LEASE AGREEMENT AND ASSIGNMENT AGREEMENT

THIS LEASE AGREEMENT ("Lease") AND ASSIGNMENT AGREEMENT ("Assignment") (jointly, the "Agreement") is made and entered by and between the CITY AND COUNTY OF DENVER, a municipal corporation of the State of Colorado (the "City"), and ENVIRONMENTAL LEARNING FOR KIDS, a Colorado nonprofit corporation, whose address is 14460 East 50th Avenue, Denver, Colorado 80239 (the "Lessee").

WITNESSETH:

WHEREAS, prior to the Commencement Date (defined below), it is anticipated that the City will be the fee owner of raw land located at 12680 East Albrook Drive, Denver, Colorado 80239 in the City and County of Denver, Colorado, as legally described in the attached <u>Exhibit</u> <u>A</u>, and as depicted on the ALTA/ACSM land improvement survey in the attached <u>Exhibit A-1</u> (the "**Premises**"); and

WHEREAS, Lessee is a non-profit corporation engaged in programmatic activities for environmental education and stewardship efforts to improve and maintain natural areas and resources and cultivate a passion in science, leadership and service in underserved Colorado youth ("Mission"), which Mission is consistent and supportive of the purposes and goals of the Denver Department of Parks and Recreation (the "Parks Department"); and

WHEREAS, subject to the terms of this Agreement along with the property use restrictions or requirements prescribed by the grant and funding agreements which provided the funds used to acquire the Premises (collectively the "Grant Restrictions"), the City agrees to lease to Lessee the Premises to be used by Lessee for nonprofit purposes benefitting the public and consistent with the Mission of Lessee; and

WHEREAS, Lessee proposes to construct improvements on the Premises that it deems necessary to accomplish Lessee's Mission and in accordance with the Grant Restrictions and the Assignment, including but not limited to, a building (the "**Education Center**"), storage building, porch, landscaping and parking lot, as generally depicted in the conceptual drawing attached as **Exhibit B**; and

WHEREAS, the remainder of the Premises, outside of the area of the above-described improvements, will be available for use by both Lessee and the general public as open space and natural area with Lessee restoring, improving and maintaining this part of the Premises for Lessee's outdoor programs and services and general public use (the "Open Space"); and

WHEREAS, the City desires to lease the Premises and any improvements thereon to Lessee, at a nominal rental rate, in consideration of certain environmental educational, stewardship and other services Lessee will provide the Parks Department and for the benefit of the residents of Denver and in consideration of Lessee's compliance with all Grant Restrictions.

LEASE

NOW, THEREFORE, for and in consideration of the premises set forth in the recitals above and incorporated herein by reference, and the mutual covenants and agreements hereinafter contained, the City and Lessee agree as follows:

1. **BASIC LEASE TERMS**:

A. <u>Leased Premises</u>: Subject to the terms and conditions of this Agreement and any applicable Grant Restrictions, the City agrees to lease, demise, and let unto Lessee and Lessee does hereby lease from the City the land and any fixtures, structures, and permanent improvements presently existing or as may be constructed, expanded or renovated in the future, on, below or above the ground (the "**Improvements**"), located at 12680 East Albrook Drive, Denver, Colorado 80239 in the City and County of Denver, Colorado, as legally described in <u>Exhibit A</u>, attached hereto and incorporated herein, and as depicted on the ALTA/ACSM land improvement survey in <u>Exhibit A-1</u>, attached hereto and incorporated herein (collectively, the "Leased Premises").

B. <u>Exclusivity</u>: Subject to the terms and conditions of this Agreement, Lessee shall have exclusive use of any Improvements consisting of any occupied and secured (locked) structure(s), including, but not limited to, the Education Center, and non-exclusive use of the Open Space during the Term (defined below) of this Lease.

C. <u>Access & Parking</u>: Lessee shall have a right of vehicular and pedestrian access to the Leased Premises directly from East Albrook Drive and by means of a Cross-Access Agreement over the adjoining property to the west depicted on <u>Exhibit A-1</u> ("<u>Cross-Access</u> <u>Area</u>"). Primary parking for Lessee shall be by means of a parking lot built on the Leased Premises outside of the Open Space, although the public may use any available and legal on-street parking.

D. Easements & Subleases: No utility or other easements or encumbrances

shall be granted by Lessee at, in, under or over the Leased Premises without the prior written permission of the City. No subleases shall be made to tenants or others without the prior written permission of the City. The City reserves the right, upon reasonable written notice to Lessee, to place at, in, under or over the Leased Premises pipes, wires, lines, conduit, drains and other facilities, provided such is done in a manner which does not unreasonably interfere with Lessee's use of the Leased Premises and any property use restrictions in the Grant Restrictions.

E. <u>Acquisition</u>: Any obligation of the City to perform under this Lease, or Lessee to lease the Leased Premises, is strictly subject to the City first acquiring fee simple title to the entire Leased Premises.

F. <u>Administration</u>: Except as otherwise expressly specified herein, this Lease shall be administered on behalf of the City by the Real Estate Division of the Department of Finance ("**Real Estate Division**").

G. <u>Ownership</u>: All Improvements made on the Leased Premises shall become the property of the City upon acceptance of the Improvements by the City and shall immediately be subject to the terms and conditions of this Lease.

2. **TERM and TERMINATION**:

A. <u>Term</u>: The term of this Lease shall begin on ______, 2014, which is the date on which the City acquires fee simple title in the Premises ("Commencement Date") and shall expire fifty (50) calendar years later, unless sooner terminated pursuant to the terms of this Lease ("**Term**"). The Term of this Lease may be extended, upon mutual agreement of the City and Lessee, in the manner specified in Section 30 of this Agreement. The City and Lessee agree to negotiate any extension of the Term or other amendment to this Lease in good faith, but neither the City nor Lessee is under any obligation to enter into any amendment to this Agreement or a new agreement to extend the Term of this Lease.

B. <u>Termination</u>:

 The City and Lessee may mutually agree to terminate this Lease at any time. If such mutual agreement to terminate occurs, Lessee shall vacate the Leased Premises in accordance with Section 9 of this Lease.

2) The City may, upon good cause, terminate the Lease for a material breach or default by Lessee under this Lease (which does not include abandonment or

unauthorized assignment which are addressed in Paragraph 3 of this Sub-section 2.B.), provided that Lessee shall have thirty (30) days following the receipt of written notice from the City to substantially cure or rectify the breach or default. If the nature of Lessee's breach or default is such that more than 30 days are reasonably required for its cure, then Lessee shall not be deemed to be in default if Lessee commences such cure, in good faith, within the thirty (30) day period, and thereafter diligently prosecutes such cure to completion within ninety (90) days or such longer time as specified by the Real Estate Division. If Lessee fails to substantially cure or rectify the breach or default within the specified period of time or any extended period of time, the City shall have a right to re-enter the Leased Premises and assume control and full use of the Leased Premises as provided in Section 9 of this Lease.

3) The Lease shall be deemed abandoned, and automatically terminated, if Lessee fails to occupy and use the Leased Premises for a continuous period of six (6) months or assigns the Leased Premises in violation of Section 28 of this Lease. Upon the construction and occupancy of the Education Center, the Lease shall be deemed abandoned, and automatically terminated, if Lessee fails to occupy and use the Education Center for a continuous period of two (2) months without the prior written permission of the Executive Director of the Parks Department. Upon occurrence of the specified abandonment or unauthorized assignment or sublease, without further notice, the City shall have a right to re-enter the Leased Premises and assume control and full use of the Leased Premises as provided in Section 9 of this Lease.

4) The Lease may be terminated by the City or Lessee under the circumstances prescribed in Section 13 of this Lease in the event of serious damage to or destruction of the Leased Premises due to fire or other casualty.

5) As a condition of the continuance of this Lease for its full Term, Lessee agrees and covenants that Lessee shall secure seventy-five (75%) of the funding needed to make the Improvements as described in the Assignment within six (6) years following the Commencement Date and, if the specified funds are timely secured, to substantially complete the construction of the Improvements within ten (10) years following the Commencement Date. As an additional condition of the continuance of this Lease for its full Term, Lessee agrees and covenants that Lessee shall commence to install the natural area Improvements in the Open Space, in accordance with plans approved by the Parks Department, within three (3) years following the Commencement Date and, if the natural area Improvements are timely commenced, to substantially complete the installation of the natural area, in accordance with plans approved by the Parks Department, within five (5) years following the Commencement Date. If any Grant Restrictions specify a shorter time period or additional terms or conditions for the construction of the Improvements or the installation of the natural area Improvements, Lessee agrees and covenants that Lessee shall comply with the Grant Restrictions. If Lessee finds that it is unable, for any reason, to meet any of the deadlines set out in this paragraph, Lessee shall promptly advise the Real Estate Division and the Parks Department, in writing, of the reasons for being unable to meet the deadlines and shall provide a plan for meeting the requirements of this paragraph within a reasonably short period of time set forth in a schedule. The Director of Real Estate and the Executive Director of the Parks Department, after reviewing Lessee's plan and schedule and after consulting with each other, in their sole discretion, may jointly agree, in writing, to extend the deadlines set out in this paragraph. If the decision is made not to extend the deadlines or if the deadlines are passed without the requirements specified in this paragraph being met by Lessee, the Director of Real Estate and the Executive Director of the Parks Department may elect to terminate this Lease.

