

**FORSYTH COUNTY
BOARD OF COMMISSIONERS**MEETING DATE: DECEMBER 19, 2019AGENDA ITEM NUMBER: 18

**SUBJECT: RESOLUTION AUTHORIZING EXECUTION OF LEASE AND USE AGREEMENTS BETWEEN FORSYTH COUNTY AND THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL, ON BEHALF OF ITS SCHOOL OF SOCIAL WORK, FOR USE OF OFFICE AND CLASSROOM SPACE TO ACCOMMODATE MASTER'S AND BACHELOR'S DEGREE PROGRAMS IN SOCIAL WORK AS OFFERED BY THE SCHOOL
(DEPARTMENT OF SOCIAL SERVICES)**

COUNTY MANAGER'S RECOMMENDATION OR COMMENTS:**SUMMARY OF INFORMATION:**

Revenue Contract Amount: Not to Exceed \$60,750 per academic year

The Lease and Use Agreements allow for approximately 1,500 square feet, more or less, of office and classroom space located on the 5th floor of the DSS building to accommodate master's and bachelor's degree programs in Social Work as offered by the School.

The Term of the Lease and Use Agreements are for 2 academic years, each consisting of up to 3 academic terms, Fall, Winter and Summer.

The School shall pay at a rate of \$450 per student up to a maximum of 15 students per class offered for a total not to exceed \$6,750 per class offered. Each class may accommodate a maximum of 25 students. Classes are held on Fridays between the hours of 8am – 5pm. Classes are currently averaging 2 per semester for the Fall and Spring semesters with an average of 15 students per class. The school is also provided one office for the Director of School of Social Work and 2 cubby spaces for Field Advisors for the Winston-Salem program.

Last years income from this contract was \$27,000.

This partnership with the school and DSS has been established since August 2005.

CONTRACT PERIOD: September 1, 2019 – August 31, 2021

The last Summer class was held in 2011.

Currently 2 classes, one with 13 students and one with 15 students.

(\$450 X 13 = \$5,850 and \$450 X15= \$6,750 for a total of \$12,600 total semester)

School owns all equipment used by faculty

ATTACHMENTS: YES NO

SIGNATURE: _____ DATE: _____
COUNTY MANAGER

**RESOLUTION AUTHORIZING EXECUTION OF LEASE
AND USE AGREEMENTS BETWEEN FORSYTH COUNTY AND
THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL, ON BEHALF
OF ITS SCHOOL OF SOCIAL WORK, FOR USE OF OFFICE AND
CLASSROOM SPACE TO ACCOMMODATE MASTER'S AND BACHELOR'S
DEGREE PROGRAMS IN SOCIAL WORK AS OFFERED BY THE SCHOOL
(DEPARTMENT OF SOCIAL SERVICES)**

WHEREAS Forsyth County, on behalf of its Department of Social Services, has made 1,500 square feet, more or less, of office and classroom space on the fifth floor of the Forsyth County Department of Social Services Building available to the University of North Carolina at Chapel Hill, on behalf of its School of Social Work, to facilitate classes to increase the number of qualified Social Workers available to apply for positions with the Forsyth County Department of Social Services as well as to provide advanced educational opportunities for Social Workers who are currently employed with the Department; and

WHEREAS the Lease and Use Agreements between the County and the University of North Carolina at Chapel Hill should be memorialized and authorized by the Forsyth County Board of Commissioners according to the provisions of N.C.G.S. 160A-274;

NOW, THEREFORE, BE IT RESOLVED, that the Forsyth County Board of Commissioners hereby authorizes the Chairman or County Manager and Clerk to the Board to execute the Lease and Use Agreements, on behalf of Forsyth County, with the University of North Carolina at Chapel Hill, on behalf of its School of Social Work, for the space identified herein, pursuant to the provisions of N.C.G.S. 153A-176 and 160A-274, subject to a pre-audit certificate thereon by the County Chief Financial Officer, if applicable, and approval as to form and legality by the County Attorney. The original Lease and Use Agreements are attached hereto and incorporated herein by reference; and

BE IT FURTHER RESOLVED, that the County Manager is hereby authorized to execute, on behalf of Forsyth County, Lease and Use Agreements, with this party, for one (1) additional one-year term, subject to agreement by both parties, for the purposes provided herein, subject to a pre-audit certificate thereon by the County Chief Financial Officer, if applicable, and approval as to form and legality by the County Attorney.

Adopted this 19th day of December 2019.

LEASE AGREEMENT

THIS AGREEMENT, made and entered into effective September 1, 2019, by and between FORSYTH COUNTY ("Landlord"), a political subdivision of the State of North Carolina, and the UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL on behalf of its School of Social Work ("Tenant"), a North Carolina university;

For the purpose and subject to the terms and conditions hereinafter set forth, the parties agree that Landlord shall lease to Tenant the properties hereinafter set forth.

