

## LEASE AGREEMENT

**THIS LEASE AGREEMENT** (the "Lease"), dated this \_\_\_\_ day of \_\_\_\_\_, 2024, by and between the **CITY OF LAKE WORTH BEACH, FLORIDA**, a Florida municipal corporation ("City"), with an address of 7 N. Dixie Highway, Lake Worth Beach, Florida 33460, and **LUTHERAN SERVICES FLORIDA, INC.**, a Florida non-profit corporation ("Tenant").

### WITNESSETH:

**WHEREAS**, City is the owner of certain real property and improvements ("Building") located thereon at 1699 Wingfield Street, Lake Worth Beach (also known as 1600 S. E Street, Lake Worth Beach) (collectively, "Premises"); and

**WHEREAS**, Tenant desires to lease from City certain space within the Building and other facilities on the Premises, upon the terms, covenants, and conditions hereinafter set forth in this Lease, and City desires to lease such space and facilities to Tenant upon such terms, covenants, and conditions; and

**WHEREAS**, the City and Tenant hereby enter into this Lease for the purpose of allowing Tenant to operate a Head Start program in such space and facilities.

**NOW, THEREFORE**, this Lease is granted by the City and taken and accepted by Tenant upon the terms, covenants, and conditions herein contained, and City and Tenant do hereby covenant and agree with each other as follows:

### ARTICLE I BASIC LEASE PROVISIONS

1.01 **Leased Premises**. City leases to Tenant and Tenant leases from City, that certain real property and improvements consisting of the portion of the Building (approximately 10,000 square feet of classroom space), together with the associated parking facilities and playground area and the playground equipment located thereon, all as more fully described in **Exhibit A** attached hereto and by this reference made a part hereof (collectively, "Leased Premises"), subject, nevertheless, to the following:

- (a) Conditions, restrictions, easements, reservations and limitations, if any, now appearing of record;
- (b) City Zoning Ordinances; provided, however, that City represents and warrants that such ordinances do not conflict with Tenant's permitted use of the Leased Premises;
- (c) All of the terms, covenants and conditions contained in this Lease; and
- (d) Tenant does not have exclusive use of the kitchen facilities (200 square feet) at the Leased Premises and must share such kitchen facilities with the City and other tenants occupying the Building.

1.02 **Acceptance of Leased Premises**. Tenant certifies that Tenant has inspected the Leased Premises and accepts same "As Is," in its existing condition, together with all defects, latent or patent, if any, and subject to all easements, encumbrances, restrictions and matters of record. Tenant further acknowledges that the City has made no warranties or representations of any nature whatsoever regarding

the Premises or Leased Premises, including, without limitation, any relating to the physical condition of the Premises, the Leased Premises or any improvements or equipment located thereon, or the suitability of the Premises, the Leased Premises, or any improvements for Tenant's intended use of the Leased Premises or Premises, generally. No repair work, alterations or remodeling of the Premises or Leased Premises is required to be done by City as a condition of this Lease.

1.03 **Term.** The initial term of this Lease shall be for three years commencing on August 31, 2024 ("Effective Date") through August 31, 2027. The first year of the Lease shall run from August 31, 2024, through August 31, 2025; the second year shall run from September 1, 2025 through August 31, 2026; and the third year shall run from September 1, 2026 through August 31, 2027. Thereafter, the parties shall have two (2) one (1) year options to renew (collectively, "Lease Term") unless sooner terminated pursuant to the provisions of this Lease. If the Tenant wishes to renew the Lease as authorized herein, it shall notify the City in writing a minimum of ninety (90) days prior to the end of each applicable term. Failure to so notify the City may be deemed a non-renewal of the Lease, in the sole discretion of the City. The City may terminate this lease without cause with 120 days prior written notice to the Tenant. If terminated by the City, the Rent and other costs which are the responsibility of the Tenant and any outstanding debts, shall be paid in full through the date of termination.

1.04 **Parking.** Tenant's use of the existing parking spaces on the parcel on which the Building is located shall be on a non-exclusive basis with other tenants and users of the Building.

1.05 **Quiet Enjoyment.** City hereby covenants with Tenant that upon payment by Tenant of the Rent herein required, and upon the observance of the terms, provisions and conditions contained herein, Tenant may occupy the Leased Premises without unreasonable interference by City, or anyone claiming by, through or under City, subject, nonetheless to the terms and conditions of this Lease.

1.06 **Use of Leased Premises.** Tenant shall operate as a non-profit and shall occupy and operate the Leased Premises as a Head Start Program and for no other purpose without the express written consent of City which may be withheld or delayed in City's sole discretion. No other commercial activities shall be permitted on the Leased Premises. Tenant's occupancy of the Leased Premises is expressly contingent upon City's receipt of a notice of grant award regarding a grant awarded by the Office of Head Start for the Tenant's Head Start Program ("Grant") which is consistent with the Tenant's Grant application and which designates Tenant as the principal grantee ("Notice of Grant Award"). Tenant shall only occupy or otherwise utilize the space located within the Leased Premises. Tenant shall store all cleaning supplies used by it or its contracted cleaning company only in an area located within the Leased Premises and not in any other area not leased by the Tenant.

1.07 **Occupancy Regulations.** Tenant agrees that it:

a. will not use the plumbing facilities for any purpose other than that for which they are constructed and will not permit any foreign substance of any kind to be thrown therein. The expense of repairing any breakage, stoppage, seepage, or damage whether occurring on or off the Premises resulting from a violation of this provision by Tenant or Tenant's employee, agent, or invitee shall be paid by Tenant. This covers the bathrooms, kitchen and any other plumbing facilities used by Tenant;

b. will use only such electronic appliances as will not overload the electrical service of the Leased Premises as supplied by the City. If Tenant shall use or require additional electrical service, Tenant shall

provide the same at its own cost and expense, but only in accordance with specifications approved by the City in writing;

c. will not permit space heaters, personal refrigerators, or other energy-intensive or fire hazardous equipment unnecessary to conduct Tenant's business without written approval by City.

1.08 **Nuisance and Waste**. Tenant shall not commit or suffer to be committed any waste to or upon the Leased Premises or take any act which may adversely affect City's interest in the Leased Premises, or permit the maintenance or commission of any nuisance or other act or thing which may result in damage or depreciation of value of the Premises or which results in an unsightly condition. Tenant shall conform its use and occupancy of the Leased Premises to all building, fire, health and sanitation and other codes, regulations, restrictions and laws imposed by any governmental or quasi-governmental authority or agency having jurisdiction over the Leased Premises including those of City. Tenant will keep the access to the Premises, the parking areas and other contiguous areas to the Premises free and clear of obstruction. Tenant, at its sole cost and expense, will keep the Premises free of rodents, vermin and other pests.

1.09 **Abandonment**. Tenant shall not vacate or abandon the Leased Premises or any part thereof at any time during the Lease Term. Tenant understands that if Tenant should leave the Leased Premises or any part thereof vacant or abandoned, the risk of fire, other casualty, and vandalism to the Leased Premises and the Building will be increased and that, therefore, such action by Tenant shall constitute a material breach of this Lease, whether or not Tenant continues to pay Rent and any other costs required under this Lease. If Tenant shall vacate, abandon or surrender the Leased Premises, or be dispossessed by process of law or otherwise, any personal property belonging to Tenant and left on the Leased Premises shall be deemed to be abandoned, at the option of City, and City may sell or otherwise dispose of such personal property in any commercially reasonable manner.

