



CITY OF DANBURY

OFFICE OF THE MAYOR
155 DEER HILL AVENUE
DANBURY, CONNECTICUT 06810

MARK D. BOUGHTON
MAYOR

(203) 797-4511
FAX (203) 796-1666
m.boughton@danbury-ct.gov

July 29, 2013

Hon. Members of the City Council
155 Deer Hill Avenue
Danbury, CT 06810

Re: Proposed Lease of Head Start Building
37 Foster Street

Dear Council Members:

As you will recall, as part of the overall elementary schools' construction work, the Head Start program was to have been and has been transferred to and housed in the new Head Start building on Foster Street.

The attached proposed lease agreement needs your review and consideration. Kindly refer it to a committee, and the Planning Commission as appropriate at your earliest opportunity, so this can be finalized for the Head Start school program.

Please do not hesitate to call if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Boughton".

Mark D. Boughton
Mayor

Vty
MDB

attachment

37 FOSTER STREET, DANBURY, CONNECTICUT

THIS LEASE AGREEMENT is entered into this _____ day of _____, 2013, between the **City of Danbury**, 155 Deer Hill Avenue, Danbury, Connecticut 06810, a municipal corporation, organized and existing under and by virtue of the laws of the State of Connecticut, acting herein by Mark D. Boughton, its Mayor, hereunto duly authorized, hereinafter referred to as LESSOR, and **CIFIC 37 Foster Holding Corp.**, a Connecticut corporation, with a principal office at 7 Old Sherman Turnpike, Suite 212, Danbury, Connecticut 06810, acting herein by James H. Maloney, its President & Chief Executive Officer, hereunder duly authorized, hereinafter referred to as the LESSEE, for and in consideration of the covenants and consideration contained herein, agree as follows:

1. LEASED PREMISES.

The LESSOR hereby leases to LESSEE and the LESSEE hereby leases from LESSOR, the building and improvements located at 37 Foster Street in the City of Danbury, County of Fairfield and State of Connecticut, and all appurtenances thereto, all as more specifically detailed in Schedule A attached hereto and made a part hereof, hereinafter referred to as the "leased premises." The leased premises shall be used for the Early Head Start, Head Start and School Readiness Programs of Connecticut Institute For Communities, Inc. (hereinafter "CIFIC"), and its related services. CIFIC is a non-profit, community development corporation with an office at 7 Old Sherman Turnpike, Suite 212, Danbury, Connecticut and is the local sponsor of said programs, with which CIFIC 37 Foster Holding Corp., the LESSEE, is affiliated. Except as otherwise provided for herein, the LESSEE leases the leased premises in "as is" condition and agrees that no representation has been made by LESSOR to LESSEE respecting the condition of said leased premises. Further, LESSEE leases the leased premises after an examination thereof, including the surface condition, and except as expressly otherwise provided herein, without any representations or warranties by Lessor with respect thereto. The leased premises and parking are leased to LESSEE subject to all applicable municipal, state and federal zoning regulations and to encumbrances, if any, and any other restrictions of record.

2. TERM.

The term hereof shall commence upon the execution of this lease by both parties and shall continue for a period of TWENTY FIVE (25) consecutive years, unless sooner terminated by three hundred and sixty-five (365) days' advance written notice.

3. OPTION PERIODS.

In addition to the foregoing term, the LESSEE shall have the right to exercise two (2) ten (10) year options upon the terms described herein. If the LESSEE elects to exercise one or both of said options, it shall give notice thereof to the LESSOR, in writing, not less than 90 days prior to the expiration of the then current lease term.

4. RENT.

The LESSEE agrees to pay the sum of One dollar (\$1.00), upon signing of this lease, as rent for the initial term hereof. In the event that the LESSEE elects to exercise one or both of the ten (10) year options described herein, the rent for each such option period shall be fixed in the amount of one dollar (\$1.00), due on or before the anniversary of the effective date of this lease.

