




LR30.080

INTEROFFICE MEMORANDUM

TO: Planning Board
 Board of Finance
 ✓ Board of Representatives

FROM: David R. Martin, Mayor 

DATE: September 24, 2019

RE: Lease Agreement; The Stamford Federal Credit Union

Attached, please review the attached Agreement and advise your recommendation regarding approval.

Thank you.

Enc.





CITY OF STAMFORD, CONNECTICUT
INTER-OFFICE CORRESPONDENCE



September 20, 2019

TO: Mayor David Martin
FROM: Chris Dellaselva
RE: Lease Agreement between the City of Stamford &
The Stamford Federal Credit Union

Dear Mayor Martin,

Following this cover are **three (3) copies** of a proposed Lease Agreement. The Stamford Federal Credit Union leases approximately 3,193 square feet of office space on the 6th floor of the Stamford Government Center and a space for an ATM in the lobby. The term of the Lease will be for an initial five (5) year term, with an option to extend the Lease for two (2), consecutive five (5) year terms. SFCU is currently paying rent to the City in the amount of \$37,390.03. By this Lease, the rent will increase by \$4,023.18 to a yearly rent of \$41,413.21. It will continue to increase by that amount for years two (2) through four (4) and by \$3,991.25 at year five (5).

The Lease Agreement requires the approval of the Planning Board, Board of Finance, and Board of Representatives. I have approved the lease as to form and David Villalva has approved the insurance requirements. If agreeable please now forward this lease to the Planning Board, Board of Finance and Board of Representatives for approval, in that order. **After Board approval, two originals will be sent to you for signature.**

The business manager of these services is Mark McGrath. Please direct any questions regarding the Agreement with Lessee to Mr. McGrath. You may, of course, contact me at your convenience if I may be of further assistance to you.

Thank you in advance for your prompt attention to this matter. You may, of course, contact me at your convenience if I may be of any further assistance to you.

Sincerely,

Chris Dellaselva

Enc.

**LEASE AGREEMENT BY AND BETWEEN
THE CITY OF STAMFORD
AND THE
STAMFORD FEDERAL CREDIT UNION**

THIS LEASE, made this ____ day of _____, 2019 , between the **CITY OF STAMFORD**, a municipal corporation organized and existing under the laws of the State of Connecticut, acting herein by David R. Martin, its duly-authorized Mayor (hereinafter sometimes referred to as “Lessor”) and the **STAMFORD FEDERAL CREDIT UNION, INC.**, a tax exempt, federally chartered credit union organized and existing under the laws of the United States of America and the State of Connecticut, acting herein by David F. Lucas, its duly-authorized President and Chief Executive Officer (hereinafter referred to as “Lessee”).

WITNESSETH:

1. **Demised Premises.** The Lessor hereby leases and demises to the Lessee and the Lessee hereby takes from the Lessor office space consisting of approximately 3,193 square feet of space located on the sixth floor of the Lessor’s Stamford Government Center located at 888 Washington Boulevard, Stamford, Connecticut (See Exhibit A – Floor Plan) and space for an Automatic Teller Machines (“ATM”) in the lobby of the Stamford Government Center (all hereinafter referred to as the “Demised Premises”), upon the terms and conditions and for the uses and purposes hereinafter provided.

2. **Term.** This Lease shall commence when last signed below and terminate five (5) years thereafter (the “Initial Term”) unless this Lease is sooner terminated as hereinafter provided. Provided that the Lessee is not in default of this Lease, the parties may mutually agree to extend the Term of this Lease for two, consecutive five (5) year periods pursuant to the same terms and conditions of this Lease, except for Rent, which shall be negotiated prior to each such extension. No single extension shall be for a period greater than five (5) years and under no circumstances shall the total Term of this Lease, including all extensions, exceed fifteen (15) years.