6) Upon termination by the City under Paragraphs 2, 3, 4 or 5 of this Sub-section 2.B., the City shall be entitled to receive or recover as compensation or damages a sum of money equal to the total of: (i) the cost of recovering the Leased Premises, including reasonable attorneys' fees; (ii) any unpaid Rent (defined below) earned at the time of termination; (iii) damages for any wrongful withholding of the Leased Premises by Lessee; (iv) unpaid taxes or assessments, if any; (v) unpaid Utilities, if any; (vi) any other sum of money owed by Lessee to City or third parties as a result of its use or occupancy of, or conduct of business on, the Leased Premises; (vii) the costs of any repairs or replacements of the Leased Premises for damages caused during the Term of the Lease above and beyond normal wear and tear and the costs covered by any insurance proceeds provided by Lessee to the City; and (viii) any costs or expenses that were incurred or will be incurred by the City as the result of any enforcement of the Grant Restrictions, including but not limited to any damages for which the City might be found liable in a legal action, any costs or expenses resulting from complying with any order for specific performance, declaratory judgment or other equitable relief against the City based on enforcement of the Grant Restrictions, or the reasonable settlement of any legal action enforcing the Grant Restrictions.

3. **<u>RENT & SERVICES</u>**:

A. <u>Rent</u>: Lessee shall pay to the City for the annual rent of the Leased Premises for each year of the Term or Option Term, if exercised, of this Lease one dollar (\$1.00) ("**Rent**") and for such other consideration stated in this Section 3. The Rent payments shall be payable to the Denver Chief Financial Officer, paid on or before January 1st of each year during the Term of this Lease (and for 2014, on or before the date the Mayor signs the Lease), and shall be delivered to the Real Estate Division at 201 West Colfax, Department 1010, Denver, Colorado 80202 or to such other address as the City may designate by written notice. The City does not require a security deposit for the Leased Premises.

B. <u>Services</u>: In addition to the Rent specified in Sub-section 3.A., Lessee agrees to provide, as consideration for and as a condition of this Lease, the following services and uses for the Leased Premises:

1) Janitorial and other general maintenance, repair and replacements on the Leased Premises as set forth in Section 7 of this Lease.

2) Environmental educational programming and stewardship projects to improve and maintain natural areas and resources and cultivate a passion in science, leadership and service in underserved Colorado youth which will benefit Denver residents and the purposes and goals of the Parks Department.

 Meeting space available in the Education Center, as authorized by Lessee, to various public groups and community organizations and public access and use of the non-exclusive areas of the Leased Premises.

4. <u>USES</u>:

A. <u>Uses Allowed</u>: Lessee agrees and covenants that it shall use and occupy the Leased Premises solely for the purposes stated in this Lease and such other purposes appropriate to the operating of a non-profit organization and for the provision and coordination of services and activities within the Mission of Lessee, a non-profit corporation, and consistent with the Grant Restrictions ("**Permitted Uses**"). The Education Center and other Improvements, including but not limited to, a storage building, porch, surrounding landscaping, and parking spaces, which may eventually be constructed on the Leased Premises outside of the Open Space, may be utilized, among other Permitted Uses, as an office for Lessee, for the construction of Improvements as Lessee deems necessary to accomplish its Mission, and as a host location for various events, programs and activities conducted for the benefit of children, families and others interested in environmental education and stewardship efforts. Subject to the terms and conditions set forth in the Assignment below and the Grant Restrictions, Lessee has the right to construct any and all Improvements on the Leased Premises in accordance with the aforementioned Permitted Uses and applicable zoning. Lessee, with the full cooperation of the City, will apply for all necessary governmental approvals for the above-described Permitted Uses of the Leased Premises, including any approvals required under the Grant Restrictions. If Lessee is unable to obtain the necessary governmental approvals, Lessee shall have the right, at its option, to terminate the Lease by written notice to the City. The Open Space is to be improved, restored, maintained and utilized, among other things, as an open space area for Lessee's outdoor programs and services and general public use and for the construction of Improvements as Lessee deems necessary to accomplish its Mission, including but not limited to, a native vegetation hiking trail and picnic site, and to comply with the Grant Restrictions. Lessee may conduct events and activities on the Leased Premises in accordance with the aforementioned Permitted Uses without the prior written approval or a permit by the Parks Department or Real Estate Division; provided, however, that any special use or special events to be undertaken or held in the Open Space shall require prior approval by the Parks Department. The Parks Department's Rules and Regulations regarding public behavior in parks shall apply to the general public's use of the Open Space; provided, however, the Parks Department's Rules and Regulations shall not apply to Lessee and Lessee shall have the right to adopt and enforce by its own means Rules and Regulations, as may be amended, which shall govern and control the activities conducted or organized by Lessee on the Leased Premises, provided that these Rules and Regulations are in keeping with the Grant Restrictions. The City shall not grant permits for any other uses on the Leased Premises which materially impact Lessee's ability to operate the Leased Premises.

B. <u>Sales; Signs</u>: No sales activities are authorized in the Open Space but may be allowed on the remainder of the Leased Premises with the prior written approval of the Real

Estate Division, which consent will be given in the reasonable discretion of the Real Estate Division. The sales, service, distribution, promotion or use of alcohol, marijuana, tobacco, fireworks, firearms and adult materials on or about the Leased Premises are strictly prohibited. Any proposed signs to be placed on the exterior, or to be visible from the exterior of, Improvements on the Leased Premises must comply with all zoning requirements and receive prior written approval from the Real Estate Division, which consent will be given in the reasonable discretion of the Real Estate Division. The City will reasonably cooperate with and assist Lessee to obtain any required permits for signs. Upon expiration or earlier termination of this Lease, Lessee shall remove such signage and repair any damage to any building fascia or remainder of the Leased Premises resulting from the installation and removal of Lessee's sign(s). The requirements of this Sub-section 4.B. shall not be applicable to any signs required by Grant Restrictions.

C. <u>Conditions of Use</u>: Lessee agrees and covenants that it shall use the Leased Premises in a careful, safe, and proper manner, and shall not use or permit the Leased Premises to be used by its officers, employees, agents, volunteers and invitees for any purpose prohibited by the laws of the United States of America, the State of Colorado, the Charter or ordinances of the City and County of Denver or the Grant Restrictions. Lessee shall not commit or suffer to be committed, or allow its officers, employees, agents, volunteers or invitees to commit or suffer to be committee, any waste or damage upon the Leased Premises or any nuisance to be created or maintained thereon. Lessee shall also keep the Leased Premises free and clear from all trash, debris, and waste resulting from its use or the use by its employees, officers, agents, volunteers, and invitees and shall see that the Leased Premises are kept in a clean, safe and sanitary condition in a manner comparable to other open space under the purview of the Parks Department. Lessee shall provide all security Lessee deems necessary for the Leased Premises.

D. <u>Background Checks</u>: With respect to its operations and programs on the Leased Premises, Lessee shall not hire, retain, or knowingly engage or permit the services of any supervisor, employee, volunteer, agent, or subcontractor with a felony criminal conviction or convictions or who has been charged with a felony crime involving physical violence, sexual acts, or illegal drugs, including any criminal attempts, solicitations, trafficking, or conspiracies

relating to the same, and any crime or crimes, whether a felony or a misdemeanor, that involve children. A "conviction" shall mean a plea of guilty, a plea of nolo contendere, a finding of guilt, a default judgment, or a deferred judgment and sentence. Lessee shall use every reasonable means available to confirm (through a national criminal background check for its supervisors and a state criminal background check for all other employees, volunteers, agents, and subcontractors) that its supervisors, employees, volunteers, agents, or subcontractors have not been convicted or charged as set forth above and shall immediately and fully inform the City if Lessee becomes aware of any such conviction or charge. Lessee shall provide proof of said background checks to the City upon request. If such a criminal conviction exists and Lessee believes there are extenuating circumstances that should be considered, Lessee may request, in writing, that the City waive the restrictions of this paragraph in light of policies set forth in C.R.S. Section 24-5-101, as amended, pertaining to the effect of criminal convictions on employment rights. Any waiver shall be in the absolute discretion of the City. At times when Lessee program participants are on site, a supervisor shall be attendance and responsible for overseeing and directing the actions of all employees, volunteers, agents, and subcontractors. Failure to comply with this Sub-section or, at the City's option, failure to promptly discharge an employee, volunteer, agent, or subcontractor who has been so convicted or charged shall be cause for the City to immediately terminate this Lease. Lessee shall indemnify, hold harmless, and defend the City against any claims, actions, suits, damages, injuries, costs, penalties, judgments, awards, settlements, or other liability or expenses arising from or related to Lessee's failure to comply with this Sub-section 4.D.