5. BUILDING COSTS.

The LESSEE shall be independently billed for and responsible for all building utility costs, including the cost of water, sewer, electricity, hot water, heat, maintenance, janitorial services, air conditioning, and alarm services and/or security services, including internet, cable and telephone services including those specified in Section 26 hereof. The LESSOR shall also be responsible for expenses relating to normal maintenance or repair of facilities at the premises necessary to provide the utilities or services as above identified.

6. ASSIGNMENT AND SUBLETTING.

The LESSEE agrees that it shall not assign or sublet the whole or any part of the leased premises or any interest of the LESSEE hereunder without the prior written consent of the LESSOR, except to Connecticut Institute For Communities, Inc. (CIFC). Any other or further assignment or subletting without the prior written consent of the LESSOR, including assignment by operation of law, shall be null and void and shall constitute a default under this lease agreement and LESSOR, at LESSOR's option, may exercise its remedies under the default provisions provided for herein. A consent to any other assignment or sublease by the LESSOR shall

not release the prohibition as to assignment and sublease or constitute a consent to any other assignment or sublease.

7. SIGNS AND RIGHTS TO EXTERIOR.

The LESSEE shall not display or erect any lettering, sign, advertisement, awning or other projection in or on the leased premises or in or on the building of which it forms a part, without the prior written consent of the LESSOR, except for signage related to the programs operated at the leased premises.

8. INDEMNIFICATION BY LESSEE.

The LESSEE agrees to indemnify and save the LESSOR harmless against and from any and all cost, expense, liability or damage relating to or arising from claims by or on behalf of any person or persons, firm or firms, corporation or corporations, arising from the conduct or management of or from any work or thing whatsoever done by or on behalf of the LESSEE in or about the leased premises or parking areas, from and after the commencement of the term of this lease, and will further indemnify and save the LESSOR harmless against and from any and all claims arising during the term of this lease from any condition of the leased premises or parking areas arising from any act of negligence of the LESSEE or any of its agents, contractors, servants, employees or licensees, or arising from any accident, injury or damage whatsoever caused to any person, firm or corporation, occurring during the term of this lease, in or about the leased premises or parking areas arising from any act of negligence of the LESSEE or any of its agents, contractors, servants, employees or licensees and from and against any such claim or proceeding brought against the LESSOR by reason of any such claim. The LESSEE, upon written notice from the LESSOR, covenants to resist or defend such action or proceeding by counsel reasonably satisfactory to the LESSOR. Notwithstanding the foregoing, legal counsel appointed by the LESSEE's insurance carrier to represent the LESSOR shall be deemed to be reasonably satisfactory to the LESSOR.

The LESSOR agrees to indemnify and save the LESSEE harmless against and from any and all cost, expense, liability or damage relating to or arising from claims by or on behalf of any person or persons, firm or firms, corporation or corporations, arising from the conduct or management of or from any work or thing whatsoever done by or on behalf of the LESSOR in or about the leased premises or parking areas, from and after the commencement of the term of this lease, and will further indemnify and save the LESSEE harmless

against and from any and all claims arising during the term of this lease from any condition of the leased premises or parking areas arising from any act of negligence of the LESSOR or any of its agents, contractors, servants, employees or licensees, or arising from any accident, injury or damage whatsoever caused to any person, firm or corporation, occurring during the term of this lease, in or about the leased premises or parking areas arising from any act of negligence of the LESSOR or any of its agents, contractors, servants, employees or licensees and from and against any such claim or proceeding brought against the LESSEE by reason of any such claim. The LESSOR, upon written notice from the LESSEE, covenants to resist or defend such action or proceeding by counsel reasonably satisfactory to the LESSEE. Notwithstanding the foregoing, legal counsel appointed by the LESSOR's insurance carrier to represent the LESSEE shall be deemed to be reasonably satisfactory to the LESSEE.

