

Introduced 07.01.2024  
Public Hearing 07.15.2024  
Council Action 07.29.2024  
Executive Action 07.31.2024  
Effective Date 07.31.2024

## County Council of Howard County, Maryland

2024 Legislative Session

Legislative Day No. 8

Bill No. 42 -2024

Introduced by: The Chairperson at the request of the County Executive

Short Title: Multi-year Lease Agreement – 16,416 square feet – Howard County, Maryland

Title: AN ACT pursuant to Section 612 of the Howard County Charter, approving a multi-year Lease Agreement for the lease of approximately 16,416 square feet of space in Howard County, Maryland; and authorizing the County Executive to take certain actions in connection with the Lease Agreement.

Introduced and read first time July 1, 2024. Ordered posted and hearing scheduled.

By order

Michelle Harrod  
Michelle Harrod, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a Third time at a public hearing on July 15, 2024.

By order

Michelle Harrod  
Michelle Harrod, Administrator

This Bill was read the third time on July 29, 2024 and Passed  Passed with amendments \_\_\_\_\_, Failed \_\_\_\_\_.

By order

Michelle Harrod  
Michelle Harrod, Administrator

Sealed with the County Seal and presented to the County Executive for approval this 29 day of July, 2024 at 4:00 a.m. (p.m.)

By order

Michelle Harrod  
Michelle Harrod, Administrator

Approved/Vetoed by the County Executive July 31, 2024

Calvin Ball  
Calvin Ball, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN SMALL CAPITALS indicates additions to existing law; Strike-out indicates material deleted by amendment; Underlining indicates material added by amendment

1           **WHEREAS**, the Landlord is a Maryland limited liability company that is registered and  
2 in good standing with the Maryland State Department of Assessments and Taxation, and is the  
3 owner of certain real property in Howard County, Maryland; and  
4

5           **WHEREAS**, the Howard County Police Department needs office space, and Howard  
6 County, Maryland (the “County”) and the Landlord desire to enter into a Lease Agreement,  
7 substantially in the form attached hereto and incorporated herein as Exhibit A, for approximately  
8 16,416 square feet of office space for a term of ten (10) years and eight (8) months, with the option  
9 to extend the term for two (2) additional periods of five (5) years each; and  
10

11           **WHEREAS**, the Lease Agreement requires the payment by the County of funds from an  
12 appropriation in a later fiscal year and therefore requires the approval of the County Council of  
13 Howard County, Maryland as a multi-year agreement pursuant to Section 612 of the Howard  
14 County Charter.  
15

16           **NOW, THEREFORE,**  
17

18           ***Section 1. Be It Enacted** by the County Council of Howard County, Maryland that in accordance  
19 with Section 612 of the Howard County Charter, it approves the Lease Agreement, substantially  
20 in the form attached hereto and incorporated herein as Exhibit A.*  
21

22           ***Section 2. And Be It Further Enacted** by the County Council of Howard County, Maryland that  
23 the County Executive is hereby authorized to execute the Lease Agreement for such term in the  
24 name of and on behalf of the County.*  
25

26           ***Section 3. And Be It Further Enacted** by the County Council of Howard County, Maryland that  
27 the County Executive, prior to execution and delivery of the Lease Agreement, may make such  
28 changes or modifications to the form of the Lease Agreement, attached hereto and incorporated  
29 herein, as he deems appropriate in order to accomplish the purpose of the transactions authorized  
30 by this Act, provided that such changes or modifications shall be within the scope of the*

1 *transactions authorized by this Act; and the execution of the Lease Agreement shall be conclusive*  
2 *evidence of the approval by the County Executive of all changes or modifications to the Lease*  
3 *Agreement, and the Lease Agreement shall thereupon become binding upon the County in*  
4 *accordance with its terms.*

5

6 ***Section 4. And Be It Further Enacted*** *by the County Council of Howard County, Maryland that*  
7 *this Act shall be effective immediately upon its enactment.*

Exhibit A

**LEASE AGREEMENT**

\_\_\_\_\_, LLC

**Landlord**

**HOWARD COUNTY, MARYLAND**

**Tenant**

\_\_\_\_\_, Suite \_\_\_\_, \_\_\_\_\_, Maryland \_\_\_\_\_

# Table of Contents

<b>1. Leased Premises</b> .....	<b>1</b>
<b>2. Term</b> .....	<b>1</b>
a. Extension Options .....	2
b. Extension Notice .....	2
c. Surrender of Leased Premises .....	2
<b>3. Rent</b> .....	<b>3</b>
a. Annual Rent and Payment .....	3
b. Late Payment Charge .....	4
<b>4. Intentionally Deleted</b> .....	<b>4</b>
<b>5. Delivery of Possession</b> .....	<b>4</b>
<b>6. Tenant Improvements</b> .....	<b>4</b>
a. Timely Completion of Tenant Improvements .....	4
b. Landlord's Work .....	5
c. Intentionally Deleted .....	6
<b>7. Use</b> .....	<b>6</b>
<b>8. Laws and Regulations</b> .....	<b>6</b>
<b>9. Assignment by County</b> .....	
<b>10. Insurance, Subrogation and Indemnification</b> .....	<b>7</b>
a. County's Self-Insurance .....	7
b. Landlords Insurance .....	7
c. Waiver of Subrogation and Indemnity .....	7
<b>11. Alterations</b> .....	<b>8</b>
<b>12. Repairs and Maintenance</b> .....	<b>8</b>
a. Maintenance of Interior of Leased Premises .....	8
b. Maintenance of Building and Exterior of Leased Premises .....	8
c. Refurbishment of the Leased Premises .....	9
<b>13. Services</b> .....	<b>9</b>
a. Electricity .....	9
b. HVAC .....	10
c. Water and Sewer .....	10
d. Low Voltage System .....	10
e. Miscellaneous/Janitorial .....	11
f. Loss of Service .....	11
<b>14. Default</b> .....	<b>12</b>
<b>15. Damage</b> .....	<b>12</b>
<b>16. Parking and Grounds</b> .....	<b>14</b>
<b>17. Signs</b> .....	<b>14</b>
<b>18. Landlord's Right of Entry</b> .....	<b>15</b>
<b>19. Expiration</b> .....	<b>15</b>

<b>20. Condemnation</b> .....	<b>15</b>
<b>21. Subordination; Recordation of Lease</b> .....	<b>16</b>
<b>22. Notices</b> .....	<b>16</b>
<b>23. Remedies Not Exclusive</b> .....	<b>17</b>
<b>24. Waivers</b> .....	<b>17</b>
<b>25. Performance</b> .....	<b>17</b>
<b>26. Final Agreement</b> .....	<b>17</b>
<b>27. Quiet Enjoyment</b> .....	<b>17</b>
<b>28. Estoppel Certificate</b> .....	<b>17</b>
<b>29. Environmental Requirements</b> .....	<b>17</b>
<b>30. Brokers</b> .....	<b>18</b>
<b>31. General</b> .....	<b>18</b>
a. Governing Law .....	19
b. Efficiency Standards .....	19
c. Political Contribution Disclosure .....	19
d. Intentionally Deleted.....	19
e. Retention of Records .....	19
f. Representations and Warranties .....	19
g. Addendum.....	19
h. Lease Amendments .....	20
i. Interpretation .....	20
j. Public Information Act.....	20
<b>32. Intentionally Deleted</b> .....	<b>20</b>
<b>33. Right of First Refusal to Lease</b> .....	<b>20</b>
<b>Exhibit A-</b> Depiction of Leased Premises	
<b>Exhibit B-</b> Declaration of Commencement Date	
<b>Exhibit C-</b> Work Agreement	
<b>Exhibit D-</b> Form of Estoppel Certificate	

## LEASE AGREEMENT

**THIS LEASE AGREEMENT** (this "Lease") is made this \_\_\_\_ day of \_\_\_\_\_, 2024 (the "Effective Date"), by and between \_\_\_\_\_, LLC, a Maryland limited liability company (the "Landlord"), registered with and in good standing with the Maryland State Department of Assessments and Taxation and **HOWARD COUNTY, MARYLAND**, a body corporate and politic (the "County").

WITNESSETH, that the County covenants and agrees with Landlord as follows:

1. **LEASED PREMISES.** The Landlord by the deed dated \_\_\_\_\_ and recorded among the Land Records of Howard County, Maryland (the "Land Records") at Liber \_\_\_\_, folio \_\_\_\_ is the owner of approximately \_\_\_\_ acres of real property shown as Parcel \_\_\_\_ on Plat Number \_\_\_\_\_ in the Land Records and improved with an office building known as \_\_\_\_\_, \_\_\_\_\_, Maryland \_\_\_\_\_ (the "Building"). The Building has \_\_\_\_\_ square feet of leasable space including related amenities and any additional facilities as may in subsequent years be determined by Landlord to be reasonably necessary or desirable for the management, maintenance or operation of the Building including the improvements constructed for the County herein (collectively the "Property"). The Property is part of the \_\_\_\_\_ development consisting of the Building and two (2) additional office buildings having addresses \_\_\_\_\_, \_\_\_\_\_, Maryland \_\_\_\_\_ and \_\_\_\_\_, \_\_\_\_\_, Maryland \_\_\_\_\_ and collectively consisting of \_\_\_\_\_ rentable square feet (collectively the "Project").

The Landlord hereby leases unto the County, and the County hereby leases from the Landlord, a portion of the Building comprising a total of approximately 16,416 square feet of rentable space in the Building described as Suite \_\_\_\_, as hatched on **Exhibit A** attached hereto and incorporated herein (the "Leased Premises"), together with the use of associated parking areas, and other related amenities as set forth in this Lease. (The rentable square feet of the Building and Leased Premises shall be measured pursuant to current accepted Builders, Owners, and Managers Association (BOMA) standards and, following the completion of Landlord's Work (as defined below in Section 6(b)), the number of rentable square feet contained in the Leased Premises shall have been confirmed by field measurement or test-fit performed by an architect or engineer which is acceptable to the County), and which computation shall include a common facility factor of thirteen percent (13%). The County shall have the right of access to (a) the Leased Premises and the associated parking areas as set forth in this Lease twenty-four (24) hours per day, seven (7) days per week during the Term (as defined below in Section 2.b.), and (b) other related amenities as set forth in this Lease during Business Hours, as defined below in Section 13.b.; subject to Force Majeure and any casualty or condemnation event.

