

City of Carson City  
Agenda Report

item # 4-3D

Date Submitted: September 23, 2008

Agenda Date Requested: October 2, 2008  
Time Requested: Consent Agenda

To: Mayor and Supervisors

From: Parks and Recreation Department

Subject Title: Action to approve the revised lease agreement between Carson City and the Carson City Historical Society.

**Staff Summary:** The previous lease agreement between Carson City and the Landmarks Society, Inc., was entered into in 1997 (Exhibit A), and since that time the lease agreement has expired and the Nevada Landmarks Society, Inc., has dissolved and is now known as the Carson City Historical Society. They are still a non-profit corporation and it is the same organization managing the operations of the Foreman-Roberts House Museum. Given these changes and the fact the previous lease agreement has expired, we are introducing a revised lease agreement (Exhibit B). The District Attorneys Office has reviewed and approved this version, the board of the Carson City Historical Society has endorsed it, and the Parks and Recreation Commission voted unanimously to recommend approval by the Board of Supervisors at their meeting held on September 2, 2008.

The following are highlights of the proposed revisions;

1. The organization is now referred to as the Carson City Historical Society in the revised agreement.
2. The official name of the facility has changed from the previous agreement and is now referred to as the Foreman-Roberts House. It was previously referred to as the James Doan Roberts House, or Roberts House.
3. On Page 2, Section 1, Lease and Term, the previous agreement had a ten (10) year term (1997-2007), which is now proposed to be a three (3) year term automatically renewed unless either party serves the other party notice of termination. This is consistent with all our other lease and use agreements with non-profit organizations using City-owned facilities.
4. On Page 2, Section 2, Rent, in the previous agreement a \$1.00 per year rent fee was stipulated. In the revised agreement on Page 2, Section 1, Lease and Term, this requirement was changed to a one-time fee of \$1.00 for the three (3) year term with automatic renewal versus an annual payment.
5. In the previous agreement on Page 2, Section 3, Use of Premises, it stipulates the museum must be open to the public a minimum of 10 days per month for approximately 4 hours per day as demand warrants. Since the Society is comprised of volunteers only and no paid staff, this requirement was deleted. The mandate was difficult if not impossible to verify and enforce anyway.

Type of Action Requested: (check one)

Resolution

Ordinance

Formal Action/Motion

Other (Specify)

Does This Action Require A Business Impact Statement:  Yes  No

Recommended Board Action: I move to approve the revised lease agreement between Carson City and the Carson City Historical Society.

**Explanation for Recommended Board Action:** This approval will place a new agreement in force to replace the previous and expired agreement, and make necessary changes to update the agreement for the benefit of both parties.

**Applicable Statute, Code, Policy, Rule or Regulation:** N/A

**Fiscal Impact:** N/A

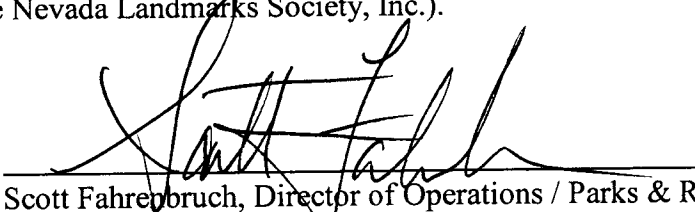
**Explanation of Impact:** N/A


**Funding Source:** N/A

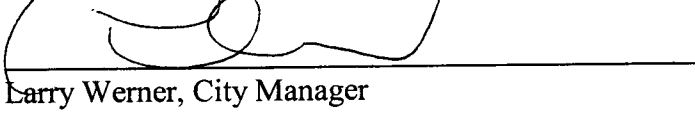
**Alternatives:** Not approve the revised lease agreement.

**Supporting Material:**

- Exhibit A (previous lease agreement between Carson City and the Nevada Landmarks Society, Inc.),
- Exhibit B (revised lease agreement between Carson City and the Carson City Historical Society, formerly known as the Nevada Landmarks Society, Inc.).

**Prepared By:**  **Date:** 9/25/08  
Scott Fahrebruch, Director of Operations / Parks & Recreation

**Reviewed By:**  **Date:** 9/23/08  
Roger Moellendorf, Parks & Recreation Director

 **Date:** 9/23/08  
Larry Werner, City Manager

 **Date:** 9/23/08  
District Attorney's Office

**Board Action Taken:**

Motion: \_\_\_\_\_ 1: \_\_\_\_\_ Aye/Nay  
2: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)

# Exhibit A

## LEASE AGREEMENT

1  
2 THIS LEASE made and entered into in 1997, by and between the Consolidated Municipality of  
3 CARSON CITY, hereinafter referred to as Lessor and NEVADA LANDMARKS SOCIETY, INC., a  
4 non-profit Nevada corporation, hereinafter referred to as Lessee.

## WITNESSETH:

5  
6 WHEREAS, Carson City owns certain real property located at the southeast corner of the  
7 intersection of North Carson Street and Corbett Street, bearing the address 1207 North Carson Street  
8 and commonly known as Assessor's Parcel No. 002-151-01 which real property is a city park  
9 approximately 0.26 acres in size specifically described as follows:

10 Lots 7 and 8 of the West One-Half (1/2) of Lot 6,  
11 in Block 6, of Rice-Peters Addition of Carson City, Nevada

12 and which real property is the site of certain improvements consisting of a historic building commonly  
13 known as the James Doane Roberts House, or Roberts House, which real property and all its  
14 improvements are hereinafter referred to as the Premises; and

15 WHEREAS, the Premises are not needed for public purposes of the county for a period of ten  
16 (10) years commencing with the execution of this lease agreement; and

