



## STAFF REPORT

**Report To:** Board of Supervisors                      **Meeting Date:** March 7, 2019

**Staff Contact:** Darren Schulz, Public Works Director

**Agenda Title:** For Possible Action: Discussion and possible action regarding acceptance from the Nevada Department of Transportation the assignment of the Multi-Use Lease Agreement number R307-06-030, concerning Assessor's Parcel Number 009-12-501, made August 25, 2006, and amended July 6, 2011 and July 7, 2016, between the State of Nevada acting by and through its Department of Transportation, Lessor, and McDonald's USA, LLC, a Delaware Limited Liability Company, Lessee. (Stephanie Hicks, SHicks@carson.org)

Staff Summary: In November 2018, ownership of South Carson Street from the northerly right-of-way line of IR-580 to the southerly right-of-way line of Fairview Drive was transferred to Carson City from the State of Nevada. Prior to the City taking ownership, the Nevada Department of Transportation (NDOT) leased portions of its right-of-way to several adjacent business owners. NDOT's lease with McDonald's USA, LLC, for right-of-way adjacent to 3905 South Carson Street has not expired; therefore, NDOT proposes to assign its lease with McDonald's USA, LLC, to Carson City.

**Agenda Action:** Formal Action / Motion                      **Time Requested:** 5 minutes

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### **Proposed Motion**

I move to accept the assignment from the Nevada Department of Transportation of the Multi-Use Lease as described on the record with McDonald's USA, LLC.

### **Board's Strategic Goal**

Sustainable Infrastructure

### **Previous Action**

October 18, 2018 - the Carson City Board of Supervisors adopted a resolution consenting to a relinquishment to Carson City from the State of Nevada, Department of Transportation of approximately 1.83 miles of South Carson Street including portions of frontage road extending from the northerly right-of-way line of IR-580 to the southerly right-of-way line of Fairview Drive.

### **Background/Issues & Analysis**

In November 2018, ownership of South Carson Street from the northerly right-of-way line of IR-580 to the southerly right-of-way line of Fairview Drive was transferred to Carson City from the State of Nevada. Prior to the City taking ownership, NDOT leased portions of its right-of-way to several adjacent business owners. While the majority of NDOT's leases along South Carson Street have expired or were terminated, NDOT's lease with McDonald's USA, LLC, for right-of-way adjacent to 3905 South Carson Street has not expired. Therefore, NDOT has prepared an Assignment of Lease document for review and approval by the Board of Supervisors.

NDOT entered into this lease on August 25, 2006 with McDonald's USA, LLC. The lease ran for an initial 5-year term from March 1, 2006 to February 28, 2011, with the option for McDonald's USA, LLC, to extend the term for

three additional 5-year periods. McDonald's exercised its first two 5-year options on July 6, 2011, and July 7, 2016, extending the lease term to February 28, 2021. The current rent payment is \$2,738.00 per year. One 5-year extension option remains, which, if exercised, would extend the lease to February 28, 2026. The City is bound by the provisions governing the rental amount until the next 5-year extension, at which time the City could renegotiate the rental amount.

**Applicable Statute, Code, Policy, Rule or Regulation**

NRS 244.270

**Financial Information**

**Is there a fiscal impact?** Yes

**If yes, account name/number:** Rents and Royalties 250-0000-363.01-00

**Is it currently budgeted?** No

**Explanation of Fiscal Impact:** The lease will provide \$2,738.00 of annual income to the City.

**Alternatives**

1. Decline to accept the assignment of the Multi-Use Lease as described on the record for McDonald's USA, LLC.
2. Provide other direction to staff.
3. Propose modified motion.

**Attachments:**

1. [2-6-19 Ltr F NDOT Re McDonalds Lease Assign.pdf](#)
2. [Assignment of Lease - McDonald's.pdf](#)
3. [Mc Donalds USA LLC Lease Area.pdf](#)
4. [McDonalds Lease Doc 359082.pdf](#)
5. [McDonalds Lease Amend #1.pdf](#)
6. [McDonalds Lease Amend #2 Doc 0467364.pdf](#)

**Board Action Taken:**

Motion: _____	1) _____	Aye/Nay
	2) _____	_____
		_____
		_____
		_____

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



1263 South Stewart Street  
Carson City, NV 89712  
Phone: (775) 888-7394  
Fax: (775) 888-7246

February 6, 2019

STEPHANIE HICKS, REAL PROPERTY MGR  
CARSON CITY PUBLIC WORKS  
3505 BUTTI WAY  
CARSON CITY NV 89701

E.A.: 20201  
Parcels: 009-125-02 and 009-123-01 & 009-123-13  
Hwy. Agr. #s: R422-93-030 and R307-06-030  
Description: McDonald's USA, LLC and MGP IX Properties, LLC

Certain roads were formally transferred to Carson City by the State of Nevada, Department of Transportation (NDOT) in November 2018. As part of the transfer, existing Leases situated within the NDOT right-of-way of the transfer portion of SR-529 (S Carson St) are in the process of being Assigned to Carson City, including a Lease with McDonald's USA, LLC and a Lease with MGP IX Properties, LLC.

The Assignment of Lease documents have been prepared and signed by NDOT and are ready to be signed by the Mayor of Carson City, Robert Crowell. As per our phone conversation on 2/6/2019, the Assignment documents are being hand delivered to the Carson City Public Works office on Butti Way and will go before the Board prior to signature by Mr. Crowell. It is understood that when the documents have been executed, Carson City will have them recorded. Please note that the executed "Consent of State" documents are accompanying the Assignment documents.

NDOT would be grateful if copies of the executed and recorded documents could be forwarded to us using the attached self-addressed and stamped envelope.

Sincerely,

A handwritten signature in blue ink that reads "D Hirt".

Dawnne Hirt  
Right-of-Way Agent

dh

By hand delivery

Enclosures: Assignments of Lease with McDonald's USA, LLC and MGP IX Properties, LLC

812

Adj. to APN: 009-125-02  
Control Section: CC-02  
W.O.: 20201  
Agreement No.: R 307-06-030

AFTER RECORDING RETURN TO:  
NEVADA DEPT. OF TRANSPORTATION  
RIGHT-OF-WAY DIVISION, STAFF SPECIALIST, PM  
1263 S STEWART ST  
CARSON CITY NV 89712

ASSIGNMENT OF LEASE

This Assignment made this 30<sup>th</sup> day of January, 2019, between the STATE OF NEVADA, acting by and through its Department of Transportation, herein referred to as "Assignor", and CARSON CITY, Nevada, a consolidated municipality and political subdivision of the State of Nevada, herein referred to as "Assignee".

