

Lease # \_\_\_\_\_

## **LEASE AGREEMENT**

THIS LEASE AGREEMENT entered into this 3<sup>rd</sup> day of November, 2004, between City of Naples whose mailing address is 735 8<sup>th</sup> Street North, Naples, Florida 34102, hereinafter referred to as "LESSOR," and COLLIER COUNTY, a political subdivision of the State of Florida, whose mailing address is 3301 East Tamiami Trail, Naples, Florida 34112, hereinafter referred to as "LESSEE".

### W I T N E S S E T H

In consideration of the mutual covenants contained herein, and other valuable consideration, the parties agree as follows:

#### ARTICLE I. Demised Premises

LESSOR hereby grants to LESSEE and LESSEE hereby accepts from LESSOR access and shared use of Fire Station #2, which is located at 977 26<sup>th</sup> Avenue North, Naples, Florida, hereinafter referred to as the "Demised Premises."

#### ARTICLE 2. Term of Lease

LESSEE shall have and hold the Demised Premises for a term of five (5) years, hereinafter referred to as the "Initial Term", commencing on November 1, 2004, hereinafter referred to as "Commencement Date."

Provided LESSEE is not in default of any of the terms contained in this Agreement, this Agreement shall be automatically renewed for an additional five (5) year term (as many as five (5) such additional five (5) year terms), upon the terms and conditions set forth in this Agreement, so long as neither LESSOR nor LESSEE shall give notice to the other of such party's election not to renew this Lease prior to the expiration of the then-existing Lease term.

During any Renewal Term, the LESSEE or LESSOR may terminate this Agreement, with or without cause, upon sixty (60) days prior written notice of such termination to the other party at the address set forth in ARTICLE 14 of this Agreement. Said notice period shall be effective upon placement of the written notice in an official depository of the United States Post Office, Registered or Certified Mail, Postage Prepaid.

This Lease shall terminate upon transfer of ownership of the Demised Premises from LESSOR to another person or entity.

ARTICLE 3. Rent

In recognition of the payment made for the EMS bay, as set forth in ARTICLE 6, LESSEE hereby covenants and agrees to pay as rent for the Demised Premises the sum of Six Thousand Dollars (\$6,000) per annum in equal monthly installments of Five Hundred Dollars (\$500.00) each, for the Initial Term. Rent for the first Renewal Term for the living quarters and bay shall be Twelve Thousand Dollars (\$12,000) per annum in equal monthly installments of One Thousand Dollars (\$1,000) each.

ARTICLE 4. Renewal Term Rent

In the event LESSEE elects to renew this Lease, as provided for in ARTICLE 2, the rent set forth in ARTICLE 3 shall remain the same for the Renewal Term.

ARTICLE 5. Utilities and Incidental Expenses

LESSEE shall utilize the existing utilities presently utilized by LESSOR such as, but not limited to, septic or sewer, water, including potable water, electricity, telephone, janitorial service, gardening and outdoor maintenance, hereinafter referred to as "Expenses". However, LESSEE agrees to pay, in lieu of a pro rata share of the utility charges, three hundred dollars (\$300.00) per month to off-set said Expenses. LESSOR and LESSEE shall renegotiate LESSEE'S contribution to said Expenses at each five (5) year renewal to reflect reasonable increases in those Expenses. At no time shall an annual increase be greater than five (5) percent. LESSOR shall provide LESSEE with the amount of the increase no later than thirty (30) days following the renewal term.

ARTICLE 6. LESSEE'S Improvements and Compensation for Improvements

LESSOR authorizes LESSEE to make improvements, addition and alterations to the EMS living quarters, which is that area comprising approximately 972 square feet immediately east of the primary bays, including the construction of an apparatus bay for LESSEE'S use, hereinafter referred to as 'Improvements.' The estimated construction cost of One Hundred Thirty-Seven Thousand Dollars (\$137,000.00), hereinafter referred to as 'Estimated Costs.' All improvements, alterations or additions shall be made in compliance with Article 8 of this Lease as written below.

LESSEE acknowledges that the LESSOR may sell the Property during the Initial Term or during the Renewal Terms of this Agreement. In the event the LESSOR accepts any contract for the sale of the Property, the LESSOR shall notify LESSEE of the sale by providing the LESSEE with written notice at least ninety (90) days prior to the actual closing date of the Property, or earlier, if possible. The notification shall include the closing date of the Property along with a ninety (90) day notice to vacate. Said notice shall be effective upon placement of the notice in an official depository of the United States Post Office, Registered or Certified Mail, Postage Prepaid.