3. **Rent.** The rent paid by the Lessee to the Lessor for the Initial Term shall be as follows:

Year	Rent	Rent Per Ft ²	Rent Increase	% of Increase	Monthly Rent
1	\$41,413.21	\$12.97	\$4,023.18	10.75%	\$3,451.10
2	\$45,436.39	\$14.23	\$4,023.18	9.71%	\$3,786.36
3	\$49,459.57	\$15.49	\$4,023.18	8.85%	\$4,121.63
4	\$53,482.75	\$16.75	\$4,023.18	8.13%	\$4,456.90
5	\$57,474.00	\$18.00	\$3,991.25	7.46%	\$4,789.50

Rent shall be made payable to the order of the "City of Stamford" and paid on a pro rata, monthly basis to the Lessor, in advance, on or before the first day of each month Rent for the extension periods, if exercised, shall be negotiated prior to each such extension.

4. **Use.** The Lessee may use and occupy the Demised Premises for the Lessee's operation of a federal credit union for the Lessor's employees and other eligible members of such credit union, as determined solely by the Lessee. The Lessee agrees that the size, shape, location, appearance, content, advertisement of or on the Lessee's ATM machines shall be pre-approved by the Lessor during the entire Term of this Lease and any extension thereof. It is understood that there will be one ATM machine in the lobby of the Stamford Government Center. No other use shall be permitted on the Demised Premises unless such use is specifically pre-approved in writing by the Lessor's Director of Operations.

5. **Lessee Representative and Key Personnel.** All appointments of representatives or personnel of Lessee assigned in any manner to the Demised Premises are subject to background checks at the sole option of Lessor. Lessee and any such representatives or personnel shall fully comply with Lessor's request for any such checks.

The following representatives or personnel of Lessee are hereby authorized to act on behalf of Lessee with respect to the operation of the Programs at the Demised Premises and shall have full authority to accept instructions, make decisions, communicate for and act on behalf of Lessee at all times.

Lessee Representative: David F. Lucas
Title: President and CEO

6. **Morals Clause.** Neither Lessee, Lessee's Representatives nor Lessee's Key Personnel, as defined in Section 5, above, shall commit any act or do anything which might reasonably be considered: (i) to be immoral, deceptive, scandalous or obscene; or (ii) to injure, tarnish, damage or otherwise negatively affect the community and/or the reputation and goodwill associated with Lessor. If Lessee, Lessee's Representative or Lessee's Key Personnel is accused of any act involving moral or ethical issues, dishonestly, theft or misappropriation, under any law, or any act which casts an unfavorable light upon its association with the community and/or Lessor or Lessee is accused of performing or committing any act which could adversely impact Lessee's events, Programs, services, or reputation, Lessor shall have the right to terminate this contract upon fifteen (15) days written notice specifying the reason, within which period Lessee may cure such offense. The determination of whether and to what extent the offense is cured shall be made by Lessor at its sole discretion.

7. **Approval.** This lease is subject to the prior approval of the City of Stamford's Planning Board, Board of Finance, Board of Representatives and Mayor.

8. **Assignment.** The Lessee shall not assign this Lease or any interest therein.

9. **Subletting.** The Lessee shall not sublease, permit, or license the Demised Premises or any part thereof.

10. **Quiet Enjoyment.** The Lessee, provided it is not in default hereunder, shall peaceably hold, occupy and enjoy the Demised Premises for the Lease Term,

including any extension thereof, without hindrance, molestation, ejection or interference except as otherwise provided in this Lease or as permitted by law.

11. **Lessee's Covenants.** The Lessee agrees, warrants and represents that it shall commit no waste to the Demised Premises, nor suffer the same to be committed thereon, nor injure nor misuse the same; and further agrees, warrants and represents that the Lessee has neither the right nor the power to assign or hypothecate this Lease in any way whatsoever, except as otherwise provided in this Lease, nor make alterations or improvements to the Demised Premises without the prior written approval of the Director of Operations, which approval shall not be unreasonably withheld, nor use the same for any purposes except as those expressly authorized herein or in accordance with the applicable provision of this Lease. The Lessee shall keep the Demised Premises in good condition, free of debris, safely and adequately for the uses and purposes hereby authorized. The Lessee shall deliver the Demised Premises up to Lessor upon the expiration or earlier termination of this Lease in reasonably good condition, normal wear and tear excepted, and the Lessee shall have no right nor obligation to remove any improvements to the Premises without the prior written consent of Lessor.

