

LEASE AGREEMENT

THIS AGREEMENT made and entered into this ____ day of _____, 2017, by and between the CITY OF JOPLIN, MISSOURI, a Missouri municipal corporation, hereinafter referred to as "Lessor", and ECONOMIC SECURITY CORPORATION OF SOUTHWEST AREA, a Missouri non-profit corporation, hereinafter referred to as "Lessee".

WITNESSETH:

For and in consideration of the mutual promises, covenants, agreements, and understandings herein made and contained, Lessor hereby leases to Lessee, and Lessee leases from Lessor, the after-mentioned land and improvements located thereon, to use for the following purposes and subject to the following covenants and conditions, to-wit:

1. Demise. Lessor leases to Lessee and Lessee leases from Lessor, the land and improvements commonly known as 520 S. School Ave., Joplin, Missouri (hereinafter referred to as the "premises"). Lessee may utilize 3150 square feet, or 100% of the building, from the second week of August to the end of May, and 1575 square feet, or roughly 50% of the building, from June through the first week of August, as reflected on the map attached hereto as Exhibit "A."

2. Term. The original term of this Lease shall commence on October 1, 2017 ("Effective Date") conditioned on a signed Agreement and all fees due under the Agreement being delivered to Lessor no later than September 22, 2017. The term of this Agreement and the duty to pay fees shall be from October 1, 2017 to November 30, 2021. After November 30, 2021, this Agreement shall automatically renew for successive thirty (30) days periods under the same terms and conditions, unless terminated pursuant to the terms of this Agreement.

3. Termination. This Agreement shall govern all transactions between the parties until cancelled or terminated. It is agreed that Lessor shall have the right to cancel or terminate this Agreement at any time on ninety (90) days' written notice by certified mail, or by personal delivery, to Lessee. In the event of termination, Lessee shall remove all of its equipment, materials and other property by the end of the ninety (90) day period. However, any improvements made shall become and remain Lessor's property. Additionally, Lessee shall have the right to terminate this lease if at any time its funding sources for the program become delayed, reduced, withdrawn, terminated, or are nonexistent; or if for any reason, Lessee no longer is the contractor for the purpose of providing the program in Joplin, MO and the lease rental called for herein shall be prorated to the date of termination.

4. Rent. Rent in the amount of Fifteen Thousand Dollars (\$15,000.00) is due for the Term of this Agreement, payable in monthly instalments of Three Hundred and 00/100 Dollars (\$300.00), due and payable on the first date of the month. Payment shall be made to the Director of Finance of the City of Joplin. Additionally, Lessee is required to complete construction of the improvements described in the Memorandum of Understanding between the parties, attached hereto and incorporated by reference as Exhibit B. Upon acceptance of the improvements and in consideration thereof, Lessee shall receive a full rent abatement for the remaining term of this

Lease Agreement. In the event that this Agreement is renewed for successive 30 day terms, a fee of Three Hundred and 00/100 Dollars (\$300.00) shall be due and payable on the date of each renewal to the Director of Finance of the City of Joplin.

5. Deposit. Intentionally omitted.

6. Use of Premises by Lessee. Lessee is a Missouri non-profit corporation and the Leased premises shall be used solely for the purposes described herein, unless written permission is given by an authorized representative of the City. Lessee shall use the leased premise solely for the purpose of providing child care services through the Early Head Start program. Any other use of the premises is prohibited. Lessee shall not perform any acts or carry on any practices that may injure the premises or be a nuisance or menace. Lessee shall obtain such state, county, and local, permits or Leases as may be required.

7. Lessee's Responsibilities. This Agreement is conditioned upon Lessee's assurances that the premises shall be maintained and operated solely by Lessee and no other person, corporation, association or legal entity whatsoever. All of Lessee's personnel and volunteers shall be the sole responsibility of Lessee. Lessee shall leave the premises in the same condition as it was prior to the start of this Agreement, excepting the improvements as described herein. Lessee shall be responsible for securing the property. Lessor is not responsible for any loss suffered by Lessee.

8. Lessor's Responsibilities. Lessor shall maintain the property in a habitable condition. Lessor shall be responsible for maintaining the HVAC, electric, and plumbing systems in good working order; however, any maintenance or repairs valued at less than \$500.00 per occurrence shall be the responsibility of the Lessee. Lessor shall be responsible for mowing the premises.

9. Utilities. Lessee shall pay all utility costs related to the building in proportion to its occupied space, including electric, gas, water, sewer, and trash. Lessee's occupied space is calculated to be fifty percent (50%) during the months of June and July, and one hundred percent (100%) from the month of August through the month of May. Lessor shall submit a monthly invoice to Lessee, which shall be paid within fifteen (15) days of mailing. Lessee's failure to pay utility costs shall be a material breach of this Agreement and grounds for terminating the same.

10. Telecommunications. Lessee shall be solely responsible for any phone, cable, and internet service. Lessee shall be entitled to utilize any existing communications lines that service the building.

