RIVERFRONT IMPROVEMENT COMMISSION MEETING

CITY OF DAVENPORT, IOWA

TUESDAY, DECEMBER 17, 2019; 5:30 PM

POLICE DEPARTMENT COMMUNITY ROOM, 416 NORTH HARRISON STREET, DAVENPORT, IOWA

I. Call to Order

II. Approval of Minutes

- A. Approve the Meeting Minutes from November 26, 2019 - ACTION

III. Finance

- A. Approve the Disbursements - ACTION

IV. Leases

- A. American Cruise Lines - DISCUSSION / ACTION
- B. Freight House Farmer's Market Café - DISCUSSION / ACTION

V. Projects

- A. 2020 Flood Plan - PRESENTATION
- B. Strategic Plan - RiverWest - DISCUSSION
- C. Union Station Interior & Exterior - DISCUSSION
- D. Canadian Pacific Railroad Crossings - DISCUSSION

VI. Staff Report

VII. Other Business

- A. Public With Business (5 Mins)

VIII. Adjournment

IX. Next Meeting Date:

- A. Tuesday, January 28, 2020 at 5:30 p.m. in Council Chambers

Riverfront Improvement Commission
Minutes
November 26, 2019

Present: Bill Ashton, Dee Bruemmer, Karin Elftmann-Gross, Randall Goblirsch, Kelli Grubbs, Gwendolyn Lee, Ryan Reed, Karl Rhomberg, and Pat Walton

Others Present: Paul Taiclet, Charlie Robertson, American Cruise Lines; Lorrie Beaman, Summer Rosenmohr, Freight House Farmer's Market; Richard Thomas, Parks Board; Molly Otting-Carlson, Visit Quad Cities; Kathy Wine, River Action; Zach Peterson, Public Works; Wendy Peterson, Citizen; and Steve Ahrens, Riverfront Improvement Commission

Chairman Bruemmer called the meeting to order at 5:32 p.m. and welcomed all in attendance. Ahrens announced that a quorum for the meeting had been met.

Grubbs moved to approve the minutes of the October 29 meeting. Ashton seconded the motion and it carried.

Finance

Ahrens presented the previous month's disbursements, aged receivables report and the FY2019 Lease Report. Walton moved to approve the disbursements. Elftmann-Gross seconded the motion and it carried. Staff also provided an update regarding Nostalgia Fresh Farms Deli.

Leases

Staff presented the draft license agreement with Viking River Cruises, who plans to use River Heritage Park as portage for its passenger vessels beginning in 2022. Following discussion and incorporation of the specific description of the landing site along the river wall and the intended start date to the draft, Grubbs moved to approve the agreement. Rhomberg seconded the motion and it carried, with Ashton voting no. The City Council now will consider the agreement at its next meeting. In addition, representatives with American Cruise Lines were in attendance and indicated their support and interest to relocate to River Heritage Park as well. A draft agreement for a short-term use will be provided to staff and the Commission will consider it at its next meeting. Subsequently, a long term license agreement with American Cruise Lines will be constructed and considered at a later date.

Projects

Ahrens provided an updated regarding the Request for Proposals issued through Purchasing. He then introduced Lorrie Beaman with the Freight House Farmer's Market, who provided the Commission with an update regarding its proposal, which was recently positively reviewed by a Commission sub-committee. After the presentation and discussion, Ashton moved to accept the proposal and to direct staff to negotiate the lease agreement for the next Commission meeting. Grubbs seconded the motion and it carried.

Ahrens then provided the Commission with an update regarding the Strategic Plan initiative, RiverWest, and specifically, the Credit Island Slough project with the USACE. We await official word regarding a competitive grant opportunity to conduct a feasibility study for the project.

Staff provided an update regarding both the interior and exterior post flood restoration projects for Union Station.

Following the last meeting of the joint workgroup, the City awaits responses from Canadian Pacific regarding certain discussions relating to the riverfront railroad and Canadian Pacific's decision to elevate the line. A joint meeting between the City Council and the Riverfront Improvement Commission by year's end is envisioned.

Staff Report

Ahrens provided updates on a variety of topics, including:

- Freight House deck project update
- Christkindlmarkt and Holiday Train (12/7) – December 6-8 at the Freight House
- RIC December 17 Meeting – again at the Police Dept. Community Room
- Credit Island Parks Task Force – RIC interested participation?
- PW Director Gleason to attend December 17 meeting to talk 2020 Flood Response Plan

Other Business

With no public with business to present to the Commission, and with no further business, the meeting was adjourned at 7:14 p.m.

Ryan Reed, Secretary

FOR 2020 06

JOURNAL DETAIL 2020 5 TO 2020 5

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
4740 LEVEE IMPROVEMENT							
00000 UNDEFINED							
450110 INTEREST POOLED INVESTMENTS	0	0	0	-19.00	.00	19.00	100.0%
450404 LEVEE COMMISSION RENT	-290,000	0	-290,000	-160,822.55	.00	-129,177.45	55.5%
480690 MISCELLANEOUS	-22,000	-3,488	-25,488	-29,636.41	.00	4,148.91	116.3%
489491 TRANSFER LOCAL OPTION SALES	-75,000	0	-75,000	.00	.00	-75,000.00	.0%
490865 FUND BALANCE APPROPRIATION	57,875	-30,000	27,875	.00	.00	27,875.00	.0%
TOTAL UNDEFINED	-329,125	-33,488	-362,613	-190,477.96	.00	-172,134.54	52.5%
10130 PROJECT MANAGEMENT							
510101 FULL TIME SALARIES	74,285	0	74,285	33,330.05	.00	40,954.95	44.9%
510120 RETIREMENT-FICA	5,683	0	5,683	2,665.88	.00	3,017.12	46.9%
510130 RETIREMENT-IPERS	7,168	0	7,168	3,146.33	.00	4,021.67	43.9%
510140 EMPLOYEE INSURANCE	11,791	0	11,791	5,211.74	.00	6,579.26	44.2%
510161 DEFERRED COMP	3,714	0	3,714	1,666.50	.00	2,047.50	44.9%
510162 RETIREMENT HEALTH SAVINGS	743	0	743	333.30	.00	409.70	44.9%
520201 OFFICE SUPPLIES	200	0	200	4.43	.00	195.57	2.2%
520205 UTILITY SERVICES	90,000	5,000	95,000	38,730.36	.00	56,269.64	40.8%
520215 TECHNICAL SERVICES	100	0	100	.00	.00	100.00	.0%
520217 PROFESSIONAL SERVICES	3,000	0	3,000	.00	.00	3,000.00	.0%
520225 MAINTENANCE-BLDGS & GRNDS	42,000	10,000	52,000	9,758.37	1,000.00	41,241.63	20.7%
520297 PROJECT EXPENSE	20,000	18,488	38,488	26,345.44	1,752.25	10,389.81	73.0%
560606 TELEPHONE EXPENSE	450	0	450	193.09	.00	256.91	42.9%
560620 LIABILITY INSURANCE	1,381	0	1,381	1,381.00	.00	.00	100.0%
560623 FACILITIES MAINTENANCE	14,850	0	14,850	6,067.66	.00	8,782.34	40.9%
560624 PROPERTY INSURANCE	530	0	530	530.00	.00	.00	100.0%
560633 WORKERS COMPENSATION INSURAN	730	0	730	730.00	.00	.00	100.0%
TOTAL PROJECT MANAGEMENT	276,625	33,488	310,113	130,094.15	2,752.25	177,266.10	42.8%
88000 TRANSFERS OUT							
550501 TRANSFERS OUT	52,500	0	52,500	.00	.00	52,500.00	.0%
TOTAL TRANSFERS OUT	52,500	0	52,500	.00	.00	52,500.00	.0%

FOR 2020 06

JOURNAL DETAIL 2020 5 TO 2020 5

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
TOTAL LEVEE IMPROVEMENT	0	0	0	-60,383.81	2,752.25	57,631.56	100.0%
TOTAL REVENUES	-329,125	-33,488	-362,613	-190,477.96	.00	-172,134.54	
TOTAL EXPENSES	329,125	33,488	362,613	130,094.15	2,752.25	229,766.10	
GRAND TOTAL	0	0	0	-60,383.81	2,752.25	57,631.56	100.0%

