

RESOLUTION NO. 2613

A RESOLUTION OF THE KIRKLAND CITY COUNCIL AUTHORIZING A NEW LEASE WITH THE CELLAR GALLERY FOR THE BASEMENT SPACE IN THE KIRKLAND LIBRARY BUILDING OCCUPIED BY THE CELLAR GALLERY PRIOR TO THE LIBRARY REMODELING PROJECT, AND DIRECTING THE MAYOR TO SIGN SUCH A LEASE ON BEHALF OF THE CITY OF KIRKLAND.

WHEREAS, the area in the basement of the Kirkland Library building prior to remodeling was not suitable for efficient City use, and as surplus space, was made available on lease to the Cellar Art Gallery; and

WHEREAS, following remodeling of the library building, such space remains surplus space not suitable for efficient City use, and the Cellar Art Gallery has requested to resume occupancy of said space under a new lease, and

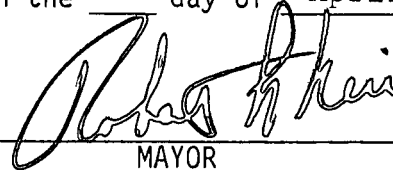
WHEREAS, the City Council finds that the Cellar Art Gallery has for many years provided social and cultural benefits and value to the citizens of the City of Kirkland; now, therefore, be it

RESOLVED by the City Council of the City of Kirkland as follows:

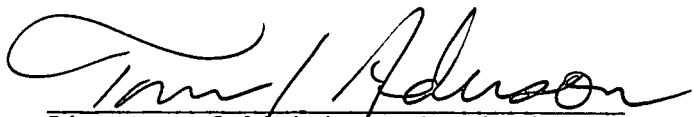
Section 1. The Mayor the City of Kirkland is hereby authorized and directed to sign on behalf of the City of Kirkland that certain lease between the City as lessor and the Cellar Gallery, a nonprofit Washington corporation, as lessee, as to the basement space in the Kirkland Library building, described and identified in said lease. A copy of said lease is attached to the original this Resolution, and by this reference incorporated herein.

PASSED BY MAJORITY VOTE of the Kirkland City Council in regular meeting on the 16th day of April, 1979.

SIGNED IN AUTHENTICATION on the 16th day of April, 1979.


MAYOR

ATTEST:


Director of Administration & Finance
(ex officio City Clerk)

L E A S E

THIS AGREEMENT made and entered into this ____ day of _____, 19__, by and between the City of Kirkland, a municipal corporation, hereinafter called the lessor and the Cellar Gallery, a nonprofit Washington corporation, hereinafter called the lessee,

W I T N E S S E T H :

1. Lessor does hereby lease unto lessee to have and to hold for a term of three years, commencing May 1, 1979 and ending April 30, 1982, those certain premises specifically described in Appendix "A" attached hereto and incorporated herein under the terms and conditions herein set forth. Said premises located in the basement of the City of Kirkland Library building.

2. Said premises shall be used by lessee exclusively as an art gallery and for activities related thereto.

3. The lessee has examined said premises and accepts them in their present condition.

4. Lessee, at lessee's sole expense, may, upon prior written approval by the governing body of lessor, remodel and decorate said premises in accordance with such plans and specification as have been approved by lessor. Lessee agrees, at its sole expense, to keep said premises throughout the lease term in as good a state and condition as they were at the commencement of the term or shall be following completion of any remodeling and decoration. Lessee further agrees to make all necessary repairs of whatever nature to the leased

premises, except repairs to the structural parts of the building (i.e., exterior of foundation walls and plumbing and other utility facilities serving the entire Library building or portions thereof beyond the leased premises) unless caused by the acts or negligence of the lessor, its employees or agents.

5. All improvements made by lessee to the leased premises shall belong to lessor and at the expiration of this lease (or any renewal thereof) lessee shall deliver up to lessor said premises (including such improvements) in good condition and state of repair, ordinary wear and tear thereof and damaged caused by the elements or fire excepted.

6. Utilities including water, sewer, electrical, heat and garbage shall be furnished by lessor and lessee shall pay to lessor for such utility services in advance each month, the sum of \$ 75.00 . The cost of utilities furnished to lessee shall be reviewed every six months and in the event there has been an increase in the cost of such utilities, the monthly utility payment shall be increased by the amount of the increased cost to lessor.

7. Lessee shall place no exterior signs on said premises or Library building nor make use of the landscaped and parking areas around the Library building as outdoor gardens for fountain and sculpture display, or any other use, without first obtaining approval of the Kirkland Library Board. Before giving such approval, the Library Board may, in its discretion, consult with the City Council.