1. **PREMISES.** Landlord, for and in consideration of rent, conditions, and consideration hereinafter mentioned, provided for and covenanted to be paid, kept and performed by Tenant, leases to Tenant office spaces 5153 and 5154, cubicles 5150A and 5150B, and Classrooms A & B on the 5th Floor which consists of one thousand five hundred (1,500) square feet within the building located at 741 North Highland Avenue, Winston-Salem, North Carolina, as shown in Exhibit 1, attached hereto and incorporated herein by reference (hereinafter called the "Premises").
2. **TERM.** The Tenant shall have non-exclusive use of the Premises, beginning September 1, 2019, and ending August 31, 2020, which includes up to three academic terms, unless sooner terminated as hereinafter provided. The first academic term is effective September 1, 2019, up to and including December 6, 2019, and the second academic term is effective January 10, 2020 up to and including May 1, 2020. The Tenant will provide written notice to the Landlord of the Summer academic term dates, which are to be determined at a later date. Tenant retains the Option to Renew for a period of 12 months, under the same terms and conditions as the original lease, by providing written notice to the Landlord. Notwithstanding anything to the contrary herein, Landlord may terminate the Agreement at the end of a given semester, for any reason or for no reason, by providing written notice at least thirty (30) days prior to the end of such semester.
3. **RENTAL.** Tenant agrees to pay Landlord \$450 per student per class, up to a maximum of 15 students per class offered. Total rental not to exceed amount of \$6,750 per class per semester offered, not to exceed 3 classes per each academic semester. Total payments during the Term not to exceed \$20,250.00 per academic semester, and \$60,750.00 per academic year. Tenant agrees to pay the Landlord without demand, deduction or set off at least 15 days prior to the due date.
4. **LATE CHARGES.** N/A.
5. **UTILITIES.** Landlord shall provide all utilities to include, but not limited to, electric, water, stormwater, sewer, gas, telephone, and internet services to the premises.
6. **USE OF PREMISES.** The Premises shall be used solely for the purpose of providing educational instruction and related services for the Master and Bachelor programs of Social Work as offered by the Tenant. The Premises shall not be used for any illegal purposes, housing of staff or students, or in any manner to create any nuisance or trespass, nor in any manner to vitiate the insurance or increase the rate of insurance on the Premises. This Lease shall be terminated immediately if the Premises are no longer used for the purpose set forth herein. Tenant shall comply with all Building Rules and Regulations set forth in Exhibit 2, attached hereto.

Tenant shall require all students, staff, and participants to abide by the policies set forth by the Landlord. Tenant shall also notify the Landlord of current or planned changes to the program which impact the Landlord. Tenant shall require all staff, students, and participants to protect client privacy by complying fully with state and federal privacy protection laws and regulations concerning the security of client information. Tenant shall require all staff, students, and participants to protect the privacy of any personally identifiable protected health information if such is collected, processed, or learned as a result of program and/or use of the Premises. Tenant's program and use of premises shall comply with all applicable privacy regulations pursuant to the Health Insurance Portability and Accountability Act (HIPPA).

7. **INDEMNITY; INSURANCE.** Tenant agrees to and hereby does indemnify and hold Landlord harmless against all claims for damages to persons or property by reason of Tenant's use or occupancy of the Premises, and all expenses incurred by Landlord because thereof, including attorney's fees and court costs. Supplementing the foregoing and in addition thereto, Tenant shall during the term of this Lease and any extension or renewal thereof, and at Tenant's expense, maintain in full force the following insurance coverage:

a) Commercial General Liability Insurance. The Tenant shall maintain occurrence version commercial general liability insurance or equivalent form with a limit of not less than \$1,000,000 each occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this agreement or be no less than three times the occurrence limit. Such insurance shall:

1. **Include the County, its officials, officers, and employees as additional insureds** with respect to performance of the Services. The coverage shall contain no special limitations on the scope of protection afforded to the above listed insureds.
2. Be primary with respect to any insurance or self-insured retention programs covering the County, its officials, officers, and employees.

b) Commercial Property Insurance. The Landlord is responsible for maintaining real property insurance for the Premises located at 741 N. Highland Avenue, Winston-Salem, North Carolina. The Tenant is solely responsible for maintaining insurance coverage for any improvements made to the Premises by the Tenant and any business personal property of the Tenant. In no event will the Landlord be required to repair or replace any improvements or personal property owned by the Tenant, its employees, or contractors.

c) Other Insurance Requirements. The Tenant shall:

1. Furnish the County with properly executed certificates of insurance which shall clearly evidence all insurance required in this section.

2. Provide certified copies of endorsements and policies, if requested by the County, in lieu of or in addition to certificates of insurance.
 3. Replace certificates, policies, and endorsements for any such insurance expiring prior to completion of the services.
 4. Maintain such insurance from the time the lease commences until the lease is terminated.
 5. Place such insurance with insurers authorized to do business in North Carolina and having A. M. Best Company ratings of not less than A:VII. Any alternatives to this requirement shall require written approval of the County's Risk Manager.
- d) The Tenant understands and acknowledges that these insurance coverage requirements are minimums and that they do not restrict or limit the hold harmless provisions of this agreement.

8. **SERVICES BY LANDLORD.** Landlord agrees to keep in good repair the Premises, except repairs rendered necessary by the negligence or intentional wrongful acts of Tenant, its agents, its employees, or its invitees. Landlord shall provide reasonable building maintenance services, provided that Landlord shall not maintain any property belonging to Tenant or provided or altered by Tenant. Landlord shall maintain the grounds surrounding the building, including paving, the mowing of the grass, care of shrubs, general landscaping and snow removal as scheduled by Landlord. Landlord shall provide routine housekeeping services for the Premises, provided, however, that Landlord is not responsible for any damage to the Premises by Tenant. Tenant shall be responsible for its own employees' safety. Tenant shall promptly report in writing to Landlord any defective condition known to it which Landlord is required to repair and failure to report such conditions shall make Tenant responsible to Landlord for any liability incurred by Landlord by reasons of such conditions.

