

LEASE OF EDUCATIONAL SPACE FOR COLLINGSWOOD BOARD OF EDUCATION PRE-K PROGRAM

This Lease Agreement ("Agreement") is made and entered into on the last date entered below in the signature blocks.

BETWEEN

FIRST UNITED METHODIST CHURCH of COLLINGSWOOD
201 Dayton Avenue, Collingswood, NJ 08108

Herein referred to as "Church" or "Landlord"

AND

COLLINGSWOOD BOARD OF EDUCATION
200 Lees Avenue, Collingswood, NJ 08108

Herein referred to as "School" or "Tenant."

1. Lease

For the consideration hereinafter set forth and subject to the terms of this Agreement, Church leases to School a portion of the educational wing of the Church located at the corner of Stokes and Dayton Avenues, said portion being defined herein as "Facilities" and more specifically described in Exhibit A, which is attached hereto and made a part of this Agreement.

2. Acceptance

School has examined the Facilities and surrounding property and agrees to take Facilities AS IS and WHERE IS for permitted use of providing a full-day, high-quality public preschool for three and four year old children qualified for pre-schooling in Collingswood, NJ ("Preschool Program"). Church agrees to replace Stokes Avenue windows at its expense as soon as financially and practically possible, but makes no representation that it will be able to do so prior to occupancy. Scheduling of window replacement will be made so as not to interfere with School's use of Facilities. School and Church agree to cooperate in making upgrades to the Facilities at School expense as provided in Exhibit B, which is attached hereto and made a part of this Agreement. Prior to occupancy, School will inspect Facilities and provide Church with a list of any items not included in Exhibit B to be addressed prior to occupancy. Parties will mutually determine who will be responsible for additional items.

3. Process for Making Changes During the Term of the Lease

School will not make any modifications to Facilities without first getting express non-

objection from the Church. Contact for getting such non-objection from the Church is the President of the Church Trustees, who at the time of signing this Agreement is Steven Latch. Church will advise School of any change to authorized contact immediately upon any change.

4. Rights and Limitations for Use of Facilities

a. Permitted Use - School will limit its use of Facilities to providing the Preschool Program and to providing services and administration needed for such Preschool Program. Use of kitchen will be limited to meal warm-up and occasional special events during the school day. Except as occasionally needed by Church as provided in Paragraph 4f, use of the gym by the School will be as needed for recreational space during cold or inclement weather and then only when supervised by School staff. Use of Facilities shall be during the school year as defined by Collingswood School Calendar on Mondays through Fridays other than holidays during the hours of 7 AM to 6 PM and ("Hours of Operation"). School shall have access to Facilities prior to the 2019-2020 school year to make needed changes to Facilities as described in Exhibit B. In future school years, School shall have reasonable access to otherwise prepare for the school year.

b. Ownership - Church represents that it is the owner of the Facilities and has the right and authority to execute and deliver this lease.

c. Quiet enjoyment - Church covenants that School, on paying rent and upon performing and complying with all the terms and conditions of this Agreement peaceably and quietly, shall have, hold and enjoy use of the Facilities for the Term and as permitted in this Agreement.

d. Subletting - The School may not assign this lease, sublet all or any part of the Facilities, or permit any other person or business to use the Facilities without the express written consent of Church. Church acknowledges that the School's before and after school wraparound service program provided by Just Kids is a permitted use under this Agreement.

e. Church's Right of Access- During Hours of Operation, Church personnel will not enter any portion of Facilities where pupils are present other than as may be necessary for inspection, repairs, necessary services, handicap access, or other activities that cannot be scheduled for a time outside Hours of Operation. If entry is necessary during Hours of Operation, Church will first obtain permission from responsible School personnel at Facilities and will use reasonably best efforts to perform any needed activity in a manner that will not interfere or disrupt with the operation of the Preschool Program. Notwithstanding, Church may enter the Facilities at any time without first obtaining permission in case of emergency. To allow access, School shall provide Church with copy of any keys, key fobs, key cards or codes needed for all locks that School changes.

f. Use of Facilities for Church Purposes - Church reserves the right to use Facilities outside Hours of Operation for any Church purpose including without limitation providing Sunday School programs in classrooms used for the Preschool Program. Church may use School furnishings but shall not use supplies (other than bathroom supplies) provided by School, and will be responsible for making sure rooms are left as they were found.

