RESOLUTION NO. 12-03-18

A RESOLUTION OF THE VILLAGE COUNCIL OF ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA CONSIDERING THE LEASE AGREEMENT BETWEEN ISLAMORADA CHAMBER OF COMMERCE, INC. AND ISLAMORADA, VILLAGE OF ISLANDS, FOR THE LEASE, DEVELOPMENT, RENOVATION, CONSTRUCTION, MAINTENANCE AND OPERATION OF NEW ISLAMORADA CHAMBER OF COMMERCE AND VISITOR CENTER FACILITIES WITHIN FOUNDERS PARK; AUTHORIZING VILLAGE OFFICIALS TO IMPLEMENT THE TERMS AND CONDITIONS OF THE LEASE AGREEMENT; AUTHORIZING THE VILLAGE MANAGER TO EXPEND BUDGETED FUNDS; AUTHORIZING THE VILLAGE MAYOR TO EXECUTE THE LEASE AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Village Council of Islamorada, Village of Islands (the “Village”) expressed a desire to enter into a forty-five (45) year Lease Agreement with Islamorada Chamber of Commerce, Inc. a Florida 501(c)(6) nonprofit corporation, (“Lessee”) for Village-owned property formerly within Founders Park, formerly known as the “Sherriff’s Station” and now known as the “Chamber Parcel,” a parcel of improved property fronting Overseas Highway consisting of approximately 6,400 square feet; and

WHEREAS, the Lessee will lease and redevelop the property to provide for the operation of a new Islamorada Chamber of Commerce and Visitor Center facilities (“Project”) on the Chamber Parcel; and

WHEREAS, the development and construction of the Project will be financed by the Lessee using conventional commercial financing secured by a leasehold mortgage on the Lessee’s leasehold interest in the Chamber Parcel; and

WHEREAS, the attached Lease Agreement (“Lease”) defines all terms and provisions of the forty-five (45) year Lease with Lessee, including lease, development, renovation,
construction, maintenance and operation of new Islamorada Chamber of Commerce and Visitor Center facilities on the Chamber Parcel; and

WHEREAS, the lease of the Chamber Parcel to the Lessee serves a public purpose and is in the best interest of the Village as it promotes tourist development and education and economic development within the Village; and

WHEREAS, the Village Council finds that approval of the Lease between the Lessee and the Village attached hereto is in the best interest of the Village.

NOW, THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA, AS FOLLOWS:

Section 1. Recitals. The above recitals are true and correct and incorporated into this Resolution by this reference.

Section 2. Approval of Lease Agreement. The Lease Agreement (the “Lease”) between Islamorada Chamber of Commerce, Inc. and the Village, a copy of which is attached as Exhibit “A,” together with such non-material changes as may be acceptable to the Village Manager and approved as to form and legality by the Village Attorney, is approved.

Section 3. Authorization of Village Officials. The Village Manager and/or his designee and the Village Attorney are authorized to take all actions necessary to implement the terms and conditions of the Lease.

Section 4. Authorization of Fund Expenditure. Notwithstanding the limitations imposed upon the Village Manager pursuant to the Village’s Purchasing Procedures Ordinance, the Village Manager is authorized to expend budgeted funds to implement the terms and conditions of the Lease.

Section 5. Execution of Lease Agreement. The Village Mayor is authorized to
execute the Lease on behalf of the Village, to execute any required agreements and/or documents to implement the terms and conditions of the Lease, and to execute any extensions and/or amendments to the Lease acceptable to the Village Manager, and subject to the approval as to form and legality by the Village Attorney.

Section 6. Effective Date. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this 22nd day of March, 2012.

Motion to adopt by Vice Mayor Philipson, second by Councilman Achenberg.

FINAL VOTE AT ADOPTION
Mayor Michael Reckwerdt  yes
Vice Mayor Ken Philipson  yes
Councilman Don Achenberg  yes
Councilman Ted Blackburn  yes
Councilman Dave Purdo  yes

Ken Philipson
KEN PHILIPSON, VICE MAYOR

ATTEST:

Debra Eastman
DEBRA E. EASTMAN, MMC
VILLAGE CLERK

APPROVED AS TO FORM AND LEGALITY FOR THE USE AND BENEFIT OF ISLAMORADA, VILLAGE OF ISLANDS:

VILLAGE ATTORNEY
ISLAMORADA CHAMBER OF COMMERCE
CHAMBER PARCEL

LEASE AGREEMENT

THIS LEASE AGREEMENT (this “Lease”) is made and entered into as of the 23rd day of July, 2012, between ISLAMORADA VILLAGE OF ISLANDS, a Florida municipal corporation (the “Village”), and ISLAMORADA CHAMBER OF COMMERCE, INC., a Florida 501(c)(6) non-profit corporation (“Lessee”). The Village and Lessee are sometimes referred to herein individually as a “Party” or collectively as the “Parties.”

RECATALS

A. The Parties wish to enter into this Lease which shall govern the rights, obligations and commitments of the Parties with respect to the lease, development, renovation, construction, maintenance and operation of new Islamorada Chamber of Commerce and Visitor Center facilities within Islamorada Village of Islands (the “Chamber of Commerce”).

B. This Lease provides for, inter alia, the lease, development, renovation and construction of the Chamber of Commerce building within Founders Park, on that certain real property owned by the Village consisting of approximately 6,400 square feet and more particularly depicted and legally described on Exhibit “A” attached hereto and made a part hereof (the “Chamber Parcel”). The Chamber Parcel is currently improved with an approximate 700 square foot building and other improvements formerly used as the Monroe County Sheriff’s building.

C. The Chamber Parcel is within Founders Park, a parcel of improved real property consisting of approximately 48 acres owned by the Village (“Founders Park”).

D. The Village has further agreed to grant the Lessee a non-exclusive license for the use of the parking spaces located within and/or adjacent to the Chamber Parcel and on the existing gravel parking area, as depicted on the Parking Plan attached hereto as Exhibit “B”, for parking ancillary to the use and operation of the Chamber of Commerce on the Chamber Parcel, in accordance with the terms and conditions of this Lease (the “Parking License”).

E. The Village has agreed to grant Lessee a leasehold interest, pursuant to this Lease, in the Chamber Parcel for the purpose of leasing, renovating and constructing, and thereafter operating and maintaining the Chamber of Commerce thereon, in accordance with the terms and conditions of this Lease.

F. All improvements to the Chamber Parcel shall be completed by Lessee, at Lessee’s sole cost and expense.

G. The Lease of the Chamber Parcel to the Lessee serves a public purpose and is in the best interest of the Village as it promotes tourist development and education and economic development within the Village.
H. This Lease been authorized by (i) the Village Council of Islamorada Village of Islands by the adoption of Resolution No. 12-03-18, at its meeting of March 22, 2012, and (ii) Lessee by the adoption of Islamorada Chamber of Commerce Board Action No. 12-01, at its meeting of July 11, 2012.

AGREEMENT

ARTICLE 1
RECITALS, EXHIBITS AND DEFINITIONS

Section 1.1 Recitals. The above stated recitals are hereby approved and confirmed.

Section 1.2 Exhibits. Attached hereto and forming a part of this Lease are the following Exhibits:

Exhibit “A” – Chamber Parcel Legal Description

Exhibit “B” – Parking Plan for Parking License

Exhibit “C” – Substantial Completion Date Certificate

Exhibit “D” – Construction Schedule

Exhibit “E” – Insurance Limits

Exhibit “F” – Memorandum of Lease

Section 1.3 Defined Terms. Capitalized terms used, but not otherwise defined herein, shall have the meanings set forth in this Article 1.

“Additional Rent” means any and all payments required of Lessee by the terms of this Lease other than Rent.

“Attorneys’ Fees” means all reasonable fees charged and costs incurred by an attorney for services and the services of any paralegals, legal assistants or law clerks, including (but not limited to) fees charged and costs incurred for representation at the trial level, in all appeals, and in any bankruptcy proceedings.

“Chamber of Commerce” shall mean the Islamorada Chamber of Commerce and Visitor Center to be located on the Chamber Parcel.

“Construction Term” has the meaning given to it in Article 3.

“Chamber Parcel” means that certain real property and improvements located thereon owned by the Village and located within Founders Park, consisting of approximately 6,400 square feet, and more particularly depicted and legally described in Exhibit “A” attached hereto and made a part hereof.

“Event of Default” has the meaning given to it in Section 15.1.
“Execution Date” means the later of the execution dates set forth below the signature lines for the Village and Lessee, on which date the Village shall deliver and the Lessee shall accept actual possession of the Chamber Parcel.

“Governmental Approvals” means all approvals, including, without limitation, all building, zoning, safety, health, fire, water district, sewerage and environmental protection agency permits and other licenses or permits which are required by any Governmental Authority for the development and construction of the Improvements on the Chamber Parcel, and the use, occupancy and operation thereof in accordance with all applicable Governmental Requirements.

“Governmental Authority” means any federal, state, county, municipal or other governmental department, entity, authority, commission, board, bureau, court, agency, or any instrumentality of any of them, with jurisdiction over the Chamber Parcel and the Chamber of Commerce, as applicable.

“Governmental Requirements” means any law, enactment, statute, code, ordinance, rule, regulation, judgment, decree, writ, injunction, franchise, permit, certificate, license, authorization, agreement, or other direction or requirement of any Governmental Authority, now existing or hereafter enacted, adopted, promulgated, entered, or issued, affecting the Chamber Parcel, the Chamber of Commerce, or the construction and operation of the Improvements, including without limitation, the (i) the Americans With Disabilities Act of 1990 (as amended).

“Hazardous Substances” means any hazardous or toxic waste, substance or material including, but not limited to, any elements or compounds which are now or hereafter (a) identified in Section 101(14) of the CERCLA, 42 U.S.C. §9601(14), and as set forth in 40 C.F.R. §302, et seq., as same may be amended from time to time, (b) any “hazardous air pollutant” identified in the Clean Air Act, 42 U.S.C. §7412(a)(6), (c) determined to be toxic, a pollutant or contaminant, under any Governmental Requirement, (d) contained in the list of hazardous substances adopted by the United States Environmental Protection Agency, (e) defined as “petroleum” or “petroleum products” in Florida Statutes §376.301(32) (2005), as same may be amended from time to time, and (f) asbestos, radon, polychlorinated biphenyls and such other elements, compounds, materials, substances or waste which are otherwise dangerous, hazardous, harmful or deleterious to human or animal health or safety, or to the environment.

