## LEASE AGREEMENT

THIS LEASE ("Lease") is entered into this <u>2</u> day of <u>APRIL</u>, 2012, between the CITY OF NORTH PORT, a municipality in the State of Florida, located at 4970 City Hall Boulevard, North Port, Florida 34286-4100 ("Lessor"), and the NORTH PORT ART GUILD, INC., dba THE NORTH PORT ART CENTER whose address is 5950 Sam Shapos Way, North Port, Florida 34287 ("Lessee").

WHEREAS, the Lessor and Lessee entered into a lease agreement dated May 14, 2007, with two subsequent amendments, ("Prior Agreement") for the use of the Leased Premises (defined below);

WHEREAS, the Lessor and Lessee wish to let the Prior Agreement end on May 14, 2012; and

WHEREAS, the Lessor and Lessee wish to enter into a new lease agreement for the Leased Premises.

NOW THEREFORE, in consideration of the covenants and agreements set forth in this Lease, the parties agree as follows:

- 1. <u>Recitals</u>. The foregoing recitals are true and correct and are incorporated herein.
- 2. Leased Premises. The Lessor does hereby lease and let unto the Lessee, and the Lessee leases and tenants from Lessor, the property located at 5950 Sam Shapos Way, North Port, FL 34287 and 5948 Sam Shapos Way, North Port, FL 34287 (the "Leased Premises"), to have and to hold beginning on May 15, 2012. The Leased Premises includes the use of the three buildings located thereon. A sketch of the Leased Premises is attached as Exhibit A. There are three (3) buildings located on the Leased Premises, including the two attached modular building units, identified as Nos. 636984 and 636985.
- 3. <u>Rent</u>. Lessee shall pay annual rent in the amount of twelve dollars (\$12.00) per calendar year or fraction thereof. Rent shall be payable on the fifteenth (15) day of May each year. The first term of this Lease shall be for five (5) years. After the first term this Lease shall be automatically renewable from year to year. This Lease shall be terminable by either party for any reason upon ninety (90) days written notice.
- 4. <u>Use of Premises</u>. The Lessee shall not occupy or use the Leased Premises, nor will it permit the same to be occupied or used, for any business or other purpose other than for: conducting organizational meetings and fund raisers, providing art classes and holding art showings and sales, and a kiln. This Lease shall also be terminable at the option of Lessor upon the failure of the Lessee to abide by any of the covenants and obligations set forth in this Lease.
- 5. <u>Condition</u>. The Lessee accepts the Leased Premises in the condition they are in on the date this Lease commences or the Lessor grants occupancy, whichever occurs first. The Lessee shall comply promptly with all statutes, ordinances, rules, orders, regulations, and

requirements of the federal, state, and city government applicable to the Leased Premises for the correction, prevention, and abatement of nuisances or any other grievances connected with the Leased Premises during the rental term. Compliance under this paragraph is at the Lessee's own expense.

- 6. <u>Expenses</u>. The Lessee agrees to pay all charges for rent, gas, electricity or other illumination, heating, air conditioning, utilities, cable, internet, water, and sewer services attributed to the Leased Premises.
- 7. <u>Signage</u>. The Lessee may not place in the windows or on the exterior of the building any signs or signage without prior written consent of the Lessor. The Lessor will not unreasonably withhold approval.
- 8. <u>Maintenance</u>. Lessor shall be responsible for maintaining the exterior of the buildings on the Leased Premises and the structural and mechanical components of the improvements constructed thereon. In the event the Leased Premises needs maintenance or repair, Lessee shall promptly notify the City of North Port's Facilities Maintenance Department within 3 days of discovery of the problem. The Facilities Maintenance Department shall be immediately notified in the event of a water leak, electrical problem, or any other condition that threatens the structural integrity of the buildings on the Leased Premises. In the event that the Facilities Maintenance Department is not notified within 24 hours of a severe problem such as a water leak or electrical problem, or within 3 days for all other repairs, the Leased Premises or its contents as a result of Lessee's delay in requesting a repair from the Facilities Maintenance Department, Lessee shall be entirely responsible for those damages and shall make the necessary repairs.

