

B217-5 (Rev. 9/03) **COMMONWEALTH OF KENTUCKY LEASE AGREEMENT**

LEASE/PR #	PR-5474, Fayette County	AGENCY/DEPT	Cabinet for Health & Family Services
INITIAL ENCUMBRANCE	\$	DIVISION	
ANNUAL ENCUMBRANCE	\$16,058.40	DATE	June 22, 2016
VENDOR CODE #	VC 000093231	BUILDING CODE	

THIS LEASE, entered into between: Lexington-Fayette Urban County Government, whose address is: **Attn: Commissioner of General Services; 200 East Main Street; Lexington; KY; 40507; Lexington; KY; 40504-3335** (Business Phone: **859-425-2255**), his heirs and assigns, hereinafter called the "Lessor", and the COMMONWEALTH OF KENTUCKY, hereinafter referred to as the "Commonwealth":

WITNESSETH, that for the consideration hereinafter mentioned, the parties hereto agree as follows:
 1a. The Lessor hereby leases to the Commonwealth and agrees to keep in quiet and peaceful possession the following described premises with its appurtenances; property located at **498 Georgetown Street; Lexington; KY; 40508-1163**, in the County of **Fayette**.

1b. Said premises consisting of **3,311** square feet are to be rented at the cost of **\$4.85** per square foot and will be used by the Commonwealth for **Office** space.

2. The Commonwealth agrees to pay rent to the Lessor for the leased premises at the rate of **\$1,338.20**, payable **Monthly**. The Lessor shall provide the Commonwealth with the following services: **Utilities & Janitorial Services**; with **Off-street** non-designated parking spaces.

3. Subject to the limitations imposed by law and as provided in paragraphs 5 and 6 of this Lease, the term during which the Lease shall be effective shall begin **June 22, 2016**, and end **JUNE 30, 2016**.

4. This Lease shall be extended automatically upon the same terms and conditions herein for further periods of 12 months, not to exceed **One (1)** extension period(s) unless the Commonwealth shall give the Lessor written notice **30** days prior to the expiration of the term or any extension that it will not be extended; no extension shall prolong the period of occupancy of the leased premises beyond the **30TH** day of **June 2017**. The Lessor understands that the Commonwealth's funds cannot be committed beyond its current fiscal year and its applicable appropriation, and the related allotment from rental payments will be made.

5. The Commonwealth and Lessor shall have the further right to terminate this Lease at any time upon **30** days written notice, time to be computed from date of mailing notice; termination under this paragraph shall be effective the last day of the month in which the notice period ends.

6. The Commonwealth agrees not to assign this Lease, or to sublet the premises except to a desirable tenant and for a similar purpose, and will not permit the use of the premises by anyone other than the Commonwealth, the Federal Government, or such sub-lessee, and the agents and servants of the Commonwealth, the Federal Government, or such sub-lessee. The tenant agency shall obtain prior approval from the Division of Real Properties for any assignment or sublease.

7. The Commonwealth shall have the right during the existence of this Lease to make alterations, attach fixtures and erect additional structures or signs in or upon the leased premises, provided such alterations, additions, structures or signs shall not be detrimental to or inconsistent with rights granted to other tenants on the property or in the building in which the premises are located. Fixtures, additions, structures or signs placed in or upon or attached to the premises shall remain the Commonwealth's property and may be removed by it prior to the termination of this Lease.

8. Unless otherwise specified, the Lessor shall maintain the premises in good repair and tenantable condition, including heating and/or air conditioning equipment, except in case of damage arising from the negligent acts of the Commonwealth's agents or employees. For the purpose of maintaining the premises and to make necessary repairs, the Lessor reserves the right to enter and inspect the premises at reasonable times.

9. The Commonwealth agrees to take good care of the premises and to return them at the expiration of their Lease in as good order as received, ordinary wear and tear and natural decay excepted.

10. The Lessor shall be responsible for procuring and continuously maintaining casualty and liability insurance on the leased premises.

11. If the premises are destroyed by fire or other casualty, this Lease shall immediately terminate. In case of partial destruction or damage so as to render the premises untenable, the Commonwealth may terminate or suspend this Lease by giving written notice to the Lessor within 15 days after such partial destruction or damage, and, if so suspended, no rent shall accrue to the Lessor after the date of such partial destruction or damage until such damage is repaired and premises are considered tenantable.

12. It is agreed by the parties hereto that if any one of the provisions of this Lease shall contravene or be invalid under the laws of the Commonwealth of Kentucky, such contravention or invalidity shall not invalidate the whole Lease, but it shall be construed as if not containing that particular provision or provisions, and the rights and obligations of the parties shall be construed accordingly.