WITNESSETH:

WHEREAS, Assignor entered into a Multi-Use Lease as Lessor therein on August 25, 2006, with the MCDONALD'S USA, LLC, a Delaware Limited Liability Company, whose mailing address is One McDonald's Plaza, Oak Brook, IL, 60523, U.S. Legal # 091, L/C: 027-0049, herein referred to as "Lessee", recorded in the Official Records of Carson City, on September 28, 2006, Document No. 359082, hereinafter "Lease"; and

WHEREAS, said Lease dated August 25, 2006, was modified by an unrecorded Amendment therein dated July 6, 2011; and

WHEREAS, said Lease dated August 25, 2006, was modified by Amendment therein dated July 7, 2016; recorded in the Official Records of Carson City, on August 24, 2016, Document No. 467364; and

WHEREAS, Assignor desires to assign and Assignee desires to assume and agrees to observe and perform all of the covenants, conditions and agreements of said Lease and amendments on the part of the lessee to be observed and performed;

NOW THEREFORE, Assignor hereby assigns all of his right, title and interest in and to that certain Multi-Use Lease made the 25<sup>th</sup> day of August, 2006, between the State of Nevada acting by and through its Department of Transportation, Lessor, and MCDONALD'S USA, LLC, a Delaware limited liability company, Lessee, referred to as Agreement # R307-06-030, and Amendments dated July 6, 2011, and July 7, 2016, to Assignee effective beginning on the date Assignee entered into this Assignment for the balance of the Lease term provided in said

Lease.

Assignee shall assume all rights and duties required of Assignor under the Lease and Amendments and does hereby assume and agree to observe and perform all the covenants, conditions and agreements of said Lease and Amendments.

Upon this assignment becoming effective, Assignor shall be released from all further liabilities and obligations under said Lease.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

\_\_\_\_\_  
Robert L. Crowell, Mayor

APPROVED:

*for Jessica D. Biggin*  
\_\_\_\_\_  
, Chief R/W Agent

STATE OF NEVADA  
CARSON CITY

On this \_\_\_\_\_ day of \_\_\_\_\_, 2019, personally appeared before me, the undersigned, a Notary Public in and for Carson City, State of Nevada, \_\_\_\_\_ known to me to be the Mayor of Carson City who executed the foregoing instrument who acknowledged to me that he executed the same freely and voluntarily and for uses and purposes thereby mentioned.

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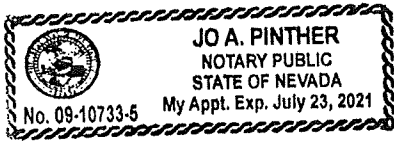
IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

\_\_\_\_\_

STATE OF NEVADA  
CARSON CITY

On this 31<sup>st</sup> day of January, 2019, personally appeared before me, the undersigned, a Notary Public in and for Carson City, State of Nevada, Jessica D. Biggin fr known to me to be the Chief R/W Agent of the Department of Transportation who executed the foregoing instrument who acknowledged to me that she executed the same freely and voluntarily and for uses and purposes thereby mentioned.

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IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Jo A. Pinter

813

APN: 009-125-02

Project: N/A

W.O.: 20201

Agr. #: R307-06-030

CONSENT OF STATE

The State of Nevada, acting by and through its Department of Transportation as ASSIGNOR, consents to the Assignment of the above-referenced Multi-Use Lease R307-06-030 to CARSON CITY, Nevada, a consolidated municipality and political subdivision of the State of Nevada, including all terms and conditions thereof.

DATED this 30th day of January, 2019.

APPROVED FOR LEGALITY AND FORM:

Louis Holland 1-28-2019  
Deputy Attorney General  
Louis Holland

APPROVED:

STATE OF NEVADA acting by and through its Department of Transportation:

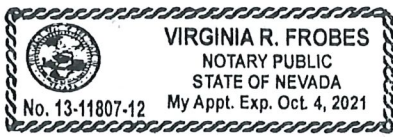
Cole Mortensen  
406 Cole Mortensen For Director

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STATE OF NEVADA  
CARSON CITY

On this 30<sup>th</sup> day of January, 2019 personally appeared before me, the undersigned, a Notary Public in and for Carson City, State of Nevada, Cole Mortenson known (or proved) to me to be the Assistant Director of the Department of Transportation of the State of Nevada who subscribed to the above instrument for the Nevada Department of Transportation under authorization of Nevada Revised Statutes, Chapter 408.205; that he affirms that the seal affixed to said instrument is the seal of said Department; and that said instrument was executed for the Nevada Department of Transportation freely and voluntarily and for the uses and purposes therein mentioned.

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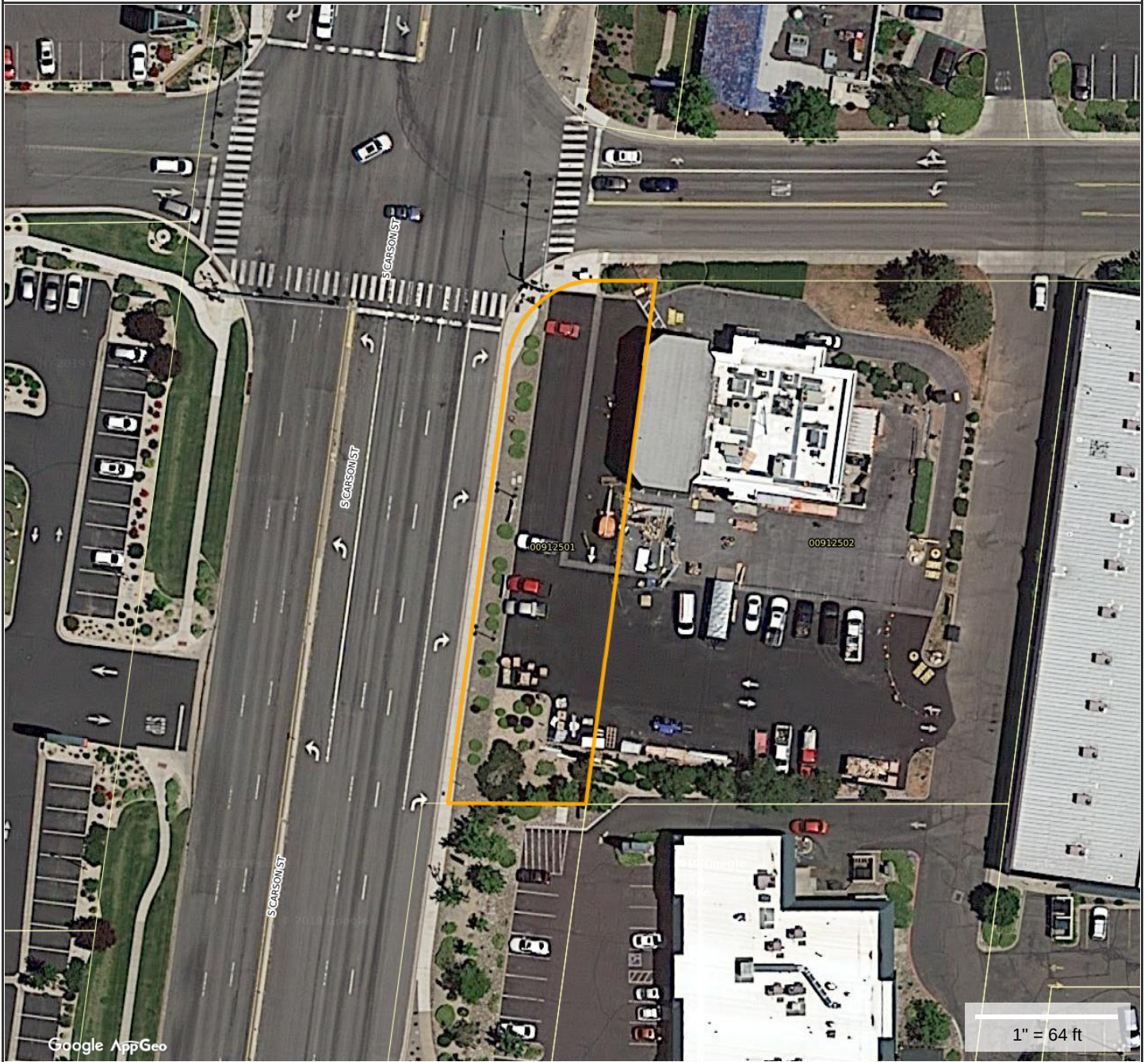


IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Virginia R. Frobos



### McDonald's USA LLC Lease Area



[CLICK LOGO FOR TUTORIAL](#)

**MAP FOR REFERENCE ONLY  
NOT A LEGAL DOCUMENT**

Carson City , NV makes no claims and no warranties, expressed or implied, concerning the validity or accuracy of the GIS data presented on this map.