** END OF REPORT - Generated by STEVE D AHRENS **

FOR 2020 06 JOURNAL DETAIL 2020 6 TO 2020 6

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
4740 LEVEE IMPROVEMENT							
10130 PROJECT MANAGEMENT							
510101 FULL TIME SALARIES							
54741013 510101 FULL TIME SALAR	74,285	0	74,285	33,330.05	.00	40,954.95	44.9%
2020/06/060238 12/06/2019 PRJ	3,030.00 REF PY1206				WARRANT=120619	RUN=1 BI-WEEKL	
TOTAL FULL TIME SALARIES	74,285	0	74,285	33,330.05	.00	40,954.95	44.9%
510102 PART TIME SALARIES							
54741013 510102 PART TIME SALAR	0	0	0	.00	.00	.00	.0%
54741013 510102 USDA PART TIME S	0	0	0	.00	.00	.00	.0%
TOTAL PART TIME SALARIES	0	0	0	.00	.00	.00	.0%
510103 TEMPORARY SALARIES							
54741013 510103 TEMPORARY SALAR	0	0	0	.00	.00	.00	.0%
TOTAL TEMPORARY SALARIES	0	0	0	.00	.00	.00	.0%
510105 OVERTIME PAY							
54741013 510105 OVERTIME PAY	0	0	0	.00	.00	.00	.0%

FOR 2020 06 JOURNAL DETAIL 2020 6 TO 2020 6

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
TOTAL OVERTIME PAY	0	0	0	.00	.00	.00	.0%
510120 RETIREMENT-FICA							
54741013 510120 RETIREMENT-FICA	5,683	0	5,683	2,665.88	.00	3,017.12	46.9%
2020/06/060238 12/06/2019 PRJ	242.08 REF PY1206				WARRANT=120619	RUN=1 BI-WEEKL	
54741013 510120 USDA RETIREMENT-	0	0	0	.00	.00	.00	.0%
TOTAL RETIREMENT-FICA	5,683	0	5,683	2,665.88	.00	3,017.12	46.9%
510130 RETIREMENT-IPERS							
54741013 510130 RETIREMENT-IPER	7,168	0	7,168	3,146.33	.00	4,021.67	43.9%
2020/06/060238 12/06/2019 PRJ	286.03 REF PY1206				WARRANT=120619	RUN=1 BI-WEEKL	
54741013 510130 USDA RETIREMENT-	0	0	0	.00	.00	.00	.0%
TOTAL RETIREMENT-IPERS	7,168	0	7,168	3,146.33	.00	4,021.67	43.9%
510140 EMPLOYEE INSURANCE							
54741013 510140 EMPLOYEE INSURA	11,791	0	11,791	5,211.74	.00	6,579.26	44.2%
TOTAL EMPLOYEE INSURANCE	11,791	0	11,791	5,211.74	.00	6,579.26	44.2%
510150 POLICE RETIREMENT							
54741013 510150 POLICE RETIREME	0	0	0	.00	.00	.00	.0%

FOR 2020 06

JOURNAL DETAIL 2020 6 TO 2020 6

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
TOTAL POLICE RETIREMENT	0	0	0	.00	.00	.00	.0%
510161 DEFERRED COMP							
54741013 510161 DEFERRED COMP	3,714	0	3,714	1,666.50	.00	2,047.50	44.9%
2020/06/060238 12/06/2019 PRJ	151.50 REF PY1206				WARRANT=120619	RUN=1 BI-WEEKL	
TOTAL DEFERRED COMP	3,714	0	3,714	1,666.50	.00	2,047.50	44.9%
510162 RETIREMENT HEALTH SAVINGS							
54741013 510162 RETIREMENT HEAL	743	0	743	333.30	.00	409.70	44.9%
2020/06/060238 12/06/2019 PRJ	30.30 REF PY1206				WARRANT=120619	RUN=1 BI-WEEKL	
TOTAL RETIREMENT HEALTH SAVINGS	743	0	743	333.30	.00	409.70	44.9%
510175 CLOTHING EXPENSE							
54741013 510175 CLOTHING EXPENS	0	0	0	.00	.00	.00	.0%
TOTAL CLOTHING EXPENSE	0	0	0	.00	.00	.00	.0%
520201 OFFICE SUPPLIES							
54741013 520201 OFFICE SUPPLIES	200	0	200	4.43	.00	195.57	2.2%
TOTAL OFFICE SUPPLIES	200	0	200	4.43	.00	195.57	2.2%
520205 UTILITY SERVICES							

FOR 2020 06

JOURNAL DETAIL 2020 6 TO 2020 6

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
54741013 520205 UTILITY SERVICE	90,000	5,000	95,000	38,730.36	.00	56,269.64	40.8%
TOTAL UTILITY SERVICES	90,000	5,000	95,000	38,730.36	.00	56,269.64	40.8%
520210 TRAVEL EXPENSES							
54741013 520210 TRAVEL EXPENSES	0	0	0	.00	.00	.00	.0%
TOTAL TRAVEL EXPENSES	0	0	0	.00	.00	.00	.0%
520215 TECHNICAL SERVICES							
54741013 520215 TECHNICAL SERVI	100	0	100	.00	.00	100.00	.0%
TOTAL TECHNICAL SERVICES	100	0	100	.00	.00	100.00	.0%
520217 PROFESSIONAL SERVICES							
54741013 520217 PROFESSIONAL SE	3,000	0	3,000	.00	.00	3,000.00	.0%
54741013 520217 USDA PROFESSIONA	0	0	0	.00	.00	.00	.0%
TOTAL PROFESSIONAL SERVICES	3,000	0	3,000	.00	.00	3,000.00	.0%
520225 MAINTENANCE-BLDGS & GRNDS							
54741013 520225 MAINTENANCE-BLD	42,000	10,000	52,000	9,758.37	1,000.00	41,241.63	20.7%
2020/06/060225 12/04/2019 API	119.00 VND 000003 VCH		P CARD VENDOR		LOCKSMITH SERVICES		

FOR 2020 06

JOURNAL DETAIL 2020 6 TO 2020 6

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
TOTAL MAINTENANCE-BLDGS & GRNDS	42,000	10,000	52,000	9,758.37	1,000.00	41,241.63	20.7%
520245 PAYMENT TO OTHER AGENCY							
54741013 520245 PAYMENT TO OTHE	0	0	0	.00	.00	.00	.0%
TOTAL PAYMENT TO OTHER AGENCY	0	0	0	.00	.00	.00	.0%
520262 INTERDEPARTMENT SERVICE CHG							
54741013 520262 INTERDEPARTMENT	0	0	0	.00	.00	.00	.0%
TOTAL INTERDEPARTMENT SERVICE CHG	0	0	0	.00	.00	.00	.0%
520297 PROJECT EXPENSE							
54741013 520297 PROJECT EXPENSE	20,000	18,488	38,488	26,345.44	1,752.25	10,389.81	73.0%
TOTAL PROJECT EXPENSE	20,000	18,488	38,488	26,345.44	1,752.25	10,389.81	73.0%
520298 OTHER SUPPLIES & SERVICES							
54741013 520298 OTHER SUPPLIES	0	0	0	.00	.00	.00	.0%
TOTAL OTHER SUPPLIES & SERVICES	0	0	0	.00	.00	.00	.0%
530303 OPERATING EQUIPMENT							
54741013 530303 USDA OPERATING E	0	0	0	.00	.00	.00	.0%

FOR 2020 06

JOURNAL DETAIL 2020 6 TO 2020 6

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
TOTAL OPERATING EQUIPMENT	0	0	0	.00	.00	.00	.0%
560606 TELEPHONE EXPENSE							
54741013 560606 TELEPHONE EXPEN	450	0	450	193.09	.00	256.91	42.9%
TOTAL TELEPHONE EXPENSE	450	0	450	193.09	.00	256.91	42.9%
560620 LIABILITY INSURANCE							
54741013 560620 LIABILITY INSUR	1,381	0	1,381	1,381.00	.00	.00	100.0%
TOTAL LIABILITY INSURANCE	1,381	0	1,381	1,381.00	.00	.00	100.0%
560622 DATA PROCESSING							
54741013 560622 DATA PROCESSING	0	0	0	.00	.00	.00	.0%
TOTAL DATA PROCESSING	0	0	0	.00	.00	.00	.0%
560623 FACILITIES MAINTENANCE							
54741013 560623 FACILITIES MAIN	14,850	0	14,850	6,067.66	.00	8,782.34	40.9%
TOTAL FACILITIES MAINTENANCE	14,850	0	14,850	6,067.66	.00	8,782.34	40.9%
560624 PROPERTY INSURANCE							
54741013 560624 PROPERTY INSURA	530	0	530	530.00	.00	.00	100.0%

