OFFICE LEASE CITY OF MOBERLY, MISSOURI 122 NORTH WILLIAMS STREET

THIS LEASE is made this ____ day of _____, 2023, between the City of Moberly, Missouri, (hereinafter "City") a municipal corporation and Britney Dodge d/b/a B & Co Hair Studio (hereinafter "Lessee").

RECITALS

- A. City is a Third-Class statutory city duly organized and validly existing under the laws of the state of Missouri with the power to conduct municipal business pursuant to Missouri law and the Ordinances duly enacted by the Moberly City Council.
- B. City is the owner of various downtown retail buildings which are available to local businesses to rent.
- C. City leases office space in a building at 128 and 122A N. Williams and desires to lease said space to Lessee.
- D. Lessee is desirous of operating a hair studio in the building space.

AGREEMENT

SECTION 1. RECITALS

The above stated Recitals are true and correct and are incorporated herein and made a part of this Lease agreement (hereinafter "Agreement").

SECTION 2. PREMISES

City hereby leases to Lessee, and Lessee hereby leases from City, the office space located at 128 and 122A N. Williams Street, Moberly, Missouri 65270 (hereinafter the "Premises"). Lessee accepts the Premises "As Is," subject to all applicable municipal, state and federal laws, ordinances, regulations and policies governing and regulating the use of the Premises, and any covenants or restrictions of record. Lessee acknowledges that City has made no representations or warranties as to the physical state of the Premises, or any suitability of the Premises.

2.1 <u>Non-Exclusive Use.</u> The building which includes the premises may have other retail lessees who operate businesses in Moberly, MO.

2.2 <u>Waiver.</u> Lessee hereby waives any claims for damages for any injury or inconvenience or interference with Lessee's use and occupancy of the Premises, any loss of occupancy or quiet enjoyment of the Premises or any other loss occasioned by City's exercise of its rights under this Agreement or by the City's actions taken for management and protection of the City's property resources and visitors.

2.3 <u>Ownership of Premises.</u> This Agreement does not vest in Lessee any fee interest in the Premises. Title to the Premises at all times is with and shall remain solely with City.

2.4 <u>Improvements.</u> Lessee desires to install an access door in the wall between 128 and 122A N. Williams. Lessor consents to said installation provided all proper permits, approvals and inspections are obtained and all city code provisions are followed. It is understood and agreed that the lease amount contemplates Lessee paying for all installations costs. No consideration shall be paid to Lessee by Lessor at the termination of this lease for the installation costs.

SECTION 3. TERM

3.1 <u>One Year.</u> The initial term of this lease shall be for one year beginning on January 1, 2024, and ending on December 31, 2024. It is understood and agreed that in the event the city sells the property to a third party for construction of a hotel during the initial lease term that this lease shall terminate on thirty (30) days' notice from Lessor to Lessee.

3.2 <u>Renewal</u>. This lease shall renew on a month-to-month basis following the end of the initial one-year term until terminated by either party. Termination shall be in writing and delivered thirty (30) days prior to the termination date. Renewals shall be on the same terms and conditions stated herein unless amended in writing prior to the start date of the renewal term.

3.3 <u>Abandonment.</u> Lessee shall occupy the Premises during the entire Lease Term, as described herein. If it fails to do so, Lessee may be determined as in default for abandoning the Premises.

SECTION 4. RENTAL AMOUNT

4.1 <u>Monthly.</u> Lessee shall pay Seven Hundred Dollars (\$700.00) per month during the term of this lease. Payment is due no later than the first business day of each month. Lessee may prepay any amount at any time.

SECTION 5. LESSEE'S PERMITTED USE AND ACTIVITY

5.1 <u>Use.</u> Lessee may utilize the Premises only for the purposes necessary to conduct its usual business operations. Lessee intends to operate a retail memorabilia/collectables business on the premises. Lessee shall maintain a city business license while business operations continue on the premises.

5.2 <u>Access and Key</u>. Lessee shall be issued a key and permitted free access for ingress and egress. Lessee shall be charged \$20 to replace a door key.

5.3 <u>Alterations.</u> Lessee shall not make any alterations of any nature to the Premises without the written permission of the City.

SECTION 6. CITY'S OBLIGATIONS

6.1 <u>City Inspection</u>. City shall, at all reasonable times, have the full and unrestricted right to enter the Premises for the purpose of inspecting the leased area, for maintenance and to determine compliance with the terms of this Agreement.

6.2 <u>Maintenance</u>. City agrees to maintain the leased Premises in the same condition as when leased, ordinary wear and tear excepted, during the term of this Agreement.

6.3 <u>Trash Disposal</u>. City agrees to pay for trash service at the leased premises.

6.4 <u>Utilities.</u> City shall provide all utilities necessary for the business operations of the Lessee except Lessee shall provide internet and cable if desired.

SECTION 7. ASSIGNMENT

7.1 Lessee shall not assign, hypothecate, or in any manner transfer any interest in this Agreement to any person or entity directly or indirectly, by operation of law or otherwise, without first securing City's express written approval of such transfer.

SECTION 8. LIABILITY

8.1 To the extent governed by applicable state law, each party will be responsible for its own acts and results arising from those actions, and shall not be responsible for the acts of the other party and results arising from those actions.

8.2 Each party agrees, to the extent allowed by law, that it will assume all risk and liability to itself and its agents and employees for any cause of action resulting from any operations or conduct of its agents or employees under this Agreement. Each party's liabilities shall be governed by applicable state law.

