RESOLUTION NO. 15-152

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, APPROVING THE ATTACHED ASSIGNMENT OF LEASE AND CONSENT OF LESSOR FROM STROMBUS, INC. (ASSIGNOR) TO OLD TOWN TROLLEY TOURS OF WASHINGTON DC, A DISTRICT OF COLUMBIA CORPORATION (ASSIGNEE/GUARANTOR) FOR SUBMERGED LANDS AT 801 EISENHOWER DRIVE; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the City Commission approved the original Lease Agreement with Strombus, Inc. in Resolution 15-068; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA AS FOLLOWS:

Section 1: That the attached Assignment of Lease Agreement and Consent of Lessor is hereby approved.

Section 2: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the Presiding Officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held this 5th day of May, 2015.

Authenticated by the Presiding Officer and Clerk of the Commission on 6th day of May, 2015.

Filed with the Clerk on May 6, 2015.

Mayor Craig Cates	Yes
Vice Mayor Mark Rossi	Yes
Commissioner Teri Johnston	Yes
Commissioner Clayton Lopez	Yes
Commissioner Billy Wardlow	Yes
Commissioner Jimmy Weekley	Absent
Commissioner Tony Yaniz	Yes

CRAIG CATES, MAYOR

ATTEST:

CHERYL SMITH, CITY CLERK

EXECUTIVE SUMMARY

TO: City Commission

CC: Jim Scholl

FR: Marilyn Wilbarger, RPA, CCIM

DT: April 7, 2015

RE: Assignment of Submerged Lands Lease for 801 Eisenhower

ACTION: This a request to approve an assignment of the submerged lands lease for the property located at 801 Eisenhower Drive.

HISTORY: In February of 2015 the City entered into the submerged lands lease with the riparian property owner, the Strombus Corporation that is currently utilizing a portion of the submerged land area that is owned by the City of Key West pursuant to the Internal Improvement Fund, State of Florida Deed 19529 A, B, C.

The current owner has entered in to an agreement to sell the upland property and has requested an assignment of the submerged lands lease with that sale. The submerged lands lease does include the right to assign the lease with the Landlord's approval as excerpted below:

> 10. ASSIGNMENT OF LEASE: This lease shall not be assigned or otherwise transferred without prior written consent of the Lessor, which consent may be withheld in the sole discretion of the Lessor. Such assignment or other transfer shall be subject to the terms, conditions and provisions of this lease, current management standards and applicable laws, rules and regulations in effect at that time. Any assignment or other transfer without prior written consent of the Lessor shall be null and void and without legal effect.

There is no change of use requested and the submerged lands will continue to be utilized exclusively as a private docking facility in conjunction with the upland ownership. The assignee may not change or add to the approved use of the leased premises without the Landlord's approval pursuant to Section 7 of the Lease, as follows:

> 7. AGREEMENT TO EXTENT OF USE: This lease is given to the Lessee to use or occupy the leased premises only for those activities specified herein and as conditioned by the Lessor. The Lessee shall not (i) change or add to the approved use of the leased premises as defined herein; (ii) change activities in any manner that may have an environmental impact; or (iii) change the type of use of the riparian uplands or as permitted by the Lessee's interest in the riparian upland property that is more particularly described as the street address shown in Attachment A without first obtaining, the Lessor's written authorization,, which authorization may be withheld in

the sole discretion of the Lessor, in the form of a modified lease, the payment of additional fees, if applicable, and, if applicable, the removal of any structures which may no longer qualify for authorization under the modified lease.

FINANCIAL: The lease rates charged will remain unchanged and are consistent with the fees charged under F.A.C. 18-21.011 (b) to include the base fees, discounts, surcharges and other payments as may be required. In addition, pursuant to current management standards, a $500 transfer fee will be charged to offset the Landlord's costs associated with the preparation of the assignment necessary to effectuate the same.

CONCLUSION: The requested lease assignment meets the requirements of the submerged lands lease terms and conditions.

ATTACHMENTS:
Lease Assignment and Consent of Lessor
Submerged Lands Lease

ASSIGNMENT OF LEASE AGREEMENT AND CONSENT OF LESSOR

THIS ASSIGNMENT ("Assignment") is made this 7th day of April, 2015, by and between Strombus Corporation, a Florida corporation ("Assignor") and Old Town Trolley Tours of Washington, Inc. a District of Columbia corporation ("Assignee").

Whereas, Assignor, as tenant and City of Key West, as landlord ("Landlord") have previously entered into that certain submerged lands lease ("Lease") dated February 18, 2015 per Resolution 15-068, a copy of which is attached hereto as Exhibit "A" and incorporated by reference, that pertains to submerged land located at 801 Eisenhower Drive, Key West, in Monroe County, Florida, and more particularly described on Attachment "A" of the Lease;

Whereas, Assignor desires to assign all of its right, title and interest in the Lease to Assignee, Assignee desires to accept and assume the same, and Landlord is willing to consent to the proposed Assignment, all on the terms and conditions hereof.

