



**TO:** NICHOLAS MIMMS, CITY MANAGER

**THROUGH:** James Messer, Esq., City Attorney

**FROM:** Iola T Mosley, Esq., Assistant City Attorney

**RE:** Sublease of 1002 Avenue L

**DATE:** June 21, 2017

This Memo Responds to the Request for Legal Services With regard to Club Utilitas request to sublease property located at 1002 Ave L.

In 1986 the City of Fort Pierce executed a lease of the subject property to Club Utilitas for one dollar (\$1) per year for a period of 50 years. The amount was paid in advance and the property is advertised as a Teen/Daycare Center. It should be noted that Utilitas is currently seeking to lease the property to a third party, Family First Services DBA Green Shoots Academy, for \$18,000 per year.

Paragraph 6 of the lease requires that Utilitas receive the written approval and permission from the City prior to subleasing or assignment of the property to a third party. Consistently with the provisions of the current lease, Utilitas is at this time seeking the City's approval.

Pursuant to its lease with the City, Utilitas is required to carry liability insurance on the premises listing the lessor (City) in the amount of \$100,000/\$300,000 and to show proof of existing coverage each year during the term of the lease. In addition, the Current lease with the city requires that Utilitas will indemnify and hold the City harmless against costs and expenses for maintenance of the premises as well as for any liability arising from judgements, or demands relating injury to persons or property of another while on the premises.

Insofar as the current proposed lease between Utilitas and Green Shoots Academy contains provisions that are consistent with the provisions of the lease between the City and Utilitas, and do not create any conflict with the primary lease, the City may grant approval to Utilitas to proceed. This office recommends that this lease be routed to finance as well as risk management to determine whether those departments have any comments or concerns regarding consent for execution. If there are additional concerns with this contract please contact Attorney Iola Mosley.

cc: Linda Cox