05-00689

LEASE AGREEMENT

THIS LEASE AGREEMENT (hereinafter referred to as "Lease") made this 21st day of June, 1989 by and between the MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION, (hereinafter referred to as "Lessor) and MONTGOMERY COUNTY, MARYLAND, (hereinafter referred to as "Lessee").

W I T N E S S E T H

WHEREAS, the Lessor was instrumental in the design and construction of The Agricultural History Farm Park Activities Center (hereinafter referred to as AHFPAC); and

WHEREAS, the Lessor's intent was to assist the Lessee in providing centrally located office space to house the three agencies serving the County's Agricultural Community; and

WHEREAS, the AHFPAC, located on parkland in Rock Creek Regional Park is now complete and ready for occupancy; and

WHEREAS, the Lessor, under the authority of Article 28, Section 5-101 Maryland Annotated Code, 1986 Replacement Volume, as amended, has responsibility to acquire, own, operate and maintain property within Montgomery County, Maryland; and

WHEREAS, the Lessor is the owner of the fee simple title in the land and buildings known as 18410 Muncaster Road, Rockville, Maryland 20855, in Montgomery County, Maryland; and

WHEREAS, the Lessor wishes to lease to the Lessee a portion of the previous described building; and

WHEREAS, it is the desire and intent of both parties hereto that such a facility be maintained and operated in accordance with and subject to the terms and conditions as hereinafter set forth.

NOW THEREFORE, in consideration of the agreements and covenants herein contained, Lessor and Lessee agree as follows:

1. PREMISES:

Lessor hereby demises and leases unto the Lessee and Lessee hereby takes from Lessor for and upon the provisions hereinafter specified approximately 15,070 square feet in the building identified as The Agricultural History Farm Park Activities Center located at 18410 Muncaster Road, Rockville, Maryland 20855, in Montgomery County, Maryland, as illustrated on Exhibit "A" which is attached hereto and made a part hereof, which building is hereinafter referred to as the Leased Premises.

2. USE OF THE PREMISES:

A. The Premises are to be used by the Lessee to provide office space for: The Cooperative Extension Service, the Montgomery Soil Conservation District and the United States Department of Agriculture Agricultural Stabilization and Conservation Service. Lessee shall have the right to occupy and use the leased premises twenty four hours a day, seven days a week.

B. The Lessor shall execute a separate lease with the United States Department of Agriculture Agricultural Stabilization and Conservation Service.

C. The Cooperative Extension Service shall receive priority use of the demonstration kitchen.

D. The small conference room as shown on Exhibit "A" shall be available for use on a shared basis as needed by the three agencies. The Cooperative Extension Service shall be responsible for scheduling of this Conference Room and the schedule for use shall be posted in a conspicuous manner.

E. The main Multi-purpose room is to be available for use by the public with priority given to use by Lessee. The Lessor shall be responsible for the scheduling of this room.

1. The Lessor may charge a fee for the use of the Multi-Purpose Room for all users, except Lessee.
2. The Lessee shall have priority day-time weekday (8:00 am - 6:00 pm) use of the Multi-Purpose Room. Evening and weekend use shall be scheduled three months in advance with priority given to Lessee's schedules.
3. When the Lessee occupies the premises after normal hours, it shall be its responsibility to open, close and secure the premises.

F. The Lessor shall retain the right-of-use for one office to maintain staff representation on the premises. The Lessor's office will be indicated on Exhibit "A". The Lessor's representative shall be called upon to settle any disputes or questions relative to the use of any of the conference rooms or public areas. If necessary, the Lessor and/or his designee shall be the final authority in settling disputes. The ultimate control of the premises shall remain with the Lessor.

G. The Lessee shall not use the hallways, meeting rooms and public areas as office space nor for the storage of furniture, office machines or other items.

H. Lessee shall provide staffing for the reception area during normal business hours.

3. TERM:

Original Term - The term hereby created shall be four (4) years eleven (11) months commencing on January 1, 1988.

Nov 31, 1993

4. RENEWAL OPTIONS:

Subject to the limitations contained herein, Lessee shall have the option to extend the term of this lease for three (3) additional and consecutive four (4) year periods. Notice as to each extension of the original lease shall be provided by Lessee to Lessor, in writing, six (6) months or more before the end of the previous term. All of the terms, conditions and covenants in this Lease shall apply during any of the aforementioned extended terms, provided, however, that the Lessor reserves the right to deny Lessee's request to exercise any such option to renew for just and reasonable cause provided Lessor gives Lessee six (6) months notice of such cause.