12. **Default by Lessee.** If Lessee should be in breach or default of or violate any of the terms and conditions of this Lease, or if the Lessee should assign or hypothecate this Lease or sublet the Demised Premises or otherwise dispose of the whole or any part of the Demised Premises or make any structural alterations therein without the prior written approval of the Lessor, or shall commit waste or suffer the same to be committed on said Demised Premises or injure or misuse the same, or if this Lease shall by operation of law, devolve upon or pass to anyone other than the Lessee, then this Lease shall thereupon, by virtue of this express stipulation expire and terminate, at the option of the Lessor, and the Lessor may, at any time thereafter re-enter said Demised Premises and shall have and possess all of the Lessor's former estate, and without such re-entry, may recover possession thereof in the manner prescribed by the statutes relating to summary process; it being understood that no demand for rent nor re-entry for condition broken, as at common law, shall be necessary to enable the Lessor to recover

such possession pursuant to said statutes relating to summary process, that any or all right to any such demand or any such re-entry is hereby expressly waived by Lessee.

13. **Compliance with Laws.** Lessee shall comply with all applicable federal, state and local laws, rules, regulations, ordinances, charters, statutes, codes, orders, policies and procedures relating to its use and occupancy of the Demised Premises.

14. **Access to Demised Premises.** Lessor and its employees, officers, agents and independent contractors shall have the right to enter and inspect the Demised Premises at any reasonable time during business hours after reasonable prior oral or written notice to the Lessee, or at any time in case of emergency, for the purpose of ascertaining the condition of the Demised Premises, curing at default on the part of the Lessee at the Lessee's sole cost and expense or making major repairs and capital improvements at the Lessor's sole cost and expense. Lessor shall have a copy of the most current key(s) along with any access and security codes to the Demised Premises for the purposes set forth in this paragraph.

15. **Repairs; Maintenance.** Lessor shall be responsible for the repair and maintenance of the premises and common areas, including the foundation, floors, roof, windows, exterior walls and all structural, electrical, mechanical and plumbing systems, equipment and fixtures serving the premises and common areas. As used herein, the term "repairs" shall include replacements and other improvements that are necessary to the maintenance of the premises and common areas in good order and condition. All repairs inside and maintenance to the Demised Premises, except those that are caused by the Lessor's negligence, shall be the sole responsibility of the Lessee. The Lessee shall keep the Demised Premises free from all dirt and other refuse and deposit the same in areas designated by the Lessor. The Lessee shall not be required to perform any repair or maintenance work other than as set forth herein but may install and remove furniture, telephone and electrical equipment at its sole cost. Lessor shall provide and pay charges for the following services and utilities at no cost to the Lessee:

- (a) Heat and air conditioning;

- (b) All utilities, including fuel, water and sewer, electricity and garbage removal;
- (c) Common use of restrooms;
- (d) Parking for Lessee's staff in the Stamford Government Center Parking Garage on a floor or on floors designated by the Lessor;
- (e) Cleaning of the Demised Premises and security of the Government Center as determined by the Lessor;
- (f) Any services or other charges not stated above shall be paid by the Lessee;

Notwithstanding anything herein to the contrary, Lessee shall be solely responsible for the installation, maintenance, repair and removal of its ATM at its sole cost and expense and further agrees to cooperate fully with the Lessor in relation to such installation, maintenance, repair and removal of Lessee's ATM. Upon the expiration or termination of this Lease, as provided herein, Lessee agrees to remove its ATM and restore the ATM space to a condition that is satisfactory to the Lessor.

