

KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM
LEASE AGREEMENT

LEASE/PR NO.	PR-00334	COLLEGE	Maysville Community and Technical College
INITIAL ENCUMBRANCE		CAMPUS	
ANNUAL ENCUMBRANCE	\$420,000	DATE	5/10/2019
VENDOR NO.		ACCOUNT NO.	

THIS LEASE, entered into between: the **MMRC Regional Industrial Authority** whose address is: **100 Lake Park Drive, Morehead, KY 40351** his heirs and assigns, hereinafter called the "Lessor", and the **KENTUCKY COMMUNITY AND TECHNICAL COLLEGE SYSTEM**, hereinafter referred to as the "KCTCS";

WITNESSETH, that for the consideration hereinafter mentioned, the parties hereto agree as follows:

1a. The Lessor hereby leases to the KCTCS and agrees to keep in quiet and peaceful possession the following described premises with its appurtenances located in the **John Will Stacy Industrial Park, 100 Lake Park Drive, Morehead, KY 40351** in a building with the address of **100 Rocky Adkins Tech Drive, Morehead, KY 40351** in the County of **Rowan**.

1b. Said premises consisting of **35,583** square feet to be rented at the cost of **\$11.80** per square foot and will be used by the KCTCS for **classroom/training/office** space.

2. The KCTCS agrees to pay rent to the Lessor for the leased premises at the rate of **\$35,000 per month, payable monthly. KCTCS shall pay for utilities, provide janitorial services, and maintain day to day preventive maintenance operations, as well as maintenance of grounds and snow removal. For one year the building and its internal physical components shall be covered under warranty, including but not limited to HVAC, flooring, electrical, plumbing, and parking area.**

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 **July 1, 2019** and end **June 30, 2020**.

4. The Lease term shall be extended automatically upon the same terms and conditions herein for **7 annual** extension period(s) through **June 30, 2027**, unless the KCTCS shall give the Lessor written notice **30** days prior to the expiration of the term or any extension that it will not be extended. After the expiration of the first 8-year term on **June 30, 2027**, the lease shall be renewed for further periods of **8 years**. Prior to each 8-year renewal, KCTCS is required to report the renewal to the Capital Projects and Bond Oversight Committee.

The Lessor understands that the KCTCS's funds cannot be committed beyond its current fiscal year and its applicable appropriation, and the related allotment from rental payments will be made. This Agreement shall be modified and/or amended only by a written amendment and executed by both parties

5. The KCTCS 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 not be considered effective until the last day of the month in which the notice period ends.

6. The KCTCS agrees not to assign this Lease, or to sublet the premises except to a desirable tenant and for a similar purpose with Lessor's consent, and will not permit the use of the premises by anyone other than the KCTCS sub-lessee, and the agents and servants of the KCTCS, or such sub-lessee.

7. The KCTCS 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 KCTCS'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 KCTCS'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 KCTCS 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. KCTCS will maintain contents insurance for all KCTCS owned equipment.

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 KCTCS 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 Kentucky Community and Technical College System 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.990) 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 KCTCS 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. The 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. All state contracts, as defined in KRS 45A.030(7), shall contain the following language: "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. (22 Ky.R. 1510; eff. 5-16-96; 30 Ky.R. 682; 1468; eff. 1-5-2004; 36 Ky.R. 1300; 2177; eff. 6-4-2010

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

KCTCS OFFICE OF FACILITIES SUPPORT SERVICES

KCTCS CHANCELLOR

VICE PRESIDENT, KCTCS

ATTORNEY, KCTCS

Bob Helton 5-10-19
ex. Dir. MMTC FPA
LESSOR
100 Lake Park Drive, Morehead,
ADDRESS *Ky*
40351

APPROVED THIS _____ DAY OF _____ 2019

When executed by the KCTCS Vice President of Finance, this instrument constitutes a finding and order, pursuant to KRS Chapters 45A and 56, that the leased property is needed for use by the Kentucky Community and Technical College System. All correspondence and inquiries regarding this Lease are to be directed to the KCTCS, Attn: Chris Brumett, 300 North Main Street, Versailles, KY, 40383, phone 859/256-3224.

- Lease # PR-00334
- Maysville Community & Technical College
- 36,583 square feet to be leased at a cost of \$11.80 per square foot, which is in line with the average lease cost per square foot for Rowan County of \$11 per square foot
- Lease start date of July 1, 2019
- Classroom/training and office space