

LEASE

THIS LEASE AGREEMENT (the "Lease Agreement"), entered into the 1st day of October 2022 by and between the County of Genesee, a Michigan Municipal Corporation, whose principal place of business is 1101 Beach Street, Flint, Michigan, 48502 (the "County") and Wellness Services, a Michigan nonprofit corporation, whose address is 311 E. Court Street, Flint, MI 48502 (the "Tenant") (the County and the Tenant together, the "Parties").

1. The Property

The County leases to the Tenant, and the Tenant leases from the County a portion of the premises situated at 630 S. Saginaw St., Suite 4, Flint, MI 48502 (the "Property") (Tenant's portion, the "Leased Premises"), more particularly described on Exhibit A. The Leased Premises consist of approximately 1,539 square feet on the 2nd floor.

2. The Lease Term

2.1 Initial Term

The term of this Lease Agreement shall commence on October 1, 2022 and shall end on April 1, 2022 (the "Initial Term").

2.2 Extension Term

The Tenant has the option, subject to the County's right to terminate for convenience under Paragraph 13.2 of this Lease, to extend this Lease Agreement for up to six (6) additional one (1) month terms (the "Extension Terms") (the Initial Term or any Extension Term, a "Lease Term").

2.3 Extension

If the Tenant has not notified the County of its intent to extend this Lease Agreement by 21 days prior to the end of a Lease Term, this Lease Agreement shall terminate.

3. The Rent

3.1 The monthly rent (the "Rent") for the Initial Term of this Lease Agreement shall be payable in advance to the Director of the Genesee County Health Department by the first (1st) day of each month. The monthly Rent shall be \$1090.12 (at a rate of \$8.50 per square foot). If the Initial Term of this Lease begins on a day other than the first day of the month, then Tenant shall pay a pro rata portion of the monthly rent to the first day of the next month.

3.2 If the Tenant exercises its option to extend this Lease Agreement for one or more Extension Terms, the monthly rent shall be \$1090.12 for the first Extension Term, and \$1090.12 for the second Extension Term.

4. Use and Access

4.1 Use of the Property

The Tenant agrees that it shall use the Leased Premises solely for the purpose of general office use.

4.2 Hazardous Materials

Tenant agrees that it shall notify the County in writing if it intends to bring any hazardous substances, as that term is defined by MCL 324.20101(t), onto the Leased Premises. Such notice shall include the nature and type of the hazardous substances to be brought onto the Leased Premises, and the time that the hazardous substances are to be present at the Leased Premises. Tenant agrees that, in the event it stores any hazardous substances at the Leased Premises, such hazardous substances shall be transported, stored, cared for, and removed in accordance with all federal, state, and local laws and regulations. Tenant further agrees to indemnify, defend, and hold the County harmless from all claims, liability, damage, or injury to any person or entity, including the County, arising out of the Tenant's storage at, use at, or transportation of hazardous substances to or from the Leased Premises.

4.3 The Tenant's Access to the Property

The Tenant shall have full access to and may use the Leased Premises for the aforementioned use during regular business hours. The Tenant shall also have access to the parking facilities and driveways of the Property as needed to permit access to the Leased Premises to Tenant, its agents, employees, and invitees.

4.4 Signage

Subject to the County's reasonable written approval of number, size, structure, and content, the Tenant may post signs upon the Leased Premises identifying it as Tenant's place of business.

5. Alterations to the Leased Premises

5.1 The Tenant shall have no authority to make alterations or improvements to the Leased Premises.

5.2 Tenant agrees to indemnify, defend, and hold the County harmless from all claims, liability, and damage to any person or entity, including the County, arising out of the installation, use, and removal of any alteration or improvement to the Leased Premises performed by Tenant or Tenant's agents.

6. Maintenance and Utilities

6.1 Maintenance

The County agrees that it shall provide all maintenance to the Property

during the term of this Lease Agreement. In the event that the Tenant notifies the County of an urgent maintenance problem, and the County does not take action to repair or remedy the urgent maintenance problem within 1 business day of notification, the Tenant may repair the problem at its own expense. If the Tenant does so and provides documentation of the nature and necessity of the repair to the County, Tenant shall receive a credit against future rent equal to the amount spent to repair the problem. For the purposes of this Paragraph, "urgent maintenance problem" means a problem with the structural elements of the Leased Premises that prevents Tenant from using all or a portion of the Leased Premises.