“Improvements” means any and all permanent buildings, structures, machinery, equipment and fixtures, which are existing and may from time to time and at any time during the Term be erected or located on the Chamber Parcel, including the Chamber of Commerce and any and all ancillary facilities.

“Lease” means this Lease Agreement.

“Leasehold Estate” means all of the estate, rights and interest of Lessee in and to the Chamber Parcel and the Improvements and any other rights of Lessee, in each case arising under or growing out of this Lease. The Leasehold Estate shall not include any rights or interest in and to the fee simple interest of the Chamber Parcel, which shall at all times be owned by the Village.

“Leasehold Mortgage” means a mortgage encumbering the Leasehold Estate securing third party financing from an institutional lender.
“Leasehold Mortgagee” means the holder of a Leasehold Mortgage.


“Occupancy Term” has the meaning given to it in Article 3.

“Substantial Completion Date” means the date a temporary certificate of occupancy or its equivalent is issued for the Improvements, as applicable, or of any subsequent major addition, alteration or repair thereof.

“Term” means, collectively, the Construction Term and the Occupancy Term, and shall include any Renewal Term(s).

“Village” means Islamorada, Village of Islands, a Florida municipal corporation, as lessor and landlord hereunder, whether acting through the Village Council or its designee, and not in its capacity as a municipal administering laws and ordinances which are applicable to the Chamber Parcel and the Chamber of Commerce.

ARTICLE 2
CHAMBER PARCEL LEASE: PARKING FACILITIES GRANT OF LICENSE

Section 2.1 Chamber Parcel; Lease. The Village leases to Lessee, and Lessee takes and accepts from the Village, the Chamber Parcel for the Term commencing on the Execution Date, subject to the terms and conditions hereinafter set forth. Subject to the terms, conditions and covenants of this Lease, Lessee shall and may peaceably have, hold and enjoy the Chamber Parcel, without hindrance by the Village or anyone claiming by, through or under the Village for the Term.

Section 2.2 Parking Facilities; Grant of License. The Village hereby grants to Lessee for the duration of the Occupancy Term, a non-exclusive Parking License for the use of the parking spaces located within and/or adjacent to the Chamber Parcel and on the existing gravel parking area, as said parking spaces are depicted on the Parking Plan attached hereto as Exhibit “B”, for parking ancillary to the use and operation of the Chamber of Commerce on the Chamber Parcel, in accordance with the terms and conditions of this Lease. Notwithstanding anything contained herein to the contrary, in the event of a termination of this Lease prior to expiration of the Term, as provided herein, the Parking License shall also automatically terminate. Nothing contained in this Lease shall be deemed to have created, by the terms hereof or by the passage of time, any exclusive right to use, title or estate in Lessee to the parking facilities depicted on Exhibit “B” attached hereto. At all times during the Term of this Lease, Lessee shall maintain and repair the parking spaces located within and/or adjacent to the Chamber Parcel in good condition and repair.

ARTICLE 3
TERM

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Section 3.1 Construction Term and Occupancy Term. This Lease shall be effective as of the Execution Date. The Term of this Lease shall consist of (i) a preliminary construction period (the “Construction Term”), which shall commence on the Execution Date and terminate on the Substantial Completion Date of the Improvements, and (ii) an occupancy period (the “Occupancy Term”), which shall commence on the day following the Substantial Completion Date of the Improvements and end on the date that is twenty-five (25) years thereafter, unless sooner terminated as hereinafter provided. The Village and Lessee, through their authorized designees, shall confirm the Substantial Completion Date of the Improvements and the commencement and expiration date of the Occupancy Term pursuant to a certificate substantially in the form attached hereto as Exhibit “C” within ten (10) days following written request by either Party, and such fully executed certificate shall become a part of this Lease and be incorporated herein by reference. The Parties expressly acknowledge and agree that the Occupancy Term and the effectiveness of this Lease, other than for any provisions which expressly survive the expiration or earlier termination of this Lease, is expressly made contingent upon Lessee’s performance of its obligations for the design and construction of the Improvements and timely achieving the Substantial Completion Date.

Section 3.2 Lessee’s Option to Renew Term. Lessee shall have the right and option to renew and extend the Term of this Lease upon the same terms and conditions for up to four (4) additional terms of five (5) years each (each a “Renewal Term’) commencing as of the date immediately following the expiration of the initial Occupancy Term or the preceding Renewal Term, if applicable, and ending on the date of the fifth anniversary date thereafter, provided, that, at the time of the exercise of each Renewal Term and commencement of the Renewal Term, this Lease is in full force and effect and the Lessee is not in default of this Lease at the time of the exercise of the renewal option. Lessee shall provide written notice to the Village of its election to exercise the renewal option for the Renewal Term not less than 180 days prior to the expiration date of the initial Occupancy Term or each Renewal Term, as applicable.

ARTICLE 4
RENTAL AND TAXES

Section 4.1 Rental.

(a) Years 1 through 25 of the Term. The annual rental rate to be paid by Lessee for the Chamber Parcel (“Rent”) shall be Ten Dollars ($10.00) per annum for each year of the first twenty-five (25) years of the Occupancy Term, payable by Lessee to the Village in advance upon execution of this Lease in one lump sum payment.

(b) Years 26 through 45 of the Term. Provided Lessee has exercised its option to renew and extend the Term pursuant to Section 3.2 of this Lease, commencing with the twenty-sixth (26th) year of the Occupancy Term and continuing thereafter for the remainder of the Occupancy Term, the Rent shall be payable monthly in advance and based on a annual rent to be mutually agreed upon the Parties or failing mutual agreement, by the appraisal process set forth herein, and shall be increased annually thereafter as set forth in Section 4.1(c). On or before six (6) months prior to the commencement date of the 26th year of the Occupancy Term, the Parties shall negotiate in good faith to agree upon the new fair market rental rate for year 26 of the Occupancy Term. In the event that the Parties have not agreed upon such fair market rent rate within sixty (60) days thereafter, then the Rent for such period of the Occupancy Term shall be determined as follows:
At the sole cost and expense of the Lessee, the Lessee and the Village shall each within ten (10) days of the failure to reach agreement on the Rent appoint and give notice to the other Party of an MAI real estate appraiser with a minimum of five (5) years of full time commercial appraisal experience in Monroe County ("Appraiser") to appraise and set the then prevailing fair market rental rate for the Chamber Parcel, together with all Improvements, based on comparable commercial and office rental rates within Monroe County for the applicable year 26 of the Occupancy Term, with annual increases thereafter as set forth in Section 4.1(c) (the "Fair Market Rent"). If a Party does not appoint an Appraiser so qualified within the ten (10) day period, the single Appraiser appointed by the other Party shall be the sole Appraiser and shall set the then prevailing Fair Market Rent. Each Appraiser shall issue a written report certified to the Parties within thirty (30) days after its retention establishing the Fair Market Rent. If the Fair Market Rent determination established by the two (2) Appraisers shall be identical, that amount shall be the Rent for year 26 of the Occupancy Term, subject to annual increases thereafter as set forth in Section 4.1(c). If the determination of the two Appraisers shall differ, but if the amount of the Fair Market Rent as indicated on the higher of the two (2) appraisals shall be less than one hundred and ten percent (110%) of the Fair Market Rent as indicated on the lower appraisal, the Fair Market Rent shall be based on the simple average of the two (2). In event of any greater deviation from the two (2) Appraisers' reports regarding the Fair Market Rent, the two (2) Appraisers shall jointly appoint a third Appraiser meeting the qualifications set forth in this section no later than fifteen (15) days after the issuance of the latter of the two (2) original Appraisers' reports. If the Parties are unable to agree on the appointment of the third Appraiser, then such third Appraiser shall be appointed by the President of the Florida Society of MAI's or such successor to the Society exercising similar functions. The third Appraiser shall be provided with true and complete copies of each of the written reports issued by the original Appraisers, and shall be instructed to evaluate such reports (and such other evidence as the third Appraiser shall deem to be necessary or reasonably appropriate in connection therewith) and shall make a determination as to Fair Market Rent.

Within thirty (30) days after the appointment of the third Appraiser, a majority of the Appraisers shall then set the then prevailing Fair Market Rent. If a majority of the Appraisers are unable to agree or set the prevailing Fair Market Rent within the stipulated period of time, the prevailing Fair Market Rent established by each of the three (3) Appraisers shall be added together and the total divided by three (3); the resulting quotient shall be the then prevailing Fair Market Rent. If, however, the lowest appraisal and/or the highest appraisal are/is more than ten percent (10%) lower and/or higher than the middle Appraisal, then such Appraisal shall be disregarded. If only one (1) Appraisal is disregarded, the remaining two (2) Appraisals shall be added together and their total divided by two (2); the resulting quotient shall be the prevailing Fair Market Rent. If both the lowest and highest Appraisals are disregarded as stated in this paragraph, the middle Appraisal shall be the prevailing Fair Market Rent. After the then prevailing Fair Market Rent has been set, the Appraisers shall immediately notify the Parties in writing of their determination and shall furnish the Parties with a copy of such determination or report and the method used to reach such determination, and the Fair Market Rent for year 26 of the Term shall be such amount, subject to annual increases thereafter as set forth in Section 4.1(c). The determination of the Appraisers or the sole Appraiser, as the case may be, shall be conclusive upon the Parties as to the Fair Market Rent.

Once the Fair Market Rent has been determined, whether by agreement of the Parties or by the aforesaid appraisal process, the Rent for each of the years 27 through 45 of the Term shall
be increased thereafter in the manner set forth in Section 4.1(c) with the first such increase occurring as of the first day of the 27th year of the Occupancy Term.

(c) Annual Adjustment of Rent; Years 27 through 45 of the Term.

Commencing with Year 27 of the Term, and continuing thereafter during any successive Renewal Term(s), the Rent shall be increased annually at the commencement of each successive Year to the greater of the following: (i) an amount equal to the Rent in effect during the prior Year of the Term, plus an amount equal to the Rent multiplied by a percentage increase of 3% ("Percentage Increase"); or (ii) an amount equal to the Rent in effect during the prior Year of the Term (the 26th year of the Term) multiplied by a fraction, the numerator of which shall be the "Index" (as defined herein below) published for the tenth calendar month of the immediately preceding Year of the Term, and the denominator of which shall be the Index published for the calendar month of the Rent commencement date (Year 26 of the Term). The Rent, as increased annually, shall then be payable monthly during the ensuing Year of the Term in the same manner as otherwise provided for payment of Rent.