NOW THEREFORE, in consideration of the mutual terms and conditions herein contained, and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereby agree as follows:

1. Assignor hereby assigns and transfers unto Assignee all of its right, title, and interest in and to the Lease, subject to all the conditions and terms contained therein.

2. Assignor herein expressly represents and warrants that (a) it is the lawful and sole owner of the lessee's interest assigned herein, (b) Assignor's interest in the Lease is free from all encumbrances, and (c) Assignor has not received any written notice from Landlord that Assignor has failed to perform all the duties and obligations or failed to make any payments required under the Lease.

3. Assignor herein expressly acknowledges, pursuant to paragraph 8 of the Lease, that this Assignment shall not relieve Assignor from liability for payment of rent or from the obligation to keep and be bound by the terms, conditions, and covenants contained in the Lease, provided, however, no such liability shall extend beyond the expiration of the current expiration date of the initial Term (as defined in the Lease) which is January 13, 2020.

4. Assignee herein expressly agrees to assume, perform and be liable for all of the duties and obligations of "Tenant" required by and under the terms of the Lease, including but not limited to, the obligation to pay all rent due thereunder from and after the effective date of this Assignment.

5. This Assignment is contingent upon the completion of the sale between Assignor and Assignee of the upland riparian property at 801 Eisenhower Drive. References herein to the "effective date" shall mean the date of the closing of the aforementioned sale transaction.

6. Assignee agrees to indemnify, defend and hold Assignor and its legal representatives, successors and assigns harmless from and against any and all losses, damages, claims, demands, suits, judgments, liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees and court costs), suffered or incurred by

any of said indemnitees under or in connection with the Lease arising on or after the effective date hereof. Assignor agrees to indemnify, defend and hold Assignee and its legal representatives, successors and assigns harmless from and against any and all losses, damages, claims, demands, suits, judgments, liabilities, costs and expenses (including, without limitation, reasonable attorneys' fees and court costs), suffered or incurred by any of said indemnitees under or in connection with the Lease and arising prior to the effective date hereof.

7. No later than the effective date of this Assignment, Assignee herein expressly agrees to pay Landlord $500.00 to help offset any costs Landlord may have in preparing such assignment, or in examining the information, financial statements, operating history, references, etc., necessary to effectuate same.

8. In the event Assignee files any form of bankruptcy, Landlord shall be entitled to immediate termination of the automatic stay provisions of 11 U.S.C. §362, granting Landlord complete relief and allowing Landlord to exercise all of its legal and equitable rights and remedies, including, without limitation, the right to terminate the Lease and dispossess Assignee from the Premises in accordance with Florida law. Additionally, Assignee agrees not to directly or indirectly oppose or otherwise defend against Landlord's effort to gain relief from any automatic stay. Landlord shall be entitled as aforesaid to the lifting of the automatic stay without the necessity of an evidentiary hearing and without the necessity or requirement of Landlord to establish or prove the value of the leasehold, the lack of adequate protection of his interest in the leasehold, or the lack of equity in the same. Assignee specifically agrees and acknowledges that the lifting of the automatic stay hereunder by the appropriate bankruptcy court shall be deemed to be "for cause" pursuant to section 362(d)(1).

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK;
SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Assignment as of the date first above written.

ASSIGNOR: Strombus Corporation, a Florida corporation

Witness to Assignor

Witness to Assignor

By:
Name: Gerald D. Fritz
Title: President

ASSIGNEE: Old Town Trolley Tours of Washington, Inc., a District of Columbia corporation

Witness to Assignee

Witness to Assignee

By:
Name: Edwin O. Swift, III
Title: President

ASSIGNOR ACKNOWLEDGMENT

State of Florida }
County of Monroe }

as President of Stronbus Corp.

I HEREBY CERTIFY that on this day personally appeared before me, an officer duly authorized to administer oaths and take acknowledgements, Gerald D. Fritz to me personally known or who provided _____ as photo identification, and who executed the foregoing instrument and he acknowledged before me that he executed the same individually and for the purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State last aforesaid, this 7th day of April, 2015.

CINDY SAWYER
MY COMMISSION EXPIRES
January 6, 2016
#EE 147446
Bonded thru
Notary Public Underwriters
NOTARY PUBLIC, STATE OF FLORIDA

_____
Notary Public, State of Florida
My Commission Expires:

ASSIGNEE ACKNOWLEDGMENT

State of Florida }
County of Monroe }

I HEREBY CERTIFY that on this day personally appeared before me, an officer duly authorized to administer oaths and take acknowledgements, _____ to me personally known or who provided _____ as photo identification, and who executed the foregoing instrument and he/she acknowledged before me that he executed the same individually and for the purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State last aforesaid, this ___ day of _____, 20__.

_____
Notary Public, State of Florida
My Commission Expires:

IN WITNESS WHEREOF, the parties have executed this Assignment as of the date first above written.