FOR 2020 06

JOURNAL DETAIL 2020 6 TO 2020 6

	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD EXPENDED	ENCUMBRANCES	AVAILABLE BUDGET	PCT USED
TOTAL PROPERTY INSURANCE	530	0	530	530.00	.00	.00	100.0%
560633 WORKERS COMPENSATION INSURANCE							
54741013 560633 WORKERS COMPENS	730	0	730	730.00	.00	.00	100.0%
TOTAL WORKERS COMPENSATION INSURANCE	730	0	730	730.00	.00	.00	100.0%
TOTAL PROJECT MANAGEMENT	276,625	33,488	310,113	130,094.15	2,752.25	177,266.10	42.8%
TOTAL LEVEE IMPROVEMENT	276,625	33,488	310,113	130,094.15	2,752.25	177,266.10	42.8%
TOTAL EXPENSES	276,625	33,488	310,113	130,094.15	2,752.25	177,266.10	
GRAND TOTAL	276,625	33,488	310,113	130,094.15	2,752.25	177,266.10	42.8%

** END OF REPORT - Generated by STEVE D AHRENS **

Revenue/Billing Table
FY - 2020 Levee Fund #740

Lessee	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Summary	
1 Front Street Brewery - FH	3,062.00	3,062.00	3,062.00	3,062.00	3,120.00	3,120.00	3,120.00	3,120.00	3,120.00	3,120.00	3,120.00	3,120.00	37,208.00	
2 Nostalgia Deli	833.33	833.33	833.33	833.33	833.33	833.33	833.33	833.33	833.33	833.33	833.33	833.33	9,999.96	
3 Nostalgia Deli - 4%	1,696.63	1,486.38	1,257.47	**971.28**	482.44	381.95	670.32	572.29	888.27	931.47	$1,654.88	1,921.44	12,914.82	
4 MidAmerican Co.	6,000.00												6,000.00	
5 Lake Davenport Sailing Club										3,900.00			3,900.00	
6 LPBC Lindsay Park Boat Club							5,000.00						5,000.00	
7 CHS, Inc / Harvest States Co	2,500.00			2,500.00			2,500.00			2,500.00			10,000.00	
8 One River Place	225.00	225.00	225.00	**225.00**	225.00	225.00	225.00	225.00	225.00	225.00	225.00	225.00	2,700.00	RENEW
9 Buds Riverview Inn	4,321.21	1,707.56	1,330.09	522.16	0.00	0.00	0.00	0.00	0.00	0.00	1,525.74	3,397.38	12,804.14	
10 QCCVB - Union Station	0.00	0.00	0.00	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	1,666.67	15,000.03	
11 MVBS - Union Station	383.33	383.33	383.33	383.33	383.33	383.33	383.33	383.33	383.33	383.33	383.33	383.33	4,599.96	
12 Rawson - Union Station	311.00	311.00	311.00	311.00	311.00	311.00	311.00	311.00	311.00	311.00	311.00	311.00	3,732.00	
13 Marine Specialties	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	**1,000.00**	1,000.00	12,000.00	RENEW
14 Front Street parking	0.00	265.00	265.00	265.00	265.00	265.00	265.00	265.00	265.00	265.00	265.00	265.00	2,915.00	
15 Freight House Farmers Mark	1,583.33	1,583.33	1,583.33	1,583.33	1,583.33	1,583.33	1,583.33	1,583.33	**1,666.67**	1,666.67	1,666.67	1,666.67	19,333.32	
16 Rock River Family Office	2,635.75	2,635.75	2,635.75	2,635.75	2,635.75	2,635.75	2,635.75	2,635.75	2,635.75	**2,684.50**	2,684.50	2,684.50	31,775.25	
17 Nestle - SemiParkingLot	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	**1,100.00**	1,100.00	1,100.00	1,100.00	12,800.00	
18 The Diner	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	3,750.00	45,000.00	
19 Antonella's II	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	1,500.00	18,000.00	
20 Taste of Ethiopia	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	1,050.00	12,600.00	
Subtotal	31,901.58	20,842.68	20,236.30	23,308.85	19,855.85	19,755.36	27,543.73	19,945.70	20,395.02	26,886.97	22,736.12	24,874.32	278,282.48	
Miscellaneous														
LPBC Addendum	0.00	0.00	0.00	0.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	1,000.00	
Abhe & Svoboda	860.00	860.00	860.00	860.00	860.00	860.00	860.00	860.00	860.00	860.00	860.00	860.00	10,320.00	
Subtotal	0.00	0.00	0.00	0.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	11,320.00	
Total	31,901.58	20,842.68	20,236.30	23,308.85	19,855.85	19,755.36	28,543.73	19,945.70	20,395.02	26,886.97	22,736.12	24,874.32	289,602.48	

LICENSE AGREEMENT

This **LICENSE AGREEMENT** (the "**Agreement**") is made and entered into as of the ___ day of ______________, 2019, but not to be effective until the Effective Date (defined below), by and between the CITY OF DAVENPORT, IOWA, a municipal corporation (hereinafter referred to as "**Grantor**"); and AMERICAN CRUISE LINES, INC hereinafter referred to as "**Grantee**";

Recitals

WHEREAS, Grantor owns certain immovable property abutting the Mississippi River known as the River Heritage Park, and more particularly shown on Exhibit A hereto (the "**Land**"); and

WHEREAS, Grantor owns certain improvements on the Land that enable cruise vessels to dock and disembark from river cruise vessels onto the Land (the "**Improvements**"); and

WHEREAS, Grantee has agreed to contribute financing to the construction of certain enhancements to the Improvements in exchange for a first priority right and license to use the Improvements, and other consideration as described herein.

1. BASIC PROVISIONS.

A. The above recitals are incorporated by reference herein and made a part hereof. All Exhibits annexed hereto are hereby made a part hereof.

B. Land. The Land consists of approximately 6.2 acres of immovable property including a park and ancillary structures, including a parking lot. The Land abuts the Mississippi River and Grantor owns good title to all Land and water rights as depicted in the attached diagram.

C. Improvements. Grantor owns certain existing docking facilities that will accommodate Grantee's vessels and other cruise vessels. Grantee desires a docking facility that will accommodate its vessels and provide a first class experience for its guests, and may agree to partner with Grantor to enhance the existing Improvements, including but not limited to adding utilities and improved access (**"Enhancements**"). Grantor shall contract with a licensed contractor to make the Enhancements and shall enter into all contracts, plans, permits and construction documents in its own name, and Grantee shall not be a party to any contracts related to the construction and maintenance of the Enhancements. Grantor agrees that Grantee and Grantee's engineer shall have input in the design and shall be consulted to ensure the design and functionality of the Enhancements meet Grantee's needs. Grantor and Grantee agree that Grantee has agreed to participate in the design and construction of the Enhancements to ensure that Grantee has access from the river to the public rights of way abutting the Land. In the event that the Improvements, as improved with the Enhancements, do not accomplish this purpose, Grantee may terminate this Agreement upon thirty (30) days' notice to Grantor, and Grantor shall immediately return any contributions made by Grantee to construction or design of the Enhancements. Grantor shall notify Grantee of the completion of the Enhancements, and Grantee shall have thirty (30) days from the date of this notice of completion to send the notice of termination described immediately above.

D. Grant of License (Long Term). Grantor hereby grants to Grantee during the Term (as defined below) and on the terms and conditions set forth herein a first priority right and irrevocable nonexclusive license to occupy the Improvements within the area defined as Parcel B in Exhibit A, subject to the terms and conditions of this Agreement. Grantee shall have first docking rights, based on the schedule provided by Grantee to Grantor twelve months prior to the use of the Improvements. In the event water conditions or emergencies cause changes in the scheduled use of the Improvements, Grantor shall notify Grantee first of such changes, noting which dates are available for docking and Grantee shall have five days to elect any such open dates for docking, or in the event such date is less than five days away, Grantee shall have no less than twenty-four hours during which it may elect such open dates before Grantor offers open dates to other vessel operators. In addition to the Improvements constructed as part of this Agreement, Grantee and its guests and invitees shall have the right to use any parking lot on the Land for parking in conjunction with loading and unloading buses, and other reasonable uses ancillary to the use of the Improvements, including allowing service and maintenance vehicles to access any docked vessel or make repairs or improvements to the docking facilities. Grantor and Grantee agree that this license is not exclusive and that Grantor intends to allow other cruise operators to use the Improvements; provided however that Grantee shall have the first selection of dates as provided in this paragraph.

