

**STATE OF COLORADO  
DEPARTMENT OF PERSONNEL AND ADMINISTRATION  
OFFICE OF THE STATE ARCHITECT  
REAL ESTATE PROGRAMS**



**STANDARD – [GROSS LEASE]  
LEASE AGREEMENT [IMPROVED REAL PROPERTY]**

---

**LANDLORD**                    City and County of Denver

**TENANT**                     The State Of Colorado, acting by and through the  
Department of Revenue, for the use and benefit of the  
Division of Motor Vehicles

**LOCATION**                    4685 Peoria Street, Denver, Colorado 80239

STATE OF COLORADO  
DEPARTMENT OF PERSONNEL AND ADMINISTRATION  
OFFICE OF THE STATE ARCHITECT  
REAL ESTATE PROGRAMS

STANDARD LEASE AGREEMENT [IMPROVED REAL PROPERTY]

TABLE OF CONTENTS

ITEM	PAGE
1. PREMISES, TERM, RENT.....	1
2. SERVICES.....	2
3. INTERRUPTION OF SERVICES.....	4
4. WORK REQUIREMENTS.....	4
5. LANDLORD'S REPRESENTATIONS.....	4
6. LANDLORD'S OWNERSHIP.....	5
7. LEASE ASSIGNMENT.....	5
8. EMINENT DOMAIN, TERMINATION OF LEASE.....	5
9. DAMAGE AND DESTRUCTION.....	5
10. HOLDING OVER.....	5
11. FISCAL FUNDING.....	5
12. FEDERAL FUNDING.....	6
13. NOTICE.....	6
14. CONSENT.....	6
15. TENANT'S TAX EXEMPT STATUS.....	6
16. TENANT LIABILITY EXPOSURE.....	7
17. SECURITY DEPOSIT.....	7
18. INSURANCE.....	7
19. CONVEYANCE OF THE PREMISES, ASSUMPTION OF LEASE, ATTORNMENT AND NON-DISTURBANCE.....	8
20. COLLOCATION.....	8
21. INDEPENDENT CONTRACTOR.....	8
22. NO VIOLATION OF LAW.....	9
23. COLORADO SPECIAL PROVISIONS.....	9
24. BROKER REPRESENTATION.....	9
25. GENERAL PROVISIONS.....	10
26. ADDITIONAL RENT.....	11
27. ADDITIONAL PROVISIONS.....	11

EXHIBITS:

Exhibit A – Premises

Exhibit B – Notice of Assignment of Lease Form

**LEASE AGREEMENT  
[Improved Real Property]**

The printed portions of this form, except bold additions, have been reviewed by the State of Colorado Attorney General and approved by the State Controller. All additions to this form must be in bold type. All deletions must be shown by strike-through.

**THIS LEASE AGREEMENT ("Lease") entered into by and between the City and County of Denver, a municipal corporation of the State of Colorado whose address or principal place of business is 1437 Bannock Street, Denver, Colorado 80202, hereinafter referred to as "Landlord", and THE STATE OF COLORADO, acting by and through the Department of Revenue, for the use and benefit of the Division of Motor Vehicles, whose address is 1375 Sherman St., Denver, Colorado 80203, hereinafter referred to as "Tenant". Both Landlord and Tenant may be referred to individually as a "Party", and shall be collectively hereinafter referred to as "Parties" to this Lease.**

**WITNESSETH:**

**WHEREAS**, Landlord is willing to lease the Premises, defined herein, and Tenant desires to lease the Premises pursuant to the terms of this Lease; and

**WHEREAS**, Authority to enter into this Lease exists in the Law, including §24-35-105 C.R.S., and funds have been budgeted, appropriated and otherwise made available and a sufficient unencumbered balance thereof remains available for payment. Required approvals, clearance and coordination have been accomplished from and with appropriate agencies.

**NOW, THEREFORE**, in consideration of the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

**1. PREMISES, TERM, RENT.**

(A) Landlord hereby leases and demises unto Tenant the Premises, hereinafter referred to as "Premises" within the building located at **4685 Peoria, Denver, Colorado 80239**, hereinafter referred to as "Building" (including land, improvements and other rights appurtenant thereto). The Premises, known and described as Suite 115, includes approximately **two thousand five hundred eighty-three (2,583)** rentable square feet; the Premises being as shown on the plat attached hereto, made a part hereof and marked "Exhibit A".

(B) **TO HAVE AND TO HOLD** the same, together with all appurtenances, unto Tenant, for the term beginning the later of **July 1, 2018** or the date the Colorado State Controller approves the Lease ("Commencement Date"), and ending **June 30, 2023**, at and for a monthly rental (the "Monthly Rent") for the full term as shown below:

2,583 RSF  TERM DATE(S)	ANNUAL RENT / RSF	ESTIMATED REAL ESTATE PROPERTY TAXES / RSF	ESTIMATED ADJUSTED ANNUAL RENT / RSF	ESTIMATED MONTHLY RENT	ESTIMATED TOTAL TERM RENT
Commencement Date – 06/30/2019	\$26.00	N/A	\$26.00	\$5,596.50	Not to Exceed \$67,158.00
07/01/2019 – 06/30/2020	\$26.78	N/A	\$26.78	\$5,764.40	\$69,172.74
07/01/2020 – 06/30/2021	\$27.58	N/A	\$27.58	\$5,936.60	\$71,239.14
07/01/2021 – 06/30/2022	\$28.41	N/A	\$28.41	\$6,115.25	\$73,383.03
07/01/2022 – 06/30/2023	\$29.26	N/A	\$29.26	\$6,298.22	\$75,578.58

Unless the Lease is terminated earlier or the Commencement Date is later than July 1, 2018, the total amount payable to Landlord by the Tenant for the term of this Lease is \$356,531.49.

Landlord is a political subdivision of the State of Colorado not currently subject to real property taxes. Should the current or a subsequent Landlord become subject to payment of property taxes, Tenant's Monthly Rent obligation shall be adjusted in accordance with Article 15 herein.

