



## *Agenda Commentary*

**Item Title/ Subject:** Ground lease with Family Video

**Staff Source:** City Clerk Lisa Anders

**History/Background Information:** S.H.A.G. of Mississippi previously held the ground lease on the property belonging to the City of Clinton. The lease allowed for reassignment of the lease. At the previous meeting, Council approved the reassignment to Family Video Movie Club, Inc.

**Item/Subject Summary:** The ground lease presented is with Family Video Movie Club Inc. for the property in Lots 17 and 18, Block 20 of the original Town of Clinton, Custer County, Oklahoma.

**Price/Cost:** 0

**Recommendation:** Approve ground lease with Family Video Movie Club Inc.

## GROUND LEASE

This Ground Lease entered into by and between the City of Clinton, Oklahoma (hereinafter referred to as the "City"), and Family Video Movie Club Inc., a \_\_\_\_\_ (state) \_\_\_\_\_ corporation, (hereinafter referred to as "Family Video"), on this the \_\_\_\_\_ day of \_\_\_\_\_, 2011.

Whereas, the City owns Lots 17 and 18, Block 20, of the original Town of Clinton, Custer County, Oklahoma; and

Whereas, Family Video owns Lots 15, 16, 19, 20, 21 and 22, Block 20 of the original Town of Clinton, Custer County, Oklahoma; and

Whereas, the City utilizes Lots 17 and 18, Block 20, to provide drainage within the City and maintains a drainage ditch in, on, over, and across portions of Lots 17 and 18; and

Whereas, Family Video has developed a commercial building with parking on Lots 19, 20, 21, and 22, Block 20, and plans to develop a commercial building on Lots 15 and 16, Block 20; and

Whereas, Family Video either has or will concrete a portion of the property belonging to the City, i.e., Lots 17 and 18, Block 20, in conjunction with the development of its property for commercial business; and

Whereas, the City has "permitted" said development and the parties now desire to enter into a Ground Lease whereby the City conveys to Family Video the right to concrete and utilize Lots 17 and 18, Block 20, not inconsistent with the City's use, and to establish a payment by Family Video to the City.

Now, therefore, for the mutual consideration hereinabove recited and hereinafter set forth, the City of Clinton, Oklahoma, does hereby grant, bargain, sell, rent, and lease unto Family Video, a \_\_\_\_\_ corporation, Lots 17 and 18, Block 20 of the original Town of Clinton, Custer County, Oklahoma, on the terms and conditions hereinafter set forth, as follows, to-wit:

1. That the City shall have the right to utilize Lots 17 and 18, Block 20 for the purpose of providing drainage and maintaining a drainage ditch and/or flow line at its current elevation in, on, over, and across said Lots.
2. The City grants to Family Video the right to utilize and develop Lots 17 and 18, Block 20, not inconsistent with the City's current use of said Lots, for the purpose of developing Family Video development's adjoining Lots to include, but not limited to, concreting for parking or other uses not inconsistent with the City's drainage ditch.
3. Family Video agrees to maintain that portion of the drainage ditch it utilizes.

4. That the initial term of this Lease shall be five (5) years, from the date of execution, automatically renewable for three (3) additional five (5) year periods on the same terms and conditions as hereinafter set forth provided there is no breach of the terms and conditions of this Lease during the previous five (5) year term.
5. That Family Video shall pay unto the City Seven Hundred Fifty Dollars (\$750.00) per year as consideration for this Ground Lease, due at execution and annually thereafter.
6. Family Video agrees to defend and hold the City harmless from any and all claims, suits, or other liabilities asserted against the City on account of or as a result of Family Video's use of the property herein leased.
7. The City retains the right to access to its property and the drainage ditch located thereon for the purpose of conducting any and all work and/or activities required in order to maintain the drainage ditch in the condition the City deems necessary.
8. This Ground Lease is assignable by Family Video only with prior written consent of the City.

Witness the signatures of the parties on this, the \_\_\_\_ day of \_\_\_\_\_, 2011.

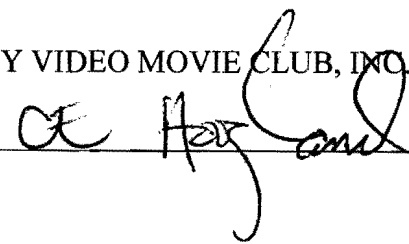
CITY OF CLINTON, OKLAHOMA

By: \_\_\_\_\_  
Allen Bryson, Mayor

ATTEST:

\_\_\_\_\_  
Lisa Anders, City Clerk

FAMILY VIDEO MOVIE CLUB, INC.

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

ATTEST:

\_\_\_\_\_  
\_\_\_\_\_, Secretary

State of Oklahoma  
County of Custer

Personally appeared before me, the undersigned authority in and for the aforesaid jurisdiction the named Allen Bryson, Mayor of Clinton, Oklahoma, and \_\_\_\_\_, City Clerk, who stated that they signed the above and foregoing Ground Lease on the day and year therein stated as the act and deed of the City of Clinton, Oklahoma, after first being authorized to do so.

This, the \_\_\_\_\_ day of \_\_\_\_\_, 2011.

\_\_\_\_\_  
Notary Public  
My Commission Expires:  
\_\_\_\_\_

State of \_\_\_\_\_  
County of \_\_\_\_\_

Personally appeared before me, the undersigned authority in and for the aforesaid jurisdiction the named C.E. HOUGLAND, President/Vice-President and JANET L. LANGFORD, Secretary of Family Video Movie Club, Inc., who stated that they signed the above and foregoing Ground Lease on the day and year therein stated as the act and deed of the City of Clinton, Oklahoma, after first being authorized to do so.

This, the 19 day of OCTOBER, 2011.



Rachael Heironimus  
Notary Public  
My Commission Expires:  
5/24/15