5. RENT:

A. Commencing January 1, 1988, Lessee shall pay or cause to be paid to Lessor the annual amount of EIGHTY-TWO THOUSAND EIGHT HUNDRED EIGHTY-FIVE AND 00/100 ($82,885.00) DOLLARS, payable in equal monthly installments of SIX THOUSAND NINE HUNDRED SEVEN AND 08/100 ($6,907.08) DOLLARS. Lessee shall send all payments to Enterprise Operations, 9500 Brunett Avenue, Silver Spring, Maryland 20901.

B. Lessor and Lessee agree that the rent set forth in Paragraph 5(A) hereinabove is based on Lessor's Projected Operating Costs of FIVE AND 50/100 ($5.50) DOLLARS per square foot.

C. Commencing with January 1, 1989, and the first of January thereafter during the lease term and any renewal period, Lessor may adjust the rental rate up or down by calculating the actual operating costs for the leased premises during the preceding lease year. Lessor and Lessee agree that these adjustments shall be based on the costs of operating the building only.

D. In the event Lessor notifies Lessee that the rental rate will be increased, Lessor agrees that Lessor will provide to Lessee a statement showing in reasonable detail the amount of Lessor's operating costs for the preceding Lease year. Upon request, Lessor shall provide to Lessee additional documentation supporting Lessor's costs of operating the premises.

6. LESSEE'S PUBLIC LIABILITY INSURANCE:

A. During the term of this lease or any extension thereof, Lessee shall at all times indemnify, defend and hold the Lessor harmless against all actions, claims, demands, costs, damages, penalties, or expense which result from the negligence or fault of the Lessee, which may be brought or made against the Lessor or which the Lessor may pay or incur by reason of any work on the Leased Premises which may be performed by or at the direction of the Lessee pursuant to this Lease. The Lessee reserves the right to self-insure in the amounts required in this Paragraph 6, or in the alternative, shall carry, with an authorized company a policy of liability insurance with bodily injury limits of at least $100,000.00 for any accident to one person and $300,000.00 for each occurrence, with vandalism and property damage limits of $50,000.00 for each occurrence.

B. Lessee shall be responsible for insuring or self-insuring improvements and betterments and Lessee's personal property on the premises. The Lessee agrees, within thirty (30) days hereof, to deliver to the Lessor the said policy or a certificate of insurance evidencing such insurance, or a statement stating that Lessee is self-insured.

C. The Lessor shall keep in force the normal fire and liability insurance written by a responsible company or companies on the premises as described in Exhibit "A". Lessor shall hold Lessee harmless for any injury sustained on property not under Lessee's control, except when such injury is caused by negligence of Lessee, Lessee's agents, or assigns.

D. In the event of a claim, the parties mutually agree to waive all rights of action against the other party to the extent of each other's insurance recovery.

E. Any agreement between Lessee and Sub-Lessee shall include the same conditions as in A through D above.

7. SERVICES:

The Lessor shall provide all utilities and maintenance services at AHFPAC including janitorial, trash removal, building maintenance and repair, mechanical systems maintenance and repair and telephone system maintenance. Lessor shall also be responsible for grounds and road maintenance, including snow and ice removal. Lessee shall be responsible for telephone billings and any system charges, additions or deletions not covered by the system maintenance agreement with vendor.

8. HVAC:

Lessor agrees to provide heat and air conditioning during those seasons of the year when such services are required from 7:30AM until 6:30PM, Monday through Friday (Saturday, if needed), exclusive of legal County holidays, in amount and quantities sufficient to maintain in a balanced, comfortable manner all space occupied by the Lessee. The air conditioning shall be so balanced as to provide a temperature range between 74 and 78 degrees. The heating shall be so balanced as to provide a temperature range between 68 and 72 degrees. Lessor shall, during emergencies, change these temperature guidelines in accordance with Federal, State and local requirements.

9. LESSOR'S RIGHT OF INSPECTION:

The Lessor shall be entitled to visit and inspect the leased premises at any reasonable time for lease compliance and proper level of maintenance.

10. PARKING:

The Lessee shall use the 44 space employee/staff parking lot as shown on Exhibit A and the parking lot immediately adjacent to the AHFPAC shall be available for use by the public and or visitors to the facility. Both employee and public parking areas will be designated with proper signs to be in place at all times.

