



Pinellas County

Staff Report

File #: 25-0212D, **Version:** 1

Agenda Date: 5/20/2025

Subject:

Recognition Agreement with Elite Air Jet Center, LLC, and City National Bank of Florida at St. Pete-Clearwater International Airport.

Recommended Action:

Approval and execution by the County Administrator of the Recognition Agreement (Agreement) with Elite Air Jet Center, LLC (Elite) and City National Bank of Florida (Bank) at St. Pete-Clearwater International Airport.

- The Agreement establishes terms and protections for the Bank during the term of the existing Ground Lease with Elite.
- The Agreement clarifies notification requirements and allows the Bank to take over the Ground Lease in case of default by Elite.
- This item has no fiscal impact on Pinellas County.

Strategic Plan:

Prosperity and Opportunity

3. Increase workforce opportunities.

Smart Service Delivery

2. Achieve and maintain a high level of customer satisfaction.

Summary:

The approval of the Agreement provides the Bank with protections during the Ground Lease with Elite and clarifies terms and conditions regarding the mortgage the Bank has granted to Elite.

Background/Explanation:

On March 14, 2019, the Airport and Brookline PIE Ulmerton, LLC (Brookline) executed the Standard Ground Lease and Consolidation Agreement which combined the previous, separate agreements and clarified the rights and responsibilities associated with Brookline's use of the property.

On June 16, 2021, Brookline executed an Assignment and Assumption of Lease with Elite transferring their rights to Phase III to Elite. Elite's intended use of this parcel is the sole purpose of constructing and operating aircraft hangars for jet charters inclusive of jet storage, service, management, managed aircraft maintenance, self-fueling, and other related functions.

On July 10, 2023, Elite signed the First Amendment to Assignment and Assumption of Lease which extended the Ground Lease term and detailed a potential rent abatement due to Taxiway construction.

On November, 2023, Elite completed a Corrective Assignment which corrected an incorrect Exhibit to the Assignment and Assumption of Lease.

This Agreement establishes terms and protections for the Bank with regards to the mortgage that was granted to Elite and clarifies notification requirements in case of default by Elite.

Fiscal Impact:

N/A

Delegated Authority:

Authority for the County Administrator to sign this Agreement is granted under (Code Section 2-62 (a) (5).

Staff Member Responsible:

Thomas R. Jewsbury, Director, St. Pete-Clearwater International Airport

Partners:

N/A

Attachments:

Recognition Agreement - 2025

Corrective Assignment and Assumption of Lease - 2023

First Amendment to Assignment and Assumption of Lease - 2023

Assignment and Assumption of Lease - 2021

THIS INSTRUMENT PREPARED BY
AND UPON RECORDATION RETURN TO:

Buchanan Ingersoll & Rooney PC
401 E. Jackson Street, Suite 2400
Tampa, Florida 33602
Attention: Philip M. Hanaka, Esq.

RECOGNITION AGREEMENT

THIS RECOGNITION AGREEMENT (the "Agreement") is made as of April 22, 2025, by and among **PINELLAS COUNTY**, a political subdivision of the State of Florida (the "Landlord"), **ELITE AIR JET CENTER, LLC**, a Florida limited liability company (together with its successors and assigns, the "Tenant"), and **CITY NATIONAL BANK OF FLORIDA** ("Lender").

RECITALS:

A. Pursuant to that certain Standard Ground Lease and Consolidation Agreement dated March 12, 2019 by and between Landlord, as lessor, and Brookline PIE Ulmerton, LLC, a Florida limited liability company, as lessee (the "Original Tenant"), which document amended, restated and replaced the Original Lease (as defined therein) in its entirety (the "Ground Lease"), the Landlord demised and let to the Original Tenant a certain parcel of real property located in Pinellas County, Florida, which includes Leasehold III (as defined in the Ground Lease), as Leasehold III is more particularly described on Exhibit A attached hereto, subject to easements, rights of way, and other encumbrances of record (referred to in the Ground Lease) being referred to herein as the "Premises."

