

SANTA FE COUNTY
AND
LIFE LINK OF SANTA FE
BUILDING LEASE

The parties to this agreement (hereinafter “**Lease**” or “**Agreement**”) between Santa Fe County (hereinafter “**County**”), a political subdivision of the State of New Mexico, and Life Link of Santa Fe (hereinafter “**Life Link**”), a New Mexico nonprofit corporation, agree as follows:

1. Recitals.

- A. The County anticipates that it will acquire ownership that certain property more fully described in Exhibit A, attached hereto.
- B. Upon acquisition of said property, the County desires to lease said property (hereinafter “**Premises**”) to Life Link, which has a demonstrated history of providing services to sick and indigent persons in Santa Fe County suffering from severe mental illness.
- C. Life Link desires to lease, from the County, the Premises in order to provide services to persons with severe mental disabilities within Santa Fe County.
- D. Services provided by Life Link shall be a Clubhouse Model of training in life skills and skills to those persons suffering from severe mental illness and essential to returning back to paid employment within the community. The employment training services are services that could legally be expected to be provided by a governmental entity.

- 2. Term.** The term of this Lease shall be for twenty-five (25) years commencing on the date of approval of this Lease by the NM State Board of Finance or upon the date of Notice of Occupancy issued the County, whichever is the last event to occur and terminating on June 30, 2034, subject to earlier termination as provided herein.

3. **Rent and Maintenance Charges.** The rent and maintenance charges for the Premises shall be paid by Life Link, to the County, as follows:
- A. **Annual Rent.** Life Link will pay the County an annual rent of Fifty-Two Thousand Two Hundred and Eighty dollars (\$52,280.00) for the Premises, payable as set forth in Exhibit B attached hereto and incorporated herein. A market appraisal of the rental value of the Premises shall be conducted by the County every five (5) years of the term of this Lease and the rent adjusted accordingly. When such rental fee is increased, the fees charged and used as offset by Life Link shall be prohibited from increasing by an amount greater than the same percentage of increase in the rental fee adjustment.
 - B. **Building and Maintenance Charges.** Life Link shall pay to the County, in addition to rent, the sum of Five Hundred Dollars (\$500.00) each month, due by the tenth day of each month, for maintenance of the building and the Premises for those items not covered in Paragraph 8 *infra*. Such charges must be paid in cash, each month, and may not be offset as provided for in Exhibit B. The maintenance charge shall increase by One Hundred Dollars (\$100.00) per month every five years of the Lease term.
4. **Use of Premises.** Life Link may use the Premises for a day program teach necessary life skills, provided non-residential counseling, and psycho-educational group therapy to qualified persons in Santa Fe County suffering from severe mental illness. The premises are not to be used as overnight shelter. Life Link shall not create a nuisance on the Premises. Life Link shall use the Premises at all times in compliance with all applicable federal, state and local laws and regulations and only after all necessary permits or licenses have been obtained.
5. **Utilities.** Life Link agrees to pay all utilities, in ready and available funds, including but not limited to water, sewer, refuse, electricity, gas, telephone and security monitoring. In addition, Life Link shall pay for all of its janitorial services and needs.
6. **Insurance.** Life Link shall procure and maintain in force a policy of general commercial liability insurance, during the term of this Lease.

- A. All insurance documents must include a provision for thirty (30) day written notification to Director of Projects and Facilities Management Department, with copies to the County Manager, Santa Fe County, at the County of Santa Fe, P. O. Box 276, Santa Fe, NM 87504-0276, if any required policy has been materially changed or cancelled.
- B. The County shall be added as an additional insured (Form B – CG20101185 or CG2010398) and will be written on an occurrence form, and shall provide limits as follows:
 - 1.) Commercial General Liability \$1,050,000 combined single limit per occurrence
 - 2.) Damage to Rented Premises \$500,000
- C. Life Link shall furnish a copy of the Certificates of Insurance herein required which shall specifically set forth evidence of all coverage required under this Lease. Life Link shall furnish to the County copies of any endorsements that are subsequently issued amending coverage or limits.
- D. If, during any term of this Lease, the Legislature of the State of New Mexico increases the maximum limits of liability under the Tort Claims Act, the County may require Life Link to increase the limits of such insurance by notice to Life Link. Evidence of a policy increasing the limits and complying with all requirements of this paragraph 6 shall be provided to the County within thirty (30) days of such notification.