Church also reserves the right to use the kitchen during Hours of Operation so long as doing so does not unreasonably interfere with School needs for kitchen. Church also reserves the right, subject to advising School in advance, to occasionally access gym during Hours of Operation to set up for Church dinners (typically on Wednesdays during school year) or to have lunches or other events.

g. Religious Symbols – Consistent with the Church's being a religious entity, the Church has religious symbols, artwork, and signs in rooms, hallways, stairwells, and outside the Facilities. The School and the Church will work collaboratively and in good faith in identifying which of these may need to be covered and/or removed during Hours of Operation, recognizing and respecting the sovereignty and overall religious mission of the Church, as well as the limitations the School believes it has as a public entity. The Church will not be responsible for covering and/or removing any symbols, artwork or signs, but the School may do so with respect to identified items in a manner that does not cause damage to them at the beginning of school week so long as it removes the covering and replaces or otherwise restores symbols, artwork and signs at end of school week. If any demand is made to remove or cover a religious symbol in the Church that has not been covered or removed, the School and the Church will work in good faith to resolve the issue to the satisfaction of both parties and individuals making demand. In the event the matter cannot be resolved amicably, the Church reserves the right to terminate the Agreement immediately to avoid its involvement in any possible lawsuit.

h. Playground - The volleyball court located adjacent to the Church sanctuary will be removed and replaced with a fenced-in playground as described in Exhibit B ("Playground"). School shall have exclusive access to Playground during Hours of Operation and Church shall have exclusive access to Playground outside Hours of Operation.

i. Independent Entities - Nothing in this Agreement establishes an employer-employee relationship between the Church and the School. The Church and the School shall remain as independent entities with nothing in this Agreement creating any affiliation of Church as part of School or School as part of Church.

j. Permits - If approvals are required for School's intended use, then School shall apply for and obtain all required approvals. Church will cooperate with School in obtaining any Certificate of Occupancy to occupy the Facilities that may be needed.

k. Adherence to Policies – School's occupancy of the Facilities will at all times be conducted in accordance with the rules, regulations, and policies governing the premises as established by the Collingswood Board of Education. School acknowledges that the Church follows a Safe Sanctuary Policy that requires screening and background checks of all persons involved in children and youth programs, education of all persons working with children and youth on policies and use of appropriate methods to assure safety of children and youth, and clear procedures for reporting and responding to any suspected incidents of abuse (Copy of Policy is available in Church Office). School accepts full responsibility for its hiring practices for staff to be assigned to the Preschool Program to the extent that such hiring practices and rules under which the Preschool Program is carried out are no less restrictive than Church's Safe Sanctuary Policy. School acknowledges that the Church has a Peanut and Tree Nut Policy that seeks to limit

potential for exposure to peanuts and tree nuts as much as possible (Copy of Policy is available in Church Office) and will adhere to rules no less restrictive.

5. Term

The initial term of this Agreement shall commence on July 1, 2019 ("Commencement Date") and terminate on June 30, 2020 ("Initial Term"). The lease shall automatically renew at the end of the Initial Term and at the end of each one-year term thereafter ("Additional Term") for a total of four (4) years from the Commencement Date unless either party gives the other party written notice of termination at least one hundred eighty (180) days prior to end of Initial Term or any Additional Term.

6. Rent

a. School agrees to pay Church Sixty Five Thousand US Dollars (\$65,000) for Initial Term, payable in ten (10) equal monthly installments of Six Thousand Five Hundred US Dollars (\$6,500) with first installment being due on or before September 1, 2019 and ending with the tenth installment being due on or before June 1, 2020. For each Additional Term, School agrees to pay Church Sixty Five Thousand US Dollars (\$65,000), payable for the first Additional Term in full on or before September 1, 2020, and for each subsequent Additional Term in 10 equal monthly installments of Six Thousand Five Hundred US Dollars (\$6,500) with first installment being due on or before September 1 and ending tenth installment being due on or before June 1 of each year. Payment shall be made to First United Methodist Church of Collingswood.