E. <u>Alcohol</u>: Subject to Lessee or its agent obtaining any required State or Denver Excise & License permits for the service of alcohol beverages and Lessee or its agent obtaining and maintaining, as appropriate, liquor liability insurance as required by Denver Risk Management, Lessee may serve alcohol beverages at private events held or sponsored by Lessee on the Leased Premises and is permitted to charge for private events which may include alcohol as part of the overall event charge. Such alcohol beverage service is to occur outside of the Open Space. Lessee shall indemnify and hold harmless the City for any damages, injuries, penalties, fines or other costs resulting from or associated with such service of alcohol beverages on the Leased Premises.

5. WALK-THROUGH INSPECTION; "AS IS" CONDITION:

A. <u>Inspection</u>: Lessee has performed a walk-through inspection of the Leased Premises along with a representative of the Real Estate Division. Upon expiration or termination of this Lease, Lessee agrees that it will leave the Leased Premises in substantially the same or better condition as the Leased Premises were during the walk-through, with the acknowledgement that Lessee anticipates constructing Improvements, including but not limited to an Education Center, storage building, parking lot, and related amenities.

B. <u>AS-IS Condition</u>: The Leased Premises are accepted by Lessee in an "AS IS", "WHERE IS" condition, with all faults and defects. The City does not make, and disclaims, any warranty or representation whatsoever, express or implied, and shall have no obligation or liability whatsoever, express or implied, as to the condition of or any other matter or circumstance affecting the Leased Premises. Lessee accepts the Leased Premises in its current environmental condition, including any asbestos and lead-based paint, if any, and without any expectation that the City will remove or remediate the environmental conditions unless conditions become such that the City is compelled by federal or state law to do so. Lessee agrees to comply with any operations and any maintenance plan prepared by or on behalf of the City for the preservation and control of asbestos-containing material or areas containing by lead-based paint on the Leased Premises after a copy of said plan is provided to Lessee.

6. **<u>OUIET ENJOYMENT</u>**: Lessee shall and may peacefully have, hold and enjoy the Leased Premises, subject to the other terms and conditions of this Lease, provided that Lessee pays all financial liabilities and obligations related to the Leased Premises and performs all of Lessee's covenants and agreements contained in this Lease.

7. MAINTENANCE, REPAIRS and REPLACEMENTS:

A. <u>Maintenance</u>: Lessee shall provide, at its own expense, all general maintenance and upkeep services for the Leased Premises, including but not limited to janitorial and other maintenance and repair services provided by its staff or by contract with a professional janitorial service company, at Lessee's sole expense, for the Leased Premises, and in doing so, to assure that the Leased Premises are maintained in a clean, sanitary and safe condition readily usable by the public and any other users under this Lease. Janitorial and general maintenance services shall include, among other things, the daily removal of trash and waste and providing

for, as needed, sweeping, vacuuming, dusting, bathroom cleaning, stain or graffiti removal, snow removal, landscape maintenance, natural area upkeep, and other general services to maintain the interior and exterior of the Leased Premises. Lessee shall comply with all requirements of the Prevailing Wage ordinance, sections 20-76 *et seq.*, D.R.M.C., as it applies to janitorial and custodial work, and shall cooperate with the City Auditor's Office with respect to enforcement of this ordinance. Lessee shall provide regular and thorough maintenance and inspections for all mechanical, plumbing and electrical systems existing or constructed on the Leased Premises consistent with manufacturer's recommendations.

Repairs: The City shall not be required to make any repairs or Β. improvements of any kind or character to or for the Leased Premises during the Term of this Lease. Lessee shall make, when needed and at its own expense, and without prior consent of the Real Estate Division, all repairs to the Leased Premises. All such repairs must be performed in accordance with all applicable City codes. Following the delivery of prior reasonable notice by the City, the Leased Premises shall be subject to inspection at reasonable times during normal business hours and without disruption to Lessee's Permitted Uses, by the City. If, upon any such inspection, the City shall be of the opinion that the repairs are not being performed substantially in accordance with applicable City codes or with the plans and specifications, or that any of the materials or workmanship are not of good quality or are unsound or improper, Lessee shall correct any such failure and shall immediately replace any unsound or improper materials or workmanship. If Lessee fails to correct such failure after a reasonable amount of time, the City may make repairs as it deems appropriate and may require Lessee to reimburse the City for the costs of such repairs. Lessee shall comply with all requirements of the Prevailing Wage ordinance, sections 20-76 et seq., D.R.M.C., as it applies to repair and improvement work, and shall cooperate with the City Auditor's Office with respect to enforcement of this ordinance.

C. <u>Damage</u>: Lessee shall be responsible, at its own expense, to repair or replace any portion of the Improvements on the Leased Premises, in accordance with all applicable City codes, damaged by any cause, natural or man-made.

D. <u>Easements</u>: Lessee shall be entitled to exercise such rights and shall be responsible for complying with all restrictions and for performing all maintenance, repairs and replacement, and paying the costs for the same, for all work prescribed for the owner of the

Leased Premises for the 1) Cross-Access Area under the Grant of Easement and Right of Use Agreement recorded with the Denver Clerk and Recorder's Office at reception no. 2009162836; 2) the Storm Water and Detention Facility Easement recorded with the Denver Clerk and Recorder's Office at reception no. 2009162837; and 3) the Drainage Facilities Management and Access Easement recorded with the Denver Clerk and Recorder's Office at reception no. 2009162837; and 3) the Drainage Facilities Management and Access Easement recorded with the Denver Clerk and Recorder's Office at reception no. 2009162838.

E. <u>Indemnification</u>: For any maintenance, repairs or replacements under Subsections 7.A., B., C. or D. of this Lease, Lessee shall make such authorized repairs or replacements and shall indemnify and hold the City harmless against any liability, loss, damage, costs or expenses, including attorneys' fees, on account of any claims of any nature whatsoever, including but not limited to claims of liens by laborers, material suppliers, or others for work performed, or materials or supplies furnished to Lessee or persons claiming under Lessee.

8. **ENTRY BY CITY:** Following the delivery of prior reasonable notice by the City, Lessee shall permit the City or its duly authorized representatives, or any person or their duly authorized representatives specified in the Grant Restrictions, to enter into and upon the Leased Premises to inspect the same. Such entry shall only occur at reasonable times during normal business hours and without disruption to Lessee's Permitted Uses. Lessee shall provide a master key or key-pad code to the City for any secured (locked) structure on the Leased Premises to be managed by the Real Estate Division for emergency and inspection purposes.

9. <u>SURRENDER OF THE LEASED PREMISES</u>:

A. <u>Delivery; Re-Entry</u>: At the expiration or termination of this Lease, Lessee shall deliver the Leased Premises to the City in substantially the same condition as the Leased Premises were at the beginning of the Term of the Lease, ordinary wear and tear excepted and with the acknowledgement that Lessee anticipates constructing Improvements on the Leased Premises, including but not limited to an Education Center, storage building, parking lot, and related amenities. Lessee shall promptly remove all of Lessee's personal property and belongings and vacate the Leased Premises. If the Lease has been terminated by the City as provided in Paragraphs 2 and 3 of Sub-section 2.B. and Lessee fails to deliver the Leased Premises as set forth herein, the City shall have the right to re-enter and occupy the Leased Premises without further notice. B. <u>Lessee's Personal Property</u>: All moveable furniture and other belongings and effects of Lessee not removed from the Leased Premises upon vacation by Lessee or re-entry by the City shall be conclusively deemed to have been abandoned and may be appropriated, sold, stored, destroyed or otherwise disposed of by the City without notice to Lessee or any other person, and without obligation to account therefor, and Lessee shall pay the City all expenses incurred in connection with such property.

C. <u>Financial Obligations</u>: Lessee shall pay, before delinquency, any and all financial liabilities and obligations related to Lessee's occupancy and use of, and any business conducted on, the Leased Premises, Lessee's personal property which is or was located on the Leased Premises, or Lessee's operations or conduct of business on the Leased Premises, including any taxes, assessments, and other costs and charges, any of which become payable during the Term of this Lease.

10. **UTILITIES AND SERVICES**: Starting with the first day of occupancy of the Leased Premises by Lessee, Lessee agrees and covenants that it shall pay for one hundred percent (100%) of the total costs of water, sewer, gas, heat, light, and power incurred on the Leased Premises ("**Utilities**"). Lessee shall coordinate with the Real Estate Division with respect to putting the Utilities in the name of Lessee and shall coordinate with the Real Estate Division to put the Utilities back in the name of the City upon the expiration or termination of this Lease. Lessee shall timely pay all charges, subcharges, fees, assessments, taxes for Utilities to those as may be reasonable and necessary for normal uses as allowed under this Lease. Lessee shall be solely responsible and liable for obtaining and directly paying providers for any cable, internet, telephone and alarm monitoring connections and service desired by Lessee on the Leased Premises.