Geometry updated 11/17/2018  
Data updated 11/17/2018

RECORDED AT THE REQUEST OF

Nevada Dept. Transportation

2006 SEP 28 PM 12: 39

FILE NO. 359082

ALAN GLOVER  
CARSON CITY RECORDER

FEE \$ 49 SEP *AW*

A.P.N. 009-125-02  
Parcel S-529-CC-008.095  
Control Section: CC-02  
W.O. 20201  
Agreement Number R 307-06-030

AFTER RECORDING RETURN TO:  
NEVADA DEPT. OF TRANSPORTATION  
RIGHT-OF-WAY DIVISION  
ATTN: JESSICA BIGGIN  
1263 S. STEWART ST.  
CARSON CITY, NV 89712

LEGAL DESCRIPTION PREPARED BY:  
HEIDI MIRELES  
NEVADA DEPT. OF TRANSPORTATION  
RIGHT-OF-WAY DIVISION  
1263 S. STEWART ST.  
CARSON CITY, NV 89712

MULTI USE LEASE  
Nevada Department of Transportation

THIS LEASE, made and entered into this 25<sup>th</sup> day of August, 2006, between **MCDONALD'S USA, LLC**, a Delaware Limited Liability Company, whose mailing address is One McDonald's Plaza, Oak Brook, IL, 60523, Attn: Director, U.S. Legal # 091, L/C: 027-0049, hereinafter called the LESSEE, and the STATE OF NEVADA, acting by and through its Department of Transportation, hereinafter called the LESSOR.

WITNESSETH:

The LESSOR, for and in consideration of the agreements, conditions, covenants and stipulations of the LESSEE as hereinafter provided, agrees as follows:

(a) To lease, demise and let to the LESSEE those certain premises situate in the City of Carson, State of Nevada, said leased area being more particularly described as follows: situate, lying and being in Carson City, State of Nevada, and more particularly described as being a parcel or strip of land lying within the right-of-way of said SR-529 (South Carson Street) over and across a portion of the SW 1/4 of Section 29, T. 15 N., R. 20 E., M.D.M., and more fully described as follows, to wit: \_\_\_\_\_

359082

BEING a strip or parcel of land 68.50 feet in width the westerly line of said parcel being 47.50 feet east of and parallel to the centerline of said SR-529 extending from a point 47.50 feet right of and at right angles to approximate Highway Engineer's Station "O1" 54+90± P.O.T.; thence northerly and parallel to said SR-529 centerline a distance of approximately 180 feet, 47.50 feet right of and at right angles to approximate Highway Engineer's Station "O1" 56+70± P.O.T.; thence along the prolongation of Eagle Station Lane to the right or easterly right-of-way of said SR-529, 116.00 feet right of and at right angles to approximate Highway Engineer's Station "O1" 57+15± P.O.T.; the easterly boundary of said parcel shall be coincident with said right or easterly right-of-way line of SR-529. Said parcel contains an area of 14,820 square feet (0.35 of an acre), more or less.

The above-described parcel shall have no access in and to said SR-529.

Said parcel is delineated by shading and identified as PARCEL S-529-CC-008.095 on EXHIBIT "A" attached hereto and made a part hereof.

SUBJECT to any and all existing utilities, whether of record or not.

The parties hereto covenant and agree as follows:

1. TERM

(a) The term of this lease shall be for a primary term of five (5) years beginning March 1, 2006 and ending February 28, 2011, plus the option to renew for three extended terms of five (5) years each, the first of such extended terms to begin on the expiration of the initial term and each successive extended term to begin on the expiration of the term immediately preceding.

(b) The LESSEE'S option of renewing this lease is subject to approval of the LESSOR, and shall be exercised in writing by means of certified or registered mail notice to the LESSOR at least thirty (30) days prior to the commencement of the renewal period.

(c) The LESSEE, keeping and performing the covenants and agreements herein contained on the part of the LESSEE to be kept and performed, shall at all times during the said tenancy peaceably and quietly have, hold and enjoy the leased premises without suit, trouble or hindrance from the LESSOR; provided, however, that LESSEE has performed and fulfilled each and every condition and covenant herein contained to be performed by LESSEE.

(d) In the event of the termination of the lease by the expiration thereof, or for any other reason, LESSEE will peaceably and quietly leave, surrender and yield up to the LESSOR all and singular the leased premises in good order, condition and repair, reasonable use and wear thereof excepted, and damage by earthquake, fire and public calamity, by the elements or by act of God excepted.

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(e) This lease may be terminated at any time for any reason by the LESSEE or the LESSOR upon 90 days prior notice in writing, serving same upon LESSOR or LESSEE as the case may be. This lease will automatically terminate upon 90 days when the LESSOR serves notice upon LESSEE that LESSOR requires the leased premises for a highway purpose, and in such event LESSEE waives any claim for compensation.

(f) It is further mutually covenanted and agreed that upon the expiration or termination of the term hereof, LESSEE shall remove or cause to be removed, within 30 days and at its own expense, any and all personal property or improvements erected or emplaced by LESSEE on said leasehold, leaving and surrendering said premises in as good order and condition as the premises were in when delivered to LESSEE. Should LESSEE not remove improvements they shall upon said expiration or termination of the term hereof become property of LESSOR upon its option and without compensation by him to the LESSEE.

(g) No holding over by LESSEE shall operate to renew this lease without the written consent of LESSOR endorsed thereon.

## 2. RENTAL

(a) The LESSEE agrees to pay LESSOR as rent for the leased premises the sum of TEN THOUSAND SIX HUNDRED AND NO/100 DOLLARS (\$10,600.00) per year payable to the LESSOR at 1263 S. Stewart St., Carson City, NV 89712, commencing on the 1st day of March, 2006, and thereafter payable on or before the 1st day of Mach each year for which due. In the event of termination, any unearned rental for the remainder of that period wherein termination occurs shall be returned to LESSEE.

(b) If LESSEE fails to pay the rent in full by the fifth calendar day of each month, LESSEE shall pay a late charge in the amount of FIFTY AND NO/100 DOLLARS (\$50.00). If a check presented by LESSEE for payment of rent is dishonored by any bank, LESSEE shall pay a non-payment charge in the additional amount of FIFTY AND NO/100 DOLLARS (\$50.00).

(c) LESSOR and LESSEE agree that the rental amount agreed herein shall be automatically reviewed and reevaluated by LESSOR and, if necessary, renegotiated within at least thirty (30) days of the expiration of each five (5) year increment of the term hereof.

