

INTRODUCED: March 14, 2022

AN ORDINANCE No. 2022-090

To authorize the Chief Administrative Officer, for and on behalf of the City of Richmond, to execute a Lease of Property between the City of Richmond, as lessor, and People Cycle, Inc., as lessee, for the purpose of leasing to People Cycle, Inc., a certain portion of the City-owned property located at 3011 Water Street.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: MAR 28 2022 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That the Chief Administrative Officer, for and on behalf of the City of Richmond, be and is hereby authorized to execute a Lease of Property between City of Richmond, as lessor, and People Cycle, Inc., as lessee, for the purpose of leasing to People Cycle, Inc., a certain portion of the City-owned property located at 3011 Water Street. The Lease of Property shall be approved as to form by the City Attorney and shall be substantially in the form of the document attached to this ordinance.

§ 2. This ordinance shall be in force and effect upon adoption.

A TRUE COPY:
TESTE:
Carolin D. Reed
City Clerk

AYES: 7 NOES: 0 ABSTAIN: _____

ADOPTED: MAR 28 2022 REJECTED: _____ STRICKEN: _____

O&R Request
February 15, 2022
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CITY OF RICHMOND

INTRACITY CORRESPONDENCE

O&R REQUEST

DATE: February 15, 2022

EDITION: 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: J.E. Lincoln Saunders, Chief Administrative Officer

THROUGH: Bobby Vincent, Director of Public Works

THROUGH: Sharon L. Ebert, DCAO – Planning & Economic Development Portfolio

FROM: Matthew A. Welch, Senior Policy Advisor

RE: New Lease with Richmond Cycling Corps (People Cycle, Inc.) for its bike rental and repair facility located on an approximately 2938 s.f. portion of 3011 Water Street

ORD. OR RES. No. _____

PURPOSE: To authorize the Chief Administrative Officer to execute the attached lease by which the City, as Lessor, would lease to People Cycle, Inc. as Lessee, an appx. 2,938 s.f. portion of city-owned real estate located at 3011 Water Street (the “Lease”).

REASON: An ordinance is necessary to authorize the contemplated Lease

RECOMMENDATION: The City Administration recommends approval.

BACKGROUND:

In May 2016, City Council adopted Ord. No. 2016-134, which authorized the lease of a portion of city-owned real estate located at 3011 Water Street to People Cycle, Inc. (dba Richmond Cycling Corps), a 501(c)(3) non-profit organization, for the purpose of enabling Richmond Cycling Corp to open the Kickstand, a bicycle rental/repair outpost in a repurposed shipping container, along the Virginia Capital Trail. The term of the lease has since expired and the parties desire to continue the relationship via a new lease substantially similar to the original. The new lease provides a new five-year lease term; provided, however, either party can terminate the lease at any time following the first year by providing thirty days written notice.

FISCAL IMPACT / COST: The City will receive nominal rent of ten dollars (\$10.00) per year. Lessee assumes all costs of maintaining the Leased Premises and any improvements thereon.

FISCAL IMPLICATIONS: N/A

BUDGET AMENDMENT NECESSARY: No

REVENUE TO CITY: Nominal rent of ten dollars (\$10.00) per year.

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: March 14, 2022

CITY COUNCIL PUBLIC HEARING DATE: March 28, 2022

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: LUHTC

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: None

AFFECTED AGENCIES: Economic Development, Public Works Planning and Development Review, City Attorney's Office

RELATIONSHIP TO EXISTING ORD. OR RES.: N/A

REQUIRED CHANGES TO WORK PROGRAM(S): None

ATTACHMENTS: Proposed Lease

STAFF: Matthew A. Welch, DED
Yvette Preston, DED
Jakob Helmboldt, DPW

LEASE OF PROPERTY BY THE CITY OF RICHMOND

THIS LEASE, made this ____ day of _____, 2022 by and between **PEOPLE CYCLE INC.**, a 501(c)(3) non-profit corporation (“Lessee”), and **THE CITY OF RICHMOND**, a municipal corporation of the Commonwealth of Virginia (“Lessor”), provides as follows:

FOR AND IN CONSIDERATION of the mutual covenants and conditions set forth herein, the Lessor and Lessee agree as follows:

AGREEMENT

THE PARTIES AGREE that Lessee shall lease the Leased Premises, as defined herein, from Lessor according to the terms of this agreement (the “Lease”).

