

NORTH CAROLINA  
ORANGE COUNTY

## **LEASE AGREEMENT**

THIS LEASE AGREEMENT, made and entered into the \_\_\_\_ day of \_\_\_\_\_, 2019 by and between the TOWN OF CARRBORO, a North Carolina Municipal Corporation, 301 W. Main Street, Carrboro, North Carolina, 27510, hereinafter referred to as the "Town" and the COMMUNITY SCHOOL FOR PEOPLE UNDER SIX, 102 Hargraves Street, Carrboro, North Carolina, 27510, hereinafter referred to as "CSPU6."

### **WITNESSETH:**

WHEREAS the Town acquired a modular unit for three (3) classrooms and other facilities, hereinafter referred to as "Facilities," at a site owned by the Town on Hargraves Street in Carrboro, North Carolina, hereinafter referred to as "Leased Premises;" and

WHEREAS, the Town has agreed to allow CSPU6 to use the Leased Premises pursuant to this Lease Agreement;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

#### **1. Lease of Premises**

The Town hereby leases to CSPU6 that certain property owned by the Town located at 102 Hargraves Street, Carrboro, North Carolina 27510, for the purpose of using an existing modular unit for three (3) classrooms and other facilities (the "Facilities"), upon the Leased Premises. CSPU6 accepts the Leased Premises and the Facilities in "as is" condition.

Attached hereto as Exhibit "A" and incorporated herein by reference is a schematic plan of the Facilities (hereinafter referred to as the "Floor Plan").

#### **2. Rent**

The Town agrees to rent the Leased Premises to CSPU6 for the sum of One Dollar (\$1.00) per year.

#### **3. Term of Lease**

The term of this Lease shall be for ten years (10), commencing on August 18, 2019 and ending on August 18, 2029, unless terminated sooner in accordance with the provisions below. CSPU6 reserves the right to terminate this Lease upon at least sixty (60) days notice to the Town.

Oral notice of termination or oral discussion of same has no validity under this Lease. ALL NOTICES MUST BE WRITTEN.

#### **4. Surrender of Lease Premises**

At the expiration of the Lease term, or upon earlier termination as allowed, CSPU6 shall surrender the Leased Premises in as good condition as it was in at the beginning of the Lease term, reasonable wear and tear and damages by the elements excepted.

#### **5. Duties of CSPU6**

- a. CSPU6 shall provide all routine janitorial services at its own expense for the Facilities. Provision for contract janitorial service shall include worker's compensation insurance, general liability insurance and employee bonds.
- b. CSPU6 shall provide for the Facilities and at its expense for its own use the following utilities: gas, water, sanitary sewer, solid waste collection (including recycling), electricity, telephone and cable service, if desired. CSPU6 shall also be responsible for the maintenance and upkeep of its equipment and personal property located upon the Leased Premises and outside of the Facilities, i.e., playground and playground equipment.
- c. CSPU6 shall be responsible for the cost of all routine maintenance and repairs to both the interior and exterior of the Facilities, including public water and sanitary sewer lines to the extent such routine maintenance and repairs is not the responsibility of OWASA or any other public utility. CSPU6 reserves the right to bill the Town for extraordinary maintenance resulting from the activities and/or neglect of Town employees.
- d. CSPU6 shall ensure that the Leased Premises are maintained and operated in a safe and sanitary manner. CSPU6 shall leave the Facilities in a safe and sanitary condition following CSPU6's use of said Facilities. CSPU6 shall also be responsible for proper safekeeping and security of the Facilities.
- e. CSPU shall comply with all applicable statutes, regulations and codes relating to occupancy by a certain number of persons, building code provisions for kitchens, fire regulations, and provisions governing food preparation and handling. CSPU6 shall take reasonable precautions to prevent damage to the Leased Premises and/or Facilities from fire or other causes and to prevent bodily and personal injury.
- f. CSPU6 shall seek the Town's prior written approval before making any structural changes the Leased Premises and/or Facilities. The Town shall inform CSPU6 of any intended structural changes to be made to the Leased Premises and/or Facilities prior to making said changes.

#### **6. Duties of the Town**

- a. The Town shall provide all routine grounds maintenance for the Leased Premises at its own expense, including the parking lot and basketball courts, except that portion of the Leased Premises upon which CSPU6 maintains its equipment and personal property outside of the Facilities, i.e., playground and playground equipment -which area and equipment shall be maintained by CSPU6. Provision for contract

grounds maintenance service shall include worker's compensation insurance, general liability insurance and employee bonds.