The "Index" shall be defined as the Consumer Price Index for all Urban Consumers, Miami-Dade-Ft. Lauderdale, Florida, or if such index is no longer computed for the Miami-Dade-Ft. Lauderdale, Florida area, then the Consumer Price Index for all Urban Consumers-All Cities shall be used instead (such indexes being those published by the Bureau of Labor Statistics of the United States, Department of Labor). If for any reason the Index is not published for any particular month during the Term as may be required for the foregoing computation of the increased Rent, then the Index next published shall be used instead; and in the event that the Index shall no longer be published, or if the method of computing the Index shall be substantially altered, then another Index generally recognized as authoritative and reflecting the cost of living and data substantially similar to the information used to compute the Index shall be substituted for the Index by designation of the Village as to such Index and the manner in which it is to be used hereunder.

In the event that, for any reason whatsoever, the Village is unable to notify Lessee of the increased Rent payable during any Year of the Term. Lessee shall pay the monthly installments of Rent payable during the immediately preceding Year increased by an amount equal to the Percentage Increase, until such time as the notice of the appropriate Rent amount is given, at which time Lessee shall promptly pay the full amount of any deficiency resulting from the un4.1derpayment of Rent, if any.

Section 4.2 Sales Tax and Impositions. Lessee shall pay any sales tax or other tax due to the Florida Department of Revenue or similar agency responsible for the collection of sales tax arising out of its rental obligations under this Lease simultaneously with the payment of Rent. Lessee shall timely pay and discharge before any fine, penalty, interest or cost may be added, all real and personal property taxes, all other taxes, ad valorem real estate taxes, assessments (including wastewater assessments and user rates) and other governmental or public charges, if any, levied, assessed, imposed upon, or that can become a lien upon or payable in connection with the Chamber Parcel, the Improvements or this Lease (the "Impositions"). Lessee may, at its sole cost, diligently and in good faith proceed to contest the validity or amount of any such Imposition by appropriate legal proceedings, provided that said proceedings shall operate to stay or prevent the collection or enforcement of such disputed Imposition. If any legal proceeding does not stay the payment or enforcement of such disputed Imposition, Lessee must
timely pay such Imposition as a condition to contesting the same. The payment of any such Imposition, together with any other amounts payable pursuant to this Lease by Lessee, shall be deemed “Additional Rent” and shall be due and payable on or before thirty (30) days after the Village’s demand thereof if no earlier time is specified herein for payment of the same.

Section 4.3 License Fee. Lessee shall pay to the Village as Additional Rent a license fee for the Parking License in the amount of Ten Dollars ($10.00) per annum during each year of the Occupancy Term (the “License Fee”), payable by Lessee to the Village upon execution of this Lease in one lump sum payment.

ARTICLE 5
PERMITTED USE

Section 5.1 Condition of Property. Lessee agrees to accept the Chamber Parcel, including, without limitation, the former existing Sheriff’s building and all improvements thereon, in “As Is,” “Where Is” condition and “with all faults” as of the Execution Date hereof, without warranty or representation from the Village of any kind whatsoever, and subject to all matters of public record. Lessee acknowledges and agrees that it has made such survey, physical, zoning, land use, economic, financial, environmental and other due diligence examinations, inspections and investigations of the Chamber Parcel and all improvements located thereon, and the use and operation thereof, which the Lessee, in its sole discretion, has determined to be necessary or prudent. Lessee has examined title to the Chamber Parcel and Founders Park, and has obtained a survey of same, and has found title to be acceptable. The Village makes no warranties or representations as to the title and is under no duty or obligation to cure any defects(s) with respect to same.

Section 5.2 Use of the Chamber Parcel. The Chamber Parcel shall be used solely for the construction of the Improvements and the operation of the Chamber of Commerce by the Lessee and for no other use or purpose, in accordance with Governmental Requirements. The Chamber Parcel shall not be used for any other use or purpose other than as expressly permitted in this Section 5.2 whatsoever.

Section 5.3 Control of the Chamber Parcel. Lessee shall have full and exclusive possession, control, custody, right and use of the Chamber Parcel commencing with the Execution Date at all times during the Term, under the terms, conditions, and provisions of this Lease, for the purposes described herein.

Section 5.4 Operation of the Chamber of Commerce. Lessee covenants and agrees to open the Chamber Parcel for use as the Chamber of Commerce within sixty (60) days of the Substantial Completion Date. Lessee covenants and agrees that from and after the date when Lessee opens the Chamber Parcel for use as the Chamber of Commerce, Lessee shall continuously operate and conduct the Chamber of Commerce for the remainder of the Term in accordance with the terms and conditions of this Lease.
ARTICLE 6
IMPROVEMENTS


(a) Lessee shall be solely responsible for the design, development and construction of the Improvements on the Chamber Parcel during the Construction Term, the cost of which shall be paid solely by Lessee. Lessee covenants and agrees that the Improvements will be designed and constructed in compliance with all applicable Governmental Requirements.

(b) Lessee, shall obtain, or cause its general contractor to obtain, a payment and performance bond in favor of the Village from an issuer, in an amount equal to the estimated cost to complete the Improvements and in a form satisfactory to the Village. Lessee shall cause all warranties for materials and labor that are provided by the general contractor and all subcontractors with respect to the Improvements to be issued jointly in the name of Lessee and the Village.

Section 6.2 Permitting; Zoning and Land Use Requirements.

(a) Permitting. Lessee shall obtain all Governmental Approvals for the Improvements and operation of the Chamber of Commerce.

(b) Zoning and Land Use Requirements. The Village will cooperate in good faith with Lessee in connection with Lessee’s applications for Governmental Approvals. Lessee acknowledges and agrees that certain development approvals are required in connection with the use and occupancy of the Chamber Parcel, including but not limited to, the Recreational Text Amendment allowing the Chamber of Commerce use, Major Conditional Use Approval, Site Plan Approval and nonresidential floor area. Lessee agrees to submit applications for an diligently pursue said development approvals, and the Village will process said application in accordance with applicable Governmental Requirements and makes no representation or warranty that the required determinations will be made or approved.

Section 6.5 Future Improvements. After the applicable Substantial Completion Date, Lessee may, at its sole option, make additional improvements or alterations to the Chamber Parcel from time to time, provided that such improvements or alterations are: (i) consistent with the then current Governmental Requirements; (ii) approved by the Village in the manner set forth for approval of Plans in Section 6.8 of this Lease; (iii) consistent with the use restrictions contained in Section 5.2 of this Lease requiring the Chamber Parcel be used and operated as the Chamber of Commerce; and (iv) will not result in Improvements of materially lesser size or value as those in existence prior to such improvement or alteration. Upon completion of such improvements or alterations, all references in this Lease to “Improvements,” as applicable, shall be deemed modified to include the new improvements or alterations so constructed by Lessee.

Section 6.6 Ownership of Improvements. Title to and ownership of the Improvements shall at the end of the Term automatically vest in the Village. Although title to the Improvements shall automatically vest in the Village as aforesaid, at the request of the Village, Lessee shall execute instruments of conveyance to convey title to the Improvements to the Village.
Section 6.7. **Liens Against the Property.** Lessee shall not permit any mechanic’s, laborer’s or materialmen’s lien to be filed against the Chamber Parcel or any part thereof by reason of work, labor, services or materials supplied or claimed to have been supplied to Lessee. If any such lien is at any time filed against the Chamber Parcel or any part thereof, Lessee, within thirty (30) days after notice of the filing, will cause such lien to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction, or otherwise. If Lessee fails to cause such lien to be discharged within the thirty (30) day period, then, in addition to any other right or remedy, the Village may, but is not obligated to, discharge such lien either by paying the amount claimed to be due or by procuring the discharge of such lien by transferring it to a bond. Any amounts paid by the Village in obtaining the discharge or transfer of any lien, plus all of the Village’s costs and expenses associated with any lien, including Attorneys’ Fees, will constitute Additional Rent payable by Lessee under this Lease, and such amounts will be paid by Lessee to the Village on demand.

Notwithstanding the foregoing, Lessee shall have the right to contest the correctness or the validity of any such lien if, prior to the expiration of the thirty (30) day period, Lessee procures and records a bond issued by a corporation authorized to issue surety bonds in Florida. The bond must meet the requirements of local law and must provide for payment of the sum that the claimant may recover on the claim. Notwithstanding anything to the contrary contained in this Lease, the interest of the Village, whether real or personal, in and to the Chamber Parcel or any part thereof shall not be subject to or chargeable with any liens for labor performed or materials supplied in connection with any work or improvements performed or caused to be performed by Lessee, and Lessee shall have no right, power or authority to create or allow to be created any such liens regardless of whether the Village has approved or consented to such work or improvements. All persons and entities contracting or otherwise dealing with Lessee relative to the Chamber Parcel shall be placed on notice of the provisions of this Section. Lessee will comply with all requirements set forth in Section 713.10, Florida Statutes; and the Village and Lessee further agree to execute, acknowledge and record in the Public Records of Monroe County, Florida, as part of the Memorandum of Lease set forth in Section 21.18, a Notice pursuant to Section 713.10, Florida Statutes.

Section 6.8 **Approval of Plans.** Upon execution of this Lease, Lessee has obtained and delivered to the Village a survey of the Chamber Parcel prepared by Massey-Richards Surveying & Mapping, LLC, dated February 29, 2012, Drawing No. 11107. Not more than sixty (60) days after the Execution Date, Lessee shall prepare and submit to the Village for review and approval, a fully developed site plan and architectural and design drawings for the Improvements and related improvements (the “Plans”). The Village shall promptly review the Plans and return same with its approval or disapproval. In the event of disapproval, the Village shall submit reasonable recommendations which Lessee shall thereupon incorporate into the Plans. Thereafter and as soon as reasonably possible, Lessee will submit to the Village a minimum of two (2) sets of completed working drawings and specifications for the Improvements, including site plan, architectural, electrical, mechanical, interior design and landscaping, as applicable, as well as a complete construction cost estimate, all of which shall comply with the Plans and Governmental Requirements (collectively, the “Approved Plans”). The Parties agree to act speedily and in good faith in the preparation, submission, approval and revision of the Plans and Approved Plans. Prior to the opening of the Islamorada Chamber of Commerce and Visitor Center, Lessee shall deliver to the Village a written certificate or opinion from its architect or licensed professional engineer, stating that the Improvements conform to all Governmental Requirements.
Section 6.9  Construction Timeframes.

