

LEASE AGREEMENT

THIS AGREEMENT made effective as of the 1st day of January, 2008, between HILLSBOROUGH BASEBALL LEAGUE, INC., a non-profit corporation of the State of New Jersey, having a mailing address of Post Office Box 6599, Hillsborough, New Jersey 08844 ("Hillsborough Baseball League"), and the TOWNSHIP OF HILLSBOROUGH, a municipal corporation of the State of New Jersey, having its principal office at 379 South Branch Road, Hillsborough, New Jersey 08844 ("Township").

WITNESSETH:

WHEREAS, the Hillsborough Baseball League or its predecessor have operated and organized a baseball league for children within the Township ranging from ages six (6) to eighteen (18), since 1957, and presently in accordance with the Official Rules of Babe Ruth Baseball, Inc., Trenton, New Jersey; and

WHEREAS, the Hillsborough Baseball League, in serving the families and children of the Township, performs a public service which no other Township Department can provide to the youth and citizens of the Township; and

WHEREAS, the Township is the owner of certain lands which have been developed for a Hillsborough Baseball League complex located within the Township on Willow Road housing seven (7) baseball fields and two (2) baseball fields at Country Classic, known as the Country

Classic Fields, which lands are not regularly required for municipal purposes and which the Township desires to lease to the Hillsborough Baseball League for the purpose of allowing the Hillsborough Baseball League to continue to operate an organized baseball league for the youth of the Township; and

WHEREAS, the Township recognizes and applauds the service rendered to the Township's youth by the Hillsborough Baseball League and the continued commitment of the Hillsborough Baseball League to the future of the Township's children and wishes to take part in that commitment; and

WHEREAS, the Township may lease lands owned by it for nominal consideration to a non-profit organization or association having for its purpose the promotion of the health, safety, and general welfare of the community, as permitted by N.J.S.A. 40A:12-15(i), so long as the land is used for that purpose and not a commercial purpose.

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties, the parties agree as follows:

1. Premises. The Premises consists of seven (7) fields at the Willow Road Baseball Complex: Fields numbered 1, 2, 3, 4, 5, 6, and 7, including a concession stand, restroom and maintenance buildings.

2. Municipal Warranties.

The Township makes no representation, statement or warranty, expressed or implied, concerning the condition of the Premises or the Country Classic Fields, and, in no event, shall the Township be liable for any defect in such property or for any limitation on its use. For the purpose of this Agreement, the Hillsborough Baseball League agrees to waive and relinquish any rights to make any claims it may have against the Township for the use of the Premises or

Country Classic Fields.

3. GSA Depot. The Township intends to acquire that property commonly known as the General Services Administration Depot ("GSA Depot") for open space and recreation purposes. There is sufficient land at the GSA Depot to construct baseball fields. In the event the Township develops the GSA Depot with baseball fields, the Hillsborough Baseball League will be offered the opportunity to play at designated fields. In that circumstance, the Hillsborough Baseball League will not have any further need to utilize the Premises or the Country Classic Fields and this Agreement will be terminated, as long as the size and scope of the GSA Depot baseball fields are at least as large as the current Hillsborough Baseball League complex at the Premises, and provided both parties agree to a new lease for baseball fields at the GSA Depot. Should the Township appoint a GSA Depot Development Committee, the Hillsborough Baseball League may nominate a representative to the GSA Depot Development Committee.

4. Term.

A. The term of this Agreement commenced on January 1, 2008 and is for four (4) years from that date, ending on December 31, 2012. Additionally, Hillsborough Baseball League shall have the option to extend the term of this Agreement upon the same terms and conditions set forth herein for five (5) successive periods of four (4) years, so long as such option is exercised in writing by Hillsborough Baseball League no later than sixty (60) days prior to the expiration of the original term or any option periods.

