MEMORANDUM

TO: **Real Estate & Transportation Committee**
Commissioner Bill Read, Chairman
Commissioner Phillip Walker
Mayor Bill Mutz

FROM: City Attorney's Office

DATE: March 15, 2021

RE: Lease Agreement with ATP USA, INC.

Attached hereto for your consideration is a proposed Lease Agreement with ATP USA, INC. (ATP) for office and classroom space at 3131 Flightline Drive in Suite 314 located on the south side of the Airport. ATP is seeking to lease approximately 1,112 square feet of office and classroom space to provide aviation training and professional services, as well as three (3) tie down spots for aircraft. ATP is a Florida based company with 53 locations at airports throughout the United States.

The term of the Lease will be for a period of one (1) year, with an effective date of April 1, 2021, subject to City Commission approval. The Lease contains two (2) additional one (1) year renewal options upon mutual written agreement of the parties. Pursuant to the Lease, ATP will pay base rent in the amount of $1390.00 per month or $16,680.00 per year ($15.00 per square foot annually), commencing April 1, 2021. The monthly rental amount includes utilities, but does not include any applicable taxes, which ATP will pay in addition to the base rent. Rent shall be subject to an annual increase of 2.5% for any renewal terms.

It is recommended that the City Commission approve this Lease Agreement with ATP and authorize the appropriate City officials to finalize and execute this Lease consistent with the above-specified terms.

Attachment

LEASE AGREEMENT

THIS LEASE AGREEMENT (the "Lease") is made and entered into on this 15th day of March 2021, by and between the **City of Lakeland**, a Florida municipal corporation (hereinafter referred to as **"Lessor"**), whose address is 228 South Massachusetts Avenue, Lakeland, Florida 33801 and **ATP USA, INC.** whose address is 1555 The Greens Way, Jacksonville, FL 32250 (hereinafter referred to as **"Lessee"**).

W I T N E S S E T H:

The parties hereto do hereby mutually covenant, agree and promise as follows:

SECTION 1

1.1 Lessor, for and in consideration of the mutual promises, agreements, and covenants herein contained, does hereby lease, let, and rent unto Lessee for an initial term of one (1) year, with two (2) additional one (1) year options of renewal upon mutual written agreement of the parties, commencing on April 1, 2021 (the **"Effective Date"**) and terminating on March 31, 2022, a portion of the buildings known as the "Airside Center and the S&S Facility" (hereinafter referred to as the "**Airside Center**"), owned and controlled by Lessor (hereinafter referred to as the **"Premises"**), located in and comprising a part of the Lakeland Linder International Airport (hereinafter referred to as the **"Airport"**), as more particularly described in **Exhibit "A"** attached hereto and made a part hereof. The Premises consist of approximately One Thousand One Hundred Twelve (1,112) square feet of office space known as 3131 Flightline Drive, Suite 314, Lakeland, Florida 33811.

1.2 Lessee shall be authorized to use three (3) ramp spaces located north of 3131 Flightline Drive. Lessee shall designate such ramp spaces with signage approved, in

writing, by the Lessor. However, no above surface signs will be permitted for the designated ramp spaces.

1.3 Lessee shall be permitted to use the general parking area adjacent to the Airside Center as set forth in **Exhibit "A"** for the parking of vehicles for Lessee's employees, and business invitees. The use of the parking area shall be in common with other tenants and their employees and business invitees.

1.4 Lessee and its employees, and business invitees shall also be permitted to use (i) the non-Area Operations Area (AOA) entrances to the Airside Center, along with the hallways, stairwells, and elevators from such entrances to the Premises to allow access to the Premises, and (ii) any common areas located in the Airside Center, but which are not a part of the Premises, and which are used by other tenants, and (iii) the restrooms located in the Airside Center, but which are not a part of the Premises. The use of the entrances, stairwells, elevators, hallways, restrooms, and other common areas of the Airside Center shall be in common with the other tenants and their employees and business invitees. Lessor shall be responsible for maintaining all common areas of the Airside Center, including, without limitation, the entrances, stairwells, elevators, hallways, and restrooms in a neat and clean condition.

1.5 Lessor has advised Lessee that the Airside Center is secured with a locking system, which may be changed at any time at the sole discretion of Lessor. At all times during the term of this Lease, Lessor agrees to provide badges or keys to the Airside Center and the Premises as may be required by Lessee for its staff.

1.6 Lessor has advised Lessee that there is access from the Airside Center to the ramp and flight areas of the Airport. Lessor will provide appropriate badge

identification, as well as access keys, codes, or fobs to designated representatives of Lessee who require such access to the ramp and flight areas, provided that those representatives also meet all qualifications set forth in the then current Airport Rules and Regulations and all qualifications required by the then current federal (including Transportation Security Administration regulations) and state laws, as well as Airport Security Guidelines applicable to Lessor's other tenants.

