

NORTH CAROLINA  
DURHAM COUNTY

LEASE OF NON-RESIDENTIAL PROPERTY AND  
CONTRACT FOR SERVICE

This Contract is made as of the \_\_\_ day of \_\_\_\_\_, 20\_\_\_ between the City of Durham ("Landlord" or "City") and Society For The Betterment Of The Human Condition Through The Training, Instruction And Propagation Of Budo Karate, DBA: Ligo Dojo Of Budo Karate ("NPO"), a not for profit corporation organized and existing under the laws of North Carolina;

1. GRANT. The Landlord hereby leases to the Non-Profit Organization (NPO), and the NPO accepts, a certain parcel of land together with the improvements thereon and the fixtures therein, known as the East Durham Recreation Center, located at 2615 Harvard Avenue and sited on City Parcel 114264, in the County of Durham, North Carolina ("the Premises"). The Premises are located in the City of Durham.

2. TERM. This Lease is for a period commencing not later than November 15, 2012, with a termination date of May 31, 2013.

3. RENT. DEPOSIT. (a)- NPO will not be charged a monthly rent.  
(b) NPO shall pay a security deposit in the amount of \$350.00

4. BACKGROUND AND PURPOSE. The NPO may not use the property for any purpose other than:  
\_\_\_ commercial \_\_\_ industrial \_\_\_X\_\_\_ other specify): To provide programming in the community 4:00pm-8:30pm Monday –Friday and 5:00 pm – 7:00 pm Saturday on behalf of the City of Durham, as detailed in Exhibit A, entitled, "Scope of Work", which is made part of this agreement.

5. SERVICES AND SCOPE TO BE PERFORMED. Presumption that Duty is NPO's. The NPO shall provide youth interpersonal skills building through martial arts programming at the Premises. In this contract, "Work" means the services that the NPO is required to perform pursuant to this contract and all of the NPO's duties to the City that arise out of this contract. Unless the context requires otherwise, if this contract states that a task is to be performed or that a duty is owed, it shall be presumed that the task or duty is the obligation of the NPO.

6. RESERVED.

7. COMPLETE WORK WITHOUT EXTRA COST. Except to the extent otherwise specifically stated in this contract, the NPO shall obtain and provide, without additional cost to the City, all labor, materials, equipment, transportation, facilities, services, permits, and licenses necessary to perform the Work.

8. RETURNED CHECKS. NPO shall pay thirty dollars (\$30.00) for each check returned for insufficient funds or because the drawer had no account at the bank.

9. EXTENSION OF LEASE TERM. The City may extend the contract for 9 additional terms, with each term consisting of the 9 months from September 1 through May 31. Each extension may be granted by action of the City Manager. NPO must send written notice to the Landlord at least 90 days before the expiration of each term to request such extension.

10. TERMINATION OF LEASE TERM. Part "a" of Section 23 (TERMINATION, CASUALTY, AND EMINENT DOMAIN)

**X** applies       does not apply to this Lease.

11. CONDITION OF PREMISES AND REPAIRS. (a) The NPO having inspected the Premises, it is agreed that they are in good repair and are fit as of the beginning of the term. The NPO shall immediately notify the Landlord of all damage to the Premises, need for repairs, and situations that might reasonably be expected to result in damage. If the Landlord makes repairs that are chargeable to the NPO, such charges shall be paid within 15 days of billing by the Landlord. This Lease does not give NPO any authority either to obligate the Landlord to pay any third party for any labor or materials or to suffer liens to be placed on the Premises. (b) NPO shall compensate the Landlord for damage to the Premises and/or furnishings caused by all negligent, willful, or intentional acts and omissions by the NPOs and any of NPO's agents, invitees, licensees, and contractors. NPO shall not allow any "Environmental Contamination" (defined in Section [26 ] (INDEMNIFICATION)) below to be released onto the Premises by itself or its agents, contractors, invitees, or licensees, and NPO shall clean up said releases if they occur. (c) Landlord shall at its expense maintain the roof, principal structure members, and exterior masonry walls, if any, not including windows, of the building located on the Premises. **Landlord shall make all other repairs and replacements needed to keep the building and its systems (including the HVAC, plumbing, electrical wiring, appliances, painting, glass, and all equipment) in good condition and state of repair.**

12. USE AND CARE OF THE PREMISES. The Premises shall not be used in any way that exposes the improvements to any unreasonable risk of damage from fire. Without written permission from the Landlord, the NPO shall not permit or keep any kerosene or gasoline on the Premises unless in properly constructed tanks attached to motor vehicles. The NPO shall keep the Premises in a presentable condition, including clean of trash and garbage. The NPO shall not use or allow the use of any illegal drugs on the Premises. Landlord at its expense shall maintain the lawn, if any as well as any landscaping. No trees or shrubbery shall be removed without first obtaining written permission from the Landlord. The NPO shall not violate any lawful requirements of all public authorities regarding use of the Premises, including applicable zoning and building codes. No animals may be kept on the Premises without the Landlord's written consent.

