Paseo Verde Library Coffee Shop
LEASE AGREEMENT

Revised December 2019

1. **PARTIES.** This LEASE AGREEMENT is between Henderson District Public Libraries herein referred to as LESSOR and JAMS Family, LLC, dba The Coffee Press, herein referred to as LESSEE.

2. **PREMISES.** LESSOR HEREBY leases to LESSEE and LESSEE leases from LESSOR, for the terms and upon the terms and conditions hereinafter set forth, the hereinafter described space in that certain building situated in the City of Henderson and being commonly known as: 280 S. Green Valley Parkway.

3. **TERMS.** The terms of this lease shall commence on the first day of January 2020 and shall continue for a period of two (2) consecutive years thereafter, terminating on December 31, 2021, unless sooner terminated or extended by negotiation of LESSOR and LESSEE. LESSEE shall be entitled to occupancy effective immediately.

   It is understood and agreed that at the end of said two (2) year term, the LESSEE shall have the option to renew this LEASE AGREEMENT upon the same terms and conditions as set forth herein for an additional period of two (2) years from the date of expiration of said term; provided, however, that the LESSEE shall give the LESSOR written notice of its intention to exercise said option to lease one hundred twenty (120) days prior to expiration of said term.

4. **RENT.** LESSEE agrees to pay to LESSOR or its designee a rental of $1.00 per square foot per month for the first two years of this Lease. Rental amount includes utilities costs. Rent may be adjusted at the discretion of the LESSOR at no more than 100% of CPI for each year thereafter. Such monthly rental is to be paid in advance on or before the fifth day of each calendar month. $10.00 will be assessed per month to cover the monitoring of the alarm. Upon execution hereof, LESSEE shall tender $526.00 for five hundred sixteen (516) square feet which sum shall represent the rent due and alarm monitoring for the month of January 2020 and continue monthly for the remaining term of the lease.

5. **USE.** The demised premises are to be used as a coffee shop. LESSEE shall at its own cost and expense obtain any and all licenses and permits necessary for such use. LESSEE will operate the coffee shop the hours the library is open or staff is present unless otherwise agreed to by LESSOR. LESSEE must contact the LESSOR regarding unscheduled closed periods. Seven (7) calendar days of unscheduled closed dates may be cause for termination of this Lease.

   LESSEE must submit a copy of the Health Department rating of the coffee shop within 10 calendar days of inspection. Demerits received must be listed in detail as reported by the County Health Department. If a rating less than an 'A' exists for more than a combined 30 calendar days throughout the course of the leasing year, the LESSOR may terminate the Lease.

   IMPROVEMENT EXPECTATIONS: The LESSOR expects that the LESSEE will maintain the space with modern fixtures and interior which should be comparable to Starbucks, The Coffee Bean and Tea Leaf, Einstein Brothers and other similar regional establishments. The hardware used to dispense product must be of high volume commercial capacity (no home or office volume hardware). If LESSEE intends during the duration of the lease to make major improvements to the space, LESSEE must submit improvement plans to LESSOR prior to submitting for permits.
   LESSEE Operational Staffing: LESSEE must maintain staffing adequate to cover business traffic demands as well as breaks for its employees. LESSOR understands that illness may occur. LESSEE

must remedy the shortage within 4 hours of said notice from their employee(s). Failure to remedy staffing shortages within the allotted timeframe on more than (3) three occasions within a leasing year may be cause for termination of this Lease.

LESSEE must submit an annual financial statement to the Executive Director of Henderson District Public Libraries, at the anniversary of this signing and shall provide said statement every year thereafter. This document will be a public document available to the Board of Trustees for review. If these documents are not received, the LESSEE shall be notified in writing and have 30 days to comply. Noncompliance shall be cause for termination of this Lease.

LESSEE must submit fingerprints for a background check with the State of Nevada and Federal Bureau of Investigation. LESSOR reserves the right to terminate the lease upon the finding of unfavorable results.

6. **SERVICES REQUIRED.** The LESSEE will provide specialty coffees, variety of specialty drinks, bottled, canned and/or fountain drinks and food such as salads and sandwiches. No cooking will be allowed on premises with the exception of soup warmers, toasters and a convection oven. Any changes in services must be approved by the LESSOR.

7. **TAXES.** LESSEE agrees to pay all taxes levied upon personal property, including trade fixtures and inventory, kept on the leased premises by LESSEE.