B. The Township is responsible for submitting this Agreement to the New Jersey Green Acres Program for approval.

5. Purpose. The purpose of this Agreement is to enable the Hillsborough Baseball League to use the Premises and Country Classic Fields to operate a Youth Baseball

Program ("Program") for children residing within the Township six (6) to eighteen (18) years old. Such Program shall be organized in accordance with the Official Rules of Babe Ruth Baseball League, Trenton, New Jersey, or any like organization that is recognized as a regional organization that provides youth baseball opportunities. The Hillsborough Baseball League shall be permitted to operate the Program, including youth baseball tournaments, upon the Premises and Country Classic Fields.

6. Use by Others. The Premises and Country Classic Fields may also be available for use by other Township resident organizations for baseball and softball activities provided that the resident organizations: (1) obtain written permission from the Hillsborough Baseball League; (2) comply with the schedule for use as provided by the Hillsborough Baseball League; (3) provide the Hillsborough Baseball League and the Township with a Certificate of Insurance providing liability insurance coverage in amounts equal to the amounts provided by the Hillsborough Baseball League in accordance with Paragraph 14 of this Agreement, and which insurance policies and certificates shall name the Hillsborough Baseball League and the Township as additional insureds; (4) provide the Hillsborough Baseball League and the Township with an indemnification agreement holding the Hillsborough Baseball League and Township harmless from any liability for property damage caused and/or personal injuries suffered or caused by any person during or as a result of the use of the Premises and Country Classic Fields; and (5) provide the Hillsborough Baseball League with written permission or authorization from the Township Parks and Recreation Department. It is agreed that the Premises and Country Classic Fields shall also be available for use by the Township Parks and Recreation Department, provided that the Township Parks and Recreation Department: (1) obtains written permission from the Hillsborough Baseball League, which permission shall not

be unreasonably withheld; and (2) the Township Parks and Recreation Department complies with the schedule for use as provided by the Hillsborough Baseball League.

7. Use by Hillsborough Baseball League. The Premises will be available for use for practice beginning on March 1 of each year, with play beginning April 1st and continuing on a daily basis through October 31 from dawn to dusk with the exception that no baseball related activities will start earlier than 11:00 A.M. on Sundays and no game may begin after 6:00 P.M. on Sundays such play shall include, at all times, a Township team. Moreover, the Hillsborough Baseball League will provide to the Township Parks and Recreation Department a schedule of all games to be played at the Premises and Country Classic Fields prior to the start of each season, which schedule will be posted on the Township Parks and Recreation Department Website. The Hillsborough Baseball League equipment and baseball equipment and concession facilities shall not be used without written permission from the Hillsborough Baseball League.

A. Regular Season.

(i) The Hillsborough Baseball League may use the premises during March. Practice on Sundays in March may not begin before 11:00 A.M. or after 6:00 P.M. There will be no scheduled games in March.

(ii) The Hillsborough Baseball League will be allowed to use all fields at the Premises for no more than eight (8) Sundays from April 1 through July 31 for games and/or practices, with the exception of when a month has five (5) Sundays, then the Premises may be used for an additional Sunday during April 1 to July 31.

(iii) For all other Sundays in April through July, the Hillsborough Baseball League will be limited to having games and/or practices on three (3) fields and the Challenger Field upon the issuance of a permit by the Director of the Department of Parks and Recreation. The

Director will make every effort to utilize fields away from Spring Valley Road. Sunday games and/or practices will not be scheduled to begin before 11:00 A.M. or after 6:00 P.M.

(iv) In the event that games are cancelled or postponed on any of the Sundays authorized above because of weather or any other circumstance, the Hillsborough Baseball League may seek a rescheduling permit from the Director of the Department of Parks and Recreation in order to modify their schedule to complete the Sunday play authorized above from April through July.

(v) The Hillsborough Baseball League may seek a tournament completion permit from the Director of the Department of Parks and Recreation, if there are rainouts or other mitigating circumstances that prevent the completion of a tournament by July 31. All tournament play must include Township teams.

B. Fall Season.

(i) From September 1 to October 31, the Hillsborough Baseball League may use the Premises. Use of the Premises on four (4) Sundays during this period will be restricted to no more than three (3) fields and the Challenger Field, upon the issuance of a permit by the Director of the Department of Parks and Recreation. The Director will make every effort to utilize fields away from Spring Valley Road.

