

# **City of Scottsbluff, Nebraska**

**Monday, January 4, 2016**

**Regular Meeting**

## **Item Public Inp4**

**Council to consider approval of the lease agreement with the Scottsbluff Senior Center and authorize the Mayor to execute the agreement.**

**Staff Contact: Rick Kuckkahn, City Manager**

## LEASE

This Lease is made \_\_\_\_\_, 2016, between the City of Scottsbluff, Nebraska, a municipal corporation (“Owner”) and the Scottsbluff Senior Center, a Nebraska non-profit corporation, (“Tenant”).

1. Description:

Owner leases to Tenant the premises located at 1502 21<sup>st</sup> Avenue, Scottsbluff, Nebraska, with a legal description of:

Lot A, Weideman Subdivision, a subdivision of Tract 1, Wildy & Lana Industrial Tract, Scotts Bluff County, Nebraska (the “premises”)

2. Lease Term:

The Effective date of this lease shall be \_\_\_\_\_, 2016. This Lease shall be for a term of one (1) year and shall be deemed automatically renewed from year to year, effective as of the date this Lease. This Lease shall remain in effect until either party gives the other party three (3) months written notice that they intend to terminate or modify the Lease, or until the Lease is terminated by the Owner pursuant to paragraph 13 of this Lease.

3. Rent:

Pursuant to this Lease, the only time Tenant would become obligated to pay monthly rent is if the Owner procures insurance for the Tenant according to paragraph 5. of this Lease. Otherwise, Tenant shall not be obligated to make a monthly rental payment. If Tenant fails to obtain required insurance as set forth in paragraph 5., Tenant shall make a monthly rental payment, equal to the cost of the insurance procured by Owner divided by twelve. The Tenant’s monthly rental payment must be made by the first of each month until the cost of the insurance procured by Owner is paid by Tenant.

4. Use of Premises:

It is agreed that the premises shall be used by Tenant as a senior center and nutrition program for seniors operated by the Aging Office of Western Nebraska (“AOWN”) and for no other purpose unless approved by the Owner. Tenant agrees to comply with all federal, state, and municipal laws, ordinances, rules, and regulations in the operation of the senior center. Tenant agrees not to commit waste on the premises.

5. Insurance:

Tenant shall maintain and pay the premiums for insurance on the premises as follows:

- a. Public liability insurance providing limits of \$1,000,000 naming Owner as an additional insured. Tenant agrees to indemnify and hold Owner harmless for any damage that may be caused to Owner by Tenant, his agents or employees.
- b. Property and casualty insurance for Tenant's improvements, fixtures, and contents, if desired by Tenant.

If Tenant fails to obtain the required insurance or to pay the premiums charged, or to properly maintain and keep in force the insurance, Owner shall have the right, at its sole option, to procure the insurance and pay the premiums charged. These amounts shall be deemed rent and shall be due and payable on a monthly basis until paid in full as set forth in paragraph 3.

Owner agrees to obtain and keep in force property and casualty insurance for the premises, however, this does not include Tenants's improvements.

6. Real Estate Taxes:

Owner shall pay the annual real estate taxes, if any.

7. Utilities:

All utilities, including gas, electricity, water, sewer, solid waste, telephone, cable television, internet access, and any other utility service for the premises shall be in Tenant's name and Tenant shall be responsible for payment of all utilities before they become delinquent.

8. Maintenance:

Except as set forth in this paragraph, Owner shall be responsible for maintaining the premises. Provided, that if there are plumbing repairs or maintenance required in the kitchen area of the premises, then payment for such repairs or maintenance shall be divided between the Owner and the Tenant and/or AOWN with the Tenant and/or AOWN paying for sixty percent (60%) of the repairs or maintenance and the Owner paying for forty percent (40%) of the repairs or maintenance. Tenant shall be required to contact Owner and advise Owner of repairs or maintenance issues, and Owner will arrange for the repairs or maintenance to be completed or authorize Tenant to complete the repairs of maintenance. All other maintenance and repairs, including but not limited to the electrical, plumbing in areas other than the kitchen, heating and cooling systems, as well as for glass or door breakage or damage shall be completed by the Owner. This responsibility includes the replacement of the systems, unless the repairs or damage to the systems causing the need for repair or replacement was caused by the negligence or intentional act of the Tenant or its guests using the premises during Tenant's activities. Owner agrees to keep the building, as well as the sidewalks areas in good appearance, as determined in sole discretion of Owner.

