

MAIN STREET INCENTIVE PROGRAM AGREEMENT

This Agreement was entered into on _____, 20____, between The City of Sidney, Nebraska, a municipal corporation, having its principal place of business at 1115 13th Avenue, City of Sidney, County of Cheyenne, State of Nebraska, referred to as Program Administrator, and _____, a person, corporation or limited liability company organized under the laws of the State of Nebraska, having its principal place of business at _____, Sidney, Nebraska, referred to as Lessor, and _____, a person, corporation or limited liability company organized under the laws of the State of _____, having its principal address at _____, _____, _____, referred to as Program Participant/Lessee.

RECITALS

The parties recite and declare:

- A. Lessor is the owner of the developed property in the Downtown Historic District in Sidney, Nebraska, legally described below.
- B. Participant/Lessee desires to lease the property for use as a retail store.
- C. Program Administrator operates a rental assistance program to provide loans to pay the first six months' rent, said loan to be forgiven if the Participant/Lessee remains at said location for a consecutive two-year period, otherwise to be repaid based upon Promissory Note given.

**SECTION ONE
DESCRIPTION OF PREMISES**

Lessor leases to Participant/Lessee the premises located at _____, Sidney, Nebraska, the same being a building consisting of _____ (____) floors, and approximately _____ (____) square feet of floor space, together with all furniture, furnishings, and trade fixtures contained in such building, as described in Exhibit _____ attached to and made a part of this Agreement, which location has been determined by Program Administrator to be in the Historic Downtown District in Sidney, Nebraska and qualifies for the Rental Assistance Loan Program administered by Program Administrator.

SECTION TWO

PURPOSE

A. Participant/Lessee shall use the demised premises for the exclusive purpose of conducting a retail sales business offering for sale at retail the following:

Participant/Lessee shall conduct the business during the hours of the day and during the days of the week as follows: _____

B. Participant/Lessee shall comply with all zoning, use, sales tax and other governmental regulations affecting the operation of the demised premises as a retail sales business.

**SECTION THREE
RESTRICTIONS ON USE**

A. Participant/Lessee shall not conduct any activity that is unlawful, in violation of state statutes or city ordinances, ultra hazardous or that would increase the premiums for liability insurance on the demised premises.

B. Participant/Lessee shall conduct no business except retail sales at the premises, except upon the written authorization of the Program Administrator and Lessor.

**SECTION FOUR
AGREEMENT CONDITIONAL**

A. Participant/Lessee must have submitted a Business Plan to the Program Administrator and same must be approved prior to payment of rents on behalf of Participant/Lessee by the Program Administrator.

B. Participant/Lessee must submit references and complete application information as requested to Program Administrator and a financial and background check must have been completed and approved by the Program Administrator or their designee.

**SECTION FIVE
TERM OF LEASE**

The term of the lease shall be for two (2) years, commencing _____, 20____, and terminating _____, 20_____.

SECTION SIX RENTAL

The full and only rental due for months one through six is \$500.00 per month. Program Administrator shall pay to Lessor Five Hundred Dollars (\$500.00) rental each month for the first six months of the Lease on Participant/Lessee's behalf as long as the retail sales business is continuing, said payments to begin on the ____ day of _____, 20____. The rent for the seventh through the twenty-fourth month will be _____ Dollars (\$_____) per month and will be payable by Participant/Lessee to Lessor at Lessor's address as stated above.

SECTION SEVEN REPAYMENT ON RENTAL LOAN

Participant/Lessee will repay all rental amounts paid by Program Administrator to Lessor on Participant/Lessee's behalf as set out in Section Six above beginning ten days after the termination of lease of the premises or other termination of the retail sales business which is the basis for this loan. Additionally, repayment is required and will begin if Participant/Lessee is thirty days past due in payment of a utility billing or sales tax submission or violates the restrictions on use stated in Section Three above. Repayment is due within ten days following any event noted above and is to be paid in full. No interest will accumulate on any payment made by the due date. Interest at twelve percent (12%) per annum will accumulate on any payments thirty days past due. Participant/Lessee will pay Program Administrator all fees and expenses of collection including attorney's fees for any collection services required to collect said loan repayment in full. Notwithstanding anything stated above, all of said rental amounts paid by Program Administrator on behalf of Participant/Lessee to Lessor will be forgiven if Participant/Lessee continuously operates the retail sales business as set out above and pays all utility billings and remits all sales tax required by law for a continuous two-year period coinciding with the term set out in Section Five above.

If Participant/Lessee defaults on loan and is determined insolvent to repay the loan, the repayment will become the responsibility of the building owner / lessor, who has financially benefitted from rental income under the program. The Landlord's signature validates the promissory note of repayment responsibility.

SECTION EIGHT PROMISSORY NOTE

Participant/Lessee will execute a Promissory Note in favor of Program Administrator for repayment of all funds paid by Program Administrator on Participant/Lessee's behalf as rental to Lessor as provided under the terms stated in Sections Five, Six and Seven above. Said Note will be cancelled and payment will not be required if, and only if, Participant/Lessee operates the retail sales business as noted above for a continuous two-year period for the term set out in Section Five above and makes payment of all utilities billings and sales tax during the term hereof.

**SECTION NINE
UTILITIES**

Participant/Lessee shall contract for and pay all utility services required on the premises.

**SECTION TEN
TAXES**

- A. Participant/Lessee shall pay all sales taxes. Lessor will pay all real estate taxes.
- B. Participant/Lessee shall pay all business taxes and license fees, if any.

**SECTION ELEVEN
ASSIGNMENT AND SUBLEASE**

During the term hereof, Participant/Lessee shall not assign this agreement or sublet the demised premises to another party without the express written approval of Lessor and upon repayment to Program Administrator of all sums paid by Program Administrator as rental on Participant/Lessee's behalf or on agreement to continue program by assignee and Program Administrator.

**SECTION TWELVE
INSURANCE**

Participant/Lessee shall carry fire and any other casualty insurance generally carried on a retail business on the business premises during the term of this Lease to cover casualty losses of its business inventory and equipment.

**SECTION THIRTEEN
GOVERNING LAW**

It is agreed that this Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Nebraska.

**SECTION FOURTEEN
ENTIRE AGREEMENT**

This Agreement shall constitute the entire agreement between the parties. Any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding upon either party except to the extent incorporated in this Agreement.

**SECTION FIFTEEN
MODIFICATION OF AGREEMENT**

Any modification of this Agreement or additional obligation assumed by any party in connection with this Agreement shall be binding only if evidenced in a writing signed by all parties or an authorized representative of each party.

SECTION SIXTEEN

CONTACT INFORMATION:

Applicant Name: _____

Address: _____

Phone(s): _____

E-Mail: _____

Renter Name: _____

Address: _____

Phone(s): _____

E-Mail: _____