NON-PROFIT BUILDING AND GROUNDS LEASE

between

THE CITY OF BOISE CITY

and

THE DISCOVERY CENTER OF IDAHO, INC.

THIS NON-PROFIT BUILDING AND GROUNDS LEASE ("Lease") is entered into effective this 8th day of March, 2023 (Effective Date) between the city of Boise City, an Idaho municipal corporation ("Lessor"), and The Discovery Center of Idaho, Inc., an Idaho nonprofit corporation ("Lessee") (collectively, the "Parties" and, individually, a "Party").

In consideration of the mutual covenants and agreements herein set forth, the Parties agree and covenant as follows:

ARTICLE I - PREMISES

Lessor owns the real property at 131 W. Myrtle Street, City of Boise, Ada County, Idaho (Real Property) and the buildings, structures, and improvements thereon as described and shown on Exhibit A-1 attached hereto (collectively, the "Premises"). Subject to and on the terms, conditions, covenants, and agreements contained herein, Lessor does hereby demise and lease to Lessee and Lessee does hereby lease from Lessor the Premises.

Lessee will construct certain improvements upon and to the Premises (the "Project") as described in <u>Exhibit A-2</u> attached hereto ("Improvements") and in accordance with Section 5.06 [Lessee Improvements] and Article VIII [Project Development and Construction].

Exhibit A-1 will be replaced with a final Record of Survey provided by Lessor within six (6) months of notification by Lessee that Improvements on the Premises have been completed.

ARTICLE II - TERM

2.01 <u>Initial Term</u>. The initial term of this Lease shall be for twenty-five (25) years commencing on the September 30, 2025 (the "Commencement Date"), provided that both Parties have fully executed this Lease (Initial Term).

2.02 Renewal Term. Provided that Lessee is not currently in default, the Lessee may request up to two (2) renewals of this Lease in accordance with the terms of this Section. Each renewal period is to be for no more than ten (10) years, (each a "Renewal Term") and must be requested by Lessee through provision of written notice of request to renew not less than one (1) year prior to the end of the Initial Term and again, if desired, not less than one (1) year prior to the end of the first Renewal Term. A Renewal Term must be agreed to by both Parties in a writing executed by authorized representatives for each Party. A Renewal Term will be on the same terms and conditions as the Initial Term, except for the amount of rent which will be subject to a rate adjustment to be determined through good faith negotiations between the Parties and which shall involve consideration of Lessor's non-profit lease policy and regulations in effect at the time of renewal, market rate at the time of renewal, and the value of improvements completed by Lessee upon the Premises during the Initial Term. This Section shall not be construed as a Lessee "right of renewal." As such, Lessor retains sole discretion in determining whether to further extend the lease for the Premises. Any use of "Term" herein shall include the Initial Term and any approved Renewal Terms.

Further, a Renewal Term is not transferable; each Renewal Term is "personal" to Lessee as set forth above and that in no event will any assignee or sublessee have any rights to exercise a Renewal Term. Lessee shall have no further right to extend the term of this Lease.

- 2.03 <u>Expiration</u>. This Lease, unless terminated earlier or renewed as permitted elsewhere herein, shall expire at the end of the Initial Term.
- 2.04 <u>Holding Over</u>. Any continued occupancy by Lessee of the Premises after the expiration or earlier termination of this Lease, without the consent of Lessor, shall operate and be construed as a tenancy from month-to-month at a new Base Rent of one and one-half times (150%) the Base Rent in force and effect for the last month of the Term prior to termination or expiration ("Holdover Rent"). All other rents, costs and obligations under this Lease remain in place, and Lessee shall pay Lessor for any losses or damages to Lessor as a result of Lessee holding over.

If Lessee holds over with written consent from Lessor after the expiration or earlier termination of this Lease, such month-to-month lease may be terminated by Lessor at the end of any calendar month following the month Lessor provides written notice to Lessee.

All other rents, costs and obligations under this Lease shall remain in place.

Unless otherwise agreed by Lessor and Lessee in writing, no receipt or acceptance of money by Lessor from Lessee after the expiration or termination of this Lease or after the service of any notice, after the commencement of any suit, or after final judgment for possession of the Premises, shall reinstate, continue or extend the terms of this Lease or affect any such notice, demand or suit or imply consent for any action for which Lessor's consent is required or operate as a waiver of any right of the Lessor to retake and resume possession of the Premises or to use self-help as authorized by law.

ARTICLE III - RENT

3.01 Rent.

- a. From October 1, 2025 through September 30, 2030, Lessee shall pay Base Rent for the Premises of Twenty-Four Thousand Dollars (\$24,000.00) annually which is to be paid to Lessor in equal monthly installments of \$2,000.00 on the first day of each calendar month, in advance.
- b. From October 1, 2030 through September 30, 2035, the annual Base Rent for the Premises shall be Twenty-Six Thousand Four Hundred Dollars (\$26,400.00) annually which is to be paid to Lessor in equal monthly installments of \$2,200.00 on the first day of each calendar month, in advance.
- c. From October 1, 2035 through September 30, 2040, the annual Base Rent for the Premises shall be Twenty-Nine Thousand Forty Dollars (\$29,040.00) annually which is to be paid to Lessor in equal monthly installments of \$2,420.00 on the first day of each calendar month, in advance.
- d. From October 1, 2040 through September 30, 2045, the annual Base Rent for the Premises shall be Thirty-One Thousand Nine Hundred Forty-Four Dollars (\$31,944.00) annually which is to be paid to Lessor in equal monthly installments of \$2,662.00 on the first day of each calendar month, in advance.

- e. From October 1, 2045 through September 30, 2050, the Annual Base Rent for the Premises shall be Thirty-Five Thousand One Hundred Thirty-Eight Dollars (\$35,138.00) annually which is to be paid to Lessor in equal monthly installments of \$2,928.17 on the first day of each calendar month, in advance.
- e. Base Rent for any Renewal Term will be determined at the time of renewal in accordance with Section 2.02 [Renewal Term].
- 3.02 <u>Rent Commencement Date</u>. Payment of Rent by Lessee to Lessor shall commence upon the Commencement Date ("Rent Commencement Date").
- 3.03 <u>Payment</u>. Commencing on the Rent Commencement Date and continuing through the end of the Initial Term, and in the event of a Renewal Term, through the end of the Renewal Term, Rent payments shall be paid in advance on or before the first day of each and every month during the term of this Lease, <u>without notice from Lessor</u>. Unless Lessor otherwise notifies Lessee in writing of a different address, all Rent payments shall be paid to Lessor at the following address:

City of Boise – DFA Financial Services c/o Discovery Center of Idaho (DCI) 150 N. Capitol Blvd. Boise, Idaho 83702

- 3.04 <u>Security Deposit</u>. No security deposit is required of Lessee under this Lease and none has been provided to Lessor in connection herewith. Nothing in or about this Section 3.04 shall be construed as a limit or waiver of damages incurred by Lessor as a result of any breach of this Lease by Lessee.
- 3.05 Additional Rent. In addition to Base Rent, Lessee shall pay all other costs and expenses related to the Premises, commencing on the Effective Date. As used in this Lease, "Rent" shall mean any and all amounts owed by Lessee to Lessor, including, but not limited to, Base Rent, and any and all other sums that Lessee assumes or agrees to pay under the provisions of this Lease, including any payments that may become due by reason of any default of Lessee or failure to comply with the agreements, terms, covenants and conditions of this Lease to be performed by Lessee, after any applicable notice and cure period. Lessor shall not be responsible for any costs or expenses in

connection with the Premises and improvements during the term of this Lease and shall be entitled to a net return of the rent herein undiminished by the cost of insurance, taxes and assessments or water, electrical, gas, sewer, or other utility charges or levies of any kind or nature whatsoever, and operation, repair, upkeep of the building, improvements, land and /or appurtenances thereto, now or at any time hereafter, during the term of this Lease or any renewal or extension hereof, except where otherwise specifically provided to the contrary herein. This Lease is intended to be an absolute net lease, with all rent, charges and other sums related to the Premises to be paid by Lessee, and none by Lessor.