A. Lessee shall Commence Construction (as defined below) of the Improvements within ten (10) business days of the date upon which Lessee shall have been granted all Governmental Approvals for the Improvements, as applicable, but under no circumstances later than three (3) months after the Execution Date. Construction shall be in accordance with the Approved Plans and no material changes shall be made without the prior written approval of the Village. Construction shall continue in substantial accordance with the schedule set forth on Exhibit “D” attached hereto and made a part hereof (the “Construction Schedule”).

B. During the Construction Term, the Village shall have the right to visit the Chamber Parcel at any time in order to observe the work. If Lessee does not (i) submit the Plans or the Approved Plans as required, (ii) fails to Commence Construction within the time period set forth herein or (iii) having so commenced, does not prosecute same with reasonable diligence and complete the same and open the Chamber of Commerce in accordance with the Construction Schedule; then this Lease and all of Lessee’s rights hereunder, shall expire and terminate upon notice from the Village to Lessee.

C. For the purposes of this Section 6.9, “Commence Construction” means that Lessee has, with respect to the Improvements, (i) entered into a written construction contract, (ii) obtained all Governmental Approvals in accordance with the Final Plans, and (iii) commenced demolition, as applicable, of existing improvements on the Chamber Parcel. Time is of the essence in this Lease, but timeframes set forth in the Construction Schedule shall be extended by reason of any delay caused by acts of God, public enemy, strikes or war, except that no such extension shall be made for aggregate delays in excess of sixty (60) days unless a request for additional time is made in writing to the Village giving reasons for the delay, and such extension shall not exceed one hundred and eighty (180) days. Lessee shall be solely responsible for any cost overruns as a result of such delay.

D. Local Labor. Lessee shall use its best efforts to utilize “Local Business” (as said term is defined in Section 2-327(e) of the Village’s Code of Ordinances) and resident labor in the construction of the Improvements and the operation of the Chamber of Commerce at all times during the Term, and in accordance with Section 2-327 of the Village’s Code of Ordinances. Each general and sub-contractor hired by or on behalf of Lessee shall be a Local Business. If Lessee is able to demonstrate that there is no qualified Local Business for a particular contract or sub-contract, the Village Manager may waive the foregoing requirement.

ARTICLE 7
REPAIRS AND MAINTENANCE

7.1 Repair and Maintenance Obligation. Lessee, at its sole cost and expense, throughout the Term, shall take good care of the Chamber Parcel, including, without limiting the generality of the foregoing, the Improvements, roofs, foundations and appurtenances thereto, all
sidewalks, grounds, landscaping, the parking spaces within and/or adjacent to the Chamber Parcel, parking facilities, plazas, areas, alleys and curbs in front of or adjacent to the Chamber Parcel, water, sewer and gas connections, pipes and mains, all other fixtures, machinery and equipment, and all furniture, fixtures and equipment located therein, and will put, keep and maintain the Chamber Parcel and the Improvements and the contents therein or thereon in good and safe order and condition, and make all repairs and maintenance therein and thereon, interior and exterior, structural and non-structural, ordinary and extraordinary, foreseen and unforeseen, necessary to keep the same in good and safe order and condition, howsoever the necessity or desirability therefore may occur, and whether or not necessitated by wear, tear, obsolescence or defects, latent or otherwise. Lessee will not commit or suffer, and will use all reasonable precaution to prevent waste, damage or injury to the Chamber Parcel and the Improvements. When used in this Section 7.1, the term "repairs" includes all necessary replacements, renewals, alterations and additions. All repairs made by Lessee will be made in compliance with all Governmental Requirements of all Governmental Authorities having jurisdiction over the Chamber Parcel and the Improvements.

7.2 Self Help Rights. If an Event of Default by Lessee shall have occurred, then without in any way limiting the rights of the Village under Article 15, the Village may notify Lessee of the specific items comprising such Event of Default. If Lessee shall fail to promptly commence cure of such Event of Default and diligently prosecute such cure to completion, the Village shall have the right to cure such Event of Default immediately for the account of Lessee. If the Village makes any reasonable expenditures in connection with such cure, the Village shall submit invoices to Lessee showing payment, and Lessee shall reimburse the Village, as Additional Rent, such amounts within ten (10) days.

Section 7.3 Net Lease. This Lease is a completely net lease to the Village. The Village is not responsible for any expenses or outlays of any nature arising from or relating to this Lease, the use, occupancy or operation of the Chamber Parcel or the Improvements thereon. Lessee shall pay promptly when due any and all charges, impositions, assessments, taxes, expenses or outlays of every nature and kind arising from or relating to the Chamber Parcel, and the use, occupancy or operation thereof.

ARTICLE 8
INSURANCE

Section 8.1 Lessee's Insurance. On or before the Execution Date of this Lease, Lessee shall provide the following insurance coverages, in addition to the insurance coverages required pursuant to Exhibit "E" during the Occupancy Term, in the minimum amounts set forth herein and in Exhibit "E" attached hereto (or shall cause same to be provided) covering Lessee's interests in the Chamber Parcel:

(a) Builder's Risk Insurance. Lessee shall procure and maintain Builder's Risk Insurance during the Construction Term and through the Substantial Completion Date of the Improvements. The Improvements shall be covered against any loss by fire and other
hazards, casualties and contingencies, including but not limited to flood, windstorm or other catastrophe.

(b) **Property Insurance.** From and after the Substantial Completion Date, Lessee shall procure and maintain in force and effect throughout the Term, a property insurance policy insuring the Improvements against loss or damage by fire and other hazards, casualties and contingencies including, but not limited to, flood, lightning, windstorm or other catastrophe, covering such Improvements in an amount of not less than one hundred percent (100%) of the full replacement value.

(c) **Flood Insurance.** If the Chamber Parcel is in a flood zone, effective on the Substantial Completion Date, Lessee shall, at its own cost and expense, obtain and maintain during the Occupancy Term flood insurance in the amount of the maximum coverage available.

(d) **Liability Insurance.** At all times during the Term of this Lease, Lessee shall carry and maintain, at its sole cost and expense, commercial general liability as set forth in Exhibit “E” for the Chamber Parcel and the Improvements, as well as contents or personal property insurance for all equipment and furnishings within the Improvements.

(e) **Worker’s Compensation Insurance.** Lessee shall procure and maintain worker’s compensation insurance, employer’s liability insurance, vehicular insurance, and any other insurance applicable to Lessee’s employees, agents and sub-contractors in compliance with Florida Law and in such minimum amounts as set forth in Exhibit “E” attached hereto, and to include coverage for all allowable use areas, as required by applicable law and Governmental Requirements.

(f) **Insurance Requirements.** All insurance procured directly or indirectly, including the Builder’s Risk, by Lessee shall be issued by an insurance company authorized to do business in Florida rated A+ or better by A.M. Best Insurance Reports and reasonably acceptable to the Village. On or before the Execution Date of this Lease, and at any time thereafter as requested by the Village within ten (10) days of written request, Lessee shall provide to the Village a certificate of insurance evidencing any insurance procured directly or indirectly, including the Builder’s Risk by Lessee hereunder. Lessee shall pay the premiums for all policies of insurance required of Lessee under this Lease. All such insurance policies shall name the Village as an additional insured and loss payee and contain an endorsement requiring thirty (30) days written notice from the insurance company to the Village and Lessee prior to cancellation or any change in coverage, scope or amount of any such policy. Lessee shall provide the Village with prompt notice of any insurance claim or potential insurance claim, and as a result of any such claim, the Village reserves the right to increase the insurance coverage limits set forth herein.

(g) **Adequacy of Coverage.** The adequacy of the insurance coverage required by this Article 8 may be reviewed periodically by the Village at its discretion to determine whether the Chamber Parcel is adequately insured and whether additional insurance coverage is appropriate or prudent, as determined by the Village. Any review by the Village shall not constitute an approval or acceptance of the amount of insurance coverage.

(h) **Village’s Right to Purchase Insurance.** In the event Lessee at any time refuses, neglects or fails to secure and maintain in full force and effect any or all of the insurance
required pursuant to this Lease, the Village, at its option, may procure or renew such insurance, and all amounts of money paid thereof or by the Village, plus a ten percent (10%) surcharge payable to the Village for costs, shall be treated as Additional Rent payable by Lessee to the Village within ten (10) days of notice to Lessee.

Section 8.2 Waiver of Subrogation. Each of the Village and Lessee severally waive any and every claim which arises or may arise in its favor and against the other during the Term of this Lease for any and all loss of, or damage to, any of its property located within or upon, or constituting a part of, the Chamber Parcel to the extent such loss or damage is covered by insurance required pursuant to this Article or otherwise carried by the Parties; provided, however, that the provisions of this paragraph shall be of no force or effect to the extent the same shall invalidate any policy of insurance owned by the Village or Lessee.

ARTICLE 9
DAMAGE OR DESTRUCTION

Damage or Destruction. The damage, destruction, or partial destruction of any portion of the Improvements shall not release Lessee from any obligations under this Lease. Lessee shall, at its own expense promptly repair and restore the damaged or destroyed portion of the Improvements to the condition and capacity existing prior to such damage or destruction, in accordance with then existing Governmental Requirements. Lessee shall commence such repair and restoration within thirty (30) days following the date of damage or destruction, and thereafter diligently prosecute same to completion within 365 days following the date of damage or destruction. Lessee shall use any and all proceeds of insurance covering the damage or destruction for repair and replacement of the damaged or destroyed portion of the Improvements.

ARTICLE 10
CONDEMNATION

Section 10.1 Definitions. For purposes of this Article, the following terms shall have the following meanings:

(a) "Total Taking" means the taking of the entire Chamber Parcel and all Improvements under the power of eminent domain either by judgment or by settlement in lieu of judgment, or the taking of so much of the Chamber Parcel and the Improvements as to prevent the use of the Chamber Parcel and the Improvements by Lessee in a reasonable manner for its intended purposes, as reasonably determined by the Village in consultation with Lessee.

(b) "Partial Taking" means either a temporary taking or the taking of only a portion of the Chamber Parcel and the Improvements that does not constitute a Total Taking.

(c) "Date of Taking" means the date upon which title to the Chamber Parcel and the Improvements or a portion thereof passes to and vests in the condemnor or the effective date of any order for possession if issued prior to the date title vests in the condemnor.