9. Inspection and Warranties:

Tenant is entering into this Lease based on its knowledge of the premises and not on any representations or warranties, express or implied, made by Owner. At the expiration of this Lease, the premises shall be returned to Owner in their present condition, ordinary wear and tear excepted. Owner shall have the right to inspect the premises at any reasonable time.

10. Waiver of Claims and Indemnity:

All personal property in or on the premises shall be at the risk of the Tenant and Owner shall not be liable for any damages to the personal property, to Tenant or to any other person or entity caused by something other than Owners own negligence. In addition, Owner shall not be liable to Tenant or to Tenant's insurance company or any one claiming through Tenant for any loss covered by insurance carried by Tenant.

11. Leasehold Improvements:

No alterations shall be made to the premises without Owner's consent, which consent shall not be unreasonably withheld. Tenant agrees to indemnify and hold harmless Owner against any liens, costs, damages, or expenses that may result from Tenant's improvement. At the expiration of the Lease, Tenant may remove its improvements as long as they can be removed without damage to the premises which is not repaired by Tenant.

12. Assignability:

This Lease shall not be assigned or subleased by Tenant.

13. Termination:

Owner shall have the right to terminate this Lease upon a default by Tenant which shall occur upon the happening of any of the following:

- a. Tenant's insolvency, the filing of any bankruptcy proceedings by or against Tenant, the appointment of a Receiver to take possession of any property of Tenant, any assignment for the benefit of Tenant's creditors, or the levying of execution upon the assets of Tenant located on the premises which is not discharged within 30 days after the levy.
- b. Tenant's inability to operate as a senior center as a result of the loss of licensing or because of violation of any law, ordinance, rule or regulation as referred to above.

- c. The failure of Tenant to correct any other default in this Lease within 30 days after written notice by Owner. This includes payment of the rental obligation set forth in paragraphs 3. and 5.
- d. According to paragraph 2. of this Lease.

Upon a default, Owner may elect to reenter the premises and Tenant shall peaceably surrender the premises to Owner. In addition, Owner shall have all legal remedies available to it, including but not limited to the right to relet the premises or any parts of the premises on terms as Owner in its sole judgment deems advisable.

14. Casualty to Premises:

During the term of this Lease, if all or any part of the premises shall be materially damaged by fire or other casualty without the fault of Tenant so that the premises are unfit for use by the Tenant and if damage to the building is to the extent of 50% or more, or, if in the judgment of Owner, the building has been damaged to the extent that it can no longer be utilized for the purpose for which it has been utilized during the term of this Lease, then this Lease may be terminated at the election of the Owner. If the building is totally destroyed or work to put the building in tenantable condition is not started within 30 days from the date of the damage and is not continued to completion with reasonable diligence, then this Lease may be terminated at the election of Tenant.

15. Notice:

All notices required to be given by this Lease, shall be valid and given if they are made in writing and delivered to:

<p><u>Owner</u>  City of Scottsbluff  2525 Circle Drive  Scottsbluff, NE 69361</p>	<p><u>Tenant</u>  Scottsbluff Senior Center  1502 21<sup>st</sup> Avenue  Scottsbluff, NE 69361</p>
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16. Binding Effect and Entire Agreement:

This Lease shall be binding upon the heirs, personal representatives, successors and assigns of the parties. This Lease shall be the entire agreement of the parties and shall not be amended unless in writing signed by both parties.

SIGNATURE PAGE WILL FOLLOW

CITY OF SCOTTSBLUFF, NEBRASKA,

By \_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk (Seal)

SCOTTSBLUFF SENIOR CENTER,  
a Nebraska non-profit corporation,

By \_\_\_\_\_  
Marcia Schlichtemier, President

STATE OF Nebraska, Scotts Bluff COUNTY: ss.

This Lease was acknowledged before me on \_\_\_\_\_, 2016, by Randy Meininger,  
Mayor of the City of Scottsbluff, Nebraska, by and on behalf of the City, Owner.

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

STATE OF Nebraska, Scotts Bluff COUNTY: ss.

This Lease was acknowledged before me on \_\_\_\_\_, 2016, by Marcia Schlichtemier,  
President of Scottsbluff Senior Center, by and on behalf of the corporation, Tenant.

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

Consent and Acknowledgment:

Aging Office of Western Nebraska

BY \_\_\_\_\_  
Cheryl R. Brunz