2. **TERM.** The initial term of this Lease (the "Initial Term") shall commence on the date of Landlord's delivery of the Leased Premises with the Tenant Improvements (as described in Section 6) by the Landlord substantially complete in accordance with the

terms herein (which date is anticipated to be July 1, 2025, but shall be no sooner than June 1, 2025 or later than July 1, 2025) (the "Commencement Date") subject to Events of Force Majeure and/or County Delay, each as defined below in Section 6.a., and end at 11:59 p.m. on the last day of the one hundred twenty-eighth (128<sup>th</sup>) full calendar month following the Commencement Date (the "Initial Term Expiration Date"), unless this Lease is earlier terminated or extended pursuant to any other provision of this Lease or applicable law. The parties hereto acknowledge that this Lease has been approved by the County Council of Howard County as a multi-year obligation in accordance with \_\_\_\_\_ . The Landlord and the County shall execute the Declaration of Commencement Date (the "Declaration") the form of which is attached hereto as **Exhibit B** to confirm, among other things, the Commencement Date, the Initial Term and the Initial Term Expiration Date. The Landlord shall complete and execute the Declaration after the Commencement Date and, if true and correct, the County shall execute and return the Declaration to the Landlord within twenty (20) days following the County's receipt of same; otherwise the County shall notify the Landlord of its objections to the information contained in the Declaration within such twenty (20)-day period. Failure to execute the Declaration shall not affect the commencement or expiration of the Initial Term.

a. **Extension Options.** If, at the end of the Initial Term or subsequent Option Period (as defined below) of this Lease, (a) the County is not in default of any of the terms, conditions or covenants of this Lease, beyond any applicable notice and cure period, and (b) the County has not assigned or sublet the Leased Premises, except as permitted herein, then the County shall have the option to extend the Term (each an "Extension Option") for two (2) additional periods of five (5) years each (each an "Option Period") upon the same terms and conditions contained in this Lease except for the Annual Rent, which shall be the then fair market rate for similar office buildings in \_\_\_\_\_, Maryland (the "Fair Market Value"). The term "Lease Year" shall hereinafter mean a period of twelve (12) full consecutive calendar months. The first Lease Year shall commence on the Commencement Date and shall end on the last day of the twelfth (12<sup>th</sup>) full calendar month following the Commencement Date. Each subsequent Lease Year shall commence on the anniversary of the Commencement Date. The Extension Options are personal to the County and may not be exercised or assigned, voluntarily or involuntarily, by or to any person or entity other than the County or another governmental or quasi-governmental department, division or agency of Howard County, Maryland or the State of Maryland.

b. **Extension Notice.** If the County desires to exercise an Extension Option to extend the Term (subject to County's compliance with the standards set forth herein), the County shall notify the Landlord in writing of the County's intention to do so at least two hundred seventy (270) calendar days prior to the expiration date of the Term. All references in this Lease to "Term" shall be considered to mean the Initial Term or Option Period, and all references in this Lease to the expiration date or to the end of the Term shall be considered to mean the termination or end of the applicable Option Period.

c. **Surrender of Leased Premises.** The County shall, at the expiration of the Term or at the sooner termination thereof by forfeiture or otherwise, surrender the Leased Premises in the same good order and condition as existed at the beginning of the



tenancy, reasonable wear and tear excepted and the Tenant Improvements shall remain.

3. **RENT.**

a. **Annual Rent and Payment.** In consideration for the use of the Leased Premises under this Lease, the County shall pay to the Landlord, in twelve equal monthly installments, an annual rent as shown in the rent schedule below, which shall be inclusive of utilities, janitorial services, Landlord’s insurance, HVAC maintenance and repairs, common area maintenance, and any escalations in the operating expenses and real estate taxes for the Building, the Property and the Project over the Initial Term and any Option Period (“Annual Rent”). The Annual Rent shall be increased annually at the rate of two and seventy-five hundredths percent (2.75%) after the first Lease Year of the Initial Term. The County shall receive eight (8) months of Annual Rent abatement spread over the Initial Term following the Commencement Date as follows: months one (1), two (2), thirteen (13), fourteen (14), twenty-five (25), twenty-six (26), thirty-seven (37), and thirty-eight (38). As may be set forth in the Work Agreement (as defined below in Section 6), the County shall be granted early access to the Leased Premises at least four (4) weeks prior to the Commencement Date, free of charge, for the installation of the County’s furniture, fixtures, and equipment.

The Landlord shall invoice the County for each monthly installment of the Annual Rent and shall specify on the invoice the amount due and the Landlord’s employer identification number. Upon the receipt of such invoice, the County agrees to pay each monthly installment of the Annual Rent, promptly as and when due subject to any setoff rights of the County expressly set forth in this Lease. Said rental shall be paid to: \_\_\_\_\_, LLC \_\_\_\_\_, Suite \_\_\_\_ \_\_\_\_, MD \_\_\_\_ or in such manner and at such other place or to such appointee of the Landlord, as the Landlord may from time to time designate on the invoice.

Period	Annual Rent per square foot	Monthly Installment of the Annual Rent Based on 16,416 square feet	Annual Rent Based on 16,416 square feet
Year 1 (months 1-2 abatement)	\$23.80 square foot	\$32,558.40	\$325,584.00 (indicates only 10 months of payment because of rent abatement)
Year 2 (months 13-14 abatement)	\$24.45 square foot	\$33,447.60	\$334,476.00 (indicates only 10 months of payment because of rent abatement)
Year 3 (months 25-26 abatement)	\$25.13 square foot	\$34,377.84	\$343,778.40 (indicates only 10 months of payment because of rent abatement)
Year 4 (months 37-38 abatement)	\$25.82 square foot	\$35,321.76	\$353,217.60 (indicates only 10 months of payment because of rent abatement)
Year 5	\$26.53 square foot	\$36,293.04	\$435,516.48

Year 6	\$27.26 square foot	\$37,291.68	\$447,500.16
Year 7	\$28.01 square foot	\$38,317.68	\$459,812.16
Year 8	\$28.78 square foot	\$39,371.04	\$472,452.48
Year 9	\$29.57 square foot	\$40,451.76	\$485,421.12
Year 10	\$30.38 square foot	\$41,559.84	\$498,718.08
Year 11 (partial 8 months)	\$31.22 square foot	\$42,708.96	\$341,671.68 (indicates only 8 months of payment)

b. **Late Payment Charge.** Except for the rent due on July 1 of each Lease Year, if the County fails to pay, when due and properly invoiced by the Landlord, the monthly installment of Annual Rent, or any other sum required by the terms of this Lease to be paid by the County, then, the Landlord shall promptly notify the County in writing that the payment of such amount has not been received and if the County does not remit the amount due within ten (10) days after such written notice, the Landlord may assess a late payment fee of \$100.00. The Landlord and the County agree that the rent due on July 1 of each Lease Year may be paid on or before July 20<sup>th</sup> without penalty, in order to accommodate the start of the new fiscal year of the County. In no event shall the County be subject to interest on any portion of the Annual Rent herein.

4. **INTENTIONALLY DELETED.**

5. **DELIVERY OF POSSESSION.** The Landlord agrees to deliver to the County, and the County agrees to accept from the Landlord, possession of the Leased Premises when the Landlord advises the County in writing that the Tenant Improvements are completed as set forth herein. The Leased Premises shall be delivered to the County as a “turn-key” build out ready for the intended use as office space.

6. **TENANT IMPROVEMENTS.** The Landlord and the County have entered into a Work Agreement hereby incorporated herein and attached hereto as **Exhibit C** (“Work Agreement”) for the completion by the Landlord of the improvements to the Leased Premises for the County’s use of the Leased Premises throughout the Term. The improvements to the Leased Premises as specified in the Work Agreement and any plans or drawings referenced in the Work Agreement are the “Tenant Improvements”.

a. **Timely Completion of Tenant Improvements.** The Landlord agrees that the timely completion of the Tenant Improvements is a material term of this Lease as the County is relocating its agencies to the Leased Premises to accommodate the County’s space needs. Accordingly, the Landlord agrees that the Tenant Improvements shall be Substantially Complete on or before the Completion Date as defined in the Work Agreement. For purposes of this Lease, the Tenant Improvements shall be considered “Substantially Complete” on the date the certificate of use and

occupancy is issued by the Department of Inspections, Licensing and Permits of Howard County, Maryland ("DILP"). Notwithstanding the foregoing, if the Landlord encounters delays in delivering possession of the Leased Premises to the County due to Events of Force Majeure or delays attributable to the County (including, by way of example and not limitation, on account of changes to the Tenant Improvements requested by the County, except for changes occasioned by re-work needed to resolve identified deficiencies in the Tenant Improvements, or failure to respond to requests for approval of any Tenant Improvements plans or make finish selections in connection therewith within five (5) business days upon receipt from the Landlord) (a "County Delay"), this Lease will not be void or voidable, nor will the Landlord be liable to the County for any loss or damage resulting from such delay, and the Completion Date shall be extended on a day-for-day basis on account of each such delay attributable to an Event of Force Majeure or County Delay. As used herein, the term "Events of Force Majeure" shall mean any delay encountered by the Landlord in carrying out its obligations under this Lease resulting from strikes, lockouts, earthquakes, floods, unavailability of labor, inclement weather, unavailability of standard materials, customary facilities, equipment or supplies, governmental building moratoriums, governmental or administrative action or inaction (including permitting delays), riot, insurrection, mob violence or civil commotion, war, acts of God, delays or inaction by utility providers, delays in the receipt by the Landlord of building materials due to supply chain issues, provided reasonable notice was given to the County by the Landlord with alternative building material options for the County's consideration, or other acts beyond the reasonable control of the Landlord and not due to the Landlord's acts or omissions or financial condition (individually or collectively "Events of Force Majeure").

b. **Landlord's Work**. As used herein, the term "Landlord's Work" shall mean (i) the Tenant Improvements to be completed by the Landlord under the terms of the Work Agreement and (ii) other amenities or improvements to the Building or Property at the Landlord's expense, being in the condition called for as set forth herein, including such improvements required in order for the Building or Property to comply with the Legal Requirements (as defined below in Section 8). All of the Landlord's Work shall be performed by the Landlord and shall comply with all Legal Requirements. The Landlord shall obtain, at the Landlord's expense, and comply with all permits required by the Legal Requirements in connection with the performance of the Landlord's Work (collectively, the "Building Permits"). "Punch List" items, as referred to in this Section 6 are items that will require correction but that will not materially interfere with, or cause a delay to, the County's occupancy of the Leased Premises as contemplated herein. Within fifteen (15) days following the date of delivery of possession of the Leased Premises, the County shall deliver a punch list, if any, to the Landlord. The Landlord agrees to correct all such Punch List items as soon as reasonably practicable, but in any event no later than twenty (20) business days from the date of the Punch List. The Landlord's Work shall be warranted for repair and replacement for a period of two (2) years, as further provided in the Work Agreement. If applicable, the Landlord shall assign to the County all warranties associated with the Tenant Improvements. Such assignment of warranties shall not relieve the Landlord from its obligation to promptly correct any Punch List items or Latent Defects, as defined herein, at no expense to the County. The term "Latent Defect" means any failure

of the Tenant Improvements to comply in any material respect with the Design Intent Plan, as defined in the Work Agreement, which failure was not discoverable with reasonably diligent inspection and inquiry prior to the Commencement Date.

c. **Intentionally Deleted.**

7. **USE.** The County shall use and occupy the Leased Premises for general office space use and other uses permitted by applicable Legal Requirements, subject to Landlord's reasonable approval. The County may allow the State of Maryland's agencies, quasi-governmental agencies, or non-profit entities to use all or a portion of the Leased Premises from time to time, in the County's sole discretion, and such uses shall not be deemed an assignment or subletting of this Lease. The County shall have the right to (i) carry firearms on the Property, and within the Leased Premises, and (ii) have service dogs on the Property, and within the Leased Premises. The County shall be responsible, at its sole cost and expense, for the supervision and care of such firearms and service dogs and shall maintain the same in compliance with all applicable Legal Requirements. Subject to the provisions of Section 10(c)(ii), the County shall indemnify and hold harmless the Landlord from and against all claims, damages, losses, liabilities, judgments, costs and/or expenses arising out of the use or keeping of such firearms and/or service dogs at the Premises, Building, or Project. In no event shall Landlord be liable for any loss, damage, or claim arising out of the County's use and keeping of such firearms and/or service dogs at the Premises, Building, or Project.

8. **LAWS AND REGULATIONS.** The Landlord and the County shall observe and comply with all laws, orders, rules, requirements, ordinances and regulations of the United States the State of Maryland, and Howard County, Maryland, and of all governmental authorities or agencies and of the Insurance Services Offices, Inc. or other similar organization (including the National Board of Fire Underwriters) (collectively the "Legal Requirements"), with respect to the Property, Building and the Leased Premises and the manner in which the Property, Building and Leased Premises are used by the Landlord, the County and, as applicable, other tenants of the Building. In no way limiting the generality of this section, the Landlord and the County shall complete all improvements or alterations to the Property, Building and/or Leased Premises, as applicable, in accordance with the Americans with Disability Act of 1990 (42 U.S.C., Section 12101 *et seq.*) and regulations and guidelines promulgated thereunder, as amended and supplemented from time to time, (collectively the "ADA").