17 WHEREAS, Lessee is a non-profit, charitable, civic organization and for more than 25 years has  
18 been instrumental in the restoration of the Premises by raising funds and investing those funds and the  
19 labor of its members into the Premises,

20 WHEREAS, through the efforts of the members of the Lessee's organization those members have  
21 acquired unique and extensive knowledge about the Premises and its history; and

22 WHEREAS, the Lessee desires to use the Premises for charitable and civic purposes, to-wit:  
23 education, a museum, maintaining a historic landmark and providing a facility available to the public for  
24 small-sized events consistent with the purposes of the Premises; and

25 WHEREAS, NRS 244.284 allows Carson City to lease any real property of Carson City for a  
26 term not exceeding thirty (30) years if such real property is not needed for the public purposes of the  
27 county and is let to or for any non-profit charitable or civic organization, and the property is actually used  
28 for charitable or civic purposes; and

1           WHEREAS, the Carson City Board of Supervisors specifically finds that this lease meets the  
2 conditions of NRS 244.284; and

3           IN CONSIDERATION of the mutual promises of both parties and other good and valuable  
4 consideration as hereafter set forth, the parties hereto covenant and agree as follows:

5           1.     LEASE AND TERM:         Lessor does hereby lease to Lessee, and Lessee does hereby  
6 lease from Lessor, the Premises. This lease becomes effective after approval by the Carson City Board  
7 of Supervisors and on the date it is signed by all the necessary parties as indicated by the signature lines  
8 below. The term of this lease is from the effective date as just described until 11:59 p.m. on October 31,  
9 2007 unless sooner terminated by mutual agreement of the parties or for violation of any term or  
10 condition of this Lease as specified below.

11           2.     RENT:             As rent for the Premises Lessee agrees to pay Lessor the sum of One  
12 Dollar (\$1.00) per year.

13           3.     THE USE OF PREMISES:   The Premises are leased to Lessee for use in education, as  
14 a museum, for the maintenance of a historic landmark and for use as a facility available to the public for  
15 small-sized events consistent with the purposes of the Premises. Any change of said use shall not be  
16 made unless such change of use is lawful and Lessee first obtains the written consent of Lessor. Lessee  
17 will not use the premises for any illegal trade, manufacturing or other business, or any other illegal  
18 purpose or for any purpose not expressly allowed by this Lease. Due to the requirements of the National  
19 Park Service, the Lessee shall open the Roberts House to the public at least 12 days per calendar year  
20 and keep records of such public availability. When the Roberts House is fully operational, it shall be open  
21 for no less than 10 days per month for approximately 4 hours per day as demand warrants. Lessee  
22 agrees not to use the Premises for any purpose which is inconsistent with the express conditions  
23 contained in the grant of the property to Carson City as contained in the Correction Deed recorded in  
24 the Official Records of Ormsby County in Book 83, page 131 in 1969 a copy of which is attached hereto  
25 as Exhibit B. Lessee agrees to immediately cease any such use after being given notice by Carson City  
26 or Ethel McGinty or her heirs or assigns.

27           4.     REPAIRS AND MAINTENANCE: Lessor shall maintain the roof, foundation, exterior  
28 walls, electrical system, heating and air conditioning systems, outdoor benches, outdoor lights, fences,

1 landscaping and the shed. Lessee shall perform all routine maintenance and housekeeping of the interior  
2 of the buildings to a level or degree to meet the National Park Service requirements in the maintenance  
3 and preservation of a historic landmark.

4 5. ALTERATIONS, LIENS, ENCUMBRANCES AND REPAIRS: Lessee will not make  
5 any permanent alterations, additions, improvements or repairs in the premises without first obtaining the  
6 consent of the Lessor in writing. All alterations, additions, and improvements which are made, will be  
7 at the sole cost and expense of Lessee, and will become the property of Lessor, at completion of  
8 improvements, trade fixtures excluded. On expiration, or if the lease is terminated prior to expiration,  
9 Lessee shall peacefully and quietly surrender to Lessor the premises and all Lessee's improvements and  
10 alterations in good order and condition (except for ordinary wear and tear). If the Lessee performs the  
11 work with the consent of Lessor, Lessee agrees to comply with all laws, ordinances, rules and regulations  
12 of the local agencies having jurisdiction hereof. The Lessee further agrees to hold the Lessor free and  
13 harmless from all damage, loss and expense arising out of said work. Lessee agrees to keep and maintain  
14 the leased premises free from any liens or encumbrances caused by any act or the Lessee.

15 6. NON-STORAGE: Lessee will not conduct any business activity outside the premises,  
16 nor store vehicles or other property, nor perform any services on any sidewalk, parking lot or other public  
17 area provided by Lessor without the written consent of Lessor which consent shall not be unreasonably  
18 withheld for exhibits or activities which relate directly to the operation of the Premises as described  
19 above.

20 7. ENTRY AND INSPECTION: Lessee agrees to permit Lessor or its authorized  
21 agents to enter the Premises without prior notice to Lessee to perform Lessor's duties under the Lease  
22 or for any reasonable purpose. Persons entering the Roberts House under this paragraph without the  
23 presence of an authorized representative of the Lessee must sign the entrance log and note the reason  
24 for the entry on the log.

25 8. ASSIGNMENT AND SUBLEASING: Lessee may only transfer assign this lease  
26 or sublet the leased premises in whole or in part, after first obtaining the written consent of Lessor. If  
27 Lessor consents, no assignments or sublease will be effective until Lessee delivers copy of the assignment  
28 and the assignee or sublessee executed a new lease assuming all of the obligations of the Lessee. No

1 assignment or subletting will relieve Lessee from any obligations under this lease. The consent by Lessor  
2 to any transfer, assignment or sublease will not be deemed to be a waiver on the part of Lessor of any  
3 prohibition against any future transfer, assignment, or subletting.

