

LYNCHBURG COMMUNITY MARKET LEASE AGREEMENT  
ANNUAL LEASE  
PERMANENT SHOPS AND MINI-RESTAURANTS

This Agreement of Lease, made and dated -----, by and between the CITY OF LYNCHBURG, a municipal corporation of the Commonwealth of Virginia hereinafter referred to as the "Lessor",  
and ""

-----  
Hereinafter referred to as "Lessee".

WITNESSETH:

WHEREAS, the Lessor owns and operates a public facility known as the Lynchburg Community Market, located at 1219 Main Street, hereinafter referred to the "Community Market"; and

WHEREAS, the Lessee desires to lease a portion of the Community Market from the Lessor and the Lessor is willing to lease a portion of the Community Market to the Lessee on the following terms and conditions.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1. Articles of Exhibit

**Exhibit "A" General Site Plan of the Permanent Shop**

**Exhibit "B" Equipment Layout Under Stove Hood**

**Exhibit "C" Description of Premises, Tenants Trade Name and Use of Premises**

**Exhibit "D" Business Hours and Days of Operation (Including Holiday Hours)**

**Exhibit "E" Current Certificate of Insurance**

2. Premises. The Lessor hereby leases unto the Lessee shop space of **421** square feet located inside the Community Market. A sketch showing the location of the space leased unto the Lessee is attached to this Agreement, marked "Exhibit A", and by this reference made a part of hereof. The term "Floor Area" as used throughout this Lease shall mean and include the square footage of the Premises described in Exhibit A, measured from the exterior surface of the building walls, all of which form the perimeter of the premises.

3. Use of Premises. Lessee will use the premises for the express purpose of conducting their business as they are deemed compatible with the policies of the Community Market as defined by the application and selection process. The products that the Lessee will be offering for sale, the tenants Trade Name and description of premises is attached to this Agreement, marked "Exhibit C", and by this reference made a part of hereof.

The Premises are not to be used for any other purpose other than those listed under "Exhibit C" without the prior written consent of the Lessor. \_\_\_\_\_

4. Rental Rate 4.1. For the privileges granted to the Lessee herein, the Lessee agrees to pay an annual fee of ---- -in twelve (12) equal monthly installments of ----- for the rental of shop space **on the first day of each calendar month, without setoff, deduction, prior notice or demand**. If the Lessee fails to pay, when the same is due and payable, the minimum annual rental or maintenance fee the Lessee shall immediately pay a 10% late charge. The rental fee shall be paid at such place as the Lessor may from time to time designate. \_\_\_\_\_

It is understood and agreed that rental rates are subject to review at the end of each fiscal year and may be changed in July of each fiscal year to correspond with the prevailing rental rates established by the Lessor for the Community Market. The rental fees are to be paid in full at execution of this agreement. In the event the rental rates are increased in July of a fiscal year the amount of the increase will be payable in full upon the Lessees receipt of a bill from the Lessor.

4.2 Suppression System and Stove Hood Maintenance Rate. For the privileges granted to the Lessee to operate a Mini-Restaurant herein, the Lessee agrees to pay an annual fee of **\$35.00** for the Cleaning, Maintenance and Inspection of the Restaurant Kitchen Hood Fire Suppression System, *on the first day of each calendar month, without setoff, deduction, prior notice or demand.* The scope of the work will consist of cleaning the accessible interiors of the kitchen exhaust duct, fan, hood, and filters in the cooking exhaust system and an inspection of the fire system, semi-annually. If the Lessee fails to pay, when the same is due and payable, the monthly maintenance fee the Lessee shall immediately pay a 10% late charge penalty of 10% of the fee, plus an additional payment of 10% per day until the payment has been satisfied. The rental fee shall be paid at such place as the Lessor may from time to time designate. \_\_\_\_\_

It is understood and agreed that maintenance rates are subject to review at the end of each fiscal year and may be changed in July of each fiscal year to correspond with the prevailing rental rates established by the Lessor for the Community Market. The maintenance fees are to be paid in full at execution of this agreement. In the event the maintenance rates are increased in July of a fiscal year the amount of the increase will be payable in full upon the Lessees receipt of a bill from the Lessor.

4.3 Equipment Approval. For the privileges granted to the Lessee herein an appliances/equipment layout is to be submitted to the Market Manager with a sketch showing the location of the cooking equipment that will be placed under the ventilation/fire suppression hoods (e.g. electric table-top frying pans, electric grill, electric oven, etc.) in the space leased unto the Lessee attached to this Agreement, marked "Exhibit B", with accurate layout and dimensions of the appliances.

