

Exhibit B

PARKING LOT LEASE AGREEMENT

This **Parking Lot Lease Agreement** (“Lease”) is entered into this ___ day of _____, 2018, by and between the **LOVELAND URBAN RENEWAL AUTHORITY**, a body corporate and politic established pursuant to C.R.S. §31-25-101, et seq. (“LURA”) and _____ (together with its permitted assigns, hereafter “Tenant”) (LURA and _____ are individually referred to herein as a “party” and collectively as the “parties”).

RECITALS

WHEREAS, _____ is a company doing _____; and

WHEREAS, Tenant currently intends to grow by acquiring from LURA that certain real property legally described in **Exhibit “A”** attached hereto and incorporated by reference, also known by the mailing address of 205 East 6th Street, Loveland, Colorado (the “County Lot”), including the building structure (referred to herein individually as the “Building,” and together with the County Lot, as the “County Office”); and

WHEREAS, in conjunction with acquiring the County Office, Tenant also intends to lease from LURA that certain real property used as a parking lot and legally described in **Exhibit “B”** attached hereto and incorporated by reference, also known by the mailing address of 100 East 6th Street, Loveland, Colorado (the “Parking Lot”); and

WHEREAS, the LURA Board approved a lease of the Parking Lot to Tenant and made a finding that this Lease provides significant social and economic benefits to the citizens of Loveland, primarily in the form of jobs, economic development, and increased property tax revenues and, therefore, that the provisions of the Agreement are in the best interests of the public, the City of Loveland (“City”) and LURA.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

1. Condition Precedent.

The parties agree that Tenant’s purchase of the County Office shall be a condition precedent to any obligations set forth in this Lease and that failure to complete such condition shall terminate this Lease with no consequence to or obligation by any party.

2. Term.

This Lease shall have a primary term of fifty (50) years commencing after Closing on the Closing Date (as those terms are defined in the Purchase and Sale Agreement between LURA and Tenant for the County Office. Provided that Tenant is not then in default under the terms herein, this Lease may be renewed by Tenant for two (2) additional periods of ten (10) years each, provided that Tenant provides written notice of its election to exercise its option at least ninety (90) days prior to the expiration of the then-existing Lease term or extension thereof.

3. Premises.

The premises to be leased shall consist of the greater of 40 reasonably sized parking spaces or 74% of all parking spaces (rounded to the nearest whole number) (“Premises”). The Premises shall be for the exclusive benefit and quiet enjoyment of Tenant for the parking of the employees, agents, guests and invitees of the occupants and tenants of the County Office between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday. At all other times and on all other days, such employees, agents, guests and invites shall only have the same non-exclusive rights to access and use the Premises, if any, granted to the general public by LURA.

4. Use of Premises.

The Premises shall be used exclusively as a parking lot. Tenant’s use and occupation of Premises shall be consistent with: (i) the covenants and easements and all other matters of record as of the date of this Lease; and (ii) all present and future laws, ordinances and regulations, including environmental regulations, of any governmental authority having jurisdiction over the Premises. Between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, Tenant shall not permit any nuisance to be maintained on the Premises or permit any disorderly conduct, common noise, or other activity having a tendency to annoy or disturb any adjoining property. Outside of those hours, LURA shall have those responsibilities.

5. Rent and Deposit.

In consideration for the right to use and occupy the Premises as permitted herein, Tenant shall pay to LURA **Ten Dollars (\$10.00)** for the entire Lease term (“Rent”), and **Ten Dollars (\$10.00)** for each renewal period. LURA acknowledges receipt of Rent for the initial Lease term. Tenant shall not be charged a rental deposit for the Premises.

6. Alterations.

Subject to LURA’s prior written approval, which shall not be unreasonably withheld, conditioned or delayed, Tenant may, during the term of this Lease, at Tenant's expense, make improvements, changes or alterations as Tenant may desire so long as the Premises remains fully in use as a parking lot, subject to temporary closures as required for such improvements. At the end of this Lease, all such changes or alterations shall be and remain the property of LURA. All such work shall be done in a good and workmanlike manner and shall consist of new materials unless agreed to otherwise by LURA. Any and all repairs, changes and/or alterations thereto shall be the responsibility and at the expense of Tenant and shall conform to all current building codes and requirements of the City of Loveland.

7. Right to Inspect Premises.

LURA shall have the right at all reasonable times to enter the Premises for any and all purposes consistent with this Lease, provided such action does not unreasonably interfere with Tenant’s use, occupancy, or security requirements of the Premises.