(ii) The Hillsborough Baseball League may seek a tournament completion permit from the Director of the Department of Parks and Recreation, if there are rainouts or other mitigating circumstances that prevent the completion of a tournament by October 31. Tournament play must include Township teams.

8. Supervision and Control. Except as otherwise provided in this Agreement, the Premises will be the responsibility of the Hillsborough Baseball League during the term of

this Agreement and all risk, loss or damage to the Premises will be borne by the Hillsborough Baseball League except as otherwise provided in this Agreement. No modification of the Premises or Country Classic Fields may be made by the Hillsborough Baseball League without Township Planning Board, Township Committee and, if necessary, New Jersey Green Acres Program approval.

9. Rent. During the term of this Agreement, the Hillsborough Baseball League shall pay the sum of \$1.00 annually and shall perform those repair and maintenance responsibilities described in Paragraph 10A below. The Hillsborough Baseball League also agrees to pay the utilities charges relating to its use of the Premises, including payment to the Township of Hillsborough Municipal Sewerage Authority, natural gas charges, and telephone charges associated with the use of the Premises by the Hillsborough Baseball League. The Township will be responsible for electric, public water charges, dumpster service and portable toilets at the Premises. The Hillsborough Baseball League shall transfer billing for all utilities with the exception of the electric and water billing to their name upon execution of this Agreement.

10. Repairs, Maintenance, Sound and Aesthetics.

A. The Hillsborough Baseball League agrees to maintain, at its sole cost and expense, the baseball fields located on the Premises in accordance with the Rules and Regulations of Hillsborough Baseball League, Inc., and any rules or procedures for maintenance established by the Township Park and Recreation Commission. The Premises and Country Classic Fields are subject to inspection by the Township Engineering Department. The Hillsborough Baseball League agrees to perform all routine maintenance and repairs associated with other improvements at the Premises, including but not limited to concession stand, restroom, maintenance buildings, spectator stands, fences, dugouts and other appurtenant

facilities. In addition to routine maintenance and repair obligations, the Hillsborough Baseball League shall also be responsible for painting, cleaning and winterizing any structure on the Premises.

B. The Township agrees to perform the following maintenance responsibilities as determined necessary by the Township: (i) grooming for any trees, tree lines, and to maintain all perimeter fencing; (ii) undertaking all structural parking area repairs (in accordance with the financial parameters set forth below); (iii) maintain and keep the entire parking area in good condition, including the removal of ice and snow as needed in order to facilitate the Hillsborough Baseball League's ability to use the Premises as intended; (iv) provide for replacement of the gravel and re-grading of any parking lots on the Premises; (v) provide routine police patrol; (vi) miscellaneous sod repair (i.e. cut/lift sod and cut infield lip on all fields at the Premises, and assist in the replacement of new sod installation) up to one thousand (1,000) square feet; (vii) install new drains and clean/re-work existing drains; (viii) aerate all field grass areas; (ix) investigate and report on the water supply between the street and the Hillsborough Baseball League sprinklers and valve system; (x) maintain all non-field areas including berms which buffer the Premises from adjoining neighborhoods; (xi) be responsible for any major structural repairs, whether caused by natural catastrophe or disaster or due to acts of vandalism at the Premises. For the purpose of this Agreement, structural or non-routine repairs shall be those which exceed the sum of \$5,000.00. Regarding major structural repairs or nonroutine repairs, the Hillsborough Baseball League shall be responsible for the first \$5,000.00 to be paid toward any individual repair at the Premises. The Township shall be responsible to pay up to the next \$15,000.00 for structural repairs, provided the structural repairs do not exceed the sum of \$20,000.00 for that individual repair at the Premises. In the event the

structural repairs exceed the sum of \$20,000.00 at the Premises, the parties agree to meet and discuss the individual repair and utilize their best efforts to apportion the aforementioned additional costs between the parties.

C. The Township may perform "spot checks" on sound levels in accordance with all applicable standards without prior warning to the Hillsborough Baseball League.