Section 10.2 Effect of Taking. If during the Term there shall be a Total Taking under the power of eminent domain, then the Leasehold Estate and the Parking License shall cease and terminate as of the date of taking. If this Lease is so terminated, all Rent and Additional Rent

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payable by Lessee to the Village shall be paid by Lessee up to the date of taking by the condemnor, and the parties thereupon shall be released from all further liability under this Lease except with respect to any liability which shall have theretofore accrued. If during the Term there is a Partial Taking under the power of eminent domain, this Lease shall remain in full force and effect and Lessee shall, at its own expense, promptly repair and restore the Improvements consistent with then current Governmental Regulations. A Total Taking and a Partial Taking shall include a voluntary conveyance made with the consent of the Parties to any Governmental Authority or private entity or person empowered to condemn property in lieu of formal court proceedings.

Section 10.3 Allocation of Award. Any and all condemnation awards shall be the property of the Village. Lessee shall have the right to make any separate claims allowed by the laws of the State of Florida against the condemning authority for the following: (a) the value of its fixtures, equipment and other personality; (b) its relocation expenses; (c) loss of business; (d) the unamortized amount of the cost of the Improvements and (e) such other claims as allowed by law, provided same shall not diminish the claims of the Village in any manner.

ARTICLE 11
UTILITIES AND OTHER SERVICES

Lessee shall, at its own expense, be responsible for and pay all utility charges, connections, and assessments for waste or trash collection, telephone service, electricity, water, sewer, gas, security services, and any other utility services used in or upon the Chamber Parcel and the Improvements from and after the Execution Date. Lessee shall pay its proportionate share of all sewer or wastewater charges, costs, rates and assessments associated with the wastewater treatment plant located in Founders Park and servicing the Chamber Parcel and Improvements, including any and all future wastewater rates and assessments in connection with sewer or wastewater service to the Chamber Parcel and Improvements. Lessee shall be responsible for the day-to-day cleaning and trash removal services for the Chamber Parcel.

ARTICLE 12
ASSIGNMENT

Section 12.1 Assignment of Lessee's Interest. Lessee shall not assign, transfer, sublet or otherwise dispose of this Lease, in whole or in part, without the prior written consent of the Village, which may be granted or withheld by the Village in its sole and absolute discretion. Any assignment, transfer or sublease by Lessee in violation of the requirements of this section shall be void, and shall, at the option of the Village, terminate this Lease. Neither this Lease nor the Leasehold Estate of Lessee nor any interest of Lessee in the Chamber Parcel or any of the Improvements shall be subject to involuntary assignment, transfer, or sale, or to assignment, transfer, or sale by operation of law in any manner whatsoever, and any involuntary assignment, transfer, or sale shall be void and of no effect and shall, at the option of the Village, terminate this Lease. Any direct or indirect change in the non-profit status of Lessee, or the ownership (legal or equitable) of a controlling and/or a majority interest of Lessee, whether such change in ownership occurs at one time or as a result of sequential incremental changes, and whether said change is by sale, assignment, hypothecation, bequest, inheritance, operation of law, merger or consolidation, or otherwise, shall be deemed an assignment of this Lease subject to the consent of the Village, the failure of which shall be deemed a default hereunder.
ARTICLE 13
INDEMNITY

Section 13.1 Lessee’s Indemnity. Lessee hereby agrees that the Village shall not be (and Lessee hereby waives any right to claim that the Village is) liable for any loss, injury, death, or damage to any person or any property which at any time may be suffered or sustained by Lessee or by any person performing work or otherwise occupying or visiting the Chamber Parcel, whether such loss, injury, death, or damage shall be caused by or in any way result from or arise out of any act, omission, or negligence of Lessee, or of any contractor, occupant, visitor, trespasser, licensee, invitee, guest, or any other person or user of any portion of the Chamber Parcel. Lessee shall indemnify, defend (with counsel selected by the Village and reasonably acceptable to Lessee) and save harmless the Village from and against any and all claims, actions, damages, liabilities, losses, costs and expenses, including Attorneys’ Fees (collectively, “Losses”) to the fullest extent permitted by law, arising in connection with (a) any default, breach or violation or non-performance of this Lease or any provision thereof by Lessee, (b) Lessee’s use and operation of the Chamber Parcel and the Improvements thereon, the Parking License or any part thereof during the Term, (c) the negligent acts or willful misconduct of Lessee, its agents, contractors, officers, directors, members and employees (d) any challenge to the validity of this Lease by a third party through legal proceedings or otherwise, including the validity and/or approval of this Lease by the Village, or (e) otherwise arising in connection with the subject matter of this Lease; except to the extent such Losses may be caused by the gross negligence or willful misconduct of the Village or its agents (the validity of this Lease and the approval by the Village shall not be deemed gross negligence or willful misconduct of the Village). The obligations of this Article 13 shall survive the expiration or earlier termination of this Lease.

Section 13.2 Contractor Indemnity. Lessee’s indemnity under Section 13.1 shall include any Losses resulting from the renovation of the Sheriff’s building, construction of the Improvements and any subsequent renovation and/or alterations hereto. In addition thereto, Lessee covenants and agrees that any direct construction contracts entered into by Lessee for such work shall include indemnities from the contractors in favor of Lessee and the Village.

ARTICLE 14
LEASEHOLD FINANCING

Lessee represents that it intends to complete construction of the Improvements and open the Chamber of Commerce contemplated by this Lease using conventional commercial financing. During the Term, Lessee shall have the right to mortgage and pledge Lessee’s interest in the Leasehold Estate subject to the limitations of this Article. Any Leasehold Mortgage shall be subject to and subordinate to the rights of the Village under this Lease. At no time shall this Lease be subordinated to a Leasehold Mortgage or the interest of the holder or beneficiary of any Leasehold Mortgage. Any Leasehold Mortgage shall be a lien only on Lessee’s Leasehold Estate and shall not encumber the Village’s fee simple interest in the Chamber Parcel. No Leasehold Mortgage will be valid or of any force and effect unless and until (a) the Village has consented thereto in writing, which consent shall not be unreasonably withheld, (b) a true copy of the original of such Leasehold
Mortgage, certified by Lessee to be a true and correct copy of such Leasehold Mortgage, and written notice containing the name and address of the Leasehold Mortgagor, has been delivered to the Village, and (c) the Leasehold Mortgage contains the following provisions:

"(i) Any person or entity who by purchase at a foreclosure sale and/or by transfer in lieu of foreclosure acquires any right, title or interest in or to the Lease hereby mortgaged, by acceptance of a deed or other instrument of conveyance thereof, will conclusively be deemed to have accepted such right, title or interest subject to all of the terms, covenants, conditions and restrictions of the Lease; it being the specific intent of the Mortgagor and Leasehold Mortgagor that this Leasehold Mortgage encumbers only Mortgagor’s Leasehold Interest in the mortgaged premises which is the subject of such Lease, and that except as specifically set forth in such Lease, the rights of the lessor pursuant to such Lease will not be affected by the terms of this Leasehold Mortgage.

(ii) The Mortgagor waives all right and option to retain and apply the proceeds of any insurance or the proceeds of any condemnation award toward payment of the sum secured by this Leasehold Mortgage to the extent such proceeds are required for the demolition, repair or restoration of the mortgaged premises in accordance with the provisions of the Lease hereby mortgaged.

(iii) The Leasehold Mortgagor agrees to send the lessor under said Lease copies of all notices to the mortgagor in which the Leasehold Mortgagor claims that there exists one or more defaults under the terms and provisions of this Mortgage; said copy to be sent to the lessor under said Lease simultaneously with its being sent to the Mortgagor.

(iv) The mortgagee acknowledges that this is a leasehold mortgage only and that the mortgagee has obtained no interest whatsoever in the underlying fee as a result of the execution of this mortgage by the mortgagor."

14.1 Notice to the Village. No Leasehold Mortgagor shall have the rights or benefits mentioned in this section, nor shall the provisions of this section be binding upon the Village, unless and until the name and address of the Leasehold Mortgagor have been delivered to the Village.

14.2 Notice and Cure of Defaults. As long as any Leasehold Mortgage remains unsatisfied of record, the following provisions shall apply:

14.2.1 Notice to Leasehold Mortgagor. The Village, upon serving Lessee with notice of an Event of Default or any other notice required under the provisions of this Lease, will also serve a copy of such notice upon the Leasehold Mortgagor, at the address provided to the Village.

14.2.2 Leasehold Mortgagor’s Right to Cure. If Lessee is in default under the Lease, any Leasehold Mortgagor shall have the right to cure the default, or cause the same to be cured within the time periods set forth in this Lease as if the performance had been ordered by Lessee.
14.3 Insurance. Each Leasehold Mortgagee may be added to the “loss payable endorsement” on all property and liability insurance required under this Lease, as its interest may appear, and as an insured or additional insured on all liability insurance.

14.4 Cooperation by the Village. The Village acknowledges that existing and future Leasehold Mortgagees of Lessee may require estoppel certificates from the Village and consents, approvals or other written documentation from the Village. The Village agrees to deliver to each such Leasehold Mortgagee, within a reasonable time after the Village’s receipt of written request, customary estoppel certificates in form and substance reasonably satisfactory to the Village. Notwithstanding the foregoing, the Village shall not be obligated to expend any money or undertake any obligation in implementation of the foregoing, and shall be reimbursed by Lessee or the Leasehold Mortgagee for all reasonable costs incurred by the Village in connection with estoppel certificates, including the Village’s Attorney’s Fees.

14.5 Notice of Defaults Under Leasehold Mortgages. Leasehold Mortgagee shall have the obligation to forward a copy of any notice of default under a Leasehold Mortgage to the Village simultaneously with its giving such notice to Lessee. Lessee agrees to forward to the Village a copy of any material correspondence from the Leasehold Mortgagee, including any notices of default, within five (5) days after Lessee’s receipt from the Leasehold Mortgagee.

14.6 Termination of Lease. In the event of termination of this Lease prior to the expiration of the Term, the Village shall serve the Leasehold Mortgagee with written notice that the Lease has been terminated, together with a statement of any and all sums which would at that time be due under the Lease but for such termination, and of all other defaults, if any, under the Lease then known to the Village. In such event, the Village shall not enter into a new lease with the Leasehold Mortgagee and title to the Improvements on the Chamber Parcel will automatically revert to the Village without the execution or delivery of any instrument of conveyance effective upon the date of termination of the Lease. The Leasehold Mortgagee shall, however, execute and deliver to the Village a recordable satisfaction of mortgage if the Leasehold Mortgage is still outstanding or a quitclaim deed if the Leasehold Mortgagee has previously foreclosed the Leasehold Mortgage.