8. The lessee shall carry such insurance as may be required to protect from loss or damage by casualty, fire

or theft of the art work and other property of lessee and third persons on display or otherwise located in the leased premises. Lessor shall under no circumstances be liable to either lessee or such third persons for such loss and lessee agrees to save and hold lessor harmless from any such claim, real or imagined, as may arise during the term of this lease or any renewal or extension thereof for the purposes of Sections 8, 9, 10 and 18, "leased premises" shall include the landscaped and parking area around the Library building.

9. Lessee agrees to save harmless and indemnify the lessor from and against any and all liabilities, judgment, expenses, costs and attorneys fees arising out of any negligent acts or omissions of the lessee, its agent and employees, and lessee shall obtain and keep in force at all times, liability insurance, in limits equal to those carried by the City of Kirkland, and in which the City of Kirkland shall be an additional named insured.

10. The expense of insurance as required by the terms of this lease to be carried by the lessee shall be at lessee's sole expense, and lessee shall at all times keep on file with the City of Kirkland, certificates showing that such required insurance is in force and effect. Such certificates shall further recite that the City of Kirkland shall be given ten days notice of cancellation or substantial change in the terms or conditions of such policy of insurance.

11. In the event fire should destroy the demised premises, the lessor shall be under no obligation to rebuild and the lessee under no obligation to pay further rent. In the event of minor damage to the building caused by fire or earthquake, the same shall be repaired by the lessor, but in the event said damage is considered by the lessor to be

major damage so as to render the premises unusable in whole or in part, rent shall be abated as a whole or reduced pro rata to the usability of said premises and the election shall be for the lessor as to whether or not the lessor shall repair, or reconstruct said premises within 15 days from the date of the damage, the lease shall be terminated and all rights hereunder shall cease.

12. The lessee shall not, without prior written consent of the lessor, sublet the whole or any portion of the leased premises nor assign to any person nor permit assignment of this lease of any interest thereunder, nor shall the interest of the lessee be transferred by operation of law through any execution or bankruptcy proceeding.

13. The lessor, or his agents, shall have the right at any and all reasonable times to enter upon the leased premises to view the state and conditions thereof or to make necessary repairs, alterations or improvements to the premises, building or property, but the privilege hereby given to the lessor shall not be construed in any manner as imposing any duty upon the lessor to make any such repairs, alterations or improvements.

14. The lessee shall regularly carry on its business as an art gallery in its normal and usual manner and in the event the lessee shall fail to be open to the public for 90 successive days, the failure shall be deemed to be a breach of covenant entitling the lessor to terminate this lease.

15. The lessee agrees to pay all rents herein provided for in advance as the same shall fall due and in case of any default in the payment or the performance of

any covenant or agreement herein contained to be performed by the lessee, the lessor may, at its option, enter into and upon the leased premises, or any part thereof, with or without the statutory notice, and hold the premises as if the lease had not been made, all without prejudice to any and all rights and remedies or actions which might otherwise be used with respect to any breach of any covenant or agreement herein and with the distinct understanding that the lessor shall be entitled, without regard to any such entry, to recover of and from the lessee all damages accrued or that may thereafter accrue by reason of the failure of the lessee to perform his obligation hereunder.

16. The monthly rental under this lease is hereby established at \$ 10.00 per month, payable in advance. It is understood and agreed that the lessee may be making certain ^{capital} improvements in the premises as referred to in paragraph 4 above and a substantial but undetermined portion of said improvements will enure to the benefit of lessor. Lessee, upon completion of said improvements, may be granted a credit toward said monthly rental to a maximum of 36 months.

17. The lessee shall, at the end of the within least term, have first right to renew said lease for an additional term of three years, commencing May 1, 1982 and ending April 20, 1985, under the same lease terms and provisions with the exception that in the event there has been an increase in the costs of utilities furnished to lessee, the monthly utility payment as set forth in paragraph 6 above, shall be increased by the amount of the increased cost to lessor. In the event lessee desires to exercise the option for renewal, lessee shall give written notice to lessor 60 days prior to the termination of the lease term.

18. The lessor shall not be liable to the lessee for and on account of any damage done to or sustained by the property of the lessee or properties of third parties on display in said gallery or located within the leased premises, caused by water getting into said premises or upon said premises from any source or cause whatsoever.


19. All of the terms, covenants, agreements, and obligations of this lease shall extend to and bind and enure to the benefit of the successors and assigns of the parties hereto.

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

LESSOR: CITY OF KIRKLAND

BY: 
ROBERT L. NEIR, MAYOR

ATTEST:


Director of Administration & Finance
(ex officio City Clerk)

LESSEE: CELLAR GALLERY

BY: _____
PRESIDENT

BY: _____
SECRETARY