

LAKE WORTH
COMMUNITY REDEVELOPMENT AGENCY
 29 SOUTH J STREET, SUITE 1
 LAKE WORTH, FLORIDA 33460-3787
 www.lakeworthcra.org

Phone: (561) 493-2550

Fax: (561) 493-2549

MEMORANDUM

TO: Chair, Vice Chair and Members of the CRA Board

FROM: Joan Oliva, Executive Director

DATE: April 28, 2015

SUBJECT: Shuffleboard Court Sub-Lease Amendment

EXPLANATION

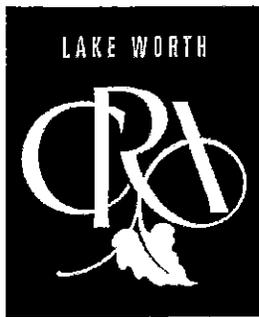
Last June the CRA, in partnership with the City of Lake Worth, submitted a grant application to the State of Florida, Cultural Affairs Division for a Cultural Facilities Grant. The featured project was the rehabilitation of the Shuffleboard Courts (SBC) Building into an Arts Center. The CRA received the grant from the State and construction is now underway. The CRA also approved a sub-lease with the Armory Arts Center after a competitive RFP process was conducted. Exhibit "A" has been included for the Board's review, detailing the process.

At that time, the City's Recreation Department was also housed in the facility. After many discussions with the Armory and City Staff, the Recreation Department moved to another City facility. This allowed the Armory to have complete use of the building but also gave the Armory more responsibility for things such as access, phone and computer lines, the alarm system and day-to-day operation of the building. The Armory also had to purchase tables and chairs and other equipment. Although much more oversight and interaction between the Armory and the CRA was necessary, the building, until the start of construction this March, held classes, exhibits and provided studio space for working artists.

At this time, the building cannot be occupied due to on-going construction. Construction is expected to be complete by the end of summer 2015. The CRA amended the lease with the City at our April 14th meeting (Exhibit "B"). CRA and Armory Staff worked together to amend the language of the sublease to allow for more community outreach and interaction between the CRA, City and other community stakeholders. In fall of 2015 a presentation will be made to the CRA Board with recommendations for more community based outreach & programming. An amendment to the revised and restated lease between the CRA and the Armory is included as Exhibit "C" for your review.

RECOMMENDATION

Staff recommends the CRA Board approve the amended sub-lease between the CRA and the Armory Arts Center.



LAKE WORTH

COMMUNITY REDEVELOPMENT AGENCY

29 SOUTH J STREET, SUITE 1
LAKE WORTH, FLORIDA 33460-3787
www.lakeworthcra.org

Phone: (561) 493-2550

Fax: (561) 493-2549

MEMORANDUM

TO: Chair, Vice Chair and Members of the CRA Board

FROM: Joan Oliva, Executive Director

DATE: April 14, 2015

SUBJECT: Shuffleboard Court Lease

EXPLANATION

Last June the CRA, in partnership with the City of Lake Worth, submitted a grant application to the State of Florida, Cultural Affairs Division for a Cultural Facilities Grant. The featured project was the rehabilitation of the Shuffleboard Courts (SBC) Building into an Arts Center. The CRA received the grant from the State and construction is now underway. The CRA also approved a sub-lease with the Armory Arts Center after a competitive RFP process was conducted. Exhibit "A" has been included for the Board's review, detailing the process.

At that time, the City's Recreation Department was also housed in the facility. After many discussions with the Armory and City Staff, the Recreation Department moved to another City facility. This allowed the Armory to have complete use of the building but also gave the Armory more responsibility for things such as access, phone and computer lines, the alarm system and day-to-day operation of the building. The Armory also had to purchase tables and chairs and other equipment. Although much more oversight and interaction between the Armory and the CRA was necessary, the building, until the start of construction this March, held many classes, exhibits and provided space for working artists.

At this time, the building cannot be occupied due to on-going construction. However, as we move forward with the buildings rehabilitation, we have to amend our lease with the City so we can continue our project management. An amendment to the revised and restated lease is included as Exhibit "B" for your review. CRA and Armory Staff are working together to amend the language of the sublease to allow for more community outreach and interaction. Final details have yet to be agreed upon. Once that takes place a sub-lease amendment will be brought before the CRA Board for consideration.

RECOMMENDATION

Staff recommends the CRA Board approve the amended lease with the City of Lake Worth.



LAKE WOI
COMMUNITY REDEVELOPMENT AGENCY
 29 SOUTH J STREET, SUITE 1
 LAKE WORTH, FLORIDA 33460-3787
www.lakeworthcra.org

Phone: (561) 493-2550

Fax: (561) 493-2549

MEMORANDUM

TO: Chair, Vice Chair and Members of the CRA Board

FROM: Emily Theodossakos, Marketing & Programs Manager

DATE: February 11, 2014

SUBJECT: Shuffleboard Court Lease and Arts Center Responses

EXPLANATION

Last June the CRA, in partnership with the City of Lake Worth, submitted a grant application to the State of Florida, Cultural Affairs Division for a Cultural Facilities Grant. The featured project was the rehabilitation of the Shuffleboard Courts (SBC) Building into an Arts Center (**Exhibit "A"**). In September the CRA Board approved the lease agreement with the City of Lake Worth and the advertisement of the RFP (**Exhibit "B"**) for the proposed "Arts Center" located at 1121 Lucerne Avenue, also known as the Shuffleboard Courts Building. The goal of making this space active is to improve the social, economic and cultural conditions of Lake Worth's community through meaningful, quality arts programming.

The request for proposals closed on December 13, 2013 and the CRA received 2 separate responses from Arts & Culture Agencies located in Palm Beach County. Both responses are included in your packets as "**Exhibit C**". The agencies are as follows:

Armory Art Center- Formed in 1986 the Armory's mission is to provide high-quality visual art school and art gallery services that stimulate personal self-discovery and generate knowledge and awareness of art as part of life. Over the past twenty-five years the Armory has educated students, recently increasing the student population (youth have increased 50% in the past two years), and exhibited works of art in more than 400 shows. Visiting Master Artists from all over the United States have taught special classes; the opportunity to hone their artistic skills has been made available to more than 30 Artists-In-Residence, promising young artists given the opportunity to create a body of work while teaching. The Armory Art Center provides high quality art instruction to the community in many media. It serves a diverse cultural and cross-generational student body. www.armoryart.org

Educational Gallery Group "Eg2"- The community of Young Artists (Eg²) was created as a space to showcase the visual and performing art talents of all students in Palm Beach County. This non-profit organization was started by Visual Arts teachers, located in Palm Beach County,

Florida. The goal is to give any child in our county attending public, private, or home school, an opportunity to display their art or perform in a public setting. For many of these students it is an experience that they will remember for the rest of their lives. For some, it is the catalyst that will determine a life-long commitment or career in the arts. www.egsquared.org

On January 16, 2014 a panel met to discuss the sub lease of the "Arts Center". The panel consisted of the members listed below:

- Rena Blades – Cultural Council of Palm Beach County
- Emily Theodossakos – Lake Worth CRA
- William Waters – City of Lake Worth
- Craig McInnis – Local Artist
- Madlyn McKendry – Lake Worth CRA Board

During the meeting a brief overview of the Request for Proposals and submissions was given. Each group was given the opportunity to ask the proposers direct questions regarding their submissions. The minutes taken from this meeting are included in your packet as "Exhibit D".

The Committee Members ranked the submissions. Scores were based on the submitters Ability (15 points), Public Benefit (15 points), Financial Stability (15 points), and Growth in the Program (20 points), Diversity (15 points) & Compatibility (20 points) for a total possible score of 100.