Lessee shall, throughout the term of this Lease, at its own cost, and without any expense to Lessor, keep and maintain the interior of the premises, including all buildings and improvements of every kind that may be a part of the Leased Premises, and all appurtenances to the Leased Premises, including sidewalks adjacent to the Leased Premises, in good, sanitary, and neat order and condition. In no event is Lessor responsible for cleaning the Leased Premises. Except as specifically provided in this Lease, Lessee shall restore and rehabilitate any improvements of any kind that may be destroyed or damaged by fire, casualty, or any other cause whatsoever.

- 9. <u>Fixtures</u>. Lessee may remove any additions, fixtures, or improvements that it installed on the Leased Premises upon termination of this Lease Agreement, as long as the Lessee restores the Leased Premises to the condition it was received in. All additions, fixtures, or improvements that the Lessee does not remove will become the Lessor's property at the termination of this Lease. All additions, fixtures, or improvements must be approved by Lessor prior to installation.
- 10. <u>Personal Property</u>. All personal property placed or moved into the Leased Premises shall be at the risk of the Lessee or other owner of the personal property. The Lessor shall not be liable for any damage to personal property, from any casualty or cause, including but not limited to, the bursting or leaking of water pipes, fire, flood, acts of God, any person's act of

negligence, including the negligence of the Lessor, and its agents, employees or assigns, or tortious behavior of any person, regardless of whether that person is an occupant of the Leased Premises, unless otherwise expressed within this Lease.

- 11. <u>Limitation of Liability</u>. The Lessor shall not be liable for any personal injury or death that the Lessee or any other person may sustain that results from the carelessness, negligence, tortious behavior or improper conduct of any person, excluding the Lessor and agents or employees of the Lessor, unless otherwise expressed within this Lease.
- 12. <u>Damage to Premises</u>. On the Lessor's demand, the Lessee shall pay for all damages to appliances, electrical lights, fixtures, equipment, or appurtenances on the Leased Premises or in the buildings that are caused by the act or neglect of the Lessee or any persons in the Lessee's employ or control.
- 13. <u>Surrender of Premises</u>. At the earlier of the expiration of the Lease term or the termination of this Lease, the Lessee will quit the Leased Premises and will surrender them to the Lessor. The Leased Premises must be swept clean and must be in good order and condition, except for ordinary wear and tear. The Lessee will remove all personal and other property that belongs to the Lessee under this Lease and will repair all damages to the Leased Premises caused by that removal. The Lessee will restore the Leased Premises to the condition in which they were before installation of the items removed.
- 14. <u>Inspection</u>. The Lessee shall permit a duly authorized representative of the Lessor to enter and inspect and/or to make or recommend such repairs to the Leased Premises as the Lessor may reasonably desire at all reasonable times, or to remove signs, fixtures, alterations, or additions that do not conform to this Lease.
- 15. Insurance. The Lessee shall maintain the following insurance coverage:

(a) Comprehensive general public liability insurance on the Leased Premises with limits of not less than \$1,000,000.00 per occurrence and \$2,000,000.00 general aggregate per policy year protecting the Lessor as owner, and further agrees to annually, or on written request, supply the Lessor with a certificate of insurance showing said coverage to be in full force and effect. Lessee's liability insurance policy shall be the primary coverage on the Leased Premises.

(b) Casualty insurance coverage on the Leased Premises in an amount of at least \$200,000.00 to cover any loss which might be sustained by reason of fire, water damage, vandalism, and other casualties resulting from Lessee's use of the Leased Premises, but excluding flood, windstorm or other natural disaster, protecting the Lessor as owner, and agrees to annually, or upon written request, supply the Lessor with a certificate of insurance showing said insurance coverage to be in full force and effect. Lessor's insurance shall be primary for any structural damage caused by natural disasters or acts of God. Lessee's insurance shall be primary for structural damages caused by intentional or negligent acts caused by the Lessee, its employees, agents, students, renters or assigns.

