CITY COUNCIL AGENDA ITEM COVER MEMO

Agenda Item Number: _____

Meeting Type: Regular

Meeting Date: Oct 27, 2016

Action Requested By: General Services

Agenda Type: Resolution

Subject Matter:

Lease Agreement between the City of Huntsville and Rocket City Federal Credit Union for space at 2200 Clinton Avenue.

Exact Wording for the Agenda:

Lease Agreement between the City of Huntsville and Rocket City Federal Credit Union for space at 2200 Clinton Avenue.

Note: If amendment, Please state title and number of the original

Item to be considered for: Action

Unanimous Consent Required: No

Briefly state why the action is required; why it is recommended; what council action will provide, allow and accomplish and; any other information that might be helpful.

This space will be used to house Fire Supply.

Associated Cost: $ 81,600.00

Budgeted Item: _____

MAYOR RECOMMENDS OR CONCURS: Yes

Department Head: _____

Date: 10/24/2016

ROUTING SLIP
CONTRACTS AND AGREEMENTS

Originating Department: **General Services** Council Meeting Date: **10/27/2016**

Department Contact: **Barry Crumrine** Phone # **256-427-5670**

Contract or Agreement: **Lease Agreement with Rocket City Federal Credit Union for space at 2200 Clin...**

Document Name: **Lease Agreement between the City of Huntsville and Rocket City Federal Credit Union**

City Obligation Amount: **$ 81,600.00**

Total Project Budget:

Uncommitted Account Balance:

Account Number: 1000-14-14300-515610-00000000

Procurement Agreements

Not Applicable	**Not Applicable**

Grant-Funded Agreements

Not Applicable	**Grant Name:**

Department	Signature	Date
1) Originating	[illegible]	10/24/2016
2) Legal	Mary C Cates	10/25/2016
3) Finance	M Dargel	10/26/2016
4) Originating		
5) Copy Distribution		
a. Mayor's office (1 copies)		
b. Clerk-Treasurer (Original & 2 copies)		

Revised 04/15/2011

RESOLUTION NO. 16-____

BE IT RESOLVED by the City Council of the City of Huntsville, Alabama, that the Mayor be, and he is hereby authorized to enter into a Lease Agreement between the City of Huntsville and Rocket City Federal Credit Union, on behalf of the City of Huntsville, a municipal corporation in the State of Alabama, which said agreement is substantially in words and figures similar to that certain document attached hereto and identified as "Lease Agreement between Rocket City Federal Credit Union and the City of Huntsville," consisting of Six (6) pages, including Attachment "A", and the date of October 27, 2016, appearing on the margin of the first page, together with the signature of the President or President Pro Tem of the City Council, an executed copy of said document being permanently kept on file in the Office of the City Clerk-Treasurer of the City of Huntsville, Alabama.

ADOPTED this the 27th day of October, 2016.

_____

President of the City Council of
the City of Huntsville, Alabama

APPROVED this the 27th day of October, 2016.

_____

Mayor of the City of
Huntsville, Alabama

County of Madison)
)
State of Alabama)

LEASE AGREEMENT BETWEEN ROCKET CITY FEDERAL CREDIT UNION AND THE CITY OF HUNTSVILLE

THIS LEASE AGREEMENT, is made and entered into on the 27th day of October, 2016 by and between Rocket City Federal Credit Union ("Landlord") and the City of Huntsville Alabama ("Tenant"). This Agreement is intended to summarize the terms under which the parties agree to rent space.

WITNESSETH:

1. Premises. Landlord grants to Tenant right to use the following premises: approximately 12,500 square feet of warehouse space as depicted in Attachment "A" at the building located at 2200 Clinton Avenue, Huntsville, Alabama 35805 ("the Premises"), under the following terms and conditions:

The lease is for use of the space found in Attachment "A" herein, also known as Leased Area, which is owned by the Landlord. Tenant may not use additional or substituted space within Landlord's property without the approval of the Landlord.

2. Use and Alteration of Premises. The Premises is allocated for the specific purpose of the operation of Huntsville Fire & Rescue's Logistics Division, which supports the department's supply and equipment requirements. Tenant may not significantly alter the stated purpose without the express written permission of the Landlord. Tenant's use of the premises shall be limited to storage of non-hazard materials only. Tenant must submit and maintain a list of all stored items to the Landlord upon reasonable notice of the Landlord.

3. Rent. Tenant agrees to pay the Landlord in the amount of $6,800.00 (Six Thousand Eight Hundred Dollars and 00/100s) per month. Said amount will be due on the first business day of each month. Tenant agrees to pay a late charge of 5% of any rent not paid by the 10th day following the due date.

4. Term. The term of this agreement shall commence on the 1st day of November, 2016 and shall continue until the 31st day of October, 2019 unless terminated as set forth herein.

Either party may terminate the lease with or without cause by providing one hundred and twenty (120) days written notice to the other party. Termination shall not affect the rights or obligations of the parties arising prior to termination, including the right to any rent or late fee due to Landlord. Tenant may also terminate the Lease in the event the Premises are damaged, destroyed or in disrepair to such an extent that the Premises are no longer suitable for the Tenant's purposes.

Upon termination of the lease, Tenant agrees to remove all contents, and return the premises to its original condition. Tenant agrees to pay any damage beyond normal wear and tear that was caused by the Tenant.
Tenant is solely responsible for the actions or omissions of its officers, employees, members, agents, contractors, and invitees.