11. TELEPHONES:

Lessor shall install a fully operational telephone system at its own expense. The Lessee shall be responsible for the payment of the telephone bills with each agency being billed directly. The Lessor shall not assume any responsibility for any cost of the telephone system beyond its initial installation cost and on-going maintenance of the telephone system. Any additional telephones, trunk lines, extensions, rewiring, telephone relocations or related expenses shall be the Lessee's sole responsibility.

12. FIXTURES AND EQUIPMENT:

All items which are attached to the building within the premises, or are a part of the building's systems at the time the building is delivered to Lessee, shall remain with the building and shall be delivered to Lessee along with the building. All moveable partitions, trade fixtures, floor coverings or equipment installed within the leased premises at Lessee's expense shall remain the property of Lessee and may be removed by Lessee at the expiration or other termination of this Lease. Lessee shall, however, repair any damage caused directly and exclusively by reason of said removal, such repair to be done to Lessor's satisfaction. Any personal property remaining within the leased premises at the time of occupancy by the Lessee shall become property of the Lessee. The Lessee shall dispose of any such property in the manner it deems appropriate.

13. SIGNS:

Lessee shall not place upon or remove from the leased premises any placard, sign, lettering or awning except such, and in such place and manner as shall have been first approved in writing by Lessor. Lessor's approval shall not be unreasonably withheld.

14. QUIET POSSESSION:

Lessor covenants and warrants that it will deliver to the Lessee exclusive possession of the Leased Premises with appurtenances in conformity with the law, upon execution and delivery of this Lease and Agreement for the purposes herein set forth.

15. HOLD HARMLESS:

The Lessee agrees that it will at all times indemnify and hold the Lessor harmless against all actions, claims, demands, costs, damages or expenses of any kind which may be brought or made against the Lessor or which the Lessor may pay or incur by reason of the Lessee's negligent performance or wrongful failure to perform any of its obligations under this Lease or by reason or any occurrence in or upon the Leased Premises which occurs as a result of the negligence or fault of the Lessee.

16. EMINENT DOMAIN:

Should the Leased Premises be taken by a public or quasi-public authority under any power of eminent domain or condemnation, the Lease and Agreement herein set forth shall terminate and the Lessor and the Lessee shall be entitled to such award by the condemning authority as shall be proportionate to their interest in the premises.

17. DEFAULT:

The Lessor or Lessee shall be deemed to be in default of this Lease and Agreement when either the Lessor or Lessee shall wrongfully fail to perform any of the provisions, covenants, conditions, or agreements of this Lease and Agreement which are to be performed by either the Lessor or Lessee within sixty (60) days, as either is reasonably required to so perform, and after written notice is sent from the Lessor or Lessee, one to the other, stating in detail wherein either party has failed to so perform. The Lessor or Lessee shall be liable for any and all loss or damage resulting from any such default. It is understood that any time funds are not appropriated or provided for the operation of this facility, the Lessee shall have the right to terminate this Lease with sixty (60) days' written notice to the Lessor.

18. DESTRUCTION OF PREMISES:

A. In the event that the leased premises are destroyed or damaged from whatever cause so as to render all or a substantial portion of the premises unfit for the purposes for which the premises were leased, and the repair of said destruction or damage cannot reasonably be accomplished by Lessor within ninety (90) days from the date of such damage, Lessee and Lessor shall each be entitled to terminate this Lease by written notice to the other within sixty (60) days after the irreparable destruction or damage occurred.

B. In the event that the Lessor is able to undertake the repair of the leased premises, Lessor shall complete said repairs within ninety (90) days from the date of destruction or damage and this Lease shall not be affected.

C. In the event that Lessor is not able to repair the leased premises as hereinabove provided, Lessee shall not be entitled to any compensation or payment from Lessor for the value of any remaining term of the Lease.

19. WAIVER:

No waiver by the Lessor or Lessee of any breach of any covenant, condition, or agreement herein contained shall operate as a waiver of the covenant, condition, or agreement itself or of any subsequent breach thereof.

20. RIGHTS OF LESSOR:

In the event the Lessor or Lessee shall default under any one or more of the events of default as described in Paragraph 17 hereof, Lessor and Lessee may, upon giving not less than thirty (30) days' written notice one to the other, after the respective periods for compliance as previously described have expired, terminate this Lease and thereupon, or at any time thereafter, Lessor may re-enter the Leased Premises and have the possession of the same.