- 3.06 <u>Modification Charge</u>. In the event Lessee requests an amendment or modification of the Lease, Lessee shall, in its next rental payment, include a \$100 fee for administrative expenses related to the development and review of the Amendment.
- 3.07 <u>Unpaid Rent, Fees and Charges</u>. Any installment of Base Rent, fees, or other charges or monies accruing under any provisions of this Lease that are not received by Lessor by the 10th day of the month in which payment is due is subject to a one hundred dollar (\$100) late charge per day beyond the tenth day of each month. Any time rent is not paid as stated above, Lessor may refuse untimely payment and declare Lessee in default of this Lease as permitted by applicable law.

ARTICLE IV - OBLIGATIONS OF LESSOR

Lessee agrees that it has had the opportunity to inspect the Premises prior to executing this Lease and accepts the Premises from Lessor AS-IS, WHERE IS, and with all faults.

Lessor will provide maintenance and upkeep of exterior landscaping, driveways, parking areas and other outside areas. Lessor will maintain and water all grass and other exterior landscaping on the Real Property (including cutting, trimming, weeding, etc.) in the same manner that Lessor maintains the surrounding areas which are a part of Julia Davis Park. Notwithstanding the foregoing, Lessee shall pay for landscaping irrigation water used on the Premises so long as water is metered with water used in the building located on the Premises. Apart from the above-described exterior grounds maintenance, Lessor has no obligations whatsoever regarding the repair, operation, and/or

maintenance of the Premises.

Lessor agrees that, prior to construction staging for the Project, it will remove the paddle boats stored as depicted in Exhibit A-1 and relocate them off of the Premises.

Lessor agrees that upon Lessee's payment of rent and performance of all of the covenants, conditions, and agreements herein, Lessee shall and may peaceably and quietly have, hold, and enjoy the Premises hereby demised for the Term. Lessor reserves the right to make improvements to the Premises pursuant to the City of Boise's Climate Action Plan which improvements would be made at Lessor's sole cost. Lessee shall cooperate with Lessor in any such effort, including any request for a sustainability audit of the Premises. Potential sustainability projects may or may not include using Boise City's geothermal system for building heating and domestic water heating, replacing building glazing systems with high-performance glass and frames, adding insulation when interior improvement work includes an exterior wall and ensuring any roll-up doors have a high-performance insulation value.

ARTICLE V - OBLIGATIONS OF LESSEE

- 5.01 <u>Construction of the Project</u>. Lessee will cause the Project to be constructed on the Premises in accordance with this Lease and, particularly, the provisions of Section 5.06 and Article VIII herein. Except as may be stated in Article VIII, Lessee is responsible for all construction costs of the Project and development of the Premises, including, if applicable, all landscaping, sidewalks, curbs, gutters, exterior lighting, storm drainage improvements and utilities as described in the plans and specifications for the Project as approved by Lessor (as they may be amended and supplemented from time to time in accordance with this Lease).
 - 5.02 <u>Net Lease</u>. This Lease shall be without cost to Lessor except for Lessor's obligations specifically set forth in this Lease. Lessee shall at all times:
 - Keep, operate, maintain, repair and replace the Premises, including the building, improvements and land located thereon but excluding exterior grounds maintenance described in Article IV;
 - b. Pay all taxes, ad valorem taxes and similar taxes assessed against Lessee's interest in the Premises and improvements, and all of Lessee's

- personal property located on the Premises;
- Pay all casualty and liability insurance premiums required in accordance with Article VI; and
- d. Pay the cost of all utilities furnished to the Premises for the Lessee's use and occupation thereof.
- 5.03 <u>Condition of Premises</u>. By taking possession of the Premises Lessee accepts the Premises AS-IS, WHERE IS and with all faults, and the Lessee shall be obligated at its sole cost and expense to perform any and all repairs, modifications, or improvements to the Premises, including, but not limited to, the Buildings and Improvements and/or any land.
- 5.04 <u>Maintenance of Premises</u>. Lessee agrees, at Lessee's sole cost and expense, to operate, maintain, repair and replace the exterior and interior of the buildings, improvements, and land, including, but not limited to, all structural elements, equipment, underground storage tanks, above-ground storage tanks, pipes, and systems. Lessee shall keep the Premises in a good state of repair and condition (normal wear and tear excepted), including keeping the Premises in a neat and orderly condition as determined by Lessor in its sole discretion, free from filth, overloading, danger of fire or any pest or nuisance, and in compliance with all federal, state and local laws. It is expressly understood that any maintenance condition is to be addressed and resolved within thirty (30) days, without notice from Lessor, or a Maintenance Plan is to be provided to Lessor in accordance with Section 5.05 below.

Notwithstanding anything to the contrary herein, Lessee does not own and shall not be responsible for the repair, operation or maintenance of the following items as identified in Exhibit A-1: the footbridge, the Veteran's Memorial, and EV charging stations.

5.05 <u>Notification</u>. If any portion of the Premises or any system or equipment in the Premises that Lessee is obligated to maintain or repair cannot be fully repaired, restored or replaced, within thirty (30) days, Lessee will provide Lessor with a maintenance plan and schedule for rectifying the condition.

Lessee shall notify Lessor in writing within ten (10) days of any potential leaks in any underground or above-ground storage tanks. Lessor, including Lessor's agents and consultants, shall have the right to enter the Premises to inspect and investigate such

possible leakage for compliance with this Lease and environmental laws. Should a leak or other environmental condition be identified, Lessee shall engage the appropriate experts to evaluate the cause and extent of such a leak and shall provide Lessor with a schedule and plan for remediation. If such a plan cannot be provided within thirty (30) days, Lessee shall provide an explanation as well as a timeframe for completing the evaluation and remediation plan.

- 5.06 <u>Lessee Improvements</u>. Lessee will make improvements to the Premises described in Exhibit A-2 which must be completed no later than September 30, 2029. Lessee improvements shall be completed in accordance with Article VIII [Project Development and Construction] and are limited to only those improvements specifically approved in writing by Lessor and specifically identified in Exhibit A-2. Once the Project is complete, any additional improvements of or to these structures shall require prior written approval by Lessor.
- 5.07 <u>Liens and Approvals</u>. Lessee shall at all times keep the Premises lien-free from any tenant improvement work or otherwise. Lessee shall obtain any and all permits required for any tenant improvements, and improvements shall be made in compliance with all Boise City building codes and regulations, and all other applicable federal, state and local laws.
- 5.08 <u>Trash, Garbage, Etc.</u> Lessee shall make suitable arrangements for the storage, collection, and removal of all trash, garbage and other refuse resulting from Lessee's activities on the Premises. Lessee shall provide appropriate, covered, commercial type receptacles for such trash, garbage, and other refuse, and will maintain these receptacles, screened from view from adjoining properties or public streets, in an attractive, safe, and sanitary manner as determined by Lessor in its sole discretion. Lessee shall not allow any trash or litter to accumulate on the Premises.
- 5.09 <u>Permitted Uses</u>. Lessee will not enter into any activities on the Premises other than those stated as follows without Lessor's prior written approval: operation of a hands-on science center and related use appropriate or incidental to the operation of such a center.

