AUTHORIZING A LAND LEASE AGREEMENT WITH INIGA, INC., d/b/a INIGA PIZZERIA NAPOLETANA, FOR A PART OF THE PROPERTY LOCATED ON THE EAST SIDE OF S. SECOND STREET AT 206 E. LINCOLN HIGHWAY, DEKALB, ILLINOIS, FOR AN OUTDOOR PATIO.

WHEREAS, the City of DeKalb (the "City") is a home rule unit of local government and may exercise any power and perform any function pertaining to its government and affairs pursuant to Article VII, Section 6, of the Illinois Constitution of 1970; and

WHEREAS, City staff and Iniga Pizzeria Napoletana negotiated an agreement attached and incorporated as Exhibit A (the "Lease") to lease part of the City's property located adjacent to 206 E. Lincoln Highway for use as an outdoor patio; and

WHEREAS, the City's corporate authorities find that approving the Lease is in the City's best interests for the protection of the public health, safety, and welfare; and

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF DEKALB, ILLINOIS:

SECTION 1: The recitals to this resolution are true, material, adopted and incorporated as Section One to this Resolution.

SECTION 2: The City's corporate authorities, by the affirmative vote of at least three-fourths of those then holding office, approve the Lease. The City's corporate authorities authorize and direct the City Manager to: (1) negotiate and execute the Lease with Iniga Pizzeria Napoletana; and (2) take all necessary acts to effectuate the Lease.

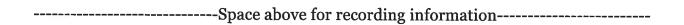
SECTION 3: This resolution and each of its terms shall be the effective legislative act of a home rule municipality without regard to whether such resolution should (a) contain terms contrary to the provision of current or subsequent non-preemptive state law, or (b) legislate in a manner or regarding a matter not delegated to municipalities by state law. It is the intent of the City's corporate authorities that if this resolution is inconsistent with any non-preemptive state law, this resolution shall supersede state law in that regard within its jurisdiction.

SECTION 4: This resolution shall be in full force and effect from and after its passage and approval as provided by law.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, at a Regular meeting thereof held on the 14th day of April 2025 and approved by me as Mayor on the same day. Passed by an 8-0 roll call vote. Aye: Zasada, Larson, Smith, Perkins, Powell, Verbic, Walker, Barnes. Nay: None.

CÖHEN BARNES, Mayor

Ruth A. Scott, Executive Assistant



LAND LEASE AGREEMENT **Between CITY of DEKALB** and INIGA, INC.

This instrument was prepared by the City of DeKalb. After recording return to:

City of DeKalb City Manager's Office 164 E. Lincoln Highway DeKalb, IL 60115

City of DeKalb Land Lease Agreement Page 2

THIS LAND LEASE AGREEMENT ("Lease") is entered into as of this April 14, 2025 ("Effective Date"), by and between CITY OF DEKALB, an Illinois municipal corporation ("CITY"), and Iniga, Inc. ("TENANT"), states as follows:

Recitals:

WHEREAS, TENANT desires to lease the land described on the attached and incorporated Exhibit A (the "Land") for the purpose of operating an outdoor food and alcohol service area on the Land, at its sole expense, in conjunction with its business located at 206 E. Lincoln Highway, DeKalb, Illinois, and

WHEREAS, CITY is a home rule unit under Illinois law and is willing to lease the Land to TENANT under this Lease; and.

NOW, THEREFORE, in consideration of the mutual covenants and agreement provided by this Lease and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

- **Recitals.** The recitals to this Lease are true, material, adopted, and incorporated as Section 1 to this Lease.
- **Demise.** CITY leases the Land to TENANT, and TENANT accepts the Land in its "AS IS" condition, free and clear of all warranties and representations, express and implied, regarding its condition, fitness, and suitability, during the Term provided by Section 3 of this Lease, on the terms and conditions provided by this Lease.

3. <u>Term</u>.

- **a. Base Term**. The term of this Lease shall be from the Effective Date, until April 30, 2026 (the "Base Term"), unless terminated earlier under this Lease.
- **b. Option Period.** After the end of the Base Term, the term of this Lease shall automatically renew on a month-to-month basis, beginning May 1, 2026, unless terminated earlier under this Lease or either party gives 30 calendar days written notice to terminate this Lease for any reason.
- 4. Rent/Insurance. The rent shall be \$0; provided, however, that TENANT shall maintain, at its sole cost and expense, during the Term of this Lease, comprehensive general liability, property damage, automobile liability, workers' compensation, and dram shop insurance coverages, with the minimum amounts required by law and the City's Liquor Code (Section 38.06 of the City's Municipal Code, which is incorporated herein by reference), which name CITY as an additional insured endorsement (except for the workers' compensation insurance coverage) on a primary, non-contributory basis, without right of contribution, and with waiver of subrogation. TENANT shall provide CITY proof of such insurance coverages upon CITY's request.