E. Temporary Grant of License (Short Term). Grantor hereby grants to Grantee through December 2021 and on terms and conditions set forth herein a first priority right and nonexclusive license to occupy the Improvements within the area defined as Parcel A in Exhibit A, subject to the terms and conditions of this Agreement. Grantee shall have first docking rights, based on the schedule provided by Grantee to Grantor twelve months prior to the use of the Improvements. In the event water conditions or emergencies cause changes in the scheduled use of the Improvements, Grantor shall notify Grantee first of such changes, noting which dates are available for docking and Grantee shall have five days to elect any such open dates for docking, or in the event such date is less than five days away, Grantee shall have no less than twenty-four hours during which it may elect such open dates before Grantor offers open dates to other vessel operators. Grantor and Grantee agree that this license is not exclusive and that Grantor intends to allow other cruise operators to use the Improvements; provided however that Grantee shall have the first selection of dates as provided in this paragraph. This Temporary Grant of License (Short Term) is intended to accommodate Grantee to dock at Parcel A until such time as Viking USA, LLC is scheduled to dock at Parcel A. This Temporary Grant of License (Short Term) shall not override or displace Viking USA, LLC from Parcel A and Grantor shall have full discretion to immediately revoke this temporary license if scheduling conflict arises between Grantee and Viking USA, LLC. Nothing in this Section 1.E shall prohibit improvements being made by Grantor or with Grantor's permission to the Land including access to the Land on a schedule at Grantor's sole determination.

F. Term. This Agreement shall become effective on April 1, 2020 ("**Effective Date**"). The initial term of this Agreement and the license and right of use granted hereunder (as may be extended, the "**Term**") shall commence on the date Grantee docks its first vessel at the Improvements ("**Commencement Date**") and shall terminate twenty (20) years from such date, unless terminated earlier pursuant to the terms of this Agreement (the "**Termination Date**"), with Grantee having the right to extend the Term by two (2) ten (10) year extensions, exercisable by Grantee in its sole discretion. The terms of any extension term shall be as set forth in this Agreement. Either party may terminate this Agreement by providing the other party with thirty (30) days written notice prior to the Effective Date.

G. Consideration. In exchange for the grant of the license described herein, Grantee agrees to contribute up to a maximum of $30,000.00 for the cost of the Enhancements. Grantor shall deliver receipts, draw requests or invoices from the contractor detailing costs incurred to Grantee along with a request for funding. Grantee shall have fifteen (15) days from the receipt of such documentation to conduct any inspections of the Enhancements, request any further documentation or question any documentation it has received. In the event that Grantee notes any noncompliance of the terms of the construction designs agreed upon by the parties, or any costs or charges with which it disagrees, Grantee shall notify Grantor within such 15 day period, and Grantor shall have five (5) days to respond to such notice by scheduling a meeting with the Grantee and/or the contractor to resolve any outstanding issues. Grantee agrees that if it fails to notify Grantor of any noncompliance within such 15 day period, it shall deliver to Grantor the requested funding (up to a maximum of $25,000.00) to Grantee within fifteen (15) days.

H. Maintenance. All Improvements shall be owned, controlled and maintained by Grantor, and Grantee shall bear no obligation or liability related thereto. Grantor agrees to maintain the Improvements as a safe and usable docking facility, and shall conduct such upgrades and repairs as to maintain the condition as originally designed and constructed. In the event that the Improvements are not maintained in a usable manner, Grantee may notify Grantor of any deficiencies and Grantor shall have ninety (90) days to remedy such deficiencies to Grantee's satisfaction. Grantor agrees that prior to allowing other vessels to use the Improvements, it will enter into a written agreement with such user setting out the terms of use, any agreed upon fee structure, adequate insurance requirements, and other policies and procedures that will ensure that the Improvements are used and maintained in a safe, neat, and reasonable manner.

I. Rent. Subject to the credit described in Section I below, the rental amount owed by Grantee for the use of the Improvements shall be $1.00 per passenger travelling (regardless of booking numbers) on each Grantee cruise which rental amount shall be applicable during the first twenty (20) years of the Term. Following completion of the initial term, the parties shall have the right to renegotiate the rental amount for the first extension period and any subsequent extension term. Fees shall be paid monthly to Grantor, not later than 60 days after they are incurred.

J. Docking Fee; Rental Credit. Grantor shall have the right to negotiate docking fees for any other vessels that use the Improvements. In the event the Grantor charges other vessels to utilize the Improvements, Grantor shall credit the amount Grantee owes in Rent one dollar ($1.00) per passenger plus fifty-percent (50%) of any amounts received in docking fees from such third party cruise vessel that docks at the Improvements until Grantee has received up to 50% of any Grantee share of the Enhancements per Section F, with a maximum of $15,000.00 in credit, at which point Grantee shall commence its rental obligations to Grantor as provided herein.

K. <u>Additional Improvements.</u> In the event that Grantee deems it necessary or appropriate for additional improvements to be constructed on the Land, including improvements from the low main water line of the river to provide access from river vessels onto land, Grantee shall notify Grantor of the proposed design and cost of such additional improvements. In the event that such improvements are similar in design and cost as other improvements contemplated by Grantor in its master plan for the waterfront development, Grantor and Grantee shall work to prioritize the construction of such improvements, with Grantee setting aside additional funding for such improvements in the same proportion as it shall provide for the initial Improvements described herein, in exchange for a credit for such costs against Rent as provided for herein. If the additional improvements Grantee requests are not similar in design and cost to those in Grantor's master plan, or in the event Grantor does not have plans for additional improvements on the Land, Grantee shall work with Grantor's engineers and planners to determine if such improvements comply with all existing land use plans for the area. Grantor agrees to use all diligence to review and approve Grantee's designs, or to work with Grantee to accommodate similar improvements into a plan Grantor can implement in accordance with this paragraph. All such improvements constructed on the Land, regardless of Grantee's role in designing or contributing to the cost of construction, shall be and remain the property of Grantor.

2. USE OF SPACE/WAIVER OF RESPONSIBILITY

Grantee shall use the Improvements solely for docking cruise vessels, disembarking and reloading cruise passengers, and servicing its vessels. Any changes to this use must first be approved in writing by Grantor, which may be granted or denied in its sole discretion. Grantee acknowledges that the use and occupancy of the Improvements, the Land, and adjacent areas is at its own risk, cost and expense and on an "as-is" and "where is" basis. Grantee agrees to assume sole and exclusive responsibility for any loss (including personal and bodily injury or property damage) which may be sustained by Grantee, its employees, agents, representatives, guests, invitees, or property.

3. INDEMNITY

To the fullest extent provided by law, and except for claims arising from the gross negligence, recklessness, or willful misconduct of Grantor, Grantee agrees to indemnify, defend, and hold harmless Grantor, and any of Grantor's affiliated entities, and their respective agents, employees, representatives, invitees, and grantees, of and from any and all claims, demands, suits, damages, expenses, penalties, fees, fines, proceedings, and liabilities (including, without limitation, costs of defense, investigation, and adjustment) arising out of or in connection with the Grantee's use and occupancy of the Improvements; or from the conduct of Grantee's business, or from any activity, work or things done, permitted, or suffered by Grantee in or about the Improvements or elsewhere; or from any breach or default in the performance of any obligation on Grantee's part to be performed under the terms of this Agreement; or from any act or omission of Grantee; and from and against all costs, reasonable attorneys' fees, and expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon. If any action or proceeding is brought against Grantor by reason of any such claim, Grantee, upon notice from Grantor, shall defend the same at Grantee's sole expense by counsel reasonably satisfactory to Grantor.

To the fullest extent provided by law, and except for claims arising from the gross negligence, recklessness, or willful misconduct of Grantee, Grantor agrees to indemnify, defend, and hold harmless Grantee, and any of Grantee's affiliated entities, and their respective agents, employees, representatives, invitees, and grantees, of and from any and all claims, demands, suits, damages, expenses, penalties, fees, fines, proceedings, and liabilities (including, without limitation, costs of defense, investigation, and adjustment) arising out of or in connection with the design, construction or maintenance of the Improvements or the condition of the Land; or from the conduct of Grantor's business, or from any activity, work or things done, permitted, or suffered by Grantor in or about the Improvements, the Land, or elsewhere; or from any breach or default in the performance of any obligation on Grantor's part to be performed under the terms of this Agreement; or from any act or omission of Grantor; and from and against all costs, reasonable attorneys' fees, and expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon. If any action or proceeding is brought against Grantee by reason of any such claim, Grantor, upon notice from Grantee, shall defend the same at Grantor's sole expense by counsel reasonably satisfactory to Grantee.

The provisions of this Article 3 shall survive the expiration or earlier termination of this Agreement.