SECTION 2

2.1 Lessee shall pay to Lessor, as Base Rent for the Premises, monthly installments, commencing on April 1, 2021, in the amount of One Thousand Three Hundred and Ninety Dollars and 00/100 ($1,390.00).

Each monthly rental installment shall be paid, together with sales taxes, and all other applicable taxes and charges, in advance on or before the first day of each month. Late installments of rent, which shall be any installment received more than fifteen (15) days after the due date, shall bear a late payment charge of five percent (5%) per month of the late installment for any month or any portion of any month until paid.

2.2 Utilities shall be included in the Base Rent for the Premises and shall include electric, water, wastewater services, storm water, refuse collection and heating/air conditioning for the Premises, provided utility consumption is consistent with usage based on a forty (40) hour work week. The total utility cost at the time of execution of this Lease is approximately One Dollar and Twenty-Five Cents ($1.25) per square foot per month. In the event Lessee substantially increases its business operations or substantially modifies its usage of the Premises resulting in a significant increase in utility costs, Lessor reserves the right to negotiate an increase in the Base Rent amount consistent with additional costs

incurred due to an increase in utility consumption. In the event the parties do not mutually agree, in writing, to an increase in the Base Rent if Lessee substantially increases its utility consumption, Lessor may either retain the existing Base Rent during the remaining term of the Lease or terminate the Lease upon ninety (90) days prior written notice to Lessee. Lessor and Lessee acknowledge and agree that Lessee intends to use the space during both normal business hours and in the early morning and evening, except as otherwise set forth in Section 1.4 of the Lease.

2.3 As of the Effective Date, the Premises are not assessed ad valorem property tax. In the event the Premises become subject to taxation by legislative or judicial action, or a change in policy of the Polk County Tax Assessor's Office, then Lessee shall pay to Lessor any ad valorem taxes thereafter assessed. Lessor shall provide proof of the assessment as soon as is practical following receipt of the tax bill which shall then be payable by Lessee on the date the next rental payment would be due. Subsequent to any such initial assessment, Lessor reserves the right to provide for periodic payments of the tax. Lessor reserves the right to pass through to Lessee a pro rata portion of ad valorem or other taxes or any other governmental charges or special assessments levied after the Effective Date.

2.4 Any improvements made by Lessee to the Premises shall become the property of Lessor upon termination of the Lease. All plans related to the improvements specified herein shall be approved by Lessor, in writing, prior to Lessee's commencement of any work, which approval will not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, nothing contained herein shall serve to limit or condition

Lessee's right to remove any furniture, removable fixtures, or equipment it uses in or about the Premises.

2.5 Lessee shall remit a deposit of one (1) month's rent of One Thousand Three Hundred and Ninety Dollars and 00/100 ($1,390.00) to Lessor due upon execution of the Lease Agreement.

SECTION 3

3.1 In the event Lessee remains in possession of the Premises after the expiration of the tenancy created hereunder, and without the execution of a renewal term or new lease, Lessee, shall be deemed to be occupying the Premises on a month-to-month basis at twice the same monthly rental as paid for the last month prior to expiration of the Lease. Such month-to-month tenancy shall be subject to all the other conditions, provisions and obligations of this Lease.

3.2 Upon mutual written agreement of the parties, the Lease may be renewed for two (2) additional one (1) year periods upon the same terms and conditions, subject to an adjustment in monthly Base Rent, which shall increase two and one half percent (2.5%) annually at the commencement of each renewal period.

SECTION 4

Lessor shall have the right to install all navigation aids at the Airport as may be identified on the Airport Layout Plan. Lessor may furnish portions of the Airport to the Federal Government in connection with air traffic control or air navigation facilities. No structure, sign, appurtenance, projection, or modification shall be installed or kept in place by Lessee on the Premises without the prior written approval from Lessor and any applicable federal, state, county, or other governmental agency.

SECTION 5

5.1 The Premises, and any improvements thereon, whether in existence or constructed in the future pursuant to the terms and conditions contained herein, shall be used for aviation related activities for purposes of this Lease, and directly related uses which shall include, but not be limited to aviation related management consulting and support services provided such use is permitted by and in accordance with the Airport Minimum Standards, the Airport Layout Plan and Master Plan, and the Airport Rules and Regulations, each as may be amended from time to time. The Premises shall not be used for purposes which may interfere with the operation of aircraft at, from or to the Airport, including without limitation uses that create excessive light, glare, noise, dust, fumes or electromagnetic interference; uses that interfere with air traffic control line-of-sight visibility; uses that create wildlife attractants; uses that otherwise are detrimental to aviation, the airport facility, other tenants, or the City of Lakeland. Any change in use shall require written approval by the Airport Director.

5.2 Motor vehicle parking shall be authorized only in those areas designed for such parking and shall not be on ramps, taxiways or other areas where aircraft may travel.

5.3 Lessee shall not use the Premises for any non-aeronautical use except as specifically set forth in Section 5.1, including without limitation, any residential use.