permanent improvements shall be constructed upon the Land, unless expressly approved, in writing, by the City Manager, following review and approval of detailed plans for such improvements. TENANT shall place on the Land, at its sole cost and expense, items such as tables, chairs, planters and other temporary improvements, subject to the approval of the CITY. The CITY shall have the right to approve the number, quality, design and layout of said items prior to TENANT placing same on the Land, which said approval shall not be unreasonably withheld (the "TENANT Improvements"). TENANT shall ensure that all TENANT Improvements comply with applicable laws, regulations, and the City's Municipal Code ("Applicable Law") including, but not limited to, accessibility requirements under Applicable Law.

Patrons of TENANT's business shall only be permitted to access the outdoor seating area through TENANT's building, and they shall not be otherwise permitted direct access/egress from the outdoor seating area (unless permitted pursuant to a special event agreement between TENANT and the CITY). TENANT shall implement reasonable measures to ensure that access to the Land is prohibited to minors. No service of any food or beverages, alcoholic or not, shall be permitted outside the Land or the fenced in portion thereof, except as otherwise permitted by the CITY. Within the fenced-in area, TENANT shall be permitted to utilize portable tables and chairs, and other similar temporary improvements.

TENANT shall not be allowed to have any TENANT Improvements that are not permanently affixed to the Land from November 1st through April 1st.

6. <u>Use.</u> TENANT shall use the Land solely for outdoor seating related to TENANT's restaurant business. All outdoor entertainment, music, and sale or consumption of alcohol shall be permitted as provided by the City's Municipal Code.

TENANT shall not use the Land, unless TENANT has performed the following conditions precedent: TENANT has submitted and obtained CITY approval of the proposed plans for TENANT's use of the Land; TENANT has provided to the CITY proof of the insurance coverages required under Section 4 of this Lease; TENANT shall procure and maintain all licenses and permits required under Applicable Law for the operation of TENANT's business and the outdoor seating area including, sending a copy of each said license and permit to CITY within fourteen (14) calendar days of obtaining them.

TENANT shall be allowed to serve alcoholic beverages on the Land to its patrons and customers who are at least twenty-one (21) years of age, provided that TENANT has complied with all requirements under Chapter 38 of the CITY's Municipal Code.

All approvals or decisions by the CITY under this Agreement including, but not limited to, hours of TENANT's use of the Land and the approval of the proposed

layout of TENANT's operations on the Land, shall be at the City Manager' discretion, except as may otherwise be provided by Applicable Law.

Ownership. City shall remain the owner of the ground constituting the Land.

During the Term of this Lease, all TENANT Improvements that have been permanently affixed to the Land shall be the CITY's property upon installation.

All TENANT Improvements that are not permanently affixed to the Land shall be the TENANT's property. If TENANT fails to remove such property before the expiration of the Term of this Lease, then TENANT shall have abandoned such property to the CITY, and such property shall be the CITY's property.

Maintenance and Repairs. TENANT shall, at its expense, keep, clean, maintain, repair, and replace, as reasonably determined by CITY, the Land and the TENANT Improvements, in good, clean, sightly, and safe condition during the Term of this Lease. TENANT shall daily return the Land to a broom-clean condition and remove any food, broken glass, trash, or other refuse during the Term of this Lease.

If TENANT does not perform its duties under this Section, and such failure continues for 5 calendar days after written notice thereof is given by CITY to TENANT, CITY shall have the right, but not the obligation, to terminate this Agreement, unless such maintenance or repairs cannot be completed within such five (5) calendar day period of time, if TENANT has commenced such maintenance or repair within such five (5) calendar day period of time and proceeds diligently to complete it as soon as practicable, in which case the five (5) calendar day period may be extended to a reasonable time not to exceed ninety (90) calendar days as reasonably determined by CITY.

CITY (or other governmental agency as may be appropriate) shall be responsible for the repair and maintenance of the public utilities portion of the Land, which shall include sanitary sewers, storm sewers, water mains, and appurtenances. CITY may repair damage caused directly by CITY, CITY's contractors, or their respective agents and employees, at the CITY'S sole expense. TENANT shall not be entitled to any compensation, reimbursement, or damages if any such repairs interfere with TENANT's rights or privileges granted hereunder. CITY shall have no responsibility or liability for any maintenance, repair, or replacement of any part of the Land and the Improvements, except for said public utility mains and appurtenances.

CITY and its agents, contractors, or designees, shall have the right to access the Land at any time without TENANT's consent for the purpose of repairing, replacing, or maintaining streetlights or traffic boxes and all appurtenances thereto, trees, or any other utility situated on the Land.