9. NOTICE.

Any notice which is to be given to either party hereunder shall be given by certified mail, postage prepaid, to such party at its address listed below or such other address as said party may from time to time designate in writing. Any notice given to LESSEE or LESSOR shall also be given to any assignee or sublessee of the LESSEE and all notices to an assignee or sublessee of LESSEE shall also be sent to LESSEE.

As to LESSOR:

City of Danbury
ATTN: Superintendent of Public Buildings
155 Deer Hill Avenue
Danbury, Connecticut 06810

As to LESSEE:

Connecticut Institute for Communities, Inc.
ATTN: President & CEO
7 Old Sherman Turnpike, Suite 212
Danbury, Connecticut 06810

10. DEFAULT BY LESSEE.

The LESSOR and the LESSEE agree that the occurrence of any one or more of the following events shall constitute a default under this Lease:

- 1-5
- (a) The voluntary assignment by the LESSEE of this lease or subleasing the leased premises or parking areas, or any part thereof, without the prior written approval of the LESSOR.
 - (b) LESSEE's substantial failure to observe or perform any of the other material covenants, conditions, or provisions of this lease agreement to be observed or performed by the LESSEE, and the LESSEE's failure to cure such default within fifteen (15) days after written notice thereof to the LESSEE.
 - (c) If there shall be filed by or against the LESSEE in any court or other tribunal pursuant to any statute or other rule of law a case or proceeding or petition in bankruptcy or for insolvency proceedings or for reorganization or arrangement or for appointment of a receiver or trustee, or if a receiver be appointed for the LESSEE of all or a substantial portion of its property or if an assignment for the benefit of creditors is made by the LESSEE.
 - (d) If the LESSEE vacates or abandons the premises for any period of time exceeding thirty (30) consecutive days without written notification to the LESSOR.

11. REMEDIES.

Upon the occurrence of any one or more such events of default, LESSOR may terminate this lease. Upon termination of this lease, LESSOR may re-enter the premises with process of law using such force as may be necessary, and remove all persons, fixtures, and chattels therefrom and LESSOR will not be liable for any damages resulting therefrom. Upon termination of this lease, LESSOR will be entitled to recover from the LESSEE, as damages (1) all rent and other sums due and payable by LESSEE on the date of termination; (2) all sums due during the balance of the term of this lease, together with all expenses relating to recovery of the leased premises and preparation for reletting, including, without limitation, brokerage and management commissions, operating expenses, reasonable attorney's fees, alterations costs; and (3) the cost of performing any other covenant to be performed by LESSEE up until the date of termination. In addition to the foregoing, the LESSOR shall have the right to pursue any other remedies available to it at law or in equity.

Any and all property belonging to LESSEE or to which LESSEE is or may be entitled which may be removed from the premises by LESSOR pursuant to the authority of this lease or applicable law, may be handled, removed, or stored in a commercial warehouse or otherwise by LESSOR at LESSEE's risk, cost, and

expense and LESSOR shall in no event be responsible for the value, preservation or safekeeping thereof. ¹⁻⁶
LESSEE shall pay to LESSOR, upon demand, any and all expenses incurred in such removal and all storage charges for such property so long as the same shall be in LESSOR's possession or under the LESSOR's control.

LESSOR's re-entry upon the leased premises or demand for possession thereof or LESSOR's notice to LESSEE that the tenancy hereby created will be terminated on the date therein set forth or in the institution of an action for forcible detainer or ejectment or the entering of a judgment for possession in such action or any other act or acts resulting in the termination of LESSEE's right to possession of the leased premises, shall not relieve LESSEE from LESSEE's obligation to pay all sums due hereunder during the balance of the term, except as herein expressly provided. The LESSOR may collect and receive any rent or other sums due from LESSEE and the payment thereof shall not constitute a waiver of or affect any notice or demand given, suit instituted or judgment obtained by LESSOR, or be held to waive, affect, change, modify or alter the rights or remedies which LESSOR has against LESSEE in equity or at law or by virtue of this lease.