5. Security System. Tenant will be responsible for any fine, penalty, or training requirements as provided in Landlord's security contract, incurred as a result of triggering the security system.

6. Utilities, Maintenance and Alterations of the Premises. Landlord will be responsible for all the cost of utilities.

Landlord will be responsible for all maintenance and repair of the building including keeping all structural, mechanical, electrical and plumbing systems in good working order. Heating and cooling systems shall be kept in proper working order to control the temperature to maintain a comfortable office environment. The Tenant shall be responsible for minor interior repairs to lighting, painting, and hardware etc. Tenant is to keep the premises in a neat, clean and sanitary manner.

Tenant shall not make any alterations to the property without the express written approval of the Landlord. Upon termination of the Lease, Landlord may elect to require Tenant to remove any alterations made and restore the premises to its original condition except for alterations approved by Landlord prior to their installation by Tenant.

Tenant will provide parking for 3 automobiles to be parked in the east side of the property adjacent to Clinton Street. No trucks unable to fit in a single parking space may be parked on the east side lot adjacent to Clinton Street. Additional parking is located on the property adjacent to Hall Street (back of the warehouse).

All entrances and exits to the premises are to be kept clear. No Property stored on the premises may block any entrance or exit to the premises, or encumber passage between sections of the premises, or between the premises and other parts of the property, including the Credit Union or storage used by the Credit Union.

Officers, employees, agents, contractors, and invitees of the Landlord will have complete access to the premises during business hours. The privacy of Tenant will be enforced to the extent

possible. Officers, employees, agents, contractors, and invitees of the Landlord will not move or disturb any property stored in the premises by Tenant. If the Landlord needs access to the Leased space, they are to notify the Tenant. In the event a Tenant is not available; employees of the Landlord will accompany any contractor, maintenance service provider, or other non-Landlord personnel who may be required to enter the premises.

The Tenant will be responsible for all trash in their Leased space.

7. Risk of Loss. All Tenant's personal property of every kind and description, including but not limited to trade fixtures, which may at any time be in the Premises, shall be kept at Tenant's sole risk and Landlord' shall not be responsible or liable to Tenant for any damage thereto, including without limitation, for any loss to Tenant's business or property occasioned by or through the acts or omissions of persons occupying adjoining premises or any part of premises adjacent to or connected with the Premises or any part of the Building.

Landlord shall maintain in force during the term of this lease agreement a policy of insurance issued by a company authorized to engage in the insurance business in Alabama, insuring the building for an amount not less than its fair market value against damage or destruction by fire and by perils covered by the standard form of extended coverage endorsements to fire insurance policies in Alabama in effect at the time that the polices are obtained.

During the entire term of this Lease, Tenant shall retain its status as an Alabama self-insured municipality.

8. Americans with Disabilities Act. To the best of its knowledge, Landlord affirms that the Premises are, at the time of the execution of this Lease, in compliance with the Americans with Disabilities Act.

9. Complete Understanding and Agreement. This Lease contains the complete and entire understanding and agreement of the parties. All agreements and representations relating to the Premises, whether oral or written, made by and between the parties, whether personally or with their authorized agents prior to the execution and acceptance of this Lease, are deemed to have been performed and discharged. Each of the parties hereto has read and understands this Lease and all prior covenants, agreements, and representations are superseded by this Lease.

10. Severability. In the event any term, covenant, or condition of this Lease or the application thereof to any persons or circumstance shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such term, covenant, or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant, or condition of this Lease, and the Lease itself, as long as practicable, shall be valid and enforceable to the full extent permitted by law.

11. Holding Over. If Tenant shall, with the written consent of the Landlord, hold over after the expiration of the term of this lease agreement, the tenancy shall be for an indefinite period of time on a month-to-month tenancy, which tenancy may be terminated as provided by the laws of Alabama. During such tenancy, Tenant agrees to pay Landlord the same rate of rental as set forth in this lease agreement, unless a different rate shall be agreed upon, and to be bound by all of the terms, covenants and conditions specified in this lease agreement, so far as applicable.

IN WITNESS WHEREOF, this agreement is entered into the parties:

Rocket City Credit Union

BY: _____ Witness: _____

Printed Name: _____

Title: _____

Date: _____

Notary Public, Alabama State At Large
My Commission Expires August 24, 2020

City of Huntsville, Alabama

BY: _____
Tommy Battle
Mayor

Attest: _____
Kenneth Benion
Clerk-Treasurer

STATE OF ALABAMA)
)
COUNTY OF MADISON)

I, the undersigned, a notary public in and for said County, in said State, hereby certify that _____ and _____, whose names as _____ and _____ of Rocket City Federal Credit Union, are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of the instrument, they, in their capacity as such officers, executed the same with full authority for and as the act of said corporation on the day the same bears day.

GIVEN under my hand and official seal this the ____ day of _____, 2016.

_____
Notary Public
My Commission Expires: _____

STATE OF ALABAMA)
)
COUNTY OF MADISON)

I, the undersigned, a notary public in and for said County, in said State, hereby certify that Tommy Battle and Kenneth Benion, whose names as Mayor and City Clerk-Treasurer of the City of Huntsville, a municipal corporation, are signed to the foregoing instrument, and who are known to me, acknowledged before me on this day that, being informed of the contents of the instrument, they, in their capacity as such officers, executed the same with full authority for and as the act of said corporation on the day the same bears day.

GIVEN under my hand and official seal this the ____ day of _____, 2016.

_____
Notary Public
My Commission Expires: _____

Attachment "A"

Warehouse Plan