(c) Buildings. The Lessee shall keep the buildings presently existing, or any building subsequently built, on the Leased Premises insured by a company that is duly authorized to do business in Florida and that is approved by the Lessor. The insurance must be for the full replacement value of the buildings against loss or damage by fire and any other risks that may be insured now or in the future by extended coverage. All insurance must provide that the proceeds are to be delivered to the Lessor. If the Lessee fails to have these insurance policies issued, the Lessor may obtain them and may pay premiums for them when payment is due. On the Lessor's demand, the Lessee shall repay the Lessor for the premiums so paid.

(d) If Lessee is required by law to obtain worker's compensation coverage, proof of insurance in the statutorily required amounts must be provided.

All certificates of insurance shall be provided to the City Clerk's office of the City of North Port, together with a copy of this Lease. The Lessee shall deliver to the Lessor proof of the fully paid policies within ten days of the Lessor's request. From time to time, the Lessee shall procure and pay for renewals of this insurance before it expires. The Lessee shall deliver to the Lessor the renewal policy at least ten days before the existing policy expires. All policies must be issued by companies of recognized responsibility licensed to do business in Florida and must contain a provision that prohibits cancellation unless the Lessor is given at least ten days' prior written notice of cancellation by the insurance company. The Lessor reserves the right to review, alter and amend the insurance requirements as needed on a yearly basis.

- 16. <u>General and Ad Valorem Taxes and Assessments</u>. Taxes on the personal property owned by Lessee located on the Leased Premises shall be paid by Lessee. Lessee shall pay all real property taxes, assessments and other charges levied on or attributable to the Leased Premises during the term of this Lease, if any. Lessee shall pay any and all taxes and assessments upon receipt of the respective bills. Payment of taxes is an independent covenant and shall be construed as additional rent due and payable under the terms of this Lease.
- 17. <u>Destruction of Premises</u>. In the event that the Leased Premises is destroyed or damaged to the extent of being unfit for the intended use, the Lessor may either rebuild or repair the Leased Premises, or terminate the Lease, at Lessor's sole option. In the event of termination, Lessor shall have no further liability to Lessee.
- 18. Force Majeure. The Lessor shall not be liable or responsible to the Lessee by reason of the failure or inability of the Lessor to take any action it is required to take or to comply with the requirements imposed hereby due to a force majeure. The term "force majeure" shall mean acts of god, strikes, lock-outs, or other industrial disturbance; acts of public enemies, war, blockades, riots, acts of armed forces, militia or public authority, epidemics; breakdown of or damage to machinery, pumps or pipe lines; landslides, earthquakes, fires, storms, floods, or washouts; arrests, title disputes, or other litigation; governmental restraints of any nature whether federal, state, county, municipal or otherwise, civil or military; or by any other causes, whether or not of the same kind as enumerated herein, not within the sole control of the Lessor and which by exercise of due diligence the Lessor is unable to overcome.

