

AGREEMENT OF LEASE

THIS AGREEMENT OF LEASE (the "**Lease**") is made and entered as of this 19th day of July, 2017, by and between **CONNEAUT SCHOOL DISTRICT** hereinafter referred to as the "**Landlord**"; and the **CRAWFORD COUNTY CAREER AND TECHNICAL CENTER**, hereinafter referred to variously as the "**Tenant**" or the "**Center**".

WHEREAS, the Landlord, the Tenant entered into that certain Article of Agreement for Extension Establishment and Operation of a Satellite Welding Program as an integral part of the Center July 19, 2017 (the "**Welding Program Agreement**") wherein the Parties agreed to share in the cost, construction, maintenance and operation of a welding classroom on a portion of the Landlord's real property at the Conneaut Valley Middle School. (the "**Welding Classroom**") in accordance with the terms set forth therein. A copy of the Welding Program Agreement is attached hereto and made a part hereof as **Exhibit A** and;

WHEREAS, the establishment of the Satellite Welding Program in accordance with the Welding Program Agreement has been approved by Resolution of the constituent school districts: **CONNEAUT SCHOOL DISTRICT, CRAWFORD CENTRAL SCHOOL DISTRICT AND PENNCREST SCHOOL DISTRICTS**, (the "**Sending Districts**")

WHEREAS, the Sending Districts have determined that it is in their best interest if the classroom and the portion of the Landlord's real property upon which the Facility is located is leased to the Tenant rather than collectively to the Sending Districts, although the Sending Districts will proportionately share any rent and other expenses which are incurred under this Lease; and

WHEREAS, this Lease shall serve to benefit the Center and the Sending Districts by expanding the Center's welding program as set forth in the Welding Program Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, and with the intention to be legally bound hereby, the parties hereto agree as follows:

SECTION 1.

LEASEHOLD PREMISES

1.1 The Landlord hereby leases and demises to the Tenant, effective as of the day and year first written above, and subject to the terms and conditions of this Lease (the "**Lease**"), all that certain _____ ()foot by _____ ()foot classroom, consisting of approximately _____ ()Square feet (the "**Leased Premises**").

1.2 The Leased Premises shall include additional space for a parking and/or separate storage facilities for materials and equipment if so deemed necessary by the Lessee, the size and location of which shall be subject to the prior written approval of the Landlord, which shall not be unreasonably withheld.

**SECTION 2.
TERM OF LEASE**

2.1 The term of this Lease shall be as provided in that Welding Program Agreement (the "**Term**").

2.2 In the event of any termination or dissolution of the Welding Program Agreement, this Lease shall also terminate concurrently therewith. In no event shall the Term of this Lease extend beyond the term of the Welding Program Agreement.

**SECTION 3.
RENT**

3.1 The Tenant covenants and agrees to pay the Landlord, in return for the Leased Premises, a fixed annual rental of One (\$1.00) Dollar (the "**Rent**") per year payable on or before December 31 of each year during the Term.

**SECTION 4.
USES**

4.1 The Tenant shall use and occupy the Leased Premises for the specific purpose of constructing, maintaining and operating the Satellite Welding Program.

4.2 The Tenant shall not use or occupy the Leased Premises, or permit the Leased Premises to be used or occupied, contrary to any statute, rule, order, ordinance, requirement, or regulation applicable thereto, or in any manner which would violate any certificate of occupancy affecting the same, or which would cause structural injury to the improvements or cause the value or usefulness of the Leased Premises or any part thereof to diminish, or which would constitute a public or private nuisance or waste or extra-hazardous use.

4.3 Unless as otherwise agreed to by the Parties in writing, the Tenant shall not pledge any of the fixtures, improvements, furnishings or equipment in or on the Leased Premises as collateral or subject any of the above to any mortgages, liens, conditional sales agreements, security interests or encumbrances.

**SECTION 5.
UTILITY CHARGES**

5.1 All charges for gas, electricity, light, heat, power, telephone, sewer and water rent or charges, or other services used, rendered or supplied in connection with the Leased Premises shall be paid by the Landlord. The Tenant shall reimburse the Landlord for the cost of same. Where possible the Landlord will meter the Tenant's utilities separately. Otherwise, Tenant shall be billed for utilities pro-rata on a square footage basis.