Additionally, Landlord agrees to provide:

- a) Postage and mail services to the Tenant's Director of School of Social Work and two Field Advisors.
- b) Office space, office desk, chair, facsimile equipment and service, photocopier equipment and supplies, computer, and related technology support services.
- c) Computer laboratory services for students and faculty.
- d) Tables and chairs, as required by the School for instruction of each class per academic term.
- e) Orientation regarding FCDSS policies and procedures to appropriate SSW staff members and program participants.
- f) FCDSS staff to serve on local advisory board and to act as liaison among the School and the County

- g) Meeting space, lunch and refreshments for School orientation held at FCDSS facility, informational/recruitment sessions (not to exceed 8 during the contract period) and advisory board meetings held at the FCDSS facility;

9. **REPAIRS BY TENANT.** Tenant accepts the Premises in their present condition and as suited for the uses intended by Tenant unless advance notice is provided to Landlord. At the expiration of each academic term, the Tenant agrees to return the Premises to the in as good condition and repair as when first received, natural wear and tear, damage by storm, fire, lightning, earthquake or other casualty alone excepted. Tenant, Tenant's employees, agents, contractors or subcontractors shall take no action which may void any manufacturers or installers warranty with relation to the Premises. Tenant shall indemnify and hold Landlord harmless from any liability, claim, demand or cause of action arising on account of Tenant's breach of the provisions of this paragraph.

10. **ALTERATIONS.** Except as permitted in the underlying Agreement, Tenant shall not make any alterations, additions, or improvements to the Premises without Landlord's prior written consent. Tenant shall promptly remove any alterations, additions, or improvements constructed in violation of this Paragraph upon Landlord's written request. All approved alterations, additions, and improvements will be accomplished in a good and workmanlike manner, in conformity with all applicable laws and regulations, and by a contractor approved by Landlord, free of any liens or encumbrances. Landlord may require Tenant to remove any alterations, additions or improvements (whether or not made with Landlord's consent) at the termination of the Lease and to restore the Premises to its prior condition, all at Tenant's expense. All alterations, additions and improvements which Landlord has not required Tenant to remove shall become Landlord's property and shall be surrendered to Landlord upon the termination of this Lease, except that Tenant may remove any of Tenant's machinery or equipment which can be removed without material damage to the Premises. Tenant shall repair, at Tenant's expense, any damage to the Premises caused by the removal of any such machinery or equipment.

11. **REMOVAL OF FIXTURES.** Tenant may (if not in default hereunder) prior to the expiration of this Lease, or any extension or renewal thereof, remove all fixtures and equipment which it has placed in the Premises, provided Tenant repairs all damage to the Premises caused by such removal.

12. **DESTRUCTION OF OR DAMAGE TO PREMISES.** If the Premises are totally destroyed by storm, fire, lightning, earthquake or other casualty, this lease shall terminate as of the date of such destruction. If the premises are damaged but not wholly destroyed by any such casualties, rental shall abate in such proportion as effective use of the Premises has been affected and Landlord shall restore Premises to substantially the same condition as before damage as speedily as is practicable; whereupon full rental shall recommence. Tenant is responsible for insuring its personal property stored on the Premises, and Landlord shall not be responsible for any damage or loss to Tenant's property.

13. **GOVERNMENTAL ORDERS.** Tenant agrees, at its own expense, to comply promptly with all requirements of any legally constituted public authority made necessary by reason of Tenant's

occupancy of the Premises. Landlord agrees to comply promptly with any such requirements if not made necessary by reason of Tenant's occupancy.

14. CONDEMNATION. If the whole of the Premises, or such portion thereof as will make the Premises unusable for the purposes herein leased, is condemned by any legally constituted authority for any public use or purpose, then in either of said events the term hereby granted shall cease from the date when possession thereof is taken by public authorities, and rental shall be accounted for as between Landlord and Tenant as of said date. Such termination, however, shall be without prejudice to the rights of either Landlord or Tenant to recover compensation and damage caused by condemnation from the condemner. It is further understood and agreed that Tenant shall not have any rights in any award made to Landlord by any condemnation authority.

15. ASSIGNMENT AND SUBLETTING. Tenant shall not, without the prior written consent of Landlord, which shall not be unreasonably withheld, assign this Lease or any interest hereunder, or sublet the Premises or any part thereof, or permit the use of the Premises by any party other than the Tenant.

16. EVENTS OF DEFAULT. To the extent allowed by law, the happening of any one or more of the following events (hereinafter any one of which may be referred to as an "Event of Default") during the term of this Lease or any renewal or extension thereof, shall constitute a breach of this Lease on the part of the Tenant: (a) Tenant fails to pay the rental as provided for herein; (b) Tenant abandons the Premises; (c) Tenant fails to comply with or abide by and perform any other obligation imposed upon Tenant under this Lease; (d) Tenant is adjudicated bankrupt; (e) A permanent receiver is appointed for Tenant's property and such receiver is not removed within sixty (60) days after written notice from Landlord to Tenant to obtain such removal; (f) Tenant, either voluntarily or involuntarily, takes advantage of any debt or relief proceedings under any present or future law, whereby the rent or any part thereof is, or is proposed to be reduced or payment thereof deferred; (g) Tenant makes an assignment for benefit of creditors; (h) Tenant's effects are levied upon or attached under process against Tenant, which is not satisfied or dissolved within thirty (30) days after written notice from Landlord to Tenant to obtain satisfaction thereof.

