

## MEMORANDUM

**TO:**       **Real Estate & Transportation Committee**  
Commissioner Mike Musick, Chairman  
Commissioner Bill Read  
Commissioner Chad McLeod

**FROM:**    City Attorney's Office

**DATE:**     January 16, 2024

**RE:**       **Lease Agreement with Kingsky Flight Academy, LLC at 2945  
Airside Center Drive**

Attached hereto for your consideration is a proposed Lease Agreement with Kingsky Flight Academy, LLC (Kingsky) located at 2945 Airside Center Drive on the south side of Lakeland Linder International Airport (Airport). Kingsky is a Florida based company that specializes in private pilot training that has been a tenant at the Airport for approximately nine (9) years. Kingsky's current lease expires on January 31, 2024 and does not contain any additional renewal options. Accordingly, Kingsky is seeking to enter into a new lease agreement in order to continue to use the 4,059 square feet of office space located at 2945 Airside Center Drive. Kingsky's present base rent rate is \$12.81 per square foot, including utilities. Upon the commencement of this Lease, Kingsky's new base rent rate will be adjusted to \$14.38 per square foot, including utilities. This rate adjustment is consistent with the current rates tenants are charged for that specific area of the Airport.

The initial term of the Lease is for a period three (3) years, with an effective date of February 1, 2024, subject to City Commission approval. The Lease also provides for two (2) additional one (1) year renewal options upon mutual written agreement of the Parties. Commencing February 1, 2024, Kingsky will pay base rent in the amount of \$4,864.04 per month or \$58,368.42 annually for the first year of the Lease. Thereafter, base rent for the remaining initial term, as well as any renewal options, shall be subject to an annual increase of 2.5%. The monthly base rent includes utilities, but does not include any applicable taxes, which Kingsky will pay in addition to the base rent.

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

Attachments

**LOCATION MAP**  
**2945 Airside Center Drive**



## LEASE AGREEMENT

**THIS LEASE AGREEMENT** (the "Lease") is made and entered into on this 16th day of January 2024, 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 **Kingsky Flight Academy, LLC.**, a Florida limited liability corporation (hereinafter referred to as "**Lessee**"), whose address is 3131 Flightline Drive, Suite 304, Lakeland, Florida 33811.

### **WITNESSETH:**

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 three (3) years, with two (2) additional one (1) year options of renewal upon mutual written agreement of the parties, commencing on February 1, 2024 (the "**Effective Date**") and terminating on January 31, 2027, a portion of the buildings known as the "Flight Safety Building" (hereinafter referred to as the "**Flight Safety Building**"), 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 four thousand fifty-nine (4,059) square feet of office space located at 2945 Flightline Drive, Lakeland, Florida 33811.

1.2 Lessee shall be permitted to use the general parking area adjacent to the Flight Safety Building 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.

1.3 Lessor has advised Lessee that there is access from the Flight Safety Building 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 The Lessee shall pay to the Lessor as Base Rent for the Premises monthly installments, commencing on February 1, 2024, and continuing through January 31, 2027, in the amount of Four Thousand Eight Hundred Sixty-Four dollars and 04/100 (\$4,864.04). Commencing, February 1, 2025, the Base Rent shall be subject to an annual increase of two and one half percent (2.5%).

<b>YEAR</b>	<b>PERIOD</b>	<b>ANNUAL RATE</b>	<b>MONTHLY RATE</b>
<b>Initial Term</b>			
1	February 1, 2024 – January 31, 2025	\$58,368.42	\$4,864.04
2	February 1, 2025 – January 31, 2026	\$59,827.63	\$4,985.64
3	February 1, 2026 – January 31, 2027	\$61,323.32	\$5,110.28
<b>First One-Year Renewal Option</b>			
4	February 1, 2027 – January 31, 2028	\$62,856.40	\$5,238.03
<b>Second One -Year Renewal Option</b>			
5	February 1, 2028 – January 31, 2029	\$64,427.81	\$5,368.98

Each monthly rental installment shall be paid, together with sales taxes, pass through expenses, 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 Two Dollars and 50/100 (\$2.50) 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 Premises during both normal business hours and in the early morning and evening.

