

YAMPA BUILDING MASTER LEASE AGREEMENT

THIS LEASE AGREEMENT, made and entered into this 1st day of January, 2026, by and between **City of Craig**, whose address or principal place of business is 300 West 4th Street, Craig, Colorado 81625 hereinafter referred to as “lessor” of “the City”, and **Craig Chamber of Commerce**, hereinafter referred to as “lessee” or “the Chamber”.

WITNESSETH:

WHEREAS, as to Lessee, authority exists in the law and funds have been budgeted, appropriated and otherwise made available, and a sufficient unencumbered balance thereof remains available for payment of funds under the terms of this lease.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties hereto agree as follows:

1. PREMISES, TERM, RENT.

- (A) Lessor hereby leases unto Lessee the Premises, hereinafter referred to as “Premises” within the building and property known as the Yampa Building located at 775 Yampa Avenue, Craig, Colorado 81625, hereinafter referred to as “Leased Space”. The Premises, known and described as a portion of the Yampa Building includes approximately 16,700 square feet of rentable floor area.
- (B) TO HAVE AND TO HOLD the same, together with all appurtenances, unto Lessee, for the term beginning January 1st, 2026, for a period of five (5) years and annually thereafter, at and for an annual rental as follows: Lessee has projected rents from Lessee and future tenants to meet or exceed an annual amount of \$50,000.00. The Lessee agrees to collect the rent from tenants on an annual basis and pay the Lessor the monthly rental amounts. Lessee’s annual rent payment would be the equivalent of \$6,000 annually and payable to the Lessor in January of the year following the period for which rent is applied. Lessee’s share of the rent can be reduced based on the projected aggregate rents from the work of the Lessee in securing tenants for the Yampa Building. Should the Lessee build an aggregate tenant portfolio of \$50,000.00 annually, then Lessee’s rent would be reduced to zero (\$0). Should Lessee build an aggregate tenant portfolio of \$50,000.00 - \$47,000.00 then the Lessor will prorate the rent for that calendar year (i.e. if the aggregate tenant portfolio is \$49,000.00 then the Lessee’s prorated rent would total \$1,000.00). If the Lessee fails to build an aggregate tenant portfolio of at least \$47,000.00, for any calendar year, then the Lessee’s annual rent will total \$6,000.

- (C) The parties agree that the base rent for all tenants, including the Lessee, as well as the amount required for a reduction in rent for Lessee (i.e. \$50,000.00), will be adjusted on an annual basis (as of December 31st) based upon any increase to the Denver-Boulder Consumer Price Index.
- (D) Included as part of the monthly rental fee will be a Management Agreement, whereby Lessee will act as on-site manager of the Yampa Building.

2. **MANAGEMENT AGREEMENT.** The following provisions apply to the role of the Chamber in managing the Yampa Building, as follows:

- (A) Lessee will manage the Yampa Building including leasing of tenant space, common area management, space designation and general operations. The Lessee will design and implement the short and long-term vision of the Yampa Building by working with the Lessor, as well as other key non-profit tenant-partners, such as the Moffat County Tourism Authority (MCTA) among others. Tenant leases shall not exceed **one calendar year** and shall expire no later than the expiration of this Master Lease Agreement.
- (B) The Lessor directs that the Lessee will manage the Yampa Building according to an annual budget approved by the City Council such that the revenues from leases and from grants will subsidize the operating costs of the Yampa building each year. The Lessee will take the lead in applying for operational grants. Additionally, the Lessee will cooperate with the Lessor, MCTA and other tenant-partners to secure grant funding for facility improvements including capital project such as roof replacement and the addition of an elevator, in the future. The management costs related to the Yampa Building will not exceed the appropriated funding by Council on an annual basis absent approval of City Council.
- (C) The Lessee will provide reception for the Yampa Building and will operate the Chamber of Commerce, Moffat County Visitor Center and Sportsman Info Center within the space leased by the Chamber.
- (D) The anticipated tenant-partners, who will be offered space to lease in the building and are listed in Attachment "A" with a preference for non-profit groups, as may be designated in the future.
- (E) The Lessee will collect all rents from the tenant-partners each month and submit such payments in a time manner to the Lessor as directed by the City Finance Director.