ARTICLE 15
DEFAULT/REMEDIES

Section 15.1 Lessee’s Default. Each of the following occurrences shall constitute an “Event of Default” by Lessee under this Lease:

(a) Failure to Pay. Lessee’s failure to pay any Rent, Additional Rent or other sum of money required to be paid under this Lease within fifteen (15) days after payment is due.

(b) Failure to Perform. Lessee’s failure to perform any obligation or fulfill any covenant or agreement of Lessee set forth in this Lease and such failure shall continue for thirty (30) days following written Notice of the non-performance from the Village; provided, however, if such default is capable of being cured, but cannot reasonably be cured within thirty (30) days, and Lessee, within such thirty (30) day period, shall have commenced and thereafter continued diligently to prosecute the cure of such default to completion, said default shall not constitute an Event of Default.
(c) **Assignment of Lease or Sublease.** An assignment or transfer by Lessee of its interest under this Lease or any of its rights or obligations hereunder, or the sublease or attempted sublease by Lessee of the Chamber Parcel or the Improvements, or any of Lessee's rights under the Parking License, in whole or in part, except as expressly permitted by this Lease.

(d) **Cross-Default with Other Agreements with Village.** Lessee's failure to perform any payment or performance obligation or fulfill any covenant, condition or restriction as set forth in any other agreement entered into between Lessee and the Village.

(e) **Improvements.** Lessee's failure to renovate or construct the Improvements in accordance with the Construction Schedule, as provided in Article 6 hereof, or to make subsequent alterations, repairs or improvements thereto, as required by this Lease.

(f) **Bankruptcy.** (i) Any proceedings shall be commenced to declare Lessee bankrupt or insolvent, to obtain relief under any chapter or provision of any bankruptcy or debtor relief law or act, to reduce or modify Lessee's debts or obligations, or to delay or extend the payment thereof, which are not dismissed within sixty (60) days after the date commenced; (ii) any assignment of Lessee's property is made for the benefit of creditors; or (iii) a receiver or trustee is appointed for Lessee or Lessee's property or business.

(g) **Use Restriction.** Lessee's failure to use and operate the Chamber Parcel as the Chamber of Commerce, or the use and operation of the Chamber Parcel for any other use or purpose.

(h) **Operation of Chamber of Commerce.** Lessee's failure to open and continuously provide for the operation of the Chamber of Commerce on the Chamber Parcel, as required by this Lease.

Section 15.2 **The Village’s Remedies.** Upon the occurrence of an Event of Default by Lessee, the Village shall be entitled to seek all legal and equitable remedies available under Florida law, including, without limitation, termination of this Lease and the Parking License, removal of Lessee from the Chamber Parcel, specific performance, injunctive relief, and damages.

Section 15.3 **The Village’s Default.** An event of default by the Village shall be deemed to have occurred under this Lease if the Village fails to perform any obligation or fulfill any covenant or agreement of the Village set forth in this Lease and such failure shall continue for thirty (30) days following the Village's receipt of written notice of the non-performance; provided, however, the Village shall not be in default of this Lease (i) if the Village provides Lessee with a written response within said thirty (30) day period indicating the status of the Village's resolution of the breach and providing for a mutually agreeable schedule to correct same, or (ii) with respect to any breach that is capable of being cured but that cannot reasonably be cured within said thirty (30) day period, if the Village commences to cure such breach within such thirty (30) day period (or as soon thereafter as is reasonably possible) and diligently and in good faith continues to cure the breach until completion.

Section 15.4 **Remedies Cumulative and Concurrent.** No right, power or remedy of any Party provided in this Lease is intended to be exclusive of any other right, power, or remedy of such Party, but each and every such right, power and remedy shall be cumulative and concurrent.
and in addition to any other right, power or remedy now or hereafter existing at law or in equity and may be pursued separately, successively or concurrently against the defaulting Party, at the sole discretion of the non-defaulting Party. The failure of any Party to exercise any such right, power or remedy shall in no event be construed as a waiver or release thereof.

Section 15.6 Waiver, Delay or Omission. No waiver of any default or Event of Default hereunder shall extend to or affect any subsequent or other default or Event of Default then existing, or impair any rights, powers or remedies consequent thereon, and no delay or omission of any Party to exercise any right, power or remedy shall be construed to waive any such default or Event of Default or to constitute acquiescence therein.

ARTICLE 16
COMPLIANCE WITH LAWS; ENVIRONMENTAL MATTERS

Section 16.1 Compliance with Laws. Lessee shall comply in all material respects with all Governmental Requirements, provided that nothing contained herein or in any other provision of this Lease shall prevent Lessee from contesting (in good faith and exercising reasonably diligent efforts) such Governmental Requirements to the full extent permitted by law.

Section 16.2 Lessee’s Environmental Obligations. From and after the Execution Date, Lessee shall not dispose or knowingly permit the storage, disposal, escape or discharge of any Hazardous Substances on, in or about the Chamber Parcel or the Parking License except in compliance with applicable Governmental Requirements. In the event that any Hazardous Substances contaminate any portion of the Chamber Parcel or the Parking License after the Execution Date, then Lessee agrees to comply with any and all Governmental Requirements relative to such Hazardous Substances, and that, in connection with the foregoing, if any cleanup or removal of such Hazardous Substances or any other remedial action is required under Governmental Requirements, Lessee shall cause the same to be performed without expense to the Village. Lessee agrees to indemnify, defend (with counsel selected by the Village and reasonably acceptable to Lessee) and to hold the Village harmless from any and all Losses arising out of in any way connected with the presence of any Hazardous Substances at the Chamber Parcel or the Parking License caused by Lessee’s breach of the foregoing obligation, except to the extent that the presence of such Hazardous Substances arises from the direct actions of the Village. The indemnity obligations set forth herein shall survive the expiration or earlier termination of the Lease.

Section 16.3 Notice of Violation. Each Party shall promptly deliver to the other complete copies of all notices, demands, or other communications received by it from any Governmental Authority or any insurance company or board of fire underwriters or similar entities regarding any way alleged violations or potential violations of any environmental law or otherwise asserting the existence or potential existence of any Hazardous Substances, condition or activity on the Chamber Parcel which is or could be dangerous to life, limb, property or the environment.

ARTICLE 17
THE VILLAGE’S RIGHT OF ENTRY

During the Construction Term, the Village may enter the Chamber Parcel in accordance with the provisions of Article 6. During the Occupancy Term, except by the Village in its
capacity as a municipal entity or in the event of an emergency requiring immediate access, the Village’s right of entry to the Chamber Parcel shall be limited to the purpose of confirming compliance with the terms of this Lease and shall be during normal office hours only. The Village shall first secure the advance approval of the Chamber Director, which approval shall not be unreasonably withheld, conditioned or delayed and shall be accompanied by Chamber staff at all times while on the Chamber Parcel.

ARTICLE 18
SURRENDER; HOLDOVER

Section 18.1 Surrender. The Village and Lessee agree that at the end of the Term, ownership of the Improvements will automatically vest in the Village as provided in Article 6, which shall be surrendered to the Village in good condition and repair, reasonable wear and tear excepted, but subject to the maintenance and repair obligations of Lessee hereunder.

Section 18.2 Personal Property. Any improvements or additions upon the Chamber Parcel at the expiration or earlier termination of this Lease shall be deemed a part of the Improvements, however, the provisions of this Section shall not apply to equipment and furnishings of Lessee which are capable of being removed without causing damage to the Improvements. Any such property of Lessee not removed as herein permitted shall, at the option of the Village, be deemed abandoned by Lessee.

Section 18.3 Holdover Tenancy. If Lessee shall hold over after the expiration of the Term, at the Village’s option, in its sole discretion, Lessee may be deemed to be occupying the Chamber Parcel as a tenant at sufferance, which tenancy may be terminated as provided by Florida law. During such tenancy, Lessee agrees to be bound by all of the terms, covenants and conditions herein specified. If the Village relets the Chamber Parcel (or any portion thereof) to a new lessee and the term of such new lease commences during the period for which Lessee holds over, the Village shall be entitled to recover from Lessee any and all damages, including, without limitation, all costs, expenses, attorneys’ fees, and lost rents incurred by the Village as a result of Lessee’s failure or inability to deliver possession of the Chamber Parcel to the Village as required under this Lease.

ARTICLE 19
ESTOPPEL CERTIFICATE

The Village and Lessee agree that, at any time and from time to time during the Term of this Lease, within ten (10) business days after written request by the other, the Village or Lessee, as applicable, will execute, acknowledge and deliver to the other or to any prospective purchaser or assignee designated by the other, including without limitation any Leasehold Mortgagee, a certificate stating (a) that this Lease is unmodified and in force and effect (or if there have been modifications, that this Lease is in force and effect as modified, and identifying the modification agreements); (b) the date to which Rent has been paid; (c) whether or not there is any existing default by any Party in the payment of any sum or performance of any obligation under this Lease, and, if there is any such default, specifying the nature and extent thereof; (d) whether or not there are any setoffs, defenses, or counterclaims against enforcement of the obligations to be performed hereunder existing in favor of the Party executing such certificate; and (e) any other information relating to this Lease reasonably requested by the other.
ARTICLE 20
NOTICES

All notices, requests, consents, and other communications under this Lease ("Notices") shall be in writing and shall be personally delivered, mailed by First Class Mail, postage prepaid, or sent by overnight delivery service, to the parties as follows:

In the case of notice or communication to the Village:

Islamorada, Village of Islands
Attention: Village Manager
86800 Overseas Highway
Islamorada, Florida 33036
Telephone No.: (305) 664-6410
Fax No.: (305) 664-6464

With a Copy to: Village Attorney
Islamorada, Village of Islands
Attention: Nina L. Boniske, Esq.
Weiss Serota Helfman Pastoriza Cole & Boniske, P.L.
2525 Ponce de Leon Blvd, Suite 700
Coral Gables, Florida 33134
Telephone No: (305) 854-0800
Fax No.: (305) 854-2323

In the case of notice or communication to Lessee:

Islamorada Chamber of Commerce
Attention: Judy Hull
P.O. Box 915
Islamorada, FL 33036
Telephone No.: (305) 664-4503
Fax No.: (305) 664-4289.

