

**LEASE AGREEMENT
BY AND BETWEEN
THE NEW HAVEN BOARD OF EDUCATION
AND
SP ELLA, LLC**

THIS LEASE AGREEMENT (this "Lease") entered into as of July 1, 2025(the "Effective Date"), by and between **SP ELLA, LLC**, a Connecticut limited liability company, with an office and mailing address of 33 Dixwell Avenue, Suite 321, New Haven, CT 06511 ("Landlord") and **CITY OF NEW HAVEN**, a municipal corporation organized and existing under the laws of the State of Connecticut, acting herein by and through the **NEW HAVEN BOARD OF EDUCATION**, with a mailing address of 54 Meadow Street, New Haven, Connecticut 06519 ("Tenant").

WITNESSETH:

1. Lease. Landlord, prior to the date hereof, leased 40,000 square feet in 580 Ella T. Grasso Boulevard, New Haven, Connecticut (for Adult Education) to Tenant. Said 40,000 square feet of space leased to Tenant at 580 Ella T. Grasso Boulevard, New Haven, Connecticut is referred to herein as the "Premises" and is more particularly described on Exhibit A attached hereto and made a part hereof. Landlord and Tenant have agreed to enter into this lease of the Premises commencing October 1, 2021.

2. Term. The term of this Lease (the "Term") shall be for five (5) years commencing on July 1, 2025(the "Effective Date") and terminating on June 30, 2030 (the "Expiration Date").

3. Rent and Late Fee. During the term of this Lease, Tenant agrees to pay as rent to Landlord, in an amount not to exceed Three Million Nine Hundred Forty One Thousand Six Hundred Dollars (\$3,941,600 .00) (the "Base Rent") in monthly installments in accordance with the following schedule:

<u>Annualized Rate per Square Foot</u>	<u>Time Period</u>	<u>Monthly Rent</u>
\$18.57	July 1, 2025 to June 30, 2026 - \$742,800.00 (Monthly Rent: \$61,900.00)	
\$19.12	July 1, 2026 to June 30, 2027 - \$764,800.00 (Monthly Rent: \$63,733.33)	
\$19.69	July 1, 2027 to June 30, 2028 - \$787,600.00 (Monthly Rent: \$65,633.33)	
\$20.28	July 1, 2028 to June 30, 2029 - \$811,200.00 (Monthly Rent: \$67,600.00)	
\$20.88	July 1, 2029 to June 30, 2030 - \$835,200.00 (Monthly Rent: \$69,600.00)	

Payments of Base Rent shall be made by Tenant in advance, on July 1, 2025 and on the first calendar day of each month thereafter. All other sums due and payable by Tenant under this Lease (collectively, "Additional Rent") shall be paid at the times and in accordance with the specific provision reserving the same. The Base Rent and all Additional Rent reserved under this Lease are hereinafter together referred to as the "Rent". In the event the Tenant shall fail to pay

the monthly Rent payment within ten (10) days after becoming due, then the Tenant shall pay an administrative charge and damages equal to 5% of the monthly rental for every month until the rent is paid.

Tenant may terminate this lease at its sole and complete discretion, for any reason or no reason, after one and one-half years after the commencement of the lease term (December 31, 2026), upon 90 days advance written notice.

4. Use. Tenant shall use the Premises to operate educational programs and for office space associated therewith.

5. Utilities. Tenant shall make its own contracts and pay all charges for gas, electricity, heat, hot and cold water, telephone or other communication services, refuse removal and other utilities used, rented or supplied upon or in connection with the Premises. Landlord shall not be liable for any interruption or delay in any of such services unless such delay or interruption is due to Landlord's gross negligence or willful misconduct. Any interruption in said services shall not form the basis for withholding payment of any amounts owed herein by Tenant, unless premises rendered unfit for occupancy.

6. Custodial Services. Tenant shall be responsible for procuring all custodial services for the Premises by a professional cleaning company and/or Tenant's employees, at Tenant's sole discretion.

7. Taxes. All real property taxes will be the sole responsibility of Landlord. The Rent payable under this Lease shall not abate by reason of Landlord's failure to pay real property taxes and Tenant hereby waives all rights under applicable law to abate, reduce or offset Rent by reason of such nonpayment of taxes, providing that Landlord is current on taxes on that portion of the premises subject to this Lease (26%).

