



Agreement #11918-2016

## RENTAL AGREEMENT

Between

t.b.d.

and the

State Of Michigan

THIS RENTAL AGREEMENT, hereinafter referred to as "Agreement", is entered into by and between t.b.d., hereinafter referred to as "Landlord", a t.b.d., whose address is t.b.d., and the State of Michigan, by the Department of Technology, Management & Budget, whose address is 3111 W. St. Joseph Street, Lansing, MI 48917, for the Department of Health & Human Services (DHHS), hereinafter referred to as "Tenant", and establishes the following terms, conditions, performance obligations, and covenants between the parties:

### 1. Premises & Rent –

- 1.1 Landlord hereby rents to Tenant approximately t.b.d. usable square feet of office space, as further described in Attachment "A" to this Agreement, and two hundred (200) common parking spaces on the grounds of the property commonly known as t.b.d. (the "Premises").
- 1.2 Tenant shall pay to Landlord rent at the rate of t.b.d. and 00/100 dollars (\$t.b.d.) per month. Rent consideration installment payments shall be made during the month for which the installment applies.

2. Term - The term of this Agreement is month-to-month beginning November 1, 2016 and ending October 31, 2017, subject to the cancellation provisions of this Agreement.

3. Holding Over - In the event Tenant remains in possession of the Premises after the expiration or termination of the Agreement, it shall be deemed to be occupying the Premises as a Tenant from month-to-month, subject to all conditions, provisions and obligations of this Agreement, and the rent shall remain the same as the monthly rent owing at the end of the Agreement.

4. Cancellation - This Agreement, or any extension thereof, may be canceled, in part or in whole, by the Tenant upon sixty (60) days written notice to the Landlord delivered to the Landlord's address as set forth under the "Notices" Section of this Agreement, or to such other address as either party may designate in writing for the delivery of notices under this Agreement.

Upon cancellation or termination of this Agreement, the Tenant shall clean the Premises to "broom-clean condition", and shall remove all Tenant furnishings and signage from the Premises. Furnishings and signage remaining in or on the Premises after the cancellation or termination effective date shall be considered abandoned property, and the Tenant shall be obligated to pay the Landlord for all reasonable removal costs.

**5. Services and Responsibilities of Landlord - Landlord shall furnish the following at its own expense:**

- 5.1 Heating, mechanical ventilating, cooling, and humidification system capable of providing a temperature range of 68°F to 78°F, measured at 30" above the finished floor, and 12" inside any exterior wall, and a humidification range of 30% to 50%, at all times occupied.
- 5.2 Pay for metered utility costs for electricity, natural gas, water, sewerage, steam, fuel oil, or coal.
- 5.3 Electric service for lights, office machines, and all other electrical equipment. Lighting to be a minimum of 50-foot candles, maintained at desk level. Replacement of ballasts, light bulbs and tubes as needed.
- 5.4 Provide and maintain any equipment required by the Fire Inspector for fire prevention and safety.
- 5.5 Pest Control. Spraying must be performed after business hours or on weekends.
- 5.6 Janitorial supplies, equipment, personnel, and supervision to provide cleaning services as described in Attachment "B".
- 5.7 Snow removal from driveways, steps, porches, walkways; exterior grounds maintenance, including grass and weed cutting, clippings removal, leaf raking, litter removal; sidewalk surface and parking lot surface maintenance.
- 5.8 Removal of trash and refuse from the dumpsters on Premises.

**6. Services and Responsibilities of Tenant - Tenant shall furnish the following at its own expense:**

- 6.1 Printer/Copier/Fax machines and office/cubicle equipment & furnishings.
- 6.2 Kitchen/break-room supplies as needed.
- 6.3 Security guards and security systems & monitoring as needed.
- 6.4 Telecommunication & Internet services, desk-top telephones as needed.
- 6.5 The Tenant shall be permitted to display necessary exterior signage, with the prior written consent of the Landlord, in a manner consistent with the decor of the facility at the Tenant's expense. The Tenant shall be responsible to request and obtain any local government sign ordinance variances and the payment of any related fees.

