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**CITY OF MARATHON, FLORIDA
RESOLUTION 2006-157**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, APPROVING A LEASE AGREEMENT WITH SAPODILLA HOLDINGS, AND THE CITY OF MARATHON FOR USE OF FIRE EQUIPMENT STORAGE AND AS A FIRE/EMS STATION.

WHEREAS, Sapodilla Holdings, LLC (“Landlord”), in consideration of the lease payments provided in the attached lease, leases to the City of Marathon (“the Tenant”) premises located at 7200 Aviation Blvd., Marathon, Florida, comprised of building #23 (cottage), building #24 (cottage), unit #25 (cottage) and parking for EMS vehicles and fire trucks; and

WHEREAS, the lease term will begin on September 1, 2006 and will terminate on September 1, 2007; and

WHEREAS, the Tenant shall pay to Landlord lease payments of \$5,500.00, payable in advance on the 1st day of each month, for a total lease payment of \$66,000

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THAT:

Section 1. The above recitals are true and correct and are incorporated herein

Section 2. The agreement between the City of Marathon and Sapodilla Holdings, LLC for use of the building, a copy of the lease which is attached as Exhibit “A”, in substantially the same terms together with such changes as may be acceptable to the City Manager and approved as to form and legality by the City Attorney, is approved. The City Manager is authorized to execute the lease on behalf of the City.

Section 3. This resolution shall take effect immediately upon its adoption.

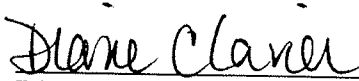
PASSED AND APPROVED by the City Council of the city of Marathon, Florida, this 26th day of September, 2006.

THE CITY OF MARATHON, FLORIDA


Christopher M. Bull, Mayor

AYES: Mearns, Pinkus, Tempest, Worthington, Bull
NOES: None
ABSENT: None
ABSTAIN: None

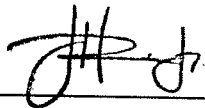
ATTEST:



Diane Clavier
City Clerk

(City Seal)

**APPROVED AS TO FORM AND LEGALITY FOR THE USE AND RELIANCE
OF THE CITY OF MARATHON, FLORIDA ONLY:**



| City Attorney

LEASE

This Lease Agreement (this "Lease") is dated September 1, 2006, by and between Sapodilla Holdings, LLC ("Landlord"), and City of Marathon ("Tenant"). The parties agree as follows:

PREMISES. Landlord, in consideration of the lease payments provided in this Lease, leases to Tenant premises located at 7200 Aviation Blvd, Marathon, Florida 33050., comprised of building #23 (cottage), building #24 (cottage), unit #25 (cottage), and parking for EMS vehicles and fire trucks.

TERM. The lease term will begin on September 1, 2006 and will terminate on September 1, 2007.

LEASE PAYMENTS. Tenant shall pay to Landlord lease payments of \$5,500.00, payable in advance on the 1st day of each month, for a total lease payment of \$66,000.00. Lease payments shall be made to Landlord at 7196 Overseas Hwy, Marathon, FL, 33050, which may be changed to another location in Marathon, Florida from time to time by written notice from Landlord.

POSSESSION. Tenant shall be entitled to possession on the first day of the term of this Lease, and shall yield possession to Landlord on the last day of the term of this Lease, unless otherwise agreed by both parties in writing. At the expiration of the term, Tenant shall remove its goods and effects and peaceably yield up the Premises to Landlord in as good a condition as when delivered to Tenant, ordinary wear and tear excepted.

USE OF PREMISES/ABSENCES. Tenant shall occupy and use the Premises for fire equipment storage and as a fire/EMS station. Tenant shall notify Landlord of any anticipated extended absence from the Premises not later than the 21st day of the extended absence.

FURNISHINGS. The lease of the Premises does not include furnishings.

PROPERTY INSURANCE. Landlord and Tenant shall each be responsible to maintain appropriate insurance for their respective interests in the Premises and property located on the Premises.

RENEWAL TERMS. This Lease may be renewed for an additional period by mutual

agreement of the parties.

MAINTENANCE. Landlord shall have the responsibility to maintain the Premises in good repair at all times and perform all repairs necessary to satisfy any implied warranty of habitability.

UTILITIES AND SERVICES. Landlord shall be responsible for utilities on the leased premises; however, Tenant shall be responsible for any additional utilities installed by the City.

TAXES. Taxes attributable to the Premises or the use of the Premises shall be allocated as follows:

REAL ESTATE TAXES. Landlord shall pay all real estate taxes and assessments for the Premises.

PERSONAL TAXES. Landlord shall pay all personal taxes and any other charges which may be levied against the Premises, along with all sales and/or use taxes (if any) that may be due in connection with lease payments.