CRS §39-3-124 exempts real property leased by the State of Colorado from the levy and collection of property taxes. Therefore, the Adjusted Annual Rent/RSF as shown above does not include the Prior Year Taxes of \$0.00/rsf or any tax based upon real property as defined and required by Article 15 (i); when the Current Year Taxes are known, the Monthly Rent payment shall be adjusted accordingly.

The Premises is to be used and occupied as **general office use space with regular visitation from the general public for the purpose of driver licensing and related services**. Payment of the Monthly Rent shall be made on the first of each month during the term hereof, to Landlord at:

**Manager of Finance  
201 W. Colfax, Department 1010  
Denver, CO 80202**

or at such place as Landlord from time to time designates by notice as provided herein, subject to the limitations and conditions set forth in Article 11, Fiscal Funding, and Article 12, Federal Funding, and **Article 20, Collocation**, herein.

If the term herein commences on a day other than the first day of a calendar month, then Tenant shall pay to Landlord the rental for the number of days that exist prior to the first day of the succeeding month. ~~with a similar adjustment being made at the termination of the Lease.~~

## **2. SERVICES.**

(A) **LANDLORD PROVIDED SERVICES.** Landlord shall provide to Tenant during the occupancy of said Premises, as a part of the rental consideration, the following services comparable to those provided by other office buildings of similar quality, size, age and location, in the **Northeast Denver** submarket. The services shall include but not necessarily be limited to the following:

### 1) Services to Premises.

(i) Heat, ventilation and cooling as required for the comfortable use and occupancy of the Premises during normal business hours. Landlord shall at all times be responsible for heat, ventilating and air conditioning (HVAC) services in quantities and distributions sufficient for Tenant's use of the Premises, including rebalancing of the HVAC distribution system as necessary, and also including service, repair and/or replacement (which replacement shall be considered a capital improvement) of equipment, parts and accessories for the HVAC units and systems serving the Premises;

(ii) Landlord shall provide Building standard janitorial services. Janitorial services five (5) times per week, including interior and exterior window washing (exterior window washing a minimum of one (1) times per year);

(iii) Electric power as supplied by the local utility company. Tenant shall be entitled to its pro rata share of the base Building's electrical capacity for each floor on which Tenant occupies space. **Landlord shall at all times be responsible for paying, at no additional cost to Tenant, electric power, heat, water, sewer and waste removal services consumed on said premises;**

(iv) Replacement of Building standard lighting, **including but not limited to**, fluorescent tubes, light bulbs and ballasts as required from time to time as a result of normal usage.

2) Building Service.

(i) Domestic running water and necessary supplies in washrooms sufficient for the normal use thereof by occupants in the Building;

(ii) Access to and egress from the Premises, including elevator service maintenance, repair and replacement customary for buildings of similar age and quality, if included in the Building;

(iii) Snow removal, sidewalk repair and maintenance, landscape maintenance, **pest control to the exterior of the Premises**, and trash removal services;

(iv) HVAC, lighting, electric power, domestic running water and janitorial service in those areas of the Building designated by Landlord for use by Tenant, in common with all tenants and other persons in the Building during normal business hours, but under the exclusive control of Landlord;

(v) A general directory board on which Tenant shall be entitled to have its name shown, provided that Landlord shall have exclusive control thereof and of the space thereon to be allocated to each Tenant;

(vi) Landlord shall at all times be responsible for paying real estate taxes and assessments, including real property taxes, special improvement district taxes or fees or other special district taxes or charges for which Tenant is not eligible for a tax exemption, subject to Article 15. Tenant shall be responsible for all taxes and assessments on Tenant's personal property, if any.

(vii) **Repair and replacement of plate glass windows, and doors with glass panels, which shall include weather stripping, hardware and accessories as necessary, unless the cause for the repair/replacement is as a result of Tenant's employees' or its visitors' negligence or intentional acts.**

(viii) **Install, maintain and service of smoke detectors and provision of adequate fire extinguishers, or equivalents. These items require semi-annual service including replacement of batteries, etc. to be provided by Landlord;**

(ix) **Landlord will ensure that the premises are handicap accessible and in compliance with ADA requirements that were in effect at the time the Premises were constructed.**

3) Maintenance, Repair and Replacement.

(i) Landlord shall operate, maintain, repair and replace the systems, facilities and equipment necessary for the proper operation of the Building and for provision of Landlord's services under Article 2. (A) 1) and 2) above and shall maintain and repair the foundations, structure and roof of the Building and repair damage to the Building which Landlord is obligated to insure against under this Lease.

(ii) **Landlord shall promptly make repairs and replacements to the Premises, including all common areas and parking areas. Any repairs that adversely affect the Tenant's business operations shall be performed outside the**

**"normal business hours" specified under Article 4 of this lease, unless approved in advance by Tenant.**

4) Additional Services.

(i) Maintenance of parking lot and/or structure, maintenance of the external lighting devices for the Building parking lot and/or structure. Maintenance, repair and replacement of Tenant Improvements for damage caused by shifting or leaking of the foundation or of any other structural aspect or system of the Building.

(ii) Maintain the Premises in good repair and in tenantable condition during the term of this Lease. Landlord shall have the right to enter the Premises at reasonable times for the purpose of making necessary inspections, repairs or maintenance.

The "normal business hours" of operation of the Building shall be from 7:00 a.m. to 6:00 p.m. Monday through Friday and 8:00 a.m. to 2:00 p.m. on Saturdays, excepting legal holidays, which shall include New Year's Day, **Martin Luther King Day, President's Day, Cesar Chavez Day, Memorial Day, Independence Day, Labor Day, Veteran's Day, Thanksgiving and Christmas. Landlord understands and will accommodate Tenant's normal services to the public on Cesar Chavez Day. Tenant agrees to hire one additional security guard at its expense on Cesar Chavez Day. This security guard shall be posted in the main lobby and will prevent people from going upstairs. Landlord shall provide additional hours of operation for the Premises upon 24 hours prior notice to Landlord from Tenant. Landlord reserves the right to charge Tenant for such additional hours of operation.**

(B) TENANT PROVIDED SERVICES. None.

