

LEASE OF PARKING LOT AT 416 LONGSHORE DRIVE BETWEEN HURON RIVER HOLDINGS INC. AND THE CITY OF ANN ARBOR

This land lease (Lease) made and entered into this ___ day of _____, 2015, by and between the City of Ann Arbor, a Michigan municipal corporation with its offices at 301 E. Huron, P.O. Box 8647, Ann Arbor, MI 48107 (“City”) and Huron River Holdings Inc., a Michigan Corporation with its offices located at 416 Longshore Drive, Ann Arbor, MI 48105 (HRH)

Recital:

The City proposes to use a portion of the existing parking lot owned by HRH shown in Exhibit A, attached hereto and made a part hereof by reference (“Property”) seven days per week , 9 a.m. to sunset each day for overflow parking for Argo Park during the Argo Livery season period, April 18, 2015 through October 25, 2015.

The parties have negotiated in good faith the use of the Property for the stated purpose and it is acknowledged that HRH’s retains all property rights for use and enjoyment of the Property subject only to the terms of this lease.

Terms

In consideration of the lease payments, and mutual promises contained herein, receipt whereof is hereby acknowledged, the City and HRH confirm the terms and conditions upon which the City will use and occupy the Property as follows:

1. Duration/Purpose: The term of the lease shall be from April 18, 2015 (“Commencement Date”) through October 25, 2015 (“Termination Date”) unless sooner terminated or extended as provided in this Lease. The parties shall have the option to renew this Agreement, or a portion thereof, on 90 days advance written notice, for 3 successive 1-year periods upon the same terms and conditions herein, if mutually agreed upon in writing. The City shall use the above-described real property only for the operation of a parking lot for additional overflow parking for Argo Canoe Livery. The approximately 40 spaces will be for park use only and used seven days per week, 9 a.m. to sunset.

City has inspected the Property and is satisfied with their condition. The City acknowledges that no representations about the condition of the Property or promises to alter or to improve the Property before or during the term of the Lease have been made. The City accepts the Property in “as-is” condition as of the Commencement Date. Further, it is understood between the parties that Park patrons using the lot do so at their own risk.

2. Rent: On or before the Commencement Date, the City shall make a single lump sum rental payment to HRH in the amount of Nine Thousand and no/100 dollars (\$9,000).
3. Signage; City's Right to Alter/Enforcement: The City shall have the right to and will at its sole cost supply temporary mobile signs for identification and regulation of the parking lot for park use. HRH agrees that the City may enforce its ordinance(s) that provide for towing of vehicles on the above described real property, in the same manner as if the City owned the above described real property on those days of use by the City stated above. Effective January 1, 2016, HRH shall supply and install signs that reserve 5 spaces, Monday through Sunday, for other HRH tenants. The location of HRH's reserved spaces illustrated on Exhibit A.
4. Insurance: The City shall maintain in effect during the term of this Lease commercial general liability insurance coverage, including liability against claims for, or arising out of, bodily injury, death or property damage occurring in, on or about the Property. It is acknowledged that the City self-insures its general liability exposure through a permanently funded non-cancelable program. The City agrees to name HRH as an "additional insured" on the policy described above and furnish HRH with satisfactory certificate of self-insurance/insurance on or before the Commencement Date.
5. Termination:
 - a. City's Right to Terminate: The City may terminate this lease before the end of its term:
 - i. by providing a 60-day written notice to HRH at the address stated above; or
 - ii. If HRH breaches any of its obligations under this lease, the City may terminate the lease by providing a 30-day written notice to HRH the address stated above. Said notice shall state the nature of the breach. At the expiration of the applicable period, the lease will terminate and City will have no further obligation to HRH
 - b. HRH's Right to Terminate: HRH may terminate this lease if the City breaches any of its obligations under this lease by providing a 30-day written notice to the City at the address stated above. Said notice shall state the nature of the breach. At the expiration of the applicable notice period, the lease will terminate and HRH will be entitled to possession of the premises.
6. Hold-Over: It is understood that no right to hold-over beyond the Termination Date is authorized by this lease.
7. Assignment: Neither party shall assign its interest in this agreement without prior written approval of the other party that shall not be unreasonably withheld.
8. Notice: Any notice given under this Lease shall be in writing and served personally or sent by certified or registered mail. Such notice shall be deemed effective upon receipt by the other party. Notices to the City shall be sent to the address listed above to the attention of the Parks and Recreation Services Manager. Notices to HRH shall be sent to the address listed above to the attention of Jim Frey.

9. Governing Law; Severability: This lease shall be construed and interpreted in accordance with the laws of the State of Michigan. If a clause of this lease is found by a court to be invalid, that finding will not invalidate any other clause or provision of this lease.
10. Authority to Execute: Both parties by executing this lease represent that they have the authority and permission to bind the party they are signing this lease on behalf of to the terms and conditions set forth in this Agreement.
11. Entire Agreement: The lease constitutes the entire agreement between the parties, is binding when signed by all parties and replaces all prior oral and written representations. This lease or any of its terms or conditions cannot be amended, altered, waived, or otherwise modified unless in writing and executed by HRH and the Ann Arbor City Council.

HURON RIVER HOLDINGS, INC.
A Michigan Corporation

CITY OF ANN ARBOR

By: _____
Jim Frey, Managing Partner

By: _____
Jacqueline Beaudry, City Clerk

APPROVED AS TO FORM

APPROVED AS TO SUBSTANCE:

By: _____
Stephen Postema, City Attorney

By: _____
Steven D. Powers,
City Administrator

By: _____
Colin Smith,
Manager of Parks & Recreation