4 9. INDEMNIFICATION: Unless due to the negligence of Lessor or Lessor's failure  
5 to abide by the terms of this lease, Lessee hereby indemnifies and agrees to hold Lessor harmless from  
6 and against all claims, which either arise from or in connection with the possession, use, occupation,  
7 management, repair, maintenance or control of the premises or any portion thereof or which claims result  
8 from any default, breach, violation or non-performance of this lease or any provision of this Lease by  
9 Lessee. Lessee will defend any claims against Lessor with respect to the foregoing or in which it may  
10 be impleaded. Lessee will pay, satisfy and discharge any judgments, orders and decrees which are  
11 recovered against Lessor in connection with the foregoing. Lessor hereby indemnifies and agrees to hold  
12 Lessee harmless and will defend any claims against Lessee in any action where Lessor was negligent or  
13 failed to abide by the terms of this lease.

14 10. LIABILITY INSURANCE: A. GENERALLY. Prior to Lessee's occupation  
15 of the Premises Lessee shall obtain a commercial liability insurance policy in the face amount of ONE  
16 MILLION DOLLARS (\$1,000,000.00) and will add Lessor's name as additional insured. The policy shall  
17 provide coverage for the following: Premises and operations, products and completed operations, broad  
18 form property damage, incidental malpractice, contractual liability, host liquor, limited worldwide liability,  
19 employees as additional insureds, and extended bodily injury. A certificate of said insurance shall be  
20 presented to Lessor prior to occupancy. Said policy of insurance shall not be suspended, voided,  
21 canceled or reduced in coverage without the prior written consent of the Lessor. Lessor will not be liable  
22 to Lessee for any loss or damage caused by the acts or omissions of any persons occupying any space  
23 adjacent to or adjoining the premises unless the Lessor or its agents caused the loss or damage. Except  
24 for loss or damage caused by Lessor's negligence, Lessor shall not be responsible or liable to Lessee for  
25 any loss or damage resulting to Lessee or Lessee's property from water, gas, or steam or the bursting,  
26 stoppage or leakage of pipes.

27 B. PERSONAL PROPERTY OF LESSEE. Attached to this lease and incorporated  
28 herein as Exhibit A is a list of personal property of the Lessee which is owned by the Lessee or which is

1 on loan to the Lessee from third parties. Lessor's policies of insurance, if any, do not cover the personal  
2 property listed on Exhibit A and Lessor shall have no liability for the loss of such property for any reason  
3 other than its own negligence.

4 11. DEFAULT:

5 A. DEFINITION OF DEFAULT: Each of the following events shall constitute  
6 a default:

7 1. Insolvency (this includes as assignment for the benefit of creditors; filing  
8 or acquiescing to a petition in any court in any bankruptcy, reorganization, composition, extension,  
9 arrangement or insolvency proceedings.)

10 2. Assignment by operation of law.

11 3. Vacating the premises after occupation.

12 4. Refusing to take possession of the premises or permitting the premises to  
13 remain unoccupied and unattended after renovation has been completed.

14 5. Failure to pay any installment of rent or any other charge required to be  
15 paid by Lessee under this lease when due and payable and failure shall continued for (10) days after  
16 written notice.

17 6. Failure to perform any other conditions required to be performed by Lessee  
18 under this Lease and the failure shall continue for fifteen (15) days after written notice.

19 7. Loss of non-profit status.

20 B. EFFECT OF DEFAULT: If a default occurs, Lessor shall give Lessee a  
21 written notice of intention to cancel this Lease at the expiration of a thirty (30) day notice period. The  
22 written notice shall specify the breach. At the expiration of the notice period, the term of this Lease shall  
23 end if said default has not been cured by Lessee. Lessee must then quit and surrender the premises to  
24 Lessor. Lessee's liability under all of the provisions of this Lease will continue notwithstanding any  
25 expiration and surrender, or reentry, repossession or disposition pursuant to the following paragraph with  
26 a set off to Lessee for any new rents collection by Lessor from any new tenant during the term of this  
27 Lease.

28 If the term of this Lease expires, Lessor or its agents or employees may immediately or anytime

1 thereafter reenter the premises and remove Lessee, Lessee's agents, any subtenants, any licensees, any  
2 concessionaires and any invitees, and any of its or their property from the premises. Reentry and removal  
3 may be effectuated by summary dispossession proceedings or by a suitable action or proceeding at law,  
4 by force, or otherwise. If the term of this Lease expires, Lessor may repossess and enjoy the premises.  
5 Lessor will be entitled to the benefits of all provisions of law respecting the speedy recovery of lands and  
6 tenements held over by Lessee or proceedings in forcible entry and detainer. Lessee's liability, subject  
7 to any set off, will survive Lessor's reentry, the institution of summary proceedings, and the issuance of  
8 any warrants with respect thereto.

9 C. DEFICIENCY: If this Lease is canceled pursuant to (B) above, Lessee will  
10 remain liable (in addition to accrued liabilities) to the extent legally permissible for the rent and all other  
11 charges Lessee would be required to pay until the date this lease would have expired had such  
12 cancellation not occurred, Lessee's liability for rent shall continue notwithstanding reentry or repossession  
13 of the premises by Lessor subject to a set off pursuant to (B) above.

14 D. ATTORNEY'S FEES AND COSTS: Lessee will pay Lessor and/or  
15 Lessor will pay Lessee reasonable attorney's fees and court costs incurred in any lawsuit or action  
16 instituted by Lessor or Lessee to enforce the provisions of this Lease upon determination of the prevailing  
17 party.