With a Copy to: Rob Stober, Esq.
Hershoff, Lupino & Yagel, LLP
90130 Old Highway
Tavernier, Florida 33070
Telephone No.: (305) 852-8440
Fax No.: (305) 852-8848

Except as otherwise provided in this Lease, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Lease would otherwise expire on a non-business day, the
Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for Lessee and counsel for the Village may deliver Notice on behalf of Lessee and the Village, respectively. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the Parties.

ARTICLE 21
MISCELLANEOUS

Section 21.1 Approval. Whenever in this Lease the approval or consent of any Party is required, it is understood and agreed that unless specifically stated to the contrary, such approval or consent will not be unreasonably withheld, conditioned or delayed.

Section 21.2 No Merger. There shall be no merger of this Lease and the Leasehold Estate with the fee estate in the Chamber Parcel by reason of the fact that the same person may acquire or hold, directly or indirectly, in whole or in part, this Lease or the Leasehold Estate as well as the fee estate in the Chamber Parcel or any interest in such fee estate.

Section 21.3 Amendments. No modification or amendment of this Lease shall be of any force or effect unless in writing and signed by both the Village and Lessee.

Section 21.4 Waiver. No waiver of any provision shall be deemed to have been made unless such waiver is in writing and signed by the Village or Lessee. The failure of any Party to insist upon strict performance of any of the provisions or conditions of this Lease shall not be construed as waiving or relinquishing any such covenants or conditions, but the same shall continue and remain in full force and effect.

Section 21.5 Non-Discrimination. Lessee agrees that there will be no discrimination against any person based on disability, gender, sexual orientation, age, religion, race, color, creed or national origin in the operation of the Chamber of Commerce or use of the Chamber Parcel.

Section 21.6 Attorneys’ Fees. The prevailing party in any legal proceeding brought under or in connection with this Lease or the transactions contemplated hereby shall be entitled to recover court costs, Attorneys’ Fees, and all other litigation expenses through appeal from the non-prevailing party.

Section 21.7 Joint Preparation. This Lease has been negotiated fully between the Parties as an arm’s length transaction. Both Parties participated fully in the preparation of this Lease and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Lease, both Parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against any Party.

Section 21.8 Counterparts. This Lease may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall constitute, but one and the same instrument. Signature and acknowledgments pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.
Section 21.9 Entire Agreement. This Lease sets forth the entire agreement between the Village and Lessee relating to the Chamber Parcel and all subject matter herein, and supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the Parties.

Section 21.10 Gender. As used in this Lease, the masculine shall include the feminine and neuter, the singular shall include the plural and the plural shall include the singular as the context may require.

Section 21.11 Governing Law; Venue. This Lease and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Venue for any action or dispute brought hereunder shall be exclusively in Monroe County, Florida. This Lease is subject to and shall comply with the Charter of Islamorada, Village of Islands, and the Ordinances of Islamorada, Village of Islands. Any conflicts between this Lease and the aforementioned Charter and Ordinances shall be resolved in favor of the latter.

Section 21.12 Radon Gas. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from the Monroe County Health Department.

Section 21.13 Headings. The Article, Section, Subsection and paragraph headings herein contained are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Lease.

Section 21.14 Severability. In the event any provision of this Lease is found to be invalid or unenforceable, then the Village may, in its sole and absolute discretion, terminate this Lease by delivering written notice thereof to Lessee, whereupon the Parties shall be released from further liability hereunder, except with respect to provisions which expressly survive pursuant to their terms.

Section 21.15 Time of the Essence. Time is of the essence in the performance of all obligations by Lessee under this Lease.

Section 21.16 Authorization. The execution of this Lease has been duly authorized by the Village and Lessee. The Village and Lessee have complied with all the requirements of law in connection with the execution and delivery of this Lease and the performance of their respective obligations hereunder. The Village and Lessee have full power and authority to comply with the terms and provisions of this Lease.

Section 21.17 Exculpation. It is the intent and agreement of the Parties that only the Parties as entities or Governmental Authorities shall be responsible in any way for their respective obligations hereunder. In that regard, no officer, director, partner, investor, official, representative, employee, agent, or attorney of any of the Parties shall be personally liable for the performance of any obligation hereunder or for any other claim made hereunder or in any way in connection with this Lease, or any matters contemplated herein.
Section 21.18 Memorandum of Lease. Within thirty (30) days after the commencement of the Occupancy Term, Lessee, at the Village’s request, shall execute a “Memorandum of Lease” in substantially the form as attached as Exhibit “F”, setting forth a description of the Chamber Parcel, the Term, no lien rights, and any other information required by the Village. The Village may, at its option, record the Memorandum of Lease in the Public Records of Monroe County, Florida. The cost of any such recordation and any applicable documentary or other taxes shall be paid by the Lessee. Upon expiration of the Term, or earlier termination of this Lease, the Parties shall execute, file and record such documents and instruments and take such other action as may be necessary or appropriate to evidence such expiration or termination. If Lessee fails to take such action, the Village, as attorney-in-fact for Lessee, is hereby authorized to do so in the name of Lessee. The foregoing power of attorney is coupled with an interest and cannot be revoked.

Section 21.19 No Joint Partnership or Joint Venture. It is mutually understood and agreed that nothing contained in this Lease is intended or shall be construed in any manner or under any circumstances whatsoever as creating or establishing the relationship of co-partners, or creating or establishing the relationship of a joint venture between the Village and Lessee, or as constituting Lessee as the agent or representative of the Village for any purpose or in any manner whatsoever.

Section 21.20 Waiver of Jury Trial. The Parties waive trial by jury in any action, proceeding or counterclaim brought by either of the Parties hereto against the other for any matter whatsoever arising out of or in any way connected with this Lease.

Section 21.21 No Broker. Each of the Parties represents to the other that it has not dealt with any broker in connection with this Lease transaction. If any claim is made by a broker that has acted or dealt with Lessee in connection with this transaction, Lessee will pay the brokerage commission, fee or other compensation (if any) to which such broker is entitled.

[SIGNATURES PAGES TO FOLLOW]
IN WITNESS WHEREOF, the Village and Lessee have caused this Lease to be executed by their respective and duly authorized officers as of the day and year written below their signatures.

VILLAGE:

ISLAMORADA VILLAGE OF ISLANDS,
FLORIDA, a Florida municipal corporation

By:  
Mayor

Execution Date: 7/23/12

ATTEST:

Delma E. Eastman
Village Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

By:  
Village Attorney

STATE OF FLORIDA  SS:
COUNTY OF MONROE

The foregoing instrument was acknowledged before me this 23rd day of July 2012, by Michael Reckwoldt, as Mayor, of ISLAMORADA VILLAGE OF ISLANDS, FLORIDA, a Florida municipal corporation, on behalf of the Village. He/She personally appeared before me, and is personally known to me or produced _________________ as identification.

Notary: Delma Eastman
Print Name: Delma Eastman
My Commission expires: 6/28/13
IN WITNESS WHEREOF, the Village and Lessee have caused this Lease to be executed by their respective and duly authorized officers as of the day and year written below their signatures.

Signed and delivered in the presence of the following witnesses:

LESSEE:

ISLAMORADA CHAMBER OF COMMERCE, INC., a Florida non-profit 501(c)(6) corporation

By: ____________________________
Name: Judy Hull
Title: Executive Director

Execution Date: July 12, 2012

ATTEST:

By: ____________________________
Secretary

STATE OF FLORIDA )
COUNTY OF MONROE ) SS:

The foregoing instrument was acknowledged before me this 12 day of July, 2012, by Judy Hull, as Executive Director of ISLAMORADA CHAMBER OF COMMERCE, INC., a corporation under the laws of the State of Florida, on behalf of the corporation. She personally appeared before me, and is personally known to me.

Notary:

Print Name: Robert Stober
My Commission expires:
EXHIBIT “A”

CHAMBER PARCEL
EXHIBIT "B"

PARKING PLAN FOR PARKING LICENSE
EXHIBIT “C”

SUBSTANTIAL COMPLETION DATE CERTIFICATE

TO: ______________________________, FLORIDA

FROM: ______________________________, INC.

DATE: As of _________________, 20__

RE: Lease Agreement (the “Lease”) dated __________, 2012 (the “Effective Date”), between Islamorada Village of Islands, as the Village, and Islamorada Chamber of Commerce, Inc., as Lessee, for the Chamber Parcel

Ladies and Gentlemen:

We refer to the captioned Lease and the terms thereof. Capitalized terms used in this certificate shall have the meanings given to them in the Lease. In accordance with Article 3 of the Lease, we wish to advise and/or confirm that a temporary certificate of occupancy for the Islamorada Chamber of Commerce and Visitor Center was issued on _________________, 20__. Accordingly, the Village and Lessee agree that (i) the “Substantial Completion Date” under the Lease is determined and defined to be _________________, 20__ for all purposes, and (ii) the Occupancy Term commenced on _________________, 20__ [insert date which is one day following the Substantial Completion Date] and shall end on _________________, 20__ [insert date which is forty-five years after the Effective Date], unless terminated or renewed as provided in the Lease.

 Except as expressly modified herein, all other terms and provisions of the Lease shall remain the same and in full force and effect.

This certificate may be executed in counterparts, all of which taken together shall constitute one and the same certificate, and either of the parties hereto may execute this certificate by signing any such counterpart.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]
The parties have executed this certificate as of the day and year first above written.

VILLAGE:
ISLAMORADA VILLAGE OF ISLANDS, FLORIDA

By: ____________________________
Title: ____________________________

ATTEST:

_______________________________
Village Clerk

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

_______________________________
Village Attorney

LESSEE:
ISLAMORADA CHAMBER OF COMMERCE, INC.

By: ____________________________
Name: ____________________________
Title: ____________________________
EXHIBIT “D”
CONSTRUCTION SCHEDULE

Note: Day 0 is the date on which the final lease is executed by both the Chamber and the Village.

+ 1 day: Chamber formally secures financing.

+1 day: Chamber orders completion of architectural building plans.

+30 days: Chamber delivers construction contract to general contractor for execution.

+ 35 days (and not to exceed + 45 days): Chamber submits applications to Village for development approvals: Text Amendments for Recreational Use, Major Conditional Use Approval and Site Plan Approval. Chamber submits to Village Site Plan and drawings for review and approval. Upon approval by Village, Chamber then submits Building Permit Applications/Plans, including two sets of completed working drawings including Site Plan, architectural, electrical, mechanical, interior design and landscaping, as applicable, as well as a complete construction cost estimate. Chamber also submits for Approval for Nonresidential Floor Area.