3. **INTERRUPTION OF SERVICES.** Notwithstanding anything in this Lease to the contrary, if there is an interruption in essential services to the Premises (including, but not limited to HVAC, electrical service, **potable water, elevator service**), and such interruption continues for a period of five (5) consecutive days, Tenant shall be entitled to an abatement of rent for the period that such services are not provided to the extent that such interruption interferes with the use of the Premises by Tenant. If such interruption continues for a period of ninety (90) days, Tenant may cancel and terminate this Lease without penalty.

4. **WORK REQUIREMENTS.** All tenant finish alterations in the Premises, now and hereafter undertaken, shall be designed and constructed in accordance with the technical design specifications of the Uniform Federal Accessibility Standards, latest edition. ~~Prior to the Premises being occupied by Tenant, Landlord has satisfactorily completed~~ **agrees to the tenant improvements agreed upon by the Parties. described in Exhibit C, attached hereto and made a part hereof.**

5. **LANDLORD'S REPRESENTATIONS.**

(A) LANDLORD REPRESENTS THAT EITHER.

1) no "asbestos response action", pursuant to that portion of the Colorado Air Quality Control Commission, Regulation 8 entitled Emission Standards for Asbestos, hereafter referred to as "Regulation 8", is contemplated as a part of the tenant finish for this Lease; or

2) in the event that an "asbestos response action" is contemplated as a part of the tenant improvements for this Lease, Landlord, **at no cost to Tenant**, agrees to fully cooperate with Tenant in Tenant's exercise of its duties and responsibilities in accordance with Section V of Part B of Regulation 8.

(B) Landlord, in Landlord's sole opinion, represents that with respect to this Lease and the Premises, the Building ~~met meets~~ the requirements of the Americans with Disabilities Act **at the time the building was constructed.**

(C) Landlord must meet all local codes and regulations with regards to fire and life safety during the term of the State of Colorado's occupancy of the Premises as mandated by local authorities.

**6. LANDLORD'S OWNERSHIP.** Landlord warrants and represents itself to be the owner of, or the authorized representative or agent of the owner of, the Premises in the form and manner as stated herein. During the term of this Lease Landlord covenants and agrees to warrant and defend Tenant in the quiet, peaceable enjoyment and possession of the Premises. In the event of any dispute regarding Landlord's ownership, upon request from and at no cost to Tenant, Landlord shall immediately, furnish proof thereof by delivering to Tenant an "Ownership and Encumbrance Letter" issued by a properly qualified title insurance company.

**7. LEASE ASSIGNMENT.** Tenant shall not assign this Lease and shall not sublet the Premises, except to a desirable tenant for a similar use and purpose, and will not permit the use of said Premises to anyone, other than Tenant, its agents or employees, without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed.

**8. EMINENT DOMAIN, TERMINATION OF LEASE.** If the Premises are taken via eminent domain, in whole or in part, then either Party may cancel and terminate this Lease and the current rent shall be properly apportioned to the date of such taking. In such event the entire damages which may be awarded shall be apportioned between Landlord and Tenant, as their interests appear.

**9. DAMAGE AND DESTRUCTION.** If the Premises are rendered untenable or unfit for Tenant's purposes by fire, **natural disaster**, or other casualty, this Lease will immediately terminate and no rent shall accrue from the date of such fire, **natural disaster**, or casualty. If the Premises are damaged by fire, **natural disaster**, or other casualty so that there is partial destruction of such Premises or such damage as to render the Premises partially untenable or partially unfit for Tenant's purposes, either Party may, within five (5) days of such occurrence, terminate this Lease by giving written notice to the other Party. Such termination shall be effective not less than fifteen (15) days from the date of mailing of the notice. Rent shall be apportioned to the effective date of termination.

**10. HOLDING OVER.** ~~This Lease shall be extended on Tenant shall become~~ a month-to-month ~~basis tenant~~ if Tenant fails to vacate the Premises upon expiration or sooner termination of this Lease. The rent to be paid by Tenant during such continued occupancy shall be the same being paid by Tenant as of the date of expiration or sooner termination. Landlord and Tenant each hereby agree to give the other Party at least thirty (30) days written notice prior to termination of any holdover tenancy.

**11. FISCAL FUNDING.**

(A) As prescribed by State of Colorado Fiscal Rules and §23(B) below, this Lease is dependent upon the continuing availability of funds beyond the term of the State's current fiscal period ending upon the next succeeding June 30, as financial obligations of the State of Colorado payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available. While the act of appropriation is a legislative act, Tenant will take appropriate actions under the laws applicable to Tenant to timely and properly budget for, request of and seek and pursue appropriation of funds from the General Assembly of the State of Colorado permitting Tenant to make payments required hereunder during the period to which such appropriation applies. If funds are not appropriated, this Lease shall terminate at the end of the then current fiscal year, with no penalty or additional cost to Tenant. Tenant shall notify Landlord of such non-allocation of funds by sending written notice thereof to Landlord forty-five (45) days prior to the effective date of termination.

(B) Tenant's obligation to pay rent hereunder constitutes a current expense of Tenant payable exclusively from Tenant's funds and shall not in any way be construed to be a general obligation

indebtedness of the State of Colorado or any agency or department thereof within the meaning of any provision of §§ 1,2,3,4, or 5 of Article XI of the Colorado Constitution, or any other constitutional or statutory limitation or requirement applicable to the State concerning the creation of indebtedness. Neither Tenant, nor Landlord on its behalf, has pledged the full faith and credit of the State, or any agency or department thereof to the payment of the charges hereunder, and this Lease shall not directly or contingently obligate the State or any agency or department thereof to apply money from, or levy or pledge any form of taxation to, the payments due hereunder.

**12. FEDERAL FUNDING.** If any or all funds for payment of this Lease are provided by the Federal Government, this Lease is subject to and contingent upon the continuing availability of Federal funds, and if such funds are not made available, Tenant may unilaterally terminate this Lease at the end of any month after providing ninety (90) days written advance termination notice to Landlord.