18 E. WAIVER OF REDEMPTION: Except for set offs discussed above Lessee  
19 hereby waives (to the extent legally permissible), for itself and all persons claims by, through, or under  
20 it, any right of redemption or for the restoration of the operations of this lease in case Lessee is  
21 dispossessed for any cause, or in case Lessor obtains possession of the premises as herein provided.

22 F. LESSOR MAY CURE LESSEE'S DEFAULT: If Lessee is in default under  
23 this Lease, Lessor may cure the default at anytime for Lessee. If Lessor cures a default for Lessee,  
24 Lessee will reimburse Lessor for any amount expended by Lessor in connection with the cure. Lessor  
25 will also be entitled to interest at the maximum legal rate on any amount advanced by Lessor to cure a  
26 default of Lessee from the date the expense is incurred to the date of reimbursement. ~~Therightsand~~  
27 remedies of Lessor set forth herein are in addition to any other right and remedy now and hereinafter  
28 provided by law. All rights and remedies shall be cumulative and not exclusive of each other. No delay



1 or omission by Lessor in exercising a right or remedy shall exhaust or impair the same or constitute a  
2 waiver of, or acquiescence to, a default. No waiver of a default shall extend to or affect any other default  
3 or impair any right or remedy with respect thereto. No waiver of a default will be effective, unless it is  
4 in writing.

5 12. DESTRUCTION OF PREMISES: Lessor shall maintain a policy of insurance to cover  
6 events of partial destruction of the premises without fault, negligence or carelessness on the part of  
7 Lessee, its agents, employees or those holding under it, Lessor will use reasonable efforts to repair such  
8 damage.

9 13. HOLDING OVER: Should Lessee holdover the term hereby created with the consent  
10 of Lessor, Lessee will become a tenant from month to month on the terms herein specified, but at a  
11 monthly rental of (a fair market rent) per month, payable monthly in advance on the first day of each  
12 month, and Lessee will continue to be a month-to-month tenant until the tenancy is terminated by Lessor  
13 or until Lessee has given Lessor a written notice at least one month prior to the termination of the  
14 monthly tenancy of his intention to terminate the tenancy.

15 14. SALE OF PREMISES: In the event of a sale or conveyance by Lessor of the  
16 building containing the premises, said sale shall be subject to the terms and conditions of this Lease. In  
17 such event, Lessee agrees to look solely to the responsibility of the successor in interest of Lessor.  
18 Lessor may transfer any security deposits held from Lessee to the purchaser of the reversion and  
19 thereupon Lessor will be discharged from any further liability in reference thereto.

20 15. CONDEMNATION: If all of the demised premises is taken by eminent domain,  
21 condemnation, or purchase under threat thereof, except for a taking for temporary use, this Lease will  
22 be canceled automatically as of the taking date. If a part of the premises is taken, Lessor may cancel this  
23 Lease. The option to cancel may be exercised within six (6) months of the taking date by giving Lessee  
24 notice that the option has been exercised. If there is a taking of the premises for temporary use, this  
25 Lease will continue in full force and effect, and Lessee will continue to comply with Lessee's obligation  
26 under this Lease, except to the extent compliance is rendered impossible or impracticable by reason of  
27 the taking.

28 Lessor and Lessee agree that in the event of a condemnation or taking within the first ten year

1 period of the lease, Lessor will compensate Lessee for costs of improvements carried on Lessee's balance  
2 sheet minus depreciation. All other compensation awarded will belong to Lessor.

3 16. SUBORDINATION: Lessee agrees that this Lease is and will subordinate to any  
4 mortgage, deed of trust or other instrument of security, existing on the land and building of which the  
5 premises is part. Such subordination is hereby made effective without any further act by Lessee. Lessee  
6 agrees at any time, upon request by Lessor, to execute and deliver any instrument, release or other  
7 document that may be required in connection with subjecting and subordinating this Lease to the lien of  
8 any mortgage, deed of trust or other instrument of security.

9 This provision will be without effect unless and until the holder of the mortgage, deed of trust or  
10 other instrument of security in question delivers to Lessee a written agreement providing, in effect, that  
11 so long as Lessee is not in default in the observance of performance of any obligation to be observe or  
12 performed by it hereunder, Lessee will not be disrupted in its possession of the premises hereunder.

13 17. SIGNS: Lessee will not place or permit to be placed any sign, marquee, awning,  
14 decoration or other attachment on or to the roof, front, windows, doors or exterior walls of the premises  
15 without first obtaining a City permit and the written consent of Lessor. Lessor may, without liability,  
16 enter upon the premises and remove any such sign, marquee, awning, decoration or attachment affixed  
17 in violation of this paragraph. Lessee agrees to pay the cost of removal thereof.

18 18. SURRENDER OF LEASE: No act or conduct of Lessor, whether consisting of the  
19 acceptance of the keys to the premises, or otherwise, shall be deemed to or constitute an acceptance of  
20 the surrender of the premises by Lessee prior to the expiration the term hereof. Acceptance by Lessor  
21 of surrender by Lessee must be evidenced by a written acknowledgment of acceptance of surrender by  
22 Lessor. The voluntary or other surrender of this lease by Lessee, or a mutual cancellation thereof, will  
23 not work a merger, and Lessor may terminate all of the any existing subleases or subtenancies, or  
24 concessions, or may at the option of Lessor, operate as an assignment to him or any or all such subleases  
25 or subtenancies or concessions.

26 19. NOTICES: Notices to the respective parties must be in writing and sent by certified  
27 or registered mail, addressed to the respective party at the address set out below, or at such other address  
28 as either party may elect to provide in advance in writing, to the other party.

