HARDIN COUNTY FISCAL COURT RESOLUTION NO. 2022-121

WHEREAS, the Hardin County Attorney's Office employs approximately 32 attorneys and staff to carry out the functions of legal representation of county government, misdemeanor criminal prosecution/probation monitoring, and child support enforcement and is currently housed in the H.B. Fife Courthouse at 100 Public Square;

WHEREAS, currently only 12 parking spaces are provided for the 32 staff downtown;

WHEREAS, an agreement to explore the feasibility of a different use for the Courthouse for purposes of furthering the economic development of downtown Elizabethtown and consistent with the historic value of the building was entered into on January 25, 2022; and

WHEREAS, it is necessary for the County Attorney's Office to be located as close to the Justice Center as practicable;

BE IT RESOLVED, to enter into a long-term lease with 117 Properties for the provision of adequate office space and 47 parking spaces for the County Attorney's Office at 117 N. Main Street, Elizabethtown;

BE IT FURTHER RESOLVED, that Judge/Executive Harry L. Berry and County Attorney Jenny Oldham are hereby authorized to negotiate the final terms of a 10-year lease agreement for this purpose and consistent with this Resolution.

ADOPTED, this 28th day of June, 2022.

Harry L. Berry

Hardin County Judge/Executive

Attest:

Debbie Donnelly

Hardin County Clerk

LEASE Hardin County Attorney's Office Space

117 N. Main St., Elizabethtown, KY 42701

This lease is made and entered into this 28 day of 10NC 2022, by and between the Lessor, 1:17 Properties, LLC and the Lessee, Hardin County, Kentucky, for the property 117 N. Main St. Elizabethtown, KY, for the purpose of providing office space for the Hardin County Attorney's Office, hereinafter referred to as "Lessor" and as "Lessee".

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

- 1. <u>PREMISES</u>. The Lessor, in consideration of the rent to be paid and the covenants to be performed by the Lessee, does hereby demise and lease unto the Lessee, and the Lessee hereby rents from the Lessor, the building and real estate located at 117 N. Main St. consisting of 13,233 square feet of office space and 47 parking spaces.
- 2. TERM. This lease agreement is for a term of 10 years and the term shall commence only upon the completed remodeling suitable to the Lessee of the space and evidenced by the required signatures hereto, estimated to be on or before January 1, 2023 but no later than April 30, 2023. The Lessor shall pay a penalty of \$17,644 per month to the Lessee should the remodeling of the premises not be suitable or ready for occupancy by April 30, 2023. The Lessee may terminate this lease prior to the 10-year termination date without penalty by providing a minimum 24-month notice to the Lessor for cause. "For cause" shall be limited under this agreement to relocation of the Justice Center and/or the building or expansion of the County Government building.
 - 3. <u>SECURITY DEPOSIT</u> is waived by the Lessor.
- 4. <u>RENT</u>. The Lessee shall pay the first month of rent upon the commencement of this lease in the amount of \$17,644 which shall then become due on the first day of each month.

Lessor shall provide a discount to the annual lease cost in the amount of \$3500 if the Lessee prepays the annual rent amount. The lease amount shall remain fixed for a period of 5 years from the commencement date of the lease. The lease amount shall increase by 10% to \$19,408 per month in years 6 through 10.

5. TAXES, UTILITIES AND INSURANCE.

- (a) The Lessor shall, during the term of this lease, pay all real property taxes and assessments by any city, state, county, school district or other governmental entity assessed against the leased premises including all building and improvements presently thereon, and upon all additions, fixtures, improvements and repairs made upon the leased premises.
- (b) The Lessee shall responsible for the cost of all utilities, property signage regular interior janitorial maintenance, and minor interior/exterior maintenance costing less than \$250.00. Cost shall be determined at fair market value by at least 2 estimates of the Lessee's choice and a series of maintenance/repairs that are related to the same function shall be considered one job for purposes of determining responsibility.
- (c) The Lessor shall be responsible for the costs and completion of all maintenance needs costing more than \$250 but may work with the Lessee to provide the most cost- effective means agreeable to both Parties by the appropriate use of Lessee's personnel, resources and materials. Lessor shall provide a rent credit in the amount of the actual cost for such County personnel, resources and materials for maintenance and repairs costing more than \$250.
- (d) The Lessor shall be responsible for building maintenance which shall include but is not limited to, resurfacing of parking lot, roof repair, HVAC, plumbing and electrical repairs subject to Item c above.
 - (e) The Lessee shall, at its own expense, carry all risk and liability coverage for

the office and premises, including sufficient fire and extended coverage and/or other casualty for loss of use as well as coverage for Lessee's contents and personal property in an amount that the Lessee determines is sufficient. The Lessor's insurance policy will not provide loss coverage for the contents or personal property of the Lessee and the Lessee is encouraged to secure an insurance policy which provides coverage in an amount sufficient for loss or replacement of its personal property. The parties hereby release and agree to hold harmless one another from any liability for real or personal property loss unless it be by intentional act of the other party.