11. **INDEMNITY**: Lessee shall defend, indemnify, and save harmless the City, its officers, agents, employees and contractors from any and all fines, losses, damages, claims, demands, suits, actions or proceedings of any kind or nature whatsoever, during the Term of the Lease, including without limitation Workers' Compensation claims, of or by anyone whomsoever, on account of personal injury or death of any person or damage to property, including those persons employed by or associated with the City or property belonging to the

City, its officers, agents, employees or contractors, where the injuries or damage are caused by the negligence or misconduct of Lessee or its employees, officers, agents, volunteers, and invitees on or about the Leased Premises during the Term of this Lease or where such injuries or damage are the result, directly or indirectly, of the violation of the provisions of this Lease or Lessee's use or occupancy of the Leased Premises. This indemnity shall survive the expiration or earlier termination of this Lease. Lessee need not, however, indemnify or save harmless the City, its officers, agents, employees and contractors from damages resulting from the sole negligence or misconduct of the City's officers, agents, employees and contractors. In the event of a claim, Lessee covenants and agrees that it will not file or assert any legal action or claim against the City, its officers, agents and employees by way of cross claim, counterclaim, third party claim or independent action regardless of the alleged fault of either Lessee or the City. If the City reasonably believes that Lessee has asserted a defense against any claim that puts the City at risk of incurring any substantive liability under the claim or a collateral action or puts the City's rights, title, or interest in the Leased Premises at any risk, Lessee's insurer shall promptly provide, at the insurer's expense, separate legal counsel reasonably acceptable to the City or, if this does not occur, the City shall have the right to elect to provide its own defense, and Lessee shall be liable for the City's defense costs. Insurance coverage specified herein constitutes the minimum requirements, and said requirements shall in no way lessen or limit the liability of Lessee under this Lease. Lessee shall procure and maintain, at its own expense and cost, any additional kinds and amounts of insurance that it may deem necessary.

12. <u>CLAIMS: COOPERATION</u>: In the event that any claim, demand, suit, or action is made or brought in writing by any person or entity against one of the parties related in any way to this Lease, the party in receipt of same shall promptly notify and provide a copy of said claim, demand, suit, or action to the other party. The parties agree to cooperate in the investigation, defense or settlement of any claim, demand, suit, or action related in any way to this Lease. Nothing in this provision shall modify or reduce Lessee's obligations with respect to insurance and indemnification/duty to defend under this Lease.

13. <u>PROPERTY INSURANCE; LOSS OR DAMAGE; PERSONAL</u> <u>PROPERTY</u>:

A. <u>Property Insurance</u>: Lessee agrees and covenants to secure, maintain and

pay for, at its own expense, during the Term of the Lease, All-Risks Property/Special Cause of Loss Form Insurance in a form acceptable to Denver Risk Management and provided on a replacement cost basis for the entire Leased Premises, Improvements on the Leased Premises, and personal property of Lessee and Lessee's officers, employees, agents and volunteers kept on the Leased Premises (herein referred to as the "Insured Property")(the insurance coverage required in this sentence shall be referred to herein as the "Property Insurance"). Lessee shall strictly comply with all requirements and conditions imposed by the insurer as a condition of coverage under the Property Insurance for the Insured Property. Evidence of such Property Insurance and the renewal or replacement of such insurance shall be provided to the Real Estate Division.

B. Loss or Damage: The City shall not be liable or responsible to Lessee for any loss or damage to any property or person occasioned by theft, fire, vandalism, Act of God, public enemy, injunction, riot, strike, insurrection, war, court order, requisition or regulatory order of any governmental entity. In the event of a fire or other casualty in or to the Leased Premises, Lessee shall immediately give notice thereof to the Real Estate Division. If the Leased Premises are totally destroyed by fire or other casualty, or partially damaged by fire or other casualty so as to render the Leased Premises untenable, whether or not the fire or casualty is due to fault or neglect of Lessee, its agents, employees, volunteers, or invitees, then Lessee shall be free to elect to repair or replace the damaged or destroyed portions of the Leased Premises or to terminate the Lease. If Lessee elects to repair or replace damaged or destroyed portions of the Leased Premises, the work shall be done in accordance with the requirements of the Assignment (see below). If Lessee does not elect to repair or replace damaged or destroyed portions of the Leased Premises, Lessee agrees to promptly pay or pay when available to the City, or to assign any rights Lessee has to, any proceeds Lessee receives or is entitled to receive from the Property Insurance Lessee carries for the Improvements on the Leased Premises, and the City may elect to terminate the Lease under Sub-section 2.B.

C. <u>Personal Property</u>. In the event that Lessee suffers a loss to its personal property on the Leased Premises due to theft or damage of or to Lessee's personal property resulting from the sole negligence or deliberate misconduct of the City's officers, employees, agents or contractors, Lessee may request, in writing, that the City replace or repair, as

appropriate, the lost or damaged personal property and, subject to appropriation and available funds, the City may elect to so compensate Lessee to the extent of the proven loss or damage.

14. HAZARDOUS SUBSTANCES: Lessee shall not cause or permit any Hazardous Substance to be used, stored, generated, or disposed of on or in the Leased Premises by Lessee, Lessee's agents, employees, contractors, or invitees. If Hazardous Substances are used, stored, generated, or disposed of on or in the Leased Premises, or if the Leased Premises become contaminated in any manner due to the actions or inactions of Lessee, Lessee shall indemnify and hold harmless the City from any and all claims, damages, fines, judgments, penalties, costs, liabilities, or losses (including, without limitation, a decrease in value of the premises, damages caused by loss or restriction of rentable or usable space, or any damages caused by adverse impact on marketing of the space, and any and all sums paid for settlement of claims, attorneys' fees, consultant, and expert fees) arising during or after the Term of the Lease and arising as a result of those actions or inactions by Lessee. This indemnification includes, without limitation, any and all costs incurred because of any investigation of the site or any cleanup, removal, or restoration mandated by a federal, state, or local agency or political subdivision. Without limitation of the foregoing, if Lessee causes or permits the presence of any Hazardous Substance on the Leased Premises and that results in contamination, Lessee shall promptly, at its sole expense, take any and all necessary actions to return the Leased Premises to the condition existing prior to the presence of any such Hazardous Substance on the premises. Lessee shall first obtain City's approval for any such remedial action. As used herein, "Hazardous Substance" means any substance that is toxic, ignitable, reactive, or corrosive and that is regulated by any local government, the State of Colorado, or the United States Government. "Hazardous Substance" includes any and all material or substances that are defined as "hazardous waste", "hazardous materials", "extremely hazardous waste", or a "hazardous substance" pursuant to state, federal, or local governmental law. "Hazardous Substance" includes but is not restricted to asbestos, asbestos-containing materials, and asbestos-contaminated soils, special wastes, polychlorinated biphenyls (PCBs), any petroleum products, natural gas, radioactive source material, pesticides, any hazardous waste as defined at 42 U.S.C. § 6903(5) of the Solid Waste Disposal Act, any hazardous substance as defined at 42 U.S.C. § 9601(14) of the Comprehensive Environmental Response, Compensation and Liability Act, chemical substance as defined at 15

U.S.C.§ 2602(2) of the Toxic Substances Control Act, and state statute counterparts to these federal statutes, any guidelines issued and rules or regulations promulgated pursuant to federal or state statutes, and any other applicable federal or state statute. Notwithstanding the provision above, Lessee is authorized to use and safely store propane to the extent necessary for food preparation under the Permitted Uses in this Lease; however, beyond use and storage of the propane on the Leased Premises outside of the Open Space, the propane shall be subject to this provision.

15. **HOLDING OVER:** If after the expiration of the Term of this Lease, Lessee should remain in possession of the Leased Premises or any part thereof, and continue to pay rent, without any express agreement as to such holding, then such holding over shall be deemed and taken to be a periodic tenancy from month-to-month, subject to all the terms and conditions of this Lease, except for the provisions relating to the period of Lessee's occupancy, and at a rent of one thousand dollars (\$1,000.00) a month, due at the first of each month. Such holding over may be terminated by City or Lessee upon ten (10) days' written notice. In the event that Lessee fails to surrender the Leased Premises upon termination or expiration of this Lease or such month-to-month tenancy, then Lessee shall indemnify City against loss or liability resulting from any delay of Lessee in surrendering the Leased Premises.

16. **<u>ANNUAL REPORTS</u>**: Each year during the Term of this Lease, Lessee shall prepare and submit to the Executive Director of the Parks Department, or the Executive Director's designated representative, an annual report in a format reasonably satisfactory to the Executive Director (the "**Report**"). Such Report shall be submitted on or before March 1st of each year for the preceding calendar year. At a minimum, the Report must demonstrate Lessee's accomplishments and operations over the past year are consistent with its stated goals and services and its continued Mission. The Report should also include its plans for the upcoming year and how the public will be benefited by such proposed plans. The Executive Director may elect to present this Report to a committee of the City Council and may require the presence of a representative of Lessee at the committee to help in the presentation and to answer the questions or concerns of Council members.