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Lessor: Parks and Recreation Director, City of Carson City; 3300 Butti Way, Carson City, Nevada 89701; 887-2262.

Lessee: President of Nevada Landmarks Society, Inc. Post Office Box 1864, Carson City, Nevada 89702-1864; 887-2174.

20. NO ORAL CHANGES: This Lease may not be changed or terminated orally.

21. SUCCESSOR AND ASSIGNS: Except as otherwise provided, this Lease shall bind and inure to the benefit of the parties and their respective successors, representatives, heirs and assigns.

22. UTILITIES: The following utilities will be supplied to the premises by Lessor: heating, electrical power, water, sewer, garbage service. Lessor will not be liable for failure to furnish any of the above services when such failures caused by conditions beyond the control of Lessor, or by accidents, repairs or strikes nor will Lessor be liable, except for Lessor's own negligence, for loss or injury to property, however occurring, through or in connection with or incidental to the furnishing of any of the aforementioned services.

23. QUIET ENJOYMENT: The Lessor agrees that the Lessee, paying rental provided herein, and observing all of the terms, conditions and provisions hereof, will quietly enjoy the premises for the full term of this lease. No use will be made or permitted to be made of the premises or any part thereof and no acts will be done therein which may disturb the quiet enjoyment of any other tenant in the building of which the premises are a part.

24. SNOW REMOVAL: Lessor and Lessee agree that Lessee shall not be responsible for snow and ice condition which are acts of God. Snow and ice removal shall be the responsibility of Lessor.

25. PUBLIC PURCHASING: The ownership of the Premises by Lessor, a public agency, and the use of public money on improvements to the Premises generally require the satisfaction of public purchasing and public works statutes. Lessor agrees to the extent permitted by state law that it will allow a representative of the Lessee to participate in the design and construction of any improvements made to the Premises during the term of this lease.

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IN WITNESS WHEREOF, the parties hereto have subscribed their names, and if corporations, executed this lease by officers thereunder duly authorized by resolution of said corporations, in duplicate, the day and year executed by the Mayor of Carson City as shown below.

**LESSEE**

**Nevada Landmarks Society**

Dorothy Dolan President      Muriel Phelps Secretary  
Dorothy Dolan, President      Muriel Phelps, Secretary

Dated this 4<sup>th</sup> day of August, 1997.

Dated this 4<sup>th</sup> day of August, 1997.

**LESSOR**

**Carson City**

ATTEST:

Ray Masayko  
RAY MASAYKO, Mayor

By: Alan Glover  
ALAN GLOVER, Clerk-Recorder

Dated this 21<sup>st</sup> day of Aug, 1997.

Dated this 21<sup>st</sup> day of Aug, 1997.

APPROVED AS TO FORM:

By: Paul A. Lipparelli  
for PAUL A. LIPPARELLI,  
Deputy District Attorney

Dated this 21<sup>st</sup> day of Aug, 1997.

LEASE AGREEMENT

1  
2 THIS LEASE made and entered into in 2008 by and between the Consolidated  
3 Municipality of CARSON CITY, hereinafter referred to as Lessor and CARSON CITY  
4 HISTORICAL SOCIETY, a non-profit Nevada corporation, hereinafter referred to as Lessee.

5 WITNESSETH:

6 WHEREAS, Carson City owns certain real property located at the southeast corner of  
7 the intersection of North Carson Street and Corbett Street, bearing the address 1207 North  
8 Carson Street and commonly known as Assessors Parcel No. 002-151-01 which real property is  
9 a city park approximately 0.26 acres in size specifically described as follows:

10  
11 Lots 7 and 8 of the West One-Half (1/2) of Lot 6,  
In Block 6, of Rice-Peters Addition of Carson City, Nevada

12 and which real property is the site of certain improvements consisting of a historic building  
13 commonly known as the Foreman-Roberts House, which real property and all its improvements  
14 are hereinafter referred to as the Premises; and

15 WHEREAS, the Premises are not needed for public purposes of the City for a period of  
16 ten (10) years commencing with the execution of this lease agreement; and

17 WHEREAS, Lessee is a non-profit, charitable, civic organization that has been  
18 instrumental in the restoration of the Premises by raising funds and investing those funds and  
19 the labor of its members into the Premises; and

20 WHEREAS, through the efforts of the members of the Lessee's organization those  
21 members have acquired unique and extensive knowledge about the Premises and its history;  
22 and

23 WHEREAS, the Lessee desires to use the Premises for charitable and civic purposes,  
24 to-wit: education, a museum, maintaining a historic landmark, and providing a facility  
25 available to the public for small-sized events consistent with the purposes of the Premises; and

26 WHEREAS, N.R.S. 244.284 allows Carson City to lease any real property of Carson  
27 City for a term not exceeding thirty (30) years if such real property is not needed for the public  
28 purposes of the city and is let to or for any non-profit charitable organization, and the property

1 is actually used for charitable or civic purposes; and

2 IN CONSIDERATION of the mutual promises of both parties and other good and  
3 valuable consideration as hereafter set forth, the parties hereto covenant and agree as follows:

4 1. LEASE AND TERM: The term of this Agreement shall be for three (3) years to  
5 commence on the date first above written, and terminate three (3) years later, unless sooner  
6 terminated by a breach of the terms and conditions of this Agreement by Carson City Historical  
7 Society. The Rent for the three (3)-year term is One Dollar and Zero Cents (\$1.00).