8. **MAINTENANCE.** LESSOR warrants that the building and improvements thereon will be in good and commercially operable condition at the commencement of the Leasing Period. LESSEE agrees to maintain the property and its fixtures, to suffer no waste, to keep the interior of the building in good repair, including the plumbing and electrical wiring, and to be responsible for all glass cleaning interior and exterior of said premises. The LESSEE is also responsible for all interior cleaning of the premises. LESSOR is responsible for landscaping maintenance of the exterior patio space while LESSEE is responsible for general cleaning of tables and trash pickup within the confines of the exterior patio. Any repair or scheduled maintenance to the plumbing and electrical wiring, which is less than $500, shall be the responsibility of the LESSEE.

9. **SECURITY SYSTEM**. The space has a separate security monitoring system installed. LESSEE is responsible for the $10.00 charge per month for monitoring the system, and any call out runner charges, reimbursable to the LESSOR. LESSOR is not responsible for contents of the premises related to any break-in or theft.

10. **ALTERATIONS**. LESSEE shall not make any exterior alterations, additions or improvements, including any sign, marquee, or awning, without securing LESSOR's written consent. Any such alterations, additions or improvements shall be made by LESSEE in a good workmanlike manner without cost to LESSOR.

11. **TRADE AND OTHER FIXTURES**. LESSEE may install or cause to be installed such equipment and trade or other fixtures as are reasonably necessary for the operation of its business. Such equipment and trade or other fixtures shall remain the personal property of LESSEE.

12. **CASUALTY DAMAGE**. Upon the occurrence of any casualty or peril, LESSEE shall give immediate notice to LESSOR. If, in the opinion of LESSOR, the leased premises are rendered substantially unfit for occupancy or use by any casualty or peril or the LESSOR shall decide not to build or remodel said premises, this Lease shall cease and rent shall abate from the occurrence of such casualty or vacation of the premises, whichever is later. If, in the opinion of LESSOR, the leased premises are not thereby rendered substantially unfit for occupancy or use, LESSOR shall promptly and diligently cause the damage to be repaired.

The LESSEE must undergo emergency training specific to the Paseo Verde Library regarding evacuation and general emergency protocol. This training will also include the proper protocol for communicating with the Paseo Verde Library's management team as well as the district's administration.

13. **LIABILITY INSURANCE HOLD HARMLESS**. LESSOR shall not be liable to LESSEE or LESSEE's employees, patrons or visitors for any damage to persons or property caused by any action, omission or negligence of LESSEE and LESSEE agrees to hold LESSOR harmless from all claims for any such damage.

    LESSEE agrees at LESSEE's expense to maintain in force continuously throughout the term of this lease public liability insurance covering the leased premises, with minimum limits of $1,000,000.00 for death or injury to one or more persons and $250,000.00 for property damage, and shall annually furnish LESSOR A CERTIFICATE BY THE INSURER THAT SUCH INSURANCE IS IN FORCE AND NAMING LESSOR as an additional insured.

14. **COMPLIANCE WITH LAWS**. LESSEE agrees to promptly comply with all applicable and valid laws, ordinances and regulations of Federal, State, County, Municipal or other lawful authority pertaining to the use and occupancy of the leased premises.

15. **ASSIGNMENT AND SUBLETTING**. LESSEE shall not assign this Lease or allow the same to be assigned by operation of law or otherwise or sublet said premises or any part thereof or use or permit same to be used for any purpose other than as above specified, without LESSOR's prior written consent. Any such assignment or sublease shall be subject to all of the terms and conditions of this lease and LESSEE shall remain primarily liable for the payment of the rent and the performance of all of the terms and conditions. In the event of business sale, a new lease will be signed by purchasers, relieving LESSE of obligation to this lease, after approval of LESSOR.

16. **BUSINESS SALE**. LESSEE must contact the director of the library district with his or her intent to sell 90 days prior to the sale. LESSEE must provide broker and selling agent information to the LESSOR within 7 business day of engaging said services. LESSEE must inform a potential buyer that he or she will be required to:
    - Meet with the Library District's administration
    - Submit a business plan to the library director
    - Submit their fingerprints for a background check with Nevada and the FBI (6-8 weeks for results)
    - Upon results of the fingerprinting process, present their request for a lease to the Library Board of Trustees
    - Leasing options and timeframes are at the sole discretion of the Board of Trustees. No assurance of lease is guaranteed with the purchase of the business

17. **BANKRUPTCY**. Should LESSEE make an assignment of benefit of creditors or be adjudicated bankrupt, such action shall constitute a breach of this Lease for which LESSOR, at its option, may terminate all rights of LESSEE under this Lease.