4. INSURANCE; CASUALTY

A. Insurance Obligations. Both Grantor and Grantee agree to maintain adequate liability and property insurance coverage for their owned Improvements, including, in the case of Grantor, the land underlying any improvements and all land abutting the docking facility. Grantee acknowledges that Grantor's current, respective property and liability coverage plan (including self-funded components) are adequate. The aforesaid policies shall (i) be provided at the insured's expense; (ii) be on an occurrence basis; (iii) name Grantor, as appropriate, as an additional insured under any general liability policy; (iv) be issued by an insurance company with a minimum Best's rating of "A-:VII" as of the Commencement Date; and (v) provide that said insurance shall not be canceled unless 30 days prior written notice (10 days for non-payment of premium) shall have been given to the additional insureds. A certificate of liability insurance shall be delivered to each additional insured prior to the Commencement Date and at least 30 days prior to each renewal of said insurance.

B. Casualty. In the event of damage or destruction of the Improvements, Grantor shall promptly notify Grantee of any modifications or cancellations to the schedule that may be required by such damage or subsequent repair, and the provisions of Section 1.D shall apply. Grantor agrees to promptly repair, to the same or better condition as originally designed, any Improvements damaged or destroyed. In the event that Grantee cannot utilize the Improvements for the purposes described herein, or in the event the Improvements are not repaired or maintained in a first class manner, Grantee may notify Grantor of any deficiencies and Grantor shall have ninety (90) days to remedy such deficiencies to Grantee's satisfaction.

5. WAIVER OF SUBROGATION

Nothing in this Agreement shall be construed so as to authorize or permit any insurer of Grantee or Grantor to be subrogated to any right of Grantee or Grantor against the other party arising under this Agreement, and each of Grantee or Grantor shall cause each fire and extended coverage insurance policy or all risk insurance policy that it maintains to provide that the insurance company waives all rights of recovery by way of subrogation against the other party. Notwithstanding anything to the contrary contained in Section 4, above, Grantee or Grantor each hereby release the other from any loss or damage to the injured party's property (real or personal) located within or constituting a part of or all of the Improvements, even if such incidents were brought about by the act, fault or negligence of the party released (or persons for whose acts or negligence the other party released is responsible). This waiver and release shall apply to the extent the loss or damage is covered by: (i) the injured party's insurance; or (ii) the insurance the injured Party is required to carry under this Agreement, whichever is greater.

6. NON-TRANSFERABLE

Except to an entity wholly owned by Grantee, neither this Agreement nor the license and right of use granted hereunder may be assigned, delegated, or otherwise transferred, including by operation of law, without the prior written consent of Grantor in Grantor's sole discretion.

7. DEFAULT

The failure by either party to observe or perform any of the terms, covenants, or conditions of this Agreement to be observed or performed by such party, where such failure has continued for a period of twenty (20) days after written notice thereof from the non-defaulting party shall constitute a default and breach of this Agreement by such party.

8. REMEDIES

A. <u>Grantor Remedies.</u> If any default by Grantee shall continue uncured following notice of default, then Grantor may, at its option and without notice, terminate this Agreement and declare the Term ended, and, with or without process of law, refuse docking rights and use of the Improvements by Grantee, all without prejudice to any remedies which might otherwise be available to Grantor. Such termination, expulsion or removal shall not affect the liability of Grantee for other obligations under this Agreement.

Failure of Grantor to exercise its rights in connection with any breach or violation of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition contained in this Agreement.

All of Grantor's remedies shall be cumulative and not exclusive of other available remedies at law, in equity or otherwise.

B. Grantee Remedies. If any default by Grantor shall continue uncured following notice of default, then Grantee may, at its option, notify Grantor that it intends to remove Grantor from its schedule pending cure of any default, or that it intends to continue to dock at the Improvements, but withhold Rent due hereunder until such time as the default has been cured to Grantee's satisfaction. If such default is not cured within one hundred eighty (180) days of Grantee's abatement of Rent, Grantee may, with written notice to Grantor, terminate this Agreement and declare the Term ended, all without prejudice to any remedies which might otherwise be available to Grantee.

Failure of Grantee to exercise its rights in connection with any breach or violation of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition or any subsequent breach of the same or any other term, covenant or condition contained in this Agreement.

All of Grantee's remedies shall be cumulative and not exclusive of other available remedies at law, in equity or otherwise.

9. TERMINATION

Because of the consideration being paid by Grantee, other than due to a default by Grantee that remains uncured beyond the applicable cure period, Grantor may not terminate this Agreement prior to the end of the Term; however, Grantor may terminate this Agreement, as specified below, if Grantee, for reasons other than those out of Grantee's control, such as river conditions or force majeure, does not dock at the Land at least eight (8) times during an annual cruise season. Grantee may terminate this Agreement at any time prior to the expiration of the Term upon written notification to Grantor specifying the date of termination, which shall not be less than sixty (60) days after delivery of such notice.

Further, Grantee agrees that it shall not block another licensee's ability to dock and/or connect to the Land. Interference with another license shall be grounds for termination of the Agreement by Grantor.

Upon the termination of this Agreement, by expiration or otherwise, Grantee shall surrender the Improvements to Grantor free from all debris and personal property of Grantee. All alterations, additions, improvements and decorations made to the Improvements by Grantee that remain after expiration or earlier termination of the Term shall become the property of the Grantor unless Grantor shall require Grantee, at Grantee's expense, to remove any or all fixtures and other equipment and personal property owned by Grantee from the Improvements. Any and all fixtures and other equipment and personal property owned by Grantee may (and upon Grantor's request shall) be removed from the Improvements by Grantee no later than the termination date, provided that all terms and conditions of this Agreement have been complied with and provided further that Grantee shall repair any and all damage caused by such removal.

10. RELATIONSHIP OF PARTIES

The relationship hereunder between Grantor and Grantee is that of Grantor/Grantee, and no relationship of employer/employee, master/servant, landlord/tenant, joint venturers or partners shall be deemed to exist between Grantee and Grantor by virtue of this Agreement.

11. NOTICES.

Any notice which may be given pursuant to this Agreement shall be delivered postage pre-paid (a) via certified mail, return receipt requested, (b) via overnight courier, or (c) via in-person delivery, to the following addresses:

If to Grantor:
City of Davenport
226 W. 4^{th} Street
Davenport, Iowa 52801
Attention: City Administrator

If to Grantee:

American Cruise Lines, Inc.
Attn:

For purposes of this License notice will also deemed to have been properly sent if such is sent by electronic delivery (e-mail) provided that confirmation of such is received or can be documented.

12. MISCELLANEOUS

A. Headings. The article, section and other headings of this Agreement are for convenience of reference only and shall not be construed to affect the meaning of any provision contained herein.

B. Entire agreement. This Agreement, including all the attachments hereto, embodies the entire agreement between the parties and supersedes all prior agreements and understandings, if any, relating to the subject matter hereto.

C. Amendments and waivers. No amendment of any provision of this Agreement shall be valid unless the same shall be in writing and signed by the parties. No waiver by either party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, shall be deemed to extend in to any prior of subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

D. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. The parties contemplate that they may be executing counterparts of this Agreement transmitted by electronic mail and agree and intend that a signature delivered by electronic mail shall bind the party so signing with the same effect as though the signature were an original signature.

[Signature Page(s) to Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written, but to be effective as of the Effective Date.

GRANTEE:

AMERICAN CRUISE LINES, INC.

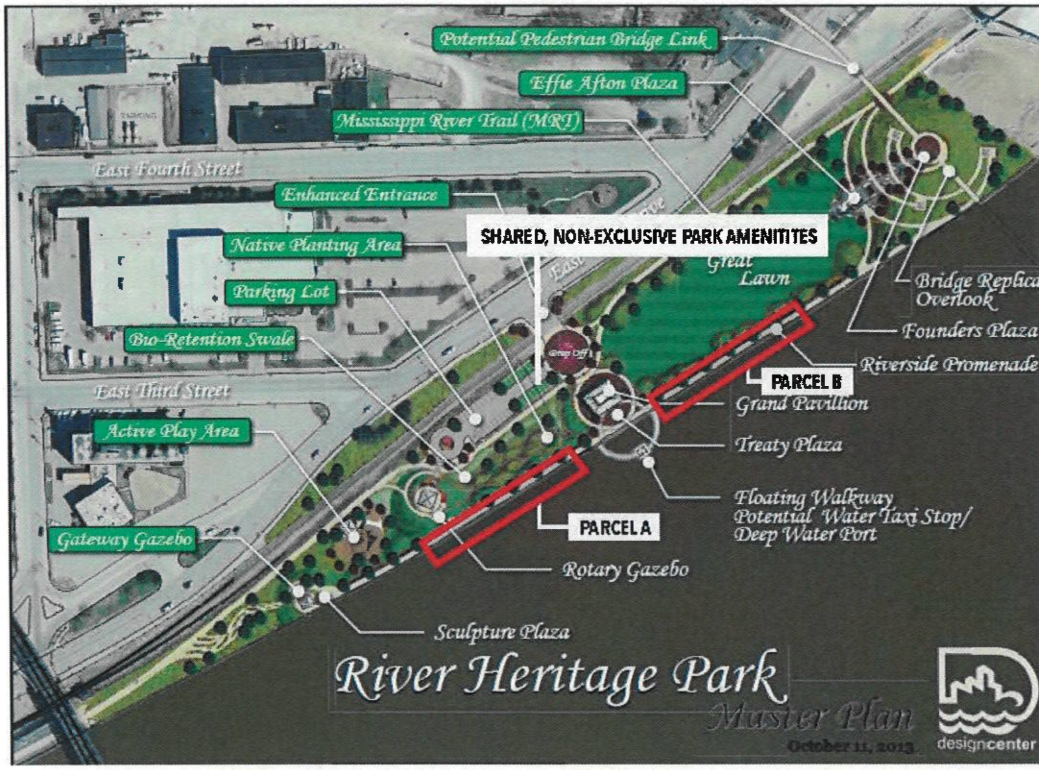
By: ______________________________
Name:
Its:

GRANTOR:
RIVERFRONT IMPROVEMENT COMMISSION
CITY OF DAVENPORT, IOWA

By: ______________________________
Name: Dee Bruemmer, Chair
Its:

EXHIBIT A

The Land



NOVEMBER 27, 2019

LEASE - BUSINESS AGREEMENT

THIS LEASE is made and entered into at Davenport, Iowa on this 17th day of December, 2019 by and between the City of Davenport, Iowa through its Riverfront Improvement Commission, hereinafter designated as "Landlord," and the Freight House Farmer's market, Inc., hereinafter designated as "Tenant."

1. LEASED PREMISES

A. The Landlord has leased, and by this instrument does lease, to the Tenant the following described property located in Davenport, Iowa, together with all appurtenances thereto and with easements of ingress and egress necessary and adequate for the conduct of Tenant's business, a Café, as hereafter described:

> *The Freight House complex, first floor at 421 West River Drive, Davenport, Scott County, Iowa, to include 2,000 square feet as shown on the attached floor plan, marked Exhibit A, and made a part hereof, hereinafter referred to as "Leased Premises."*

B. The Landlord represents and warrants that it is the sole owner of the building and Leased Premises, that it has full right, power, and authority to make the lease and that no other person or entity needs to join in the execution thereof in order for the lease to be binding on all parties having an interest in the Leased Premises. The Landlord also warrants that the building is in full compliance with existing local, state, and federal codes, rules, and ordinances.

2. TERM

A. The term of this Lease shall be for a period of Twenty-Four (24) Months, which begins on January 1, 2020 and shall terminate on December 31, 2021.

B. There shall be regular check-in points between the Landlord and the Tenant regarding the status of the business operations.

3. RENTAL

A. Beginning on April 1, Tenant shall pay to the Landlord on the first day of each month for use of the Leased Premises the following sum: Two Thousand Dollars and No Cents ($2,000.00) paid on a monthly basis, for a total of $24,000 annually. A late payment of Ten Percent (10%) of the monthly payment shall be assessed for payments not received by the end of the Fifteenth (15th) day of the month.

B. The Tenant has non-exclusive access to the Freight House parking lot, located to the south of the complex. It is intended that all tenants and related uses will work with the Landlord to accommodate needs.

4. PAYMENT OF RENTAL

The Tenant shall pay the rentals herein specified, and all other charges, to the Landlord at: Finance—Revenue Department, 226 West Fourth Street, Davenport, Iowa, 52801, or to such other address or addresses as the Landlord shall, from time to time, designate in writing.

5. USE OF LEASED PREMISES

A. The Tenant shall occupy and use the Leased Premises for the operation of a Cafe, specializing in local products and associated uses incidental to this operation. No other uses shall be permitted without the written consent of the Landlord which shall not be unreasonably withheld. The Tenant shall not sell, or permit to remain in or about the Leased Premises, any article that may be prohibited by standard form fire insurance policies.

B. The Tenant shall not display merchandise, nor permit merchandise to remain, outside the exterior walls and permanent doorway of the Leased Premises, without first securing the prior written consent of the Landlord.

C. The Tenant shall not employ any type of sound-emitting device in or about the Leased Premises that is audible outside the Leased Premises, except for fire and burglar alarms.

6. FIRE INSURANCE

The Tenant shall be responsible for carrying fire insurance and other risk insurance on personal property owned or used by the Tenant. The Landlord shall be responsible for fire and extended coverage, including casualty, on the building that the leased premises are located in.

7. LEASEE LIABILITY INSURANCE AND INDEMNIFICATION OF LANDLORD

The Lessee shall secure and maintain such primary insurance policies as will protect himself or his Subcontractors from claims for bodily injuries, death or property damage which may arise from operations under this contract whether such operations be by himself or by any Subcontractor or anyone employed by them directly or indirectly.

The following insurance policies are required unless other limits are specified. The City shall be identified as a certificate holder and specifically named as an additional insured under General Liability.

(1) Commercial General Liability

Each Occurrence	$1,000,000
General Aggregate	$2,000,000

(2) Commercial Automobile Liability
(if autos are used)

Any Auto, Hired & Non-Owned Combined Single Limit	$1,000,000

(3) Excess Liability Umbrella $1,000,000

(4) Statutory Worker's Compensation with waiver of subrogation in favor of the City.

CONTRACTUAL LIABILITY

The insurance required above under "LESSEE INSURANCE", shall:

(1) **be Primary insurance and non-contributory.**

(2) include contractual liability insurance coverage for the Lessee's obligations under the INDEMNIFICATION paragraph on page 2.

CERTIFICATES OF INSURANCE

Certificates of Insurance, acceptable to the City indicating insurance required by the Contract is in force, shall be filed with the City prior to approval of the Contract by the City. The Lessee shall insure that coverages afforded under the policies will not be cancelled until at least thirty (30) days prior written notice has been given to the City. The Lessee will accept responsibility for damages and the City's defense in the event no insurance is in place and the City has not been notified.

INDEMNIFICATION

To the fullest extent permitted by the law, the Lessee shall defend, indemnify, and hold harmless the City, its officials and its agents and employees from and against all claims, damages, losses and expenses, including but not limited to, all attorneys' fees arising out of or resulting from the performance of the work, provided that any such claim, damage, loss or expense:

(1) is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, including the loss of use resulting therefrom; and

(2) is caused in whole or in part by any negligent act or omission of the Lessee, any Subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable.

8. <u>ALTERATIONS</u>

The Tenant shall not make, or suffer to be made, any alternations, after the build-out, of the Leased Premises, or any part thereof, without the prior written consent of the Landlord, which shall not be unreasonably withheld, and any additions to, or alterations of, said Leased Premises, except movable furniture and trade fixtures, shall become at once a part of the realty and belong to the Landlord.

9. MAINTENANCE AND SANITATION

A. The Tenant, at its sole cost and expense, shall maintain in a good state or repair, the following areas: windows and doors, except for those used commonly with other tenants, along with the interior of the Leased Premises. Notwithstanding the foregoing, the Tenant may not paint, change, or modify in any manner the exterior of the Leased Premises without first securing the written consent of the Landlord. The Tenant shall be responsible for the exterior glass replacement of the demised area, should they become damaged or broken, and shall be replaced to the original specification.

B. The Tenant shall provide and maintain sufficient sanitary receptacles in and about the interior and exterior of the Leased Premises in which to place any refuse or trash produced by the Tenant or its customers and patrons, and the Tenant shall cause such refuse or trash to be removed from the area as often as required to maintain a sanitary condition. The Landlord shall provide space near the Leased Premises for such sanitary receptacles, to the extent practical.

10. SURRENDER OF LEASED PREMISES

The Tenant shall, upon expiration of the term hereby created, or upon earlier termination hereof for any reason, quit and surrender said Leased Premises in good order, condition, and repair, reasonable wear and tear excepted, and clean and free of refuse. If alterations, additions, and/or installations have been made by the Tenant as provided for in this Lease, the Tenant shall not be required to restore the Leased Premises to the condition in which they were prior to such alterations, additions, and/or installations.