- 19. <u>No Liens</u>. The Lessee shall not subject the Lessor's interest or estate to any liability under any mechanics' or other lien law. No provisions of this Lease may be construed as to imply that the Lessor has consented to the Lessee incurring such a lien. If any mechanics' lien, lis pendens, or other lien is filed against the Leased Premises or the buildings for any work, labor, services, or materials that a lienor claims to have performed or furnished for the Lessee or any person holding through or under the Lessee, the Lessee must cause that lien to be canceled and discharged of record within twenty days after the Lessor gives notice to the Lessee. If such a lien is filed, the Lessor may satisfy the lien after giving notice to the Lessee as provided in this paragraph and without limiting the Lessor's rights or remedies under this Lease. The Lessee shall promptly reimburse the Lessor for any amounts expended to satisfy the lien and for any expenses incurred in connection with that satisfaction. The Lessee has no right of setoff against the Lessor. The Lessee's failure to cancel and discharge of record any lien under this paragraph is a default by the Lessee under the provisions of this Lease.
- 20. <u>Assignment</u>. The Lessee may not assign this Lease, nor sublet, license, or grant any concession for the use of the Leased Premises, to another person without obtaining the Lessor's prior written consent, except as otherwise provided in this Lease.
- 21. <u>Artist Rentals</u>. The Lessee may rent out portions of the Leased Premises to artists for the purposes of creating, displaying and/or teaching art. The artist teaching the class may receive a fee for his/her services from either the Lessee or directly from the students. All tenants of the Lessee must sign an agreement to waive any and all claims against the Lessor, the form of which must be acceptable to Lessor. The Lessee may not rent out the Leased Premises for any other purpose whatsoever, including but not limited to on-going business ventures.
- 22. <u>No Consent to Suit</u>. The provisions, terms and conditions of this Lease shall not be construed as the consent of the City of North Port to be sued because of said leasehold.
- 23. Default. If the Lessee defaults in the performance of any covenant or condition of this Lease, the Lessor may give the Lessee notice of that default. If the Lessee fails to cure a default ten days after notice is given, the Lessor may terminate this Lease. If the default is of such a nature that it cannot be completely cured within ten days, the Lessor may terminate this Lease only if the Lessee fails to proceed with reasonable diligence and in good faith to cure the default. On the date specified in the notice, the term of this Lease will end, and the Lessee will quit and surrender the Leased Premises to the Lessor, except that the Lessor may reenter the Leased Premises without notice and by force or otherwise to dispossess the Lessee, any legal representative of the Lessee, or any other occupant of the Leased Premises. The Lessor may retake possession through summary proceedings or otherwise, and the Lesser will then hold the Leased Premises as if this Lease had not been made. The Lessee waives the requirement that the Lessor serve any notice of intention to reenter or to institute legal proceedings for repossessing the Leased Premises.
- 24. <u>Bankruptcy</u>. If the Lessee becomes insolvent or if bankruptcy proceedings are begun by or against the Lessee before the end of the Lease term, the Lessor may immediately cancel this

Lease as if the Lessee had defaulted. Without affecting the Lessor's rights under this Lease, the Lessor may accept rent from a receiver, trustee, or other judicial officer who holds the property in a fiduciary capacity. No receiver, trustee, or other judicial officer is entitled to receive any right, title, or interest in or to the Leased Premises under this paragraph.

- 25. <u>Remedies</u>. The Lessor's remedies contained in this Lease are in addition to the rights of the Lessor under Florida statutes governing nonresidential Lessor-Lessee relationships and to all other remedies available at law or in equity to the Lessor.
- 26. <u>Binding Agreement</u>. This Lease binds the heirs, legal representatives, assigns, or successors of the Lessee and the Lessor.
- 27. <u>Time of the Essence</u>. Time is of the essence in this Lease, and this paragraph applies to all terms and conditions of this Lease.
- 28. <u>Notice</u>. The Lessee shall promptly pay all rentals and other charges, shall render all statements, and shall deliver all notices under this Lease to the Lessor by certified mail at the following address:

City Manager City of North Port 4970 City Hall Boulevard North Port, FL 34286-4100

The Lessor shall deliver all notices under this Lease to the Lessee at the following address:

Executive Director North Port Art Guild, Inc. 5950 Sam Shapos Way North Port, FL 34287 Phone: 941-423-6460

From time to time, either party may designate in writing another person or entity and another address for receipt of such items. Any notice under this Lease is deemed to be given at the time it is received as set forth in this paragraph, or if not accepted, at the time it is mailed.

- 29. <u>Rights Cumulative</u>. The Lessor's rights under this Lease are cumulative, and the Lessor's failure to exercise promptly any rights given under this Lease does not operate to forfeit any of these rights.
- 30. <u>Exhibition Agreements</u>. Lessee shall enter into an exhibition agreement and waiver with any owner of artwork that is to be displayed on the Leased Premises prior to such display. This agreement and waiver shall be in a form acceptable to Lessor, and shall provide that the owner of the artwork shall assume all risks of display, and not hold the Lessor liable for any damage to said artwork, regardless of the cause of the damage, including but not limited to

fire, hurricane, or water damage, or the negligence of Lessor and/or its agents or employees. All exhibition agreements and waivers shall be provided to Lessor upon request.