## **7. Insurance**

To the extent permitted by law, CSPU6 shall provide at its expense liability insurance, for bodily injury, personal injury, contractual liability and property damage, naming the Town as an additional insured, covering its activities on the Leased Premises and/or Facilities, and any other insurance required by law or the Town, which insurance policy shall name the Town as an "additional insured". Copies of said insurance policies or Certificates of Insurance shall be filed in the Town Purchasing Office. Said insurance shall provide that the Town shall be given at least thirty (30) days prior written notice before the policy may be altered, amended, canceled, or terminated or allowed to lapse.

To the extent permitted by law, the Town shall provide at its expense liability insurance, for bodily injury, personal injury, contractual liability and property damage, naming CSPU6 as an additional insured, covering its activities on the Leased Premises and/or Facilities, and any other insurance required by law or CSPU6. Copies of said insurance policies or Certificates of Insurance shall be filed at the CSPU6 Director's office at 102 Hargraves Street, Carrboro, North Carolina. Said insurance shall provide that CSPU6 shall be given at least thirty (30) days prior written notice before the policy may be altered, amended, canceled, or terminated or allowed to lapse.

## **8. Waiver of Subrogation**

The Town agrees to maintain fire, extended coverage, and vandalism and malicious mischief insurance on the Leased Premises and on personal property of the Town contained therein to the extent of its full insurable value. CSPU6 shall do the same with respect to its property located in or on the Leased Premises. CSPU6 hereby mutually releases and discharges the Town from all claims or liabilities arising from or caused by fire or other casualty covered by its insurance on the Leased Premises, or property in or on the Leased Premises. The Town hereby mutually releases and discharges CSPU6 from all claims or liabilities arising from or caused by fire or other casualty covered in its insurance on the Leased Premises, or property in or on the Leased Premises.

## **9. Sublease or Assignment**

This Lease Agreement may not be assigned or transferred, nor may any of the Leased Premises and/or Facilities be sublet, without the prior written approval of both parties.

## **10. Alterations, Repairs**

The Town reserves the right to approve and/or make alterations, renovations, or repairs to the Leased Premises. CSPU6 may make alterations, renovations, or repairs to the Facilities but only with the Town's written approval, and such approval shall not be unreasonably withheld.

## **11. Right of Inspection**

The Town reserves the right to enter the Leased Premises and inspect the Leased Premises, or to repair and maintain the Leased Premises, upon reasonable notice.

## **12. Personal Injury or Property Damage**

CSPU6 shall, to the extent allowed by law, indemnify and hold harmless and defend the Town, its agents and employees from any claims, cost, expense, liability, action, or judgment including attorney's fees arising out of or related to any personal injury, death or property damage with respect to its use of the Leased Premises for operation of the CSPU6 program for preschoolers, except to the extent same are caused by the negligence or misconduct of the Town.

## **13. Amendment of Lease**

This Lease may be modified or amended by written agreement of the parties.

## **14. Damage to Leased Premises**

In the event the Leased Premises and/or Facilities shall be damaged so as to render it untenable, this Lease Agreement shall terminate.

## **15. Default**

In the event CSPU6 shall default under any of its obligations and fails to remedy default within reasonable time after notice from the Town, the Town may declare this Lease terminated and reenter Leased Premises to take possession and terminate the Lease. In the event the Town shall default under any of its obligations and fails to remedy default within reasonable time after notice from CSPU6, CSPU6 may declare this Lease terminated and reenter the Facilities to take possession and terminate the Lease.

## **16. Notice**

Any notice or written communication related to this Lease shall be deemed effective if mailed or delivered to:

1. For the Town:

David Andrews, Town Manager  
Town of Carrboro  
301 W. Main Street  
Carrboro, NC 27510

2. For CSPU6:

Anna McClain, Director  
CSPU6  
102 Hargraves Street  
Carrboro, NC 27510

with copies to:

Annette Stone, Director  
Economic & Community Development  
Town of Carrboro  
301 W. Main Street  
Carrboro, NC 27510

or such other place as the parties may be directed.

IN WITNESS WHEREOF, the parties hereunto cause this Lease Agreement to be executed in their respective names.

This the \_\_\_\_ day of \_\_\_\_\_, 2019.

TOWN OF CARRBORO  
A Municipal Corporation

COMMUNITYSCHOOL FOR  
PEOPLE UNDER 6

By: \_\_\_\_\_  
Town Manager

\_\_\_\_\_  
Director, CSPU6

Attest: \_\_\_\_\_  
Town Clerk

Attest: \_\_\_\_\_