Lessee's use of the Premises must be in full compliance with all statutes, ordinances, laws, rules, regulations and restrictive covenants applicable to the Premises,

including but not limited to compliance with environmental laws as described in Section 5.14 and Article IX. Lessee shall comply with all rules and regulations of the National Fire Protection Association, the applicable Fire Rating Bureau and any similar body.

- 5.10 <u>Outdoor Storage</u>. Outdoor storage of any equipment or materials must be specifically approved by Lessor in writing which approval shall not be unreasonably withheld. Storage of such items may be required to be in a fenced enclosure; screening may also be required. Approval of outdoor storage by the Lessor shall not be construed as approval for Lessee to maintain, either in reality or appearance, a junkyard or salvage yard.
- 5.11 <u>Non-Utilization of Premises</u>. In the event Lessee ceases operations at the Premises for more than one hundred twenty (120) consecutive days for any reason other than repairs, remodeling or force majeure ("Abandonment") of which Lessor has been provided notice, Lessor may elect to terminate this Lease and recover possession of the Premises by giving Lessee thirty (30) days prior written notice of such election to terminate, and upon such termination, subject to the Lessee's rights and options under Section 10.2 herein.
- 5.12 <u>Prohibited Uses</u>. The following uses shall not be permitted on the Premises at any time: anything constituting a nuisance; any residential use; trailer courts; labor camps; junkyards; mining and quarrying; dumping, disposal, incineration, or reduction of garbage, sewage, offal, dead animals, refuse; hazardous material or hazardous waste; fat rendering; stockyards or slaughtering of animals; smelting of iron, tin, zinc or other ores; or large animal raising. Additionally, the Lessee shall not maintain any item or do anything in or about the Premises which would cause the increase of Lessor's insurance rates or make such insurance unobtainable.
- 5.13 <u>Performance Standards</u>. The Premises shall not be used or occupied in any manner so as to create any dangerous, injurious, noxious, or otherwise objectionable conditions, including but not limited to:
- a. <u>Hazardous Activities</u>: No activity shall be conducted on the Premises that may be or may become hazardous to public health and safety, that shall increase the fire insurance rating for adjoining property, or that shall be illegal.
 - b. Vibration or Shock: No vibration or shock perceptible to a person of

normal sensibilities shall be permitted within fifty (50) feet of the property line.

- c. <u>Noise</u>: No noise objectionable to a person of normal sensibilities shall be permitted within fifty (50) feet of the property line.
- d. <u>Air Pollution</u>: Except for the operation of motor vehicles to, from, and on the Premises as incidental to the use thereof, the following requirements shall apply: (1) any use producing smoke, gas, dust, odor, fumes, aerosols, particulates, products of combustion, or any other atmospheric pollutant shall be conducted within a completely enclosed building; (2) any use producing atmospheric emissions shall comply with the standards of the U. S. Environmental Protection Agency, the Ada County Air Quality Board, any local environmental regulatory body, or any successor organizations performing similar functions, as such regulations exist at the date of the Lease or which may be enacted during the term of the Lease; and/or (3) the emission of odors that are detectable at any point beyond the property line of the Premises shall not be permitted.
- e. <u>Liquid or Solid Refuse and Waste</u>: No liquid or solid refuse or waste shall be kept, stored, or allowed to accumulate on any lot. No other substance, condition, or element in such amount as to affect the surrounding area or adjoining premises shall be allowed.
- 5.14 <u>Environmental Compliance</u>. Lessee shall not permit any "hazardous material", solid waste, or otherwise toxic substance in, on, around or under the Premises in violation of Article IX, herein.
- 5.15 Non-Profit Status. Lessee shall continuously maintain throughout the Term its status as a tax-exempt, charitable entity under Section 501(c)(3) of the U.S. Internal Revenue Code. In addition, Lessee shall continuously maintain registration with the Idaho Secretary of State as a non-profit corporation that is active and in good standing. In the event of a change in Lessee's status as required in this Section, Lessee must immediately notify Lessor and this Lease will automatically terminate within thirty (30) days of the change in status unless status is properly restored during that thirty-day period. Lessee shall provide Lessor with proof of compliance with this Section on an annual basis.
- 5.16 <u>Financial Viability</u>. Lessee shall remain a financially viable entity during the Term. For purposes of this Section, "financially viable" shall mean Lessee has sufficient funds to continue operation of its science center at a standard substantially similar to its

historical offerings and to discharge its monetary obligations as they become due. On an annual basis, Lessee shall provide Lessor with proof of compliance with this Section in the form of a copy of the financial statement Lessee is required to file with the U.S. Internal Revenue Service (IRS) as part of Lessee's annual report to the IRS.

- 5.17 <u>Lease not to be Recorded</u>. Each Party agrees that it will not record this Lease or any memorandum hereof, it being agreed that Lessee's possession of the Premises shall be adequate notice of Lessee's interest therein.
- 5.18 <u>Hours of Operation</u>. Lessee shall maintain regular hours of operation during which time the Premises are open to the public for enjoyment of the science center. Lessee shall publish its hours of operation to the public.
- 5.19 <u>Estoppel Certificate</u>. Upon Lessor's request, Lessee will execute and deliver an estoppel certificate in a form acceptable to Lessor within ten (10) business days after Lessor's request.

ARTICLE VI – INSURANCE AND INDEMNIFICATION

- during the term of this Lease commercial general liability, bodily injury and property damage insurance in comprehensive form including but not limited to blanket contractual liability coverage for liability assumed under this Lease and all contracts relative to this Lease, products, completed operations liability for the duration of the Lease, independent Lessees coverage, personal injury, environmental liability, and broad form property damage with any excess liability in umbrella form, with such coverage and limits as reasonably may be required by Lessor from time to time, but in no event for less than the sum of Two Million Dollars (\$2,000,000) per occurrence. The insurance shall be issued by an insurer licensed to do business in the State of Idaho. Sexual abuse/Molestation coverage must be included under General Liability or obtained in separate policies in an amount of not less than \$1,000,000 per occurrence (\$1,000,000 aggregate).
- 6.02 <u>Property Insurance</u>. Lessee shall maintain in force during this Lease a policy or policies of insurance covering loss or damage to the Premises, including any and all Buildings and improvements, Lessee's own property, inventory, trade fixtures and

furniture, and personal property of others, providing protection against all perils included in a Causes of Loss – Special Form policy (or successor) in the amount of their full replacement cost (i.e. the cost to replace without deduction for depreciation). Lessor shall not in any way be responsible for any Lessee's property, inventory, trade fixtures and furniture, and personal property of others within the Lessee's care, custody or control.

6.03 <u>Automobile Insurance</u>. In the event Lessee uses a motor vehicle in the operation of its business, it shall maintain in force during the term of this Lease, automobile liability insurance for all owned, non-owned and hired vehicles with a minimum combined single limit of One Million Dollars (\$1,000,000.00) for bodily injury and property damage.

