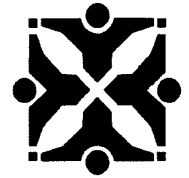


# City of Columbia

701 East Broadway, Columbia, Missouri 65201



**Agenda Item Number:** B 185-14

**Department Source:** City Manager

**To:** City Council

**From:** City Manager & Staff

**Council Meeting Date:** June 16, 2014

**Re:** Land Lease with The Wardrobe

## Documents Included With This Agenda Item

Council memo, Resolution/Ordinance, Exhibits to Resolution/Ordinance

**Supporting documentation includes:** N/A

## Executive Summary

In March, 1984, the City entered into a 20 year land lease with The Wardrobe for city owned land at the corner of Park Ave and 8th Street, the current site of The Wardrobe facility. The lease was extended in 2004 for an additional 10 years. Staff is recommending the lease be extended in accordance with the terms of a new lease agreement.

## Discussion

The Wardrobe is a non-profit corporation operated by a volunteer executive board and staffed entirely by volunteers. Donations of gently worn clothing for all ages and other household items are sold at nominal prices and given to those in need.

The Wardrobe provides a valuable service to residents, and staff is proposing a new ten year lease with terms substantially the same as the prior agreement. Modifications include updated insurance liability limits and changes to the termination clause (180 days).

## Fiscal Impact

Short-Term Impact: None

Long-Term Impact: None

## Vision, Strategic & Comprehensive Plan Impact

Vision Impact: Health, Social Services and Affordable Housing

Strategic Plan Impact: Health, Safety and Wellbeing

Comprehensive Plan Impact: Not Applicable

## Suggested Council Action

Approval of the Ordinance authorizing a real estate lease with The Wardrobe, Inc.

# City of Columbia

701 East Broadway, Columbia, Missouri 65201



## Legislative History

April, 2004 - 10 year lease extension (B125-04)

March, 1984 - Initial 20 year lease

A handwritten signature in black ink, appearing to be 'A. K. ...', written over a horizontal line.

Department Approved

A handwritten signature in black ink, appearing to be 'M. M.', written over a horizontal line.

City Manager Approved

Introduced by \_\_\_\_\_

First Reading \_\_\_\_\_

Second Reading \_\_\_\_\_

Ordinance No. \_\_\_\_\_

Council Bill No. B 185-14

### **AN ORDINANCE**

authorizing an extension of a real estate lease with The Wardrobe, Inc. for property located at the northwest corner of Park Avenue and Eighth Street; and fixing the time when this ordinance shall become effective.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. The City Manager is hereby authorized to execute an extension of a real estate lease with The Wardrobe, Inc. for property located at the northwest corner of Park Avenue and Eighth Street for the period of May 15, 2014 thru May 14, 2024. The form and content of the agreement shall be substantially in the same form as set forth in "Exhibit A" attached hereto. Any actions taken by or on behalf of the City in connection with such real estate lease prior to the date of this ordinance are hereby approved and ratified.

SECTION 2. This ordinance shall be in full force and effect from and after its passage.

PASSED this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

ATTEST:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor and Presiding Officer

APPROVED AS TO FORM:

\_\_\_\_\_  
City Counselor

## REAL ESTATE LEASE

THIS REAL ESTATE LEASE, made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 2014, by and between THE CITY OF COLUMBIA, MISSOURI, a municipal corporation of the State of Missouri (hereinafter referred to as "Lessor") and THE WARDROBE, INC., a charitable not-for-profit corporation of the State of Missouri (hereinafter referred to as "Lessee").

WITNESSETH:

WHEREAS, Lessor owns a parcel of real estate located at the northwest corner of Park Avenue and Eighth Street in the City of Columbia, Missouri, upon which Lessee has previously constructed a building, pursuant to a long-term lease between Lessor and Lessee, such building to be used for Lessee's charitable work; and

WHEREAS, Lessee is desirous of continuing to lease Lessor's property for an additional long-term period, solely to accomplish the charitable purpose of Lessee and to assist the City and the citizens thereof by the fulfillment of said charitable purposes.