(d) If any rent shall be due and unpaid after the same shall become payable as aforesaid; or if LESSEE shall not perform and fulfill each and every one of the conditions and covenants herein contained to be performed by LESSEE, or if LESSEE discontinues business in the leased premises for more than a continuous sixty (60) day period; or if LESSEE attempts to sell or assign this lease; such act or acts of omission or commission may, at the option of LESSOR, constitute a forfeiture of all rights under the lease and a voiding of the lease and an ending of the term of this lease, and the further occupancy of leased premises after such forfeiture shall be deemed held and taken as a forcible detainer by LESSEE; and LESSOR may, with notice and legal process, evict and dispossess the LESSEE from premises.

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### 3. SUBLEASES, ASSIGNMENTS AND ASSIGNMENTS BY OPERATION OF LAW

(a) LESSEE shall not assign this lease nor sublet the leased premises without the prior written consent of LESSOR. Such consent shall not be unreasonably withheld. LESSOR consents to any sublease by LESSEE to a franchisee or wholly owned subsidiary of LESSEE who will operate a McDonald's Restaurant on the adjacent premises, and use the leased premises as permitted by this lease in connection with such restaurant.

(b) No holding over by LESSEE shall operate to renew this lease without the written consent of LESSOR endorsed thereon.

### 4. WAIVER

Failure to declare a breach or the actual waiver by LESSOR of any breach of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same, or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by LESSOR shall not be deemed to be a waiver of any preceding breach by LESSEE of any term, covenant or condition of this lease other than the failure of LESSEE to pay the particular rental so accepted, regardless of LESSOR'S knowledge of preceding breach at the time of acceptance of such rental.

### 5. NOTICES

Any and all notices, demands, or other communications required or permitted to be given under this lease shall be in writing. They shall be served either personally or by mail, service shall be conclusively deemed made at the time of service. If served by certified mail, service shall be conclusively deemed made forty-eight (48) hours after the deposit thereof in the United States mail, postage prepaid, addressed to the party to whom such notice or demand is to be given and the issuance of receipt therefor. Any notice or demand to LESSOR may be given to LESSOR at 1263 S. Stewart St., Carson City, NV 89712, or at such other place or places as shall be designated by LESSOR from time to time. Any notice or demand to LESSEE shall be given to LESSEE by certified mail at One McDonald's Plaza, Oak Brook, IL, 60523, Attn: Director, U.S. Legal # 091, L/C: 027-0049.

### 6. IMPROVEMENTS, REPAIRS, MAINTENANCE AND USE OF THE PROPERTY

(a) The LESSEE agrees to maintain the premises in as good a state of repair as when first occupied, ordinary wear and tear excepted.

(b) LESSEE shall place no improvements in, on or upon the leased premises except those approved in writing by the LESSOR. No additional construction or alterations shall be made in or upon the leased premises without prior consent and approval of both LESSOR and the Federal Highway Administration.

(c) LESSEE shall be responsible for the reestablishment by a registered land surveyor of any permanent survey markers or highway right of way monuments disturbed or obliterated during the term of this lease, at LESSEE'S expense.

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(d) LESSEE shall place no advertising signs, signboards, or other advertising material on the leased premises during the term of this lease, without prior approval of LESSOR.

(e) LESSEE shall pay for all utilities including water, gas, electricity, sewage, trash disposal, telephone and janitorial services furnished and supplied to or upon any part of the leased premises during the term of this lease.

(f) LESSEE agrees to secure all necessary permits required in connection with operations on the leased premises and shall comply with all Federal, State and local statutes, rules, orders, building codes, ordinances, requirements and regulations which may affect in any respect LESSEE'S use of the leased premises.

(g) LESSEE agrees to keep and maintain at its sole expense, the leased premises free of all weeds, noxious plants, debris and flammable, explosive or hazardous materials of every description, and at all times keep the premises in an orderly, clean, safe and sanitary condition.

(h) All work performed by LESSEE under this lease shall be in accordance with the current editions of the State of Nevada Standard Specifications for Road and Bridge Construction and the Standard Plans for Road and Bridge Construction, and shall be accomplished to the satisfaction of the District Engineer. Copies of applicable plans and specifications are available upon request from the District Engineer.

(i) LESSEE shall use the leased premises during the term of this lease for customer parking and landscaping.

(j) LESSEE shall not do or permit anything to be done in or about the leased premises which will in any way obstruct or interfere with the rights of other LESSEES or occupants of the building or injure or annoy them or use or allow the leased premises to be used for any improper, immoral, unlawful or objectionable purpose, nor shall LESSEE cause, maintain or permit any nuisance in, on or about the leased premises. LESSEE shall not commit or suffer to be committed any waste in or upon the leased premises.

(k) LESSEE'S violation of any provision of this lease, and failure to correct said violation within a reasonable time after receipt of notice from LESSOR in accordance with the provisions of Paragraph 5 of this lease, shall constitute a forfeiture of all LESSEE'S rights hereunder and shall constitute a voiding and termination of the lease as provided herein.

(l) The leasing of the premises by LESSEE was after examination of their present condition and without any representation or warranties on the part of LESSOR or its agents. LESSEE and LESSOR have inspected the premises and agree that the premises are free of hazardous substances in their present condition to their actual knowledge.

(m) LESSEE will obey all laws concerning health and safety with respect to hazardous substances, and shall indemnify LESSOR and hold LESSOR harmless from any and all costs and expenses arising out of the use of hazardous substances on the premises.

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(n) LESSOR retains the right to enter the leased premises without announcement to inspect and perform field tests on air, water and soil.

(o) Landscaping within the STATE'S right-of-way shall not exceed 2 feet in height unless prior approval is obtained from LESSOR.

#### 7. RIGHT OF ENTRY

LESSOR specifically reserves the right of entry by any authorized officer, engineer, employee, agent or contractor of the LESSOR for the purpose of inspecting the premises, or the doing of any and all acts necessary or proper on the premises in connection with the protection, maintenance, repair, reconstruction, and operation of the premises with 48 hours written notice to LESSEE.

#### 8. INDEMNIFICATION AND INSURANCE

(a) To the fullest extent permitted by law, the LESSEE shall fully exonerate, indemnify, defend and hold harmless the State of Nevada, any of its departments, divisions, agencies, officers, employees or agents from and against any liabilities, damages, losses, claims, actions or proceedings and all expenses incidental to such, based upon or arising out of damage or injury (including death) to persons or property due to any error, negligence, omission or act of the LESSEE or any person employed by LESSEE, or any others for whose acts the LESSEE is legally liable. Expenses shall include, without limitation, the amount of the judgment, court costs, expenses of litigation, expert witness fees and reasonable attorney's fees.

(b) The LESSEE shall furnish a Certificate, Declarations Page and an Endorsement designating the LESSOR as an additional insured evidencing Commercial General Liability Insurance, with a minimum limit of One Million and no/100 Dollars (\$1,000,000.00) per occurrence. Such insurance shall be maintained for the entire period of the LEASE. This policy shall include 30-days advance written notice of any cancellation of said policy. It is further understood and agreed upon by the parties that the LESSEE shall procure, pay for and maintain the above-mentioned insurance coverage at its own sole cost and expense.