Below is the tally of votes for all committee members:

Committee Member	Armory Art Center	EG Squared
Craig McInnis	93	96
Emily Theodossakos	90	85
Rena Blades	92	93
Madlyn McKendry	94	83
William Waters	92	90
TOTAL:	461	447

Based on the votes, the Committee recommends that the CRA Board enter into an agreement with the Armory Art Center to sub-lease building at 1121 Lucerne Avenue.

Since that meeting CRA Staff has been working closely with CRA Legal Counsel to develop a sublease agreement with the Armory. The draft sublease agreement is included in the packet at "Exhibit E" for your review.

If the Board chooses to approve the sub lease with the Armory Art Center it will provide local residents with greater opportunities to use their discretionary spending locally. By using art as an industry cluster and promoting entrepreneurship in the City, jobs are created, revenues are generated and people want to visit and spend.

RECOMMENDATION

Staff recommends the CRA Board approve both the Sub-Lease Agreement with the Armory Arts Center.



LAKE WORTH

COMMUNITY REDEVELOPMENT AGENCY

29 SOUTH J STREET, SUITE 1
LAKE WORTH, FLORIDA 33460-3787
www.lakeworthcra.org

Phone: (561) 493-2550
Fax: (561) 493-2549

MEMORANDUM

TO: Chair, Vice Chair and Members of the CRA Board
FROM: Joan C. Oliva, Executive Director
DATE: September 24, 2013
SUBJECT: Shuffleboard Court Lease and Arts Center RFP

EXPLANATION

In June of this year, the CRA, in partnership with the City, put together a grant application to the State of Florida, Cultural Affairs Division for a Cultural Facilities Grant. The featured project was the rehabilitation of the Shuffleboard Courts (SBC) Building into an Arts Center (Exhibit "A.") The CRA began the LULA program several years ago with the purpose of using art and culture as a tool for revitalization. In early August, the CRA celebrated the Grand Opening of the Urban Arts Lofts, immediately west of the SBC building. With the opening of these new live/work units come new homeowners to the City of Lake Worth who have artistic skills and talents to share.

In previous years, the LULA program, through the CRA, was responsible for the attraction of the Cultural Council of Palm Beach County to our downtown area, the mural program that continues to flourish, an arts and entertainment website (www.lakewortharts.com) and several other projects that reinforce the development potential of the area. The concentration of artists and art-related businesses, along with the creative spirit, sets Lake Worth apart from any other City in the area. To that end and to support the Arts Lofts residents and locals, the CRA would like to use the SBC building as the City's Art Center. Whether or not the CRA receives the grant, the location of the building makes it the perfect location to serve artists and residents alike. With organized programming, we feel the building would gain and new life not only as a cultural facility but a classroom, a gallery, performance space and much more. The CRA and its LULA program would be responsible for finding qualified individuals and/ or groups to occupy the space. An RFP was written by Staff (Exhibit "B") and could be released soon after the lease between the City and CRA is executed. The lease is for a one year term with the option to lease for another year available. A copy of the lease is provided as Exhibit "C." Our goal is to make the building an active community space where people can send their children for a class, attend a late afternoon concert with friends or visit at night to see local works of art.

The goal of the CRA and the LULA program is not to run an arts facility in perpetuity but to specifically plan for arts-related programs and events. The CRA and its Staff will provide administration and oversight for

1

the facility and its programming, creating a structure for operations for years to come. While leased by the CRA, improvements will be made, grants applied for and opportunities pursued. By working closely with the City, the Cultural Council of Palm Beach County and the Convention and Visitors Bureau (CVB) and local artists, the facility can serve several purposes including furthering redevelopment efforts in the western area, and attracting tourists and spending to Lake Worth.

This project supports initiatives by the City and reinforces the brand as the place "Where Art is Made." It helps the economy as a vibrant arts community where visitors are attracted and local businesses thrive. Local residents are provided with more opportunities to use their discretionary spending locally. By using art as an industry cluster and promoting entrepreneurship in the City, jobs are created, revenues are generated and people want to visit and spend.

RECOMMENDATION

Staff recommends the CRA Board approve both the Lease Agreement with the City of Lake Worth and the advertisement of the Request for Proposal for the Arts Center. Staff also asks that the Board give the Executive Director and the CRA Arts Liaison, the responsibility to create a review committee. This committee will review all the responsive proposals and make a recommendation to the CRA Board.

FIRST AMENDMENT TO REVISED AND RESTATED LEASE

THIS FIRST AMENDMENT TO THE REVISED AND RESTATED LEASE AGREEMENT ("Amendment"), made and entered into on _____, 2015, by and between **THE CITY OF LAKE WORTH**, a municipal corporation of the State of Florida, hereinafter referred to as "Landlord", and **THE LAKE WORTH COMMUNITY REDEVELOPMENT AGENCY**, a public agency created pursuant to Part III, Chapter 163, Florida Statutes, hereinafter referred to as "Tenant".

WITNESSETH:

WHEREAS, Landlord and Tenant entered a Revised and Restated Lease Agreement on March 18, 2014, in order to revise the term of their original lease and acknowledge the sublease between the Tenant and the Armory Art Center; and

WHEREAS, the Tenant has requested an extension of the term of the Revised and Restated Lease; and

WHEREAS, the Revised and Restated Lease authorizes the City Manager to extend the term of the Revised and Restate for one (1) year.

NOW THEREFORE, in consideration of the terms and conditions hereinafter set forth, the Landlord and Tenant agree to amend the Revised and Restated Lease as follows:

1. The term of the Revised and Restated Lease shall be extended to March 19, 2016.
2. Except as amended herein, all other terms and conditions of the Revised and Restated Lease Agreement shall remain unchanged by this Amendment.
3. The Parties agree the Revised and Restated Lease Agreement and this Amendment set forth the entire agreement between the parties, and that there are no promises or understanding than those stated herein and in the Revised and Restated Lease Agreement. This Amendment may not be modified or amended except by separate written instrument signed by the parties hereto.
4. To the extent there exists a conflict between this Amendment and Revised and Restated Lease Agreement, the terms and conditions of this Amendment shall prevail. Wherever possible, the provisions of such documents shall be construed in such a manner as to avoid conflicts between provisions of the various documents.

REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, Landlord and Tenant have executed this First Amendment to the Revised and Restated Lease, or have caused the same to be executed, as of the day and year first above written.

LANDLORD:

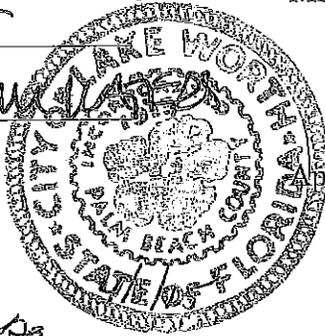
CITY OF LAKE WORTH, FLORIDA

Witnesses:

Dolores A. Key
Print name: Dolores A. Key

[Signature]
Michael Bornstein, City Manager

[Signature]
Print name: _____



ATTEST:

Approved as to form and legal sufficiency:

[Signature]
Pamela J. Lopez, City Clerk

[Signature] FOR
Glen J. Torcivia, City Attorney

TENANT:

**LAKE WORTH COMMUNITY
REDEVELOPMENT AGENCY**

Witnesses:

Print name: _____

Cary Sabol, Chair

Print name: _____

ATTEST:

Joan Oliva, Executive Director

SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT (hereinafter referred to as the "Sublease") is made and entered into as of the 20 of MARCH, 2014, by and between the Lake Worth Community Redevelopment Agency, a Florida public agency with a business address of 29 South "J" Street, Lake Worth, FL 33460 (hereinafter referred to as "Tenant") and the Armory Art Center, Inc. a Florida not-for-profit corporation, with a business address of 1700 Parker Avenue, West Palm Beach, FL 33401, (hereinafter referred to as "Subtenant").