1. LEASED PREMISES: Upon the terms, provisions and conditions hereof and each in consideration to the duties, covenants, and obligations of the other hereunder, Lessor hereby leases to Lessee and Lessee hereby leases from the Lessor a portion of that certain piece of property located at 3011 Water Street in the City of Richmond and referred to as City Tax Parcel ID No. E0000643001 in the City of Richmond, Virginia (the “Property”), such portion being shown hashed and labeled Leased Premises on the site drawing attached hereto and made a part hereof as Exhibit “A” (the “Leased Premises”).

2. TERM: This Lease shall commence on the ____ day of _____, 2022, and terminate on the ____ day of _____, 2027 (“Term”). Beginning one year after commencement of the Lease, the Lease shall be at will and either party may terminate this Lease by giving thirty (30) days written notice to the other.

3. RENT: Lessee shall pay Lessor Rent in the amount of ten dollars (\$10.00) per year, which Lessee agrees pay to Lessor as one payment of fifty dollars (\$50.00) prior to commencement of the Lease.

4. POSSESSION: Lessee shall have quiet and exclusive possession of the Leased Premises, except that Lessor shall have the right to enter thereon at any time for the inspection thereof or for making whatever repairs to the Leased Premises or to make repairs or gain access to the Property for whatever reason Lessor deems appropriate.

5. USE: Lessee may use the Leased Premises for any lawful purpose, provided such use is not otherwise in default of the terms of the Lease.

6. IMPROVEMENTS AND SERVICES: Lessor shall deliver the Leased Premises in “as is” condition. Lessee shall be responsible for all cost and expense of any and all improvements, services, and utilities required to operate and maintain the Leased Premises. Lessee shall maintain the Leased Premises in good order and state of repair.

Any improvements, shall be made in compliance with Chapter 17 of the City Charter, all zoning and building codes in effect within the City of Richmond, and any other applicable law. Any sign(s) installed on the Leased Premises shall comply with applicable zoning and building codes. Lessor shall not be obligated to provide for any improvements, services or utilities.

7. DEFAULT BY EITHER PARTY:

(a) If Lessee defaults on any obligation herein and fails to cure the default within thirty (30) days of receipt of written demand from Lessor, the Lessor, at its option, may terminate this Lease or seek redress, either at law or in equity, or any combination of such remedies.

(b) If Lessor defaults on any obligation herein and fails to cure the default within thirty (30) days of receipt of written demand from Lessee, then Lessee, at its option, may seek redress, either at law or in equity, or any combination of such remedies.

8 ENVIRONMENTAL CONDITIONS OF THE LAND: Lessee understands that tests for the presence of lead, asbestos, radon, Freon, methane and/or other gases have not been conducted. Lessor shall not be responsible for the correction of any environmental conditions on the Property, including the Leased Premises. In the event that either Lessee or Lessor discovers the presence of any environmental hazard or other public hazard, this Lease shall immediately become null and void and, at the request of the Lessor, Lessee agrees to vacate the Leased Premises immediately.

9. LIABILITIES:

(a) Lessee, at its sole cost and expense, shall carry and maintain a policy or policies of comprehensive general liability insurance insuring the Lessee against liability for injury to persons and damage to property occurring in or about the Leased Premises or arising out of the maintenance, use or occupancy thereof. The coverage shall list Lessor as an additional insured on the policy when the Lease goes into effect and throughout the Term, and coverage shall not be less than One Million Dollars (\$1,000,000.00) for any one person injured or killed and not less than One Million Dollars (\$1,000,000.00) for any accident causing injury (including death) to third parties or damage to property of Lessor or third parties. Such insurance shall be written or endorsed so as to preclude the exercise of the right of subrogation against the Lessor.

(b) Lessee hereby releases and indemnifies and agrees to defend, protect and hold harmless Lessor and Lessor's agents, employees, invitees and contractors from and against any and all losses, damages, claims, suits, actions, judgments and costs (including by not limited to reasonable attorney's fees) arising from or in connection with any injury whatsoever, including death and property damage, suffered by lessee or any of Lessee's directors, officers, employees, agents, invitees, or contractors arising out of or in connection with this Lease Agreement and the use or occupation of the Leased Premises

and other improvements, sidewalks, and street appurtenant to or adjacent to the Leased Premises, regardless of how such injury is caused, and whether such injury is caused, occasioned or contributed to, actually or allegedly, by the negligence, sole or concurrent, of Lessor or its agents, employees, invitees or contractors.

