

**LEASE AGREEMENT BETWEEN THE CITY OF AURORA
AND AURORA DOWNTOWN DISTRICT**

This LEASE AGREEMENT (“Lease”), dated as of the _____ of _____, 2026, by and between the City of Aurora, a municipal corporation and home rule government, (herein after “Landlord” or “City”) and, Aurora Downtown District, a 501(c)(4) nonprofit organization (hereinafter “Tenant” or “ADD”) (collectively, referred to herein as the “Parties”).

In consideration of the rents, covenants, and agreements hereinafter set forth, the sufficiency of which is hereby acknowledged and agreed, Landlord and Tenant covenant, warrant, and agree as follows:

1. Premises

(a) Landlord hereby leases to Tenant, and Tenant hereby rents from Landlord, a single office space at the Premises located at 77 South Broadway, Suite 240 located in Aurora, Illinois for the Term of this Agreement.

(b) Tenant shall have access to one office space on the second floor and allowed joint use of the second-floor conference room and City Council chambers when available, and use a facility bathroom. In the event that the City needs to use the conference room, the City shall be given priority to scheduling. City protocols for scheduling conference room space will be provided. In the event there are scheduling conflicts for the conference room, Tenant may contact the Mayor’s Office to reserve conference room space or facilities in another location.

(c) Tenant agrees to accept possession of the Premises in its existing **AS-IS** condition on the date of this Lease, without representation or warranty by Landlord, express or implied, and with no obligation of Landlord to repaint, remodel, repair, improve, or alter the Premises, or to perform any construction, remodeling, or other work of improvement upon the Premises. Without limiting the generality of the foregoing, Tenant acknowledges that neither Landlord nor any agent of Landlord has made any representation or warranty regarding the condition of the Premises, the Building, or the Property, the suitability of the Premises for Tenant’s use, or the condition, capacity, or performance of the Building Systems.

(d) Tenant will be given access to 77 South Broadway, Suite 240, via swipe badges.

(e) Parking at 44 E. Downer Place is a first-come, first-served basis on the street. Additional free city lots are located within a few blocks. The City is not providing parking permits or locations as part of this lease. Parking lot B is available by permit at the cost of \$75 per quarter (permit fees subject to change).

2. Purpose

The purpose of this lease is to allow Tenant to access and use of the premise for operating their non-profit.

3. Term

(a) This Lease shall commence on May 13, 2026, or the date approved by the Aurora City Council; whichever date is later.

(b) The initial term of this lease will expire in one year, on May 31, 2027, with an option to extend the rental agreement for an additional two (2) years subject to written consent of both Parties.

4. Fixed Rent

(a) Tenant covenants and agrees to pay fixed rent in advance on the first (1st) day of each calendar month during the term of the lease and without notice, a sum of one dollar (\$1.00) a year. Rent is to be paid at Revenue and Collections, located in City Hall.

5. Maintenance

The Parties agree that maintenance shall be divided as follows:

(a) Landlord shall be responsible for: roof maintenance and repair; structural maintenance and repair. As soon as possible, once Tenant becomes aware of any maintenance needed that is Landlord's responsibility, Tenant will inform Landlord in writing.

(b) Tenant shall be responsible for: any damage caused in the room rental or shared spaces which are caused by the Tenant or its invitees. Tenant shall also allow access to the premises for landlord's cleaning and pest control services to service the entire premises.

6. Permitted Use of Premises; Compliance with Laws; Hazardous Materials

(a) The Premises shall be used as office space for the day-to-day operations of ADD.

(b) Premises shall be used only for the permitted use, and for no other unauthorized purposes.

(c) Tenant shall not use personal space heaters, extension cords, or any equipment that could overload the building's electrical system.

(d) Tenant, at Tenant's sole cost and expense, shall comply with all applicable laws, ordinances, rules, and regulations of governmental and quasi-governmental authorities, including, without limitation, the Americans with Disabilities Act of 1990, (and as amended by any Americans with Disabilities Act Amendments adopted thereafter) that are applicable to the Premises and the use or occupancy of the Premises.

(e) Tenant shall not cause or permit any Hazardous Materials to be generated, used, released, stored, or disposed of in or about the Premises, the Building, or the Property; provided, however, Tenant may use and store reasonable quantities of cleaning and office supplies and other similar materials as may be reasonably necessary for Tenant to conduct normal business operations and maintain the Premises. Tenant shall indemnify and hold Landlord, its elected officials, employees, agents, and volunteers harmless from and against any damage, injury, loss, liability, charge, demand, claim, cost, or expense (including attorneys' fees and disbursements) based on or arising out of the presence or removal of, or failure to remove, Hazardous Materials generated, used, released, stored, or disposed of by Tenant or any Tenant Party in or about the Premises, the Building, or the Property, whether before or after the lease commencement date.