17. **LESSEE'S INSURANCE**:

A. <u>General Conditions</u>: Lessee agrees and covenants to secure, at its own

expense, at or before the time of execution of this Lease, the following insurance covering all operations, activities, occupancies uses and services associated with the Leased Premises under this Lease. Lessee shall keep the required insurance coverage in force at all times during the Term of this Lease or any extension thereof. The required insurance shall be underwritten by an insurer licensed or authorized to do business in Colorado and rated by A.M. Best Company as "A-"VIII or better. Lessee shall provide written notice of cancellation, non-renewal and any reduction in coverage to Denver Risk Management, 201 West Colfax Avenue, Dept. 1105, Denver, Colorado 80202 by certified mail, return receipt requested. Such written notice shall be sent thirty (30) days prior to such cancellation or non-renewal unless due to non-payment of premiums for which notice shall be sent ten (10) days prior. If any policy is in excess of a deductible or self-insured retention, the City must be notified by Lessee. Lessee shall be responsible for the payment of any deductible or self-insured retention. The insurance coverages specified in this Lease are the minimum requirements and do not lessen or limit the liability of Lessee. Lessee shall maintain, at its own expense, any additional kinds or amounts of insurance that it may deem necessary to cover its obligations and liabilities under this Lease.

B. <u>Proof of Insurance</u>: Lessee shall provide a copy of this Lease to its insurance agent or broker. Lessee certifies that the certificate of insurance attached as <u>Exhibit C</u> complies with all insurance requirements of this Lease. The City requests that the City's contract number be referenced on new or renewed certificate of insurance. The City's acceptance of a certificate of insurance or other proof of insurance that does not comply with all insurance requirements set forth in this Lease shall not act as a waiver of Lessee's breach of this Lease or of any of the City's rights or remedies under this Lease. The City's Risk Management Office may require, and Lessee shall promptly provide, additional proof of insurance, including but not limited to policies and endorsements, at any time.

C. <u>Additional Insureds</u>: For Commercial General Liability and Business Auto Liability, Lessee and Lessee's subcontractor's insurer(s) shall include the City and County of Denver, its elected and appointed officials, employees and volunteers as additional insured.

D. <u>Waiver of Subrogation</u>: For all coverages required under this Lease, Lessee's insurer shall waive subrogation rights against the City.

E. Subcontractors and Subconsultants of Lessee: All subcontractors and

subconsultants of Lessee (including independent contractors, suppliers or other entities providing goods or services to Lessee on the Leased Premises) shall be subject to all of the requirements herein and shall procure and maintain the same coverages required of Lessee. Lessee shall include all such subcontractors and subconsultants as additional insured under its policies (with the exception of Workers' Compensation) or shall ensure that all such subcontractors and subconsultants maintain the required coverages. Lessee agrees to provide proof of insurance for all such subcontractors and subconsultants upon request by the City.

F. <u>Workers' Compensation/Employer's Liability Insurance</u>: Lessee shall maintain the coverage as required by statute and shall maintain Employer's Liability insurance with limits of \$100,000 per occurrence for each bodily injury claim, \$100,000 per occurrence for each bodily injury claim, \$100,000 per occurrence for bodily injury claim, and \$500,000 aggregate for all bodily injuries caused by disease claims.

G. <u>Commercial General Liability</u>: Lessee shall maintain a Commercial General Liability insurance policy with limits of \$1,000,000 for each occurrence, \$1,000,000 for each personal and advertising injury claim, \$2,000,000 products and completed operations aggregate, and \$2,000,000 policy aggregate.

H. <u>Business Automobile Liability</u>: Lessee shall maintain Business Automobile Liability with limits of \$1,000,000 combined single limit applicable to all owned, hired and non-owned vehicles used in association with this Lease.

I. <u>Additional Provisions</u>:

following:

- (1) For Commercial General Liability, the policy must provide the
 - (i) That the Lease is an Insured Contract under the policy;
 - (ii) Defense costs are outside of the limits of liability;
 - (iii) A severability of interests, separation of insureds or cross liability provision;
 - (iv) A provision that coverage is primary and non-contributory with other coverage or self-insurance maintained by the City and County of Denver; and
 - (v) No exclusion for sexual abuse, molestation or sexual misconduct.
 - (2) For claims-made coverage, the retroactive date must be on or

before the contract date or the first date when any goods or services were provided to the City, whichever is earlier.

(3) Lessee shall advise the City in the event any general aggregate or other aggregate limits are reduced below the required per occurrence limits. At Lessee's own expense, where such general aggregate or other aggregate limits have been reduced below the required per occurrence limit, Lessee shall procure such per occurrence limits and furnish a new certificate of insurance showing such coverage is in force.

K. Other: The insurance requirements set forth in this Section 17 and Subsection 13.A. shall survive the expiration or earlier termination of this Lease. The Real Estate Division shall have the right to suspend this Lease, and deny Lessee access to the Leased Premises, if at any time the Real Estate Division becomes aware that Lessee has failed to satisfy the insurance requirements, in whole or part, set forth in this Section 17 and Sub-section 13.A. and may, at the discretion of the Real Estate Division, terminate this Lease if Lessee fails to rectify the deficiency on the insurance requirements within the time frame described at Paragraph 2 of Sub-section 2.B. Alternatively, if it should be determined by the Real Estate Division that the Lease should remain in effect, the City shall have the right to obtain any insurance coverage specified in this Section 17 and Sub-section 13.A as Denver Risk Management deems necessary to remedy the deficiency in Lessee's policies, and Lessee agrees to promptly and fully reimburse the City for the costs of such insurance coverage upon being provided a bill for the costs. Denver Risk Management reserves the right every five (5) years to review the sufficiency of the coverage under this Section 17 and Sub-section 13.A., and, if it deems appropriate, to require Lessee to provide reasonable additional coverage.

ASSIGNMENT

Lessee agrees to construct or install any Improvements on the Leased Premises in accordance with City Charter and City ordinances and this Assignment and the Lease.

18. **<u>IMPROVEMENTS</u>**: The "**Improvements**" are those improvements to be designed, constructed, and installed by Lessee, as generally described in Sub-section 1.A. of the Lease and conceptually depicted in <u>Exhibit B</u>, entirely within the Leased Premises. Lessee shall provide all funds necessary to complete the Improvements and shall perform or cause to be performed all design and construction work for the Improvements, all in accordance with the terms and conditions of this Assignment and the Lease.

19. <u>COORDINATION AND LIAISON</u>:

A. The City's Executive Directors of Public Works and Parks and Recreation (the "**Executive Directors**") are vested with the authority to act on behalf of the City in performing the City's obligations under this Assignment. The Executive Directors may designate certain person(s) to act on the Executive Directors' behalf as the authorized representative(s). An Executive Director may change its authorized representative(s) at any time by providing written notice to Lessee of such change.

B. Lessee's Executive Director is Lessee's authorized representative under this Assignment and, as such, is responsible for overseeing the satisfactory completion of the Improvements, in accordance with the terms and conditions of this Assignment and the Lease. Lessee may change its authorized representative at any time by providing written notice to the Executive Directors of such change.

20. <u>ASSIGNMENT</u>: Pursuant to the authority granted in Section 2.3.3(A) of the City Charter, the Mayor hereby assigns to Lessee, as agent for the City, all matters relating to the design, planning, and construction of the Improvements, and the qualification, selection and retention of all consultants, architects, and contractors engaged in connection therewith.

21. <u>LESSEE'S RESPONSIBILITIES</u>: Lessee shall have sole responsibility with respect to undertaking, completing and raising all of the required funds for the Improvements in accordance with this Assignment and the Lease.

A. Lessee shall be responsible for seeking qualifications, selecting, and retaining qualified and licensed engineers, architects, surveyors, or other consultants who will prepare the design and construction documents for the Improvements and for bidding and letting out the construction work to qualified, licensed and experienced contractors. The design and construction documents must be reviewed and approved in writing by the Executive Directors or their designated representatives prior to submittal for a building permit and the commencement of any construction or installations on the Leased Premises, which approval shall not be unreasonably withheld or delayed unless the design and construction documents fail to comply with City code or other applicable requirements. Once approved, the design and construction documents, along with any material changes or additions approved in advance and in writing by the Executive Directors or their designated representatives, shall be referred to herein as the "Improvement Plan".

B. Lessee shall ensure that all Improvements are constructed in accordance with the Improvement Plan and that no material changes to the Improvement Plan will occur during construction, unless approved in advance and in writing by the Executive Directors or their designated representatives, which approval shall not be unreasonably withheld or delayed unless the material changes fail to comply with City code or other applicable requirements. The City and Lessee acknowledge that the Improvements may be constructed in phases and that Lessee shall comply with the applicable Improvement Plan process for each such phase. Failure to request approval or to comply with rejections for material changes shall be legal grounds under this Assignment for construction work to be ordered to cease or to be restricted, as deemed appropriate by the Executive Directors, until such approval is obtained or the unapproved work is corrected.