17. REMEDIES UPON DEFAULT. Upon the occurrence of Event of Default, Landlord may pursue any one or more of the following remedies separately or concurrently, without prejudice to any other remedy herein provided or provided by law; (a) if the Event of Default involves nonpayment of rental and Tenant fails to cure such default with five (5) days after receipt of written notice thereof from Landlord, or if the Event of Default involves a default in performing any of the terms or provisions of this Lease other than the payment of rental and Tenant fails to cure such default within thirty (30) days after receipt of written notice of default from Landlord, Landlord may terminate this Lease (if Tenant has failed to cure such default after receiving 30 days written notice) by giving written notice to Tenant and upon such termination shall be entitled to recover from Tenant damages as may be permitted under applicable law; or (b) if the Event of Default involves any matter other than those set forth in item (a) of this paragraph, Landlord may terminate this Lease by giving written notice to Tenant and, upon such termination, shall be entitled to recover from the Tenant damages in an amount equal to all rental which is due and all rental which would otherwise have become due throughout the remaining term of this Lease, or any renewal or extension thereof (as if this Lease had not been terminated); or (c) upon any Event of Default (if Tenant has failed to cure such default after

30 days written notice), Landlord may, without terminating this Lease, re-let the Premises, in whole or in part, at the best price obtainable by reasonable effort, without advertisement and by private negotiations and for any term Landlord deems proper, with Tenant being liable to Landlords for the deficiency, if any, between Tenant's rent hereunder and the price obtained by Landlord on reletting, provided however, that Landlord shall not be considered to be under any duty by reason of this provision to take any action to mitigate damages by reason of Tenant's default. In the event Landlord hires an attorney to enforce its rights upon default, Tenant shall in addition be liable for reasonable attorney's fees and all costs of collection.

18. **EXTERIOR SIGNS.** Tenant shall place no signs upon the outside walls or roof of the Premises, except with the express written consent of the Landlord. Any and all signs placed on the Premises by Tenant shall be maintained in compliance with governmental rules and regulations governing such signs and Tenant shall be responsible to Landlord for any damage caused by installation, use or maintenance of said signs, and all damage incident to removal thereof.

19. **PARKING.** Tenant shall be entitled to use parking spaces as available and as assigned by Landlord in the lots serving the Premises.

20. **LANDLORD'S ENTRY OF PREMISES.** Landlord may advertise the Premises For Rent or For Sale. Landlord may access the Premises at any time necessary to exhibit the Premises to prospective purchasers or tenants, to inspect the Premises and to make repairs required of Landlord or to provide services under the terms hereof or to make repairs to Landlord's adjoining property, if any.

21. **HOLDING OVER.** If Tenant remains in possession of the Premises after expiration of the term hereof, with Landlord's acquiescence and without any express agreement of the parties, Tenant shall be a tenant at will and there shall be no renewal of this Lease by operation of law. If Tenant remains in possession of the Premises after expiration of the term hereof without Landlord's acquiescence, Tenant shall be a tenant at sufferance and commencing on the fraction thereof during which Tenant so remains in possession of the premises, be twice the monthly rental otherwise payable under Paragraph 3 above.

22. **RIGHTS CUMULATIVE.** All rights, powers and privileges conferred hereunder upon parties hereto shall be cumulative and not restrictive of those given by law.

23. **WAIVER OF RIGHTS.** No failure of Landlord or Tenant to exercise any power given hereunder or to insist upon strict compliance of its obligations hereunder and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Landlord's or Tenant's right to demand exact compliance with the terms hereof.

24. **ENVIRONMENTAL LAWS.** Tenant shall be liable for all environmental damage, liability or cost, including reasonable attorney's fees, arising out of Tenant's use of the Premises and shall defend and hold Landlord harmless from any claims or actions relating to environmental damage, spills, exposure or other effects caused by Tenant within the Premises. Tenant shall comply with all federal, state, and local laws, ordinances, and regulations. Tenant shall not bring unto the Premises any Hazardous Materials without the prior written approval by Landlord. Any approval must be preceded by submission to Landlord of appropriate

Material Safety Data Sheets (MSDS Sheets). In the event of approval by Landlord, Tenant covenants that it comply with all requirements of any constituted public authority and all federal, state, and local codes, statutes, rules and regulations, and laws, whether now in force or hereafter adopted relating to Tenant's use of the Premises, or relating to the storage, use, disposal, processing, distribution, shipping or sales of any hazardous, flammable, toxic or dangerous materials, waste or substance, the presence of which is regulated by a federal, state, or local law, ruling, rule or regulation (hereafter collectively referred to as "Hazardous Materials"); (2) comply with any reasonable recommendations by the insurance carrier of either Landlord or Tenant relating to the use by Tenant on the Premises of such Hazardous Materials; (3) refrain from unlawfully disposing of or allowing the disposal of any Hazardous Materials upon, within, about or under the Premises; and (4) remove all Hazardous Materials from the Premises placed upon, released into or introduced to the Premises by Tenant, it's agents, contractors, employees, clients, or invitees, either after their use by Tenant or upon the expiration or earlier termination of this Lease, in compliance with all applicable laws.

