



# City of Grand Island

Tuesday, September 08, 2009

Council Session

## Item G19

**#2009-224 - Approving First Amendment to Lease Agreement with Fonner Park Exposition and Events Center, Inc., Hall County Livestock Improvement Association, City of Grand Island, and the Nebraska State Fair Board**

Staff Contact: Dale Shotkoski

# **Council Agenda Memo**

**From:** Dale M. Shotkoski, City Attorney  
**Meeting:** September 8, 2009  
**Subject:** First Amendment to Lease Agreement  
**Item #:** G-19  
**Presenter(s):** Dale M. Shotkoski, City Attorney

## **Background**

The City of Grand Island has participated in the relocation efforts of the Nebraska State Fair. Part of the City of Grand Island's commitment included entering into a Lease Agreement on July 1, 2009 with Fonner Park Exposition and Event Center, Inc., the Hall County Livestock Improvement Association, and the Nebraska State Fair Board. The lease allowed for the location of a building to be situated on land owned by the Hall County Livestock Improvement Association to also be utilized at certain times of the year by the Nebraska State Fair Board.

## **Discussion**

The Nebraska Legislature in adopting legislation to allow for the relocation of the Nebraska State Fair, created the Nebraska State Fair Relocation Cash Fund established by NEB. REV. STAT. §2-112 and §2-113. There has been placed on deposit with the Nebraska Department of Administrative Services funds that are to be utilized for the relocation of the Nebraska State Fair. The funds on deposit with the Nebraska Department of Administration Services need to be transferred to the Nebraska Sate Fair Relocation Cash Fund. The first amendment to the Lease Agreement that was proposed by the Nebraska Department of Administrative Services would allow all funds held by the parties to the Lease Agreement to agree to the relocation of all funds held by the Nebraska Department of Administrative Services to be transferred to the Nebraska State Fair Relocation Cash Fund pursuant to statute.

## **Alternatives**

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

1. Adopt the Resolution
2. Don't adopt the resolution, refer for further study
3. Take no action.

### **Recommendation**

It is recommended that the first amendment to the Lease Agreement be approved and the Mayor authorized to execute the same.

### **Sample Motion**

Move to approve the resolution allowing the funds on deposit with the Department of Administration Services to be used for the Nebraska State Fair relocation be transferred into the Nebraska State Fair Relocation Cash Fund.

## FIRST AMENDMENT TO LEASE AGREEMENT

THIS FIRST AMENDMENT TO LEASE AGREEMENT ("Addendum") is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_ 2009 by and between FONNER PARK EXPOSITION AND EVENTS CENTER, INC., a Nebraska nonprofit corporation ("Event Center"), HALL COUNTY LIVESTOCK IMPROVEMENT ASSOCIATION, a Nebraska nonprofit corporation ("Fonner"), and the CITY OF GRAND ISLAND, NEBRASKA, a municipal corporation (the "City") (Event Center, Fonner, and the City are collectively referred to herein as "Lessors"), and the NEBRASKA STATE FAIR BOARD f/k/a the Nebraska State Board of Agriculture, a private corporation established under the authority Neb. Rev. Stat. § 2-101 and an instrumentality serving the State of Nebraska and its citizens under the terms provided for in Neb. Rev. Stat. Article 1 of Chapter 2 ("Lessee"). Lessors and Lessee each may be referred to herein as the "Party" and jointly referred to herein as the "Parties."

### RECITALS

WHEREAS, the Parties entered into a Lease Agreement dated July 1, 2009 (the "Lease") with respect to the real property and improvements to be constructed and used in connection with the operation of the Nebraska State Fair; and

WHEREAS, the Parties desire to amend the Lease to revise the provisions regarding funding of the cost of construction of the Improvements (as defined in the Lease), subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants contained in the Lease, the parties hereby agree as follows:

1. Defined Terms. All capitalized terms not otherwise defined herein shall have the meaning ascribed to such term(s) in the Lease.
2. Construction of Improvements. Section 5(b) of the Lease is revised to provide that the cost of construction of the Improvements shall be funded by the Nebraska State Fair Relocation Cash Fund established pursuant to Neb. Rev. Stat. § 2-112 and the Nebraska State Fair Relocation Trust Fund, in accordance with Neb. Rev. Stat. § 2-113.
3. Full Force and Effect. Except as amended by this Amendment, all other terms and conditions stated in the Lease shall remain in full force and effect.

[The remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, the Parties hereto hereby execute this Amendment as of the day and year first above written.

“LESSORS”

FONNER PARK EXPOSITION AND  
EVENTS CENTER, INC.,  
a Nebraska nonprofit corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

HALL COUNTY LIVESTOCK  
IMPROVEMENT ASSOCIATION,  
a Nebraska nonprofit corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

CITY OF GRAND ISLAND, NEBRASKA,  
a municipal corporation

By: \_\_\_\_\_

Margaret Hornady, Mayor

“LESSEE”

NEBRASKA STATE FAIR BOARD

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF NEBRASKA            )  
  ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me on this \_\_\_ day of \_\_\_\_\_, 2009, by \_\_\_\_\_ of Fonner Park Exposition and Events Center, Inc., a Nebraska nonprofit corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

STATE OF NEBRASKA            )  
  ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me on this \_\_\_ day of \_\_\_\_\_, 2009, by \_\_\_\_\_ of Hall County Livestock Improvement Association, a Nebraska nonprofit corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

STATE OF NEBRASKA            )  
  ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me on this \_\_\_ day of \_\_\_\_\_, 2009, by Margaret Hornady, Mayor the City of Grand Island, Nebraska, a municipal corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

STATE OF NEBRASKA            )  
  ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me on this \_\_\_ day of \_\_\_\_\_, 2009, by \_\_\_\_\_ of the Nebraska State Fair Board, a private corporation established under the authority Neb. Rev. Stat. § 2-101, on behalf of the corporation.

\_\_\_\_\_  
Notary Public

RESOLUTION 2009-224

WHEREAS, on July 1, 2009, the City of Grand Island entered into a Lease Agreement with Fonner Park Exposition and Events Center, Inc., the Hall County Livestock Improvement Association, and the Nebraska State Fair Board, which allowed for an assist of the State Fair in relocating to Grand Island, Nebraska; and

WHEREAS, the Nebraska Legislature, as a part of its relocation legislation, provides that the cross of construction for improvements shall be funded by the Nebraska State Fair Relocation Cash Fund pursuant to NEB. REV. STAT. §2-112 and §2-113; and

WHEREAS, funds have been placed on deposit with the Department of Administration Services to be used for the State Fair relocation; and

WHEREAS, the Nebraska Department of Administrative Services has requested that all parties to the July 1, 2009 Lease Agreement execute the First Amendment to the Lease Agreement allowing for these funds to be placed into the Nebraska State Fair Relocation Cash Fund to comply with the law.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Mayor of Grand Island be, and hereby is, authorized to execute the First Amendment to the Lease Agreement to allow the funds that have been placed with the Nebraska Department of Administrative Services for the relocation of the Nebraska State Fair to be transferred to the Nebraska State Fair Relocation Trust Fund and that the improvements be funded by the Nebraska State Fair Relocation Cash Fund in accordance with NEB. REV. STAT §2-112 and §2-113.

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Adopted by the City Council of the City of Grand Island, Nebraska, September 8, 2009.

\_\_\_\_\_  
Margaret Hornady, Mayor

Attest:

\_\_\_\_\_  
RaNae Edwards, City Clerk

Approved as to Form    ☐ \_\_\_\_\_  
September 3, 2009      ☐ City Attorney