5.4 Lessee shall be responsible for reporting, containing and cleaning up the release or spill of any hazardous substance or material, including any petroleum product, discovered on or emanating from the Premises on or after the Effective Date of this Lease

due to activities of Lessee, its employees, and/or business invitees occurring on the Premises after Lessee takes possession.

5.5 Lessee shall pay, defend, indemnify and save harmless Lessor, its agents, guests, invitees and employees from all suits, actions, claims, demands, damages, including attorney's fees and costs arising out of any government action or environmental claim brought by a federal, state or local agency requiring the remediation of environmental contamination to the extent that any such claims, fines and/or penalties imposed are proven by Lessor to have arisen on or after the Effective Date of this Lease, and to have been caused by Lessee or to have originated from causes attributable to Lessee's activities on the Premises.

5.6 To the extent permitted by law and subject to the monetary limitations contained in §768.28 Florida Statutes, as amended, Lessor shall pay, defend, indemnify and save harmless Lessee, its agents, guests, invitees and employees from all suits, actions, claims, demands, damages, including attorney's fees and costs arising out of any government action or environmental claim brought by a federal, state or local agency requiring the remediation of environmental contamination to the extent that any such claims, fines and/or penalties imposed are proven by Lessee to have existed prior to the Effective Date of this Lease, and to have been caused by a third party or to have originated from causes otherwise not attributable to Lessee's activities.

SECTION 6

Lessee may not sublet or assign, including corporate mergers and acquisitions, all or any portion of the Premises without the prior written approval of Lessor, which consent shall not be unreasonably withheld, conditioned or delayed. In reviewing a request by

Lessee to sublet or assign all or any portion of the Premises, Lessor will consider, *inter alia*, the permitted and intended uses of the Premises and the factors used to establish the Base Rent and other fees under Section 2 of this Lease. If Lessor approves the sublease or assignment of any portion of the Premises, Lessee shall remain liable for any and all obligations under this Lease, unless Lessor determines in writing on the basis of evidence presented that the sub-lessee or assignee has the requisite financial capacity, resources and business plan to satisfy any and all obligations hereunder. The requirement to obtain Lessor's approval applies, without limitation, to any assignment or sublease to or by a trustee or receiver in federal or state bankruptcy, receivership or other insolvency proceeding; and the sale, assignment or transfer of all or substantially all of Lessee's assets. Use of the Premises by any sub-lessee shall be restricted to the uses as defined in Section 5 of this Lease.

SECTION 7

7.1 Lessee shall pay, defend, indemnify and save harmless Lessor, its agents, guests, invitees and employees from all suits, actions, claims, demands, damages, losses and other reasonable expenses, including attorney's fees, and costs of every kind and description to which Lessor, its agents, guests, invitees or employees may be subjected to by reason of injury to persons or death or property damage, resulting from the negligence or willful misconduct of Lessee, its agents, guests, invitees or employees, arising from and/or in connection with this Lease or any operations necessary relating to the occupancy, maintenance, repair or improvement by Lessee of the Premises.

7.2 Lessee shall defend, indemnify and save harmless Lessor, its agents, guests, invitees or employees, against any claim or liability, including attorney's fees,

arising from or based upon the violation of any federal, state, county or city law, by-law, ordinance, or regulation by such Lessee, its agents, guests, invitees, servants or employees.

7.3 Lessee covenants and agrees to comply with all provisions of the Insurance Requirements attached hereto as **Exhibit "B"** and incorporated by reference herein. The amounts of insurance coverage set forth in **Exhibit "B"** are set in accordance with Lessee's use of the Premises as defined in Section 5 herein. In the event of any change, alteration of expansion of the use of the Premises, the minimum limits of such coverage shall be subject to reasonable adjustments as determined by Lessor so as to reflect any increase in risk or exposure.

7.4 During the term of this Lease and any extension or renewal hereof, Lessee shall keep in force fire legal liability and all perils insurance coverage in an amount of One Hundred Thousand Dollars ($100,000.00) with a reputable insurance company authorized to do business in the State of Florida. Each policy required under this Lease shall name Lessor as an additional insured and carry a provision that it will not be canceled without a thirty (30) day notice to Lessor. Lessee shall provide a certificate showing the insurance to be in effect to Lessor.

7.5 If at any time during the term of this Lease the Premises and its related facilities (including the parking area, or any portion thereof) should be damaged or destroyed by any casualty, Lessor at its sole discretion may elect not to rebuild. If Lessor makes this determination, this Lease shall be terminated as of the date of such casualty. Should Lessor decide to rebuild, then Lessor shall forthwith remove resulting debris, and repair or rebuild the damaged or destroyed structures or other improvements to the

condition in which such structures and improvements existed prior to such casualty and return such structures and improvements to working order, whether or not any insurance proceeds shall be awarded to Lessor as a result of such damage or destruction. Lessor shall notify Lessee of its decision to rebuild within thirty (30) days of such casualty and shall also notify Lessee of the estimated time to complete such rebuild. If the rebuild is estimated to take longer than one hundred twenty (120) days, Lessee may elect, in its sole discretion, to terminate the Lease. During the pendency of any casualty event and/or rebuild period, Lessor agrees to equitably abate the rent if a suitable alternative location on the Airport premises is not available for Lessee.

