

LEASE AGREEMENT

This lease is made and executed in triplicate by and between SARASOTA COUNTY, a political subdivision of the State of Florida, "lessor," and the CITY OF VENICE, a Florida municipal corporation, "lessee."

SECTION I.**Description of Premises**

Lessor leases to lessee, and lessee hires from lessor, the premises, including the land and the improvements located thereon, located at 440 East Venice Avenue, City of Venice, County of Sarasota, State of Florida.

SECTION II.**Use and Occupancy.**

Lessee shall use and occupy the premises for various purchasing and warehousing functions, and for no other purpose.

SECTION III.**Term**

The term of this lease is ten (10) years, beginning October 1, 2004. Lessee shall have an option to renew this lease agreement and extend the lease term for a period of ten (10) additional years. In order to exercise said option the lessee must not be in default under any of the terms and conditions of the lease agreement. Lessee shall exercise the option by delivering written notice to the lessor of its intention to renew not earlier than one (1) year and no later than six (6) months prior

to expiration of the lease agreement. The terms and conditions of the lease agreement shall remain unchanged during any renewal period.

SECTION IV.

Rent

The total rent of this lease is the amount of TEN DOLLARS (\$10.00) per year payable on October 1 of each year during the lease term.

SECTION V.

Payment of Utilities

Lessee shall pay for all utility services furnished to the premises.

SECTION VI.

Repairs and Maintenance

Lessee shall, at lessee's sole expense, maintain the leased premises and appurtenances in good repair, and in at least as good condition as that in which they were delivered, allowing for ordinary wear and tear. Lessor agrees to maintain and keep the exterior walls and roofs of the structure in good repair.

SECTION VII.

Prohibition Against Waste, Nuisance or Unlawful Use

Lessee shall not commit, or allow to be committed, any waste on the premises, create or allow any nuisance to exist on the premises, or use or allow the premises to be used for any unlawful purpose.

SECTION VIII.

Lessor's Right to Inspect, Repair, and Maintain Premises

Lessor reserves the right to enter the premises at reasonable times to inspect them, to perform required maintenance and repair, or to make additions or alterations to any part of the building in which the premises leased are located, and lessee agrees to permit lessor to do so. Lessor may, in connection with such alterations, additions, or repairs, erect scaffolding, fences, and similar structures, post relevant notices, and place moveable equipment without any obligation to reduce lessee's rent for the premises during such period, and without incurring liability to lessee for disturbance of quiet enjoyment of the premises, or loss of occupation of the premises.

SECTION IX.

Insurance, Property Loss and Damage

Throughout the lease term the lessee shall provide special risk property coverage on the lessee's contents of the premises, including improvements made by the lessee, and liability coverage for damage claims through public use of or arising out of accidents occurring in or around the premises.

Throughout the lease term the lessor shall provide special risk property coverage on the building and liability coverage for damage claims through public use of or arising out of accidents occurring in or around the building.

SECTION X.

Indemnification

Lessee shall indemnify and save the lessor harmless from and against any and all liability and cost arising from injury to persons or property occasioned wholly or in part by any negligent act or

omission of the lessee. Notwithstanding any term of this agreement to the contrary, no term of this agreement shall be construed as a waiver of the lessee's rights of sovereign immunity or the provisions of Section 768.28, Florida Statutes.

Lessor shall indemnify and save the lessee harmless from and against any and all liability and cost arising from injury to persons or property occasioned wholly or in part by any negligent act or omission of the lessor. Notwithstanding any term of this agreement to the contrary, no term of this agreement shall be construed as a waiver of the lessor's rights of sovereign immunity or the provisions of Section 768.28, Florida Statutes.

SECTION XI.

Prohibition Against Activities Increasing Fire Insurance Rates

Lessee agrees not to use the premises in any manner, even for the purposes for which the premises are leased, that will increase risks covered by insurance on the building where the premises are located, so as to increase the rate of insurance on the premises, or to cause cancellation of any insurance policy covering the building. Lessee further agrees not to keep on the premises, or permit to be kept, used, or sold on the premises, anything prohibited by the policy of fire insurance covering the premises. Lessee agrees to comply, at its own expense, with all requirements of insurers necessary to keep in force the fire and public liability insurance covering the premises and building.

SECTION XII.

Partial Destruction of Premises

Partial destruction of the leased premises shall not render this lease void or voidable, or terminate it except as provided here.

If the premises are partially destroyed during the term of this lease, lessor shall repair them, when such repairs can be made in conformity with local, state, and federal laws and regulations, within one hundred eighty (180) days of the partial destruction. Rent for the premises will be reduced proportionally to the extent to which the repair operations interfere with the normal conduct of lessee's business on the premises. If the repairs cannot be so made within the time limited, lessor has the option to make them within a reasonable time and continue this lease in effect with proportional rent rebate to lessee as provided for here. If the repairs cannot be made in one hundred eighty (180) days, and if lessor does not elect to make them within a reasonable time, either party to this lease has the option to terminate the lease. If the building in which the leased premises are located is more than one-third destroyed, lessor may at its option terminate the lease whether the premises are injured or not.

SECTION XIII.

Effect of Lessor's Waiver of Covenants

Lessor's waiver of breach of one covenant or condition of this lease is not a waiver of breach of others, or of subsequent breach of the one waived. Lessor's acceptance of rent installments after breach is not a waiver of the breach, except of breach of the covenant to pay the rent installment or installments accepted.

SECTION XIV.

Termination.

Either party may terminate this agreement early by giving written notice to the other of its intent to terminate at least one hundred eighty (180) days prior to the proposed date of early termination.

All additions or improvements made to the premises except only furnishings, fixtures, and equipment which can be readily removed without injury to the premises, shall be and remain a part of the premises at the expiration of the lease term.

SECTION XV.

Time of the Essence.

Time is of the essence in this lease.

SECTION XVI.

Notices

Notices given pursuant to the provisions of this lease, or necessary to carry out its provisions, shall be in writing, and delivered personally to the person to whom the notice is to be given, or mailed postage prepaid, addressed to such person. Lessor's address for this purpose shall be City Manager, 401 West Venice Avenue, Venice, Florida 34285, or such other address as it may in writing designate to lessee. Lessee's address for this purpose shall be County Administrator, 1660 Ringling Boulevard, Sarasota, Florida 34236, or such other address as it may in writing designate to lessor.

SECTION XVII

Assignment or Sublease

Lessee shall not assign, pledge, or encumber this lease, in whole or in part, or sublet all or any portion of the premises.

SECTION XVIII

Entire Agreement

This lease agreement contains the entire understanding between the parties and it may be modified only by an agreement in writing signed by both the lessor and lessee.

IN WITNESS WHEREOF the parties hereto have caused their respective representatives to execute this instrument on their behalf, at the times set forth below.

ATTEST:

Dori Stelzer
City Clerk

Approved as to Form and Correctness:

[Signature]
City Attorney

ATTEST:

Karen Rushing, Clerk of the Circuit Court
and Ex-Officio Clerk to the Board of County
Commissioners of Sarasota County, Florida

By: *Paula J. Clinton*

Approved as to Form and Correctness:

SEP
County Attorney *TRW*

THE CITY OF VENICE

By: *Dean Calamone*
Mayor

March 8, 2005
Date signed by the City

(SEAL) **Approved By City Council**

Date: *03-08-05*

BOARD OF COUNTY COMMISSIONERS
OF SARASOTA COUNTY, FLORIDA

By: *Paul H. Mercier*
Chairman

2/24/2005
Date signed by the County

(SEAL)