11. FIXTURES

The Tenant shall provide, install, and maintain at its expense, fixtures of a special nature that may be required by the Tenant's business. All such fixtures which are not permanently affixed to the realty shall remain the property of the Tenant and may be removed by the Tenant not later than the expiration of the term hereof, provided that the Tenant is not then in default hereunder, and that the Tenant shall promptly repair, at its own expense, any damages occasioned by such removal. All other fixtures, with the exception of any water purification equipment (including, without limitation, air conditioning units, heating equipment, plumbing fixtures, hot water heaters, carpeting or other floor covering cemented or otherwise affixed to the floor) that may be placed upon, installed in, or attached to, the Leased Premises by the Tenant shall, at the expiration or earlier termination of this Lease for any reason, be the property of the Landlord and remain upon, and be surrendered with Leased Premises, without disturbance, molestation, or injury. The Tenant shall have the right, from time to time during the term of this lease, to remove any such fixtures, equipment, or property for the purpose of replacing the same with items of like character, quality, or value.

12. TENANT IMPROVEMENTS

Prior to commencing any Tenant improvements, the Tenant shall provide to the Landlord, for its review and approval, a plan and specifications for the proposed work to be performed. All improvements shall be completed in a timely and workman-like manner and in accordance with all applicable codes and ordinances.

13. FREE FROM LIENS

The Tenant shall keep the Leased Premises and the property on which the Leased Premises are situated free from any Mechanics Liens arising out of work performed, material furnished, or obligation incurred by or at the instance of the Tenant, and indemnify and save the Landlord harmless from all such liens and all attorney's fees and other costs and expenses incurred by reason thereof. Notice is hereby given that neither the Landlord nor the Landlord's interest in the Leased Premises shall be liable or responsible to persons who furnish material or labor for or in connection with such work.

14. ABANDONMENT

The Tenant shall not vacate or abandon the Leased Premises at any time during the term of this Lease; and if the Tenant shall abandon, vacate, or surrender the Leased Premises, or be dispossessed by process of law or otherwise, any personal property belonging to the Tenant and left on the Leased Premises shall be deemed to be abandoned, at the option of the Landlord. The Tenant shall not be deemed to have vacated or abandoned the Leased Premises caused by reasons beyond its control (casualty, strikes, and acts of God).

15. SIGNS AND ADVERTISING MATERIALS

The Tenant recognizes there are Signage Restrictions for the demised area. All proposed signage must be submitted and approved by the City of Davenport prior to installation, whether it be affixed to the building or window type display signs. The Tenant shall submit its signage plan to the Landlord for review and approval.

16. EXTERIOR LIGHTING

The Tenant shall not install any exterior lighting on the Leased Premises unless and until the Landlord shall have approved, in writing, the design, type, kind, and location of the lighting to be installed.

17. UTILITIES

The Tenant shall provide and be responsible for payment of all charges for water, gas, heat, air conditioning, electricity, and sewer for the Leased Premises. The Tenant also shall pay all charges for telephone and internet service, trash, garbage, and rubbish removal used by the Tenant. Any security deposit or connection charges required by any utility company to furnish service to the Tenant shall be paid by the Tenant. Landlord shall provide and maintain the necessary mains, conduits, wires, and cables to bring water, electricity and gas, and other utilities to the Premises.

18. ENTRY AND INSPECTION

The Tenant shall permit the Landlord and the Landlord's agents to enter into and upon the Leased Premises at all reasonable times, acceptable to the Tenant, for the purpose of inspecting the same, or for the purpose of maintaining the building in which said Leased Premises are situated, or for the purpose of making repairs, alterations, or additions to any other portion of said building. If the Tenant shall notify the Landlord that it does not intend to exercise any renewal option, the Landlord shall have the right to advertise and show the property to prospective users of the Leased Premises during the final Ninety (90) Days of the initial lease term or any option renewal.

19. DAMAGE AND DESTRUCTION OF LEASED PREMISES

A. The Landlord agrees, at its cost and expense, to maintain the roof, walls, and foundation of the Leased Premises and building in reasonably good order and condition, and to make all necessary repairs and replacements in and to the building, including the building flood protection system. If the Landlord fails to perform obligations under this Lease which creates a condition which interferes substantially with normal use, and as a consequence the Tenant is compelled to discontinue business in the Leased Premises in whole or in part, rental shall be proportionally abated. If Landlord defaults for more than Thirty (30) Days, after written notice by the Tenant, the Tenant shall have the right, but not be obligated to remedy such default. All such sums expended, or obligations incurred, by the Tenant in connection with the foregoing shall be paid by the Landlord to the Tenant upon demand, and if the Landlord fails to reimburse the Tenant, the Tenant may, in addition to any other right or remedy that it may have, deduct such amount from the next month's rent or rentals.

B. In the event of a destruction of the Leased Premises or the building containing the same during said term which requires repairs to either said Leased Premises or said building, or is declared to be unfit for occupancy by any authorized public authority for any reason other than the Tenant's act, use, or occupation, which declaration requires repairs provided the Tenant gives to the Landlord written notice of the necessity therefore. If those repairs are not, or cannot be, completed within Thirty (30) Days of said notice, then the Tenant may, at its option, cancel this Lease. However, if the Tenant does not desire to cancel the Lease, rent shall be abated during the period which those repairs are made and the Tenant is compelled to discontinue business in the Leased Premises. Further, in the event of flooding, rent shall be abated during that time period the leased premises are declared to be unfit for occupancy by any authorized public authority.

20. ASSIGNMENT AND SUBLETTING

The Tenant shall not assign this Lease, or any interest therein, and shall not sublet the Leased Premises or and part thereof, or any right or privilege appurtenant thereto, or permit any other person (the agent and servants of the Tenant excepted) to occupy or use the Leased Premises, or any portion thereof without first obtaining the written consent of the Landlord. Consent by the Landlord to one assignment, subletting, occupation, or use by another person shall not be deemed to be a consent to any subsequent assignment, subletting, occupation, or use by another person. Consent to an assignment shall not release the original named Tenant from liability which has accrued or occurred prior to the date of assignment. If the Landlord does not release the Tenant from liability, the Landlord shall give the Tenant notice of defaults by assignee and an opportunity to cure the same. Any assignment or subletting without the prior written consent of the Landlord shall be void, and shall, at the option of the Landlord, terminate this Lease. Neither this Lease nor any interest therein shall be assignable, as to the interest of the Tenant, by operation of law without the prior written consent of the Landlord. The Landlord shall give the Tenant prior notice of the assignment of this Lease and/or any interest of the Landlord therein.

21. DEFAULT, RE-ENTRY REMEDIES

If the Tenant shall fail to pay any part of the rent herein provided, or any other sum required by this Lease to be paid to the Landlord at the times or in the manner provided, or if default shall be made in any of the other covenants or conditions on its part agreed to be performed, and such failure to perform other covenants shall continue for Thirty (30) Days after written notice thereof from the Landlord to the Tenant, then the Landlord, besides other rights or remedies it may have, shall have the immediate right of re-entry and may remove all persons and property from the Leased Premises without liability to any person for damages sustained by reason of such removal. Such property may be removed and stored in a public warehouse or elsewhere at the cost of, and for the account of, the Tenant.

22. DEFAULT, COSTS, AND ATTORNEY FEES

If the Tenant shall fail to pay any part of the rent herein provided, or any other sum required by this Lease to be paid to the Landlord at the times or in the manner provided, or if default shall be made in any of the other covenants or conditions on its part agreed to be performed, then the Tenant shall be responsible for payment of all reasonable costs and attorney fees of the Landlord that result from the Landlord pursuing its rights and remedies.

23. SALE OF LEASED PREMISES BY LANDLORD

In the event of any sale of the Leased Premises, or assignment of this Lease by the Landlord, the Landlord shall give the Tenant prior notice of any such sale or assignment. The Landlord shall be relieved of liability under the Lease only in the event that the new Landlord agrees to the Lease and to not disturb the Tenant.

24. REIMBURSEMENT

A. All covenants and terms herein contained to be performed by the Tenant shall be performed by the Tenant at its expense, and if the Landlord shall pay any sum of money or do any act which requires the payment of money by reason of the failure, neglect, or refusal of the Tenant to perform such covenant or term, the sum or sums of money so paid by the Landlord shall be considered as additional rental and shall be payable by the Tenant to the Landlord on the first of the month next succeeding such payment, together with interest at the maximum rate permitted by law from the date of payment.

B. All covenants and terms herein contained to be performed by the Landlord shall be performed by the Landlord at its expense, and if the Tenant shall pay any sum of money or do any act which requires the payment of money by reason of the failure, neglect, or refusal of the Landlord to perform such covenant or term after written notice by the Tenant, the sum or sums of the money so paid by the Tenant shall be considered as rental and shall be deducted by the Tenant from the rent on the first of the month next succeeding such payment.