16. Books and Records; Audits. Lessee shall maintain separate books and records for expenditures arising from its use of the Demised Premises. Lessee shall provide Lessor open and regular access to such books and records upon the demand of Lessor.

Lessee shall maintain all records, correspondence and all other types of documentation related to the maintenance, repair, improvement and alteration of the Demised Premised, including but not limited to all maintenance agreements, certifications, inspections related thereto, and shall provide the Lessor with copies of such records, correspondence and documentation immediately upon the Lessor's written request.

17. Non-Appropriation. Any obligation of Lessor to make payments or expenditures of any kind under this Lease shall be contingent upon the Lessor securing the requisite approvals and appropriation(s) being duly passed pursuant to the laws of the City of Stamford.

18. Insurance Requirements. The Lessee shall maintain for the life of this Lease, commercial general liability and automobile insurance for the benefit of the

Lessee and the City of Stamford and its employees, agents and officers from claims for damages arising out of personal injury, including death, and claims for property damage, which may be suffered as a result of Lessee's use and occupancy of the Demised Premises under this Lease. The Lessee shall also maintain for the term of the Agreement workers' compensation insurance covering injuries or disease suffered by the Lessee's employees. The workers' compensation insurance shall comply with all workers' compensation statutes and regulations in the State of Connecticut.

The Lessee shall provide, at its own cost and expense, documentary proof of the following insurances to the Risk Manager of the City of Stamford:

- A. Workers' compensation – Statutory, which complies with the workers' compensation regulations and laws of the State of Connecticut.
- B. Employer's liability, with minimum limits of liability of \$100,000 for each accident, disease each employee and policy limit for disease.
- C. Commercial general liability, subject to a minimum limit of liability of \$1,000,000 combined single limit for bodily injury and property damage and \$2,000,000 in the aggregate. This insurance shall include, but not be limited to, bodily injury and property damage and the following coverages:
 - 1. Premises and operations liability.
 - 2. Products liability and completed operations, to be maintained for a period of not less than three years following termination or expiration of this Lease.
 - 3. Broad form contractual liability covering any indemnities contained in this Lease.
 - 4. Personal injury and advertising liability.

- D. Automobile liability insurance, with a minimum limit of liability of \$1,000,000 combined single limit for bodily injury and property damage. This insurance shall include, but not be limited to, bodily injury and property damage for the following:**
- 1. Hired and leased vehicles**
 - 2. Non-owned vehicles**
- E. All risk personal property insurance, which covers all personal property by the Lessee. The limits under the all risk property insurance shall be on a full replacement cost basis and shall be sufficient to prevent the Lessee from incurring a co-insurance penalty because of inadequate limits. Any damages or losses beneath the applicable deductible(s) shall be repaired by the Lessee to the full satisfaction of the Lessor.**
- F. All repairs and/or replacement of damage and losses shall be completed immediately after discovery of the damage or losses by either the Lessee or Lessor. All repairs and / or replacement of damage and / or losses to the Demised Premises must be approved by and meet the satisfaction of the Lessor.**

The City of Stamford and its employees, agents and officers shall be designated as additional insureds under the commercial general liability insurance policies.

Thirty (30) days prior written notice shall be provided to the City of Stamford's Risk Manager in the event of cancellation, termination or material change in any terms and conditions of any insurance policies required hereunder except in the case of non-payment which shall be ten (10) days.

Any insurance required hereunder underwritten on a claims made, as opposed to an occurrence basis, shall contain a retroactive date not later than the date of execution of the Lease or commencement of the occupancy of the Demised Premises by the Lessee, whichever is earlier, and an extended reporting period endorsement of not less than three years following vacating of the Demised Premises or termination of the Lease, whichever is later.

All insurance coverage and certificates of insurance shall be approved by the City's Risk Manager prior to commencement of occupancy of the Demised Premises or execution of the Lease. Other insurance coverages may be required by the City, which are predicated upon specific needs.

