

**RESOLUTION
CITY OF SAINT PAUL, MINNESOTA**

Presented by _____

- 1 WHEREAS, that the City of Saint Paul, Police Department requests authorization to enter into the attached
2 sublease agreement with the Neighborhood House, which includes an indemnification clause, in their leased
3 space in the Paul and Shelia Wellstone Center; and
4
5 WHEREAS, the sublease agreement includes an indemnification clause and is for the term of three years (3),
6 from June 1, 2014 through May 31, 2017; and
7
8 THEREFORE BE IT RESOLVED, that the City Council hereby authorizes Chief Thomas Smith and the
9 proper city officials to execute and implement said sublease agreement with Neighborhood House in a
10 form and content substantially as set forth in the attached.
11

	Yeas	Nays	Absent
Bostrom			
Carter			
Harris			
Helgen			
Lantry			
Stark			
Thune			

Adopted by Council: Date _____

Adoption Certified by Council Secretary

By: _____

Approved by Mayor: Date _____

By: _____

Requested by Department of: **Police**

By: **Thomas E. Smith, Chief of Police**

Approved by the Office of Financial Services

By: _____

Approved by City Attorney

By: _____

Approved by Mayor for Submission to Council

By: _____

LEASE FORM FOR
SUBLEASES IN
NEIGHBORHOOD HOUSE SPACE

**THE PAUL AND SHEILA WELLSTONE CENTER FOR
COMMUNITY BUILDING**

LEASE AGREEMENT

BY AND BETWEEN

NEIGHBORHOOD HOUSE

AND

**CITY OF SAINT PAUL, ACTING THROUGH ITS POLICE
DEPARTMENT**

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**OFFICE LEASE AGREEMENT
PAUL AND SHEILA WELLSTONE CENTER
FOR COMMUNITY BUILDING
179 ROBIE ST EAST
SAINT PAUL, MN 55107**

("Lease")

Dated as of June 5, 2014.

RECITALS

A. The Parties to this Lease are as follows:

Landlord - Neighborhood House
179 Robie Street East
St. Paul, MN 55107
Tel: (651) 789-2500
Fax: (651) 789-2501
E-mail: sklukas@neighb.org

("Landlord")

Tenant - City of Saint Paul, acting through its Police Department
367 Grove Street
Saint Paul, MN 55101
Tel: (651) 266-5546
Fax: (651) 266-5670
E-mail: david.mathison@ci.stpaul.mn.us

Federal ID # 41-6005521

("Tenant")

- B. This Lease involves space in the Paul and Sheila Wellstone Center for Community Building located at 179 Robie Street East, Saint Paul, Minnesota, 55107 ("Premises"). The Center is approximately 93,000 square feet in size with an attached parking facility for approximately 165 vehicles. The Center and the parking facility are located on real property legally described on **Exhibit "A"** and the Center and the parking facility will be hereinafter referred to as the "Building".
- C. Landlord under this Lease is a tenant of a significant part of the Building pursuant to the terms of a Lease and Operating Agreement dated July 8, 2004 with the City of Saint Paul, Minnesota ("City") as landlord ("Master Lease").
- D. Under the terms of the Master Lease, various parts of the Building are designated for the exclusive use of **Landlord**, other parts of the Building are designated for the exclusive use of the **City**, other parts of the Building are designated for the shared use by **Landlord** and the **City** and other parts of the Building are designated for the common use of occupants, their guests, invitees, agents and employees, and the general public ("Common Areas").
- E. Under the Master Lease, **Landlord** is charged with managing the day-to-day operation of the Building.

- F. Under Section 39 of the Master Lease, **Landlord** has the right to sub-lease space that it is leasing under the Master Lease to third parties, with the reasonable consent of the City. This Lease shall be considered a sub-lease as contemplated under Section 39 of the Master Lease in all respects and the City has consented to this Lease as required by Section 39 of the Master Lease as evidenced by the executed consent form attached to this Lease.
- G. It is the intention of the Landlord and Tenant that this Lease is and will be, in all respects, subject and subordinate to the Master Lease.

I.
PREMISES

1. PREMISES. As described in **Exhibit "B"**, the Premises to be occupied by the **Tenant** consists of **460** usable square feet. Usable area will include all the space within the demising walls (measured from the midpoint of the demising walls, and, in the case of the exterior walls, measured from the inside surface of the outer glass) .

The actual usable square footage was confirmed by field measurement by **Landlord's** architect.