13. ALTERATIONS. FIXTURES. **NPO shall not paint or alter the Premises without the Landlord's written consent.** Any such work must be done a workmanlike manner. NPO may, prior to the expiration of the term of this Lease, remove from the Premises any fixtures that NPO may have installed, whether affixed or not; provided, however, that any damages done to the Premises by the installation of such fixture or by such removal will be repaired at NPO's expense. Any fixtures remaining in the Premises after the expiration of the term shall be the property of the Landlord. Any improvements and repairs to the Premises,

unless removed pursuant to this section, shall inure to and be to the benefit of the Landlord.

14. KEYS. The Landlord shall provide keys to the building to NPO at the Landlord's execution of this lease. The NPO shall not add or change any locks without the Landlord's written consent. At the end of the term, the NPO shall give to the Landlord all keys that NPO has for the Premises, including any keys made from Landlord's keys.

15. UTILITIES. The Landlord shall pay all proper charges for all utilities, including oil, gas, electricity, water, sewer, and garbage pickup. The NPO shall pay all proper charges for internet, cable and telephone. NPO shall set the building's thermostat so as not to exceed 72 degrees in the heating season and shall set the building's thermostat so as not be below 75 degrees during the air conditioning season. NPO shall make certain utilities usage is minimized when the building is not occupied.

16. USE OF SECURITY DEPOSIT. The security deposit shall be used only as a credit toward these charges: , any unpaid bills which become a lien against the Premises due to NPO's occupancy, damage to the Premises, nonfulfillment of the rental period, costs of re-renting the Premises after breach by the NPOs, costs of removal and storage of property of any of the NPOs after a summary ejectment proceeding, court costs (including to the extent allowed by law, reasonable attorney's fees) in connection with terminating a tenancy, and to the extent allowed by law, all other losses attributable to any breach of any provision of this lease by the NPO. When NPO vacates the Premises, if it is not reasonably clean, the NPO shall be charged to clean it, and the security deposit may be applied to this charge. If the security deposit is insufficient to pay any of the charges referred to in this section, the NPO shall be liable for such excess. No part of the security deposit may be retained by the Landlord for normal wear and tear. On termination of the tenancy, the deposit, except any amounts properly retained by the Landlord, shall be refunded to the NPO with an itemized statement of the amounts withheld, within 30 days after termination of the tenancy and delivery of possession by the NPO.

17. LATE PAYMENTS. Not applicable.

18. POSSESSION. The Landlord shall not be liable for its failure to deliver possession because of a cause beyond its reasonable control, including holdover by a previous tenant.

19. ASSIGNMENT AND SUBLETTING. The NPO may neither assign nor sublet either any rights in, or any part of, the Premises without the written consent of the Landlord.

20. TAXES AND INSURANCE. During the term of this contract, the Landlord shall pay all taxes and assessments imposed on the Premises. Any insurance that the Landlord may obtain on the Premises is for the benefit of the Landlord, not the benefit of the NPO. Landlord shall not provide either any liability insurance to protect NPO or insurance against loss or damage to NPO's property. The NPO shall obtain insurance at NPO's sole expense.

NPO shall purchase and maintain insurance coverage for not less than the following:

**Commercial General Liability**, covering:

- Premises/operations
- Products/completed operations (two years minimum, from project completion)
- Broad form property damage
- Contractual liability
- Independent contractors, if any are used in the performance of this contract
- City of Durham must be named additional insured, and an original of the endorsement to effect the coverage must be attached to the certificate (if by blanket endorsement, then agent may so indicate in the GL section of the certificate, in lieu of an original endorsement)
- Combined single limit not less than \$1,000,000 per occurrence, with an annual aggregate on not less than \$2,000,000.