(c) The LESSEE'S Commercial General Liability and any umbrella or excess liability policies shall be endorsed to add the State of Nevada, its officers, agents, employees and volunteers as additional insured; said additional insured to be designated as follows: State of Nevada Department of Transportation, 1263 South Stewart Street, Carson City, Nevada 89712. The LESSEE'S insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limit of the insurer's liability. Each insurance policy shall be endorsed to provide that coverage shall not be canceled, suspended, voided, non-renewed or restricted by LESSEE or the insurer except after 30 days prior written notice by certified mail, return receipt requested, given to the LESSOR.

(d) The right to indemnification provided above shall be in addition to, and not in lieu of, any other remedy otherwise available to the State or LESSOR. This indemnification obligation shall not be diminished or limited in any way to the total insurance policy limits required by this lease or otherwise available to the LESSEE.

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(e) Upon signing this lease, LESSEE shall provide the LESSOR with a copy of the insurance binder, and within not more than fifteen (15) days after the effective date of the policy, shall furnish to LESSOR a Certificate of Insurance and endorsement relative to the policy.

(f) Should LESSEE fail to keep insurance as described above in full force and effect, LESSOR may, in accordance with Paragraph 1 (e) of this lease, void and terminate the tenancy.

9. FAIR EMPLOYMENT PRACTICES

During the term of this lease, the LESSEE, for itself, its personal representatives, successors in interest and assigns, shall comply with the regulations pertaining to nondiscrimination and Title VI of the Civil Rights Act of 1964, as contained in Title 23 Code of Federal Regulations, Part 200, and Title 49 Code of Federal Regulations, Part 21, which are hereby incorporated by reference and made a part of this lease.

10. GENERAL COVENANTS

(a) This lease shall constitute the entire contract between LESSOR and LESSEE, and no modification hereof shall be binding unless it is in writing and signed by the parties.

(b) All covenants and agreements herein contained shall extend to and be obligatory upon the heirs, executors, administrators, successors and assigns, as the case may be of the respective parties.

(c) This lease and the rights and obligations of the parties hereto shall be governed by and construed according to, the laws of the State of Nevada. The parties consent to the jurisdiction of the Nevada district courts for enforcement of this lease.

(d) As used herein the terms LESSOR and LESSEE shall include the plural as well as the singular, and the feminine as well as the masculine, and the neuter.

(e) Time is of the essence of each and all of the terms and provisions of this lease.

(f) This lease shall be recorded.

(g) It is specifically agreed between the parties executing this agreement that it is not intended by any of the provisions of any part of the agreement to create in the public or any member thereof a third party beneficiary status hereunder, or to authorize anyone not a party to this agreement to maintain a suit for personal injuries or property damage pursuant to the terms or provisions of this agreement.

(h) LESSEE has provided LESSOR with a Federal Tax Identification Number of 73-1719185. LESSEE is a current limited liability company and is qualified to do business in the State of Nevada.

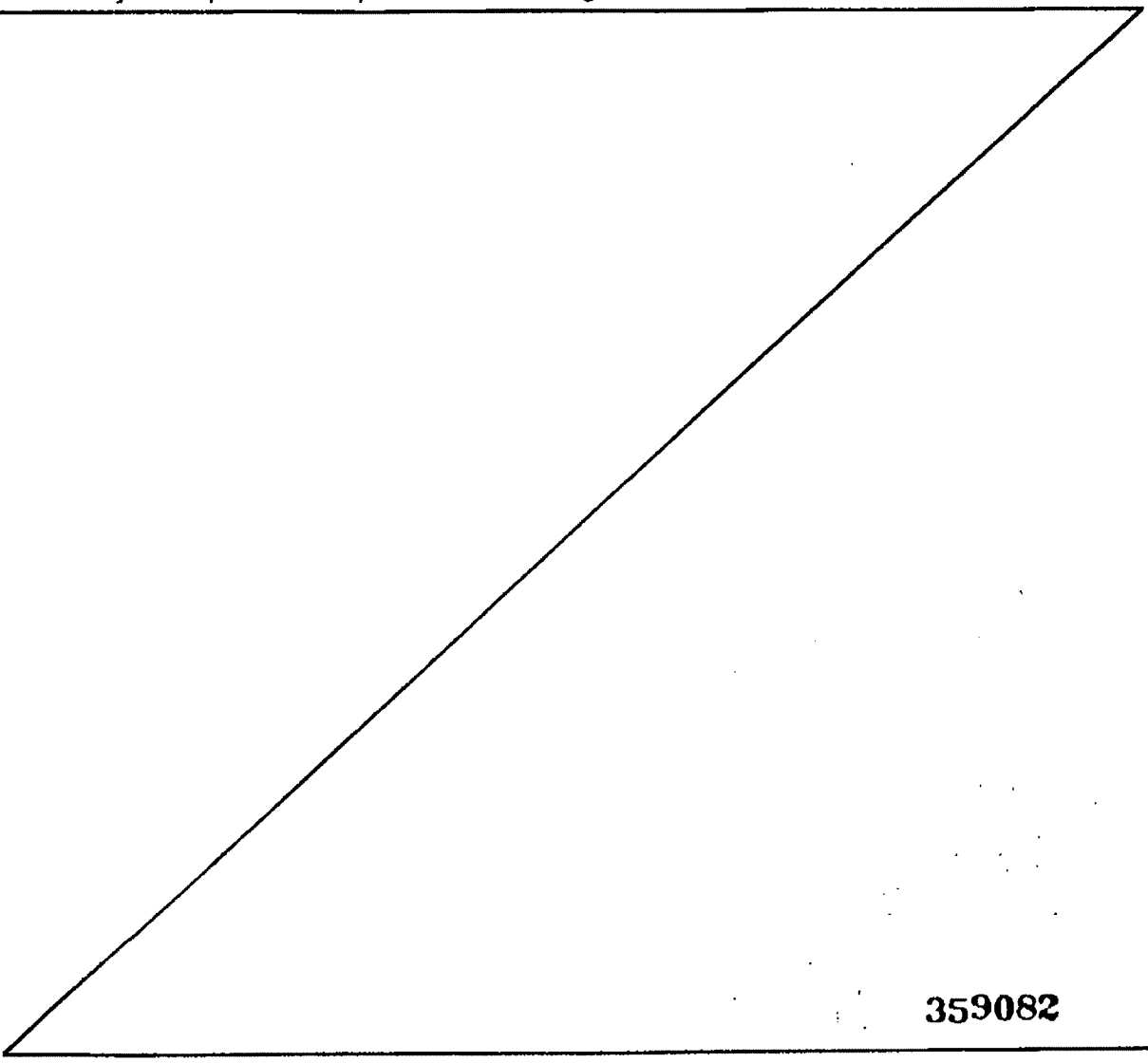
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(i) This lease constitutes the entire agreement of the parties and as such is intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this lease specifically displays a mutual intent to amend a particular part of this lease, general conflicts in language between any such attachment and this lease shall be construed consistent with the terms of this lease. Unless otherwise expressly authorized by the terms of this lease, no modification or amendment to this lease shall be binding upon the parties unless the same is in writing and signed by the respective parties hereto and approved by the Attorney General.

(j) The illegality or invalidity of any provision or portion of this agreement shall not affect the validity of the remainder of the agreement and this agreement shall be construed as if such provision did not exist and the unenforceability of such provision shall not be held to render any other provision or provisions of this agreement unenforceable.