25. TIME OF ESSENCE. Time is of the essence in this Lease.

26. ABANDONMENT. Tenant shall not abandon the Premises at any time during the Lease term. If Tenant shall abandon the Premises or be dispossessed by process of law, any personal property belonging to Tenant and left on the Premises shall, at the option of Landlord, be deemed abandoned, and available to Landlord to use or sell to offset any rent due or any expenses incurred by removing same and restoring the Premises.

27. DEFINITIONS. "Landlord" as used in this Lease shall include the undersigned, its representatives, assigns, and successors in title to the Premises. "Tenant" shall include the undersigned and its representatives, assigns and successors, and if this lease shall be validly assigned or sublet, shall include also Tenant's assignees or sublease as to the Premises covered by such assignment or sublease. "Landlord", "Tenant", and "Agent" include male and female, singular and plural, corporation, partnership or individual, as may fit the particular parties.

28. NOTICES. All notices required or permitted under this Lease shall be in writing and shall be personally delivered or sent by United States certified mail, return receipt requested, postage prepaid to individuals listed below:

Notice to Tenant:

UNC at Chapel Hill
School of Social Work
325 Pittsboro Street, CB 3550
Chapel Hill, NC 27599-3550

Notice to Landlord:

Dudley Watts
County Manager
Forsyth County Government Center

201 N. Chestnut St.
Winston-Salem, NC 27101

With copies to:
Property Manager
Forsyth County Government Center
201 N. Chestnut St.
Winston-Salem, NC 27101

&

Director
Department of Social Services
741 North Highland Street
Winston-Salem, NC 27101
At the County address above

All notices shall be effective upon delivery. Any party may change its notice address upon notice to the other parties, given as provided herein.

29. **ENTIRE AGREEMENT.** This Lease contains the entire agreement of the parties hereto, and no representations, inducements, promises or agreements, oral or otherwise, between the parties, not embodied herein shall be of any force or effect. This Lease may not be modified except by a writing signed by all the parties hereto.

30. **AUTHORIZED LEASE EXECUTION.** Each individual executing this Lease as director, officer, partner, member or agent of a corporation, limited liability company, or partnership represents and warrants that he is duly authorized to execute and deliver this Lease on behalf of such corporation, limited liability company, or partnership.

31. **TRANSFER OF LANDLORD'S INTEREST.** In the event of the sale, assignment or transfer by Landlord of its interest in the Premises or in this Lease (other than a collateral assignment to secure a debt of Landlord) to a successor in interest who expressly assumes the obligations of Landlord under this Lease, Landlord shall thereupon be released and discharged from all its covenants and obligations under this Lease, except those obligations that have accrued prior such sale, assignment or transfer. Landlord's assignment of this Lease, or of any or all of its rights in this Lease, shall not affect Tenant's obligations hereunder, and Tenant shall attorn and look to the assignee as Landlord, provided Tenant has first received written notice of the assignment of Landlord's interest.

32. **MEMORANDUM OF LEASE.** Upon request by either Landlord or Tenant, the parties hereto shall execute a short form lease (Memorandum of Lease) in recordable form, setting forth such provisions hereof (other than the amount of Rent and other sums due) as either party may wish to incorporate. The cost of recording such Memorandum of Lease shall be borne by the party requesting execution of same.

33. **GOVERNING LAW.** This Agreement is governed by the laws of North Carolina, except that provisions relating to conflict of laws shall not apply.

34. EXHIBITS. Exhibit I, a drawing that shows the Premises described in Section I hereinabove, is incorporated herein by reference. **This drawing is not a formal survey and is only a general representation of boundaries. If there is any discrepancy between Exhibit 1 and any other provision of this Agreement, such other provision of this Agreement shall govern.**

35. Landlord represents and warrants to Tenant that all action required to authorize Landlord's execution, delivery and performance of this Lease has been taken, and that this Lease constitutes Landlord's binding and enforceable obligation.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, Landlord and Tenant have set their hands and seals of the day and year first above written.

FORSYTH COUNTY, NORTH CAROLINA

By: _____
J. Dudley Watts, Jr, County Manager

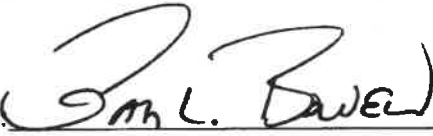
Date: _____, 2019

ATTEST:

Ashleigh M. Sloop, Clerk to the Board

Date: _____, 2019

**UNIVERSITY OF NORTH
CAROLINA AT CHAPEL HILL**
on Behalf of its School
of Social Work (School)

By: 

