

STATE OF ALABAMA

LEASE AGREEMENT

COUNTY OF BALDWIN

THIS LEASE AGREEMENT made and entered into this 1st day of April, 2022, by and between Gulf Shores City Schools, a public body corporate, hereinafter referred to as "Lessee", and the City of Gulf Shores hereinafter referred to as "Lessor".

WITNESSETH:

1. **Lease of Premises.** The Lessor hereby grants, leases and demises unto the Lessee the following described property being situated in the City of Gulf Shores, in Baldwin County, Alabama, which is described as follows:

Approximately 9,478 square feet of the building at 19470 Oak Road West, Building A, Gulf Shores, Alabama, as delineated on Exhibit A attached hereto including contents listed on Exhibit B attached hereto

for primary occupancy and use by the Gulf Shores City Schools. An initial term of thirteen (13) months beginning on April 1, 2022, through May 31, 2023, together with one option to extend upon terms to be mutually agreed through May 31, 2024. This period is herein referred to as the "term" or "period" of said lease.

Lessee will honor and allow full access to the building and grounds for dates currently reserved for 2022 as listed on Exhibit C attached hereto.

Lessee shall provide written notice to Lessor of its election to extend at least sixty (60) days prior to May 31, 2023, after which the parties will negotiate the terms for any such extension and such terms as may be agreed to will be memorialized in a written addendum to this Agreement. .

2. **Lease Payments.** No lease payments will be required from Lessee for the initial thirteen (13) month term beginning April 1, 2022 through May 31, 2023. The extension option, if exercised by the Lessee, for an additional one (1) year term beginning June 1, 2023 and ending May 31, 2024 may include such requirements for lease payments as mutually agreed to.

3. **Indemnity and Hold Harmless from Loss.** To the extent permitted by law, Lessee agrees to completely indemnify and hold harmless Lessor from any and all loss arising out of Lessee's operation of the business or use, operation or maintenance of the premises herein described (unless due

to negligent, wanton or willful act or omission of the Landlord), and in furtherance of this covenant, agrees to maintain a policy of general liability insurance covering the premises naming the Lessor as a Co-insured or an additional insured, with limits of liability being not less than \$100,000.00/\$300,000.00.

4. **Use of Premises.** Lessee covenants and agrees that during the term the lease the premises shall be continuously used and occupied solely for the purpose of Gulf Shores City Schools and Lessee shall not use nor permit the same to be used for any other purpose or purposes or cease to use the premises for the purpose of the operation of Gulf Shores City Schools without prior consent, in writing, of Lessor. Lessee, at all times, shall fully comply with all laws, ordinances, and regulations of any lawful authority having jurisdiction of said premises but not limited to such as shall relate to health, safety, sanitation, and cleanliness and will not, by any act or omission render Lessor liable for any violation thereof. Lessee will not commit any waste to property nor permit the same to be done and will take good care of said premises at all times. Location, design, and installation and maintenance of signs shall be determined by mutual agreement and in accord with all applicable codes and ordinances and at the sole cost and obligation of Lessor.

In addition to the use and occupancy of the interior space identified on Exhibit A, Lessee shall have shared use of the associated parking lot and access ways. Temporary parking lot lines and lighting if needed will be arranged and paid for by the Lessee. **Shared parking use for large functions and events will be scheduled in advance and coordinated with the Recreation Manager for the City of Gulf Shores.**

5. **Condition, Maintenance of Premises and Utilities.** The space, with a separate entrance, is shown on the attached building layout and will be provided to Lessee with no rent or utility fees including building maintenance for the initial term of the lease. Surveillance cameras will continue to be monitored by the Lessor.

(a) Lessor agrees to maintain in good working order all exterior structure of the building and mechanical systems (including heating, ventilation; plumbing, signs, doors, windows and glass) landscaping, lawn maintenance, and parking lot maintenance.

(b) Lessee shall pay any damages to the premises caused by Lessee's negligence or willful or wanton misconduct.

6. **Improvements.** It is distinctly understood that any permanent improvements made upon said premises during the term of this lease, shall remain with the premises and shall become the

property of the Lessor upon termination of this lease. It is further understood and agreed that no permanent improvements shall be made upon said property by Lessee without the prior written consent of Lessor, and further, that Lessor shall not be required to give such written consent until it has been presented a written waiver of mechanics' or materialmen's liens by the contractor to place said improvements on the property.

7. **Nuisances and Waste of Premises: Surrender.** Lessee shall not permit, allow or cause any unreasonable act or deed to be performed or any practice to be adopted or followed in, on or about said premises which shall cause or be likely to cause injury or damage to any person or to said premises or to the right-of-way adjoining the premises. Lessee shall not permit, allow, or cause any unreasonably noxious, disturbing or offensive odors, fumes, gases, smoke, dusts, steam, or vapors or any loud or disturbing noise, sound of vibration to originate on or be emitted from said premises.

Lessee shall, at all times, cause said premises to be kept clean and free from rubbish and dirt. Lessee shall provide and maintain interior cleaning and custodial services. Lessee agrees to permit no waste of the property, but, on the contrary, to take good care of same, and, upon termination of this lease, to surrender possession of the same without notice in as good condition as at the commencement of the term or as they may be put in during the term, as reasonable use and wear thereof will permit.

