



STAFF REPORT
City of Dripping Springs
PO Box 384
511 Mercer Street
Dripping Springs, TX 78620

Submitted By: Michelle Fischer, City Administrator

Council Meeting Date: December 21, 2021

Agenda Item Wording: **Approval of a Commercial Lease Agreement between the City of Dripping Springs and the Dripping Springs Chamber of Commerce for property located at 511 Mercer Street, Dripping Springs, Texas, and commonly known as Dear Hall.**

Agenda Item Requestor: Bonnie Humphrey, DS Chamber of Commerce Representative

Summary/Background: The DS Chamber of Commerce's Lease for Dear Hall expires in February 2022. The DS Visitors Bureau also uses the building. The parties wish to have separate leases and jointly use the premises.

The lease commences February 1, 2022, and expires January 31, 2027. The parties shall meet annually to discuss the lease. The Chamber may request to renew the lease and the City has the sole option to renew the lease or grant a month to month lease.

The Chamber will pay the City \$10.00 annually for rent.

The premises shall be used for operating and maintaining an office for the Chamber of Commerce.

The Chamber must obtain written consent from the City for any improvements or construction activities involving roofing, flooring, or structural aspects of the building. Remodeling shall be at the Chamber's expense. All improvement shall remain at the lease termination and become the City's property.

The City must approve any signage.

The Chamber will pay for electricity service and arrange and pay for its telephone and internet services.

The Chamber will maintain the premises in a condition comparable to its current condition, perform all necessary repairs, and keep the premises clean and free of trash.

The Chamber will maintain general liability insurance for the premises with the City as additional named insured.

The Chamber may use the dumpster provided by the City.

The Chamber may not sublet any portion of the premises without City written consent.

Provisions for default by the Chamber and the City are in the lease.

The lease may be terminated if the City sales or transfers the premises with a minimum of sixty day notice. The City may also terminate the lease with sixty day notice if the City requires the space for its staff.

See the lease for all provisions.

**Commission
Recommendations:**

N/A

**Recommended
Council Actions:**

Approve the lease

Attachments:

Draft Lease

Next Steps/Schedule:

Notify DS Chamber of Commerce of City Council action.