11. Fixtures and Alterations. Lessor and Lessee hereby agree that the premises are Leased in an "AS IS" condition. As described in Section 4, supra, any improvements made shall become and remain Lessor's property.

12. Maintenance of Leased Premises. Lessee shall at all times maintain the Leased premises in good condition and repair and keep the premises in a neat and orderly condition.

13. Insurance. Lessee shall, during the entire term of this Lease, keep in full force and effect policies of public liability and property damage insurance with respect to the Leased premises and the business operated by Lessor in the Leased premises, in which the limits of public liability shall not be less than a single limit of one million and 00/100 Dollars (\$1,000,000.00) for personal injury and damage to property in the aggregate. The policy shall name Lessor, any person, firms or corporations designated by Lessor, and Lessee as additional insureds. The insurance shall be in an insurance company acceptable to Lessor and a copy of the policy or a Certificate of Insurance shall be delivered to Lessor upon execution of this Lease Agreement.

14. Indemnification of Lessor. Lessee hereby assumes all risk of, and responsibility for, and agrees to indemnify and save harmless Lessor, from and against any and all claims, demands, suits, actions, recoveries, judgments and costs and expenses therewith made, brought or obtained on account of the loss of life or property or injury or damage to the person or property of any person or persons whomsoever, whether such person or persons be Lessor, their agents or employees, or Lessee, its agents or employees, or any third person in any way connected with the parties hereto, which loss of life or property, or injury or damage to persons or property, shall be due to, or arise out of, result from, or be in any way connected with, this Lease or any work done thereunder or business carried on by Lessee during the term of the Lease and on the Leased premises.

15. Damage or Destruction of Leased Premises. In the event that the Leased premises are destroyed or damaged so as to be unfit for use by fire, storm, explosion, earthquake or other casualty, so as not to be capable of being economically rebuilt or restored by the date of this Lease, then this Lease shall be automatically terminated and deposit returned to Lessee.

16. Default of the Lessee. In the event of any failure by Lessee to pay any rental due hereunder within ten (10) days after the same shall be due, or any failure to perform any other of the terms, conditions or covenants of this Lease to be observed or performed by Lessee for more than five (5) days after written notice of such default shall have been given to Lessee, then Lessor, besides other rights and remedies it may have, shall have the immediate right of re-entry and may remove all persons and property from the Leased premises without service of notice or resort to legal process and without being deemed guilty of trespass or becoming liable for any loss or damage which may be occasioned thereby. Should Lessor at any time terminate this Lease for any breach in addition to any other remedies it may have, it may recover from Lessee all damages it may incur by reason of such breach. Lessee further agrees to indemnify Lessor for any and all costs and expenses, including attorney fees, incurred by Lessor in any lawsuit against Lessee to enforce the terms of this Lease.

17. Right of Entry. Lessor or Lessor's agents shall have the right to enter the Leased premises at all reasonable times to examine the same and to make such repairs, alterations, improvements or additions as the Lessor may deem desirable, and Lessor shall have the right to enter the premises to conduct routine health inspections and other inspections as deemed necessary by Lessor.

18. Notices. All notices, requests, and other communications hereunder shall be in writing and shall be deemed to be duly given if delivered or deposited in the U.S. Mail, First Class Postage prepaid, Certified, Return Receipt Requested, (except for rent payments) to the Lessor as follows:

City of Joplin
Attention: City Manager
602 S. Main St.
Joplin, Missouri 64801

and to Lessee as follows:

Economic Security Corporation of Southwest Area
Attention: John Joines, CEO
302 Joplin Ave.
P.O. Box 207
Joplin, Missouri 64802

Each party may, from time-to-time, designate a different address by notice given in conformity with this paragraph. The date of mailing as indicated on the U.S. Postal Return Receipt shall be the commencement date for calculating any time periods associated with the giving of notice hereunder.

19. Amendments. It is acknowledged that the covenants and obligations herein contained are the full and complete terms of this Lease Agreement, and no alteration, amendments or changes to such terms shall be binding unless first reduced to writing and executed with the same formality as this Agreement. This provision shall not apply to changes of address for forwarding of notice or rental payments.

20. Assignment and Subletting. Lessee will not assign this Lease in whole or in part without obtaining the prior written consent of the Lessor. Any assignment without Lessor's consent in writing shall be void.

21. Headings. The headings hereof are intended as guides only and shall not be construed as having any legal effect.

22. Compliance with Applicable Laws. Lessee shall comply with all applicable laws, ordinances, rules and regulations.

23. Entire Agreement. This instrument embodies the whole agreement of the parties. There are no promises, terms, conditions or obligations other than those contained herein and this Agreement shall supersede all previous communications, representations or agreements, either verbal or written, between the parties.

24. Governing Law. This Agreement has been made, and its validity, performance and effect shall be determined, in accordance with the laws of the State of Missouri and venue

for litigation between the parties shall be solely and exclusively in Jasper County, Missouri, or the United States District Court for the Western District of Missouri.

