



Legislation Text

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Fiscal Note

This lease requires the Vera Court Neighborhood Center to pay a monthly rent of \$ 1,000.00 plus utilities. Funds collected in 2013 will be deposited in the General Fund/Rentals and Property Leases. The Lessee is required to bear utility and maintenance expenses. The City shall maintain the major structural elements of the building. No significant structural maintenance expense is anticipated in 2013, so no expense has been budgeted.

Title

Authorizing the execution of a lease between the City of Madison and Vera Court Neighborhood Center for the operation of a Neighborhood Center at 1910 Lake Point Drive.

Body

WHEREAS, the draft Lake Point Redevelopment District plan recognizes the Hoboken Road and Lake Point Drive intersection as the "Gateway" to the Lake Point neighborhood;

WHEREAS, to promote the future development of the Gateway to the Lake Point Neighborhood, the City of Madison on December 12, 2012 acquired from Madison Mutual Housing Association (MMHA) a former 4-unit apartment building located at 1910 Lake Point Drive;

WHEREAS the acquisition of 1910 Lake Point Drive from MMHA included the assignment of a lease with the Vera Court Neighborhood Center;

WHEREAS it is desirable to maintain the Neighborhood Center at 1910 Lake Point Drive until a comprehensive development plan is brought forward;

WHEREAS the Vera Court Neighborhood Center requests an extension to its current lease with the City of Madison;

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Clerk are authorized to execute a lease (the "Lease") between the City of Madison (the "City") and Vera Court Neighborhood Center Inc. DBA Lake Point Neighborhood Center (the "Lessee") of the City owned property located at 1910 Lake Point Drive ("Leased Premises, subject to the following terms and conditions:

1. Term. The term of the Lease (the "Lease Term") shall be two (2) years commencing on October 1, 2013 and ending on September 30, 2015.
2. Renewal. If mutually acceptable to the City and Lessee, the lease can be extended for up to three (3) successive terms of one (1) year. Lessee shall provide the City written notice of Lessee's intent to renew the lease no earlier than ninety days (90) days and no later than sixty days (60) prior to the expiration of the lease. The City shall have thirty (30) days from receipt of said notice to inform Lessee of its intent regarding renewal. The City's decision to renew or not renew the agreement is not reviewable.
3. Rent and Conditions of Rent. Rent shall be One thousand and no/100 dollars (\$1,000.00) per month. The net monthly rental payment shall be due by the 1st of each month of the Lease Term
4. Use. The Lessee will occupy and use the Leased Premises solely for a Neighborhood Center.

5. Subletting. The Lessee shall not sublet the Leased Premises, or any portion thereof.
6. Construction. No construction, modification, improvement, alteration, redecoration, or remodeling of the Leased Premises shall be undertaken without prior written approval of the City and any plans for any of the same are subject to written approval of the City's Real Estate Manager. Any such construction, modification, improvement, alteration, redecoration, or remodeling shall remain for the benefit of the City, unless otherwise provided in such written approval. In all cases, the Lessee is responsible for following all applicable ordinances, codes, statutes, and laws, and obtaining all permits required for any construction activity.
7. General Care. The Lessee shall, except as otherwise noted herein, at Lessee's own expense, keep and maintain the Leased Premises in a presentable condition consistent with good business practice and in a manner consistent with the preservation and protection of the general appearance and value of the Leased Premises. Lessee shall be responsible for all maintenance on the interior of the building. Lessee shall be responsible for all cleaning, lawn care, and snow removal and shall be responsible for any penalties for failure to do so.
- a. Maintenance, Repairs and Replacements. The City shall keep the foundation, roof, electrical, plumbing and sewer systems, heating, ventilating and air conditioning system, exterior doors, window frames, windows and structural portions of the walls of the Leased Premises in good condition and repair and shall make any repairs/replacements required. Notwithstanding the foregoing, the Lessee shall be responsible for the cost and expenses of repairs/replacements required by reason of acts or omissions of the Lessee, the Lessee's employees, agents, invitees, vendors, licensees or contractors. The Lessee shall give the City written notice of the necessity for repairs/replacements coming to the attention of the Lessee, following which the City shall have a reasonable time to undertake and complete such repairs.
- b. Except as provided in Paragraphs a. above, the Lessee shall be responsible for normal wear, repairs, replacement and maintenance to Leased Premises grounds and facilities.
8. Utilities. The Lessee shall be solely responsible for and promptly pay all charges for water, gas, heat, electricity, sewer, storm water, telephone, internet and any other utility used upon or furnished to the Leased Premises. The obligation of the Lessee to pay for such utilities shall commence as of the date on which possession of the Leased Premises is delivered to the Lessee, without regard to the formal Effective Date of this Lease.
9. Indemnification. The Lessee shall be liable to and agrees to indemnify, defend and hold harmless the City, and its officers, officials, agents, and employees, against all loss or expense (including liability costs and attorney's fees) by reason of any claim or suit, or of liability imposed by law upon the City or its officers, officials, agents or employees for damages because of bodily injury, including death at any time resulting therefrom, sustained by any person or persons or on account of damages to property, including loss of use thereof, arising from, in connection with, caused by or resulting from the acts or omissions of the Lessee or its officers, officials, members, agents, employees, assigns, guests, invitees, sublessees or subcontractors, in the performance of this Lease.
10. Insurance. The Lessee shall carry commercial general liability insurance including contractual liability with no less than the following limits of liability, as may be adjusted, from time to time, by the City's Risk Manager: bodily injury, death and property damage of not less than \$ 1,000,000 per occurrence. The policy or policies shall name the City as an additional insured. As evidence of this coverage, the Lessee shall furnish to the City a certificate of insurance on a form provided by the City.

