October 11, 2016

[Insert Name] Peggy's on the Green 128 West Blanco Boerne, Texas 78006

Re: Lease Agreement for Billboard Sign within City of Boerne Property

Dear [insert name],

This letter is sent to memorialize an agreement (the "Letter Agreement") between the City of Boerne ("Boerne") and Peggy's on the Green ("Peggy's") (collectively, the "Parties") concerning a Billboard Sign to be located on City property abutting 128 West Blanco, Boerne, Texas 78006, as is more specifically described in the attached Exhibit 1 which is incorporate herein (the "Property"). The Parties acknowledge that the Property is currently owned by Boerne, is within the City limits of Boerne and is subject to Boerne ordinances, rules and regulations. The Parties further agree that the terms and conditions contained within this Letter Agreement will control the use of the Property and the Billboard sign to be placed upon the Property.

Peggy's desires to construct a Billboard sign on the Property. A Billboard sign is in violation of Boerne Sign Ordinance Section 11.D. On October 11, 2016, the City Council granted Peggy's a variance for a Billboard sign. Both Parties agree and acknowledge that the Billboard sign will serve as a benefit to the Property and Peggy's. For the sum of \$1 per year and the agreement of the Parties to the Terms and Conditions contained herein, the execution of this Letter Agreement will memorialize Peggy's use of the Property for the placement of the Billboard sign.

- 1. If Boerne must access the Property, or any other abutting property, for any reason and the Billboard sign is damaged, Peggy's is solely responsible for any damage that the Billboard sign may incur;
- 2. If Boerne must access the Property, or any other abutting property, for any reason and the Billboard sign prevents such access, Boerne may remove the Billboard sign and Peggy's will be solely responsible for the costs of removal and/or replacement;
- If the Billboard sign must be removed by Peggy's for any reason, other than maintenance, Peggy's, or any other owner or lessee of the property located at 128 West Blanco, Boerne, TX 78006, must relocate such Billboard sign outside of the Property and this Letter Agreement will automatically terminate as a matter of law;
- 4. Peggy's, or any other Property owner or lessee of the property located at 128 West Blanco, Boerne, TX 78006, will not be allowed to erect a new or additional signage within the Property for any reason;

- 5. Peggy's shall be responsible for maintaining, clearing, mowing, weeding, planting, etc. of grass areas, bushes, vines, flowerbeds, and other areas of vegetation within the Property;
- 6. Should Peggy's cease to conduct business at the property located at 128 West Blanco, Boerne, TX 78006, the Billboard sign shall be immediately removed at Peggy's sole cost and expense and this Letter Agreement will automatically terminate as a matter of law; and
- 7. This Letter Agreement will terminate automatically upon the expiration of five (5) years and the Billboard sign shall be removed within fourteen (14) days of such expiration at Peggy's sole cost and expense unless this Letter Agreement is renewed by Agreement of the Parties for an additional five (5) year term; and
- 8. THIS LETTER AGREEMENT IS ENTERED INTO BY AND BETWEEN THE PARTIES ONLY AND IS NON-TRANSFERABLE AND ANY ATTEMPT TO TRANSFER THIS AGREEMENT SHALL RESULT IN AUTOMATIC TERMINATION OF THIS LEASE AGREEMENT.

If you are agreeable to the Terms and Conditions contained in this letter, please sign below. Should there be any questions or concerns surrounding the contents of this letter, please call the City Attorney, Kirsten B. Cohoon, at 830-248-1530. Boerne appreciates your continued partnership and looks forward to a successful Peggy's on the Green.

Sincerely,

Ronald C. Bowman City Manager City of Boerne, Texas