If LESSEE at any time fails to make any payment or perform any other act on its part to be made or performed under this lease, LESSOR may, but shall not be obligated to, after reasonable notice or demand and without waiving or releasing LESSEE from any obligation under this lease, make such payment or perform such other act to the extent LESSOR may deem desirable and in connection therewith to pay expenses and employ counsel. All sums so paid by LESSOR shall be payable upon demand, together with interest thereon at the legal rate permitted by Connecticut law and LESSOR shall have the same rights and remedies for nonpayment thereof as in the case of default in the payment of rent thereunder.

12. INTERPRETATION OF LEASE AGREEMENT.

If any provision of this lease is contrary to the law of the State of Connecticut, each such provision shall be deemed stricken herefrom and the balance of this Lease shall remain fully in effect. The term "LESSOR" and "LESSEE" and any pronoun referring thereto shall be deemed to include their respective successors and assigns without regard to gender or number wherever the context so permits. The captions to each article are used for convenience only and are not to be considered a part of this agreement nor used in interpreting it.

13. APPROVALS AND PERMITS FOR LESSEE'S BUSINESS.

1-7

The LESSEE shall have the sole obligation to obtain all necessary approvals and permits for the operation of the leased premises and shall promptly execute, prosecute and comply with all municipal, state and federal statutes, ordinances, rules, orders and regulations applicable to the LESSEE's operation.

14. ATTORNEY'S FEES.

If suit is brought by LESSOR for any unlawful detainer of the leased premises or for recovery of any rent or other sums due under the provisions herein, LESSEE agrees to pay LESSOR all costs in connection with collection or enforcement thereof, including but not limited to reasonable attorney's fees, provided that the action or actions proceed to judgment in LESSOR's favor.

If suit is brought by LESSOR for default of any of the other covenants contained herein, LESSEE agrees to pay LESSOR all costs in connection with collection or enforcement thereof, including but not limited to reasonable attorney's fees, provided that the action or actions proceed to judgment in the LESSOR's favor.

If suit is brought by LESSEE for default of any of the covenants contained herein, then LESSOR agrees to pay LESSEE all costs in connection with enforcement thereof, including but not limited to reasonable attorney's fees, provided that the action or actions proceed to judgment in the LESSEE's favor.

15. LESSOR'S RIGHT OF ENTRY.

The LESSOR, its agents or representatives may enter the leased premises, upon reasonable notice to the LESSEE, provided there is no interference with LESSEE's business, for the purpose of (a) inspection thereof to insure compliance with the terms and conditions of this lease agreement; (b) exhibiting said premises to prospective purchasers or other persons.

16. INSURANCE COVERAGE BY LESSEE.

At all times during the lease term, LESSEE, at its sole expense, and for the mutual benefit of the LESSOR and LESSEE, shall procure, carry and maintain comprehensive public liability insurance policy, including property damage, insuring LESSOR and LESSEE against liability for injury to persons or property occurring in or about the leased premises or arising out of the ownership, maintenance, use or occupancy thereof. The liability under such insurance shall not be less than ONE MILLION DOLLARS (\$1,000,000.00) for bodily injury and property damage on a Combined Single Limit basis, ONE MILLION DOLLARS

1-8

(\$1,000,000.00) aggregate together with Excess Liability coverage in an amount not less than FIVE MILLION DOLLARS (\$5,000,000). The LESSOR shall be named on said policy as an additional insured.

The insurance policy listed above shall be maintained in force throughout the lease term and shall name LESSOR and LESSEE as insured as their respective interests may appear. Further, the policy shall be for not less than one year and shall contain a provision that it cannot be canceled or terminated for failure to renew, or modified unless the LESSOR is given thirty (30) days prior written notice. A certificate of each policy or renewal policy shall be presented to the LESSOR at the commencement of the lease term and at the commencement of each subsequent lease year. The above amounts shall be reviewed at the end of each year of the lease term and at the option of the LESSOR may be reasonably increased.

