

MEMORANDUM

COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT

TO: Thomas Thomas, City Manager

SUBJECT: LRC Landscaping Agreement

DATE: 9/19/12

LRC has requested to landscape part of the property owned by the City in order to enhance the appearance along the access into the Quad City Industrial Center. The landscape area generally leads to the section occupied by McLaughlin. LRC has also requested the City reimburse LRC up to \$50,000 for the landscaping. LRC will be responsible for ongoing maintenance. The agreement also gives LRC the option to purchase the property.

Recommendation:

Council to authorize the City Manager to execute the agreement with LRC.

Submitted by: Jeffery A. Eder, Community and Economic Development Director

Approved: Thomas Thomas, City Manager

LANDSCAPING AGREEMENT

This Landscaping Agreement ("Agreement") entered into as of the _____ day of September, 2012, between THE CITY OF ROCK ISLAND, ILLINOIS, a municipal corporation, (the "City") and L.R.C. DEVELOPERS, INC., an Illinois Corporation, ("L.R.C."):

WITNESSETH

THAT WHEREAS, L.R.C. wishes to landscape part of the property owned by the City in order to enhance its appearance as an access into the Quad City Industrial Center owned by L.R.C.; and

WHEREAS, City wishes to support this project by approving the use of its property by L.R.C. and reimbursing L.R.C. for a portion of the project costs; and

WHEREAS, the parties have entered into this Landscaping Agreement for the purpose of memorializing the agreements reached by the parties;

NOW THEREFORE, in consideration of the mutual agreements contained herein, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

1. License to Use City Property. The City agrees to allow and grants a license to L.R.C. to use the real estate shown in Attachment A ("Property") to complete the landscaping plan shown in Attachment B ("Landscaping Plan").
2. Term of License. The term of the license will be ten (10) years beginning on the execution date of this agreement. The License may be modified or renewed by mutual consent of the parties.
3. Cancellation of License. This agreement is terminated on the date the City transfers the "Property" to a third party. Prior to transfer of the "Property" to a third party, L.R.C. has sixty (60) days to agree to acquire the "Property" from the City under the same terms as the third party.
4. Compensation. L.R.C. will complete the "Landscaping Plan" at its initial expense by November 1, 2013, at a total cost of approximately \$55,000. The City will reimburse L.R.C. up to the amount of Fifty-Thousand and No/100ths Dollars (\$50,000.00) for the reasonable, documented costs of completing the "Landscaping Plan". The City will make quarterly payments to L.R.C. of its reimbursement obligation during the construction of the "Landscaping Plan" upon documentation submitted by L.R.C. which itemizes the costs paid by L.R.C. during the last calendar quarter in performing its obligations as identified in paragraph 1 above.

5. Maintenance. L.R.C. will properly maintain the “Landscaping Plan” at its expense during the term of this agreement. Modifications to the landscaping must be approved in advance by the City.

6. Entire Agreement; Severability. This Agreement represents the entire agreement of the parties with respect to the subject matter hereof, and supersedes and discharges all prior oral or written, or contemporaneous oral, agreements. If any portion of this Agreement should for any reason be declared to be invalid or illegal by a court of competent jurisdiction, the remaining portions of this Agreement shall remain in full force and effect.

7. Indemnification. L.R.C. agrees that it shall indemnify, defend and hold the City harmless from any and all claims, demands, expenses, costs including attorney’s fees or damages including those arising out of litigation or administrative action taken against the City or naming the City as a party thereto brought by any person, partnership, corporation or other legal entity resulting from or growing out of any intentional, reckless, willful, wonton, or negligent act or failure to act on the part of L.R.C., its officers, agents, employees, heirs, and assigns or from or growing out of any violation of federal law, state law or local ordinance in the course of performing its obligations and responsibilities hereunder. In addition thereto L.R.C. agrees to obtain and maintain, with no lapse in coverage, liability insurance coverage with maximum liability coverage of One Million and no/100’s (\$1,000,000.00) Dollars covering L.R.C.’s obligations under this License Agreement. The City of Rock Island, Illinois shall be identified as an additional insured under said policy. L.R.C. shall provide to the City on an annual basis proof of maintenance of said insurance coverage.

8. Agreement binding on Heirs and Assigns etc. The terms and conditions of this Agreement are binding upon any heirs, assigns, purchasers, future owners, Licensees, and Licensors of the Property.

9. Option To Purchase . In consideration of the sum of One (\$1.00) Dollar (the Option Fee) to be paid upon execution of this License Agreement, the City hereby gives and grants unto L.R.C. the exclusive right, privilege and option to purchase, at the termination of this License Agreement, which is set to terminate ten (10) years from the date of execution of this License Agreement, the real estate shown in Attachment A. The purchase price for said real estate, should L.R.C. elect to exercise its option to purchase, shall be the sum of Fifty Thousand and no/100’s (\$50,000.00) Dollars or the appraised value of the real estate shown in Attachment A, on the date that the License Agreement expires, whichever amount is lower. The option to purchase by L.R.C. shall remain open for thirty (30) days after the expiration date of this License Agreement. If L.R.C. decides to exercise its option to purchase within the thirty (30) day period after the expiration date of the License Agreement, L.R.C. shall submit in writing to the City its intention to exercise its option to purchase and L.R.C. shall then have the real estate as shown in Attachment A appraised, and then L.R.C. shall prepare and submit a proposed Purchase Agreement to the City. Closing on the sale shall be within forty-five (45) days from the date L.R.C. tenders to the City its written intent to exercise its option to purchase. The date for closing can be extended by mutual agreement of the parties.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement as of the date set forth above.

THE CITY OF ROCK ISLAND, ILLINOIS, a municipal corporation

By: _____
Thomas Thomas, City Manager

Attest: _____
Aleisha L. Patchin, City Clerk

L.R.C. DEVELOPERS, INC.

By: _____
Scott Christiansen, President

Attest: _____

ATTACHMENT A

Lot One (1) in the plat of HARVESTER THIRD ADDITION to the City of Rock Island, Illinois, as shown by plat of subdivision recorded in Plat Book 30 on Page 189, situated in the County of Rock Island and State of Illinois.

