

## AGENDA

- A. Call to Order
- B. Pledge of Allegiance
- C. Roll Call
- D. Approval of Agenda
- E. Approval of Minutes
  - a. May 18, 2023, Regular Meeting Minutes
- F. Action Items
  - a. Approval of Aeronautical Ground Lease Agreement with River Fly In, LLC, for Unimproved Property Located at Merritt Island Airport (COI)
  - b. Annual Performance Evaluation of Director of Airports
  - c. Approval of Invoices
- G. Report: Deputy Director of Operations and Maintenance
  - a. Capital Improvement Projects Update
- H. Report: Deputy Director of Finance & Administration
  - a. Check Register
  - b. Bad Debt – Write Off
  - c. May Financial Statements
- I. Report: Authority Attorney
  - a. Wells Fargo Check Fraud Update
- J. Reports: Authority Members
- K. Public Comments
- L. Adjourn

**TITUSVILLE – COCOA AIRPORT AUTHORITY**

The Regular Meeting of the Titusville - Cocoa Airport Authority was held on May 18th, of 2023 at 5:00 p.m. at the Titusville - Cocoa Airport Authority Office at 355 Golden Knights Boulevard, Titusville, Fl and via video conference. The following members were present: Mr. Donn Mount, Vice Chairman / Treasurer; Mr. Roger Molitor, Secretary; Mr. Al Voss; Mr. Mark Grainger; Mr. Kevin Daugherty, AAE, Director of Airports; Mr. Adam Bird; Attorney. Mr. Brad Whitmore attended via video conference. Mr. John Craig, Chairman and Ms. Jessica Curry were absent.

**Call to Order**

Mr. Mount called the meeting to order and determined a quorum was present.

**Pledge of Allegiance**

Members and attendees recited the Pledge of Allegiance.

**Approval of the Agenda**

Mr. Mount called for any edits to the agenda. Mr. Daugherty gave modification details to the agenda regarding additional item “v” for the FDOT grant amendment to provide additional funding for the North Area Security and Infrastructure Project (NASI), at Merritt Island Airport.

Mr. Mount called for motion to approve the amended agenda. Mr. Voss made motion to approve. Mr. Molitor seconded the motion. Motion passed.

**Approval of Meeting Minutes:****1. April 20, 2023 – Regular Meeting**

Mr. Voss questioned the April minutes omittance of Mr. Daugherty’s upcoming evaluation. The missing item will be addressed at a future meeting, stated Mr. Daugherty. Mr. Molitor made motion to approve as presented. Mr. Voss seconded the motion. Motion passed.

**Action Items****1. Grants**

- a. **Approval of FAA Grant # 3-12-0080-036-2023 for the Runway 18-36 Rehabilitation (Design Only) project at Space Coast Regional Airport.**

Mr. Daugherty presented the item. Mr. Voss questioned the time frame of the runway closure. No time frame could be determined at this time; however Mr. Hambrecht with AVCON reported that there will be stakeholder coordination meetings with advanced notice given for any runway closures.

Mr. Molitor moved to approve FAA Grant # 3-12-0080-036-2023 as presented. Mr. Voss seconded the motion. Motion passed.

**b. Approval of FDOT PTGA 453054-1-94-01 and Associated Resolution for the Runway 18-36 Rehabilitation (Design Only) Project at Space Coast Regional Airport.**

Mr. Daugherty presented the item and requested approval from the Board. Mr. Molitor made motion to approve. Mr. Voss seconded the motion. Motion passed.

**c. Approval of Amendment #1 and Associated Resolution to FDOT PTGA 450522-1-94-01 AWOS Replacement Project at Merritt Island Airport.**

Mr. Daugherty gave details regarding the item. Mr. Molitor made motion to approve the item as presented. Mr. Grainger seconded the motion. Motion passed.

**d. Approval of Amendment #1 and Associated Resolution to FDOT PTGA 450523-1-94-01 AWOS Replacement Project at Arthur Dunn Airpark.**

Mr. Daugherty gave details regarding the item. There were no questions. Mr. Voss made motion to approve the item as presented. Mr. Molitor seconded the motion. Motion passed.

**e. Approval of FDOT Grant Agreement FPN 435310-2-94-01 and Associated Resolution for the North Area Security and Infrastructure (NASI) Project, Phase II, at Merritt Island Airport.  
(Note: not a scheduled agenda item)**

Mr. Daugherty indicated that a meeting with staff members at FDOT had very recently occurred, thus delaying the item from being placed on the agenda prior to its publication. The grant provides funding in the amount of just over \$34,000.00, which has become necessary for the completion of the NASI project, Phase II, at Merritt Island Airport. Mr. Daugherty stated the grant funding should facilitate

completion and requested approval from the Board. Mr. Molitor made motion to approve item as presented. Mr. Grainger seconded the motion. Motion passed.

## **2. Invoice Approval**

### **a. Approval of Invoices**

Mr. Hopman gave an overview of the invoices presented. Mr. Mount called for motion to approve the invoices as presented. Mr. Voss made motion to approve. Mr. Grainger seconded the motion. Motion passed.

## **Deputy Director of Operations and Maintenance Report**

### **1. Capital Improvement Projects Update**

Mr. Hopman stated the Corporate Hangar project at Merritt Island Airport is in progress with the site work and the building permit application.

The North Area Security and Infrastructure project at Merritt Island Airport is moving forward with paving and removal of a septic tank, stated Mr. Hopman.

Mr. Hopman stated the AWOS project(s) for Merritt Island Airport and Arthur Dunn Airpark have begun with the equipment ordered and a commencement date for the beginning of 2024.

Mr. Hopman gave details regarding the number of aircraft operations conducted at each airport with the noise complaints being more from the quantity of aircraft rather than the noise level.

## **Deputy Director of Finance and Administration Report**

### **1. Check Register**

### **2. April Financial Statements**

Mr. Daugherty stated that Deputy Director, Ms. Christina Kinard, was not in attendance and called for any questions on the check register or April financial statements. There were none.

**Authority Attorney Report****1. Wells Fargo Check Fraud Update**

Mr. Bird gave details of an offered settlement by Wells Fargo which was less than the entire amount. Due to the subject funds being public, Mr. Bird agreed to attempt to negotiate increased proceeds.

**Authority Member's Report**

Mr. Mount called for any comments from the Board. Mr. Voss questioned the current status of the corporate hangars at Space Coast Regional Airport. Mr. Daugherty stated that the developer of the hangars was in attendance and would address the issue under public comment.

**Public Comments**

Mr. Mount called for comments from the public. Mr. Oscar Garcia, CEO of Inter Flight Global, addressed the Board indicating that development of the corporate hangars at Space Coast Regional Airport is anticipated to commence in the fourth quarter of 2024.

**Adjournment**

Mr. Mount adjourned the meeting at 5:30 p.m.

---

JOHN CRAIG, CHAIRMAN

---

DONN MOUNT, VICE CHAIRMAN/TREASURER



## ABSTRACT

### NON-AERONAUTICAL GROUND LEASE RIVER FLY-IN, LLC

<b>Airport:</b>	Merritt Island Airport (COI)
<b>Tenant:</b>	River Fly-In, LLC
<b>Landlord:</b>	Titusville-Cocoa Airport Authority
<b>Leased premises:</b>	6.01 acres (261,713 square feet) more or less Subject to final survey and legal description
<b>Lease term:</b>	Thirty (30) years with two (2) renewal options for ten (10) years each
<b>Lease rent:</b>	Thirty cents per square foot (\$0.30) for the Premises beginning with the Rent Commencement Date of December 15, 2025, or issuance of Certificate of Occupancy, whichever comes later; annual rent increases based on the Consumer Price Index ("CPI") shall be applied annually throughout the initial lease term (30 years)
<b>Estimated improvements to be constructed by tenant:</b>	Corporate, box, and t-hangars; apron; and associated infrastructure, at a minimum, with additional amenities, such as a restaurant
<b>Preliminary site plan:</b>	Attached as Exhibit "B" to the Ground Lease Agreement
<b>Authority improvement obligations:</b>	Relocation of AWOS to south side of airport

**TITUSVILLE-COCOA AIRPORT AUTHORITY**

***AND***

**RIVER FLY-IN NORTH SIDE, LLC**

**AERONAUTICAL LEASE AND DEVELOPMENT AGREEMENT**

***AT THE***

**MERRITT ISLAND AIRPORT (COI)**

**TABLE OF CONTENTS**

**ARTICLE 1 – LEASE AGREEMENT, TERM, OPTIONS AND RENTAL.....7**

**SECTION 101. PROPERTY.....7**

**SECTION 102. TERM AND OPTIONS.....8**

        Subsection 102.1. Term of Lease.....8

        Subsection 102.2. Options to Extend.....8

**SECTION 103. USE OF PROPERTY.....11**

        Subsection 103.1. Improvements to the Property.....11

        Subsection 103.2. Delivery and Acceptance of the Property.....12

        Subsection 103.3. Compliance with Section 255.05, Florida Statutes/No Lien.....13

**SECTION 104. BASE RENT AND ADJUSTMENTS.....13**

        Subsection 104.1. Base Rent.....13

        Subsection 104.2. Service Fee for Off-Site Drainage Service.....13

        Subsection 104.3. Rent Adjustment.....14

        Subsection 104.4. Additional Rent.....15

**SECTION 105. FUEL FACILITY AND FUEL FLOWAGE FEES.....15**

**SECTION 106. LANDING FEES.....15**

**ARTICLE 2 – AUTHORITY AND TENANT OBLIGATIONS.....15**

**SECTION 201. COMPLIANCE WITH ALL LAWS.....15**

**SECTION 202. REPAIRS AND ALTERATIONS.....15**

**SECTION 203. UTILITIES AND SITE ACCESS.....16**

**SECTION 204. UTILITY CHARGES.....17**

**SECTION 205. ADDITIONAL TENANT OBLIGATIONS.....17**

**SECTION 206. FAILURE OF TENANT TO COMMENCE OR COMPLETE  
CONSTRUCTION.....17**

**SECTION 207. ADDITIONAL COVENANTS, WARRANTIES AND  
REPRESENTATIONS OF AUTHORITY.....18**

**SECTION 208. SIGNS.....18**

**ARTICLE 3 – TAXES.....19**

**SECTION 301. AD VALOREM TAXES.....19**

**SECTION 302. SOLID WASTE FEES.....19**



SECTION 303. STORM WATER FEES.....	19
SECTION 304. EMERGENCY AMBULANCE FEES.....	19
SECTION 305. OTHER TAXES AND FEES.....	19
SECTION 306. BILL RECEIVED BY AUTHORITY.....	20
ARTICLE 4 – INSURANCE AND INDEMNITY.....	20
SECTION 401. LIABILITY INSURANCE.....	20
SECTION 402. PROPERTY INSURANCE.....	21
SECTION 403. INSURANCE CERTIFICATES.....	22
SECTION 404. ADDITIONAL INSURANCE.....	23
SECTION 405. COMPLIANCE.....	23
SECTION 406. RIGHT TO EXAMINE.....	23
SECTION 407. PERSONAL PROPERTY.....	23
SECTION 408. INDEMNITY.....	23
ARTICLE 5 – PREVENTION OF USE OF THE PROPERTY.....	24
ARTICLE 6 – DEFAULT BY TENANT.....	25
SECTION 601. EVENT OF DEFAULT.....	25
SECTION 602. DELINQUENT PAYMENTS.....	25
SECTION 603. AUTHORITY’S REMEDY UPON DEFAULT.....	25
ARTICLE 7 – DEFAULT BY AUTHORITY.....	26
ARTICLE 8 – REAL ESTATE COMMISSION.....	27
ARTICLE 9 – IDENTITY OF INTEREST.....	27
ARTICLE 10 – NOTICES AND REPORTS.....	27
ARTICLE 11 – MEMORANDUM OF LEASE.....	28
ARTICLE 12 – ENTRY OF AUTHORITY.....	28

<b>ARTICLE 13 – LEASE EXPIRATION.....</b>	<b>29</b>
<b>ARTICLE 14 – QUIET ENJOYMENT.....</b>	<b>29</b>
<b>ARTICLE 15 – GOPHER TORTOISE AND OTHER PROTECTED SPECIES RELOCATION.....</b>	<b>30</b>
<b>ARTICLE 16 – AIRPORT SECURITY.....</b>	<b>30</b>
<b>ARTICLE 17 – RULES AND REGULATIONS.....</b>	<b>31</b>
<b>ARTICLE 18 – MINIMUM STANDARDS.....</b>	<b>32</b>
<b>ARTICLE 19 – HEIGHT RESTRICTIONS.....</b>	<b>32</b>
<b>ARTICLE 20 – NONDISCRIMINATION.....</b>	<b>33</b>
<b>ARTICLE 21 – WARRANTIES.....</b>	<b>34</b>
<b>ARTICLE 22 – ASSIGNMENT AND SUBLETTING.....</b>	<b>34</b>
<b>ARTICLE 23 – ENVIRONMENTAL REPRESENTATIONS, WARRANTIES, AND INDEMNIFICATION.....</b>	<b>35</b>
<b>SECTION 2301. ENVIRONMENTAL REPRESENTATIONS AND WARRANTIES BY     TENANT.....</b>	<b>35</b>
<b>SECTION 2302. ENVIRONMENTAL INDEMNIFICATION BY TENANT.....</b>	<b>36</b>
<b>SECTION 2303. ENVIRONMENTAL REPRESENTATIONS BY AUTHORITY.....</b>	<b>36</b>
<b>ARTICLE 24 – RESERVED.....</b>	<b>37</b>
<b>ARTICLE 25 – MORTGAGE INTEREST.....</b>	<b>37</b>
<b>SECTION 2501. MORTGAGE INTEREST.....</b>	<b>37</b>
<b>SECTION 2502. ALTERNATIVE FINANCING.....</b>	<b>42</b>
<b>ARTICLE 26 – ATTORNEY’S FEES.....</b>	<b>42</b>
<b>ARTICLE 27 – OTHER PROVISIONS.....</b>	<b>43</b>
<b>SECTION 2701. REASONABLENESS AND GOOD FAITH.....</b>	<b>43</b>
<b>SECTION 2702. FORCE MAJEURE.....</b>	<b>43</b>
<b>SECTION 2703. HEADINGS.....</b>	<b>43</b>
<b>SECTION 2704. BINDING EFFECT.....</b>	<b>43</b>

SECTION 2705. FEDERAL SUBORDINATION.....	43
SECTION 2706. RIGHTS RESERVED.....	44
SECTION 2707. NO WAIVER.....	44
SECTION 2708. SEVERABILITY.....	44
SECTION 2709. PAYMENT OF TAXES.....	44
SECTION 2710. INTERPRETATION OF LEASE.....	44
SECTION 2711. NO AGENCY.....	45
SECTION 2712. RIGHTS NON-EXCLUSIVE.....	45
SECTION 2713. JURISDICTION AND VENUE.....	45
SECTION 2714. ENTIRETY OF AGREEMENT.....	45
SECTION 2715. JURY WAIVER.....	45
<b>ARTICLE 28 – REQUIRED FEDERAL PROVISIONS.....</b>	<b>46</b>
SECTION 2801. ADDITIONAL CIVIL RIGHTS PROTECTION.....	46
SECTION 2802. REQUIRED CLAUSE FOR TRANSFER OF REAL PROPERTY.....	46
SECTION 2803. TITLE VI LIST OF PERTINENT NONDISCRIMINATION ACTS AND AUTHORITIES.....	47
<b>ARTICLE 29 – FLORIDA SPECIFIC PROVISIONS.....</b>	<b>48</b>
<b>ARTICLE 30 – FOREIGN TRADE ZONE.....</b>	<b>49</b>
<b>ARTICLE 31 – BOND FINANCING.....</b>	<b>49</b>
<b>SIGNATURES.....</b>	<b>50</b>
<b>EXHIBIT A.....</b>	<b>51</b>
DESCRIPTION OF PROPERTY.....	51
<b>EXHIBIT B.....</b>	<b>52</b>
TENANT’S PRELIMINARY SITE PLAN.....	52

<b>EXHIBIT C.....</b>	<b>53</b>
<b>RESERVED.....</b>	<b>53</b>
<b>EXHIBIT D.....</b>	<b>54</b>
<b>RENT COMMENCEMENT CERTIFICATE.....</b>	<b>54</b>
<b>EXHIBIT E.....</b>	<b>55</b>
<b>RULES AND REGULATIONS AND MINIMUM STANDARDS.....</b>	<b>55</b>

**AERONAUTICAL LEASE AND DEVELOPMENT AGREEMENT**

THIS AERONAUTICAL LEASE AND DEVELOPMENT AGREEMENT (hereinafter referred to as the “Lease” or “Agreement”), made and entered into on **June 15, 2023**, by and between the TITUSVILLE-COCOA AIRPORT AUTHORITY, having an office and place of business at Space Coast Regional Airport (TIX) (the “Airport”), 51 Bristow Way, Titusville, FL 32780 (the “Authority”), and River Fly- In, LLC, a Florida Limited Liability Company with its principal place of business located at 1910 Rockledge Boulevard, Rockledge, FL 32955 (the “Tenant” and together with the Authority, the “parties”).