ASSIGNOR: Strombus Corporation, a Florida corporation

_____
Witness to Assignor

By:_____
Name: Gerald D. Fritz
Title: President

_____
Witness to Assignor

ASSIGNEE: Old Town Trolley Tours of Washington, Inc., a District of Columbia corporation

Mary E Turso
_____
Witness to Assignee

MARY E. TURSO

By:_____
Name: Edwin O. Swift, III
Title: President

_____
Witness to Assignee

Erica H. Stening

ASSIGNOR ACKNOWLEDGMENT

State of Florida }
County of Monroe }

I HEREBY CERTIFY that on this day personally appeared before me, an officer duly authorized to administer oaths and take acknowledgements, _____ to me personally known or who provided _____ as photo identification, and who executed the foregoing instrument and he acknowledged before me that he executed the same individually and for the purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State last aforesaid, this ____ day of _____, 20___.

_____
Notary Public, State of Florida
My Commission Expires:

ASSIGNEE ACKNOWLEDGMENT

State of Florida }
County of Monroe }

I HEREBY CERTIFY that on this day personally appeared before me, an officer duly authorized to administer oaths and take acknowledgements, Edwin O. Swift, III to me personally known or who provided drivers license as photo identification, and who executed the foregoing instrument and he/she acknowledged before me that he executed the same individually and for the purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State last aforesaid, this 7th day of April, 2015.

MARY E. TURSO MY COMMISSION EXPIRES May 16, 2017 #FF 018940 Bonded thru Notary Public Underwriters NOTARY PUBLIC, STATE OF FLORIDA

Mary E. Turso
Notary Public, State of Florida
My Commission Expires: 5/16/17
MARY E. TURSO

CONSENT OF LANDLORD

I, Craig Cates, Mayor of the City of Key West, the landlord named in that certain lease dated February 18, 2015 per Resolution 15-068, herein expressly consent to the Assignment so long as the sale between Assignor and Assignee of the real property known as 801 Eisenhower Drive is completed on or before the date of this assignment, failing which this Consent shall be deemed null and void, of no force or effect and withdrawn.

I also consent to the agreement by Assignee to assume, after the effective date of the Assignment, the payment of rent and the performance of all duties and obligations as set forth in the Lease and accept Assignee as tenant in the place of Strombus Corporation alone.

Defined terms used in this Consent of Landlord shall have the meanings ascribed to such terms in the Assignment of Lease by and between Strombus Corporation as assignor and Old Town Trolley Tours of Washington, Inc., as assignee, to which this Consent of Landlord is attached.

LANDLORD:

City of Key West

Witness to Landlord

Craig Cates, Mayor

Witness to Landlord

State of Florida }
County of Monroe }

I HEREBY CERTIFY that on this day personally appeared before me, an officer duly authorized to administer oaths and take acknowledgements, Craig Cates to me personally known ~~or who provided _____ as photo identification,~~ and who executed the foregoing instrument and he acknowledged before me that he executed the same for the purposes therein expressed.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State last aforesaid, this 5th day of May, 2015.

Notary Public, State of Florida
My Commission Expires:

SUSAN P. HARRISON
Commission # FF 207562
Expires April 9, 2019
Bonded Thru Troy Fain Insurance 800-385-7019

Lands Lease for

een the City and

that the attached Submerged

property adjacent to 801 Eisenhower Drive betw

Strombus Corporation is hereby approved.

Doc# 2018794
Bk# 2728 Pg# 347

This Instrument Prepared By:
Larry R. Erskine
Office of the City Attorney
P.O. Box 1409
Key West, FL 33041

CITY OF KEY WEST, FLORIDA

SUBMERGED LANDS LEASE

THIS LEASE is hereby issued by the City of Key West, Florida, a municipal corporation, hereinafter referred to as the Lessor.

WITNESSETH: That for and in consideration of payment of the annual lease fees hereinafter provided and the faithful and timely performance of and compliance with all terms and conditions stated herein, the Lessor does hereby lease to Strombus Corporation, whose riparian upland property is located at **801 Eisenhower Drive Key West, Florida 33040** hereinafter referred to as the Lessee, the submerged lands described as follows:

A parcel of submerged land in Section 33,
Township 67 South, Range 25 East, in Monroe County,
Containing approximately **12,974 square feet,**
more particularly described and shown on Attachment A
which is attached hereto and incorporated herein.

TO HAVE THE USE OF the hereinabove described premises for a period of five (5) years from Jan 14, 2015, the effective date of this lease. The terms and conditions on and for which this lease is granted are as follows:

1. USE OF PROPERTY: The Lessee is hereby authorized to occupy the private docking facility to be used exclusively in conjunction with the upland ownership for the purposes of docking his personal vessel, without fueling facilities, with a sewage pumpout facility if it meets the regulatory requirements of the State of Florida Department of Environmental Protection or State of Florida Department of Health, or City of Key West Ordinance whichever agency has jurisdiction, and without liveaboards as defined in paragraph 26 hereof.