NOW, THEREFORE, in consideration of the performance of the terms and conditions as hereinafter set forth and the payment of the rentals as hereinafter provided, the parties do hereby agree as follows:

1. Lessor does hereby lease to Lessee and Lessee does hereby take as Lessee the following described real estate situated in the City of Columbia, Boone County, Missouri, which is located at the northwest corner of Park Avenue and Eighth Street in the City of Columbia, Missouri, and as more specifically described as follows:

All of Lot 3 and the south 35 feet of Lot 4 of Guitar's Addition to the City of Columbia as described in Book 63, Page 85, in the Office of the Recorder of Deeds of Boone County, Missouri.

which real estate and the improvements located thereon being hereinafter referred to as "premises," "demised premises," or "business premises."

2. The rental to be paid by Lessee to Lessor as rent for the premises shall be the sum of Ten Dollars (\$10.00) per year, payable in advance not later than the fifth calendar day of each and every year of the term hereof, the first year's rental being acknowledged by Lessor by execution of this lease.
3. The term of this lease shall be for a period of ten (10) years, commencing on the 15th day of May, 2014, and ending on the 14th, day of May, 2024, subject, however, to the rights of termination of Lessor as hereinafter provided and subject to the provisions for termination in the event of default on the part of

Lessee in the performance of the terms and conditions hereof or the payment of rentals as hereinbefore called for.

4. Lessor as a municipal corporation of the State of Missouri, does hereby specifically reserve the right and option to terminate this lease at any time by giving Lessee not less than one hundred eighty (180) days prior written notice of Lessor's election to so terminate the lease and specifying in said notice the last date that said lease will be deemed effective.
5. Lessor warrants, covenants and agrees:
  - A. That it has good title to the real estate and the right and full power and authority to enter into and to perform this lease and that the same is entered into with the full power and authority of the City Council of Lessor, and that said real estate is properly zoned so as to permit the use, occupancy and utilization of the same by Lessee to carry out the charitable purposes as hereinafter provided in this lease.
  - B. That it will put the Lessee in possession of said premises and the Lessee paying the rent hereby reserved and observing and performing the several covenants, conditions and stipulations herein contained, shall peaceably hold and enjoy the demised business premises during the term hereof without any interruption by the Lessor or any person claiming the same, exclusive, however, of the right of early termination by Lessor as above provided.
6. The Lessee covenants and agrees:
  - A. To pay the rent at the time and in the manner hereinbefore provided.
  - B. To use said premises only for the primary purpose of conducting the following charitable not-for-profit operation: the distribution of used clothing and other articles of personal nature to indigents, both free and at reduced prices, and the provision of shoes to school-age children referred by public institutions, social service agencies, and such other charitable activities as shall be approved in writing by Lessor.
  - C. That the initial 20 year term of the prior existing agreement between Lessee and Lessor has expired and that pursuant to the terms of that agreement, the structure built upon the property by Lessee has become the sole and exclusive property of Lessor, with Lessee having only the possessory and other rights granted under this lease with respect to the property and no other rights thereto.