10. TRANSFER OR ASSIGNMENT: Lessee shall not sell, transfer, sublet or assign this Lease, or the Leased Premises described herein, without the express, written consent of the Lessor's Chief Administrative Officer or designee, which shall not be unreasonably withheld.

11. NOTICES: Any notice required to be sent in writing to Lessor shall be sent to:

City of Richmond
Department of Economic & Community
Development – Real Estate Services
900 E. Broad St., Suite 1603
Richmond, VA 23219

Any notice required to be sent in writing to Lessee shall be sent to:

People Cycle, Inc.
c/o Richmond Cycle Corps.
1717 Summit Ave.
Richmond, Virginia 23230

12. NON-WAIVER: No act of forbearance or failure to insist on the prompt performance of any provision of this Lease, either express or implied, shall be construed as a waiver of any of the terms, conditions, or rights created herein.

13. LESSEE'S COVENANTS: The Leased Premises shall not be used by Lessee unlawfully or so as to create waste or a nuisance. Lessee shall not, without prior written consent of Lessor:

- (a) make any structural alterations, or other major additions or improvements in, to or about the Leased Premises; or
- (b) permit the accumulation of waste or refuse matter; or
- (c) abandon the Leased Premises or permit the Leased Premises to become vacant or deserted; or

(d) permit any noxious or offensive activity that interferes with the conduct of business or peaceful occupancy of the Lessor or other possible tenants of the remaining portion of the Property.

14. LESSOR'S COVENANTS:

(a) Lessor shall provide to Lessee the exclusive use and possession of the Leased Premises during the Term; and

(b) Lessee shall have the quiet use and enjoyment of the Leased Premises.

15. SURRENDER OF PREMISES: The Lessee shall remove all of its property from the Leased Premises, including that attached to the freehold, upon the termination of the Lease. Upon Lessee's failure, refusal or neglect to do so, the Lessor's Chief Administrative Officer or designee may remove such property from the Leased Premises at the cost and expense of the Lessee, without liability to the Lessee for damages that may directly or indirectly result therefrom, or may allow such property to remain on the Leased Premises, and fee simple title to the property shall vest in the Lessor. Lessee shall peacefully yield to Lessor the property in as good order and repair as when delivered to Lessee, except for damage by fire, casualty, other insured events or ordinary wear and tear.

16. CONDEMNATION: If the whole or any part of the Leased Premises or all means of access thereto shall be condemned or sold under threat of condemnation, this Lease shall terminate, and lessee shall have no claim against Lessor to any portion of the award in condemnation for the value of any unexplored Term of this Lease. However, this shall not limit Lessee's right to compensation from the condemning authority for the value of any of Lessee's property taken (other than Lessee's leasehold interest in the premises). In the event of a temporary taking, this Lease shall not terminate, but the Term hereof shall be extended by the period of the taking, and the rent shall abate in proportion to the area taken for the period of such taking.

17. COMPLETE AGREEMENT: This Lease is the complete agreement between the parties on the matter contained herein. Any possible prior representation, promise, statement or condition is expressly superseded, and any possible oral statement modifying, amending, changing or supplementing this agreement is expressly excluded. This agreement may be modified, amended, changed or supplemented only in writing signed by the legally authorized agents of both parties hereto.

18. SUBJECT TO APPROPRIATION: All payments and other performance by Lessor under this Lease are subject to annual appropriations by the City Council for the City of Richmond ("City Council"); consequently, this Lease shall bind Lessor only to the extent the City Council appropriates sufficient funds for Lessor to perform its obligations hereunder.

WITNESS the following signatures and seals:

LESSOR
CITY OR RICHMOND

LESSEE
People Cycle, INC.

