



City of Grand Island

Tuesday, November 25, 2014

Council Session

Item G-5

#2014-348 - Approving Lease Agreement for Billboard with Tri-City Sign Company

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

From: Timothy Luchsinger, Utilities Director
Stacy Nonhof, Assistant City Attorney

Meeting: November 25, 2014

Subject: Approving Lease Agreement for Billboard with Tri-City Sign Company

Item #'s: G-5

Presenter(s): Timothy Luchsinger, Utilities Director

Background

The Utilities Department owns property at 2410-2412 S. Webb Road which was purchased in the 1960's to allow the construction of power lines to serve the original Case New Holland facility. Included with this property were two advertising billboards which have had land leases with the Utilities Department to allow for the use of this property footprint.

Discussion

A five year renewal of the land lease for the sign at 2410 S. Webb Road was negotiated by Department Staff and the terms are considered consistent with market conditions for this type of lease.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends that the Council approve the land lease with Tri-City Sign Company for an advertising billboard at 2410 S. Webb Road.

Sample Motion

Move to approve the land lease with Tri-City Sign Company for an advertising billboard at 2410 S. Webb Road.

Land Lease

This Land Lease made and executed this 25th day of November, 2014, by and between the City of Grand Island, hereinafter referred to as “Lessor,” and Tri-City Sign Company, hereinafter referred to as “Lessee.”

WITNESSETH:

WHEREAS, Lessee is the owner of a roadside advertising sign at 2410 S. Webb Road, Grand Island, Nebraska; and

WHEREAS, Lessee is desirous of leasing the right to maintain such sign upon the real estate owned by the Lessor for the term and upon the conditions hereinafter set forth; and

WHEREAS, Lessor is willing to lease unto the Lessee the right to maintain a roadside advertising sign upon the terms hereinafter set forth it is agreed:

1. Description of Real Estate. For the term hereinafter specified and upon performance of all conditions hereinafter set forth, Lessor hereby leases unto the Lessee the right to maintain, repair and replace one roadside advertising sign upon the real estate described as:

The southerly boundary of the southerly 40 feet of that portion of the NE ¼ of the NE ¼ , of Section 25-11-10 which lies east of the right-of-way of U.S. Highway 281 and west of the right-of-way of Webb Road, Hall County, Nebraska.

Said sign shall not be increased in height or width without consent of the owner of the property.

2. Term. The term of this lease shall commence December 1, 2014, and shall end on November 30, 2019.
3. Rent. As rent for the right to maintain a roadside advertising sign upon the Lessor’s real estate as above described, Lessee shall pay to the Lessor the sum of One Thousand Two Hundred Dollars and no cents (\$1,200.00) per year, receipt of the first such payment being hereby acknowledged by the Lessor, and the balance of such lease payments being due and payable in advance of the 1st day of December each year during the term of this lease. The Lessee shall also maintain a current electric service account for the electric meter located at this address.
4. Assignability. This Land Lease may be freely assigned by the Lessee to such parties as it may determine from time to time so long as all rent to the date of such assignment shall have been paid and all other provisions herein set forth to be performed by the Lessee shall be fully performed.

5. Preservation of Real Estate. Lessee shall during the term of this Land Lease, take reasonable care to enter upon the real estate in such a manner for the purpose of maintaining, repairing or replacing the roadside advertising sign that Lessor's real estate, crops and improvements located thereon are not damaged, and in the event it shall become necessary to enter upon the real estate in such a fashion as to cause damage to such real estate, crops or improvements, Lessee shall be obligated to place such real estate in the condition as it was in prior to such entry.

6. Privity of Estate and Contract. Any subsequent assignee of the rights afforded to the Lessee under this Land Lease shall be deemed as though such Assignee shall have personally executed this Land Lease with the Lessor and upon notice of such Assignment being given in writing to the Lessor, the Assignor shall be deemed to have been released from any further obligations and rights in respect to this Land Lease.

7. Compliance with Law. Lessee shall comply with all requirements of federal, state, and local law in connection with the placement and maintenance of the roadside advertising sign to be placed upon the real estate hereby leased.

8. Default. In the event of any default of the Lessee in the performance of the requirements of this Lease or in the payment of the rent herein provided, the Lessor may cause the roadside advertising sign herein to be placed upon the real estate to be immediately removed at the cost and expense of the Lessee.

9. Binding Effect. This Land Lease shall be binding upon and shall inure to the benefit of the parties hereto, their heirs, successors, legal representatives and assigns.

IN WITNESS WHEREOF, the undersigned have executed this Land Lease on the date first noted above and in the event any party hereto shall be a duly formed corporation or partnership, the execution hereof by its officer or representative has been duly authorized.

Attest: THE CITY OF GRAND ISLAND, NEBRASKA,
A Municipal Corporation,

City Clerk

By _____ (Lessor)
Mayor

TRI-CITY SIGN COMPANY

By _____ (Lessee)
It's _____

STATE OF NEBRASKA)
) ss:
COUNTY OF HALL)

Before me, a Notary Public, qualified in said County, personally came Jay Vavricek, Mayor of the City of Grand Island, Nebraska, a corporation, known to me to be the Mayor, and identical person who signed the foregoing instrument, and acknowledged the execution thereof to be his voluntary act and deed as such officer and voluntary act and deed of said corporation.

Witness my hand and Notarial seal on _____, 2014.

Notary Public

STATE OF NEBRASKA)
) ss:
COUNTY OF HALL)

Before me, a Notary Public, qualified in said County, personally came _____ of Tri-City Sign Company, known to me to be the same identical person who signed the foregoing instrument, and acknowledged the execution thereof to be his/her voluntary act and deed as such officer and the voluntary act and deed of said corporation.

Witness my hand and Notarial seal on _____, 2014.

Notary Public

RESOLUTION 2014-348

WHEREAS, the Utilities Department owns property at 2410 – 2412 South Webb Road which was purchased in the 1960's to allow for the construction of power lines to serve the original Case New Holland facility; and

WHEREAS, included with this property were two advertising billboards which have had land leases with the Utilities Department to allow for the use of this property; and

WHEREAS, a five year renewal of the land lease for the sign at 2410 S. Webb Road was negotiated by Utilities Department Staff and the terms are considered consistent with market conditions for this type of lease.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Land Lease with Tri-City Sign Company for an advertising billboard at 2410 S. Webb Road is hereby approved, and the Mayor is hereby authorized to sign the Lease on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, November 25, 2014.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☒ _____
November 21, 2014	☒ City Attorney