WITNESSETH THAT:

WHEREAS, Authority has the exclusive right, power, and authority to lease certain property (as herein identified) located in the County of Brevard, State of Florida; and

WHEREAS, Authority desires to lease to Tenant, and Tenant desires to lease from Authority, said property located at the Merritt Island Airport (COI) (the “Airport”) upon the terms and conditions hereinafter set forth; and

WHEREAS, contemporaneously with this Lease, Tenant intends to sublease certain improvements on the identified property, including, without limitation, corporate, box, and t-hangars; apron; access road; and potential restaurant to third parties, and Authority has consented to such subleasing as stated herein.

NOW, THEREFORE, in consideration of the promises, covenants, terms, and conditions herein set forth, the parties have agreed and do agree as follows:

**ARTICLE 1**  
**LEASE AGREEMENT, TERM, OPTIONS AND RENTAL**

**SECTION 101. PROPERTY.** Subject to the terms and conditions set forth hereinafter, Authority leases hereby to Tenant and Tenant rents hereby from Authority the property described on Exhibit A attached hereto (the “Property”), consisting of approximately two hundred sixty-one thousand, seven hundred thirteen square feet (261,713 sq. ft.), more or less, subject to a final survey and legal description, together with any and all rights of way necessary to permit ingress to and egress from the Property as required by Tenant’s preliminary site plan (the “Preliminary Site Plan,” attached as Exhibit B), for construction of the Improvements (as provided herein) and development of the Property. The Authority is to furnish the Property with all utilities (including, without limitation,

water, sewer, telecommunications, and electricity) required in Tenant's Preliminary Site Plan or otherwise reasonably requested by Tenant, which Authority represents are available to the Property. Tenant's preliminary site plan for the Property is attached as Exhibit B.

Tenant, his officers, directors, employees, agents, assigns, subtenants, guests, invitees, customers, suppliers, contractors, and subcontractors, shall have the right of ingress to and egress from the Property over Airport roadways, including, without limitation, the use of the public access and non-licensed vehicular roadways, expressly subject to the Rules and Regulations as may be established by Authority, a current copy of which is attached as Exhibit E, with respect to such use and subject to law. Further, Tenant shall have the right to use the runways, taxiways, taxi lanes, ramps, ground run-up enclosure and run-up areas, compass rose, and other areas of the airfield in common with others, including, without limitation, any taxi lane adjacent to the Property, subject to such reasonable rules and regulations as may be established by Authority with respect to such use

## **SECTION 102. TERM AND RENEWAL OPTIONS.**

**Subsection 102.1. Term of Lease.** The date this Lease is signed by all parties hereto is the "Commencement Date". The initial term of this Lease shall be for a period of thirty (30) years following the Rent Commencement Date (as defined in Subsection 104.1 below), plus any partial month in which the Rent Commencement Date occurs if the Rent Commencement Date is not the first day of a month, unless earlier terminated or unless extended as set forth herein.

**Subsection 102.2. Options to Extend.** Authority does hereby grant to Tenant the right, privilege, and option to extend the term of this Lease for two (2) additional terms of ten (10) years each (each an "Option to Extend" or "Option Period"), upon the terms and conditions as herein contained; provided (i) written notice to Authority of Tenant's intention to exercise said option is given by Tenant at least one-hundred twenty (120) days prior to the expiration of the then-current term ("Tenant's Option Deadline") but not more than one (1) year prior to the expiration of the then-current term, (ii) Tenant shall not be in material default under the terms of this Lease beyond any applicable cure period at the time of such notice, and (iii) that this Lease is then in effect. Whenever reference is made herein to the "term" of this Lease, it shall include the initial term described in Subsection 102.1 above and the renewal terms described in this Subsection 102.2.

No earlier than eighteen (18) months prior to each of Tenant's Option Deadlines, Tenant shall, in its sole discretion, deliver to Authority written notice that it wishes to evaluate its Option to Extend

and requesting Authority's estimate of the Fair Market Value (FMV) (as defined below) of the Property to be used to establish rent for the Property for the upcoming Option Period (the "Written FMV Request"). Within sixty (60) days of Authority's receipt of the Written FMV Request from Tenant, Authority shall provide to Tenant Authority's estimate of the FMV of the Property for the upcoming Option Period (the "Notice of Fair Market Value Rent") to enable Tenant to determine whether or not to elect its Option to Extend by the Tenant's Option Deadline. The FMV shall be obtained by a non-employee appraiser who is a member of the American Institute of Real Estate Appraisers ("M.A.I.") with reasonable experience (i.e., not less than ten years) appraising aeronautical use of real property at public-use airports (the "Appraiser"). The initial annual base rent for the upcoming Option Period shall be equal to the current FMV of the Property (the "Updated Rent"), with the FMV to be determined as set forth below.

In the event Authority fails to provide the Notice of Fair Market Value Rent for the Property within the sixty (60) day period provided above, then Tenant may at its sole cost and expense obtain its own appraisal of FMV for the Property performed by an Appraiser and within sixty (60) days after the deadline for the Authority to have provided the Notice of Fair Market Value Rent for the Property shall provide a Notice of Fair Market Value Rent to Authority.

Upon receipt of the Notice of Fair Market Value Rent, if the receiving party accepts the FMV contained within the Notice of Fair Market Value Rent or fails to object to the FMV contained within the Notice of Fair Market Value Rent within sixty (60) days of receipt of the Notice of Fair Market Value Rent, the FMV identified in the Notice of Fair Market Value Rent shall conclusively establish the FMV for the Property for the upcoming Option Period. However, nothing in this paragraph shall operate as Tenant's exercise of one or both of its Options to Extend, and Tenant must still validly and timely exercise such Option(s) to Extend in its sole discretion in order for the Lease to be extended thereby.

Upon receipt of the Notice of Fair Market Value Rent, if the receiving party disagrees with the Notice of Fair Market Value Rent, the receiving party shall provide written notice of each objection, within sixty (60) days of receipt of the Notice of Fair Market Value, including a statement of what the receiving party believes the FMV should be for the Property for the upcoming Option Period and an appraisal from a non-employee appraiser who is an M.A.I. member with reasonable experience (i.e., not less than ten years) appraising aeronautical use of real property at public-use

airports supporting that statement. If the receiving party delivers a timely objection, then upon the other party's receipt of the objection, the parties shall, for a period of thirty (30) days (the "Negotiation Period"), negotiate in good faith to agree on the FMV of the Property for the upcoming Option Period. If the parties agree, said agreed-upon FMV for the Property shall establish the rental value of the Property for the upcoming Option Period. However, nothing in this paragraph shall operate as Tenant's exercise of one or both of its Option(s) to Extend, and Tenant must still validly and timely exercise such Option(s) to Extend in its sole discretion in order for the Lease to be extended thereby.

If the parties are unable to agree on the FMV of the Property for the upcoming Option Period prior to the end of the Negotiation Period, then the parties' respective appraisers shall cooperate to mutually select a third appraiser ("Deciding Appraiser"), and each party shall submit its respective proposed FMV and appraisal(s) to the Deciding Appraiser, who will conclusively determine the FMV of the Property using "baseball-style arbitration." Once the Deciding Appraiser has been selected, then, as soon thereafter as practical but in any case within ten (10) days, each party will submit a proposed FMV for the Property to the Deciding Appraiser for a determination as to the FMV thereof, and the Deciding Appraiser must select one of the FMV allocations proposed by the parties and may not choose or determine his/her own allocation of FMV. All costs and/or fees of the Deciding Appraiser shall be borne equally by the parties. The determination by the Deciding Appraiser shall be rendered in writing to both Authority and Tenant and shall be final and binding on them. The FMV for the Property established through "baseball-style arbitration" shall establish the rental value of the Property for the upcoming Option Period, subject to Tenant's exercise of one or both of its Option(s) to Extend, and Tenant must still validly and timely exercise such Option(s) to Extend in its sole discretion in order for the Lease to be extended thereby.

If Tenant exercises its Option to Extend and the Option Period commences before the FMV for the Property can be established, Tenant shall continue to pay to Authority monthly the same monthly rent and amounts due under the Lease for the last full month immediately preceding commencement of the Option Period. Once the FMV and, thus, the rent due Authority from Tenant for the Property during the Option Period is determined as set forth herein, Authority shall provide a "true up" calculation to Tenant going back to the commencement of the Option Period through the date FMV is established (the "True Up Period"). If Tenant paid more than monthly FMV for the Property during the True Up Period, then Tenant shall receive a credit toward its next monthly rent payment(s) and continue receiving a credit until the credit is used up. If Tenant paid less than monthly



FMV for the Property during the True Up Period, then Tenant shall pay to Authority the difference between what it actually paid and the FMV for the Property for the entire True Up Period within thirty (30) days of Authority providing written notice of the amount due or within some other time as agreed to by the parties in writing.

### **SECTION 103. USE OF PROPERTY.**

**Subsection 103.1. Improvements to the Property.** Authority acknowledges hereby that Tenant is leasing the Property generally for the purpose of constructing and maintaining improvements on the Property, including, without limitation, corporate, box, and t-hangars; apron; access road; and potential restaurant, and to sublease said improvements to one or more third parties subject to the terms of this Lease. In order to utilize the Property for these purposes, it will be necessary to construct, at a minimum, corporate, box, and t-hangars; apron; and associated infrastructure (collectively, "Improvements") upon the Property and to make alterations and renovations thereto at Tenant's sole cost and expense, unless otherwise addressed in this Lease. The Improvements are generally set forth in Exhibit B. Tenant agrees that its construction of the Improvements is an integral and material part of this Lease and Authority's assent to lease the Property to Tenant. Tenant agrees to comply with all applicable rules, laws, regulations, and requirements pertaining to its construction of the Improvements and the use of the Property which were provided in advance to Tenant, including, but not limited to, applicable building codes and zoning ordinances of state and local governments, as well as applicable rules and regulations of the Authority. Other improvements to be constructed on the Property of structural or exterior nature, including landscaping design, shall be subject to additional approval by Authority, provided, however, Authority's approval shall not be unreasonably withheld, delayed, or conditioned. Tenant hereby agrees to indemnify and to save Authority harmless from any and all costs and/or expenses of any kind relating to construction of the Improvements to the extent arising by, through, or under Tenant, except to the extent arising from the obligations that are the responsibility of Authority at law or under this Lease or within Authority's control, and, further, except to the extent such costs and/or expenses arise from Authority's, or its agents', tenants' or contractors' acts or omissions, interference, negligence, or willful misconduct.

For purposes of this Lease, the term "Construction Period" shall mean the period from the Commencement Date (as defined in Subsection 102.1 above) until the Rent Commencement Date

(as defined in Subsection 104.1 below). Tenant, subject to approval by Authority, which approval shall not be unreasonably withheld, delayed, or conditioned, shall upon obtaining any and all necessary government permits and/or approvals have the right to change, alter, raze or add to any Improvements, or any part thereof, now existing or change, alter, or add to any Improvements, or any part thereof hereafter erected, constructed or installed on the Property and remove the personal property (the “Personalty”) installed or placed by Tenant in, on, or about the Improvements on the Property, assuming Tenant is not in monetary default of this Lease. Authority acknowledges and agrees that title to all future Improvements and Personalty shall not be in Authority but is and shall remain in Tenant during the term of this Lease.

**Subsection 103.2. Delivery and Acceptance of the Property.** Tenant will use all reasonable efforts to submit for the appropriate building permits, licenses, and other approvals necessary to construct the Improvements from all appropriate governmental authorities having or asserting jurisdiction over the Property. In the event that (a) Tenant is unable to or does not obtain, within one hundred eighty (180) days from the Commencement Date, such building permits, licenses, and other approvals necessary to construct and maintain the Improvements on the Property from all appropriate governmental authorities having or asserting jurisdiction over the Property, or (b) Tenant is unable to or does not obtain, within one hundred eighty (180) days from Commencement Date, Authority's approval of the plans and specifications for the Improvements and landscaping design therefore for the Property on terms and conditions acceptable to Tenant, then at the sole option of Tenant, Tenant shall have the right to terminate this Lease within thirty (30) days of the expiration of said 180-day period, in which event neither party shall have any further obligation to the other hereunder, and payments previously made by Tenant to Authority shall be refunded. Tenant may request approval from Authority to extend either of the periods set forth above. Authority agrees that it will not unreasonably withhold, condition or delay its consent to extend said periods, and further, Authority shall provide such support and assistance as Tenant reasonably requests in connection with obtaining any license, permit or other approval necessary to construct the Improvements and use and occupy the Property as contemplated by Tenant, provided that Authority shall not be required to expend any money or incur any costs and/or expenses in assisting Tenant unless the expenditures and costs were contemplated or required by Authority to be incurred or paid under other provisions of this Lease or such costs are de minimis. Authority does

not and cannot guarantee the successful or timely issuance of said approvals, grants, permits, or authorizations.

**Subsection 103.3. Compliance with Section 255.05, Florida Statutes/No Lien.**

Authority and Tenant acknowledge that as a result of Authority's reversionary interest in any improvements to the Property at the end of the term of the Lease, including without limitation the Improvements, as set forth in this Lease, no individual or entity is entitled to a construction lien on the same as provided in chapter 713, Florida Statutes. Accordingly, Tenant shall be required at its sole cost and expense to comply with the provisions of section 255.05, Florida Statutes, as may be amended from time to time.

**SECTION 104. BASE RENT AND ADJUSTMENTS.**

**Subsection 104.1. Base Rent.** Annual base rent due Authority from Tenant shall be calculated and paid as set forth below commencing on the Rent Commencement Date (as hereinafter defined):

A. The Annual Rent to be paid to the Authority for the period beginning with the Rent Commencement Date of December 15, 2025, or issuance of Certificate of Occupancy, whichever comes later, shall be thirty cents per square foot (\$0.30) for the Premises. Annual Rent increases based on the Consumer Price Index ("CPI") shall be applied annually throughout the Initial Term.

B. Base rent for the Property and Tenant's obligation to pay same to Authority shall commence on the Rent Commencement Date of this Lease (the "Rent Commencement Date").