6.04 Workers Compensation. Lessee shall maintain in force during the Term workers compensation coverage with limits consistent with the statutory requirements of the State of Idaho and include employer's liability coverage with minimum limits of: bodily injury by accident -\$500,000 each accident; bodily injury by disease - \$500,000 each employee; bodily injury by disease-\$500,000 policy limit. Lessee shall provide a certificate showing proof of said insurance coverage.

shall provide proof of insurance coverage required in Sections 6.01, 6.02, 6.03 and 6.04, herein, by providing a certificate(s) of Lessee's insurance coverage, a copy of the declarations page of each insurance policy, and a copy of all endorsement(s) applicable to the insurance required herein. The certificate(s) of insurance, or endorsement(s) attached thereto, shall provide that: (a) insurance coverage shall not be canceled, changed in coverage, or reduced in limits without at least thirty (30) days prior written notice to Lessor; (b) Lessor, and its agents, officers, servants, and employees are named as additional insureds; (c) the policy shall be considered primary and non-contributory as regards any other insurance coverage Lessor may possess, including any self-insured retention or deductible Lessor may have, and any other insurance coverage Lessor may possess shall be considered excess insurance only; (d) the limits of liability required therein are on an occurrence basis; and (e) the policy shall be endorsed with a severability of interest or cross-liability endorsement, providing that the coverage shall act for each insured and each additional insured, against whom a claim is or may be made in a manner

as though a separate policy had been written for each insured or additional insured; however, nothing contained herein shall act to increase the limits of liability of the insurance company. Any deductibles must be declared in writing to and approved by Lessor. At the option of Lessor, either (a) Lessee shall reduce or eliminate such deductibles as respects Lessor; or (b) Lessee shall procure a bond equal to the amount of such deductibles or self-insured retentions guaranteeing payment of losses and related investigations, claims administration and defense expenses (including attorneys' fees, court costs and expert fees). If the insurance coverage required herein is canceled, changed in coverage or reduced in limits, Lessee shall, within fifteen (15) days, but in no event later than the effective date of cancellation, change or reduction, provide to Lessor a certificate showing that insurance coverage has been reinstated or provided through another insurance company. Upon failure to provide such certificate, without further notice and at its option, Lessor may, in addition to all its other remedies, procure insurance coverage at Lessee's expense whereupon Lessee promptly shall reimburse Lessor for such expense. The Lessor reserves the right to modify its insurance requirements to reflect operational and market conditions. In the event that Lessee shall at any time fail to provide Lessor with the insurance required herein, Lessor may immediately terminate this Lease. The limits of the Lessee's insurance policies shall not, in any manner, be deemed as a limitation to the Lessee's obligation to indemnify, protect, defend and hold harmless Lessor as specified in this Lease, except for the effect of any waiver of subrogation as provided below. The Lessee shall procure and maintain insurance coverage from an insurance company or companies possessing a financial strength rating of at least A- and a financial size category of VII or higher from A.M. Best or an equivalent rating service.

6.06 <u>Waiver of Subrogation</u>. Each party's insurer waives all right of subrogation, and all rights based upon and assignment from its insured, against the other party, its officers, directors, partners, members, managers, employees, agents, concessionaires, licensees and invitees, and in the case of Lessee, its subtenants and their officers, directors, partners, members, managers, employees, agents, concessionaires, licensees and invitees, in connection with any loss or damage thereby insured against; provided that the foregoing reference shall not be deemed a consent by Lessor to any sublease of

the premises. If any policy of insurance requires the agreement of a party's insurer as a condition to the effectiveness of this mutual waiver of subrogation, such party agrees to make a commercially reasonable effort to obtain such agreement. Notwithstanding any other provision of this Lease to the contrary, neither party to this Lease or its officers, directors, partners, members, managers, employees, agents, concessionaires, licenses and invitees shall be liable to the other for loss or damage covered by insurance required to be carried under this Lease, and each party to this Lease hereby waives any rights of recovery against the other and its officers, directors, partners, members, managers, employees, agents, concessionaires, licenses and invitees for injury or loss on account of such covered risks.

6.07 <u>Eminent Domain</u>. If during the Lease Term the Premises or the Building and Improvements or any substantial part thereof are taken through the exercise of the power of eminent domain, this Lease shall automatically terminate as of the date of such taking.

In case of a partial taking of the Premises, if the remainder is insufficient for Lessee's uses as allowed herein, or if the time required to restore the remainder of the Premises in a proper condition for use by Lessee will exceed six (6) months, or if Lessee does not commence to restore the Premises within sixty (60) days after the receipt of condemnation proceeds for any taking, and proceed thereafter with reasonable diligence to completion, Lessor may, at Lessor's option, terminate this Lease by a written notice delivered to Lessee within thirty (30) days after the right to terminate arises.

6.08 <u>Damages / Casualty</u>. If during the Lease Term the Premises or the Building and Improvements or any part thereof are damaged by fire or other casualty sufficient to make the Premises unusable by Lessee, and the time required to restore the remainder of the Premises in a proper condition for use by Lessee will exceed twelve (12) months, either party may choose to terminate this Lease through written notice delivered to the other party within sixty (60) days after the casualty incident.

If both parties elect not to terminate, Lessee shall be responsible for all cost association with restoration. If Lessee does not commence restoration of the Premises within sixty (60) days after the receipt of insurance proceeds for the casualty, and proceed thereafter with reasonable diligence to completion, Lessor may, at Lessor's option,

terminate this Lease by a written notice delivered to Lessee within thirty (30) days after the right to terminate arises.

Lessee shall only have the right or interest to any insurance proceeds from Lessee insurance and shall only be entitled to condemnation rewards associated with the Building and Improvements constructed and paid for by Lessee. Lessor shall receive all other payments from either insurance or condemnation proceeds on the Premises.

In the case of termination, Rent and other sums payable during the then current Term shall be due and payable through the date of such termination. In the event that Lessee chooses to restore any damage, all Rents and other sums payable will continue to be due in full throughout any restoration period. Should a partial taking of the Premises occur that does not result in termination of the lease, the size of the Premises shall be adjusted based on the taking and a new Base Rent calculated based on the new land area.

6.09 <u>Petroleum Storage Tank</u>. Lessee shall not own or operate fuel storage tanks on the Premises.

6.10 <u>Indemnification of Lessor</u>. To the fullest extent permitted by law, Lessor and its respective officers, directors, officials, agents, employees and/or subdivisions (collectively the Lessor), shall not be liable for any damage, injury or death, either to person or property (including the loss of use thereof), of any nature whatsoever, which damage is sustained by Lessee, by persons claiming through Lessee, or any other third party; provided that the foregoing shall not apply to the extent that any damage, injury, or death is caused by the intentional misconduct of Lessor. Lessee shall indemnify, defend, and hold harmless Lessor and Lessor's elected and appointed officials, officers, employees, agents, affiliates, representatives, contractors, volunteers, guests, business invitees and all of the persons acting for, by, or through, and in any way on behalf of Lessor from, against, and for any and all losses, damages, liabilities, deficiencies, claims, demands, actions, judgments, settlements, interest, awards, penalties, fines, costs, or expenses of whatever kind ("Claims"), including reasonable attorneys' fees, arising, alleged to arise out of, or relating in any way to any acts or omissions incurred in connection with Lessee's use or occupancy of the Premises at any time whether pursuant to this Lease or a previous lease with Lessor, including use of above-ground and

underground storage tanks, Lessee's breach of this Lease or any previous Lease between Lessee and Lessor in connection with the Premises.

Lessee's indemnification and hold harmless obligations under this Section apply to both direct and third-party Claims and are triggered upon Lessor's provision of notice of a Claim to Lessee. Lessee's duty to defend applies immediately regardless of whether Lessor has paid any sums or incurred any detriment arising out of or relating directly or indirectly to any Claim.