- 6. <u>OUTDOOR MAINTENANCE</u>: All routine lawn, parking lot and exterior signage maintenance, including all mowing, landscaping, leaf/brush/weed/snow removal shall be the responsibility of the Lessee, except for parking lot repairs above \$250 and resurfacing/striping of the lot. At all times, the exterior appearance shall be maintained in a presentable condition.
- 7. <u>BUILDOUT</u>: The Lessor and the Lessee shall work cooperatively prior to the commencement of the lease term for a redesign and buildout suitable to both Parties in design and cost. The buildout is anticipated to include, but is not limited to, façade replacement, flooring, redesign of space by elimination/placement of non-load bearing walls, paint, suitable entrances/exits and appropriate kitchen and bathroom space as well as sound elimination design and addition of maximum window utilization. The lease shall not commence unless and until a remodel deemed as satisfactory to the Lessee occurs to the premises.
- 8. <u>IMPROVEMENTS</u>. The Lessee shall have the right to make minor interior/exterior improvements subject to the prior approval of the Lessor provided that such improvement shall be done in a first-class workmanship manner. The Lessee shall pay for and provide all materials necessary to accomplish the interior improvements of which the Lessor has agreed. All such improvements or alterations shall be in accordance with the building code and

zoning laws of all governmental entities. All additions, improvements and repairs made upon said leased premises by Lessee are thereafter the property of the Lessor upon the termination of this lease, except any additions, improvements or repairs which the Lessee shall have attached to or installed in the leased premises without the intention of making the same a permanent installation, and which can be detached and removed without damage to the building and/or premises.

- INJURY TO LEASED PREMISES. The Lessee shall promptly notify the Lessor of any malfunction or needed repairs or damage to the property.
- 11. <u>WASTE</u>. Lessee shall not commit or suffer any waste or damage to any building or improvements on the leased premises and shall endeavor to keep the property free of unnecessary damage or disrepair.
- 12. <u>RIGHT OF INSPECTION</u>. The Lessee agrees that the Lessor or their representatives shall have the right at all reasonable times to enter upon and to inspect the leased premises to ascertain that the Lessee is carrying out the terms, conditions and provisions hereof, and to properly make any necessary repairs, improvements and alterations that are herein provided.
- 13. QUIET ENJOYMENT. The Lessor covenants and warrants that Lessee, on paying the rent herein specified, and on performance of all the terms and conditions of this lease agreement, shall at all times during the term hereof, peacefully and quietly hold and enjoy the leased premises.
- 14. <u>USE OF PARKING LOT</u>. The Lessor may request of the Lessee permission for the use of the parking lot for after business hours and weekend festivals and events. The Lessor shall provide sufficient notice and will maintain appropriate liability coverage for such use. At no time will the Lessee be held responsible for any damage or Injury to persons or property during such

permissive use by the Lessor. The Lessee shall have the authority to provide permission to other third parties for the lawful use of parking upon the premises without notice to the Lessor and at no time will the Lessor be held responsible for any damage or Injury to persons or property during such use by a third party. Enforcement of any parking restrictions during use shall be the responsibility of each party.

- 15. <u>ENCUMBRANCES</u>. The Lessee shall not allow or permit any liens or other encumbrance of any kind to be placed upon the leased premises.
- 16. <u>SURRENDER</u>. The Lessee shall surrender the leased premises to Lessor upon the termination of this lease agreement in as good condition and repair as the same shall be at the commencement of this lease, reasonable wear and tear excepted.
- 17. <u>HOLD HARMLESS</u>. Lessor and Lessee shall hold one another harmless from all cost and expense by reason of injury to any person or personal property on or about the leased premises, which injury results from the careless or improper conduct on the part of the other party, it's agents or employees.
- 18. <u>ASSIGNMENT AND SUBLETTING</u>. It is agreed that this lease shall not be assigned, transferred, or the premises, or any part thereof, sublet without the prior written consent of Lessor and subject to the conditions as Lessor may impose in her sole discretion.
- 19. <u>DEFAULT</u>. If default be made in any payment of said rent, or of any other term of this agreement, within sixty (60) days from the date said payment is due, Lessor may, at Lessor's election at any time while such default declare the said term ended and enter into possession of said premises and sue for and recover all rent and damages accrued or accruing under this lease or arising out of any violation thereof. All notices, demands and requests by Lessor to Lessee shall be sent to the Lessee at the leased premises or at such other place that Lessee may from time to

time designate in writing. All such demands, notices and requests by Lessee to Lessor shall be sent to Lessor at the below address or such other place as Lessor may from time to time designate in writing.

- 20. <u>CUMULATIVE RIGHTS</u>. It is agreed that each and every one of the rights, remedies and benefits provided by this lease agreement shall be cumulative and shall not be exclusive of any other of said rights, remedies and benefits or of any other rights, remedies and benefits allowed by law.
- 21. <u>WAIVERS</u>. One or more waivers of any covenants or conditions by Lessor or by Lessee shall not be construed as a waiver of a further breach of the same covenant or condition.
- 22. ATTORNEY FEES. That if either the Lessor or the Lessee should default in the performance of any term or provision of this lease, and the non-defaulting party should deem it necessary to engage legal counsel and institute legal proceedings to effect or compel performance of any provision of this contract, then and in that case the court hearing such proceeding shall be fully empowered and authorized to order the defaulting party to pay reasonable attorney fees to such complaining party for legal services rendered to and on behalf of such complaining party in such proceeding.
- 23. <u>BINDING UPON SUCCESSORS</u>. The terms, conditions and provisions of this lease agreement are binding upon successors.
- 24. <u>ENTIRE AGREEMENT</u>. It is expressly understood between the parties hereto that all agreements related to the lease of the premises are contained in this instrument, and no changes shall be made herein unless the same shall be in writing or duly signed by the parties hereto, subject to the provision of paragraphs 2, 5, 7 and 8.

IN WITNESS WHEREOF, Lessor and Lessee have executed this lease, consisting of 7 pages (inclusive of signatures) this day and year as set out above.

LESSOR: Hardin County, Kentucky 150 North Provident Way Elizabethtown, KY 42701 LESSEE:
1:17 Properties LLC

509 Assembly Drive Elizabethtown, KY 42701

Hardin County Judge/Executive

Authorized by Resolution: 2022-121

Brian Kerr