b. Availability of Funds - Pursuant to the Public School Contracts law, specifically N.J.S.A. 18A:18A-42, School's financial obligations under this Agreement are subject to the availability of and appropriation of sufficient State funding as may be required to meet School's obligations. School shall exercise its rights under this statute in good faith. That being stated, School covenants and represents that it has sufficient funds to carry out its obligations during the Initial Term. If School is unable or unwilling to appropriate funds for any payment or obligation required pursuant to this Agreement or if such appropriations are insufficient during the term, Church may, at its sole option, terminate this lease and be released from any further obligations under this lease.

7. Extended Term.

School shall have the option to extend this Lease beyond the fourth year expiration. Church may cancel this option by giving School at least one-year notice of its intent to do so. To exercise the option, School must give the Church at least a one-year notice of its intent to renew. The rental amount and other terms of the Agreement for any mutually agreed-upon extended period shall be negotiated in good faith at the time of the election to extend beyond the initial four year term.

8. Improvements.

Leasehold improvements made to Facilities are generally set forth in Exhibit B, but will also include other improvements parties may agree to during the term of this Agreement. Proposed improvements shall be in accord with drawings prepared and/or

reviewed by Garrison Architects and attached hereto. Church shall have opportunity to have drawings reviewed by its architects prior to making any structural changes to the Facilities.

9. Care, Maintenance and Repair.

School shall provide at no cost to Church usual and customary care to the Facilities used by School, including provision of custodial, pest control, security, and general maintenance services necessitated by its use of the Facilities as described herein.

School shall provide and maintain at no cost to Church all playground and associated equipment and all educational equipment, furnishings and supplies necessary for the education of pupils in Facilities and for administration of Preschool Program. The School shall be responsible for and shall pay for any repairs or replacements necessitated by the negligence of School or by damage caused by pupils or School staff. School will first obtain Church approval before it makes any changes to Facilities regardless of cause as provided in Paragraph 2.

Church shall be responsible for all repairs and maintenance of the exterior of the Facilities, the roof, infrastructure, HVAC equipment and/or utility services to the Facilities, except to the extent that repairs are caused by the actions or negligence of the School, its employees, agents, or invitees.

10. Snow Removal

In the event of a snow storm occurring on Friday evening through Sunday morning, Church shall be responsible for needed snow removal for Church programs. School shall otherwise be responsible for snow removal from sidewalks as needed for safe access to Facilities for Preschool Program when Preschool Program is open. School shall be responsible for clearing snow from parking lot.

11. Utilities

During the Initial Term and any Additional Terms, School shall promptly pay for utility services for Facilities used by School.

a. For each utility, if possible, School shall arrange for separate billing in School's own name.

b. For each utility, where not possible to arrange for separate billing, Church and School shall jointly agree on what is a fair portion of utility bill based on estimated use by School. Church shall invoice School for the agreed-upon fair portion of utility bill, and School shall promptly pay invoiced amount.

12. Damage to Property

School shall be responsible for any and all loss or damage to School's property such as furnishings, whiteboards, overhead projectors, kitchen equipment, playground equipment, and cabinets provided by School from ordinary wear and tear or from any other cause or circumstance unless such cause or circumstance is the result of sole negligence, gross negligence or willful misconduct of Church. School shall be

responsible for any and all loss or damage to Facilities directly caused by School in carrying out Preschool Program. School shall notify Church at once of any fire or other casualty at the Facilities. In the event that the Facilities are unusable, School will not be required to pay rent while Facilities are unusable unless Facilities are rendered unusable as a result of damage which School caused or is responsible to repair. Either party may cancel this lease if Facilities are so damaged that they cannot be repaired within forty-five (45) days.

13. Hold Harmless and Indemnification

It is the intent of the parties that this indemnity is to the fullest extent provided for by law.