9. **SUBLETTING BY COUNTY.** The Landlord acknowledges that the County may allow agencies of the state of Maryland, quasi-governmental agencies and non-profit entities serving the citizens of the County to utilize a portion of the Leased Premises from time to time, and shall have the right to sublet all or any of the Leased Premises, subject to the terms and conditions of Section 7 above. The County shall provide notice of sublease of Premises to the Landlord.

10. **INSURANCE, SUBROGATION and INDEMNIFICATION.**

a. **County's Self-Insurance.** The Landlord acknowledges that the County is self-insured and will maintain or appropriate reasonable reserves or funds, as the case may be, to cover claims, losses and damages that might arise or be incurred during its occupancy of the Leased Premises which otherwise may be covered by Business Personal Property Insurance covering Special Causes of Loss, Commercial General Liability insurance (written on an occurrence basis) which, unless approved by the Landlord in writing, in no event shall be for coverage less than One Million Dollars (\$1,000,000) combined single limit per occurrence with a One Million Dollar (\$1,000,000) annual aggregate, and Workers' Compensation insurance including Employer's Liability insurance, and, unless approved by the Landlord in writing, such Workers' Compensation insurance shall be for the statutory benefits in the jurisdiction in which the Leased Premises are located.

b. **Landlord's Insurance.** Throughout the term of this Lease, the Landlord shall obtain and maintain:

(i) Real Property Insurance against Special Causes of Loss and said insurance shall be subject to Replacement Cost valuation covering the Building and all of the Landlord's property therein in an amount required by its insurance company to avoid the application of any coinsurance provision, and

(ii) Commercial General Liability insurance (written on an occurrence basis) and said insurance shall include Contractual Liability coverage insuring the obligations assumed by the Landlord under this Lease, Leased Premises and Operations coverage, Personal Injury Liability coverage, Independent Contractor's Liability coverage. Such Commercial General Liability insurance shall be in amounts not less than One Million Dollars (\$1,000,000) combined single limit per occurrence with a Two Million Dollar (\$2,000,000) annual aggregate.

c. **Waiver of Subrogation and Indemnity.**

(i) If either party hereto is paid any proceeds under any policy of insurance naming such party as an insured on account of any loss or damage arising under this Lease, then such party and its insurer hereby releases the other party, to the extent of the amount of such proceeds including applicable deductibles, from any and all liability for such loss or damage, notwithstanding that such loss, damage or liability may arise out of the negligent or intentionally tortious act or omission of the other party, its agents, invitees or employees; provided that such release shall be effective only as to loss or damage occurring while the appropriate policy of insurance of the releasing party provides for the insured's ability to recover thereunder. Each party shall assure that its insurance carriers agree to waive subrogation in the event of a loss.

(ii) Subject to Maryland's Local Government Tort Claims Act, approved budget appropriations and applicable law, the County shall indemnify and hold harmless the Landlord from and against all claims, damages, losses, liabilities, judgments, costs and/or expenses (i) relating to or arising out of the County's sole acts or omissions from the use and occupancy of the Leased Premises, or (ii) due to or arising out of any mechanic's lien filed against the Building, or any part thereof, for labor performed or for materials furnished or claimed to be furnished to the County, which have not been bonded by the County or contested by the County in accordance with the State court procedures. The provisions of this Section shall survive the termination of this Lease for a period of one (1) year with respect to any claims or liability accruing prior to such termination. Nothing contained in this Section 10(c)(ii) or this Lease shall be construed as the County having waived any of the defenses of immunity provided to it under law. As a condition of indemnification, the Landlord agrees to notify the County in writing of any suits, claims or potential claims within ten (10) days of its own notice of such suits, claims or potential claims.

11. **ALTERATIONS.** Except for any improvements required to maintain and repair the interior of the Leased Premises in accordance with this Lease or the installation of trade fixtures, furniture and equipment necessary for the County use of the Leased Premises, the County shall make no alterations, installations, additions or improvements beyond the Landlord's Work in the Leased Premises (herein collectively referred to as "Alterations") in or to the Leased Premises without the Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed in the case of non-structural alterations, and may be withheld in the Landlord's sole and absolute discretion in the case of structural alterations, and then only by contractors or mechanics reasonably approved by the Landlord, and at such times and in such manner as the Landlord may from time to time reasonably designate.

Subject to the terms, conditions and requirements of this Section 11, the County may install, at its sole cost and expense, a security system and card reader system for the Premises, subject to Landlord's prior approval of the complete plans and specifications for the security/card reader system, such approval to not be unreasonably withheld, conditioned or delayed. The County shall provide Landlord with such access cards, access codes or other means of entry to the Premises as Landlord deems necessary to provide Landlord access to the Premises. The County shall be responsible for the maintenance of the security system and shall cause the security system to be removed at the expiration of this Lease. The County, at its sole cost and expense, shall repair any damage to the Property caused by the removal of the security system and all equipment associated therewith and shall restore the Property to the same condition as existed prior to the installation of the security system and any associated equipment, reasonable wear and tear excepted.

## 12. **REPAIRS AND MAINTENANCE.**

a. **Maintenance of Interior of Leased Premises.** The County shall maintain the interior of the Leased Premises and the Existing Cubicles (as defined in the Work Agreement) in good order and condition, ordinary wear and tear excepted. The

County shall be responsible for the repair and maintenance of any security system serving the Leased Premises. During the Term or any applicable Option Period, the County shall, at its own cost, have the right, to (i) extend the County's fiber optic service to the Leased Premises; and (ii) obtain cable service in the County's own name to the Leased Premises. The County shall be responsible, at its sole cost and expense, for maintaining such fiber optic cable installed by the County, removing the same upon the expiration or earlier termination of the Term and making any repairs necessitated in connection with such removal.

b. **Maintenance of Building and Exterior of Leased Premises.** The Landlord shall maintain, repair and replace, as applicable, all (i) windows, exterior walls, exterior lighting, exterior doors, (ii) common areas, including the core restrooms and the existing drinking fountains that are within the core of the Building, the roof (and ceiling to the extent of any impacts to the ceiling within the Leased Premises) and the exterior of the Building, as well as the structure thereof, (iii) landscaped areas, (iv) the parking facilities, private drives and ways and sidewalks, and (v) HVAC equipment, HVAC system and associated HVAC system components in accordance with Section 13(b) herein, so that the Leased Premises, the Building and the Property remain in good order and repair, reasonable wear and tear excepted, and safe for occupancy and use. Such repair and maintenance shall include the seasonal services of landscaping and grass cutting of the Property and the removal of snow and ice from driveways, parking areas, and sidewalks, as needed. Notwithstanding the foregoing, to the extent required for the County's operations the County may clear snow or driveways, parking areas, and sidewalks and the Landlord shall reimburse the County for the cost of such work as a setoff to the next month's rent. If the Landlord does not initiate any required maintenance, repairs, or replacements within one (1) business day following written notice from the County and thereafter diligently pursue such required maintenance, repairs, or replacements to completion the County shall have the right to perform such maintenance, repair or replacement, and recoup the cost of such work plus five percent (5%) as a reduction in the next due monthly installment of Annual Rent.

c. **Refurbishment of the Leased Premises.** After proper and timely exercise of the first Extension Option by the County pursuant to section 2.b of the Lease, provided the County is not in default beyond applicable notice and cure periods, the Landlord agrees to provide an allowance of Ten Dollars (\$10.00) per square foot (\$164,160.00) at the end of the Initial Term for the refurbishment of the Leased Premises, including, but not limited to repainting and re-carpeting the Leased Premises and moving any associated systems furniture.

13. **SERVICES.** All the Landlord's services are to be provided to the Leased Premises twenty- four (24) hours per day three hundred sixty-five (365) days per year, subject to Force Majeure or any casualty or condemnation event.

a. **Electricity.** The Landlord shall furnish the Property, Building, Project and Leased Premises with electricity and the electricity supplied to the Leased Premises shall be suitable for general office use at no additional charge to the County.

b. **HVAC.** The Landlord, at Landlord's sole cost and expense, shall provide heating and air conditioning to the entire Leased Premises during business standard hours, which are 7:00 a.m. to 6:00 p.m., Monday-Friday, and 8:00 a.m. to 12 p.m. on Saturdays ("Business Hours"). The Landlord and the County expressly acknowledge and agree that as of the date of this Lease, the rate for HVAC services outside of the Business Hours is Sixty Dollars (\$60.00) per hour during the Term (the "HVAC After-Hours Rate") with a one-time programming fee of One Hundred Dollars (\$100.00). The Landlord shall invoice the County for each HVAC After-Hours Rate and shall specify on the invoice the amount due and number of hours outside of the Business Hours. The County shall pay the Landlord within sixty (60) days following receipt by the County of an invoice with the itemized costs for the HVAC After-Hours Rate. The Landlord shall maintain, repair and replace, at the Landlord's sole cost and expense, and using qualified licensed personnel, the Building HVAC system, equipment, and associated system components, and one (1) supplemental HVAC unit to serve the County's IT room, which supplemental HVAC unit shall be installed by Landlord as part of Landlord's Work, such that heating and air conditioning are supplied to the Building and the Leased Premises for the comfortable use and occupancy of the Leased Premises. The temperature of the Leased Premises shall be in accordance with the County standards for thermostat set points during the Term.

In addition, the County may, at the County's expense, install, monitor and control by the County's building automation system, special purpose HVAC units ("Special Purposes HVAC") to serve special equipment within the Leased Premises, provided such Special Purpose HVAC system (a) meets applicable building standards and codes, (b) shall be separately metered/submetered and the cost of such electricity shall be at the County's sole cost and expense, and (c) subject to Landlord's prior approval, such approval not to be unreasonably withheld, conditioned or delayed. The County shall be responsible, at its sole cost and expense, for the installation and equipment costs for any such Special Purpose HVAC units installed by the County after the Commencement Date and for the repair and maintenance (and replacement) thereof, and the County shall have the right to retain any Special Purpose HVAC installed by the County after the Commencement Date upon the expiration of the Term. If the County elects to remove any such Special Purpose HVAC upon the expiration or earlier termination of the Term, then such removal shall be at the County's sole cost and expense and the County, at its sole cost and expense, shall repair any damage to the Property caused by the removal of any Special Purpose HVAC system and all equipment associated therewith and shall restore the Building and Property to the same condition as existed prior to the installation of the Special Purpose HVAC system and any associated equipment, reasonable wear and tear excepted.

c. **Water and Sewer.** The Landlord shall maintain and supply adequate water and sewer services for the Building, including without limitation the Leased Premises.

d. **Low Voltage System.** The County shall contract directly for the installation and maintenance of its voice and data systems and a telecommunications service provider for all phone, internet and network services. The County shall contract



directly for installation and maintenance of its access control, intrusion detection, and closed-circuit television systems.

The County and the Landlord shall coordinate during the period of the Landlord's Work to determine if voice and data installation should take place during this time. The Landlord shall have reasonable approval rights for wiring installation.