2. LEASE FEES: The Lessee hereby agrees to pay to the Lessor an initial annual lease fee of $.166469 per square foot and 25 percent surcharge, plus sales tax pursuant to Section 212.031, Florida Statutes, if applicable, within 30 days of receipt of this fully executed lease. The annual fee for the remaining years of this lease shall be adjusted pursuant to provisions of Rule 18-21.011, Florida Administrative Code. The Lessor will notify the Lessee in writing of the amount and the due date of each subsequent annual lease payment during the remaining term of this lease. All lease fees due hereunder shall be remitted to the Lessor. All lease fees due hereunder shall be remitted to the Lessor. The initial annual lease fee without the supplemental payment is as follows:

12,974 SF X $0.166469	$2,159.77
Surcharge 25%	$539.94
Sales Tax	$202.48
Total	**$2,902.19**

3. WET SLIP RENTAL CERTIFICATION/SUPPLEMENTAL PAYMENT: Intentionally deleted as the use of the submerged land does not provide for wet slip rental.

4. LATE FEE ASSESSMENTS: The Lessee shall pay a late payment assessment for lease fees or other charges due under this lease which are not paid within 30 days after the due date. This assessment shall be computed at the rate of twelve percent (12%) per annum, calculated on a daily basis for every day the payment is late.

5. EXAMINATION OF LESSEE'S RECORDS: Not applicable and intentionally deleted

6. MAINTENANCE OF LESSEE'S RECORDS: Not applicable and intentionally deleted

7. AGREEMENT TO EXTENT OF USE: This lease is given to the Lessee to use or occupy the leased premises only for those activities specified herein and as conditioned by the Lessor. The Lessee shall not (i) change or add to the approved use of the leased premises as defined herein; (ii) change activities in any manner that may have an environmental impact; or (iii) change the type of use of the riparian uplands or as permitted by the Lessee's interest in the riparian upland property that is more particularly described as the street address shown in Attachment A without first obtaining, the Lessor's written authorization,, which authorization may be withheld in the sole discretion of the Lessor, in the form of a modified lease, the payment of additional fees, if applicable, and, if applicable, the removal of any structures which may no longer qualify for authorization under the modified lease.

8. PROPERTY RIGHTS: The Lessee shall make no claim of title or interest to said lands hereinbefore described by reason of the occupancy or use thereof, and all title and interest to said land hereinbefore described is vested in the Lessor. The Lessee is prohibited from including, or making any claim that purports to include, said lands described or the Lessee's leasehold interest in said lands into any form of private ownership, including but not limited to any form of condominium or cooperative ownership. The Lessee is further prohibited from making any claim, including any advertisement, that said land, or the use thereof, may be purchased, sold, or re-sold.

9. INTEREST IN RIPARIAN UPLAND PROPERTY: During the term of this lease, the Lessee shall maintain satisfactory evidence of sufficient upland interest as required by paragraph 18-21.004(3)(b), Florida Administrative Code, in the riparian upland property that is more particularly described as the street address shown in Attachment A and by reference made a part hereof together with the riparian rights appurtenant thereto. If such interest is terminated or the Lessor determines that such interest did not exist on the effective date of this lease, this lease may be terminated at the option of the Lessor. If the Lessor terminates this lease, the Lessee agrees not to assert a claim or defense against the Lessor arising out of this lease. Prior to sale and/or termination of the Lessee's interest in the riparian upland property, the Lessee shall inform any potential buyer or transferee of the Lessee's interest in the riparian upland property and the existence of this lease and all its terms and conditions and shall complete and execute any documents required by the Lessor to effect an assignment of this lease, if consented to by the Lessor, which consent may withheld by the Lessor in Lessor's sole discretion. Failure to do so will not relieve the Lessee from responsibility for full compliance with the terms and conditions of this lease which include, but are not limited to, payment of all fees and/or penalty assessments incurred prior to such act.

10. ASSIGNMENT OF LEASE: This lease shall not be assigned or otherwise transferred without prior written consent of the Lessor, which consent may be withheld in the sole discretion of the Lessor. Such assignment or other transfer shall be subject to the terms, conditions and provisions of this lease, current

management standards and applicable laws, rules and regulations in effect at that time. Any assignment or other transfer without prior written consent of the Lessor shall be null and void and without legal effect.

11. INDEMNIFICATION AND INSURANCE: To the fullest extent permitted by law, Lessee expressly agrees to indemnify and hold harmless the City of Key West and their respective officers, directors, agents, and employees (herein called the "indemnitees") from any and all liability for damages, including, if allowed by law, reasonable attorney's fees and court costs, such legal expenses to include costs incurred in establishing the indemnification and other rights agreed to in this Paragraph, to persons or property caused in whole or in part by any act, omission, or default by Lessee or its subcontractors, material men, or agents of any tier or their employees, arising out of this Lease or its performance, including any such damages caused in whole or in part by any act, omission, or default of any indemnitee, but specifically excluding any claims of, or damages against an indemnitee resulting from such indemnitee's gross negligence, or the willful, wanton or intentional misconduct of such indemnitee or for statutory violation or punitive damages except and to the extent the statutory violation or punitive damages are caused by or result from the acts or omissions of Lessee or its subcontractors, material men, or agents of any tier or their respective employees.