8. Alteration and Improvements:

a. Base Building Work:

HVAC will be fully functional at Landlord expense. Roof and exterior leaks to be fixed. All damaged ceiling tiles replaced throughout. Damaged carpeting replaced throughout. Repair or replacement of damaged or leaking windows. All Base building work expense is to be paid by landlord.

b. Tenant Improvements and Alterations:

With the written consent of Landlord (which consent shall not be unreasonably withheld) Tenant may, at Tenant's sole cost and expense, make alterations to the Premises ("Tenant Alterations"). Tenant shall deliver written notice to Landlord of Tenant's intent to make Tenant Alterations, not less than thirty (30) days prior to the commencement of the same and shall include in such notice the approximate date of commencement of the Tenant Alterations and a description of the intended Tenant Alterations. Unless Landlord deliver to Tenant a notice of rejection within seven (7) days following the delivery of Tenant's notice, Landlord's consent to the Tenant Alterations shall conclusively be deemed to have been given. Upon termination of this Lease, Tenant shall remove any Tenant Alterations, provided that, in such event, Tenant shall restore the Premises to the condition existing prior to such Tenant Alterations, reasonable wear and tear excepted. Throughout the performance of Tenant Alterations, Tenant, at its expense, shall carry, and require any of its contractors to carry, worker's compensation insurance in statutory limits, commercial general liability insurance, and comprehensive auto liability,

including owned, non-owned and hired vehicles, in such limits as Landlord may reasonably require, with insurers reasonably satisfactory to Landlord with evidence that such insurance is in effect at or before the commencement of Tenant Alterations. All liability insurance requirements by this subparagraph must name Landlord as an additional insured.

9. Repairs and Maintenance and Contribution to Certain Expenses of Landlord.

a. Subject to Landlord's obligations, Tenant agrees that throughout the Term, Tenant, at Tenant's sole cost and expense, shall keep the Premises in a good and tenantable condition and shall not do or suffer any waste, damage, or injury to the Premises. Tenant shall not be required to make any structural repairs or to expend any sum, which may be classified as a capital expenditure according to generally accepted accounting principles. For these purposes, any repair costing in excess of \$2,000.00 shall be deemed to be a structural repair, the cost of which shall be borne by Landlord, provided however that with respect to floor covering materials, Landlord shall be responsible for replacement of necessary floor covering and with like-kind existing carpeting material. Notwithstanding the foregoing, to the extent that any such repair work is required due to the negligence or willful misconduct of Tenant or Tenant's agents, employees or students, the cost of such repair work, regardless of the cost thereof, shall be borne by Tenant. Tenant agrees to replace, at Tenant's sole cost and expense, any and all glass which may become broken at the Premises with glass of the same type and quality as that existing as of the Effective Date. Tenant further agrees to engage a qualified, licensed and insured professional of its choice, subject to Landlord's approval to provide semi-annual maintenance of the heating and air-conditioning systems serving the Premises, including HVAC filter replacement at Tenant's sole cost and expense.

b. Tenant acknowledges that Landlord has provided plumbing, electrical lines and equipment, heating, ventilation and air conditioning systems, boiler and all other such systems necessary for the operation of the Premises (the "Building Systems") and that the Building Systems will be in good working order in accordance with Paragraph 8(a)

c. Landlord shall, at Landlord's sole cost and expense but only with respect to the Premises:

- i. make any repair to the Building located at 580 Ella Grasso Boulevard, New Haven, Connecticut which are occasioned by defective materials or workmanship;
- ii. maintain in good order the foundations, the structural supports and components, the exterior walls and the roofs of the Building located at 580 Ella Grasso Boulevard, New Haven, Connecticut;
- iii. maintain in good order and repair any and all common areas and facilities in the Building located at 580 Ella Grasso Boulevard, New Haven, Connecticut;
- iv. perform all necessary maintenance or repair work to the Premises, including to the Building Systems, the cost of which exceeds \$2,000.00, unless Tenant is responsible for the same pursuant to the provisions of Section 9(a) above; and
- v. keep the parking lot serving the Property free of snow, rubbish or other obstructions.