31. <u>Indemnity</u>. At all times, the Lessee will indemnify the Lessor from all losses, damages, liabilities, and expenses that arise or are claimed against the Lessor and that are in favor of any person, firm, or corporation for personal injuries or property damages, including but not limited to artwork, that arose about or on the premises, that resulted from the Lessee's use or occupancy of the premises, or that arose from the Lessee's failure to comply with any laws, statutes, ordinances, or regulations.

The Lessee shall be fully liable for the actions of its directors, officers, members, partners, or subcontractors, and the employees and agents of each of them, and shall fully indemnify, defend and hold harmless the Lessor, its commissioners, employees, agents and assigns from all demands, claims, suits, actions, judgments, damages, fines, fees, taxes, assessments, penalties, losses, expenses, costs of every type and description, and reasonable attorneys' fees (at both trial and appellate levels), of any nature or kind whatsoever caused by, or arising out of or related to the use or occupancy of the Leased Premises by the Lessee, its officers, directors, members, partners, invitees or subcontractors, and employees or agents of any of them; provided, however, that the Lessee shall not indemnify for that portion of any loss or damages proximately caused by the negligent act or omission of the Lessor.

To the extent applicable, the Lessee shall fully indemnify, defend and hold harmless the Lessor, and its commissioners, agents, employees and assigns from any demands, claims, suits, actions, judgments, damages, fines, fees, taxes, assessments, penalties, losses, expenses, costs of every type and description, and reasonable attorneys' fees (at both trial and appellate level), arising from or relating to violation or infringement of a trademark, copyright, patent, trade secret or any other intellectual property right by Lessee, or its directors, officers, members, partners, invitees or subcontractors, and the employees and agents of each of them.

In the event of a claim, the Lessor shall promptly notify the Lessee in writing by prepaid certified mail (return receipt requested), or by delivery through any nationally recognized courier service (such as Federal Express or UPS) which provides evidence of delivery, at the address provided in Section 28. Notification may also be provided by fax transmission to the number provided in Section 28, if provided.

The Lessor shall provide all available information and assistance that the Lessee may reasonably require regarding any claim. This section shall survive termination or expiration of this Lease. The insurance coverage and limits required in this Lease may or may not be adequate to protect the Lessor and such insurance coverage shall not be deemed a limitation on the Lessee's liability under the indemnity provided in this section. In any proceedings between the parties arising out of or related to this Indemnity provision, the prevailing party shall be reimbursed all costs, expenses and reasonable attorney fees through all proceedings (at both trial and appellate levels).

32. <u>Waiver</u>. The Lessor's or Lessee's express or implied consent, approval, or waiver with regard to any breach of any covenant, agreement, or obligation under this Lease is considered

to cover only that particular breach. It will not be construed to apply to any other breach, whether of the same or of any other covenant, agreement, or obligation under this Lease, unless the waiver or consent is written, so states, and is signed by the party making it.