WITNESSETH:

THAT Tenant, in consideration of the rents and agreements promised and agreed by Subtenant to be paid and performed, subleases to Subtenant, and Subtenant subleases from Tenant, the Premises described herein, subject to the following terms.

ARTICLE I

DESCRIPTION OF PREMISES; TERM

1. Description of Premises. Tenant hereby subleases to Subtenant and Subtenant hereby subleases from Tenant the Premises which consists of the real property located at 1121 Lucerne Avenue, Lake Worth, Florida 33460, which property is legally described in **Exhibit "A"**, which is attached hereto and by reference made a part hereof, including all improvements thereto, including the Building (the "Premises"). Notwithstanding the foregoing, the Premises shall not include one (1) occupied office on the east wing of the Building on the Premises along with a reception area and related work station; and, three (3) occupied offices on the west wing of the Building on the Premises. Further, no furniture (tables and chairs) is provided in the Premises for Subtenant's use except as may be agreed upon by the Tenant and the City of Lake Worth. The Subtenant shall share the parking area at the Premises with the City of Lake Worth as set forth herein.

2. Term. Subtenant shall have and hold the Premises for a term (hereinafter referred to as the "Term" or "Sublease Term") of one (1) year, commencing no later than May 1, 2014 (the "Commencement Date"). The Commencement Date shall be the date the Subtenant notifies the Tenant in writing of the Subtenant's utilization of the Premises or, if no notice is provided, the date the Subtenant utilizes the Premises for operating hours as set forth in Article IV hereof. The expiration date shall be one (1) year after the Commencement Date (the "Expiration Date"). The parties shall have the right to renew the Sublease for additional terms upon the execution of a written amendment to this Sublease by both parties.

ARTICLE II

RENT

1. Rent Free Lease. In consideration of the use of the Premises by Subtenant, the Subtenant agrees to pay the Tenant the sum of \$10.00 for the Term of the Sublease. Such payment shall be made upon the execution of the Sublease by the Subtenant.

2. **Security Deposit.** No security deposit shall be required for the term of this Sublease.

3. **Ad Valorem Taxes.** The parties acknowledge that the Premises are currently exempt from any ad valorem taxes and assessments. In the event, during the Sublease Term, it is determined that any taxes are due and owing, it shall be the Subtenant's responsibility to remit the taxes to the Tenant. The Tenant shall then remit any tax payments to the Landlord or the applicable taxing authority.

4. **Place of Payment.** All payments of any charges imposed pursuant to this Sublease shall be made and paid by Subtenant to:

Executive Director
City of Lake Worth Community Redevelopment Agency
29 South J Street
Lake Worth, Florida 33460

or at such other place as Tenant may, from time to time, designate in writing to Subtenant. All payments shall be payable in current legal tender of the United States, as the same is then by law constituted.

ARTICLE III

NET SUBLEASE INTENDED UNLESS EXPRESSLY PROVIDED OTHERWISE. Subtenant acknowledges and agrees that it is intended that this Sublease shall be a Net Sublease to Tenant, except as otherwise provided herein. Subtenant shall pay the charges, impositions, costs and expenses relating to environmental matters, fire and life safety codes, employee health and safety and the American's With Disabilities Act, all with respect to Subtenant's particular use on the Premises, and the operation of its business, except to the extent that any such charges, costs, or expenses arise out of, or results from, the acts or omissions of Tenant its agents, employees, or contractors.

ARTICLE IV

USE OF PREMISES

1. Subtenant shall use the Premises for the following purposes: cultural activities and offerings such as musical performances, art exhibitions and theatre workshop space, classrooms, and administrative offices. As the space is located in a public facility, the Subtenant shall insure that activities are accessible to the public, and that activities promote and appeal to the diverse demographics of Lake Worth's population. The Subtenant shall insure a high quality and variety of performances, workshops, and exhibits.

2. Prior to commencing any other use than those described herein on the Premises, the Subtenant shall first obtain the written consent of the Tenant. Such consent shall not be unreasonably withheld.

3. The Subtenant shall be responsible for all uses on the Premises other than those uses by City employees who have offices on the Premises. The Subtenant may allow other entities, organizations, or individuals to use the Premises for uses consistent with the allowed uses stated herein; however, Subtenant shall supervise the other entities, organizations, and individuals who use the Premises, and shall be fully responsible for all activities on the Premises, and shall provide Tenant with a written list of entities, organizations, or individuals who are used the Premises no later than then 10th day of each month.

4. The Subtenant shall not interfere with any use of the Premises by employees of the City of Lake Worth who have offices on the Premises.

5. Subtenant shall not use or permit the use of the Premises or any part thereof for any unlawful purpose, or in violation of any ordinances, laws, rules or regulations of any governmental body. Subtenant shall not do or permit any act which would constitute a public or private nuisance or waste or which would be a nuisance or annoyance or cause damage to Tenant or Tenant's other subtenants, or which would invalidate any policies of insurance or increase the premiums thereof, now or hereafter written on the Building and/or Premises.

6. **Operating Hours.** Subtenant must maintain the Premises with activities and open to the public as follows:

- a. A minimum of 20 operating hours per week.
- b. Minimum operating hours must include 5 hours on weekends (Saturday only).
- c. Minimum operating hours must include at least 3 evenings per week, having duration of at least 1 hour each.

ARTICLE V

PARKING

Subtenant shall have the right to use the parking spaces adjacent to the building on the Premises. All parking spaces shall be available on a first come first serve basis. In the event that Subtenant desires to reserve parking spaces for Subtenant's exclusive use, Subtenant may request Tenant to request that the Landlord designate reserved spaces for Subtenant's use at a charge to be determined by the Landlord, provided, however, Tenant shall not be required to grant Subtenant an exclusive right to use any parking spaces.

ARTICLE VI

ACCEPTANCE OF THE PREMISES

Subtenant acknowledges that Tenant has not made any representations or warranties with respect to the condition of the Premises and neither Tenant nor any assignee of Tenant shall be liable for any latent defect therein. The taking of possession of the Premises by Subtenant shall be conclusive evidence that the Premises were in good and satisfactory condition at the time such possession was taken. If Tenant shall give Subtenant permission to enter into possession of the Premises prior to the Commencement

Date, such possession or occupancy shall be deemed to be upon all the terms, covenants, conditions, and provisions of this Sublease. This Sublease and all actions taken by Tenant and Subtenant are subject to the terms and conditions of the Lease entered into between the City of Lake Worth and the Tenant dated October 15, 2013, as may be amended from time to time. A copy of the Lease between the City of Lake Worth and the Tenant is attached hereto as **Exhibit "B"**, and incorporated herein by reference.

ARTICLE VII

SUBTENANT OBLIGATIONS AND COMMON AREAS

1. **Utilities.** Under the Tenant's Lease with the City of Lake Worth, the City of Lake Worth is responsible for all charges for electricity, telephone, cable, trash removal from the Premises, water, sewer, gas, for the Premises. Subtenant shall be responsible for trash collection from within the Building. Unless approved by the Tenant's Board of Commissioners and/or the City of Lake Worth, the Subtenant shall pay all costs and expenses for the installation of any improvements made to the Premises, any additional utilities, other improvements, or upgrades to the improvements provided by the Tenant.

In the event Subtenant does not keep and maintain the Premises to Tenant's satisfaction or make repairs within ten (10) days after notice from Tenant, Tenant may, in addition to any other remedies it may have under law or this Lease, enter upon the Premises and maintain the Premises and/or make the said repairs or replacements itself, as the case may be, and charge the cost thereof to Subtenant as Additional Rent.