7.6 Lessee shall cause to be inserted in any policy or policies of insurance acquired by it with regard to this Lease a so-called “waiver of subrogation” clause. Lessee hereby waives, releases and discharges Lessor, its agents and employees all claims whatsoever arising out of loss, claim, expense or damage or destruction arising under this Lease and covered by insurance notwithstanding that such loss, claim, expense or damage may have been caused by Lessor, its agents or employees, and Lessee agrees to look to the insurance coverage only in the event of such loss.

SECTION 8

Lessor reserves the right for the Airport Director, or his or her duly authorized representative, to enter the Premises during normal business hours for the purpose of performing such inspections considered necessary by the Airport Director, including, without limitation, compliance with the terms of this Lease, the Airport Minimum Standards and the Airport Rules and Regulations, and Lessee does hereby consent to such entry and waive any right to require a warranty for such inspection, provided that such entry and

inspections shall not interfere with Lessee's operations or the conduct of its business. Lessee, after written notice, shall promptly correct any condition which is a hazard to life or property. Lessee agrees not to have explosives, gasoline or other highly flammable materials, in, on or about the Premises that do not meet the Airport Minimum Standards, Rules and Regulations or other standards/compliance requirements required by any governmental agency with jurisdiction or for reasons of safety.

SECTION 9

9.1 Lessee shall, at its expense, perform all general maintenance and repairs associated with the use of the Premises, including interior light bulbs, interior walls, and non-structural repairs and shall maintain the Premises in a good state of repair and condition at all times. Lessor shall, at its expense, be responsible for exterior walls, roof replacement, HVAC and all structural repairs including, without limitation, the infrastructure of outside utilities, and also including, without limitation, plumbing and electrical utilities to the Premises, if required, but not including alterations necessitated or requested by Lessee.

9.2 Lessee shall be responsible for the neatness and orderliness of the Premises, janitorial, and removal of trash and garbage from the Premises.

9.3 Lessee shall not have authority to make any modifications or alterations to the Premises without prior written consent of the Airport Director, which consent shall not be unreasonably withheld, conditioned or delayed. The primary consideration in the approval process shall be the best interest of the Airport and the public.

SECTION 10

10.1 If Lessee is not in default of payment of rent or the performance of any promises, covenants or agreements set forth in the Lease, Lessee may terminate the Lease by providing Lessor with sixty (60) days prior written notice of its intent to terminate during the initial term or any renewal term of the Lease with no further obligation or penalty except as specifically set forth in the Lease.

10.2 Should Lessee default in the payment of the rent or the performance of any of the promises, covenants or agreements herein made, Lessor may, at its option, if such default continues after giving Lessee fifteen (15) days written notice in the case of a default in the payment of the rent and thirty (30) days written notice in the case of any other default, declare future payments for the remaining Lease term hereunder immediately due and payable. Lessor shall be permitted to remove any items and/or property remaining on the Premises upon Lessee's default following the notice periods set forth herein.

In addition, Lessor reserves the right to prevent access to the Airport by inactivating badge or security access due to non-payment. If Lessee's default requires for its cure a period longer than that allocated in this Section, Lessee shall not be in default if, in Lessor's sole opinion, Lessee proceeds diligently to effectuate the cure and same is accomplished within a reasonable period of time.

SECTION 11

Upon the occurrence of an event of default and failure to resolve such default, as set forth in Section 10, Lessor may at is option exercise any one or more of the following remedies:

(a) Lessor may terminate this Lease by giving to Lessee written notice of Lessor's intention to do so, in which event the term of this Lease shall end and all right, title and interest of Lessee hereunder shall expire on the date stated in such notice, which shall not be less than fifteen (15) days after the date of the notice by Lessor of its intention to so terminate; or

(b) Lessor may terminate the right of Lessee to possession of the Premises or any portion thereof by giving written notice to Lessee that Lessee's right of possession shall end on the date stated in such notice, which shall not be less than fifteen (15) days after the date of the notice by Lessor of its intention to so terminate the right of possession; or

(c) Lessor may enforce the provisions of this Lease and may enforce and protect the right of Lessor hereunder by a suit or suits in equity or at law for the specific performance of any covenant or agreement contained herein or for the enforcement of any other appropriate legal or equitable remedy.

(d) If Lessor exercises either of the remedies provided for in sub-paragraphs (a) or (b), Lessor may then or at any time re-enter the Premises in accordance with Florida law.