C. Tenant's obligation to pay base rent to Authority hereunder, as adjusted from time to time pursuant to the terms of the Lease, shall continue from commencement through expiration or sooner termination hereof, unless expressly set forth herein. As soon as reasonably possible after each Rent Commencement Date, the parties shall insert such Rent Commencement Date on Exhibit D as then revised and annexed to this Lease and execute the same; however, no delay in executing Exhibit D hereto shall affect Tenant's obligation to pay rent as set forth above.

In addition to the base rent, as may be adjusted from time to time pursuant to the terms of the Lease, Tenant shall pay to Authority as additional rent any sales tax which may be due under applicable state law on all base rent and any other sums payable hereunder, if applicable, at the rate prescribed by Florida or local law from time to time. Authority agrees to remit such sales tax, if applicable, to the State of Florida or other legal authority as required by law.

**Subsection 104.2. Service Fee For Off-Site Drainage Service.** RESERVED.

**Subsection 104.3. Rent Adjustments.** Each year on the anniversary of the Rent Commencement Date (the “Rent Adjustment Date(s)”), all rent and other Property-related payments and charges due Authority from Tenant as set forth in this Section 104 of this Lease shall increase by a percentage equal to the percentage increase, if any, in the Consumer Price Index for Urban Wage Earners and Clerical Workers, All Items and Major Group Figures (1982-84=100) (the “CPI”), published by the Bureau of Labor Statistics, U.S. Department of Labor (“BLS Index”) for the previous one (1) year period beginning two months prior to the Rent Commencement Date or the preceding Rent Adjustment Date, whichever is more recent, through two months prior to the then-current Rent Adjustment Date necessitating the re-calculation. Notwithstanding anything contained herein to the contrary, no sums due Authority from Tenant pursuant to this Lease shall be reduced based upon the application of this Subsection 104.3 so that in the unlikely event the CPI is a negative number as calculated herein on any Rent Adjustment Date, there shall be no reduction to nor change of any sums due Authority hereunder on said Rent Adjustment Date.

It is understood that the BLS Index referred to in this Lease is now being published monthly by the Bureau of Labor Statistics of the U.S. Department of Labor. Should said Bureau of Labor Statistics change the manner of computing the BLS Index, the Bureau shall be requested to furnish a conversion factor designed to adjust the BLS Index to the one previously in use and adjustment to the new index shall be made on the basis of such conversion factor. Should the publication of a BLS Index be discontinued by said Bureau of Labor Statistics, then such other index as may be published by such Bureau most nearly approaching said discontinued BLS Index shall be used in making the adjustments provided for herein. Should said Bureau discontinue the publication of an index approximating the BLS Index herein contemplated, then such index as may be published by another United States Governmental Agency as most nearly approximates the BLS Index shall govern and be substituted as the index to be used, subject to the application of an appropriate conversion factor to be furnished by the Governmental Agency publishing the adopted index. If such Governmental Agency will not furnish such conversion factor, then the parties shall agree upon a conversion factor or a new index, and in the event the parties cannot reach such an agreement as to a conversion factor or new index, then one or both of the parties may submit the matter to a court of competent jurisdiction serving Brevard County, Florida for resolution.

**Subsection 104.4. Additional Rent.** The term "Additional Rent" shall mean any monetary obligation of Tenant under this Lease other than Base Rent.

**SECTION 105. FUEL FACILITY AND FUEL FLOWAGE FEES.** If applicable, Tenant agrees to pay Authority a Fuel Flowage Fee of Ten Cents (\$0.10) per gallon. This rate is subject to change from time-to-time by approval of Authority to the extent such adjustment is applied uniformly to similarly situated tenants at the Airport. Within three (3) business days after the end of each month, Tenant will provide to Authority a report of all gallons of fuel consumed by its flight operations and/or the flight operations of its subtenants. Tenant will remit payment for fuel flowage contemporaneously with the report.

**SECTION 106. LANDING FEES.** The parties agree that the contemplated use of the Property and the Airport will not result in landing fees due to the Authority. However, should Tenant and/or its subtenants engage in flight operations that would necessitate the requirement to pay landing fees, Tenant agrees to provide a landing report to Authority within five (5) business days after the end of the preceding month. This report shall include the number of landings by type and weight of each aircraft, the number of complete turns (operations), and the number of enplaned and deplaned passengers. An invoice will be mailed by the tenth of the month and will be due within fifteen (15) days of the date of receipt of the invoice.

Tenant agrees that, if applicable, it will pay monthly to Authority as fees and charges for the rights granted under this agreement the following amounts:

Landing fees: \$1.50 per 1,000 lbs. (*Maximum Certified Gross Landing Weight*)

These fees maybe adjusted from time-to-time by Authority to the extent such adjustment is applied uniformly to similarly situated tenants at the Airport.

## **ARTICLE 2** **AUTHORITY AND TENANT OBLIGATIONS**

**SECTION 201. COMPLIANCE WITH ALL LAWS.** Tenant agrees that it will substantially observe and comply with all laws, ordinances, orders, and regulations applicable to the business operated by Tenant on the Property. Authority warrants and represents that on the Commencement Date, the Property is in compliance with all applicable laws, rules, ordinances, orders, and regulations, including, without limitation, laws regarding hazardous wastes.

**SECTION 202. REPAIRS, ALTERATIONS AND MAINTENANCE.** Authority shall not be obligated to maintain the Property or the Improvements thereon during the Lease term unless such maintenance is required as a result of the negligence or wrongful acts or omissions of Authority or its officers, directors, employees, agents, assigns, tenants, subtenants, guests, invitees, suppliers, contractors, or subcontractors. Tenant shall maintain the Property and the Improvements thereon in good, clean and neat condition at its own cost and expense and shall ensure that all regular maintenance and repairs normally and customarily performed by commercial tenants are performed by Tenant on and for the Property and all Improvements thereon. Furthermore, Tenant agrees, at its sole cost and expense, to maintain all of the Improvements, including any parking and service areas, and utilities on and/or servicing the Property in a good state of repair.

Additionally and without regard to any other term of this Lease, at the expiration or earlier termination of this Lease pursuant to the terms hereof, Tenant shall have thirty (30) days to have conducted on the Property at Tenant's sole cost and expense a Phase 1 Environmental Site Assessment for each of the Property and shall provide the final, written reports and assessments stemming from said Phase 1 Environmental Site Assessment(s) to Authority within five (5) business days of Tenant's receipt thereof.

**SECTION 203. UTILITIES AND SITE ACCESS.** Authority will, to the extent feasible and without incurring any costs or expenses, assist Tenant in obtaining the required engineering studies and in the application process of extending utilities and transportation access in relation to Tenant's use of the Property. Further, Authority cannot guarantee approvals for road entrances, traffic island crossovers, signalization, turning lanes, or acceleration lanes, etc. In the event a critical utility (potable water, sewer, electricity and/or telecommunications) or adequate transportation access (as required and determined by Tenant in its sole and absolute discretion) cannot be made available to the Property within one hundred eighty (180) days of the Commencement Date, Tenant may terminate this Lease without prejudice. Unless otherwise stated in the Lease, Authority shall be responsible for all costs associated with the extension of utilities, both public and private, to the Property, and Tenant shall be responsible for any improvements to any such properties necessary for site access.

Tenant shall have the right to grant any easements, rights of way, and licenses required by any public or quasi-public utility company with respect to the construction, operation, and use of the Improvements and Personalty. Authority shall execute any instruments which any such public or quasi-public utility companies may reasonably request or require from Authority; provided, however,

that in each case such easement, right of way or license (i) does not materially impair the value, utility and remaining useful life of the Property, (ii) is reasonably necessary in connection with the construction, operation or use of the Improvements and Personalty, and (iii) does not cause the Property or any portion thereof to fail to comply with all material requirements of law.

**SECTION 204. UTILITY CHARGES.** Tenant shall be responsible for charges for electricity, water, sewer, telecommunications, solid waste, heat, janitor service or any other utility or service consumed in connection with the occupancy of the Property by Tenant.

**SECTION 205. ADDITIONAL TENANT OBLIGATIONS.** If applicable, Brevard County will determine if the Improvements are of sufficient size to require a transportation concurrency study and/or other traffic access studies. Tenant is responsible for all studies and costs associated with this requirement, as well as the assessments and improvements required by Brevard County. In addition, Tenant is responsible for all transportation, utility and other impact fees associated with this project related solely to Tenant's improvements levied by Brevard County, and Tenant shall be solely entitled to the benefit of any credits provided by such governmental entities related thereto.

**SECTION 206. FAILURE OF TENANT TO COMMENCE OR COMPLETE CONSTRUCTION.**

A. In the event Tenant does not commence with construction of the Improvements (defined as beginning physical work on the Property) within One Hundred Eighty (180) days of the Commencement Date (as defined in Subsection 102.1) for any reason not directly caused by Authority or its officers, directors, employees, agents, assigns, subtenants, guests, invitees, suppliers, contractors, or subcontractors, which period will be extended due to Force Majeure or delays outside of Tenant's reasonable control, then in that event, Authority may terminate this Lease. In order to effectuate termination, Authority shall provide a notice of non-monetary default in the manner provided under Article 6 provided, however, that Tenant shall have sixty (60) days to cure this notice of default. Provided Tenant does not cure within this notice period and Authority terminates the Lease, Tenant shall reimburse to Authority all direct costs Authority has paid with respect to this Lease, including but not limited to, costs related to site appraisal, boundary survey, environment studies, legal, preliminary engineering, permitting and site planning.

B. Tenant shall substantially complete construction of the improvements identified in Exhibit B hereto on or before a date twenty-four (24) months from the Commencement Date of this Lease unless the delay in construction was caused by elements of Force Majeure or delays caused by the Authority or its officers, directors, employees, agents, assigns, subtenants, guests, invitees, suppliers, contractors, or subcontractors, in which event this period shall be extended by Authority for a reasonable length of time to allow Tenant to complete the construction of the improvements referenced herein.

C. In the event Tenant fails to complete any improvement specified herein in Subsection B, above, by the date specified therein, or by the date of any extensions granted by Authority, the Authority shall deliver written notice to Tenant of said failure to complete construction of said improvements within the allotted time period and notice of its intent to terminate this Lease (“Notice of Intent to Terminate”) effective one hundred twenty (120) calendar days after the delivery of the Notice of Intent to Terminate to Tenant. Tenant shall then have the right to complete the construction of said improvements during the one hundred twenty (120) calendar days period or may otherwise request a good faith extension of the time to complete said improvements providing the reason for said extension. The parties understand that significant investment will be made by the Tenant to the Property and any requests for an extension of the time to complete the improvements should be allowed, provided Tenant provides reasonable assurance of how the improvements will be completed. Should Tenant fail to respond to the Notice of Intent to Terminate or fail to take any actions to complete construction of the improvements within the allotted time, then Authority shall have the right to terminate this Lease by written notice to Tenant given any time after the expiration of the 120-day period without obligation of Authority to pay Tenant any compensation for work performed and funds expended prior to such termination.

**SECTION 207. ADDITIONAL COVENANTS, WARRANTIES AND REPRESENTATIONS OF AUTHORITY.** Authority warrants and represents that there are (i) no mortgages, liens or encumbrances, (ii) no covenants or restrictions, and (iii) no agreements with third parties, which may prevent or impair Authority from performing any of its covenants under this Lease.

**SECTION 208. SIGNS.** Tenant shall have the right to construct and maintain such sign or signs on the Property and Improvements as may be permitted by applicable law, ordinances and codes and Tenant shall have the right to expressly name its facilities as Tenant deems appropriate and allowed under applicable law.



**ARTICLE 3**  
**TAXES**

**SECTION 301. AD VALOREM TAXES.** If applicable, Tenant shall pay all ad valorem taxes levied or assessed against the Property by the appropriate governmental authorities as a result of Tenant's occupancy or use of the Property pursuant to this Lease, whether the billing is addressed to Authority or Tenant, together with all taxes levied against any stock of merchandise, furniture, furnishings, equipment and other property located in, on or upon the Property, including without limitation the Improvements, if applicable. Tenant shall have the right to contest the validity or amount of any ad valorem tax imposed against the Property and the Improvements at Tenant's sole cost and expense. Upon adjudication (including all appeals) of such contest, Tenant shall pay all court costs, interest, penalties and other expenses related to the appeal.

**SECTION 302. SOLID WASTE FEES.** If applicable, Tenant shall pay all solid waste fees assessed against the Property by the appropriate governmental authorities as a result of Tenant's occupancy or use of the Property pursuant to this Lease, whether the billing is addressed to Authority or Tenant.

**SECTION 303. STORM WATER FEES.** Tenant shall pay all storm water fees assessed against the Property by the appropriate governmental authorities (excluding the Authority for the purposes of this Section) as a result of Tenant's occupancy or use of the Property pursuant to this Lease.

**SECTION 304. EMERGENCY AMBULANCE FEES.** If applicable, Tenant shall pay all emergency ambulance fees assessed against the Property by the appropriate governmental authorities as a result of Tenant's occupancy or use of the Property pursuant to this Lease, whether the billing is addressed to Authority or Tenant.

**SECTION 305. OTHER TAXES AND FEES.** If applicable, Tenant shall pay any and all lawful and reasonable tax, fee, or assessment that may be levied by third parties as a result of Tenant's occupancy or use of the Property pursuant to this Lease and not known at this time. For the avoidance of doubt, Tenant shall not be obligated to pay any taxes, fees or assessments which may be levied, imposed, or created by Authority, other than those taxes, fees or assessments expressly set forth in this Lease as of the Commencement Date.

**SECTION 306. BILL RECEIVED BY AUTHORITY.** For the purposes of Sections 301-305, should a billing be addressed to the Authority that Authority believes is the responsibility of Tenant, Authority shall provide the bill to the Tenant promptly. Should Authority not provide the billing to Tenant within an appropriate time such that Tenant may contest the amount or pay timely, Authority shall be responsible for all losses suffered by Tenant as a result of Authority's tardiness in providing the billing to Tenant. Further, Tenant shall have the right to contest the validity or amount of any ad valorem tax, assessment or fee imposed against the Property and/or the Improvements at Tenant's sole cost and expense.

**ARTICLE 4**  
**INSURANCE AND INDEMNITY**

**SECTION 401. LIABILITY INSURANCE.** In addition to such insurances as may be required by law, Tenant shall maintain, without lapse or material change, for so long as it occupies the Property and/or the Improvements thereon, the following insurance:

(A) Commercial General Liability Insurance, including Contractual Liability, to cover Tenant's property, Improvements and operations in an amount not less than \$5,000,000.00 combined-limit, per-occurrence for bodily injury and property damage. Authority must be shown as an additional insured with respect to this coverage. Coverages shall be for each occurrence or an annual policy aggregate of no less than twice the amount of coverage required for each occurrence. A combination of umbrella or excess liability insurance may be combined with such commercial general liability insurance to arrive at such annual policy aggregate amount. In the event that Tenant's available coverage falls below the per occurrence amount shown above, Tenant shall secure a new certificate of insurance evidencing the required coverage. Tenant acknowledges that Authority reserves the right not to accept policies with deductibles in excess of \$50,000.00.

(B) Automobile Liability Insurance covering all owned, non-owned and hired vehicles (including ground or mobile equipment) used by Tenant in connection with its operations under this Lease in an amount not less than:

(1) \$5,000,000.00 combined single-limit, per-occurrence for bodily injury and property damage covering all vehicles used by Tenant in connection with its business operation; and

(2) \$5,000,000.00 combined single-limit, per-occurrence for bodily injury and property damage covering such vehicles when being used by Tenant off of the Airport.

