

LEASE AGREEMENT FOR ADAMS COUNTY FACILITY AT 7373 BIRCH STREET

This lease agreement (the "Lease") is made and entered into this ____ day of March, 2017, by and between Adams County, Colorado (the "Lessor"), a political subdivision of the State of Colorado located at 4430 S. Adams County Parkway, Brighton, CO 80601, and Community Reach (the "Lessee"), located at 1870 W. 122nd Avenue, Westminster 80234, for real property owned by the Lessor located at 7373 Birch Street, Commerce City, CO 80022 (the "Leased Premises"). The Leased Premises includes land consisting of approximately 1.00 acre and one, two-story building built to serve as a detox facility containing approximately 10,517 square feet.

This Lease sets forth the entire agreement between the Lessor and Lessee with regard to the subject matter herein.

In consideration of the keeping and performance of the covenants and agreements by Lessee, herein after set forth, Lessor hereby leases unto Lessee the Leased Premises. Lessee currently has an agreement with Behavioral Health to provide detoxification services ("Services"). A copy of the Behavioral Health agreement is attached as Exhibit 1. Lessee's use of the Leased Premises shall be for the provision of the Services and any related services. Such use shall include access to and around the Leased Premises, including marked parking and recreational areas.

The Lessor and Lessee agree as follows:

1. **Term** – The initial term of this Lease shall be from March 30, 2017 through March 31, 2022, and may thereafter be renewable for additional one (1) year terms, beginning on each April 1 and ending on each subsequent March 31, upon the written consent of both parties. Lessee or Lessor may terminate this Lease Agreement earlier upon ninety (90) days written notice.
2. **Rent**
 - a. Lessee agrees to pay Lessor one dollar per year, due and payable on April 1 of each year.
 - b. As the main consideration for this Lease, Lessee agrees to continue to provide the Services. Failure to provide the services shall be tantamount to a failure to pay rent.
3. **Utilities**
 - a. Lessee shall establish and retain utility services in the Lessee's name.
4. **Janitorial** – Lessee agrees to provide janitorial services for the Leased Premises on a routine basis and pay directly for the costs of such services.
5. **Program Operations** – It shall be a material term of this Lease that Lessee continues to provide the Services at the Leased Premises at all times during the term of this Lease. Lessee is responsible for providing all operations required by Lessee's agreement with Behavioral Health in order for this Lease to remain in effect, including, but not limited to:

- a. Provision of all Services. No Adams County employees shall perform services related to the Lessee's operations in the Leased Premises or to Lessee's provision of the Services.
- b. Abiding by all applicable laws, regulations, policies and procedures of any entity, including, but not limited to, Adams County and the State of Colorado, having jurisdiction over the Services. Lessee shall strictly comply with all applicable federal and state laws, rules, and regulations in effect or hereafter established, including without limitation, laws applicable to discrimination and unfair employment practices. Lessee shall maintain any state licenses or permits necessary to provide the Services. Lessee shall be responsible for making sure the Premises comply with the Americans with Disabilities Act.
- c. Provision of all cleaning supplies for required cleaning and janitorial efforts.
- d. Provision of supplies e.g. toilet paper, paper towels, hand soap, etc. for use in the facility.
- e. Provision, stocking and maintenance of all vending machines located on the Leased Premises. Lessee is solely responsible to maintain vending machines or change machines at the Leased Premises. All income derived from vending services shall go to the Lessee.

6. Leased Premises

a. The Lessee shall:

- i. Use reasonable and ordinary care when using the Leased Premises. Lessee shall, at its sole expense, perform all maintenance and/or repair work determined by the Lessor's annual inspection, or other Lessor inspections. Lessee shall, at its sole expense, make any capital improvements as directed by Lessor.
- ii. Keep the Leased Premises in a clean and sanitary condition, and maintain the Leased Premises in a smoke free condition (except in those areas specifically designated outside where smoking is allowed).
- iii. Be financially responsible for damage to the Leased Premises, including, but not limited to, the building and fixtures, any equipment and furnishings that may be provided by Lessor therein, that is outside of, or in addition to, what is considered to be reasonable wear and tear, including damage, misuse, abuse, and criminal acts directly caused by persons receiving treatment, visitors and/or Lessee's personnel.
- iv. Provide prompt snow removal for all sidewalks, parking lots, and entrances to the Leased Premises.
- v. Provide all pest control.
- vi. Provide all lawn care and landscape maintenance.
- vii. Arrange for and pay for onsite, easily accessible, trash removal services.

b. The Lessee shall not:

- i. Use the Leased Premises for any purposes other than providing the Services and any related/ancillary services as defined in Exhibit 1. Any additional use of the Leased Premises by Lessee must be approved by Lessor.