The County shall be permitted, at the County's sole cost and expense, to install exterior security cameras and exterior card access readers on exterior doors of the Leased Premises located in the rear of the Leased Premises as deemed necessary by the County to accommodate the County's use of the Leased Premises, subject to Landlord's reasonable approval with respect to the same, and provided that any such installation shall be performed in a good and workmanlike manner by duly licensed and insured contractors approved by Landlord and in accordance with Legal Requirements and plans approved by Landlord. The County will coordinate placement with the Landlord. The County shall remove any such exterior equipment upon the expiration or earlier termination of the Term, restore the affected area to its original condition, reasonable wear and tear excepted, and repair any damage caused in connection with such removal. The Landlord's approval shall not constitute any representation or warranty by the Landlord that the installations are complete or sufficient for the County's purposes or complying with any Legal Requirements.

e. **Miscellaneous; Janitorial.** At its sole cost and expense, the Landlord shall furnish, supply and maintain, repair and replace, as applicable, all hallways, light fixtures (including light bulbs), stairways, lobbies, restroom facilities within the core of the Building, and maintain the Building grounds, parking facilities and other common areas of the Property and Project in a safe and sanitary condition. The Landlord shall use its commercially reasonable efforts to clear snow and ice from the driveways and sidewalks within the Project in a manner to allow the continued business operations of the County. Janitorial services for the Leased Premises shall be provided by the Landlord, in Landlord's standard manner Monday through Friday exclusive of legal holidays, at no additional cost to the County. Any person performing cleaning and janitorial services in the Leased Premises shall be subject to a criminal background investigation performed by the County at its expense. Any person not passing such investigation shall not be permitted to enter the Leased Premises. The County shall have the right to use any of the Landlord's on-site dumpsters for trash and/or recycling.

f. **Loss of Service.** The Landlord shall have no liability or responsibility to supply heat, air conditioning, plumbing, cleaning, and/or electric service, when prevented from so doing by laws, orders or regulations of any Federal, State, County or Municipal authority or by strikes, accidents, or by any other cause whatsoever, beyond the Landlord's control and shall have no liability whatsoever for any interruptions in utility services. Notwithstanding the foregoing, if any of the foregoing services is interrupted due solely to the non-payment, gross negligence or willful misconduct of the Landlord such that the County cannot and does not reasonably conduct its permitted use in the Leased Premises from the standpoint of prudent business management and the

interruption continues for more than (1) one business day following the Landlord's receipt of notice from the County, then Annual Rent shall abate as to the portion of the Leased Premises rendered unusable during the period beginning on business day of the interruption and ending on the date the service is restored. The County shall have the right to install a portable generator in a mutually agreeable location on the Property to service the Leased Premises in the event of loss of electric service. The County shall be responsible for the installation, maintenance, and removal of a generator, including any necessary repairs needed as a result of the removal. Notwithstanding the foregoing, the County shall be permitted, solely at the option of the County, to leave or remove any equipment that comprise the generator system, including, but not limited to any equipment pad, transfer switch, or conductors. For the avoidance of doubt, the Landlord and the County acknowledge and agree that said generator shall not be a substitute for the Landlord's requirement to provide back-up for life safety systems.

14. **DEFAULT.** If the County fails (i) to pay installments of Annual Rent and such failure continues for ten (10) days after the Landlord has given written notice to the County, or (ii) to perform any other material obligation of the County under this Lease and such failure continues for thirty (30) days after the Landlord has given written notice to the County then, upon the happening of such event the Landlord may terminate the Lease and repossess the Leased Premises and be entitled to recover as damages a sum of money equal to the total of the following amounts: (a) any unpaid rent or any other outstanding monetary obligation of the County to the Landlord under the Lease for the remainder of the then current Term of the Lease and (b) all reasonable costs incurred in recovering the Leased Premises, and restoring the Leased Premises to good order and condition. The foregoing shall not limit any other remedies the Landlord may have as a result of such default, it being acknowledged and agreed that the Landlord shall be entitled to all remedies available at law and equity for any default by the County hereunder.

15. **DAMAGE.** In the case of the total destruction of the Leased Premises by fire, other casualties, the elements, or other cause, or of such damage thereto as shall render the same totally unfit for occupancy by the County for more than one hundred twenty (120) days, upon surrender and delivery to the Landlord by the County of the Leased Premises, together with the payment of the Annual Rent to the date of such occurrence, this Lease shall terminate, and the parties shall have no further obligations or liabilities under this Lease from the date of said termination, except as provided for in provisions of this Lease which by their terms survive the expiration or earlier termination of the Term. If the Leased Premises are rendered partly untenable by any cause mentioned in the preceding sentence, the Landlord shall, at its own expense, within one hundred twenty (120) days from the date of the damage restore the Leased Premises with reasonable diligence, including without limitation modifications required by zoning and building codes and other laws or by the holder of a mortgage on the Building, and the rent shall be abated proportionately for the period of said partial untenability and until the Leased Premises are fully restored by the Landlord to the prior or better condition.

In the event of an emergency (being defined as an imminent threat of personal injury to the County's employees or material damage to the County's equipment or other property

at the Leased Premises), the County shall have the right to make such emergency repairs to the roof, foundation, interior and exterior walls, and floors, including, but not limited to the replacement of carpet and drywall from any water damage, of the building of which the Leased Premises are a part, or the roof membrane, skylights, roof vents, drains and downspouts of the Property, and the exterior and under slab utility systems for the Property, as may be reasonably necessary to prevent such material damage to the equipment or property of the County situated in the Leased Premises, or such personal injury to the County's employees, provided the County has no reasonable alternative and has notified or attempted in good faith to notify the Landlord's representative of such emergency by telephone (with subsequent written notice as soon as practicable). The provisions of this paragraph do not constitute an authorization by the Landlord for the County to enter the premises of any other tenant of the Property, and the County has not been designated as the Landlord's agent for the purposes of any such entry. The Landlord shall reimburse the County for the reasonable, out-of-pocket costs incurred by the County in making such emergency repairs to the roof, foundation or exterior walls, as applicable, up to (but not to exceed) Fifty Thousand Dollars (\$50,000.00) with respect to each such occurrence, within thirty (30) days after submission by the County to the Landlord of an invoice therefor, accompanied by reasonable supporting documentation for the costs so incurred.

Notwithstanding the terms of the foregoing paragraph, the Landlord may elect not to rebuild and/or restore the Leased Premises and/or Building and instead terminate this Lease by notifying the County in writing of such termination within sixty (60) days after the date of damage, such notice to include a termination date giving the County ninety (90) days, from the date of said notice, to vacate the Leased Premises. Notwithstanding the foregoing, the Landlord may elect this option of termination only if the Building is damaged by fire or other casualty or cause, whether or not the Leased Premises are affected, and one or more of the following conditions are present: (i) repairs cannot reasonably be completed within one hundred twenty (120) days from the date of destruction or damage (when such repairs are made without the payment of overtime or other premiums), (ii) the holder of any mortgage on the Building or ground or underlying lessor with respect to the Property and/or the Building shall require that the insurance proceeds or any portion thereof be used to retire the mortgage debt, or shall terminate the ground or underlying lease, as the case may be, or (iii) the destruction or damage is not fully covered, except for deductible amounts, by the Landlord's insurance policies. In addition, if the Leased Premises or the Building is destroyed or damaged to any substantial extent during the last Lease Year, then notwithstanding anything contained in this Section, the Landlord or the County shall have the option to terminate this Lease by giving written notice to the other of the exercise of such option within thirty (30) days after such damage or destruction, in which event this Lease shall terminate as of the date of such notice. Upon any such termination of this Lease pursuant to this section, the County shall pay the Annual Rent properly apportioned up to such date of destruction or damage, and thereafter both parties hereto shall be released and discharged of all further obligations or liabilities hereunder, except as provided for in the provisions of this Lease which by their terms survive the expiration or earlier termination of the Term.

16. **PARKING, GROUNDS AND ADDITIONAL AMENITIES.** During the Term, the County, at no additional charge, shall have the non-exclusive right to use up to ninety-one (91) parking spaces (based on a parking ratio of 5.5 standard parking spaces per 1,000 square feet of Premises) in the parking lot serving the Building on a non-exclusive basis in common with others on a first-come, first-served basis. The County may park operable vehicles in areas of the Project and Property designated for non-reserved parking and shall have the right to utilize the electric charging stations within the Property and Project. The Landlord shall permit, at the County's sole risk and the Landlord shall have no liability whatsoever, including, but not limited to, damage or theft, the County to install around the perimeter of the parking lot serving the Building, in a location to be reasonably agreed upon by the Landlord and the County, and maintain, at the County's sole cost and expense, (a) bike racks, propane and charcoal grills, and outdoor seating areas on the grounds adjacent to the Building in a location approved by the Landlord, such approval not to be unreasonably withheld, conditioned or delayed, and (b) subject to the approval of applicable governmental or quasi-governmental authorities and any third parties with approval rights (which approvals shall be obtained by the County at the County's sole cost and expense, electric car parking equipment and plug-ins (which electric car parking equipment and plug-ins shall be designated for the County's exclusive use) and signage designating such plug-ins as exclusive for the County's use (the "County Electric Car Charger Equipment and Signage"), provided that: such County Electric Car Charger Equipment and Signage shall be in a mutually agreeable location and shall be separately metered/submetered and the cost of such electricity shall be at the County's sole cost and expense. The installation of the County Electric Car Charger Equipment and Signage shall be performed in a good and workmanlike manner by duly licensed and insured contractors approved by Landlord and in accordance with applicable laws and plans approved by Landlord The County shall remove any such County Electric Car Charger Equipment and Signage upon the expiration or earlier termination of the Term, restore the affected area to its original condition, reasonable wear and tear excepted, and repair any damage caused in connection with such removal. Landlord's approval shall not constitute any representation or warranty by Landlord that the installations are complete or sufficient for the County's purposes or complying with any Legal Requirements. In addition to other related amenities as set forth in this Lease, the County shall have the right to use, free of charge, and subject to availability for the duration of the Term and any applicable Option Period, the two (2) conference rooms, break-out room, and fitness facility located at the Building as long as the Landlord (or Landlord's affiliate) is providing these amenities to all tenants in the Project, and any additional facilities in subsequent years serving the Building, Property and Project, subject to the rules and regulations for access to and use of such amenities established by Landlord from time to time. Usage of the conference rooms and break-out shall be on a first come, first served basis at no additional cost to the County. The County must submit its request to reserve the conference rooms and break-out room to Landlord's property manager.

17. **SIGNS.** The Landlord, at the Landlord's sole expense shall provide the County, with building standard-signage on the Building's entrance directory and/or suite entry door if required by the County. If, during the Term, the Landlord installs a canopy in

the rear of the Building, then the County shall be permitted to have the Building standard signage on such canopy.

18. **LANDLORD'S RIGHT OF ENTRY.** Upon twenty-four (24) hours prior notice and provided that an employee of the County (including emergency personnel) is present on the Leased Premises the Landlord, and its agents, servants, and employees, including any builder or contractor employed by the Landlord, shall have, upon reasonable advance notice to the County, the right, license and permission, at any and all reasonable times, (i) to inspect the Leased Premises for maintenance and repair, or (ii) to make any alteration, improvement or repair to the Leased Premises. Notwithstanding the foregoing, (i) the Landlord, and its agents, servants, and employees, including any builder or contractor employed by the Landlord, shall not interfere with the business or operations of the County, and (ii) if the County is conducting sensitive, confidential matters, or case work at the time planned for an entry by the Landlord or anyone acting by, through or under the Landlord, then the Landlord shall reschedule such entry with the County to a mutually agreeable date and time. The Landlord represents and warrants that any persons entering the Leased Premises on behalf of the Landlord shall have passed a security screening performed by or on behalf of the Landlord, and approved by the County, except for those persons who are entering the Leased Premises for routine maintenance and are accompanied by the County.

19. **EXPIRATION.** It is agreed that the Term expires on the Term Expiration Date, without the necessity of any notice by or to any of the parties hereto. If the County occupies the Leased Premises after such expiration, it is understood that, in the absence of any written agreement to the contrary, the County shall hold the Leased Premises as a holdover "Tenant from month to month", subject to all the other terms and conditions of this Lease, at the highest monthly rental installments reserved in this Lease or agreed to by the Landlord and the County in writing with respect to the Option Period, if applicable; provided that the Landlord shall, upon such expiration, be entitled to the benefit of all public general or public local laws relating to the speedy recovery of the possession that may be now in force or may hereafter be enacted, excluding the recovery of consequential damages. As used in this Lease, a "month-to-month" tenancy shall mean that during such period either the Landlord or the County may terminate this Lease upon thirty (30) days' written notice to the other party.