The indemnification obligations under this Lease shall not be restricted in any way by any limitation on the amount or type of damages, compensation, or benefits payable by or for Lessee under workers' compensation acts, disability benefits acts, or other employee benefits acts, and shall extend to and include any actions brought by or in the name of any employee of Lessee or of any third party to whom Lessee may subcontract work. This indemnification shall continue beyond the date of termination of the Agreement.

Lessee agrees that Lessor is not in any way an insurer of Lessee's vessel(s), property, family, invitees, employees, agents, passengers or guests. Lessee hereby agrees to maintain and pay for a marine insurance policy providing such protection and indemnity throughout the term of this Agreement. Said policy of protection and indemnity shall protect Lessor and Lessee from all liability for injury to any persons or property which may arise in connection with the operation of or conduct of Lessee or its vessel(s), equipment, agents, invitees, passengers, guests or employees.

Lessee hereby agrees to maintain and pay for, and provide current Certificate of Insurance at all times evidencing the following coverages:

- Protection & Indemnity limits of a minimum of $1,000,000 Per Occurrence.
- Removal of Wreck coverage included in Protection & Indemnity limit
- Vessel Pollution Coverage included in a minimum amount of $800,000
- Any other insurance coverage as required by law
- Lessor as certificate holder for purposes of notification of cancellation, termination, or renewal.
- Lessor listed as Additional Insured.

12. NOTICES/COMPLIANCE/TERMINATION: The Lessee binds itself, its successors and assigns, to abide by the provisions and conditions herein set forth, and said provisions and conditions shall be deemed covenants of the Lessee, its successors and assigns. In the event the Lessee fails or refuses to comply with the provisions and conditions herein set forth, or in the event the Lessee violates any of the provisions and conditions herein set forth, and the Lessee fails or refuses to comply with any of said provisions or conditions within twenty (20) days of receipt of the Lessor's notice to correct, this lease may be terminated by the Lessor upon thirty (30) days written notice to the Lessee. If canceled, all of the above-described parcel of land shall revert to the Lessor. All notices required to be given to the Lessee by this Lease or applicable law or administrative rules shall be sufficient if sent by U.S. Mail to the following address:

The Lessee shall notify the Lessor by certified mail of any change to this address at least ten (10) days before the change is effective.

13. TAXES AND ASSESSMENTS: The Lessee shall assume all responsibility for liabilities that accrue to the subject property or to the improvements thereon, including any and all drainage or special assessments or taxes of every kind and description which are now or may be hereafter lawfully assessed and levied against the subject property during the effective period of this lease.

14. NUISANCES OR ILLEGAL OPERATIONS: The Lessee shall not permit the leased premises or any part thereof to be used or occupied for any purpose or business other than herein specified unless such proposed use and occupancy are consented to by the Lessor and the lease is modified accordingly, nor shall Lessee knowingly permit or suffer any nuisances or illegal operations of any kind on the leased premises.

15. MAINTENANCE OF FACILITY/RIGHT TO INSPECT: The Lessee shall maintain the leased premises in good condition, keeping the structures and equipment located thereon in a good state of repair in the interests of public health, safety and welfare. No dock or pier shall be constructed in any manner that would cause harm to wildlife. The leased premises shall be subject to inspection by the Lessor or its designated agent at any reasonable time.

16. NON-DISCRIMINATION: The Lessee shall not discriminate against any individual because of that individual's race, color, religion, sex, national origin, age, handicap, or marital status with respect to any activity occurring within the area subject to this lease or upon lands adjacent to and used as an adjunct of the leased area.

17. ENFORCEMENT OF PROVISIONS: No failure, or successive failures, on the part of the Lessor to enforce any provision, nor any waiver or successive waivers on its part of any provision herein, shall operate as a discharge thereof or render the same inoperative or impair the right of the Lessor to enforce the same upon any renewal thereof or in the event of subsequent breach or breaches.

18. PERMISSION GRANTED: Upon expiration or cancellation of this lease all permission granted hereunder shall cease and terminate.

19. RENEWAL PROVISIONS: Renewal of this lease shall be at the sole option of the Lessor, which consent may withheld in the sole discretion of the Lessor. Such renewal shall be subject to the terms, conditions and provisions of management standards and applicable laws, rules and regulations in effect at that time. In the event that the Lessee is in full compliance with the terms of this lease, the Lessor will begin the renewal process. The term of any renewal granted by the Lessor shall commence on the last day of the previous lease term. In the event the Lessor does not grant a renewal, the Lessee shall vacate the leased premises and remove all structures and equipment occupying and erected thereon at its expense. The obligation to remove all structures authorized herein upon termination of this lease shall constitute an affirmative covenant upon the Lessee's interest in the riparian upland property more particularly described as the street address shown in Attachment A, which shall run with the title to the Lessee's interest in said riparian upland property and shall be binding upon the Lessee and the Lessee's successors in title or successors in interest.

