

**RESOLUTION NO. R22-14**

**A RESOLUTION AUTHORIZING A LEASE AGREEMENT BETWEEN THE CITY OF LAUREL AND LAUREL AMERICAN LEGION POST #123, FOR THE CONSTRUCTION AND USE OF CITY OWNED PROPERTY FOR A PARKING LOT NEAR THE CITY'S CEMETERY.**

BE IT RESOLVED by the City Council of the City of Laurel, Montana:

Section 1: Approval. The existing Lease Agreement between the City of Laurel and the Laurel American Legion Post #123 for leasing City owned property located near the City Cemetery for the construction and use as a public parking lot for individuals visiting the City's Cemetery as well as the Yellowstone National Cemetery. A copy is attached hereto for convenience.

Section 2: Terms and Conditions. All terms and conditions of the Lease Agreement negotiated by the Parties are hereby approved.

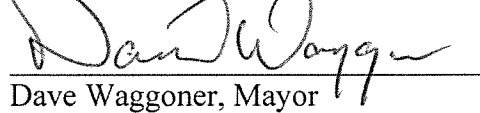
Section 3: Effective date. The effective date for the Lease Agreement is the date approved by the City Council.

Introduced at a regular meeting of the City Council on April 12, 2022, by Council Member Wilke.

PASSED and APPROVED by the City Council of the City of Laurel this 12<sup>th</sup> day of April 2022.

APPROVED by the Mayor this 12<sup>th</sup> day of April 2022.

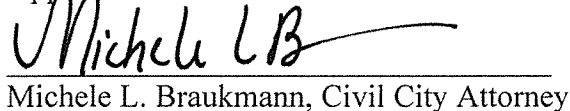
CITY OF LAUREL

  
Dave Waggoner, Mayor

ATTEST:

  
Bethany Keeler, Clerk-Treasurer

Approved as to form:

  
Michele L. Braukmann, Civil City Attorney

## LEASE AGREEMENT

This LEASE AGREEMENT, made and entered into this 12 day of April, 2022, by and between the City of Laurel, whose business address is PO Box 10, Laurel, Montana hereinafter called "Lessor", and the Laurel American Legion Post #123, whose business address is Box 211, Laurel, Montana hereinafter called "Lessee".

## LEASED PREMISES

Lessor, in consideration for the rent agreed to be paid by Lessee, and in consideration of the covenants and agreements hereinafter expressed on the part of the Lessee to be kept and performed, does hereby lease to Lessee, real property owned by Lessor, hereinafter referred to as the "Leased Premises" and specifically described as Tract C-1-B of the Amended Tract C-1 of COS 3162, as further reflected on Exhibit A, attached hereto and incorporated by reference herein.

## TERM

The term of the lease shall be for 25 years and shall commence on the date the City Council approves the lease and shall expire and terminate 25 years thereafter unless an additional 25-year term is requested by the Lessee and approved by City Council. The second 25-year term shall automatically renew upon notification by Lessee in a signed writing delivered to the City Clerk Treasurer on or before the date of expiration. Either party may terminate the lease as hereinafter provided.

## RENT

Lessee agrees to pay annual rent of fifty dollars per year (\$50.00), not to be prorated for a short year.

## SECURITY DEPOSIT

The parties acknowledge Lessee will not make a deposit with Lessor as a security deposit for the Lessee's faithful performance of Lessee's obligations under the Lease Agreement.

## USE OF LEASED PREMISES

The Leased Premises may be used by the Lessee to construct, manage and operate a parking lot for guests visiting the Laurel City Cemetery and Yellowstone National Cemetery. Lessor is providing unimproved land through this lease for the lawful use of the Leased Premises. Lessee intends to construct a parking lot on the Leased Premises. Lessee shall comply with all applicable City permits, building and construction standards and codes applicable to the construction, maintenance and upkeep during the term of this lease.

Lessee shall not cause or permit anything to be done on or about said property, or which shall in any way tend to create a nuisance or dangerous condition on the Leased Premises at any time.