(C) A policy of insurance, if applicable, such as a Pollution Legal Liability (PLL) policy if compliant herewith, in a coverage amount not less than \$1,000,000.00 single-limit, per-occurrence intended to provide coverage for environmental risks, including without limitation hazardous materials (whether known or unknown), spill or seepage of pollutants or other hazardous materials or waste, negligent or otherwise improper disposal of waste and other risks related to Tenant's use of the Property. The Authority shall be named in the policy as an additional insured.

(D) The insurance coverages required shall include those classifications, as listed in standard liability insurance manuals, which most nearly reflect the operations of Tenant under this Lease. All insurance policies required pursuant to the terms of this Lease shall be issued by companies approved to do business under the laws of the State of Florida. Such companies must be rated no less than "B" as to management, and no less than "V" as to strength, in accordance with the latest edition of "Best's Insurance Guide," published by A.M. Best Company, Inc., or its equivalent, subject to approval of Authority.

#### **SECTION 402. PROPERTY INSURANCE.**

(A) Builders Risk and Hazard Insurance: Tenant, at its sole cost and expense throughout the term of this Lease shall keep the Improvements insured on an "All Risk" basis in an amount not less than 80% of the full replacement value of the Improvements against loss or damage (in excess of a reasonable per occurrence deductible amount, which shall be the responsibility of Tenant) by fire, lightning, tornado, hurricane, windstorm, hail, flood, explosion, riot, riot attending strike, civil commotion, vandalism and malicious mischief, water leakage or seepage, sprinklers and sprinkler leakage, aircraft, vehicles and smoke, or any other casualty to the extent such coverage is commercially available at commercially reasonable rates. The full replacement value of the Improvements shall be established as of the Commencement Date of this Lease and shall be established at intervals of not more than three (3) years thereafter by the firm and professional property evaluators used by Authority for establishing replacement values for Authority property or any other firm and/or individual chosen by Authority in the reasonable exercise of its discretion. Any deficiency in the amount of the proceeds from such property insurance resulting from a failure by Tenant to properly establish the full replacement value of the Improvements shall be the sole responsibility of Tenant, and Tenant shall be liable therefor. In

addition, subject to the rights of any Tenant note or mortgage/prior lien holder, Authority shall be shown on the policies as a loss payee as its interest appears and as required pursuant to this Lease.

(1) Damage or Destruction and Restoration of the Improvements: In case of substantial damage to or destruction of all or a portion of the Improvements, Tenant shall give prompt notice thereof to Authority, and Tenant shall promptly commence and complete with due diligence (subject only to Force Majeure and insurance adjustment and receipt of insurance proceeds), the restoration of the damaged or destroyed portion of the Improvements as nearly as reasonably practicable to the value and condition thereof immediately prior to such damage or destruction. In the event of such damage or destruction, the proceeds of all property insurance policies shall be used to restore the facility to make it function for the uses permitted under this Lease. Tenant shall receive reimbursement from the proceeds of all applicable property insurance policies it has procured in restoring the Improvements to their pre-loss condition as set forth in this paragraph to the extent determined by Tenant, and Tenant shall be obligated to provide any additional monies necessary for such restoration as determined by Tenant. Notwithstanding the foregoing, Tenant's obligation to rebuild shall be expressly contingent on the availability of sufficient insurance proceeds including availability of such proceeds being made available from any lender of Tenant.

(2) Damage or Destruction Near End of Lease: Within the last five (5) years of the base Lease term or the last five (5) years of any Option Period if Tenant exercises one or both of its option to extend the Lease, in case of damage to or destruction of all or a portion of the Improvements, Tenant shall have the right within thirty (30) days of the damage to give notice to Authority ("Notice of Damage Termination") of the loss and elect not to restore the Property, but rather to assign all applicable proceeds of all property insurance policies to the Authority to the extent the proceeds are applicable to Improvements (and not Personalty) and terminate the Lease effective one hundred twenty (120) days after the Notice of Damage Termination is sent to the Authority.

**SECTION 403. INSURANCE CERTIFICATES.** Prior to the commencement of operations hereunder and annually thereafter, Tenant shall furnish or cause to be furnished certificates of insurance to Authority which certificates shall clearly indicate that:

- (A) Tenant has obtained insurance in the types, amounts and classifications as required for compliance with this Lease;

- (B) The policy cancellation notification provisions specify at least thirty (30) days advance written notice of cancellation to Authority, provided, however, only ten (10) days' notice of cancellation shall be required if due to failure to pay premiums;
- (C) Authority is named as an additional insured with respect to Tenant's commercial general liability policies;
- (D) Authority is named as a loss payee with respect to Tenant's builders risk and property insurance policies; and
- (E) On said insurance certificates, liability coverage shall include contractual liability and notification of cancellation.

**SECTION 404. ADDITIONAL INSURANCE.** The parties acknowledge that should the industry standards for insurance coverages being required for comparable properties and uses exceed the minimum insurance amounts set forth in this Lease, the parties will negotiate in good faith to reasonably review such requirements amend this Article 4 as mutually agreed.

**SECTION 405. COMPLIANCE.** Compliance with the requirements of this Article 4 shall not relieve Tenant of its liability under any other portion of this Lease or any other agreement between Authority and Tenant, and Tenant's obligations to Authority hereunder are not limited to available insurance proceeds unless otherwise provided in the Lease.

**SECTION 406. RIGHT TO EXAMINE.** Authority reserves the right, upon reasonable notice to Tenant, to examine true copies of applicable portions of policies of insurance (including but not limited to binders, amendments, exclusions, riders and applications) to determine the true extent of coverage. Tenant agrees to permit such inspection.

**SECTION 407. PERSONAL PROPERTY.** Any personal property of Tenant or of others placed in or on the Property, Improvements and anywhere else at the Airport shall be at the sole risk of Tenant or the owners thereof, and Authority shall not be liable for any loss or damage thereto, except to the extent such loss or damage was caused by the negligence or wrongful acts or omissions of the Authority officers, directors, employees, agents, assigns, subtenants, guests, invitees, suppliers, contractors, or subcontractors, as limited or otherwise affected by section 768.28, Florida Statutes.

**SECTION 408. INDEMNITY.** Each party (the "Indemnifying Party") shall indemnify and hold harmless the other party and/or its officers, directors, employees, agents and assigns, (the

“Indemnified Party”) from any and all liability, losses or damages, including reasonable attorneys’ fees and costs of defense, that Indemnified Party incurs or may incur as a result of claims, demands, suits, causes of action or proceedings of any kind or nature arising out of, relating to or resulting from the negligence or wrongful acts and/or omissions of the Indemnifying Party and/or its officers, directors, employees, agents or assigns. The Indemnifying Party shall pay all claims and losses in connection therewith and shall investigate and defend all claims, suits or action of any kind or nature in the name of Indemnified Party, where applicable, including appellate proceedings, and shall pay costs, judgments and reasonable attorney’s fees which may issue thereon. The Indemnifying Party expressly understands and agrees that any insurance protection required by this Lease or otherwise provided by such Indemnifying Party shall in no way limit its responsibility to indemnify, keep and save harmless and defend the Indemnifying Party and/or its officers, directors, employees, agents or assigns as herein provided. The obligation of Indemnifying party hereunder shall survive the termination of this Lease. The Indemnifying Party's obligation to indemnify the Indemnified Party hereunder shall in no way affect, abridge or amend an Indemnifying Party’s right to assert governmental or sovereign immunity as to any claims, other than those by the parties or their respective permitted transferees and assignees, including without limitation the immunity afforded under section 768.28, Florida Statutes.

## **ARTICLE 5** **PREVENTION OF USE OF THE PROPERTY**

If, after the Commencement Date, Tenant is precluded or prevented from constructing or operating the Improvements on the Property as contemplated by Tenant by reason of any zoning law, zoning ordinance or zoning regulation of any public authority having jurisdiction over the Property, and such prohibition shall continue for a period of at least ninety (90) days, then Tenant may terminate this Lease by giving to Authority not less than thirty (30) days prior written notice of termination.

**ARTICLE 6**  
**DEFAULT BY TENANT**

**SECTION 601. EVENT OF DEFAULT.** As used in this Lease, the term "event of default" shall mean any of the following:

(A) Any failure to pay any sums due Authority under this Lease, including without limitation base rent and Additional Rent, where such failure to pay is not cured within ninety (90) days following written notice to Tenant by Authority;

(B) Other than for non-payment of sums due Authority, the failure of the Tenant, after receipt of written demand from Authority specifying the nature of the default, to fulfill any duty or obligation imposed on Tenant by this Lease within one hundred and twenty (120) days of said written demand unless a different cure period is specifically provided elsewhere in this Lease or, if such default cannot be cured within one hundred and twenty (120) days, to commence to remedy or correct such default and to diligently pursue cure of such default throughout the one hundred and twenty (120) day cure period and diligently thereafter through complete cure;

(C) The appointment of a receiver for Tenant, Tenant filing a petition seeking bankruptcy protection of any kind, the assignment by the Tenant for the benefit of creditors and/or the participation by the Tenant in any other insolvency proceeding, except if such appointment, order, assignment or proceeding is stayed, dismissed or vacated within ninety (90) days of the commencement thereof; or

(D) The taking of the leasehold interest of the Tenant hereunder pursuant to an execution on a judgment.

**SECTION 602. DELINQUENT PAYMENTS.** If any rent payment, including any Additional Rent, due to Authority pursuant to this Lease is not paid (the "Delinquent Payment") within fifteen (15) days of the date the same is due, the Delinquent Payment shall bear interest at the rate of three percent (3%) per annum (the "Interest Rate") until the date the same is paid in full to Authority. If the Delinquent Payment is not paid by Tenant within sixty (60) days following notice of monetary default from Authority to Tenant, then the Delinquent Payment shall thereafter bear interest at the maximum allowable rate under Florida law ("Default Interest Rate") until the date the same is paid in full to Authority.

**SECTION 603. AUTHORITY'S REMEDY UPON DEFAULT.** Upon the happening of any event of default beyond any applicable cure period(s), the Authority may, at its option,

terminate this Lease and obtain possession of the Property from Tenant through any lawful means and without prejudice to any other remedy available to Authority, provided however, that as a prerequisite to Authority's termination of this Lease or of Tenant's right of possession of the Property (unless otherwise addressed elsewhere in this Lease as to a specific event of default), the Authority shall deliver written notice to Tenant of said event of default and notice of Authority's intent to terminate this Lease ("Notice of Intent to Terminate") effective one hundred twenty (120) calendar days after the delivery of the Notice of Intent to Terminate to Tenant and any leasehold mortgagee ("Final Cure Period"). Tenant and any leasehold mortgagee shall then have the right to cure the event of default during the Final Cure Period. Should Tenant (or any leasehold mortgagee) not cure the event of default within the Final Cure Period, unless Authority consents in writing or a longer cure period is provided elsewhere in this Lease as to a specific event of default, the Lease shall be terminated.

#### **ARTICLE 7** **DEFAULT BY AUTHORITY**

Authority shall be in default if Authority fails to perform any of its covenants, agreements or other obligations under this Lease, and such failure continues for a period of seventy-five (75) days after receipt by Authority of written notice from Tenant of such failure, or, in the event of an emergency, reasonably promptly after written notice. Should Authority default, Tenant shall have the right (but not the obligation) to take such actions and to expend such monies as are reasonably necessary to correct the Authority's failure to perform if and only if: (1) the Authority fails to commence and continue to cure the default within the 75-day cure period, or (2) the Authority provides written notice to Tenant that it cannot cure its alleged failure to perform. In such event, Tenant may expend such sums as are reasonably necessary to cure Authority's default, and no approval of the reasonable sums by the Authority is necessary. Tenant shall be entitled to offset the cost to cure, plus an administrative fee of five percent (5%) of such costs incurred by or on behalf of Tenant, against its next monthly rent payment(s) and continue applying the offset as a credit until the credit is used up. The foregoing rights of self-help and set-off shall be in addition to, not in lieu of, any rights and remedies which Tenant has at law, in equity or under this Lease.



**ARTICLE 8**  
**REAL ESTATE COMMISSION**

Authority and Tenant covenant and warrant one each to the other that it has not authorized any person, firm or corporation as a real estate agent or broker to deal on behalf of Authority with Tenant or Tenant with Authority. The provisions of this Article 8 are subject to the indemnifications of Subsection 408.

**ARTICLE 9**  
**IDENTITY OF INTEREST**

The execution of this Lease or the performance of any act pursuant to the provisions hereof shall not be deemed or construed to have the effect of creating between Authority and Tenant the relationship of principal and agent or of a partnership or of a joint venture, and the relationship between them shall be and remain only that of landlord and tenant.

**ARTICLE 10**  
**NOTICES AND REPORTS**

Any notice, report, statement, approval, consent, designation, demand or request to be given or any option or election to be exercised by a party in writing under the provisions of this Lease shall be delivered by hand, sent by U.S. Mail, postage prepaid, by registered or certified mail, return receipt requested, or by nationally recognized overnight delivery service, e.g., FedEx or UPS, addressed to the respective parties at the respective addresses set forth below, and shall be deemed delivered upon actual receipt or upon the date shown on the proof of dispatch if delivery is refused or unclaimed:

Authority: Director of Airports  
Titusville-Cocoa Airport Authority  
51 Bristow Way  
Titusville, FL 32780

With a required copy to: WhiteBird, PLLC  
2101 Waverly Place, Ste. 100  
Melbourne, FL 32901  
Attn: Adam M. Bird, Esq.

Tenant: River Fly-In, LLC  
1910 Rockledge Blvd, Ste. 101  
Rockledge, FL 32955  
Attn: Wasim Niazi, M.D.

Provided, however, that either party may designate a different address from time to time by giving to the other party notice in writing of the change. Any payments to Authority under this Lease shall be made by Tenant at Authority's address provided in this Article 10 hereinabove.

Notwithstanding foregoing, the parties agree that routine reports, approvals, and consents provided in the ordinary course of business may be delivered electronically provided that any report, approval, or consent that adversely impacts the material rights or obligations of a party under this Agreement shall additionally be delivered by one of the other methods specified in this Article 10.

#### **ARTICLE 11** **MEMORANDUM OF LEASE**

Either party may file a Memorandum of this Lease with the Brevard County Property Appraiser's Office or have the same recorded by the Brevard County Clerk of Court at the recording party's expense.

#### **ARTICLE 12** **ENTRY OF AUTHORITY**

Authority may enter the Property, except as set forth hereinbelow, during Tenant's normal business hours with reasonable advance notice (not less than three (3) business days, except in emergencies constituting an immediate threat to life or property) and subject to Tenant's reasonable security rules and regulations as follows:

- (A) To inspect or protect the Property;
- (B) To determine whether Tenant is complying (as required under this Lease) with the applicable laws, orders or regulations of any lawful authority having jurisdiction over the Property or any business conducted therein; or
- (C) To show the Property to prospective tenants or buyers during the last six (6) months of the term of this Lease.

In exercising its entry rights under this Article, Authority shall use all reasonable efforts to not disturb Tenant's conduct of business and use of the Property.