13. The Lessor certifies by his signature hereinafter affixed that he ("he" is construed to mean "they" if more than one person is involved; and, if a firm, partnership, corporation, business trust or other organization is involved, then "he" is construed to mean any person with an interest therein) is legally entitled to enter into contracts with the Commonwealth of Kentucky and that by holding and performing this contract will not be violating either any conflict of interest statute (KRS 45A.330 - 45A.340 or 45A.690) of the Executive Branch Code of Ethics, KRS Chapter 11A, or any other applicable statute or principle by the performance of this Lease, or will he realize any unlawful benefit or gain directly or indirectly from it. The Lessor further certifies that he has not knowingly violated any provision of the campaign finance law of the Commonwealth, and that by entering into this Lease Agreement he will not be in violation of the campaign finance laws of the Commonwealth.

14. The Lessor agrees to notify the Commonwealth of all persons owning or upon any change or transfer of ownership involving 5% or more in stock, in partnership, business trust, or corporation, including silent or limited partners. Non-compliance may result in termination of the Lease Agreement.

15. Lessor shall comply with all standards set by the Department of Housing, Buildings and Construction, Division of Building Codes Enforcement, and that of the Kentucky Occupational Safety and Health Standards Board and the Americans with Disabilities Act (ADA).

16. The contractor, as defined in KRS 45A.030 (9) agrees that the contracting agency, the Finance and Administration Cabinet, the Auditor of Public Accounts, and the Legislative Research Commission, or their duly authorized representatives, shall have access to any books, documents, papers, records, or other evidence, which are directly pertinent to this contract for the purpose of financial audit or program review. Records and other prequalification information confidentially disclosed as part of the bid process shall not be deemed as directly pertinent to the contract and shall be exempt from disclosure as provided in KRS 61.878(1)(c). The contractor also recognizes that any books, documents, papers, records, or other evidence, received during a financial audit or program review shall be subject to the Kentucky Open Records Act, KRS 61.870 to 61.884. In the event of a dispute between the contractor and the contracting agency, Attorney General, or the Auditor of Public Accounts over documents that are eligible for production and review, the Finance and Administration Cabinet shall review the dispute and issue a determination, in accordance with Secretary's Order 11-004.

IN WITNESS WHEREOF, the parties hereto have subscribed their names:

STATE LEASING AGENCY REPRESENTATIVE	Date	LESSOR	Date
ANALYST, LEASING BRANCH, DIVISION OF REAL PROPERTIES	Date	ATTORNEY, FINANCE & ADMINISTRATION CABINET	Date
MANAGER, LEASING BRANCH, DIVISION OF REAL PROPERTIES	Date	DIRECTOR, DIVISION OF REAL PROPERTIES	
SECRETARY, FINANCE & ADMINISTRATION CABINET	Date	APPROVED THIS _____ DAY OF _____, 20____	

[Handwritten Signature]
 23 Jun 2016
 Date

When executed by the Secretary, Finance & Administration Cabinet, this instrument constitutes a finding and order, pursuant to KRS Chapters 45A and 56, that the leased property is needed for use by the Commonwealth of Kentucky. All correspondence and inquiries regarding this Lease are to be directed to the Division of Real Properties. BSH
 Suite 300, 403 Wapping Street, Frankfort, Kentucky 40601-2807, P.O. Box 205, Frankfort, KY 40601

ORIGINAL

ADDENDUM

The following items are to be considered a part of lease agreement PR-5474, Fayette County, dated June 22, 2016:

SECTION 1

1. The building shall meet all Kentucky building codes and accessibility specifications in accordance with ADA, as enforced by the Department of Housing, Buildings and Construction, Division of Building Codes Enforcement. .

SECTION 2

1. The Lessor shall provide non-designated off-street parking for agency staff and visitors, plus accessible space(s) as required by the Division of Building Codes Enforcement.
2. The Lessor shall be responsible for the maintenance and upkeep of the grounds surrounding the property, to include mowing/trimming grass and raking leaves. The Lessor shall also be responsible for maintenance and cleaning of the parking lot, including snow removal from the parking lot and snow & ice removal from the sidewalks.

SECTION 3

1. The leased premises shall be thoroughly cleaned after renovation/construction and before occupancy.
2. The Division of Real Properties and/or the using agency reserves the right to inspect the facility at any time during construction/renovations/occupancy.
3. The provisions of Lessors "Exhibit C – Rules and Regulations" (attached), except as may be contrary to the laws of the Commonwealth, are incorporated herein by reference.