A. In the event Lessor recovers possession, all permanent additions, fixtures and improvements made or installed by the Lessee shall become part of the Leased Premises and shall revert to the Lessor upon the termination of this Lease Agreement, except the Lessee may remove property, fixtures or equipment as described in Paragraph 12 hereof.

21. ASSIGNMENT AND SUB-LEASE:

Except for the agencies listed in Paragraph 2, Lessee shall not assign this Lease or sublet the Leased Premises without the prior written consent of Lessor.

22. SURRENDER OF POSSESSION:

Lessee covenants, at the expiration or other termination of this Lease, to remove all goods and fixtures installed in the leased premises not the property of Lessor, and to yield up to Lessor the leased premises and all keys, locks, and other fixtures connected therewith (except trade

fixtures and other fixtures belonging to Lessee), in good repair, order and condition in all respects, reasonable wear and tear caused by use thereof and damage by fire or other casualty and damage from any cause with respect to which Lessee is not herein expresssly made liable excepted.

23. HOLDOVER:

In the event that the Lessee shall continue to occupy said leased premises or any part thereof after the conclusion of the term of this lease, or any extension thereof, the tenancy thus created shall be deemed to be upon a month-to-month basis and may be terminated by either party giving the other not less than thirty (30) days' written notice, to expire on the day of the month from which the tenancy commenced. During any month-to-month tenancy, both parties shall continue to observe all agreements and covenants contained in this Lease.

24. INTEGRATED AGREEMENT

This Lease contains all of the agreements and conditions made between the parties and may not be modified orally or in any other manner other than by an agreement in writing signed by all the parties or their respective successors in interest.

25. BENEFIT AND BURDEN:

All of the covenants, provisions, terms, agreements, and conditions of this Lease shall inure to the benefit of and be binding upon the Lessor or its successors or assigns and upon Lessee, its successors or assigns.

26. NOTICE:

All notices required or desired to be given hereunder by either party shall be given in writing and shall be addressed as follows:

LESSEE:	LESSOR:
Montgomery County, Maryland Department of Facilities & Services Space & Leasing Management 110 N. Washington Street, Rm.318 Rockville, Md. 20850	Maryland-National Capital Park & Planning Commission Enterprise Operations 9500 Brunette Avenue Silver Spring, Md. 20901 301-495-2530

Either party may change its mailing address hereunder by giving notice thereof to the other party in the manner set forth hereinabove.

IN WITNESS WHEREOF, the parties have caused this Lease Agreement to be properly executed the day and year first above written.

ATTEST:

LESSOR:
MARYLAND-NATIONAL CAPITAL PARK & PLANNING COMMISSION

By: _____
John F. Downs, Jr.
acting Executive Director

Date: 5-24-89

ATTEST:

LESSEE:
MONTGOMERY COUNTY, MARYLAND

By: _____
Alastair McArthur, Assistant
Chief Administrative Officer

Approved as to Form & Legality
Office of General Counsel
MNCPPC

By: _____

Date: 5/23/89

RECOMMENDED BY:

By: _____
Beverly G. Bassett,
Enterprise Assistant Chief
Dept. of Parks, MNCPPC

Date: May 24, 1989

APPROVED AS TO FORM & LEGALITY
OFFICE OF COUNTY ATTORNEY

By: _____

Date: 6/6/89

By: _____
Gloria W. Kratz, Chief
Real Estate Management

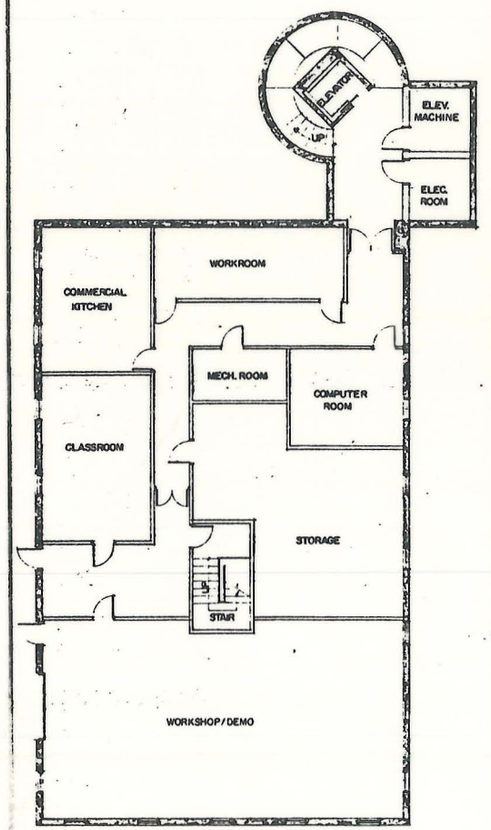
Date: 6/16/89

#13780

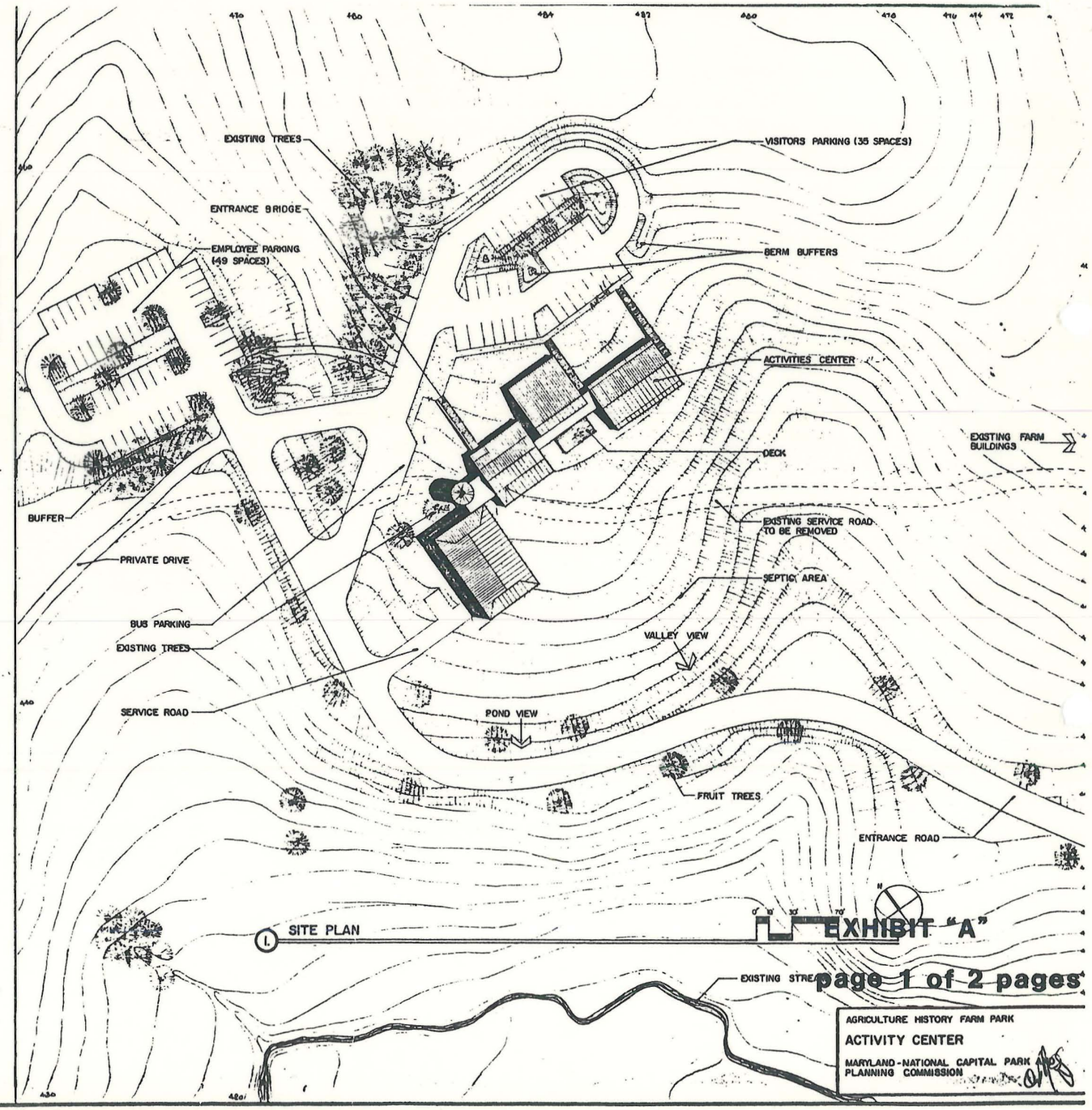
APPROVED AS TO LEGAL SUFFICIENCY

_____
M-NCPPC Legal Department

Date 5/23/89



2 LOWER LEVEL FLOOR PLAN



1 SITE PLAN

EXHIBIT "A"