#### PROPERTY TAXES

The Lessor retains all responsibility for payment of the real property taxes on the Leased Premises.

#### REPAIRS

Lessee acknowledges that it is taking the Leased Premises "as is" and without improvements. Lessee agrees, at its own costs and expense, to design and construct the parking lot pursuant to the appropriate public work standards and that after construction, Lessee shall maintain the Leased Premises and make all necessary repairs to the parking lot surface during the term of the Lease and/or any renewal thereof. Lessee acknowledges that it is improving the Leased Premises, at its own expense, and upon expiration or termination of the lease, Lessor will retake possession of the Lease Premises along with all the improvements. Lessee hereby waives any right to ownership or compensation for all improvements to the Leased Property hereunder. Lessee shall perform weed maintenance as required.

#### LIENS

Lessee shall keep the Leased Premises and the property on which the premises are situated free from any liens arising out of any work performed for Lessee, material furnished to Lessee or obligations incurred by Lessee.

#### DAMAGE OR DESTRUCTION

In the event of damage or destruction of all or any part of the Leased Premises, Lessor shall have the option of terminating this Lease within thirty (30) days after said damage to the Leased Premises is repaired or remediated or the property returned to its original condition.

#### DEFAULT

Should default be made in the payment of any of the rent or other obligations hereunder when due, or should the Lessee or its agents or employee violate any of the terms, conditions, or covenants of this Lease, or should the Lessee vacate or abandon the Leased Premises or any part thereof, the Lessor may at Lessor's option, after giving ten (10) days written notice thereof by certified mail to Lessee at Lessee's address, provided herein, to cure the default, re-enter and take possession of said Leased Premises.

### HOLD HARMLESS AND INDEMNIFICATION

Lessee agrees to hold Lessor free and harmless from any liability and claim for damages by reason of any injury to any person or persons, including agent or employees of Lessee, or property of any kind whatsoever and to whomever belonging, including property of Lessee, from any cause whatsoever, while in, upon, or in any way connected with the Leased Premises or appurtenances adjacent thereto, during the term of this Lease, or any extension or additional time during which the Lessee may remain in possession of said Leased Premises. Lessor shall not be liable for any loss, injury, death, or damage to persons or property that at any time may be suffered or sustained by Lessee or by any person whosoever may be at any time be using or occupying or visiting the Leased Premises or be in, on, or about the Leased Premises, whether the loss, injury, death, or damage shall be caused by or in any way result from or arise out of any act, omission, or negligence of Lessee or of any occupant, subtenant, visitor, or user of any portion of the premises, or shall result from or be caused by any other matter or thing whether of the same kind as or of a different kind than that of the matters of things above set forth.

Lessee shall indemnify Lessor against any and all claims, liability, loss, or damage whatsoever on account of any such loss, injury, death, or damage. Lessee waives all claims against Lessor for damages to the improvements that are now on or hereafter placed or built on the premises and to the property of Lessee in, on, or about the premises, and for injuries to persons or property in or about the premises, from any cause arising at anytime. The two preceding sentences shall not apply to loss, injury, death, or damages arising by reason of the negligence or misconduct of the Lessor, its agents, or employees.

Prohibition of involuntary assignment. Neither this lease agreement nor the leasehold estate of Lessee nor any interest of Lessee under this lease agreement in the Leased Premises or in the improvements on the Leased Premises shall be subject to involuntary assignment, transfer, or sale, or to assignment, transfer, or sale by operation of law in any manner whatsoever; any attempt at involuntary assignment, transfer, or sale shall be void and of no effect.

### INSPECTION OF PREMISES

Lessor and his agent have the right to enter on the Leased Premises to inspect the Leased Premises and see that no damage has been done or is done, and to protect any and all rights of Lessor and to post such reasonable legal notices as Lessor may desire to protect any and all rights of Lessor.