- (F) The Lessee will work with community stakeholders including the City, Museum of Northwest Colorado, the CNCC Paleo Field Museum, MCTA, Colorado Parks and Wildlife (CPW) and the business community to establish, curate and expand an engaging, comprehensive and strategic visitor space.
 - (G) In addition, to rent paid by the Lessee, the Lessee will provide a budget of up to \$5,000.00 per year for facility maintenance, including cleaning and routine maintenance of the building not covered by tenant-partner leases and shall be provided to the Lessor on a quarterly basis. In the event the Lessee does not expend the total amount of the budgeted \$5,000.00 then the Lessor may allocate the remaining amount to major maintenance of the building, such as capital project(s).
 - (H) The Lessor will provide and pay for insurance on the building as well as general liability insurance. Each tenant-partner, including the Lessee, is required to carry renters' insurance for their use of the tenant space and personal property within the building; such insurance shall provide general liability coverage of one-million dollars (\$1,000,000.00) and shall name the City as an additional insured. Proof of current insurance must be provided to the City Clerk each year upon renewal of the lease and for every tenant.
3. **SERVICES BY LESSEE.** The utility accounts for the building will remain in the name of the Lessor. The Lessor agrees to plow snow in the parking lot during the winter, and the Moffat County School District has agreed to maintain the grounds pursuant to an IGA with the Lessor.
 4. **MAINTENANCE OF PREMISES.** Routine building maintenance and janitorial services shall be provided by the Lessee. Lessor shall, unless herein specified to the contrary, maintain the Premises in good repair and in tenantable condition during the term of this lease, except in the event of damage arising from an act or the negligence of Lessee, its agents, clients or employees. Lessor shall have the right to enter the Premises at any time to make necessary inspections.
 5. **DAMAGE AND DESTRUCTION.** In the event the leased Premises is damaged by fire or other casualty so that there is total or partial destruction of the Premises so as to make the Premises partially or totally untenable or unfit for Lessee's purposes, either party may, within twenty (20) days of such occurrence, terminate this lease by giving written notice to the other party.
 6. **FISCAL FUNDING.** As prescribed by Colorado State Law, it is understood and agreed this lease is dependent upon the continuing availability of funds beyond the current fiscal year of the Lessor. The parties recognize that the act of appropriation by the Lessor is a legislative act. Failure by Lessor to budget and appropriate operational contributions shall not terminate this lease.

7. **COMPLETE AGREEMENT.** This lease supersedes all prior written or oral agreements and there are no covenants, conditions or agreements between the parties except as set forth herein. No subsequent renewal, addition, deletion or other amendment hereto shall have any force or effect unless embodied in a written contract executed and approved by both parties.
8. **NOTICE.** Any notice required or permitted by this lease may be delivered in person or sent by registered or certified mail, return receipt requested, to the party at the address as hereinafter provided:

Lessor:

City Manager
City of Craig
300 West Fourth Street
Craig, Colorado 81625

Lessee:

Director
Chamber of Commerce
360 E. Victory Way
Craig, Colorado 81625

Notice of change of address shall be treated as any other notice.

9. **CONSENT.** Unless otherwise specifically provided, whenever consent or approval of Lessor or Lessee is required under the terms of the lease, such consent or approval shall not be unreasonably withheld or delayed and shall be deemed given if no response is received within 30 days of the date the request was made.
10. **LESSEE LIABILITY EXPOSURE.** Notwithstanding any other provision to the contrary, no term or condition of this lease shall be construed or interpreted as a waiver of any provision of the Colorado Governmental Immunity Act, as now or hereafter amended. The parties hereto understand and agree that liability for claims for injuries to persons or property arising out of the negligence of the City of Craig, its departments, institutions, agencies, boards, officials and employees is controlled and limited by the Colorado Governmental Immunity Act. Any provision of this lease, whether or not incorporated herein by reference, shall be controlled, limited and otherwise modified so as to limit any liability of the Lessee to the above cited law.
11. **LESSEE'S INSURANCE.** The Lessee shall at its sole cost and expense, obtain insurance on its inventory, equipment, and all other personal property located on the leased Premises against loss resulting from fire or other casualty. The Lessee shall obtain general liability insurance of at least one million dollars (\$1,000,000.00) and will name the City as an additional insured and provide proof of the Lessee's insurance to Lessor. The Lessee shall provide proof of the following coverage on an annual basis.
12. **DEFAULT.** The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by the Lessee:

- A. Vacating the Premises: The vacating or abandonment of the Premises by Lessee.
 - B. Failure to Pay Rent: The failure by Lessee to make any payment of rent, or any other payment required to be made by Lessee hereunder, as and when due where such failure shall continue for a period of fifteen (15) days after written notice thereof by the Lessor to Lessee, unless such failure is a result of allowable early termination as identified in Paragraph 14 above.
 - C. Failure to Perform: The failure by Lessee to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by the Lessee, other than described in Section B. above, where such failure shall continue for a period of thirty (30) days after written notice thereof by the Lessor to Lessee, provided, however, that if the nature of Lessee's default is such that more than thirty (30) days are reasonably required for its cure, then Lessee shall not be deemed to be in default if Lessee commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.
 - D. Upon termination of this lease, in the event of default, or upon expiration of the lease the Lessee shall immediately vacate the property and deliver sole possession of the property to the Lessor. The condition of the property shall be in the same condition as it was originally received subject to normal wear and tear of the property. The Lessee shall be solely liable for any and all costs necessary to clean, repair or restore the property to its original condition at the time the Lessee took initial possession of the property. The Lessor retains the sole discretion to determine the condition of the property, and the Lessee agrees to be solely responsible for the cost of any cleaning, repair, painting, or any necessary work to return the property to the original condition.
 - E. In the event any legal action must be instituted to enforce any terms or provisions under this Agreement, then the Lessor in said action shall be entitled to recover a reasonable attorney's fee in addition to all costs of said action.
13. **SEVERANCE CLAUSE:** If any sentence, subsection, clause, or phrase of this Lease Agreement is for any reason held to be invalid, such decision shall not affect the validity of the remaining portion of this Lease Agreement.
14. **INDEMNIFICATION.** The Lessee hereby covenants and agrees to indemnify, defend, and hold the Lessor harmless from any and all claims or liabilities which may arise from any cause whatsoever as a result of Lessee's use and occupancy of the Premises, and further shall indemnify the Lessor for any losses which the

Lessor may suffer in connection with the Lessee's use and occupancy or care, custody, and control of the Premises. The Lessee also hereby covenants and agrees to indemnify and hold harmless the Lessor from any and all claims or liabilities which may arise from any latent defects in the subject Premises that the Lessor is not aware of at the signing of the lease or at any time during the Term.

15. **GOVERNING LAW.** This Agreement shall be governed by the laws in the state of Colorado. The parties agree that in the event of any dispute arises involving this lease the proper venue is vested in Moffat County.
16. **EARLY TERMINATION CLAUSE.** Lessee may, upon 180 days written notice to Lessor, terminate this lease provided that the Lessee pays a termination charge equal to 6 months' rent or the maximum allowable by law, whichever is less. Termination will be effective as of the last day of the calendar month following the end of the 180-day notice period. Termination charge will be in addition to all rent due up to the termination day.
17. **BINDING EFFECT.** This Agreement and any amendments thereto shall be binding upon the Lessor and the Lessee and/or their respective successors, heirs, assigns, executors, and administrators.

Attachment A: Tenant List with Rent Amount and Proof of Insurance

IN WITNESS WHEREOF, the parties hereto have executed this lease agreement on the day and year first written above.

LESSOR:
The City of Craig

By: _____
Chris Nichols, Mayor

Attest:

By: _____
Katie Carmody, City Clerk

LESSEE:
Craig Chamber of Commerce

By: _____
Kirstie McPherson , President
Chamber of Commerce Board