If the LESSEE is required to vacate the Demised Premises as a result of the sale of the Property, the LESSEE and LESSOR agree that LESSOR shall reimburse LESSEE one hundred (100) percent of the actual costs incurred by LESSEE to complete the Improvements if LESSOR sells the Property during LESSEE'S first year of occupancy of the Demised Premises. Following the first year of occupancy, the value of the Improvements will depreciate by twenty (20) percent of the actual costs of the Improvements for each year during the Initial Term in which the LESSEE occupies the Demised Premises. The balance of the actual costs shall be reimbursed to the LESSEE as described below by LESSOR within thirty (30) days from the date in which the LESSEE is required to vacate the Demised Premises. At such time, said Improvements shall become the property of the LESSOR.

(based on the above-referenced Estimated Cost of the Improvements being \$137,000.00)

First Year: From the Commencement Date 2004 to the anniversary date 2005, amount reimbursed to LESSEE shall be 100% of the actual cost (Estimated Cost is \$137,000.00)

Second Year: From anniversary date 2005 to anniversary date 2006, amount reimbursed to LESSEE shall be 80% of the actual cost (Estimated Cost is \$109,600.00)

Third Year: From anniversary date 2006 to anniversary date 2007, amount reimbursed to LESSEE shall be 60% of the actual cost (Estimated Cost is \$82,200.00)

Fourth Year: From anniversary date 2007 to anniversary date 2008, amount reimbursed to LESSEE shall be 40% of the actual cost (Estimated Cost is \$54,800.00)

Fifth Year: From anniversary date 2008 to anniversary date 2009, amount reimbursed to LESSEE shall be 20% of the actual cost (Estimated Cost is \$27,400.00)

No compensation shall be required for the improvements by LESSOR, or due to LESSEE, for the Renewal Term following the Initial Term of this Agreement.

ARTICLE 7. Default

Failure of LESSEE to comply with any provision or covenant of this Lease shall constitute a default, LESSOR may, at its option, terminate this Lease after sixty (60) days written notice to LESSEE, unless the default is cured within the notice period (or such additional time as is reasonably required to correct such default).

Failure of LESSOR to comply with any provision or covenant of this Lease shall constitute a default, LESSEE may, at its option, terminate this Lease after sixty (60) days written notice to LESSOR, unless the default is cured within the notice period (or such additional time as is reasonably required to correct such default).

ARTICLE 8. Modifications to Demised Premises

Prior to making any changes, alterations, additions or improvements to the Demised Premises, LESSEE will provide to LESSOR all proposals and plans for alterations, improvements, changes or additions to the Demised Premises for LESSOR'S written approval, specifying in writing the nature and extent of the desired alteration, improvement, change, or addition, along with the contemplated starting and completion time for such project. LESSOR or its designee will then have thirty (30) days within which to approve or deny in writing said request for changes, improvements, alterations or additions. LESSOR shall not unreasonably withhold its consent to required or appropriate alterations, improvements, changes or additions proposed by LESSEE. If after thirty (30) days there has been no response from LESSOR or its designee to said proposals or plans, then such silence shall be deemed as an approval to such request of LESSEE.

LESSEE covenants and agrees in connection with any maintenance, repair work, erection, construction, improvement, addition or alteration of any authorized modifications, additions or improvements to the Demised Premises, to observe and comply with all then and future applicable laws, ordinances, rules, regulation, and requirements of the United States of America, State of Florida, County of Collier, and any and all governmental agencies.

LESSEE covenants and agrees not to use, occupy, suffer or permit said Demised Premises or any part thereof to be used or occupied for any purpose contrary to law or the rules or regulations of any public authority.

ARTICLE 9. Access to Demised Premises

LESSOR and LESSEE, their authorized agents, representatives and employees shall have equal access to the Demised Premises or any part thereof, unless expressly limited by this Lease.

ARTICLE 10. Assignment and Subletting

LESSEE covenants and agrees not to assign this Agreement or to sublet the whole or any part of the Demised Premises, or to permit any other persons to occupy same without the written consent of LESSOR. Any such assignment or subletting, even with the consent of LESSOR, shall not relieve LESSEE from liability for payment of rent or other sums herein provided or from the obligation to keep and be bound by the terms, conditions and covenants of this Agreement. The acceptance of rent from any other person shall not be deemed to be a waiver of any of the provisions of this Agreement or to be a consent to the assignment of this Agreement or subletting of the Demised Premises.

