

Memorandum

Public Works Department



To: City Manager
Subject: Coast Guard Auxiliary Lease Renewal at Sunset Marina
Date: March 13, 2012
Number: 2012-071

Attached is the renewal lease for the Coast Guard Auxiliary at Sunset Marina. The space is located at the front of the structure in the area known as the showroom. It is approximately 980 square feet. The tenant pays the electric and gas charges. There is no sewer or water.

The lease term begins April 1, 2012, and ends no later than March 31, 2013. The lease can be terminated by either party with thirty (30) days written notice. The lease rate remains one dollar (\$1.00) per year. At the direction of the City's Insurance Broker, the insurance requirement was changed to a commercial general liability policy with a minimum coverage amount of \$1,000,000 per occurrence. The Coast Guard Auxiliary agreed to this revision. All changes are shown in red.

Recommendation

The Public Works Department recommends that the City Council approve the Coast Guard Auxiliary lease renewal as written and authorize the City Manager to execute the lease agreement.

Submitted by: Robert T. Hawes, P.E., Assistant City Manager/Public Works Director
Melody Miller, Assistant to the Public Works Director/Marina Manager

Approved by: Thomas Thomas, City Manager

LEASE AGREEMENT

THIS AGREEMENT made and entered into this 1st day of April, A.D. 2012, by and between the CITY OF ROCK ISLAND, Illinois, a Municipal Corporation, **LANDLORD**, and the U.S. COAST GUARD AUXILIARY, **TENANT**.

WITNESSETH:

That the said **LANDLORD** does hereby LEASE to the said tenant, the following described property, located at Sunset Marina, situated in the City of Rock Island and the State of Illinois, to be used as CLASSROOM, MEETING ROOM, AND OFFICE.

VIZ. Area to be leased is the east 20' feet more or less in the structure known as the "Showroom Building" and containing approximately 980 square feet as shown on the attached floor plan marked "Exhibit A" and made a part hereof by reference.

The term begins on the 1st day of April, 2012 on a month to month basis ending no later than the 31st day of March, 2013. This agreement may be terminated at any time by either party upon 30 day written notice.

TENANT agrees to pay as rent for said premises, the sum of ONE DOLLAR (\$1.00) per year by April 1st, 2012.

TENANT shall be allowed to erect and maintain a Coast Guard Radio antenna on the exterior wall on the south side of the leased premises. Tenant agrees to remove said antenna upon termination of this agreement.

TENANT shall pay the total gas and electric charges on the premises during the term of the lease.

TENANT acknowledges that the subject property is subject to flooding and agrees that the **LANDLORD** shall not be liable for, nor required to repair, any damage to the leased premises or **TENANT'S** equipment and personal property for not providing flood protection.

TENANT agrees not to make any improvements, alterations, or additions to the leased premises without prior written approval of the **LANDLORD** and **TENANT** shall obtain all necessary permits prior to making said improvements, alterations, or additions.

TENANT shall be responsible for providing and maintaining fire extinguisher in the leased area, and shall pay for any and all service charges necessary.

TENANT shall be responsible for maintaining the interior of the leased area. The **LANDLORD** shall be responsible for maintaining the exterior of the leased premises, the wiring, and plumbing systems.

TENANT shall, during the entire term of this Lease Agreement, keep in full force and effect a ~~policy of public liability and property damage insurance with respect to the Demised Premises, and the business operated by **TENANT** in the Demised Premises, in which the limits of public liability shall not be less than One hundred thousand no/100 dollars (\$100,000.00) per person and Five hundred thousand no/100 dollars (\$500,000.00) per accident, and in which the property coverage shall not be less than One hundred thousand and no/100 (\$100,000.00).~~ a commercial general liability policy of insurance with a minimum amount of coverage of 1,000,000.00 per occurrence.. The policy shall name **LANDLORD** as an additional insured, and shall contain a clause that the insurer will not cancel or change the insurance without first giving the **LANDLORD** thirty (30) days prior written notice. The insurance shall be ~~in~~ with an

insurance company approved to do business in the State of Illinois and a current copy of the policy or certificate of insurance shall be delivered to the **LANDLORD**.

TENANT will and does indemnify **LANDLORD** and save it harmless from and against any and all claims, actions, damages, liability and expense in connection with the loss of life, personal injury and/or damage to property arising from or out of any occurrence in, upon or at the Demised Premises or the occupancy or use by **TENANT** of the Demised Premises or any part thereof which claims damage and liability are occasioned wholly or in part by any act or omission of **TENANT**, its agent, employees, contractors, sublessee, concessionaires or licensees. This indemnity shall apply in connection with claims, causes of action or judgments arising out of the premises owned by **LANDLORD** upon which the Demised Premises are located, in the event of the carelessness and neglect of **TENANT**, its agents, employees, contractors, sublessee, concessionaires or licensees. It is further expressly agreed and understood that acts of **TENANT'S** agents, guests, invitees and patrons, whether authorized by **TENANT** or not, shall be considered to be the express act of **TENANT** and the **TENANT** shall, for the purposes of this Lease, be deemed responsible and chargeable for any and all acts or omissions of whatever kind or nature which are performed, permitted, allowed, or tolerated by **TENANT** and his/her agents, guests, invitees and patrons.