Taxes. TENANT shall pay, when due, all Taxes relating to the premises at 206 E. 9. Lincoln Highway during the Term of this Lease. The term "Taxes" under this Section shall mean all real estate taxes and assessments, whether they be general or special, sewer fees, rates and charges, transit taxes, taxes based upon Leases or the receipt of rent, and any other federal, state or local governmental charge, general, special, ordinary or extraordinary (but not including income or franchise taxes or any other taxes imposed upon or measured by CITY's income or profits, except as provided herein), levied or assessed upon or with respect to any part of the Land or the Improvements. If the State of Illinois, or any political subdivision thereof, or any other governmental authority having jurisdiction over any part of the Land or the Improvements: (a) impose a tax, assessment, charge or fee in place or partly in place of any Taxes or contemplated increase therein, or by way of substitution for any of the foregoing described Taxes, or (b) impose an income or franchise tax (other than an income or franchise tax applicable to businesses generally) or a tax on rents, which income or franchise tax or tax on rents is in substitution for or as a supplement to a tax levied against any part of the Land and the Improvements, all such taxes, assessments, charges, or fees shall also mean Taxes under this Section.

TENANT shall provide CITY with proof of payment of all Taxes upon written demand of CITY.

Sublease and Assignment. TENANT shall not be permitted, without the CITY's prior written consent, which may be withheld for any reason, to: (i) assign or transfer, (ii) allow to exist or occur any transfer of or lien upon this Lease or TENANT's interest herein, or (iii) permit the use or occupancy of the Land and the Improvements or any part thereof for any purpose not expressly permitted, or by anyone other than expressly permitted.

TENANT shall not be permitted to mortgage, pledge, or encumber this Lease or any interest under it.

- **11. Default.** TENANT shall be in default under this Lease ("Default") under the following circumstances:
 - **a.** TENANT fails to fulfill any other obligation hereunder and such failure continues for five (5) calendar days after written notice thereof by CITY to TENANT;
 - **b.** TENANT is in default of any financial obligation or debt due to the City or TENANT violates the hours of operation for its use of the Land;
 - **c.** TENANT's liquor license is revoked, terminated, or suspended by the CITY;
 - **d.** TENANT breaches this Lease and fails to reasonably cure such breach following the CITY's written notice of such breach; and

e. TENANT violates the CITY's Municipal Code following a due process hearing.

In the event of a Default, CITY shall have the right to pursue all remedies against TENANT under applicable law.

Termination. CITY may terminate this Lease if TENANT is in Default and has failed to cure such Default as provided by this Lease.

Upon termination of this Lease, the Term shall be deemed expired, and the CITY shall retain sole ownership of, and all right, title, and interest in and to, the Land and Improvements, free and clear of all security interests, mortgages, liens, and encumbrances.

TENANT may terminate this Lease for any reason upon giving 30 calendar days written notice to CITY.

- **Surrender of Land and Improvements.** Upon the termination of this Lease, TENANT shall surrender possession of the Land to CITY and deliver said Improvements to CITY, and TENANT shall return the Land to CITY in as good a condition as when TENANT originally took possession.
- 14. <u>Holding Over</u>. If TENANT retains possession of the Land and the Improvements, or any part thereof, after the termination of the Lease, TENANT shall pay to CITY all damages suffered by CITY on account of such holding over by TENANT. The provisions of this Section shall not be deemed to limit or constitute a waiver of the right of CITY to evict TENANT as provided by law.
- **Indemnification.** TENANT agrees to waive, release, defend, indemnify, and hold harmless the CITY and its officers, agents, and employees from and against all causes of action, claims, costs, damages, judgments, liabilities, and attorney's fees arising out of or related to this Lease, the Land, the Improvements, TENANT's use of the Land, and the acts or omissions of TENANT and its officers, agents, employees, and invitees.
- **16. Damage and Destruction.** If the Land or the Improvements are damaged or destroyed by accident, fire or other casualty, this Lease shall be deemed terminated as of the date of such damage or destruction upon written notice of same.
- 17. <u>Alterations</u>. TENANT shall not make any alterations to the Land without obtaining all required permits and obtaining the express written permission of the City Manager (separate from any permits), and all requests shall be reviewed in the sole and absolute discretion of the CITY. TENANT shall give CITY written notice of its intent to perform such Alterations at least five (5) business days prior to the commencement of such alterations. Such notice shall include a reasonably detailed description of the proposed Alterations.

All TENANT Alterations shall be done in a first-class, skillful manner, using only good grades of materials, and shall comply with Applicable Law. Within thirty (30) days after substantial completion of any TENANT Alterations, TENANT shall furnish to CITY "as built" drawings of such work.