ARTICLE 11. Insurance

LESSEE shall take out and maintain during the course of this Agreement, or any renewal thereof, comprehensive general liability coverage including bodily injury and property damage, premises and operations coverage, products and completed operations coverage, broad form property damage coverage, automobile liability coverage including owned automobiles, non-owned automobiles and hired automobiles and contractual liability coverage in an amount of not less than one million and 00/100 dollars (\$1,000,000.00) combined single limits. These insurance policy(ies) shall reflect LESSOR as an additional insured.

If LESSEE falls under the State of Florida Worker's Compensation Law, coverage shall be provided for all employees. The coverage shall be for statutory limits in compliance with the applicable State and Federal laws. The policy must include Employer's Liability with a limit of one hundred thousand and 00/100 dollars (\$100,000.00) each accident.

ARTICLE 12. Default by Lessor

LESSOR shall in no event be charged with default in the performance of any of its obligations hereunder unless and until LESSOR shall have failed to perform such obligations within thirty (30) days (or such additional time as is reasonably required to correct such default) after notice to LESSOR by LESSEE properly specifying wherein LESSOR has failed to perform any such obligations.

ARTICLE 13. Notices

Any notice which LESSOR or LESSEE may be required to give to the other party shall be in writing to the other party at the following addresses:

LESSEE:  
Board of County Commissioners  
c/o Real Property Mgmt. Dept.  
3301 Tamiami Trail East  
Administration Building  
Naples, Florida 34112

LESSOR:  
City of Naples  
735 8<sup>th</sup> Street South  
Naples, Florida 34102  
  
Attention: City Attorney

cc: Office of the County Attorney

ARTICLE 14. Surrender of Premises

LESSEE covenants and agrees to deliver up and surrender to LESSOR possession of the Demised Premises and any improvements made to the Demised Premises upon expiration of this Agreement, or its earlier termination as herein provided, broom clean and in as good condition and repair as the same shall be at the commencement of the term of this Agreement or may have been put by LESSOR or LESSEE during the continuance thereof, ordinary wear and tear excepted.

ARTICLE 15. General Provisions

LESSEE fully understands that the police and law enforcement security protection provided by law enforcement agencies to the Demised Premises is limited to that provided to any other business or agency situated in Collier County, and LESSEE acknowledges that any special security measures deemed necessary for additional protection of the Demised Premises shall be the sole responsibility and cost of LESSEE and shall involve no cost or expense to LESSOR.

LESSEE expressly agrees for itself, its successor and assigns, to refrain from any use of the Demised Premises which would interfere with or adversely affect the operation or maintenance of LESSOR'S standard operations where other operations share common facilities.

LESSOR grants LESSEE approval for placement of signage, to be approved by LESSOR, at entry points of the City of Naples Fire Station No. 2. The cost of such signage shall not be taken into account in determining LESSEE'S costs pursuant to ARTICLE 6 of this Lease.

Except for the period commencing at 7:00 a.m. and ending 7:00 p.m. on any day, LESSEE shall limit its assigned personnel at the Demised Premises to two (2) persons.

Should LESSOR elect to terminate this Agreement, with cause, LESSOR shall compensate LESSEE for those actual costs associated with the Improvements made to the Demised Premises based on the calculation formulated in Article 6 of this Agreement.

Should LESSEE elect to terminate this Agreement, with cause, LESSOR shall compensate LESSEE based on the calculation formulated in Article 6 of this Agreement for those actual costs associated with the Improvements made to the Demised Premises.

#### ARTICLE 16. Radon Gas

In compliance with Section 404.056, Florida Statutes, all parties are hereby made aware of the following:

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 your county public health unit.

#### ARTICLE 17. Effective Date

This Agreement shall become effective upon execution by both LESSOR and LESSEE.

#### ARTICLE 18. Governing Law

This Agreement shall be governed and construed in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, the parties hereto have hereunder set forth their hands and seals.

**AS TO THE LESSOR:**

DATED: \_\_\_\_\_

CITY OF NAPLES

\_\_\_\_\_  
, Secretary

BY: \_\_\_\_\_  
BILL BARNETT, Mayor

\_\_\_\_\_  
WITNESS (signature)

\_\_\_\_\_  
print name

\_\_\_\_\_  
WITNESS (signature)

\_\_\_\_\_  
print name

**AS TO THE LESSEE:**

DATED: \_\_\_\_\_

BOARD OF COUNTY COMM.,  
COLLIER COUNTY, FLORIDA

ATTEST:  
DWIGHT E. BROCK, Clerk

BY: \_\_\_\_\_  
, Deputy Clerk

BY: \_\_\_\_\_  
DONNA FIALA, Chairman

Approved as to form and legal sufficiency:

\_\_\_\_\_  
Thomas C. Palmer  
Assistant County Attorney