**Commercial Auto Liability**, covering:

- Symbol 1, all vehicles
- Combined single limit of \$1,000,000
- City of Durham must be named additional insured

**Workers' Compensation Insurance**, covering:

- Statutory benefits;
- Covering employees; covering owners partners, officers, and relatives (who work on this contract) (this must be stated on the certificate)
- Employers' liability, \$1,000,000
- Waiver of subrogation in favor of the City of Durham

**Insurance shall be provided by:**

- Companies authorized to do business in the State of North Carolina
- Companies with Best rating of A-, VII or better.

**Insurance shall be evidenced by a certificate:**

- Providing notice to the City of not less than 30 days prior to cancellation or reduction of coverage
- Certificates shall be addressed to:  
City of Durham, North Carolina  
Attention: Director  
Durham Parks and Recreation  
101 City Hall Plaza  
Durham, NC 27701

21. PERFORMANCE OF WORK BY CITY. If the NPO fails to perform the Work in accordance with this contract, including the attachment containing the Scope of Work, the City may in its discretion, in order to bring the project closer to the schedule, perform or cause to be performed some or all of the Work, and doing so shall not waive any of the City's rights and remedies. Before doing so, the City shall give the NPO notice of its intention. The NPO shall reimburse the City for additional costs incurred by the City in exercising its right to perform or cause to be performed some or all of the Work pursuant to this section.

22. EXHIBITS. The following exhibits are made a part of this contract:

Exhibit A: Scope of Work containing 2 pages.

Exhibit B: Floor Plan of Premises containing 1 page.

Exhibit C: Inventory and Condition of City Property within Premises, containing 3 page(s).

In case of conflict between an exhibit and the text of this contract excluding the exhibit, the text of this contract shall control.

23. ACCESS. The Landlord shall keep keys to the Premises. The Landlord and its agents and contractors may enter the Premises, including the interior, in case of emergency or with the consent of the NPO. Without limiting the Landlord's rights under the preceding sentence, the parties agree that the Landlord and its agents and contractors may enter the Premises, including the interior, during daylight hours to make surveys, repairs, improvements, inspections, and do other work. During the last 10 weeks of the term and until the Premises have been rented beyond the term or sold, NPO shall permit Landlord to show the Premises, including the interior, to prospective tenants or purchasers from 8:00 AM - 4:30 PM, Monday - Friday. The Landlord may place and maintain 'for sale' and 'for rent' signs on the Premises.

24. VACATING. (a) The NPO shall surrender possession of the Premises on or before the end of the term. Time is of the essence in complying with the preceding sentence. (b) On vacating the Premises, the NPO shall see that all utilities for which it is responsible are paid in full and disconnected (unless other arrangements are made with the Landlord), that the Premises (including, if applicable, plumbing fixtures, stoves, refrigerators, and sinks) are clean, that the doors and windows are closed and locked, and that all other provisions of this Lease are complied with. So that Landlord may provide security to the Premises after the Premises are vacant and may use the Premises for its purposes, NPO shall notify Landlord in advance of the expected date that the Premises will become vacant and shall also notify Landlord within one working day after the Premises actually become vacant. This subsection "b" applies even if NPO vacates before the end of the term. (c) If the NPO fails to comply with its obligations under this section, NPO shall be liable for resulting damages suffered by the Landlord, including, if applicable, the inability to use the Premises for the purposes for which the Landlord has provided notice to the NPO, which notice may be given before or during the term.

25. DEFAULT. (a) If the NPO fails to pay the rent when due or fails to perform any other material obligation under this contract, or if a material purported fact in the NPO's representations to City proves to be materially false, or if a bankruptcy case designating NPO as a debtor is commenced or NPO is made the subject of insolvency proceedings, and such failure, event, or condition continues for 10 days after notice of such failure, event, or condition is sent, then the City may at any time (i) terminate this contract and cause the NPO's estate to be ceased, or (ii) terminate the NPO's right to possession of the Premises without causing the NPO's estate to be ceased or terminating this Contract. In either event, the NPO shall deliver possession of the Premises to the Landlord. In addition, the Landlord may reenter and take possession in accordance with legal procedures. If the Landlord terminates this contract, the NPO shall be liable for accrued rent, damages resulting from the NPO's breach, and other accrued obligations and liabilities. If the Landlord terminates the NPO's right to possession without terminating the contract, this contract including the leasehold shall remain in effect, and the Landlord shall make reasonable efforts to re-let the Premises on the NPO's behalf. NPO shall compensate the Landlord for the costs and expenses of such efforts. (b) The Landlord's waiver of or failure to

exercise or enforce any of its rights under this contract shall not constitute a waiver of any right thereafter. The Landlord's rights under this section are in addition to other rights under this contract or as provided by law.