8 The Agreement shall automatically be renewed for successive periods of three (3) years  
9 on each anniversary date, unless either party serves by certified mail or hand-delivered to the  
10 other party a written notice of termination, three (3) months prior to the expiration date. As  
11 used herein, the words "expiration date" shall refer to the last day of the Agreement or the last  
12 day of any extended three (3) year period under the terms of this Agreement.

13 2. THE USE OF PREMISES: The Premises are leased to Lessee for use in education,  
14 as a museum, for the maintenance of a historic landmark, and for use as a facility available to  
15 the public for small-sized events consistent with the purpose of the Premises. Any change of  
16 said use shall not be made unless such change of use is lawful and Lessee first obtains the  
17 written consent of Lessor. Lessee will not use the Premises for any illegal trade, manufacturing  
18 or other business, or any other illegal purpose or for any purpose not expressly allowed by this  
19 Lease. Due to the requirements of the National Park Service, the Lessee shall open the  
20 Foreman-Roberts House to the public at least 12 days per calendar year and keep records of  
21 such public availability.

22 3. REPAIRS AND MAINTENANCE: Lessor shall maintain the roof, foundation,  
23 exterior walls, electrical system, heating and air conditioning systems, outdoor benches,  
24 outdoor lights, fences, landscaping, and Carriage House. Lessee shall perform all routine  
25 maintenance and housekeeping of the interior of the building to a level or degree to meet the  
26 National Park Service requirements in the maintenance and preservation of a historic landmark.

27 4. ALTERATIONS, LIENS, ENCUMBRANCES, AND REPAIRS: Lessee will not  
28 make any permanent alterations, additions, improvements, or repairs in the Premises without

1 first obtaining the consent of the Lessor in writing. All alterations, additions, and  
2 improvements which are made will be at the sole cost and expense of Lessee and will become  
3 the property of Lessor at completion of improvements, trade fixtures excluded. On expiration,  
4 or if the lease is terminated prior to expiration, Lessee shall peacefully and quietly surrender to  
5 Lessor the Premises and all Lessee's improvements and alterations in good order and condition  
6 (except for ordinary wear and tear). If the Lessee performs the work with the consent of  
7 Lessor, Lessee agrees to comply with all laws, ordinances, rules, and regulations of the local  
8 agencies having jurisdiction hereof. The Lessee further agrees to hold the Lessor free and  
9 harmless from all damage, loss, and expense arising out of said work. Lessee agrees to keep  
10 and maintain the leased Premises free from any liens or encumbrances caused by any act of the  
11 Lessee.

12 5. NON-STORAGE: Lessee will not conduct any business activity outside the  
13 Premises, nor store vehicles or other property, nor perform any services on any sidewalk,  
14 parking lot, or other public area provided by Lessor without the written consent of Lessor,  
15 which consent shall not be unreasonably withheld for exhibits or activities which relate directly  
16 to the operation of the Premises as described above.

17 6. ENTRY AND INSPECTION: Lessee agrees to permit Lessor or its authorized  
18 agents to enter the Premises without prior notice to Lessee to perform Lessor's duties under the  
19 Lease or for any reasonable purpose. Persons entering the Foreman-Roberts House under this  
20 paragraph without the presence of an authorized representative of the Lessee must sign the  
21 entrance log and note the reason for the entry on the log.

22 7. ASSIGNMENT AND SUBLEASING: Lessee may only transfer assign this Lease  
23 or sublet the leased Premises in whole or in part after first obtaining the written consent of  
24 Lessor. If Lessor consents, no assignments or sublease will be effective until Lessee delivers  
25 copy of the assignment and the assignee or sublessee executed a new lease assuming all of the  
26 obligations of the Lessee. No assignment or subletting will relieve Lessee from any obligations  
27 under this Lease. The consent by Lessor to any transfer, assignment, or sublease will not be  
28 deemed to be a waiver on the part of Lessor of any prohibition against any future transfer,

1 assignment, or subletting.

2 8. INDEMNIFICATION: Unless due to the negligence of Lessor or Lessor's failure  
3 to abide by the terms of this Lease, Lessee hereby indemnifies and agrees to hold Lessor  
4 harmless from and against all claims, which either arise from or in connection with the  
5 possession, use, occupation, management, repair, maintenance, or control of the Premises or  
6 any portion thereof or which claims result from any default, breach, violation, or non-  
7 performance of this Lease or any provision of this Lease by Lessee. Lessee will defend any  
8 claims against Lessor with respect to the foregoing or in which it may be impleaded. Lessee  
9 will pay, satisfy, and discharge any judgments, orders, and decrees which are recovered against  
10 Lessor in connection with the foregoing. Lessor hereby indemnifies and agrees to hold Lessee  
11 harmless and will defend any claims against Lessee in any action where Lessor was negligent  
12 or failed to abide by the terms of this lease.

13 9. LIABILITY INSURANCE:

14 A. GENERALLY: Prior to Lessee's occupation of the Premises, Lessee shall  
15 obtain a commercial liability insurance policy in the face amount of ONE MILLION  
16 DOLLARS (\$1,000,000) and will add Lessor's name as additional insured. The policy shall  
17 provide coverage for the following: Premises and operations, products and completed  
18 operations, broad form property damage, incidental malpractice, contractual liability, host  
19 liquor, limited worldwide liability, employees as additional insured, and extended bodily  
20 injury. A certificate of said insurance shall be presented to Lessor prior to occupancy. Said  
21 policy of insurance shall not be suspended, voided, canceled, or reduced in coverage without  
22 the prior written consent of the Lessor. Lessor will not be liable to Lessee for any loss or  
23 damage caused by the acts or omissions of any persons occupying any space adjacent to or  
24 adjoining the Premises unless the Lessor or its agents caused the loss or damage. Except for  
25 loss or damage caused by Lessor's negligence, Lessor shall not be responsible or liable to  
26 Lessee for any loss or damage resulting to Lessee or Lessee's property from water, gas, or  
27 steam, or the bursting, stoppage, or leakage of pipes.