(e) If Lessor terminates Lessee's right of possession pursuant to sub-paragraph (b), Lessor may re-enter the Premises or any portion thereof and take possession of all or any portion of Lessee’s or its affiliates personal property located therein, may move any portion of such personal property which Lessor elects so to do, and may sub-let or re-let the Premises or any

part thereof from time to time for all or any part of the unexpired part of the then term hereof, or for a longer period, and Lessor may collect the rents from re-letting or sub-letting and apply same, first to the payment of the rents payable hereunder and in the event that the proceeds from such re-letting or sub-letting are not sufficient to pay in full the foregoing, Lessee shall remain and be liable therefore. In the event Lessor terminates Lessee's right of possession and Lessee's customers or other third party possessions remain on the Premises, Lessor may move such possessions from the Premises, but in no event shall Lessor take ownership of such items. Lessee promises and agrees to pay the amount of any such deficiency and Lessor may at any time sue and recover judgment for any such deficiency or deficiencies.

SECTION 12

No remedy herein conferred upon or reserved by Lessor is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and so often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

SECTION 13

13.1 This Lease, and all provisions hereof, shall be subordinate to all the covenants and restrictions of the deeds under which Lessor acquired the property known as the Lakeland Linder International Airport from the United States of America, insofar as such covenants and restrictions remain in effect, such deeds being identified as follows:

(a) Quitclaim Deed and Surrender of Lease dated September 26, 1947, between the United States of America and City of Lakeland, recorded in Deed Book 816, page 571, Public Records of Polk County, Florida; and

(b) Supplemental Quitclaim Deed dated April 20, 1948, between the United States of America and the City of Lakeland, recorded in Deed Book 832, page 311, Public Records of Polk County, Florida;

except however, any such covenants and restrictions may hereafter become ineffective or as shall have been or may hereafter be extinguished or released, whether by statute, rule or regulations, interpretation, judicial decision, or deed or other instrument, including but not limited to the release of the "National Emergency Use Provisions" by the Deed of Release dated December 17, 1959, recorded in Official Records Book 389, page 338, current public records of Polk County, Florida, and the extinguishment of the restrictions on use for industrial or manufacturing purposes by the Act of Congress on July 30, 1947 (61 Stat. 678).

13.2 This Lease shall be subordinate to the provisions of any existing or future agreement, including any grant assurances restricting the use and/or sale of Airport property, entered into between Lessor and the United States of America for the improvement or operation and maintenance of the Airport, the execution of which has

been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport.

13.3 Should the Federal Aviation Administration issue an order determining that any provision herein is inconsistent with any covenant or restriction of the deeds under which Lessor acquired the Airport, or the provisions of any existing or future agreement entered into between Lessor and United States of America, the parties shall amend this Lease as necessary to resolve the inconsistency.

13.4 This Lease and all the provisions hereof shall be subject to whatever right the Government of the United States of America now has or in the future may have or acquire, affecting the control, operation, regulation and reacquisition of the Airport or the exclusive or nonexclusive use of the Airport by the United States of America during the time of war or national emergency.

SECTION 14

Notwithstanding anything herein contained that may be or appear to the contrary, it is expressly understood and agreed that nothing herein shall be understood to confer an exclusive right upon Lessee to conduct any aeronautical activity at the Airport in violation of 49 U.S.C. Section 40103(e) or 49 U.S.C. Section 47107(a)(4).

SECTION 15

15.1 Lessee, for itself, its successors in interest, and its assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

(a) no person on the grounds of race, color, sex or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of the Premises;

(b) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, creed, sex or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and

(c) that Lessee shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, entitled *Nondiscrimination in Federally-Assisted Programs of the Department of Transportation* - Effectuation of Title VI of the Civil Rights Act of 1964, and as such Regulations may be amended.

15.2 In the event of a breach of any of the above nondiscrimination covenants, Lessor shall have the right to terminate this Lease and to re-enter and repossess the Premises, and hold the same as if this Lease had never been made or issued. This provision shall be subject to the procedures of Title 49, Code of Federal Regulations, Part 21, including exercise or expiration of appeal rights.

SECTION 16

Lessor reserves the right to take whatever actions necessary for the operation, safety, maintenance, and improvement of the Airport and its appurtenances, without

interference or hindrance, with appropriate consideration for the continuity and profitability of Lessee's operations and the payment of the obligations to Lessor herein.

SECTION 17

Lessor reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises, together with the right to cause in the airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the airspace for landing on, taking off from or operating on the Airport.

SECTION 18

Lessee, its officers, employees, guests, invitees and suppliers of materials and services, shall have the right of ingress and egress over public right-of-way to the Premises for the purpose of permitting Lessee to enjoy the rights, uses, and privileges granted by Lessor.

SECTION 19

19.1 Lessee specifically covenants and agrees to observe and obey all lawful rules and regulations which have been or may be adopted and promulgated by Lessor for operation at the Airport, including without limitation the Airport Minimum Standards and Rules and Regulations, as the same may be amended from time to time. Lessee shall conduct and operate its activities in accordance with any applicable federal, state and local laws, ordinances, regulations, directives, orders, and judicial decisions. Lessee specifically shall comply with all applicable federal, state and local statutes, regulations and ordinances on the subject of environmental protection, including without limitation all Environmental Permitting Agency and Department of Environmental Protection

regulations, guidelines and permitting requirements associated with Lessee's business operations performed on the Premises.