25. WAIVER

No covenant, term, or condition of this Lease shall be waived except by written waiver of the Landlord, and the forbearance or indulgence by the Landlord in any regard whatsoever shall not constitute a waiver of the covenant, term, or condition to be performed by the Tenant to which the same shall apply, and until complete performance by it of such covenant, term, or condition, the Landlord shall be entitled to invoke any remedy available under this Lease or by law despite such forbearance or indulgence. The waiver by the Landlord of any breach or term, covenant, or condition hereof shall apply to, and be limited to, the specific instance involved, and shall not be deemed to apply to any other instance or to any subsequent breach of the same or any other term, covenant, or condition hereof.

26. SUCCESSORS IN INTEREST

The covenants herein contained shall, subject to the provisions as to assignment, subletting, and sale of Leased Premises, apply to and bind the heirs, successors, executors, administrators, and assigns of all the parties hereto; and all of the parties shall be jointly and severally liable hereunder.

27. PARTIAL INVALIDITY

If any term, covenant, condition, or provision of this Lease is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired, or invalidated thereby.

28. TIME

Time is of the essence with regard to performance of any obligations under this Lease.

29. EMINENT DOMAIN

A. If the whole of the Leased Premises shall be acquired or condemned by eminent domain for any public or quasi-public use or purpose, then the term of this Lease shall cease and terminate as of the date of title vesting in such proceeding, and all rentals shall be paid up to that date, and the Tenant shall have no claim against the Landlord for the value of any unexpired term of this Lease.

B. If any part of the Leased Premises shall be acquired or condemned by eminent domain or public or quasi-public use or purpose, and in the event that such partial taking or condemnation shall render the Leased Premises unsuitable for the business of the Tenant, which shall be at the Tenant's reasonable discretion, then the term of this Lease shall cease and terminate as of the date of title vesting in such proceeding and the Tenant shall have no claim against the Landlord for the value of any unexpired term of this Lease. In the event the Tenant determines the Leased Premises are not suitable, then it shall be relieved from further obligation of this Lease.

C. In the event of any condemnation or taking as hereinbefore provided, whether whole or partial, the Landlord and Tenant shall each be entitled to receive and retain such separate awards and portions of lump sum awards as may be allocated to its respective interests in any condemnation proceeding.

D. Nothing herein shall be construed to preclude the Tenant from prosecuting any claim directly against the condemning authority in such condemnation proceedings for loss of business or depreciation to, damage to, or cost of removal of, or for value of stock, trade fixtures, furniture, or other personal property belonging to the Tenant.

30. MISCELLANEOUS

A. The Tenant shall be responsible to pay for Tenant's proportionate share of the Real Estate Taxes of the Leased Premises and any personal property taxes assessed on the equipment or fixtures owned by the Tenant. Tenant is solely responsible to keep itself informed of the assessment and collection of taxes.

B. The Landlord shall be responsible and pay for all snow removal, exterior landscaping, and all other exterior maintenance of the building and public areas surrounding the Leased premises. Tenant shall remove snow from the deck on the south side of the building. The Tenant shall be responsible, however, for the interior and exterior window cleaning of the Leased Premises.

C. The Tenant is hereby provided the exclusive use of the space agreed to on the first floor of the Freight House building.

D. The Tenant is responsible for obtaining and renewing all licenses and permits necessary for its operation. The Tenant shall comply with all Federal, State, or local rules and regulations applicable to its operation.

E. The rental of certain equipment (herein itemized) is included in the base rent. Equipment is as is, where is, and any maintenance required for equipment is the responsibility of the Tenant.

31. GENERAL

A. This Lease shall be construed in accordance with the laws of the State of Iowa.

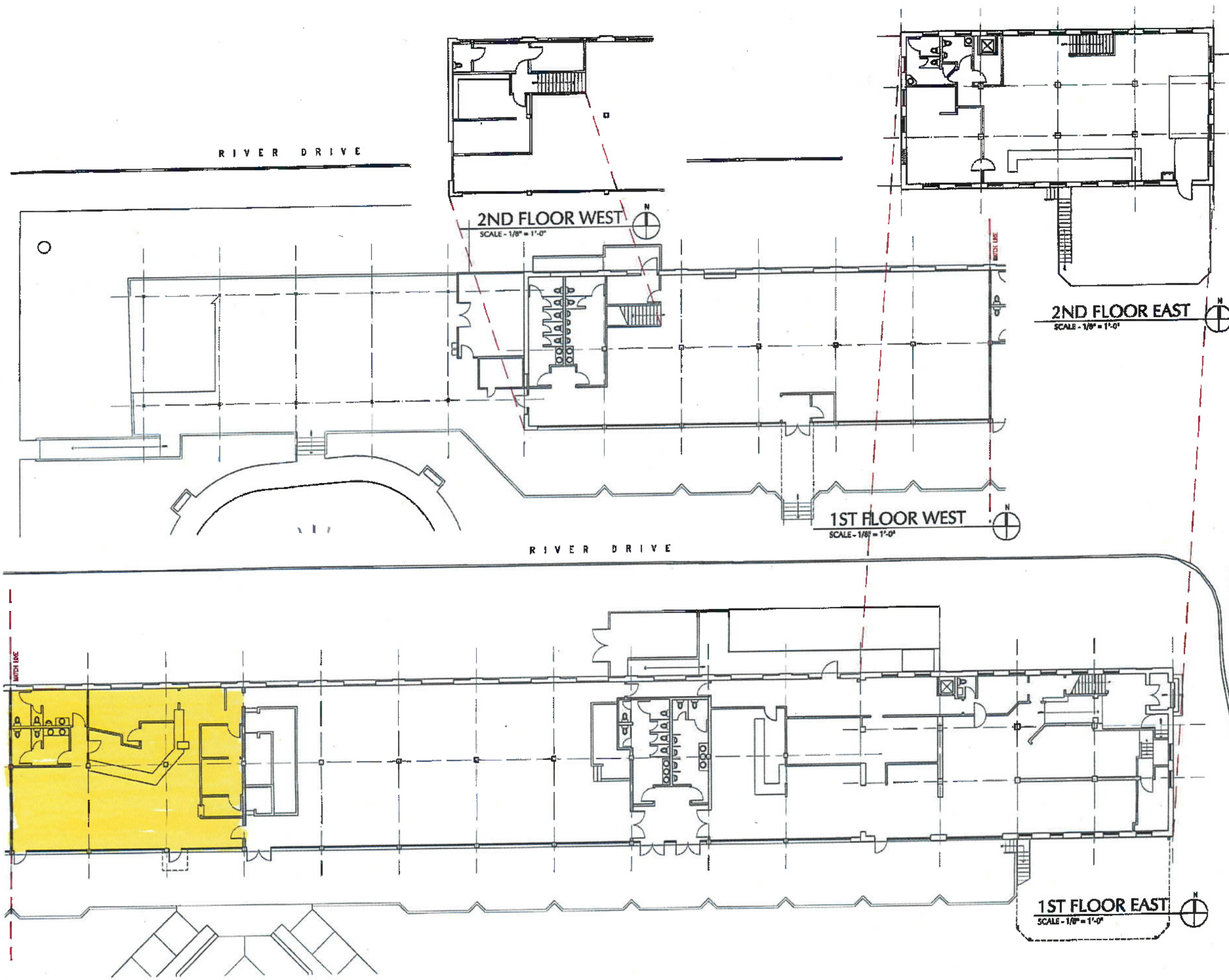
B. This Lease, and any exhibits attached hereto, sets forth all the covenants promises, agreements, conditions, or undertakings, either oral or written, between the Landlord and Tenant. Except as herein otherwise provided, no subsequent alteration, amendment, change, or addition to this Lease shall be binding upon the Landlord or Tenant unless reduced to writing and signed by both parties.

C. If the Landlord or Tenant herein shall be more than one party, then the obligations of such party or parties shall be joint and several.

D. The Landlord and Tenant acknowledge reliance on its own judgment and advice and counsel of its own attorney in interpreting this Agreement, and not in any manner on the other party.

IN WITNESS WHEREOF, the parties hereto have duly executed this lease in duplicate the day and year above written.

FREIGHT HOUSE FARMER'S MARKET, INC.	**RIVERFRONT IMPROVEMENT COMMISSION**
______________________________	______________________________
Date:________________________	**Date:**________________________



SGGM ARCHITECTS & INTERIOR DESIGNERS, PC

CITY OF DAVENPORT
FREIGHTHOUSE EXISTING CONDITIONS
RIVER DRIVE, DAVENPORT, IOWA

DATE
REVISIONS

PROJECT NUMBER 0929F

SHEET NUMBER A1