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 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 one (1) year renewal period.

### **SECTION 3**

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.

#### **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, 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 or 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 The Lessee and Lessor shall maintain the leased Premises in a good state of repair and condition at all times. The maintenance responsibilities for the Lessee and Lessor are more particularly described in **Exhibit "C"**.

9.2 The Lessee shall, at its expense, maintain the Premises, including any structures thereon, in a neat and orderly condition at all times. Lessee shall be responsible for the neatness and orderliness of the Premises, removal of trash and garbage arising out of the Lessee's occupancy.

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

9.4 Lessee shall be responsible for ordinary maintenance and repair of all concrete areas within the Premises. Lessee shall be responsible for repairs caused by fuel spills or other causes related to the operation of the Lessee or customers or invitees of the Lessee and must notify Lessor, in writing in the event any spills occur.

#### **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 its 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 subparagraphs (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, 3131 Flightline Drive, Suite 304, Lakeland Florida 33811. 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

BY: \_\_\_\_\_  
H. William Mutz  
Mayor

(Seal)

APPROVED AS TO FORM AND  
CORRECTNESS:

BY: \_\_\_\_\_  
Palmer C. Davis  
City Attorney

Witnesses:

Kingsky Flight Academy, LLC.

\_\_\_\_\_  
Print Name: \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: \_\_\_\_\_



**EXHIBIT A**  
**2945 Airside Center Drive**



## **Exhibit "B"**

### **INSURANCE REQUIREMENTS**

#### **STATEMENT OF PURPOSE**

The City of Lakeland (the "City") from time to time enters into agreements, leases, and other contracts with Other Parties (as hereinafter defined).

Such Agreements shall contain at a minimum risk management/insurance terms to protect the City's interests and to minimize its potential liabilities. Accordingly, the following minimum requirements shall apply:

#### **CITY DEFINED**

The term City (wherever it may appear) is defined to mean the City of Lakeland itself, its Commission, employees, volunteers, representatives, and agents.

#### **OTHER PARTY DEFINED**

The term Other Party (wherever it may appear) is defined to mean the other person or entity which is the counter-party to the Agreement with the City and any of such Other Party's subsidiaries, affiliates, officers, employees, volunteers, representatives, agents, contractors, and subcontractors.

#### **LOSS CONTROL/SAFETY**

Precaution shall be exercised at all times by the Other Party for the protection of all persons, including employees, and property. The Other Party shall comply with all laws, rules, regulations, or ordinances related to safety and health, and shall make special effort to anticipate and detect hazardous conditions and shall take such precautionary and prompt action where loss control/safety measures should reasonably be expected.

The City may order work to be stopped at any time, without liability, if conditions exist that present immediate danger to persons or property. The Other Party acknowledges that such stoppage, or failure to stop, will not shift responsibility for any damages from the Other Party to the City.

#### **INSURANCE - BASIC COVERAGES REQUIRED**

The Other Party shall procure and maintain the following described insurance, except for coverage specifically waived by the City of Lakeland, on policies and with insurers acceptable to the City, and insurers with AM Best ratings of no less than A.

These insurance requirements shall in no way limit the liability of the Other Party. The City does not represent these minimum insurance requirements to be sufficient or adequate to protect the Other Party's interests or liabilities, but are merely minimums.

"Except for workers' compensation and professional liability, the Other Party's insurance policies shall be endorsed to name the City of Lakeland as additional insured. It is agreed that the

Other Party's insurance shall be deemed primary and non-contributory with respect to any insurance or self-insurance carried by The City of Lakeland for liability arising out of the operations of this agreement."

## **INSURANCE – BASIC COVERAGES REQUIRED (cont'd)**

Except for worker's compensation, the Other Party waives its right of recovery against the City, to the extent permitted by its insurance policies.

The Other Party's deductibles/self-insured retentions shall be disclosed to the City and may be disapproved by the City. They shall be reduced or eliminated at the option of the City. The Other Party is responsible for the amount of any deductible or self-insured retention.

