

**AMENDMENT NO. 1 TO THE LEASE AGREEMENT BETWEEN THE CITY OF
PENSACOLA AND THE GENERAL SERVICES ADMINISTRATION IN
SUPPORT OF [REDACTED]
[REDACTED] OPERATIONS AT THE PENSACOLA GULF COAST REGIONAL
AIRPORT**

THIS AMENDMENT NO.1 TO THE LEASE AGREEMENT (hereinafter referred to as "Agreement") **IN SUPPORT OF [REDACTED] [REDACTED]**
[REDACTED] OPERATIONS at the Pensacola Gulf Coast Regional Airport is effective this 5th day of January, 2011, by and between the **City of Pensacola**, a municipal corporation of the State of Florida with the business address of 222 W. Main Street, Pensacola, Florida 32512-0001 (hereinafter referred to as "City") and the **United States of America**, acting through the **General Services Administration** with the business address of 77 Forsyth Street, Suite 500, Atlanta, Georgia 30303, (hereinafter referred to as "Lessee"). (Each at times hereinafter referred to as a "party" or collectively as "parties").

WITNESSETH:

WHEREAS, the City owns, operates, and maintains Pensacola Gulf Coast Regional Airport (hereinafter referred to as "Airport") located in Escambia County, Florida to serve the traveling public with airline services; and

WHEREAS, pursuant to the parties' July 15, 2010 Lease Agreement for space in the Airport for [REDACTED] operations, the lease rental rate for the Airport Terminal building shall be adjusted annually on October 1st of each year; and

WHEREAS, as a result, the parties agree that the lease's rental rate commencing October 1, 2010 shall be adjusted as provided in this Amendment No. 1.

NOW, THEREFORE, for and in consideration of the premises, and of the mutual covenants and agreements and the payment of money herein contained, the City and Lessee do hereby mutually undertake, promise and agree, each for itself and its successors and assigns, as follows:

1. Upon approval by the Pensacola City Council, this Amendment No. 1 to the Lease Agreement of July 15, 2010 shall be considered to have become effective on October 1, 2010.
2. The Lessee continues to accept and shall fully comply with all terms and conditions of the Lease Agreement, as amended, from and after the date of this Amendment No. 1.

3. Article V of the Lease Agreement in its pertinent part is hereby amended to read as follows:

For space inside the Terminal building, in consideration of the rights and privileges herein granted, the Lessee hereby covenants and agrees to pay the City upon commencement of this Agreement a monthly rental rate identical to that square foot rental rate charged to the signatory air carriers. The rental rate for the Terminal building shall be adjusted annually on October 1st by dividing the debt service requirements plus the maintenance and operating requirements by the amount of usable space in the Terminal building. "Usable Space" is defined as the total square feet in the Terminal building less mechanical and utility space. The City shall provide the Lessee notification of the adjusted lease rate thirty (30) days prior to the effective date of the change.

In no event shall rental due during this lease for space inside the Terminal building exceed \$60.00 per square foot.

The lease rate beginning October 1, 2010 shall be as follows:

Terminal Building Area:

<u>Rate Per Sq. Ft.</u>	<u>Sq.Ft.</u>	<u>Annual</u>	<u>Monthly</u>
<u>\$50.55</u>	<u>3,964.9</u>	<u>\$200,425.70</u>	<u>\$16,702.14</u>

Lessee agrees to pay rent due to the City, without invoice in arrears for the month for which rent is due. Rent for period less than one month shall be prorated on a daily basis (365 day year). In accordance with Florida law, every person who rents or leases any real property or who grants a license to use, occupy, or enter upon any real property is exercising a taxable privilege. Lessee shall be responsible for adding the applicable state and local sales tax to all rental payments. The monthly rent payment shall clearly indicate what amount of the total payment is for rent and what amount is for state and local sales tax. In the event Lessee is a tax exempt entity, Lessee shall not be required to add applicable state and local sales tax to the rental payments. It is understood by the Lessor and Lessee that the Federal Government is a tax exempt entity.

Rent payments shall be made payable to the City of Pensacola and forwarded to the office of the Airport Director.

4. All other terms and conditions of the Lease Agreement not amended hereby shall remain in full force and effect.
5. It is mutually acknowledged that the Lease Agreement, as amended from time to time, is being made with an agency of the Federal Government and nothing herein shall be construed as a waiver of any sovereign immunity of the Federal and State of Florida Governments. The parties agree that the Lease Agreement as amended shall be governed by applicable Federal law, however in the absence of such

Federal law, then by Florida law.

6. The invalidity or non-enforceability of any portion or provision of this Amendment No. 1 shall not affect the validity or enforceability of any other portion or provision of the Lease Agreement. Any invalid or unenforceable portion or provision shall be deemed severed from it, and the balance shall be construed and enforced as if it did not contain such invalid or unenforceable portion or provision.
7. The failure of any party to insist upon the strict performance of the terms and conditions hereof shall not constitute or be construed as a waiver or relinquishment of any other provision or of any party's right to thereafter enforce the same in accordance with this Amendment No. 1 in the event of a continuing or subsequent default on the part of a party.

IN WITNESS WHEREOF, the parties hereto have signed this instrument the day and year first above written.

Attest:

Erica L. Burnett
City Clerk

City of Pensacola, Florida, a Municipal Corporation of the State of Florida

By [Signature]
Alvin G. Coby, City Manager

General Services Administration as
(Lessee)

By [Signature]
Contracting Officer, GSA

Witnesses:

Sign [Signature]

Print PATRICIA L. SINGLETON

Sign [Signature]

Print JAMES L. QUEBBEMAN

Approved As To Form:

By [Signature]
City Attorney

Approved As To Content:

By [Signature]
Airport Director