

LEASE

This lease (the "Lease") is entered into this 2nd day of October, 2012, by and between the County of Jackson, hereinafter referred to as "Landlord", and the City of Independence, hereinafter referred to as "Tenant".

Article 1 PROPERTY LEASED

Landlord hereby leases to Tenant, its successors and assigns, and warrants that it has authority to lease the real property described herein; and Tenant hereby leases from the Landlord said real property located at: the Historic Truman Courthouse, 102 North Main Street, Independence, Missouri (Historic Truman Courthouse), containing approximately nineteen hundred (1,915) square feet, the leased premises referred to herein are further described in Exhibit "A" attached hereto.

Article 2 COMMENCEMENT, TERM OF LEASE AND DELIVERY OF POSSESSION

The term of this Lease, subject to the conditions set out herein, shall be for an initial term commencing on the date stated above, and ending on June 30, 2038. Landlord covenants and agrees to deliver possession of the leased premises on or before the date of commencement of the term of this Lease which shall coincide with the general occupancy permit for the building.

Article 3 RENTAL

Commencing on the date the leased premise is available to Tenant for the Tenant's intended use, Tenant shall pay to Landlord for the Leased Premises an annual base rental of \$1,200 for 1,915 square feet of tenant space (as identified on the attached Exhibit) and access to and an additional annual rent of \$4,200 use of common spaces such as the corridors, restroom facilities, elevator, employee break room, and for janitorial services, payable by Tenant in twelve (12) equal monthly installment payable on or before the first day of each and every month during the term of this Lease. The portion of the rent for the common space and janitorial services shall be increased annually by the Kansas City metropolitan CPI or 3% whichever is less. Rent to be paid to Landlord at Jackson County Finance Department, 415 E. 12th Street, Kansas City, Missouri 64106 or such other place as shall be designated by Landlord in writing. If the date the lease space is available for use by the Tenant is a day other than the first (1st) day of the calendar month, the monthly rental due shall be prorated for the fractional month of this Lease for the number of days during such fractional month.

In addition to the rent provided for in the previous paragraph the Tenant will pay a prorated share of the utilities for electric, water, and sanitary sewer services to the leased premise in the amount of 10% of the monthly actual bills. The Landlord will remit an invoice to the Tenant monthly for reimbursement for the month prior, or on a quarterly basis. Utility reimbursement shall be paid to Landlord at Jackson County Finance Department, 415 E. 12th Street, Kansas City, Missouri 64106 or such other place as shall be designated by Landlord in writing.

Article 4 USE OF PREMISES

Tenant may use and occupy the Leased Premises, maintaining and conducting therein offices and work areas for the purposes directly related to the City of Independence Tourism Department. Landlord will supply keys to the building and provide access to the common areas within the building. Landlord will provide access to the historic tourist sites in the building during Tenants hours of operation, with the understanding that the Jackson County Historic Society will control access and hours of operation for the historic tourist sites within the Historic Truman Courthouse (Truman Courtroom, Brady Courtroom, and Jackson County Art Gallery) in coordination with the City Tourism Department.

Tenant may make tenant finish improvements through separate agreement with the Landlord or with an independent organization; however, any and all tenant finish improvements are subject to the Landlord's prior approval. This includes any phone and computer connectivity requirements that the tenant may have.

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OCT 11 2012
MARY JO SPINO
COUNTY CLERK

Subject to the Landlord's exclusive approval including location, content, style, and size, Landlord may allow tenant to install signage on the interior of the building and on the exterior property of the building.

Tenant may secure the tenant finish space. However, unrestricted access to the space shall be provided to the Landlord for the purposes of security and janitorial services.

Article 5 QUIET ENJOYMENT

Landlord covenants that Landlord has full right and authority to lease the Leased Premises to Tenant, and that Landlord, so long as Tenant pays the rent and performs its obligations provided herein, will warrant and defend Tenant in the quiet and peaceable possession and enjoyment of Leased Premises during the term of this Lease, and any renewal terms hereof, as against all persons whomsoever. Landlord also warrants that the premises may be used by Tenant for the purposes intended as set out in Article 4 hereof.