Within 10 days of being granted all Government Approvals (estimated date of +90 days): Chamber commences construction – specifically, Chamber has entered into written construction contract, obtained all government approvals in accordance with the Final Plans, and commenced demolition.

+ 180 days: Construction complete.

+ 181 days: Final inspections, surveys and modification of construction loan. Chamber obtains final Certificate of Completion and Chamber delivers “As-Built” Survey to Village.

+ 185 days: Chamber delivers to Village a written certificate or opinion from architect or licensed professional engineer stating that the Chamber building improvements conform to all governmental requirements.

+ 190 days: New Chamber of Commerce building opens.
EXHIBIT “E”

INSURANCE LIMITS

A. The minimum amounts of insurance (inclusive of any amounts provided by an umbrella or excess policy) shall be as follows:

1. **Workers' Compensation/Employer's Liability**

   **Part One** - There shall be no maximum limit (other than as limited by the applicable statute) for liability imposed by the Florida Workers' Compensation Act or any other coverages required by the Lease which are customarily insured under Part One of the standard Workers' Compensation Policy.

   **Part Two** - The minimum amount of coverage for those coverages required by the Lease which are customarily insured under Part Two of the standard Workers' Compensation Policy shall be:

   $1,000,000 (Each Accident)

   $1,000,000 (Disease-Policy Limit)

   $1,000,000 (Disease-Each Employee)

2. **Commercial General Liability** - The minimum limits for the Commercial General Liability coverage shall be:

   
<table>
<thead>
<tr>
<th>Description</th>
<th>Limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Aggregate</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Products/Completed Operations Aggregate</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Personal and Advertising Injury.</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Each Occurrence</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Fire Damage (any one fire)</td>
<td>$100,000</td>
</tr>
<tr>
<td>Medical Expense (any one person)</td>
<td>$25,000</td>
</tr>
</tbody>
</table>

3. **Business Auto Policy** - The minimum limits for the Business Auto Policy shall be:

   Each Occurrence - Bodily Injury and Property Damage Combined $1,000,000
EXHIBIT “F”

FORM OF MEMORANDUM OF LEASE

Prepared by/Return to:
Lillian M. Arango, Esq.
Weiss Serota Helfman Pastoriza
Cole & Boniske, P.L.
2525 Ponce de Leon Blvd., Suite 700
Coral Gables, Florida 33134

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE, made this ______ day of ______, 20____ by and between ISLAMORADA, VILLAGE OF ISLANDS, a Florida municipal corporation (“Village”) and ISLAMORADA CHAMBER OF COMMERCE, INC., a Florida 501(c)(6) non-profit corporation (“Lessee”).

WITNESSETH:

WHEREAS, Village and Lessee, entered into that certain Lease Agreement dated ______________, 2012 (the “Lease”) with respect to (i) that certain improved real property owned by the Village consisting of approximately 6,400 square feet and more particularly described in Exhibit “A” attached hereto and made a part hereof (the “Chamber Parcel”); and (ii) that certain non-exclusive license for the use of parking spaces located within Founders Park and more particularly depicted in Exhibit “B” attached hereto and made a part hereof (the “Parking License”); and

WHEREAS, Village and Lessee desire to confirm and acknowledge, and to place on the public records of Monroe County, Florida (i) the commencement date of the Lease, (ii) the expiration date of the Lease, (iii) Notice of No-Lien on the Chamber Parcel, and (iv) certain other terms of the Lease.

NOW, THEREFORE, in consideration of the Premises hereof and the mutual promises and covenants contained herein and in the Lease, Village and Lessee hereby agree as follows:

1. Subject to the terms set forth in the Lease, the Village demises and leases to Lessee, and Lessee takes and hires from the Village, all of the Chamber Parcel, for a term of forty-five (45) years (the “Term”), which shall commence on __________, 2012, unless sooner terminated as provided in the Lease.

2. Village has granted to Lessee a non-exclusive license for the Parking License, to be improved, and thereafter, operated and maintained by Lessee for parking ancillary to the use and operation of the Chamber of Commerce on the Chamber Parcel, and use by the Village for other purposes in accordance with the terms and conditions of the Lease.

3. This Memorandum shall not serve to modify any of the terms, provisions, covenants and conditions of the Lease, all of which shall remain unmodified and in full force and effect.

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4. Notice of No-Lien. Pursuant to Section 713.10, Florida Statutes, notice is hereby provided that the interest of the Village in and to the Chamber Parcel and the Improvements shall not be subject to liens for improvements made by the Lessee. The following provision is contained in Section 6.7 of the Lease:

Section 6.7. Liens Against the Property. Lessee shall not permit any mechanic’s, laborer’s or materialmen’s lien to be filed against the Chamber Parcel or any part thereof by reason of work, labor, services or materials supplied or claimed to have been supplied to Lessee. If any such lien is at any time filed against the Chamber Parcel or any part thereof, Lessee, within thirty (30) days after notice of the filing, will cause such lien to be discharged of record by payment, deposit, bond, order of a court of competent jurisdiction, or otherwise. If Lessee fails to cause such lien to be discharged within the thirty (30) day period, then, in addition to any other right or remedy, the Village may, but is not obligated to, discharge such lien either by paying the amount claimed to be due or by procuring the discharge of such lien by transferring it to a bond. Any amounts paid by the Village in obtaining the discharge or transfer of any lien, plus all of the Village’s costs and expenses associated with any lien, including Attorneys’ Fees, will constitute Additional Rent payable by Lessee under this Lease, and such amounts will be paid by Lessee to the Village on demand.

Notwithstanding the foregoing, Lessee shall have the right to contest the correctness or the validity of any such lien if, prior to the expiration of the thirty (30) day period, Lessee procures and records a bond issued by a corporation authorized to issue surety bonds in Florida. The bond must meet the requirements of local law and must provide for payment of the sum that the claimant may recover on the claim. Notwithstanding anything to the contrary contained in this Lease, the interest of the Village, whether real or personal, in and to the Chamber Parcel or any part thereof shall not be subject to or chargeable with any liens for labor performed or material supplied in connection with any work or improvements performed or caused to be performed by Lessee, and Lessee shall have no right, power or authority to create or allow to be created any such liens regardless of whether the Village has approved or consented to such work or improvements. All persons and entities contracting or otherwise dealing with Lessee relative to the Chamber Parcel shall be placed on notice of the provisions of this Section. Lessee will comply with all requirements set forth in Section 713.10, Florida Statutes; and the Village and Lessee further agree to execute, acknowledge and record in the Public Records of Monroe County, Florida, as part of the Memorandum of Lease set forth in Section 21.18, a Notice pursuant to Section 713.10, Florida Statutes.

5. This Memorandum of Lease shall be recorded, and shall become effective upon recordation, in the public records of Monroe County, Florida and shall be a covenant running with the land and shall be binding on all parties having any right, title or interest in the Chamber Parcel or any portion thereof until the expiration or earlier termination of the Lease. This Memorandum of Lease shall inure to the benefit of and shall be binding upon Village and Lessee and their respective heirs, personal representatives, successors and assigns.

6. Upon the expiration or otherwise termination of this Lease, Village may execute and record in the public records of Monroe County, Florida, a unilateral affidavit which states that this Lease has expired or is otherwise terminated, or a final judgment or court order which states that this Lease has expired or is otherwise terminated. Village’s recording in the public records of Monroe County, Florida, of either a unilateral affidavit, or a final judgment or court order, as provided by this paragraph, may be relied upon by the public as proper notice of expiration or termination of this Lease.
IN WITNESS WHEREOF, Village and Lessee have caused this Memorandum of Lease to be executed by their duly authorized representative on or as of the day and year above written.

VILLAGE:

ISLAMORADA, VILLAGE OF ISLANDS, a Florida municipal corporation

By: ______________________, Village Manager

ATTEST:

__________________________
Village Clerk

Approved as to Form and Legal Sufficiency:

WEISS SEROTA HELLMAN PASTORIZA COLE & BONISKE, PLLC.

__________________________
Village Attorney

STATE OF FLORIDA )
COUNTY OF MONROE )

The foregoing instrument was acknowledged before me this _____ day of _____, 2012 by ______________________ as Village Manager, of Islamorada, Village of Islands, a Florida municipal corporation, on behalf of the Village, who is personally known to me or who has produced ______________________ as identification, and who did (did not) take an oath.

__________________________
Notary Public, State of Florida
Serial Number: ____________
My Commission Expires: ________
IN WITNESS WHEREOF, Village and Lessee have caused this Memorandum of Lease to be executed by their duly authorized representative on or as of the day and year above written.

LESSEE:

______________________________
Witness

______________________________
Printed Name of Witness

______________________________
Witness

______________________________
Printed Name of Witness

ISAMORADA CHAMBER OF COMMERCE, INC.,
a Florida 501(c)(6) non-profit corporation

By: ____________________________
Name: __________________________
Title: __________________________

STATE OF FLORIDA  )
COUNTY OF MONROE  )

The foregoing instrument was acknowledged before me this _____ day of _______ 2012, by ________________________, as __________________ of Islamorada Chamber of Commerce, Inc., a Florida 501(c)(6) non-profit corporation, who is personally known to me or who has produced as identification, and who (did) (did not) take an oath.

______________________________
Notary Public, State of Florida
Serial Number: __________________
My Commission Expires: __________
EXHIBIT "A"

CHAMBER PARCEL

[Diagram of the Chamber Parcel showing boundaries and descriptions]

NOTE: This is a sketch for reference purposes only. For actual property boundaries and descriptions, please refer to the official documents.

SIGNED:

[Signature]

[Name]

[SURVEYING & MAPPING, LLC]

[Phone: 305-302-0021 / Fax: 305-305-0022]

66666 Somers Street / P.O. Box 510 Tempe, CA 95620

[Florida Certificate of Authorization No. 75/721]

[Drawing No. 11177] Drawn By: J.M. Date: 04/01/12

[David S. Massey, P.S.A. # 5125]
EXHIBIT “B”

PARKING PLAN FOR PARKING LICENSE

[Diagram of parking plan]

DATE: 2/19/87
PROJECT: 0312-07

Island Group Chamber of Commerce
Visitor's Center
Founder's Park, Islamorada, FL

DAVE BOERNER
ARCHITECT, P.A.
Islamorada, FL (305) 665-5674

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