Lessee shall assume control of the defense, appeal, or settlement of a Claim by sending prompt written notice of the assumption to Lessor through which it will acknowledge responsibility for the defense. Lessee will then undertake, conduct and control the defense through counsel approved by Lessor, which shall not be unreasonably withheld, at Lessee's sole cost and expense. Lessee shall give prompt written notice to Lessor of any proposed settlement. Lessee may not settle or compromise any Claim or consent to the entry of any judgment without Lessor's prior written consent. Notwithstanding anything to the contrary herein, Lessor may defend a claim with counsel of its own choosing and without Lessee's participation when Lessor determines it is in its best interests to do so.

Limits of insurance will not be deemed a limitation of Lessee's above-described covenant to indemnify, hold harmless and defend.

The rights, obligations and provisions of this Section shall be deemed to be a separate contract between Lessor and Lessee and shall survive the expiration or termination of this Lease.

ARTICLE VII – DEFAULT/TERMINATION

- 7.01 <u>Events of Default</u>. Any of the following shall constitute a default and breach of this Lease by Lessee (each event to be a "Default"):
 - a. Be in arrears in the payment of the whole or any part of the Base Rent and any other amounts owed hereunder for a period of ten (10) days after the due date without the requirement of written notice:
 - b. Failure to pay any other sum payable under this Lease within ten (10) days after written notice has been delivered to Lessee;

- Hold over their tenancy beyond this Lease without written approval from Lessor;
- d. Make any general assignment for the benefit of creditors;
- e. Abandonment of the Premises as more specifically defined in Section 5.11 above;
- f. Default in the performance of any of the covenants and conditions required herein (except rent payments which are addressed above) to be kept and performed by Lessee, and such default continues for a period of thirty (30) days after receipt of written notice from Lessor to cure such default;
- g. Be adjudged a bankrupt in involuntary bankruptcy proceedings; and/or
- h. Be made a party to any receivership proceeding in which a receiver is appointed for the property or affairs of Lessee where such receivership is not vacated within sixty (60) days after the appointment of such receiver.

In any of the aforesaid events, Lessor may, after complying with any procedures imposed by law, take immediate possession of the Premises including any and all improvements thereon and remove Lessee's effects, forcibly if necessary, without being deemed guilty of trespassing. If Lessee breaches any covenant or condition of this Lease, Lessor may, on reasonable notice to Lessee, (except that no notice need be given in case of emergency), cure such breach at the expense of Lessee and the reasonable amount of all expenses, including reasonable attorney's fees, incurred by Lessor in doing so (whether paid by Lessor or not) shall be considered rent due on the date of the next regularly scheduled rent installment. Failure of Lessor to declare this Lease cancelled upon the default of Lessee for any of the reasons set out shall not operate to bar or destroy the right of Lessor to cancel this Lease by reason of any subsequent violation of the terms of this Lease.

No receipt or acceptance of money by Lessor from Lessee after the expiration or cancellation of this Lease or after the service of any notice, after the commencement of any suit, or after final judgment for possession of the Premises, shall reinstate, continue, or extend the terms of this Lease or affect any such notice, demand or suit or imply consent for any action for which Lessor's consent is required or operate as a waiver of any right of the Lessor to retake and resume possession of the Premises.

- 7.02 <u>Lessor Remedies for Default</u>. In the event of default by Lessee hereunder which shall remain uncured after the required notices have been given pursuant to this Lease, Lessor shall have the following remedies:
- a. Lessor shall have the right to terminate this Lease, including all of the right, title, and interest of Lessee hereunder. No notice in addition to the notice required by this Article shall be required to effectuate Lessor's rights in this regard. On expiration of the time fixed in the notice, this Lease and the right, title and interest of Lessee hereunder shall terminate in the same manner and with the same force and effect, except as to Lessee's liability, as if the date fixed in the notice of cancellation and termination were the end of the Term. In case of termination, the provisions of this Lease regarding indemnification, damages, fees and costs shall survive termination of the Lease:
- b. Lessor shall have the right to sue for specific performance by Lessee of Lessee's obligations hereunder, together with expenses, damages, fees and costs incurred by Lessor;
- c. Lessor shall have the right to collect from Lessee all expenses, costs, fees and damages reasonably incurred by Lessor as a result of Lessee's breach, including, but not limited to, reasonable costs of reletting and attorney's fees; and
- d. Lessor shall have the right, without further notice to Lessee, to accelerate the rent due for the balance of the Term and to collect the present value of same from Lessee, less any mitigation thereof by Lessor; and/or
- e. Lessor may enter into and upon the Premises or any part thereof and repossess the same, expelling therefrom Lessee and all personal property of Lessee (which property may be removed and stored at the cost of and for the account of Lessee), using such force as may be necessary and relet the Premises or any part thereof upon such terms and conditions as shall reasonably appear advisable to Lessor. If Lessor shall proceed to relet the Premises and the amounts received from reletting the Premises during any month or part thereof be less than the rent due and owing from Lessee during such month or part thereof under the terms of this Lease, Lessee shall pay such deficiency to Lessor immediately upon calculation thereof, providing Lessor has exercised good faith in the terms and conditions of reletting. Payment of any such deficiencies shall

be made monthly within ten (10) days after receipt of notice of deficiency.

The aforesaid remedies, as well as any other remedies allowed by Idaho law, which are preserved in Lessor, shall be cumulative and non-exclusive, except as is otherwise prescribed by Idaho law. Any amounts due to Lessor under this Lease and not paid by Lessee when due shall bear interest at a rate of eighteen percent (18%) per annum or the maximum rate permitted by law, whichever is higher until paid.

- 7.03 Assignment and Transfer. Lessee shall not have the right to assign or transfer this Lease, or any interest in the Premises, without the prior written consent of Lessor, which approval may be withheld at the sole discretion of the Lessor. Any person or entity to which this Lease is assigned pursuant to the Bankruptcy Code, 11 U.S.C. §§101 et seq., shall be deemed without further act or deed to have assumed all the obligations arising under this Lease on or after the date of such assignment. Any such assignee shall, upon demand, execute and deliver to Lessor an instrument confirming such assumption.
- 7.04 <u>Subleasing</u>. Lessee may not sublease all or any part of the space demised hereunder without Landlord's prior written consent, which may be withheld in the sole discretion of Lessor. Any approved sublease shall be subject to the same conditions, obligations and terms as set forth herein and Lessee shall be responsible for the observance by its sublessees of the terms and covenants contained in this Lease, and Lessor's approval may be withheld at the sole discretion of Lessor, or Lessor may require conditions for approval, including but not limited to personal guarantees, physical modifications to the Premises, or sharing of any sublet rent to be collected. Lessee shall furnish Lessor with a copy of the sublease for review.
- 7.05 <u>Lien by Lessor</u>. It is expressly agreed that in the event of default by Lessee hereunder, Lessor shall have a lien upon all goods, chattels, personal property or equipment, save and except delivery vehicles or rolling stock, or any other items specifically exempted under law, belonging to Lessee which are placed in, or become a part of, the Premises, as security for rent due and to become due for the remainder of the Term, which lien shall not be in lieu of or in any way affect any statutory lien given by law, but shall be cumulative thereof. Lessor does not and will not subordinate its lien to potential lenders of the lessee for improvements.