**ARTICLE 13**  
**LEASE EXPIRATION**

At the expiration of the Lease, all improvements erected on the Property, including without limitation the Improvements, shall become the sole property of Authority, and Tenant hereby knowingly and voluntarily waives any claims related to the same, including without limitation claims for unjust enrichment or any other legal or equitable relief seeking value of any kind for such Improvements. Any and all trade fixtures, signs, moveable equipment, and other personal property placed on the Property by Tenant in which Tenant (or its lenders) has (have) legal or equitable title shall remain Tenant's sole property, and Tenant shall have the right to remove the same within twenty (20) business days after expiration of the Lease, provided any damages caused by such removal are repaired by Tenant at the time of removal and provided, further, that Tenant is not in material default of the Lease. In the event Tenant is not in material default of the Lease and fails to remove all of its personal property within twenty (20) business days after expiration of the Lease, the Authority will provide written notice to Tenant and an opportunity to remove personal property from the Property within thirty (30) days of Tenant's receipt of the notice. Should Tenant fail to remove the personal property after the thirty (30) days of receipt of the notice, said failure to remove shall be deemed to be an abandonment of the property. In the event of such abandonment, Authority shall have the right to remove and sell or dispose of the personal property without any liability to the Tenant which obligation shall survive the expiration of or termination of the Term of this Lease. All monies received from any sale or disposal of the personal property by Authority shall first be used to reimburse Authority for any expenses incurred including without limitation reasonable attorney's fees and costs of all kind and nature and any expenses related to removal, storage and/or sale of said personal property, and the balance remaining after setting off any sums still owed by Tenant to Authority shall be remitted to the Tenant.

**ARTICLE 14**  
**QUIET ENJOYMENT**

Subject to the provisions of this Lease, Authority covenants that Tenant, on paying all sums due hereunder and fully and timely performing the covenants of this Lease on its part to be performed within applicable notice and cure periods set forth in the Lease, shall and may peaceably and quietly have, hold, and enjoy the Property for the term of this Lease. Authority represents that it has authority to execute this Lease, that it has obtained all necessary governmental authorizations

or approvals to execute this Lease and that this Lease constitutes a valid and binding obligation of Authority, enforceable against Authority in accordance with its terms.

**ARTICLE 15**  
**GOPHER TORTOISE AND OTHER PROTECTED SPECIES RELOCATION**

Within sixty days of the Commencement Date, or such other times as the parties may agree in writing, Authority shall obtain all required permits or licenses and shall relocate any gopher tortoises found on the Property to Authority's chosen gopher tortoise preserve or such other location as may comply with all applicable law. The Tenant shall pay the cost of such relocation. If any other species of plants or animals are identified on the Property at any time that have been listed as endangered, threatened, of special concern or protected in any respect pursuant to any applicable federal, state or local laws or regulations, the removal of or mitigation for which has any impact upon the construction of the Improvements or Tenant's use and occupancy, Authority and Tenant shall cooperate to expedite the removal or mitigation of such condition by the Authority at Tenant's sole cost and expense; any performance deadlines of either party effected by such condition shall be extended. Proper permits for the removal and relocation of any animal or plant, if required, shall be obtained by the Authority from the applicable governmental authority and removal and relocation of such animals or plants shall be performed in accordance with state statute or the regulations of all applicable government authorities.

**ARTICLE 16**  
**AIRPORT SECURITY**

Tenant shall comply with applicable Airport security access control, to include, but not limited to, all doors and gates that access the Airport Operations Area (AOA). Any changes or modifications regarding access will need prior written approval from the Airport Security Coordinator (ASC) or his/her designee. Tenant shall comply with all reasonable security directives as outlined in the Airport Security Program (ASP) and should direct any questions or concerns about Airport security matters to the ASC. Any of Tenant's employees who may be required to have access to the AOA must comply with Airport badging requirements. As long as Tenant takes appropriate steps to train, monitor and discipline its employees, agents, contractors and subcontractors concerning the Airport's security requirements, Tenant shall not be in default of this Lease for violations of the Airport's security requirements by its employees, agents, contractors and subcontractors.

Additionally, Authority recognizes and acknowledges that Tenant may be enacting and enforcing its own reasonable security protocols necessary for Tenant's operation of its business at the Airport and consents to the same to the extent they are not in conflict with existing Airport security protocol.

Subject to the foregoing, Authority shall upon reasonable request provide two (2) security access cards to any qualifying (otherwise properly permitted and badged to access airfield) subtenant of Tenant at Tenant's sole cost and expense and at the usual and standard charge for such security access cards.

### **ARTICLE 17** **RULES AND REGULATIONS**

The current Rules and Regulations for the Authority are attached as Exhibit E (the "Rules and Regulations"). From time to time Authority may adopt and amend the Rules and Regulations with respect to the occupancy and use of the Property and Authority owned property; provided that if any change in the Authority's Rules or Regulations drives additional cost to Tenant, Tenant either shall be afforded a waiver from such new or amended Rules and Regulations or an equitable adjustment shall be made in Tenant's rent to offset the additional costs of complying with such new or amended Rules and Regulations. Tenant shall observe and obey such Rules and Regulations and shall require its officers, directors, employees, agents, assigns, subtenants, guests, invitees, suppliers, contractors, and subcontractors to observe and obey the same (provided that Tenant will not be deemed to have violated any new rule or regulation unless the Authority has provided at least thirty (30) days prior notice of such change to Tenant). Authority reserves the right to deny access to the Property, Authority-managed airports and airfields and/or Authority facilities to any person or entity that repeatedly fails or refuses to obey and comply with such Rules and Regulations and/or any applicable laws. Authority's Rules and Regulations will not be inconsistent with the terms of this Lease nor with valid rules, regulations orders and procedures of the Federal Aviation Administration or any superior government authority duly authorized to make or enforce rules and regulations for the operation of the Airport and the operation of aircraft using the Airport. Additionally, to the extent any change to the Authority's Rules and Regulations affects Tenant's then-existing Improvements, Personalty, site plans and/or business operations, Tenant's affected Improvements, Personalty, site plans and/or business operations shall be "grandfathered" in and not affected by such changes to the Rules and Regulations to the extent

such changes are not reflective of any change in applicable and mandatory law or regulation to which the Airport and/or Authority are subject.

**ARTICLE 18**  
**MINIMUM STANDARDS**

In addition to the covenants herein contained, this Lease is further subject to the applicable provisions of those certain minimum standards pertaining to tenants as adopted by Authority. The current Minimum Standards are attached as part of Exhibit E. In addition, if Tenant qualifies as a Fixed Base Operator (FBO), the design of the Fixed Base Operation, to include modern facilities, must be approved by Authority, which approval shall not be unreasonably withheld, delayed or conditioned.

**ARTICLE 19**  
**HEIGHT RESTRICTIONS**

Tenant expressly agrees for itself, its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the Property to such a height so as to comply with Federal Aviation Regulations, Part 77, as applicable to the Property, and as amended from time to time if such amendments are made after the Commencement Date and are retroactive. Authority shall, to the extent it is able, assist and work with Tenant for Tenant to submit to the FAA for approval of the height of the Improvements such that the FAA may determine that the planned Improvement will not violate the height requirements underlying Federal Aviation Regulations, Part 77, as of the Commencement Date of this Lease.

Tenant expressly agrees for itself, its successors, and assigns, to prevent any use of the Property by, through or under Tenant which would interfere with or adversely affect the operation or maintenance of any Authority owned airport and/or airfield, or otherwise constitute an airport hazard. Authority covenants and acknowledges that the use of the Property as proposed by Tenant does not and will not, to Authority's knowledge, interfere with or adversely affect the operation or maintenance of the airport or otherwise constitute an airport hazard.

Authority 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 Property, together with the right to cause in such airspace such noise as may be permitted by law and inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the airspace, and

for use of said airspace for landing on, taking off from, or the operation of, any Authority owned airport and/or airfield.

**ARTICLE 20**  
**NONDISCRIMINATION**

(A) Tenant for itself, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration for this Lease, does hereby covenant and agree, as a covenant running with the land comprising the Property, that in the event Improvements are constructed, maintained, or otherwise operated on the Property for a purpose for which a Authority of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Authority of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Authority of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.

(B) Tenant, for itself, its personal representatives, successors in interest, and assigns, as part of the consideration for this Lease, does hereby covenant and agree, as a covenant running with the land comprising the Property, that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefit of, or be otherwise subjected to discrimination in the use of said facilities, (2) 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, or national origin shall be excluded from participation in, denied the benefit of, or be otherwise subjected to discrimination, and (3) that Tenant shall use the Property in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Authority of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

This provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21 are followed and completed including exercise or expiration of appeal rights. The remedies for breach of this provision shall be limited to those remedies provided under said regulations. Nothing herein shall be interpreted or deemed to preclude Tenant from complying with all applicable export control laws and regulations and applicable government security requirements.

**ARTICLE 21**  
**WARRANTIES**

Authority warrants that upon the Commencement Date, the Property will be free and clear of all encumbrances except ad valorem taxes, if applicable, for the current calendar year and easements and restrictions of record; that there are no easements, restrictions of record, environmental condition or other condition which will (i) impair, preclude or adversely affect Tenant's use and development of the Property, as contemplated by this Lease, (ii) interfere with Tenant's rights under this Lease, or (iii) interfere with Authority's ability to perform its covenants and obligations under this Lease; that Authority has full power and authority to execute this Lease and that it will warrant and defend the leasehold interest created hereby against all parties whomsoever and that Tenant upon observing and complying with the terms, covenants and conditions of this Lease shall enjoy the quiet and undisturbed use and occupancy of the Property during the Lease term and any renewals thereof. Apart from the warranties provided in this paragraph and elsewhere in the Lease, Authority makes no representations and provides no other warranties concerning the Property and/or its use.

**ARTICLE 22**  
**ASSIGNMENT AND SUBLETTING**

Except as provided in this Article 22, Tenant shall not assign this Lease or sublet the Property or any portion thereof, or otherwise transfer any right or interest hereunder, without the prior written consent of Authority, which consent shall not be unreasonably withheld, delayed or conditioned. Except as set forth herein, Authority's consent to a sub-tenancy under this Agreement shall not be required if said sublease is substantially in agreement with a form sublease supplied by Tenant and pre-approved by the Authority to be used by Tenant.

The parties agree and acknowledge that Tenant is leasing the Property for the purpose of constructing buildings and other improvements thereon that will not be occupied by Tenant but, rather, will be mostly or entirely sublet to third parties for occupancy and use. Tenant is and shall remain liable to Authority should Tenant sublet any portion of any of the Property to any third party where such sublease causes a breach and/or violation of any applicable rule, regulation and/or law (the "Governing Authorities"), including without limitation those promulgated enforced by the Federal Aviation Administration, regardless of whether Tenant was aware that such sublease was violative of any such applicable rule, regulation or law. Additionally, should Tenant sublet any portion



of the Property in violation of the Governing Authorities, said sublease shall be null and void, and Tenant shall be solely liable for any and all damages or liabilities of any kind related to such sublease, including without limitation any claim brought by the subtenant. In the event of a void sublease set forth above, Tenant shall take all reasonable steps to remove the subject subtenant from the Property at Tenant's sole cost and expense, including without limitation instituting an eviction and/or ejection action to remove such subtenant from the Property. Tenant shall indemnify and hold Authority harmless from any and all expenses, claims and liabilities arising out of this Article 22 and/or Tenant's subleases.

Tenant shall maintain with Authority a written and/or electronic list of existing subtenants occupying any of the Property and shall update said list with Authority each month no later than the 15<sup>th</sup> day of each month.

In addition, notwithstanding anything to the contrary contained in this Agreement, provided Tenant shall give Authority written notice of the same, Authority's consent shall not be required in connection with an assignment of the lease or a sublet of the Property or any part thereof to any entity which is controlled by, under common control with, or which controls Tenant, or in which Tenant holds an equity interest, or any entity which acquires all or substantially all of the ownership interest in or assets of Tenant or into which Tenant is merged or consolidated.

**ARTICLE 23**  
**ENVIRONMENTAL REPRESENTATIONS, WARRANTIES, AND**  
**INDEMNIFICATION**

**SECTION 2301. ENVIRONMENTAL REPRESENTATIONS AND WARRANTIES BY TENANT.** Tenant represents and warrants that it will comply and will be in compliance in all material respects with all applicable federal, state and local environmental laws, regulations, codes or ordinances, as it relates to the Property commencing after its occupancy thereof. The parties recognize that Tenant's operation may involve the use of hazardous substances (as defined in the Comprehensive Environmental Compensation and Liability Act of 1980, as amended, the Resources Conservation and Recovery Act of 1986, as amended, or any successor or similar law). Any hazardous substances used by Tenant, its assigns, subtenants, agents or contractors at the Property will be processed, discharged, stored, treated, disposed of or managed by Tenant, its assigns, subtenants, agents or contractors at the Property in accordance with all federal, state and local environmental laws, regulations, codes or ordinances.

**SECTION 2302. ENVIRONMENTAL INDEMNIFICATION BY TENANT.** Tenant hereby agrees to indemnify, defend and hold Authority harmless from and against any and all claims, lawsuits, losses, liabilities, damages, and expenses (including without limitations cleanup costs and reasonable attorney's fees arising by reason of the aforesaid or an action against Tenant under this indemnity) resulting directly or indirectly from, out of or by reason of (i) any hazardous waste being located on the Property which is attributed to Tenant, its officers, directors, employees, agents, assigns, subtenants, guests, invitees, suppliers, contractors, or subcontractors, or (ii) any breach of Section 2301, above, or (iii) an Environmental Complaint occurring as a result of occupancy of the Property by Tenant, its subtenants or assigns and which is determined by applicable authorities and adjudication to be the responsibility of Tenant under this Lease. "Environmental Complaint" as used in the Lease means any complaint, order, citation or notice from a governmental entity with regard to any federal, state or local environmental laws, regulations, codes or ordinances.

**SECTION 2303. ENVIRONMENTAL REPRESENTATIONS BY AUTHORITY.** Authority represents and warrants to Tenant that no hazardous or toxic waste or substances exist on (or under) the Property and that the Property, upon the execution date of this Lease, complies with all applicable federal, state and local environmental laws, regulations, codes or ordinances. Authority represents and warrants that it will comply and will be in compliance in all material respects with all applicable environmental laws, ordinances, orders or decree of all federal, state and local environmental laws, regulations, codes or ordinances, as it relates to the Property with respect to ownership of the Property. Should hazardous substances be discovered in the Property that are not attributed to Tenant, its officers, directors, employees, agents, assigns, subtenants, guests, invitees, suppliers, contractors, or subcontractors, or should Authority breach its obligations under this Article, Authority shall take all actions necessary to comply with all environmental laws and shall, at Authority's sole cost and expense, perform any required remediation necessary to remedy the condition without unreasonable interference with Tenant's business. Authority hereby agrees, subject to and without waiving its right to assert any form of governmental and/or sovereign immunity as to any claims made in relation to this Article 23, including that set forth in section 768.28, Florida Statutes, to indemnify, defend and hold Tenant harmless from and against any and all claims, lawsuits, losses, liabilities, damages, and expenses (including without limitations cleanup costs and reasonable attorney's fees arising by reason of the

aforesaid or an action against Tenant or Approved Subtenant under this indemnity) resulting directly or indirectly from, out of or by reason of (i) any hazardous waste being located on (or under) the Property prior to the date of this Lease, and (ii) any hazardous waste being located on (or under) the Property which was not caused or necessitated by the actions of Tenant, its officers, directors, employees, agents, assigns, subtenants, guests, invitees, suppliers, contractors, or subcontractors.

#### **ARTICLE 24**

RESERVED.

#### **ARTICLE 25** **MORTGAGE INTEREST**

**SECTION 2501. MORTGAGE INTEREST.** Notwithstanding any provision of this Lease to the contrary, the provisions hereinafter set forth shall apply to the holder of record of a first mortgage on Tenant's leasehold interest in the Property:

(A) Tenant shall have the right to mortgage Tenant's interest under this Lease to a federal or state savings and loan association, institutional lenders, bank or trust company, insurance company, pension fund or trust, private individuals, corporations, companies or other lenders without obtaining the prior consent of Authority, subject, however, to the other terms and conditions of this Lease.