1.10 **Notice of Grant Award**. Tenant shall provide City with a copy of the Notice of Grant Award within three (3) business days of Tenant's receipt of same. If applicable, Tenant shall provide City with a copy of the notice that advises Tenant of the non-approval of the Grant application within three (3) business days of Tenant's receipt of same. Additionally and throughout the Lease Term and any renewals, Tenant shall provide City with a copy of the following: (1) notices of Grant award; (2) designation renewal notices; (3) notices relating to the Grant budget; (4) notices of Grant deficiencies, including, without limitation, notices of deficiency, suspension, or termination of a Grant; and (5) any other Grant related documents or information, within three (3) business days following Tenant's receipt of the same.

1.11 **Children Served**. Tenant shall submit to the City Manager an annual report (due on October 15th) that includes the total number of children served during the prior fiscal year (e.g., October 1, 2023 – September 30, 2024) and the percentage of such children that reside within the City. Tenant shall provide the City reasonable proof of the residency of participants upon request, and any protected and/or confidential information shall be identified and safeguarded in accordance with law. The City may, at any reasonable time, request from Tenant a report on the total number of children currently being served and the percentage thereof that reside within the City.

## ARTICLE II

### **SUBLET, ASSIGNMENT OR TRANSFER OF LEASED PREMISES**

2.01 Tenant may not sublet or assign its rights to anyone regarding the Leased Premises or this Lease without the prior written consent of the City which may be withheld at the sole discretion of the City.

## **ARTICLE III**

### **RENT**

3.01 **Rent**. The rent during the term of this Lease shall be as follows:

- Year 1: \$2,000.00 per month;
- Year 2: \$2,100.00 per month;
- Year 3: \$2,200.00 per month;
- If renewed, year 4: \$2,300.00 per month; and
- If renewed, year 5: \$2,400.00 per month

(collectively, "Rent") commencing with the Effective Date, which shall be payable by Tenant on or before the first day of each month, in advance, without any deduction, set-off or counterclaim whatsoever. If Tenant shall fail to pay the Rent when due more than one time in a calendar year, such sum shall bear interest from the date due until paid at the legal rate. The initial monthly payment is due on September 1, 2024, and shall cover August 31, 2024 through September 30, 2024. The remaining monthly payments shall cover each subsequent month (e.g., October 1-31; November 1-30; December 1-31, etc.).

3.02 **Place and Method of Payment of Rent**. All payments due from Tenant under this Lease shall be paid to City, without prior notice or demand, deduction or offset, in lawful money of the United States of America in immediately available funds or by good check as described below to: City of Lake Worth Beach Finance Department, Attn: Accounts Receivable, 7 N. Dixie Highway, Lake Worth Beach, Florida 33460, or to such other person or at such other place as City may from time to time designate by written notice to Tenant. Payments made by check must be drawn either on a Florida financial institution or on a financial institution that is a member of the Federal Reserve System. All other payments due to the City other than Rent shall be made on the first business day of every month, unless a different date is specified by the imposing source (i.e., public utilities).

3.03 **Accord and Satisfaction**. In the event Tenant pays any amount that is less than the amount stipulated to be paid under this Lease, such payment shall be considered to be made only on account of the stipulated amount. No endorsement or statement on any check or letter shall be deemed an accord and satisfaction. The City may accept any check or payment without prejudice to City's right to recover the balance due or to pursue any other remedy available to City pursuant to this Lease or under the law.

## **ARTICLE IV**

### **MAINTENANCE OF LEASED PREMISES**

4.01 **Maintenance**.

a. City Responsibilities. City shall use its best efforts to maintain, repair, and replace the structural and building systems of the Premises, including the foundation, exterior walls, roofing systems, central HVAC systems, and mechanical, electrical, and plumbing systems at the Premises (collectively, "Structural Systems") in good working order. When notified in writing by the Tenant of needed repairs or replacement or when the City discovers that such repairs or replacements are needed and after having a reasonable opportunity thereafter to obtain the necessary personnel and/or contractors, the City will make all necessary repairs or replacements to the Structural Systems. The City will be responsible for the costs of the same. The City shall determine, in its sole discretion, what maintenance, repairs, and replacements are needed and/or otherwise required by law.

b. **Tenant Damage.** Regardless of cost or expense, Tenant shall be responsible for, and shall reimburse City promptly upon demand for, the cost of any maintenance, repairs or replacements to the Structural Systems or otherwise to the Premises (including without limitation, fixtures, appliances, appurtenances, etc.) necessitated by damage caused by the actions, inactions, negligence or willful misconduct of Tenant or Tenant's agents, employees, contractors, guests, or invitees.

c. **Tenant Responsibilities.** Tenant shall maintain, repair, and replace all aspects of Leased Premises, fixtures, appliances, and appurtenances, for which City is not responsible, including without limitation the interior, non-structural portions of the Leased Premises, at Tenant's sole cost and expense, in good repair and condition, reasonable wear and tear excepted, and in a clean, pleasant, sightly, sanitary and safe condition and in compliance with all applicable laws. Except in regard to the Structural Systems, City is not required to perform any maintenance, repairs, replacements or improvements to the Leased Premises of any type or nature, all such obligations shall be Tenant's obligation. Except as otherwise set forth in this Lease, Tenant's obligations shall be limited to the interior portion of the Leased Premises; provided, however, that Tenant shall also maintain the playground equipment. The City will inspect the playground equipment only upon the request of the Tenant or when the City discovers that such equipment may require an inspection. Tenant shall be responsible for and replenish the mulch as necessary and the costs for the same. All of Tenant's repairs and replacements shall be completed with materials of similar or better quality to the original materials, and all such work shall be completed under the supervision of the Tenant unless otherwise required by the City. All such repairs and replacements shall be performed only by contractors or mechanics approved by City, which approval shall not be unreasonably withheld and whose work will not cause or threaten to cause disharmony or interference with City or other tenants at the Premises. If Tenant fails to perform any of its obligations set forth in this section, City may, in its sole discretion and upon 48 hours prior notice to the Tenant (but without notice in case of emergencies), perform the same, and Tenant shall pay to City any costs or expenses incurred by City upon demand. In the alternative, City may terminate this Lease.

4.02 **Time.** The obligations set forth in this Article shall begin on the Effective Date.

4.03 **Standards.** City and Tenant covenant that all facilities located on the Leased Premises shall be maintained in accordance with generally accepted commercial standards in terms of levels of cleanliness, cycles of maintenance, and general operating procedures. Tenant covenants that it will make all reasonable accommodations in the Leased Premises for persons with disabilities in connection with the use of the Leased Premises, as required by law.

4.04 **Access and Right of Entry by City.** City and City's agents shall have the right to enter the Leased Premises at all times to examine or inspect the condition of the Leased Premises after giving Tenant at least twenty-four (24) hours prior notice (such advance notice not being required in emergency situations), and to make such repairs, removals, alterations, upgrades, improvements or additions as City may deem necessary or desirable in order to preserve the Building, Leased Premises, or Premises, but only after giving Tenant written notice of the need for such repairs and a reasonable opportunity to make such repairs or to initiate such repairs and Tenant's failure to make or initiate such repairs. In emergencies or when circumstances render advance notice impractical, the City will give Tenant reasonable notice of its intent to exercise this right of entry. City shall be allowed to take all material unto and upon the Leased Premises that may be required therefor without the same constituting an eviction of Tenant in whole or in part, and the Rent and any additional costs required by this Lease shall in no way be abated while said repairs, alterations, improvements, or additions are being made. If Tenant or Tenant's employees or agents

shall not be personally present to open and permit entry into said Leased Premises, at any time, when for any reason an entry therein shall be necessary or permissible as set forth herein, City, or City's agents may enter the same, as permitted by law, without liability therefor and without in any manner affecting the obligations and covenants of this Lease.