(f) **Tenant acknowledges that this is shared space with City of Aurora employees and that City of Aurora employees may have personal belongings, confidential information, and other private items in their offices/desks. Tenant agrees that such spaces are not public and further agrees that Tenant or its staff will escort any invitee or member of the public Tenant or Tenant staff has invited onto the premises and ensure that such invitee or member of the public does not enter employee-only spaces on the Premises.**

7. Alterations

(a) Tenant shall make no alterations, additions, improvements, or modifications of any kind to the Premises, whether structure or non-structural, without the prior written consent of the Landlord. This prohibition includes, but is not limited to, changes to walls, ceilings, floors, electrical or mechanical systems, or any other building components.

(b) Notwithstanding the foregoing, Tenant may install and display artwork (cannot be vulgar or offensive), wall hangings, a sign on the door identifying the organization, and other non-permanent décor items, provided such items do not damage the Premises and can be removed without affecting the structural or building elements. All décor shall be installed in a manner consistent with applicable safety standards and shall not interfere with building operations. Tenant shall repair any damage resulting from the installation or removal of such décor.

8. Tenant Not to Misuse or Sublet/Assign Premises

(a) Tenant will not allow the Premises to be used for any purpose that will increase the rate of insurance thereon, nor for any purpose other than as office space.

(b) Tenant will not permit the Premises to be used for any unlawful purpose, or for any purposes that will injure the reputation of the Landlord.

(c) Tenant will not make or allow anyone using the Premises to make any permanent surface improvements without prior written authorization by the Landlord.

(d) Tenant shall not have the right to assign this Lease or to sublet the Premises or any part thereof without the prior written consent of Landlord.

9. Concealed Firearms Prohibited

Pursuant to Illinois Statute, concealed firearms are prohibited from being carried on or into a building controlled by a local unit of government. 430 ILCS 66/65(a)(5). Tenant agrees to display Illinois State Police Concealed Carry Prohibited Area signs on the premises. 430 ILCS 66/65(d). These signs can be found on the Illinois State Police Firearms Services Bureau website. Signs shall be clearly and conspicuously posted at the entrance of a building, premises, or real property. 430 ILCS 66/65(d).

10. Insurance and Indemnity

(a) Tenant shall procure and maintain policies of insurance, at its own cost and expense, providing for public liability insurance during the entire term hereof covering both Tenant and Landlord as named co-insureds with terms and in companies satisfactory to Landlord. ADD agrees to have and maintain the following insurance coverage:

- (i) Commercial General Liability insurance of \$1 million per occurrence/ \$2 million aggregate
- (ii) Workers' Compensation (per statute)
- (iii) Employer's Liability coverage (\$1 million per occurrence)
- (iv) Umbrella coverage of \$2 million per occurrence/aggregate

(b) ADD shall provide any other coverage that the city reasonably requires.

(c) All policies, endorsements, certificates and/or binders shall be subject to approval by the Chief Operating Officer/Risk Manager and Law Department as to form and content. These requirements are subject to amendment or waiver only if approved in writing by the City's Chief Operating Officer/Risk Manager or designee. A lapse in any required insurance coverage during this Agreement shall constitute a breach of this Agreement.

(d) ADD shall provide the city with a compliant certificate of insurance evidencing the coverage herein. The terms of the applicable policies shall extend through the duration of the Agreement. Prior to the commencement of services, ADD shall provide an endorsement naming the City as a primary, noncontributory, additional insured. If coverage expires during the term of the Agreement, ADD shall provide a renewed certificate that complies with the city's requirements.

(e) Insurers providing coverage on behalf of ADD shall have a minimum A.M. Best rating of A:VII or an equivalent rating from another recognized rating agency.

(f) ADD agrees to a waiver of subrogation. Neither ADD nor its insurers shall have the right to pursue the City to recover costs associated with a claim arising out of this Agreement.

(g) Landlord shall not be liable for any damage or damages of any nature whatsoever to persons or property caused by explosion, fire, theft, breakage, vandalism, falling plaster, sprinkler drainage, plumbing systems, HVAC equipment, the interruption of any public utility or service, steam, gas, electricity, water, rain, or other substances leaking, issuing, or flowing into any part of the Premises, or by natural occurrence, acts of the public enemy, riot, strike, insurrection, war, court order, requisition, or order of a governmental body or authority, or by anything done or omitted to be done by any Tenant, occupant, or person in the building, it being agreed that Tenant shall be responsible for obtaining appropriate insurance to protect its interests.