265. INDEMNIFICATION. (a) To the maximum extent allowed by law, NPO shall defend, indemnify, and save harmless Indemnitees from and against all Charges that arise in any manner from, in connection with, or out of this Lease or out of the use or occupancy of the Premises pursuant to this Lease, including for Environmental Contamination. In performing its duties under this subsection "a", NPO shall at NPO's sole expense defend Indemnitees with legal counsel reasonably acceptable to Landlord. (b) Definitions. As used in subsections "a" and "c" of this section --

"Charges" means claims, judgments, costs, damages, losses, demands, liabilities, obligations, fines, penalties, settlements, and expenses (included within "Charges" are interest and reasonable attorneys' fees assessed as part of any such item).

"Environmental Contamination" means petroleum products (including oil, gasoline, and kerosene), hazardous wastes, hazardous substances, hazardous materials, toxic substances, toxic wastes, hazardous air pollutants, and toxic pollutants, as those terms are used in any federal, state, or local laws, rules, regulations, codes, and ordinances, as amended from time to time.

"Indemnitees" means Landlord and its officers, officials, independent contractors, agents, and employees, and does not include NPO. (c) Limitations of NPO's Obligation. Subsection "a" of this section shall not require NPO to indemnify or hold harmless Indemnitees against liability for damages arising out of bodily injury to persons or damage to property proximately caused by or resulting from the negligence, in whole or in part, of Indemnitees.

27. ADA. If NPO receives any notice or document (a) which alleges any violation of the Americans with Disabilities Act ("ADA") relating to the Premises, or (b) which pertains to any claim made or threatened relating to the Premises regarding alleged noncompliance with the ADA, or (c) which pertains to any governmental or regulatory action or investigation instituted or threatened relating to the Premises regarding alleged noncompliance with the ADA, NPO shall, within 10 days after receipt of such notice or document, provide the Landlord with a copy.

28. TERMINATION, CASUALTY, AND EMINENT DOMAIN. (a) If fire or other casualty renders the Premises uninhabitable, and if the casualty is not the fault of NPO or any person for whose acts or omissions NPO is liable, and if Landlord cannot or does not make the Premises reasonably useable for NPO's purposes within 10 days afterwards, NPO may, by sending notice to the Landlord within 15 days of the casualty, terminate the term effective as of the date of the casualty. (b) If fire or other casualty substantially damages the Premises, and if the casualty is not the fault of NPO or any person for whose acts or omissions NPO is liable, and if Landlord cannot or does not substantially repair the Premises within 20 days afterwards, NPO may, by sending notice to the Landlord within 25 days of the casualty, terminate the term effective as of the date of the casualty. (c) If fire or other casualty renders the Premises unusable for the NPO's purposes, the Landlord may, by sending notice to the NPO within 20 days of the casualty, terminate the term effective as of the date of the casualty. (d) If an authority with the power of eminent domain acquires an interest in the Premises that substantially affects their use for NPO's purposes, NPO may, by sending notice to the Landlord within 30 days of the taking of possession by the authority, terminate the term effective as of the date of the taking of possession by the authority. (e) Each subsection of this section is intended to be independent of the other

subsections of this section. (f) Landlord has the right to terminate this lease without cause by giving the NPO 90 days advanced written notice.

29. EFFECTS ON OTHER RIGHTS. The Landlord shall not be liable for any loss or damage occurring to the personal property of NPO, except through the intentional act of the Landlord, and except as otherwise provided by law or this Lease. Nothing in this Lease shall limit the City of Durham's governmental powers regarding the Premises, including eminent domain, zoning, subdivision, and police.

30. RENEWAL. If the parties fail otherwise to agree in writing respecting the extension or renewal of the term, the following shall apply: If the expiring term is one year or longer, and if NPO has already paid the rent for the last month of the term, and if NPO tenders payment to the Landlord in an amount equal to the rent for the last month of the term, or if NPO remains in possession of the Premises after the expiration of that term, the Landlord may, at the Landlord's option, extend the term by 1 year by sending notice to the NPO of such decision. Acceptance of such payment by the Landlord without giving such notice shall create a lease on the same terms and conditions as this Lease except that the term shall be month-to-month and the number of days in Section 28(c) (TERMINATION, CASUALTY, AND EMINENT DOMAIN) shall be deemed to be 10 instead of 25. Acceptance of such payment or extension of the Lease shall not constitute a waiver of past-due rent or of any other rights of the parties. This section is not intended to limit the NPO's rights under Section 9 (EXTENSION OF LEASE TERM), and Section 9 (EXTENSION OF LEASE TERM) is not intended to limit the NPO's rights under this section.