2. **Common Areas.** Subtenant acknowledges that the City of Lake Worth ("City") owns the Building, and that the City is responsible for the maintenance of the structural, functional and systemic aspects of the Building, which are limited to the roof, foundation, load-bearing walls, sidewalks, landscaping, water lines, sanitary sewer lines, stormwater lines, air conditioning, and parking areas (hereinafter referred to as "Common Areas"). The Subtenant agrees that neither the City, nor the Tenant shall be responsible for any claims for damage to person or Premises that results from any improvements constructed or installed by the Subtenant on the Premises. Notwithstanding the foregoing, the Subtenant shall be responsible for repairs to the Common Areas which arise from any negligent act or omission of the Subtenant, its employees or agents.

3. **Floor Loads; Noise and Vibration.** Subtenant shall not place a load upon any floor of the Premises which exceeds the load per square foot, which such floor was designed to carry or which is allowed by law. Business machines and mechanical equipment belonging to Subtenant which cause noise, electrical interference or vibration that may be transmitted to the structure of the Building or to the Premises to such a degree as to be objectionable to Tenant shall, upon prior written notice from Tenant to Subtenant, at Subtenant's expense, be placed and maintained by Subtenant in settings of cork, rubber, or spring-type vibration eliminators sufficient to eliminate such noise, electrical interference or vibration.

4. **Tenant's Improvements.** If at such time the Tenant is able to undertake improvements to the Premises, the Subtenant shall not interfere with any construction, repair, or rehabilitation work undertaken at the Premises. The Tenant will use its best efforts to permit Subtenant to continue operating at the Premises; however, Tenant's access and construction activities shall supersede any use by Subtenant.

ARTICLE VIII

TENANT'S AND SUBTENANT'S PREMISES

1. **Tenant's Premises.** All fixtures, equipment, improvements and appurtenances attached to or built into the Premises at the commencement of, or during the Term of this Sublease, shall be and remain a part of the Premises and shall be deemed the Premises of Tenant ("Tenant's Premises") and shall not be removed by Subtenant except as set forth herein.

2. **Subtenant's Premises.** Unless approved by the Tenant's Board of Commissioners, Subtenant shall be responsible for any build out of the Premises, including any flooring, plumbing, electrical, air conditioning, or interior walls, necessary for Subtenant's use of the Premises. A copy of Subtenant's Conceptual Floor Plan with proposed improvements is attached hereto as Exhibit "C". Any alterations or amendments to the Floor Plan shall be approved, in writing, by Tenant, prior to commencement of any alterations to the Premises.

3. **Removal of Subtenant's Premises.** At or before the Expiration Date of this Sublease, or within five (5) days after any earlier termination hereof, Subtenant, at its expense, shall remove from the Premises all of Subtenant's Premises (except such items thereof as Tenant shall have expressly permitted to remain, which Premises shall become the Premises of Tenant), and Subtenant shall repair any damage to the Premises or the Building resulting from any installation and/or removal of Subtenant's Premises, and shall restore the Premises to the same physical condition and layout as they existed at the time Subtenant was given possession of the Premises, reasonable wear and tear excepted. Any other items of Subtenant's Premises which shall remain in the Premises after the Expiration Date of this Sublease, or the earlier termination thereof, may, at the option of Tenant, be deemed to have been abandoned, and in such case, such items may be retained by, or otherwise disposed of by Tenant. Tenant may request Subtenant to remove and pay to Tenant the cost of repairing any damage to the Premises or the Building resulting from any installation and/or removal of Subtenant's Premises and the cost of restoring the Premises to the same physical condition and layout as they existed at the time Subtenant was given possession of the Premises, reasonable wear and tear excepted.

ARTICLE IX

ALTERATIONS AND MECHANIC'S LIENS

1. **Alterations by Subtenant.** No alterations to the Premises shall be made by Subtenant unless the following conditions are met:

A. Subtenant shall provide a sealed set of plans prepared and certified by an architect to Tenant, and Subtenant shall have received the prior written consent of Tenant, which shall not be unreasonably withheld or delayed.

B. All such alterations or improvements shall be performed by a licensed contractor.

C. Subtenant shall have procured all permits, licenses and other authorizations required for the lawful and proper undertaking thereof, and immediately upon completion of any such alterations, Subtenant shall obtain a proper Certificate of Occupancy and deliver same to Tenant.

D. All alterations when completed shall be of such a nature as not to (i) reduce or otherwise adversely affect the value of the Premises; (ii) diminish the general utility or change the general character thereof; (iii) result in an increase of the Operating Expenses, or (iv) adversely affect the mechanical, electrical, plumbing, security or other such systems of the Building or the Premises.

E. All alterations made by Subtenant shall remain on and be surrendered with the Premises upon expiration or the earlier termination of this Lease.

2. **Mechanic's, Materialman's and Laborer's Liens.** Subtenant agrees that it will make full and prompt payment of all sums necessary to pay for the cost of repairs, alterations, improvements, changes or other work done by Subtenant to the Premises and further agrees to indemnify and hold harmless Tenant and the City of Lake Worth from and against any and all such costs and liabilities incurred by Subtenant, and against any and all mechanic's, materialman's or laborer's liens arising out of or from such work or the cost thereof which may be asserted, claimed or charged against the Premises or the Building or Premises. The interest of Tenant and the City of Lake Worth in the Premises shall not be subject to liens for improvements made by or for Subtenant, whether or not the same shall be made or done in accordance with any agreement between Tenant and Subtenant. In addition to the foregoing, the Subtenant shall notify any of its contractors making any improvements to the Premises of the terms of this provision, and Subtenant acknowledges that its knowing and willful failure to provide said notice to the contractor(s) shall render the contract between the Subtenant and the contractor(s) voidable at the option of the contractor(s).

In the event any notice or claim of lien shall be asserted of record against the interest of Tenant or the City of Lake Worth in the Premises or Building or the site on which it is located on account of or growing out of any improvement or work done by or for Subtenant, or any person claiming by, through or under Subtenant, for improvements or work the cost of which is the responsibility of Subtenant, Subtenant agrees to use its best efforts to have such notice of claim of lien canceled and discharged of record as a claim against the interest of Tenant or the City of Lake Worth in the Premises or the Building or Premises (either by payment or bond as permitted by law) within thirty (30) days after notice to Subtenant by Tenant, and in the event Subtenant shall fail to do so, Subtenant shall be considered in default under this Sublease. Subtenant shall, prior to any work being performed, at Tenant's request, execute and record any such recordable documents as are necessary to evidence Tenant's non-responsibility to potential lienors.

ARTICLE X

ASSIGNMENT AND SUBLETTING

1. This Sublease shall be non-assignable by Subtenant. Subtenant shall be permitted to allow other entities, organizations, and individuals use the Premises pursuant to the terms and conditions of this Sublease, subject to the Subtenant's supervision of the uses and activities on the Premises.

2. Tenant shall have the right to sell, assign, or otherwise encumber or dispose of Tenant's

interest in the Premises and this Sublease. In the event of any such disposition, Tenant shall have no further liability or obligation to Subtenant under this Sublease.