Not more than seven (7) days prior to expiration, the County agrees to schedule an inspection with the Landlord to confirm that the Leased Premises will be in the condition as provided in this Lease.

20. **CONDEMNATION.** It is agreed in the event that condemnation proceedings are instituted against a material portion of the Leased Premises and title taken by any Federal or State agency, or the County, then this Lease shall terminate at the date of settlement of condemnation proceedings and the County shall not be entitled to recover any part of the award which may be received by the Landlord, except to the extent of any specific award for the County's leasehold improvements, provided that such

award shall be made in addition to, and stated separately from, the award made for the Building, the Project and the Leased Premises.

21. **SUBORDINATION; REORDATION OF LEASE.** The Landlord shall, at the Landlord's cost and expense use its best efforts to obtain a subordination, non-disturbance and attornment agreement from its current lender holding a deed of trust on the Leased Premises on such lender's standard form, subject to such commercially reasonable modifications as the County and such lender shall mutually agree upon. The parties hereto agree that this Lease shall not be recorded among the Land records of Howard County; however, a memorandum of this Lease may be recorded in the land records of Howard County at the County's cost. For the avoidance of doubt, Landlord's obligation to pay any expense in connection with obtaining a subordination non-disturbance and attornment agreement hereunder shall be limited to payment of any fee charged by Landlord's lender in connection with providing such agreement. Landlord shall have no obligation to negotiate the form of any such agreement if the County and such lender disagree with respect to the form or content of a proposed agreement but shall use best efforts (at no expense to Landlord) to act as a liaison between the County and such lender in the negotiation of such agreement, provided, however, that Landlord shall not assume any further responsibilities or incur any liabilities in connection therewith.

22. **NOTICES.** Any written notice required by this Lease shall be deemed sufficiently given, on the day it is hand delivered if there is a verified signed receipt, or within three (3) business days if sent via first class mail, postage pre-paid, certified mail and there is a signed return receipt, or on the next business day if sent by overnight courier service if there is a verified signed receipt.

Any notice required by this Lease is to be sent to the Landlord at:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Any notice required by this Lease is to be sent to the County at the Leased Premises with a copy to:

Chief Real Estate Services Division  
Department of Public Works  
George Howard Building  
3430 Court House Drive  
Ellicott City, Maryland 21043

Chief of Bureau of Facilities  
Department of Public Works  
9200 Berger Road

23. **REMEDIES NOT EXCLUSIVE.** No remedy conferred upon either the Landlord or the County at law or in equity shall be considered exclusive of any other remedy, but shall be in addition to every other remedy available to the Landlord or the County as to claims arising under this Lease. Every remedy available to the Landlord or the County may be exercised concurrently or from time to time, as often as the occasion may arise.

24. **WAIVERS.** It is understood and agreed that nothing shall be construed to be a waiver of any of the terms, covenants and conditions herein contained, unless the same be in writing, signed by the party to be charged with such waiver, and no waiver of the breach of any covenant shall be construed as the waiver of the covenant or of any subsequent breach thereof.

25. **PERFORMANCE.** It is agreed that the failure of either the Landlord or the County to insist in any one or more instances upon a strict performance of any covenant of this Lease or to exercise any right provided for herein shall not be construed as a waiver or relinquishment for the future of such covenant or right, but the same shall remain in full force and effect, unless otherwise expressed in writing and signed by the party to be charged with such waiver.

26. **FINAL AGREEMENT.** This Lease contains the final and entire agreement between the parties hereto, and neither they nor their agents shall be bound by any terms, conditions or representations not herein written.

27. **QUIET ENJOYMENT.** The County, upon paying the Annual Rent , and other charges herein provided, and observing and keeping all of its covenants, agreements, and conditions in this Lease, shall have the right of quiet enjoyment to the Leased Premises during the Term without hindrance or molestation by anyone claiming by, through or under the Landlord, subject, however, to the terms of this Lease and to matters of public record existing as of the date of this Lease.

28. **ESTOPPEL CERTIFICATE.** Within fifteen (15) business days following a request in writing by the Landlord, the County shall execute and deliver to the Landlord an estoppel certificate, which, as submitted by the Landlord, shall be substantially in the form of **Exhibit D** attached hereto and incorporated herein (or such other form as reasonably may be required by any prospective mortgagee or purchaser of the Property, or any portion thereof), indicating any exceptions thereto that may exist at that time, and shall also contain any other information reasonably requested by the Landlord or the Landlord's mortgagee or prospective mortgagee or purchaser.

29. **ENVIRONMENTAL REQUIREMENTS.** The County shall not use or allow another person or entity to use any part of the Leased Premises for the storage, use, treatment, manufacture or sale of Hazardous Material. The Landlord acknowledges, however, that the County will maintain products in the Leased Premises which are

incidental to the operation of its general office use, including, without limitation, photocopy supplies, secretarial supplies and limited janitorial supplies, which products contain chemicals which are categorized as Hazardous Materials. The Landlord agrees that the use of such products in the Leased Premises in the manner in which such products are designed to be used and in compliance with applicable laws shall not be a violation by the County of this section. As used in this Lease, the term "Hazardous Materials" shall mean any substance that is or contains petroleum, asbestos, polychlorinated biphenyls, lead, or any other substance, material or waste which is now or is hereafter classified or considered to be hazardous or toxic under any federal, state or local law, rule, regulation or ordinance relating to pollution or the protection or regulation of human health, natural resources or the environment (collectively, "Environmental Laws").

The County shall, at the County's sole cost and expense: (i) be responsible for and promptly pay when due the charges for all for the proper treatment, handling, removal and disposal from the Leased Premises and the Building and Project, of all infectious and/or hazardous medical waste as the same may be determined from time to time by applicable Legal Requirements arising from the County's activities in the Leased Premises ("Medical Waste"); (ii) cause all Medical Waste to be segregated from all other trash and refuse, and comply with all requirements reasonably imposed by Landlord and all Legal Requirements regarding the storage and disposal of Medical Waste; and (iii) provide for proper disposal of Medical Waste using a reputable, duly licensed and insured Medical Waste removal provider. In the event that any Medical Waste is introduced to the Leased Premises, Building or Project by the County, its agents, employees, guests or invitees, then the County shall remove the same and cause the area to be sanitized in accordance with applicable Legal Requirements. Landlord and its agents shall not be responsible for the treatment, handling, removal or disposal of Medical Waste, nor shall Landlord incur any liability to the County or any other parties, or any governmental agency or division thereof, relating to same.

30. **BROKERS.** The Landlord and the County hereby warrant to each other that it has not dealt with any broker, agent or finder entitled to any commission, fee or other compensation by reason of the execution of the Lease, except that the County has retained Chartwell Enterprises, LLC as the County's broker ("County's Broker") and that they know of no other real estate agent, broker or agent who is entitled to a commission or fee in connection with this Lease. The Landlord shall pay County's Broker in accordance with the terms of a separate commission agreement entered into between the Landlord and County's Broker. Each party agrees to indemnify and defend the other party against and hold the other party harmless from any and all claims, demands, losses, liabilities, lawsuits, judgments, and costs and expenses with respect to any leasing commission or equivalent compensation alleged to be owing on account of the indemnifying party's dealings with any real estate broker or agent other than the Broker. The County's indemnification obligations under this section are qualified by the provisions set forth in Section 10( c )(ii) of this Lease.

### 31. **GENERAL**



a. **Governing Law**. The provisions of the Lease shall be governed by the laws of the Howard County and the State of Maryland, without reference to its conflict of laws' provisions. The Landlord agrees that any dispute arising under this Lease shall be filed in the Circuit Court of Maryland for Howard County.

b. **Efficiency Standards**. The Landlord shall endeavor to maintain current International Building Code efficiency standards for all fixtures in the Leased Premises; to detect and repair leaks in distribution lines and plumbing fixtures; to retrofit or replace fixtures as required; to manage system pressure so as to reduce usage; and when feasible, install efficient landscape design and irrigation techniques and wastewater reclamation and recycling of water for non-potable applications.

c. **Political Contribution Disclosure**. The Landlord shall comply with Sections 14-101 through 14-108 of the Election Law Article of the Annotated Code of Maryland.

d. **Intentionally Deleted**.

e. **Retention of Records**. The Landlord shall retain and maintain all records and documents relating to this Lease for three years after final payment by the County hereunder or for such time period specified under any applicable statute of limitations, whichever is longer, and shall make said records available for inspection and audit by authorized representatives of the County or its designee, at all reasonable times.

f. **Representations and Warranties**. The Landlord hereby represents and warrants that:

(i) It is qualified to do business in and in good standing with the State of Maryland and that it will take such action as, from time to time hereafter, may be necessary to remain so qualified;

(ii) It is not in arrears with respect to the payment of any monies due and owing Howard County, Maryland or the State of Maryland, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Lease;

(iii) It shall comply with all federal, state and local laws, regulations, and ordinances applicable to its activities and obligations under this Lease; and

(iv) It shall obtain at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Lease.

g. **Addendum**. The Landlord agrees to fully complete, execute and/or comply with the exhibits, affidavits and addenda that are attached to the Lease and fully incorporated as a part of the Lease by reference thereto.

h. **Lease Amendments.** The Lease may be amended, but only in writing, signed and executed with all formalities and signatures with which this Lease is signed and executed.

i. **Interpretation.** As used herein, all references made (a) in the neuter, masculine or feminine gender shall be deemed made in all such genders, (b) in the singular or plural number shall be deemed made in the plural or singular number as well, (c) to the Landlord or the County shall be deemed to refer to each person so named above and its successors and assigns, and (d) to a Section, subsection, paragraph or subparagraph shall, unless expressly stated to the contrary therein, be deemed made to such part of this Lease. The headings of such parts are provided herein only for convenience of reference, and shall not be considered in construing their contents. Any writing or plat referred to herein as being attached hereto as an exhibit or otherwise designated herein as an exhibit hereto is hereby made a part hereof. The Lease may be signed in counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same document.

j. **Public Information Act.** The County is subject to the Maryland Public Information Act, which requires public access to most of the County's records and documents, such as this Lease.

32. **INTENTIONALLY DELETED.**

33. **RIGHT OF FIRST OFFER TO LEASE.**

a. Subject to tenants that already have preferential rights prior to the execution of this Lease and provided no default has occurred and further provided that the Building remains under common ownership with the Leased Premises, the County shall have a one-time right of first offer with respect to any contiguous first (1<sup>st</sup>) floor space that becomes available for lease in the Building (the "Offer Space"), subject to the same terms and conditions of this Lease, before such space is leased to any third party, and provided at least three (3) years remain under the Term of the Lease.

b. The Landlord shall offer the Offer Space to the County upon the same terms, covenants and conditions as provided in this Lease for the Leased Premises, except that (a) the Annual Rent, the County's payment of expenses, and the tenant improvement allowance (subject to adjustment as provided herein) and other economic terms may be adjusted as agreed upon between the Landlord and the County and (b) the parties shall negotiate a work letter addressing the procedure for preparation and approval of the plans for any tenant improvements in the Offer Space, as well as the construction thereof (the "Offer"). If the Offer is for a longer period than remaining under this Lease, the term of the lease of the Offer Space shall be co-terminous with the Term of the Lease, and the Annual Rent rates, tenant improvement allowances and other concessions set forth in the Offer shall be adjusted, as the Landlord shall determine, to reflect any lesser term remaining under the Term of the Lease. Except for any tenant allowance contained in the Offer, the

County shall accept the Offer Space "As-Is," and the County shall have no further rights with respect to the Offer Space. For avoidance of doubt, if the County exercises this Right of First Offer, the County shall be required to lease the entire space referred to in the Offer, not just the portion thereof which is part of the Offer Space, unless the Landlord elects, in its sole and absolute discretion, to only lease the County the portion thereof located within the Offer Space.

c. If the County notifies the Landlord in writing of the acceptance of the Offer within ten (10) business days (the "Offer Period") after the Landlord has delivered the Offer to the County, the Landlord and the County shall enter into a written agreement modifying and supplementing the Lease and specifying that such Offer Space accepted by the County is a part of the Leased Premises, and containing other appropriate terms and conditions relating to the addition of the Offer Space to this Lease (including specifically any increase or adjustment of the rent as a result of such addition). If the County exercises the right to lease the Offer Space, the parties acknowledge that said lease requires approval by the County Council of Howard County as a multi-year obligation, and the rent on the Offer Space shall commence the later of thirty (30) days after said lease is approved by the County Council of Howard County as a multi-year obligation, or the date the Offer Space is available for occupancy, and shall continue for the duration of the Term of the Lease.

d. If the County does not notify the Landlord in writing of its acceptance of the Offer in the Offer Period, the Landlord shall thereafter be able to lease the applicable portion of the Refusal Space to others upon such terms and conditions as the Landlord may determine.