31. ADDRESSES. NOTICES.

(a) All notices and other communications required or permitted by this contract shall be in writing and shall be given either by personal delivery, fax, UPS, Federal Express, or certified United States mail, return receipt requested, addressed as follows. The parties are requested to send a copy by email.

To the City:

Parvin Neloms, Jr, Durham Parks and Recreation  
City of Durham  
101 City Hall Plaza  
Durham, NC 27701-3329  
The fax number is (919) 560-4021.  
Email: [Parvin.neloms@durhamnc.gov](mailto:Parvin.neloms@durhamnc.gov)

To the NPO:  
Ligo Dojo of Budo Karate  
Nathan Ligo  
112b Estes Drive Ext.  
Carrboro NC 27510  
The fax number is \_\_\_\_\_.  
Email:

(b) Change of Address. Date Notice Deemed Given. A change of address, fax number, or person to receive notice may be made by either party by notice given to the other party. Any notice or other communication under this contract shall be deemed given and sent at the time of actual delivery, if it is personally delivered or sent by fax. If the notice or other communication is sent by United States mail, it shall be deemed given upon the third calendar day following the day on which such notice or other communication is deposited with the United States Postal Service or upon actual delivery, whichever first occurs.

32. INTERPRETATION. Unless the context requires otherwise, the singular includes the plural, and vice versa. "Including" and "included" mean including or included but not limited to. Section headings are not for interpretation of this Lease. In Section 2 (TERM), if the period stated conflicts with the expiration date stated, the period shall control. In case of conflict, Section 26(c) (INDEMNIFICATION) controls over Section 11(b) (CONDITION OF PREMISES AND REPAIRS), which in turn controls over Section 11(c)(CONDITION OF PREMISES AND REPAIRS).

33. COMMENCEMENT DATE: The Commencement Date shall be the date of this Agreement as executed by the City Manager or his designee.

34. MISCELLANEOUS

(a) Choice of Law and Forum; Service of Process. (i) This contract shall be deemed made in Durham County, North Carolina. This contract shall be governed by and construed in accordance with the law of North Carolina. The exclusive forum and venue for all actions arising out of this contract shall be the North Carolina General Court of Justice, in Durham County. Such actions shall neither be commenced in nor removed to federal court. This subsection (a) shall not apply to subsequent actions to enforce a judgment entered in actions heard pursuant to this subsection. (ii) If the NPO is not a natural person (for instance, the NPO is a corporation or limited liability company), this subsection (ii) applies. "Agent for Service of Process" means every person now or hereafter appointed by the NPO to be served or to accept service of process in any State of the United States. Without excluding any other method of service authorized by law, the NPO agrees that every Agent for Service of Process is designated as its non-exclusive agent for service of process, summons, and complaint. The NPO will instruct each Agent for Service of Process that after such agent receives the process, summons, or complaint, such agent shall promptly send it to the NPO. This subsection (ii) does not apply while the NPO maintains a registered agent in North Carolina with the office of the N. C. Secretary of State and such registered agent can be found with due diligence at the registered office.

(b) Waiver. No action or failure to act by the City shall constitute a waiver of any of its rights or remedies that arise out of this contract, nor shall such action or failure to act constitute approval of or acquiescence in a breach thereunder, except as may be specifically agreed in writing.

(c) Performance of Government Functions. Nothing contained in this contract shall be deemed or construed so as to in any way estop, limit, or impair the City from exercising or performing any regulatory, policing, legislative, governmental, or other powers or functions.

(d) Severability. If any provision of this contract shall be unenforceable, the remainder of this contract shall be enforceable to the extent permitted by law.

(e) Compliance with Law. In performing all of the Work, the NPO shall comply with all applicable law.

(f) Notice of City Policy. THE CITY OPPOSES DISCRIMINATION ON THE BASIS OF RACE AND SEX AND URGES ALL OF ITS CONTRACTORS TO PROVIDE A FAIR OPPORTUNITY FOR MINORITIES AND WOMEN TO PARTICIPATE IN THEIR WORK FORCE AND AS SUBCONTRACTORS AND VENDORS UNDER CITY CONTRACTS.