D. The Hillsborough Baseball League may place advertising signs on the outfield fences at the Premises. The Hillsborough Baseball League agrees to abide by any Township development regulations and standards for such signs and to place them so that they create a minimum impact on the adjacent residential properties. The Hillsborough Baseball League shall use the public address system for special events such as the National Anthem, announcing starting line-up, and emergency announcements. The public address system will not be used to announce play-by-play. At all times, the public address system will face toward the center of the Premises and toward the audience to limit sound impacts on the neighborhood. In order to achieve the goal of minimum impact on the adjacent residential properties, advertising signs shall face away from the residences adjoining the Premises.

11. The Hillsborough Baseball League's Equipment. The Hillsborough Baseball League shall retain title to all signs, equipment and furnishings that it may install on the Premises. Notwithstanding the foregoing, any buildings or fixtures that are installed by the Hillsborough Baseball League at the Premises and Country Classic Fields shall remain the property of the Township after the termination of this Agreement, regardless of the cause of termination. Additionally, the Hillsborough Baseball League agrees to deliver the Premises and Country Classic Fields to the Township at the termination of this Agreement in the same condition in which it was delivered to the Hillsborough Baseball League, reasonable wear and

tear and damage by elements excepted.

12. Compliance with Laws. The Hillsborough Baseball League, at its sole cost and expense, shall comply with all laws, orders and regulations of federal, state, county and municipal authorities and with any direction of any public officer issued pursuant to law.

13. Improvements on the Premises and Country Classic Fields.The Hillsborough Baseball League shall have the right to make alterations and improvements to the Premises, at its own expense, to facilitate the Program's operation and which are reasonable, necessary or appropriate in the Hillsborough Baseball League's judgment for the Hillsborough Baseball League's conduct of the operation of the Program. The Hillsborough Baseball League's right to construct improvements on the Premises shall include, but not be limited to, storage and equipment shed, field and facilities improvement, construction of advertisement signs of a tasteful and respectful nature on outfield fences at the Premises. No material modification to the Premises and Country Classic Fields can be made by the Hillsborough Baseball League without first receiving Township Planning Board, Township Committee and, if necessary, Green Acres Program approval. Notwithstanding the foregoing, it is agreed and understood that the Hillsborough Baseball League shall be responsible to obtain any permits and approvals from governmental agencies that may be required to construct any improvements on the Premises and Country Classic Fields as described in this Paragraph. No buildings or structures may be erected without prior approval of the Township Planning Board, Township Committee and, if necessary, New Jersey Green Acres Program and/or other local, county, state or federal agencies having jurisdiction thereof.

14. Insurance. The Hillsborough Baseball League agrees to carry public liability insurance for bodily injury in the amount of not less than \$3,000,000.00 and liability insurance

for property damage in the amount of not less than \$500,000.00. The Hillsborough Baseball League will provide the Township with Certificates of Insurance naming the Township as an additional insured. The Certificates of Insurance shall further provide that the Township will be notified at least thirty (30) days in advance of cancellation or material change in the policy. These limits of liability coverage shall be reviewed annually during the term of this Agreement and adjusted to ensure that adequate and reasonable insurance coverage is always maintained.

15. Township's Right to Enter Upon Default.

A. If the Premises and Country Classic Fields shall be deserted or vacated, or if proceedings are commenced against the Hillsborough Baseball League, in any court, bankruptcy action or appointment of a trustee or receiver of the Hillsborough Baseball League's property, either before or after the commencement of the Agreement's term, or if there shall be a default in the performance of any covenant, agreement, condition, rule or regulation herein contained or herein established on the part of the Hillsborough Baseball League, the Township shall have the right to declare this Agreement null and void and shall have the right to re-enter and repossess the Premises and Country Classic Fields, including but not limited to, the right to institute summary dispossess proceedings to remove the Hillsborough Baseball League from the Premises and Country Classic Fields. Notwithstanding the foregoing, it is agreed that the Township shall provide the Hillsborough Baseball League with notice of any default, as well as a thirty (30) day period to cure any default under this Agreement that may be declared by the Township. In the event the Hillsborough Baseball League cannot cure the default within the thirty (30) day period but makes a good faith effort to institute and commence activities to cure any default, the Hillsborough Baseball League's right to cure shall extend until such time as the Hillsborough Baseball League is able to cure the default provided the Hillsborough Baseball