10. Tenant's Signs. Unless Landlord shall have given Landlord's prior written consent (which consent shall not be unreasonably withheld) Tenant shall not install, paint, inscribe or maintain any lettering, name, sign, business designation, advertising or publicity device on the Premises or any exterior window or on any other interior or exterior portion of any of the

Building located at 580 Ella Grasso Boulevard, New Haven, Connecticut.

11. Quiet Enjoyment. Landlord covenants and agrees that so long as Tenant pays the Rent and performs the remainder of Tenant's obligations under this Lease, Tenant shall peaceably and quietly have, hold and enjoy the Premises without interference by any person claiming by, through or under Landlord.

12. Assignment and Subletting.

Notwithstanding any provision herein to the contrary, the City of New Haven, acting through its Board of Education, shall have the right, at its sole discretion and without the necessity of Landlord's further consent, to assign or transfer this Lease, in whole or in part, to another department, agency, board, or commission of the City of New Haven, provided that such assignee remains a constituent entity of the City and agrees in writing to assume all obligations of the Tenant under this Lease. Such assignment or transfer shall be made upon notice to Landlord and shall be deemed effective as of the date specified in such notice.

Any such assignment or transfer shall not be deemed a violation of the assignment or subletting provisions of this Lease and shall be governed by the same terms, covenants, and conditions set forth herein, without modification, unless otherwise agreed in writing by the parties. This provision shall be construed in accordance with the laws of the State of Connecticut, and shall apply specifically within New Haven County and the City of New Haven.

13. No Nuisance; Compliance With Laws and Requirements of Public Authorities.

Tenant agrees not to create or permit any nuisance on or about the Premises or the Property. Tenant shall comply with and conform to all laws and regulations of the State of Connecticut (the "State") relevant to this Lease and/or to Tenant's use and occupation of the Premises and shall comply with all relevant ordinances, rules and regulations of the City of New Haven, Connecticut.

14. Liability and Insurance.

a. During the entire Term, Landlord shall:

i. at their own expense maintain Property insurance coverage for the Building and the Property covering structural components, fixtures, and improvements against fire, vandalism, malicious mischief and other hazards as may be included within extended coverage clauses of casualty insurance policies then in standard for use within the State of Connecticut, This coverage shall be "all risk" (also known as "special form") and for full Replacement Cost and

ii. maintain in force at all times the following minimum coverage and shall name the City of New Haven as an Additional Insured on a primary and non-contributory basis and also include a Waiver of Subrogation. Insurance shall be written with Carriers approved in the State of Connecticut with a minimum AM Best's Rating of "A-"
VIII:

(Minimum Limits)

Commercial General Liability	Each Occurrence	\$1,000,000
	General Aggregate	\$2,000,000

iii. Maintain in force at all times Excess Liability in the amount of \$1,000,000 Each Occurrence and Aggregate.

An original, completed Certificate of Insurance must be presented to the City of New Haven on an annual basis. Should any of the above described policies be cancelled, limits reduced or coverage altered, 30 days written notice must be given to the City.

b. During the Term, Tenant shall carry such general liability insurance with respect to injury or damage in or about the Premises as Tenant, in the exercise of Tenant's sole and absolute discretion, shall consider necessary or desirable from time to time, it being agreed stipulated and understood that Tenant may elect to self-insure, in whole or in part.

15. Access to Premises. Upon not less than forty-eight (48) hours' prior written notice (except in case of emergency) Landlord and/or Landlord's designees shall have the right (but not the obligation) to enter and pass through the Premises (or any part or parts thereof) during business hours to examine the Premises or to show them to any mortgagee, prospective mortgagees or purchasers of the Property, or any part thereof, or for the purpose of performing maintenance and repairs required hereunder or to make alterations in or to the Premises to the extent permitted or required hereunder or as may be required under laws or regulations issued by any competent authority or as may be mutually agreed upon by Landlord and Tenant. During that period which is three (3) months prior to the Expiration Date or during any period in which Tenant is in default as defined herein, Landlord may enter the Premises in order to exhibit the same to prospective tenants. Any access to premises as described in this paragraph shall not occur during any classroom session and shall not be disruptive of educational activities.