**13. NOTICE.** Any notice required or permitted by this Lease may be delivered in person or sent by registered or certified mail, return receipt requested, to the Party at the address as hereinafter provided, and if sent by mail it shall be effective when posted in the U.S. Mail Depository with sufficient postage attached thereto:

**Landlord:**

City and County of Denver  
1437 Bannock Street  
Room #350, Mayor's Office  
Denver, CO 80202

**Tenant:**

Rosa Sanchez  
Facilities, Safety, and Security Director  
Department of Revenue  
1375 Sherman Street  
Denver, CO 80203  
303-866-4570  
[Rosa.Sanchez@state.co.us](mailto:Rosa.Sanchez@state.co.us)

**With a copy to:**

City and County of Denver  
Department of Finance, Division of Real Estate  
201 W. Colfax Ave, Dept.1010  
Denver, CO 80202

**With a copy to:**

Office of the State Architect  
Real Estate Programs  
1525 Sherman Street, Suite 112  
Denver, CO 80203

**And**

**City Attorney**  
**City and County of Denver**  
**1437 Bannock Street, Room 353**  
**Denver, CO 80202**

**And**

Leasing Administrator  
Department of Revenue  
1375 Sherman Street  
Denver, CO 80203

Notice of change of address shall be treated as any other notice.

**14. CONSENT.** Unless otherwise specifically provided, whenever consent or approval of Landlord or Tenant is required under the terms of this Lease, such consent or approval shall not be unreasonably withheld or delayed and shall be deemed to have been given if no response is received within thirty (30) days of the date the request was made. If either Party withholds any consent or approval, such Party shall, after written request, deliver to the other Party a written statement giving the reasons therefore.

**15. TENANT'S TAX EXEMPT STATUS.** The Parties acknowledge CRS §39-3-124(1)(b), effective January 1, 2009, exempts the Premises from levy and collection of property tax including Assessed Tax, Special Assessment Tax, Maintenance District, Local Improvement Assessment, Fees and Interest (collectively "Taxes") while leased by Tenant for State purposes and that Landlord shall not receive a levy for property taxes from the County Assessor on the Premises occupied by Tenant during the term of the Lease and any extensions thereof. Tenant shall timely file a copy of the Lease, and any extensions or



amendments thereof, with the County Assessor. If the Lease terminates prior to the end date provided for in Article 1(B), or any extension or amendments thereof (early termination), Tenant shall timely file notice of the early termination date with the County Assessor.

**In the event Landlord is subject to taxes Tenant is exempt from paying, Tenant's Monthly Rent obligation, per Article 1 (B), shall be decreased by the amount of the reduction in Taxes on a monthly prorated basis. So long as Landlord receives an abatement of Taxes from the County Assessor, by reason of Tenant's operation as an agency or department of the State of Colorado:**

(A) Tenant shall receive a credit against its Monthly Rent beginning with the Commencement Date based upon the Current Year Taxes. If the Current Year Taxes (**i.e., 2018**) are not yet available the Prior Year Taxes (**i.e., 2017**) shall be used as an estimate until the Current Year Taxes are available. This credit shall be reconciled upon the availability of the Current Year Taxes; and

(B) Beginning at the availability of the Current Year Taxes Tenant shall receive an on-going credit against its Monthly Rent based upon the Current Year Taxes.

**16. TENANT LIABILITY EXPOSURE.** Notwithstanding any other provision of this Lease to the contrary, no term or condition of this Lease shall be construed or interpreted as a waiver of any provision of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq.. Liability for claims for injuries to persons or property arising out of the negligence of the State of Colorado, its departments, institutions, agencies, boards, officials and employees is controlled and limited by the provisions of CRS §24-10-101, et seq., and CRS §24-30-1501, et seq., All provisions of this Lease are controlled, limited and otherwise modified to limit any liability of Tenant in accordance with the foregoing cited statutes.

**17. SECURITY DEPOSIT.** Tenant shall not provide a security deposit to Landlord.

**18. INSURANCE.**

(A) **LANDLORD INSURANCE.** Landlord and Landlord's contractors shall carry and maintain the following insurance coverage with respect to the Premises during the Lease term: **Landlord shall have the right to provide such insurance under a self-insurance program, or at any time during the term of the Lease, to provide such insurance through an insurance company. Landlord is relieved of the maximum deductible and the requirement for a Waiver of Subrogation, below. Landlord's contractors must comply with all requirements.**

1) Commercial General Liability Insurance covering operations by, or on behalf of, Landlord on an occurrence basis against claims for bodily injury, property damage and personal injury liability with minimum limits of (a) \$1,000,000 each occurrence; (b) \$2,000,000 general aggregate; (c) \$2,000,000 products and completed operations aggregate.

2) Property Insurance covering the Building, including the Premises, its equipment, and Landlord's interest in improvements and betterments on an "All Risk" basis, including where appropriate the perils of Flood and Earthquake. Coverage shall be written with a Replacement Cost valuation and include an agreed value provision. The deductible amount shall not exceed \$25,000 unless approved by Tenant. The policy shall also include a rental income extension.

3) Workers' Compensation Coverage for employees of Landlord as required by law and employer's liability insurance.

All policies shall be written with carriers approved to do business in the State of Colorado with an A.M. Best Rating of at least A- VII and shall contain a Waiver of Subrogation on behalf of Tenant. The above insurance policies shall include provisions preventing cancellation or non-renewal without at least 30 days prior notice to Landlord and Landlord shall forward such notice to the State within seven days of Landlord's receipt of such notice. Landlord shall provide Tenant certificates of insurance or **self insurance letters** confirming renewal of the coverage at least fifteen (15) days prior to expiration.