28 B. PERSONAL PROPERTY OF LESSEE: Lessor shall have no liability for the



1 loss of any property placed or furnished on or into the Premises by the Lessee.

2 10. DEFAULT:

3 A. DEFINITION OF DEFAULT: Each of the following events shall constitute a  
4 default:

5 1. Insolvency. This includes as assignment for the benefit of creditors; filing or  
6 acquiescing to a petition in any court in any bankruptcy, reorganization, composition,  
7 extension, arrangement, or insolvency proceedings.

8 2. Assignment by operation of law.

9 3. Vacating the premises after occupation.

10 4. Refusing to take possession of the premises or permitting the premises to  
11 remain unoccupied and unattended after renovation has been completed.

12 5. Failure to perform any other conditions required to be performed by Lessee  
13 under this Lease and the failure shall continue for fifteen (15) days after written notice.

14 6. Loss of non-profit status.

15 B. EFFECT OF DEFAULT: If a default occurs, Lessor shall give Lessee a written  
16 notice of intention to cancel this Lease at the expiration of a thirty (30) days notice period. The  
17 written notice shall specify the breach. At the expiration of the notice period, the term of this  
18 Lease shall end if said default has not been cured by Lessee. Lessee must then quit and  
19 surrender the premises to Lessor. Lessee's liability under all of the provision of this Lease will  
20 continue notwithstanding any expiration and surrender, or reentry, repossession or disposition  
21 pursuant to the following paragraph with a set off to Lessee for any new rents collection by  
22 Lessor from any new tenant during the term of this Lease.

23 If the term of this Lease expires, Lessor or its agents or employees may  
24 immediately or anytime thereafter reenter the Premises and remove Lessee, Lessee's agents,  
25 any subtenants, any licensees, any concessionaires and any invitees, and any of its or their  
26 property from the Premises. Reentry and removal may be effectuated by summary  
27 dispossession proceedings or by a suitable action or proceeding at law, by force, or otherwise.  
28 If the term of this Lease expires, Lessor may repossess and enjoy the Premises. Lessor will be

1 entitled to the benefits of all provisions of law respecting the speedy recovery of lands and  
2 tenements held over by Lessee or proceedings in forcible entry and detainer. Lessee's liability,  
3 subject to any set off, will survive Lessor's reentry, the institution of summary proceedings, and  
4 the issuance of any warrants with respect thereto.

5 C. DEFICIENCY: If this Lease is canceled pursuant to (B) above, Lessee will  
6 remain liable (in addition to accrued liabilities) to the extent legally permissible for the rent and  
7 all other charges Lessee would be required to pay until the date this lease would have expired  
8 had such cancellation not occurred, Lessee's liability for rent shall continue notwithstanding  
9 reentry or repossession of the Premises by Lessor subject to a set off pursuant to (B) above.

10 D. ATTORNEY'S FEES AND COSTS: Lessee will pay Lessor and/or Lessor will  
11 pay Lessee reasonable attorney's fees and court costs incurred in any lawsuit or action  
12 instituted by Lessor or Lessee to enforce the provisions of this Lease upon determination of the  
13 prevailing party.

14 E. WAIVER OF REDEMPTION: Except for set offs discussed above, Lessee  
15 hereby waives (to the extent legally permissible) for itself and all persons claims by, through,  
16 or under it, any right of redemption or for the restoration of the operations of this Lease in case  
17 Lessee is dispossessed for any cause, or in case Lessor obtains possession of the Premises as  
18 herein provided.

19 F. LESSOR MAY CURE LESSEE'S DEFAULT: If Lessee is in default under  
20 this Lease, Lessor may cure the default at any time for Lessee. If Lessor cures a default for  
21 Lessee, Lessee will reimburse Lessor for any amount expended by Lessor in connection with  
22 the cure. Lessor will also be entitled to interest at the maximum legal rate on any amount  
23 advanced by Lessor to cure a default of Lessee from the date the expense is incurred to the date  
24 of reimbursement. The rights and remedies of Lessor set forth herein are in addition to any  
25 other right and remedy now and hereinafter provided by law. All rights and remedies shall be  
26 cumulative and not exclusive of each other. No delay or omission by Lessor in exercising a  
27 right or remedy shall exhaust or impair the same or constitute a waiver of, or acquiescence to, a  
28 default. No waiver of a default shall extend to or affect any other default or impair any right or

1 remedy with respect thereto. No waiver of a default will be effective unless it is in writing.

2 11. DESTRUCTION OF PREMISES: Lessor shall maintain a policy of insurance to  
3 cover events of partial destruction of the Premises without fault, negligence, or carelessness on  
4 the part of Lessee, its agents, employees or those holding under it, Lessor will use reasonable  
5 efforts to repair such damage.

6 12. HOLDING OVER: Should Lessee holdover the term hereby created with the  
7 consent of the Lessor, Lessee will become a tenant from month to month on the terms herein  
8 specified, but at a monthly rental of (a fair market rent) per month, payable monthly in advance  
9 on the first day of each month, and Lessee will continue to be a month-to-month tenant until  
10 the tenancy is terminated by Lessor or until Lessee has given Lessor a written notice at least  
11 one month prior to the termination of the monthly tenancy of his intention to terminate the  
12 tenancy.