The Lessee agrees to waive any right of recovery against the City of Stamford and its employees, agents and officers for any claim, loss or damage of any kind or description whatsoever, which may or may not be covered under insurance required under this Lease except with respect to gross negligence of Lessor or its officers, agents and employees. All such insurance required under the Lease shall contain waivers of subrogation endorsements in favor of the Lessor and its employees, agents and officers. In addition, all such insurance required hereunder shall be primary insurance, without any right of contribution from any insurance maintained by or on behalf of the Lessor and its employees, agents and officers.

If, at any time, any of the said insurance policies shall be or become unsatisfactory to the City as to form or substance, in the reasonable discretion of the City, or if any insurance company shall become unsatisfactory to the City of Stamford, in the reasonable discretion of the City, the Lessee shall within a reasonable period of time after written notice obtain a new insurance policy, submit same to the Risk Manager of the Lessor for approval and submit a certificate thereof as hereinabove required. Upon failure of the Lessee to furnish, deliver or maintain same, this Lease, at the election of the Lessor, may forthwith be declared suspended, discontinued or terminated. Failure of the Lessee in the above shall not relieve Lessee from any and all liability under the Lease, nor shall the insurance requirements be construed to conflict with the obligations of the Lessee concerning its liability or indemnification obligations under the Lease.

19. **Non-Waiver.** The failure of the Lessor to insist upon strict performance of any of the terms, conditions or covenants herein shall not be deemed a waiver of any rights or remedies that the Lessor may have; and shall not be deemed a waiver of any subsequent breach or default of the terms, conditions or covenants herein contained, the

Lessor reserving the right to require strict compliance therewith at any time, with or without notice except as may be otherwise required herein.

20. Condition of and Damage to the Demised Premises. Lessee agrees, warrants and represents that it has examined the Demised Premises and that the Demised Premises are suitable for the uses and purposes intended by this Lease. No agreements, promises, covenants, warranties or representations have been made by the Lessor as to the condition of said Demised Premises upon which the Lessee has relied in entering into this Lease, and Lessee agrees to take the Demised Premises "As-Is" in the Demised Premises' present and existing condition. Should the Demised Premises be partially damaged or rendered unfit for use by fire or other cause, the Lessor shall have no obligation to repair any damage, and either the Lessor or the Lessee may terminate this Lease immediately, at no cost or liability to the Lessor or Lessee, as the case may be.

21. Indemnification. Lessee agrees to indemnify and save harmless Lessor of and from any and all fines, claims, suits, actions, judgments, damages or liability and acts of any kind by reason of any breach, violation, or non-performance of any covenant or condition hereof or for the violation of any law, statute, regulation or order, on the part of Lessee, its agents, employees or officers. The indemnifications provided herein by the Lessee shall not extend to any claims, etc., as may arise from the negligent acts or omissions of the Lessor, its officers, employees, and authorized agents acting on Lessor's exclusive behalf.

If either the Lessor or the Lessee receives notice of any claim giving rise to the Lessee's obligation to indemnify the Lessor or the Lessee, as the case may be, such party shall immediately notify the other party in writing of such claim. The parties shall have the right and option in the first instance, through counsel of its own choosing and at its own expense, to deal with, defend, settle or compromise any such claim.

If the Lessee fails to appoint counsel to deal with, defend, settle or compromise any such claim within sixty (60) days after receiving this notice thereof, the Lessor may deal with, defend, settle or compromise any such claim through counsel of its own choosing at the expense of the Lessee. In such event, no settlement or compromise shall be made without prior written notice to the Lessee. Lessor shall cooperate with the

Lessee in the defense of any such claim or litigation at the Lessee's sole cost and expense.

22. **Mechanic's Liens.** In the event that any mechanic's lien is filed against the Demised Premises as a result of alterations, additions or improvements made by Lessee, Lessor, at its option, may upon thirty (30) days prior written notice pay the said lien provided that Lessor reasonably determines after inquiring into the validity thereof that the lien is valid and the amount claimed is due, and Lessee shall forthwith reimburse Lessor the total expenses incurred by Lessor in discharging the said lien, subject to the provisions of Paragraph 11, *supra*.