- 33. <u>Governing Law/Severability/Construction</u>. This Lease is governed by, and will be construed in accordance with the laws of the State of Florida. Venue for any legal or judicial proceedings shall be in Sarasota County, Florida. If any Lease provision, or its application to any person or situation, is deemed invalid or unenforceable for any reason and to any extent by a court of competent jurisdiction, the remainder of this Lease, or the application of that provision, will not be affected. Rather, this Lease is to be enforced to the extent permitted by law. The table of contents, captions, headings, and titles of this Lease are solely for convenience of reference and are not to affect its interpretation. Each covenant, agreement, obligation, or other provision of this Lease is to be construed as a separate and independent covenant of the party who is bound by or who undertakes it, and each is independent of any other provision of this Lease unless otherwise expressly provided. All terms and words used in this Lease, regardless of the number or gender in which they are used, are deemed to include any other number and any other gender as the context requires.
- 34. <u>Entire Agreement.</u> The parties have made no oral or written representations, agreements, arrangements, or understandings between them that relate to the subject matter of this Lease and that are not fully expressed in this Lease. This Lease may be modified or terminated only by a written agreement executed by both parties.
- 35. <u>Radon Gas</u>. Pursuant to Florida Statutes §404.056(5), Lessor is required to give Lessee the following disclosure: "RADON GAS: Radon is a naturally occurring radioactive gas, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of Radon that exceed Federal and State guidelines have been found in buildings in Florida. Additional information regarding Radon and Radon testing may be obtained from your County Public Health Unit."
- 36. <u>Hazardous Materials Prohibited</u>. To the best of Lessor's knowledge, as of the commencement date of this Lease, no hazardous materials or condition exist at Leased Premises Except as otherwise provided herein, Lessee, its agents, guests and invitees shall not use, handle, store, display or generate hazardous materials (materials that are ignitable, corrosive, toxic or reactive) in or on Leased Premises. For the purposes of this Lease, the term "hazardous materials" shall mean those substances defined as "hazardous substances", "hazardous materials", "hazardous wastes", or "toxic substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. §1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. §6901, et seq.; and in the regulations adopted and promulgated pursuant thereto and in the applicable laws, regulations and ordinances enacted by the State of Florida and Sarasota County.

IN WITNESS WHEREOF, the parties have executed this Lease on the date set forth above.

CITY OF NORTH PORT

By: Jonathan R. Lewis, ICMA-CM, City Manager

ATTEST: lesal 1a By: Helen Raimbeau, MMC, City Clerk

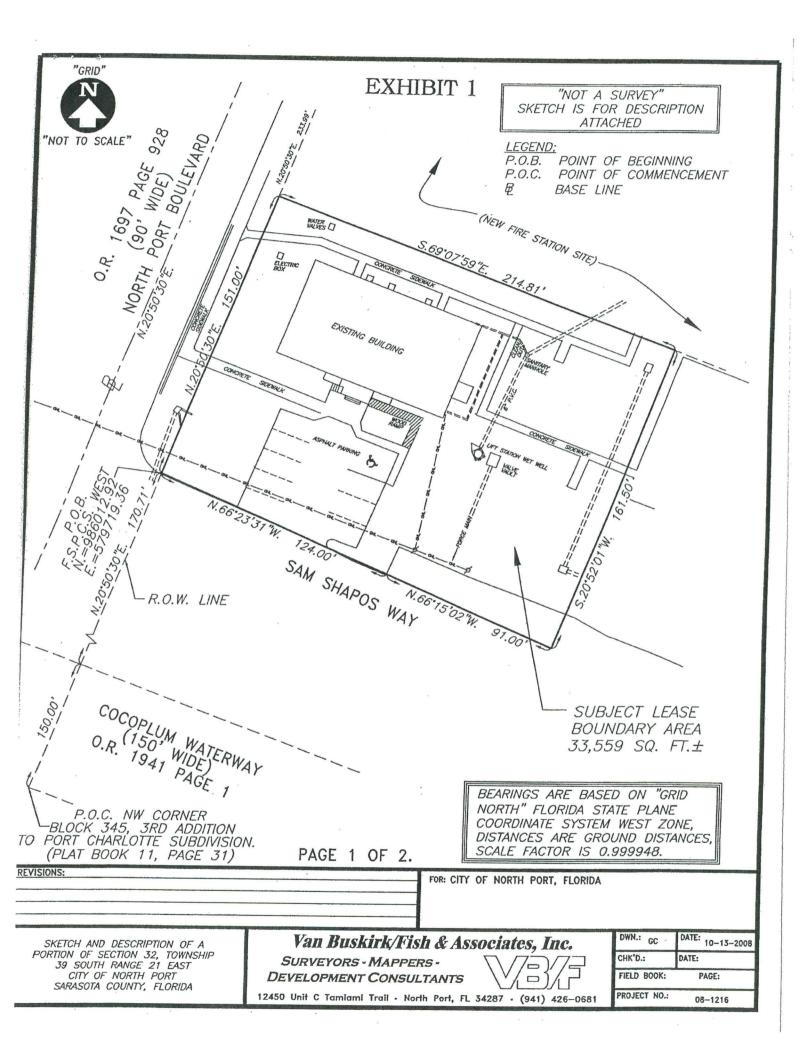
Approved as to form and correctness:

By:

Robert K. Robinson, City Attorney

## NORTH PORT ART GUILD, INC.

J alspangl Title:



## DESCRIPTION OF SUBJECT LEASE BOUNDARY AREA:

A PORTION OF SECTION 32, TOWNSHIP 39 SOUTH, RANGE 21 EAST, SARASOTA COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF BLOCK 345, THIRD ADDITION TO PORT CHARLOTTE SUBDIVISION, PER PLAT THEREOF, RECORDED IN PLAT BOOK 11, PAGES 31 AND 31A THROUGH 31D, PUBLIC RECORDS OF SARASOTA COUNTY, FLORIDA; THENCE N.20°50'30"E., (GRID BEARING FLORIDA STATE PLANE COORDINATE SYSTEM, WEST ZONE), A DISTANCE OF 150.00 FEET TO THE POINT OF INTERSECTION OF THE NORTHERLY LINE OF THE COCOPLUM WATERWAY (O.R. 1941, PAGE 1, PUBLIC RECORDS OF SARASOTA COUNTY, FLORIDA) WITH THE EASTERLY LINE OF NORTH PORT BLVD. (O.R. 1697, PAGE 928, PUBLIC RECORDS OF SARASOTA COUNTY, FLORIDA); THENCE CONTINUE N.20°50'30"E. ALONG SAID EASTERLY LINE OF NORTH PORT BLVD., A DISTANCE OF 170.71 FEET TO THE "POINT OF BEGINNING" AT FLORIDA STATE PLANE COORDINATES, WEST ZONE, N.= 986012.92 FEET AND E.= 579719.36 FEET; THENCE CONTINUE N.20°50'30"E., ALONG SAID EASTERLY LINE OF NORTH PORT BLVD., A DISTANCE OF 151.00 FEET; THENCE S.69°07'59"E., A DISTANCE OF 214.81 FEET; THENCE S.20°52'01"E., A DISTANCE OF 161.50 FEET; THENCE N.66'15'02"W., A DISTANCE OF 91.00 FEET; THENCE N.66°23'31"W., A DISTANCE OF 124.00 FEET TO THE POINT OF BEGINNING.

## CERTIFICATE

I, hereby certify that this Sketch and the Description contained herein were prepared under my supervision in conformance with Chapter 61G17-6, F.A.C. pursuant to Section 472.027, F.S.

Van Buskirk / Fish & Associates, Inc., LB#3739

May By:

Alan K. Fish, P.S.M. Registered Professional Surveyor & Mapper Florida Certificate No. 3941

OCTOBER 13th, 2008 Date Prepared: "Not valid without the signature and the original raised seal of a Florida licensed surveyor and mapper." Additions or deletions to Survey maps or reports by other than the signing party is PAGE 2 OF 2. prohibited; (Chapter 61617-6.003, (2), (\*), F.A.C.

**REVISIONS:** 

FOR: CITY OF NORTH PORT, FLORIDA

SKETCH AND DESCRIPTION OF A PORTION OF SECTION 32, TOWNSHIP 39 SOUTH RANGE 21 EAST CITY OF NORTH PORT SARASOTA COUNTY, FLORIDA	Van Buskirk/Fish & Associates, Inc.	DWN.: CR	DATE: 10-13-2008
	SURVEYORS - MAPPERS - \\\/70)/70	CHK'D.:	DATE:
	DEVELOPMENT CONSULTANTS	FIELD BOOK:	PAGE:
		PROJECT NO .:	08-1216
			ALTER CONTRACTOR AND ADDRESS VIEW