Article 6 COMPLIANCE WITH LAWS

Landlord covenants that Landlord will comply with all laws, regulations, statutes and ordinances which govern the use of these premises by Tenant and that Landlord will take all appropriate action under such laws, regulations, statutes and ordinances to insure occupancy of the premises by Tenant and in the event Tenant under such laws, regulations, statutes and ordinances must take action to obtain a permit to occupy the premises Landlord covenants it will cooperate fully with Tenant to comply with such laws, regulations, statutes and ordinances.

Article 7 CONDITION OF PREMISES

Landlord covenants and agrees at the time the premises are made available to Tenant for occupancy the premises will be in a clean and usable state or condition so that Tenant may use the premises for the purpose intended under Article 4 hereof; subject only to the tenant finish improvements to be completed by the Tenant directly or through separate agreement.

Article 8 NOTICES

All notices or demands required to be given by one party hereto to the other shall be in writing and shall only be effective if delivered in person or mailed by certified or registered United States Mail,

To LANDLORD: Jackson County
Finance & Purchasing Director
415 E. 12th Street
Kansas City, Missouri 64106

To TENANT: City of Independence
City Manager
111 E Maple
Independence, MO 64050

or such other addresses as either party designates by notice, as provided in this Article 8, to the other party at any time.

All notices shall be effective upon being deposited in the mail in the manner above required; however, the time period in which a response to any notice must be given shall commence to run from the date of receipt by the addressee thereof as shown on the return receipt. Rejection or other refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice as of the date of such rejection, refusal or inability to deliver.

Tenant or Landlord may give electronic notice of the exercise of any option or of the need for emergency repairs.

Article 9 TAXES

The property is currently exempt from taxes. However, should that change, the Landlord will pay, when due, all ad valorem taxes, charges and assessments against the property, or any part thereof, in which the Leased Premises are located.

Article 10 INCREASES IN TAXES AND OPERATING EXPENSES

Increases, if any, in ad valorem taxes and Operating Costs during each year of the Lease term shall be borne by Landlord unless otherwise provided herein.

Article 11 MAINTENANCE BY LANDLORD AND TENANT

Landlord shall provide and maintain the exterior of said premises and grounds, the entire Leased Premises including, but not by way of limitation, all electrical, plumbing, elevator cars and machinery, heating, cooling and other building facilities and equipment, all entrances, stairways, passageways, and exits, so that at all times the Leased Premises will be in a good tenantable and safe condition for the use of all employees, patrons, agents and invitees of Tenant. This shall include, when necessary, the removal of snow from sidewalks and steps around and to the building.

Landlord further agrees to make, at Landlord's own expense, all changes and additions to the Leased Premises required by reason of any laws, ordinances, orders or regulations of the county, state or other public authority including the furnishing of required sanitary facilities and fire protection facilities.

Tenant shall be responsible for maintaining personal property and tenant finishes within the leased space, including being responsible for making any minor repairs (such as hanging portraits, changing light bulbs, carpet replacement, repainting, etc.).

Article 12 SERVICES, UTILITIES, AND FACILITIES

Landlord covenants and agrees to provide at its own expense:

(a) Public access to the building leased premises will be permitted from 7:30 A.M. to 6:00 P.M. on Monday through Friday and from 7:30 A.M. to 5:00 P.M. on Saturdays and Sundays, unless otherwise specifically approved by the Landlord for a special event in advance. Advance approval shall be obtained within ten (10) days of the event if at all practical. No routine security or janitorial services will be performed during Saturdays, Sundays, or Jackson County holidays by the Landlord. It is understood that events on the exterior building ground premises may require a Landlord special use permit and shall be governed by those procedures. Tenant agrees to ensure building is locked and fully secured upon closure of the building on days where Jackson County operations are closed (Saturday, Sunday, and county holidays). It is also hereby agreed that the building will be closed for public access during Labor Day weekend unless mutually agreed upon by the Landlord and Tenant.

Tenant staff shall have unrestricted access to the leased premises outside of the public access hours, but shall be fully responsible for ensuring the building remains secure at all times.

The tenant shall have access to the HVAC at all times.

(b) Elevator service at all times, as practicable.

(c) Water and sewer services for lavatory and drinking purposes as required by the Jackson County Building Code.