(h) To the fullest extent permitted by law, ADD shall hold harmless, defend at its own expense, and indemnify the City of Aurora, its elected officials, officers, employees, agents, and volunteers, against any and all liability, claims, losses, costs, damages, or expenses, including, without limitation, penalties, fines, and reasonable attorney's fees, to the extent incurred in connection with or arising from the use or occupancy or manner of use or occupancy of the Premises or any injury or damage caused by Tenant, Tenant Parties, or any person occupying the Premises through Tenant.

11. Damage and Destruction

(a) If the Premises is destroyed or damaged by fire or other casualty, by no fault of the Tenant, so that Tenant is unable to occupy the Premises for its Permitted Use and, in Landlord's judgment reasonably exercised within seven (7) days after the destruction or damage, repairs cannot be made within thirty (30) days after the date of the damage or destruction, Landlord may terminate this Lease effective as of the date of the damage or destruction by giving Tenant written notice within ten (10) days of the date of the damage or destruction.

(b) If Landlord does not terminate this Lease as provided in Section 14(a) above, Landlord shall promptly rebuild, repair, and restore the Premises to its former condition; provided, however, that if Landlord has not completed such restoration within thirty (30) days after the date of the damage or destruction, Tenant may, at its option, terminate this Lease upon written notice to Landlord.

(c) If the damage or destruction renders all or part of the Premises unleaseable, Fixed Rent shall proportionately abate commencing on the date of the damage or destruction and ending on the date the Premises are delivered to Tenant with Landlord's restoration obligation substantially complete. The extent of the abatement shall be based upon the portion of the Premises rendered unleaseable, inaccessible, or unfit for the Permitted Use.

12. Signs

Tenant must seek approval from the City for any signage on the interior or exterior of the building outside of the designated office space.

13. Landlord's Access to Premises

Landlord, its agents, employees, and independent contractors shall have the right to enter the Premises upon not less than twenty-four (24) hours' notice to:

- (a) inspect the Premises;
- (b) supply any service or repair to be provided or performed by Landlord to Tenant;
- (c) show the Premises to prospective purchasers, mortgagees, beneficiaries, or Tenants (but with respect to prospective Tenants, no earlier than three (3) months prior to the Lease Expiration Date);
- (d) determine whether Tenant is complying with its obligations under this Lease; and
- (e) alter, improve, or repair the Premises or any other portion of the Building.

Notwithstanding the foregoing, Landlord shall not be required to provide prior notice to Tenant in the event of an emergency. Except to the extent caused by Landlord's gross negligence or willful misconduct, Tenant waives any claim for damages for any injury or inconvenience to or interference with Tenant's business.

14. Tenant's Default

Each of the following events shall be an "Event of Default" hereunder:

- (a) Tenant's failure to pay when due any installment of Rent for a period of thirty (30) days after the due date.
- (b) Tenant's failure to perform or observe any other covenant, condition, or other obligation of Tenant and such failure continues for a period of ten (10) days after Landlord gives Tenant written notice thereof.
- (c) The Premises becomes vacant or abandoned (other than in connection with a casualty under Section 14) for greater than thirty (30) days.
- (d) At Landlord's option, the occurrence of any of the following:
 - (i) the appointment of a receiver to take possession of all or substantially all the assets of Tenant or the Premises;
 - (ii) the filing of any voluntary petition in bankruptcy by Tenant, or the filing of any involuntary petition by Tenant's creditors, which involuntary petition remains undischarged for a period of thirty (30) days;
 - (iii) the attachment, execution, or other judicial seizure of all or substantially all of Tenant's assets or the Premises, if such attachment or other

seizure remains undismissed or undischarged for a period of thirty (30) days after the levy thereof;

(iv) the admission of Tenant in writing of its inability to pay its debts as they become due;

15. Landlord's Remedies

(a) If Tenant defaults for failure to pay rent, Landlord may serve Tenant with a demand to pay any outstanding rent within five (5) days. If Tenant defaults for any other term of the lease, Landlord may serve Tenant with a demand to cure the breach within ten (10) days. Failure to pay all outstanding rent or remedy the breach within the timeframe of the demand may result in Landlord filing a Complaint for Forcible Entry and Detainer.