**7. Repair, Maintenance & Improvements -**

- 7.1 The Tenant shall notify the Landlord or his agent of the need for any repairs or replacements, which are not the responsibility of the Tenant to make. Landlord is to provide a list of telephone numbers (ESCR form, completed within the past 3 years) to call for maintenance services, including a number for window breakage, if needed.
- 7.2 The Tenant shall reimburse the Landlord for any repairs to the Premises from damage which exceeds normal wear and tear to be expected from lawful and proper use of the Premises and the sole cause of which was the negligent acts or omissions of Tenant's employees, vendors, or clients.
- 7.3 The Tenant shall be responsible for the following repair and maintenance operations: **NONE.**
- 7.4 Alterations & Improvements - The Landlord shall begin the remodeling or construction in accordance with Attachment "A" and the standards and specifications listed in Attachments "C" and "D" within **ten (10)** days from the date this Agreement is fully executed. All work required under Attachments "A", "C" and "D" shall meet the latest local and state building codes, fire codes, and

barrier free regulations. The Landlord shall be responsible for acquisition of and payment for all necessary permits.

Landlord agrees that the Tenant's representative, at all times, shall have access to the Premises construction site to determine that the Premises are being constructed in accordance with reasonable construction standards and the requirements of Attachments "A", "C" and "D". Landlord agrees that the Tenant's representative shall have authority to observe the construction and where non-conformance with Attachments "A", "C" and "D" are discovered communicate to the Landlord such non-conformance. The Landlord agrees to take appropriate corrective action to conform the construction work to the requirements of Attachments "A", "C" and "D".

No future alterations, modifications, or improvements shall be made to the Premises without the prior written consent of the Landlord, which consent shall not be unreasonably withheld. The Landlord shall submit a complete description and itemized cost estimate for prior written approval to the DTMB-Real Estate Division, prior to performing the work required by the requested change. If the change and cost is mutually agreed upon in writing by the Landlord, Tenant, and the Real Estate Division, the Tenant shall make a lump-sum payment to the Landlord upon completion of the work. At the expiration of the Agreement, all such alterations, modifications, and improvements to the Premises shall become the property of the Landlord, unless otherwise agreed in writing.

## **8. Landlord Obligations -**

- 8.1** Fire Inspection Report - Landlord shall provide to Tenant a written fire inspection report approving the Premises for occupancy (completed within the past 5 years).
- 8.2** Governmental Compliance - Landlord represents and warrants that the Premises will comply with all applicable governmental laws, rules and regulations during the term of this Agreement including, but not limited to, applicable codes and use permits.
- 8.3** Authority to Bind - Landlord represents and warrants that it has legal ownership and authority to enter into this Agreement, and shall provide a recorded warranty deed and/or other documentation necessary to confirm ownership and authority.
- 8.4** Insurance - Landlord is required to provide proof of General premises liability insurance for the Premises identified in Paragraph 1, which provides full coverage for the Landlord, the Tenant, and their respective agents and employees and which protects against all claims, demands, actions, suits, or causes of action, and judgments, settlements or recoveries, for bodily injury or property damage arising out of a condition of the Premises. The Landlord agrees to maintain minimum policy limits in the amount of \$500,000.00 per occurrence for property damage, and \$1,000,000.00 per occurrence for bodily injury, with a \$2,000,000.00 aggregate. The Landlord shall provide to the Tenant a certificate of insurance listing the Tenant, its several departments, boards, agencies, commissions, officers, and employees as additional insureds, within thirty (30) calendar days following execution and delivery of this Agreement to the Landlord. The insurance policy shall provide that it may not be modified, cancelled, or allowed to expire without thirty (30) days prior written notice given to the Tenant.
- 8.5** If the Landlord fails to provide supporting documentation, as required by Paragraphs 7.1, 8.1, 8.3 and 8.4, twenty percent (20%) of the monthly rent consideration shall be held by the Tenant, until the required documentation is provided to the Tenant.

**9. Public Policy Provisions -**

- 9.1 Non-Discrimination - Landlord shall comply with the Elliott-Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2101 et seq., the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 et seq., and all other federal, state and local fair employment practices and equal opportunity laws and covenants that it shall not discriminate against any employee or applicant for employment, to be employed in the performance of this Agreement, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position. The Landlord agrees to include in every subcontract entered into for the performance of this real estate contract this covenant not to discriminate in employment. A breach of this covenant is a material breach of this Agreement.
- 9.2 Utilization of Public Facilities by Physically Limited - Premises shall comply with the barrier free design requirements of 1966 PA 1, as amended, MCL 125.1351 et seq.
- 9.3 Unfair Labor Practices - This Agreement may be canceled by Tenant if Landlord or any subcontractor, manufacturer or supplier of the Landlord appears in the register compiled by the State of Michigan pursuant to 1980 Public Act 278, as amended, MCL 423.321 et seq. (Employers Engaging in Unfair Labor Practices Act). A breach of this covenant is a material breach of this Agreement.
- 9.4 Electronic Funds Transfer - Public Act 533 of 2004 requires that payments under this Agreement be processed by electronic funds transfer (EFT). The Landlord is required to register at the Contract & Payment Express website [www.mi.gov/cpexpress](http://www.mi.gov/cpexpress) to receive payments by EFT or call (888) 734-9749 for assistance.