[Signatures follow on next page.]

IN WITNESS WHEREOF, the parties execute this lease, under seal, the day and year first above written:

**LANDLORD:**

**WITNESS/ATTEST:**

\_\_\_\_\_

\_\_\_\_\_, **LLC**  
a Maryland limited liability company

By: \_\_\_\_\_ (SEAL)

Name: \_\_\_\_\_

Title: \_\_\_\_\_

[Member and Authorized Signatory]

**ATTEST:**

**HOWARD COUNTY, MARYLAND**

\_\_\_\_\_  
Brandee Ganz  
Chief Administrative Officer

By: \_\_\_\_\_(SEAL)  
Calvin Ball  
County Executive

**APPROVED:**

\_\_\_\_\_  
Gregory J. Der  
Chief of Police

**RECOMMENDED FOR APPROVAL:**

\_\_\_\_\_  
Yosef Kebede, Director  
Department of Public Works

**APPROVED FOR SUFFICIENCY OF FUNDS:**

\_\_\_\_\_  
Rafiu O. Ighile, Director  
Department of Finance

Approved for Form and Legal Sufficiency  
on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_:

\_\_\_\_\_  
Gary W. Kuc  
County Solicitor

Reviewing Attorney:

\_\_\_\_\_  
Morenike Euba Oyenusi  
Senior Assistant County Solicitor

**EXHIBIT A**  
**DEPICTION OF LEASED PREMISES**

**EXHIBIT B**  
**DECLARATION OF COMMENCEMENT DATE**

This Declaration of Commencement Date is made as of \_\_\_\_\_, 20\_\_, by \_\_\_\_\_ ("Landlord"), and \_\_\_\_\_ ("County"), who agree as follows:

1. Landlord and County entered into a Lease Agreement dated \_\_\_\_\_, 20\_\_ (the "Lease"), in which Landlord leased to County, and County leased from Landlord, certain Leased Premises described therein in the office building located at \_\_\_\_\_ (the "Building"). All capitalized terms herein are as defined in the Lease.

2. Pursuant to the Lease, Landlord and County agreed to and do hereby confirm the following matters as of the Commencement Date of the Term:

- a. the Commencement Date of the Lease is \_\_\_\_\_;
- b. the Initial Term Expiration Date of the Lease is \_\_\_\_\_;
- c. the number of rentable square feet of the Leased Premises is \_\_\_\_\_;
- d. Intentionally Deleted;

3. County confirms that:

- a. it has accepted possession of the Leased Premises as provided in the Lease but subject to all the terms thereof;
- b. Landlord has fulfilled all of its obligations under the Lease as of the date hereof except as follows: \_\_\_\_\_; and
- c. the Lease is in full force and effect and has not been modified, altered, or amended, except as follows.

4. The provisions of this Declaration of Commencement Date shall inure to the benefit of, or bind, as the case may require, the parties hereto and their respective successors and assigns, and to all mortgagees of the Building, subject to the restrictions on assignment and subleasing contained in the Lease, and are hereby attached to and made a part of this Lease.

**LANDLORD:**

\_\_\_\_\_, limited  
liability company

**EXHIBIT C**  
**WORK AGREEMENT**

The Landlord shall, at the Landlord's sole cost and expense, provide the County a turn-key project to include the following Tenant Improvements detailed on the Design Intent Plan, attached hereto as Exhibit C-1 (the "Plan"), utilizing the Building standard materials and complying with the Building standards for construction set forth on Schedule 1 attached hereto, and will provide all HVAC, mechanical, plumbing, electrical systems, roof, in good working order (collectively the "Tenant Improvements"). In addition, **the Landlord agrees that time is of the essence for the completion of the Tenant Improvements and the delivery of the possession of the Leased Premises to the County no later than July 1, 2025 (the "Completion Date"), subject to any Event of Force Majeure or County Delay as provided in Section 6(a) of the Lease. The Landlord and County agree that if the delivery of the possession of the Leased Premises to County does not occur on or before the Completion Date, and subject to: (i) having a fully executed Lease and final approval of construction drawings by August 31, 2024, (ii) Events of Force Majeure, and (iii) County Delay, the Landlord shall pay to the County liquidated damages in an amount equal to one-thousand five-hundred Dollars (\$1,500.00) per day until delivery of the possession of the Leased Premises to the County. The Landlord shall promptly apply for the Building Permits within thirty (30) days following the County's execution and delivery of this Lease and final approval by the parties of construction drawings to allow (i) reasonable time for the permit review period by DILP, and (ii) any re-work required by the Landlord to correct any deficiencies identified by DILP in order to receive the Building Permits by September 30, 2024 (the "Permit Review Period"). Notwithstanding the foregoing, if the Landlord does not receive the Building Permits by September 30, 2024 (the "Outside Permit Date") due to a delay of DILP, Events of Force Majeure or any County Delay, the Landlord shall notify the County in writing within one (1) business day following such Outside Permit Date of such delay, and the Completion Date shall be extended for one (1) calendar day for each calendar day the Building Permits are delayed. For the avoidance of doubt, any delay occasioned by re-work needed to resolve identified deficiencies in the Permit Review Period shall not be considered a delay of DILP as set forth above.**

The Landlord shall:

1. Develop Construction Documents for the turn-key renovations, providing periodic interim submissions to the County for review and comment.
2. File for and obtain Building Permit.
3. Provide for the Program of Spaces in accordance with the Plan and Schedule B-1.
4. Assemble existing cubicles (the "Existing Cubicles") in accordance with the Plan, which cubicles shall be delivered with the Leased Premises in as-is condition and without any representation or warranty with respect to quality, quantity, merchantability, title, marketability, fitness or suitability for a particular purpose. The



County shall have the right to use the Existing Cubicles during the Term at no additional charge. The County shall remove the Existing Cubicles upon the termination of this Lease.

(a) If the County shall desire any changes to the Tenant Improvements, the County shall advise the Landlord in writing and the Landlord shall determine whether such changes can be made in a reasonable and feasible manner. All costs of reviewing any requested changes, and all costs of making any changes to the Tenant Improvements which the County may request and which the Landlord may agree to shall be at the County's sole cost and expense and shall be paid to the Landlord upon demand and before execution of the change order.

(b) Subject to applicable Legal Requirements and pursuant to Section 3(a) of this Lease, the County shall be allowed to install its improvements, trade fixtures or other property on the Leased Premises during the final stages of the Landlord's construction provided that the County does not interfere with completion of construction or cause any labor dispute.

(c) All items of the Tenant Improvements, whether or not the cost is covered by the Improvement Allowance, shall become the property of the Landlord upon expiration or earlier termination of the Lease and shall remain on the Leased Premises upon the termination of this Lease.

(d) The County hereby designates R. Zach Hollenbeck, Department of Public Works, whose email address is [rhollenbeck@howardcountymd.gov](mailto:rhollenbeck@howardcountymd.gov) and whose telephone number is 410-313-5784 to act as the County's representative ("County's Representative") for purposes of authorizing and executing any and all documents, workletters, plans, specifications, cost estimates, or other writings and changes thereto needed to effect this Work Agreement, and any and all changes, additions or deletions to the work contemplated herein, and the Landlord shall have the right to rely on any documents executed by County's Representative. The Landlord shall not be required to proceed with any Tenant Improvements without written authorization from the County's Representative. Neither the County nor the County's Representative shall be authorized to direct the Landlord's contractors or subcontractors in the performance of the Tenant Improvements, and in the event that the Landlord's contractors or subcontractors perform any of the Tenant Improvements under the direction of the County or the County's Representative, then the Landlord shall have no liability for the cost of such Tenant Improvements, for the cost of corrective work required as a result of such Tenant Improvements, for any legal noncompliance or for any delay that may result from the performance of such Tenant Improvements.

(f) Architect. The Landlord shall cause Arium Architects (the "Architect") and, together with the Engineers (hereinafter defined), to design the Tenant Improvements and prepare the Construction Documents (hereinafter defined) consistent with the Plan. The parties expressly acknowledge and agree that, unless expressly provided to the contrary in the Plan with respect to particular components of the Tenant Improvements, all Tenant Improvements depicted in the Construction Documents shall

be in conformance with the Building Standards. The cost of preparation of the Construction Documents shall be borne by the Landlord.

(g) Engineers. The Landlord shall retain the services of an engineering firm selected by the Architect and reasonably acceptable to the County (the "Engineers"; and, together with the Architect, the "Design Professionals") to: (i) design the type, number and location of all mechanical systems in the Leased Premises, including without limitation the heating, ventilating and air conditioning system therein, and to prepare all of the mechanical plans; (ii) assist with the electrical design of the Leased Premises, including the location and capacity of light fixtures, electrical receptacles and other electrical elements, and to prepare all of the electrical plans; (iii) assist with plumbing-related issues involved in designing the Leased Premises and to prepare all of the plumbing plans; (iv) assist with the structural elements of the Design Professionals' design of the Leased Premises and to prepare all the structural plans; and (v) prepare the fire suppression and life-safety systems for the Leased Premises.

**EXHIBIT C-1  
DESIGN INTENT PLAN**

**SCHEDULE 1**  
**BUILDING STANDARDS AND BASIS-OF-DESIGN INFORMATION**  
COUNTY'S BUILDING STANDARDS:

**PARTITIONS:**

- (A) Office: 5/8" sheetrock each side of 3 5/8" metal studs with interior batt insulation.
- (B) Demising: 5/8" sheetrock each side of 3 5/8" metal studs to structure with interior batt insulation.
- (C) Special Purpose: At interview and medical rooms shall be designed for acoustical privacy to ensure compliance with Health Insurance Portability and Accountability Act (HIPAA). The designer of record shall be responsible for developing a wall type that ensures compliance.

**DOORS:**

- (A) Office: 3'-0" x 7'-0" - 1 3/4" solid core wood, single lite clear glazing, stained veneers. 5- 1/2" nominal top rails and stiles and 11" nominal bottom rail.
- (B) Miscellaneous: 3'-0" - 7'0" - 1 3/4" solid core wood, stained veneer.
- With the exception of main entrance doors, all doors and hardware leading into the County space from the public corridor will be Building Standard and are to be recessed if the door swings out.
- C) Special Purpose: At interview and medical rooms, doors shall be designed for acoustical privacy to ensure compliance with HIPAA. The designer of record shall be responsible for developing a wall type that ensures compliance.

**Interior Door Frames:**

- Three-piece, knock-down, hollow metal door frames.
- Finish: Paint selected by County.

**Hardware:**

- Lock/Latch Sets:
  - Standard is Sargent with Best Cylinders- LB key way (Alternate: Yale, Schlage, or approved equal)
  - Finish for all door hardware shall be (Satin Chrome) unless otherwise noted.
  - Lever lockset is standard interior doors.
  - Mortise lockset is standard suite entry doors.
  - Latch set- Passage Function; Satin Stainless Steel with Floor Stop.
  - Lockset- Keyed- Office Function (outside key/inside always unlocked) Brushed Stainless Steel, Floor Stop.
  - Lever latch set- Office Lock Function- ANSI F82 (Function Outside Key/ Inside Push-Button Lock) with Floor Stop.
  - Floor Stop: (1<sup>st</sup> Choice)- Dome floor stop IVES 436 Dome Stainless Steel or equal.
  - Wall Stop: (2<sup>nd</sup> Choice)- IVES 407 CCV Stainless Steele or equal.

