

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Agreement" or "Lease") is entered into on this 15th day of February, 2018 by and between THE CITY OF CENTRAL FALLS, a municipal corporation in the State of Rhode Island having its principal place of business located at 580 Broad Street, Central Falls, RI 02863 ("Landlord") and THE CENTRAL FALLS SCHOOL DISTRICT with a mailing address of 949 Dexter Street, Central Falls, Rhode Island 02863 ("Tenant").

WHEREAS, 115 Illinois Street, Assessor's Plat 5, Lot No. 278 ("Property"), was a blighted, nuisance property that stood as an eye-sore across the street from Central Falls High School; and

WHEREAS, the City purchased the blighted property and raised over \$1.6 million to refurbish it for the health, welfare and benefit of the citizens of Central Falls; and

WHEREAS, the City intends that property be used as an innovative collaboration between Rhode Island College, the Central Falls School District and the City of Central Falls to improve teacher training and student tutoring in Central Falls; and

WHEREAS, the Property was developed with public subsidies and private donations for the purposes of creating a safe learning environment for Central Falls students, a productive work environment for Central Falls educators and safe and affordable housing for educators teaching in schools in Central Falls ("the McKenna Center for Teaching, Learning and Research").

WHEREAS, pursuant to R.I.G.L. § 16-2-34, the Central Falls School District is governed by the Central Falls School District board of trustees, who are appointed by the state board of regents for elementary and secondary education and the Superintendent, who is appointed by the Central Falls School District board of trustees.

WHEREAS, the purpose of this agreement is to place this property in the same legal standing as every other school building in the city; namely, the property will be in the care, control and custody of the Tenant in the same manner as all school property and school buildings in the City of Central Falls.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual obligations contained herein, the Landlord and the Tenant hereby agree as follows:

SECTION 1. Premises: In consideration of the rents, covenants, and obligations herein provided, Landlord does hereby lease and demise to Tenant the property, as agreed to by the parties, located at 115 Illinois St., Central Falls, RI, for the express purpose of the Central Falls School District providing free residential apartments for teachers in training in Central Falls and for first-floor space for student tutoring.

SECTION 2. Term: The term of this lease shall begin on February 1, 2018 and shall expire annually on February 1, with automatic renewal, unless written termination is provided by either party thirty (30) days before the automatic renewal date.

SECTION 3. Utilities and Rent: The Tenant agrees to timely pay for all utilities expended on and at the property. Rent from the commencement shall be \$1.00 annually.

All check payments are to be made payable as follows:

City of Central Falls
Attn: Finance Director
580 Broad St.
Central Falls, RI 02863

SECTION 4. Use and Prohibited Uses: The Tenant covenants and agrees to use the Premises only for the McKenna Center for Teaching, Learning and Research and for no other purpose (herein defined as the "Permitted Use"). Permitted Use shall also be defined to include Exhibits 1, ("House Rules"), 2 ("House Manager Agreement") and 3 ("Resident Tutor Agreement"). Tenant shall not use or permit the Premises to be used for any other purpose without first obtaining prior written consent from the Landlord. Tenant shall not lease, sub-lease, assign or transfer its rights to the Premises without prior written consent from the Landlord and approval from the Central Falls City Council.