(d) Janitorial service on Monday through Friday once a day (Saturdays, Sundays and holidays excepted) including emptying of waste baskets, dusting of furniture and window frames, dry mopping of floors, vacuuming carpets, cleaning toilets and wash basins, providing paper towels, toilet tissue and soap, scrubbing and polishing of resilient tile floors as needed; provided that Tenant may opt to employ its own separate janitorial company for these purposes insofar as they relate to the space occupied by Tenant, instead of allowing the janitorial company of Landlord's choice to provide this service, subject to approval by the Landlord for general access to the building. Tenant may exercise this option at any time by giving Landlord thirty (30) days' written notice in advance thereof. However, exercising this option shall in no way be deemed a waiver by Tenant of the right to receive these services from Landlord, and Tenant may resume these services from Landlord with thirty (30) days notice to Landlord. Should the Tenant opt to provide its own janitorial service, the annual rent as set forth in Article 3 shall be reduced by 50%, not including the base rent.

(e) Adequate electrical service to the leased premises for lighting, business machines and business equipment.

(f) The Tenant will provide its own phone and computer connectivity, including a public wireless network within the leased premises and connectivity to the tenant's computer network. The connectivity plan must be approved by the Landlord prior to installation.

In the event the Landlord fails to provide any of the services required in sections (b), (c), or (e) for a period of more than five (5) consecutive days or more not caused by Acts of God, the base rent due under this Lease shall abate until such time as the services are restored.

Article 13 ALTERATIONS

Tenant shall have the right, from time to time at its option, to make, at its own cost and expense, interior changes, and improvements in and to the leased premises, provided, however, that such interior changes subject to the Landlord's consent which shall not be unreasonably withheld, and improvements shall comply with applicable laws, regulations and codes. Structural alterations will be subject to the approval of the Landlord and upon obtaining a building permit from the Jackson County Public Works Department. Any changes made by Tenant shall not relieve Landlord of its maintenance obligations. All fixtures, appliances and furnishings installed by Tenant at Tenant's expense shall remain the property of Tenant, even if affixed to the leased premises, except as otherwise provided in this Article 14, and/or, at Tenant's option, may be removed from the leased premises upon termination of the lease. Provided, however, that Tenant shall pay for any necessary repairs occasioned by the removal of such fixtures, appliances and furnishings within thirty (30) days of vacating the space. Tenant shall have thirty (30) days in which to remove all fixtures, appliances and furnishings upon termination of the lease.

Tenant, at the time of making such alterations or at any time thereafter during the term of the Lease or any renewals thereof, may elect for said alterations to become part of the premises and to remain with the premises subject to the Landlord approval and acceptance. At such time as Tenant makes this election, it shall so notify Landlord in writing in accordance with Article 8 hereof.

Article 14 DEFAULT

A. In the event Tenant shall default in the performance of any covenant or agreement herein contained, and such default shall continue for thirty (30) days after receipt by Tenant of written notice thereof given by Landlord, its agent or attorney, then Landlord, at its option, may declare the term of this Lease ended, and may re-enter upon the Leased Premises either with or without process of law and remove all persons therefrom; provided, however, that if any such default be of such a nature as to require more than thirty (30) days to cure, and Tenant undertakes a good faith effort to cure said default upon written notice from Landlord, then in said event this Lease shall not be subject to the provisions of this Article 16.

B. In the event Landlord shall default in the performance of any covenant or agreement herein contained other than those services required to be furnished by Landlord in accordance with Article 12 hereof, and such default shall continue for thirty (30) days after receipt by Landlord of written notice thereof given by Tenant, its agent or attorney, then no rent shall be paid or become payable under this Lease for such time as such default shall continue after the expiration of said thirty (30) days, and Tenant, at its option, may (1) declare the term of this Lease ended, vacate the Leased Premises and be thereby relieved from all further obligations under this Lease, or (2) pay any sum necessary to perform any obligation of Landlord hereunder which may be in default and deduct the cost thereof from the rents thereafter to become due hereunder, and if such rents shall not be sufficient to fully care for the amounts as paid out by Tenant, Landlord shall promptly reimburse Tenant with such additional amounts as are necessary. If at the termination of this Lease such amount as paid shall not have been entirely reimbursed, then the Landlord shall be obligated to the Tenant for any balance remaining unpaid and Tenant shall have, and is hereby granted, a lien therefore against the premises for such amount until the same is fully paid. The performance of each and every agreement therein contained on the part of the Landlord shall be a condition precedent to the right of Landlord to collect rent hereunder or to enforce this Lease against Tenant.