SECTION 6. INSURANCE

6.1 The Landlord shall, throughout the term of this Lease, keep constantly insured at its full insurable value against loss or damage by fire, windstorm, lightning, riot, civil commotion, malicious mischief, vandalism and those perils included from time to time in the so-called extended coverage insurance endorsement, the Leased Premises, including any improvements or alterations thereon. The cost of said insurance shall be billed to and paid by the Tenant. The Tenant will be billed for insurance pro-rata on a square footage basis.

6.2 Any insurance on the Tenant's property which may be stored in or upon the Leased Premises shall be the responsibility of the Tenant.

6.3 The proceeds of the policy of insurance provided for in Sections 6.1 and 6.2 hereof shall be payable to the Landlord, the Tenant or the Parties as their respective interests may appear.

6.4 The Tenant shall throughout the term of this Lease, maintain sufficient insurance in amounts proper (not less than \$1,000,000 per occurrence and \$3,000,000 in the aggregate) to protect the parties with respect to general public liability and property damage caused by virtue of the Tenants use or occupancy of the Leased Premises. Such policies, by their terms, shall indemnify the Landlord, the Tenant as their respective interests may appear and the Tenant shall deliver to the Landlord each year a certificate of insurance that evidences that the policy identified herein is current and in-effect.

6.5 The cancellation of the insurance required hereinabove shall be construed as a breach of the Tenant's covenants and warranties hereunder and the Landlord shall have the right to eject the Tenant from the Leased Premises without losing or waiving any of its rights hereunder.

6.6 The Landlord and the Tenant agree that, in the event of loss from any of the perils for which they have agreed to provide insurance, each party shall look solely to the insurance for recovery. The Landlord and the Tenant hereby grant to each other, on behalf of any insurer providing insurance to either of them with respect to the Leased Premises, a waiver of any right of subrogation which any insurer of one party may acquire against the other by virtue of payment of any loss under such insurance.

6.7 Upon securing the insurance coverages required pursuant to this Section, the Tenant shall give written notice thereof to the Landlord together with a certified copy of the applicable insurance binders. Proof shall also be given by the Tenant to the Landlord that each of the policies required pursuant to this Section expressly provides that said policies shall not be cancelled or altered without thirty (30) days' prior written notice to the Landlord.

SECTION 7.
CONSTRUCTION, REPAIRS AND MAINTENANCE

7.1 The Landlord shall construct and outfit the leased premises in accordance with the specifications supplied by the Tenant. Upon completion of said improvements, the Tenant shall be responsible to pay to Landlord the costs of said construction within thirty (30) days of the submission of an invoice from Landlord to tenant, by regular mail.

7.2 The Tenant shall at all times during the Term, faithfully maintain and keep in good order, the Leased Premises and shall pay to Landlord all costs or expenses necessary for keeping the same in such order and repair. The Landlord shall provide routine maintenance charges and structural repairs and Tenant shall be responsible to pay Landlord for the costs of same. Tenant shall also faithfully keep clean and in sanitary condition, free from any and all accumulations of trash, debris and/or rubbish, all portions of the Leased Premises and the appurtenances thereto. The Tenant shall, at the expiration of the term hereof, surrender the Leased Premises to the Landlord in as good condition and repair as at the commencement of the Term, except for reasonable wear and tear and acts of God.

7.3 The Tenant will not permit any mechanics or other liens to be established or remain against the Leased Premises for labor or materials furnished in connection with any such additions, improvements, repairs or replacements made by it.

7.4 The Landlord shall not be liable for any damage or injury to the Leased Premises or any property therein contained which may be sustained by the Tenant or any other party, whether by reason of breakage, leakage, or obstruction of water pipes, gas pipes, soil pipes or other leakage in or about the Leased Premises, or the condition of any buildings thereon, or any part thereof, or from any other cause arising by virtue of the Tenant's use or occupancy of the Leased Premises; and the Tenant shall indemnify and hold harmless the Landlord from any and all damages, liabilities and expenses arising out of any improvement, alteration or repair on said building made by the Tenant, and from any and everything whatsoever arising from or out of occupancy by or under the Tenant, its agents, or servants, and from any loss or damage arising from any fault or negligence or action on the part of the Tenant, its employees, agents or servants.

SECTION 8.
COMPLIANCE WITH LAWS

8.1 The Tenant agrees that it will at all times manage and maintain the Facility on the Leased Premises in such manner as to observe all federal, state, county and municipal laws, ordinances and regulations whether now in existence or hereafter in effect.

8.2 The Tenant further agrees to comply with all rules, orders, regulations or requirements of the Board of Fire Underwriters, or any similar body and insurance companies.