Prohibited Uses: Tenant shall not use, or suffer or permit the use of, or suffer or permit anything to be done or anything to be brought into or kept in, the Premises or any part thereof (i) which would violate any of the covenants, agreements, terms, provisions and conditions of this Lease, (ii) for any unlawful purposes or in any unlawful manner or (iii) which, in the judgment of Landlord shall in any way (a) impair or tend to impair the appearance or reputation of the Premises, (b) impair or interfere with or tend to impair with the proper and economic heating, cleaning, air conditioning or other servicing of the building or with the use of any of the other areas of the building. Without limiting the generality of the foregoing, no gambling, betting or wagering shall otherwise be permitted on or about the Premises; no machinery shall be operated in the Premises if such operation involves vibratory motion of any kind, no illegal loitering shall be permitted on or about the Premises; and no loading or unloading of supplies or other material to or from the Premises shall be permitted on the Premises except at times and in locations to approved by Landlord. If any government license or permit shall be required for the proper and lawful conduct of the Permitted Use, and if the failure to secure such license or permit would in any way affect Landlord, Tenant, at Tenant's expense, shall duly procure and thereafter maintain such license or permit and submit the same to inspection by Landlord. Tenant at Tenant's expense, shall at all times comply with the terms and condition of each such license or permit. In the event there is a violation of any provision of this paragraph, the Tenant shall indemnify and hold the Landlord harmless for all actions, claims, losses, or damages which may arise as a result of a violation of this paragraph including but not limited to the cost and fees to defend or prosecute any violation of this Lease and the Landlord may at its option, cancel and terminate this Lease at anytime thereafter after the violation of this paragraph, it being expressly agreed that Tenant hereby waives all defenses. In addition to other remedies, Landlord shall have the right to commence all actions in law and equity, including ejectment proceedings against Tenant and may seek injunctive relief against Tenant.

SECTION 5. Default: The Tenant shall, without the requirement of any previous demand, pay to the Landlord or its agent(s) the said rent and additional rent and shall comply with the covenants, terms, conditions, and provisions described in this Lease. The Tenant agrees to pay, as additional rent, all reasonable attorneys' fees and other expenses incurred by the Landlord in enforcing any of the obligations under this Lease.

SECTION 6. Subletting and Assignment and Diminution of Control: The Tenant shall not sublet the Premises, nor any portion thereof, nor shall this Lease be assigned by the Tenant without the prior written consent of the Landlord endorsed hereon and approval of the City Council. A transfer of more than 20% percent of Tenant's interest or in the event of a transfer or change of control of Tenant's entity; or a change in the composition of persons, members or entities owning or operating the Tenant's entity whether by sale, operation of law, merger, or consolidation of Tenant with or into any other entity, including but not limited to, LLC or partnership, shall be deemed an assignment for purposes of this Section 8 and shall be prohibited.

SECTION 7. Condition of Premises, Repairs by Tenant: The Tenant has had an opportunity to and has examined and inspected the Premises and accepts the Premises in its present "AS IS" condition without representations or warranties from the Landlord or its agents. The Tenant accepts the Premises without representations or warranties as to the present state or future condition of the Premises. The Tenant shall keep the Premises and all areas servicing the Premises, including all fixtures, components, and devices attached or placed in, on, or affixed thereto in first-class order, repair and condition and Tenant shall at its expense repair, replace, redecorate, paint, and renovate the Premises, and its parts, including, all stairwells servicing the Premises, as may be necessary to continually keep the all of such in first-class order, repair, and condition. Tenant agrees to adequately heat the Premises at a minimum

temperature of 55' at all times in order to prevent freezing or damage to the plumbing or other things servicing the Premises.

SECTION 8. Alterations and Improvements: Prior to performing any material alterations, repairs or improvements on the Premises, the Tenant shall submit plans drawn to scale to the Landlord for review and to all applicable local and state agencies having authority and jurisdiction, including but not limited to, the local building official and local fire department for review and written approval. Such submitted plans shall detail all work, modifications, alterations to be performed or installed by Tenant. Tenant shall be liable to ensure such plans and projected work are in compliance with all applicable codes, rules and regulations and Tenant's proposed alterations, repairs or work shall not cause any other portion of the building or Property to become in violation of any applicable code or to otherwise become non-code compliant. The Tenant shall not alter or deviate from any plan(s) that are approved by Landlord and any authority having jurisdiction over the matter. The Tenant shall comply with all codes, rules, regulations, applicable inspection procedures and shall not make any penetrations, alterations, additions, or improvements to the Premises without the prior written consent of the Landlord and the building official and local fire department, and if such consent is given such shall be performed at Tenant's expense and in accordance with all applicable laws and codes by licensed contractors approved in writing by Landlord. At Landlord's option, the items described herein shall be the property of the Landlord and shall remain upon and be surrendered with the Premises as a part thereof at the expiration or early termination of this Lease, without compensation to the Tenant. Landlord may by written notice to Tenant require removal of all alterations, additions and improvements at the expiration or earlier termination of this Lease and in which case Tenant shall restore the Premises to a clean, finished condition satisfactory to the Landlord. In addition, Landlord may at anytime require the immediate removal of any alterations, fixtures, or additions made without Landlord's written consent.