13 13. SALE OF PREMISES: In the event of a sale or conveyance by Lessor of the  
14 building containing the Premises, said sale shall be subject to the terms and conditions of this  
15 Lease. In such event, Lessee agrees to look solely to the responsibility of the successor in  
16 interest of Lessor. Lessor may transfer any security deposits held from Lessee to the purchaser  
17 of the reversion and thereupon Lessor will be discharged from any further liability in reference  
18 thereto.

19 14. CONDEMNATION: If all of the demised Premises is taken by eminent domain,  
20 condemnation, or purchase under threat thereof, except for a taking for temporary use, this  
21 Lease will be canceled automatically as of the taking date. If a part of the Premises is taken,  
22 Lessor may cancel this Lease. The option to cancel may be exercised within six (6) months of  
23 the taking date by giving Lessee notice that the option has been exercised. If there is a taking  
24 of the Premises for temporary use, this Lease will continue in full force and effect, and Lessee  
25 will continue to comply with Lessee's obligation under this Lease, except to the extent  
26 compliance is rendered impossible or impracticable by reason of the taking.

27 Lessor and Lessee agree that in the event of a condemnation or taking within the first  
28 ten (10) year period of the Lease, Lessor will compensate Lessee for costs of improvements

1 carried on Lessee's balance sheet minus depreciation. All other compensation awarded will  
2 belong to Lessor.

3 15. SUBORDINATION: Lessee agrees that this Lease is and will subordinate to any  
4 mortgage, deed of trust, or other instrument of security existing on the land and building of  
5 which the Premises is part. Such subordination is hereby made effective without any further  
6 act by Lessee. Lessee agrees at any time, upon request by Lessor, to execute and deliver any  
7 instrument, release or other document that may be required in connection with subjecting and  
8 subordinating this Lease to the lien of any mortgage, deed of trust, or other instrument of  
9 security.

10 16. SIGNS: Lessee will not place or permit to be placed any sign, marquee, awning,  
11 decoration, or other attachment on or to the roof, front, windows, doors, or exterior walls of the  
12 Premises without first obtaining a City permit and the written consent of Lessor. Lessor may,  
13 without liability, enter upon the Premises and remove any such sign, marquee, awning,  
14 decoration, or attachment affixed in violation of this paragraph. Lessee agrees to pay the cost  
15 of removal thereof.

16 17. SURRENDER OF LEASE: No act or conduct of Lessor, whether consisting of the  
17 acceptance of the keys to the Premises, or otherwise, shall be deemed to or constitute an  
18 acceptance of the surrender of the Premises by Lessee prior to the expiration the term hereof.  
19 Acceptance by Lessor of surrender by Lessee must be evidenced by a written acknowledgment  
20 of acceptance of surrender by Lessor. The voluntary or other surrender of this lease by Lessee,  
21 or a mutual cancellation thereof, will not work a merger, and Lessor may terminate all or any of  
22 the existing subleases or subtenancies, or concessions, or may at the option of Lessor, operate  
23 as an assignment to him or any or all such subleases or subtenancies or concessions.

24 18. NOTICES: Notices to the respective parties must be in writing and sent by  
25 certified or registered mail, addressed to the respective party at the address set out  
26 below, or at such other address as either party may elect to provide in advance in writing, to the  
27 other party.  
28

1 Lessor: Parks and Recreation Director  
2 Carson City Parks and Recreation Department  
3 3303 Butti Way, Building #9  
4 Carson City, NV 89701

5 Lessee: President  
6 Carson City Historical Society  
7 P.O. Box 1864  
8 Carson City, NV 89702-1864

9 19. NO ORAL CHANGES: This Lease may not be changed or terminated orally.

10 20. SUCCESSOR AND ASSIGNS: Except as otherwise provided, this Lease shall  
11 bind and inure to the benefit of the parties and their respective successors, representatives,  
12 heirs, and assigns.

13 21. UTILITIES: The following utilities will be supplied to the Premises by Lessor:  
14 heating, electrical power, water, sewer, and garbage service. Lessor will not be liable for  
15 failure to furnish any of the above services when such failures are caused by conditions beyond  
16 the control of Lessor, or by accidents, repairs, or strikes, nor will Lessor be liable, except for  
17 Lessor's own negligence, for loss or injury to property, however occurring, through or in  
18 connection with or incidental to the furnishing of any of the aforementioned services.


19 22. SNOW REMOVAL: Lessor and Lessee agree that Lessee shall not be responsible  
20 for snow and ice conditions which are acts of nature. Snow and ice removal shall be the  
21 responsibility of Lessor.

22 23. PUBLIC PURCHASING: The ownership of the Premises by Lessor, a public  
23 agency, and the use of public money on improvements to the Premises generally require the  
24 satisfaction of public purchasing and public works statutes. Lessor agrees to the extent  
25 permitted by state law that it will allow a representative of Lessee to participate in the design  
26 and construction of any improvements made to the Premises during the term of this lease.

27 IN WITNESS WHEREOF, the parties hereto have subscribed their names, and if  
28 corporations, executed this Lease by officers thereunder duly authorized by resolution of said  
corporations, in duplicate, the day and year executed by the Mayor of Carson City as shown  
below.

**LESSEE**

**Carson City Historical Society**



\_\_\_\_\_  
President, Carson City Historical Society

Dated this 24 day of September, 2008.

**LESSOR**

**Carson City**

ATTEST:

\_\_\_\_\_  
MARV TEIXEIRA, Mayor

\_\_\_\_\_  
ALAN GLOVER, Clerk-Recorder

Dated this \_\_\_\_ day of \_\_\_\_\_, 2008

APPROVED AS TO FORM:

By: \_\_\_\_\_  
NEIL ROMBARDO  
District Attorney

Dated this \_\_\_\_ day of \_\_\_\_\_, 2008