4.05 **No Liens.** Tenant shall pay when due all costs for work performed and materials supplied to the Leased Premises. Tenant shall keep City and the Leased Premises free from all liens, stop notices and violation notices relating to the work performed, materials furnished or obligations incurred by or for Tenant and Tenant shall protect, indemnify, hold harmless and defend City, and the Building, Leased Premises, and Premises of and from any and all loss, cost, damage, liability and expense, including reasonable attorney's fees and costs, arising out of or related to any such liens or notices. During the progress of such work, Tenant shall, upon City's request, furnish City with sworn contractor's statements and lien waivers covering all work theretofore performed. Tenant shall not permit any lien or claim for lien of any construction, mechanic, laborer, or supplier to be filed against the Leased Premises, Building, or Premises. If any such lien, notice, or claim is filed, Tenant shall within ten (10) days after notice of the filing thereof cause said lien, notice, or claim to be removed and discharged of record; provided, however, that Tenant shall have the right to contest the amount or validity, in whole or in part, of any such lien, notice or claim by appropriate proceedings but in such event Tenant shall promptly bond over such lien, notice, or claim with a surety company reasonably satisfactory to the City and shall prosecute such proceedings with due diligence. If Tenant fails to so discharge or bond such lien within the time periods provided, the City may at its election, after written notice to Tenant, remove or discharge such lien, notice, or claim by paying the full amount thereof, or otherwise, and without any investigation or contest of the validity thereof, and Tenant shall pay to the City upon demand, as additional rent, the amount paid by the City, including the City's reasonable costs, expenses and attorneys' fees, with interest from the date of payment at the legal rate of interest for amounts owed City by Tenant. Tenant shall not have any authority to create any liens for labor or material on the City's interest in the Leased Premises and all persons contracting with the Tenant for the construction or removal of any facilities or other improvements on or about the Leased Premises, and all material men, contractors, mechanics and laborers are hereby charged with notice that they must look only to the Tenant and to the Tenant's interests in the Leased Premises to secure the payment of any bill for work done or material furnished at the request or instruction of Tenant. Further, Tenant shall notify any and all parties or entities performing work or providing materials relating to any alterations or Additional Alterations made by Tenant of this provision of this Lease. City and Tenant shall execute a short form or memorandum of this Lease, which shall be recorded in the Public Records of Palm Beach County for the purpose of protecting the City's estate from contractors' claims of lien, as provided in Chapter 713.10, Florida Statutes, as amended from time to time.

## **ARTICLE V**

### **UTILITIES AND OTHER OCCUPANCY COSTS**

5.01 **Generally.** Tenant shall pay when due (or otherwise upon demand) the full cost of the following utilities/services provided to the Leased Premises: alarm/security services and pest control/extermination services. Tenant shall arrange for and pay when due the following services to the Leased Premises: telephone and janitorial services.

5.02 **Percentage**. To cover the Tenant's portion of certain other utilities, the Tenant shall pay, upon demand, seventy-five percent (75%) of the total costs (for the entire building) of the following: water, sewer, waste removal and electricity.

## **ARTICLE VI TAXES**

6.01 **Tax Exempt Status**. Tenant represents that Tenant is a tax-exempt organization pursuant to the provisions of Section 501 (c) of the Internal Revenue Code and that Tenant shall maintain its tax-exempt status throughout the Lease Term.

6.02 **Sales and Personal Property Taxes**. Unless otherwise exempted, Tenant shall pay before delinquency, all intangible personal property taxes and assessments, if any, on the furniture, fixtures, inventory and equipment, leasehold interest, and other property of Tenant located within the Leased Premises. Tenant shall also pay all sales tax assessed against the Rent by the State of Florida or any other governmental authority, although the taxing statute or ordinance may purport to impose such sales tax against the City. Tenant shall pay the payment of sales tax together with the payment of Rent. Notwithstanding the foregoing, City hereby acknowledges receipt of a copy of Tenant's Form DR-14, Consumer's Certificate of Exemption, pursuant to which Tenant is exempt from the payment of Florida sales and use tax on, inter alia, real property rented. As long as such certificate or any renewal thereof (if a copy of such renewal is delivered to the City) is in effect, Tenant shall not be required to pay sales tax on the Rent.

6.03 **Right to Contest Taxes**. If Tenant desires to contest the validity of any tax or tax claim, Tenant may do so without being in default hereunder as to its obligation to pay taxes, provided Tenant gives City notice of its intention to do so and furnishes City with a corporate surety or bond until such time that the validity of the tax or tax items shall finally have been determined. Such surety or bond shall be given by Tenant to City not later than a day which is thirty (30) days before the tax item or items proposed to be contested would otherwise become delinquent. In lieu of the giving of such surety or bond, Tenant may pay into the Registry of a court of competent jurisdiction a sum of money equal to the amount of the taxes being contested.

## **ARTICLE VII INDEMNIFICATION**

7.01 **Indemnification of City Against Liability**. Tenant hereby waives all claims against City and its officers, directors, agents, and employees for damage to any property or injury or death of any person in, upon or about the Leased Premises arising at any time and from any cause other than by reason of gross negligence or willful act of City, its employees or contractors, and Tenant shall indemnify and defend City against, hold City harmless from, and reimburse City for any and all claims, liabilities, damages, losses, costs and expenses, including without limitation, court costs and reasonable attorneys' fees at all levels of trial and appeal, arising out of or in any way connected with (a) injury to or death of any person occurring in, on, or about the Leased Premises, Building, or Premises or attributable to or resulting from the condition, use or occupancy of the Leased Premises by Tenant or Tenant's failure to perform its obligations under this Lease, and (b) damage to or destruction of any property, occurring in, on or about the Leased Premises, Building, or Premises or attributable to or resulting from Tenant's negligence or willful misconduct or Tenant's failure to perform its obligations under this Lease. The foregoing indemnity obligation of Tenant



shall include reasonable attorneys' fees, investigation costs, and all other reasonable costs and expenses incurred by City from the first notice that injury, death or damage has occurred or that any claim or demand is to be made or may be made through any and all appeals. This indemnification agreement is separate and apart from, and in no way limited by, any insurance provided pursuant to this Lease or otherwise. The provisions of this section shall survive the termination of this Lease with respect to any damage, injury or death occurring prior to such termination. Nothing contained in this Lease shall create a contractual relationship with or a cause of action in favor of a third party against either City or Tenant. Further, nothing contained in this Lease shall be construed or interpreted as consent by City to be sued, nor as a waiver of sovereign immunity beyond the waiver provided in section 768.28, Florida Statutes, as amended from time to time. The provisions, waivers, and limitations set forth in section 768.28, Florida Statutes, are hereby deemed to apply to this Lease to claims or actions arising in tort and/or contract.

**ARTICLE VIII**  
**HAZARDOUS, FLAMMABLE AND TOXIC MATERIALS**

8.01 **Generally.** Tenant shall not use, generate, store, or dispose of Hazardous Material (as defined below) on the Leased Premises, Building, or Premises, except those customarily utilized in connection with Tenant's use and operations. Tenant, at Tenant's expense, shall comply with all laws, rules, orders, ordinances, directions, regulations and requirements of federal, state, local, county and municipal authorities pertaining to air and water quality, waste disposal, air emissions, hazardous materials or otherwise relating to the protection of the environment or the keeping, use or disposition of environmentally hazardous materials, substances, or wastes, presently in effect or hereafter adopted, all amendments to any of them, and all rules and regulations issued pursuant to any of such laws or ordinances (collectively "Environmental Laws").