SECTION 9. Liability of Landlord: The Landlord shall not be responsible for: (i) any claim or loss of or damage to property or injury to any persons or entities, occurring in or about the Property or Premises, and/or common areas; (ii) violations or negligence of any persons, entities, including but not limited to other tenants, whether or not the claim, damage, or injury suffered is caused by reason of any existing or future condition, defect, matter or thing present in or about the Premises, the building, or the Property of which the Premises are a part. The Tenant agrees to indemnify and save the Landlord harmless from any and all costs, fees, claims, and liability for losses of or damage to property, or injuries to persons or entities, resulting from Tenant's business activities, use, or occupancy of the Premises. In the event it is ever judged, ordered, or otherwise decreed or interpreted that Landlord or its agents are or were liable to repair any portion of the Premises or Property and the Landlord or its agent(s) failed to perform such repair, the liability of Landlord shall be limited solely to the cost of making such repair. In the event of any breach by Landlord of any duty imposed on it by law or by provision of this Lease the Landlord shall not be liable to Tenant, or any party claiming through or in connection with Tenant (including Tenant's invitees) for incidental, consequential, or punitive damages. In addition, it is agreed that Tenant assumes all risk of damage to its own equipment, fixtures, and property of every kind of Tenant and of all persons claiming by, through or under Tenant placed in or about the Premises arising from any cause, including without limitation, loss or damage by theft, smoke, water damage or otherwise.

SECTION 10. Right to Inspect and Exhibit: The Landlord, or its agents, shall have the right to enter the Premises in the day or night to inspect the same, or to make such repairs, additions or alterations as it shall deem necessary for the safety, preservation or restoration of the building or improvements, or for the safety or convenience of any occupant (there being no obligation, however, on the part of the Landlord to make any such repairs, additions or alterations).

SECTION 11. Observation of Laws, Ordinances, Rules and Regulations: The Tenant agrees to observe and comply with all laws, ordinances, rules and regulations of the Federal, State, County and Municipal authorities applicable to the permitted use by Tenant of the Premises. Tenant shall be responsible to make such alterations to the Premises as may be required from time to time in order that the Premises complies with any such laws, ordinances, rules and regulations during the term of this Lease or during its occupancy thereafter. The Tenant agrees not to do or permit anything to be done in

said Premises, or keep anything therein, which will increase the rate of fire insurance premiums on the building or improvements or any part thereof, or on property kept therein, or which will obstruct or interfere with the rights of other tenants or patrons, or conflict with the regulations of the Fire Department or Fire Marshall or require a special permit or license, or with any insurance policies upon said improvements or any part thereof. Tenant shall be solely responsible for obtaining all necessary licenses and permits (including Certificate of Occupancy) for the lawful operation of its business, and shall provide Landlord with copies of all such documents upon Tenant's receipt thereof. All necessary permits shall be obtained by Tenant, and copies thereof forwarded to Landlord, prior to Tenant opening for business. Any signage shall comply in all respects with any applicable zoning or signage ordinances of the City of Central Falls and shall be installed in a good and workmanlike manner, insured by Tenant, and shall be properly maintained throughout the term of this Lease.