(g) EEO Provisions. During the performance of this Contract the NPO agrees as follows: (1) The NPO shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, political affiliation or belief, age, or handicap. The NPO shall take affirmative action to insure that applicants are employed and that employees are treated equally during employment, without regard to race, color, religion, sex, national origin, political affiliation or belief, age, or handicap. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment or advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. The NPO shall post in conspicuous places, available to employees and applicants for employment, notices setting forth these EEO provisions. (2) The NPO shall in all solicitations or advertisement for employees placed by or on behalf of the NPO, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, political affiliation or belief, age, or handicap. (3) The NPO shall send a copy of the EEO provisions to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding. (4) In the event of the NPO's noncompliance with these EEO provisions, the City may cancel, terminate, or suspend this contract, in whole or in part, and the City may declare the NPO ineligible for further City contracts. (5) Unless exempted by the City Council of the City of Durham, the NPO shall include these EEO provisions in every purchase order for goods to be used in performing this contract and in every subcontract related to this contract so that these EEO provisions will be binding upon such subcontractors and vendors.

(h) SDBE. The NPO shall comply with all applicable provisions of Article III of Chapter 18 of the Durham City Code (Equal Business Opportunities Ordinance), as amended from time to time. The failure of the NPO to comply with that article shall be a material breach of contract which may result in the rescission or termination of this contract and/or other appropriate remedies in accordance with the provisions of that article, this contract, and State law. The Participation Plan submitted in accordance with that article is binding on the NPO. Section 18-59(f) of that article provides, in part, "If the City Manager determines that the NPO has failed to comply with the provisions of the Contract, the City Manager shall notify the NPO in writing of the deficiencies. The NPO shall have 14 days, or such time as specified in the Contract, to cure the deficiencies or establish that there are no deficiencies." It is stipulated and agreed that those two quoted sentences apply only to the NPO's alleged violations of its obligations under Article III of Chapter 18 and not to the NPO's alleged violations of other obligations.

(i) No Third Party Rights Created. This contract is intended for the benefit of the City and the NPO and not any other person.

(j) Modifications. Entire Agreement. A modification of this contract is not valid unless signed by both parties and otherwise in accordance with requirements of law. Further, a modification is

not enforceable against the City unless it is signed by the City Manager, a deputy or assistant City Manager, or, in limited circumstances, a City department director. This contract contains the entire agreement between the parties pertaining to the subject matter of this contract. With respect to that subject matter, there are no promises, agreements, conditions, inducements, warranties, or understandings, written or oral, expressed or implied, between the parties, other than as set forth or referenced in this contract.

(k) City's Manager's Authority. To the extent, if any, the City has the power to suspend or terminate this contract or the NPO's services under this contract, that power may be exercised by City Manager or a deputy or assistant City Manager without City Council action.

**THIS SPACE INTENTIONALLY LEFT BLANK**

IN WITNESS WHEREOF, the parties executed this Lease as of the date written above.

**LANDLORD:**

ATTEST:

CITY OF DURHAM

\_\_\_\_\_

\_\_\_\_\_

PRE AUDIT

**SOCIETY FOR THE BETTERMENT  
OF THE HUMAN CONDITION THROUGH  
THE TRAINING, INSTRUCTION AND  
PROPAGATION OF BUDO KARATE, DBA:  
LIGO DOJO OF BUDO KARATE:**

By: \_\_\_\_\_

State of \_\_\_\_\_

ACKNOWLEDGMENT BY CORPORATION

County of \_\_\_\_\_

I, a notary public in and for the aforesaid county and state, certify that

\_\_\_\_\_ personally appeared before me this day and stated that he or she is chief executive officer of Society For the Betterment of the Human Condition Through The Training, Instruction And Propagation Of Budo Karate, DBA: Ligo Dojo Of Budo Karate, a corporation, and that by authority duly given and as the act of the corporation, he or she signed, under seal, the foregoing agreement with the City of Durham. This the \_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

My commission expires:

\_\_\_\_\_

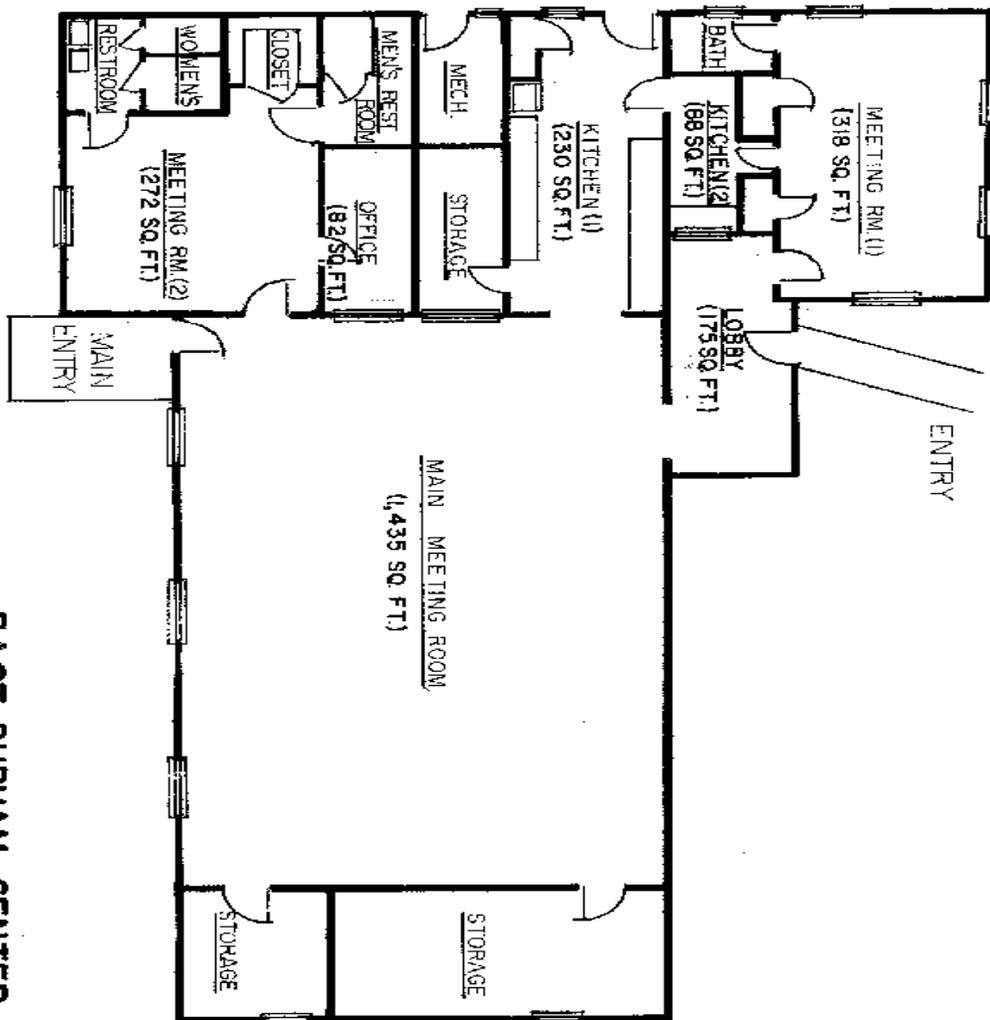
\_\_\_\_\_  
Notary Public

EXHIBIT A  
SCOPE OF WORK

- Non Profit (“NPO”) will provide programming in the community on behalf of the City of Durham during the hours specified in the contract.
- All fees charged to participants by NPO will be reviewed and approved in writing by the Director of Parks and Recreation (“DPR”). NPO will have in place and approved in writing by the DPR a scholarship program to assist residents who could not afford to pay.
- NPO shall attend a one-time training by the City of Durham Parks and Recreation Custodial Services, and be responsible for all Housekeeping, which is defined as the following enumerated tasks:
  1. Properly dispose of trash, waste, recycling and other similar materials and any fees associated with.
  2. Must comply with all regulations such as OSHA, EPA, State Health Department, etc.
  3. Daily damp dusting of facility is required .
  4. Empty trash containers daily.
  5. Wet mop floors in restrooms, lobby, clubrooms/multipurpose areas on a daily basis.
  6. Clean wash basins, mirrors, commodes, tubs, and showers daily.
  7. Report any needed repairs immediately to Bridgette Robinson, Recreation Manager (such as leaky faucets or toilets, loose tile, broken window panes, missing nuts or screws, furniture needing repair, etc.). If Recreation Manager is unavailable, please contact Parvin Neloms, Assistant Director for Recreation Programs.
  8. Wash windows as specified by the schedule provided by Bridgette Robinson, Recreation Manager. If Recreation Manager is unavailable, please contact Parvin Neloms, Assistant Director for Recreation Programs.
  9. Check entire area for spills, water, etc. after each program, especially in restrooms.
- The City will maintain its current TWC accounts in the buildings, with such accounts being for City Staff usage only.
- The City is responsible mowing per set DPR standard posted schedule for site. If NPO chooses it may mow grass more frequently directly around the Premises.