8.02 **Definition.** As used herein, the term "Hazardous Material" means any hazardous or toxic substance, material or waste, including but not limited to, those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and amendments thereto, or such substances, materials and wastes that are or become regulated under any applicable local, state or federal law.

8.03 **Breach of Obligations.** If Tenant breaches its obligations stated hereinabove, or if the presence of Hazardous Material on the Leased Premises, Building, or Premises caused or permitted by Tenant results in any violation of Environmental Laws, or if contamination of the Leased Premises by Hazardous Material otherwise occurs for which Tenant is legally liable to City for damages resulting therefrom, then Tenant shall indemnify, defend and hold City harmless from and against any and all causes of action, claims, judgments, damages, penalties, fines, costs, liabilities or losses (including, without limitation, sums paid in settlement of claims, reasonable attorneys' fees, consultant fees, expert fees, and court costs though all trials and appeals ) which arise during or after the Lease Term as a result of such violation, contamination or exposure or incurred by reason of any actual or asserted failure of Tenant to fully comply with all applicable Environmental Laws, or the presence, handling, use or disposition in or from the Premises of any Hazardous Materials, or by reason of any actual or asserted failure of Tenant to keep, observe, or perform any provision of this paragraph. This indemnification of City by Tenant includes, without limitation, costs incurred in connection with any investigation of site conditions or any clean-up, remedial, removal or restoration work required by any federal, state or local governmental agency or



political subdivision because of Hazardous Material present in the soil or ground water on or under the Leased Premises. Without limiting the foregoing, in the event of a release of any Hazardous Material on the Leased Premises in violation of Environmental Laws caused or permitted by Tenant, Tenant shall promptly take all actions at its sole expense as are necessary to return the Leased Premises to the condition existing prior to such release; provided that City's approval of such actions shall first be obtained, which approval shall not be unreasonably withheld so long as such action would not have any material adverse long-term effect on the Leased Premises. While this provision establishes contractual liability of Tenant, it shall not be deemed to eliminate or diminish any statutory or common law liability of Tenant. Tenant's responsibility hereunder shall continue and apply to any violation hereof, whether the same is discovered during the term hereof or otherwise. Tenant acknowledges the City would not have entered into this Lease without the indemnification contained herein and acknowledges the receipt and sufficiency of separate good and valuable consideration for such indemnification. The foregoing indemnity provision set forth in this subparagraph shall survive the expiration or earlier termination of this Lease.

8.04 **No Storage.** Tenant shall not use, maintain, store, or dispose of any contaminants including, but not limited to, Hazardous Materials or toxic substances, chemicals or other agents used or produced in Tenant's operations, on the Premises or any adjacent land in violation of any Environmental Laws. Tenant shall not cause or permit the release of Hazardous Materials upon the Premises or upon adjacent lands in violation of any Environmental Laws and shall operate and occupy the Premises in compliance with all Environmental Laws. Tenant shall ensure compliance with safety information for each Hazardous Material used at the Leased Premises, as well as procedures to follow in the event of a fire, leak or spill.

8.05 **Safety Information.** Tenant shall ensure compliance with safety information for each Hazardous Material used at the Leased Premises, as well as procedures to follow in the event of a fire, leak, or spill.

8.06 **Labeling Standards.** Tenant shall abide by the federal labeling standards that apply to art products pursuant to the Occupational Safety and Health Administration (OSHA) Hazard and Communication Standard and Labeling of Hazardous Art Materials Act (LHAMA).

8.07 **Ventilation.** Tenant shall ensure that proper ventilation is achieved to achieve contaminant-capture efficiency and to prohibit the direct, indirect or secondary exposure at the Leased Premises, or to neighboring properties and the community at large.

8.08 **Remediation.** City and its agents shall have the right, but not the duty, to inspect the Leased Premises at any time to determine whether Tenant is complying with the terms of this Article. If Tenant does not comply with this Lease, City shall have the right to immediately demand the Tenant to remediate any release of Hazardous Materials in violation of Environmental Laws caused by Tenant's failure to comply notwithstanding any other provision of this Article. City shall use its best efforts to minimize interference with Tenant's business but shall not be liable for any interference caused thereby.

## **ARTICLE IX INSURANCE; BONDING REQUIREMENTS**

9.01 **Generally.** Tenant, at its own expense, shall maintain the following insurance coverage:

a. Worker's Compensation and Employer's Liability. Tenant shall maintain Worker's Compensation insurance sufficient to comply with all applicable State and/or Federal laws.

b. Commercial General Liability. Tenant shall maintain a Commercial General Liability policy applying to the use and occupancy of the Leased Premises and any areas adjacent thereto, and the business operated by Tenant, or by any other occupant of the Leased Premises with limits of liability not less than one Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) general aggregate for Bodily Injury and Property Damage. Such policy shall specifically name the City as an additional insured. All such insurance shall provide for severability of interests; shall provide that an act or omission of one of the named insureds shall not reduce or avoid coverage to the other named insureds; and shall afford coverage for all claims based on acts, omissions, injury and damage, which claims occurred or arose (or the onset of which occurred or arose) in whole or in part during the policy period. Tenant's Commercial General Liability policy shall not provide for a deductible in excess of Two Thousand Dollars (\$2,000.00) without the prior written approval of City. Tenant shall also carry Three Hundred Thousand Dollars (\$300,000.00) in fire legal liability coverage.

c. Property Insurance. Tenant shall maintain an All-Risk property insurance policy on all personal property, furniture and fixtures of Tenant and tenant improvements and betterments for not less than one hundred percent (100%) of the replacement cost of the same and shall name City as Loss Payee. Tenant's property policy shall not provide for a deductible in excess of Two Thousand Dollars (\$2,000.00) (increased periodically in accordance with the Index) without the prior written approval of City.

d. Additional Insurance. Whenever good business practice, in the reasonable judgment of City's Risk Manager, indicates the need for additional insurance coverage or different types of insurance in connection with the Leased Premises or Tenant's use and occupancy thereof, Tenant shall, upon request, obtain such insurance at Tenant's expense and provide City with evidence thereof.

All coverage shall be written on an occurrence basis and shall be primary and non-contributory over any insurance the City may elect to provide on its behalf. Prior to any occupation of the Leased Premises or within thirty (30) days from the Effective Date, whichever is first, and upon renewal of such insurance coverage, Tenant shall deliver to the City copies of Tenant's insurance policies, or certificate of such insurance from the insurer providing a minimum of thirty (30) days' notice of cancellation or modification, showing that all premiums have been paid for the full policy period. In the event Tenant shall fail to procure such insurance or to deliver such policies and certificates, City may, at City's option and in addition to City's other remedies in the event of a default by Tenant hereunder, procure the same for the account of Tenant, and the cost thereof shall be paid to City as Additional Rent. All policies of insurance required to be carried by Tenant shall be in a form satisfactory to City, shall specifically name "City of Lake Worth Beach, its officials, employees, and agents," as an additional insured, shall be issued by responsible insurance companies which are licensed to do business in the State of Florida, and shall have an AM Best Company rating of at least "A" and a financial rating of not less than "X" and have been approved in writing by City. The policies shall contain cross-liability endorsements or their equivalent, and shall be for the mutual and joint benefit and protection of City, Tenant and any other party designated by City as an additional insured.