League is diligently proceeding. In the event the Hillsborough Baseball League cannot cure a default within the thirty (30) day period due to the scope of the work required to cure but, makes a good faith effort to institute and commence any activities to cure any default, upon a written request to the Township Park and Recreation Commission and proof of the scope of the work required to cure and the good faith efforts taken by the Hillsborough Baseball League, the Township Park and Recreation Commission shall extend the time to cure for a specified period of time so long as the Hillsborough Baseball League is diligently proceeding in that regard.

B. In the event of the dissolution of the Hillsborough Baseball League or in the event the Premises or Country Classic Fields are abandoned by the Hillsborough Baseball League, the Premises and Country Classic Fields shall revert to the use of the Township notwithstanding the term of this Agreement has not yet expired. The Premises or Country Classic Fields shall be deemed abandoned if the same is not used by the Hillsborough Baseball League for a period of twelve (12) consecutive months.

16. Quiet Enjoyment. The Township covenants that if the Hillsborough Baseball League shall duly keep and perform all of the conditions hereof, the Hillsborough Baseball League shall peacefully and quietly have, hold and enjoy the Premises and County Classic Fields for the term aforesaid.

17. Soil Removal. No soil removal from the Premises or Country Classic Fields is permitted without the written approval of the Township Engineer.

18. Commercial Activities. The Hillsborough Baseball League covenants that neither the Premises nor the Country Classic Fields shall be used for any commercial or business purposes. Notwithstanding the foregoing, the Hillsborough Baseball League may, however, solicit sponsored advertisers and erect signs for advertisement upon the Premises and

may operate a concession stand only on the Premises, provided that all income from said operations shall be devoted solely for the purpose of the Hillsborough Baseball League.

19. Assignment. The Hillsborough Baseball League further covenants not to assign, sublet, mortgage or hypothecate this Agreement, nor to occupy or use the Premises or Country Classic Fields for any purpose other than as set forth in this Agreement. Within this context, the Hillsborough Baseball League shall not permit coaching schools, clinics or any activity for which a fee is charged to the participants.

20. Township's Right of Access. The Township and its representatives may enter the Premises and Country Classic Fields at any reasonable time for the purpose of inspecting the Premises and Country Classic Fields. Before the Township enters the Premises and Country Classic Fields for the purpose of undertaking any repairs, the Township shall notify the Hillsborough Baseball League in order to determine the nature, scope and timing of any repairs that may be required. Additionally, the Hillsborough Baseball League and its representatives agree to meet with the Township representatives periodically, including at a minimum once a year prior to the start of the baseball season to inspect the Premises and Country Classic Fields.

21. Performance of Township's Obligation. If the Township defaults in the performance of any terms and conditions or covenants as described in this Agreement, the Hillsborough Baseball League, after not less than thirty (30) days notice to the Township, may, but shall not be obligated to, remedy any default in connection therewith and may undertake to perform any of the duties and responsibilities of the Township at its sole cost and expense.

22. Fire or Other Casualty. It is agreed that the Hillsborough Baseball League shall provide casualty or fire insurance covering destruction or damage caused by fire or other casualty to the concession stand and other improvements on the Premises. In the event of

damage or destruction to those improvements by fire or other casualty, the Hillsborough Baseball League shall use any insurance proceeds that it receives to promptly restore the Premises as nearly as possible to its condition prior to the damage or destruction. Notwithstanding the foregoing, in the event the improvements on the Premises are damaged as a result of acts of nature or vandalism, causing any damage that is not covered by insurance in excess of \$20,000.00, the Hillsborough Baseball League shall pay for the first \$5,000.00 toward the repair, restoration or replacement of any improvements to the Premises which are so damaged. The Township agrees to pay for those uninsured costs of repair or replacement that exceed \$5,000.00 up to a maximum of \$15,000.00 (with the understanding that Hillsborough Baseball League shall contribute the first \$5,000.00). In the event the uninsured portion exceeds \$20,000.00, the parties shall negotiate, in good faith, regarding the relative responsibility for those repair and/or replacement costs between them.