(b) If Tenant is found to have breached the terms of this Lease, Landlord may hold Tenant liable for:

(i) Rent and other indebtedness that otherwise would have been payable by Tenant to Landlord prior to the expiration of the Term, less any amount that Landlord receives from re-letting the Premises after all of Landlord's costs and expenses actually and reasonably incurred in such re-letting have been subtracted;

(ii) any amounts Landlord actually and reasonably incurs in re-letting the Premises during the remainder of the Term; and

(iii) other necessary and reasonable expenses (including without limitation reasonable attorneys' fees) incurred by Landlord in enforcing its remedies.

(c) Landlord shall use reasonable efforts to relet the Premises or any part thereof, alone or together with other premises, for such term(s) as Landlord, in its sole discretion, may determine, but Landlord shall not be liable for, nor shall Tenant's obligations be diminished by reason of, Landlord's failure to re-let the Premises or collect any rent due upon such reletting. If Landlord relets the Premises and collects rent in excess of the rent, additional rent, and other rent items owed by Tenant hereunder, Landlord shall be entitled to retain any such excess and Tenant shall not be entitled to a credit therefor.

(d) Landlord's rights and remedies set forth in this Lease are cumulative and in addition to Landlord's other rights and remedies at law or in equity, including those available as a result of any anticipatory breach of this Lease. Landlord's exercise of any such right or remedy shall not prevent the concurrent or subsequent exercise of any other right or remedy. Landlord's delay or failure to exercise or enforce any of Landlord's rights or remedies or Tenant's obligations shall not constitute a waiver of any such rights, remedies, or obligations. Landlord shall not be deemed to have waived any default unless such waiver expressly is set forth in an instrument signed by Landlord. Any such waiver shall not be construed as a waiver of any covenant or condition except as to the specific circumstances described in such waiver. Neither Tenant's payment of an amount less than a sum due nor Tenant's endorsement or statement on any check or letter accompanying

such payment shall be deemed an accord and satisfaction. Notwithstanding any request or designation by Tenant, Landlord may apply any payment received from Tenant to any payment then due. Landlord may accept the same without prejudice to Landlord's right to recover the balance of such sum or to pursue other remedies. Re-entry and acceptance of keys shall not be considered an acceptance of a surrender of this Lease.

16. Subordination; Estoppel Certificates

(a) This Lease shall be subject and subordinate at all times to: (i) all ground leases or underlying leases that may now exist or hereafter be executed affecting the Property or any portion thereof; (ii) the lien of any mortgage or other security instrument that may now exist or hereafter be executed in any amount for which the Property or any portion thereof, any ground leases or underlying leases, or Landlord's interest or estate therein is specified as security; and (iii) all modifications, renewals, supplements, consolidations, and replacements thereof. The provisions of this Section 19 shall be self-operative and no further instrument shall be required to affect the provisions of this Section 20. Notwithstanding anything to the contrary contained herein, Landlord will, as a condition to the subordination of this Lease, provide Tenant with an executed subordination, non-disturbance, and attornment agreement with Landlord's lender, on customary terms.

(b) If any ground lease or underlying lease terminates for any reason or any mortgage, or other security instrument is foreclosed or a conveyance in lieu of foreclosure is made for any reason, Tenant, notwithstanding any subordination, shall attorn to and become the Tenant of the successor in interest to Landlord at the option of such successor in interest. If any mortgage or other security agreement is foreclosed, or Landlord's interest under this Lease is conveyed or transferred in lieu of foreclosure, neither the mortgagee, beneficiary, nor any person or entity acquiring title to the Property as a result of foreclosure, nor any successor or assign of either of the foregoing, shall be: (i) liable for any default by Landlord; (ii) bound by or liable for any payment of rent which may have been made more than thirty (30) days before the due date of such installment; (iii) subject to any defense or offset which Tenant may have to the payment of rent or other performance under this Lease arising from any default by Landlord; or (iv) bound by any amendment or modification to this Lease made without the consent of such mortgagee if the consent of such mortgagee or beneficiary thereto is required.

(c) Within seven (7) days following a request by Landlord, Tenant agrees to execute any documents reasonably required to effectuate the foregoing subordination or such other reasonable and customary subordination, non-disturbance, and attornment agreement submitted by Landlord to Tenant, which documents may contain such other terms as any mortgagee or prospective mortgagee may reasonably require, or to make this Lease prior to the lien of any mortgage or underlying lease, as the case may be.