9.02 **Contractor Insurance.** Before any repairs, alterations, additions, improvements, or construction are undertaken by or on behalf of Tenant, Tenant shall require any contractor performing work in the Leased Premises to carry and maintain, at no expense to City, in addition to workers' compensation insurance as required by the jurisdiction in which the Leased Premises are located, Automobile Liability in the amount of \$1,000,000.00 combined single limit per occurrence, All Risk Builder's Risk Insurance in the amount of the replacement cost of any alterations, additions or improvements (or such other amount reasonably required by City) and Commercial General Liability Insurance (including, without limitation, Contractor's Liability coverage), written on an occurrence basis with a minimum combined single limit of \$2,000,000.00 and adding "City of Lake Worth Beach, its officials, employees, and agents," as an additional insured. Tenant shall provide a certificate of insurance from contractor's insurer to City prior to the commencement of any work in the Leased Premises.

9.03 **Tenant Conduct.** Tenant shall not do or fail to do anything in, upon or about the Leased Premises which will: (i) violate the terms of any of City's insurance policies; (ii) prevent City from obtaining policies of insurance acceptable to City; or (iii) result in an increase in the rate of any insurance on the Leased Premises, or any other property of City. In the event of the occurrence of any of the events set forth in this subsection, Tenant shall pay City, upon demand, as Additional Rent, the cost of the amount of any increase in any such insurance premium, provided that the acceptance by City of such payment shall not be construed as a waiver of any rights by City in connection with a default by Tenant under the Lease.

9.04 **Waiver of Subrogation.** Tenant shall have included in all policies of fire, extended coverage, business interruption, and other insurance respectively obtained by them covering the Leased Premises and contents therein, a waiver by the insurer of all right of subrogation against the City in connection with any loss or damage thereby insured against. Any additional premium for such waiver shall be paid by the Tenant. To the full extent permitted by law, Tenant waives all rights of recovery against the City for, and agrees to release the City from liability for, loss or damage to the extent such loss or damage is covered by valid and collectible insurance in effect at the time of such loss or damage or would be covered by the insurance required to be maintained under this Lease by the Tenant.

9.05 **Payment Bond.** Prior to commencement of construction of any improvements, Tenant shall require its contractor to furnish and provide to City a Material and Labor Payment Bond for the construction of the Tenant Improvements ("Payment Bond") as required by section 255.05, Florida Statutes. The Payment Bond must be issued by an insurance company or surety company acceptable to City and comply with Sections 255.05 and 713.23, Florida Statutes. The amount of the Payment Bond shall be the amount of the construction contract to complete the improvements. The Payment Bond shall remain in effect until the improvements are completed and the certificate of occupancy is issued.

## **ARTICLE X**

### **ALTERATIONS AND ADDITIONS**

#### 10.01 Alterations and Additions.

a. Tenant shall not make, or permit to be made, any alteration, addition, modification or improvement (hereinafter referred to individually as an "Additional Alteration" and collectively as the "Additional Alterations") to the Leased Premises or any part thereof without the prior written consent of City, which consent in each instance, may be withheld, granted, or granted subject to conditions as determined by City in its sole discretion. The installation of furnishings, fixtures,

equipment or decorative improvements and the repainting or re-carpeting of the Leased Premises shall not constitute "Additional Alterations." All alterations, additions or improvements made by the Tenant that are permanently attached become the property of the City at the termination of this Agreement, or City, in its sole discretion, may require Tenant to remove such alterations, additions or improvements and restore the Leased Premises to its original condition.

b. The cost of any Additional Alteration to the Leased Premises shall be borne solely by the Tenant, and all Additional Alterations shall be constructed in compliance with all applicable laws and all requirements imposed by City, including, without limitation, the requirements of any insurer providing coverage for the Leased Premises or any part thereof, and in accordance with plans and specifications approved in writing by City, and shall be constructed and installed by a properly licensed and insured contractor approved in writing by City. In connection with any Alteration, Tenant shall deliver all plans and specifications for any Additional Alterations to the City through its building permit process. City's review and approval of Tenant's plans and specifications for any work performed for or on behalf of Tenant shall not be deemed to be a representation by City that such plans and specifications comply with applicable insurance requirements or that such plans and specifications will be adequate for Tenant's use. As a further condition to giving consent, City may require Tenant to provide City, at Tenant's sole cost and expense, a conditional payment and performance bond in form acceptable to City, in a principal amount not less than one and one-half times the estimated costs of such Additional Alterations, to ensure City against any liability for mechanic's and material men's liens and to ensure completion of work.

Before Additional Alterations may begin, valid building permits or other permits or licenses required must be furnished to City, and, once the Additional Alterations begin, Tenant shall diligently and continuously pursue their completion. Tenant shall maintain during the course of construction, at its sole cost and expense, builders' risk insurance for the amount of the completed value of the Additional Alterations on an all-risk non-reporting form covering all improvements under construction, including building materials, and other insurance in amounts and against such risks as City shall reasonably require in connection with the Additional Alterations.

## **ARTICLE XI**

### **DAMAGE TO OR DESTRUCTION OF LEASED PREMISES**

11.01 In the event the Leased Premises are destroyed or substantially damaged by fire, act of God, act of nature, public enemies, accident or other casualty making them unfit for Tenant's use and occupancy, as determined by both parties, the Lease Term shall at the option of either party upon reasonable notice to the other, terminate as of the date of such damage or destruction. Under those circumstances accrued rent and other costs under this Lease shall be paid up to the time of such damage. If neither party desires to terminate the Lease, City, contingent upon the availability of City funds and other needed resources as determined in the sole discretion of the City, may enter and repair the Leased Premises with reasonable speed and rent shall be waived, but the remaining costs of occupancy shall remain due and owing during any period in which the Leased Premises remain unfit for occupancy. Once the Leased Premises have been restored to a condition which is suitable for occupancy, the Tenant's rental obligation shall commence but may be reduced by a reasonable amount for any period during which repairs continue until such repairs have been completed. If, however, the Leased Premises are only partially destroyed or damaged by such occurrence and City decides to repair same, such repairs shall be made by City without

unreasonable delay and this Lease shall remain in full force and effect, without any abatement of rent or costs of occupancy.

**ARTICLE XII**  
**EMINENT DOMAIN**

12.01 It is understood and agreed that if at any time during the continuance of this Lease, the Leased Premises or the improvements and Building located thereon or any portion thereof be taken, appropriated or condemned by reason of eminent domain, there shall be such division of the proceeds and awards in such condemnation proceedings, and such abatement of Rent and other adjustments made, as shall be just and equitable under the circumstances. If City and Tenant are unable to agree upon what division, annual abatement of Rent or other adjustments are just and equitable within thirty (30) days after such award shall have been made, then the matters in dispute shall by appropriate proceedings, be submitted to a court having jurisdiction of the subject matter of such controversy in Palm Beach County, Florida, for its decision and the determination of the matters in dispute. If the legal title to the entire Leased Premises be wholly taken by condemnation, the Lease shall automatically and without notice be cancelled. If a partial taking by an entity renders the remainder of the Leased Premises unsuitable for the permitted uses set forth herein, then Tenant shall have the right to terminate this Lease as of the date Tenant is required to surrender possession to the condemning authority.

**ARTICLE XIII**  
**COMPLIANCE WITH LAW AND SAFETY**

13.01 **Generally.** Tenant shall, at Tenant's sole expense, observe and comply with all applicable laws, ordinances, codes and regulations of governmental agencies, including federal, state, and municipal bodies having jurisdiction over any or all of the Tenant's activities. All Tenant's activities must be in accordance with these laws, ordinances, codes and regulations, now in force, or which may hereafter be in force. Tenant shall indemnify, defend, and save City harmless from any and all penalties, fines, costs, expenses, suits, claims, causes of action, or damages resulting from Tenant's failure to perform its obligations in this Section as more fully set forth in the indemnification article in this Lease.