Date 10/29, 2019

Name: Gary L. Bowen
Title: Dean, School of Social Work

Exhibit 1

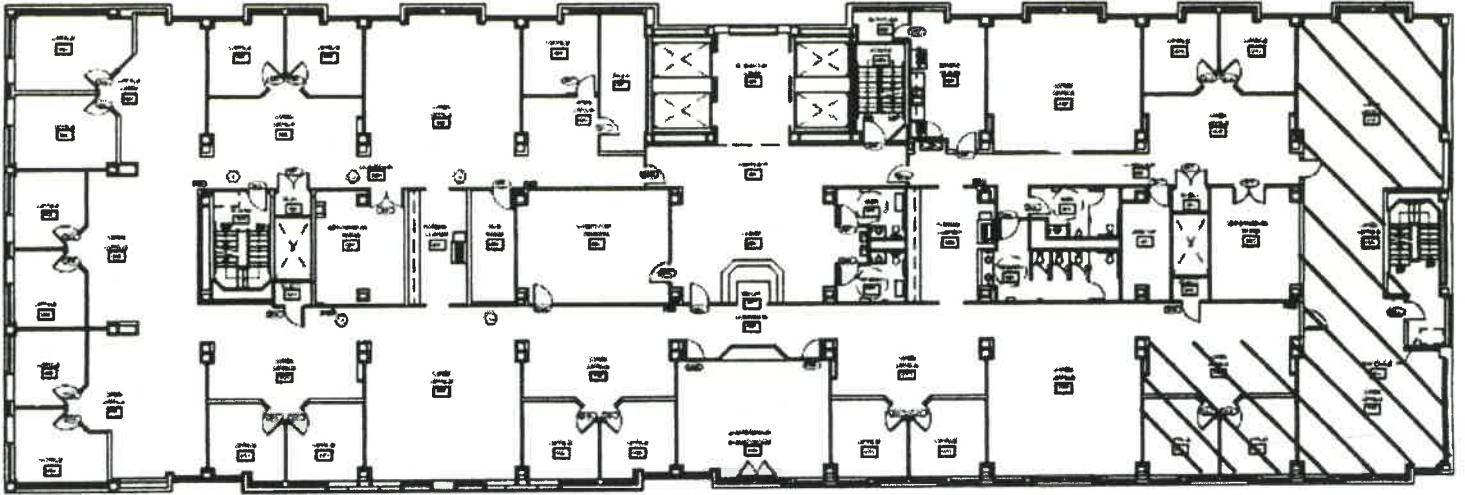


Exhibit 2
Building Rules and Regulations

1. The entry and passages shall not be obstructed by the Tenant, nor used by it for any other purpose than for ingress and egress to and from its respective office.
2. No sign, advertisement or notice shall be inscribed, painted or affixed on any part of the outside or inside of the Premises, except doors of offices, which shall be approved by Landlord prior to installation.
3. Tenant shall not solicit or permit others to solicit goods or services to the public on the Premises.
4. Advertisement of services and/or products not provided by the building tenants and/or the Landlord is prohibited on the property.
5. Requests for access cards and/or keys must be submitted to the Landlord by a designated pre-approved contact for each Tenant. Requests from individual employees will not be processed. Access cards and/or keys issued to tenants for building access shall not be given or loaned to others for any reason. In the event of lost access cards and/or keys, the Landlord will furnish a replacement card and/or key and a fine of five dollars will be required of the tenant per lost item, per occurrence which will be billed in the following month's rent invoice.
6. No additional locks shall be placed on any doors on the Premises nor shall any lock be changed without prior approval from the Landlord.
7. No Tenant shall do or permit anything to be done in said Premises, or bring or keep anything therein, which will in any way increase the fire hazard on said Building, or in any other way injure or annoy any other tenant, or conflict with the laws relating to fires, or with the regulations of the Fire Department, or with any insurance policy upon said Building or any part thereof, or conflict with any rules and ordinances of Forsyth County.
8. Each tenant will keep its Premises in a good state of preservation and cleanliness not causing unnecessary labor on the housekeeping staff due to carelessness and/or disregard for cleanliness.
9. If tenant requires a burglar alarm or similar service it must be submitted in written form to the Landlord for approval prior to installation; Landlord reserves the right to deny these requests based on the business needs of the Premises.
10. No tenant shall store, house, or secure personal belongings and/or property of clients or other individuals on the Premises. Tenant shall be liable to Landlord for the cost of removing client possessions or personal property in conflict with this rule.
11. No tenant shall allow or enable any person other than tenant's employees' entry into the building outside of building business hours, 7 a.m. to 6 p.m. Monday through Friday. Any after-hours meetings or events that involve persons not employed by tenant must be submitted in writing to the Landlord for approval one week prior to the meeting and/or event.

12. No tenant shall use any other method of heating or air conditioning than that provided for the Premises without special agreement. Usage of space heaters and/or fans may be allowed during business hours but are not to be left on overnight and/or when staff is not present. Any documented violation will result in a one-time written warning to the tenant from the Landlord. To the extent permitted by the Torts Claims Act, subsequent violations will result in a twenty-five dollar (\$25) fine per violation to be billed in the following month's rental invoice to compensate for consumption of excess utilities.

13. No animals shall be allowed in or kept on the Premises except those identified and used as service animals.

14. Use of tobacco and other vaping products is prohibited inside of all Landlord's properties.

15. No bicycles or small motorized vehicles shall be allowed inside the Premises.

16. No loitering is permitted on the Premises.

17. The Landlord reserves the right to have any intoxicated person or those deemed to be under the influence removed from the building should safety concerns arise or a disturbance occur.

The Landlord reserves the right to alter and/or add reasonable Rules and Regulations as may become necessary and needed for the safety, security, cleanliness, and care of the Premises. The Lessee shall observe and is responsible for its clients and/or visitors to also observe the Rules and Regulations as stated. Such Rules and Regulations are in addition to the Lease and have the same force as if being a part of the Lease.