17. TRADE FIXTURES

The LESSEE shall have the right to install trade fixtures necessary to its business operations without prior approval of the LESSOR. The LESSEE shall remove any trade fixtures at the conclusion of its tenancy and will restore the leased premises to its original condition, reasonable wear and tear excepted.

18. LESSEE RENOVATIONS -- LESSOR'S APPROVAL OF PLANS.

It is understood by the parties hereto that the LESSEE shall undertake no renovations or improvements to the leased premises, with the exception of the installation of trade fixtures detailed in Section 17 of this Agreement, without the prior written approval of the LESSOR. Prior to undertaking any such renovations the LESSEE shall submit for LESSOR'S approval, prior to LESSEE's submission to municipal, state or federal land use or licensing agencies, or prior to the commencement of construction of any renovations or improvements to the leased premises, all plans and specifications, including but not limited to architecture renderings, engineering plans, landscape design and site plans (all hereinafter referred to as "plans"). The LESSOR's approval of said plans shall not be unreasonably withheld. Prior to commencing any such work, LESSEE shall, at LESSEE's own cost and expense, deliver to LESSOR a General Accident and Public Liability Policy. In addition, the LESSEE shall concurrently deliver to the LESSOR a Builder's Risk Policy, protecting against physical damage to the leased premises during the construction period. Further, at least ten (10) days before commencing such work, LESSEE shall notify LESSOR of LESSEE's intention to commence the same and LESSEE shall pay the increased premiums, if any, charged by the insurance companies, if any, carrying

insurance on said building, to cover the additional risk during the course of such work. The LESSEE shall submit to LESSOR a final certificate of occupancy upon completion of any such work.

19. OWNERSHIP AND REMOVAL.

All improvements in or upon the leased premises, with the exception of trade fixtures referenced in Section 17 of this Agreement, whether placed there by the LESSEE or by the LESSOR, shall, at the termination of this lease by lapse of time or otherwise, become the LESSOR'S property and shall remain upon the leased premises without compensation or allowance or credit to the LESSEE, unless LESSOR requests LESSEE to remove such items, in which event, LESSEE shall cause such removal. All personal property of LESSEE, including trade fixtures not owned by LESSOR, may be removed by LESSEE prior to the termination of this lease if LESSEE so elects and such property or any portion thereof will be removed if required by LESSOR; upon any such removal, LESSEE will restore the leased premises to its original condition, reasonable wear and tear excepted.

20. LIENS AND ENCUMBRANCES.

The LESSEE will not cause, suffer or permit any liens or encumbrances, nor do any act which will in any way encumber the title of LESSOR in and to the leased premises, nor in any way subject the leased premises to any claim by way of lien or encumbrance, whether by operation of law or virtue of any express or implied contract by LESSEE.

If any such lien is at any time filed against the leased property, LESSEE will immediately cause the same to be discharged of record by either payment, deposit, or bond. If LESSEE fails to discharge any such lien, then, in addition to any other right or remedy of LESSOR, LESSOR may, but will not be obligated to, procure the discharge of the same, after written notice to the LESSEE, either by paying the amount claimed to be due by deposit in court or bonding. Any amount paid or deposited by LESSOR for any of the aforesaid purposes, and all legal and other expenses of LESSOR, including reasonable attorney's fees, in defending any such action or incurred in procuring the discharge of such lien, with all necessary disbursements in connection therewith, will become due and payable within ten (10) days of billing, as additional rent.

Nothing in this lease agreement will be deemed to be, or construed in any way as constituting the consent or request of LESSOR, express, implied by inference or otherwise, to any person, firm or corporation,

1-10

for the performance of any labor or the furnishing of any materials for any construction, rebuilding, alteration, or repair of or to the leased premises, or any part thereof, nor as giving LESSEE any right, power or authority to contract for or permit the rendering of any services or the furnishing of any materials which might in any way give rise to the right to file any lien against the leased premises without LESSOR'S consent.

21. BROKER.

LESSOR and LESSEE each warrant and represent to the other that it has had no dealings with any broker or agent in connection with this lease.