13.02 **Notice to City.** If a death, serious personal injury, or substantial property damage occurs in, on, or about the Leased Premises, Tenant shall immediately notify the City by telephone. If any accident occurs on the Leased Premises, Tenant shall promptly submit a written report to City, in such form as City may require. This report shall include the following information: (1) name and address of the injured or deceased person(s) and next of kin, (2) name and address of Tenant's contractor, if any, (3) name and address of Tenant's liability insurance carrier and (4) a detailed description of the accident.

13.03 **Notice to Law Enforcement.** If a release of Hazardous Materials in violation of Environmental Laws occurs on the Leased Premises, Tenant shall immediately notify the City's designated police service provider and Fire Department.

13.04 **Disposal.** Tenant shall, in accordance with Environmental Laws, dispose of all Hazardous Materials used in the course of its operations on the Leased Premises and/or reimburse the City for such costs if the City is required to remove such materials from the Leased Premises.

**ARTICLE XIV**  
**DEFAULT CLAUSE**

14.01 **Tenant's Default.** The occurrence of any one of the following events shall constitute an event of default on the part of Tenant ("Default"):

a. A default by Tenant in the payment when due of any installment of Rent, Additional Rent or any other monies due and payable under the terms of this Lease and the continuation of such default for a period of fifteen (15) days after written notice from City;

b. Failure of Tenant to: 1) pay its financial commitments relating to the operation of the Leased Premises including the costs required under this Lease; or 2) the failure in the performance of any of the other terms, covenants, agreements or conditions contained herein (except those failures specified as events of Default in subsections (a) or any other subsections of this section, which shall be governed by such other sections), and, the continuation of such default for a period of thirty (30) days after written notice by City or beyond the time reasonably necessary for cure if the default is of a nature to require more than thirty (30) days to remedy and Tenant is making diligent, good faith efforts to cure such default;

c. A general assignment by Tenant of Tenant's obligations hereunder, for the benefit of creditors;

d. The filing by or against Tenant of a petition, voluntary or involuntary, for reorganization, or the filing of an involuntary petition by the creditors of Tenant, said involuntary petition remaining undischarged for a period of thirty (30) days after written notice from City.

e. Receivership, attachment, or other judicial seizure of substantially all of Tenant's assets on the Leased Premises, such attachment or other seizure remaining un-dismissed or undischarged for a period of thirty (30) days after the levy thereof and after written notice from City,

f. The failure by Tenant to maintain its legal existence as a Federal tax-exempt organization pursuant to Section 501 (c)(3) of the Internal Revenue Code or its equivalent;

g. The abandonment of the Leased Premises for a period of thirty (30) days after written notice from City;

h. An assignment or sublease, or attempted assignment or sublease, of this Lease or the Leased Premises by Tenant contrary to the provisions of Article 2.01 hereof;

i. Any insurance required to be maintained by Tenant pursuant to this Lease shall be canceled or terminated or shall expire or be reduced or materially changed, except as permitted in this Lease, after written notice from City.

j. Any failure by Tenant to discharge any lien or encumbrance placed on the Leased Premises or any part thereof in violation of this Lease within fifteen (15) business days after written notice from City.

The City may, in its sole discretion, increase any time periods provided above to allow the Tenant more time to cure. Such increases shall be in writing.

#### 14.02 **City's Remedies.**

a. **Termination.** In the event of any Default of any provision of this Lease by Tenant, and in addition to any other remedies available to City at law or in equity and under this Lease, City shall have the immediate option to terminate this Lease and all rights of Tenant hereunder by giving written notice of such

intention to terminate. In the event that City shall elect to so terminate this Lease then City may recover from Tenant:

(1) any amount necessary to compensate City for all losses proximately caused by Tenant's failure to perform its obligations under this Lease including, without limitation: any costs or expenses incurred by City (i) in retaking possession of the Leased Premises; and (ii) in repairing, restoring, cleaning, or rehabilitating the Leased Premises if and to the extent that Tenant breached any of its maintenance obligations hereunder;

(2) such reasonable attorneys' fees incurred by City as a result of a Default, and costs in the event suit is filed by City to enforce such remedy.

#### **ARTICLE XV** **SURRENDER OF THE LEASED PREMISES**

15.01 The Tenant shall, on or before the last day of the Lease Term herein, or the sooner termination thereof, peaceably and quietly leave, surrender and yield upon to the City the Leased Premises, (excluding all equipment, furnishings, appliances, trade fixtures and personal property belonging to or installed by the Tenant which can be removed without material injury to the Leased Premises) free of all liens, claims and encumbrances and rights of others, together with all structural changes, alterations, additions, and improvements which may have been made upon the Leased Premises, in good order, condition and repair, reasonable wear and tear, casualty and taking by power of eminent domain excepted, subject, however, to the subsequent provisions of this Article. Any property which pursuant to the provision of this Article is removable by Tenant on or at the Leased Premises upon the termination of this Lease and is not so removed may, at the option of the City, be deemed abandoned by the Tenant, and either may be retained by the City as its property or may be removed and disposed of at the sole cost of the Tenant in such manner as the City may see fit. If the Leased Premises and personal property be not surrendered at the end of the Lease Term as provided in this Article, the Tenant shall make good to the City all damages which the City shall suffer by reason thereof.

#### **ARTICLE XVI** **LIMITATION OF LIABILITY**

16.01 City desires to enter into this Lease only if in so doing City can place a limit on City's liability for any cause of action for money damages due to an alleged breach by City of this Lease, so that its liability for any such breach never exceeds the sum of \$10,000.00. Tenant hereby expresses its willingness to enter into this Lease with a \$10,000.00 limitation on recovery for any damage action for breach of contract. Accordingly, Tenant hereby agrees that City shall not be liable to Tenant for damages in an amount in excess of \$10,000.00 for any action for breach of contract arising out of the performance or nonperformance of any obligations imposed upon City by this Lease. The foregoing provisions shall not preclude an action by Tenant for specific performance. Nothing contained in this subsection or elsewhere in this Lease is in any way intended to be a waiver of the limitation placed upon City's liability as set forth in Florida Statutes, Section 768.28, as amended from time to time.

#### **ARTICLE XVII** **TENANT COVENANTS**



17.01 The Tenant covenants and agrees to:

- a. Keep and maintain in good order, condition and repair (except for reasonable wear and tear) those portions of the Leased Premises that Tenant is required to maintain hereunder, including without limitation the playground equipment and playground area of the Leased Premises.
- b. Promptly remove litter, graffiti, and trash from the Leased Premises.
- c. Comply with obligations imposed by applicable building and housing codes materially affecting health and safety, to the extent that such codes affect those aspects of the Leased Premises that Tenant is required to maintain hereunder. Tenant shall use all appliances and all electrical, plumbing, sanitary, heating, ventilating, air conditioning and other systems in a reasonable and safe manner.
- d. Pay all costs resulting from the intentional or negligent destruction, damage or removal of any part of the Leased Premises by the Tenant.
- e. The Tenant shall not deliberately or negligently destroy, deface, damage, impair, or remove any part of the Leased Premises or permit any other person to do so. Tenant shall be liable for all costs and expenses necessary to repair or replace the Leased Premises or any portion thereof as a result of such deliberate or negligent acts. Tenant shall not commit or permit any waste or nuisance on or about the Leased Premises nor do anything that might create a hazard of fire on or within the Leased Premises.