23. Vendors. The Hillsborough Baseball League shall be permitted to restrict vendors from entering the Premises and Country Classic Fields.

24. Indemnification. The Hillsborough Baseball League shall indemnify the Township against any liability or loss arising out of injury to person or damage to property belonging to the Township or to any other such person occurring in or about the Premises or Country Classic Fields, or such injury or damage caused as a result of (i) failure of the Hillsborough Baseball League to perform any covenant required to be performed by the Hillsborough Baseball League hereunder; (ii) any accident, injury or damage incurred by any person during any Hillsborough Baseball League sponsored activity which shall happen in or about the Premises or Country Classic Fields or appurtenances on or under the Premises or Country Classic Fields.

25. Rules and Regulations. No alcohol shall be permitted at any time on or at the Premises or Country Classic Fields. Additionally, the rules and regulations contained in Township Ordinance Chapter 113 shall be applicable to the Premises or Country Classic Fields.

26. Statutory Requirements. The Hillsborough Baseball League shall comply with the requirements of N.J.S.A. 40A:12-14(c):

- A. *Consideration.* \$1.00 per year.
- B. *Name of Corporation.* Hillsborough Baseball League, Inc., a Non-Profit Corporation.
- C. *Public Purpose.* Anticipated use of the Premises and Country Classic Fields for youth baseball activities for children of the Township ranging in age from six (6) to eighteen (18).
- D. *Persons Benefiting from Public Purpose Served by Lessee.* All members who participate in the Hillsborough Baseball League and their families.
- E. *Members who benefit are within the municipality in which the leasehold is located.*
- F. *Term of the Lease.* Four (4) years with renewals.
- G. *Officer, Employer or Agency responsible for enforcement of conditions of Lease.* Township Administrator and/or designated representative.
- H. *Annual affirmation of the Hillsborough Baseball League's continued tax-exempt non-profit status pursuant to both state and federal law.*

27. Use of Additional Fields. The Hillsborough Baseball League will also be allowed the use of the two (2) baseball fields, exclusive of all other fields, known as the Country Classic Fields and shown on the Township Tax Map as Block 205.30, Lot 17 ("Country Classic

Fields"). The scheduling restrictions contained in Paragraph 6 will not apply to the Country Classic Fields. The Country Classic Fields will be maintained by the Township in the normal course.

28. Review Process. A Review Committee composed of five (5) members will be appointed by the Township, two (2) of whom will be nominated by the Hillsborough Baseball League and three (3) nominated by the Township, to review the usage of the Premises and Country Classic Fields and review any egregious violations of this Agreement. The Review Committee will meet after July 31 and after October 31, as needed. If violations are confirmed, Sunday dates will be deleted from the following season. Spring/Summer violations will result in the loss of Sunday dates in the Fall. Fall violations will result in the loss of Sunday dates in the Spring/Summer. All complaints shall be filed with the Director of Parks and Recreation who will present them to the Review Committee.

29. Notices. Notices or other communications given or made to any party hereto concerning this Agreement shall be in writing and shall be deemed to be given or made when sent by registered or certified mail, postage prepaid, to such party at his address below or by facsimile, or to such other address to which said party may by notice be given in a manner provided herein required such notice be sent.

Hillsborough Baseball League:

Hillsborough Baseball League
P.O. Box 6599
Hillsborough, New Jersey 08844

Township of Hillsborough:

Township Clerk
Township of Hillsborough

379 South Branch Road
Hillsborough, New Jersey 08844

30. Effective Date. The Effective Date of this Lease is January 1, 2008.

IN WITNESS WHEREOF, each party has caused its authorized officials to sign and seal
this Agreement on its behalf on this ____ day of January, 2008.

Attest:

Hillsborough Baseball League, Inc.

, Secretary

By: _____
James Maggio, President

Attest:

Township of Hillsborough

Kevin P. Davis, Clerk

By: _____
Anthony Ferrera, Mayor