2. IMPROVEMENTS. The Premises shall be improved for **Tenant** use in conformity with the plans and specifications referenced in the attached **Exhibit "C"** ("Plans"). The improvements as set forth on **Exhibit "C"** exclude trade fixtures, furnishings and equipment, telephone installation and equipment which are and shall remain the property of **Tenant**. The cost of **Tenant** Improvements is approximately \$0.00. The construction of **Tenant** Improvements shall be performed by the **Landlord's** contractor. **Tenant** will pay up to \$0.00 per square foot for the construction of **Tenant** improvements.

3. PARKING. **Landlord** agrees to provide reasonable access to the Building's parking ramp and adjacent parking lot for **Tenant's** employees, clients, invitees and visitors as **Landlord** may regulate. Parking on the street is also available. **Landlord** agrees to provide 3 dedicated parking spaces in the ramp for squad cars. Because of occasional large events, **Landlord** cannot guarantee that sufficient parking will be available in the parking ramp or adjacent parking lot at all times.

4. GRANT. **Landlord** hereby grants to **Tenant** the right to use the Premises and the Common Areas and the parking ramp pursuant to the terms of this Lease and rules and regulations as promulgated by the **Landlord** from time to time.

II.
TERM AND USE

1. TERM. The term of this Lease shall be for a period of **three (3)** years, commencing on the Commencement Date (as established in **Article II, Section 2**) and ending at a date **three (3)** years following the Commencement Date. Should the term of this Lease commence on a date other than that specified in this Section, **Landlord** and **Tenant** will, at the request of either, execute a declaration specifying such other actual Commencement Date of the term of this Lease. In such event, rental under this Lease shall not commence until said revised Commencement Date, and the stated term in this Lease shall thereupon commence and the expiration date shall be extended so as to give effect to the full stated term of three (3) years.

2. COMMENCEMENT DATE. The commencement date of this Lease shall be June 1, 2014 ("Commencement Date").

3. AUTHORIZED USE. The Premises are to be occupied by **Tenant** solely for the purpose of office use **Tenant** shall not use, or permit the Premises to be used, for any other purpose whatsoever, without prior written consent of the **Landlord**. Said consent shall not be unreasonably withheld. **Landlord** will establish regular business hours for the Building. At the present time, those regular business hours are: Monday-Friday 7:00 am to 10:00 pm; Saturday 10:00 am to 6:00 pm and Sunday 12:00 pm to 5:00 pm

Tenant's use of the Premises is restricted to these regular business hours provided however, However, **Tenant** will have 24 hour access with in their designated spaces.

III.
RENT

1. BASE RENT. **Tenant** hereby agrees to pay rental payments according to the following schedule:

Lease Year	Rate Per Usable square Feet	Annual Base Rent	Monthly Base Rent Payment
1	\$13.45	\$6187.00	\$515.58
2	\$13.45	\$6187.00	\$515.58
3	\$13.45	\$6187.00	\$515.58

The "Base Rent" as shown in the above schedule is payable on the first day of each and every month, in advance, during each said lease term. If the Base Rent payment is received after the fifth day of the month, a 10% late service fee of the balance owing will be assessed. If **Tenant** fails to remit said late service fee, said late service fee will be deducted from **Tenant's** Security Deposit (See **Article III, Section 2** below).

2. SECURITY DEPOSIT.

A. **Tenant** has deposited with **Landlord** the sum of **\$1000.00** designated as the security deposit ("Security Deposit") as security for the full and faithful performance by **Tenant** of all obligations of **Tenant** under this Lease or in connection with this Lease. If **Tenant** is in default pursuant to **Article VI, Section 6** of this Lease, **Landlord** may use, apply or retain all or any part of the Security Deposit for the payment of (1) any rent late payment penalties, or any other sum of money which **Tenant** was obligated to pay but did not pay, (2) any sum expended by **Landlord** on **Tenant's** behalf in accordance with the provisions of this Lease, or (3) any sum which **Landlord** may expend or be required to expend as a result of **Tenant's** Default, including any damages or deficiency in the reletting of the Premises in accordance with **Article VI, Section 6** of this Lease. The use, application or retention of the Security Deposit or any portion thereof by **Landlord** shall not prevent **Landlord** from exercising any other right or remedy provided for under this Lease or at law and shall not limit recovery to which **Landlord** may be entitled otherwise.

B. The Security Deposit shall bear no interest. **Landlord** shall be entitled to commingle the Security Deposit with **Landlord's** other funds.