C. Lessee shall at all reasonable hours ensure right of entry to any City inspector or other authorized agent of the City to the work site to inspect the work site and progress of the Improvements and to conduct tests and evaluations to determine that the work performed and materials used are of good quality and in conformance with the approved Improvement Plan and this Assignment. If it is determined that the work is not being so performed and if any deficiency is not promptly corrected upon notice, the Executive Director of Public Works or the Executive Director of Parks and Recreation may order the cessation of the work until there is satisfactory evidence that the work conforms to the Improvement Plan and this Assignment and the Lease.

D. The City shall not charge Lessee for the City's review of the Improvement Plan or for inspections, material testing, and construction monitoring. Standard building permit fees and other regulatory fees mandated by existing ordinance or rule for construction approvals will be paid by Lessee.

E. Lessee shall be solely responsible for assuring that all phases of the Improvements are properly contracted and performed and that the work done and the materials used are in conformance with all applicable laws (local, state, and federal) that govern the performance of the work, including (to the extent applicable) the requirements of the federal Americans with Disabilities Act and any other federal or state laws requiring access for the disabled to public accommodations.

F. In addition to compliance with the above-mentioned laws, Lessee shall be governed and controlled by all limitations and provisions that are imposed on the City Department of Public Works by the Charter or ordinances of the City. Specifically, such work shall be performed in compliance with the provisions for payment of prevailing wages set forth in Sections 20-76 through 20-79 of the Denver Revised Municipal Code ("DRMC"), for public art in Sections 20-85 through 28-90, DRMC, and for small business enterprise, equal employment opportunity, and minority and women business enterprise participation that are contained, respectively, in Sections 28-31 through 28-91, DRMC, as the same may be amended or recodified from time to time. No construction contracts shall be entered until Lessee has established to the City's reasonable satisfaction that these Charter and ordinance requirements have been fully and appropriately satisfied. Lessee shall fully cooperate with City officials, including the City Auditor, in assuring compliance with these requirements. Failure to comply with the requirements of subparagraph E. and F. shall be legal grounds under this Assignment for construction work to be ordered to cease or to be restricted, as deemed appropriate by the City, until compliance is achieved and any unpaid claims or other remedial measures are resolved to the reasonable satisfaction of the City.

G. Lessee shall require the design professionals, contractors and subcontractors to obtain and maintain insurance in the amounts and types of coverages appropriate for the work. The insurance requirements shall be those specified in **Exhibit C** attached to and incorporated by reference into this Assignment. Lessee shall obtain and maintain, or require its contractor(s) and sub-contractor(s) to obtain and maintain, in advance and subject to approval by the Denver City Attorney's Office, one hundred percent (100%) payment and performance bonds from an acceptable surety. The City and Lessee shall be named as additional insured on all insurance coverages, except professional liability and workers' compensation coverage, and the City and Lessee shall be named as obligees on all bonds. In addition, all design professionals, contractors and sub-contractors shall be required to include an indemnification and "hold harmless" clause, approved by and for the benefit of the City and Lessee, to protect both parties against claims, actions, and demands arising from or related to the work performed by the design professionals, contractors and sub-contractors. Failure to comply with the requirements of this subparagraph G. shall be legal grounds under this Assignment for work to be ordered to cease or to be restricted or other corrective action to taken by Lessee or its design professionals, contractors or sub-contractors, as deemed appropriate by the Executive Director of Parks and Recreation or the Executive Director of Public Works, until compliance is achieved and any unpaid claims are resolved to the reasonable satisfaction of the Executive Directors. The obligations set out in this subparagraph G. shall survive the termination of this Agreement.

H. In addition to the terms and conditions above, the provided performance and payment bonds must be conditioned (1) that Lessee and its contractors shall promptly make payment of all amounts lawfully due to all contractors, subcontractors, and persons or entities furnishing labor or materials used in the prosecution of the work on any phase of the Improvements, and shall indemnify the City to the extent of all payments in connection with performing the work, and (2) so as to guarantee performance of Lessee and its contractors to complete the Improvements. Lessee shall provide evidence satisfactory to the City that all architects, engineers, designers, and other enrolled professionals have been fully paid. Lessee's obligations set out in this subparagraph H. shall survive the termination of this Agreement.

I. Lessee shall obtain, exercise and enforce warranties and guarantees for all construction work it contracts and shall designate the City as an additional express beneficiary for enforcing all warranties and guarantees. The obligations set out in this subparagraph I. shall survive the termination of this Agreement.

J. Lessee shall not permit any mechanic's or materialman's liens or any other liens to be imposed and remain for more than ninety (90) days upon any City-owned property, or any part thereof, by reason of any work or labor performed or materials or equipment furnished by any person or legal entity to or on behalf of Lessee, either pursuant to C.R.S. § 38-26-107 or by any other authority. Lessee shall promptly pay when due all bills, debts and obligations incurred in connection with this Assignment and shall not permit the same to become delinquent. Lessee shall not permit any lien, mortgage, judgment, execution or adjudication of bankruptcy which will in any way impair the rights of the City under this Agreement. Lessee's obligations set out in this subparagraph J. shall survive the termination of this Agreement.

K. Lessee shall obtain all federal, state, and local environmental permits necessary for the work to be performed and shall comply with all applicable federal, state, and

local environmental permit requirements applicable to the work. Lessee shall comply with all applicable local, state, and federal environmental guidelines, rules, regulations, statutes, laws, and orders applicable to the work (collectively, "**Environmental Requirements**"), including but not limited to Environmental Requirements regarding the storage, use, transportation, and disposal of Hazardous Substances and regarding releases or threatened releases of Hazardous Substances to the environment. As used in this paragraph, the term "**Hazardous Substances**" shall have the same meaning as it is used in Section 14 of the Lease.

L. Lessee shall take all reasonable measures to minimize and control noise, water and air pollution, water discharges, and soil erosion resulting from work and activities associated with the Improvements and to avoid adverse impacts to the Leased Premises and surrounding property, wherever possible, as a result of noise, water and air pollution, water discharges, and soil erosion resulting from the work and activities.

M. In the event of any material default or breach by any design professional, contractor or sub-contractor under a design contract or a construction contract or subcontract or otherwise, Lessee agrees to diligently undertake and pursue all available remedies against the breaching or defaulting party, and to timely advise the City as to efforts and progress made by Lessee in this regard.

N. Lessee and its contractors and subcontractors shall pay all applicable taxes, including sales and use taxes and occupational privilege taxes, levied by the State and the City on any tangible property built into or incorporated into the work. Upon request by the City, an itemized and certified statement, including the names and addresses of the suppliers, the amount of such taxes owed or paid, and the dates of payment, shall be furnished to the City.

O. If, for any reason, construction of any phase of the Improvements is delayed or halted while in process for more than twenty-one (21) days, Lessee shall take reasonable measures to protect the existing Improvement site from weather damage, erosion, vandalism and other similar threats and to protect public safety on and around the Improvement.

P. Lessee shall provide the Executive Directors with written notification of final completion of the Improvements or any phase of the Improvements in order that the City may inspect the Improvements or the phase of the Improvements as constructed and verify that the Improvements have been constructed in accordance with the Improvement Plan and this

Assignment without any material deviations, and the work is at final completion. Upon determination that the requirements set forth in this subparagraph P. have been fully satisfied, the Executive Directors shall jointly issue a written letter accepting the Improvements. Detailed and stamped "as built" construction plans will be provided to the Executive Directors within sixty (60) days following the City's final inspection.

Q. Upon acceptance of the Improvements by the City, Lessee shall be authorized to operate and maintain the Improvements in accordance with the Lease.

R. No Employment of Illegal Aliens.

(1) The Assignment is subject to Division 5 of Article IV of Chapter20 of the Denver Revised Municipal Code, and any amendments (the "Certification Ordinance").

(2) Lessee certifies that:

(a) At the time of its execution of the Assignment, it does not knowingly employ or contract with an illegal alien who will perform work under this Assignment.

(b) It will participate in the E-Verify Program, as defined in § 8-17.5-101(3.7), C.R.S., to confirm the employment eligibility of all employees who are newly hired for employment to perform work under the Assignment.

(3) Lessee also agrees and represents that:

(a) It shall not knowingly employ or contract with an illegal alien to perform work under the Assignment.

(b) It shall not enter into a contract with a consultant or contractor that fails to certify to Lessee that it shall not knowingly employ or contract with an illegal alien to perform work under the Assignment.

(c) It has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the Assignment, through participation in the E-Verify Program.

(d) It is prohibited from using the E-Verify Program procedures to undertake pre-employment screening of job applicants while performing its obligations under the Assignment, and that otherwise requires Lessee to comply with any and all federal requirements related to use of the E-Verify Program including, by way of example, all program requirements related to employee notification and preservation of employee rights.