- Closer: LCN 4010T (pull side) or 4110 (push side); LCN 3130 concealed in door or equal.
- Hinges: McKinney TB2314 or equal (Standard weight, ball bearing SST, Full Mortise).
- Silencers: IVES #20 or equal.

**WALL TILE:**

- Provide ceramic tile at all 'wet walls', full height. Corners shall be finished with extruded aluminum trim.

**CARPET:**

- Carpet tile. Case by case basis and is to be approved by the County.

**HARD SURFACE FLOORING:**

- Luxury Vinyl Tile at least 20 mil wear layer.

**Floor Tile:**

- Ceramic Tile in all restrooms and shower areas. Slope to floor drain, with ceramic base.

**PAINT:**

- Field paint plus two accent colors. Each office shall have one accent wall. Conference, huddle and open space may have accent wall or accent paint as directed by County.

**BASE:**

- 4" rubber cove base. Case by case basis and is to be approved by County.

**WINDOW TREATMENT:**

- Manually operated roller shades on exterior windows. Obscuring film on interior glazing.

**FIRE PROTECTION:**

- The building, or portions thereof, shall be completely sprinkled by a combination wet sprinkler-standpipe system. Building standard sprinkler heads are to be semi-recessed sprinkler heads. The entire system shall be in accordance with NFPA 13 and 14 and shall meet all requirements of State and local authorities and the Owner's Insurance Underwriter.

**PLUMBING:**

- Roof drains, if needed, will discharge through rain leaders running vertically through the building and discharging to the storm sewer. Air handling unit condensate, where possible, will tie into the storm system.
- Domestic hot water will be provided by two (2) gas-fired hot water instantaneous water heaters, Leslie or Reznor. Each sized at 66% of the maximum design load.
- Floor drains shall be provided in toilet rooms.

**HVAC:**

- Multiple Direct Expansion Rooftop Air Handlers shall be provided, each dedicated to individual department spaces. All Air Handling Units (AHU) will be provided with variable frequency drives (VFD). AHU by Daiken or Trane.

- Each AHU will have a pre-heat coil (gas-fired) and cooling coil. Cooling coil shall be capable of supplying a discharge temperature of 52F to downstream air terminal units (ATU). Pre-heat coil discharge air temperature should be linearly proportional to the outside air temperature via a reset schedule. Each AHU should be equipped with lo-ambient controls and able to run in economizer mode (aka Free Cooling)
- Hydronic hot water shall supply the ATU re-heat coils downstream of the AHU. The hot water temperature should be proportional to the outside temperature with a maximum water temperature of 180F. The Re-Heat coils shall be served by a bank of sealed combustion condenser boilers. Each bank should be manifolded for staging and capacity control. The system shall be designed that the spaces can comfortably rely on the re-heat coils during moderately cold weather (approximately 35F-45F outdoor temperature) without the need of the Pre-Heat coil. This will also provide a safety factor if the rooftop pre-heat coil(s) fail.
- Supply ductwork and associated AHU shall be routed to their respective zones. Medium pressure galvanized supply ductwork shall deliver 52 degree F air to variable air volume (VAV) terminals, Kreuger, Titus, or equal. Each air terminal unit (ATU) to be equipped with a pressure independent modulating control valve and integral re-heat coil. Re-Heat control valve by Belimo or Griswold. ATU shall come equipped with factory-installed controllers. Each VAV terminal unit shall record at the BAS system the mixed air temperature, discharge air temperature, damper position, valve position, and supply CFM.
- Energy recovery wheels (Semco Molecular Sieve Wheels) shall be provided to capture the waste heat associated with the building exhaust and transfer this heat to the building supply system. In lieu of an ER Wheel, the Consultant may elect to use an energy recovery coil.
- Separate toilet exhaust systems shall be provided. Electric rooms and mechanical rooms shall be ventilated with a minimum of six (6) air changes.
- Each Data Closet to have dedicated cooling by means of a split system. The equipment and room temperature shall be capable of being remotely monitored and alarmed via the Building Automation System (BAS)

#### **ENVIRONMENTAL CONTROLS:**

- The building shall be environmentally controlled by a pneumatic-electric, direct digital control (DDC) system, to be installed at County's expense. System shall be BACNET-compatible. Central systems shall employ a direct digital control system with electric driven terminal devices. Where the torque requirements are excessive, pneumatic actuators shall be allowed. Johnson Controls or EASI is required.

#### **ELECTRICAL POWER/DISTRIBUTION:**

- Voltage drop in the building will be limited to 2% for feeders and 3% for branch circuits, for a maximum of 5% overall.

- Panelboards shall be provided in each electrical closet for common space loads. Each panel shall have 42 poles and be equipped with Transient voltage surge suppression (TVSS) equipment. A dry type transformer and a receptacle panel shall be provided in each electrical closet to serve receptacles and other minor 120V loads. Panelboards and transformers by Square-D or Cutler Hammer. All panel board covers shall be installed unless a qualified electrician is working in the panel board.
- All distribution feeders and branch circuit wiring shall be copper with type THHN/THWN insulation and shall be installed in electrical metallic tubing (EMT) with setscrew, steel fittings. Connections to vibrating equipment shall be sealtite, flexible metallic conduit. Final connections to lighting fixtures shall be flexible metallic conduit.
- All required sub meters shall be located in building electrical rooms (meter fuses and C/T's shall be installed in separate enclosure adjacent to electrical panel).
- All dedicated rooms (server, telecom, etc.) shall have all electrical associated with room fed from dedicated, sub-metered panel.
- Contractor shall furnish to the Landlord two sets of as built electrical drawings with junction box locations and circuit numbers for each device and light fixture clearly marked. All spare or unused circuits shall be shown on as built drawings.

#### **NORMAL POWER:**

##### Receptacles and Equipment Connections

- Industrial heavy duty specification grade switches and receptacles shall be provided. Receptacles shall be 20A, 125V rated wide body style with triple wipe brass power contacts, mounting strap with integral ground contacts and an impact resistant nylon face. Switches shall be 20A, 125/277V rated FSUL WS 896-E and UL 20 approved.
- The County shall select receptacle face plate type. All receptacle face plates shall be professionally (label maker) labeled with panel and circuit number(s).
- Where applicable, miscellaneous mechanical equipment shall be fed from 480volt motor control centers, distribution panels, or branch circuit panelboards as appropriate. Miscellaneous equipment such as overhead doors, elevators, etc. shall be supplied from 480 volt or 208volt branch panelboards as required.
- A ground fault interrupter receptacle with weatherproof cover shall be provided on the exterior of the building at each door and within 3' of any mechanical equipment on the roof.

#### **LIGHTING SYSTEMS:**

- All interior spaces shall be provided with lighting fixtures designed to enhance the aesthetics and to provide illumination levels consistent with current standards as defined by the Illuminating Engineering Society of

North America (IESNA) "Lighting Handbook". In general, all interior lighting fixtures will utilize LED light sources wherever practical. All LED lighting shall have a color temperature of 5000 Kelvin.

- All lighting shall be LED.

#### **LIGHTING CONTROLS:**

- Switches shall be provided for all spaces. Interior offices, file room, and restrooms shall have occupancy sensor-controlled switches. Vacancy Sensors or Occupancy Sensors, whichever applies, should be installed in all areas unless directed otherwise. Lighting relay control cabinets will be provided on each floor to control the automatic off function of all fixtures on normal power that are not controlled by sensors. The main control/time clock for the lighting relay control cabinets shall be located in the first-floor cabinet. The design shall be based on the Watt Stopper company lighting control products.
- The County shall select switch face plate type.

#### **EMERGENCY LIGHTING:**

- Emergency lighting shall be provided throughout the egress paths, stairwells, equipment rooms, and exit ways. All exit signs and egress lighting within the County space are required to be connected to the building's Emergency Power System and must comply with County, State, and Federal Codes and ADA Regulations. Corridor emergency lighting circuits shall be wired directly to the emergency panel branch circuit breaker.

#### **FIRE ALARM SYSTEMS:**

- The Owner's fire alarm system may need to be upgraded to meet current Life Safety Codes. If so, a complete multiplexed addressable fire alarm system shall be provided throughout the building in accordance with the requirements of NFPA and ADA. The fire alarm system shall include a control panel located in the main electrical room and a remote annunciator panel located in the Fire Command Center near the main entrance lobby. Manual pull stations, smoke detectors, thermal detectors, duct detectors, signaling devices (speaker/strobes), sprinkler flow switches, and sprinkler tamper switches shall be provided as required by NFPA and ADA. Concealed duct detectors shall have remote alarm lights located in corridors mounted 72" above the floor. All fire alarm wiring shall be installed in EMT conduit.

#### **CEILINGS:**

Offices and main corridors (open and closed):

Product: "Ultima High NRC", item #1943 as manufactured by Armstrong World Industries, Inc.

Classification: ASTM E1264- TYPE IV, FORM 2, PATTERN E

Material: Wet-formed mineral fiber with DuraBrite acoustically transparent membrane

Finish: DuraBrite with factory-applied latex paint



Color: White  
Light Reflectance LR: Not less than 0.87  
Noise Reductions Coefficient NRC: Not less than 0.80  
Ceiling Attenuation Coefficient CAC: Not less than 35  
Articulation Class AC: Not less than 170  
Flame Spread: Class A  
Dimensional Stability: HumiGuard Plus  
Antimicrobial Protection: BioBlock plus- resistance against the growth of mold/mildew and gram positive and gram negative odor and stain causing bacteria  
Edge Detail: Square lay-in for interface with Prelude XL 15/16" suspension system  
Thickness: 7/8 inch  
Size: 24 by 48 inches  
Suspension System: Prelude XL 15/16" Exposed Tee Grid System, color white

Shower rooms:

Product: "Ceramaguard" item #608, as manufactured by Armstrong World Industries, Inc.  
Classification: ASTM E1264 – Type XX, Pattern C E  
Material: Ceramic and mineral fiber composite  
Finish: Scrubbable factory-applied plastic paint finish  
Color: White  
Light Reflectance LR: Not less than 0.82  
Noise Reductions Coefficient NRC: Not less than 55  
Ceiling Attenuation Coefficient CAC: Not less than 40  
Flame Spread: FireGuard  
Dimensional Stability: HumiGuard Max  
Antimicrobial Protection: Inorganic product- resistant to the growth of mold/mildew and bacteria  
Edge Detail: Square lay-in for interface with Prelude Plus XL Aluminum 15/16" suspension system  
Thickness: 5/8 inch  
Size: 24 by 48 inches  
Suspension System: Prelude Plus XL Aluminum 15/16" exposed tee grid system, color white

**EXTERIOR SITE AND FACADE LIGHTING:**

- Facade lighting for the building will be limited to floodlights, decorative sconces at the main entrances, and pole lighting. All exterior lighting to be LED.

**PIPED SYSTEMS:**

- Domestic Cold/Hot Water Systems: A domestic cold/hot water system shall be provided with service to toilet rooms, janitor closets, and break areas.

Piping shall be seamless copper water tube, ASTM B88, Type L, Hard. Fittings shall be copper solder joint fittings, 150 lb , ANSI B16.22-73. Joint shall be solder, ASTM B32-78 tin-antimony 95-5.

- A domestic hot water re-circulating system should be provided.
- Gas Systems: PRV stations are required. Natural gas piping shall be black steel pipe, ASTM A120-78, ANSI Schedule 40. Joints shall be American Standard for piping threads ANSI B2.1-68.