- D. To maintain the premises in good condition, to make all necessary repairs without delay and to make all utility payments when such come due and not to allow any lien to be placed upon the premises.
- E. To obtain and carry a public liability insurance policy acceptable to Lessor in an amount of not less than One Hundred Thousand Dollars (\$100,000) per person and Three Hundred Thousand Dollars (\$300,000) per accident for the benefit and protection of Lessee and Lessor, both as named insureds, and Lessee shall provide Lessor with a current certificate of insurance evidencing the existence of such coverage.
- F. To obtain and carry a policy of fire and extended coverage insurance upon the improvements located upon said premises, in an amount not less than the replaceable value thereof, with Lessee and Lessor named as insureds thereunder and to provide Lessor with a current certificate of insurance evidencing the existence of such coverage.
- G. The Lessee assumes all risks and liability for and does hereby agree to indemnify and save harmless the Lessor, its officers, agents, and employees from and against any and all loss of or damage to property, or injuries to or death of any person or persons, including property of the Lessor and shall defend and indemnify and save harmless the Lessor, its officers, agents and employees from any and all claims, damages, suits, costs, expense, liability, actions or proceedings of any and all nature whatsoever in any way resulting from or arising out of, directly or indirectly, its operations and functions under this lease, or its use or occupancy of any portion of the property herein leased, including acts of commission or omission of employees, representatives, or agents of the Lessee.
- H. To not sublet any portion of the demised premises without first obtaining the written consent of Lessor, provided, however, that consent will not be requested of Lessor except to sublet a portion of said premises to other charitable non-profit-organizations providing social services to the citizens of Columbia, Missouri.
- I. To permit Lessor to enter the premises at any reasonable time for the purpose of inspecting the same to determine the condition of the improvements and/or the type of activities being conducted therein by Lessee.
- J. That if any default shall be made in the payment of rent or any part thereof at the time provided or within ten (10) days thereafter or if, after ten (10) days written notice setting forth default, default shall continue by the Lessee in the performance or observance of any other covenant, agreement or condition herein contained to be performed on Lessee's

part, or if the Lessee shall be dispossessed or shall abandon or vacate the premises, or shall become bankrupt or shall make a general assignment for the benefit of creditors, then Lessor shall have the right to re-enter and take possession of the premises and the Lessee will peaceably surrender possession thereof to the Lessor upon written demand, and all rights and interests of the Lessee hereunder shall cease and terminate.

7. Lessor and Lessee mutually agree:

- A. That in the event said building on the demised premises is destroyed or damaged so that it is untenable in whole or in part, then Lessee shall be entitled to utilize all applicable insurance proceeds payable as a result of said damage or destruction to repair and restore said improvements, provided, however, that Lessor shall have the option to terminate this lease.
  - B. That at the expiration of this lease, if no new lease for the premises is entered into by the parties, the Lessee will quit and surrender the premises to the Lessor in good condition, reasonable wear and tear excepted.
8. In the event the Lessee shall dissolve, expire, or otherwise cease to exist, this lease shall immediately terminate and the described real estate with all improvements thereto shall revert to the Lessor without the Lessor being liable to the Lessee for payment of any amount.
9. Any waiver, permit, consent or approval of any kind or character on the part of Lessor of any breach or default of any other condition or covenant under any lease hereunder must be in writing and signed by Lessor, and shall be effective only to the extent set forth specifically therein. No delay or omission to exercise any right, power or remedy accruing to Lessor upon any breach or default by Lessee under the lease hereunder shall impair any such right, power or remedy of Lessor, nor shall it be construed to be a waiver of any breach, default or acquiescence therein of or in any similar breach or default thereafter occurring nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring.
10. This agreement shall not be amended, altered or changed, except by specific written agreement signed by Lessor and Lessee.
11. Any notice required hereunder shall be delivered or made by delivering the same in person or by certified mail to Lessor and/or Lessee at the following addresses:

Lessor: City of Columbia  
Attention: City Manager  
P.O. Box 6015  
Columbia, MO 65205-6015

Lessee: The Wardrobe, Inc.  
c/o Chairman of the Board  
P.O. Box 143  
Columbia, MO 65205

12. This real estate lease shall be binding upon and inure to the benefit of the parties hereto, their personal representatives, successors and assigns. Each party does hereby represent to the other that the officers and/or agents executing this document on behalf of either or such party are duly empowered and authorized to do the same on behalf of each said party.

[SIGNATURES ON THE FOLLOWING PAGE]



IN WITNESS WHEREOF, the parties hereto have caused this real estate lease to be entered into, with two (2) counterparts thereof, as of the day and year first above written.

LESSOR:  
CITY OF COLUMBIA, MISSOURI

By: \_\_\_\_\_  
Mike Matthes, City Manager

ATTEST:

\_\_\_\_\_  
Sheela Amin, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Nancy Thompson, City Counselor

LESSEE  
THE WARDROBE, INC.

By: \_\_\_\_\_

Name: \_\_\_\_\_

ATTEST:

\_\_\_\_\_