STATE OF NORTH CAROLINA

**FACILITIES USE AGREEMENT
Between Forsyth County and the
University of North Carolina at Chapel Hill**

COUNTY OF FORSYTH

THIS FACILITIES USE AGREEMENT ("Agreement"), made and entered into effective the 1st day of September, 2019, for the term September 1, 2019 through August 31, 2021 by and between FORSYTH COUNTY, NORTH CAROLINA, on behalf of its Department of Social Services, hereinafter designated as "County", and the UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL, on behalf of its School of Social Work, hereinafter designated as "School";

WITNESSETH:

WHEREAS, the parties hereto have mutually agreed to the terms of this Facilities Use Agreement as hereinafter set out,

NOW THEREFORE, in consideration of the fee hereinafter agreed to be paid and the terms and conditions hereinafter set forth, the County does hereby authorize the use by the School, and the School hereby agrees to use for and during the period of time and subject to the terms and conditions hereinafter set out, certain County space more particularly described as follows:

Being 1500 sq. ft., more or less, of office and classroom space located on the fifth floor of the Forsyth County Department of Social Services (FCDSS) Building, 741 N. Highland Ave., Winston-Salem, North Carolina, to accommodate masters and bachelors degree programs in Social Work as offered by the School.

THE TERMS AND CONDITIONS OF THIS FACILITIES USE AGREEMENT ARE AS FOLLOWS:

1. The term of this use shall be two (2) academic years, each consisting of three academic terms, Fall, Spring, and Summer, commencing on the 1st day of September, 2019 and terminating on the 31st day of August, 2021.

2. The School shall pay the County a rate of \$450.00 per student, up to a maximum of 15 students per class offered for a total not to exceed \$6,750.00 per class offered not to exceed three classes during each academic term. Total payments under this contract will not exceed \$20,250.00 per academic term, or \$60,750.00 per academic year. Each class may accommodate a maximum of 25 students. This sum shall be payable within fifteen (15) days of the end of each Fall, Spring, and Summer academic term. As used in this section 2, a class shall consist of that group of students (up to a maximum of 25) who attend the instructional sessions given on a specified day during an academic term.

The School agrees to pay the aforesaid fee to the County at the address specified in section number 16 herein, or, to such other address as the County may designate by a notice in writing at least fifteen (15) days prior to the due date.

3. The County agrees to furnish to the School, as a part of the consideration for this use, the following services and utilities to the reasonable satisfaction of the School:

- A. Office space, office desk, chair, on site telephone including long-distance service, facsimile equipment and service, photocopier equipment and supplies, computer and

related technology support services, and postage for use by the Director of School of Social Work (SSW) and two (2) Field Advisors Winston-Salem Program;

- B. Computer laboratory services for students and faculty;
- C. Classroom space, including tables and chairs, as required by the School for up to 25 students per class per academic term;
- D. Orientation regarding FCDSS policies and procedures to appropriate SSW staff members and program participants;
- E. FCDSS staff to serve on local advisory board and to act as liaison among the School and the County;
- F. Provide meeting space, lunch and refreshments for School orientation held at FCDSS facility, informational/recruitment sessions (not to exceed 8 during the contract period) and advisory board meetings held at the FCDSS facility;
- G. Heating facilities, air conditioning facilities, electrical facilities, adequate lighting fixtures and sockets, hot and cold water facilities, and adequate toilet facilities;
- H. Janitorial services and supplies; maintenance of lawns, paved areas and disposal of trash; and elevator service;
- I. Parking and access to the Forsyth County DSS building for the School Program Director and students.

4. The School shall:

- A. Require program participants and its Winston-Salem Program Director to abide by the policies and procedures of the County.
- B. Notify the County of current or planned changes in the School's Winston-Salem Program that may impact the County.

5. The School shall operate as an independent contractor, and the County shall not be responsible for any of the School's, its employees' or students' acts or omissions.

The School, its employees, and students have no authority to enter into contracts or agreements on behalf of the County.

The School declares that it has complied with all federal and state laws regarding business permits, certificates, and licenses that may be required to carry out the services to be performed under this Agreement.

The County shall not be liable to the School for any expenses paid or incurred by either the School, its employees, or students unless otherwise agreed in writing.

The School shall supply, at its sole expense, all equipment, tools, materials, and/or supplies required to provide contracted services unless otherwise agreed in writing.

The School, its employees and students shall protect client privacy by complying fully with all federal and state privacy protection laws and regulations concerning the security and privacy of client information. Specifically, the School, its employees and students are required to protect the privacy of any personally identifiable protected health information if it is collected, processed or learned as a result of

services provided to the County. The services provided shall comply with applicable privacy regulations pursuant to the Health Insurance Portability and Accountability Act (HIPAA).

The School, an agency of the State of North Carolina, is responsible for its and its employees' and agents' negligence to the extent provided under the North Carolina Tort Claims Act. To the extent allowed by the North Carolina Tort Claims Act, the School shall assume all risk and bear any loss or injury to property (saving ordinary wear and tear) or persons occasioned by neglect or accident while using the premises; and as between the Parties the School shall also assume all blame or loss by reason of neglect or violation of any state or federal law or municipal rule, regulation or order by the School, its agents or employees, to the extent authorized by law.

This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina.

This Agreement is the entire agreement between the parties as to the subject matter referenced herein, and no amendment may be made to this Agreement except with the prior written consent of both parties.