The School shall be solely liable for its conduct and the conduct of its employees, invitees, visitors, guests, contractors, and consultants. School ("Indemnifying Party") shall indemnify, defend, and hold harmless Church and, as its interest may appear, the Greater New Jersey United Methodist Conference (together and separately defined as "Indemnified Party") from and against any and all causes of action, claims, costs (including reasonable attorney costs), demands including those arising out of injury or death of persons, damages including damage to property, losses, suits, violation of laws arising directly or indirectly from, as a result of, or in connection with the School's use of the Facilities under this Agreement. It is the intention of the parties the School is not indemnifying the Church for the Church's own acts of negligence that solely cause liability to the Church.

The Church shall be solely liable for its conduct and the conduct of its employees, invitees, visitors, guests, contractors, and consultants. Church ("Indemnifying Party") shall indemnify, defend, and hold harmless School (defined as "Indemnified Party") from and against any and all causes of action, claims, costs (including reasonable attorney costs), demands including those arising out of injury or death of persons, damages including damage to property, losses, suits, violation of laws in which School is named as a defendant to the extent that they arise from or on account of Church's sole negligence, gross negligence or willful misconduct.

Indemnified Party, in all cases, includes Trustees, officers, agents, servants, employees, employers, visitors, members, volunteers, invitees, contractors or consultants of the Indemnified Party.

Each party shall notify the other party promptly of the existence of any indemnified claim as soon as that party becomes aware of such and cooperate in any investigation thereof. Indemnifying Party shall assume the investigation, defense and expense of all indemnified claims with investigators and attorney's acceptable to the Indemnified Party.

This section will survive the termination of the Lease.

14. Insurance.

School shall maintain and keep in effect at its sole cost for the benefit of the Church, at a minimum the following types of Insurance:

- a. General Liability with limits of at least one million dollars (\$1,000,000) per occurrence with a five million dollar (\$5,000,000) excess policy,
- b. Auto liability with limits of at least one million (\$1,000,000) per accident,
- c. Workers Compensation Proof of Statutory coverage,
- d. Professional liability with limits of at least one million (\$1,000,000), with a three million dollar (\$3,000,000) excess policy, and
- e. Sexual misconduct liability with limits of at least one million (\$1,000,000) per occurrence, with a three million dollar (\$3,000,000) excess policy (which can be a part of the general liability and professional liability policy coverage).

School shall have Church listed as an additional insured on the General Liability and Excess Liability policies. School agrees that its insurance will be primary and non-contributing only when subject to the hold harmless and indemnification shown in 13. above.

Insurance certificates shall be renewed on an annual basis, and copies shall be delivered to the Church not less than thirty (30) days before Initial Term and each Additional Term.

15. Compliance with Law

School shall not use the premises or permit anything to be done in or about the premises which will in any way conflict with any law, statute, ordinance or governmental rule or regulation now in force or which may hereafter be enacted or promulgated.

School shall, at its sole cost and expense, promptly comply with all laws, statutes, ordinances, or governmental rules, regulations or requirements now in force or which may hereafter be enacted, and with the requirements of any fire insurance underwriters or other similar bodies now or hereafter constituted, relating to, or effecting the condition, use or occupancy of the premises.

16. Americans with Disabilities Act

School is responsible for compliance with the Americans with Disabilities Act (ADA), Section 504 of the Rehabilitation Act, their supporting regulations, and all similar Federal, State or Local Laws, regulations and ordinances related to removal of barriers within the workplace and within a school, arrangement of interior furnishings, and access within the premises, and any improvements installed by School. If Church's consent would be required for alterations to bring the premises into compliance, Church agrees not to unreasonably withhold the consent.

17. Conditions at Termination

During the term of this Lease, School shall at all times maintain the Facilities in a good,

clean and safe condition. Upon the expiration of the term of this Lease and any renewals thereof or upon the sooner termination thereof, School shall surrender to Church possession of the Facilities. School shall leave the Facilities in as good order and condition as said Facilities were in at the beginning of the term of this Lease, ordinary wear and tear thereof and damage by the elements, fire, earthquake, flood, act of God, or public calamity excepted. Notwithstanding, any fixed leasehold improvements including without limitation playground and playground equipment and any electronic systems such as white boards, door locks and closed circuit TV security shall not be removed.

18. Completeness and Severability

This Agreement embodies the entire understanding between the parties and there are no further written or non-written agreements or understandings in effect relating to the subject matter of this Agreement. Any amendments or modifications to this Agreement shall be in writing and signed by authorized representatives of both parties.