7. **Indemnification.** Life Link agrees to promptly defend, indemnify and hold harmless the County, their officers, employees and agents against liability, claims, damages, losses or expenses arising out of bodily injury to person, including death, or damage to property caused by or resulting from Life Link's and/or its officials', agents' or employees' negligent act(s) or omission(s) arising out of or relating to the obligations and conditions of this Lease or out of Life Link's use, activities on or occupation of the Premises. Life Link shall not be required to indemnify the County for any negligent or intentional acts or omissions of the County or any of its officials, employees and/or agents.

8. **Repair and Maintenance.** The County will maintain the roof, mechanical and electrical systems, HVAC systems, foundation, building exterior and plumbing of the facility subject to the County having sufficient appropriations. The determination as to whether such appropriations are available is in the County's sole discretion.

Life Link will maintain the interior of the building except to the extent the County is obligated to do so pursuant to the preceding sentence. Life Link shall, at its sole cost and expense, provide day-to-day maintenance and shall repair or replace any damages caused by Life Link, its employees or invitees to the Premises (even if the damage is to a part of the Premises which the County is required to maintain) promptly upon approval for such repairs from the County. All such repairs and replacements shall be at least equal in quality of materials and workmanship to the original work.

9. **Alterations and Improvements.** Life Link shall not make any alterations, improvements, additions or structural changes to the Premises without the prior written consent of the County, which shall be contained in a separate written agreement regarding any such improvements.

10. **Mechanic's Liens.** Life Link agrees that at least five (5) days before any construction work is done by Life Link or on Life Link's behalf by any person, firm or corporation or by any contractor, that Life Link will post and record, or cause to be posted and recorded, as provided by law, a notice on non-responsibility for any work, labor or materials used or expended or to be used or expended on the Premises. Life Link further agrees to remove any mechanic's liens placed on the Premises as a result of work it has procured within five (5) business days of notice of the lien and will indemnify the County for the same. Any improvements made by Life Link in the nature of fixtures shall become the property of the County at the termination of the Lease.

11. **Taxes.** Life Link shall pay any and all taxes and levies assessed upon any personal property, fixtures and improvements belonging to Life Link and located upon the Premises, and all leasehold and possessory interest taxes with respect to the Premises, levied or assessed by any proper taxing authority.
12. **Signs and Personal Property.** Life Link may place signs on the Premises only with advance approval of the County, provided however that all such signs shall conform to applicable law. All personal property, *e.g.* signs and improvements of Life Link, its employees, agents, customers and invitees, kept on the Premises shall be in furtherance of the use of the Premises as permitted under this Lease, and at the sole risk of Life Link, and the County shall not be liable for any damage thereto.
13. **Non-Discrimination.** Life Link, with respect to employment of staff and to those persons using the Premises and/or receiving services from Life Link, shall not discriminate unlawfully with respect to race, sex, national origin, age, religion, sexual orientation or any other class protected against discrimination by applicable local, state or federal laws.
14. **Hazardous Materials.** Life Link will neither cause nor permit any Hazardous Material (defined below) to be brought upon, kept or used in or about the Premises.
 - A. In the event of Life Link's breach of the foregoing covenants, Life Link accepts and affirms full liability and responsibility for all costs and expenses related to, and indemnifies the County from and against any liability or damages related to:
 - 1.) any investigation of the Premises for the presence of Hazardous Materials alleged to have been brought, used or disposed of on the Premises by Life Link, and
 - 2.) the Hazardous Material clean-up, removal or restoration of the Premises required by a federal, state or local governmental agency.
 - B. Life Link's responsibilities and indemnity under this Lease will survive the expiration or termination of this Lease.

- C. As used herein, the term "Hazardous Material" means a substance the release of which on the Premises would necessitate an environmental response action under any federal, state, county or municipal law, whether now in effect or enacted in the future, and includes without limitation asbestos in any form, formaldehyde, transformers or other equipment which contain fluid containing polychlorinated biphenyls, any petroleum product in non-regulated bulk storage containers, radon, or any other chemical, material or substance which is defined or classified as hazardous or toxic or the exposure to which is prohibited, limited or regulated by any federal, state, county, regional or local authority having jurisdiction.