### ATTORNEY'S FEES IN LEGAL ACTION

In the event that either party hereto shall bring legal action against the other party, then the prevailing party shall be entitled to reimbursement from the other party for all expenses incurred, including reasonable attorney's fees.

## INSURANCE

A. Comprehensive General Liability Insurance. Lessee shall maintain in effect throughout the term of this Lease Agreement comprehensive general liability insurance insuring Lessee against any liability arising out of this Lease Agreement or the use, occupancy, or maintenance of the Leased Premises and all areas appurtenant to the Leased Premises. Such insurance shall be in the amount of no less than \$1,000,000 combined single limit for injury to or death of one or more person in an occurrence, and for damage to tangible property (including loss of use) in any one occurrence. The insurance policy shall ensure the hazards of the Leased Premises and operations conducted in and on the Leased Premises, independent contractor, contractual liability (covering the indemnity included in this Lease Agreement), and shall name Lessor as an insured party, as its interest may appear. Lessor shall be furnished with a copy of the Certificate of Insurance. Such coverage shall be primary and non-contributing with any insurance carried by Lessor. The liability insurance policy shall contain endorsements requiring thirty (30) days written notice to Lessor prior to any cancellation or any reduction in the amount of coverage.

## TIME

Time is of the essence in this Lease.

## AGREEMENT IN COUNTERPARTS

This Agreement may be executed simultaneously, or in two or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

## COMPLIANCE WITH LAWS AND REGULATIONS

Lessee, at its expense, shall promptly comply with all federal, state, and municipal laws, orders and regulations, and with all lawful directives of public officers, which impose any duty upon it or Lessor with respect to the Leased Premises. The Lessee, at its expense, shall obtain all required licenses and permits for the conduct of its business with the terms of this Lease, or for the making of repairs, alterations, improvements, or additions. Lessor, when necessary, will join with the Lessee in applying for all such permits or licenses.

## SURRENDER UPON TERMINATION

At the expiration of the lease term, the Lessee shall surrender the Leased Property in as good condition as it was at the beginning of the term, reasonable use and wear excepted.

## MISCELLANEOUS TERMS

A. Notices. Any notice, statement, demand, or other communication by one party to the other, shall be given by personal delivery or by mailing the same, postage

prepaid, addressed to the Lessee at the premises, or to the Lessor at the address set forth above.

B. Severability. If any clause or provision herein shall be adjudged invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, it shall not affect the validity of any other clause or provision, which shall remain in full force and effect.

C. Waiver. The failure of either party to enforce any of the provisions of this Lease shall not be considered a waiver of that provision or the right of the party to thereafter enforce the provision.

D. Complete Agreement. This constitutes the entire understanding of the parties with respect to the subject matter hereof and may not be modified except by an instrument in writing and signed by the parties.

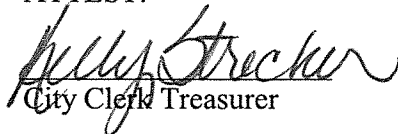
E. Successor. This Lease is binding on all parties who lawfully succeed to the rights or take the place of the Lessor or Lessee.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed the day and year first above written.

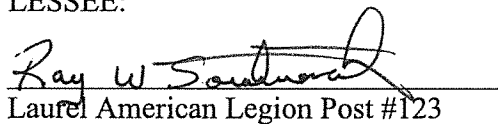
LESSOR:

  
\_\_\_\_\_  
Mayor, City of Laurel

ATTEST:

  
\_\_\_\_\_  
City Clerk Treasurer

LESSEE:

  
\_\_\_\_\_  
Laurel American Legion Post #123



APRIL 06, 2022

Fire Policy Status

B Ph. (406) 671-1814

AMERICAN LEGION POST #123  
PO BOX 211  
LAUREL MT 59044-0211

FIRE Policy: 96-BJ-B534-8 F Yr issd: 2018  
Xref:

Location: 720 S 4TH ST  
LAUREL MT 59044

Term: CONT

Type: BUSINESS - MISC BPC: Businessowners Policy  
Coverage information

Renew date: FEB-01-23

Premium: 477.00 Written date: JAN-25-18

B-BUSN PROP 22700  
LOSS INC 12 MONTH

L-BUSN LIAB 1000000  
GEN AGGREGT 2000000  
PCO AGGREGT 2000000  
M-MED/PERSN 10000

End act 02/01/22

Amount paid: 477.00  
Date paid: DEC-30-21  
Bill to: INSD

Prev prem: 425

Prev risk: 21,300

Deductibles applied: 500 ALL PER OTHER DED MAY APPLY

Messages:

YRBUS \$ 70 /RENYR \$ 28  
CHR C 20.0%

Source: E  
Year built: 1982 Constr: MA NON-COMB

Zone: 09  
Sub zone: 03

Move-in: 0 Entry: MAR-12-18 FMP seg: 03



APRIL 06, 2022

Fire Policy Status

ADDL INSURED - SECTION II  
THE AMERICAN LEION DBA  
THE AMERICAN LEGION NATIONAL  
HEADQUARTERS  
PO BOX 1055  
INDIANAPOLIS IN 46206-1055  
ADDL INSURED - SECTION II  
THE AMERICAN LEGION  
DEPARTMENT OF MONTANA  
PO BOX 155  
HELENA MT 59624-0155

COVERAGE TITLES	LIMIT	DEDUCT
Arson Reward	\$5,000	\$0
Collapse	Included	\$500
Damage To Non-Owned Buildings From Theft, Burglary Or Robbery	Coverage B Limit	\$500
*Damage To Premises Rented To You	\$300,000	\$0
Debris Removal	25% of covered los	\$500
Equipment Breakdown	Included	\$500
Fire Department Service Charge	\$2,500	\$0
Fire Extinguisher Systems Recharge Expense	\$5,000	\$0
Forgery Or Alteration	\$10,000	\$500
Glass Expenses	Included	\$500
Increased Cost Of Construction And Demolition	10%	\$500
Costs (applies only when buildings are insured on		
*Inland Marine - Computer Property	\$25,000	\$500
*Inland Marine - Computer Property Loss Of Income And Extra Expense	\$25,000	\$0
Money Orders And Counterfeit Money	\$1,000	\$500

APRIL 06, 2022

Fire Policy Status

COVERAGE TITLES	LIMIT	DEDUCT
Newly Acquired Business Personal Property (applies only if this policy provides Coverage B - Business	\$100,000	\$500
Newly Acquired Or Constructed Buildings (applies only if this policy provides Coverage A - Building	\$250,000	\$500
Ordinance Or Law - Equipment Coverage	Included	\$500
Personal Effects (applies only to those premises provided Coverage B - Business Personal Property)	\$2,500	\$500
+Personal Property Off Premises	\$20,000	\$500
Pollutant Clean Up And Removal	\$10,000	\$500
Preservation Of Property	30 Days	\$500
Water Damage, Other Liquids, Powder Or Molten Material Damage	Included	\$500
LOCATION 0001	LIMIT	DEDUCT
*Accounts Receivable	\$10,000	\$500
*Money And Securities (Off Premises)	\$2,000	\$250
*Money And Securities (On Premises)	\$5,000	\$250
*Outdoor Property	\$5,000	\$500

LOCATION 0001	LIMIT	DEDUCT
*Property Of Others (applies only to those premises provided Coverage B - Business Personal Property)	\$2,500	\$500
*Seasonal Increase - Business Personal Property	25%	\$500
*Signs	\$2,500	\$500
*Valuable Papers And Records	\$10,000	\$500

APRIL 06, 2022

PROPERTY LOCATIONS

LOC	CMPX	ADDRESS	CONTENTS	PREMIUM	EXPOSURE	LIABILITY LIMIT	PREMIUM
001	STCLS	720 S 4TH ST	22700	330	LAUREL MT 59044	1000000	113
	913				110		