(B) If Tenant shall mortgage its leasehold interest and if the holder of the mortgage shall forward to Authority a copy of the recorded leasehold mortgage together with a written notice setting forth the name and address of the leasehold mortgagee, then, until the time that the leasehold mortgage shall be satisfied of record, the following provisions of this paragraph shall apply.

(C) When giving notice to Tenant with respect to any default under the provisions of this Lease, including but not limited to the failure of Tenant to pay rent, Authority will also serve a copy of such notice upon the leasehold mortgagee(s), which copy shall be sent by Authority by Certified Mail, Return Receipt Requested, to such mortgagee(s), which notice must specify the nature of each such default.

(D) The leasehold mortgagee, upon receipt from Authority of the notice referred to in subparagraph (C) above, shall have, in addition to any period of grace extended to Tenant under the terms and conditions of this Lease, a period of ninety (90) days within which to cure the default or cause the same to be cured, or to commence to cure such default and proceed diligently thereafter

through completion of such cure if the default cannot be cured within the 90-day period; provided, however, that as to any default of Tenant for failure to pay rent, the leasehold mortgagee shall be given written notice of such default by certified mail by Authority, and the leasehold mortgagee shall have sixty (60) days from the date the notice of default was mailed within which to cure such default.

(E) Should the leasehold mortgagee foreclose its leasehold mortgage, Authority agrees to recognize the leasehold mortgagee as Tenant under this Lease for so long as the leasehold mortgagee holds this Lease as a result of a foreclosure of its mortgage or as a result of the assignment of this Lease in lieu of foreclosure, or otherwise, whereupon such leasehold mortgagee shall immediately become and remain liable under this Lease, except as provided below without having to obtain the consent of Authority to same. In such event, the term "Tenant" as used in this section means only the owner or holder of Tenant's interest for the time being so that in the event of a sale, assignment or other disposition of Tenant's interest in this Lease by the leasehold mortgagee, the mortgagee shall be entirely freed and released of all covenants and obligations of Tenant under this Lease from the time it transfers the leasehold interest to a third party.

(F) References in this Lease to acquisition of Tenant's interest in this Lease by the leasehold mortgagee shall be deemed to refer, where circumstances require, to acquisition of Tenant's interest in this Lease by any purchaser at a sale on foreclosure of the leasehold mortgage, and all provisions applicable to the leasehold mortgagee in such instance or instances shall also be applicable to any such purchaser.

(G) Any leasehold mortgage shall be specifically subject and subordinate to Authority's rights under this Lease. The foregoing shall not be deemed or construed to impose or establish upon Tenant's interest in this Lease or upon the lien of any leasehold mortgage the superiority of any lien or encumbrance, including, without limitation, the lien of any fee mortgage, judgment or tax created directly or indirectly by, through or against Authority.

(H) In the event of any conflict or inconsistency between the terms of this Article and any other provision of this Lease, the terms of this Article shall control.

(I) Within ten (10) days after written request by Tenant or Tenant's leasehold mortgagee, or in the event that upon any sale, assignment or mortgage of Tenant's interest in this Lease by Tenant or Tenant's leasehold mortgagee, an estoppel certificate shall be required from Authority, Authority agrees to deliver in recordable form an estoppel certificate to any proposed leasehold mortgagee, purchaser or assignee, or to Tenant certifying (if such be the case): (i) the amount of rental and

additional rental due under the Lease, if any, and the date to which rentals have been paid; (ii) that this Lease is in full force and effect; (iii) that Authority has no knowledge of any default under this Lease or if any default exists, specifying the nature of the default; and (iv) that there are no defenses or offsets which may be asserted by Authority against Tenant in respect of obligations pursuant to this Lease or if defenses or offsets exist specifying the nature of such offsets or defenses.

(J) Authority agrees that the leasehold mortgagee need not pay or otherwise satisfy any claim, the lien of which would be extinguished upon the conclusion of foreclosure proceedings brought by the leasehold mortgagee, nor shall leasehold mortgagee be required to cure any default relating to the insolvency, financial condition or bankruptcy of Tenant, nor shall Authority be entitled to terminate this Lease, accelerate the rent or exercise any other remedy under this Lease for any reason including as a consequence of Tenant's refusal, inability or failure to assume and affirm this Lease as an asset of Tenant's bankruptcy estate so long as, within ninety (90) days following the leasehold mortgagee's acquisition of title to the leasehold interest following a foreclosure of the leasehold mortgagee's mortgage on said interest, or through a Deed in Lieu of Foreclosure, the leasehold mortgagee commences to cure defaults required to be cured by it under the language above in this paragraph and thereafter diligently prosecutes the same, and any notice of termination theretofore given shall be void and of no force and effect. Authority further acknowledges and agrees that if, during the course of a bankruptcy proceeding involving Tenant as debtor, Tenant rejects or otherwise fails to assume and affirm this Lease as an asset of Tenant's bankruptcy estate, this Lease shall not terminate and the leasehold mortgagee may, within ninety (90) days of receipt of written notice from Authority of such rejection or other failure to assume this Lease and the irreversible release of such leasehold estate from Tenant's bankruptcy estate, assume this Lease by effecting a cure of the defaults required to be cured by the leasehold mortgagee under the language above in this paragraph and thereafter preserve the same. Authority further agrees that in the event the leasehold mortgagee forecloses its leasehold interest in the property or assigns Tenant's leasehold interest to a third party, Authority will not terminate the Lease solely on account of any event of default relating to the insolvency, financial condition or bankruptcy of Tenant, including, without limitation, Tenant's refusal, inability or failure to assume and affirm the Lease as an asset of Tenant's bankruptcy estate, in which event, Authority shall recognize the leasehold mortgagee as Tenant under the Lease. Authority further agrees that the leasehold mortgagee may, pending foreclosure of its mortgage, take possession of the Property by and through its representative or receiver, as the leasehold mortgagee

may elect and, provided it does so in accordance with the terms and provisions of the Lease, administer the Property as if it were Tenant thereunder.

(K) If Tenant, or any trustee of Tenant, shall reject the Lease pursuant to Section 365(h) of the Bankruptcy Code, 11 U.S.C. § 101, et seq (the "Bankruptcy Code"), (i) Tenant shall without further act or deed be deemed to have elected under Section 365(h) (1) of the Bankruptcy Code to remain in possession of the Property for the balance of the Term of the Lease, (ii) any exercise or attempted exercise by Tenant of a right to treat the Lease as terminated under Section 365(h)(1) of the Bankruptcy Code shall be void and (iii) neither the Mortgage nor any other aspect of the Loan shall be affected or impaired by rejection of the Lease. (For the purposes of Section 365(h) of the Bankruptcy Code, the term "possession" shall mean the right to possession of the Property granted to Tenant under the Lease notwithstanding that all or part of such Property shall have been subleased.)

(L) If, notwithstanding the provisions of subparagraph (J) above, the leasehold mortgagee reasonably determines that a new lease will be necessary to give legal or practical effect to the unimpaired or unaffected continuation of the leasehold mortgage, Authority will negotiate with the leasehold mortgagee and attempt to agree upon and enter into a new lease ("New Lease") of the Property. In the event of termination of the Lease as a result of Tenant's default, or otherwise, without the prior written consent of leasehold mortgagee, Authority shall, in addition to providing the notices of default and termination as required by subparagraph (C) above, provide the leasehold mortgagee with written notice that the Lease has been terminated together with a statement of all sums which would at the time be due under the Lease, but for such termination, and of all other defaults, if any, then known to Authority ("Notice of Delinquency"). Authority agrees to negotiate and, if accord is reached, enter into a New Lease of the Property with the leasehold mortgagee or its designee for the remainder of the term of the Lease effective, as of the date of termination, at the rent and additional rent, and upon the terms, covenants and conditions (including all options to renew but excluding requirements which are not applicable or which have already been fulfilled) of the Lease, provided:

(i) leasehold mortgagee shall make written request upon Authority for such New Lease within sixty (60) days after the date leasehold mortgagee receives Authority's Notice of Delinquency.

(ii) leasehold mortgagee or its designee shall pay or cause to be paid to Authority at the time of the execution and delivery of such New Lease, any and all sums which would at the time of execution and delivery thereof be due pursuant to the Lease but for such termination and, in addition thereto, all reasonable expenses, including reasonable attorney fees, which Authority shall have incurred by reason of termination and the execution and delivery of the New Lease and which have not otherwise been received by Authority from Tenant or other parties in interest under Tenant;

(iii) leasehold mortgagee or its designee shall agree to remedy any of Tenant's defaults of which leasehold mortgagee was notified by Authority's Notice of Delinquency and which are reasonably susceptible of being so cured by leasehold mortgagee or its designee;

(iv) any New Lease made pursuant to this subparagraph shall be prior to any mortgage or other lien, charge, or encumbrance on the fee of the Property and Tenant under such New Lease shall have the same right, title and interest in and to the Property and the buildings and improvements thereon as Tenant had under the Lease;

(v) Tenant under any such New Lease shall be liable to perform the obligations imposed on Tenant by such New Lease only during the period such person has ownership of such leasehold estate.

(M) In the event the leasehold mortgagee becomes the legal owner and holder of the leasehold estate under the Lease by foreclosure of its leasehold mortgage, or as a result of an assignment of the Lease in lieu of foreclosure (which assignment is hereby consented to by Authority), or in the event leasehold mortgagee is granted a New Lease pursuant to subparagraph L above, Authority hereby agrees that upon receipt of a written application for consent to the assignment of Lease from either Tenant or leasehold mortgagee to a new lessee to whom leasehold mortgagee desires to transfer its interest, Authority will execute a written consent to such assignment provided there is no outstanding default with respect to the payment of rental under the Lease. Authority further agrees that, upon becoming the owner and holder of the leasehold estate, leasehold mortgagee shall have all rights and privileges of Tenant. Further, Authority agrees that upon acquisition of the leasehold estate by leasehold mortgagee, or its assigns, any default which is not reasonably capable of being cured by leasehold mortgagee, or which is personal to leasehold mortgagee, shall not be required to be cured by leasehold mortgagee or its assigns.

(N) In the event that leasehold mortgagee shall acquire the interest of Tenant under the Lease and, in accordance with the foregoing subparagraph, assign such interest to a successor

lessee, upon such assignment leasehold mortgagee shall thereupon be relieved of any further liability under the Lease.

(O) To the extent required pursuant to the provisions of any mortgage encumbering the Property or the leasehold created hereunder, this Lease may not be amended without prior written consent of leasehold mortgagee.

(P) Authority and Tenant shall cooperate in including in this Lease by suitable amendment from time to time any provision which may reasonably be requested by a proposed leasehold mortgagee for the purpose of implementing the mortgagee-protection provisions contained in the Lease and allowing such mortgagee reasonable means to protect or preserve the lien of the leasehold on the occurrence of a default under the terms of this Lease. Authority and Tenant each agree to execute and deliver (and to acknowledge, if necessary, for recording purposes) any agreement necessary to affect any such amendment; provided, however, that any such amendment shall not in any way affect the term or rent under this Lease, nor otherwise in any material respect adversely affect any rights of Authority under this Lease.

**SECTION 2502. ALTERNATIVE FINANCING.** Notwithstanding any provision of this Lease to the contrary, the Tenant or its subtenant(s) may obtain private financing, opportunity zone funding, or other forms of funding and Authority agrees to reasonably accommodate any additional notice or appropriate agreements to facilitate such funding agreements so long as such agreement shall not in any way affect the term or rent under this Lease, nor otherwise in any material respect adversely affect any rights of Authority under this Lease or cause Authority to incur any costs or expenses. Further, Authority shall negotiate and agree to reasonable amendments to the Lease consistent with the purpose and intent set out herein to facilitate the financing.

## **ARTICLE 26** **ATTORNEYS' FEES**

If any legal action or other proceeding is commenced in relation to this Lease or any documents incidental thereto and/or the Property, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs incurred in connection with such action or proceeding from the non-prevailing party, including all reasonable attorneys' fees and costs incurred on appeal, in litigating entitlement to and/or amount of attorneys' fees and costs to be awarded and in connection with the prevailing party's efforts to collect on any judgment. The phrase "prevailing party" shall include a party who receives substantially the relief desired whether by dismissal, summary



judgment, judgment or otherwise. The provisions of this section shall survive the termination of this Lease.

**ARTICLE 27**  
**OTHER PROVISIONS**

**SECTION 2701. REASONABLENESS AND GOOD FAITH.** Except to the extent expressly set forth or limited in this Lease otherwise, whenever this Lease grants the Authority or Tenant the right to take action, exercise discretion, establish rules and regulations, make allocations, or other determinations, or otherwise exercise rights or fulfill obligations, the Authority and Tenant shall act reasonably and in good faith and take no action that might result in the frustration of the reasonable expectations of a sophisticated landlord and sophisticated tenant concerning the benefits to be enjoyed under this Lease.

**SECTION 2702. FORCE MAJEURE.** Except as provided below, any prevention, delay or stoppage attributable to strikes, lockouts, labor disputes, hurricanes, floods, earthquakes, tornadoes, or other natural disasters, acts of God, civil commotion, terrorism, war, fire or other casualty, and other causes beyond the reasonable control of the party obligated to perform (collectively, the “Force Majeure”) will excuse the performance of that party for a period equal to the duration of the prevention, delay or stoppage. If, therefore, this Lease specifies a time period for performance of an obligation of either party, a delay that a Force Majeure causes will extend the period within which the party must complete its performance.

**SECTION 2703. HEADINGS.** Any headings preceding the text of any articles, paragraphs or sections of this Lease shall be solely for convenience of reference and shall not constitute a part of this Lease, nor shall they affect its meaning, construction or effect.

**SECTION 2704. BINDING EFFECT.** The terms, conditions and covenants of this Lease shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns. This provision shall not constitute a waiver of any conditions prohibiting assignment or subletting.

**SECTION 2705. FEDERAL SUBORDINATION.** This Lease shall be subordinate to the provisions of any existing agreements between the Authority and the United States of America that have been provided to the Tenant relative to the 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.

**SECTION 2706. RIGHTS RESERVED.** Rights not specifically granted the Tenant by this Lease are reserved to the Authority.

**SECTION 2707. NO WAIVER.** There shall be no waiver of the right of either party to demand strict performance of any of the provisions, terms and covenants of this Lease nor shall there be any waiver of any breach, default or non-performance hereof by either party, unless such waiver is explicitly made in writing by the other party. Any previous waiver or course of dealing shall not affect the right of either party to demand strict performance of the provisions, terms and covenants of this Lease with respect to any subsequent event or occurrence of any subsequent breach, default or nonperformance hereof by the other party.

**SECTION 2708. SEVERABILITY.** If any provision of this Lease or the application thereof to either party to this Lease is held invalid by a court of competent jurisdiction, such invalidity shall not affect other provisions of this Lease which can be given effect without the invalid provision, and to this end, the provisions of this Lease are severable.

**SECTION 2709. PAYMENT OF TAXES.** If applicable, Tenant shall pay all taxes and other costs lawfully assessed against its leasehold interests in the Property and its interest in the Improvements, other improvements and its operations under this Lease; provided, however, Tenant shall not be deemed to be in default of its obligations hereunder for failure to pay such taxes pending the outcome of any legal proceedings instituted to determine the validity of such taxes or amounts, if and only if such legal proceedings stay Tenant's obligations to pay such taxes pending the case outcome. Failure to pay the taxes, if any, determined by the court of applicable authorities upon the final unappealable conclusion of such legal proceedings against Tenant and the continuation of that failure for more than the applicable grace period established in Article 6 shall constitute a default.