(B) **TENANT INSURANCE.** Tenant shall provide insurance on its inventory, equipment, and all other personal property located on the Premises against loss resulting from fire or other casualty at Tenant's sole cost. Tenant shall have the right to provide such insurance under a self-insurance program, or, at any time during the term of this Lease, to provide such insurance through an insurance company. With respect to general liability, Tenant is self insured in accordance with the provisions of the Colorado Governmental Immunity Act and the Colorado Risk Management Act, CRS §24-30-1501, et seq.

**19. CONVEYANCE OF THE PREMISES, ASSUMPTION OF LEASE, ATTORNMENT AND NON-DISTURBANCE.**

(A) If Landlord assigns this Lease or if the Premises are sold, transferred or conveyed, (all collectively called "Assignment"), within ten (10) days of the Assignment of the Lease, Landlord shall provide Tenant notice thereof pursuant to Article 13 of this Lease in a form substantially in conformity with that described in Exhibit B. Said notice shall include the name and address of the New Landlord (any assignee of this Lease, or any purchaser of the Premises, or any other successor owner or assignee of Landlord through foreclosure or deed in lieu of foreclosure [the "New Landlord"]), the New Landlord's Social Security or Federal Employer's Identification Number, and documentation evidencing the Lease Assignment, whether it be an assignment and assumption of Lease, deed or other transfer.

(B) If Landlord fails to provide Tenant the notice of Assignment provided for in the preceding paragraph (A) and Tenant receives written notice from a third-party claiming to be the New Landlord under a transaction constituting an Assignment of Lease, and the New Landlord provides Tenant the evidence of transfer specified in paragraph (A), Tenant shall provide Landlord written notice of the New Landlord's claim at the address provided for in Article 13. If Landlord does not contest the New Landlord's claim in writing to Tenant within ten (10) days from the date of Tenant's written Notice to Landlord, Tenant may recognize the New Landlord as Landlord under the Lease and shall thereafter pay the monthly rent and other obligations under the Lease to the New Landlord and Landlord shall have waived any further rights under the Lease and shall be barred from further rights thereunder, including, but not limited to, the right to receive rent. In addition, any Tenant audit rights (~~see Article 26-B~~) (iii) which resulted in a monetary obligation due the Tenant shall then become the full responsibility of the New Landlord.

(C) The New Landlord's title, right and interest in the Premises, however acquired, shall be subject to all Lease provisions, including, not limited to, the non-disturbance of Tenant's possession of the Premises and Tenant shall recognize the New Landlord as Landlord under the Lease. Tenant's attornment to the New Landlord shall not waive any rights of Tenant against the prior Landlord. All payments previously made by Tenant to the prior Landlord and all other previous actions taken by Tenant under the Lease shall be considered to have discharged those obligations of Tenant under the Lease. The New Landlord's acceptance of the rent payment provided for in the Lease shall constitute the New Landlord's assumption of the Lease and obligations of the Landlord's thereunder.

**20. COLLOCATION.** If the State builds, leases, or otherwise acquires a building for the purpose of collocating State agencies, or sections, divisions, or functional groups within State agencies, in one area, or designates an existing State-owned building for such collocation of Tenant, this Lease may be terminated by Tenant by giving written notice to Landlord not less than sixty (60) days prior to the termination date. Tenant shall not be liable to further perform any of its obligations under this Lease, including, but not limited to rental payments, following the date of such termination.

**21. INDEPENDENT CONTRACTOR.** 4 CCR §801-2. The Landlord shall perform its duties hereunder as an independent contractor and not as an employee. Neither Landlord nor any agent or employee of Landlord shall be or shall be deemed to be an agent or employee of the State. Landlord shall pay when due all required employment taxes and income tax and local head tax on any monies paid by the State pursuant to this Lease. Landlord acknowledges that Landlord and its employees are not entitled to unemployment insurance benefits unless Landlord or third party provides such coverage and that the State does not pay for or otherwise provide such coverage. Landlord shall not have authorization, express or implied, to bind the State to any agreements, liability, or understanding except as expressly

set forth herein. Landlord shall provide and keep in force Workers' Compensation (and provide proof of such insurance when requested by the State) and unemployment compensation insurance in the amounts required by law, and shall be solely responsible for the acts of Landlord, its employees and agents.

## 22. NO VIOLATION OF LAW.

(A) CRS §18-8-301, et seq. and CRS §18-8-401, et seq. The signatories hereto aver that they are familiar with CRS §18-8-301, et seq., (Bribery and Corrupt Influences) and CRS §18-8-401, et seq., (Abuse of Public Office), and that no violation of such statutes has occurred under this Lease.

(B) CRS §24-76.5-101. Landlord, if a natural person eighteen (18) years of age or older, hereby swears and affirms under penalty of perjury that he or she (a) is a citizen or otherwise lawfully present in the United States pursuant to federal law, (b) shall comply with the provisions of CRS §24-76.5-101 et seq., and (c) has produced one form of identification required by CRS §24-76.5-103 prior to the effective date of this Lease.

## 23. COLORADO SPECIAL PROVISIONS.

(A) CONTROLLER'S APPROVAL. CRS §24-30-202(1). This contract shall not be valid until it has been approved by the Colorado State Controller or designee.

(B) FUND AVAILABILITY. CRS §24-30-202(5.5). Financial obligations of the State payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

(C) CHOICE OF LAW. Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Lease. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision incorporated herein by reference which purports to negate this or any other Special Provision in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of this contract, to the extent capable of execution. The Landlord shall strictly adhere to all applicable federal and State laws, rules, and regulations that have been or may hereafter be established, including those dealing with discrimination and unfair employment practice, in performing its obligations under the Lease.

(D) LANDLORD/VENDOR OFFSET. CRS §§24-30-202 (1) and 24-30-202.4. Subject to CRS §24-30-202.4 (3.5), the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: (a) unpaid child support debts or child support arrearages; (b) unpaid balances of tax, accrued interest, or other charges specified in CRS §39-21-101, et seq.; (c) unpaid loans due to the Student Loan Division of the Department of Higher Education; (d) amounts required to be paid to the Unemployment Compensation Fund; and (e) other unpaid debts owing to the State as a result of final agency determination or judicial action.