ARTICLE VIII - PROJECT DEVELOPMENT AND CONSTRUCTION

- 8.01 <u>Project Entitlements, Contributions and Payments</u>. Lessee will be solely responsible, at its cost, to obtain any and all governmental consents and approvals and other entitlements necessary or desirable for the development, construction, ownership and operation of the Project and the Premises. Lessor will reasonably cooperate (but will not be obligated to incur any cost or expense except as specifically stated below) with Lessee in order to expedite Lessee's obtaining the necessary approvals. Lessor makes no guarantees or assurances that the permits or other necessary governmental consents and approvals will be granted by City for the envisioned project.
- 8.02 <u>Development of Premises</u>. Subject to the terms of this Lease, Lessee will construct the Project in accordance with plans and specifications approved by the Lessor (which approval will not be unreasonably withheld, conditioned or delayed).
- 8.03 <u>Design of Improvements</u>. The plans and specifications and all material modifications, supplements and substitutions thereof, the size of the Project and all the architectural and finish design of interior public areas and the exterior of all improvements (including parking, sidewalks, outside lighting and landscaping) and signage of the Project (collectively, the "Plans"), will be subject to Lessor's prior written approval, which approval will not be unreasonably withheld, conditioned or delayed. The Plans must conform with all applicable laws, restrictions of record and federal and local governmental requirements. Lessor will approve or reject each submittal of a Plan or other item requiring Lessor's approval under this Section 8.03 with any comments or conditions, within fifteen (15) days of submittal by Lessee.
- 8.04 <u>Signs</u>. The number, size, design, and location of all signs displayed on the Premises shall be subject to approval by Lessor after review and approval as required by City code and any other authorized regulatory agencies and applicable law. Notwithstanding the foregoing, Lessee shall be allowed to continue to place upon the Premises professionally and attractively produced banners, adjacent light poles, and announcements for its upcoming and current programs and exhibitions, all of which will be removed at the conclusion of the event or exhibit.

- 8.05 <u>Construction Contract; Contractor.</u> Lessee will enter into a contract ("Construction Contract") with a contractor licensed pursuant to the provisions of Idaho Code § 54-1901 *et. seq.* for the construction of the Project. Lessee will provide or cause to be provided, payment and performance bonds in the amount of the full amount of the value of the work being performed to ensure timely completion of the Project. Each bond must guarantee to the Lessor the completion of the work being performed by the contractor as well as full payment of all suppliers, material suppliers, laborers or subcontractors employed in the project.
- 8.06 <u>Construction Completion</u>. Lessee shall complete construction of the Project and receive necessary Certificates of Occupancy on or before September 30, 2029 ("Construction Completion").
- 8.07 <u>Delay of Construction</u>. The Construction Period may be extended due to any delay caused solely by any failure of the Lessor to perform its obligations hereunder (collectively, "Lessor Delay"), or by labor disputes, unusual delay in transportation, or delays by public utility companies, adverse weather conditions not reasonably anticipatable, casualties, pandemics or the like or any cause beyond the Lessee's reasonable control (collectively, "Force Majeure Events"). Lessee must notify Lessor in writing as soon as reasonably practicable specifying the cause of the Force Majeure Event, the scope of obligations affected by it, and a good faith estimate of the time required to restore full performance. Upon Lessor's receipt of the foregoing notice, the time for performance of all of Lessee's construction and development obligations hereunder will in each instance be extended, without penalty, for the amount of time equal to any such qualifying Lessor Delay or Force Majeure Event.
- 8.08 <u>Construction Standards</u>. Lessee will construct the Project on the Premises in a first class, workmanlike manner in substantial compliance with the Plans and in compliance with all applicable laws, rules and regulations, including the land use, building laws of the local governmental authorities, insurance requirements and codes.
- 8.09 <u>Construction Coordination; Management</u>. After the Effective Date, Lessee will have full, unfettered access to the Premises at all times. Lessee will be solely responsible for coordinating all construction activities subject to the terms of this Lease.
 - 8.10 Construction Insurance Requirements. During construction of any Buildings

and Improvements on the Premises, Lessee shall require contractors to secure, pay for and maintain all-risk, course of construction or special for builders risk insurance, covering risks of physical loss or damage to the Premises (including without limitation the transmission lines to the interconnection facilities, buildings, temporary structures, materials, supplies and equipment to be incorporated in the project to construct the Buildings and Improvements) from perils including, but not limited to, fire, collapse, flood, earth movement, lighting, collapse, testing, debris removal, demolition and increased cost of construction, expediting expense, extra expense and all other perils not specifically included under a standard "all-risk" or special form builders risk policy. Such insurance shall cover all property during construction and testing, and shall include the Lessor, Lessee, design builder, consultants, contractors and subcontractors to the construction project as insureds. The policy shall be written on a replacement cost basis and shall contain an agreed amount endorsement waiving any coinsurance penalty. Lessor shall require all consultants to maintain Professional Liability Insurance with a minimum limit as specified in the Idaho Tort Claims Act as set forth in Title 6, Chapter 9 of Idaho Code (currently, \$500,000).

ARTICLE IX – HAZARDOUS MATERIALS

9.01 Definitions.

"Hazardous Materials" will mean any material, substance or waste that is or has the characteristic of being hazardous, toxic, ignitable, reactive or corrosive, including, without limitation, petroleum, PCBs, asbestos, materials known to cause cancer or reproductive problems and those materials, substances and/or wastes, including infectious waste, medical waste, and potentially infectious biomedical waste, which are or later become regulated by any local governmental authority, the State of Idaho or the United States Government, including substances defined as "hazardous substances," "hazardous materials," "toxic substances" or "hazardous wastes" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601, et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. § 1801, et seq.; the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, et seq.; all corresponding and related State of Idaho and local statutes, ordinances and regulations,

including without limitation any dealing with underground storage tanks; and in any other environmental law, regulation or ordinance now existing or hereinafter enacted (collectively, "Hazardous Materials Laws").

- 9.02 <u>Use of Premises by Lessee; Remediation of Contamination Caused by Lessee.</u>
- a. <u>Use.</u> Lessee hereby agrees that Lessee and Lessee's officers, directors, employees, representatives, agents, contractors, subcontractors, successors, assigns, lessees, sublessees, concessionaires, invitees and any other occupants of the Premises (for purpose of this Section 9.02, referred to collectively herein as "Lessee's Representatives") will not use, generate, manufacture, refine, produce, process, store or dispose of, on, under or about the Premises or transport to or from the Premises in the future for the purpose of generating, manufacturing, refining, producing, storing, handling, transferring, processing or transporting Hazardous Materials, except in compliance with all applicable Hazardous Materials Laws. Furthermore, Lessee will, at its own expense, procure, maintain in effect and comply with all conditions of any and all permits, licenses and other governmental and regulatory approvals required for the storage or use by Lessee or any of Lessee's Representatives of Hazardous Materials on the Premises, including without limitation, discharge of appropriately treated materials or wastes into or through any sanitary sewer serving the Premises.
- b. Remediation. If at any time during the Term any contamination of the Premises by Hazardous Materials occurs where the contamination is caused by the act or omission of Lessee or Lessee's Representatives ("Lessee Contamination"), then Lessee, at its sole cost and expense, will promptly and diligently remove the Hazardous Materials from the Premises, or the groundwater underlying the Premises, to the extent reasonably possible in accordance with the requirements of the applicable Hazardous Materials Laws and industry standards then prevailing in the Hazardous Materials management and remediation industry in Idaho. However, Lessee will not take any required remedial action in response to any Lessee Contamination in, on or about the Premises or enter into any settlement agreement, consent, decree or other compromise in respect to any claims relating to any Lessee Contamination without first notifying Lessor of Lessee's intention to do so and affording Lessor the opportunity to appear, intervene

or otherwise appropriately assert and protect Lessor's interest with respect thereto. In addition to all other rights and remedies of the Lessor hereunder, if Lessee does not promptly and diligently take all steps to prepare and obtain all necessary approvals of a remediation plan for any Lessee Contamination, and thereafter commence the required remediation of any Hazardous Materials released or discharged in connection with Lessee Contamination within thirty (30) days after Lessor has reasonably approved Lessee's remediation plan and all necessary approvals and consents have been obtained and thereafter continue to prosecute said remediation to completion in accordance with the approved remediation plan, then Lessor, at its sole discretion, will have the right, but not the obligation, to cause said remediation to be accomplished, and Lessee will reimburse Lessor within fifteen (15) business days of Lessor's demand for reimbursement of all amounts reasonably paid by Lessor (together with interest from the date of expenditure on said amounts at Lessor's Interest Rate until paid), when the demand is accompanied by proof of payment by Lessor of the amounts demanded. Lessee will promptly deliver to Lessor copies of hazardous waste manifests reflecting the legal and proper disposal of all Hazardous Materials removed from the Premises as part of Lessee's remediation of any Lessee Contamination.