ARTICLE XI

OBLIGATION TO COMPLY

1. **Obligations of Subtenant.** Subtenant shall, during the Term of this Sublease, at its sole cost and expense, comply with all valid laws, ordinances, regulations, orders and requirements of any governmental authority which may be applicable to the Premises or to its use, whether or not the same shall interfere with the use or occupancy of the Premises arising from (a) Subtenant's use of the Premises; (b) the manner or conduct of Subtenant's business or operation of its installations, equipment or other Premises therein; (c) any cause or condition created by or at the instance of Subtenant; or (d) breach of any of Subtenant's obligations hereunder, whether or not such compliance requires work which is structural or non-structural, ordinary or extraordinary, foreseen or unforeseen. Subtenant shall pay all of the costs, expenses, fines penalties and damages which may be imposed upon Tenant by reason or arising out of Subtenant's failure to fully and promptly comply with and observe the provisions of this Section. Subtenant shall give prompt notice to Tenant of any notice it receives of the violation of any law or requirement of any public authority with respect to the Premises or the use or occupation thereof. Subtenant's obligation to comply with laws shall include, without limitation, those laws and regulations contemplated by this Sublease, Title III of the Americans With Disabilities Act of 1990, as Amended, and the Florida Clean Indoor Air Act (FCIAA) stating a person may not smoke in an enclosed indoor workplace. In the event Subtenant receives any notice alleging violation of any of the aforementioned laws, ordinances, regulations, orders, rules or requirements relating to any portion of the Premises, the Building or of the Premises; or any notice of regulatory action or investigation instituted in connection therewith, Subtenant shall provide written notice to Tenant thereof within ten (10) days after receipt of same by Subtenant.

2. **Attorneys' Fees.** In connection with any litigation, mediation, arbitration, special proceeding or other proceeding arising out of the Sublease, the prevailing party shall be entitled to recover its costs and reasonable attorney's fees through and including any appeals and any post-judgment proceedings. Tenant's liability for costs and reasonable attorney's fees, however, shall not alter or waive Tenant's entitlement to sovereign immunity, or extend Tenant's liability beyond the limits established in section 768.28, Florida Statutes, as amended.

ARTICLE XII

INDEMNIFICATION, SOVEREIGN IMMUNITY, AND INSURANCE

1. The Tenant is a state agency as defined in §768.28, Florida Statutes. Nothing herein is intended to serve as a waiver of sovereign immunity by any party to which sovereign immunity may be applicable. Nothing herein shall be construed as consent by a state agency or political subdivision of the State of Florida to be sued by third Parties in any matter arising out of this Agreement.

2. **Indemnification by Subtenant.** In consideration of ten dollars (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, the Subtenant shall defend, indemnify and hold the Tenant and the City of Lake Worth, their respective officers, agents and employees,

harmless from or on account of any liabilities, damages, losses and costs received or sustained by any person or persons by or in consequence of any negligence of Subtenant, excluding the gross negligence willful, wanton or intentional misconduct of the Tenant, and its agents and employees. The Subtenant agrees that negligent, reckless or intentional wrongful misconduct also includes but is not limited to the violation of any Federal, State, County or City laws, by-laws, ordinances or regulations by the Subtenant, its subcontractors, agents, servants or employees. Subtenant further agrees to defend, indemnify and save harmless the Tenant and the City of Lake Worth from all such claims and fees, and from any and all suits and actions of every name and description that may be brought against the Tenant or the City of Lake Worth on account of any claims, fees, royalties, or costs for any invention or patent, and from any and all suits and actions that may be brought against the Tenant or the City of Lake Worth for the infringement of any and all patents or patent rights claimed by any person, firm, or corporation.

The indemnification provided above shall obligate the Subtenant to defend at its own expense or to provide for such defense, at the Tenant's or City of Lake Worth's option, any and all claims or liability and all suits and actions of every name and description that may be brought against the Tenant or City of Lake Worth which may result from the operations and activities under the Agreement whether the actions are performed by the Subtenant, its subcontractor, independent contractors, performers, artists, consultants, or by anyone directly or indirectly employed by either. This indemnification includes all costs and fees including reasonable attorney's fees, paralegal expenses, and costs at both the trial and appellate levels. The indemnity obligation of the Subtenant shall survive expiration or termination of this Agreement.

3. **Insurance.** Subtenant shall, at its expense, procure and continue in force during the life of this Sublease the following forms of insurance:

- A. Commercial general liability insurance, including public and contractual liability insurance, in an amount of One Million Dollars (\$1,000,000.00) per occurrence (Two Million Dollars (\$2,000,000.00) aggregate) , to protect the Subtenant from claims for bodily and personal injury, including wrongful death, as well as from claims of Premises damage which may arise from any operations under this Sublease, whether such operations be by the Subtenant or by anyone directly or indirectly employed by or contracting with the Subtenant.
- B. Professional Liability Insurance in the minimum amount of \$1,000,000 per occurrence.
- C. Workers' Compensation Insurance and Employer's Liability Insurance for all employees as required by Florida Statutes.

Tenant shall have no liability for any loss or damage suffered to Subtenant's personal Premises unless such damage is proximately caused by the negligence of Tenant.

Except for Workers' Compensation and Professional Liability insurance, any insurance policies hereunder will name Tenant and the City of Lake Worth as additional insureds, and Subtenant will furnish Tenant evidence of such insurance coverage by way of an endorsement to same or a certificate of insurance no later than (10) days prior to the Commencement Date, unless otherwise sooner requested by Tenant.

Upon the default of Subtenant in effecting any such insurance, Tenant may procure any such comparable insurance, and/or pay the premiums and other charges incidental thereto, and any and all reasonable amounts so paid by Tenant, together with the interest thereon from the date of such payment at the rate of 10% per annum, shall be additional rent hereunder, and shall be paid with the next and subsequent

installment of fixed rent, which shall become due after such payment by Tenant, it being expressly agreed that the payment by Tenant of any such premium shall not be deemed to waive or release the default in the payment thereof by Subtenant, or the right of Tenant to take such action as may be permissible hereunder, as is the case of default in the payment of fixed rent.

Subtenant will cooperate with Tenant and Tenant will cooperate with Subtenant in connection with the collection of any insurance monies that may be due in the event of loss, and will execute and deliver to Tenant such proofs of loss, and any other instruments that may be required for the purpose of facilitating the recovery of any such insurance monies, and in the event that Subtenant shall fail or neglect to so cooperate or to execute, acknowledge, and deliver any such instrument, Tenant in addition to any other remedies, may, as the agent or attorney in fact of Subtenant, execute and deliver any proofs of loss, and any other instruments as may be desirable to Tenant for the collection of such insurance monies, and Subtenant hereby irrevocably nominates, constitutes and appoints Tenant, Subtenant's proper and legal attorney in fact for such purpose, hereby ratifying all that Tenant may do as such attorney in fact of Subtenant. Tenant will cooperate with Subtenant in the same manner and to the same extent as Subtenant is required to cooperate hereunder.

ARTICLE XIII

DEFAULT

1. **Events of Default.** Subtenant shall be in default under this Sublease if any one or more of the following events shall occur:

A. Subtenant shall fail to pay any installment of the Rent or any other expenses called for hereunder as and when the same shall become due and payable; or

B. Subtenant shall default in the performance of or compliance with any of the other terms or provisions of this Sublease, and such default shall continue for a period of fifteen (15) days after the giving of written notice thereof from Tenant to Subtenant, or, in the case of any such default which cannot, with bona fide due diligence, be cured within said fifteen (15) days, Subtenant shall fail to proceed within said fifteen (15) day period to cure such default and thereafter to prosecute the curing of same with all due diligence (it being intended that as to a default not susceptible of being cured with due diligence within such period of fifteen (15) days, the time within which such default may be cured shall be extended for such period as may be necessary to permit the same to be cured with bona fide due diligence); or

C. Subtenant shall assign, transfer, or encumber this Sublease or sublet the Premises in any manner; or

D. Subtenant shall file a voluntary petition in bankruptcy or any Order for Relief be entered against it, or shall file any petition or answer seeking any arrangement, reorganization, composition, readjustment or similar relief under any present or future bankruptcy or other applicable law, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver or liquidator of Subtenant of all or any substantial part of Subtenant's properties; or

E. If any creditor of Subtenant shall file a petition in bankruptcy against Subtenant or for reorganization of Subtenant, under state or federal law, and if such petition is not discharged within ninety (90) days after the date on which it is filed; or

F. Subtenant shall vacate or abandon the Premises, then, and in such event, or during the continuation thereof (subject to the time period described in subparagraph (B) above, Tenant may, at its option, by written notice to Subtenant, designate a date not less than five (5) days from the giving of such notice on which this Sublease shall end, and thereupon, on such date, this Sublease and all rights of Subtenant hereunder shall terminate. Such termination by Tenant shall not affect the remedies of Tenant provided in this Sublease.