SECTION 12. Rules and Regulations of Landlord: The Tenant shall be responsible for the conduct of its employees, agents, customers, invitees, contractors. The Landlord reserves the right to rescind any presently existing rules applicable to the Premises, the building and/or the Property and to make such other and further rules and regulations as, in its judgment, may from time to time be desirable for the safety, care and cleanliness of the Premises, the building and the Property, and/or for the building or Property's compliance with all restrictions, covenants, regulations, whether now present or for all future laws, regulations, and for the preservation of good order therein, which rules, when so made and notice thereof given to the Tenant, shall have the same force and effect as if originally made a part of this Lease. Landlord may repair, modify, make or affix improvements to the Property at anytime.

SECTION 13. Notices: All notices and demands, legal or otherwise, incidental to this Lease, or the occupation of the Premises, shall be in writing. If the Landlord or its agent desires to give or serve upon the Tenant any notice or demand, it shall be sufficient to send a copy thereof by regular mail or by certified mail return receipt requested or by overnight courier, addressed to the Tenant at the address of the Premises or to leave or serve a copy thereof: i) upon the Tenant; or ii) the registered agent for service of process for the Tenant; or iii) tacked upon the front door of the Premises or the mail box; or iv) upon a person of suitable age situated within the Premises. Notices from the Tenant to the Landlord shall be sent by certified mail, return receipt requested, or by overnight courier to the Landlord as follows: City of Central Falls, Attn: City Solicitor, 580 Broad Street, Central Falls, RI 02863. Tenant shall provide Landlord with an address and telephone number to be used in the event of an emergency, and shall update that information from time to time as required.

Tenant's contact information is as follows:

Superintendent
Central Falls School District
949 Dexter St.
Central Falls, RI 02863

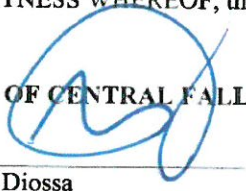
SECTION 14. Lease Provisions Not Exclusive: The foregoing rights and remedies are not intended to be exclusive but as additional to all rights and remedies the Landlord would otherwise have by law.

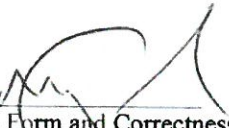
SECTION 15. Indemnification and Insurance: Tenant covenants to provide on or before the commencement of this Lease and to keep in force during the term hereof, Comprehensive Liability Insurance indemnifying and saving the Landlord harmless from and against all liability and expense of any kind arising from injuries or damages to persons, or property about the Premises and Property arising out of or resulting in any way from any act or omission of Tenant, its agents, contractors, employees related to the Premises and the common areas (if any) and areas servicing the Premises, and its appurtenances on an occurrence basis with minimum limits of liability in the amount of One Million Dollars (\$1,000,000.00) per occurrence for bodily injury, property damage, personal injury or death to any one person or persons and/or damage to property. If Tenant fails or neglects to carry such insurance and pay all premiums therefore, or if the policy or policies of insurance shall be cancelled for any cause and Tenant does not promptly obtain other insurance prior to or simultaneously with such cancellations, Tenant shall be in default and Landlord may obtain such insurance in Landlord's own name to the extent

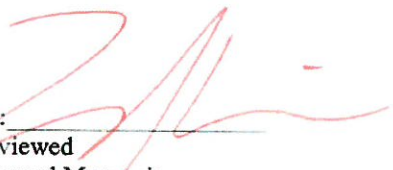
herein provided and pay the premium therefore, and any sums paid by Landlord for said premiums shall be deemed additional rent hereby reserved and shall be payable by Tenant on demand of Landlord, together with interest at the rate of twelve percent (12%) per annum.

IN WITNESS WHEREOF, the parties have executed this Agreement this 15 day of February, 2018.

CITY OF CENTRAL FALLS:

By: 
James Diossa
Mayor


By: 
As to Form and Correctness
Matthew Jerzyk
City Solicitor

By: 
Reviewed
Leonard Morganis
Administrative and Finance
Officer

Date: 2.15.18

**CENTRAL FALLS SCHOOL
DISTRICT:**

By: 
Victor Capellan
Superintendent

By: 
Anna Cano Morales
Board of Trustees

Date: 2/15/18