6.2 Janitorial Service

The County shall provide daily janitorial service to the Leased Premises. The Tenant agrees that it shall keep the Leased Premises in broom clean, safe, and sanitary conditions during the term of this Lease Agreement.

6.3 Utilities

The County shall bear the cost of all water and sewer facilities, electricity, and heat to the Leased Premises.

7. Taxes

7.1 Tenant's Responsibility for Taxes

The Property is owned by the County, a Michigan municipal corporation, and is therefore exempt from property taxes under the Section 7m of the Michigan General Property Tax Act, MCL 211.7m. Tenant's use of the Leased Premises may be subject to taxation under MCL 211.181. The Tenant is responsible for the payment of all taxes levied upon Tenant's use of the Leased Premises, Tenant's personal property, Tenant's income, or upon any aspect of Tenant's operation, including any taxes levied under MCL 211.181. In the event that the County receives a bill for taxes that the Tenant is responsible for, the County shall provide a copy of such bill to the Tenant, and Tenant agrees to remit payment for such taxes prior the time those taxes are due.

7.2 Tenant's Right to Challenge Assessment

Tenant shall have the right to challenge, in its own name and for its own benefit, the amount of any personal or real property tax assessment levied upon the Leased Premises or Tenant's personal property located at the Leased Premises. Such challenge shall be in accordance with the Michigan law, and shall be at Tenant's sole risk and expense.

8. Assignment or Transfer

The Tenant shall not assign, sublet, or in any manner transfer this Lease Agreement or any estate or interest in the Leased Premises without the County's written consent.

9. Insurance Requirements

9.1 The Tenant's Liability Insurance Requirements

The Tenant shall carry liability insurance for the Leased Premises, the limits of which shall be in an amount not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate. The Tenant shall also carry Automobile Liability with a minimum of \$1,000,000 combined single limits and \$100,000 Property Damage limits.

The County shall be named as an additional insured on the Tenant's liability and automobile liability policy, and the Tenant shall provide to the County a certificate of insurance issued by an insurer licensed to do business in the State of Michigan showing the required coverages, the effective date of the policy, and a covenant by the issuing insurer not to terminate the policy unless thirty (30) days advance written notice is provided to the County.

9.2 The Tenant's Property Insurance Requirements

The Tenant shall carry property insurance sufficient to cover all of its equipment, inventory, supplies, and other personal property located or stored at the Leased Premises. The Tenant shall be responsible for any other insurance deemed necessary to protect assets, including Theft, Crime or any other coverage. The County shall not be liable in any way for Tenant's equipment, inventory, supplies, and other personal property located or stored at the Leased Premises.

9.3 The County's Insurance Requirements

The County shall maintain property and casualty insurance for the Property in commercially reasonable amounts. The County retains the right to self-insure to meet these obligations.

10. Indemnity

The Tenant agrees to indemnify, defend, and hold the County, its officials, officers, agents, and employees harmless from any and all claims, damages, or liability, including defense costs, arising out of the Tenant's presence at the Leased Premises.

11. Damage to the Premises

11.1 Damage to the Leased Premises

In the event that the Leased Premises are damaged by fire, flood, or other casualty, the County shall, within a reasonable time, repair the Premises to as good condition as at the time possession was delivered to the Tenant.

11.2 If Premises are Rendered Untenantable

In the event that the fire, flood, or other casualty renders the Leased Premises or any portion thereof untenable, either Party terminate this Lease Agreement as of the date of the fire, flood, or other casualty. If the

the Lease Agreement is not terminated, the Tenant shall be entitled to an abatement of rent proportional to the amount of the Premises rendered untenable for the time that the Leased Premises remain untenable. This abatement of rent is Tenant's sole and exclusive remedy against the County for Tenant's loss of use of the Premises during the time that the Leased Premises remain untenable.