11. The Lessee shall be solely responsible for carrying a Commercial General Liability Insurance acceptable to the City's Risk manager naming the City as an additional insured.
12. Hazardous Substances; Indemnification. The Lessee represents and warrants that its use of the Leased Premises will not generate any hazardous substance, and it will not store or dispose on the Leased Premises nor transport to or over the Leased Premises any hazardous substance in violation of any applicable federal, state or local law, regulation or rule. The Lessee further agrees to hold the City harmless from and indemnify the City against any release of such hazardous substance and any damage, loss, or expense or liability resulting from such release including all attorneys' fees, costs and penalties incurred as a result thereof except any release caused by the sole negligence or intentional acts of the City, its employees or agents. "Hazardous substance" shall be interpreted broadly to mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic radioactive substance, or other similar term by any federal, state or local environmental law, regulation or rule presently in effect or promulgated in the future, as such laws, regulations or rules may be amended from time to time; and it shall be interpreted to include, but not be limited to, any substance which after release into the environment will or may reasonably be anticipated to cause sickness, death or disease or damage to or loss of use of real or personal property.
13. Compliance. The Lessee shall observe and promptly and effectively comply with all applicable statutes, rules, orders, ordinances, requirements and regulations of the City, the County of Dane, the State of Wisconsin, the federal government and any other governmental authority having jurisdiction over the Leased Premises. The Lessee may, if in good faith and on reasonable grounds, dispute the validity of any charge, complaint or action taken pursuant to or under color of any statute, rule, order, ordinance, requirement or regulation, defend against the same, and in good faith diligently conduct any necessary proceedings to prevent and avoid any adverse consequence of the same. The Lessee agrees that any such contest shall be prosecuted to a final conclusion as soon as possible and that it will hold the City harmless with respect to any actions taken by any lawful governmental authority with respect thereto.
14. Right of Entry.
 - a. Lessee agrees that an authorized representative of the City will be permitted to enter the Leased Premises to examine its condition, to make improvements or repairs, to ensure compliance with the terms of this lease, or to show the premises for re-leasing, subject to any restrictions set forth in Wis. Stat. Ch. 704, Wis. Admin Code Ch ATPC 134, and Madison General Ordinances Ch. 32. This limited right of entry does not apply to police, fire or other emergency personnel of the City who may otherwise lawfully require access to the Leased Premises.
 - b. The City representative may enter the Leased Premises with at least twenty-four (24) hours notice of the specific date and approximate time of entry, unless the Lessee approves a shorter period of notice on a case by case basis, except when the City reasonably believes that entry is necessary to preserve or protect the premises from damage or destruction which is not intentionally caused by the City, or if the City reasonably believes an emergency exists involving threats to health or safety of persons or property.
 - c. Lessee's requests for maintenance shall be considered permission for a City representative to enter without further notice and perform such maintenance.
 - d. In the event that Lessee and all adult household members are absent from the Leased Premises at the time of entry, the City will, prior to leaving the premises, leave a written statement on the premises specifying the date, time and purpose of such entry.

15. Termination.

a. The City shall have the right, at its sole option, to declare this Lease void, terminate the same, reenter and take possession of the Leased Premises under the following conditions:

(1) By giving the Lessee a minimum of thirty (30) days written notice of termination, upon or after any one of the following events:

- i. The abandonment by the Lessee of the Leased Premises. Abandonment shall not be deemed to occur while rental payments are current.
- ii. The use of the Leased Premises for an illegal purpose.
- iii. The failure of the Lessee to pay when due any rent or any other monetary sums due pursuant to the terms of this Lease.
- iv. The failure of the Lessee to satisfactorily perform the caretaker services set forth in Exhibit B.

The termination shall not be effective, if within such thirty (30) day period, the event giving rise to the City's right to terminate ceases to exist. In the event of termination under this Subparagraph, any prepaid rent shall be retained by the City.

(2) By giving the Lessee a minimum of one hundred eighty (180) days written notice of termination in the event the Leased Premises, at the sole discretion of the City of Madison, are desired for any public use or purpose. In the event of termination under this Subparagraph, any rent that has been prepaid for the period following the date of the Lessee's vacation of the Leased Premises shall be prorated on a per diem basis and refunded to the Lessee.

16. No Waiver. Failure or delay on the part of either party to enforce any of the terms, covenants, conditions or agreements hereof shall not operate as a waiver thereof nor void or affect the right of the party to enforce the same upon any subsequent default or breach. Except as otherwise provided in this Lease, the rights and remedies herein granted are cumulative and are in addition to any given by statutes, rules of law or otherwise and the use of one remedy shall not be taken to exclude or waive the right to the use of another.

17. Rights Upon Expiration or Termination. Upon the expiration or termination of this Lease for any cause, the Lessee's rights in the Leased Premises shall cease, and the Lessee shall immediately surrender the Leased Premises.

18. Removal and Disposal of Personal Property. Upon the expiration or termination of this Lease, the Lessee shall remove all personal property from the Leased Premises. If the Lessee leaves any personal property on the Leased Premises, the City shall have the right to dispose of said property, without liability, thirty (30) days after the Lessee vacates or abandons the Leased Premises.

19. Hold Over. In the event the Lessee shall continue to occupy or use the Leased Premises after the expiration of this Lease or any extension thereof, such holding over shall be deemed to constitute a tenancy from month to month, upon the same terms and conditions as herein provided except that rent equal to one-twelfth (1/12) of the annual rent shall be paid monthly in advance, and in no event shall the tenancy be deemed to be year to year.

BE IT FURTHER RESOLVED that the Mayor and City Clerk are hereby authorized to execute the lease and all additional documents that may be required to complete this transaction.