16. Damage or Destruction. Tenant agrees to notify Landlord promptly of the occurrence of any damage to the Premises. In the event of damage to the Premises, to the extent that Tenant shall continue to have convenient access to the Premises and no more than twenty-five percent (25%) of the Premises shall be rendered unfit for Tenant's use thereof, Landlord shall repair the damage promptly and diligently, but in any event within thirty (30) days of such damage. To the extent Tenant shall not have convenient access to the Premises or more than twenty-five (25%) of the Premises shall be rendered unfit for Tenant's use or occupancy, Landlord shall promptly and diligently repair such damage within sixty (60) days of the occurrence of the same, in which event the Base Rent shall be equitably abated during such period of repair. In the event that Landlord shall not have repaired such damage within such 60-day period, Tenant shall have the option of either terminating this Lease or granting Landlord an additional period of time in which to complete such repairs. In the event that the Premises shall be wholly untenable or unfit for occupancy, this Lease shall automatically terminate upon the date of the occurrence of such damage. In the event of any termination of this Lease arising out of damage to, or destruction of, the Premises in accordance with the provisions of this Section 16, then, following an apportionment of the Rent up to the date of such damage or destruction, this Lease shall thereafter be of no further force or effect so that neither Landlord nor Tenant shall have any further rights, duties or obligations hereunder as of the date of such termination.

17. Eminent Domain. If all of the Premises, shall be taken by eminent domain by any competent authority, or such portion of the Property shall be taken so as to render the Premises unfit for Tenant's use thereof, then this Lease shall forthwith terminate as of the date title vests in the taking authority and the Rent shall be apportioned as of such date. Tenant shall have the exclusive right in any proceeding with respect to any award payable for Tenant's moving

expenses and the value of the remainder of the Term.

In the event of a taking of a portion of the Property by eminent domain which does not result in the Premises being unfit for Tenant's use thereof (as shall be reasonably determined by Landlord and Tenant) then this Lease shall continue in full force and effect and Landlord shall promptly take such actions as may be necessary to reconfigure the remaining portions of the Premises, and the Rent shall be abated during the carrying out of such reconfiguration work by Landlord. In the event of a material decrease in the area of the Premises following such reconfiguration, the Base Rent payable by Tenant for the remainder of the Term shall be reduced proportionately on a square footage basis.

18. Surrender. On the Expiration Date or upon any earlier termination of the Term, Tenant shall quit and surrender the Premises, to Landlord in good order, condition and repair, except for ordinary wear and tear, and conditions requiring repairs, which are not required to be made by Tenant hereunder. Tenant shall remove all of Tenant's property and shall repair or pay the cost of repairing any damage to the Premises or the Building resulting from such removal.

19. Default and Damages.

- a. Any of the following shall constitute an "Event of Default" under this Lease:
 - i. if Tenant shall default in the payment of any Rent, on any day upon which the same is due, and such default shall continue for *ten (10) days thereafter*; or
 - ii. if Tenant shall do, or fail to do, or permit to be done, whether by action or inaction, anything contrary to any of Tenant's obligations hereunder, and if such situation shall continue and shall not be remedied by Tenant within thirty (30) days after Landlord shall have delivered to Tenant a notice specifying the same, or, in the case of a situation which cannot with due diligence be cured within a period of thirty (30) days, if Tenant shall not within such 30-day period advise Landlord of Tenant's intention duly to institute all steps necessary to remedy such situation, and duly institute within such 30-day period and thereafter diligently prosecute to completion, all steps necessary to remedy the same.
- b. Following an Event of Default, Landlord shall have the immediate right to terminate this Lease by giving Tenant not less than thirty (30) days written notice of Landlord's election to terminate and an opportunity to cure the default.
- c. In the event Landlord or Tenant brings any action arising from this Lease or occupancy thereunder including a summary process action the prevailing party shall be entitled to reasonable attorneys' fees and costs.

20. Option Space. [This paragraph intentionally omitted.]

21. Parking. Tenant, and Tenant's employees, students, visitors and guests, at no additional charge, shall have the right to use, on a non-exclusive basis and in common with the other tenants or occupants of the Buildings, the unreserved spaces in the surface parking lot situated on the Property during normal operating hours, it being understood and agreed that Landlord has the use of the parking lot on weekends to the extent that Tenant does not normally operate. Landlord and Tenant agree to share the parking lot in a cooperative manner on weekend days when Tenant normally operates and Landlord uses the parking area. Tenant's entitlement to parking during non-weekend periods shall be limited to its proportionate share of the spaces available based

upon the space occupied in the Buildings. Landlord shall keep the parking lot in a state of good repair.