All work performed on the Land shall be deemed to be Public Works for the purposes of the Illinois Prevailing Wage Act, and TENANT shall pay prevailing wages and maintain certified payroll records under the Prevailing Wage Act.

Substance to be used, stored, generated or disposed of on or in the Land or the Improvements. "Hazardous Substance" shall mean any substance that is toxic, ignitable, reactive or corrosive or that is regulated by any federal, state or local governmental agency, law, rule or ordinance, and includes without limitation any and all material or substances defined as "hazardous waste," "extremely hazardous waste," or a "hazardous substance" pursuant to any federal, state or local governmental agency, law, rule or ordinance, asbestos and asbestos containing materials, PCB's (polychlorinated biphenyls), petroleum and petroleum products, chemicals known to cause cancer or reproductive toxicity, pollutants, contaminants and substances which are or may be toxic to humans, animals, plants or the environment.

19. Miscellaneous.

- **Eminent Domain.** Notwithstanding any other provisions of this Lease, TENANT acknowledges that CITY shall have the power to take the interest of TENANT under this Lease by eminent domain or condemnation proceedings, and TENANT shall not be entitled to any just compensation.
- lights; Signs. TENANT shall not post, install, erect or operate any lighting, sign, placard or poster on any part of the Land and the Improvements without the express written consent of CITY and in accordance with this Lease. Such lighting shall not be confusing, blinding, or inhibiting to traffic on surrounding streets, as determined by IDOT or the CITY in their sole discretion, and shall comply with locally-adopted building codes. If after installing such lighting, either IDOT or CITY determines that such lights are confusing, blinding, or inhibiting to traffic, then TENANT shall take such actions as are necessary to correct such problem, including redesigning, replacing or removing of such lighting, at TENANT's sole cost.
- **C.** Grant of Easement and Rights to Public. TENANT further grants unto CITY, its successors, and assigns, for the benefit of the general public at large, an easement and a continuing right of way for the free and unobstructed passage of underground utilities, and underground or aboveground appurtenances on the Land, by whomsoever owned or operated, in and through, under and across the Land and the Improvements.

- **d.** <u>Binding on Successors.</u> This Lease shall be binding on and inure to the benefit of the lawful assigns, successors, heirs, legatees, and personal representatives of the respective parties.
- **e. Severability.** The provisions of this Lease shall be severable in respect to a declaration of invalidity of any provisions.
- **Maiver.** The waiver by the CITY of any breach of the terms, covenants or conditions shall not be deemed a waiver of any subsequent breach.
- **Survival.** Without limitation on any other obligations of TENANT or CITY, which shall survive the expiration or termination of this Lease, the parties' respective obligations to indemnify, defend and hold harmless the other party and others pursuant to any provisions of this Lease shall survive the expiration or termination of this Lease.
- h. <u>Cumulative Remedies; Illinois Law</u>. The CITY's rights and remedies under this Lease are cumulative, and not exclusive of other rights or remedies allowed by law or equity. This Lease is declared to be an Illinois contract, and its terms shall be governed by Illinois law.
- **i.** <u>Venue.</u> The venue of any action brought on this Lease shall be in DeKalb County, Illinois.
- j. Notices. All notices, waivers, demands, requests, or other communications required or permitted under this Lease shall, unless otherwise expressly provided, be in writing and be deemed to have been properly given, served and received (a) if delivered by messenger or email, when delivered, (b) if mailed, on the fifth (5th) business day after deposit in the United States Mail, certified or registered, postage prepaid, return receipt requested, or (c) if delivered by reputable overnight express courier, freight prepaid, the next business day after delivery to such courier, in every case addressed to the party to be notified as follows:

If to CITY: City Manager DeKalb City Hall 164 E. Lincoln Highway DeKalb, IL 60115 If to TENANT: Tom Cotingim Iniga Pizzeria Napoletana 206 East Lincoln Highway DeKalb, IL 60115 City of DeKalb Land Lease Agreement Page 9

IN WITNESS WHEREOF, the parties have caused this Lease to be executed and entered into as of the Effective Date.

LESSOR:

CITY OF DEKALB

Cohen Barnes, Mayor

ATTEST:

Ruth Scott, Executive Assistant

Date

TENANT:

BY:

Tim Cottingim - Iniga, Inc.

5-8-25

Date

Exhibit "A" to Land Lease Agreement DESCRIPTION OF LAND

A 17 foot wide parcel located within South Second Street right of way lying west and adjacent to the north 62 feet of Lot 62 in Block 11 of County Clerk's Subdivision of in the City of DeKalb, DeKalb County, Illinois.