**EXHIBIT D**  
**FORM OF TENANT ESTOPPEL CERTIFICATE**

The undersigned ("Tenant") hereby certifies that it is the County under the Lease described in **Exhibit A**, attached hereto and made a part hereof. Tenant hereby further acknowledges that it has been advised that the Lease may be assigned to a purchaser of, and/or collaterally assigned in connection with a proposed financing secured by, the property on which the "Leased Premises" under the Lease are located, and certifies both to the landlord under the lease ("Landlord") and to any and all prospective purchasers (the "Purchasers") and mortgagees of such property, including any trustee on behalf of any holders of notes or other similar instruments, and any holders from time to time of such notes or other instruments, and their respective successors and assigns (collectively the "Mortgagees") that as of the date hereof:

1. The information set forth in **Exhibit A** is true and correct.
2. Tenant is in occupancy of the Leased Premises and the Lease is in full force and effect and, except as set forth in **Exhibit A**, has not been modified, assigned, supplemented or amended since its original execution, nor are there any other agreements between Landlord and Tenant concerning the Leased Premises, oral or written.
3. All material conditions and agreements under the Lease to be satisfied or performed by Landlord have been satisfied and performed.
4. Tenant is not in default under the Lease, Tenant has not received any notice of default under the Lease, and, to Tenant's knowledge, there are no events which have occurred that with the giving of notice or the passage of time or both, would result in a default by Tenant under the Lease.
5. Tenant has not paid any rents or sums due under the Lease more than 30 days in advance of the date due under the Lease and Tenant has no rights of setoff, counterclaim, concession or other rights of diminution of any rent or sums due and payable under the Lease except as set forth in **Exhibit A**.
6. To Tenant's knowledge, there are no uncured defaults on the part of the Landlord under the Lease, Tenant has not sent any written notice of default under the Lease to the Landlord, and there are no events which have occurred that, with the giving of notice or the passage of time or both, would result in a default by Landlord thereunder, and at the present time Tenant has no claim against Landlord under the Lease.
7. Except as expressly set forth in **Exhibit A**, there are no provisions for, and Tenant has no rights with respect to, renewal or extension of the Initial Term, terminating the Term, or leasing or occupying additional space or purchasing the Leased Premises.
8. No action, voluntary or involuntary, is pending against Tenant under federal or state bankruptcy or insolvency laws.

9. Tenant has the authority to execute and deliver this estoppel certificate.

10. This estoppel certificate shall be binding upon the successors, assigns and representatives of Tenant and shall inure to the benefit of all Purchasers and Mortgagees.

**IN WITNESS WHEREOF**, Tenant has duly executed this Certificate this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**ATTEST:**

**HOWARD COUNTY, MARYLAND**

\_\_\_\_\_  
Chief Administrative Officer

By: \_\_\_\_\_(SEAL)  
\_\_\_\_\_  
County Executive

RECOMMENDED FOR APPROVAL:

\_\_\_\_\_  
\_\_\_\_\_, Director  
Department of Public Works

APPROVED FOR SUFFICIENCY OF FUNDS:

\_\_\_\_\_  
\_\_\_\_\_, Director  
Department of Finance

Approved for Form and Legal Sufficiency  
on this \_\_\_\_ day of \_\_\_\_\_, 20\_\_:

\_\_\_\_\_  
\_\_\_\_\_  
County Solicitor

\_\_\_\_\_  
\_\_\_\_\_  
Senior Assistant County Solicitor

## EXHIBIT A TO TENANT ESTOPPEL CERTIFICATE

### Lease, Lease Terms and Current Status

- A. Date of Lease:
- B. Parties:
  - 1. Landlord:
  - 2. Tenant d/b/a:
- C. Leased Premises known as:
- D. Modifications, Assignments, Supplements or Amendments to Lease:
- E. Commencement Date:
- F. Expiration of Current Term:
- G. Rights to renew, to extend, to terminate, to rent or occupy additional space or to purchase any portion of the property:
- H. Security Deposit Paid to Landlord: None
- I. Current Annual Rent (Annualized): \$
- J. Intentionally Deleted
- K. Current Total Rent: \$
- L. Square Feet Demised:



# Howard County

## Internal Memorandum

**Subject:** Testimony & Fiscal Impact Statement

Council Bill No. \_\_\_ - 2025, an Act pursuant to Section 612 of the Howard County Charter, approving a Lease Agreement for Howard County, Maryland to lease approximately 16,416 square feet of space in Howard County, Maryland, during a multi-year term; and authorizing the County Executive to take certain actions in connection with the Lease Agreement.

**To:** Brandee Ganz  
Chief Administrative Officer

**From:** Yosef Kebede  
Department of Public Works

DocuSigned by:  
*Yosef Kebede*  
7436E469C7824F6...

**Date:** June 20, 2024

The Department of Public Works has been designated coordinator for preparation of testimony relative to approval of a Lease Agreement for leased space.

The Police Department is in need of office space and the County and Landlord desire to enter into a Lease Agreement, attached, for a term of ten (10) years and eight (8) months, with the option to extend the term for two (2) additional periods of five (5) years each. The Lease Agreement requires payment by the County of funds from an appropriation in later fiscal years and therefore requires County Council approval as a multi-year agreement pursuant to Section 612 of the Howard County Charter.

Period	Annual Rent per square foot	Monthly Installment of the Annual Rent Based on 16,416 square feet	Annual Rent Based on 16,416 square feet
Year 1 (months 1-2 abatement)	\$23.80 square foot	\$32,558.40	\$325,584.00 (indicates only 10 months of payment because of rent abatement)
Year 2 (months 13-14 abatement)	\$24.45 square foot	\$33,447.60	\$334,476.00 (indicates only 10 months of payment because of rent abatement)
Year 3 (months 25-26 abatement)	\$25.13 square foot	\$34,377.84	\$343,778.40 (indicates only 10 months of payment because of rent abatement)
Year 4 (months 37-38 abatement)	\$25.82 square foot	\$35,321.76	\$353,217.60 (indicates only 10 months of payment because of rent abatement)
Year 5	\$26.53 square foot	\$36,293.04	\$435,516.48
Year 6	\$27.26 square foot	\$37,291.68	\$447,500.16
Year 7	\$28.01 square foot	\$38,317.68	\$459,812.16
Year 8	\$28.78 square foot	\$39,371.04	\$472,452.48
Year 9	\$29.57 square foot	\$40,451.76	\$485,421.12
Year 10	\$30.38 square foot	\$41,559.84	\$498,718.08
Year 11 (partial 8 months)	\$31.22 square foot	\$42,708.96	\$341,671.68 (indicates only 8 months of payment)

Page 2 of 2

Representatives of this department will be present at the public hearing to answer any questions or concerns. If you require any further information concerning this matter or have any additional questions, please do not hesitate to contact me at your convenience.

cc: Jennifer Sager  
File

**Office of the County Auditor**  
**Auditor's Analysis**

**Council Bill No. 42-2024**

Introduced: July 1, 2024

Auditor: Rebecca Gold

---

Fiscal Impact:

The fiscal impact of this legislation is approximately \$11.07 million in expenditures over the term of a ten-year and eight-month agreement for office space, inclusive of two 5-year lease extensions. The leased space will be used to house a portion of the Police Department's staff.

We contacted the Department of Public Works' Real Estate Services Division (RESD) and confirmed that funds have been appropriated in the General Fund to cover any FY 2025 expenses associated with the agreement. Estimated expenditures over the life of the agreement are expected to include:

- \$4,498,148.16 in base rent payments over the initial ten years and eight months of the agreement
- \$5,914,100 for ten years of additional rent payments if the County exercises both five-year extension options, assuming a 2.75 percent annual escalation rate and stable rent<sup>1</sup>
- \$640,682 in up-front capital costs to install security measures, signage, furniture, etc.
- \$16,000 in operating costs to move a portion of the Police Department to the new location

See **Attachment A** for an itemized breakdown of these costs.

According to the RESD, the 2.75 percent escalation rate includes direct operating expenses such as utilities, maintenance, repairs, and real estate taxes.

Purpose:

Council Bill 42-2024 proposes that the County enter into a multi-year lease agreement for 16,416 square feet of office space located in Howard County. The agreement includes an initial ten-year and eight-month term, with the option of two 5-year extensions.

Other Comments:

The RESD expects that the lease will be in place and the space ready for occupancy between June 1, 2025, and July 1, 2025.

---

<sup>1</sup> Per RESD, the annual rent may be renegotiated for the fair market value prior to exercising the extension options.



The affected Police Department staff are currently housed in a smaller, 8,637 square foot facility, where the FY 2025 base rent is approximately \$236,050 and annual operating expenses are estimated to be \$27,500. The County does not intend to renew its lease at the current location. Upon the lease's expiration on June 30, 2025, the space will be surrendered to the landlord.

The Police Department indicated that approximately 30 staff members will be moved from the current location to the new leased location. This move is necessary to provide space for a growing division and will help the Police Department carry out its functions more efficiently.

## Attachment A

### Pre-Occupancy Costs

Cost Type	Amount
Furniture	\$ 291,800
Data Cabling/Telecom Equipment	131,328
Security	82,080
Audio/Visual	65,664
Contingency Funds	58,244
Signage Installation	6,566
Phones/IT Equipment	5,000
<b>Total</b>	<b>\$ 640,682</b>

Note: The majority of pre-occupancy costs will be paid with FY 2025 PayGo funds. A portion of the fiber and telephone installation costs will be supported with funds from the Department of Public Works Director's Office. These estimates were provided by the RESD.

### Initial Term – Base Rent Expense

The County would enter into a ten-year, eight-month lease agreement with a beginning rate of \$23.80 per square foot, escalating at a rate of 2.75 percent per year, which would result in the estimated costs as noted below:

Fiscal Year	Base Rent
2026	\$ 325,584.00
2027	334,476.00
2028	343,778.40
2029	353,217.60
2030	435,516.48
2031	447,500.16
2032	459,812.16
2033	472,452.48
2034	485,421.12
2035	498,718.08
2036 (8 months)	341,671.68
<b>Total</b>	<b>\$ 4,498,148.16</b>

Note: These estimates were provided by the RESD. Direct costs for electricity, pest control, trash removal, and custodial services will be the landlord's responsibility.

### Optional Extension Terms – Base Rent Expense

The estimated Fiscal Impact of the lease's five-year extension periods through FY 2046 is noted below:

5-Year Extensions	Base Rent*
Extension 1	\$ 2,756,803
Extension 2	3,157,294
<b>Total</b>	<b>\$ 5,914,097</b>

We have assumed the initial term's base rent escalation rate of 2.75 percent will be maintained throughout the extension term for base rent. The base rent may be renegotiated prior to extending the agreement.

BY THE COUNCIL

This Bill, having been approved by the Executive and returned to the Council, stands enacted on July 31, 2024.

Michelle R. Harrod  
Michelle R. Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, having been passed by the yeas and nays of two-thirds of the members of the Council notwithstanding the objections of the Executive, stands enacted on \_\_\_\_\_, 2024.

\_\_\_\_\_  
Michelle R. Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, having received neither the approval nor the disapproval of the Executive within ten days of its presentation, stands enacted on \_\_\_\_\_, 2024.

\_\_\_\_\_  
Michelle R. Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, not having been considered on final reading within the time required by Charter, stands failed for want of consideration on \_\_\_\_\_, 2024.

\_\_\_\_\_  
Michelle R. Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, having been disapproved by the Executive and having failed on passage upon consideration by the Council stands failed on \_\_\_\_\_, 2024.

\_\_\_\_\_  
Michelle R. Harrod, Administrator to the County Council

BY THE COUNCIL

This Bill, the withdrawal of which received a vote of two-thirds (2/3) of the members of the Council, is withdrawn from further consideration on \_\_\_\_\_, 2024.

\_\_\_\_\_  
Michelle R. Harrod, Administrator to the County Council