22. Holding Over. If Tenant remains in possession of the Premises after the expiration of the term of the within Lease with Landlord's consent, such continued occupancy shall be deemed to be a month-to-month tenancy under the same terms and conditions of the within Lease and not a renewal of this Lease and the Landlord shall be entitled to rental in an amount equal to 125% of the monthly Basic Rent payments for each month or part thereof that the Tenant remains.

23. Notices. Any notice, approval, request, consent, bill, statement or other communication required or permitted to be given, rendered, served or made by either party hereto, shall be in writing and shall be delivered personally or sent by certified or registered United States Mail, postage prepaid, return receipt requested.

To Landlord:
SP Ella, LLC
Attn: Jonathan Perlich
315 Front Street
New Haven, CT 06513

To Tenant:
Dr. Madeline Negron
Superintendent of Schools
New Haven Board of Education
54 Meadow Street
New Haven CT 06519

Copy to:
Corporation Counsel
City of New Haven
165 Church Street, 4th floor
New Haven CT 06510

24. Non-Waiver. The failure of Landlord or Tenant to enforce or insist upon performance of any of the covenants and/or conditions contained in this Lease shall not be construed as a waiver of any other covenant or condition, or as a waiver of any future right to enforce or insist on the performance of the same covenant or condition.

25. Successors. The terms and conditions of this Lease shall be binding upon the respective successors in interest of Landlord and Tenant.

26. Brokerage. Landlord and Tenant each represent to the other that neither has retained a real estate broker.

27. Notice of Lease. It is agreed and understood that this Lease (or any notice thereof) may be recorded on the New Haven Land Records.

28. Terms and Paragraph Headings. The words "Landlord" and "Tenant" as used herein shall include the plural as well as the singular. Words used in any gender include other genders. The paragraph headings of this Lease are inserted for convenience of reference only.

29. Prior Agreements, Amendments. This Lease contains the entire agreement between Landlord and Tenant with respect to Tenant's occupation of the Premises, and no prior agreement or understanding, oral or written, express or implied, pertaining to any such matter shall be effective for any purpose. No provision of this Lease may be amended or added to except by an agreement in writing, signed by both Landlord and Tenant or their respective successors in interest. Landlord and Tenant acknowledge that all prior agreements; representations and negotiations with respect to the Premises are deemed superseded by the execution and delivery of this Lease to the extent that they are not incorporated herein.

30. Separability. Any provision of this Lease, which shall prove to be invalid or illegal shall in no way affect, impair or invalidate any other provision of this Lease, and all such other provisions shall remain in full force and effect.

31. Accord and Satisfaction. No payment by Tenant or receipt by Landlord of a lesser amount than the Rent reserved hereunder shall be deemed to be other than on account of the full amount due. Notwithstanding the foregoing, Landlord may accept a lesser amount without any prejudice whatsoever to Landlord's right to recover the balance due, regardless of any endorsement on the check (or other means of payment used by Tenant) that the same is in accord and satisfaction of the sum due, and/or to pursue any other remedy provided for in this Lease.

32. Governing Law. This Lease is made under and shall be construed in accordance with the laws of the State of Connecticut.

33. Tenant Estoppel. Within ten (10) business days after request therefor by Landlord, Mortgagee or any prospective mortgagee or owner, Tenant agrees as directed in such request to execute an Estoppel Certificate in recordable form, binding upon Tenant, certifying (i) that this Lease is unmodified and in full force and effect (or if there have been modifications, a description of such modifications and that this Lease as modified is in full force and effect); (ii) the dates to which Rent has been paid; (iii) that Tenant is in the possession of the Premises, if that is the case; (iv) that to the best knowledge of Tenant without any duty to investigate, Landlord is not in default under this Lease (or if Tenant believes Landlord is in default, the nature thereof in detail); (v) that to the best knowledge of Tenant without any duty to investigate, Tenant has no offsets or defenses to the performance of its obligations under this Lease (or if Tenant believes there are any offsets or defenses, a full and complete explanation thereof); (vi) that the Premises have been completed in accordance with the terms and provisions hereof, that Tenant has accepted the Premises and the condition thereof and of all improvements thereto and has no claims against Landlord or any other party with respect thereto (or stating such exceptions thereto as applicable); (vii) that if an assignment of rents or leases has been served upon the Tenant by a Mortgagee, Tenant will acknowledge receipt thereof and agree to be bound by the reasonable provisions thereof; (viii) that Tenant will give to the Mortgagee copies of all notices required or permitted to be given by Tenant to Landlord, provided that the Mortgagee's address

is provided to Tenant in writing; and (ix) to any other factual information reasonably and customarily requested.