- NPO will provide a minimum of 18 hours per week of activity programming for DPR summer camp program in return for provision of the Premises, and with no additional cost.
- NPO must maintain its non-profit 501(c)3 status and remain registered and in good standing with the NC Secretary of State.
- NPO is allowed to post business signage with written approval of the DPR, and so long as such signage complies with all applicable City ordinances and Planning requirements.
- The City shall provide the NPO with a business card size ad in September to December issue of “Play More” at no cost.
- NPO will have two community meetings a year to inform the public about programming services and scholarships available. The NPO shall schedule these meetings and inform the Recreation Manager early enough of these meeting dates so that the City can publicize them in “Play More” and other City publications and calendars.
- NPO must perform criminal background checks on staff and volunteers. NPO must submit and obtain approval by DPR for the policy and procedures that the NPO uses for such criminal background checks, and the NPO must have written permission from the Recreation Manager of DPR if the NPO wishes to employ or use as a volunteer an individual with a criminal background.\_\_\_\_\_.

EXHIBIT B  
FLOOR PLAN OF PREMISES



**EAST DURHAM CENTER**  
SCALE: 1/8" = 1'-0"  
(3,566 SQ. FT.)

EXHIBIT C  
INVENTORY AND CONDITION OF CITY PROPERTY WITHIN PREMISES

<b>Site: East Durham Recreation Center</b>				
<b>Location: 2615 Harvard Ave., Durham, NC 27701</b>				
<b>Date: April 4, 2012</b>				
<b>Inventory Item</b>	<b>Quantity</b>	<b>Make and Model</b>	<b>Condition Good, Fair, Poor</b>	<b>Brief Description</b>
<b>Teen Room Storage Closet</b>				
Small File cabinet	1		poor	
Baseball Mats	5		poor	
plant soil	1		poor	
paint	10	Clean colors	poor	
Game system for computers	1		poor	
<b>Storage closet in kitchen</b>				
Small Blue Mats	8		Fair	Single person
Big Mats	6		poor	
Hot Hoops	2		poor	
Clock	1		fair	
6x9 Clasps	100		fair	Opened
Jenga	3		poor	
Uno Blocks	1		poor	
Blocks	1		poor	
Rubber Mats	16		good	small
T.V.	1		good	
Safe	1		poor	
Twister	1		poor	
Outburst	1		poor	
Scenelt	1		poor	
Dinosaurs	1		poor	
5 in 1 game consol	1		poor	
Rubber matts	12		good	large matts
active inflatable tube	1		good	
Mugs	5		good	
Christmas tree	1		fair	
fan	1		poor	
tarp	1		good	

file cabinets	2		fair	
storage bin	3		fair	
screen printing	1		fair	
keyboard	1		fair	
jars	19		fair	
vollyballs	8		good	
sewing machine	1		good	
sleeping bags	5		poor	
Safe	1		good	
moniter	2		poor	
time clock	1		poor	
billiar chalk	14		poor	

<b>East Durham Game Room</b>				
Foosball Table	1		poor	Broken pieces
Ping Pong table	1		Poor	Broken pieces
Pool Table	1		Fair	
Desk	1		poor	
Table	2		fair	
Air Hockey	1	Atomic	Good	

<b>Main Office</b>				
Desk	1		G	
Tables	2		G	
Folders	4		G	
Cabinets	1		G	
safe	1		G	
phone	1		G	
keyboard	1		G	
computer	1		G	
system unit	1		G	
file cabinet	1		G	
Computer speakers	2		G	

<b>Back Class Room</b>				
Tables	5		G	
chairs	15		G	
Desk	1		G	
Fire Exting	1		G	

<b>Kitchen</b>				
Microwave	1		G	
Soap disperser	2		G	
Vase	3		G	
Paper towels	1		G	
Fridge	1		G	
Stove	1		G	
Garbage can	1		G	

fire estinguisher	1		G	
Broom	1		G	
mop	1		G	
icy trays	2		F	
bowl	1		G	
jars	5		P	
napkins	1 pack		G	

### Library

Books	350		F	
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### Front Class Room

tables	2		G	
chairs	9		G	
Desk	1		G	
closets/cabinets	2		F	
Bookshelves	3		F	
Cabinet	1		F	

### Staff Office

Safe	1	Pro-lok	G	
Admin. Folder	5		G	Documents/manuals
Shelf	1		G	
Desk	1		G	

### Teen Room

Desk	1		F	
Chairs	4	Mity-Lite	G	
Table	1		G	
Couch	1		F	