15. Assignment or Subletting. Life Link shall not assign this Lease or sublet the whole or any part of the Premises.

- A. Life Link shall not assign, transfer or convey, either voluntarily or involuntarily, this Lease, or any interest in this Lease and this Lease may not be assigned, hypothecated or mortgaged by Life Link, and any attempted assignment, subletting, hypothecation or mortgaging of this Lease shall be void, and shall be of no force or effect, and shall confer no rights upon any assignee, sub-lessee or mortgage pledgee.
- B. In the event that Life Link shall become incompetent, bankrupt or insolvent, or should a trustee or receiver be appointed to administer Life Link's business or affairs, neither this Lease nor any interest in this Lease shall become an asset of Life Link's bankruptcy or other estate, or of any guardian, trustee, or receiver, and in the event of the establishment of such estate and the appointment of any such guardian, trustee, or receiver, this Lease shall immediately terminate and end.

16. County's Access to Property. The County will have free access to the Premises at all reasonable times for the purpose of examining the Premises, to determine if Life Link is performing this Lease, and to post such reasonable notices as the County may desire to protect the rights of the County. However, the County's access will be consistent with Life Link's privacy obligations to its clients, in connection with applicable federal, state and county laws and Life Link's operations and the County will provide reasonable prior notice of such access unless in the case of an emergency.

17. Breach.

- A. In the event of a breach by either party, the non-breaching party shall notify the breaching party, in writing, of the breach. If the breach is not cured within thirty

(30) days, or an extension granted thereto, this lease shall be terminated by the non-breaching party.

B. In the event of a default and termination, the County shall have the following remedies:

- 1.) The County may declare this Lease terminated and enter upon the Premises or any part thereof, remove all persons therefrom, either with or without process of law, and repossess said Premises and remove all improvements.
- 2.) In such event, the County shall retain for any rent, damages or other sums that may be due hereunder any property belonging to Life Link and located on the Premises, and all Life Link's right herein and to the Premises shall be forfeited.
- 3.) The County may re-enter the Premises and may rent same upon such terms as are suitable to the County, all without releasing Life Link from liability hereunder, including the applicability of the Land Lease Agreement mentioned heretofore.
- 4.) In such event, any monies collected by such leasing shall be applied first to the expense of restoring and placing the Premises in a rentable condition and next to the payment of the rent or any sum due the county hereunder. Life Link shall remain liable for any deficiency.

18. Termination. This Lease may be terminated upon written agreement by both parties to this Lease. By such termination, neither party may nullify obligations already incurred for performance or failure to perform prior to date of termination.

19. Surrender Upon Termination. At the expiration of any term of this Lease or upon termination, Life Link shall surrender the Premises, including all existing and any subsequently approved improvements, to the County in as good a condition as it was in at the beginning of the term, reasonable use and wear excepted.

20. Notices. All notices and other communications given as provided in this Lease will be in writing, and, unless otherwise specifically provided in this Lease, will be deemed to have been given if delivered in person, or sent by a nationally recognized overnight courier service, or mailed by certified or registered mail, postage prepaid, and addressed to

County or the Life Link at the following addresses, unless either the County or the Life Link changes their address(es) by giving written notice of the change to the other. The addresses for notice are:

A. Notice to the County:

Santa Fe County Attorney Office
102 Grant Avenue
P. O. Box 276
Santa Fe, NM 87504-0276
Telephone : 505-986-6279
Facsimile : 505-986-6362

B. Notice to Life Link:

Carol Luna-Anderson, Exec. Dir.
The Life Link
PO Box 6094
Santa Fe, NM 87502
Telephone : 505-438-0010
Facsimile : 505-438-6011

- 21. Waiver.** No waiver of any default as provided in this Agreement or delay or omission in exercising any right or power of the County or Life Link will be considered a waiver of any other default as provided in this Lease. The exercise of or failure to exercise any one of the rights and remedies of the County or Life Link as provided in this Lease will not be deemed to be instead of, or a waiver of, any other right or remedy as provided in this Lease.
- 22. Entire Agreement.** This Lease constitutes the entire agreement of the County and Life Link relating to the subject matter hereof and supersedes all previous agreements, written or oral, between the County and Life Link on such subject.
- 23. Partial Invalidity.** If any term of this Lease, or the application of the term to any person or circumstance is, to any extent, invalid or unenforceable, the remainder of this Lease, or the application of the term to persons or circumstances other than those as to which the

term is held invalid or unenforceable, will not be affected by the application and each term of the Lease will be valid and be enforced to the fullest extent permitted by law.