(e) If it obtains actual knowledge that a consultant or contractor performing work under the Assignment knowingly employs or contracts with an illegal alien, it will notify such consultant or contractor and the City within three (3) days. Lessee will also then terminate such consultant or contractor if within three (3) days after such notice the consultant or contractor does not stop employing or contracting with the illegal alien, unless during such three-day period the consultant or contractor provides information to establish that the consultant or contractor has not knowingly employed or contracted with an illegal alien.

It will comply with any reasonable request made in the (f) course of an investigation by the Colorado Department of Labor and Employment under authority of § 8-17.5-102(5), C.R.S, or the City Auditor, under authority of D.R.M.C. 20-90.3.

Lessee is liable for any violations as provided in the Certification (4) Ordinance. If Lessee violates any provision of this subparagraph R. or the Certification Ordinance, the City may terminate this Agreement for a breach of the Agreement. If the Agreement is so terminated, Lessee shall be liable for actual and consequential damages to the City. Any such termination of the Agreement due to a violation of this subparagraph (r) or the Certification Ordinance may also, at the discretion of the City, constitute grounds for disqualifying Lessee from submitting bids or proposals for future contracts with the City.

Provisions of General Applicability to the Lease and Assignment

22. **STATUS AND AUTHORITY OF LESSEE:**

Status. Lessee and the City acknowledge and agree that the status of (a) Lessee shall be that of a private, nonprofit corporation acting as an independent entity for the purposes, goals and Mission set forth in the Agreement.

Authority. The scope of authority Lessee may exercise with respect to the (b) Leased Premises and the Improvements shall be as expressly delegated, assigned, or allowed under, or necessarily implied in, the Agreement. Lessee shall have no authority to avoid, modify or waive any applicable City ordinances or regulatory requirements enacted or adopted under the City's police or taxing powers. The Agreement is not intended, nor shall it be construed, to establish or constitute a joint venture between the City and Lessee.

> (c) Contracts. The authority delegated under the Agreement shall not be

construed to grant Lessee the right or power to bind, or to impose any liability upon, the City through any contracts or agreements Lessee may make, unless the prior, written approval of the Executive Director of the Parks Department is obtained and the contract or agreement is in accordance with all applicable law. Likewise, the City shall have no authority to bind, or to impose liability upon, Lessee through any contracts or agreements the City may make, unless the prior, written approval of Lessee is obtained.

(d) <u>Nonprofit Status</u>. Lessee shall at all times while this Agreement is in effect take such actions as may be necessary to maintain and preserve, and shall refrain from taking such actions as may be detrimental to, its status as a nonprofit corporation that qualifies as a tax exempt entity under section 501(c)(3) of the Internal Revenue Code (or any successor provision).

23. <u>AUDIT AND PROJECT EXPENDITURES</u>: Lessee agrees that any duly authorized representative of the City (including the City Auditor) or a representative as specified in the Grant Restrictions ("Grantor") shall, at the City's or the Grantor's own expense, and until five (5) years after termination of the Agreement, have the right to perform whatever audit or check the City or Grantor may require, including a financial audit and a check for compliance with the Agreement and any applicable Grant Restrictions. Upon request, Lessee shall also provide, or cause its contractors to provide, adequate documentation of expenditures, including invoices and payroll, with respect to the Improvements.

24. **<u>NON-DISCRIMINATION:</u>** Lessee agrees to comply with all applicable laws concerning non-discrimination against persons because of their race, color, religion, national origin, gender, age, military status, sexual orientation, marital status, or physical or mental disability in connection with membership on Lessee's board and Lessee's operations or activities at the Leased Premises. In connection with the performance of the Agreement, Lessee agrees not to refuse to hire, discharge, promote or demote, or to discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, gender, age, military status, sexual orientation, marital status, or physical or mental disability; and further agrees to insert the foregoing provision in all contracts, subcontracts, or agreements it may enter relating to the Leased Premises.

25. <u>GOVERNMENTAL IMMUNITY</u>: Nothing in the Agreement shall be construed as a waiver of the notice requirements, defenses, immunities and limitations of liability

the City may have under the Colorado Governmental Immunity Act (§24-10-101, C.R.S., et. seq.) or to any other defenses, immunities, or limitations of liability available by law.

26. <u>APPLICABLE LAWS</u>: The parties agree to comply with all applicable laws in existence as of the date the Agreement is fully executed or as may be subsequently enacted or adopted and applicable to the Agreement. It is understood that the Executive Director of the Parks Department will not, in any event, propose any changes in laws, rules, or regulations directly applicable to the Leased Premises as a means to depart from the express terms of the Agreement; provided, however, this provision shall not restrict any authority of the City to adopt reasonable ordinances or rules and regulations which are of general application throughout the City.

27. <u>VENUE, GOVERNING LAW</u>: The Agreement shall be construed and enforced in accordance with the laws of the State of Colorado, without regard to the choice of law thereof, and the Charter and Revised Municipal Code of the City and County of Denver. Venue for any legal action relating to this Agreement shall lie in the State District Court in and for the City and County of Denver, Colorado.

28. <u>ASSIGNMENT</u>: Except as provided for subleases in Sub-section 1.D. of the Lease, Lessee shall not assign or transfer its rights or obligations under the Lease. Assignment by Lessee shall constitute grounds for immediate termination of the Lease.

29. **NO SALE OR ADVERTISING OF TOBACCO PRODUCTS**: Lessee, its officers, agents, and employees shall cooperate and comply with the provisions of Executive Order No. 13, which prohibits the sale or advertisement of tobacco products on City owned property and in facilities owned or operated or controlled by the City and County of Denver. "Sale" includes promotional distribution, whether for consideration or not, as well as commercial transactions for consideration. "Advertising" includes the display of commercial and noncommercial promotion of the purchase or use of tobacco products through any medium whatsoever, but does not include any advertising and sponsoring which is a part of a performance or show or any event displayed or held in City facilities.

30. <u>AMENDMENT</u>: No alteration, amendment or modification of the Agreement shall be valid unless evidenced by a written instrument executed by the parties hereto with the same formality as this Agreement. The failure of either party hereto to insist in any one or more

instances upon the strict compliance or performance of any of the covenants, agreements, terms, provisions or conditions of the Agreement shall not be construed as a waiver or relinquishment for the future of such covenant, agreement, term, provision or condition, but the same shall remain in full force and effect.

31. **SEVERABILITY**: If any portion of the Agreement is determined by a court to be unenforceable for any reason, the remainder of the Agreement shall remain in full force and effect unless the invalidated provision prohibits the leasing of the Leased Premises, results in a failure of consideration, or invalidates the Assignment.

32. **<u>BINDING EFFECT</u>**: The Agreement when executed and, when effective, shall inure to the benefit of and be binding upon the successors in interest or the legal representatives of the respective parties hereto.

33. **<u>THIRD PARTIES</u>**: The Agreement does not, and shall not be deemed or construed to, confer upon or grant to and third party or parties any right to claim damages or to bring any suit, action or other proceeding against the parties hereto because of any breach hereof or because of any of the terms, covenants, agreements and conditions herein. It is the express intention of the parties that any person or entity other than the parties receiving benefits under the Agreement shall be deemed to be an incidental beneficiary only.

34. **<u>NOTICES</u>**: All notices hereunder shall be given to the following by hand delivery or by certified mail, return receipt requested:

To the Parks Department:	Executive Director of Parks & Recreation 201 West Colfax Avenue, Dept. 601 Denver, Colorado 80202
To the Real Estate Division:	Director of Real Estate Division Department of Finance 201 West Colfax Avenue, Dept. 1010 Denver, Colorado 80202
To Public Works Dept.:	Executive Director of Public Works 201 West Colfax Avenue, Dept. 608 Denver, Colorado 80202
With copies to:	Denver City Attorney Denver City Attorney's Office 1437 Bannock Street, Room 353 Denver, Colorado 80202

To Lessee:

Environmental Learning for Kids Attn: Stacie Gilmore, Exec. Director 14460 East 50th Avenue Denver, Colorado 80239

Either party hereto may designate in writing from time to time the address of substitute or supplementary persons to receive such notices. The effective date of service of any notice under the Agreement shall be the date such notice is deposited in the mail or hand-delivered to the party.

35. **ENTIRE AGREEMENT**: The parties acknowledge and agree that the provisions contained herein constitute the entire agreement and that any representations made by any officer, agent or employee of the respective parties unless included herein are null and void and of no effect.

36. <u>WHEN RIGHTS AND REMEDIES NOT WAIVED</u>: In no event shall any performance hereunder constitute or be construed to be a waiver by any party or any breach of covenant or condition or of any default which may then exist. The rendering of any such performance when any breach or default exists shall in no way impair or prejudice any right or remedy available with respect to such breach or default. Further, no assent, expressed or implied, to any breach of any one or more covenants, provisions, or conditions of the Agreement shall be deemed or taken to be a waiver of any other default or breach.

37. <u>NO PERSONAL LIABILITY</u>: No elected official, director, officer, agent or employee of the City, nor any director, officer, employee or personal representative of Lessee shall be charged personally or held contractually liable by or to the other party under any term or provision of the Agreement or because of any breach thereof.