20. REMOVAL OF STRUCTURES/ADMINISTRATIVE FINES: If the Lessee does not remove said structures and equipment occupying and erected upon the leased premises after expiration or cancellation of this lease, such structures and equipment will be deemed forfeited to the Lessor, and the Lessor may authorize removal and may sell such forfeited structures and equipment after ten (10) days written notice by certified mail addressed to the Lessee at the address specified in Paragraph 12 or at such address on record as provided to the Lessor by the Lessee. However, such remedy shall be in addition to all other remedies available to the Lessor under applicable laws, rules and regulations including the right to compel removal of all structures and the right to impose administrative fines.

21. REMOVAL COSTS/LIEN ON RIPARIAN UPLAND PROPERTY: Subject to the noticing provisions of Paragraph 20 of this lease, any costs incurred by the Lessor in removal of any structures and equipment constructed or maintained on state lands shall be paid by Lessee and any unpaid costs and expenses shall constitute a lien upon the Lessee's interest in the riparian upland property that is more particularly described as the street address shown in Attachment A. This lien on the Lessee's interest in the riparian upland property shall be enforceable in summary proceedings as provided by law.

22. RIPARIAN RIGHTS/FINAL ADJUDICATION: In the event that any part of any structure authorized hereunder is determined by a final adjudication issued by a court of competent jurisdiction to encroach on or interfere with adjacent riparian rights, Lessee agrees to either obtain written consent for the offending structure from the affected riparian owner or to remove the interference or encroachment within 60 days from the date of the adjudication. Failure to comply with this paragraph shall constitute a material breach of this lease agreement and shall be grounds for immediate termination of this lease agreement at the option of the Lessor.

23. AMENDMENTS/MODIFICATIONS: This Lease is the entire and only agreement between the parties. Its provisions are not severable. Any amendment or modification to this lease must be in writing, must be accepted, acknowledged and executed by the Lessee and Lessor, and must comply with the rules and statutes in existence at the time of the execution of the modification or amendment. Notwithstanding the provisions of this paragraph, if mooring is authorized by this lease, the Lessee may install boatlifts within the leased premises without formal modification of the lease provided that (a) the Lessee obtains any state or local regulatory permit that may be required; and (b) the location or size of the lift does not increase the mooring capacity of the docking facility.

24. ADVERTISEMENT/SIGNS/NON-WATER DEPENDENT ACTIVITIES/ADDITIONAL ACTIVITIES/MINOR STRUCTURAL REPAIRS: No permanent or temporary signs directed to the boating public advertising the sale of alcoholic beverages shall be erected or placed within the leased premises. No restaurant or dining activities are to occur within the leased premises. The Lessee shall ensure that no permanent, temporary or floating structures, fences, docks, pilings or any structures whose use is not water-dependent shall be erected or conducted over the submerged lands without prior written consent from the Lessor, which consent may withheld by Lessor in Lessor's sole discretion. No additional structures and/or activities including dredging, relocation/realignment or major repairs or renovations to authorized structures, shall be erected or conducted on or over the submerged lands without prior written consent from the Lessor, which consent may be withheld by Lessor in Lessor's sole discretion. Unless specifically authorized in writing by the Lessor, such activities or structures shall be considered unauthorized and a breach of this Lease. This condition does not apply to minor structural repairs required to maintain the authorized structures in a good state of repair in the interests of public health, safety or welfare; provided, however, that such activities shall not exceed the activities authorized by this Lease.

25. COMPLIANCE WITH FLORIDA LAWS: On or in conjunction with the use of the leased premises, the Lessee shall at all times comply with all Florida Statutes and all administrative rules promulgated thereunder. Any unlawful activity which occurs on the leased premises or in conjunction with the use of the leased premises shall be grounds for the termination of this Lease by the Lessor.

26. LIVEABOARDS: The term "liveaboard" is defined as a vessel docked at the facility and inhabited by a person or persons for any five (5) consecutive days or a total of ten (10) days within a thirty (30) day period. If liveaboards are authorized by paragraph one (1) of this lease, in no event shall such "liveaboard" status exceed six (6) months within any twelve (12) month period, nor shall any such vessel constitute a legal or primary residence.

27. GAMBLING VESSELS: During the term of this Lease and any renewals, extensions, modifications or assignments thereof, Lessee shall prohibit the operation of or entry onto the leased premises of gambling cruise ships, or vessels that are used principally for the purpose of gambling, when these vessels are engaged in "cruises to nowhere," where the ships leave and return to the state of Florida without an intervening stop within another state or foreign country or waters within the jurisdiction of another state or foreign country, and any watercraft used to carry passengers to and from such gambling cruise ships.

28. FINANCIAL CAPABILITY: To assure the Lessor that the Lessee has the financial capability to undertake and operate the project authorized by this lease, the Lessee certifies to the Lessor as follows: (i) the Lessee is not the subject of a pending bankruptcy proceeding; (ii) the Lessee has no unsatisfied judgments entered against it; (iii) the Lessee has satisfied all state and local taxes for which it is responsible; and (iv) no other matters are pending or threatened against or affecting the Lessee or the Lessee's interest in the riparian upland property that would impair the Lessee's financial capability to undertake and operate the project authorized by this lease. Any breach of this lease condition shall constitute a default under this lease.