8.3 Lessee agrees to indemnify and hold the city harmless for any claim, causes of action, or judgement resulting from Lessee's use of the property or injury or damage to any third party.

SECTION 9. INSURANCE

9.1 <u>Lessor</u>. Lessor maintains Commercial General Liability coverage for the structure.

9.2 <u>Lessee</u>. Lessee shall be responsible for maintaining renter's insurance, business interruption coverage and Commercial General Liability coverage in an amount not less than \$1,000,000.

9.3 <u>Immunities.</u> The parties hereto understand and agree that City is relying on and does not waive or intend to waive by any provision of this Agreement, any monetary limitations or any other applicable sovereign, governmental, or official immunities and protections provided by the state of Missouri, from time to time amended, or otherwise available to City, or its elected officials or employees.

SECTION 10. DAMAGE OR DESTRUCTION

If the Premises or any portion thereof are damaged or destroyed at any time during the lease term, the City, as promptly as reasonably practicable and with all due diligence, shall repair or replace the damaged or destroyed Premises to the condition that existed prior to the damage or destruction and the Lessee's rent obligation during that time shall be abated. Or the City may terminate this Agreement without liability and the Lessee's rental obligation shall terminate.

SECTION 11. DEFAULTS

The occurrence of any one or more of the following events shall constitute a material default and breach of this lease Agreement by Lessee:

- A. 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 ten (10) calendar days after written notice from City to Lessee.
- B. The failure by Lessee to comply with Section 5.3 of this Agreement.
- C. An unapproved or unauthorized transfer of any interest acquired under this Agreement.
- D. The occurrence of any other event described as constituting an "Event of Default" elsewhere in this Agreement.
- E. The discovery by City that any material information provided by Lessee related to this Agreement is materially false.

SECTION 12. REMEDIES

In the event of any material default or breach by Lessee, City may at any time thereafter, with or without notice or demand and without limiting City in the exercise of any right or remedy which City may have by reason of such default or breach, avail itself of the following remedies, which are cumulative and not exclusive:

A. City may recover possession of the leased Premises by any lawful means available to it, including self-entry, in which case this lease Agreement shall terminate immediately and Lessee shall immediately remove all personal property from the Premises. If, after thirty days' notice in writing, Lessee shall fail to remove personal property City may remove such property to another location with Lessee assuming any risk of loss or damage to such property.

SECTION 13. TERMINATION

Upon notice of termination, Lessee shall be obligated to pay immediately any Rent, obligations, or other fees due and owing to the City. By the date given for termination, Lessee shall vacate the Premises and immediately remove all personal property.

If Lessee fails to vacate the Premises or fails to remove all personal property from the Premises, City may enter and recover possession. City may also, at its election, dispose of any remaining personal property and charge all costs associated with such disposal to Lessee. City shall deem any personal property remaining on the Premises as having been abandoned by Lessee.

SECTION 14. NOTICES

All notices, demands, requests or approvals to be given under this lease Agreement shall be given in writing and shall be by hand delivery, overnight mail service, registered or certified mail, or regular first-class mail. All notices, demands, requests or approvals from Lessee to City shall be addressed to:

City Manager 101 West Reed Street Moberly, MO 65270

All notices, demands, requests or approvals from City to Lessee shall be addressed to:

Britney Dodge 128 N. Williams St. Moberly, MO 65270

SECTION 15. MUNICIPAL AUTHORITY

City may only act through its City Council to approve this Agreement therefore execution of this Agreement is contingent upon approval by the Moberly City Council.

SECTION 16. GOVERNING LAW

This lease Agreement has been made and shall be construed and interpreted in accordance with the laws of the State of Missouri. Venue may be appropriate in the Randolph County Circuit Court.

SECTION 17. EMPLOYMENT OF UNAUTHORIZED ALIENS PROHIBITED

Lessee agrees to comply with Missouri Revised Statute Section 285.530 in that Lessee shall not knowingly employ, hire for employment, or continue to employ an unauthorized alien to perform work within the State of Missouri.

SECTION 18. PUBLIC RECORDS ACT

City is subject to the Missouri Sunshine Law. The Parties agree that this Agreement shall be interpreted in accordance with the provisions of the Missouri Sunshine Law.

SECTION 19. ENTIRE AGREEMENT

This Agreement represents the entire agreement between the Parties relative to the lease. All previous or contemporaneous contracts, representations, promises and conditions relating to the lease are superseded.

SECTION 15. COUNTERPARTS

This lease Agreement may be executed in several counterparts, each of which is an original, and all of which together constitute but one and the same document.

SECTION 16. NO PROMISE OF FUNDING

Other than as specifically set forth herein, this Agreement is not an obligation or commitment of funds, nor a basis for transfer of funds. Each party shall bear its own costs in relation to this Agreement. Expenditures by each party will be subject to applicable budgetary processes and to availability of funds pursuant to applicable laws, regulations, and policies. The parties expressly acknowledge that this in no way implies that any appropriation, tender, or allocation of funds for such expenditures.

IN WITNESS WHEREOF, the parties have executed this lease Agreement on the date set forth above.

APPROVED AS TO FORM:

CITY OF MOBERLY, MISSOURI

By:

Randall D. Thompson City Attorney Randall D. Thompson City Manager

ATTEST:

Shannon Hance, City Clerk

LESSEE

Britney Dodge