(d) Tenant agrees to simultaneously give to any party holding a mortgage or other security agreement encumbering the Property, by registered or certified mail, a copy of any notice of default served upon Landlord, provided Tenant has been notified in writing

of the names and addresses of such mortgagee(s) and such parties shall have the same cure rights as Landlord has under this Lease.

(e) Tenant, at any time and from time to time, within seven (7) days after written request from Landlord, shall execute, acknowledge, and deliver to Landlord, addressed to Landlord and any prospective purchaser, ground or underlying Landlord, or mortgagee or beneficiary of any part of the Property, an estoppel certificate in form and substance reasonably designated by the Landlord. It is intended that any such certificate may be relied upon by the Landlord and any prospective purchaser, investor, ground or underlying Landlord or, or mortgagee of all or any part of the Property. Tenant constitutes and appoints Landlord as Tenant's attorney-in-fact to execute a Tenant estoppel certificate on behalf of Tenant if Tenant does not execute such certificate within said seven (7) days after receipt of request of Landlord.

17. End of Term; Holding Over

(a) No later than the expiration of the Lease date, Tenant shall remove its Tenant owned property (except as otherwise provided herein) and will peaceably yield up the Premises in broom clean condition. Notwithstanding the foregoing, Tenant shall not be responsible to repair the effects of normal wear and tear or for damage which is Landlord's responsibility to repair as listed herein this Lease.

(b) If Tenant shall hold over after the Lease expiration, Tenant shall pay one hundred and fifty percent (150%) of the Rent (including payments of Operating Expenses, Taxes, and all items of Additional Rent) payable during the final full month of the Term (exclusive of abatements, if any) and Tenant's occupancy shall otherwise be on the terms and conditions herein specified so far as applicable (but expressly excluding all renewal or extension rights). No holding over by Tenant after the Term shall operate to extend the Term. Any holding over with Landlord's written consent shall be construed as a tenancy at sufferance or from month to month, at Landlord's option. Any holding over without Landlord's written consent shall entitle Landlord to reenter the Premises as provided in Section 17, and to enforce all other rights and remedies provided by law or this Lease.

18. Security Deposit *(This section intentionally left blank)*

19. Notices

Notices or other writings which either party is required to, or may wish to send to the other in connection with this Lease, shall be in writing and shall be delivered personally or sent by U.S. registered or certified mail, return receipt required addressed as follows:

If to Landlord:
City of Aurora
Attn: Mayor's Office
44 East Downer Place
Aurora, Illinois 60507

With a Copy to:
City of Aurora
Attn: Corporation Counsel
44 E. Downer Place
Aurora, Illinois 60507

City of Aurora
Attn: Revenue & Collections
44 E. Downer Place
Aurora, Illinois 60507

If to Tenant:
Aurora Downtown District

Aurora, IL
Copy to: Board Chairman

With a Copy to: [left blank]

20. Severability

It is the intention of both of the parties hereto that the provisions of this Lease shall be severable in respect to a declaration of invalidity of any provision hereof.

If any provision of this Lease or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall remain in effect and shall be enforceable to the full extent permitted by law.

21. Modification of Lease Agreement Terms

This Lease may only be amended, modified, or supplemented by an agreement in writing duly executed by both Landlord and Tenant.

22. Survival

Tenant's obligations and Landlord's right to recover under the following sections will survive the termination of this Lease Agreement:

- Section 4. Rent
- Section 5. Utilities
- Section 6. Property Taxes
- Section 8(d). Hazardous Materials
- Section 9. Alterations
- Section 13. Indemnification
- Section 18. Landlord's Remedies
- Section 26. Governing Law and Jurisdiction
- Section 27. Attorneys' Fees

23. Governing Law and Jurisdiction

The Laws of the State of Illinois shall govern the validity, performance and enforcement of this Lease. Any legal action or proceeding relating this Agreement shall be brought exclusively in the Sixteenth Judicial Circuit Court in Kane County, Illinois. Tenant consents to such exclusive jurisdiction and agrees that venue is proper.

24. Attorney's Fees

Should there be any legal disputes regarding this Lease, the prevailing party shall have the right to collect from the other party its reasonable costs and necessary disbursements and attorneys' fees incurred in enforcing this Lease agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the date first above written.

TENANT
Aurora Downtown District

LANDLORD:
City of Aurora,
an Illinois Municipal Corporation

BY: _____
Aurora Downtown District, Chairman

BY: _____
John Laesch, Mayor

ATTEST: _____

ATTEST: _____
City Clerk