Article 15 HOLDING OVER

If Tenant holds over or remains in possession of the Leased Premises after expiration of the initial term of this Lease or any renewal term hereof, without any new lease or renewal agreement of said premises being entered into between the parties hereto, such holding over or continued possession shall, if rent is paid by Tenant and accepted by Landlord for or during any period of time Tenant holds over or remains in possession, create a tenancy from month to month only, at the monthly rental last in effect under this Lease and upon the terms herein specified, which may at any time be terminated by either party giving thirty (30) days' written notice to the other party, as provided for in Article 8 concerning Notices between the parties.

Article 16 SURRENDER OF PREMISES

Upon the expiration of this Lease, Tenant shall surrender the Leased Premises to Landlord, as said premises are then arranged, in as good order and condition as when first occupied by Tenant, damage by fire, the elements, structural defects and loss from other casualty not caused by the negligence of Tenant, its agent, servants and employees and ordinary wear and tear excepted. Landlord's claims regarding surrender of the premises shall be limited to within thirty (30) days from the expiration of the Lease.

Article 17 RENEWAL OPTIONS

Upon the expiration of the initial term of this Lease, Tenant shall have the right and option to extend and renew this Lease for an additional term of ten (10) years. Said option may be exercised by Tenant by giving written notice to Landlord at least ninety (90) days prior to the expiration of the initial term of this Lease and each renewal period.

Article 18 ASSIGNMENT AND SUBLEASING

Tenant shall not assign this lease or sublet the premises, or any part thereof, without first obtaining Landlord's written consent. No assignment or subletting, shall relieve Tenant of Tenant's liability under all the terms of the lease. The Landlord covenants that permission, when required hereunder, will not be unreasonably withheld..

Article 19 CASUALTY DAMAGE

In case the premises or any portion thereof hereby leased shall be destroyed or so damaged by fire, or so injured by the elements, or by any other cause, as in the judgment of Tenant to render the same untenable and unfit for occupancy, Tenant shall not be liable or bound to pay rent on any such portion thereof; and, accordingly, the rent shall abate in an amount equal to a percentage of the monthly rent as it bears to the ratio of the square

footage of the damaged or destroyed area to the total square footage of the rented area after such destruction or damage; or Tenant may thereupon, at its option, quit and surrender possession of the premises, but may, however, if it so elects, upon completion of repairs and restoration of said premises, reoccupy the same upon the same terms and conditions herein set forth, the payment of rent to be commenced from the date of such reoccupation. In case of destruction or damage or injury to said premises so that Tenant quits and surrenders possession thereof, as outlined above, Landlord shall promptly refund to Tenant any rent which Tenant may have paid to Landlord in advance, namely, rent for any period subsequent to the surrender of the premises by Tenant.

Article 20 NON-DISTURBANCE AGREEMENT

If Landlord should hereafter encumber all or any part of the Leased Premises with any ground lease, underlying lease, mortgage, deed of trust or other encumbrance or renew, modify, consolidate, replace or extend any such encumbrance, now or hereafter affecting said Leased Premises, any person thereby acquiring an interest in said Leased Premises shall hereinafter be called an "Interest Holder". Should an Interest Holder be acquired by the Landlord, the tenant reserves the right to terminate the existing lease without reason or explanation. Should the tenant choose to continue to occupy the premises with the Interest Holder it is expected that the Landlord shall require such Interest Holder to agree with Landlord and Tenant that in the event of any foreclosure or the exercising of other rights under any such encumbrance whereby any such Interest Holder shall oust Landlord of possession or assert any right of ownership which would in the absence of this Article 23 be inconsistent with the Tenant's rights under this Lease and prior to the expiration or termination thereof for any reason, then such Interest Holder exercising or exerting such rights agrees that this Lease shall, in accordance with its terms, remain in full force and effect as a direct Lease between said Interest Holder and Tenant. If successive rights should be asserted by any or several of the Interest Holders separately or in any combination, Tenant shall have the same rights to continue said Lease in effect in each such instance.