38. <u>CONFLICT OF INTEREST BY CITY OFFICER</u>: Lessee represents that to the best of its information and belief, no officer or employee of the City is either directly or indirectly a party or in any manner has an interest in the Agreement, except as such interest may arise as a result of the lawful discharge of the responsibilities of such elected official or employee.

39. <u>APPROPRIATION</u>: Except for the purchase of certain property authorized to be paid for under various City General Obligation Bond ordinances, all obligations of the City

under and pursuant to this Agreement are subject to prior appropriation of monies expressly made by the City Council for the purposes of this Agreement and paid into the Treasury of the City. The parties acknowledge that the Agreement is not intended to create a multiple-fiscal year direct or indirect debt or financial obligation of the City.

40. <u>USE, POSSESSION OR SALE OF ALCOHOL OR DRUGS</u>: Lessee shall cooperate and comply with the provisions of Executive Order 94 concerning the use, possession or sale of alcohol or drugs. Violation of this provision or refusal to cooperate with implementation of the policy can result in the City barring Lessee from City facilities or participating in City operations.

41. <u>AUTHORITY TO EXECUTE</u>: Lessee represents that the persons who have affixed their signatures hereto have all necessary and sufficient authority to bind Lessee.

42. <u>PARAGRAPH HEADINGS</u>: The paragraph headings are inserted only as a matter of convenience and for reference and in no way are intended to be a part of this Agreement or to define or limit the scope or intent of this Agreement or its sections.

43. <u>CITY'S EXECUTION OF AGREEMENT</u>: This Agreement is expressly subject to, and shall not be or become effective or binding on the City until approval by its City Council and full execution by all signatories set forth below.

44. **ELECTRONIC SIGNATURES AND ELECTRONIC RECORDS**: Lessee consents to the use of electronic signatures by the City. This Agreement, and any other documents requiring a signature hereunder, may be signed electronically by the City in the manner specified by the City. The parties agree not to deny the legal effect or enforceability of this Agreement solely because it is in electronic form or because an electronic record was used in its formation. The parties agree not to object to the admissibility of the Agreement in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

Contract Control Number:

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at Denver, Colorado as of

SEAL	CITY AND COUNTY OF DENVER
ATTEST:	By
APPROVED AS TO FORM:	REGISTERED AND COUNTERSIGNED:
	By
By	

By_____



Contract Control Number:

FINAN-201418361-00

Contractor Name:

Enviromental Learning for Kids

n sg By: Stace Gilmore Name: Stace Gilmore (please print) Title: Executive Divector (please print)

ATTEST: [if required]

By:

Name: (please print)

EXHIBIT A To The Lease Agreement & Assignment Agreement

Property Description

The land is described as follows:

A part of Lot 7, Block 1, Koll Peoria Center Filing No. 1, being a subdivision situated in the Northwest Quarter of Section 24, Township 3 South, Range 67 West of the Sixth Principal Meridian, City and County of Denver, State of Colorado, according to the plat thereof recorded in the City and County of Denver Clerk and Recorder's Office at Reception Number 9900000721, more particularly described as follows: Commencing at a range point in Albrook Drive, being on a 20 foot range line, as monumented by a recovered 3-1/4" aluminum cap in a range box, stamped, "PLS 37993", whence a range point in said Albrook Drive, Being on a 20 foot range line and a point of curvature, as monumented by a recovered #8 rebar in a range box, bears S68°00°00"E, a distance of 414.81 feet, forming the basis of bearing used in this description with all bearings being relative thereto:

Thence departing and perpendicular to said 20 foot range line, S22°00′00"W, a distance of 50.00 feet to a point on the southerly right-of-way line of Albrook Drive, said point also being the most northerly boundary corner of said Lot 7;

Thence along said southerly right-of-way line, also being the northerly boundary of said Lot 7, being 50.00 feet southwesterly of and parallel with said 20 foot range line, the following two courses:

S68°00'00"E, a distance of 414.81 feet to a point of curvature;
Along a tangent curve to the right having a central angle of 00°31'43", a radius of 965.00 feet and an

arc length of 8.90 feet to the Point of Beginning;

Thence continuing along the last described course being a tangent curve to the right having a central angle of 11°34′03", a radius of 965.00 feet and an arc length of 194.83 feet to the northeast boundary corner of said Lot 7;

Thence departing said southerly right-of-way line and along the exterior boundary of said Lot 7 the following eight courses:

1) S40°30'09"W, a distance of 150.00 feet;

2) S52°05'31"E, a distance of 133.14 feet;

3) S49°30'02"E, a distance of 125.00 feet;

4) S40°29'58"W, a distance of 60.00 feet;

5) S29°59'56"W, a distance of 98.77 feet;

6) S40°29′58"W, a distance of 9.00 feet to a point of curvature;

7) Along a tangent curve to the right having a central angle of 49°30′00", a radius of 245.00 feet and an arc length of 211.66 feet;

8) S90°00'00"W, a distance of 441.91 feet to the southwest boundary corner of said Lot 7;

Thence along a westerly boundary line of said Lot 7, N00°00'00"E, a distance of 275.67 feet;

Thence departing and perpendicular to the last described course, S90°00′00"E, a distance of 283.86 feet; Thence N22°00′00"E, a distance of 124.39 feet;

Thence perpendicular to the last described course, S68°00'00"E, a distance of 33.70 feet;

Thence perpendicular to the last described course, N22°00′00"E, a distance of 231.67 feet to the Point of Beginning,

City and County of Denver,

State of Colorado.

For informational purposes only: APN 0124202013000

Exhibit A-1

ALTA/ACSM Land Title Survey

Exhibit B

Conceptual Drawing of Planned Improvements



May 15, 2013

Interim Master Plan Phase 1 Implementation

Exhibit C

Certificate of Insurance

								ENVILEA-01		RZAPATA
Ą	CORD	ER	TIF	ICATE OF LIA	BILI	TY INSU	URANC	E		(MM/DD/YYYY)
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th	MPORTANT: If the certificate ho the terms and conditions of the pol ertificate holder in lieu of such end	cy, ce	rtain	policies may require an e	e policy endorse	y(ies) must b ement. A sta	e endorsed. tement on th	If SUBROGATION IS Wa	AIVED onfer r	, subject to rights to the
	DUCER	13611	siii(s)		CONTA NAME:	СТ				
Colorado Nonprofit Insurance Agency 789 Sherman Street, Suite 260 Denver, CO 80203			PHONE (A/C, No, Ext): (303) 894-0298 FAX (A/C, No): (303) 894-0161 E-MAIL ADDRESS:							
				INSURER(S) AFFORDING COVERAGE					NAIC #	
INSU	JRED				INSURER A: Pinnacol Assurance					
Environmental Learning For Kids					INSURER C :					
	14460 E 50th Ave		•		INSURE	RD:				
	Denver 80239-6440				INSURE	ER E :				
0	VERAGES C	DTIC	CATI	E NUMBER:	INSURE	RF:		REVISION NUMBER:		
	HIS IS TO CERTIFY THAT THE POLI				HAVE B	EEN ISSUED			HE PO	LICY PERIOD
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INSR LTR	TYPE OF INSURANCE		L SUBF			POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMIT	S	
Α	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE X OCCUR	x		2014-11471		06/08/2014	06/08/2015	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ \$	1,000,000 500,000
	· · · · · · · · · · · · · · · · · · ·	_						MED EXP (Any one person)	\$	20,00
		_						PERSONAL & ADV INJURY	\$	1,000,00
	GEN'L AGGREGATE LIMIT APPLIES PER:		1					GENERAL AGGREGATE	\$	2,000,000
	POLICY PRO- JECT LOC							PRODUCTS - COMP/OP AGG	\$ \$	2,000,000
A	OTHER: AUTOMOBILE LIABILITY ANY AUTO ALL OWNED X SCHEDULED AUTOS X AUTOS			2014-11471		06/08/2014	06/08/2015	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person)	\$ \$	1,000,000
								BODILY INJURY (Per accident)	\$	
	X HIRED AUTOS X NON-OWNED AUTOS							PROPERTY DAMAGE (Per accident)	\$ \$	
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	EXCESS LIAB CLAIMS-MA	DE					1	AGGREGATE	\$	
	DED RETENTION \$							PER OTH-	\$	
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0	(Mandatory in NH)		4	1010000				E.L. DISEASE - EA EMPLOYEE		100,00
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	SCRIPTION OF OPERATIONS / LOCATIONS / VE e City and County of Denver, its elec								rds to	the
	nmercial general liability policy and b							3		
				<u> </u>						
CE	RTIFICATE HOLDER				CAN	CELLATION				
City and County of Denver, Denver Parks and Recreation 201 W. Colfax Ave, Dept. 602 Denver, CO 80202					SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.					
					Le	my alepse	K./			
								RD CORPORATION. AI	l right	s reserved.

ACORD 25 (2014/01)

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