4.4 Suppression System Plans & Responsibility Upon completion of the layout, and drawings have been approved by the Market Manager, Business Manager of Parks and Recreation and the City of Lynchburg Engineering Department the Lessee CAN NOT change the location of the appliances, nor replace appliances without a new and approved written plan which is to be submitted to the Manager for approval. If the Lessee desires any repairs, improvements or changes equipment, the Lessee must first obtain the written permission of the Lessor so that the Lessee's work can be monitored by the Lessor. Such repairs, improvements or changes, if approved by the Lessor, are to be made at the sole expense of the Lessee.

5. Term of Lease. The term of this lease shall be for a period beginning on ----- and ending on -----. In the event the Lessee holds over after the end of the initial period of the lease the tenancy of the lease shall be from month to month and such tenancy shall be subject to all of the conditions and terms contained in this Agreement. Rent is due by the 1<sup>st</sup> date of each calendar month. Rent over thirty (30) days due is considered in default and cause for termination of this lease. \_\_\_\_\_

6. Duties and Prohibited Conduct. The Lessee must make arrangements at its own expense for the prompt removal of all garbage, trash, and other debris which are left in its portion of the leased premises. All such garbage, trash, and other debris must be removed from the premises as soon as reasonably possible at the conclusion of each business day and the Lessee must maintain the leased portion of the Community Market in a

condition acceptable to the Market Manager. Do not leave empty boxes, trash or other debris outside your shop during business hours. Tenant shall keep the Premises, and every part thereof, in a clean and wholesome condition, free from any objectionable noises, music volumes, fumes, vapors, odors (except into the exhaust system servicing Tenant's kitchens, to the extent such system is designed to handle such fumes, vapors or odors) or nuisances, and shall comply with all health and police regulations in all respects. Tenant shall not display or sell merchandise, or place carts, devices or any other objects, outside the defined exterior walls or roof and permanent doorways of the Premises or in corridors. Tenant shall not solicit or distribute materials in any manner in the Common Area of the Shopping Center without permission from the Market Manager.

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7. Parking. It is agreed and understood that the public parking places at the Community Market will be reserved for customer parking only. The tenant agrees to park only in the area reserved for vendor of the month during the rotation to which they are assigned. Vendors with handicap parking permits may use said parking as is required by law. Vendors parking illegally will be subject to towing according to the posted signage in the parking area. \_\_\_\_\_

8. Damage of Loss of Property. The Lessor shall not be liable for damage to or loss of any of the Lessee's property, merchandise, equipment, or the property or equipment of any or its agents or employees which is brought onto the premises, regardless of how such damage or loss may occur, including any losses or damages caused by electrical or equipment failure, thefts, fire or by any other reason whatsoever. It is expressly agreed and understood that the Lessee, its agents and employees, in placing property merchandise or equipment in and on the premises do so at their own risk. In the case of permanent shops, the Lessee is required to obtain general liability insurance, to be approved by the City Risk Management Department, with a copy of the policy on file at the Market Office.

9. Damage or Destruction of Lease Premises. If the Community Market shall be damaged by fire, the elements, the public enemy or by any other means, this Lease shall terminate, unless the Lessor shall within 30 days after such damage or destruction notify the Lessee of its intention to restore the premises to a tenantable condition. Prepaid rent will be prorated accordingly. The Lessee shall be responsible for repairing any damages to the premises or to the Lessor's property that are caused by the Lessee, its employees, agents or officials or any other persons the Lessee permits to be on the premises. All repairs made by the Lessee will be supervised by the Lessor and the repairs will be made in a matter satisfactory to the Lessor in accordance with the provisions of Paragraph 11 of this Agreement.

10. Laws, Ordinances, Regulations. In its use of the premises the Lessee agrees to abide by all applicable Federal, State, and City laws, ordinances, rules and regulations that are applicable to the use of the Community Market, now in force or hereinafter adopted. The Lessee agrees to observe all rules and regulations that may be promulgated from time to time by the Lessor. The existing rules and regulations that have been promulgated for the operation of the City Market are to be deemed a part of the Agreement as if set forth herein at length. The lessee also agrees to abide by all special conditions, if any, which are contained in the "Special Conditions" sheet, which, if applicable, is attached to this Agreement and made a part hereof". It is the Lessee's obligation to be at all times familiar with and comply fully with said rules and regulations, any violation thereof being a violation of this Agreement. In the event of any conflict between the terms of this lease and any applicable ordinances, laws, rules and regulations, the latter shall control the Lessee's activities at the City Market. The authority for the adoption of and the administration of rules and regulations applying to the Community Market has been delegated by the City Manager to the Director of Parks and Recreation.