34. DELETED

35. Environmental Compliance. Tenant shall comply with all applicable federal, state, and local environmental laws, ordinances, orders or regulations (as now existing or hereafter promulgated) affecting the Premises, the operation of Tenant's business at the Premises, the use of the Premises, or the generation, use, storage, manufacture, processing, disposal, transportation and/or removal of any "hazardous substances" (as that term is defined by any local, county, state or federal statutes, laws, rules, regulations or ordinances now existing or hereafter promulgated including but not limited to infectious medical waste and potentially infectious medical waste). Notwithstanding anything in this Lease to the contrary, Tenant shall not, without Landlord's prior written consent, and subject to reasonable conditions imposed by Landlord, place or permit on the Premises or otherwise generate, use, store, manufacture, process, dispose of or transport any oil, or hazardous substances, regulated by public authority, except for any items that constitute hazardous substances that are used by Tenant in the ordinary course of Tenant's business. Tenant shall permit no on-site disposal of any oil or hazardous substances. No hazardous substances or industrial wastes, contaminated substances or those resulting from manufacturing or processing shall be deposited in containers provided for trash removal. All waste materials (including Tenant's construction or remodeling wastes) other than ordinary sanitary commercial trash shall be removed from the Premises and properly disposed of in compliance with all applicable laws at Tenant's sole cost and expense. Tenant agrees not to build, repair or perform work on any internal combustion engines in the Premises or in the parking area.

Landlord makes no representations or warranties about the presence or absence of any hazardous materials, substances or waste on or in the Premises or the Buildings (including, but not limited to, asbestos, asbestos containing materials, fuel oil, gasoline, or tanks for storage of fuel oil or gasoline).

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease as of June ____, 2022 but effective as of October 1, 2021.

TENANT:
NEW HAVEN BOARD OF EDUCATION

WITNESSES:

By: _____
Dr. Orlando Yarborough III
President

LANDLORD
SP ELLA LLC

WITNESSES:

By: _____
Sim Levenhartz Member
Duly Authorized

Approved as to Form and Correctness:

Elias A. Alexiades
Assistant Corporation Counsel

STATE OF CONNECTICUT)
)
COUNTY OF NEW HAVEN) ss: NEW HAVEN

On this the ____ day of _____, 2025, before me, the undersigned, personally appeared Dr. OrLando Yarborough III , President of the New Haven Board of Education, known to me (or satisfactorily proven) to be the person described in the foregoing instrument, and acknowledged that she executed the same in the capacity therein stated and for the purposes therein contained.

In witness whereof, I hereunto set my hand.

Commissioner of Superior Court
Notary Public
My Commission Expires:

STATE OF CONNECTICUT)
)
COUNTY OF NEW HAVEN) ss: NEW HAVEN

On this the ____ day of _____, 2025, before me, the undersigned, personally appeared Sim Levenhartz, Member of SP ELLA, LLC, known to me (or satisfactorily proven) to be the person described in the foregoing instrument, and acknowledged that she executed the same in the capacity therein stated and for the purposes therein contained.

In witness whereof, I hereunto set my hand.

Commissioner of Superior Court
Notary Public
My Commission Expires:

DRAFT

Exhibit A

The totality of the Building known as 580 Ella Grasso Boulevard consisting of 40,000 square feet; plus

The portion of the Building known as 560 Ella Grasso Boulevard, which is currently vacant consisting of 35,000 square feet, is not part of the Premises under this Lease

The space currently occupied by Workforce Alliance consisting of 22,000 square feet of space is not part of the Premises under this Lease.

It is agreed that the totality of the Building known as 540 Ella Grasso Boulevard consisting of 32,000 square feet of space is not part of the Premises under this Lease.