Insurance required of the Other Party or any other insurance of the Other Party shall be considered primary, and insurance of the City shall be considered excess, as may be applicable to claims which arise out of the Hold Harmless, Payment on Behalf of the City of Lakeland, Insurance, Certificates of Insurance and any Additional Insurance provisions of this agreement, contract, or lease.

**Commercial General Liability:** This insurance shall be an "occurrence" type policy written in comprehensive form and shall protect the Other Party and the additional insured against all claims arising from bodily injury, sickness, disease, or death of any person other than the Other Party's employees or damage to property of the City or others arising out of any act or omission of the Other Party or its agents, employees, or Subcontractors and to be inclusive of property damage resulting from explosion, collapse or underground (xcu) exposures. This policy shall also include protection against claims insured by usual personal injury liability coverage, and to insure the contractual liability assumed by the Other Party under the article entitled **INDEMNIFICATION**, and "**Products and Completed Operations**" coverage.

The Other Party is required to continue to purchase products and completed operations coverage for a minimum of three years beyond the City's acceptance of renovation or construction properties.

**The liability limits shall not be less than:**

<b>Bodily Injury and Property Damage</b>	<b>\$1,000,000 Single limit each occurrence</b>
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**Business Automobile Liability:** Business Auto Liability coverage is to include 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:**

<b>Bodily Injury and Property Damage</b>	<b>\$500,000 Single limit each occurrence</b>
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**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 Worker’s Compensation coverage, as defined in Florida Statue 440, the Other Party will provide a copy of State Workers’ Compensation exemption.

All subcontractors shall be required to maintain Worker’s Compensation.

The Other Party shall also purchase any other coverage required by law for the benefit of employees.

## **EVIDENCE/CERTIFICATES OF INSURANCE**

Required insurance shall be documented in Certificates of Insurance which provide that the City shall be notified at least 30 days in advance of cancellation, nonrenewable, or adverse change.

New Certificates of Insurance are to be provided to the City at least 15 days prior to coverage renewals.

If requested by the City, the Other Party shall furnish complete copies of the Other Party’s insurance policies, forms, and endorsements.

For Commercial General Liability coverage, the Other Party shall, at the option of the City, provide an indication of the amounts of claims payments or reserves chargeable to the aggregate amount of liability coverage.

Receipt of certificates or other documentation of insurance or policies or copies of policies by the City, or by any of its representatives, which indicate less coverage than required does not constitute a waiver of the Other Party’s obligation to fulfill the insurance requirements herein.

**EXHIBIT "C"**  
**MAINTENANCE MATRIX OF OBLIGATIONS**

RESPONSIBILITY	TENANT	AIRPORT
Air Compressor		X
Air Handling System(s)		X
Ceiling Tiles		X
Disposal of Garbage, Debris and Waste Materials	X	
Elevators	N/A	N/A
Exterior Electrical		X
Exterior Electrical Fixtures		X
Exterior Light Bulbs		X
Exterior Painting		X
Exterior Plumbing		X
Exterior Signage	X	
Fire Protection System including Minimum Required Fire Extinguishers		X
Generator	N/A	N/A
Floor Replacement (Carpet, Tile Laminate etc.)	X	
Grounds Care		X
Hangar Doors	N/A	N/A
Hangar Insulation	N/A	N/A
Interior Electrical	X	
Interior Electrical Fixtures	X	
Interior Light Bulbs	X	
Interior Painting	X	
Interior Plumbing	X	
Interior Walls	X	
Irrigation		X
Janitorial Service	X	
Janitorial Service - Flooring	X	
Keys / Locks	X	
Mechanical / HVAC Maintenance		X
Mechanical / HVAC Replacement		X
Non-Structural Repairs	X	
Parking Lot & Side Walks		X
Pedestrian Doors Including Hardware	X	
Personal Property	X	
Pest Control	X	
Restroom Fixtures (Exclusive to Tenant Premises / Toilets / Faucets)	X	
Roof Maintenance		X
Roof Replacement		X
Security System	X	
Signage / Wayfinding	X	
Structural Elements of Building		X
Water Fountains / Water Filters	X	
<b>CURRENT 2023.09.21</b>		