



Last month we approved a draft 5-year lease for the Coldwater Branch. When I submitted this to the city, I was told that the property description we used from the city's GIS website were not actually accurate and that the city preferred to use the description from the 1991 lease.

Attached is the updated lease with the older property description restored. This lease draft was passed by the Coldwater City Council on June 13<sup>th</sup>. It must sit for 30 days before it can be signed. So if we pass this revision, Erica can sign it sometime after July 13<sup>th</sup>.

Submitted by John Rucker

AGREEMENT NO. A16-15

Exhibit C

LEASE

This agreement is made effective September 16, 2016, between the City of Coldwater, a Michigan municipal corporation, Henry L. Brown Municipal Building, One Grand Street, Coldwater, Michigan ("Landlord") and Branch District Library, a Michigan municipal corporation of Coldwater, Michigan ("Tenant").

1. PREMISES

The Landlord leases to Tenant and Tenant leases from Landlord the premises located at 10 East Chicago Street, Coldwater, Michigan, which is more particularly described as follows:

Land in the City of Coldwater beginning on the South line of Chicago Street 99 feet Easterly on said line from the East line of Division Street, thence Southerly at right angles to Chicago Street 149.5 feet, thence Easterly parallel with Chicago Street 115.5 feet, thence Northerly at right angles with Chicago Street 22 feet, thence Westerly at right angles with Monroe Street 14.5 feet, thence Northerly at right angles with Chicago Street 127.5 feet, and thence Westerly on the South line of Chicago Street 102 feet to the place of beginning.

together with all buildings and other improvements and appurtenances thereon.

2. TERM AND RENEWAL

The initial term of this lease shall be for five (5) years beginning on the date first above written. The expiration of the initial term and any renewals hereunder, the lease shall automatically renew under the same terms and conditions for successive five-year terms, unless at least one year prior to the expiration of the initial term or the expiration of any five-year renewal term, either party gives notice in writing to the other of an intention not to renew. In such event, this lease shall expire at the end of the initial term or at the end of a renewal term, as the case may be. Upon termination, Tenant shall have no further right or claim against the premises or the building located thereon.

3. RENT

Rent hereunder shall be One (\$1.00) Dollar per year for any initial term and any renewals thereof.

4. USE OF THE PREMISES

Tenant shall use the premises for library and educational purposes.

5. MAINTENANCE OF THE PREMISES

Tenant shall, at its own expense, maintain in good repair and safe condition the interior and exterior of the building, including all electrical, plumbing, heating, ventilation and air conditioning systems and any other mechanical systems; as well as the exterior walls and roof,

and the sidewalks, parking lot, lawn and plantings. An annual inspection shall be made on or before the anniversary of the effective date of this lease by representatives of Landlord and Tenant to evaluate the condition of the premises and necessity for repairs for maintenance. If the Landlord and Tenant fail to agree on the necessity of repairs or maintenance within 30 days of the date of such inspection or notification to Tenant by Landlord of the necessity of repairs or maintenance, the need for such repairs or maintenance and the scope thereof shall be determined as follows: Landlord and Tenant each shall select one arbitrator, and the two arbitrators so chosen shall select a third arbitrator. The arbitrators shall then, by majority vote of the three, determine the necessity for repairs and maintenance and the scope of such repairs or maintenance. The Tenant shall thereupon perform such repairs or maintenance at its expense in a reasonable period of time. If Tenant shall fail to do so, the Landlord may, at its option, cause such repairs or maintenance to be performed, and the expense of so doing shall be considered as additional rent pursuant to paragraph 11.

6. REDECORATION, ALTERATIONS AND IMPROVEMENT

If Tenant wishes to decorate, alter or otherwise make structural changes to the building, it shall do so at its own expense, subject to the approval of Landlord to such alterations, improvements and structural changes. Landlord may, at its option and with the consent of the Tenant, provide improvements to the building and equipment during the term of this lease.

7. UTILITIES

Tenant shall, in addition to the rent above specified, pay all charges for electricity, gas, water, power, sewer, telephone, garbage and other utility services used by Tenant on the premises. If Tenant fails to pay any of such charges when due, Landlord shall have the right, but not the obligation to pay same, which amounts so paid by Landlord shall become immediately payable by Tenant to Landlord as additional rent hereunder upon demand.

8. LIABILITY INSURANCE

Tenant shall procure and maintain throughout the term of this lease or any renewal of this lease Owner's, Landlord's and Tenant's liability insurance in an insurance company acceptable to Landlord, protecting both Landlord against liability for bodily injury and theft and for damage to and destruction of property by reason of any other occurrence or accident, in or about the premises, with liability coverage in such amounts as Landlord may reasonably require. It is understood that the employees of the Tenant shall not be considered as employees of Landlord, that Landlord will not be responsible for the payment of any premiums with respect to such insurance, and that Landlord shall not be responsible for notifying the insurer of any occurrence or accidents in or around the premises. If the Tenant fails to pay the premiums for such insurance when due, Landlord shall have the right, but not the obligation, to pay same, which amount so paid by Landlord shall become immediately payable by Tenant to Landlord as additional rent rendered upon demand.