11.3 Definitions

For the purposes of this section, the following definitions apply.

11.3.1. *Fire, Flood, or other Casualty* is defined as any unexpected event not due to the intentional act of either Party that causes loss, damage, or injury.

11.3.2. The Leased Premises, or any portion thereof, are *untenable* if they are unable to be used for the purpose described in Paragraph 4.1.

12. Condemnation

12.1 If the whole or any part of the Leased Premises is acquired by the exercise of the power of eminent domain, or by a sale under threat of exercise of eminent domain, this Lease shall terminate effective as of the date of sale or condemnation, and, except as provided by this Lease, Tenant shall have no claim whatsoever, including claims of apportionment, against the County either for the value of any unexpired Term of the Lease or for the value of any Tenant Improvements.

12.2 In the event of such a sale or condemnation, the Rent for the month in which the sale or condemnation occurs shall be prorated to the date of the sale or condemnation, and the County shall return the unused portion of that month's Rent to the Tenant.

12.3 Tenant shall have the right to file in its own name and for its own interest any claims against the condemning authority for moving costs, business losses, or for the value of Tenant's leasehold interest and Tenant Improvements. Such claim shall be at Tenant's sole risk and expense.

13. Subordination of Lease

Tenant agrees that County may subordinate this Lease Agreement to its present or any subsequent mortgage on the Premises, provided that such subordination does not interfere with Tenant's continued use and enjoyment of the Premises. Tenant agrees to execute any instruments that may be reasonably requested from time to time by County to evidence the above-described form of subordination of this Lease to any mortgage. Upon County's request, Tenant agrees to execute, acknowledge and deliver to County a statement in writing certifying that this Lease Agreement is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified, and stating said modifications), and the dates to which the rent and other charges have been paid in advance, if any.

14. Sale of Premises

If County sells or transfers all or any portion of the building, other improvements, and property of which the Premises are a part to another party, then County shall be released from any liability thereafter accruing under this Lease Agreement to the extent the purchaser(s) or transferee(s) assumes the County's right and obligations under this Lease. If any security deposit or prepaid rent has been paid by Tenant, County shall transfer the security deposit or prepaid rent to County's successor, after which County shall be discharged from any further liability regarding such security deposit or prepaid rent. Any sale or transfer by County shall not interfere with Tenant's continued use and occupancy of the Premises pursuant to the term of this Lease Agreement.

15. Termination and Surrender

15.1 Termination for Breach by Tenant

In the event that the Tenant is in breach of any provision of this Lease Agreement, and such breach continues for thirty (30) days after written notice by the County, the County may:

15.1.1. Cure such default and invoice Tenant the cost of such cure, which amount shall be due within thirty (30) days of receipt of such invoice; or

15.1.2. Terminate this Lease Agreement by sending written notice to Tenant of the effective date of such termination, and seek to take possession pursuant to legal proceedings provided for by law. If Tenant is adjudged to be in default of this Lease by a court of competent jurisdiction and is so evicted from the Premises, County shall promptly attempt to procure a new Tenant for the Leased Premises on reasonable terms and conditions. If despite County's reasonable efforts, a new Tenant cannot be procured at the rental rate designated in this Lease Agreement, then Tenant shall be liable for any difference in rent, and any damages to the Leased Premises caused by the Tenant. Tenant shall also be liable for County's reasonable costs and expenses associated with having to bring a legal proceeding pursuant to this Section if Tenant is deemed to be in violation of this Lease Agreement by a court of competent jurisdiction unless such court also determines County to be in violation of this Lease. Other than the obligations identified in this Section and the indemnity obligations described in Section 10, Tenant has no obligations under this Lease or otherwise after this Lease is terminated or expires.

15.2 Termination for Breach by County

In the event that the County is in breach of any material obligation imposed by this Lease Agreement, and such breach continues for thirty (30) days after written notice by the Tenant, the Tenant may terminate this Lease

Agreement by sending written notice to the County of the effective date of such termination. In the event of such a termination, the County shall be responsible for Tenant's reasonable moving costs, and for any amount Tenant is required to pay for new space over and above the Rent Tenant would be obligated to pay under this Lease for a period of six months after termination, or for the remainder of the current Term of the Lease, whichever is less. Tenant shall make reasonable efforts to mitigate such damages for breach.