19.2 Lessee specifically covenants and agrees to observe and obey all applicable federal laws on the subject of airport and aviation security, all applicable regulations and directives issued by the Transportation Security Administration, and all ordinances and rules issued by Lessor related to security, including without limitation rules issues in furtherance of Lessor's security program. Lessee further covenants and agrees to alter and improve the Premises as required to comply with any such law, regulation, directive, ordinance or rule.

SECTION 20

20.1 Lessor hereby designates the Airport Director of the Lakeland Linder International Airport as its official representative with the full power to represent Lessor in all dealings with Lessee in connection with the Lease or the leased land, subject to approval by the Lakeland City Commission. Lessor may designate by written notice, addressed to Lessee, other representatives from time to time, and such representatives may exercise those rights and duties of Lessor as may be necessary to effectuate the purposes of this Lease.

20.2 Notice to Lessor shall be sufficient if either mailed by first class mail, certified, return receipt requested, postage prepaid, addressed to Airport Director, Lakeland Linder International Airport, City of Lakeland, 3900 Don Emerson Drive, Suite 210, Lakeland, Florida 33811, or hand delivered at such address, and notice to Lessee named herein shall be sufficient if mailed by first class mail, certified, return receipt requested, postage prepaid, addressed to Lessee at Jim Koziarski, Vice-President, ATP

USA, INC. 1555 The Greens Way, Jacksonville, Florida 32250, or hand delivered at such address. Either party may change its address at which notice is to be mailed or delivered, by giving written notice of such change of address to the other party in the manner provided in this Section.

SECTION 21

This Lease shall be binding upon and inure to the benefit of the parties and their respective successors and assigns to the extent assignment and subletting are permitted.

SECTION 22

Should it become necessary for either party to bring an action at law or equity to enforce or interpret this agreement or for Lessor to bring an action to remove Lessee from the Premises, the prevailing party shall be entitled to all costs, including reasonable attorney's fees at both trial and appellate levels.

SECTION 23

This Lease shall be governed by and construed in accordance with the laws of the State of Florida. Venue for any action brought to enforce or interpret this agreement or to remove Lessee from the Premises shall be Polk County, Florida.

SECTION 24

The terms and provisions of this Lease, and each sentence and paragraph hereof, are severable, and if any such term or provision shall be held invalid or unenforceable, all other terms and provisions hereof shall continue in force and effect.

SECTION 25

No amendment, modification or attempted waiver of any of the provisions of this Lease shall be binding upon any party hereto unless reduced to writing and signed by or on behalf of each of the parties to this Lease.

SECTION 26

Lessee, upon the payment of the rent herein reserved and upon the faithful performance of or compliance with all of the covenants, conditions, and agreements of this Lease applicable to Lessee, shall at all times during the Lease term peacefully and quietly enjoy the Premises without any disturbance from Lessor or from any person or entity claiming through Lessor, except as otherwise provided in this Lease with regard to use of airspace.

SECTION 27

Neither the execution of this Lease nor the performance of any of the terms and obligations hereof shall ever be deemed or construed to have the effect of creating, between Lessor and Lessee, the relationship of principal and agent, or of a partnership, or of a joint venture, and the relationship between the parties hereto created hereby shall always be and remain that of Lessor and Lessee.

SECTION 28

Any exhibits attached to this Lease are specifically incorporated herein by reference as if the same were fully set forth herein. Section titles are used solely for convenience herein and shall not be used in interpreting or construing any provision of this Lease. The fact that one of the parties to this Lease may have drafted or structured any provision of this Lease shall not be considered in construing the particular provision

either in favor of or against such party. Whenever used in this Lease, the singular number shall include the plural, the plural number shall include the singular, and the use of any gender shall include all genders where the context so permits.

SECTION 29

This Lease, including the exhibits attached hereto, constitutes the entire agreement between the parties with respect to the subject matter hereof and thereof and supersedes any and all prior discussions, negotiations, proposals, undertakings, understandings and agreements, whether written or oral, with respect thereto.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed and their respective seals to be hereunto affixed, the day and year first above written.

ATTEST:

City of Lakeland, Florida
a municipal corporation

BY:_____
Kelly S. Koos
City Clerk

(Seal)

BY:_____
H. William Mutz
Mayor

APPROVED AS TO FORM AND
CORRECTNESS:

BY:_____
Palmer C. Davis
City Attorney

Witnesses:

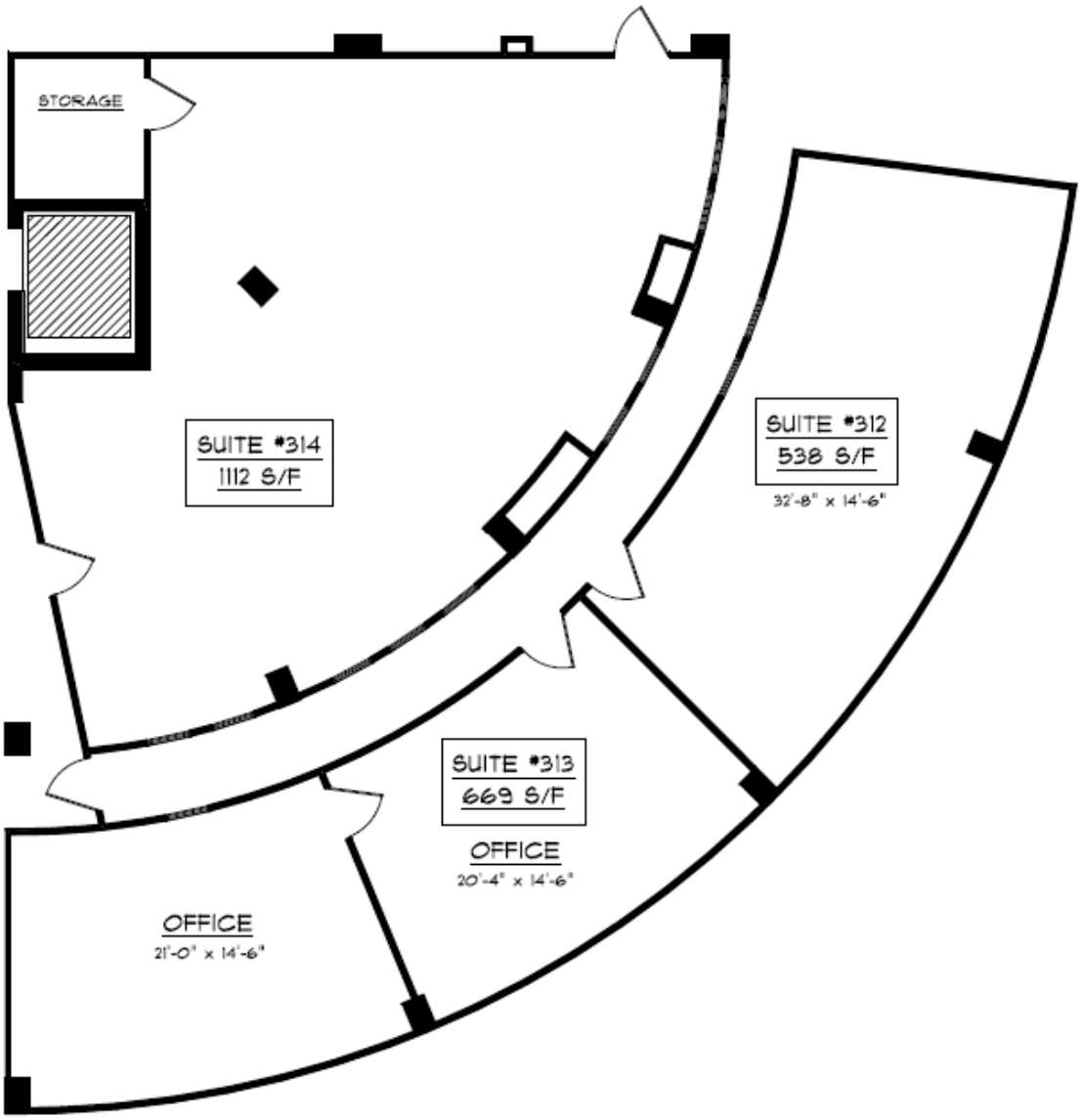
Jim Koziarski, Vice-President
ATP USA, INC.

_____
Print Name:_____

By:_____

_____
Print Name:_____

Exhibit A



3131 Flightline Drive - Suite 314

EXHIBIT "B"

INSURANCE REQUIREMENTS

LEASING AGREEMENTS

Special Insurance Provisions: Lessee shall maintain and pay the premium on the Comprehensive General Liability, Business Auto Liability, Workers' Compensation, and Fire Legal Liability policies. With the exception of Workers' Compensation, the City of Lakeland shall be listed as an "additional named insured" as their interest may appear. The City shall not by reason of their inclusion under these policies incur liability to the insurance carrier for payment of premium for these policies. A renewal certificate shall be issued 30 days prior to expiration of coverage.

These insurance requirements shall in no way limit the liability of the Lessee. The City does not represent these minimum insurance requirements to be sufficient or adequate to protect the Lessee's interest or liabilities, but are merely minimums. Where available, all policies shall be of an occurrence type and provide a 30 day notice of cancellation or modification of coverages. Prior to commencement of work, the proper insurance certificates shall be provided to, and approved by the City.

Except for Workers' Compensation, the Lessee waives its rights of recovery against the City, to the extent permitted by its insurance policies.

Deductibles: Given that the indemnification agreement is intended to be supported by first dollars insurance policies which require full disclosure of any and all deductible for all coverages required by this specification or contract, the only exception will be the area of Workers' Compensation. The City reserves the right to determine acceptable limits of such deductibles.

