Witness Name

Type/Print Name

Title: _____

Witness

Print/Type Witness Name

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____,
20____, by _____, as _____, of
_____, who is/are personally known to me or who has produced
_____ as identification.

EXHIBIT A

Purpose: To provide the description of the areas within the Florida Department of Health's (FDOH) Viera Children's Medical Services Building for sublease to Orlando Health, Inc., a Not-for-Profit profit provider of health services for children.

Description: Those areas to be leased to Orlando Health, Inc. for their exclusive use, described through recitation of their existing room numbers, plan names, are as follows: Rooms 103 X – RAY, 158 ORTHO EXAM, 126 EYE EXAM, 159 OPT., 158 WAITING, BIO HAZ., 120 AUDIO, 121 ENT. EXAM, 122 ENT. EXAM, 123 TOILET, 114 WEIGHT MEASURE, 160 CONFERENCE, 161 OFFICE, 162 OFFICE, 129 OFFICE, 130 EXAM, 131 EXAM, 132 EXAM, 133 EXAM and 134 EXAM.

Those areas over which Orlando Health is to have a non-exclusive lease for joint use with the FDOH, described through recitation of their existing room numbers, plan names, are as follows: Rooms 100A CORRIDOR, 100B CORRIDOR, 100C CORRIDOR, 100D CORRIDOR, 100E WAITING, 111 RECEPTION, 115 WORK AREA, 116 CONF., 118 TOILET ROOM, 119 CAST ROOM. And, together with sidewalks, parking areas and access drives needed to serve the sublease spaces as are included as part of the Lease Agreement between the County of Brevard and the FDOH as recorded in Book 5804, Page 395, of the Official Records of Brevard County.

Those areas of the parent lease between FDOH and Brevard County not enumerated are reserved to FDOH and are not part of the sublease.

The attached EXHIBIT A SKETCH provides a sketch of the building First Floor areas.

**DRAFT
EXHIBIT B
SHARED FACILITY COSTS**

SHARED FACILITY COSTS (SFC): SFC are defined herewith as the sum of the Facility Operation (FO) costs including services or utilities that are not separated or sub metered to a specific occupant's use and the Cost of Ownership (CoO) to maintain the facility. Cost of Facility Operation does not include janitorial or cleaning costs if occupant parties agree to maintain separate janitorial and cleaning services. SFC will be in units of dollars per square foot (SF) per month. $SFC = FO + CoC$.

FACILITY OPERATION COST (FO): FO is defined herewith as the sum of the yearly cost for building utilities, services, minor maintenance costs and other routine minor building operation costs (as listed in the EXAMPLE). FO will be in units of dollars per SF per month.

COST OF OWNERSHIP (CoO): CoO is defined herewith as the Sublessor's estimate of Present Day Cost to construct the Sublessor's building located at 2565 Judge Fran Jamieson Way, Viera, Florida (the facility), including site work but not inclusive of land costs times a factor of 2% divided by gross building square footage. This calculation is intended to cover the cost of major maintenance of the facility building systems. CoO will be in units of dollars per SF per month.

APPORTIONMENT OF SHARED FACILITY COSTS: SFC shall be apportioned by ratio of the Sublessee's square footage of sublease for exclusive use divided by the facility's gross square footage times the SFC, plus the ratio of shared space within the building under nonexclusive sublease by the Sublessee divided by the gross square footage of the facility times 0.5 times the SFC.

The SFC, the FO cost and the CoO shall be recalculated annually based upon the prior 12 month's expenditures for FO and prior budget year value used by Florida Department of Health in calculating Fixed Capital Outlay new construction budget requests. Items and their related costs may be added or removed from the calculation at the time of annual recalculation by mutual consent of the Sublessor and Sublessee.

EXAMPLE:

FO cost Values using year 2015 data:

| | |
|-------------------------------|------------------|
| Electricity | 84,240 |
| Water/Sewer | 7,040 |
| Pest Control | 571 |
| Building Security | 4,200 |
| General Waste Removal | 2,051 |
| Minor General Maintenance | 6,360 |
| Janitorial Service | 62,640 |
| Interior/Exterior Lighting | 15,100 |
| HVAC Routine PM5 | 811 |
| Medical Waste Disposal | 1,080 |
| Telephone Service | 23,700 |
| Telephone Repair/Maintenance | 2,829 |
| Generator Repair/Maintenance | 1,038 |
| Scale Repair/Maintenance | 762 |
| Fire Sprinkler, extinguishers | 432 |
| YEAR TOTAL | \$217,854 |

Facility Gross SF Area from Permitted Construction Documents is 25,513 SF
 (YEAR TOTAL/GROSS SFAGE)/12 = Facility Operation cost (FO) 2015 - \$0.71
 (\$217,854/25,513)/12= Facility Operation cost (FO) 2015 = \$.71 / SF / Month

Building Security includes: Access control and pass devices, security observation systems if used and operation and maintenance costs of security systems.

Heating Ventilation Air Conditioning (HVAC) Routine Preventative Maintenance (PM) includes: Filter changing, general preventative maintenance inspection and minor service and if a chilled water system is installed, water treatment.

Janitorial Service includes: Floor Maintenance (regular cleaning and twice yearly carpet shampooing or floor stripping and sealing, daily interior trash service, maintenance of toilet areas with provision of consumables and dispensers.

CoO cost Value for Year 2017:

Present Day Cost Construction Cost will be the value produced using the method the Department of Health utilizes for determining funding needs for new facilities. This calculation will be made as if funding were requested in the prior year's Legislative Budget Request.

This takes into account the Gross Square Footage of the building, the estimated cost per SF of construction and multiple factors for site work, permitting costs, design costs, fees and construction process incidentals. The multiple factors are herein reduced to an overall Construction Related cost factor.

After the Florida Department of Health's review of information resources, the CoO factor for Maintenance and Repair of the facility is established an annual cost of 2% of Present Day Construction Cost. This figure is the lower end of the range provided in the document "Committing to the Cost of Ownership Maintenance and Repair of Public Buildings", the Committee on Advanced Maintenance Concepts for Buildings. Building Research Board, Commission on Engineering and Technical Systems, National Research Council. National Academy Press, Washington, D.C. 1990

| | |
|------------------------------------|-------------------|
| Facility Gross SF | \$25,513 Gross SF |
| 2017 Building Base Cost | \$220 per SF |
| Construction Related costs factors | 1.363 |

Gross SF X \$/SF X Building Construction Cost Factor = Present Day Cost (PDC)
 25,513 X \$220 X 1.363 = \$7,650,328

[(PDC X 0.02) /Gross SF]/12 months = CoO, for 2017
 [(7,650,328 X .02)/25,513]/12 = Cost of Ownership (CoO) = \$0.50 per SF per month

SFC using example calculations: SFC = FO + CoO = \$0.71 + \$0.50 = \$1.21 per SF per month

Example Sublessee's Cost: Exclusive Use space 2,403 SF + 2730 SF non-exclusive X 0.5 = 2403 + 1365 = 3768 SF

3768 SF X \$1.21 per SF per month = \$4521.60 per month = \$54,259.20 per year.

Note: Equivalent to \$22.58 per SF of Exclusive Use space per year with utilities.