**SECTION 2710. INTERPRETATION OF LEASE.** This Lease is the result of negotiation between the parties hereto and has been typed/printed by one party for the convenience of both parties, and the parties covenant that this Lease shall not be construed in favor of or against any of the parties hereto or against the "drafter" hereof.

**SECTION 2711. NO AGENCY.** Nothing contained herein shall be deemed or construed by the parties hereto or by any third party as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship between the parties hereto. It is understood and agreed that neither the method of computation of rentals, fees and charges, nor any other provisions contained herein, nor any acts of the parties hereto creates a relationship other than the relationship of landlord and tenant.

**SECTION 2712. RIGHTS NON-EXCLUSIVE.** Notwithstanding anything herein contained that may be or appear to the contrary, the rights, privileges and licenses granted under this Lease, except in the Property and Improvements and as to Tenant's rights under Article 24, are "nonexclusive," and the Authority reserves the right to grant similar privileges to other persons, firms or corporations.

**SECTION 2713. JURISDICTION AND VENUE.** The parties acknowledge that a substantial portion of negotiation, anticipated performance and execution of this Lease occurred or shall occur in Brevard County, Florida, and that, therefore, each of the parties: (a) agrees that this Lease and all rights and obligations hereunder shall be governed by the laws of the State of Florida without regard to its conflict of law provisions; (b) agrees that any suit, action or legal proceeding arising out of or relating to this Lease shall be brought exclusively in the courts of record of the State of Florida in Brevard County, Florida; or in the federal courts in the Middle District of Florida, (c) consents to the jurisdiction of each such court in any such suit, action or proceeding; and (d) waives any objection which it may have to the laying of venue of any such suit, action or proceeding in any such courts.

**SECTION 2714. ENTIRETY OF AGREEMENT.** The parties hereto agree that this Lease sets forth the entire agreement between the parties, and there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Lease may be added to, modified, superseded or otherwise altered, except as may be specifically authorized herein or by written instrument executed by the parties hereto.

**SECTION 2715. JURY WAIVER.** EACH PARTY HEREBY COVENANTS AND AGREES THAT IN ANY LITIGATION, SUIT, ACTION, COUNTERCLAIM, OR PROCEEDINGS, WHETHER AT LAW OR IN EQUITY, WHICH ARISES OUT OF, CONCERNS, OR RELATES TO THIS LEASE, ANY AND ALL TRANSACTIONS

CONTEMPLATED HEREUNDER, THE PERFORMANCE HEREOF, OR THE RELATIONSHIP CREATED HEREBY, TRIAL SHALL BE TO A COURT AND NOT TO A JURY. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY. EITHER PARTY MAY FILE AN ORIGINAL COUNTERPART OR COPY OF THIS LEASE WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO OF THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

**ARTICLE 28**  
**REQUIRED FEDERAL PROVISIONS**

**SECTION 2801. ADDITIONAL CIVIL RIGHTS PROVISION.** Tenant agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If Tenant transfers its obligation to another, the transferee is obligated in the same manner as Tenant. This provision obligates Tenant for the period during which the property is used and/or possessed by Tenant and the Airport remains obligated to the Federal Aviation Administration. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

**SECTION 2802. REQUIRED CLAUSE FOR TRANSFER OF REAL PROPERTY.** The following clauses will be included in deeds, licenses, permits, or similar instruments/agreements entered into by Authority pursuant to the provisions of the Airport Improvement Program grant assurances.

- (A) The Tenant for itself, its successors in interest and its assigns, as a part of the consideration for this Lease, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the property described in this Lease for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Pertinent List of Nondiscrimination Authorities (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from

participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities..

- (B) With respect to this Lease, in the event of breach of any of the above nondiscrimination covenants, Authority will have the right to terminate the Lease and to enter, re-enter, and repossess said Property and the facilities thereon, including without limitation the Improvements, and hold the same as if the Lease had never been made or issued.

**SECTION 2803. TITLE VI LIST OF PERTINENT NONDISCRIMINATION ACTS AND AUTHORITIES.** During the performance of this Lease, Tenant, for itself, its assignees, and successors in interest, agrees to comply with the following nondiscrimination statutes and authorities:

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC § 471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the

programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §§ 12131 — 12189) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration's Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100); and
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC 1681 et seq).

## **ARTICLE 29** **FLORIDA SPECIFIC PROVISIONS**

RADON IS A NATURALLY OCCURRING RADIOACTIVE GAS THAT, WHEN IT HAS ACCUMULATED IN A BUILDING IN SUFFICIENT QUANTITIES, MAY PRESENT HEALTH RISKS TO PERSONS WHO ARE EXPOSED TO IT OVER TIME. LEVELS OF RADON THAT EXCEED FEDERAL AND STATE GUIDELINES HAVE BEEN FOUND IN BUILDINGS IN FLORIDA. ADDITIONAL INFORMATION REGARDING RADON AND

RADON TESTING MAY BE OBTAINED FROM YOUR COUNTY PUBLIC HEALTH UNIT.  
[NOTE: THIS PARAGRAPH IS PROVIDED FOR INFORMATIONAL PURPOSES  
PURSUANT TO SECTION 404.056(8), FLORIDA STATUTES, (1988).]

**ARTICLE 30**  
**FOREIGN TRADE ZONE**

RESERVED.

**ARTICLE 31**  
**BOND FINANCING.**

If Tenant elects to seek financing for the Improvements through the issuance of Industrial Revenue Bonds or other taxable or tax-exempt bonds or notes ("Bonds"), the Authority agrees to fully support Tenant in its effort and assist to obtain financing for the project as long as the Authority is not obligated as to such Bonds and is not required to incur expenses related thereto. Further, if the issuance of Bonds for the project or any portion thereof requires it, Authority shall negotiate and agree to reasonable amendments to the Lease consistent with the purpose and intent set out herein to facilitate the issuance and sale of such Bonds.

**[SIGNATURES ON NEXT PAGE]**

**SIGNATURES**

IN WITNESS WHEREOF the parties hereto have set their hands and seals the date and year first above written.

Signed, Sealed and Delivered  
in the presence of:

AUTHORITY:  
TITUSVILLE-COCOA AIRPORT AUTHORITY

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Kevin Daugherty, AAE  
Director of Airports

\_\_\_\_\_  
Witness

Attest: \_\_\_\_\_  
Name: \_\_\_\_\_  
Position: \_\_\_\_\_  
(corporate seal)

TENANT:  
RIVER FLY – IN, LLC

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Printed Name: Wasim Niazi, M.D.  
Printed Title: Managing Partner

\_\_\_\_\_  
Witness

Attest: \_\_\_\_\_  
(corporate seal)



**EXHIBIT A**  
**DESCRIPTION OF PROPERTY**



**EXHIBIT C  
RESERVED**

**EXHIBIT D  
RENT COMMENCEMENT CERTIFICATE**

The TITUSVILLE-COCOA AIRPORT AUTHORITY and River Fly – In, LLC hereby agree to the delivery and acceptance of the Property, and that December 15, 2025, or issuance of the Certificate of Occupancy, whichever comes later, shall be the “Rent Commencement Date”.

**EXECUTED BY THE AUTHORITY**, this 15<sup>th</sup> day of June, 2023.

**AUTHORITY**

**TITUSVILLE-COCOA AIRPORT**

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Kevin Daugherty, AAE  
Director of Airports

\_\_\_\_\_  
Witness

**EXECUTED BY TENANT**, this 15<sup>th</sup> day of June, 2023.

**RIVER FLY-IN, LLC**

\_\_\_\_\_  
Witness

By: \_\_\_\_\_  
Printed Name: Wasim Niazi, M.D.  
Printed Title: Managing Partner

\_\_\_\_\_  
Witness

**EXHIBIT E**  
**RULES AND REGULATIONS AND MINIMUM STANDARDS**



TITUSVILLE-COCOA AIRPORT AUTHORITY  
APPRAISAL CRITERIA FOR  
DIRECTOR OF AIRPORTS

The Titusville-Cocoa Airport Authority evaluates the Director of Airports in ten primary categories. Each category has a rating scale between one and five. The number 1 is the lowest score and is equivalent to unsatisfactory performance; the number 3 is equivalent to satisfactory performance, and the number 5 is equivalent to excellent performance. Utilize the numbers 2 and 4 to indicate performance somewhere between the various levels.

**Category One: Business Development**

**1 2 3 4 5**

Endeavors to maximize business revenues of both aviation and non-aviation assets. Proposes viable and well researched alternatives and business propositions to the Board. Oversees the management of Authority assets exercising sound business principles and develops infrastructure priorities taking into consideration fiscal concerns.

---

---

---

---



**Category Two: Relationship with Board**

**1 2 3 4 5**

Apprises Board members, in a timely manner, of developments, issues, needs, and operations at the airport. Provides professional advice and alternatives when needed. Responds to Authority requests for information. Develops and explains alternatives. Acts impartially toward the Board. Reacts positively and constructively to appropriate criticism. Strives to maintain a harmonious relationship with the Board. Responds positively to Board directions.

---

---

---

---

**Category Three: Financial Management**

**1 2 3 4 5**

Directs and manages staff and advisors to ensure Authority funds are invested in accordance with Authority Policy. Monitors financial performance of the organization to ensure efficient and effective performance. Prepares budget that is responsive to the goals of the Authority and presents it in an easily comprehensible manner. Evaluates financial controls for regulatory compliance.

---

---

---

---



**Category Four: Public Image**

**1 2 3 4 5**

Initiates and fosters a positive image of the Authority and the airport. Builds rapport with the community and the media through pro-active communications and development of relationships. Participates in speaking engagements to promote the image of the airport. Represents the Authority with aviation-related organizations to reflect the professionalism of the staff.

---

---

---

---

**Category Five: Staff Development**

**1 2 3 4 5**

Sets the example and creates a superior performance environment for the organization. Develops and implements sound personnel policies and procedures and fosters good morale. Treats all personnel fairly and without favoritism or discrimination. Delegates authority as appropriate and sets high standards for all personnel. Endeavors to maintain positive and cordial relationships with all employee groups and representatives. Takes an active role in development of compensation policy and makes recommendations to the Board within the budgetary limitations that best serve the organization.

---

---

---

---





**Category Six: Community Relations**

**1 2 3 4 5**

Strengthens working relationships with appointed and elected officials of other governmental entities. Develops joint approaches to issues of mutual interest. Communicates with business, civic and neighborhood organizations, and works to solve airport-related issues as they arise with the affected parties. Develops a cooperative relationship with the media and achieves the status as a community leader and expert in aviation issues.

---

---

---

---

**Category Seven: Strategic Planning and Goals**

**1 2 3 4 5**

Coordinates with the Board in establishing short- and long-term objectives for the Authority. Develops challenging goals and objectives for his/herself and staff that lead to the accomplishment of the objectives. Monitors, evaluates, and communicates the results to the board on a regular basis.

---

---

---

---



**Category Eight: Leadership**

**1 2 3 4 5**

Establishes his/her leadership in all areas of the organization. Sets an example for others to follow and earns respect and support of subordinates. Takes overall responsibility for projects and obtaining and using resources. Participates in aviation, business and community organizations demonstrating leadership and knowledge that earns confidence in the ability of the Director.

---

---

---

---

**Category Nine: Job and Industry Knowledge**

**1 2 3 4 5**

Effectively applies a high degree of knowledge and expertise relating to the developments in the aviation industry and the implications for aviation, and the airports in particular. Organizes the responsibilities of the Authority departments, reviews the administration and operation of the airport, and demonstrates a wide breadth of knowledge in various areas including, finance, legal matters, leasing and business development, regulatory affairs, facility maintenance, labor relations, budgeting, and legislative affairs.

---

---

---

---



**Category Ten: Regulatory Compliance**

**1 2 3 4 5**

Ensures airport compliance with Federal, State and Local laws and regulations including applicable Federal Aviation Regulations (FAR's), FAA Grant Assurances, Florida DOT regulations and grant requirements, Passenger Facility Charge requirements, Development of Regional Impact conditions, noise mitigation rules, security regulations and emergency procedures, personnel laws and regulations, audit and financial management requirements, and Sunshine Law requirements.

---

---

---

---

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date



The following invoices are presented to the Board for approval at the Regular Board Meeting being held June 15, 2023:

**Arthur Dunn Airport**

**X21 – Master Plan Update**

Ricondo & Associates – Request #6 – (4/1/2023 – 4/30/2023) - **\$15,816.57**

**Space Coast Regional Airport**

**TIX – Master Plan Update**

Ricondo & Associates - Request #6 – (4/1/2023 – 4/30/2023) - **\$23,098.99**

**TIX – Spaceport Master Plan Update**

Ricondo & Associates – Request #2 – (4/1/2023 – 4/30/2023) - **\$65,813.00**

**TIX – ATCT Design & Bidding**

AVCON – Pay App #12 – (3/1/2023 – 3/31/2023) - **\$13,980.71**

**TIX – Runway 18-36 Design**

Kimley Horn – TIX IFE 18-36 – (through 3/31/2023) - **\$2,000.00**

**Merritt Island Airport**

**COI – Master Plan Update**

Ricondo & Associates - Request #6 – (4/1/2023 – 4/30/2023) - **\$37,619.82**

**COI – Corporate Hangar (Grainger 50/50)**

C&D Construction, Inc. – Pay App #2 - (4/26/2023 – 5/25/2023) - **\$15,300.00**

---

**John Craig, Chairman**

---

**Roger Molitor, Secretary**

# Airport Project Updates

## Legacy Projects

- COI Corporate Hangar
- COI NASI

FLY SPACE COAST  
TITUSVILLE-COCOA AIRPORT AUTHORITY  
TIX, COI, X21



# PROJECT: CORPORATE HANGAR – MERRITT ISLAND AIRPORT

BUDGET: \$700K (\$0 LOCAL MATCH)

CURRENT STATUS: **Waiting on building permit, continuing sitework.**

SCHEDULE: 7 MONTHS OF CONSTRUCTION PLUS 1 MONTH OF CLOSEOUT



# PROJECT: NORTH AREA SECURITY AND INFRASTRUCTURE – MERRITT ISLAND AIRPORT

BUDGET: \$949K (\$189,800 LOCAL MATCH)

CURRENT STATUS: Paving and removal of septic tank remain. Paving expected sometime in June.

SCHEDULE: 5 MONTHS OF CONSTRUCTION PLUS 1 MONTH OF CLOSEOUT



COAST  
RT AUTHORITY

# Airport Project Updates

## New Projects

- X21 AWOS
- COI AWOS
- Challenger Avenue Extension

FLY SPACE COAST  
TITUSVILLE-COCOA AIRPORT AUTHORITY  
TIX, COI, X21



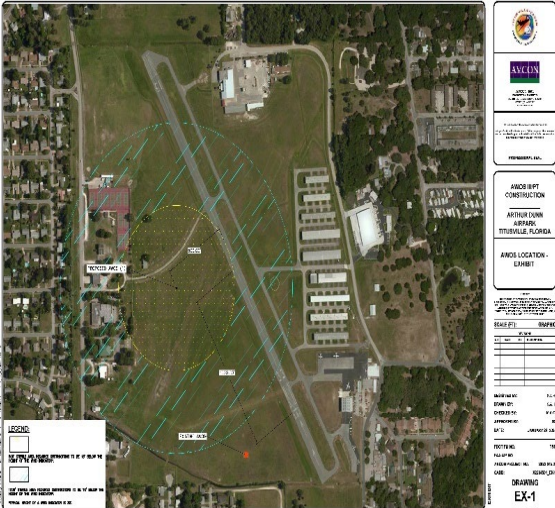


# PROJECT: Automated Weather Observation System (AWOS) Replacement – Arthur Dunn Airpark

**BUDGET:** \$365,000 (80/20 FDOT Grant)

**CURRENT STATUS:** Equipment order has been placed. Expect construction to start beginning of 2024.

**SCHEDULE:** Design will commence once the location is determined. Design and bidding is anticipated to take 90 days. Construction will commence upon award of bid. Equipment procurement is taking 6+ months from date of purchase.