- ii. Make repairs or modifications to the Leased Premises without the express written approval of the Adams County Facilities Operations Department.
 - iii. Install any signage, window lettering or other forms of advertising in or around the Leased Premises, unless approved by the Lessor.
 - iv. Use the Leased premises in such a way to cause disorderly conduct, noise or nuisance.
 - v. Sublet any part of the Leased Premises without prior written permission of Lessor.
- c. The Lessee may:
 - i. Post signs in the Leased Premises according to Lessee's operational needs.
- d. The Lessor shall:
 - i. Conduct an annual inspection of the Leased Premises to determine what repairs and/or maintenance needs to be performed by Lessee. The Lessor may conduct additional scheduled or unscheduled inspections of the Leased Premises. However, the Lessor will not be responsible for the repair or maintenance of any equipment or property owned by the Lessee.
 - ii. All work made, done, and/or constructed on the Leased Premises shall remain the property of Lessor, regardless of financial responsibility.
 - iii. Maintain property and casualty insurance for the Leased Premises.
- e. The Lessor may conduct periodic or unscheduled inspections, and may enter the Leased Premises at any hour of the day or night for inspections or for maintenance.
 - i. Lessor shall provide professional courtesy when entering the Leased Premises for inspections and/or maintenance by endeavoring to contact Lessee's staff prior to such entry.
 - ii. Lessor shall have the authority to inspect the Leased Premises to ensure that the terms and conditions of this Lease Agreement are being met.
 - iii. Issues of significant uncleanliness shall be documented and addressed to Lessee for correction within five (5) calendar days. If uncorrected by the Lessee for a period of ten (10) days or more after notification, Lessor may remedy such conditions and bill Lessee directly for such costs.
- f. Lessor and Lessee shall conduct a pre-occupancy inspection. Defects or conditions found during this inspection will be documented in writing and photographed.
- g. Upon termination of this Lease, Lessor and Lessee shall complete a post-occupancy inspection. Any post-occupancy defects or conditions found shall be documented in writing and photographed. Documentation relating to the pre and post-occupancy inspections shall be the basis for the resolution of any disputes relating to Lessee's responsibility for repairs under this Lease. Upon Lease termination, Lessee shall promptly remove its personal property from the Leased Premises. Personal property remaining on the Leased Premises after termination may be disposed of by Lessor at Lessee's expense.

7. Personal Property

The Lessee shall, at its sole expense, provide all personal property necessary to perform the services on the Leased Premises. Lessee shall, at its sole expense, install and maintain a fire alarm and prevention system, install and maintain phone systems, pay for the cost of any camera and recording equipment for security systems, and shall retain ownership of all such property.

8. Insurance – The Lessee agrees to maintain insurance of the following types and amounts:

Commercial General Liability Insurance: to include products liability, completed operations, contractual, broad form property damage and personal injury.

Each Occurrence	\$1,000,000
General Aggregate	\$2,000,000

Comprehensive Automobile Liability Insurance: to include all motor vehicles owned, hired, leased, or borrowed.

Bodily Injury/Property Damage	\$1,000,000 (each accident)
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<u>Workers' Compensation Insurance</u> :	Per Colorado Statutes
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Professional Liability Insurance: to include coverage for damages or claims for damages arising out of the rendering, or failure to render, any professional services.

Each Occurrence	\$1,000,000
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This insurance requirement applies only to Lessees who are performing services under this Agreement as professionals licensed under the laws of the State of Colorado, such as physicians, lawyers, engineers, nurses, mental health providers, and any other licensed professionals.

Adams County as "Additional Insured": The Lessee's commercial general liability, comprehensive automobile liability, and professional liability insurance policies and/or certificates of insurance shall be issued to include Adams County as an "additional insured," and shall include the following provisions:

Underwriters shall have no right of recovery or subrogation against the County, it being the intent of the parties that the insurance policies so effected shall protect both parties and be primary coverage for any and all losses resulting from the actions or negligence of the Lessee.

The insurance companies issuing the policy or policies shall have no recourse against the County for payment of any premiums due or for any assessments under any form of any policy.

Any and all deductibles contained in any insurance policy shall be assumed by and at the sole risk of the Lessee.

Licensed Insurers: All insurers of the Lessee must be licensed or approved to do business in the State of Colorado. Upon failure of the Lessee to furnish, deliver and/or maintain such insurance as provided herein, this Agreement, at the election of the County, may be immediately declared suspended, discontinued, or terminated. Failure of the Lessee in obtaining and/or maintaining any required insurance shall not relieve the Lessee from any

liability under this Agreement, nor shall the insurance requirements be construed to conflict with the obligations of the Tenant concerning indemnification.

Endorsement: Each insurance policy herein required shall be endorsed to state that coverage shall not be suspended, voided, or canceled without thirty (30) days prior written notice by certified mail, return receipt requested, to the Lessor.

9. Compliance with Laws and Hazardous Use

Lessee must comply with laws, orders, rules, and requirements of governmental authorities, and insurance companies which have issued or are about to issue policies covering the Premises and/or its contents. Lessee will not keep anything on the Premises which is dangerous, flammable, explosive, or that might increase the danger of fire or any other hazard, except in the ordinary course of Lessee's business. There shall be no waste disposal or dumping on the Premises, including the disposal or storage of construction materials.