9. FIRE AND EXTENDED COVERAGE

Tenant shall, during the term or any renewal of this lease, keep the building erected upon the premises insured against loss or damage by fire or lightning, with extended coverage and malicious mischief endorsements, and insurance companies acceptable to Landlord and in an amount acceptable to Landlord. Loss thereunder shall be payable to the parties as their interest

may appear. If the Tenant fails to pay the premiums for such insurance when due, Landlord shall have the right, but not the obligation, to pay same, which amount so paid by Landlord shall become immediately payable by Tenant to Landlord as additional rent rendered upon demand.

10. EXONERATION OF LANDLORD FROM LIABILITY

Except where caused by the Landlord's affirmative act of negligence, the Landlord and its agents shall not be liable for any failure of water supply, gas or electric current, or for any injury or damage to personal property however caused. The Landlord further shall not be liable for any injury to person or damage to property caused by a defect of any kind in the premises. Tenant covenants that it shall at all times protect, indemnify and hold harmless the Landlord and its agents against and from any penalty or damages or charges imposed for violation of any laws or ordinances, and any and all loss, costs, damage or expense, arising out of or from any accident or other occurrence on or about the premises, and shall protect, indemnify and hold harmless the Landlord and its agents against and from any and all claims, loss, costs, damage or expense arising out of any failure of Tenant in any respect to comply with and perform all of the requirements and provisions hereof.

11. ADDITIONAL RENT

Tenant agrees to pay as additional rent, said additional rent to be in addition to the specific fixed rental hereinabove specified, any sum which may become due by reason of a failure of Tenant to comply with all of the terms and conditions of this lease, together with all damage, costs and expenses which Landlord may suffer or incur by reason of any default of Tenant or default on Tenant's part to comply with the obligations of this lease.

12. SUB-LEASES AND ASSIGNMENTS BY TENANT

Tenant shall not assign this lease, or all or any part of the premises without the prior written consent of the Landlord.

13. COVENANT OF QUIET ENJOYMENT

So long as Tenant is not in default under this lease, Landlord covenants that Tenant may peacefully hold and enjoy the premises, subject, however, to the right of Landlord or its agents to inspect the condition of the premises during Tenant's regular hours so long as such inspection does not interfere with Tenant's library operations. Tenant, upon the termination of this lease, shall surrender the premises, including all improvements thereto, in good repair and condition, reasonable wear and tear excepted.

14. WAIVER OF SUBROGATION RIGHTS

Neither Landlord nor Tenant shall be liable to the other for any property loss, damage or claims to the extent of the insurance proceeds received for such loss, damage or claims by the other party. This agreement constitutes a waiver of any and all claims for, and a complete release of all such liability to the extent of said insurance proceeds, and a waiver of all rights of subrogation of the insurance carriers under the insurance policy of the respective parties with respect to such claims and liability. In the event of a conflict with the provisions of this section with section 8 above, section 8 shall govern and control.

15. DEFAULT

If Tenant defaults under any of its obligations hereunder and that default continues for thirty (30) days after written notice of such default is given by Landlord to Tenant, Landlord may terminate this lease as is provided by applicable law.

16. CAPTIONS, CONSTRUCTION AND LEASE EFFECT

The captions and headings used in this lease are for identification only and shall be disregarded in any construction of a lease provision. Each provision of this Lease is separate and independent. If any provision shall be found to be invalid or unenforceable by a Court of competent jurisdiction, the remaining provisions shall not be thereby affected. This lease represents the entire understanding of the parties and supersedes any prior representations, understandings, and agreements, written or oral, and may be amended only by written agreement of the parties. This lease shall be construed under the laws of the State of Michigan. All of the terms of this lease shall inure to the benefit of and be binding upon the heirs, personal representatives, successors, and assigns of the parties.

IN WITNESS WHEREOF, the Landlord and Tenant have executed this lease in duplicate originals as of the date and year first above written.

WITNESSES:

LANDLORD:

City of Coldwater

\_\_\_\_\_

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

Thomas Kramer

Its: Mayor

\_\_\_\_\_

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

Susan E. Heath

Its: Clerk

Acknowledged before me in Branch County, Michigan, on \_\_\_\_\_, 2016, by **Thomas Kramer** and **Susan E. Heath** who, being first duly sworn, did say that they are the Mayor and Clerk of the City of Coldwater respectively, and that said instrument was signed and sealed on behalf of said City by authority of its duly elected Council.

WITNESSES:

TENANT:

Branch District Library

\_\_\_\_\_

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

Erica Ewers

Its: President

\_\_\_\_\_

Acknowledged before me in Branch County, Michigan, on \_\_\_\_\_, 2016, by **Erica Ewers** who, being first duly sworn, did say that she is the President of the Branch District Library, and that said instrument was signed and sealed on behalf of said corporation by authority of its duly appointed Board of Trustees.