(E) EMPLOYEE FINANCIAL INTEREST. CRS §24-18-201 and CRS §24-50-507. The signatories aver that to their knowledge, no State employee has any personal or beneficial interest whatsoever in the service or property described herein.

~~24. BROKER REPRESENTATION. Landlord and Tenant acknowledge that ..... is acting as a Landlord Agent on behalf of Landlord in this transaction and ..... is acting as a Tenant Agent on behalf of Tenant in this transaction. Further, Landlord and Tenant acknowledge that in consideration of ..... acting as a Tenant Agent on behalf of the State of Colorado in this transaction, ..... will receive a leasing commission by separate agreement with .....~~

## 25. GENERAL PROVISIONS.

(A) **BINDING EFFECT.** All provisions herein contained, including the benefits and burdens, shall extend to and be binding upon the Parties' respective heirs, legal representatives, successors, and assigns.

(B) **CAPTIONS.** The captions and headings in this Lease are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions.

(C) **CONSTRUCTION AGAINST DRAFTER.** In the event of an ambiguity in this Lease the rule of Lease construction that ambiguities shall be construed against the drafter shall not apply and the Parties hereto shall be treated as equals and no Party shall be treated with favor or disfavor.

(D) **COUNTERPARTS.** This Lease may be executed in multiple identical original counterparts, all of which shall constitute one agreement.

(E) **ENTIRE UNDERSTANDING.** This Lease represents the complete integration of all understandings between the Parties and all prior representations and understandings, oral or written, are merged herein. Prior or contemporaneous additions, deletions, or other changes hereto shall not have any force or effect whatsoever, unless embodied herein.

(F) **JURISDICTION AND VENUE.** All suits or actions related to this Lease shall be filed and proceedings held in the State of Colorado and exclusive venue shall be in the City and County of Denver.

### (G) MODIFICATION.

1) By the Parties. Except as specifically provided in this Lease, modifications hereof shall not be effective unless agreed to in writing by the Parties in an amendment hereto, properly executed and approved in accordance with applicable Colorado State law, State Fiscal Rules, and Office of the State Controller Policies, including, but not limited to, the policy entitled MODIFICATION OF LEASES - TOOLS AND FORMS.

2) By Operation of Law. This Lease is subject to such modifications as may be required by changes in Federal or Colorado State law, or their implementing regulations. Any such required modification automatically shall be incorporated into and be part of this Lease on the effective date of such change, as if fully set forth herein.

(H) **ORDER OF PRECEDENCE.** The provisions of this Lease shall govern the relationship of the State and Landlord. In the event of conflicts or inconsistencies between this Lease and its exhibits and attachments, including, but not limited to, those provided by Landlord, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority:

- 1) Colorado Special Provisions;
- 2) The remaining provisions of the main body of this Lease;
- 3) Exhibit A, Premises;
- 4) Exhibit B, Notice of Assignment.

(I) **SEVERABILITY.** Provided this Lease can be executed and performance of the obligations of the Parties accomplished within its intent, the provisions hereof are severable and any provision that is declared invalid or becomes inoperable for any reason shall not affect the validity of any other provision hereof, provided that the Parties can continue to perform their obligations under this Lease in accordance with its intent.

(J) **SURVIVAL OF CERTAIN LEASE TERMS.** Notwithstanding anything herein to the contrary, provisions of this Lease requiring continued performance, compliance, or effect after termination hereof, shall survive such termination and shall be enforceable by the State if Landlord fails to perform or comply as required.

(K) **TAXES OTHER THAN REAL PROPERTY.** The State is exempt from all federal excise taxes under IRC Chapter 32 (No. 84-730123K) and from all State and local government sales and use taxes under CRS §§39-26-101 and 201 et seq. Such exemptions apply when materials are purchased or services are rendered to benefit the State; provided however, that certain political subdivisions (e.g., City of Denver) may require payment of sales or use taxes even though the product or service is provided to the State. Landlord shall be solely liable for paying such taxes as the State is prohibited from paying or reimbursing Landlord for such taxes.

(L) **THIRD PARTY BENEFICIARIES.** Enforcement of this Lease and all rights and obligations hereunder are reserved solely to the Parties. Any services or benefits which third parties receive as a result of this Lease are incidental to the Lease, and do not create any rights for such third parties.

(M) **WAIVER.** Waiver of any breach under a term, provision, or requirement of this Lease or any right or remedy hereunder, whether explicitly or by lack of enforcement, shall not be construed or deemed as a waiver of any subsequent breach of such term, provision or requirement, or of any other term, provision, or requirement.

26. **ADDITIONAL RENT.** None

27. **ADDITIONAL PROVISIONS.** None

(A) **CANCELLATION OF EXISTING LEASE.** Tenant and Landlord have previously entered into the Existing Lease dated April 3, 2008 (Contract Routing No. TAA 08/0058). This Existing Lease had a term that began June 1, 2008 and entered into a holdover status effective January 1, 2018. Both Parties agree that upon commencement of this Lease, the Existing Lease will terminate and all its terms and conditions will have been fulfilled by both Parties.

(B) **RENEWAL TERMS:** Tenant shall have the option to extend the term of the Lease for all of the Premises for two (2) consecutive additional period(s) (each a "Renewal Term") of five (5) years each. In order to exercise each option for a Renewal Term, Tenant shall give written notice of such exercise to Landlord not earlier than twelve (12) months and not later than nine (9) months prior to the end of the then effective term. All terms and conditions of the Lease shall remain in effect during the Renewal Term(s) except: (i) there shall be no Renewal Term beyond the two Renewal Terms described above, and the Full Service Gross Rental Rate shall be at 100% of the then fair market Full Service Gross Rental Rate for comparable commercial buildings in the Northeast Denver, Colorado Market.

The fair market Full Service Gross Rental Rate shall be inclusive of all applicable market concessions, tenant improvement or refurbishment allowances and transaction expenses normally incurred by a Landlord for comparable office buildings in the Northeast Denver, Colorado commercial market. The Parties agree to execute a written amendment to the Lease confirming the Renewal Term.