DEFAULTS. Tenant shall be in default of this Lease if Tenant fails to fulfill any Lease obligation or term by which Tenant is bound. Subject to any governing provisions of law to the contrary, if Tenant fails to cure any financial obligation within 5 days (or any other obligation within 10 days) after written notice of such default is provided by Landlord to Tenant, Landlord may elect to cure such default and the cost of such action shall be added to Tenant's financial obligations under this Lease; provided, however, that if the time to cure a non-monetary default will exceed said ten(10) days, Tenant shall not be in default if Tenant starts to cure the default within said ten (10) days and diligently proceeds to cure said default. All sums of money or charges required to be paid by Tenant under this Lease shall be additional rent, whether or not such sums or charges are designated as "additional rent". The rights provided by this paragraph are cumulative in nature and are in addition to any other rights afforded by law.

HOLDOVER. If Tenant maintains possession of the Premises for any period after the termination of this Lease ("Holdover Period"), Tenant shall pay to Landlord lease payment(s) during the Holdover Period at a rate equal to the normal payment rate set forth in the Lease Payments paragraph.

CUMULATIVE RIGHTS. The rights of the parties under this Lease are cumulative, and shall not be construed as exclusive unless otherwise required by law.

ACCESS BY LANDLORD TO PREMISES. Subject to Tenant's consent (which shall not be unreasonably withheld), Landlord shall have the right to enter the Premises to make inspections, provide necessary services, or show the unit to prospective buyers, mortgagees, tenants or workers. However, Landlord does not assume any liability for the

care or supervision of the Premises. As provided by law, in the case of an emergency, Landlord may enter the Premises without Tenant's consent. During the last three months of this Lease, or any extension of this Lease, Landlord shall be allowed to display the usual "To Let" signs and show the Premises to prospective tenants.

INDEMNITY REGARDING USE OF PREMISES. To the extent permitted by law, Tenant agrees to indemnify, hold harmless, and defend Landlord from and against any and all losses, claims, liabilities, and expenses, including reasonable attorney fees, if any, asserted by third parties which Landlord may suffer or incur in connection with Tenant's possession, use or misuse of the Premises, except to the extent resulting from Landlord's acts or negligence.

DANGEROUS MATERIALS. Tenant shall not keep or have on the Premises any article or thing of a dangerous, flammable, or explosive character that might substantially increase the danger of fire on the Premises, or that might be considered hazardous by a responsible insurance company, except such materials that are maintained in accordance with all applicable laws, codes and regulations, unless the prior written consent of Landlord is obtained and proof of adequate insurance protection is provided by Tenant to Landlord.

COMPLIANCE WITH REGULATIONS. Tenant shall promptly comply with all laws, ordinances, requirements and regulations of the federal, state, county, municipal and other authorities, and the fire insurance underwriters. However, Tenant shall not by this provision be required to make alterations to the exterior of the building or alterations of a structural nature.

MECHANICS LIENS. Neither Tenant nor anyone claiming through the Tenant shall have the right to file mechanics liens or any other kind of lien on the Premises and the filing of this Lease constitutes notice that such liens are invalid. Further, Tenant agrees to (1) give actual advance notice to any contractors, subcontractors or suppliers of goods, labor, or services that such liens will not be valid, and (2) take whatever additional steps that are necessary in order to keep the premises free of all liens resulting from construction done by or for the Tenant.

SUBORDINATION OF LEASE. This Lease is subordinate to any mortgage that now exists, or may be given later by Landlord, with respect to the Premises. Landlord agrees to ask mortgagor for a non-disturbance of Tenant's rights from said mortgagor.

ASSIGNABILITY/SUBLETTING. Tenant may not assign or sublease any interest in the Premises, nor assign, mortgage or pledge this Lease, without the prior written consent of Landlord, which shall not be unreasonably withheld.

NOTICE. Notices under this Lease shall not be deemed valid unless given or served in writing and forwarded by mail, postage prepaid, addressed to the party at the appropriate address set forth below. Such addresses may be changed from time to time by either party by providing notice as set forth below. Notices mailed in accordance with these provisions shall be deemed received on the third day after posting.

LANDLORD:

Sapodilla Holdings, LLC
7196 Overseas Highway
Marathon, FL 33050

TENANT:

City of Marathon
10045-55 Overseas Highway
Marathon, Florida 33050

Such addresses may be changed from time to time by either party by providing notice as set forth above.

GOVERNING LAW. This Lease shall be construed in accordance with the laws of the State of Florida.

ENTIRE AGREEMENT/AMENDMENT. This Lease contains the entire agreement of the parties and there are no other promises, conditions, understandings or other agreements, whether oral or written, relating to the subject matter of this Lease. This Lease may be modified or amended in writing, if the writing is signed by the party obligated under the amendment.

SEVERABILITY. If any portion of this Lease shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this Lease is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

WAIVER. The failure of either party to enforce any provisions of this Lease shall not be construed as a waiver or limitation of that party's right to subsequently enforce and compel strict compliance with every provision of this Lease.

BINDING EFFECT. The provisions of this Lease shall be binding upon and inure to

the benefit of both parties and their respective legal representatives, successors and assigns.

LANDLORD:

SARODILLA HOLDINGS, LLC

By: _____
Name: Danes Rhyne
Title: President

Witness

Witness

TENANT:

CITY OF MARATHON

By: Michael Puto
Name: MICHAEL H. PUTO
Title: CITY MANAGER

Glenn Long

Witness

Jane Clavier

Witness