- c. <u>Disposition of Hazardous Materials</u>. Except as discharged into the sanitary sewer or otherwise removed from the Premises in strict accordance and conformity with all applicable Hazardous Materials Laws, Lessee will cause any and all Hazardous Materials removed from the Premises as part of the required remediation of Lessee Contamination to be removed and transported solely by duly licensed haulers to duly licensed facilities for final disposal of the materials and wastes.
- 9.03 <u>Notice of Hazardous Materials Matters</u>. Each party (for purposes of this Section, "Notifying Party") will immediately notify the other party (the "Notice Recipient") in writing of: (a) any enforcement, clean-up, removal or other governmental or regulatory action instituted, contemplated or threatened concerning the Premises pursuant to any Hazardous Materials Laws; (b) any claim made or threatened by any person against the Notifying Party or the Premises relating to damage contribution, cost recovery, compensation, loss or injury resulting from or claimed to result from any Hazardous Materials on or about the Premises; and (c) any reports made to any environmental

agency arising out of or in connection with any Hazardous Materials in or removed from the Premises including any complaints, notices, warnings or asserted violations in connection therewith, all upon receipt by the Notifying Party of actual knowledge of any of the foregoing matters. Notifying Party will also supply to Notice Recipient as promptly as possible, and in any event within five (5) business days after Notifying Party first receives or sends the same, with copies of all claims, reports, complaints, notices, warnings or asserted violations relating in any way to the Premises or Lessee's use thereof.

9.04 Environmental Indemnification. Lessee will indemnify, defend, and hold Lessor, and each of Lessor's elected and appointed officials, employees, agents, attorneys, successors and assigns, harmless from and against any and all claims, actions, causes of action, liabilities, penalties, forfeitures, damages, losses or expenses (including, without limitation, reasonable attorneys' fees and costs through litigation and all appeals) resulting from death of or injury to any person or damage to any property whatsoever, or government mandated remediation plans arising from or caused in whole or in part, directly or indirectly by (a) any Lessee Contamination, (b) Lessee's failure to comply with any Hazardous Materials Laws with respect to the Premises, or (c) a breach of any covenant, warranty or representation of Lessee under Article IX of this Lease. Lessee's obligations hereunder will include, without limitation, and whether foreseeable or unforeseeable, all costs of any required or necessary repair, clean-up or detoxification or decontamination of the Premises, and the preparation and implementation of any closure, remedial action or other required plans in connection therewith. For purposes of the indemnity provisions hereof, any acts or omissions of Lessee or Lessee's employees, agents, assignees, members, volunteers, lessees, sublessees, contractors or subcontractors or others acting for or on behalf of Lessee (whether or not they are negligent, intentional, willful or unlawful) will be strictly attributable to Lessee. The foregoing indemnification by Lessee will not extend to conditions not attributable to Lessee prior to the Effective Date.

ARTICLE X - GENERAL PROVISIONS

10.01 Lessor's Right of Entry. Lessor and Lessor's authorized representatives

shall have the right to enter the Premises, including all buildings and Improvements, at all reasonable times for the purposes of determining whether the Premises and buildings and Improvements are in good condition, to make necessary repairs or perform any maintenance, to serve any notice required or allowed under this Lease. Lessor shall give Lessee at least 24 hours' notice prior to entering the Premises, except in the case of an emergency involving the potential or actual imminent harm to person or property in which case no advance notice shall be required.

10.02 <u>Improvements upon Termination or Expiration</u>.

Lessor owns the buildings, structures and improvements existing on the Real Property as of the Effective Date. Title to any and all buildings, structures and improvements that Lessee adds to the Premises during the Initial Term shall be and remain Lessee's until the expiration or termination of this Lease.

Upon the expiration or termination of this Lease, and at the sole option and selection of Lessor, title to all such new property, buildings, structures and improvements selected by Lessor shall pass to and vest in Lessor without cost or charge to Lessor. Sixty (60) days prior to termination of this Lease, Lessee shall provide a listing of the buildings, structures and improvements currently on the Premises and to which Lessor may take title. Lessor shall have thirty (30) days to make its selections, and Lessee shall thereafter remove all remaining improvements (not selected by Lessor) prior to the expiration or termination of this Lease.

Lessee, on expiration or termination of this Lease, shall execute and deliver any and all deeds, bills of sale, assignments and other documents which in Lessor's sole judgment may be necessary or appropriate to transfer, to evidence or to vest in Lessor clear title to any of the property described in the foregoing subsection located on the Premises at the time of such expiration or termination.

Lessee, in addition, shall deliver to Lessor on expiration or termination of this Lease originals or copies of any plans, reports, contracts or other items relating to the buildings, structures and improvements of the Premises, to the extent that Lessee has the same in its possession.

Prior to expiration or termination of this Lease, Lessee, at its sole cost and expense shall remove any and all buildings, structures and improvements which Lessor has not

selected and agreed to take title to upon expiration or termination of the Lease.

Nothing herein shall be construed to require acceptance by Lessor of improvements or alterations.

At Lessee's sole cost and expense, Lessee shall remove all of its personal property from the Premises upon the termination or expiration of the Lease.

Lessor may additionally require Lessee to conduct reasonable, commonly accepted testing procedures at Lessee's expense to demonstrate that the land has not been degraded during the Lessee's tenancy including, but not limited to Phase I, Phase II and/or similar environmental tests. Lessee shall remediate, remove and dispose of any tanks and/or environmental condition(s) on the Premises at its sole cost. All removals of soil and/or improvements including, but not limited to, underground and/or above ground storage tanks, shall be in compliance with all Applicable Environmental Laws. Lessee shall immediately provide to Lessor a copy of all relevant documentation received by Lessee during the course of the remediation, removal and/or disposal. The provisions of this section shall be deemed to be a separate contract between the parties and shall survive the expiration or any default, termination or forfeiture of this Lease.

10.03 <u>Time is of the Essence</u>. Time is and shall be deemed of the essence in respect to the performance of each provision of this Lease.

10.04 <u>Unavoidable Delay</u>. If either party will be delayed or prevented from the performance of any act required by this Lease by reason of acts of God, strikes, lockouts, labor troubles, inability to procure materials, restrictive governmental laws, or regulations or other cause, without fault and beyond the reasonable control of the party obligated (financial inability excepted), then the delayed party shall provide the other party notice as soon as reasonably practicable which specifies the cause of the delay, the scope of obligations affected by the delay, and a good faith estimate of the time required to restore full performance. Upon Lessor's receipt of the foregoing notice, performance of the act will be excused for the period of the delay, and the period for the performance of any act will be extended for a period equivalent to the period of the delay; provided, however, the delayed party must exercise diligence in mitigating the delay and nothing in this Section will excuse Lessee from the prompt payment of any rent or other charge required of Lessee except as may be expressly provided elsewhere in this Lease.