LANDLORD shall not be liable for any damage occasioned by failure to keep said premises in repair, and shall not be liable for any damage done or occasioned by or from plumbing, gas, water, steam or other pipes, electric wires or sewage, or the bursting, leaking or running of any cistern, tank, wash-stand, water-closet or wastepipe; in, above, upon or about said building or premises, nor for damage occasioned by water, snow, or ice being upon or coming through the roof, sky light, trap door, entrance, yard, plaster or appliances; nor for any damage

resulting from fire, explosion, failing or otherwise, nor for any damage arising from acts or neglect of co-tenants or other occupants of the same building, or any owners or occupants of adjacent or contiguous property, except to the extent that any such loss or damage is caused by **LANDLORD'S** own negligence.

TENANT agrees at all times, at its expense, to keep its merchandise, fixtures and any and all other property situated within the Demised Premises, including but limited to property owned by third parties, insured against fire, with extended coverage, in a reasonable and adequate amount to protect **LANDLORD'S** interests therein, whatever they may be. **TENANT** shall also carry fire and extended coverage insurance on the value of any improvements and alterations made to the Demised Premises by **TENANT**. Such insurance shall be carried with companies authorized to do business in the state.

TENANT shall obtain a written obligation of each insurance company to notify **LANDLORD** at least thirty (30) days prior to cancellation of such insurance. Such policies or duly executed certificates of insurance shall be delivered to **LANDLORD** prior to the commencement of **TENANT'S** occupancy hereunder, and renewals thereof as required shall be delivered at least (30) days prior to the expiration of the respective policy terms. The proceeds to **TENANT** of such insurance shall be applied for the repair or replacement of **TENANT'S** merchandise, fixtures and other property situated within the Demised Premises and to the repair and replacement of the improvements and alterations made by **TENANT** to the Demised Premises. If during the term of this lease the Demised Premises shall be destroyed by fire, the elements or any other cause, this Lease shall cease and become null and void from the date of such damage or destruction, and **TENANT** shall immediately surrender premises to **LANDLORD**. **LANDLORD** shall not be liable for any cost incurred by the **TENANT** due to displacement due

to any of the aforementioned events which are out of the reasonable control of the **LANDLORD**.

The said **TENANT** shall permit the **LANDLORD** to have free access to the premises hereby leased for the purpose of examining or exhibiting same, or to make any needful repair or alteration of such premises, which said **LANDLORD** may see fit to make; also to allow to have placed upon said premises, at all times, notices of "FOR SALE" or "TO RENT ", and will not interfere with the same.

IT IS FURTHER AGREED by the said **TENANT** that neither **TENANT** nor **TENANT'S** legal representatives will sublet said premises or any part thereof, or assign this Lease, without the written consent of the **LANDLORD** had thereto, and that neither **TENANT** nor **TENANT'S** legal representatives will use said premises for any purpose calculated to injure or deface the same, or to injure the reputation or credit of the premises or of the neighborhood.

IT IS FURTHER AGREED that the **TENANT** shall keep said premises in a clean and healthy condition, in accordance with the Ordinances of the City Of Rock Island and all the rules, regulations, ordinances, laws or statutes of any governmental body.

AND, IT IS FURTHER EXPRESSLY AGREED between the parties, that if default shall be made in the payment of the rent above reserved, or any part thereof, or in any of the covenants or agreements herein contained to be kept by the **TENANT** or **TENANT'S** heirs, executors, administrators or assigns, it shall be lawful for **LANDLORD** or **LANDLORD'S** legal representatives to re-enter into and upon said premises, or any part thereof, either with or without process of law, and repossess the same and to distrain for any rent that may be due thereon, at election of said **LANDLORD**; and in order to enforce to forfeiture for nonpayment of rent, it shall not be necessary to make a demand on the same day the rent shall become due, but a demand and refusal or failure to pay at any time on the same day or at any time on any subsequent day, shall be

sufficient; and after such default shall be made, the **TENANT**, and all persons in possession under **TENANT** shall be deemed guilty of forcible detainer of said premises under the Statute.

TENANT shall also pay all costs, expenses and reasonable attorney's fees that may be incurred or paid by the **LANDLORD** in enforcing the covenants and agreement of this Lease provided that **LANDLORD** prevails in any litigation commenced by it to enforce the same.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals the day and year first above written.

Attest:

CITY OF ROCK ISLAND, ILLINOIS
A Municipal Corporation, **LANDLORD**

By: _____

City Manager

Attest:

UNITED STATES COAST GUARD

By: _____

Attest:

U.S. COAST GUARD AUXILIARY
Flotilla 93, 8th Western River, Station Commander

By: _____