


MEMORANDUM

TO: Mayor Blad and City Council

FROM: Jared Johnson, City Attorney 

DATE: June 13, 2025

RE: Lease Agreement and Resolution – 430 Willard Avenue

I have reviewed the lease agreement and resolution between ARC of Bannock County and the City of Pocatello pertaining to the real property located at 430 Willard Avenue. I have no legal concerns with the City Council authorizing the Mayor's signature on the lease agreement and related resolution.

Please contact me with any questions or concerns.

LEASE AGREEMENT

THIS LEASE AGREEMENT, hereinafter referred to as “LEASE,” made and entered into this _____ day of _____, 2025, by and between the CITY OF POCATELLO, a municipal corporation of Idaho, hereinafter referred to as “LESSOR,” and ARC OF BANNOCK COUNTY, INC., a non-profit corporation registered in Idaho, hereinafter referred to as “LESSEE”:

WITNESSETH:

WHEREAS, on September 1, 1981, the City of Pocatello and ARC of Bannock County, Inc. entered into a lease agreement for the purpose of operating and maintaining a group home for physically and mentally challenged adults; and

WHEREAS, said lease was amended on June 24, 2009 to update the corporate and assumed business name; and

WHEREAS, Lessee has hereto conducted its business under a lease agreement which expired August 30, 2021 and desires to renew its Lease of the hereinafter described location.

NOW, THEREFORE, for and in consideration of the mutual covenants hereinafter contained, the Parties agree as follows:

1. TERM. The term of this Lease shall be for a period of two (2) years, commencing on July 3, 2025, and terminating on July 2, 2027.

2. PAYMENT. The rent for said premises shall be Two Dollars (\$2.00) for the entire term of this Lease. Payment shall be paid in full by July 5, 2025 and be paid to the City of Pocatello at the office of the Mayor.

3. LEASED PREMISES/IMPROVEMENTS. Lessor hereby lets and rents to Lessee the real property located at 430 Willard Avenue. All improvements to the leased premises located at 430 Willard Avenue must receive Lessor’s review and approval prior to the construction of said

improvements. All fixtures shall remain with the property and shall become the property of Lessor upon termination of this Lease. Lessee shall comply with local laws regarding signage for the premises.

4. MAINTENANCE OF LEASED PREMISES. Lessee shall be responsible for the maintenance of the leased premises during the term of the Lease. This includes maintenance of all structures (both interior and exterior) and grounds associated with said structures, including the sidewalk in front of the building. Lessee agrees to maintain and stripe the parking lot for the structure on the leased premises as needed. Lessee shall keep the premises free from debris, and shall at all times keep said property in a clean and well-maintained condition. Lessee shall, at the termination of this Lease, return the premises to Lessor in the same or improved condition, reasonable wear and tear excepted.

5. INSURANCE. In order to effectuate the subsequent indemnification provisions, Lessee shall maintain insurance coverage as follows:

A. Lessee shall purchase a comprehensive liability insurance policy in the amount of \$1,000,000 combined single limit to indemnify Lessor from any and all public liability claims. Further, such policy shall include coverage for fire legal liability to repair or replace the demised premises. Lessor shall be named as an additional insured or be acknowledged by Lessee's insurance carrier as a covered entity under the terms of said policy. Moreover, the Lessee is required to put its surety on notice, that said surety may not change or cancel the existing insurance policy with Lessee without first giving Lessor, City of Pocatello, at least thirty (30) days written notice.

B. Lessor does not provide insurance that will cover the Lessee's personal property that may be located on the demised premises. Lessee may purchase personal property

insurance in an amount sufficient to insure any and all Lessee's personal property which might be used in Lessee's operation of the business or which might be present on the airport premises. In the event Lessee elects to forego maintaining personal property insurance, and Lessee suffers loss of personal property stored on leased property, Lessor will not be held responsible due to Lessee's lack of personal property insurance.

C. If applicable, Lessee shall purchase Worker's Compensation insurance or the equivalent as required by Idaho Code.

D. An Accord Certificate of Insurance evidencing compliance with the foregoing insurance requirements shall be filed with the Clerk of City of Pocatello prior to or at the time of execution of this Lease. The above described insurance shall contain contractual coverage sufficiently broad to insure the provisions of Section 11 "Indemnification." The Lessee's failure to maintain insurance shall be a basis for immediate termination of this Lease.

6. REGULATIONS. Lessee agrees to comply with all applicable existing and future laws and regulations of the Federal Government, State of Idaho, and the City of Pocatello. Lessee shall at all times use the leased premises in a lawful manner.

7. DEFAULT. In the event Lessee shall be in default of any payment of rent or in the performance of any of the terms or conditions herein agreed to be kept or performed by Lessee, Lessor may terminate this Lease, pursuant to the conditions in section nine (9) herein, and Lessor may enter upon said premises and remove all persons and property therefrom without the necessity of litigation.

8. TERMINATION. Lessor may terminate this Lease by providing thirty (30) days written notice upon or after any of the following events: (a) Lessee files a voluntary petition in bankruptcy; (b) Lessee is adjudicated bankrupt by a court of competent jurisdiction; (c) a court takes jurisdiction

of Lessee and its assets under the provisions of any federal reorganization act; (d) a receiver of Lessee's assets is appointed; (e) Lessee is divested of its estate herein by other operation of law; (f) Lessee defaults under any of its obligations herein contained and fails to remedy such default within thirty (30) days receipt from Lessor of notice to remedy the same, provided that no notice of termination by Lessor will be effective if Lessee has remedied the default prior to receiving such notice of termination.