10.05 <u>Notices</u>. All notices provided to be given under this Lease shall be given by certified or registered mail, return receipt requested, postage fully prepaid, addressed to the proper party at the following addresses:

LESSOR: City of Boise City

Office of the Mayor

Attn: Strategic Real Estate Manager

150 N. Capitol Blvd. Boise, Idaho 83702

With copy to: Boise City Attorney's Office

150 N. Capitol Blvd. Boise, Idaho 83701

LESSEE: The Discovery Center of Idaho, Inc.

131 Myrtle St. Boise, ID 83702

Any notice so given shall be deemed properly delivered, given, served, or received on the date shown for delivery or rejection on the return receipt. Any party may change the address to which notices shall thereafter be given upon five (5) days prior written notice to all other parties in the manner set forth in this paragraph.

10.06 <u>Attorney's Fees</u>. If either party brings any action or proceedings to enforce, protect or establish any right or remedy under the terms and conditions of this Lease, the prevailing party shall be entitled to recover reasonable attorney's fees, as determined by a court of competent jurisdiction, in addition to any other relief awarded.

10.07 <u>Idaho Law and Venue</u>. The laws of the State of Idaho shall govern the validity, interpretation, performance and enforcement of this Lease. The Parties irrevocably agree that any action between them in connection with this Lease shall be exclusively brought and maintained in the state or federal courts located in Ada County, Idaho.

10.08 <u>Cumulative Rights and Remedies</u>. All rights and remedies of Lessor here enumerated shall be cumulative and none shall exclude any other right or remedy allowed by law. Likewise, the exercise by Lessor of any remedy provided for herein or allowed by law shall not be to the exclusion of any other remedy.

10.09 Interpretation. Words of gender used in this Lease shall be held and

construed to include any other gender, and words in the singular shall be held to include the plural and vice versa unless the context otherwise requires.

- 10.10 Entire Agreement. This Lease contains the entire agreement between the Parties concerning the lease and tenant improvements for the Premises and, except as may be specifically excepted herein, supersedes any other agreements or understandings, oral or written, whether previous to the execution hereof or contemporaneous herewith, including but not limited to the Parties' Lease Agreement dated October 18, 2000 and as subsequently amended. Exhibits A-1 and A-2 are incorporated herein by this reference and made a part of this Lease.
- 10.11 <u>Amendments</u>. This Lease may not be modified orally or in any manner other than by written agreement executed by authorized signatories for each Party.
- 10.12 <u>Paragraph Headings</u>. The captions of the various articles and sections of this Lease are for convenience and ease of reference only, and do not define, limit, augment or describe the scope, context or intent of this Lease or any part or parts of this Lease.
- 10.13 <u>Severability</u>. If any provision of this Lease is found by a court of competent jurisdiction to be illegal, invalid, or unenforceable, the remainder of this Lease will not be affected, and in lieu of each provision which is found to be illegal, invalid, or unenforceable, there will be added as part of this Lease a provision as similar to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid and enforceable.
- 10.14 <u>Successors and Assigns</u>. All of the terms, provisions, covenants and conditions of this Lease shall inure to the benefit of and be binding upon Lessor and Lessee and their successors, assigns, legal representatives, heirs, executors and administrators.
- 10.15 <u>Taxes and Other Charges</u>. The Lessee shall pay all taxes, and governmental charges of any kind whatsoever that may be lawfully assessed against the Lessee or the Lessor, with respect to the Premises, during the Term. The Lessee in good faith may contest any tax or governmental charge; provided that the Lessee may not permit such tax or governmental charge to remain unpaid during the period of such contest and any appeal therefrom unless in the opinion of counsel satisfactory to the

Lessor such action will not adversely affect any right or interest of the Lessor.

10.16 <u>Authorization to Enter into Lease</u>. If Lessee signs this Lease on behalf of an entity, each of the persons executing this Lease on behalf of Lessee warrants to Lessor that Lessee is an entity duly authorized and formed pursuant to law, that Lessee is qualified to do business in the State of Idaho, that Lessee has full right and authority to enter into this Lease, and that each and every person signing on behalf of Lessee is authorized to do so. Upon Lessor's request, Lessee will provide evidence satisfactory to Lessor confirming these representations.

Authorization for Lessor to enter into this Lease is governed by Idaho Code §§ 50-1407 and 50-1409. In accordance therewith, and notwithstanding anything to the contrary herein, this Lease will not go into effect unless and until it is both approved by resolution of the City of Boise's City Council and executed by the Mayor of the City of Boise.

10.17 <u>Discrimination Prohibited</u>. In accordance with Boise City Code, Lessee agrees, and it is a condition to the continuance of this Lease, that there will be no discrimination against, or segregation of, any person or group of persons on the basis of race, color, religion, sex, sexual orientation, gender identity/expression, creed, national origin, ancestry, age or disability in the leasing, subleasing, transferring, occupancy, tenure or use of the Premises or any portion thereof.

10.18 <u>Contract Execution</u>. This Lease may be executed electronically and in counterparts, each executed counterpart constituting an original agreement and altogether constituting only one agreement.

[Signatures Follow]

IN WITNESS WHEREOF, the Parties have hereunto set their hands as of the Effective Date stated above.

LESSOR:

BOISE CITY,

a municipal corporation formed and existing pursuant to Title 50, Idaho Code

By:

Lauren McLean

3/28/2023

MAYOR

ATTEST

Lynda Lowry

3/28/2023

EX-OFFICIO CITY CLERK

LESSEE:

The Discovery Center of Idaho, Inc.

Bv

Fric Miller

EXECUTIVE DIRECTOR

EXHIBIT A-1

PREMISES DESCRIPTION

Real property at 131 W. Myrtle Street, City of Boise, Ada County, Idaho, including the existing main building, the outbuilding located south of the main building, the on-site parking lot located to east of said main building, and the front/rear/side yards surrounding said main building including all areas within the red boundary depicted below:



EXHIBIT A-2 IMPROVEMENTS

1. General

- a. Better Accessibility (Ramps and Ground Level Entry)
- b. Solar Power
- c. All LED Lighting
- d. Geothermal Heat
- e. Filtered Air HVAC
- f. Updated Sprinkler System
- g. Unified Surfaces (Floor, Walls and Ceiling)
- h. Speaker System
- i. Security System
- 2. Entrance and Lobby
 - a. Ground Level Access
 - b. Increased Visibility
 - c. Larger Lobby
 - d. Donor Recognition Wall
- 3. Temporary Exhibit Space
 - a. Environmental Controlled Galleries (Heat, Cooling, UV and Humidity)
 - b. Increased Ceiling/Grid Height
 - c. Floor Power Grid in Galleries
 - d. Open Floorplan
- 4. Long Term Exhibit Spaces
 - a. Specialty Exhibits
 - b. Young Discoverers Area
 - c. Young Learners Area
- 5. Workshop
 - a. Accessible Loading Dock
 - b. Increased Workshop Capabilities Refined layout and updated metal working equipment
 - c. Lab Area for Workshops and Educational Programming
- 6. Surrounding Grounds
 - a. Increased JDP Greenspace
 - b. Increased Number of Parking Spaces
 - c. Exterior Exhibits
 - d. Outdoor Space for Educational Programming and Special Events
 - e. Exterior Canopy
 - f. Removal of Old Storage Units
 - g. Hidden Dumpsters
- 7. Building Exterior
 - a. Iconic Exterior
 - b. New Roof
 - c. New Exterior Siding
- 8. Interior Spaces
 - a. Larger Classrooms
 - b. Office Space Efficiencies
 - c. Larger Restrooms