- 10. **Notices** - Any notices under this Agreement shall be complete if submitted by personal delivery (with signed delivery receipt), or by certified/registered mail (a return receipt requested), or by a recognized overnight courier service.

Landlord	Tenant
	Director, Real Estate Division
	Department of Technology, Management & Budget
	<i><u>For U.S. Postal Service delivery:</u></i>
	P. O. Box 30026
	Lansing, MI 48909
	<i><u>For personal delivery or overnight delivery services:</u></i>
E-mail:	3111 W. St. Joseph Street
Telephone:	Lansing, MI 48917
Fax:	
	<b>Copy to the Department of Health &amp; Human Services</b>

The notice shall be deemed effective on either (i) the third business day following the date of mailing, if transmitted by mail or (ii) the date on which the noticed party receives or refuses receipt of the notice, if transmitted by personal delivery, or a nationally recognized overnight delivery service. Business day is defined as any day other than a Saturday, Sunday, legal holiday, or day preceding a legal holiday. A receipt from a U.S. Postal Service, or successor agency, performing such function shall be conclusive evidence of the date of mailing.

**11. Miscellaneous Provisions -**

- 11.1 Governing Law - This Agreement shall be governed by and interpreted in accordance with the laws of the State of Michigan.
- 11.2 Mutual Drafting - This Agreement shall be interpreted and construed as drafted mutually by both parties.
- 11.3 Entire Agreement - This Agreement, with all Attachments as listed herein, constitutes the entire agreement between the parties with regard to this transaction and may be amended only in writing, signed by each party.
- 11.4 Severability - Should any provision of this Agreement or any addenda thereto be found to be illegal or otherwise unenforceable by a court of law, such provision shall be severed from the remainder of the Agreement, and such action shall not affect the enforceability of the remaining provisions of the Agreement.
- 11.5 Waiver - Failure to enforce any term of this Agreement shall not be deemed a waiver of the enforcement of that or any other term of this Agreement.
- 11.6 Effective Date - The Effective Date of this Agreement is the date signed by the Real Estate Director of the Department of Technology, Management & Budget.
- 11.7 Binding Effect - This Agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators and assigns of Landlord and Tenant.
- 11.8 Counterparts - This Agreement may be executed in counterparts, each which shall be deemed an original, and all of which together shall constitute one and the same agreement. An electronic, scanned or facsimile signature shall be deemed an original.
- 11.9 Assignment - The Tenant, through its Department of Technology, Management & Budget may assign or reassign any or all of the Premises to any branch, department, board, agency, commission or other instrumentality of State government without the necessity of obtaining consent of the Landlord.

**12. Attachments -**

- 12.1 Attachment "A" – floor plan/site plan, 1 page
- 12.2 Attachment "B" – DHHS janitorial standards/schedule, 5 pages
- 12.3 Attachment "C" – State of Michigan standards and specifications, 33 pages
- 12.4 Attachment "D" – DHHS additional office standards and specifications, 6 pages

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IN WITNESS WHEREOF, the parties to this Agreement subscribe their names on the date set forth below.

Witness:

**Landlord:** t.b.d.

\_\_\_\_\_  
Signature  
Print Name: \_\_\_\_\_

\_\_\_\_\_ Date: \_\_\_\_\_  
Signature  
Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Witness:

**Tenant:** Department of Health & Human Services

\_\_\_\_\_  
Signature  
Print Name: \_\_\_\_\_

\_\_\_\_\_ Date: \_\_\_\_\_  
Signature  
Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Witness:

**Tenant:** Department of Technology, Management & Budget

\_\_\_\_\_  
Signature  
Printed Name: \_\_\_\_\_

\_\_\_\_\_ Date: \_\_\_\_\_  
Robert M. Burns  
Director, Real Estate Division  
Department of Technology, Management & Budget