15.3 Termination for Convenience

If, in the County's sole discretion, it is determined to be in the best interests of the County, the County may terminate this Lease Agreement upon sixty (60) days' written notice.

15.4 Condition Upon Surrender

The Tenant shall, upon termination of this Lease Agreement or at the expiration of the Initial Term or any Extension Term, surrender the premises in as good condition as at the time possession is delivered, except for ordinary wear and tear.

15.5 Payment Upon Termination

Within 10 business days from the effective date of any termination, Tenant shall pay to the County any outstanding amounts due for any reason under this Lease Agreement.

16. **Covenants**

16.1 County's Covenant of Quiet Enjoyment

During any Term of this Lease, the Tenant shall have peaceful possession of the Leased Premises, free of interference from the acts or claims of the County or third parties claiming rights through the County.

16.2 County's Covenant of Possession

During any Term of this Lease, the Tenant shall have exclusive possession and control of the Leased Premises.

16.3 Tenant's Covenant to Pay Rent

During any Term of this Lease, Tenant shall pay the Rent on or before the due date each month except where payment of Rent is abated pursuant to the provisions of this Lease.

16.4 Tenant's Covenant to Maintain the Leased Premises

Tenant covenants that it will care for and maintain the Leased Premises in accordance with the provisions of this Lease Agreement.

16.5 Tenant's Covenant to Not Disturb Other Users of the Property

Tenant acknowledges that there are other Tenants and agencies using the Property, and Tenant covenants that its operations will not disturb the operations of the other Tenants and agencies using the property.

17. Nondiscrimination

The Tenant covenants that it will not discriminate against an employee or applicant of employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status or a disability that is unrelated to the individual's ability to perform the duties of a particular job or position.

18. No Commission

The Parties acknowledge that no broker or agent was used to procure this Lease Agreement, and each represents to the other that no commission shall be paid to any broker or agent.

19. General Provisions

19.1 Entire Agreement

This Lease Agreement embodies the entire agreement between the Parties. There are no promises, terms, conditions, or obligations relating to the Leased Premises other than those contained herein.

19.2 Modification

This Lease Agreement may be modified only by written agreement executed with the same formalities as this Lease Agreement.

19.3 Binding Effect

The provisions of this Lease Agreement shall apply to and bind the heirs, executors, administrators, and assigns all of the parties hereto.

19.4 Headings

The paragraph headings in this Lease Agreement are used only for ease of reference, and do not limit, modify, construe, and or interpret any provision of this Lease Agreement.

19.5 Governing Law and Venue

This Lease Agreement is entered into under the laws of the State of Michigan. Any litigation between the Parties arising out of this Lease Agreement must be initiated within two years of the cause of action accruing and must be brought in a court of competent jurisdiction in Genesee County, Michigan.

19.6 Severability and Survival

In the event that any provision of this Lease Agreement is deemed by any court of competent jurisdiction to be legally ineffective, such decision shall have no effect on the remaining provisions of this Lease Agreement.

19.7 No Waiver

No waiver or inaction by the County concerning any breach by the Tenant of the provisions of this Lease Agreement shall act as a waiver of any future breach by the Tenant.

19.8 Interpretation

Each Party has had opportunity to have this Lease Agreement reviewed by legal counsel and has had equal opportunity to contribute to its contents. In the event of any dispute concerning the interpretation of this Lease Agreement, there shall be no presumption in favor of any interpretation solely because the form of this Lease Agreement was prepared by the County.

IN WITNESS WHEREOF, the Parties have caused this Lease Agreement to be executed by their duly authorized agents.

Wellness Services

COUNTY OF GENESEE

By: _____
Stevi Atkins
CEO, Wellness Services

By: _____
Domonique Clemons, Chairperson
Board of County Commissioners

Date: _____

Date: _____

EXHIBIT A

Property Description

1. Lease of approximately 1,539 sq. ft at McCree Courts and Human Services Center in the space occupied by the Genesee County Health Department.