



City of Grand Island

Tuesday, November 08, 2005

Council Session

Item G13

#2005-323 - Approving Renewal of Lease Agreement with Scott and Lisa Norton dba Health Plex Fitness Center

Staff Contact: Steve Paustian

Council Agenda Memo

From: Steve Paustian, Park and Recreation Director

Meeting: November 8, 2005

Subject: Approving Renewal of Lease Agreement with Scott and Lisa Norton to manage the Grand Island Racquet Center

Item #'s: G-13

Presenter(s): Steve Paustian

Background

For the past ten years Scott and Lisa Norton have managed the Grand Island Racquet Center. Their involvement has allowed for the facility to continue operating without tax subsidy. While the facility remains under utilized those that take advantage of the facility are enjoying it.

Discussion

Until such time as the City or other group provides a proposal to increase the utilization of the facility the current arrangement remains satisfactory.

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 renew the contract of Scott and Lisa Norton to run the Racquet Center.

Sample Motion

Motion to approve lease agreement with Scott and Lisa Norton dba the Health Plex Fitness Center.

LEASE AGREEMENT

This Lease Agreement made between the CITY OF GRAND ISLAND, NEBRASKA, a Municipal Corporation, hereinafter called the "Lessor" and SCOTT NORTON and LISA NORTON, Husband and Wife, doing business as THE HEALTH PLEX FITNESS CENTER, hereinafter called the "Lessee".

WITNESSETH:

I.

That, in consideration of the covenants herein contained on the part of the Lessee to be observed and performed, the Lessor does hereby demise and lease unto the Lessee all that tract and parcel of land and improvements described as the Grand Island Racquet Center located at 2204 Bellwood Drive, Grand Island, Hall County, Nebraska.

To have and to hold said premises unto Lessee for a term of five (5) years beginning November 1, 2005. It is expressly understood and agreed by and between the parties that either party shall have the absolute right to provide to the other party ninety (90) days written notice to terminate the lease without any cause, at any time during the five year period.

Lessee shall pay as rent therefore the sum of One Dollar (\$1.00) per year due and payable on the first day of November, 2005, and on the first day of November each year thereafter.

II.

The Lessee, for themselves, does hereby covenant with the Lessor:

- a. That the Lessee will pay the said rent at the times and the manner aforesaid, except only in the case of fire or other unavoidable casualty as hereinafter provided.
- b. The Lessee will not allow for any liens or encumbrances to be placed upon the property or improvements of the Lessor.
- c. The Lessee shall provide a comprehensive general public liability insurance policy in the amount of at least One Hundred Thousand Dollars (\$100,000.00) for one person of Three Hundred Thousand Dollars (\$300,000.00) for any one accident involving injury to more than one person, and property damage of not less than Fifty Thousand Dollars (\$50,000.00) for any one accident.
- d. The Lessee will promptly pay for all utility bills which may become payable during the continuance of this Lease Agreement for all utilities used on said premises.
- e. The Lessee will keep the building and premises, including the plumbing and heating and air conditioning in good repair, reasonable wear and tear and damage by fire or other unavoidable casualty only excepted.

- f. The Lessee will not injure, overload or deface or suffer to be injured, overload or deface the premises or any part thereof.
- g. The Lessee will not make or suffer any unlawful, improper, or offensive use of the premises, or any use or occupancy thereof contrary to any law of the State or any ordinance of the City now or hereafter made, or which shall be injurious to any person or property, or which shall be liable to endanger or effect any insurance on the said building or to be placed upon the building except such as Lessor shall in writing approve.
- i. The Lessee shall not assign, sublet or part with the possession of the whole or any part of the leased premises without first obtaining the written consent of the Lessor.
- j. The Lessor, at any reasonable time, may enter to view the premises and to make repairs which the Lessor may see fit to make, or show the premises to persons who may wish to lease or buy the premises as Lessor may see fit.
- k. That at the expiration of said term, the Lessee will peaceably yield up to the Lessor the premises and all improvements made upon the same, in good repair in all respects, reasonable use and wear and damage by fire or unavoidable casualties excepted, as the same now are and may be put in by the parties.
- l. No consent, express or implied by the Lessor to any breach of any of the Lessee's covenants shall be deemed to be a waiver of any succeeding breach of the same or any other covenant.
- m. Lessor will provide a telephone line to the facility. If Lessee chooses to install an alarm system, Lessor will provide the alarm monitoring service through the line provided by the Lessor.

III.