18. **EMINENT DOMAIN**. If all or any part of the leased premises is taken under the power of eminent domain or conveyed under threat of condemnation proceedings and LESSOR shall determine that the remainder is inadequate or unsatisfactory for the purposes of this Lease which determination shall not be arbitrarily or capriciously made then this Lease shall terminate effective as of the date LESSEE is required to give up the right to occupy or use the premises. LESSEE shall have no right to make any claim against LESSOR because of such termination.

19. **ATTORNEY'S FEES**. If suit is brought to enforce any covenant of this Lease or for the breach of any covenant or condition herein contained, the Parties hereto agree that the losing party shall pay to the prevailing party a reasonable attorneys' fee, which shall be fixed by the court, and court costs.

20. **DEFAULT**. In case of default by the LESSEE in any of the covenants on its part herein contained, LESSOR may enforce performance of this Lease in any manner provided by law, or, at the option of the LESSOR, this Lease may be forfeited in the event any such default continues for a period of twenty (20) days after LESSOR notifies the LESSEE of such default and of LESSOR's intention to declare the Lease forfeited, and upon the expiration of said twenty (20) day period (unless LESSEE shall have within such period commenced the removal of such default and thereafter shall proceed with due diligence until the default complained of has been removed or cured) this Lease shall cease and come to an end as if that were the day originally fixed for the expiration of the term thereof, and LESSOR's agent or attorney shall have the right without further notice to demand to re-enter and remove all persons from the premises without prejudice to any remedies for arrears of rent or breach of covenant, or LESSOR's agent or attorney may resume possession of the premises and re-let the same for the remainder of the term at the best rental such agent or attorney may obtain for the account of the LESSEE, who shall pay to the LESSOR any deficiency, and LESSOR shall have a lien as security for the rent reserved upon all the goods, wares, chattel, implements, machinery, equipment, fixtures, tools and other personal property belonging to LESSEE which are or may be put upon the leased premises.

In the event LESSOR shall default in the performance of any of the terms or provisions of this Lease, LESSEE shall promptly so notify LESSOR in writing. If LESSOR shall fail to cure such default within twenty (20) days after receipt of such notice, or if the default is of such character as to require more than twenty (20) days to cure and LESSOR shall fail to commence to do so within twenty (20) days after receipt of such notice and thereafter diligently proceed to cure such default, then in either event LESSEE may cure such default and such expense shall be deducted from the rent otherwise due, but any such default shall not work as a forfeiture of this Lease.

21. **HOLDING OVER**. Should LESSEE holdover the leased premises, or any part thereof after the expiration of the term of this Lease, unless otherwise agreed in writing, such holding over shall constitute and be construed as a tenancy from month to month only, at a monthly rental equal to the rent paid for the last month of the term of this Lease plus twenty percent (20%) of such amount.

22. **NOTICES**. Any notices permitted hereunder shall be in writing and delivered either in person to the other party or the other party's authorized agent, or by United States Certified Mail, Return Receipt Requested, postage fully prepaid, to the addressee set forth hereinafter, or to such other address as either party may designate in writing and deliver as herein provided:

LESSOR: Henderson District Public Libraries
280 S. Green Valley Parkway
Henderson, NV 89012
702-492-7252

LESSEE: JAMS Family, LLC, dba The Coffee Press
Attention: Benjamin Carvalho

176 Brighton Hills
Henderson, NV 89002
(714) 797-2739
bencarvalho@cox.net

23. **COMPLETE AGREEMENT**. This Lease contains a complete expression of the agreement between the Parties and there are no promises, representations or inducements except such as are herein provided. This Lease merges all prior negotiations and understandings between the Parties and constitutes their entire contract which is binding upon LESSEE and the heirs, executors, administrators, successors and assigns of LESSEE when executed by LESSEE, and is binding upon LESSOR, its successors and assigns, only if executed by a corporate officer of LESSOR, regardless of any written or verbal representation of any agent, manager or other employee of LESSOR to the contrary.

24. **NON-WAIVER**. The waiver by LESSOR of any breach of any term, covenant, or condition herein contained shall not be deemed to be 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 the LESSOR's knowledge of such preceding breach at the time of acceptance of such rent.

EXECUTED by LESSEE this 21st day of November, 2019.

JAMS Family, LLC:

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Ben Carvalho

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Marnie Carvalho

EXECUTED by LESSOR this 21st day of November, 2019

Henderson District Public Libraries:

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Mark McGinty, Chair
Board of Trustees