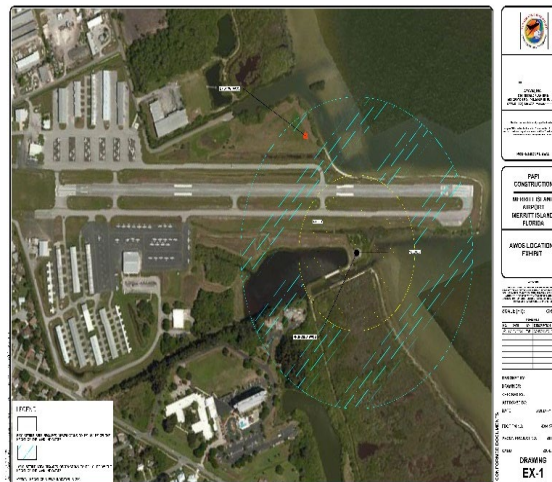


# PROJECT: Automated Weather Observation System (AWOS) Replacement – Merritt Island Airport

**BUDGET:** \$500,000 (80/20 FDOT Grant)

**CURRENT STATUS:** Equipment order has been placed. Expect construction to start beginning of 2024.

**SCHEDULE:** Design will commence once the location is determined. Design and bidding is anticipated to take 90 days. Environmental permitting on the alternative site might take an additional 120 days. Construction will commence upon award of bid. Equipment procurement is taking 6+ months from date of purchase.

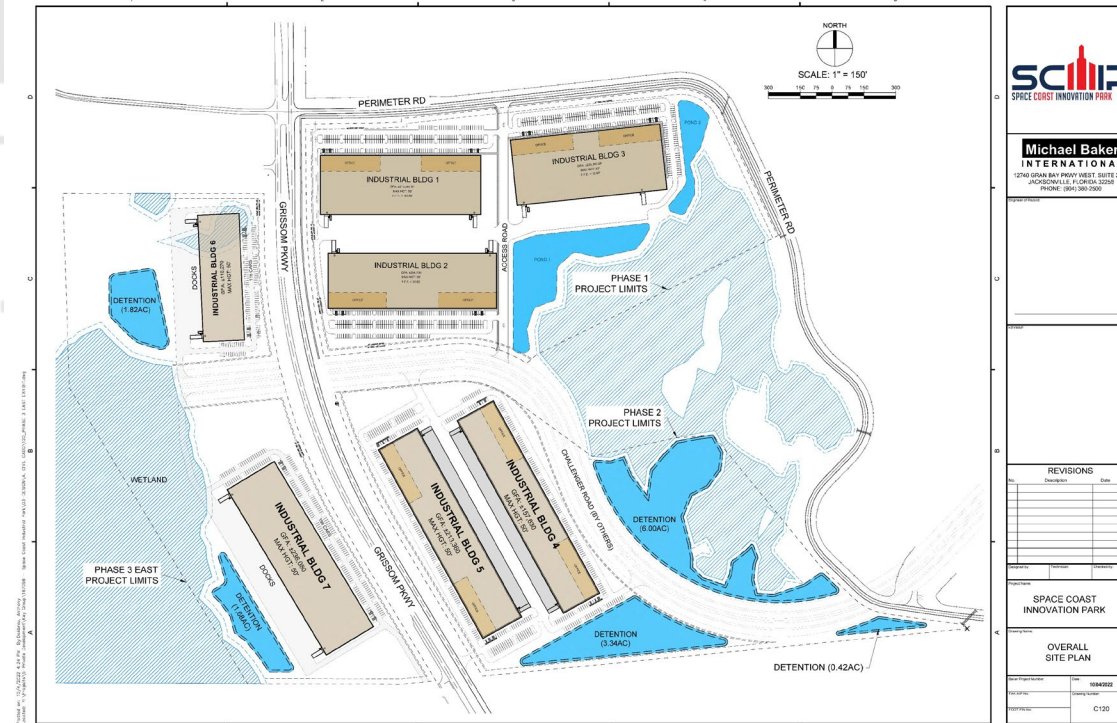


# PROJECT: Challenger Avenue Extension

BUDGET: \$460,000 (NBEDZ Grant-100%)

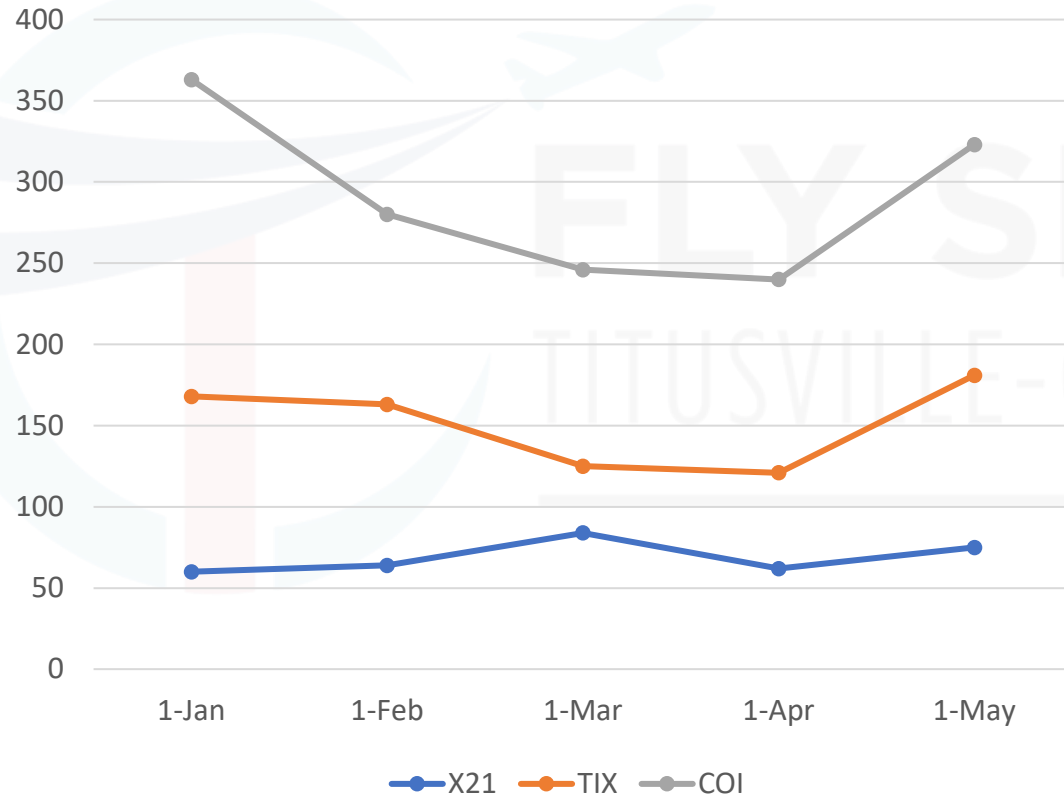
CURRENT STATUS: Received 30% design plans this week

SCHEDULE: 12 months of design and permitting



# May 2023 Average Daily Operations

2023 Operations



**X21 - 75**

**TIX - 181**

**COI - 323**

**TITUSVILLE COCOA AIRPORT AUTHORITY**  
**Bill Payments for All Vendors**  
**April 30 through May 6, 2023**

Vendor	Type	Num	Date	Amount
STANDARD INSURANCE COMPANY	Bill Pmt -Check	5170	05/05/2023	739.88
Florida State Disbursement Unit	Bill Pmt -Check	5171	05/05/2023	95.31
Mission Square - 303301	Bill Pmt -Check	5172	05/05/2023	383.54
Ag-Pro Companies	Bill Pmt -Check	5173	05/05/2023	60.86
AAAE	Bill Pmt -Check	5174	05/05/2023	3,000.00
AT&T	Bill Pmt -Check	5175	05/05/2023	464.66
Amazon Capital services	Bill Pmt -Check	5176	05/05/2023	159.99
AT&T	Bill Pmt -Check	5177	05/05/2023	824.37
AT&T Internet	Bill Pmt -Check	5178	05/05/2023	53.50
AVCON	Bill Pmt -Check	5179	05/05/2023	167,768.58
AVCON	Bill Pmt -Check	5180	05/05/2023	981.25
Boulevard Tire Center	Bill Pmt -Check	5181	05/05/2023	95.00
Brevard Uniform Co	Bill Pmt -Check	5182	05/05/2023	86.88
Brown & Brown Insurance	Bill Pmt -Check	5183	05/05/2023	4,320.72
C & D Construction, Inc	Bill Pmt -Check	5184	05/05/2023	79,546.37
Communications International	Bill Pmt -Check	5185	05/05/2023	113.00
City Of Titusville	Bill Pmt -Check	5186	05/05/2023	886.74
Dish	Bill Pmt -Check	5187	05/05/2023	75.09
Faster Than Sound, Inc	Bill Pmt -Check	5188	05/05/2023	1,780.00
Florida Coast Equipment	Bill Pmt -Check	5189	05/05/2023	453.23
FPL	Bill Pmt -Check	5190	05/05/2023	1,305.76
Graphic Press	Bill Pmt -Check	5191	05/05/2023	52.00
InterFlight Global Corporation	Bill Pmt -Check	5192	05/05/2023	12,500.00
Judy Durette	Bill Pmt -Check	5193	05/05/2023	243.75
LOWE'S	Bill Pmt -Check	5194	05/05/2023	233.91
RICONDO	Bill Pmt -Check	5195	05/05/2023	21,682.80
RICONDO	Bill Pmt -Check	5196	05/05/2023	19,616.20
RICONDO	Bill Pmt -Check	5197	05/05/2023	21,847.19
Robertson's Lawns Inc	Bill Pmt -Check	5198	05/05/2023	8,000.00
Titusville Area Chamber of Commerce	Bill Pmt -Check	5199	05/05/2023	125.00
T's Handyman Service	Bill Pmt -Check	5200	05/05/2023	10,893.75
Wall Automotive Group	Bill Pmt -Check	5201	05/05/2023	119.99
Waste Management	Bill Pmt -Check	5202	05/05/2023	451.23
Lisa Nicholas	Bill Pmt -Check	5203	05/05/2023	138.78
Ryan Blumenthal	Bill Pmt -Check	5204	05/05/2023	22.27
Ryan Blumenthal	Bill Pmt -Check	5205	05/05/2023	22.26
Mission Square - 303301	Bill Pmt -Check	5206	05/19/2023	383.54
Florida State Disbursement Unit	Bill Pmt -Check	5207	05/19/2023	95.31
Randi Newman	Bill Pmt -Check	5210	05/19/2023	45.80
Randi Newman	Bill Pmt -Check	5211	05/19/2023	33.70
Alligator Plumbing	Bill Pmt -Check	5213	05/19/2023	65.00
Amazon Capital services	Bill Pmt -Check	5214	05/19/2023	404.88
AT&T	Bill Pmt -Check	5215	05/19/2023	598.54
AT&T Mobility	Bill Pmt -Check	5216	05/19/2023	350.24
Brevard Uniform Co	Bill Pmt -Check	5217	05/19/2023	86.88
Coastal Window & Tint, Inc.	Bill Pmt -Check	5218	05/19/2023	750.00
Culligan	Bill Pmt -Check	5219	05/19/2023	69.48
City of Cocoa	Bill Pmt -Check	5220	05/19/2023	228.40
Crawford Brothers Enterprises, LLC	Bill Pmt -Check	5221	05/19/2023	11,844.00

**TITUSVILLE COCOA AIRPORT AUTHORITY**  
**Bill Payments for All Vendors**  
**April 30 through May 6, 2023**

Vendor	Type	Num	Date	Amount
Brevard County Board of Co. Commissione	Bill Pmt -Check	5222	05/19/2023	786.86
FPL	Bill Pmt -Check	5223	05/19/2023	1,585.45
FPL	Bill Pmt -Check	5224	05/19/2023	3,143.15
FPL	Bill Pmt -Check	5225	05/19/2023	484.98
FPL	Bill Pmt -Check	5226	05/19/2023	1,089.22
FPL	Bill Pmt -Check	5227	05/19/2023	568.66
FPL	Bill Pmt -Check	5228	05/19/2023	648.17
FPL	Bill Pmt -Check	5229	05/19/2023	1,279.54
Graphic Press	Bill Pmt -Check	5230	05/19/2023	119.00
Hangar Door Specialists, Inc	Bill Pmt -Check	5231	05/19/2023	4,764.50
Home Depot Credit Services	Bill Pmt -Check	5232	05/19/2023	957.64
Lacey's Lock Service	Bill Pmt -Check	5233	05/19/2023	154.50
Nix Pest Management	Bill Pmt -Check	5234	05/19/2023	256.00
Pitney Bowes Bank Inc Purchase Power	Bill Pmt -Check	5235	05/19/2023	117.98
Ron Norris Buick GMC	Bill Pmt -Check	5236	05/19/2023	95.71
SiteOne Landscape Supply	Bill Pmt -Check	5237	05/19/2023	860.43
Southeast Services of CFL Inc.	Bill Pmt -Check	5238	05/19/2023	142.50
T's Handyman Service	Bill Pmt -Check	5239	05/19/2023	3,493.75
Wall Automotive Group	Bill Pmt -Check	5240	05/19/2023	675.67
Windstream	Bill Pmt -Check	5241	05/19/2023	311.70
Wolen, L.L.C.	Bill Pmt -Check	5242	05/19/2023	875.93
				<u><u>396,510.97</u></u>



## MEMORANDUM

PUBLIC MEETING DATE: June 15, 2023

TO: Titusville-Cocoa Airport Authority Board

FROM: Christina Kinard  
Deputy Director of Finance & Administration

RE: Write-Off Bad Debts

Titusville-Cocoa Airport Authority respectfully requests approval to write-off a portion of the accounts receivable (AR) that is deemed to be not collectible.

The write-off recognizes that a portion of the AR is not collectible, as the units have been auctioned. TCAA is requesting approval to write-off up to \$3,060.51 in bad debts. The write-off affects only 5 inactive accounts, one (1) airport storage tenant's account delinquent and four (4) airport storage tenants are deceased. This entry is requested to be made to ensure that TCAA's receivables are accurately reflected on the balance sheet.

**ATTEST :**

**TITUSVILLE-COCOA AIRPORT AUTHORITY**

---

JOHN CRAIG, CHAIRMAN

---

DONN MOUNT, VICE CHAIRMAN/TREASURER

Approved as to form and legality:

---

ADAM BIRD, AIRPORT ATTORNEY

**Airport Storage  
Auctioned Units  
Request to Write-Off Balances  
May-23**

Nancy Swickert - Unit 5706  
Balance \$ 1,179.18  
(Unit auctioned for \$10.00)

Robert Peterson - Unit #5830 \$ -  
Balance  
(Unit auctioned for \$1,300.00)

Nancy Shepherd - Unit 5511  
Balance \$38.42  
(Unit auctioned for \$250.00)

Nancy Shepherd - Unit 5910  
Balance \$519.49  
(Unit auctioned for \$85.00)

John & Sylvia McNeely - Unit 5911  
Balance \$534.21  
(Unit auctioned for \$280.00)

Leo Vogler - Unit 5929  
Balance \$789.21  
(Unit auctioned for \$25.00)