

Robyn Tice

From: Don Kraher
Sent: Friday, May 22, 2020 9:21 AM
To: Jewel Cannada-Wynn; Jared Moore; P.C. Wu; Sherri Myers; Andy Terhaar; Andy Terhaar; Anny Shepard; John Jerralds
Cc: Elaine Mager; Sonja Gaines; Amy Miller; Dick Barker Jr; Keith Wilkins; Ericka Burnett; Robyn Tice
Subject: Revised Language to Port Lease
Attachments: Revised Language Section 4.01 - Streamline Boats.pdf

Council President and Members of City Council

Please find attached a revision to Section 4.01 of the lease for the Port of Pensacola which is on the upcoming agenda. It is a small but important clarification and we wanted you all to have it ahead of the Agenda Conference.

Should you have any questions, please let me know or contact Amy Miller directly.

Respectfully,

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ARTICLE 4. USE OF LEASED PREMISES

Section 4.01 PERMITTED USE OF LEASED PREMISES

Continuously during the Lease Term, the Company shall use the Leased Premises solely for the research, development, design, fabrication, and manufacture of watercraft/amphibious aircraft of various types, models, and series to include administrative offices and functions accompanying the manufacturing of the product. The performance of any other activities consistent with and allowable in the Industrial District M-1 Zoning Designation as defined in the City of Pensacola Code, Part II - Code of Ordinances. Title XII - Land Development Code, Chapter 12.2 - Zoning Districts, Sections 12-2-1 and 12-2-9 shall be allowed only upon advance written consent of the City, which consent may be allowed or withheld in the City's sole and absolute discretion. **The company may not fly amphibious aircraft/seaplanes to, from or within the Port or surrounding waters at any time. If at any point in the future, the Company desires to do so, the Company will be required to obtain a separate lease agreement for such purpose in accordance with the then-applicable process for approval of lease agreements at the Port of Pensacola.**

Consistent with the permitted use of the Leased Premises stated in this Section 4 and solely in furtherance of such use, Company shall, at Company's sole cost and expense, complete all required construction activities on the Leased Premise in order to obtain a Certificate of Occupancy from the City of Pensacola Inspection Services Division. Final plans and specifications are subject to review and approval by the City prior to the commencement of construction activities. As part of City's review process all plans, specifications and construction drawings will be reviewed by the City Engineer (or his designee) and the Port's consulting engineer of record.

As a condition of this Lease for the Lease Premises, Company shall commence construction in accordance with all requirements of this Lease Agreement, no later than twelve (12) months after the execution of this Lease. Should Company fail to meet this requirement, then the City may, in the City's sole discretion, immediately terminate the Lease upon date of written notice to Company and, in the event of such termination by the City due to Company's failure to perform according to this schedule, the Company hereby expressly agrees that upon receipt of such termination notice for failure to perform according to schedule, the Company shall within 30 days vacate and surrender the Lease Premises to the City and the Company's right to continue its lease of the Lease Premises shall terminate. The City may enter the Lease Premises and exclude the Company from possession of the Lease Premises, declare all Rents, fees, taxes and other charges and amounts that are then due and payable and costs of the City to prepare the Lease Premises for reletting to be immediately due and payable. Nothing in this paragraph shall be construed to allow the City to assess accelerated rents as a remedy for Tenants failure to perform.

In the event the Company complies with commencement of construction, Company shall complete construction no later than twenty-four (24) months after the Commencement Date of this Lease Agreement. A Certificate of Occupancy shall evidence such completion of construction. Should Company fail to complete construction of Tenant's Structure no later than 24 months after commencement of the Lease, then Company may, with reasonable justification