25. Heirs, Successors and Assigns. Each and every obligation contained in this Lease Agreement shall be jointly and severally binding upon the respective parties, their heirs, legal representatives, successors and assigns.

26. No Implied Waivers. The right of any party under any provision of this Agreement shall not be affected by its prior failure to require the performance by the other party under such provision or any other provision of this Agreement, nor shall the waiver by any party of a breach of any provision hereof constitute a waiver of any succeeding breach of the same or any other provision or constitute a waiver of the provision itself. A waiver of any right or obligation hereunder must be in writing and signed by the parties to this Agreement.

27. Contingent on Approval. This Agreement is contingent on approval from the Joplin City Council and Economic Security Corporation of Southwest Area Board of Directors.

IN WITNESS WHEREOF, the parties have caused these presents to be executed in duplicate as of the day and year first above written.

“LESSOR”
CITY OF JOPLIN,
a Missouri municipal corporation

By: _____
Its: authorized signatory

ATTEST:

Barbara Hogelin
City Clerk

APPROVED AS TO FORM:

Peter C. Edwards
City Attorney

“LESSEE”
Economic Security Corporation of Southwest Area,
a Missouri non-profit corporation

By: _____
Its: authorized signatory

ATTEST:

Secretary

**MEMORANDUM OF UNDERSTANDING
AND AGREEMENT**

THIS MEMORANDUM OF UNDERSTANDING AND AGREEMENT made and entered into this ____ day of _____, 2017, by and between the CITY OF JOPLIN, MISSOURI, a Missouri municipal corporation, hereinafter referred to as "City", and ECONOMIC SECURITY CORPORATION OF SOUTHWEST AREA, a Missouri non-profit corporation, hereinafter referred to as "Economic Security".

W I T N E S S E T H :

WHEREAS, City owns certain real estate commonly known as 520 S. School Ave., hereinafter referred to as "the premises." City desires to enter into a Lease agreement with Economic Security for a portion of the premises under the terms and conditions described herein; and,

WHEREAS, Economic Security provides child care services through an Early Head Start program. Economic Security desires to enter into a Lease agreement with the City for a portion of the premises under the terms and conditions described herein; and,

WHEREAS in lieu of rent, the parties agree that Economic Security shall make certain improvements to the premises under the terms and conditions described herein; and,

WHEREAS, because of the improvement responsibilities of Economic Security, and the shared use of the premises, the parties desire to set forth the material terms thereof in this Memorandum of Understanding and Agreement.

NOW, THEREFORE, in exchange for valuable consideration each received from the other, the parties do hereby agree as follows:

1. Construction of Improvements. The proposed renovation of the premises is illustrated on Exhibit 1, attached hereto and incorporated by reference. After renovation is complete, it is estimated the Economic Security will utilize 3150 square feet, or 100% of the building, from the second week of August to the end of May, and 1575 square feet, or 50% of the building, from June through the first week of August. Economic Security will submit

architectural and building plans to the City for approval before construction begins. All construction shall be in accordance and compliance with the submitted plans and the Joplin Code of Ordinances. Any deviation from the plans must be approved in writing by the City. All finished construction, such as paint, flooring, electrical fixtures, wood trim, and related finishing work shall be of the same or substantially similar quality and type used in the existing finished area of the building. City shall give written approval of said construction and materials. All improvements, including all fixtures, shall become the property of the City. Upon completion of the improvements, Economic Security will receive a Lease fee abatement for the full term of the fifty (50) month Lease Agreement.

- (a) City Area. The City will be responsible for maintenance of its area.
- (b) Economic Security Area. Economic Security will be responsible for the construction and maintenance of improvements of its area. Economic Security agrees that the premises will be kept in a near, orderly, and clean condition at all times. A copy of a master key shall be supplied to the Parks and Recreation Director.
- (c) General Terms. All work done by Economic Security shall comply with the Joplin Building Code. Economic Security is responsible for obtaining all required building permits and passing required building inspections.
- (d) Timeline. Construction shall begin on upon execution of this Agreement and be completed within ____ days.

- 2. Lease Agreement. The parties agree that a Lease Agreement has been executed concurrently with this Memorandum of Understanding and Agreement. Said Lease Agreement incorporates this agreement by reference, and should any terms conflict, the terms of the Lease Agreement shall prevail.
- 3. Effective Date. This Memorandum shall be effective upon the approval of the City Council and Economic Security. It may be amended at any time by written agreement executed by both parties.

[Remainder of page intentionally left blank. Signature page to follow.]

IN WITNESS WHEREOF, the parties have caused these presents to be executed in duplicate as of the day and year first above written.

“LESSOR”
CITY OF JOPLIN,
a Missouri municipal corporation

By: _____
Its: authorized signatory

ATTEST:

Barbara Hogelin
City Clerk

APPROVED AS TO FORM:

Peter C. Edwards
City Attorney

“LESSEE”
Economic Security Corporation of Southwest Area,
a Missouri non-profit corporation

By: _____
Its: authorized signatory

ATTEST:

Secretary