2. **Surrender of Premises.** Upon any termination of this Sublease, Subtenant shall surrender the Premises to Tenant, and Tenant, at any time after such termination, may, without further notice, re-enter and repossess the Premises without being liable to any prosecution or damages therefore, and no person claiming through or under Subtenant or by virtue of any statute or of any order of any court shall be entitled to possession of the Premises.

3. **Re-letting.** At any time or from time to time after any such termination of this Sublease, Tenant may re-let the Premises or any part thereof, in the name of Tenant or otherwise, for such term or terms and on such conditions as Tenant, in its sole discretion, may determine, and may collect and receive the rents therefore. Tenant shall not be responsible or liable for any failure to re-let the Premises or any part thereof or for any failure to collect any rent due upon such re-letting.

4. **Survival of Obligations.** No termination, pursuant to this Article, shall relieve Subtenant of its liability and obligations under this Sublease, and such liability and obligations shall survive any such termination. Any Rent or other monetary obligation of Subtenant that has been abated, deferred or forgiven by Tenant in this Sublease or any amendment thereto, and the cost of all Subtenant Improvements provided or paid for by Tenant pursuant to this Sublease, shall immediately become due and payable upon the occurrence of an event of default by Subtenant under this Sublease.

5. **Holdover.** Should Subtenant hold over and remain in possession of the Premises at the expiration of any Term hereby created, Subtenant shall, by virtue of this Section, become a tenant-at-sufferance and shall pay Tenant twice the Rent per month of the last monthly installment of Rent above provided to be paid. Said tenancy shall be subject to all the conditions and covenants of this Sublease as though the same had been a tenancy-at-sufferance instead of a tenancy as provided herein, and Subtenant shall give to Tenant at least thirty (30) days prior written notice of any intention to remove from the Premises, and shall be entitled to ten (10) days prior notice of any intention of Tenant to remove Subtenant from the Premises in the event Tenant desires possession of the Premises; provided, however, that said tenant-at-sufferance shall not be entitled to ten (10) days notice in the event the said Rent is not paid in advance without demand, the said ten (10) days written notice being hereby expressly waived.

ARTICLE XIV

REMEDIES

1. **Remedies.** Upon the occurrence of any event of default, Tenant shall be entitled to all remedies available to it under Florida law, including, but not limited to, the filing of suit for the recover of all monetary damages sustained by Tenant as a result thereof. In addition to its statutory and common law remedies in the event of a default by Subtenant, Tenant shall also be entitled, at its option, to exercise any one or more of the following remedies:

A. **Termination.** Tenant shall be entitled to declare this Sublease terminated and the term ended and/or shall have the immediate right of re-entry and may remove all persons and Premises from the Premises in accordance with Florida law and such Premises may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of Subtenant, without evidence of notice and without being deemed guilty of trespass or becoming liable for any loss or damage which may be occasioned thereby so long as all actions taken by Tenant were in accordance with Florida law.

B. **Right to Re-Let.** Tenant may elect to re-enter the Premises, either by taking possession pursuant to legal proceedings or otherwise, and may either terminate this Sublease or it may from time to time, without terminating this Sublease, make such alterations and repairs as may be necessary in order to re-let the Premises, and re-let the Premises or any part thereof for such term or terms (which may be for a term extending beyond the term of this Sublease) and at such rental or rentals and upon such other terms and conditions as Tenant in its sole discretion may deem advisable. No such re-entry or taking possession of the Premises by Tenant shall be construed as an election on its part to terminate this Sublease unless a written notice of such intention is given to Subtenant, or unless the termination thereof be decreed by a court of competent jurisdiction. Notwithstanding any such re-letting without termination, Tenant may at any time hereafter elect to terminate this Sublease for such previous breach. Should Tenant at any time terminate this Sublease for any breach, in addition to any other remedies it may have, it may recover from Subtenant all damages it may incur by reason of such breach, including the cost of recovering the Premises and reasonable attorney's fees, which amount shall be immediately due and payable from Subtenant to Tenant.

ARTICLE XV

QUIET ENJOYMENT

Tenant agrees that Subtenant, upon paying all Rent and all other charges herein provided for and observing and keeping the covenants, agreements, terms and conditions of this Sublease and the rules and regulations of Tenant affecting the Premises on its part to be performed, shall lawfully and quietly hold, occupy and enjoy the Premises during the Term hereof, expressly subject to the terms, limitations and conditions contained in this Sublease.

ARTICLE XVI

SIGNS AND OBSTRUCTION

1. **Signs.** Subtenant shall not place or suffer to be placed or maintained upon any exterior door, roof, wall or window of the Premises or the Building, any sign, awning, canopy or advertising matter of any kind, and will not place or maintain any decoration, lettering or advertising matter on the glass of any window or door of the Premises except as consented to by Tenant, such consent shall not be unreasonably withheld. Said Building signage shall be subject to Tenant's reasonable approval and is subject to all appropriate governmental approvals. At Subtenant's sole expense, Subtenant agrees to maintain any such signage approved by Tenant in good condition and repair at all times and to remove the same at its sole cost and expense at the end of the Term of this Sublease. Upon removal thereof, Subtenant agrees to repair any damage to the Premises caused by such installation and/or removal at Subtenant's sole expense.

2. **Obstruction.** Subtenant shall not obstruct the corridors, elevators, stairs, Common Areas, sidewalks, parking lots or other public portions of the Building or the Premises in any manner whatsoever.

ARTICLE XVII

NOTICES

1. **Notices.** Any notice or other information required or authorized by this Sublease to be given by either Party to the other may be given by hand with receipt; or sent by facsimile transmission; or by certified prepaid mail, return receipt requested; or by nationally recognized overnight courier service, to the other Party at the address stated below. Such address may be changed by either respective Party at any time by giving prior written notice as herein provided. Any notice or information given pursuant to this Section shall be deemed to have been given when received by the Party to whom it has been directed.

AS TO TENANT:

Lake Worth Community Redevelopment Authority
29 South J Street
Lake Worth, Florida 33460
Attention: Joan Oliva, Executive Director
Telephone: (561) 493-2550
Fax No.: (561) 493-2549

With Copy to:

Goren, Cherof, Doody & Ezrol, P.A.
3099 East Commercial Boulevard, Suite 200
Fort Lauderdale, Florida 33308
Attention: David N. Tolces, Esq.
Telephone: (561) 276-9400
Fax No: (954) 771-4923

AS TO SUBTENANT:

Armory Art Center, Inc.
Attention: Sandra Coombs, CEO
1700 Parker Avenue
West Palm Beach, FL 33401
Telephone No. _____

Fax No.: _____

With Copy to:

ARTICLE XVIII

MISCELLANEOUS

1. **Environmental Indemnity.** Subtenant agrees to indemnify and hold Tenant and the City of Lake Worth harmless from and against any and all loss, claim, liability, damages, injuries to person, Premises or natural resources, cost, expense, action or cause of action, arising in connection with the release or presence of any Hazardous Substances at the Premises, solely through the acts of Subtenant, its officers, employees, contractors, agents or invitees, whether foreseeable or unforeseeable, regardless of the source of such release and when such release occurred or such presence is discovered. The foregoing indemnity includes, without limitation, all costs in law or in equity of removal, remediation of any kind, and disposal of such Hazardous Substances; all costs of determining whether the Premises is in compliance and to cause the Premises to be in compliance with all applicable environmental laws, all costs associated with claims for damages to persons, Premises or natural resources, and Tenant's and the City of Lake Worth's reasonable attorneys' and consultants' fees and costs, whether or not litigation is instituted. For the purposes of definition, "Hazardous Substances" includes, without limitation, any toxic or hazardous wastes, pollutants (or substances, including, without limitation, asbestos, PCBs, petroleum products and by-products, substances defined or listed as "hazardous substances" or "toxic substances" or similarly identified in or pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9061 *et. seq.*, hazardous materials identified in or pursuant to the Hazardous Materials Transportation Act 49 U.S.C. Section 1802 *et. seq.*). Nothing in this section is intended to alter or waive the Tenant's or the City of Lake Worth's entitlement to statutory or common law sovereign immunity, or to extend Tenant's or the City of Lake Worth's liability beyond the limits established in Section 768.28, Florida Statutes, as amended.