(C) **PARKING.** Landlord shall provide to Tenant and Tenant's employees, clients, visitors and customers the nonexclusive use of the Building parking lot at a minimum ratio of four (4) parking spaces per 1,000 rentable square feet of space at no charge for the term of this Lease and any extension or renewal thereof. Landlord shall provide adequate parking for the exclusive use of people with disabilities. Landlord shall provide six (6) reserved or assigned parking space immediately adjacent, or in close proximity, to the main entrance to the Premises to allow Tenant

adequate space to conduct vehicle inspections prior to driver testing. Landlord shall permit Tenant to post appropriate signage on this reserved space.

(D) **ENVIRONMENTAL CONTROL.** The Landlord shall maintain adequate heating, ventilation, cooling and lighting equipment in operation to maintain the environmental conditions of 70°F - 74°F within the leased space during "normal business hours" of operation. All air conditioning systems shall be serviced regularly per manufacturer specifications and Landlord service agreement with a licensed air conditioning contractor.

(E) **PAYMENT DISCREPANCIES.** Landlord shall present claims for outstanding balance due within two years (24 months) of the discrepancy between rent payment made and due based on landlord's invoice/records.

(F) **GIFTS AND GRATUITIES.** Landlord agrees and acknowledges that by itself or through any officer, director, employee, agent, partner, subcontractor, or other representative, it may not offer, give, grant, or otherwise deliver any gift, gratuity, or anything of monetary or non-monetary value to any employee of the Tenant or to any member of his/her immediate family or anyone living in his/her household.

(G) **RESTORATION OF PREMISES.** Upon termination or expiration of this Lease, Tenant will restore the Premises to a broom clean condition. Tenant agrees to remove all personal property of the Tenant from the Premises. All Tenant Improvements left by the Tenant upon termination or expiration of the Lease shall become the property and responsibility of the Landlord.

(H) **CITY'S EXECUTION OF AGREEMENT.** This Lease 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.

(I) **COMPLIANCE WITH ENVIRONMENTAL REQUIREMENTS.** Tenant in conducting any activity on the Premises shall comply with all applicable local, state, and federal environmental rules, regulations, statutes, laws and orders (collectively "Environmental Requirements"), including but not limited to Environmental Requirements regarding the storage, use and disposal of Hazardous Materials or Special Wastes to the environment. For purposes of this Agreement the terms "Hazardous Materials" shall refer to those materials, including without limitation asbestos and asbestos-containing materials, polychlorinated biphenyls (PCBs), oil or any other petroleum products, natural gas, source material, pesticide, and any hazardous waste, toxic substance or related material, including any substance defined or treated as a "hazardous substance," "hazardous waste" or "toxic substance" (or comparable term) in the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Sec. 9601 et seq (1990), the Toxic Substances Control Act (15 U.S.C. Sec. 2601 et. seq (1990), and any rules and regulations promulgated pursuant to such statutes or any other applicable federal or state statute.

(J) **NO DISCRIMINATION.** In connection with the performance of work under this Lease, the Tenant agrees not to refuse to hire, nor to discharge, promote or demote, nor 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, gender identity or gender expression, marital status, or physical or mental disability; and further agrees to insert the foregoing provision in all subcontracts hereunder.

(K) **TOBACCO PRODUCTS AND SMOKING POLICY.** There shall be no sale or advertising of tobacco products on the Premises or 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 event displayed or held in City facilities.

The Tenant and its officers, agents and employees agree that they will cooperate and comply with the provisions of Executive Order No. 99 prohibiting smoking in all indoor City Buildings and facilities.

(L) **ELECTRONIC RECORDS.** The Parties agree not to object to the admissibility of this Lease in the form of an electronic record, or a paper copy of an electronic document, on the ground that it is an electronic record or that it is not in its original form or is not an original.

(M) **EXAMINATION OF RECORDS.** The Tenant agrees that any duly authorized representative of the Landlord, including the City Auditor and any of his designated representatives, until the expiration of three years after final payment under this Lease Agreement, shall have access to and the right to examine any directly pertinent books, documents and records of the Tenant, involving matters directly related to this Lease at Landlord's sole expense. Landlord shall provide Tenant advance notice and schedule such examination that shall not be disruptive to the day to day operations of Tenant.

(N) **APPROPRIATION BY CITY COUNCIL.** All obligations of the Landlord under and pursuant to this Lease are subject to prior appropriations of monies expressly made by the City Council for the purposes of this Agreement and paid into the Treasury of the City.

(O) **REASONABLENESS OF CONSENT OR APPROVAL.** Whenever under this Lease "reasonableness" is the standard for the granting or denial of the consent or approval of either Party, such Party shall be entitled to consider public and governmental policy, moral and ethical standards, as well as business and economic considerations.

(P) **DEFAULT AND TERMINATION.**

1) **Default by Tenant.** Notwithstanding anything in this Lease to the contrary, the Landlord may terminate this Lease Agreement after providing notice in accordance with Article 13, if:

(i) Any installment payment is in arrears and remains unpaid for a period of thirty days, upon the giving by the Landlord of thirty days prior written notice to the Tenant of its intention to so terminate, unless the payment is made within the thirty day period commencing upon the giving of such written notice; or

(ii) The Landlord gives written notice of nonpayment of a rent installment as set forth in (1) above more than three times in any twelve month period.

(iii) The Tenant fails to perform or observe any other provision of this Lease and such failure continues for thirty days after the Landlord delivers written notice thereof to the Tenant, or for such longer prior as may be reasonable required to cure such default, but not to exceed ninety days if the Tenant's failure is of such nature that it cannot be cured within a thirty day period; provided that the Tenant commences such cure within the thirty day period and diligently prosecutes such cure to completion thereafter.