First Dollar Coverage: To the extent that the Lessee may elect to purchase insurance which provide a deductible or self insured retention (SIR), the lessee will assume liability to personally indemnify the City to the same level of coverage required of their insurance carrier.

Comprehensive General Liability: This insurance shall be an "occurrence" type policy written in comprehensive form and shall protect the lessee and the additional insureds against all claims arising from bodily injury, sickness, disease, or death of any person other than the lessee's employees or damage to property of the City or others arising out of any act or omission of the lessee or his agents, employees, or contractors. This policy shall also include protection against claims insured by usual personal injury liability coverage, and to insure the contractual liability assumed by the lessee under the article entitled INDEMNIFICATION.

The liability limits shall not be less than:

Bodily Injury and	$1,000,000
Property Damage	Single limit per occurrence

Business Auto Liability: This insurance shall cover any auto for bodily injury and property damage arising out of ownership, maintenance or use of any auto, including owned, non-owned and hired automobiles and employee non-ownership use.

The liability limits shall not be less than:

Bodily Injury and	$500,000
Property Damage	Single limit per occurrence

Workers' Compensation: Workers' Compensation coverage to apply for all employees for statutory limits and shall include employer's liability with a limit of $100,000 each accident, $500,000 disease policy limits, $100,000 disease limit each employee. ("All States" endorsement is required where applicable). If exempt from Workers' Compensation coverage, as defined in Florida Statute 440, the Tenant will provide a copy of the State Workers' Compensation exemption.

General Aviation Airports
Suggested Minimum Insurance Requirements

Classification	Aircraft Liability	Premises Liability	Auto Mobile Equipment	Workers Compensation	Hangarkeepers Legal	Remarks
Air Charter - Commercial						Business & Pleasure
Piston & Turbine	$2,000,000	$ 1,000,000	$ 500,000	Statutory		$1,000,000 AC Liability
Passenger capacity 1 - 4	$2,000,000	$ 1,000,000	$ 500,000	Statutory		
Passenger capacity 5 - 9	$5,000,000	$ 1,000,000	$ 500,000	Statutory		
Passenger capacity 10+	$15,000,000	$ 1,000,000	$ 500,000	Statutory		
Passenger capacity 50+	Requires authorization from Risk Mgt.	$ 1,000,000	$ 500,000	Statutory		
Air Cargo	$5,000,000	$ 1,000,000	$ 500,000	Statutory		
Aircraft Operations						
Flight Instruction	$1,000,000/$100,000	$ 1,000,000	$ 500,000	Statutory		
Rental	$1,000,000/$100,000	$ 1,000,000	$ 500,000	Statutory		
Flying Clubs	$1,000,000/$100,000	$ 1,000,000	$ 500,000	Statutory		
Specialized Flying Services *(1)*	$1,000,000/$100,000	$ 1,000,000	$ 500,000	Statutory		
AOA Tenants						
FBO	$5,000,000	$ 5,000,000	$ 500,000	Statutory	$ 1,000,000	Products & Comp Ops
Aircraft Repair/Maint./Parts Sales	Not applicable	$ 1,000,000	$ 500,000	Statutory	$ 500,000	Products & Comp Ops
Aircraft Hangar / Tie-Down Leases	$1,000,000	$ 1,000,000	$ 500,000	Statutory		*Incl in Aircraft Policy
Aircraft Sales	$2,000,000/$100,000	$ 1,000,000	$ 500,000	Statutory		Products
Restoration Services	Not applicable	$ 1,000,000	$ 500,000	Statutory	$ 500,000	Products
Non-AOA Tenants						
Concessions	Not applicable	$ 1,000,000	Not applicable	Statutory		
Restaurants / Liquor	Not applicable	$ 1,000,000	Not applicable	Statutory		Products / Liquor Liability
Ground Transportation:						PUC - Motor Vehicle
6 seats or less	Not applicable	$ 1,000,000	$1,000,000	Statutory		
7 - 14 seats	Not applicable	$ 1,000,000	$5,000,000	Statutory		
15 seats or greater	Not applicable	$ 1,000,000	$10,000,000	Statutory		
Parking / Valet	Not applicable	$ 1,000,000	Not applicable	Statutory		Garagekeepers Liability
Others	Not applicable	$ 1,000,000	Not applicable	Statutory		
Airport Vendors						
Security Services	Not Applicable	$ 5,000,000	Not applicable	Statutory		Personal Injury Liability
Janitorial Services	Not Applicable	$ 1,000,000	Not applicable	Statutory		
Maintenance Providers	Not Applicable	$ 1,000,000	$ 500,000	Statutory		
Contractors	Not Applicable	$ 5,000,000	$ 500,000	Statutory		Contractors Protective
Architects / Engineers	Not Applicable	$ 1,000,000	$ 500,000	Statutory		Professional Liability
Others						

(1) Defined as sightseeing tours, aerial photograpy, aerial survey,crop dusting and aerial advertising etc.