23. **Notices.** All notices and demands, legal or otherwise, incidental to this Lease, or the occupation of the Demised Premises, shall be in writing. If the Lessor or its agents desires to give or serve upon the Lessee any notice or demand, it shall be sufficient to send a copy thereof by certified or registered mail, addressed to the Lessee at the Demised Premises with a copy to the Stamford Federal Credit Union, 888 Washington Boulevard, Stamford, CT 06901. All such notices to the Lessor from the Lessee shall be sent by registered or certified mail to the Director of Operations, City of Stamford, 888 Washington Boulevard, P.O. Box 2152, Stamford, Connecticut, 06904-2152, with a copy to the Director of Legal Affairs at said address.

24. **Holdovers.** In the event that the Lessee shall remain in the Demised Premises after the expiration of the term of the Lease without having executed a new written Lease with the Lessor, such holding over shall not constitute a renewal or extension of this Lease. The Lessor may, at its option, elect to treat the Lessee as one who has not removed at the end of its term, and thereupon be entitled to all the remedies against Lessee provided by law in that situation, or the Lessor may elect to construe such holding over as a tenancy from month to month, subject to all the terms and conditions of this Lease, except as to duration.

25. **Eminent Domain; Condemnation.** In the event the whole or any part of the Demised Premises shall be taken under any power of eminent domain or

condemnation; the Lessee hereby waives any claim to compensation for the Lessee's loss of the fair market value of the Demised Premises.

26. **Personal Property.** All of the Lessee's personal property of every kind and description, which may at any time be inside of the Demised Premises, shall be at the Lessee's sole risk with respect to loss by theft, except when due to the Landlord's negligence.

27. **Entire Agreement.** This Lease contains the entire agreement between the parties and all representations to this tenancy or to the Demised Premises are included herein.

28. **Governing Law.** This Lease shall be construed in accordance with the laws of the State of Connecticut and the parties hereby waive any choice of law provisions contained therein.

29. **Successors and Assigns.** This Lease shall be binding upon the parties, their successors, successors and assigns, trustees and legal representatives.

Remainder of page intentionally left blank. Signature page follows.

IN WITNESS WHEREOF, the parties have executed this Lease on the date and year first above written.

CITY OF STAMFORD

Print:

Print:

By: _____ / _____
Name: David R. Martin Date
Title: Mayor

STAMFORD FEDERAL CREDIT UNION, INC.

Carrie Dinella

Print: Carrie Dinella

Chris Dellaselva

Print: Chris Dellaselva

By: *David F. Lucas* / *6-18-19*

Name: David F. Lucas Date
Title: President and Chief Executive Officer

Approved as to form:

Chris Dellaselva *6/18/2019*

Chris Dellaselva
Assistant Corporation Counsel

Approved as to insurance:

David Villalva *9/20/2019*

David Villalva
Risk Manager


STATE OF CONNECTICUT)
)
COUNTY OF FAIRFIELD) ss: Stamford

Personally appeared David R. Martin, Mayor of the City of Stamford, and signer and sealer of the foregoing instrument, who acknowledged the same to be the free act and deed of said City, and his free act and deed as Mayor thereof, before me, the undersigned, this _____ day of _____, 2019.

Print:
Commissioner of the Superior Court
Notary Public
My Commission Expires on: _____