Chief Administrative Officer

By _____

APPROVED AS TO TERMS:

By _____
Economic and Community
Development

APPROVED AS TO FORM:


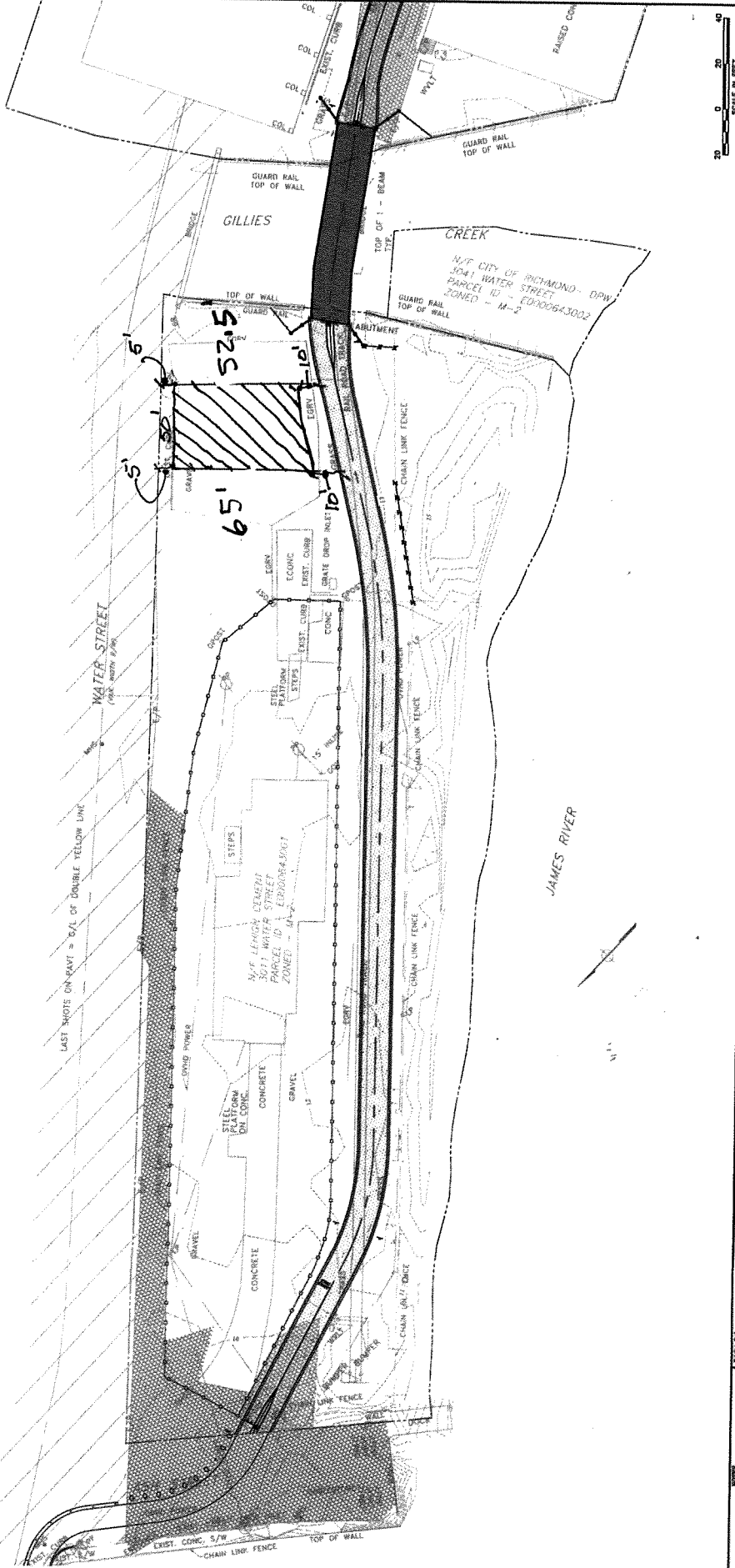
By  _____
City Attorney's Office

Exhibit "A"
Leased Premises



FKK VIRGINIA CAPITAL TRAIL #3
RICHMOND RIVERFRONT SECTION, SEGMENT III
LEASING PARCEL

DEPARTMENT OF PUBLIC WORKS
RICHMOND, VIRGINIA

PROJECT NO. 17-4207 DATE: 07/27/2017 SHEET 1 OF 28

SCALE IN FEET: 0 10 20 40

DATE: 07/27/2017

PROJECT: VIRGINIA CAPITAL TRAIL #3 RICHMOND RIVERFRONT SECTION, SEGMENT III

LEASING PARCEL: 3041 WATER STREET, RICHMOND, VA 23220

PARCEL ID: ED000643002

ZONED: M-2

OWNER: N/C CITY OF RICHMOND - DPW

DESIGNED BY: [Name]

CHECKED BY: [Name]

APPROVED BY: [Name]

DATE: 07/27/2017

SCALE: 1" = 10'

PROJECT NO. 17-4207

SHEET 1 OF 28