11. Inspection of Premises and Equipment. The Lessee shall allow the Lessor and its agents and employees to inspect the premises and any equipment or property it brings onto the premises in order that the Lessor may determine if the Lessee is abiding by the terms and conditions of this Agreement. Lessee is required to provide the Market Office with a key to their permanent shop. In addition, the Lessee agrees that the premises, equipment and property shall be available for inspection by the State Fire Marshall, by State and City health authorities and other appropriate officials.

12. Maintenance of Premises. The Lessee has examined the premises and has agreed to accept them in their present condition. The Lessor will maintain the demised premises in substantially the same condition as they are at the present time. Upon termination of the Agreement, the premises will be returned to the Lessor in good repair, ordinary wear and tear excepted. While the Lessor reserves the right to enlarge or improve the premises the Lessor shall be under no duty or obligation to make any additional improvements to the premises during the term of this Agreement.

If the Lessee desires or is obligated under Paragraph 9 or this Agreement to make any repairs, improvements or changes in the demised premises, the Lessee must first obtain the written permission of the Lessor (City of Lynchburg, Market Manager) so that the Lessee's work can be monitored by the Lessor. Such repairs, improvements or changes, if approved by the Lessor (City of Lynchburg, Market Manager), are to be made at the sole expense of the Lessee. At the expiration of the term of this lease the Lessee shall have the right to remove from the premises any and all machinery, power plants, equipment or other items of the character of personal property, provided that such equipment or items are removable and have not become a part of the building, and that the Lessee in removing such machinery, power plants, equipment or other items will not damage, impair or in any way disturb the original building. Also, upon the removal of such machinery, power plants, equipment or fixtures it shall be the responsibility of the Lessee at its sole cost and expense, to return the premises to their original condition. *The Lessee will not be permitted to remove any machinery, power plants, equipment or other items if the Lessee is in default on any of the payments or obligations required of it herein.*

13. Assignment of Lease. The Lessee shall not assign the lease or sublet the premises or any portion thereof without the prior written consent of the City.

14. Termination. In the event the Lessee violates any of the terms, conditions and covenants contained in this Agreement, the Lessor shall have the right to immediately terminate this Agreement without prior notice to the Lessee and to immediately take possession of the demised premises. Failure of the Lessor to terminate this Agreement in the event of a breach of any of the terms, covenants, and conditions contained herein shall not construe a waiver of the right to so terminate in the event of any subsequent breach of the Agreement by the Lessee. Moreover, it is agreed that either party may terminate this Agreement of Lease by giving the other party 60 days notice in writing of its intention to terminate, whereupon the termination shall be effective at the expiration of the 60 day notice.

15. Notices. Any notice required under this Agreement to the Lessor shall be by ordinary mail, addressed to the Market Manager 1219 Main Street Lynchburg VA 24504. Any notice required under this Agreement to the Lessee shall be by ordinary mail addressed to the Lessee at the address set forth above.

16. Insurance and Indemnity. Permanent Shop and Mini-restaurant must acquire, and keep in force, commercial general liability insurance with a combined single limit of not less than \$1000,000 per occurrence including products-completed operations coverage issued by an insurance company authorized to do business in the Commonwealth of

Virginia and acceptable to the City of Lynchburg. The Vendor and his/her insurance company shall provide a certificate of insurance EXHIBIT E.

- Naming the City of Lynchburg as an “additional insured”;
- Stating that the insurance shall not be modified nor cancelled unless at least forty-five (45) days prior notice to the effect is given to the Business Manager, Parks & Recreation Dept., City of Lynchburg;
- Indemnifying, keeping and holding harmless the Lynchburg Community Market and the City of Lynchburg from any and all claims and demands, whether for injuries to persons, or loss of life or damage to property, on or off the premises, arising out of the use or occupancy of the premises by Vendor and shall defend at Vendor’s own expense any action brought against the Lynchburg Community Market, or its agents or employees, as a result of the Vendor’s acts or omissions.
- The failure to maintain the required insurance coverage will be grounds for the immediate termination of the lease without the requirement of advance notice by the City.