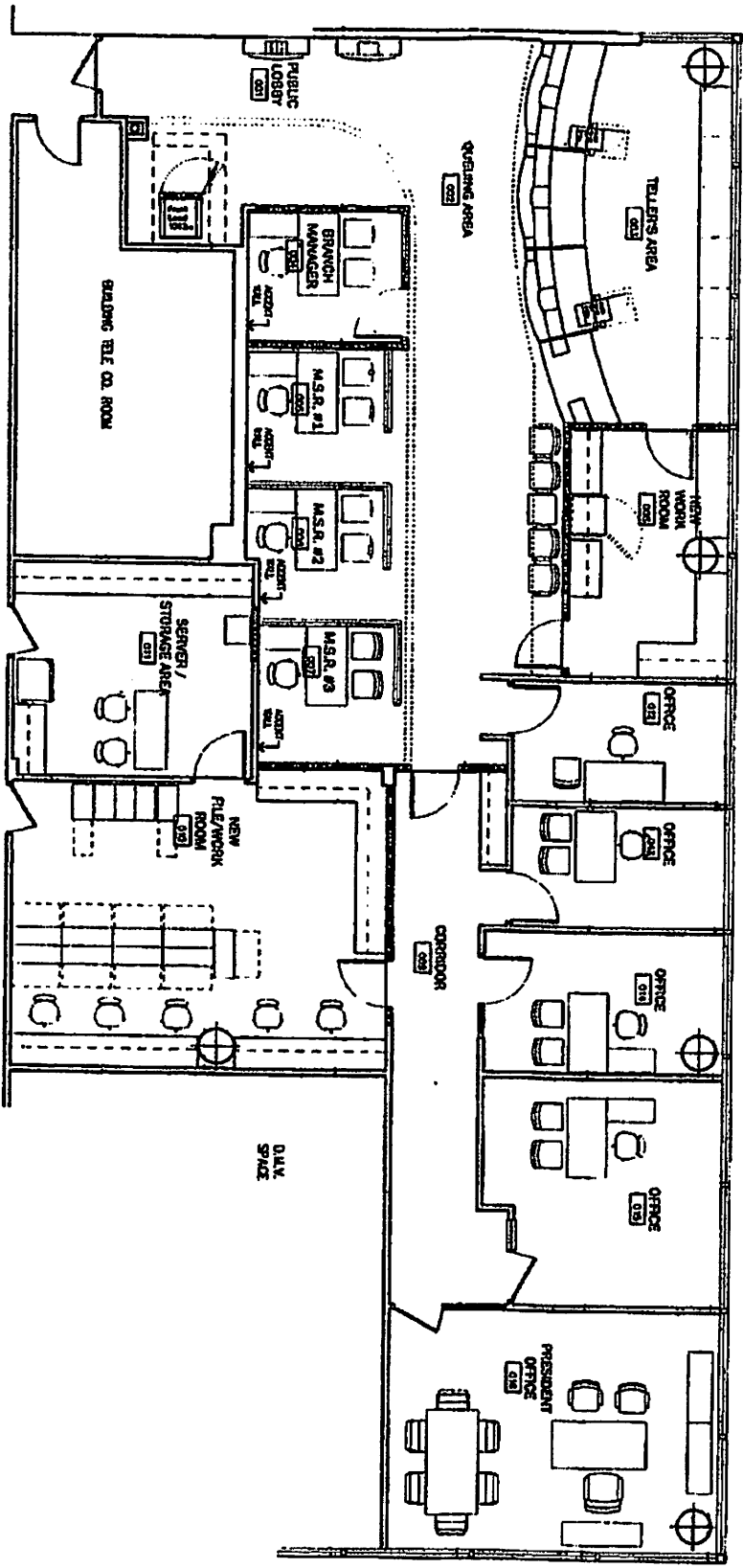
STATE OF CONNECTICUT)
)
COUNTY OF FAIRFIELD) ss: Stamford

Personally appeared David F. Lucas, President and Chief Executive Officer of the Stamford Federal Credit Union, Inc. and signer and sealer of the foregoing instrument, who acknowledged the same to be his free act and deed, and his free act and deed on behalf of the Stamford Federal Credit Union, Inc. before me, the undersigned, this _____
18th day of June, 2019.



Print: Chris Dellarcón
Commissioner of the Superior Court
~~Notary Public~~ JN: 419179
My Commission Expires on: N/A

**EXHIBIT A
(FLOOR PLAN)**



PROPOSED FLOOR PLAN

SCALE 1/8" = 1'-0"

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