It is also agreed, that in case the leased premises or any part thereof shall at any time during the said term be destroyed or damaged by fire or other unavoidable casualty so as to be unfit for occupancy and use, and so that the premises cannot be rebuilt or restored by the Lessor within 120 days thereafter, then and in that case this Lease Agreement shall end.

IV.

Lessee agrees that it will not discriminate against any employee or applicant for employment to be employed in the performance of this Lease Agreement, with respect to his hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment because of his race, color, religion, national origin or ancestry. The Lessee further agrees to maintain a drug free environment at all times on the leased premises. Breach of this covenant may be regarded as a material breach of the Lease Agreement.

V.

Lessee agrees that tennis shall remain the main focus of the Racquet Center and to maintain an appropriate schedule of tournaments and leagues. Lessee shall be allowed to enhance the current facilities to add a fitness center, including, but not limited to the following: Nautilus equipment; treadmills; aerobic classes; and stairmasters. Lessee is further authorized to attempt to increase the utilization of the Racquet Center by allowing other activities including, but not limited to the following: soccer; basketball; roller hockey; volleyball; automated batting cages and simulated golf.

VI.

An annual inspection shall be conducted of the premises by the Director of the Parks and Recreation Department for the City of Grand Island. The Director of the Parks and Recreation Department shall meet with the Lessee to review the use and activities of the leased premises. Lessee agrees to cooperate and provide information to the Director of the Parks and Recreation Department regarding the use and activity of the building so that the Parks and Recreation Department Director can evaluate whether or not there is being provided suitable recreational activity.

VII.

Lessee agrees to indemnify the Lessor for any claim made by the Lessee's employees or by any other persons, for personal injury or property damage arising out of the Lessee's use of equipment on the premises or equipment brought onto the premises after the commencement of this Lease Agreement, which Lessee agrees to accept at all times during the term of this Agreement as is, where is, and the Lessor has no responsibility for its condition or state of repair. Lessee agrees not to remove from the Lessor's premises any equipment or property located on the leased premises at the commencement of this Lease, except as authorized in writing by the Lessor.

VIII.

Before exercising any remedies for breach, default or failure to perform under this Lease Agreement, the defaulting party shall be given thirty (30) days written notice of such default or failure to perform. If the act is such that it cannot be cured within a 30 day period, this period may be extended upon written agreement of the parties, providing that the defaulting party commences to cure such default within said 30 day period and proceeds diligently thereafter to effect such cure.

IX.

In the event either party institutes legal proceedings against the other for breach of this Lease Agreement, the party against whom a judgment is entered shall pay all reasonable costs and expenses relative thereto, including reasonable attorney fees.

IN WITNESS WHEREOF, the parties hereby have executed this Lease Agreement.

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

_____ By: _____
RaNae Edwards, City Clerk Jay Vavricek, Mayor

Approved as to form by City Attorney _____
Approved by Resolution 2005-_____

STATE OF NEBRASKA)
) SS.
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this ___ day of _____, 2005, by Jay Vavricek, Mayor on behalf of the City of Grand Island, Nebraska, a municipal corporation.

Notary Public

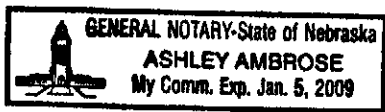
SCOTT NORTON and LISA NORTON,
Husband and Wife, d/b/d THE HEALTH
PLEX FITNESS CENTER, Lessee

By: Scott Norton
Scott Norton

By: Lisa Norton
Lisa Norton

STATE OF NEBRASKA)
) SS.
COUNTY OF HALL)

The foregoing instrument was acknowledged before me this 11th day of NOV., 2005,
by Scott Norton and Lisa Norton, Husband and Wife, d/b/a The Health Plex Fitness Center



Ashley Ambrose
Notary Public

RESOLUTION 2005-323

WHEREAS, on August 4, 1997, by Resolution 97-215, the City Council of the City of Grand Island approved and authorized Scott and Lisa Norton, doing business as Health Plex Fitness Center, to manage and operate the Racquet Center in Grand Island, Nebraska; and

WHEREAS, the parties have expressed an interest in entering into a new lease arrangement; and

WHEREAS, the proposed agreement has been prepared by the City Attorney's office.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Lease Agreement by and between the City and Scott and Lisa Norton, doing business as Health Plex Fitness Center, to manage and operate the Racquet Center in Grand Island, Nebraska, is hereby approved.

BE IT FURTHER RESOLVED, that the Mayor is hereby authorized and directed to execute such agreement 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 8, 2005.

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
November 3, 2005	☐ City Attorney