#### **ARTICLE XVIII** **ADDITIONAL TERMS**

18.01 **Permits and Licenses.** Tenant shall maintain all required State, County or City permits and/or licenses for its use, including but not limited to, a City of Lake Worth Beach Business Tax Receipt and Use and Occupancy Certificate, if applicable.

18.02 **Protection of Property.** Tenant shall insure its property against risk of loss, theft or damage at all times, and the City shall not be held responsible. Tenant shall absorb any and all costs associated with damage to the Leased Premises resulting from any kind of damage, such as, but not limited to: theft, vandalism, power outages, fire and/or natural events such as, but not limited to; hurricanes, flooding, rainstorms, wind damage or peril. Tenant shall, at all times, guard against damage or loss to the property of the City.

18.03 **Compliance with Laws.** Tenant, at its sole cost and expense, shall promptly comply with all laws, statutes, ordinances and governmental rules, regulations or requirements now in force or which may hereafter be in force; with the requirements of any board of fire underwriters or other similar body now or hereafter constituted; with any direction or occupancy certificate issued pursuant to any law by any public officer or officers; and with the provisions of all recorded documents affecting the Leased Premises, insofar as any thereof relate to or affect those aspects of the Leased Premises which Tenant is required to maintain hereunder or to Tenant's use or occupancy of the Leased Premises. Tenant shall comply with Florida's Public Records Act, Chapter 119, Florida Statutes, as it relates to this Lease.

18.04 **Corporate Authority.** Each of the persons executing this Lease on behalf of Tenant represents and warrants that it is a duly organized and existing Florida corporation that is tax-exempt under

Section 501 (c)(3) of the Internal Revenue Code, that Tenant has full right and authority to enter into this Lease, and that the persons signing on behalf of Tenant were authorized by Tenant to do so on its behalf. Each of the persons executing this Lease on behalf of City represents and warrants that he/she has full right and authority to enter into this Lease on behalf of City, and that the persons signing on behalf of City were authorized by City to do so on its behalf.

18.05 **No Waiver**. The waiver by either party of any agreement, condition or provision herein contained shall not be deemed to be a waiver of any subsequent breach of the same or any other agreement, condition or provision herein contained, nor shall any custom or practice which may grow up between the parties in the administration of the terms hereof be construed to waive or to lessen the right of City or Tenant to insist upon the performance in strict accordance with such terms. The subsequent acceptance of Rent hereunder by City shall not be deemed to be a waiver of any preceding breach by Tenant of any agreement, condition or provision of this Lease, other than the failure of Tenant to pay the particular rental so accepted, regardless of City's knowledge of preceding breach at the time of acceptance of Rent.

18.06 **Non Discrimination**. Tenant specifically covenants and agrees that Tenant shall not discriminate against or segregate any person or group of persons on account of race, color, religion, sex, sexual orientation, gender identity or expression, national origin, age, disability, familial status or marital status, in the occupancy, use, sublease, tenure or enjoyment of the Leased Premises.

18.07 **Notices**. All notices and elections (collectively, "Notices") required or permitted to be given or delivered by or to any party hereunder, shall be in writing and shall be (as elected by the party giving such notice) hand delivered by messenger, courier service or prepaid overnight delivery service, by electronic transmission producing a written record, or alternatively shall be sent by United States Certified Mail, with Return Receipt Requested. The effective date of any Notice shall be the date of delivery of the Notice if by personal delivery, courier services or prepaid overnight delivery service, or if mailed, upon the date which the return receipt is signed or delivery is refused or the Notice designated by the postal authorities as non-deliverable, as the case may be. The parties hereby designate the following addresses as the address to which Notices may be delivered, and delivery to such address shall constitute binding notice give to such party:

**If to City:**

City of Lake Worth Beach  
7 N. Dixie Highway  
Lake Worth Beach, Florida 33460  
Attn: City Manager

**With a Copy to:**

City of Lake Worth Beach  
Attn: City Attorney  
c/o Torcivia, Donlon, Goddeau & Rubin, P.A.  
701 Northpoint Parkway  
Suite 209  
West Palm Beach, Florida 33407

**If to Tenant:**

Lutheran Services Florida, Inc.  
3627A W. Waters Avenue  
Tampa, Florida 33614

Attn: Contracts Department  
(with a copy to: [contracts@lsfnet.org](mailto:contracts@lsfnet.org))

Or such other address as the City or Tenant may designate in writing.

18.08 **Time is of the Essence.** Time is of the essence with respect to the Tenant's payment of all Rent and other costs required under this Lease and with respect to the Tenant's performance of every provision of this Lease in which time of performance is a factor.

18.09 **Successors and Assigns.** All rights and obligations granted or imposed by this Lease, and each and every provision hereof, except as herein otherwise specifically provided, shall extend to, bind and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

18.10 **Governing Law and Venue.** This Lease shall be construed and interpreted, and the rights of the parties hereto determined, in accordance with Florida law. City and Tenant submit to the jurisdiction of Florida courts and federal courts located in Florida. The parties agree that proper venue for any suit concerning this Lease shall be Palm Beach County, Florida, or the Federal Southern District of Florida. Tenant agrees to waive all defenses to any suit filed in Florida based upon improper venue or forum nonconveniens.

18.11 **Waiver of Jury Trial.** City and Tenant each waive the right to a trial by jury in any action or proceeding based upon, or related to, the subject matter of this Lease. This waiver is knowingly, intentionally, and voluntarily made by each party and each party expressly acknowledges that neither the other party nor any person acting on behalf of the other party has made any representations of fact to include this waiver of trial by jury or in any way to modify or nullify its effect. Each party acknowledges to the other that it has read and understands the meaning and effect of this waiver provision.

18.12 **Integrated Lease; Preparation.** This Lease and the Exhibits attached hereto and forming a part hereof, constitute all covenants, promises, agreements, representations, conditions and understandings between the City and Tenant concerning the Leased Premises, and there are no covenants, promises, representations, conditions or understandings by any party or the agent of any party hereto, either oral or written, between the parties or relied upon by the parties, other than are herein set forth. No subsequent alteration, modification, deletion, change or addition to this Lease shall be binding upon the City or Tenant unless same shall be in writing and signed by City and Tenant. This Lease shall not be construed more strongly against either party regardless of who was more responsible for its preparation.

18.13 **Third Party Beneficiary.** Nothing contained in this Lease shall be construed so as to confer upon any other party the rights of a third-party beneficiary.

18.14 **Radon Gas.** Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from the Palm Beach County Public Health Unit.

18.15 **Americans with Disabilities Act.** Notwithstanding anything to the contrary contained herein, Tenant, at its sole cost and expense, shall cause all alterations, additions, improvements and repairs

to the Leased Premises to comply with the provisions of the Americans with Disabilities Act and other similar federal, state, and local laws and regulations, including, without limitation, any alterations required under ADA for the purposes of "public accommodations" (as that term is used in the ADA).

18.16 **No Partnership Relationship.** It is understood and agreed that City shall in no event be construed or held to be a partner or associate of Tenant in the conduct of Tenant's business, nor shall City be liable for any debts incurred by Tenant in the conduct of Tenant's business, but it is understood and agreed that the relationship is and at all times shall remain that of City and Tenant.