**359082**

(k) The parties hereto represent and warrant that the person executing this agreement on behalf of each party has full power and authority to enter into this agreement.

IN WITNESS WHEREOF the parties hereto have executed this lease the day and year first above written.

LESSEE:  
MCDONALDS USA, LLC

LESSOR:  
STATE OF NEVADA acting by and through its  
DEPARTMENT OF TRANSPORTATION

By: *[Signature]* 7/10/06  
KENNETH S. SHINER, Date  
Senior Council

*[Signature]* 8/25/06  
AST. Director - Eng. Date

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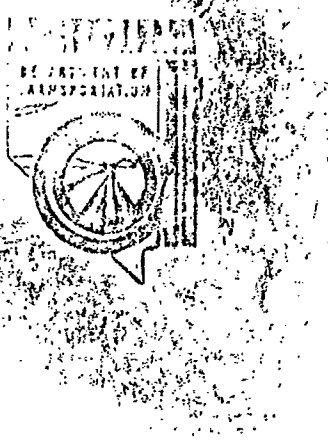
REVIEWED AND RECOMMENDED BY:

*[Signature]* 8/24/06  
District Engineer Date

*[Signature]* 8/24/06  
Heidi A. Mireles, Chief R/W Agent Date

APPROVED AS TO LEGALITY AND FORM:

*[Signature]* 8/25/06  
Deputy Attorney General Date

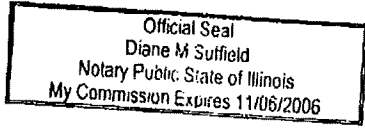


STATE OF ILLINOIS  
COUNTY OF DUPAGE

On this 10 day of July, 2006, personally appeared before me, the undersigned, a Notary Public in and for the County of DuPage, State of Illinois, Kenneth S. Shiner, Senior Counsel, McDonald's USA, LLC personally known (or proved) to me to be the person whose name is subscribed to the above instrument and who acknowledged to me that he executed the same freely and voluntarily and for the uses and purposes thereby mentioned.

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IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



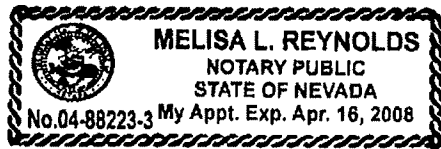
Diane M. Suffield  
Notary Public - Commission Expires 11/06/06

STATE OF NEVADA  
CARSON CITY

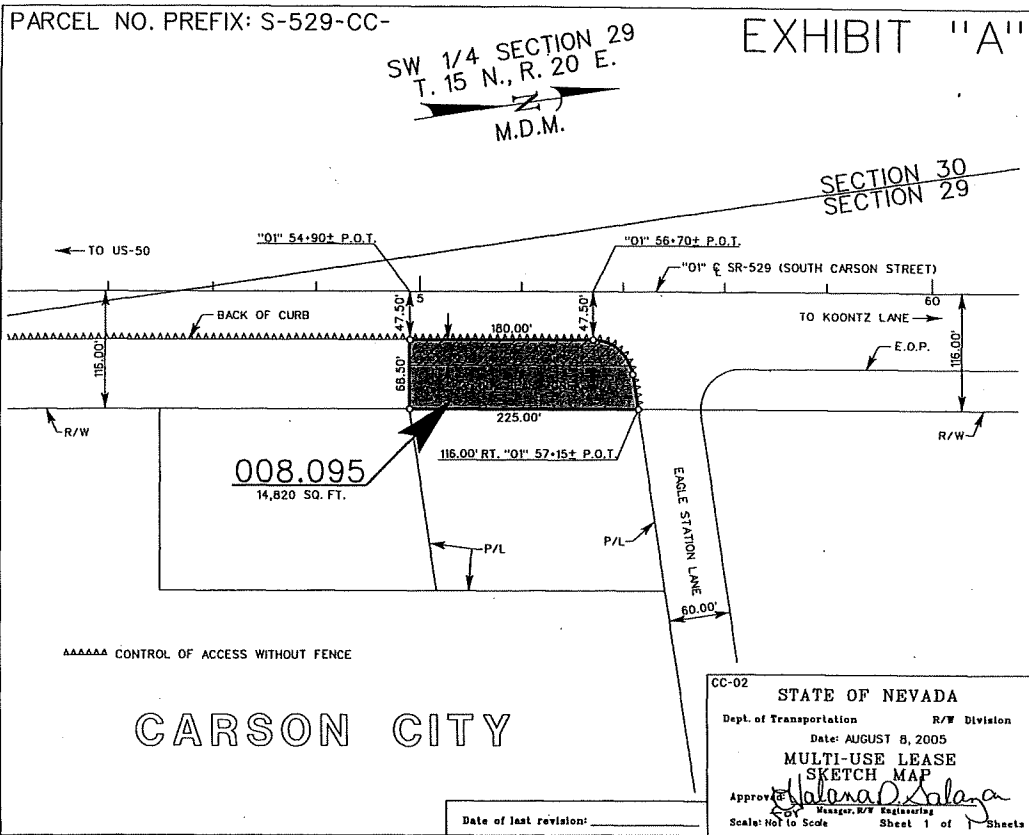
On this 25<sup>th</sup> day of August, 2006, personally appeared before me, the undersigned, a Notary Public in and for Carson City, State of Nevada, Scott Rawlings personally known (or proved) to me to be the Asst-Engin Director of the Department of Transportation of the State of Nevada who subscribed to the above instrument for the Nevada Department of Transportation under authorization of Nevada Revised Statutes, Chapter 408.205; that he affirms that the seal affixed to said instrument is the seal of said Department; and that said instrument was executed for the Nevada Department of Transportation freely and voluntarily and for the uses and purposes therein mentioned.

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IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.



Melisa L Reynolds



359082

801

Adj. to APN#: 009-125-02  
WO: 20201  
Parcel: S-529-CC-008.095  
Agreement No.: R307-06-030

*original*

AMENDMENT #1 TO MULTI-USE LEASE

This amendment to Multi-Use Lease executed this 6<sup>th</sup> day of July, 2011, by and between **MCDONALD'S USA, LLC**, A Delaware Limited Liability Corporation, hereinafter called the LESSEE, and the STATE OF NEVADA, acting by and through its Department of Transportation, hereinafter called the LESSOR,

WITNESSETH:

WHEREAS, LESSEE and LESSOR heretofore entered into a Multi-Use Lease dated August 25, 2006 known as Highway Agreement No. R307-06-030, and

WHEREAS, LESSEE desires to exercise its first of three options to renew said Multi-Use Lease as allowed under paragraph 1, subparagraph (a) of said Lease. The first option shall be for a term of five (5) years beginning March 1, 2011.

