

## Lease of Property

This agreement, made this 1<sup>st</sup> day of November, 1991, between the City of Lawrence, Kansas, a municipal corporation, (hereinafter called the Lessor) and Healthcare Access, Inc., (hereinafter called the Lessee):

That the Lessor has agreed to let and hereby does let unto the Lessee, and the Lessee does hereby take and hire from the Lessor the building situated and being, 1920 Moodie Road, in the City of Lawrence, Douglas County, State of Kansas, to be used as a health care center for lower income persons for the term of three (3) years to commence on the 1st day of November, 1991, and to end on the 31st day of October, 1994. The said term of lease shall be subject to the limitations and conditions hereinafter mentioned.

The Lessee fully understands and agrees that in order to preserve harmonious relations with any neighbors or other residents, and to protect the City's interests in the property, the Lessor must establish and maintain reasonable sets of rules and conditions for occupancy, as enumerated in this lease.

1. Lessee shall pay the rent at the times and in the manner provided: At the rate of One Dollar (\$1.00) per year for the said term, payable in advance, upon the execution of this agreement.
2. Lessee shall comply with all laws and ordinances now or hereafter affecting the premises or the use thereof, and save Lessor harmless from expense or damage resulting from failure to do so.
3. Lessee shall become aware of and comply with Department of Housing and Urban Development (HUD) requirements as outlined in Attachment A.
4. Lessee shall keep the grounds around the immediate vicinity of the building neat, orderly, and free from litter. The Lessor shall be responsible for cutting and trimming of the lawn, shrubbery and other basic grounds care deemed necessary by the Lessor.
5. Lessee shall permit Lessor and their agents to enter upon the premises or any part thereof, during weekday business hours upon reasonable advance notice, for the purpose of examining the same, and for making such repairs or alterations as may be found necessary by the Lessor for the safety or preservation of the premises.
6. Lessee shall allow no alteration, addition or improvements to be made in or to the premises or surrounding ground without the consent of the Lessor in writing. All additions and improvements of a permanent nature shall belong to the Lessor.
7. Lessee shall limit the hours that the Center is open to the public between the hours of 7:00 a.m. and 6:30 p.m., Monday through Friday, and shall allow no overnight use of the premises. After-hours use of the premises other than prohibited overnight use shall only occur with approval of the Director of Healthcare Access, Inc.
8. Lessee shall contact and receive written authorization from the Lessor for any exceptions or any other limitations pertaining to this lease agreement.
9. Lessee shall not assign, let or underlet said premises or any part thereof.
10. Lessee shall submit a report every six months with content as requested by the Lessor regarding its services and operations, and meet with the Lessor about such report. The Lessee further understands its occupancy may be subject to immediate review when the Lessor has reasonable cause to believe the Lessee has not complied with any provision of this lease.
11. Lessee shall allow no major storage or warehousing of items on or about the premises, except as approved in writing by the Lessor.
12. Lessee shall allow no consumption or use of alcoholic beverages or illegal substances on or about the premises, or use of the premises for any purpose hazardous or contrary to law.

13. Lessee shall allow no birds, cats, dogs or other animals except seeing-eye dogs on or to be kept by the Lessee on the premises.
14. Lessee shall, during the term of the lease, agree to use the premises exclusively for Healthcare Access, Inc. programs and services. Lessee agrees not to undertake additional programs or services without the prior written approval of Lessor.
15. Lessee shall hire in its own name all personnel necessary for the efficient discharge of the duties of the Lessee hereunder. The supervision and compensation of such personnel shall be the exclusive responsibility of the Lessee.

It is further agreed, that:

The Lessor agrees to pay all property taxes and special assessments levied against the property.

The Lessee agrees to pay for gas, electricity, telephone service, water, and any other utilities used on the premises.

Lessor shall keep the premises insured at all times for fire and extended coverage. Lessee shall provide coverage on its contents. In addition, Lessee shall provide liability coverage in an amount of not less than \$500,000 and covenants to save Lessor harmless from all loss, liability, cost or damage that may occur or be claimed with respect to any person or persons, corporation, property or chattels on or about the leased premises or to the property itself resulting from any act or omission by or through the Lessee, its agents, employees, invitees, or any person on the premises by reason of the Lessee's use or occupancy or resulting from Lessee's non-use, or possession of said property and any and all loss, costs, liability, or expense resulting therefrom; and at all times to maintain said premises in a safe and careful manner. Lessee agrees to name Lessor as an insured, as its interests appear, on its liability insurance policy. The Lessee shall also deliver upon execution of this lease and thereafter annually in October a certified copy of the policy to the City Clerk of Lawrence.

The Lessee shall cause each insurance policy carried by Lessee and insuring its fixtures and contents against loss, to be written in a manner so as to provide that the insurance company waives all right of recovery by way of subrogation against Lessor in connection with any loss or damage covered by any such policy.

The Lessee shall not place a permanent sign or lettering on or about the premises without the prior written approval of Lessor, but is permitted to hang a sign in the window or to post directional reference signs which would not involve physical alteration of the premises.

It shall be the duty of the Lessee at all times during the term of this lease to operate and maintain the Healthcare Access, Inc. according to the highest standards achievable and consistent with the provisions of this lease in the interests of the Lessor and overall plan of the Healthcare Access, Inc. It is further understood the Lessee will not use the property for commercial purposes.

For good cause, Lessor or Lessee at any time during the lease period may seek renegotiation of any term or condition of the lease provisions.

Should the Lessee desire to negotiate for an extension of or renewal of the lease provisions beyond its stated period, it shall be the responsibility of the Lessee to initiate contact with the Lessor six months prior to the stated termination of the lease, in order to ascertain the Lessor's willingness to negotiate an extension or renewal of the lease.

It is expressly understood and agreed that the stipulations contained in this lease shall be limitations of this lease and in case of a violation of any one or more of such stipulations, this lease shall at the option of the Lessor become null and void and the estate and term hereby granted shall cease and terminate but without prejudice of any right of action on the part of the Lessor for damages of any such violation, provided that any violation of any of the stipulations or default in any provision of the lease alleged by Lessor shall not cause the lease to become null and void or otherwise terminate unless such violation or default continues for ten (10) days after written notice thereof to Lessee.

Any notice required by the lease shall be sufficient if sent by certified mail addressed to Lessee at the premises and to Lessor at City Hall.

This lease contains the entire agreement between the parties and no modification shall be binding upon the parties unless evidenced by an agreement in writing signed by the Lessor the Lessee after the date hereof.

The below signed persons state that they are empowered to bind the respective parties by affixing their signatures.

Betty Smith-Campbell  
Betty Smith-Campbell, President of Board of Directors  
Healthcare Access, Inc.

Judy Eyerly  
Judy Eyerly, Director of Healthcare Access, Inc.

By: Mike Wildgen  
Mike Wildgen, City Manager

City of Lawrence, Kansas  
a Municipal Corporation

Raymond J. Hummert  
Attest: Raymond J. Hummert, City Clerk