

McHenry Riverwalk Shoppes 2027 Lease Agreement

This AGREEMENT made and entered into the _____ day of _____, 2027 by and between the McHenry Area Chamber of Commerce the "Chamber", 1307 N. Green Street, McHenry, Illinois 60050 and _____ "Tenant" of a certain Riverwalk Shoppe located at 1202 Riverside Drive, McHenry, Illinois 60050.

A. The Chamber has agreed to grant a revocable, non-transferable, and non-exclusive use of unit # _____ at 1202 Riverside Drive, McHenry, Illinois 60050.

B. Tenant has agreed to rent the unit # _____ from the Chamber. Therefore, the parties agree as follows:

- 1) Use. Retail purposes only.
- 2) Program Fee. The total Program Fee for participation in the 2027 McHenry Riverwalk Shoppes program and an approximate 12' x 16' unit is \$6,000. The Program Fee includes Tenant's right to occupy the assigned Shop during the tenancy period, as well as participation in the Riverwalk Shoppes retail incubator program. The Program Fee is a commitment for the full 2027 season and shall be paid according to the following schedule:
 - January 15, 2027: \$500 refundable security deposit and \$1,000 initial rent payment due to secure Tenant's participation.
 - March 1, 2027: \$2,000 rent payment due.
 - April 1, 2027: \$1,000 rent payment due.
 - May 1, 2027, and each month thereafter through December 1, 2027: \$25 monthly electric fee due.
 - June 1, 2027: \$2,000 final rent payment due.

All payments shall be made payable to the McHenry Area Chamber of Commerce. The \$500 security deposit and monthly electric fee are separate from and in addition to the \$6,000 rental amount.

- 3) Length of Agreement. This Agreement shall become effective upon receipt of Tenant's initial payment and security deposit, due January 15, 2027, and shall remain in effect through December 26, 2027. Tenant's retail operating season shall run from April 30 through December 26, 2027. Tenant may begin moving in and setting up the shop on or about April 1, 2027, on a date and according to a schedule established by the McHenry Area Chamber of Commerce.

Tenant shall completely remove all inventory, equipment, furnishings, decorations, signage, and other personal property from the Shop and return the premises in the condition required by this Agreement no later than January 9, 2028, unless another move-out date is provided in writing by the McHenry Area Chamber of Commerce.

- 4) Trash. The Tenant is responsible for moving any trash from the public rights of way connected to Tenant's business. If Tenant does not remove trash, the Chamber may remove the trash and bill the Tenant.
- 5) Sublease. The Tenant may not sublease its space in whole or part to any other individual or business. All Tenants must be listed on the original lease unless authorization is given from staff.
- 6) Repair & Maintenance. The Chamber shall be responsible for all repairs to the unit unless damage is deliberate by Tenant or a result of tenant neglect. In this case, the Tenant shall be responsible to pay for any repairs the Chamber shall make.

- 7) Deposit. A refundable security deposit of \$500 is due January 15th. The unit shall be damage free and “broom clean” in order to receive the full security deposit at the end of the season. “Broom clean” is defined as ready for immediate use or occupancy by the next tenant without the need for additional cleaning.
- 8) Damage. Any damage or permanent changes to the structure shall be repaired and restored by the Tenant or the Tenant will be charged any fees incurred by the Chamber to repair or restore the unit out of the security deposit. If damages exceed the security deposit, the Chamber reserves the right to bill the Tenant for the remaining cost of repairs.
- 9) Inspections. The Chamber and/or the City of McHenry are allowed to conduct inspections upon reasonable notice.
- 10) Insurance

- a. Commercial General Liability Insurance.

The Tenant shall provide a Commercial General Liability Insurance naming the McHenry Area Chamber of Commerce as the certificate holder. The following language must be listed on the insurance, “ADDITIONAL Insured: McHenry Area Chamber of Commerce, City of McHenry and all elected and appointed officials, all employees and volunteers, all boards, commissions, and/or authorities and board members, including employees and volunteers thereof.” The insurance policy must be in place and on file at the Chamber’s office and given to the Chamber before Tenant may commence business. The insurance policy must be active throughout the entire season or Tenant will not be allowed to operate until policy is active.

- b. Commercial Property Insurance.

Tenant shall maintain commercial property insurance covering Tenant’s inventory, merchandise, equipment, furnishings, supplies, and other personal or business property located within the leased premises. Coverage shall be maintained for the entire term of this Lease and should be sufficient to cover the replacement value of Tenant’s property.

Tenant acknowledges that neither the McHenry Area Chamber of Commerce nor the City of McHenry is responsible for insuring Tenant’s inventory, merchandise, equipment, furnishings, supplies, or other personal or business property. Tenant’s property shall not be considered covered under insurance maintained by the McHenry Area Chamber of Commerce or the City of McHenry.

Tenant shall provide proof of the required commercial property insurance to the McHenry Area Chamber of Commerce before Tenant may take occupancy or commence business. Coverage must remain active throughout the entire lease term. If coverage expires, is cancelled, or otherwise lapses, Tenant shall not be permitted to operate until proof of active coverage is provided to the Chamber.

- 11) Operating Covenant.

- a. The Tenant shall not abandon or leave vacant the unit and shall not allow anyone other than Tenant, its employees, or agents to occupy it. Tenant shall not conduct an auction, going-out-of-business, bankruptcy sales, or similar practice.
- b. All products for sale not handmade by tenant must be purchased wholesale and resold. Consignment of other vendors is not allowed.
- c. Any product lines not included on the initial application must be approved by the McHenry Riverwalk Shoppes manager before tenant may carry items in the store.