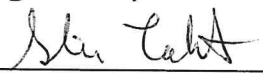
If any clause or provision of this Agreement is adjudged to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, it shall not affect the validity of any other clause or provision and such other clauses and provisions shall remain in force and effect.

19. Governing Law; Venue

This is a New Jersey contract, governed by the New Jersey law. All actions related to this Agreement shall be brought in the Superior Court of New Jersey, Camden County.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed by their proper officers on the day, month and year indicated below.

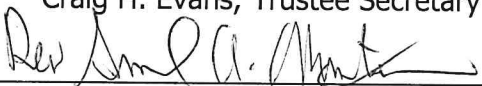
**First United Methodist Church
of Collingswood, NJ**

By: 

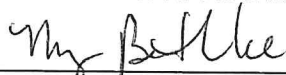
Steven Latch, Trustee-President

Attest: 

Craig H. Evans, Trustee Secretary

By: 

Rev. Samuel A. Mountain, Pastor

By: 

Rev. Myrna Berthke, District Superintendent

Date: 6/9/2019

**Board of Education of Borough of
Collingswood**

By: _____

Fiona Henry, Board President

Attest: _____

Beth Ann Coleman, Board Secretary

By: _____

Dr. Scott A. Oswald, Superintendent

Date: _____

Exhibit A
Description of Facilities for Use by Collingswood Public Schools
Preschool

Educational Wing Closest to Stokes Avenue, Collingswood

1st Floor

Two classrooms and office for administrator along Stokes Avenue.
Side room (next to kitchen) for teacher's workspace, lunch, etc.
Gym, as needed, for recreation space during cold/inclement weather.
Kitchen for meal warm-up and occasional special events during the school day.
Two bathrooms at ends of Stokes Avenue hallway equipped with child-sized toilets and lower sink.
Handicap bathroom off gym equipped with adult-sized toilets.

2nd Floor

Two classrooms and office for nurse along Stokes Avenue.
Two bathrooms at ends of Stokes Avenue hallway equipped with child-sized toilets and lower sink.

3rd Floor

Two classrooms along Stokes Avenue.
Two bathrooms at ends of Stokes Avenue hallway equipped with child-sized toilets and lower sink.

Outdoors

Fenced-in, age-appropriate playground adjacent to Church.

(drawings attached)

