

## **YAMPA BUILDING MASTER LEASE AGREEMENT**

THIS LEASE AGREEMENT, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2020, 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 \_\_\_\_\_, 2020, 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 \$36,000. This amount would be prorated based on the time of year that the Master Lease Agreement went into effect. 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. i.e., should Lessee build an aggregate tenant portfolio of \$36,000 annually, Lessee’s rent would be reduced to zero (\$0). Should Lessee build an aggregate tenant portfolio of \$32,000 annually, Lessee’s rent would be reduced to \$4,000. Lessee’s annual rent would not exceed \$6,000 annually and based on performance could be reduced to zero (\$0).
- (C) Included as part of the monthly rental fee will be a Management Agreement as contained herein, 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 Chamber will design and implement the short and long-term vision of the Yampa Building by working with the City, as well as other key non-profit tenant-partners, such as the Moffat County Tourism Authority (MCTA) among others.
- (B) The City directs that the Chamber will manage the Yampa Building according to an annual budget approved by the City Manager such that the revenues from leases and from grants are enough to cover the costs of the Yampa building each year. The Chamber will take the lead in applying for operational grants including where possible from the Moffat County Local Marketing District (MCLMD). Additionally, the Chamber will cooperate with the City, 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.
- (C) The Chamber 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 include (1) MCTA, (2) Moffat County Arts Council, (3) Moffat County Senior Center, the (4) Small Business Development Center (including operation of a co-work space in partnership with the Chamber and the City), and other organizations, with a preference for non-profit groups, as may be designated in the future.
- (E) The Chamber will collect all rents from the tenant-partners each month and submit such payments in a time manner to the City as directed by the City Finance Director.
- (F) The Chamber 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 Chamber, the Chamber 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. Major maintenance such as capital project will be funded separately from this fund.

(H) The City will provide and pay for insurance on the building as well as general liability insurance. Each tenant-partner including the Chamber is responsible for insurance for their use of the tenant space and personal property withing the building.

3. SERVICES BY LESSEE. The utility accounts for the building will remain in the name of the City. The City will plow snow in the parking lot during the winter and the Moffat County School District will maintain the grounds pursuant to an IGA with the City.
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:

Lessee:

City Manager

Director

City of Craig  
300 West Fourth Street  
Craig, Colorado 81625

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.** 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. Lessee shall name the City as an additional insured and provide proof of Lessee's insurance to Lessor.
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 thirty (30) 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 ninety (90) 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 ninety (90) days are reasonably required for its cure, then Lessee shall not be deemed to be in default if

Lessee commences such cure within said ninety (90) day period and thereafter diligently prosecutes such cure to completion.

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.

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: \_\_\_\_\_  
Jarrod Ogden, Mayor

By: \_\_\_\_\_  
Liz White, City Clerk

LESSEE:  
Craig Chamber of Commerce

By: \_\_\_\_\_  
Randy Looper, President  
Chamber of Commerce Board