9. NO-FAULT TERMINATION. Either party may terminate this Lease upon thirty (30) days written notice.

10. RIGHT-OF-ENTRY. Lessor reserves the right to inspect the leased premises at any time during business hours to inspect for compliance with the terms of this Lease. Business hours shall mean Monday through Friday from 8:00 a.m. to 5:00 p.m.

11. INDEMNIFICATION. Lessee shall hold harmless, defend, and indemnify Lessor, its agents, officials, and employees, from any and all claims, actions, causes of action, suits, charges, and judgments whatsoever that arise out of Lessee's use of the leased premises during the term of this Lease.

12. UTILITIES AND SERVICES. Lessee shall pay for any and all utility costs associated with the use of the leased premises during the term of this Lease.

13. ASSIGNMENT OR SUBLEASE. Lessee shall not have the right to assign this Lease nor sublet any portion of the leased premises, without the prior written consent of the Lessor.

14. WAIVER OF DEFAULT. That failure by the Lessor to require the Lessee's strict performance of any covenant, promise, or condition of this Lease shall not affect the Lessor's right to subsequently enforce the same, nor shall a waiver of default be construed to be a waiver of any

succeeding default or a waiver of this clause. To be effective, any waiver by the Lessor must be in writing.

15. MERGER CLAUSE. That this writing represents the entire lease between the parties. No prior promises, representations, or agreements, written or oral, shall amend, change, or add to any of the express provisions herein.

16. CONSTRUCTION. That this Lease shall be construed pursuant to the laws of the State of Idaho. Venue shall be Bannock County. The parties agree that no construction of this Lease shall be made in a court of competent jurisdiction against the interests of any party to the Lease on the basis that the party had primary responsibility for drafting the Lease.

17. NOTICES. Any notices which either Lessee or Lessor may desire to serve upon the other shall be in writing and shall be deemed served when delivered personally, or when deposited in the United States mail with adequate postage, to the following addresses:

LESSOR: City of Pocatello
ATTN: City Clerk
P.O. Box 4169
Pocatello, ID 83205-4169

LESSEE: ARC of Bannock County
430 Willard Ave.
Pocatello, ID 83201

IN WITNESS WHEREOF, the parties have caused this Lease to be duly executed by their authorized representatives the day and year first-above written.

LESSOR:
CITY OF POCATELLO, a municipal
corporation of Idaho

BRIAN C. BLAD, Mayor

KONNI KENDELL, City Clerk

CYNTHIA BREWER, President

TANA FOSTER, Business Manager

On this _____ day of _____, 2025, before me, the undersigned, a Notary Public in and for the State, personally appeared Brian C. Blad and Konni Kendell, known to me to be the Mayor and City Clerk, respectively, of the City of Pocatello, and acknowledged to me that they executed the foregoing instrument for and on behalf of said municipal corporation and that said municipal corporation executed the same.

(SEAL)

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STATE OF IDAHO)
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 County of Bannock)

On this _____ day of _____, 2025, before me, the undersigned, a Notary Public in and for the State, personally appeared Cynthia Brewer and Tana Foster, known to me to be the President and Business Manager, respectively, of the ARC of Bannock County, Inc., and acknowledged to me that they executed the foregoing instrument for and on behalf of said non-profit corporation and that said non-profit corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(SEAL)

NOTARY PUBLIC FOR IDAHO

Residing in: _____

My Commission Expires: _____

RESOLUTION NO. 2025-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POCA TELLO, A MUNICIPAL CORPORATION OF IDAHO, APPROVING A LEASE AGREEMENT BETWEEN THE CITY OF POCA TELLO AND ARC OF BANNOCK COUNTY, INC. FOR THE LEASE OF CERTAIN REAL PROPERTY; DECLARING THE PROPERTY NOT NEEDED FOR CITY PURPOSES; AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AND ATTEST SAID LEASE AGREEMENT ON BEHALF OF THE CITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Pocatello (“City”) is the owner of certain property located at 430 Willard Avenue, Pocatello, Idaho; and

WHEREAS, ARC of Bannock County, Inc. (“ARC”) operates and maintains a group home for physically and mentally challenged adults; and

WHEREAS, ARC desires to enter into a Lease Agreement with the City for the above-described premises for the purpose of operating and managing a home for physically and mentally challenged adults; and

WHEREAS, the City Council has determined that leasing the subject property pursuant to the terms of the attached Lease Agreement is appropriate and is in the best interest of the citizens of Pocatello.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF POCA TELLO AS FOLLOWS:

1. The Lease Agreement attached hereto and made a part hereof is hereby approved both as to form and content.
2. The Mayor and City Clerk are authorized to respectively execute and attest said Lease Agreement for and on behalf of the City of Pocatello.
3. This Resolution shall be in full force and effect immediately upon its adoption and approval.

RESOLVED this ____ day of _____, 2025.

CITY OF POCA TELLO, a municipal
corporation of Idaho

BRIAN C. BLAD, Mayor

ATTEST:

KONNI R. KENDELL, City Clerk