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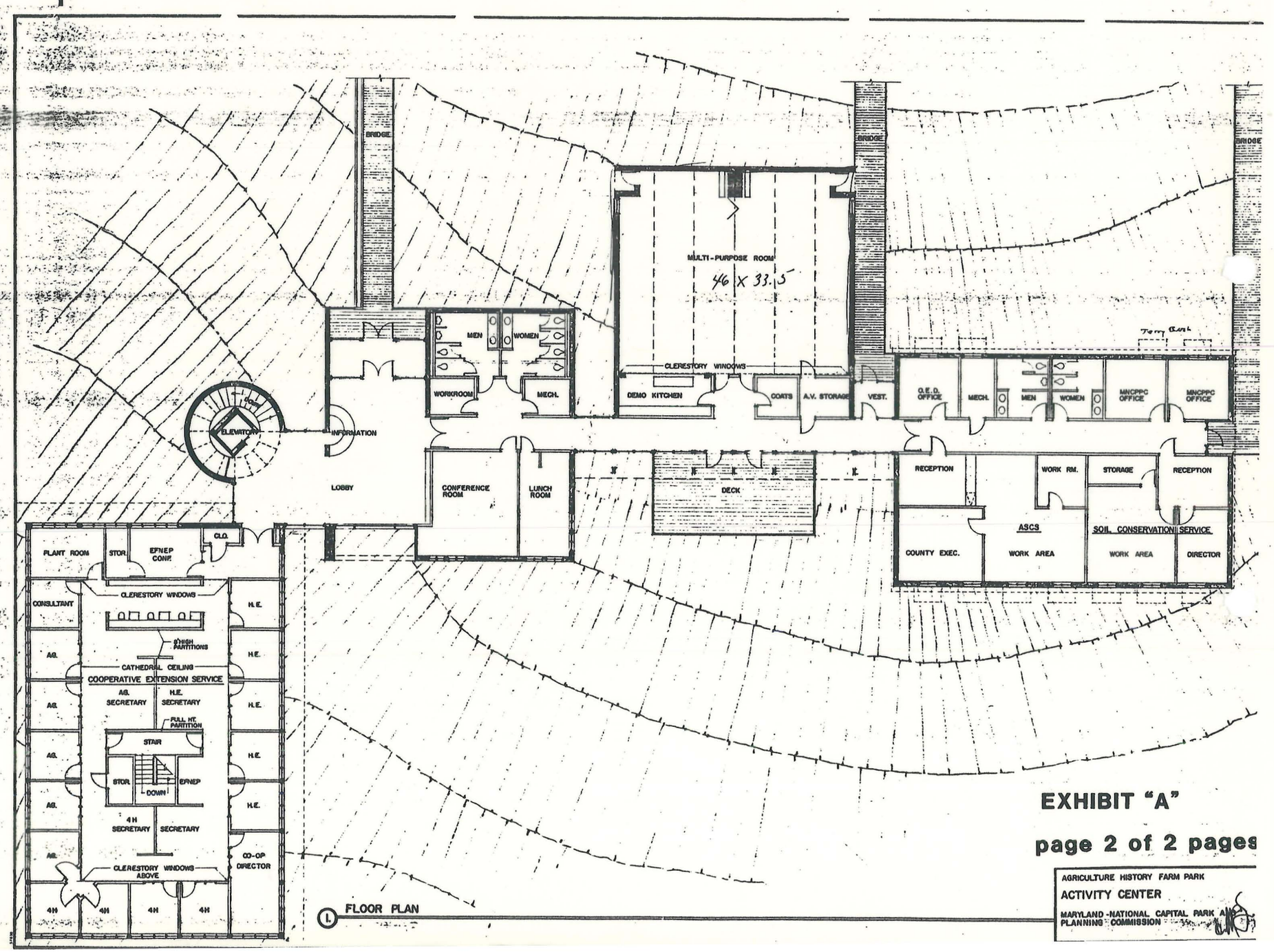
AGRICULTURE HISTORY FARM PARK

ACTIVITY CENTER

MARYLAND-NATIONAL CAPITAL PARK PLANNING COMMISSION



FLOOR PLAN

EXHIBIT "A"

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AGRICULTURE HISTORY FARM PARK

ACTIVITY CENTER

MARYLAND-NATIONAL CAPITAL PARK AND PLANNING COMMISSION