2. **Mold Exclusion.** Subtenant hereby acknowledges that Tenant has advised Subtenant that it is possible for mold/mildew/fungi/microbe-related forms to grow and affect the Premises and the Premises therein. Subtenant agrees that Tenant shall not have any liability or responsibility whatsoever for any damage, loss, claim, or court expense arising out of or resulting from mold/mildew/fungi/microbe-related forms in the Premises. Accordingly, Subtenant hereby releases Tenant, the City of Lake Worth, and their agents, employees, successors and assigns, from and against any and all claims arising out of or relating to mold/mildew/fungi/microbe-related forms or any similar situation with respect to the Premises. In the event it is discovered that mold is present at the Premises then Subtenant, at its sole cost and expense, shall promptly cause the mold condition to be remediated at Subtenant's sole expense unless the mold resulted from Tenant's failure to comply with its maintenance obligations under this Sublease, in which case the remediation of the mold condition shall be undertaken by Tenant at its cost and expense.

3. **Asbestos.** Subtenant shall comply with all regulations enacted by the Occupational Safety and Health Administration ("OSHA"), as set forth in Sections 1910.1001 and 1926.1101 of Title 29 of the

Code of Federal Regulations (the "OSHA Regulations"). In the event that Subtenant performs any alterations to the Premises, Subtenant shall be solely responsible for any contaminant or encapsulation of asbestos-containing materials "ACM" and materials designated by OSHA as presumed asbestos-containing materials ("PACM") located in the Premises, or resulting remediation made necessary as a result of Subtenant's work. In addition, the following materials, if located in properties constructed prior to 1981, must, in accordance with the OSHA Regulations, be treated as PACM; any thermal system insulation and surfacing material that is sprayed on, troweled on, or applied in some other manner, as well as any resilient flooring material installed in 1980 or earlier. Upon written request by Subtenant, Tenant shall provide Subtenant with copies of any information pertaining to ACM or PACM in Tenant's files.

4. **Radon Gas.** Pursuant to Florida Statutes, Section 404.056[6], the following disclosure is required by law: 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.

7. **Governing Law.** This Sublease shall be governed by and construed in accordance with the laws of the State of Florida, and in the event litigation arises between the parties in connection with any of the terms of this Sublease, exclusive venue shall lie in the Circuit Court in Palm Beach County, Florida. If any provision of this Sublease or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, the remainder of this Sublease shall remain in full force and effect. The captions, headings and titles in this Sublease are solely for convenience of reference and shall not affect its interpretation. This Sublease shall be construed without regard to any presumption or other rule requiring construction against the party causing this Sublease to be drafted. Each covenant, agreement, obligation or other provision of this Sublease on Subtenant's part to be performed shall be deemed and construed as a separate and independent covenant of Subtenant, not dependent on any other provision of this Sublease. All terms and words used in this Sublease, regardless of the number or gender in which they are used, shall be deemed to include any other number and any other gender, as the context may require.

8. **No Partnership or Joint Venture.** Nothing contained in this Sublease will be deemed or construed to create a partnership or joint venture between Tenant and Subtenant, or to create any other relationship between the parties other than that of Tenant and Subtenant.

9. **Capacity to Execute Sublease.** If Subtenant is other than a natural person, Subtenant represents that it is legally constituted, in good standing and authorized to conduct business in the State of Florida. Subtenant further represents that the person who is executing this Sublease on its behalf has the full power and authority to perform such execution and deliver the Lease to Tenant, and that upon such execution and delivery, the Sublease shall be valid and binding upon Subtenant in accordance with its respective terms and conditions.

10. **Exculpation of Tenant.** Tenant's obligations and liability to Subtenant with respect to this Sublease shall be limited solely to Tenant's interest in the Premises and neither Tenant, nor any officer, agent, or representative of Tenant, shall have any personal liability whatsoever with respect to this Sublease.

11. **Waiver of Trial by Jury.** IT IS MUTUALLY AGREED BY AND BETWEEN TENANT AND SUBTENANT THAT THE RESPECTIVE PARTIES HERETO SHALL, AND THEY HEREBY

DO, WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES AGAINST THE OTHER ON ANY MATTER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS SUBLEASE, THE RELATIONSHIP OF TENANT AND SUBTENANT OR SUBTENANT'S USE OR OCCUPANCY OF THE PREMISES, OR BY ANY COURSE OF CONDUCT OR COURSE OF DEALING.

12. **Entire Agreement.** This Sublease constitutes the entire understanding between the parties and shall bind the parties, their successors and assigns. No representations, except as herein expressly set forth, have been made by either party to the other, and this Sublease cannot be amended or modified except by a writing signed by Tenant and Subtenant.

13. **Sale of Premises by Tenant.** The parties agree that the City has the right to sell the Premises, subject to this Sublease, at any time during the Sublease Term.

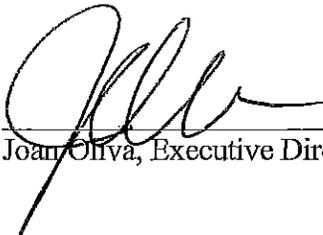
14. **Annual Budgetary Funding/Cancellation.** The parties agree that the City and/or Tenant have the right to cancel the Lease for any reason related to annual budgetary funding upon ninety (90) day prior written notice to the other. If the Lease is canceled for annual budgetary funding, this Sublease shall also be cancelled.

IN WITNESS WHEREOF, the parties have executed this Lease the day and year first above written.

TENANT:

ATTEST:

LAKE WORTH COMMUNITY REDEVELOPMENT AGENCY


Joan Oliva, Executive Director

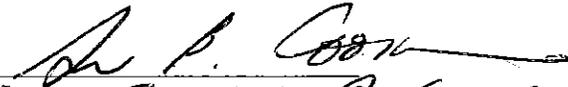
By: 
Cary Sabol, Chair

SUBTENANT:

ATTEST:

ARMORY ART CENTER, INC., a Florida not for profit corporation

By: 
Print Name: EMILY THEODORAS
Title: Marketing Mgr

By: 
Print Name: SANDRA B. COUSINS
Title: CEO

STATE OF FL

COUNTY OF PB

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments, personally appeared _____ and Sandra Coombs as Chief Exec and Secretary, respectively, of the Armory Art Center, Inc., and acknowledged executed the foregoing Agreement as the proper official of the Armory Art Center, Inc. for the use and purposes mentioned in it and affixed the official seal of the Armory Art Center, Inc. and that the instrument is the act and deed of the Armory Art Center, Inc..

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County aforesaid on this 20 day of MARCH, 2014.