30. SPECIAL LEASE CONDITION(S):

IN WITNESS WHEREOF, the parties hereto have caused the foregoing Lease to be executed on the day and year first above written.

LESSOR: CITY OF KEY WEST, FLORIDA

ATTEST: Cheryl Smith
CITY CLERK

Date: 2/24/2015

By: _____
Craig Cates, Mayor

Date: 2/18/15

LESSEE: STROMBUS CORPORATION

ATTEST: Cindy Sawyer

Date: 1/14/15

By: _____
Gerald D. Fritz, Chief Executive Officer

Date: 1/14/2015

Attachment "A"
Submerged Land Survey with
Upland Riparian Property Street Address

Doc# 2018794
Bk# 2728 Pg# 355

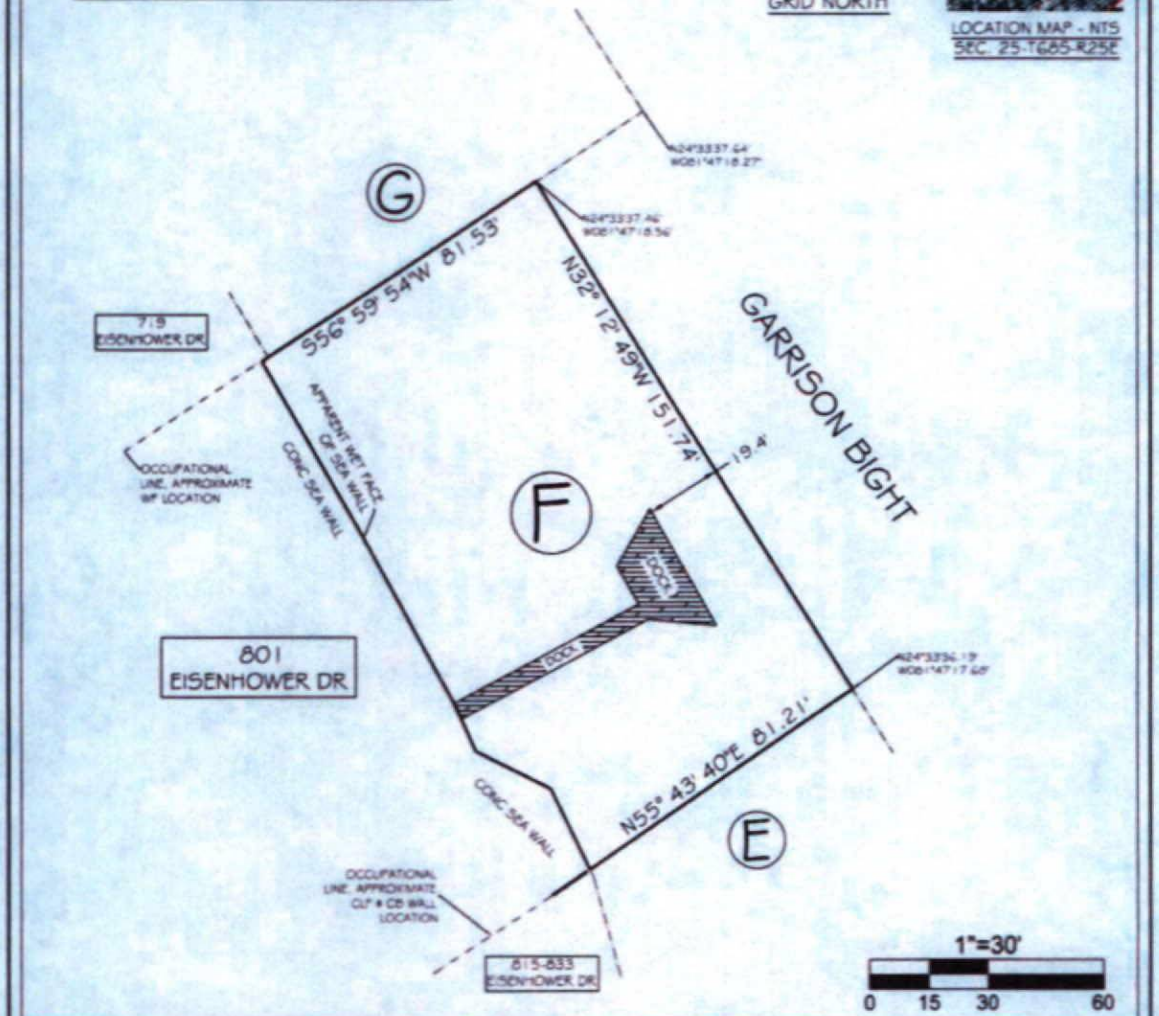
SPECIFIC PURPOSE SURVEY SKETCH TO ILLUSTRATE SUBMERGED LAND LEASE AREAS

GARRISON BIGHT, KEY WEST, MONROE COUNTY, STATE OF FLORIDA

AREA DELINEATION	AREA
(F)	12,974 SQ FT +/-

LOCATION MAP - NTS
SEC. 25-T68S-R25E

GRID NORTH



NORTH ARROW IS REFERENCED TO GRID NORTH, BASED ON THE 1990 ADJUSTMENT OF THE NORTH AMERICAN DATUM OF 1983 (NAD 83/90), FLORIDA STATE PLANE COORDINATE SYSTEM (TRANSVERSE MERCATOR PROJECTION), EAST ZONE (0901).