Lessee hereby indemnifies and holds Lessor, Lessor's officers, directors, agents, employees, successors and assigns (collectively, "Lessor's Indemnified Parties") harmless from and against any and all Losses arising from: (i) the negligence or willful acts of Lessee or its agents, employees, or contractors occurring in the Building or the Premises; and/or(ii) the presence of hazardous materials in, on, under, or around the Building or the Premises to the extent such hazardous materials were brought upon or used by Lessee in the Building or the Premises. Notwithstanding the foregoing, Lessee shall have no liability for any Losses under this Section to the extent such Losses are caused by Lessor's gross negligence or willful misconduct. In the event any action or proceeding shall be brought against Lessor's Indemnified Parties by reason of any such claim, Lessee shall defend the same at Lessee's expense by counsel reasonably approved by Lessor.

10. Technology

a. The Lessee:

- i. Shall, at Lessee's sole cost, provide network connectivity, internet and cable services through a provider, which is independent of any Lessor network.
 - ii. Shall be solely responsible for the procurement of and payment for technical support required to support its networks; Lessor has no responsibility for technical support for Lessee's network or technology needs.
- b. Shall be solely responsible to provide for Lessee's computer related hardware. Lessee shall assume full financial responsibility for the repair of damage to any cable, jack, or other item of equipment in the Leased Premises.
- c. Upon termination of this Lease, Lessor will ensure that all cable and data jacks are in working order. Lessee is financially responsible for all expenses associated with any required repair caused by Lessee operations.

11. Parking

- a. Lessee personnel and approved visitors shall be allowed to park vehicles on the parking lot of the Leased Premises.

- b. Parking of vehicles shall be for business purposes only.
- c. Trailers, boats, recreational vehicles or unregistered vehicles shall not be allowed on any of the Leased Premises, unless specifically approved by the Lessor.
- d. Parking, pick up or drop off of any personnel, approved visitors or persons associated with the Lessee shall be done in an orderly fashion and shall only be permitted from within the designated parking areas on the Leased Premises.
- e. No vehicle maintenance may be performed on the Leased Premises.
- f. The Lessor, at the Lessee's expense, may remove disabled vehicles and unregistered vehicles at any time.

12. Other – Furthermore, the parties hereto agree as follows:

- a. That no assent, express or implied, to any breach of any one or more of the covenants or agreements hereof shall be deemed or taken to be a waiver or any succeeding or other breach.
- b. No portion of this Lease Agreement shall be deemed to constitute a waiver of any immunities the parties or their officers or employees possess, nor shall any portion of this Lease be deemed to have created a duty of care that did not previously exist with respect to any person not a party to this Lease Agreement.
- c. It is expressly understood and agreed that the enforcement of the terms and conditions of this Lease, and all rights of action relating to such enforcement, shall be strictly reserved to the undersigned parties, and nothing in this Lease Agreement shall give or allow any claim or right of action whatsoever by any persons not included in this Agreement. It is the express intention of the undersigned parties that any entity or person(s) other than the undersigned parties, who receive services or benefits under the terms of this Lease Agreement, shall be incidental beneficiaries only.
- d. The laws of the State of Colorado shall govern this Lease and venue for any court action stemming either directly or indirectly from any breach of or default under the terms of this Lease shall be Adams County District Court.
- e. If any term or provision of this Lease Agreement shall be held by a Court of competent jurisdiction contrary to law or otherwise invalid or unenforceable, the remaining provisions of this Lease Agreement shall remain in full force and effect and shall be deemed valid and enforceable to the extent permitted by law.
- f. In the event that Lessee defaults under the terms of or breaches the provision of this Lease and the Lessor deems it necessary to file a Forcible Entry and Detainer Action, Lessee shall pay any and all fees and costs associated with said filing, including reasonable attorney's fees.
- g. Neither party to this Agreement shall be liable to the other for delays in delivery or failure to deliver or otherwise to perform any obligation under this Lease Agreement, where such failure is due to any cause beyond its reasonable control, including but not limited to Acts of God, fires, strikes, war, flood, earthquakes or governmental actions.
- h. It is expressly understood by the parties to this agreement that nothing in this Lease Agreement shall be deemed to make Lessor a partner, agent, associate or joint venture with Lessee in the conduct of Lessee's business, it being expressly

joint venture with Lessee in the conduct of Lessee's business, it being expressly understood and agreed that the relationship between the parties hereto is, and shall at all times remain, solely that of Lessor and Lessee.

- i. In the event the Leased Premises is partially or completely destroyed, the Parties shall discuss whether they wish to repair or re-build the Leased Premises. In the event they are not able to reach a written agreement regarding repair or reconstruction, either party may terminate this Lease upon 30 days written notice.
- j. This Lease may not be assigned without the express written consent of Lessor. No portion of the Leased Premises may be subleased without the express written consent of Lessor.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth below.

LESSOR:
ADAMS COUNTY, COLORADO,
A governmental entity

Dated: _____

By: _____
Name: _____
Title: _____

Approved as to form:

By: _____
Adams County Attorney's Office

LESSEE:
Community Reach

Dated: _____

By: _____
Name: Rick Doucet
Title: CEO