8. Maintenance and Repair of the Premises.

LURA shall, at its sole expense, keep and maintain the Premises, including, without limitation, the asphalt surface and striping, in good condition and repair, conducting such repairs to the extent possible outside of the hours of 8:00 a.m. to 5:00 p.m., Monday through Friday, and in a manner so as not to unreasonably interfere with Tenant's use of the Premises. LURA, in its sole discretion, may redesign the Premises for parking use so long as the greater of 40 reasonably sized parking spaces or 74% of all parking spaces (rounded to the nearest whole number) are available to Tenant. LURA shall be responsible, at its expense, for maintaining the Premises in a neat and clean condition, maintaining all security, lighting and landscaping located on the Premises and removing any snow that accumulates on the Premises and sidewalks located adjacent to the Premises. Tenant shall not allow any accumulation of trash or debris on the Premises or use of the Premises for storage. Notwithstanding the foregoing, Tenant shall reimburse LURA for costs associated with the maintenance and repair of the Premises due to damage caused by Tenant, its employees, agents, guests or invitees, normal wear and tear excepted.

9. No Discrimination.

Tenant shall not discriminate on any grounds prohibited under federal or state law, including without limitation, race, color, disability, or national origin, in the use or occupancy of the Premises.

10. Real Property Taxes and Assessments.

LURA shall pay promptly when due all real estate taxes and general assessments, if any, for the Premises that would be otherwise due if the occupancy and use of the Premises were for governmental public purposes. Tenant shall pay promptly when due all real estate taxes and general assessments, if any, for its use of 40 parking spaces on the Premises between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday. Tenant shall pay all special assessments, if any, for the Premises that are a result of Tenant's occupancy or use of the 40 parking spaces between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday. LURA shall promptly pay when due all other special assessments.

11. Insurance.

- A. LURA. For the duration of the Lease, LURA shall procure and maintain comprehensive general liability insurance with minimum combined single limits of One Million Dollars (\$1,000,000.00) each occurrence and Two Million Dollars (\$2,000,000.00) aggregate.
- B. Tenant. For the duration of this Lease, Tenant shall procure and keep in force a policy of comprehensive general liability insurance insuring Tenant and naming LURA as an additional insured with minimum combined single limits of One Million Dollars (\$1,000,000.00) each occurrence and Two Million Dollars (\$2,000,000.00) aggregate. The general liability policy shall include coverage for bodily injury, broad form property damage, personal injury (including coverage for contractual and employee

- acts), and blanket contractual, independent contractors, products and completed operations. The general liability policy shall contain a minimum limit of Three Hundred Thousand Dollars (\$300,000.00) for property damage liability coverage for the Premises which limit may be increased by LURA, in the exercise of its reasonable discretion, based upon any use that increases the risk or potential scope of damage to the Premises. The general liability policy shall contain a severability of interests provision. The general liability policy shall be for the mutual and joint benefit and protection of Tenant and LURA and shall provide that LURA, although named as an additional insured, shall nevertheless be entitled to recover under said policy for any loss occasioned to LURA, its officers, employees, and agents by reason of negligence of Tenant, its officers, employees, agents, subcontractors, or business invitees. The general liability policy shall be written as a primary policy not contributing to and not in excess of coverage LURA may carry.
- C. Policies required herein shall be with companies qualified to do business in Colorado with a general policyholder's financial rating reasonably acceptable to LURA. Said policies shall not be cancelable or subject to reduction in coverage limits or other modification except after thirty (30) days' prior written notice to LURA. Tenant shall identify whether the type of coverage is "occurrence" or "claims made." If the type of coverage is "claims made," which at renewal Tenant changes to "occurrence," Tenant shall carry a one-year tail.
 - D. Certificates of insurance shall be completed by the Tenant's insurance agent as evidence that the policies providing the required coverages, conditions and minimum limits are in full force and effect, and shall be subject to review and approval by LURA.
 - E. LURA and Tenant hereby grant to each other a waiver of any right of subrogation any insurer of one Party may acquire against the other or as against LURA or Tenant by virtue of payment of any loss under such insurance. Such a waiver shall be effective so long as LURA and Tenant are empowered to grant such waiver under the terms of their respective insurance policy or policies, and such waiver shall stand mutually terminated as of the date either LURA or Tenant gives notice to the other that the power to grant such waiver has been so terminated.
 - F. Tenant may procure and keep in force a policy of Business Income/Extra Expense coverage for any expenses that Tenant may incur in the event the Premises is not useable for Tenant's purposes, in whole or in part, while this Lease remains in effect. In addition to any other limitation on LURA liability set forth in this Lease, LURA shall not be liable for any expenses incurred by Tenant that would otherwise be covered by such coverage.