In order to effect the provisions of the preceding paragraph, each of the Interest Holders does hereby grant and demise to Tenant the Leased Premises for a term of years to commence when and upon the event that such right described in the preceding paragraph be exercised or asserted. Said term of years is to be upon the terms, covenants, promises, and agreements of the Lease as though said Lease were between the Interest Holder and Tenant.

In such event, Tenant shall be bound to the Interest Holder, the purchaser at a foreclosure sale, the receiver under any encumbrance, assignment of rents, or court order, each hereinafter called "Transferee" under all of the terms, covenants, promises and agreements of this Lease during the term thereof remaining and any renewal term thereof which may be effected in accordance with any right or option in this Lease, with the same force and effect as if Transferee were Landlord under the Lease, and Tenant does hereby attorn to Transferee (including any beneficiaries under the deed of trust, if any, if such beneficiaries should be the purchaser at foreclosure sale), said attornment to be effective and self-operating without the execution of any further instruments upon Transferee succeeding to the interest of Landlord under this Lease, but only if Tenant's rights under this Lease are not in any way diminished and Transferee assumes all obligations of Landlord under this Lease. Such Transferee shall be entitled to all of the rights and benefits of this Lease only insofar as such Transferee performs all obligations of the immediately prior Landlord under said Lease.

If Landlord should hereafter encumber all or any part of the Leased Premises with any encumbrance such as is described in this Article 23, Tenant agrees to cooperate with the Landlord in such manner as Tenant in its sole discretion shall determine to be reasonable if the acts requested of the Tenant are not in contradiction with this Lease and if Landlord pays all expenses required of the acts requested including Tenant's internal costs and its attorney fees therefor.

If Tenant should make any payment of rental at a date which is not more than thirty (30) days prior to the date such rental is due, such payment shall nevertheless be considered to be a rental hereunder. If Tenant should in good faith make payment of rental, even if the payment is made to the wrong person, such payment shall relieve Tenant of further liability therefor and shall be considered as rental paid. If Tenant is unable to determine to its satisfaction who is entitled to payment of rental, it may in satisfaction of its obligation for rental give notice to

those persons who may be entitled to payment of rental, as provided in Article 8 concerning Notices between the parties, that it has made payment and that it will henceforth make future payments to any bank or trust company which it shall designate. Such payments shall be made accordingly. Tenant shall in such event give instructions to the bank or trust company to hold the same in trust for the use and benefit of the person entitled thereto. Such bank or trust company shall be entitled to payment of its costs and fees, including attorney fees, out of the fund so deposited. The bank or trust company shall distribute the remainder of such fund to the person entitled thereto upon final determination thereof.

Article 21 CASUALTY INSURANCE

Landlord shall during the term of this Lease maintain a policy or policies of casualty insurance covering the Historic Truman Courthouse against all risks or perils as may at the time of the purchase or expiration of any policy purchased hereunder be covered by the broad form extended coverage endorsement or "all risk" policies then in general use in the Kansas City, Missouri metropolitan area.

The parties understand that Landlord may choose to maintain casualty insurance on the Leased Premises that covers the remainder of the Historic Courthouse as well as other facilities owned by Landlord. The parties further understand that Landlord's casualty insurance may carry a significant deductible or self-insured retention. In the event of a casualty loss that affects just Leased Premises portion of the Historic Courthouse, Tenant shall be responsible for the cost of repairs to the Leased Premises that are beneath the deductible or self-insured retention. In the event of a casualty loss that affects not only the Leased Premises portion of the Historic Courthouse, but other portions as well, Tenant shall be responsible for a pro rata share of the deductible, in the proportion that the loss to the Leased Premises bears to the loss to the entire Historic Courthouse.

Tenant recognizes that the Landlord is self-insured against liability claims relating to the ownership of public property. However, Landlord understands that it retains responsibility for the maintenance and upkeep of the Historic Truman Courthouse and its surrounding grounds, with the exception of that portion thereof leased hereunder to Tenant and dedicated to Tenant's exclusive use.

Tenant shall keep the tenant contents insured during the terms of this Lease against losses or damages by fire, lighting, windstorm, hail, explosion, riot and civil commotion, aircraft and vehicles, smoke and other available property insurance coverage's. Tenant shall provide proof of insurance to Landlord annually. Tenant may, with Landlord's written approval, choose to self-insure the risk of loss to its tenant contents.

