

BILL NO. 17-177

AN ORDINANCE APPROVING A SPACE LEASE AND PUBLIC SERVICE AGREEMENT TERMINATION BY AND BETWEEN CERNER PROPERTIES, INC, THE LEE'S SUMMIT R-VII SCHOOL DISTRICT, AND THE CITY OF LEE'S SUMMIT, MISSOURI.

WHEREAS, on June 17, 1999, the City Council passed Ordinance No. 4801, which approved the Summit Technology Center Lease (the "Lease") between the City of Lee's Summit (the "City") and Townsend Summit, LLC ("Townsend"); and,

WHEREAS, pursuant to the Lease, Townsend leased to the City approximately 22,316 square feet of space within the property described on Exhibit A to the attached Space Lease and Public Service Agreement Termination (the "North Building"); and,

WHEREAS, on June 17, 1999, the City Council passed Ordinance No. 4802, which approved the Summit Technology Center Public Service Agreement (the "PSA") between the City and the Lee's Summit R-VII School District (the "School District"); and,

WHEREAS, pursuant to the PSA, the City made available for use by the School District the 22,316 feet of space leased by the City from Townsend in the North Building; and,

WHEREAS, on May 5, 2005, the City Council passed Ordinance No. 5943, which approved the First Amendment to the Lease (the "First Lease Amendment"), amending the insurance requirements with respect to the Lease; and,

WHEREAS, on June 21, 2007, the City Council passed Ordinance No. 6437, which approved the Second Amendment to the Lease (the "Second Lease Amendment") in which Townsend leased an additional 22,372 square feet of space within the North Building to the City; and,

WHEREAS, on June 21, 2007, the City Council approved the Amendment to the Public Service Agreement (the "PSA Amendment") through the adoption of Ordinance No. 6436, in which the City made available for use by the School District the additional 22,372 square feet of space leased by the City from Townsend in the North Building; and,

WHEREAS, Cerner Properties, Inc. ("Cerner") is the successor in interest of Townsend to the North Building; and,

WHEREAS, the Lease provides for payment of Annual Base Rent (as defined in the Lease) on or before the 15th day of December each year and for Additional Rent (as defined in the Lease) consisting of Tenant's Expense Contribution (as defined in the Lease); and,

WHEREAS, the PSA provides that the School District is to pay the portion of the annual Tenant's Expense Contribution under the Lease when the Tenant's Expense Contributions when added to the Annual Base Rent exceeds the total of \$325,000 (the "School District Contribution"); and,

WHEREAS, the parties desire to terminate the Lease, as amended, and the PSA, as amended, to provide for final payments under the Lease and the PSA, and to release and discharge all the parties from any further obligations under the Lease, as amended, and the PSA, as amended.

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NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LEE'S SUMMIT, MISSOURI, as follows:

SECTION 1. The Space Lease and Public Service Agreement Termination, which is attached hereto as Exhibit A and incorporated herein by reference (the "Termination Agreement"), is hereby approved and the Mayor and the City Manager are authorized and directed to execute the Termination Agreement.

SECTION 2. City officers and agents of the City are each hereby authorized and directed to take such action and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance and the Termination Agreement.

SECTION 3. All ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed.

SECTION 4. This Ordinance shall be in full force and effect from and after its passage, adoption, and approval by the Mayor.

PASSED by the City Council for the City of Lee's Summit, Missouri, this _____ day of August, 2017.

Mayor *Randall L. Rhoads*

ATTEST:

Deputy City Clerk *Trisha Fowler Arcuri*

APPROVED by the Mayor of said city this _____ day of August, 2017.

Mayor *Randall L. Rhoads*

ATTEST:

Deputy City Clerk *Trisha Fowler Arcuri*

APPROVED AS TO FORM:

City Attorney *Brian W. Head*

EXHIBIT A

SPACE LEASE AND PUBLIC SERVICE AGREEMENT TERMINATION

[ATTACHED]