ACKNOWLEDGED BY:

Cabinet for Health & Family Services Date

ACKNOWLEDGED BY:



Lexington-Fayette Urban County Government Date

23-Jun-2016

Exhibit C
RULES AND REGULATIONS

1. No advertisement, sign, lettering, notice or device shall be placed in or upon the Premises, its windows or doors, or upon the Building except such as may be approved in writing by Owner.
2. Owner shall maintain a Building directory with the name of Tenant, its organizational divisions and the name of any other business entities lawfully occupying the Premises or any part thereof.
3. No additional locks other than building standard shall be placed upon any doors of the Premises without Owner's consent and Tenant agrees not to have any duplicate keys made without the consent of Owner. If more than two keys for any door lock are desired such additional keys shall be acquired from Owner and shall be paid for by Tenant. Upon termination of this Lease Tenant shall surrender all keys to Owner. Tenant shall not replace the locks on any doors. Should Owner consent to the replacement of such lock Owner shall replace the lock at Tenant's sole expense.
4. No furniture, freight, supplies not carried by hand, or equipment of any kind shall be brought into or removed from the building without the consent of Owner. Owner shall have the right to limit the weight and size to designate the position of all safes and other heavy property brought into the building. The furniture, freight, supplies, equipment, safes and such other heavy property shall be moved in or out of the Building only at the times and in the manner permitted by Owner. Owner will not be responsible for loss of or damage to any such items and all damage done to the Premises or to the Building by moving or maintaining such items shall be repaired at the expense of Tenant. Any merchandise not capable of being carried by hand shall utilize hand trucks equipped with rubber tires and rubber side guards.
5. Tenant, its invitees or guests, shall not disturb other occupants of the Building by making any undue or unseemly noise, or otherwise. Tenant shall not, without Owner's written consent, install or operate in or upon the Premises any machine or machinery causing noise or vibration perceptible outside the Premises, electric heater, stove, device for the preparation of food, or machinery of any kind or carry on any mechanical business thereon, or keep or use thereon oils, burning fluids, camphene, kerosene, naphtha, gasoline, or other combustible materials. Notwithstanding the foregoing, Tenant may operate within the Premises a device for the brewing of coffee to be consumed on the Premises. No explosives shall be brought into the Building.
6. Tenant shall not mark or drive nails or screws into the woodwork or plaster, or paint, or in any way deface the Premises, the Building, or any parts thereof or

Initials
Owner SYR
Tenant JG

fixtures therein. The expense of remedying any breakage or stoppage resulting from a violation of this rule shall be paid by Tenant.

7. Canvassing, soliciting and peddling in the Buildings are prohibited and each Tenant shall cooperate to prevent such activity, however, Owner, in its discretion, may allow beverage and snack vending in the Building.
8. Tenant may request the assistance of Owner's employees only upon approval of the Owner's manager. Owner's employees are not required to perform any work or do anything outside of their regular duties, except on issuance of special instructions from the Owner's manager. If Owner's employees are made available to assist Tenant, Owner shall be paid for their services by Tenant at reasonable hourly rates.
9. Owner reserves the right to close and keep locked all entrance and exit doors the Building on Sundays and legal holidays and between the hours of 6:00p.m. on any day and 8:00 a.m. of the following day during such further hours and Owner may deem advisable for access control of the Building. Notwithstanding the foregoing, Tenant shall have access to the Building at all hours.
10. Owner may utilize an outside agency to control access to the Building when it is locked. Owner does not assume any responsibility for, and shall not be liable for, and damage resulting from any error in regard to any identification of Tenant or its employees and from admission to, or exclusion from, the Building by such outside agency.
11. The heating and air conditioning systems shall be operated at such times as the Building Owner shall designate from time to time. Tenant shall not utilize any equipment requiring extraordinary services without the prior written consent of Owner.
12. Tenant shall exercise care and caution to insure all water faucets or water apparatus, electricity and gas are carefully and entirely shut off before Tenant or its employees leave the Premises so as to prevent waste or damage. Tenant shall be responsible for any damage to the Premises or the Building and for all damage or injuries sustained by other tenants or occupants of the Building arising from Tenant's failure to observe this rule.
13. Owner reserves the right to exclude or remove from the Building any person who, in the judgment of Owner, is under the influence of liquor or drugs, or who is in the judgment of Owner disturbing other Tenants or occupants of the Building arising from Tenant's failure to observe this rule.
14. Toilet facilities shall be provided for men and women by Owner. Plumbing fixtures and appliances shall be used for the purpose for which they were designed and no rubbish, rags or other unsuitable material shall be thrown or

Initials
Owner
Tenant

placed therein. Repairs resulting from such damage to any such fixtures or appliances from misuse by a Tenant shall be paid by Tenant and Owner shall not in any case be responsible therefore.

15. Owner will replace tubes and lamps for lighting fixtures at Tenant's expense if requested by Tenant to do so.
16. Owner reserves the right to rescind any of these rules and regulations and to make such other and further reasonable rules and regulations as in its judgment may from time to time be needed or desirable for the care and cleanliness of the Premises and the Building. Such rules and regulations when made and upon written notice to Tenant, shall be binding upon Owner and Tenant in like manner as if originally set forth herein.
17. Tenant agrees that Owner shall not be responsible for lost or stolen personal property, money or jewelry from the Premises or Building regardless of whether such loss occurs when the area is locked against entry or not.

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Owner SA
Tenant for TG