6. During the use term, the County shall keep the premises in good repair to the end that all facilities are kept in an operative condition. Maintenance shall include, but is not limited to furnishing and replacing electrical light fixture ballasts, air conditioning and ventilating equipment filter pads, if applicable, and broken glass. In case the County shall, after notice in writing from the School in regard to a specified condition, fail, refuse, or neglect to correct said condition, or in the event of an emergency constituting a hazard to the health or safety of the School's employees, property, or invitees, it shall then be lawful for the School in addition to any other remedy the School may have, to make such repair at its own cost and to deduct the amount thereof from the fee that may then thereafter become due hereunder subject to final resolution of this issue through the legal methods available to both parties. The County reserves the right to enter and inspect the used premises, at reasonable times, and to make necessary repairs to the premises.

7. It is understood and agreed that the County shall, at the beginning of said use term as hereinabove set forth, have the premises in a condition satisfactory to the School, including repairs, painting, partitioning, remodeling, plumbing and electrical wiring suitable for the purposes for which the premises will be used by the School.

8. The School shall have the right during the existence of this Agreement, with the County's prior consent, to make alterations, attach fixtures and equipment, and erect additions, structures or signs including a security system in or upon the premises. Such, fixtures, additions, structures or signs so placed in or upon or attached to the premises under this Use Agreement or any prior agreement of which this Use Agreement is an extension or renewal, shall be and remain the property of the School and may be removed therefrom by the School upon the termination of this Use Agreement or any renewal or extension thereof, or within a reasonable time thereafter if they are not permanently affixed to the premises and will not result in damage to the premises upon removal. In the event School elects to remove improvements or fixtures and such removal causes damage or injury to the premises, the School will repair only to the extent of any such damage or injury.

9. If the said premises be destroyed by fire or other casualty without fault of the School, this Agreement shall immediately terminate and the fee shall be apportioned to the period of use preceding the time of the damage. In case of partial destruction or damage by fire or other casualty without fault of the School, so as to render the premises untenable in whole or in part, there shall be an apportionment of the fee consistent with the space used until the damage has been repaired. During such period of repair, the School shall have the right to obtain similar office space at the expense of the School or the School may terminate the Use Agreement by giving fifteen (15) days written notice to the County.

10. The County shall be liable to the School for any loss or damages suffered by the School which are a direct result of the failure of the County to perform an act required by this Use Agreement, and provided that the County could reasonably have complied with said requirement.

11. Upon termination of this Facilities Use Agreement, the School will peaceably surrender the premises in as good order and condition as when received, reasonable wear and tear and damage by fire, war, riots, insurrection, public calamity, by the elements, by act of God, or other circumstances over which the School had no control or for which the County is responsible pursuant to this Facilities Use Agreement, excepted.

12. The failure of either party to insist in any instance upon strict performance of any of the terms and conditions herein set forth shall not be construed as a waiver of the same in any other instance. No modification of any provision hereof and no cancellation or surrender thereof shall be valid unless in writing and signed and agreed to by both parties.

13. The parties to this Facilities Use Agreement understand that the continuation of this Facilities Use Agreement for the term set forth herein, or any extension or renewal thereof, is dependent upon and subject to the appropriation, allocation or availability of funds for this purpose to the agency of the School responsible for payment of said fee. The parties to this Facilities Use Agreement also agree that in the event the agency of the School or that body responsible for the appropriations of said funds, in its sole discretion, determines, in view of its total local office operations that available funding for the payment of fees are insufficient to continue the operation of its local offices on the premises used herein, it may choose to terminate the Facilities Use Agreement set forth herein by giving the County written notice of said termination, and the Facilities Use Agreement shall terminate immediately without any further liability to the School except as otherwise agreed to herein.

14. If lack of ADA compliance creates an operational problem for the School, the School reserves the right to terminate this use upon ninety (90) days prior written notice to the County of the intent to terminate, with no further liability to the School except as otherwise agreed to herein.

15. All premises, including fixtures and appurtenances, provided under this Facilities Use Agreement shall function, during the use period at the same level for which the premises were originally used without additional cost to the School. This includes, but is not limited to, the functioning of mechanical or electrical systems, heating, ventilating, and air conditioning ("HVAC") systems, power supply, water supply, fire control, security, and facility use components such as elevators, timer automated doors, and signage.

16. All notices herein provided to be given, or which may be given by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States mail, certified and postage prepaid and addressed as follows: To the County at Forsyth County, Forsyth County Department of Social Services Building, 741 North Highland Ave. Winston-Salem, North Carolina 27101, Attn: DSS Director and the School at University of North Carolina at Chapel Hill, School of Social Work, 325 Pittsboro St, CB 3550 Chapel Hill, North Carolina 27599-3550. Nothing herein contained shall preclude the giving of such notice by personal service. The address to which notices shall be mailed as aforesaid to either party may be changed by written notice.

IN TESTIMONY WHEREOF, this Use Agreement has been executed by the parties hereto, in duplicate originals, as of the date first above written.

THE UNIVERSITY OF NORTH CAROLINA
AT CHAPEL HILL, on behalf of its School of Social Work (School)

By: Gary L. Bowen (Signature)
(Printed Name) GARY L. Bowen
(Title) DEAN, School of Social Work

Date: 7/24/19

FORSYTH COUNTY (County)

By: _____

J. Dudley Watts, Jr.
County Manager

By: _____

Victor Isler
Director, Dept. of Social Services

ATTEST:

By: _____

Ashleigh M. Sloop
Clerk to the Board