17. Tenants Conduct of Business

*Section 17.1 -- Operating Covenants: Lessee covenants and agrees that it will, continuously and uninterruptedly from the signing of this lease, (a) operate and conduct within the Premises the business which it is permitted to operate and conduct under the provisions hereof, except while the Premises are untenable by reason of fire or other casualty, (b) maintain within the Premises an adequate stock of merchandise together with sufficient personnel and Personal Property to service and supply the usual and ordinary requirements of its customers, and (c) keep the Premises in a neat, clean and orderly condition.*

*Section 17.2 -- Operating Days and Hours: Recognizing that it is in the interests of both Lessee and Lessor to have regulated hours of business for all of the Community Market, Lessee agrees to be open for business a minimum of 5 days per week. , commencing with the date of this lease and for the remainder of the Lease Term, Tenant shall be open for business daily according the terms listed by the Lessee in Exhibit C and shall continuously so remain open for business with its window displays, exterior signs and exterior advertising displays adequately displayed during all hours on all days on which Lessor, in its sole discretion, determines to open the Community Market for business to the public. Business hours must be clearly posted and followed.*

*Section 17.3 – Extended Closings: It is agreed that the Lessee shall have a maximum of 14 days that the tenant may close their shop for vacations with a maximum of those days to include no more than 2 Saturdays. Tenant will notify the Market Manager of these absences two weeks in advance and these absences will be clearly posted on the tenant’s signage 7 days in advance for notification to the public.*

*Section 17.4 -- Conducting Business After Hours: Lessor shall not be obligated to open the Community Market so that Lessee may conduct business except on those days and hours when (a) Lessor, in its sole discretion, deems appropriate. \_\_\_\_\_*

18. Discrimination. The Lessee and its employees, agents, volunteers or subcontractors shall not discriminate or permit discrimination against any person on the grounds of race, color, sex, or national origin, in connection with its use of the leased premises. Furthermore, the Lessee and its employees, agents, volunteers or subcontractors will not discriminate against and will make all reasonable efforts to accommodate persons with disabilities as required by the Americans with Disabilities Act.

19. General Provisions.

(A) The Lessee must comply with all Federal, State, and Local ordinances. Lessee agrees to obtain all business licenses, sales tax numbers and any other permits or licenses necessary for doing business at the Community Market, and pay all taxes accordingly.

(B) The Lessee agrees to be responsible for the methods of weights and measures by which its commodities are marked and sold, to be subject to all laws regarding such weights and measures and to take appropriate steps to determine that all weights and measures used in its business activities at the Community Market are true and accurate.

(C) The Lessee shall not make modifications to the shop, including installation of any electrical appliance or equipment, without the prior written consent of the Lessor.

(D) The Lessee agrees to be responsible for his own sales tax collection on taxable items and the reporting of the sale of such items to the State Department of Taxation.

(E) *The Lessee agrees that the Lessor and/or its authorized representatives shall have the right to enter the Premises at all reasonable times during usual business hours (7am to 5pm Monday through Saturday) in inspect or perform maintenance duties and any work therein that may be necessary to comply with any laws, rules or regulations of any public authority, the Insurance service office or any similar body.*

\_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have set their names and seals to this Agreement of Lease as of the day and year set forth above.

CITY OF LYNCHBURG

By: \_\_\_\_\_  
Market Manager

By: \_\_\_\_\_  
Director of Parks and Recreation

By: \_\_\_\_\_  
Lessee

By: \_\_\_\_\_  
Lessee

SPECIAL CONDITIONS

The following SPECIAL CONDITIONS are for the contractual period ----- . The SPECIAL CONDITIONS portion of this lease will not hold over month to month after the ending of the initial period of lease. The City of Lynchburg is in no way obligated to renew this portion of the contract in subsequent years.

**Shop Square Footage**

**Annual Rental Rate**

**Monthly Rental Rate**

Enclosed: Exhibit "A" --- General Site Plan of the Permanent Shop

Exhibit "B" --- Equipment Layout Under Stove Hood

Exhibit "C" --- Description of Premises, Tenants Trade Name and Use of Premises

Exhibit "D" --- Business Hours and Days of Operation (Including Holiday Hours)

Exhibit "E" --- Current Certificate of Insurance