2) **Default by the Landlord.** Notwithstanding any provision to the contrary in this Lease, in the event that the Landlord:

(i) Fails to discharge fully any of its obligations imposed under this Lease a mortgage that is superior to this Lease;

(ii) Fails to make any repairs that this Lease or any law requires it to make, then the Tenant shall have the following remedies in addition to all other remedies at law and equity:

If an event of a default by the Landlord occurs, the Tenant shall give written notice to the Landlord in the manner herein set forth and shall afford the Landlord a reasonable opportunity to cure any such default. If the Landlord fails to cure any such default within thirty days, then the Tenant may terminate this Lease provided, however, that if the default cannot be cured within thirty days and the Landlord is diligently attempting to cure the default, it shall provide written notice to the Tenant of the date, which shall not exceed ninety days from the date that it receives that Tenant's notice, that it will have fully cured such default. If notice of termination is so given, the Landlord and Tenant shall not be relieved of any obligations to be performed up to the date of termination.

**THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK**



**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-201841987-00

**Contractor Name:** State of Colorado

By: \_\_\_\_\_

Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

**ATTEST: [if required]**

By: \_\_\_\_\_

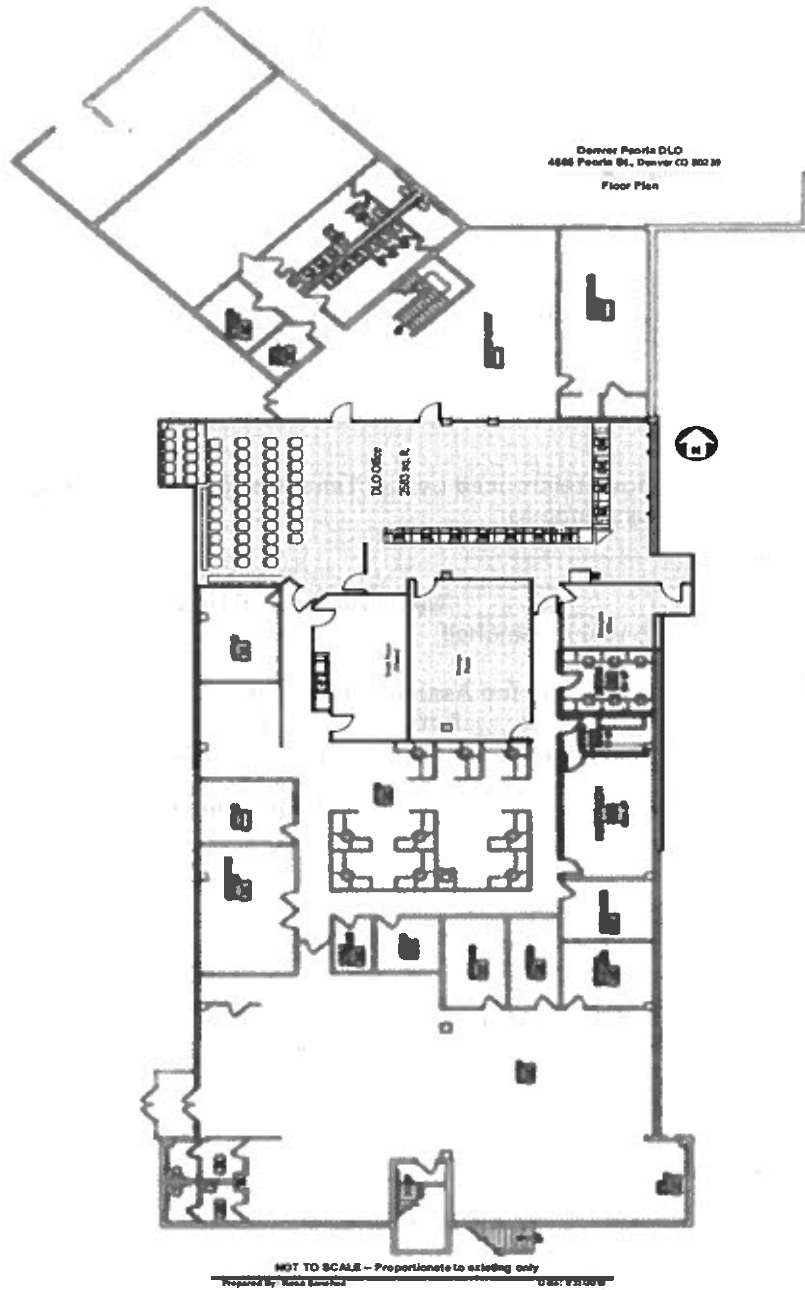
Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

*City will sign first.  
See attached  
Vendor Signature  
page*



**EXHIBIT A**  
**PREMISES**



**EXHIBIT B**

**NOTICE OF ASSIGNMENT OF LEASE  
ASSUMPTION OF LEASE BY NEW LANDLORD**

Date: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_, Tenant

[Tenant]  
[Tenant's Address for Notice  
(See Art. 13 of Lease)]

Re: Lease for: \_\_\_\_\_,  
dated \_\_\_\_\_,  
\_\_\_\_\_, Landlord

[Lease Address  
(See Art. 1 of Lease)  
[Landlord]

Dear Tenant:

Pursuant to Article 13 of the above referenced Lease, Tenant is hereby notified that on \_\_\_\_\_  
\_\_\_\_\_ [date], the Lease was assigned to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ [Name/Address of New Landlord], the "New  
Landlord." The New Landlord's W-9 is attached.

Evidence of the transaction constituting the Assignment of Lease is by [mark as is appropriate]:  
\_\_\_ Assignment and Assumption of Lease; \_\_\_ Deed \_\_\_\_\_ [Type of Deed]; \_\_\_ Other [Specify] \_\_\_  
\_\_\_\_\_; dated, which document is attached and made part hereof.

Tenant's rental obligations after \_\_\_\_\_ (date) should be paid to the New Landlord  
at:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The signatory below affirms the information provided in this Notice is true and acknowledges the  
New Landlord has assumed the obligations of Landlord under the Lease.

By: \_\_\_\_\_  
LANDLORD

By: \_\_\_\_\_  
NEW LANDLORD

Enclosures