8.3 The Tenant further agrees to comply with all rules, orders, regulations or requirements of the Board of Health, the Liquor Control Board, the Zoning Board, and any other governmental authorities (local, state or federal), and to commit no illegal acts in or on the Leased Premises.

**SECTION 9.
INDEMNITY OF LANDLORD**

9.1 The Landlord shall not be liable to the Tenant for any damage or injury to the Tenant or its property caused by or arising from the condition of the Leased Premises to the extent said condition was created by the Tenant, or by the act, omission, or negligence of occupants, or any improvements hereafter located on said premises, or by occupants of adjacent or nearby buildings, or by the owner of adjacent or nearby properties. Nor shall the Landlord be liable to the Tenant for any damage or injury to its property occasioned by any happening (other than the Landlord's active negligence) to or upon the Leased Premises, all claims against Landlord for any such damage or injury being hereby expressly waived by the Tenant.

9.2 The Tenant agrees that it will save harmless, defend, and indemnify the Landlord from all losses, costs, expenses, claims, causes of action, and demands of every kind and character of, by or in favor of any person, firm or corporation whether by way of damage or otherwise, unless said loss, cost, expense, claim, cause of action, or demand arose from the Landlord's active negligence hereunder.

9.3 The Landlord agrees that it will save harmless, defend, and indemnify the Tenant from all losses, costs, expenses, claims, causes of action and demands of every kind and character of, by or in favor of any person, firm or corporation whether by way of damage or otherwise arising from the Landlord's active negligence hereunder.

**SECTION 10.
TERMINATION**

10.1 Upon the termination of the Tenant's rights hereunder, unless the Landlord so provides otherwise, the Tenant shall surrender possession of the Leased Premises to the Landlord, together with the buildings and improvements thereon, in good condition and repair, which premises, buildings and improvements shall thereupon revert to and become the property of the Landlord to have and to hold free of all claims of the Tenant, its successors, or assigns.

10.2 All machinery, equipment, trade fixtures and other property forming a part of the contents of the Leased Premises introduced into it by the Tenant in furtherance of its operations shall remain and be the property of the Tenant and shall be subject to its removal; provided, however, that the Tenant shall be obligated to restore the Leased Premises to its original condition.

10.3 To the extent that any personal property of the Tenant remains on the Leased Premises at the end or other expiration of this Lease, said personal property of the Tenant shall be deemed abandoned and may be disposed of by the Landlord in the manner it deems fit.

**SECTION 11.
DEFAULT**

11.1 Any of the following occurrences or acts shall constitute an event of default under this Lease:

If the Tenant shall fail to observe or perform any other provision hereof and such failure shall continue for thirty (30) days after written notice to the Tenant of such failure; provided, however, that in case of any such default which cannot be cured by the payment of money and cannot with diligence be cured within such thirty (30) day period, if the Tenant shall commence promptly to cure the same and thereafter prosecute the curing thereof with diligence, the time within which such default may be cured shall be extended for such period as is necessary to complete the curing thereof with diligence.

11.2 If an event of default shall have occurred and be continuing, the Landlord shall have the right to give the Tenant written notice of the Landlord's termination of the Term. Upon the giving of such notice, the Term and the leasehold estate hereby granted shall expire and terminate on such date as fully and completely and with the same effect as if such date were the date herein fixed for the expiration of the term of the Lease, and all rights of the Tenant hereunder shall expire and terminate.

11.3 If an event of default shall have occurred and be continuing, the Landlord shall have the immediate right, whether or not the term of this Lease shall have been terminated pursuant to Section 15.2 above, to re-enter and repossess the Leased Premises by summary proceedings, ejectment, any other legal action or in any manner the Landlord determines to be necessary or desirable and the right to remove all persons and property therefrom. The Landlord shall be under no liability by reason of any such re-entry, repossession or removal. Once terminated the Tenant shall be released from all future obligations and liabilities under the Lease.

SECTION 12. SUBORDINATION

12.1 This Lease shall be subject and subordinate at all times to the lien of any mortgages in any amount or amounts whatsoever now or hereafter placed on the Leased Premises and/or on the Landlord's interest or estate therein without the necessity of any further instrument or act on the part of the Tenant to effectuate such subordination.