B. Leasehold III (as defined in the Ground Lease) was assigned by the Original Tenant to Tenant pursuant to that certain Assignment and Assumption of Lease dated June 16, 2021 among Original Tenant, Tenant and Landlord, which was recorded in Official Records Book 21598, at Page 1948, of the Public Records of Pinellas County, Florida;

C. In that certain Leasehold Mortgage, Assignment of Rents and Security Agreement, dated as of April ____, 2025 (as the same may be amended or modified from time to time, the "Mortgage"), Tenant has granted to Lender a mortgage with respect to all of its right, title and interest under the Ground Lease, for the purpose of securing a loan (the "Loan") made by Lender to Tenant contemporaneously with the execution and delivery of the Mortgage.

NOW, THEREFORE, in consideration of the premises, the mutual promises and covenants of the parties hereunder, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. The recitals are hereby incorporated by reference into this Agreement as if set forth herein. All terms not defined in this Agreement shall have the meaning given in the Ground Lease.

2. Lender, in its capacity as Mortgagee with respect to the Premises, shall not be deemed a sublessee, assignee or transferee of Tenant's right, title or interest in and to the Premises so as to require Lender to assume the performance of any of the covenants or agreements on the part of Tenant to be performed with respect thereto.

3. Landlord hereby represents and warrants to Lender as follows, to the best of Landlord's actual knowledge:

(a) The Lease is in full force and effect, has not been modified, amended, added onto, extended or renewed, and is binding upon, and enforceable against, Landlord in accordance with its terms except as limited by general principles of equity and by bankruptcy, insolvency and other similar laws affecting creditors rights. The Lease constitutes the entire agreement of Landlord and Tenant with respect to the Premises and there are no other agreements or understandings, verbal or written that affect the rights and liabilities of Landlord and Tenant to one another with respect to the Lease or the Premises.

(b) The basic fixed rent (the "Base Rent") under the Lease for the Premises has been paid in full during the entire Term of the Lease. No prepayment of any Rent for more than the current month has been made to date.

(c) Neither Landlord nor Tenant has delivered a written notice of default under the Lease, and Landlord knows of no (a) event or condition which, with the passage of time or the giving of notice or both, would constitute such a breach or default by Landlord or Tenant under the Lease or (b) claims by third parties against Landlord or Tenant relating to the Premises, or their respective uses.

(d) Neither Landlord nor Tenant has commenced any action, or received any notice, with respect to the termination of the Lease.

(e) There are no actions, whether voluntary or otherwise, pending against Landlord pursuant to the bankruptcy or insolvency laws of the United States or any state thereof and, to the best knowledge of the undersigned, none have been threatened.

(f) No commission or other payment is due any real estate broker by Landlord or, to the best of Landlord's knowledge, Tenant in connection with the leasing of the Premises to Tenant, and there are no agreements, oral or written, under which any real estate broker is entitled to any future payment or commission by Landlord, or to the best of Landlord's knowledge, Tenant in connection with the leasing of the Premises to Tenant.

(g) Landlord has not assigned, pledged, conveyed, transferred, sold, encumbered or mortgaged its interest in the Lease or the Premises and there are no mortgages, deeds of trust or other security interests encumbering the Landlord's fee interest in the Premises. No third party has any option or preferential right to purchase all or any part of the Premises.

(h) Landlord has not received written notice of any pending eminent domain proceedings or other governmental actions or any judicial actions of any kind against the Landlord's interest in the Premises.

(i) Landlord has not received written notice that it is in violation of any governmental law or regulation applicable to its interest in the Premises and its operation thereof, including, without limitation, any environmental laws or the Americans with Disabilities Act, and has no reason to believe that there are grounds for any claim of any such violation.

4. No voluntary termination of the Ground Lease by Tenant with respect to the Premises shall be effective unless consented to in writing by Lender; and any amendment or modification of the Ground Lease with respect to the Premises, or the exercise by Tenant of any option to terminate the Ground Lease with respect to the Premises without the written consent of Lender shall, at the option of Lender, be voidable as against it. If, within ten (10) business days after receipt thereof, Lender shall fail to respond to any written request from Tenant for such written consent, which such request shall make specific reference to this Section 4, then Lender shall be deemed to have granted its consent to such request.

