



City of Texarkana, Arkansas
216 Walnut Street
Texarkana, Arkansas 71854

Surface Parking Lot Lease Contract

THIS LEASE AGREEMENT, (“Agreement”), made and entered into this ____ day of _____, 2018, between the City of Texarkana, Arkansas, located at 216 Walnut Street, Texarkana, Arkansas 71854 as “City”, and 1894 LLC, 610 Division Street, Texarkana, Arkansas 71854 as “Lessee”.

The City is the owner of the parking lot located at 205 East Front Street, Texarkana, Arkansas and wishes to provide a Surface Parking Lot Lease Contract to the party identified above for the eastside of the parking lot. Terms and Conditions are described below:

Recitals:

The City has agreed to grant the Lessee the right to occupy and use fourteen (14) parking spaces (eastside) for the purpose of parking Lessee tenants’ motor vehicles. Lessee is willing to accept such occupancy, subject to and in accordance with the payments, terms and conditions herein provided.

NOW, THEREFORE, in consideration of the mutual promises herein set forth and other goods and valuable consideration, the receipt and sufficiency of which are acknowledged by the parties hereto.

- 1. Premise:** The portion of the Surface Parking Lot to be occupied by Lessee, such portion being fourteen (14) parking spaces as depicted by cross-hatching on Exhibit “A” attached hereto.
- 2. Term of Lease:** The period of time during which Lessee may occupy the Surface Parking Lot located at 205 East Front Street, Texarkana, Arkansas, shall begin January 1, 2019, and end on December 31, 2068. The term of this contract shall constitute a fifty-year period with an option to extend an additional five years. The Lessee will provide fourteen (14) parking permits to be issued to authorized Lessee tenants. The Lessee provided parking permits will be presented in full view from rear view windows.
- 3. Items Left in Vehicle:** The City shall not be responsible for damage or loss to possessions or items left in Lessee’s tenants’ vehicle.
- 4. Damage to Vehicle:** The City shall not be responsible for damage to Lessee’s tenants’ vehicle, whether or not such damage is caused by other vehicle(s) or person(s) in the parking lot and surrounding area.
- 5. Lease Payment:** The sum of One Thousand Ninety-Three Dollars and Seventy-Six Cents, (**\$1,093.76**) is due from the Lessee per year to the City on the (1st) day of January.

- 6. Returned Check and Late Fees:** Lessee agrees, and the City accepts to be accessed a return check fee of Thirty-Six Dollars (\$36.00) per check. This fee is subject to periodic change.
- 7. Permitted Use:** For Lessee tenants only. Covered parking shall be installed at the Lessee's expense for the leased spaces.
- 8. Non-Permitted Use:** Gates shall not be installed on the City's portion of unleased parking lot. Metered parking shall not be installed.
- 9. Parking Lot Maintenance:** On a daily basis, the Lessee will keep and maintain the assigned fourteen (14) parking spaces free of trash, debris and cigarette butts during the term of this surface Parking Lot Lease. The City will perform the initial stripping of the parking lot and minor repairs. The Lessee shall be responsible for all maintenance of the leased parking lot spaces during the life of the lease.
- 10. Parking Lot Improvements:** Any improvements made, or structures erected must be approved by the city prior to beginning work. The Lessee shall be responsible for all improvements to existing parking lot as indicated on Exhibit "B" to accommodate the leased parking spaces to 1894 LLC. Lessee is permitted to install gates on 1894 LLC property to include enclosure of the fourteen (14) parking spaces leased from the City. Any structure erected within the leased space will stay with the property if the lease is terminated.
- 11. Towing of Vehicles:** Motor vehicles may be towed by the Lessee with notification to the City and in compliance of State Law and Local City Ordinances.
- 12. Assignment:** No Assignment of Surface Parking Lot may be made without the City's prior written consent. If Lessee sells property, the fourteen (14) leased parking spaces shall transfer to the new owner with the approval of the City.
- 13. Default:** If Lessee defaults in the payment of lease payment as stated, or in any covenants, agreements, or conditions herein contained to be kept by Lessee, the City shall provide Lessee with a written notice of such default, and Lessee shall have thirty (30) calendar days to cure such default. If the default is not cured, the City shall have the option to enforce this lease in any manner provided by the laws of the State of Arkansas including, but not limited to; termination of lease and re-enter the 14 parking spaces and take possession thereof with or without process of law to distain for any lease payment(s) due. Lessee shall quit and surrender peaceably the 14 parking spaces back to the City.
- 14. Notices:** All notices shall be deemed given in writing, deposited in the United States mail in a sealed envelope with correct postage, thereon prepaid and registered, addressed to the City or Lessee, as the case may be at the address set forth at the end of this Surface Parking Lot Lease Contract, or other such addresses as Lessee may direct the City.

- 15. Insurance Requirements:** The Lessee shall provide to the City a copy of the General Liability Insurance in the amount of \$1,000,000 for injuries to any one person and \$100,000 for property damage. Lessee shall deliver certificates of such insurance to the City prior to occupying the assigned 14 parking spaces. Lessee agrees to indemnify, defend and hold harmless the City, its agent, administrators, employees, and Board of Directors of any or all claims, damages, liabilities, and expenses including attorney fees and court costs associated with damage or injury brought upon by third parties. The Lessee shall name the City on its insurance and certificates and shall waive any right to recover against the other for damage or any part thereof.
- 16. Insurance Coverage:** All insurance coverage and insurance requirements shall be kept in force during the term of this Surface Parking Lot Lease Contract.
- 17. Termination:** The City may terminate this Agreement if Lessee is found to be in default of lease agreement by providing thirty (30) days written notice to the Lessee. Lessee may terminate this Agreement by providing thirty (30) days written notice to the City. Any such notice shall be directed to a party at the party's address as listed below in this Agreement.
- 18. Continuance of Contract:** In the event the Lessee shall continue occupancy of the 14 parking spaces as identified in this Contract after the expiration of the Term of Lease without any agreement in writing, such occupancy shall be deemed to extend or renew the Term of Lease, but such occupancy shall continue on one additional five-year basis upon the covenants. An annual rate will be **\$1,093.76**.

IN WITNESS WHEREOF, the City and Lessee have executed this Contract as of _____, 2019.

LESSOR:

City of Texarkana, Arkansas
216 Walnut Street
Texarkana, Arkansas 71854

BY: _____
DR. KENNY HASKIN, CITY MANAGER

ATTEST: _____
HEATHER SOYARS, CITY CLERK

BY: _____
GEORGE MATTESON, CITY ATTORNEY

LESSEE:

1894 LLC
610 Division Street
Texarkana, Arkansas 71854

BY: _____
DAVID PEAVY, OWNER

DATE: _____