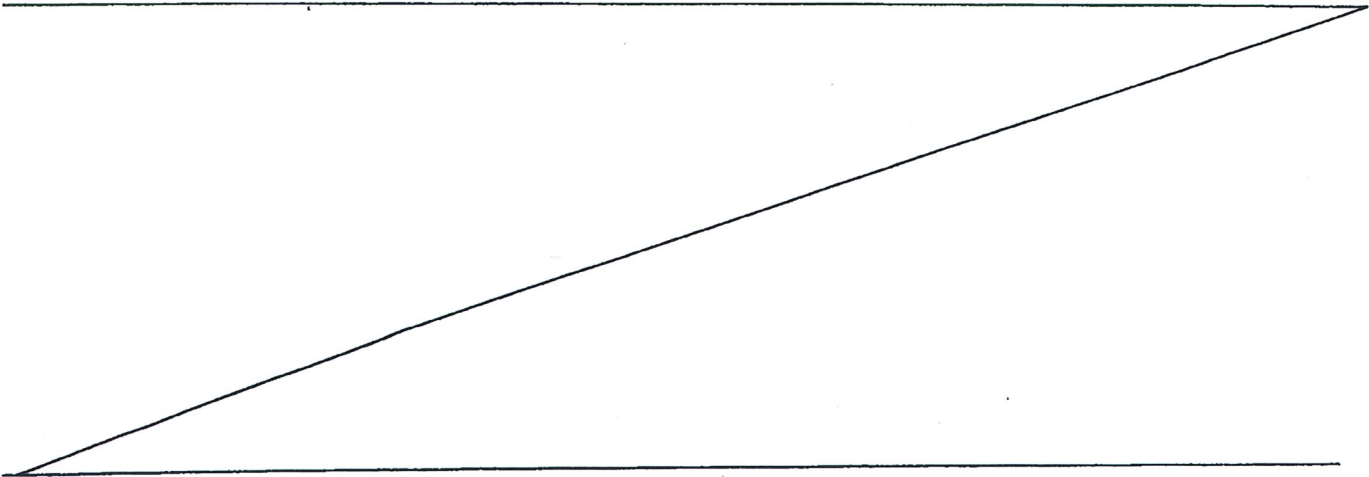
WHEREAS, the parties hereto desire to amend paragraph 2. RENTAL of said Multi-Use Lease.

NOW, THEREFORE, it is mutually agreed as follows:

- 1. Paragraph 2. RENTAL, subparagraph (a) is hereby amended as follows:

The LESSEE agreed to pay LESSOR as rent for the leased premises the sum of \$10,600.00 per year effective March 1, 2006 to February 28, 2011.

The LESSEE agrees to pay LESSOR as rent for the leased premises the sum of SEVEN THOUSAND TWO HUNDRED SIXTY TWO AND NO/100 DOLLARS (\$7,262.00) per year payable in advance annually to the LESSOR at 1263 South Stewart Street, Carson City, Nevada 89712, commencing on the 1st day of March, 2011, and thereafter payable on or before the 1st day of each March for which due. In the event of termination, any unearned rent paid for the remainder of that period wherein termination occurs shall be returned to LESSEE.



It is understood and agreed by the parties hereto that the terms and conditions of aforesaid Multi-Use Lease dated August 25, 2006 and any amendments thereto not specifically amended herein shall remain in full force and effect as if set forth herein.

IN WITNESS WHEREOF the parties hereto have executed this lease the day and year first above written.

LESSEE:

MCDONALD'S <sup>USA, LLC</sup> CORPORATION

By: Martha A. Lundin 5/19/11  
Martha A. Lundin, Senior Counsel Date

LESSOR:

STATE OF NEVADA acting by and through its DEPARTMENT OF TRANSPORTATION

William Hoffman 7/6/11  
Director Date

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REVIEWED AND RECOMMENDED BY:

W/A  
District Engineer Date  
Paul A. Saucedo 6/23/11  
Paul A. Saucedo, Chief R/W Agent Date

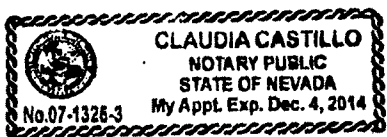
APPROVED AS TO LEGALITY AND FORM:

Debbie Hozler  
Deputy Attorney General Date

STATE OF NEVADA  
CARSON CITY

On this 6 day of July, 2011, personally appeared before me, the undersigned, a Notary Public in and for Carson City, State of Nevada, William Hoffman personally known (or proved) to me to be the Assistant Engineer Director of the Department of Transportation of the State of Nevada who subscribed to the above instrument for the Nevada Department of Transportation under authorization of Nevada Revised Statutes, Chapter 408.205; that he affirms that the seal affixed to said instrument is the seal of said Department; and that said instrument was executed for the Nevada Department of Transportation freely and voluntarily and for the uses and purposes therein mentioned.

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IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Claudia Castillo

STATE OF ILLINOIS  
COUNTY OF DUPAGE

On this 19th day of May, 2011, personally appeared before me, the undersigned, a Notary Public in and for the COUNTY OF DUPAGE, State of Illinois, Martha A. Lundin, Senior Counsel personally known (or proved) to me to be the person whose name is subscribed to the above instrument and who acknowledged to me that s/he executed the same freely and voluntarily and for the uses and purposes thereby mentioned.

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IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

Judith L. Lemm

801

Adj. to APN: 009-125-02  
W.O.: 20201  
Parcel: S-529-CC-008.095 LE1  
Agreement No.: R307-06-030

RECORDED AT THE  
REQUEST OF  
**NOOT**  
2016 AUG 24 PM 2:28  
467364  
FILE NO.  
SUSAN MERRIWETHER  
CARSON CITY RECORDER  
OFFER 172 SEP 16

AFTER RECORDING RETURN TO:  
NEVADA DEPT. OF TRANSPORTATION  
RIGHT-OF-WAY DIVISION, STAFF SPECIALIST, PM  
1263 S STEWART ST  
CARSON CITY NV 89712

### AMENDMENT # 2 TO MULTI-USE LEASE

This Amendment to Multi-Use Lease executed this 7<sup>TH</sup> day of JULY, 2016, by and between MCDONALD'S USA, LLC, a Delaware limited liability company, hereinafter called the LESSEE, and the STATE OF NEVADA, acting by and through its Department of Transportation, hereinafter called the LESSOR,

#### WITNESSETH:

WHEREAS, LESSEE and LESSOR heretofore entered into a Multi-Use Lease dated August 25, 2006, known as Highway Agreement No. R307-06-030, which Lease was amended in certain respects by Amendments dated July 6, 2011; and

WHEREAS, LESSEE desires to exercise its second of three options to renew said Multi-Use Lease as allowed under paragraph 1, TERM, subparagraph (a) of said Lease. The second option shall be for a term of five (5) years beginning March 1, 2016 and ending February 28, 2021.

WHEREAS, the parties hereto desire to further amend paragraph 2. RENTAL of said Multi-Use Lease.

NOW, THEREFORE, it is mutually agreed as follows:

1. Paragraph 2. RENTAL, subparagraph (a) is hereby amended as follows:

The LESSEE agreed to pay LESSOR as rent for the leased premises the sum of \$10,600.00 per year effective March 1, 2006 to February 28, 2011, followed by \$7,262.00 per year effective March 1, 2011 to February 29, 2016.

The LESSEE agrees to pay LESSOR as rent for the leased premises the sum of TWO THOUSAND SEVEN HUNDRED THIRTY-EIGHT AND NO/100 DOLLARS (\$2,738.00) per year payable in advance annually to the LESSOR at



1263 South Stewart Street, Carson City, Nevada 89712, commencing on the 1st day of March, 2016, and thereafter payable on or before the 1st day of each March for which due. In the event of termination, any unearned rent paid for the remainder of that period wherein termination occurs shall be returned to LESSEE.