18.17 **Forces of Nature.** Neither party shall be considered in default in the performance of its obligations hereunder or any of them, except as provided in Article XV (Surrender of the Premises), if such obligations were prevented or delayed by any cause, existing or future beyond the reasonable control of such party which include but are not limited to acts of God, labor disputes or civil unrest. When a force majeure affects the performance of the Lease, the party that is affected shall promptly notify the other party and submit to the other party a sufficient and valid proof of force majeure; otherwise, the corresponding liability shall not be waived. Contingent upon proper notice being delivered, any delays beyond the control of either party shall automatically extend the time schedule as set forth in this Lease by the period of any such delay. However, if the party affected by the force majeure fails to resume performance of the relevant obligations after the force majeure has passed, such party shall be liable to the other party in this regard.

18.18 **Interpretation.** Each of the parties hereto acknowledges that they have been represented by their own counsel throughout the negotiations and drafting of this Lease and therefore none of the parties hereto shall claim or assert that any provisions of this Lease should be construed against the drafter of this Lease.

18.19 **Severability; Survivability.** If any term or provision of this Lease, or the application thereof to any person or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of the Lease, or the application of such terms or provision, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision shall be deemed valid and enforceable to the extent permitted by law. Any provision of this Lease which is of a continuing nature or imposes an obligation which extends beyond the term of this Lease shall survive its expiration or earlier termination.

18.20 **Counterparts.** This Lease may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which shall constitute one and the same agreement.

18.21 **Headings.** The headings of the sections of this Lease are inserted for convenience only and do not alter or amend the provisions that follow such headings.

18.22 **Fiscal Non-Funding.** Landlord understands that the Tenant's Lutheran Services Florida Head Start program is funded by a Federal grant. Therefore, if the grant is eliminated or substantially reduced, the Tenant will be allowed to terminate the Lease with thirty (30) days' prior written notice with no penalty.

18.23 **Public Entity Crimes.** As provided in sections 287.132-133, Florida Statutes, as amended from time to time, by entering into this Lease, the Tenant certifies that it and its affiliates have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the Effective Date hereof.

IN WITNESS WHEREOF, City and Tenant have caused this Lease Agreement to be executed the day and year first above aforesaid.

CITY OF LAKE WORTH BEACH

ATTEST:

By: \_\_\_\_\_  
Betty Resch, Mayor

By: \_\_\_\_\_  
Melissa Ann Coyne, MMC, City Clerk

STATE OF FLORIDA  
COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2024, by Betty Resch, as Mayor of the City of Lake Worth Beach, Florida. She is personally known to me.

\_\_\_\_\_  
Notary Public, State of Florida  
\_\_\_\_\_  
Print/Type Name

LUTHERAN SERVICES FLORIDA, INC.

By: \_\_\_\_\_  
Bob Bialas  
Print Name  
Executive Vice President of Head start services  
Print Title

STATE OF FLORIDA  
COUNTY OF Palm Beach

The foregoing instrument was acknowledged before me by  physical presence or  online notarization this 19th day of August, 2024 by Bob Bialas, as the EVP of Head Start of Lutheran Services Florida, Inc. He/She is personally known to me or produced the following identification: FL Driver's License.

Notary Seal:

\_\_\_\_\_  
Notary Public, State of Florida  
Tracey Quinteros  
Print/Type Name

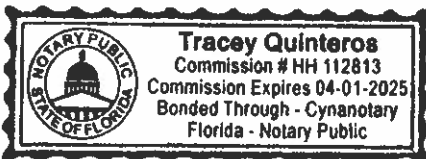
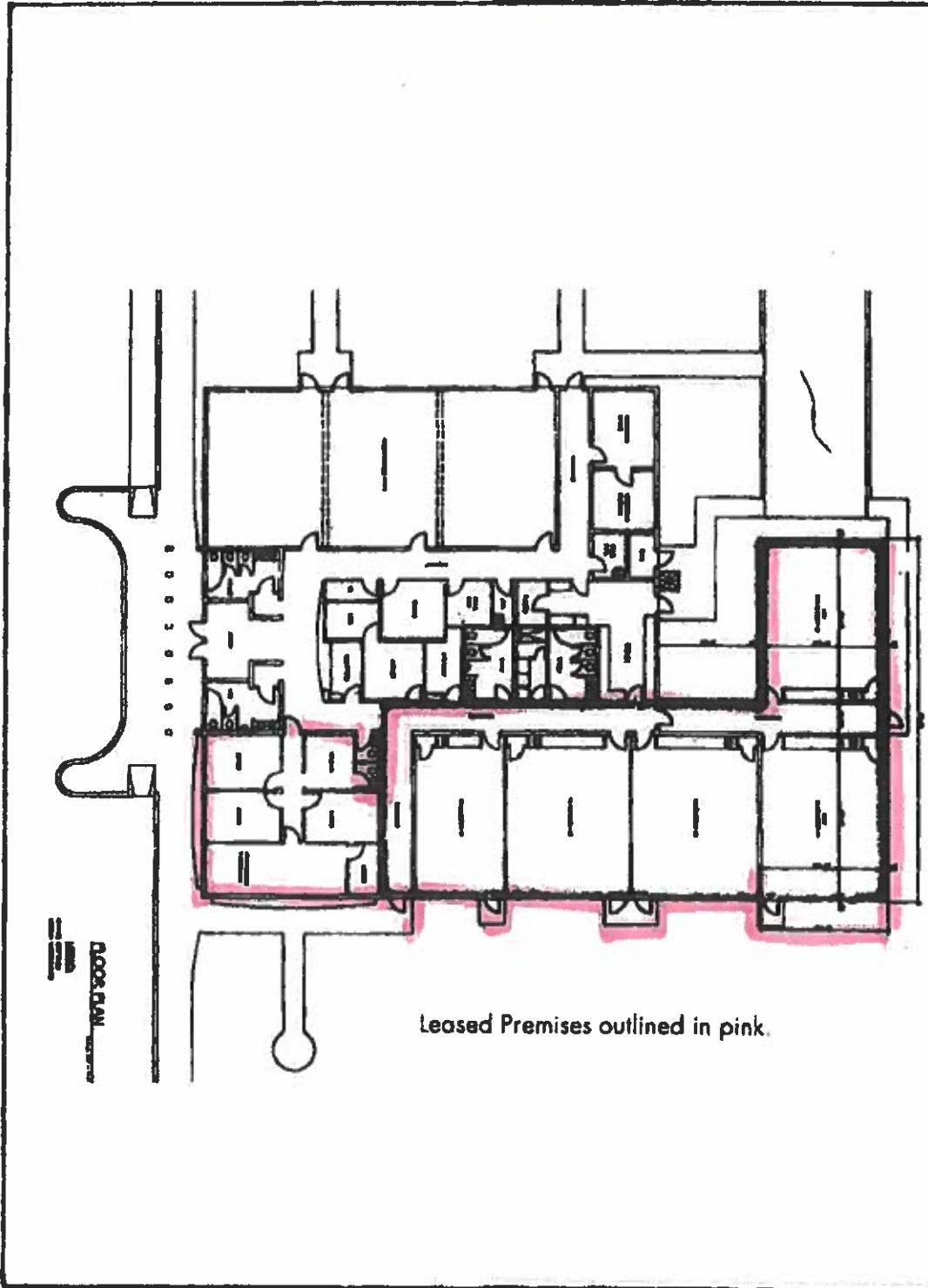


EXHIBIT A



Leased Premises outlined in pink.



LARK WORTH  
HEADSTART ADDITIONS



PALM BEACH COUNTY  
Housing, Community & Economic  
Capital Improvements Division  
West Palm Beach, Florida (561) 832-4200