12. Indemnity.

Tenant shall assume the risk of all personal injuries, including death resulting therefrom, to persons and damage to or destruction of property, including loss of use therefrom, caused by or sustained, in whole or in part, in connection with or arising out of the acts or omissions of Tenant, its employees, agents, servants, subcontractors, or authorized volunteers, or by the conditions created thereby. Tenant shall indemnify and hold harmless LURA, its officers, agents, and employees from and against any and all claims, liabilities, costs, expenses, penalties, attorneys' fees, and defense costs arising from such injuries to persons or damages to property based upon or arising:

(i) out of the acts or omissions of Tenant, its employees, agents, servants, subcontractors, or authorized volunteers; or (ii) out of any violation by Tenant, its employees, agents, servants, subcontractors, or authorized volunteers of any law, regulation, or ordinance. Tenant shall investigate, handle, respond to, and defend against any such liability, claims, and demands related thereto and shall bear all other related costs and expenses, including court costs and attorneys' fees. Tenant's indemnification obligation shall not extend to any injury, loss, or damage to the extent caused by the act, omission, or other fault of LURA. This paragraph shall survive the termination or expiration of this Lease.

13. Governmental Immunity.

Notwithstanding any other provision of this Lease to the contrary, no term or condition of this Lease shall be construed or interpreted as a waiver, express or implied, of any of the notices, requirements, immunities, rights, benefits, protections, limitations of liability, and other provisions of the Colorado Governmental Immunity Act, C.R.S. § 24-10-101 *et seq.* ("Act") and under any other applicable law. The Parties understand and agree that liability for claims for injuries to persons or property arising out of the negligence of LURA, its departments, commissions, boards, officials, and employees is controlled and limited by the provisions of the Act, as now or hereafter amended.

14. Sublease and Assignment.

Tenant may assign all or any part of this Lease or sublease all or any part of the Premises to any Permitted Person without LURA's prior approval. "Permitted Person" means (i) persons or entities so long as they are tenants in the County Office; and (ii) any purchaser of the County Office. Any other assignment or sublease of this Agreement by Tenant without LURA's prior written consent shall be deemed void and of no effect.

15. Holding Over.

Any holding over after the expiration of the term of this Lease or any extended term thereof, with the consent of LURA, shall be construed to be a tenancy from month-to-month on the same terms and conditions provided for herein; except that the monthly rental rate shall be adjusted to reflect the then-current market rate. No holding over by Tenant shall operate to renew or extend this Lease without the written consent of LURA to such renewal or extension having been first obtained.

16. Condemnation Taking.

If the entire Premises is taken for quasi-public purposes by any governmental entity or other entity having the power of condemnation (other than the City), or sold by LURA under the threat of the exercise of said power, this Lease shall terminate as of the date that legal title to the Premises vests in the condemning authority or the date such authority takes possession of the Premises, whichever is earlier. If only a portion of the Premises is so taken, Tenant may either terminate this Lease as of the date title or possession is transferred as set forth above, whichever is earlier, or continue this Lease in effect. In the event of a total or partial taking, LURA shall be required to provide a replacement property reasonably acceptable to Tenant, for Tenant to lease from LURA under

substantially the same terms and conditions set forth in this Lease, that will serve the Tenant's purpose; provide, if the Lease is not terminated, then LURA agrees, at LURA's sole cost, to restore the Premises as soon as reasonable possible to a parking lot of like or better capacity, quality, character and utility for Tenant's purposes as it existed prior to condemnation. In either a total or partial condemnation, LURA shall have the exclusive right to any award made by the condemning authority.

17. Default.

Failure to perform according to the provisions of this Lease shall constitute a default under this Lease.

18. Termination for Default.

In the event of a default as set forth in Section 17 above, the defaulting Party may cure said default within thirty (30) days of written notice thereof by the non-defaulting Party, or if such default is of such a nature that it cannot be cured by diligent effort during such thirty (30) day period, such Party may cure its default by undertaking a course of performance within such grace period and diligently pursuing it thereafter. Otherwise, the non-defaulting Party may terminate this Lease immediately upon written notice of termination to the defaulting Party. In the event of default by Tenant and failure to cure such default by the specified date after notice as provided for herein, Tenant's right to possess the Premises shall cease, this Lease shall be terminated, and the Parties shall have no further rights, duties or obligations hereunder, except for those obligations which are expressly stated to survive termination. LURA may then re-enter and take possession of the Premises or any part thereof, repossess the same, expel Tenant and those claiming through or under Tenant, and remove the effects of both or either (forcibly, if necessary) without being deemed guilty of any manner of trespass.