5. Landlord will, simultaneously with the delivery thereof to Tenant, give Lender a written copy of each notice given to Tenant under the Ground Lease with respect to or affecting the Premises, at the address of Lender provided for on the signature page hereof; and no such notice shall be effective as to Lender unless and until a copy thereof has been given to it. In the event Landlord sends Tenant a notice of default under the Ground Lease, then, from and after the time that a copy of such notice has been delivered to Lender, Lender shall have a period equal to the period granted under the Ground Lease to Tenant to effect a cure of such default with respect to the Premises, plus (a) with respect to monetary defaults, an additional fifteen (15) business days, or (b) with respect to non-monetary defaults only, an additional thirty (30) days; provided, however, that if such a cure is of a nature that it cannot be effected within such period of time, then no default shall have been deemed to have occurred under the Ground Lease with respect to the Premises as long as Lender or its nominee shall have commenced to cure such default within such period and shall thereafter be taking diligent steps to effect the same. Landlord will accept performance by Lender or its nominee of any and all of the obligations of Tenant under the Ground Lease with respect to the Premises, including (without limitation) the obligation of Tenant (as the lessee thereunder) to pay rent; and the performance of any such obligation by Lender or its nominee shall be deemed to have been a cure effected by Tenant. Landlord hereby consents to the entry into the Premises by Lender or its nominee for the purpose of effecting the cure of any default under the Ground Lease by Tenant with respect to the Premises. In the event of a default by Tenant under the Ground Lease with respect to the Premises, Lender may affect the cure of such default by foreclosing the Mortgage, obtaining possession of the Premises and performing all of the obligations of Tenant under the Ground Lease with respect to the Premises, including the cure of such default. Notwithstanding the foregoing, Lender shall have the right but not the obligation to cure any defaults of Tenant under the Ground Lease.

6. It shall not be necessary for Lender to obtain possession of the Premises to effect any such cure of a default by Tenant under the Ground Lease with respect to the Premises, and Landlord will not commence any proceeding or act to terminate the term of the Ground Lease with

respect to the Premises if: (a) Lender shall, within the grace period applicable to it, inform Landlord that it has taken steps to foreclose the Mortgage or to take any other actions necessary for it to obtain possession of the Premises; (b) all rent under the Ground Lease with respect to the Premises shall be paid and all other provisions and requirements of the Ground Lease with respect to the Premises which are capable of being observed and performed without obtaining possession of the Premises are so observed and performed while any such foreclosure, other action or other remedy is being prosecuted by Lender, and for so long thereafter as Lender shall have obtained possession of the Premises; and (c) Lender shall be diligently prosecuting such foreclosure and attempting to effect a cure of such default. Nothing herein contained shall be deemed to require Lender to continue with any foreclosure or other proceedings, or, in the event Lender shall otherwise acquire possession of the Premises, to continue such possession, if the default in respect to which Landlord shall have given notice as aforesaid shall be remedied.

7. If Lender (or its nominee or designee) shall succeed to the rights of Tenant under the Ground Lease through possession or foreclosure action, delivery of a deed (or assignment of the Lease) in lieu of foreclosure or otherwise, or another person purchases the leasehold estate in and to the Premises upon or following foreclosure of the Mortgage (or delivery of a deed or assignment of the Lease in lieu of foreclosure), Landlord shall recognize Lender (or its nominee or designee) or such purchaser (Lender, its nominees and designees, and such purchaser, each being a "**Successor Tenant**"), as Landlord's tenant under the Lease and shall promptly execute and deliver any instrument that Successor Tenant may reasonably request to evidence such recognition as tenant under the Lease. Furthermore, the Lease shall continue in full force and effect as, or as if it were, a direct lease between Successor Tenant and Landlord upon all terms, conditions and covenants as are set forth in the Lease, except that Successor Tenant shall not:

- a. be liable for any previous act or omission of Tenant under the Lease (except for such acts or omissions of a continuing nature which are not personal to Tenant, including, without limitation, not the bankruptcy or insolvency of Tenant, and of which Successor Tenant has received notice and a reasonable opportunity to cure once it has obtained possession of the Premises);
- b. be subject to any off-set, defense or counterclaim which shall have theretofore accrued to Landlord against Tenant (except for such acts or omissions of a continuing nature which are not personal to Tenant, including, without limitation, not the bankruptcy or insolvency of Tenant, and of which Successor Tenant has received notice and a reasonable opportunity to cure once it has obtained possession of the Premises); and
- c. be bound by any modification of the Lease unless such modification shall have been expressly approved in writing by Lender.

8. Landlord agrees that, in the event of the termination of the Ground Lease with respect to the Premises by reason of any default thereunder by Tenant, it will enter into a new lease with respect to the Premises with Lender or its nominee for the remainder of the term of the Ground Lease, effective as of the date of such termination, at the rent and upon the terms, options, provisions, covenants and agreements then contained in the Ground Lease applicable to the Premises; provided, that

(a) Lender shall make written request upon Landlord for such new lease prior to or within thirty (30) days after the date of such termination of the Ground Lease with respect to the Premises, and such written request is accompanied by payment to Landlord of all sums then due to it under the Ground Lease with respect to the Premises, including the payment of all rent to the date of such new lease with respect to the Premises;

(b) Lender or its nominee shall pay to Landlord, at the time of the execution and delivery of such new lease, any and all sums that would then be due under the Ground Lease with respect to the Premises but for such termination, together with any reasonable expenses, including reasonable attorneys' fees, incurred by Landlord as a result of such termination, as well as in the preparation, execution and delivery of such new lease;

(c) Lender shall not become liable under the agreements, terms, covenants or conditions of the Ground Lease with respect to the Premises unless and until it becomes the owner of the leasehold estate and the interests of Tenant in and to the Premises;

(d) all provisions contained in either the Ground Lease or this Agreement with respect to the Mortgage and the rights of Lender shall survive the termination of both the Ground Lease with respect to the Premises and this Agreement for such period of time as shall be necessary to effectuate any and all rights effectively granted to Lender by the provisions of the Ground Lease with respect to the Premises; and

(e) nothing contained herein or in the Ground Lease shall be construed to require Lender or its nominee to cure any default by Tenant under the Ground Lease with respect to the Premises.

9. Landlord agrees that (i) Landlord shall not have the right to remedy or cure any default of Tenant under the Mortgage or any related loan documents and Lender shall not be obligated to accept any performance by Landlord of any obligation, covenant, condition or agreement to be performed or observed by Tenant pursuant to the Mortgage or any related Loan documents; (ii) Landlord shall not have any right to consent or approve (a) the Mortgage or any related Loan documents or any amendments to any of the terms of the Mortgage or any related Loan documents, or (b) any future advances or other increases in the principal amount of the Loan which is secured by the Mortgage; (iii) Landlord shall not have any right to purchase the Mortgage or to assume Tenant's obligations with respect to the Loan or to prepay or pay to Lender on Tenant's behalf any principal or other amounts owed by Tenant in connection with the Loan or to terminate the Ground Lease as a result of any acceleration of the Loan (without there existing any other default under the Ground Lease); (iv) any provisions in the Ground Lease limiting the principal amount of the Loan shall not be applicable with respect to the Loan or the Mortgage and Tenant shall be free to obtain the Loan in any amount as determined by Tenant in its sole and absolute discretion without any limitation under the Ground Lease; and (v) any provisions of the Ground Lease prohibiting or limiting Tenant's right to cross-collateralize the Premises with any other property shall not be applicable with respect to the Mortgage or the Loan.

10. In addition to any notices required under the Ground Lease, Tenant will give prompt written notice to Lender simultaneously with the delivery of such written notice to Landlord of every breach or default on the part of Landlord in respect of any obligation or covenant of Landlord under the Ground Lease, if such breach or default may be of such a nature as to give Tenant a right to terminate the Ground Lease, to reduce rent, or to credit or offset any amounts against future rents, prior to the exercise of such right by Tenant. However, the failure of Tenant so to give any such notice to Lender shall not invalidate any action taken by Tenant in furtherance of any such right under and pursuant to the Ground Lease.