C. If **Tenant** shall comply with all of the provisions of this Lease, the Security Deposit or any balance thereof shall be returned to **Tenant** within thirty (30) days after the Termination Date or upon any later date after which **Tenant** has vacated the Premises. In the absence of evidence satisfactory to **Landlord** of any assignment of the right to receive the Security Deposit or remaining balance thereof, **Landlord** may return the Security Deposit to the original **Tenant**, regardless of one or more assignments of **Tenant's** interest in the Security Deposit. In such event, upon the return of the Security Deposit (or balance thereof) to the original **Tenant**, **Landlord** shall be completely relieved of liability with respect to the Security Deposit.

D. Rights in the Security Deposit shall not be assigned or encumbered by **Tenant**.

E. If **Tenant** has provided **Landlord** with a Letter of Credit in connection with the **Tenant's** obligation to pay for **Tenant** improvements, in lieu of providing the cash security deposit as described herein, the Letter of Credit can include an amount equal to the security deposit required hereunder so long as the Letter of Credit makes it clear that in the event that **Landlord** would have the right under this section to call upon the security deposit, **Landlord** will have the right to call the entire Letter of Credit.

3. **ADDITIONAL RENT.** Any other amounts that **Tenant** is required to pay under this Lease either directly to **Landlord** or otherwise, shall be considered to be "Additional Rent" under this Lease.
4. **RENT.** Base Rent and Additional Rent shall hereinafter be referred to as "Rent".

IV. LANDLORD'S COVENANTS

Landlord covenants and agrees with **Tenant**:

1. **UTILITIES.** To cause public utilities to furnish any electricity and water utilized in operating any and all facilities serving the Premises.
2. **SERVICES.** To furnish **Tenant** during **Tenant's** occupancy of the Premises:
 - A. **Heat and Air-Conditioning.** Heat and air-conditioning to provide a temperature condition required for comfortable occupancy of the Premises and the Common Areas of the Building during **Landlord's** normal business hours during such seasons of the year when such services are normally and usually furnished in commercial buildings in the region. **Landlord** will make every reasonable effort to manage the HVAC System so that temperatures will not exceed 78 degrees or be lower than 65 degrees during normal business hours, which shall be defined as Monday through Friday, from 7:00 a.m. - 10:00 p.m. and some weekends to be established. The center may be closed the following holidays: New Year's, Martin Luther King, President's, Memorial, Independence, Labor, Thanksgiving, the Friday after Thanksgiving, Christmas Eve, Christmas, and New Year's Eve days, and others as designated by the lessor. **Tenant** acknowledges that specific mechanical equipment or other requirements that **Tenant** may require will be the sole responsibility and cost of **Tenant**.
 - B. **Water.** Hot and cold water to the Common Areas of the Building, for the use by all tenants of the Building and at such temperatures and in such amounts as are considered to be standard.
 - C. **Janitorial Service.** **Tenant** will provide their own janitorial services.
 - D. **Electrical Facilities.** All electricity used within the Premises will be paid by **Landlord** as part of the Operating Costs for the Building as described in the Master Lease.
 - E. **Bulb Replacement.** All fluorescent and incandescent bulbs replaced in all areas of the Building including the Premises. **Landlord** does not replace bulbs in furniture systems or **Tenant** fixtures.
 - F. **Server Room.** **Landlord's** computer network and telephone systems are located in a server room in the Building. **Tenant** will have the right to install and maintain certain computer and telephone equipment in this server room with the consent of **Landlord** which consent will not be unreasonably withheld. **Tenant** will have access to such server room only with the prior consent of **Landlord** and such access will be reasonably controlled by **Landlord**. Any equipment installed in the server room by **Tenant** will be compatible with all **Landlord** equipment and not interfere with the use of **Landlord** equipment.

Failure by **Landlord** to any extent to furnish the above-described services, or any cessation thereof, resulting from causes beyond the reasonable control of **Landlord**, shall not render **Landlord** liable in any respect for damages to either person or property, not be construed as an eviction of **Tenant**, nor work in abatement of Rent, nor relieve **Tenant** from fulfillment of any covenant or agreement hereof. The foregoing notwithstanding, should any of the equipment or machinery break down, or for any reason cease to function properly, **Tenant** shall have no claim for rebate of Rent or damages on account of interruption in services occasioned thereby or resulting therefrom; provided, however, **Landlord** agrees to use its best efforts to promptly repair said equipment or machinery and to restore said services.