19. Notices.

Written notices shall be directed as follows and shall be deemed received when hand-delivered or emailed, or three (3) days after being sent by certified mail, return receipt requested:

To LURA:

Loveland Urban Renewal Authority
Attn: Stephen C. Adams
500 E. Third Street, Suite 330
Loveland, CO 80537
(970) 962-2306
steve.adams@cityofloveland.org

To Tenant:

Attn: CEO

Loveland, CO 80537
[INSERT TELEPHONE NO.]
[INSERT EMAIL ADDRESS]

Any party hereto may at any time designate a different address or individual receiving notice by informing the other parties in writing; provided, however, that after _____ occupies the County Office, its address shall automatically be updated to reflect the address of the County Office.

20. Time of the Essence.

It is agreed that time shall be of the essence of this Lease and each and every provision hereof.

21. Parties Bound.

This Lease shall be binding upon, and inure to the benefit of, LURA and Tenant and their respective heirs, executors, administrators, legal representatives, and/or successors.

22. Governing Law and Venue.

This Lease shall be governed by the laws of the State of Colorado. In addition, the Parties acknowledge that there are legal constraints imposed upon LURA by the constitutions, statutes, and rules and regulations of the State of Colorado and of the United States and that, subject to such constraints, the Parties intent to carry out the terms and conditions of this Lease. Notwithstanding any other provision of this Lease to the contrary, in no event shall either of the parties be required to exercise any power or take any action which shall be prohibited by applicable law. Whenever possible, each provision of this Lease shall be interpreted in such a manner so as to be effective and valid under applicable law. Venue for any judicial proceeding concerning this Lease shall be exclusively in the District Court for Larimer County, Colorado.

23. Legal Construction.

In case any one or more of the provisions contained in this Lease shall for any reason be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Lease, and this Lease shall be constructed as if the invalid, illegal, or unenforceable provision had never been included in the Lease. Paragraph headings used in this Lease are for convenience of reference only and shall in no way define, control or affect the meaning or interpretation of any provision of this Lease.

24. Relationship of Parties.

This Lease should not be construed to create an agency or employee relationship between LURA and Tenant. Tenant shall exercise no supervision over any employee or official of LURA and shall not represent that Tenant is an employee or agent of LURA in any capacity. No employee or contractor of Tenant has any right to Worker's Compensation benefits from LURA or its insurance carriers or funds. Tenant shall provide any workers' compensation insurance and all other insurance required by any applicable law for its employees.

25. Beneficiaries.

This Lease is for the sole benefit of and binds LURA and the Tenant, their successors and assigns. This Lease affords no claim, benefit, or right of action to any third party. Any party besides LURA or Tenant receiving services or benefits under this Lease is only an incidental beneficiary.

26. Financial Obligations of LURA.

Any financial obligation of LURA under this Lease is contingent upon appropriation, budgeting and availability of specific funds to discharge those obligations. Nothing in this Lease constitutes a debt, a direct or indirect multiple fiscal year financial obligation, a pledge of LURA's credit, or a payment guarantee by LURA to Tenant.

27. Amendment.

This Lease may only be altered or amended in writing, signed by duly authorized representatives of LURA and Tenant, respectively.

28. Mutual Cooperation.

The Parties each agree to use good faith efforts to cause satisfaction of all conditions to their obligations under this Lease, and to exercise good faith in fulfilling their obligations under this Lease and in cooperating with the other Party with respect to that Party's satisfaction and fulfillment of all that Party's conditions and obligations under this Lease.

29. Recording.

This Lease shall be recorded in the real property records of the Clerk and Recorder of Larimer County, Colorado.

This Lease is hereby entered into by the parties the day and year first above written.

(End of text on page.)

LURA:

Loveland Urban Renewal Authority

By: _____
Stephen C. Adams, Loveland City Manager
On behalf of the LURA Board

ATTEST:

Acting City Clerk

APPROVED AS TO FORM:

Assistant City Attorney

TENANT:

_____ company

By: _____

Print Name: _____

Print Title: _____

STATE OF COLORADO)
) ss.
County of Larimer)

The foregoing instrument was acknowledged before me this _____ day of _____
_____, 2018 by _____ as _____ of
_____, [a Colorado limited liability company].

Witness my hand and official seal. My commission expires: _____

Notary Public

(S E A L)

EXHIBIT A
Legal Description of Property (County Lot)

Lots 13 through Lots 16, Block 7, City of Loveland, Larimer County, Colorado; Also portion of vacated alley per book 1712 page 733. Also known as 205 E. 6th Street, Loveland, Colorado.

EXHIBIT B
Legal Description of Property (Parking Lot)

Lots 9 through 13 & North 10 Feet Lot 14, Block 11, City of Loveland, Larimer County
Colorado less east 16 feet as in 787-238