11. Tenant hereby represents and warrants that it has not encumbered its interests in and to the Premises to any person other than Lender.

12. If requested by any financial institution which refinances the indebtedness secured by the Mortgage, Landlord and Tenant shall execute and deliver to such financial institution an estoppel certificate and agreement substantially similar to this Agreement.

13. Landlord acknowledges that the name of the Lender shall be added to the "Loss Payable Endorsement" of any and all insurance policies required to be carried by the Tenant under the Lease and that any insurance proceeds payable thereunder, including without limitation, all casualty proceeds, shall be paid to the Lender and applied in accordance with the Mortgage.

14. Landlord and Tenant hereby reaffirm, acknowledge and agree that all condemnation proceeds to which the Tenant may be entitled under the Ground Lease on account of any full or partial taking of the Premises shall be subject to the rights of the Lender under the Mortgage.

15. This Agreement may not be altered, modified, or amended except by writing signed by all of the parties hereto.

16. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, successors and assigns.

17. The validity, enforcement, and interpretation of this Agreement shall be governed by and construed in accordance with the laws of the State of Florida and applicable United States federal law, and is intended to be performed in accordance with, and only to the extent permitted by, such laws. If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

18. All notices, requests, consents, demands and other communications required or which any party desires to give hereunder shall be in writing and, unless otherwise specifically provided, shall be deemed sufficiently given or furnished if delivered by personal delivery, by nationally recognized overnight courier, or by registered or certified United States mail, postage prepaid, addressed to the party to whom directed at the addresses specified near the signature blocks of this Agreement (unless changed by similar notice in writing given by the particular party whose address is to be changed). Any such notice or communication shall be deemed to have been given either at the time of personal delivery or, one day after deposit with an overnight courier, or

three days after deposit in U.S. Mail. Notwithstanding the foregoing, no notice of change of address shall be effective except upon actual receipt.

19. This Agreement may be executed in multiple counterparts, each of which, for all purposes, shall be deemed an original, and all of which together shall constitute one and the same agreement. The parties hereby each agree that its authorized signatories may receive and review this Agreement via electronic record and may sign this Agreement via electronic digital signature (i.e., DocuSign or similar electronic signature technology), and the parties may rely on such electronic digital signatures as if they are original signatures by each party or duly authorized representatives of each party.

20. This Agreement contains the full agreement of the parties with respect to the subject matter herein set forth.


[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed under seal by their respective duly authorized representatives as of the date first above written.

LANDLORD:

APPROVED AS TO FORM
By: Cody J. Ward
Office of the County Attorney

PINELLAS COUNTY, a political subdivision
of the State of Florida

By: 
Print Name: Barry Burton
Title: County Administrator

Address:

315 Court Street
Clearwater, FL 33756

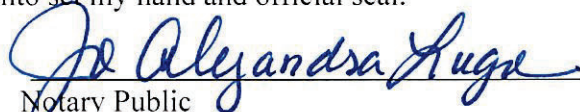
STATE OF FLORIDA
COUNTY OF Pinellas

On this, the 22 day of April, 2025, before me, a Notary Public, by means of ☒ physical presence or ☐ online notarization, the undersigned officer, personally appeared Barry Burton, as County Administrator of PINELLAS COUNTY, a political subdivision of the State of Florida, on behalf of the County, known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing instrument, and acknowledged that he executed the same for the purposes therein contained. He is personally known to me or produced _____ as identification.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My commission expires:

9/6/2028


Notary Public

[SIGNATURES CONTINUE ON FOLLOWING PAGES]



[SIGNATURES CONTINUED FROM PRECEDING PAGES]

TENANT:

ELITE AIR JET CENTER, LLC,
a Florida limited liability company

By:

B. Gray Gibbs
B. Gray Gibbs, Manager

Address:

100 Second Avenue South, Suite 707
St. Petersburg, Florida 33701

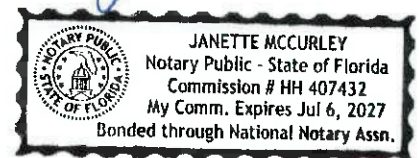
STATE OF FLORIDA
COUNTY OF Pinellas

On this, the 18th day of February, 2025, before me, a Notary Public, by means of ☒ physical presence or ☐ online notarization, the undersigned officer, personally appeared B. Gray Gibbs, as Manager of **ELITE AIR JET CENTER, LLC**, a Florida limited liability company, on behalf of the company, known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing instrument, and acknowledged that he executed the same for the purposes therein contained. He is personally known to me or produced _____ as identification.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Janette McCurley
Notary Public

My commission expires: 7/6/27

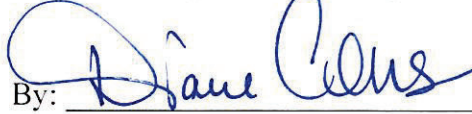


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LENDER:

CITY NATIONAL BANK OF FLORIDA

By: 

Dianne Cohrs, Vice President

Address:

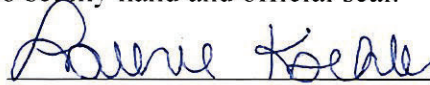
100 S.E. 2nd Street, 19th Floor
Miami, Florida 33131
Attention: Legal Department

STATE OF FLORIDA

COUNTY OF Hillsborough

On this, the 5th day of February, 2025, before me, a Notary Public, by means of ☒ physical presence or ☐ online notarization, the undersigned officer, personally appeared Dianne Cohrs, as Vice President of **CITY NATIONAL BANK OF FLORIDA**, on behalf of the Bank, known to me (or satisfactorily proven) to be the person whose name is subscribed to the foregoing instrument, and acknowledged that she executed the same for the purposes therein contained. She is personally known to me or produced _____ as identification.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Notary Public

My commission expires: 8/24/2026

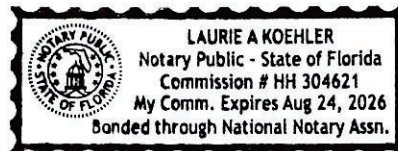


Exhibit A

Legal Description

A TRACT OF LAND BEING A PORTION OF THE WEST 1/2 OF SECTION 3, TOWNSHIP 30 SOUTH, RANGE 16 EAST, PINELLAS COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHWEST CORNER OF THE NORTHWEST 1/4 OF SAID SECTION 3, RUN THENCE ALONG THE SOUTH BOUNDARY LINE OF THE NORTHWEST 1/4 OF SAID SECTION 3, SOUTH 89°53'27" EAST, 1,266.33 FEET TO A POINT OF INTERSECTION WITH THE EASTERLY RIGHT-OF-WAY LINE OF STATE ROAD 686 (ROOSEVELT BOULEVARD) PER THE FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP, SECTION 15030-XXXX, SEGMENT # 256997 1; THENCE CONTINUE ALONG SAID SOUTH BOUNDARY LINE OF THE NORTHWEST 1/4 OF SECTION 3, SOUTH 89°53'27" EAST, 111.65 FEET TO THE POINT OF BEGINNING; THENCE DEPARTING SAID SOUTH BOUNDARY LINE, NORTH 40°00'39" EAST, 225.75 FEET; THENCE NORTH 90°00'00" EAST, 216.00 FEET; THENCE SOUTH 49°53'37" EAST, 300.83 FEET; THENCE SOUTH 40°00'39" WEST, 548.00 FEET; THENCE NORTH 49°53'37" WEST, 466.26 FEET; THENCE NORTH 40°00'39" EAST, 183.10 FEET TO A POINT OF INTERSECTION WITH THE SOUTH BOUNDARY LINE OF THE NORTHWEST 1/4 OF SAID SECTION 3, ALSO BEING THE POINT OF BEGINNING.