8. **Limitation of Lessor's Liability: Right to Close.** Lessor shall not be liable for any loss of property of Lessee from said premises or for any damage to any property of Lessee, whether occasioned by war, act of God, act of man, riot, insurrection, or however occurring, except as may be directly from the failure of Lessee to perform any act required of Lessee under the terms of this agreement, after reasonable notice.

9. **Lessor's Right of Entry: Lessee's Duty to Keep Neat.** Lessor, Lessor's agents or representatives, at all reasonable times with the consent of Gulf Shores City Schools, may enter said premises for the purpose of inspecting thereof, and, during the period of said lease, whether the principal term or extension thereof, may enter to exhibit the premises to prospective tenants or purchasers, after reasonable notice to the Lessee and with the consent of Gulf Shores City Schools.

10. **Eminent Domain.** In the event that the whole or any part of said premises shall be taken by any public authority under the power of eminent domain or like power, then the term hereof shall terminate as to the part of the premises so taken, effective as of the date possession thereof shall be required to deliver pursuant to the final order, judgment or decree entered in the proceedings and exercise of such powers. All damages awarded to the taking of said premises or any part thereof shall be

payable in the full amount thereof to, and the same shall be the property of the Lessor, including, but not limited to, any sum paid or payable as compensation for the loss of value of the leasehold or loss of the fee or any part of the premises, and Lessor shall be entitled only to that portion of any award expressly stated to have been made to Lessor for the loss of his lease value and cost of removal of furniture and fixtures owned by the Lessor.

11. **No Assignments or Subletting.** Lessee shall not assign or in any manner transfer this lease or any estate, interest, or benefit therein or any options herein contained or sublet said premises or any part or parts thereof or permit the use of the same or any part thereof by anyone other than the Lessee, except with the prior written consent of Lessor which will not be unreasonably withheld.

12. **Signage.** If desired, a prominent Gulf Shores City Schools sign positioned on the facility marquee and on the building frontage will be allowed, provided by Lessee, and shall be in compliance with the requirements of the Gulf Shores Zoning Ordinance. Said signage shall be mutually agreed upon by Lessor and Lessee. The Lessee shall be responsible for any changes to the signage during the initial term of the lease.

13. **Defaults; Remedies.** Upon (a) the happening of any default by Lessee under the terms of this lease agreement that remains uncured for more than thirty (30) days following receipt by Lessee of Lessor's written notice of said default, Lessor may, if Lessor elects to do so:

- (a) Terminate the term of this lease agreement without further liability to Lessee hereunder; or
- (b) Terminate Lessee's right to possession and occupancy of the premises without terminating the term of the lease agreement, and, in the event Lessor shall exercise this right of election, the same shall be effective as of the date of written notice of Lessor's election given by the Lessor to Lessee at any time more than thirty (30) days after the date of Lessee's receipt of Lessor's written notice of said default, as applicable.

14. **Governing Law; Notices.** This agreement is to be construed according to the laws of the State of Alabama. All notices shall be in writing and shall be effective when received at the addresses indicated below.

15. **Holding Over.** If through no fault of Lessor should Lessee withhold possession of the premises from Lessor after termination of this lease, the damages for which Lessee should be liable to

Lessor for such detention shall be, and hereby are, liquidated at a sum of \$500.00 per day from Lessee to Lessor for the period of such detention?

16. **Relationship of Parties.** The execution of this lease or the performance of any act pursuant to the provisions hereof shall be deemed and construed to have the effect of creating between Lessor and Lessor the relationship of principal or agent of partnership and joint venture.

17. **Lenience or Mercy not a Waiver of Lessor's Rights.** The failure of Lessor to insist upon strict performance of any of the covenants or conditions of this lease or to exercise any option herein conferred in any one or more instances shall not be construed as a waiver or relinquishment of any covenants, conditions, or options but the same shall remain in full force and effect. Knowledge by Lessor of the breach of any covenant hereof, shall not be deemed to have been known unless expressed in writing and signed by the Lessee.

18. **Non-Destruction by invalidity.** If any part of this agreement is declared by any court to be invalid, none of the other provisions shall be affected thereby.

19. **Number and Gender.** Any use of the singular applies to the plural, and vice-versa, and any use of masculine refers also to the feminine, and vice-versa.

20. **Entire Agreement Contained.** The covenants, conditions and agreements contained in this lease shall bind and inure to the benefit of the Lessor and the Lessee and their respective successors and assigns, except as otherwise provided. This lease contains the entire agreement between the parties hereto, and neither party is bound by any representations or agreements of any kind except as herein contained.

IN WITNESS WHEREOF, Lessor and Lessee have caused this instrument to be executed on this the _____, 2022.

LESSEE:

Gulf Shores City Schools

BY: _____
Kevin Corcoran, Board President

Address:

LESSOR:

City of Gulf Shores

BY: _____

Robert Craft, Mayor

Address: P. O. Box 299
Gulf Shores AL 36547
(251) 968-1124