- d. Tenant may not display merchandise outside of the shop other than directly on their individual shops porch or obstruct the public rights of way without prior written consent from McHenry Riverwalk Shoppes Manager.
- e. Tenant must keep their shop and surrounding area clean, neat, and safe.
- f. Tenant will refrain from using the shop in any way that is disruptive, a nuisance, annoyance, or an inconvenience.
- g. Tenant must keep the shop continuously and uninterruptedly open for business and adequately staffed during the following hours:
 April 30th through December 26th, 2027:
 Fridays: 10am to 6pm
 Saturdays: 10am to 6pm
 Sundays: 10am to 4pm Initial ____
 *Shops may be open more hours, but not less hours to maintain consistency and attraction to all 10 retail shops.
 *These days and hours are MANDATED. Please consider who can cover your shop if you cannot be there. In case of emergency, please notify the property manager. Excessive tardiness, emergencies, or early closures may result in a termination of the contract with final decision by the Chamber.
- h. Tenant will maintain a stock of merchandise throughout the season.
- i. Tenant will comply with all laws, ordinances, orders, rules, regulations, and requirements of federal, state, county, and city government regulating the use and occupancy of the shop.
- j. Tenant will not install any signs on the unit or display any additional signs on the sidewalk or porch. No outside displays shall be attached to the building, cover the building, or cover the windows. If outdoor displays are used, they must be tastefully decorated. They cannot be on the sidewalk. It is the Tenant's responsibility to inform their employees of the rules. Items must be removed immediately when told or they will be removed by the manager after the second warning of the season. If racks are used, they are limited to one rack for their outdoor display.
- k. No changes should be made to the inside structure or the outside of the shop in such a manner as to detract from the character and standards of the unit. No modifications to slatwall, floors, windows, doors.
- l. Tenant shall say no disparaging remarks to the public about the Chamber, City, McHenry Riverwalk Shoppes or any entity involved in the Shoppes or downtown. Vendors shall be courteous to other vendors, customers, and other business owners.
- m. Tenant shall provide a copy of their sales tax license and any other licenses required by City, State, or Federal government. It is the responsibility of the tenant to report all sales made in the city of McHenry to the IRS.
- n. Electricity is provided; however, there is a \$25 per month electric fee that will be charged to each vendor. If electricity usage is excessive, the Chamber reserves the right raise the electric fee on a case-by-case basis.

List any appliances to be used at your shop:

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- o. Tenant shall participate in marketing the McHenry Riverwalk Shoppes as well as their own shop including social media, events, and activities at McHenry Riverwalk Shoppes.
 - p. Any advertising for the McHenry Riverwalk Shoppes or use of the McHenry Riverwalk Shoppes logo must have prior approval by the Chamber.
 - p. Tenant shall attend all required workshops as determined by the Chamber as part of the Incubator Program.

- q. Tenant is responsible for their own internet connection to accept payments. The Chamber is not responsible for any missed sales that may happen from the lack of internet.
 - r. Tenants shall keep the outside and inside of their shop clean at all times. Tenants shall pick-up any trash outside of their shop and dispose in a proper manner.
- 12) Third Party Beneficiary. The parties understand and agree that the City of McHenry is a third-party beneficiary to this agreement and may enforce any provision of the agreement for itself and/or for the Chamber as if it had all rights of the Chamber. The rights of the City of McHenry are irrevocable, and the Chamber and the Tenant shall not discharge or modify the rights of the City of McHenry without the City of McHenry's consent.
 - 13) Prevailing Wage. If applicable, pursuant to 820 ILCS 130/0.01, et seq., not less than the prevailing rate of wages shall be paid to all laborers, workers and mechanics performing work on the Shoppes or the Shoppes area. The prevailing rate of wages is revised by the Illinois Department of Labor and are available on the Department's official website.
 - 14) Default. Tenant agrees should Tenant breach any provisions in the agreement, the Chamber or the City of McHenry may at any time declare the Tenant in default and terminate the agreement immediately.
 - 15) Indemnification. Tenant shall indemnify the McHenry Area Chamber of Commerce, its board, staff, and volunteers, as well as the City of McHenry, its officials, etc. against any and all acts arising out of Tenants use of the shops, and all claims, liability, liens, etc.
 - 16) Reimbursement. Tenant agrees that it shall reimburse the Chamber for any and all costs and expenses, including reasonable attorneys' fees that the Chamber incurs in connection with the enforcement of its rights under this Agreement.
 - 17) Remedies. Failure to pay rent; failure to perform any covenant will give the Chamber the right to terminate the Agreement.
 - 18) Governing Law. This Agreement shall be governed by the laws of the State of Illinois.
 - 19) Entire Agreement. This Agreement shall constitute the entire agreement and supersede any other written or oral agreements between the parties.
 - 20) Severability. Should any one or more of the provisions of this Agreement be determined to be unlawful, invalid, or unenforceable, the remaining provisions of this Agreement shall not be impaired.

IN WITNESS WHEREOF, the Chamber and Tenant have caused this agreement to be executed on the _____ day of _____.

WITNESSES: McHenry Area Chamber of Commerce:

Printed Name: _____

Signature: _____

Tenant:

Printed Name: _____

Signature: _____