Article 22 INDEMNIFICATION OF LANDLORD

Tenant agrees to indemnify and hold Landlord harmless from any and all loss, damage and expense including Attorney fees and court costs occasioned by or arising out of claims for injury to persons or damage to property in, upon or about the Leased Premises caused by or contributed to by the willful or negligent acts or omissions of Tenant, and to defend on behalf of Landlord any suit brought against Landlord for any such loss or injury.

Article 23 INDEMNIFICATION OF TENANT

Landlord agrees to indemnify and hold Tenant harmless from any and all loss, damage and expense including attorney fees and court costs occasioned by or arising out of claims for injury to persons or damage to property in, upon or about the Leased Premises caused by or contributed to by the willful or negligent acts or omission of Landlord or any person acting for or on Landlord's behalf, and to defend on behalf of Tenant any suit brought against Tenant for any such loss or injury.

Article 24 NON-EXCLUSIVE REMEDIES

No remedy herein conferred upon or reserved to Landlord or to Tenant is intended to be exclusive of any other remedy herein or by law provided, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Article 25 RECORDING OF LEASE

Neither Landlord nor Tenant shall record this Lease. At the time of the execution of this Lease, either party will upon request execute a Memorandum of Lease containing those terms of this Lease which are required in order to enable the same to be recorded.

Article 26 MISCELLANEOUS

Counterparts. This Lease may be executed in two or more counterparts, each of which shall deem to be an original, but all of which together shall constitute one and the same instrument.

Exhibits. The following Exhibits are attached to this Lease and are a part hereof and incorporated by this reference:

Exhibit A-Leased Premises Description

Governing Law. This Lease shall be governed by and construed pursuant to the laws of the State of Missouri.

Joint and Several. If either Landlord or Tenant constitutes more than one person, partnership, corporation, or other legal entities, the obligation of all such entities under this Lease is joint and several.

Severability. If any article, paragraph, clause or provision of this Lease is judicially determined invalid or unenforceable, such judgment shall not affect, impair or invalidate the remaining articles, paragraphs, clauses or provisions hereof, the intention being that the various articles, paragraphs, clauses or provisions hereof are severable.

Paragraph Headings and Article Numbers. The paragraph headings and article numbers appearing in this Lease are inserted only as a matter of convenience and in no way define, limit, construe, or describe the scope of intent of such sections or articles nor in any way affect this Lease.

Complete Agreement. This Lease sets forth the entire understanding of the parties and supersedes all prior agreements, arrangements and understandings relating to this subject matter, and may not be changed except in writing by the parties. No representation, promise, inducement or statement of intention has been made by either party which is not embodied in this Lease.

Article 27 TERMINATION

Either party may terminate this lease upon one hundred and eighty (180) days written notice to the other party; however, neither the Landlord nor Tenant may terminate the agreement within the first ten years of operation unless mutually agreed upon.

In the event of a breach of any of the terms of this Lease by either party, the non-breaching party may notify the breaching party of said breach in writing. Thereafter, if the breaching party fails to cure the breach within 45 days, the non-breaching party may terminate the lease with no financial obligation to the other party, except that, in the event of termination by Landlord for Tenant's failure to pay rent, Tenant shall be responsible for payment of rents due for the remainder of Tenant's then-current fiscal year.

Article 28 CONSENT

Whenever Landlord's consent is required, it shall not be unreasonably withheld. In the event Tenant requests Landlord's consent and Landlord shall fail to respond within ten (10) working days from the receipt of such request from Tenant, Landlord's consent shall be deemed to have been provided.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed as of the day and year first above written.

Date: Oct. 11, 2012

APPROVED AS TO FORM:

By

W. Stephen Nixon

W. Stephen Nixon, County Counselor

ATTEST BY:

Mary Jo Spino

Mary Jo Spino, Clerk of the County Legislature

Date: 10/2 2012

Landlord:

Michael D. Sanders

By:

Title: Michael D. Sanders, Jackson County Executive

Tenant:

Robert E. Heacock

By:

Robert E. Heacock
Ord. No. 11972

Title:

City Manager
City of Independence, MO