24. **Sublease Mortgages.** Life Link may not grant a collateral assignment, deed of trust, mortgage or other security interest in its interest in this Lease or as to any improvements to any person or entity.
25. **Fixtures.** Except as otherwise provided herein, Life Link shall have the right to install such fixtures and equipment as may be necessary for the conduct of its business. Upon termination of this Lease, all fixtures shall remain affixed to the Premises and shall become the property of the County, except for Life Link's equipment purchased by it that can be removed without damage to the Premises.
26. **Damage or Destruction of Premises.** If, at any time during the term hereof, any of the Premises are damaged or destroyed by fire, the elements or other causes, said Premises may be repaired and rebuilt and restored by the County to a condition as good as it was immediately prior to such damage or destruction, using any insurance funds toward such expense and in accordance with all laws, regulations and ordinances of all governmental authorities having jurisdiction. The County may authorize or direct construction of an alternate structure, or may elect to retain insurance proceeds or other funds if it deems reconstruction or construction of a substitute to be impractical or unreasonable. In the event reconstruction or construction of a substitute is deemed impractical or unreasonable by the County, this Lease Agreement shall terminate with no further obligation on the part of the County. All warranty items and major structural problems arising from either construction/design or natural causes shall be repaired by the County within 30 days or repairs started within 30 days if it cannot be completed within 30 days of notification by the County that such condition exists.

27. **Sovereign Immunity.** No provision of this Lease modifies or waives any sovereign immunity or limitation of liability enjoyed by the County or their public employees at common law or under the New Mexico Tort Claims Act, NMSA 1978, § 41-41-1, *et seq.*
28. **Miscellaneous.** This Lease is governed by and will be construed according to the laws of the State of New Mexico and binds the successors, transferees and assigns of the parties. This Lease, between the County and Life Link may be amended only in writing signed by both parties.
29. **State Approval.** This Lease shall not be binding or effective until approved by the State Board of Finance.
30. **Compliance with Laws.** Life Link agrees to comply with all laws, ordinances, rules and regulations which may pertain or apply to the Premises and the use thereof.

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COUNTY/LESSOR:
SANTA FE COUNTY, NEW MEXICO



HARRY B. MONTOYA, CHAIR
Board of County Commissioners

Date: 1/12/2010

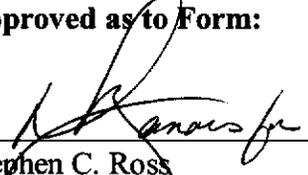
LIFE LINK/LESSEE:



CAROL LUNA-ANDERSON
Executive Director

Date: 1/13/10

Approved as to Form:



Stephen C. Ross
County Attorney

Date: 12-30-09



Approved :



Teresa Martinez
Finance Director

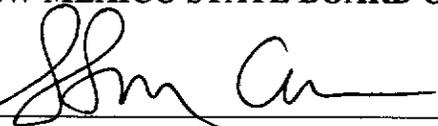
Attest:



Valerie Espinoza
County Clerk

Date: 1/13/10

APPROVED: (as amended)
NEW MEXICO STATE BOARD OF FINANCE



Date: 3/8/10

EXHIBIT A
Description of Premises

PROPERTY DESCRIPTION: TRACT A1B of the Lot Line Split of Tract A1 of Land Division of Tract A