NOTARY PUBLIC

My Commission Expires:



EMILIA THEODOSSAKOS
MY COMMISSION # DD 967672
EXPIRES: July 4, 2014
Bonded Thru Budget Notary Services

DNT:dnt

C:\Users\DTolces\AppData\Local\Microsoft\Windows\Temporary Internet Files\Content.MSO\16C4EC9D.docm

FIRST AMENDMENT TO REVISED AND RESTATED LEASE AGREEMENT

THIS FIRST AMENDMENT TO THE REVISED AND RESTATED LEASE AGREEMENT ("Amendment"), made and entered into on APRIL 14, 2015, by and between **THE CITY OF LAKE WORTH**, a municipal corporation of the State of Florida, hereinafter referred to as "Landlord", and **THE LAKE WORTH COMMUNITY REDEVELOPMENT AGENCY**, a public agency created pursuant to Part III, Chapter 163, Florida Statutes, hereinafter referred to as "Tenant".

WITNESSETH:

WHEREAS, Landlord and Tenant entered a Revised and Restated Lease Agreement on March 18, 2014, in order to revise the term of their original lease and acknowledge the sublease between the Tenant and the Armory Art Center; and

WHEREAS, the Tenant has requested an extension of the term of the Revised and Restated Lease; and

WHEREAS, the Revised and Restated Lease authorizes the City Manager to extend the term of the Revised and Restate for one (1) year.

NOW THEREFORE, in consideration of the terms and conditions hereinafter set forth, the Landlord and Tenant agree to amend the Revised and Restated Lease as follows:

1. The term of the Revised and Restated Lease shall be extended to March 19, 2016.
2. Except as amended herein, all other terms and conditions of the Revised and Restated Lease Agreement shall remain unchanged by this Amendment.
3. The Parties agree the Revised and Restated Lease Agreement and this Amendment set forth the entire agreement between the parties, and that there are no promises or understanding than those stated herein and in the Revised and Restated Lease Agreement. This Amendment may not be modified or amended except by separate written instrument signed by the parties hereto.
4. To the extent there exists a conflict between this Amendment and Revised and Restated Lease Agreement, the terms and conditions of this Amendment shall prevail. Wherever possible, the provisions of such documents shall be construed in such a manner as to avoid conflicts between provisions of the various documents.

REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK
SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, Landlord and Tenant have executed this First Amendment to the Revised and Restated Lease, or have caused the same to be executed, as of the day and year first above written.

LANDLORD:

CITY OF LAKE WORTH, FLORIDA

Witnesses:

Dolores A. Key

Print name: Dolores A Key

William Waters

Print name: WILLIAM WATERS

[Signature]

Michael Bornstein, City Manager

ATTEST:

Approved as to form and legal sufficiency:

Pamela J. Lopez 4/1/15
Pamela J. Lopez, City Clerk



[Signature] FOR
Glen J. Coriovia, City Attorney

TENANT:

LAKE WORTH COMMUNITY REDEVELOPMENT AGENCY

Witnesses:

[Signature]

Print name: _____

WILLIAM WATERS

Print name: Chris Dabros

[Signature]

Cary Sabol, Chair

ATTEST:

[Signature]
Joan Cirva, Executive Director

FIRST AMENDMENT TO SUBLEASE AGREEMENT

THIS FIRST AMENDMENT TO THE SUBLEASE AGREEMENT ("Amendment"), made and entered into on _____, 2015, by and between The Lake Worth Community Redevelopment Agency, a public agency created pursuant to Part III, Chapter 163, Florida Statutes, hereinafter referred to as "Tenant", and the Armory Art Center, Inc., a Florida not-for-profit corporation, hereinafter referred to as "Subtenant".

WITNESSETH:

WHEREAS, Tenant and Subtenant entered a Sublease Agreement on March 20, 2014 (the "Sublease"), for the sublease of the property located at 1121 Lucerne Avenue, Lake Worth, FL 33460 (the "Premises"); and

WHEREAS, the Subtenant has requested an extension of the term of the Sublease, and the Tenant has requested a clarification of the services to be provided by Subtenant at the Premises; and

WHEREAS, the Sublease authorizes the parties to extend the term of the Sublease for additional terms, upon the execution of a written amendment to the Sublease.

NOW THEREFORE, in consideration of the terms and conditions hereinafter set forth, the Tenant and Subtenant agree to amend the Sublease as follows:

1. The term of the Sublease shall be extended to March 19, 2016. Subtenant shall provide Tenant with notice no later than ninety (90) days prior to the expiration of the Term of its intent to renew the sublease. Upon receipt of notice from the subtenant, the parties shall negotiate the renewal of the Sublease. The Sublease may be renewed two additional one year terms, subject to the City's consent.
2. That Article IV, of the Sublease shall be amended in its entirety to read as follows:

ARTICLE IV

USE OF PREMISES

1. Subtenant shall use the Premises for the following purposes: cultural activities and offerings such as musical performances, art exhibitions and theatre workshop space, classrooms, and administrative offices. As the space is located in a public facility, the Subtenant shall insure that activities are accessible to the public, and that activities promote and appeal to the diverse demographics of Lake Worth's population. The Subtenant shall insure a high quality and variety of performances, workshops, and exhibits.

c. Minimum operating hours must include at least 3 evenings per week, having duration of at least 1 hour each.

7. No later than November 15, 2015, the Subtenant shall advise the Tenant as to the anticipated enrollment and schedule of activities events that the Subtenant will supervise on the Premises. If the anticipated activities are less than the operating hours required to be provided by Subtenant, then the Subtenant shall provide an additional list of events that the Subtenant will supervise at the Premises to meet the minimum operating hour requirements.

8. No later than December 1, 2015, the Subtenant shall provide the Tenant with a detailed annual report and presentation outlining the community based art needs, and how the Premises can be utilized to facilitate increased public involvement in the arts.

9. No later than January 15, 2016, the Tenant and Subtenant shall meet to evaluate the progress that the Subtenant has made in reaching out and partnering with local arts organizations and individuals in order to determine the future viability of the sublease.

3. Except as amended herein, all other terms and conditions of the Sublease shall remain unchanged by this Amendment.

4. The Parties agree the Sublease and this Amendment set forth the entire agreement between the parties, and that there are no promises or understanding than those stated herein and in the Sublease. This Amendment may not be modified or amended except by separate written instrument signed by the parties hereto.

5. To the extent there exists a conflict between this Amendment and the Sublease, the terms and conditions of this Amendment shall prevail. Wherever possible, the provisions of such documents shall be construed in such a manner as to avoid conflicts between provisions of the various documents.

IN WITNESS WHEREOF, the parties have executed this Amendment to the Sublease Agreement the day and year first above written.

TENANT:

ATTEST:

LAKE WORTH COMMUNITY

REDEVELOPMENT AGENCY

Joan Oliva, Executive Director

By: _____
Cary Sabol, Chair

SUBTENANT:

ATTEST:

ARMORY ART CENTER, INC., a Florida not for profit corporation

By: _____
Print Name: _____
Title: _____

By: Kim Harty
Print Name: Kim Harty
Title: Executive Director

STATE OF _____

COUNTY OF _____

BEFORE ME, an officer duly authorized by law to administer oaths and take acknowledgments, personally appeared _____ and _____ as _____ and Secretary, respectively, of the Armory Art Center, Inc., and acknowledged executed the foregoing as the proper official of the Armory Art Center, Inc. for the use and purposes mentioned in it and affixed the official seal of the Armory Art Center, Inc. and that the instrument is the act and deed of the Armory Art Center, Inc..

IN WITNESS OF THE FOREGOING, I have set my hand and official seal at in the State and County aforesaid on this 15 day of APRIL, 2015.

Emilia Theodossakos
NOTARY PUBLIC

My Commission Expires:



EMILIA THEODOSSAKOS
MY COMMISSION # FF 098758
EXPIRES: July 4, 2018
Bonded Thru Budget Notary Services