22. RECORDING.

LESSEE may record this lease or may record a short form memorandum thereof on such form acceptable to LESSOR. At the expiration or earlier termination of this lease, LESSEE shall, at the request of the LESSOR, execute and deliver to LESSOR a Quit Claim Deed, lease cancellation instrument, or other instrument in form suitable for recording, provided that such document does not have the effect of waiving any claims that either LESSOR or LESSEE may have against the other arising out of this lease.

23. DAMAGE OR DESTRUCTION OF LEASED PREMISES.

The parties agree that in the event that the leased premises shall be partially or totally damaged by fire or other casualty that rent contemplated hereunder shall cease. The rent shall cease until the LESSOR restores the leased premises, and the LESSOR shall act with all due diligence to restore the same. LESSEE may carry and maintain Business Interruption and Personal Property Insurance at its option. If the LESSOR cannot restore the leased premises within Ninety (90) days, the LESSEE may, at its option, cancel this lease in its entirety. Any amounts prepaid by the LESSEE hereunder shall be refunded on a pro-rata basis.

24. PROHIBITION AGAINST REMOVAL OF TREES, SHRUBS, ETC.

With the exception of routine maintenance, the LESSEE shall be prohibited from removing or cutting any trees, bushes or plantings located on the site containing the leased premises without the prior written consent of the LESSOR.

25. CORPORATE RESOLUTION. The LESSEE, simultaneously with the execution of this lease agreement, shall submit to LESSOR a corporate resolution, executed by a duly authorized officer of said corporation, which shall state that the corporation is authorized to enter into this lease agreement and execute same.

26. MAINTENANCE AND REPAIRS.

It is hereby agreed that the LESSEE shall keep the leased premises in good condition, except for reasonable wear and tear and except for structural repairs and repairs of an extraordinary character. Except for such repairs as LESSEE has agreed to make herein, if any, LESSOR shall make all replacements and any and all other repairs to the leased premises. If LESSOR is required to make repairs to any part of the leased premises by reason of LESSEE's negligent acts or omission to act, LESSOR may add the cost of such repairs to the rent which shall thereafter become due. The LESSOR shall, at the LESSOR's sole cost and expense, maintain the grounds of the leased premises, including, without limitation, all lawn cutting, snow removal, maintenance and replacement of plantings, and the maintenance and repair of the driveway and parking areas.

27. SUCCESSORS AND ASSIGNS.

Except as otherwise set forth herein, all warranties, covenants, and agreements herein shall inure to the benefit of, and be binding upon, the successors and assigns of LESSOR and LESSEE.

28. EFFECTIVE DATE OF LEASE.

The effective date of this lease for all purposes whatsoever (whether used for purposes of reference or computation herein or hereafter) shall be the later of the two (2) dates indicated hereafter, on which either of the parties hereto executed this lease.

IN WITNESS WHEREOF, said parties have hereunto set their hands and seals.

Signed, sealed and delivered
in the presence of:

CITY OF DANBURY

By: _____
Mark, D. Boughton, Mayor

CIFC 37 FOSTER HOLDING CORP.

By: _____
James H. Maloney
Its President & CEO

SCHEDULE A

1-12

The building and improvements known as the Danbury Head Start Center (hereinafter referred to as the "subject premises") located at 37 Foster Street, Danbury, CT, as shown on the "Revised Site Plan" approved December 1, 2011 by the City of Danbury Planning and Zoning Department (Reference SP 06-14, Assessor's Lot # I14142), together with thirty-nine (39) automobile parking spaces at leasehold property of the LESSOR at the rear of 32-34 West Street, Danbury, CT, together also with not fewer than eleven (11) contiguous, additional parking spaces [including at least two (2) handicap accessible spaces] at other property of the LESSOR located immediately to the east of, and adjoining, the subject premises, said additional spaces commencing at the parking space on said adjoining property of the LESSOR nearest to Bank Street in downtown Danbury, CT, all such premises constituting and referred to as the "leased premises."