A parcel of land herein described as TRACT A1B, being a portion of Tract A1, as said Tract A1 is shown on the plat of survey titled "Land Division of Tract A, Prepared for Mike Mabry, All within the City of Santa Fe, Santa Fe County, New Mexico," as said plat was recorded in the Office of the Santa Fe County Clerk in Plat Book 248, Page 048, as Instrument No. 817,827. TRACT A1B is shown on the plat of survey titled "Lot Split Plat, Tract A1 of Tract A for Mike Mabry, Previously Platted as Maclovia Office condominium, 1401 Maclovia Street, Santa Fe, New Mexico," as said plat was recorded in the Office of the Santa Fe County Clerk in Plat Book _____, page _____, as Instrument No. _____. The said Tract A1B is herein described by metes and bounds as follows:

Beginning at a point, being the northwest corner of the tract, which lies on the northerly property boundary of the said Tract A1, and from which the City of Santa Fe Sanitary Sewer Manhole No. 8 of Line B1A, bears the following courses and distances:
S. 75°13'27" W., 110.00 feet, to a point, thence S. 14°41'01" E., 173.19 feet, to a point, thence N. 62°29'42" W., 31.47 feet to the said Sanitary Sewer Manhole;
thence from the said point of beginning

N. 75°13'27" E., 110.02 feet, along the northerly property boundary of the said Tract A1 and the northerly property boundary of the herein described tract, to a point, being the northeast corner of the said Tract A1 and the northeast corner of the herein described tract, marked with a 3/4 inch pipe monument; thence

S. 14°39'04" E., 86.72 feet, along the easterly property boundary of the said Tract A1 and the easterly property boundary of the herein described tract, to a point, being the southeast corner of the herein described; thence

S. 75°11'00" W., 109.77 feet, along the southerly property boundary of the herein described tract, to a point, being the southwest corner of the herein described tract; thence

N. 14°49'00" W., 86.80 feet, along the westerly property boundary of the herein described tract, to the point and place of beginning.

Containing 0.219 Acres, or 9534 Square Feet, more or less.

EXHIBIT B

The annual rental and charges set forth in Paragraph 3 shall be paid as follows:

1. The rent and maintenance charges shall be paid as follows:
 - a. The \$500.00 monthly maintenance charge must be paid to the County by Life Link, in ready and available funds, every month, by the tenth (10th) of each month.
 - b. The annual rent, after payment in cash of the maintenance charges, in any year shall be paid with cash or the equivalent in the form of uncompensated services Life Link provides to sick and/or indigent residents of Santa Fe County which includes those that are not otherwise paid for with County money as set forth in Paragraph 2 below.
2. Life Link shall provide the County with quarterly reports that contains each of the following:
 - a. a written description and valuation of the uncompensated services provided to Santa Fe County residents;
 - b. a listing of the most current mutually agreed upon reimbursement rates; and
 - c. any and all documentation required by the County in order that the County may verify such services.
3. The County will review the report and, if approved by the County, the County will accept the services provided by Life Link as rental payment so long as:
 - a. The services are valued at no more than the maximum cost per encounter for each type of service as contained in the mutually agreed upon reimbursement rates;
 - b. Life Link is not paid for the services by the County; and
 - c. The services are provided to sick and indigent residents of the County. For purposes of this agreement, "sick" includes behavioral, physical or mental conditions which adversely affect the functioning of an individual, and "indigent" means a person who qualifies as an "indigent patient" as described in the "Indigent Hospital and County Health Care Act" ("the Act"), and who is qualified by application of residency and income criteria to receive assistance pursuant to the Act according to policies of the Santa Fe County Indigent Hospital and County Health Care Board.
4. In the event the services provided in any one year are greater than the annual rent due for the preceding year, the excess shall be carried forward and applied against the next year's annual rent. In the event the services are less than the annual rent due for the preceding year, then Life Link shall promptly pay the balance owing to the County in ready and available funds within thirty (30) days.

5. Life Link may, at its option, pay all or part of the annual rental in cash in lieu of providing services.

6. The yearly letter and statement of the shortfall in services to be provided by Life Link shall be submitted to:

Community Services Department
Attn : Agnes Lopez
Santa Fe County
102 Grant Avenue
P. O. Box. 276
Santa Fe, NM 87504

7. Should the County reject any or all of the report of services provided, Life Link shall, within thirty (30) days of notice from the County, pay the rent due for the preceding year, in ready and available funds.

8. Nothing in this Exhibit B shall require Life Link to disclose information that would violate the privacy rights of clients pursuant to HIPAA or other applicable state or federal law.

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