ALL UNITS ARE SHOWN IN U.S. SURVEY FEET.

ALL FIELD DATA WAS ACQUIRED BETWEEN 05/01/2014 - 05/13/2014.

ADDITIONS OR DELETIONS TO THE SURVEY MAP OR REPORT BY OTHERS THAN THE SIGNING PARTY IS PROHIBITED WITHOUT THE WRITTEN CONSENT OF THE SIGNING PARTY.

THE BOLD LINES SHOWN HEREON REPRESENT THE SURVEYORS OPINION OF THE BOUNDARY OF THE SUBMERGED LAND LEASE AREAS. THE MEAN HIGH WATER LINE WAS NOT DETERMINED FOR THIS SPECIFIC PURPOSE SURVEY SKETCH. THE APPARENT MEAN HIGH WATER LINE IS SHOWN FOR REFERENCE ONLY.

THE INDIVIDUAL SECTIONED OFF LEASE AREAS WERE DETERMINED BASED ON THE PROJECTION OF THE OCCUPATIONAL LINES (I.E. FENCES, WALLS, ETC) LOCATED IN THE FIELD. THE UPLAND PARCELS ADJACENT TO THE ILLUSTRATED SUBMERGED LANDS/LEASE AREAS WERE NOT SURVEYED.

NOT ALL EXISTING DOCKS / PIERS WERE FIELD LOCATED. ONLY THE DOCKS / PIERS THAT ARE WITHIN A CLOSE PROXIMITY TO THE SUBMERGED LAND LEASE AREAS WERE FIELD LOCATED.

THIS IS NOT A BOUNDARY SURVEY. ANY BOUNDARY OR RIGHT OF WAY LINES SHOWN HEREON ARE FOR INFORMATIONAL PURPOSES ONLY, AND ARE A GRAPHICAL REPRESENTATION OF THE BOUNDARY BASED ON THE RECOVERY OF SUFFICIENT BOUNDARY MONUMENTATION TO SPATIALLY DEFINE THE LINES. NO ATTEMPT WAS MADE TO RESOLVE CONFLICTS BETWEEN THE RECOVERED BOUNDARY INFORMATION AND OCCUPATIONAL LINES.

ABBREVIATION LEGEND:

BM= BENCHMARK
CALC=CALCULATED
CB = CONCRETE BLOCK
CL = CENTERLINE
CLF = CHAINLINK FENCE
CM = CONCRETE MONUMENT
CONC = CONCRETE
CPP = CONCRETE POWER POLE
EP = EDGE OF PAVEMENT
MEAS = MEASURED
NGS = NATIONAL GEODETIC SURVEY
NGVD = NATIONAL GEODETIC VERTICAL DATUM (1929)
R/W = RIGHT OF WAY LINE
NTS = NOT TO SCALE
OHW = OVERHEAD WIRES
PC = POINT OF CURVE
PCP = PERMANENT CONTROL POINT
PK = PARKER KALON NAIL
WF = WOOD FENCE

SYMBOL LEGEND:

CATCH BASIN
DRAINAGE MANHOLE
CONCRETE UTILITY POLE
ELECTRIC MANHOLE
LIGHT POLE
GUY WIRE
MAILBOX
SANITARY CLEANOUT
SANITARY MANHOLE
SIGN
WOOD UTILITY POLE
WOOD BOLLARD
WATER VALVE

SCALE:	1"=30'
FIELD WORK DATE:	SEE NOTES
REVISION DATE:	XX/XX/XXXX
SHEET:	1 OF 1
DRAWN BY:	MPB
CHECKED BY:	------
DWG NO.#:	076785

I HEREBY CERTIFY THAT THIS SKETCH WAS MADE UNDER MY RESPONSIBLE CHARGE AND MEETS THE MINIMUM TECHNICAL STANDARDS AS SET FORTH BY THE FLORIDA BOARD OF PROFESSIONAL SURVEYORS AND MAPPERS IN CHAPTER 5J-17.05, FLORIDA ADMINISTRATIVE CODE, PURSUANT TO SECTION 472.027, FLORIDA STATUTES AND COMPLIES WITH CHAPTER 177, PART II, FLORIDA STATUTES.

NOT VALID WITHOUT THE SIGNATURE AND THE RAISED SEAL OF A FLORIDA SURVEYOR AND MAPPER

SIGNED

ERIC A. OAKES, PSM #6783, PROFESSIONAL SURVEYOR AND MAPPER, LB# 7047

FLORIDA KEYS
LAND SURVEYING
19960 OVERSEAS HIGHWAY
SUGARLOAF KEY, FL 33042
PHONE: (305) 394-3690
FAX: (305) 509-7373
EMAIL: FKLSemail@Gmail.com

MONROE COUNTY
OFFICIAL RECORDS