SECTION 13. ENVIRONMENTAL MATTERS

13.1 The Tenant shall keep and maintain the Leased Premises in compliance with, and shall not cause or permit the Leased Premises or the adjacent properties leased, owned or controlled by the Landlord to be in violation of, any federal, state, or local laws, ordinances or regulations relating to industrial hygiene or to environmental conditions ("**Hazardous Materials Laws**") on, under, about, or affecting the Leased Premises or the adjacent properties leased, owned or controlled by the Landlord. The Tenant shall not use, generate, manufacture, store, or dispose of on, under, or about the Leased Premises or the adjacent properties leased, owned or controlled by the Landlord, or transport to or from the Leased Premises or the adjacent properties leased, owned or controlled by the Landlord, any flammable explosives (with the exception of bottled gasses used for welding), radioactive materials, hazardous wastes, toxic substances, or related materials, including without limitation any substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," or "toxic substances" under any applicable federal

or state laws or regulations (collectively referred to hereinafter as "**Hazardous Materials**"), except as may be allowed in strict accordance with Hazardous Materials Laws. The Tenant shall notify the Landlord of any material release of Hazardous Materials of which it gains knowledge or receives notice, and of any violation of Hazardous Materials Laws of which it receives notice.

**SECTION 14.
MISCELLANEOUS**

14.1 The recitals set forth above are hereby incorporated herein into this Lease by reference.

14.2 The terms and conditions of this Lease shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without giving effect to any conflicts or choice of law principles which otherwise may be applicable. The parties hereby consent to the exclusive personal jurisdiction and venue of the United States District Court for the Western District of Pennsylvania, Erie Division unless subject matter jurisdiction is not satisfied, in which case each party hereby submits to the exclusive personal jurisdiction and venue of the Court of Common Pleas of Crawford County, Pennsylvania.

14.3 All notices to or demands upon the Landlord or the Tenant, desired or required to be given under any of the provisions hereof, shall be in writing. Any notices or demands from the Landlord to the Tenant shall be deemed to have been duly and sufficiently given if a copy thereof has been mailed by United States registered or certified mail in an envelope properly stamped and addressed to the Tenant as follows:

Crawford County Career And Technical Center
860 Thurston Road
Meadville, PA 16335
Attention: Vocational Director

or at such address as the Tenant may theretofore have furnished by written notice to the Landlord, and any notices or demands from the Tenant to the Landlord shall be deemed to have been duly and sufficiently given if mailed in an envelope properly stamped and addressed to the Landlord as follows:

Conneaut School District
219 West School Drive
Linesville, PA 16
Attention: Superintendent

or at such other address as the Landlord may theretofore have furnished by written notice to the Tenant, with a copy to any first mortgagee of the Leased Premises, the identity and address of which the Tenant shall have received written notice. The effective date of such notice shall be two (2) days after delivery of the same to the United States Postal Service.

14.4 This Lease shall be binding upon and shall inure to the benefit of the parties hereto and their respective legal representatives, successors and assigns (when permitted hereunder).

14.5 If any term or provision of this Lease shall to any extent be held invalid or unenforceable, the remaining terms and provisions of this Lease shall not be affected thereby, but each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by law.

14.6 No modification, amendment or alteration of the terms of this Lease shall be binding unless the same shall be in writing, dated subsequent to the date hereof, and duly executed by the Landlord and the Tenant.

LANDLORD

ATTEST:

Conneaut School District

Secretary

By: _____
Jody Sperry, President
Board of School Directors

TENANT

ATTEST:

Crawford County Career and
Technical Center

Secretary

By: _____
David Schaefer,
Chairman
Joint Operating Committee

ACKNOWLEDGEMENTS

ON THIS 12th day of July, 2017, before me, the undersigned officer, personally appeared Jody Sperry who acknowledged herself to be the President of, **Conneaut School District**, and that she, being authorized to do so, executed the foregoing instrument on behalf of such entity for the purposes therein contained.

IN WIINESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My Commission Expires: _____

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF CRAWFORD

ON THIS 19th day of July, 2017, before me, the undersigned officer, personally appeared David Schaefer, who acknowledged himself to be the Chairman of **CRAWFORD COUNTY CAREER AND TECHNICAL CENTER Joint Operating Committee**, and that he, being authorized to do so, executed the foregoing instrument on behalf of such entity for the purposes therein contained.

IN WIINESS WHEREOF, I hereunto set my hand and official seal.

Notary Public

My Commission Expires: _____

EXHIBIT A

Welding Program Agreement

A copy of the Welding Program Agreement is attached hereto and made a part hereof.

EXHIBIT B

Legal Description

A copy of the location of the proposed Facility is attached hereto and made a part hereof.