



City of Ketchum
City Hall

December 7, 2020

Mayor Bradshaw and City Councilors
City of Ketchum
Ketchum, Idaho

Mayor Bradshaw and City Councilors:

**Recommendation to Approve Option to Renew Agreement #20470
License for Access and Use of Property**

Recommendation and Summary

Staff requests City Council to approve the option to renew and extend the lease term for agreement #20470, License for Access and Use of Property, with Ollie Dog LLC (DBA Leroy's Ice Cream).

"I move to approve the option to renew license agreement #20470 for one additional year."

or

"I move to approve the extension of license agreement #20470 for five additional one-year terms."

The reasons for the recommendation are as follows:

- The City owns Leroy's Ice Cream stand and must enter into an agreement with the operator
- Agreement #20470 became effective on May 18, 2020 and expires December 31, 2020.
- Renewal terms in Agreement #20470 allow tenant the option to renew the term of the lease for an additional year.
- City may elect to extend the lease term for up to five additional one-year renewal terms under the lease option.

Current Report

Kristen Morton has been operating Leroy's for the past eight years, currently as Ollie Dog LLC. When Leroy's opened in May, they conducted business adhering to the Restaurant Dining Areas Reopening Plan submitted to South Central Health District and their Ketchum COVID-19 Operation Plan.

Ollie Dog has the necessary experience to operate an ice cream stand and has exhibited success in providing this service to the community and visitors over the past eight years.

Analysis

Leroy's reported their biggest year of sales this year, doubling their earnings in 2019. Contributions totaling \$12,000 were divided evenly between Blaine County Schools, Sage School, Community School and Pioneer Montessori School. Since Leroy's opened 11 years ago, \$103,000 has been donated.

Additional benefits to the community include summer job opportunities for Wood River Valley students.

Sustainability Impact

There is no sustainability impact.

Financial Requirement/Impact

There is no financial impact. The benefit to the community is recognized in exchange for use of the property.

Attachments: Agreement #20470

LICENSE FOR ACCESS AND USE OF PROPERTY

AGREEMENT #20470

This License Agreement ("Agreement") is made by and between the City of Ketchum, Idaho, an Idaho municipal corporation, organized and existing under the laws of the State of Idaho ("City"), and Ollie Dog LLC DBA Leroy's Ice Cream ("Licensee").

RECITALS

Whereas, The City's Town Square Park includes a small structure suitable for use in selling certain items, including food for consumption; and

Whereas, the City conducted a request for proposal process pursuant to both its approved purchasing policy and also Idaho Code; and

Whereas, the Licensee desires to obtain a license for use of the property as an ice cream stand;

NOW, THEREFORE, on the basis of the foregoing recitals, and upon motion duly passed by the Ketchum City Council, and for the consideration set forth herein, the parties agree as follows:


AGREEMENT

1. License for Access and Use of Property. A continuing license is hereby granted by the City for operation of an ice cream stand at the existing structure in Ketchum Town Square.
2. Initial Term. This License shall commence upon the signature of all parties (last date signed), and end December 31, 2020.
3. Renewal Terms. The City, in concurrence with the Licensee, retains the option to renew the term of the lease for an additional year ("lease option"). The City may elect to extend the lease term for up to five additional one-year renewal terms under the lease option. Each Renewal Term shall commence on January 1 and shall terminate on December 31.
4. License Payments. Licensee agrees to annually distribute all net profits from the ice cream stand to local educational institutions.
5. Maintenance. Licensee shall at all times and at its sole expense maintain the stand in a safe, neat, and clean fashion. Licensee further agrees to maintain all improvements located upon said Property in a good state of repair, ordinary wear and tear excepted.
6. Insurance. Licensee shall, at its own expense, maintain all statutorily required insurance and provide evidence of such to City upon request.
7. Termination. The City shall at all times have the ability to terminate this contract with 15 days written notice.
8. Restoration of Property After Termination. After the Initial Term of this License and any Renewal Terms expire, or upon termination pursuant to section 7 of this agreement, licensee shall within 14 days deliver the stand in "as is" condition.

9. Interpretation/Severability. If any clause, provisions, subparagraph, or paragraph set forth in this License is illegal, invalid, or unenforceable under present or future applicable laws, it is the intention of City and Licensee that the remainder of this License shall not be affected thereby.
10. Choice of Law. The terms and provisions contained in this License shall be governed and construed in accordance with the laws of the State of Idaho.
11. Attorney's Fees and Costs. In any suit, action or appeal therefrom to enforce, revoke or interpret this License, the prevailing party shall be entitled to recover its costs incurred therein, including reasonable attorneys' fees.
12. Complete Agreement. This License embodies the complete agreement between City and Licensee. This License cannot be modified, altered, amended, or terminated except by the written agreement of both City and Licensee.
13. Authority. City and Licensee represent to the other that such party has full power and authority to execute, deliver and perform this License, that the individuals executing this License on behalf of said party have been and are fully empowered and authorized by all requisite action to do so; and this License constitutes a valid and legally binding obligation of said party enforceable against such party in accordance with this License.
14. Effective Date: This Agreement shall be effective as of the date it is signed and executed by City and Licensee.

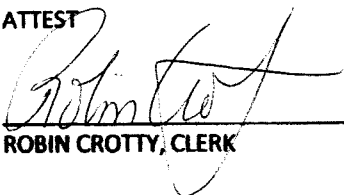
IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto on the 18th day of May, 2020.

CITY OF KETCHUM

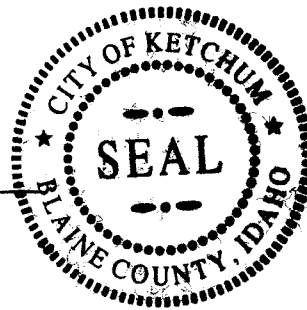


NEIL BRADSHAW, MAYOR

ATTEST



ROBIN CROTTY, CLERK



LICENSEE: OLLIE DOG LLC DBA LEROY'S ICE CREAM



KRISTEN MORTON MORTON