Exhibit A1



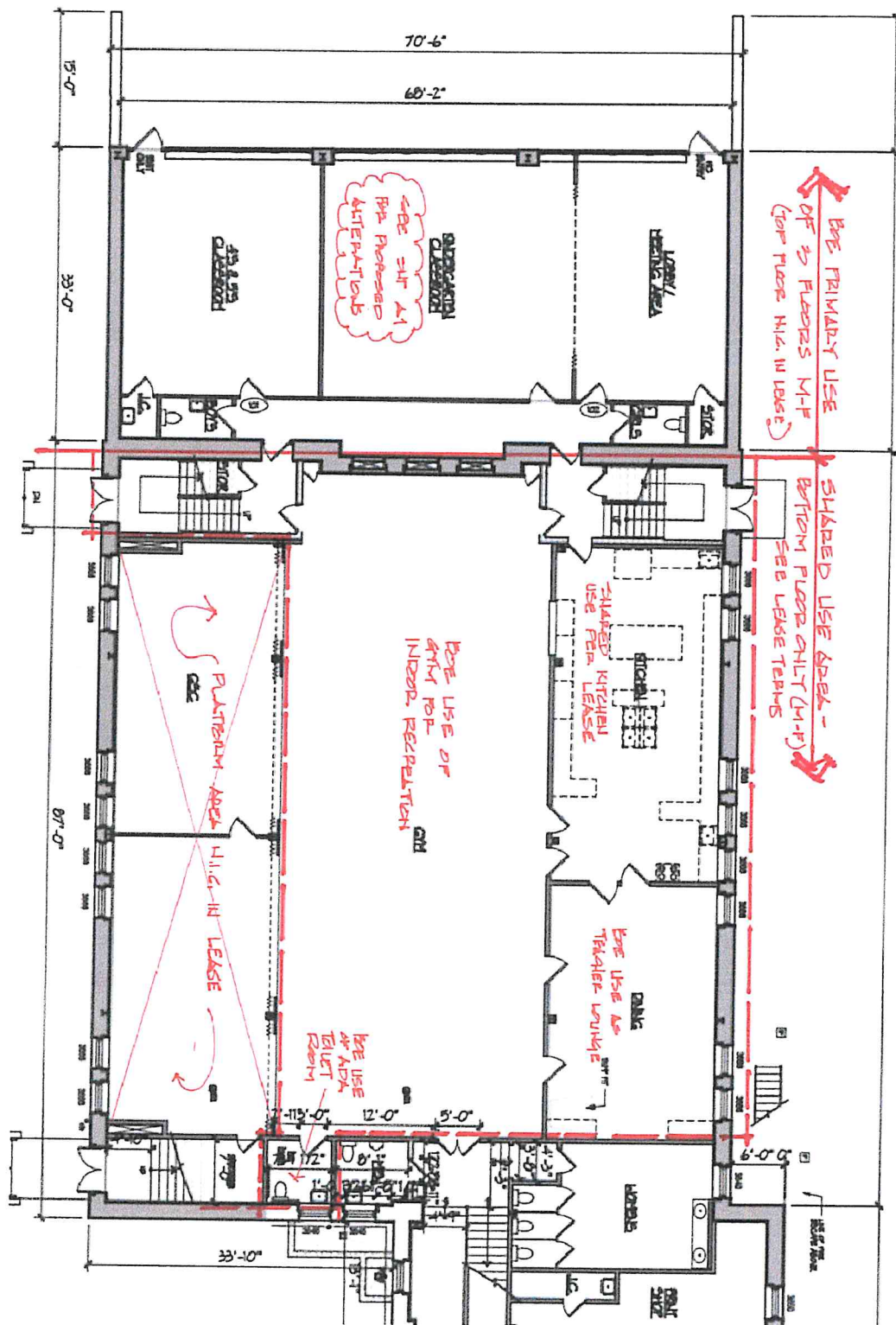


Exhibit B

Modifications of Facilities to be made by Collingswood Public Schools

Physical Changes to Classrooms:

1. Modify rooms along Stokes Avenue side of Educational Wing of Church on first and second floors as indicated on attached drawings by removing walls where needed and installing walls to separate areas on each floor into a smaller room (administrative office on first floor and nurse's office on second floor) and two classrooms.
2. Modify rooms along Stokes Avenue side of Educational Wing of Church on third floor as indicated on attached drawings by removing walls where needed and installing a central storage core wall to separate area into two classrooms.
3. Repair, wax and seal (or replace if necessary) floor tiles that may contain asbestos, and provide any needed remediation of asbestos, lead, or other hazardous conditions that may exist in Facilities being used by School.
4. Install window coverings, paint as needed, install split-system air conditioning.

Physical Changes to Six Bathrooms (two on first floor, two on second floor, and two on third floor):

1. Change toilets in each bathroom to smaller student-size.
2. Lower sinks in each bathroom as needed and make other changes (such as changing towel dispenser) as may be needed.
3. Provide tank-less heaters for water in bathrooms.

Furniture, Technology and Security Changes:

1. Install electronic door-lock system and any needed keying.
2. Make changes needed for internet connectivity, intercom and telephone service, fire alarm and suppression, and closed circuit TV.
3. Provide any furniture, whiteboards, overhead projectors needed for classrooms.
4. Provide any needed additional security cameras.
5. Install additional rails in stairwells.
6. Add rubber stair treads.

Nurse's Office and Administration Office:

1. Provide any needed furniture and secure cabinets.
2. Relocate Nursery.

Kitchen

1. Provide any equipment needed by school to provide meals.
2. Make necessary changes to fit equipment into kitchen.

Outside Changes:

1. Remove sand volleyball court adjacent to Church and, in its place, install fencing limiting access to church and school, wood mulch, and age-appropriate playground equipment.

(Stokes Avenue windows will be replaced at Church's expense)