2. Paragraph 2. RENTAL, subparagraph (e) is added as follows:

(e) The net rental area upon which the rent is based does not include the landscape and clear zone areas that are depicted by the diagonal lines on the map attached hereto and designated as Exhibit "A". The rent is calculated based upon the net rentable area consisting of 4,955 square feet.

It is understood and agreed by the parties hereto that the terms and conditions of aforesaid Multi-Use Lease dated August 25, 2006 and any amendments thereto not specifically amended herein shall remain in full force and effect as if set forth herein.

IN WITNESS WHEREOF the parties hereto have executed this lease the day and year first above written.

LESSEE:

MCDONALDS USA, LLC

By: Martha Lundin  
Martha Lundin, Senior Counsel

LESSOR:

STATE OF NEVADA  
acting by and through its  
DEPARTMENT OF TRANSPORTATION

John M. Ferry  
Asst. Director

REVIEWED AND RECOMMENDED BY:

\_\_\_\_\_  
, District Engineer

Ruth M. Borrelli  
Ruth M. Borrelli,  
Chief Right-of-Way Agent

APPROVED AS TO LEGALITY AND FORM:

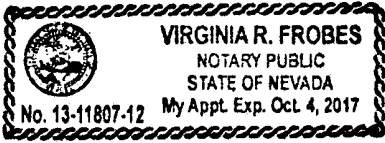
7-5-2016  
, Deputy Attorney General

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STATE OF NEVADA  
CARSON CITY

On this 24<sup>th</sup> day of August, 2016, personally appeared before me, the undersigned, a Notary Public in and for Carson City, State of Nevada, John M Terry personally known (or proved) to me to be the Assistant Director of the Department of Transportation of the State of Nevada who subscribed to the above instrument for the Nevada Department of Transportation under authorization of Nevada Revised Statutes, Chapter 408.205; that he affirms that the seal affixed to said instrument is the seal of said Department; and that said instrument was executed for the Nevada Department of Transportation freely and voluntarily and for the uses and purposes therein mentioned.

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IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

John M Terry

STATE OF ILLINOIS  
County of DuPage

On this 20 day of June, 2016, personally appeared before me, the undersigned, a Notary Public in and for the County of DuPage, State of Illinois, Martha Lundin personally known (or proved) to me to be the person whose name is subscribed to the above instrument and who acknowledged to me that she executed the same freely and voluntarily and for the uses and purposes thereby mentioned.

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IN WITNESS WHEREOF I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

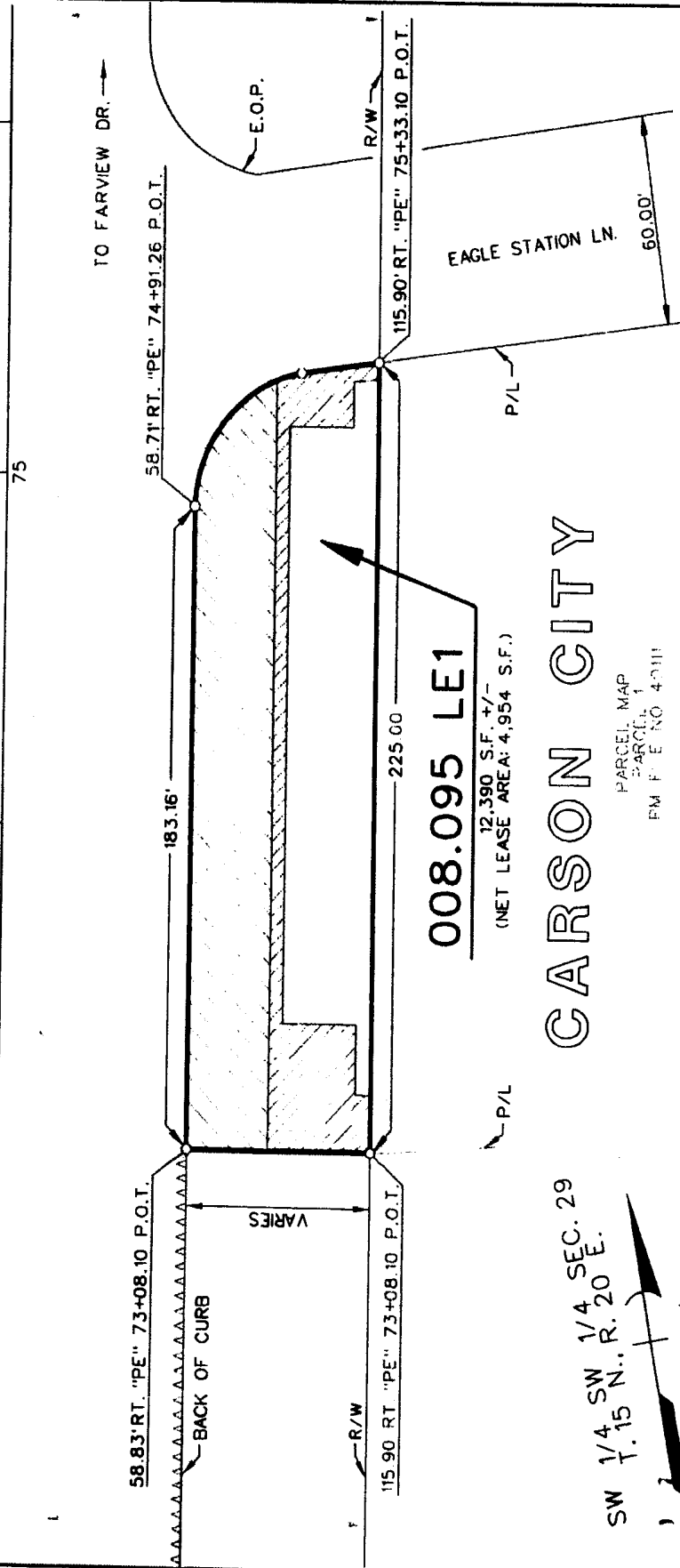
Diane M. Suffield

PARCEL NO. PREFIX: S-529-CC-

EXHIBIT "A"

TO SR-518 (SNYDER AVE.)

SR-529 (CARSON ST.) "PE"  $\phi$  - N. 8° 31' 25" E.



**008.095 LE1**  
 12,390 S.F. +/-  
 (NET LEASE AREA: 4,954 S.F.)

**CARSON CITY**

SW 1/4 SW 1/4 SEC. 29  
 T. 15 N., R. 20 E.

PARCEL MAP  
 PARCEL 1  
 PM FILE NO 4-0111

- LEASE AREA
- 25' CLEAR ZONE AREA (5,246 S.F.)
- LANDSCAPE AREA (2,189 S.F.)
- AAA CONTROL OF ACCESS WITHOUT FENCE OR BARRIER

M.D.M.

467364

CC-02 STATE OF NEVADA  
 DEPARTMENT OF TRANSPORTATION

DATE: JANUARY 12, 2016

SKETCH MAP

APPROVED: *[Signature]*  
 MANAGER, P/W ENGINEERING

SCALE: 1" = 50'

SHEET 1 OF 1

MAP ID. NO. 56202  
 License \Carson City\008.095\008.095.dgn

NEVADA DOT  
 TRACED  
 CHECKED  
 DATE OF LAST REVISION