In the event **Tenant** desires any of the aforementioned services in amounts in excess of those deemed by **Landlord** to be Building Standard, and in the event **Landlord** elects to provide such additional services, **Tenant** shall pay to **Landlord**, as Additional Rent hereunder, the cost of providing such additional quantities.

3. **KEYS.** To furnish **Tenant** with a sufficient number of initial keys for each entry and corridor door entering the Premises as **Tenant** may reasonably require. Thereafter, **Landlord** will furnish additional keys to **Tenant** at a charge by **Landlord** on an order signed by **Tenant**. All keys shall remain the property of **Landlord**. No additional locks shall be allowed on any door of the Premises without **Landlord's** written permission, and **Tenant** shall not make, or permit to be made, any duplicates keys, except those furnished by **Landlord**. Upon termination of this Lease, **Tenant** shall surrender to **Landlord** all keys to the Premises. If **Tenant** wants to add additional security in the Premises, **Tenant** can only do so with the consent of **Landlord**. Any such additional security must be installed at **Tenant's** expense, must coordinate with the security system of the Building and **Tenant** must give **Landlord** all information necessary to allow **Landlord** the ability to enter the Premises, notwithstanding such security system.

4. **SIGNAGE AND GRAPHICS.** To allow **Tenant** to install a sign on the Premises' entrance and in the Premises, all at **Tenant's** expense and with the prior consent and approval of **Landlord**.

5. **MEETING ROOM USE.** To make certain facilities in the Building that are not Common Areas available for **Tenant** use from time to time, subject to availability. Some rooms may be available for community use free of charge. However a fee may be required for specialty rooms or extra set-up costs. Such fee shall be considered Additional Rent.

6. **REPAIRS BY LANDLORD.** To make only such improvements, or repairs, or replacements, as may be required for normal maintenance, which shall include the repairs to walls, floors, corridors, windows and other structures and equipment within and serving the Premises and such additional maintenance as may be necessary because of damage by persons other than the **Tenant**, its agents, employees, invitees, or visitors. The obligations of the **Landlord** to maintain and repair the Premises shall be limited to Building Standard Items. **Landlord** will at **Tenant's** written request, maintain any leasehold improvements made by **Tenant** at **Tenant's** expense which expense is Additional Rent. **Tenant** acknowledges that, although **Landlord** will initially install voice, data and electrical jacks in the Premises, any repair or replacement of such jacks must be done by **Tenant** at **Tenant's** expense

7. **QUIET ENJOYMENT.** To allow **Tenant** to peacefully have, hold and enjoy the Premises, subject to the other terms hereof, provided that **Tenant** pays the Rent herein recited and performs all of the **Tenant's** covenants and agreements herein contained. It is understood and agreed that this covenant and any and all other covenants of the **Landlord** contained in this Lease shall be binding upon **Landlord** and its successor only with respect to breaches occurring during its and their respective ownerships of the **Landlord's** interest hereunder, provided, however, that while the Building undergoes any renovation or construction, **Tenant** may experience interruptions from time to time of the provision and use of certain services and facilities herein above described. **Landlord** shall not be liable to **Tenant** for such interruptions. **Landlord** shall use its best efforts to keep any such interruptions of Building services and facilities to a minimum.

8. **CASUALTY INSURANCE.** To maintain and keep in force a policy or policies of insurance with the premiums thereon fully paid in advance, issued by and binding upon an insurance company selected by **Landlord**, insuring the Building against loss or damage by fire, or other insurable hazards and contingencies for the full insurable value thereof, or, in the alternative, coinsuring for 80% of the replacement costs thereof, provided that **Landlord** shall not be obligated to insure any furniture, equipment, machinery, goods or supplies not covered by this Lease which **Tenant** may bring or obtain upon the Premises, or any additional improvement which **Tenant** may construct thereon. If the annual premiums charged **Landlord** for such casualty insurance exceed the standard premium rates because **Tenant's** operations result in extra-hazardous exposure, then **Tenant** shall, upon receipt of appropriate premium invoices, reimburse **Landlord** for such increases in such premium. Such premium is Additional Rent.

9. **LANDLORD'S LIABILITY INSURANCE.** To maintain a policy or policies of comprehensive general liability insurance with premiums thereon fully paid on or before the due date, issued by and binding upon an

insurance company selected by **Landlord**, such insurance to afford protection of no less than One Million Dollars (\$1,000,000) combined single limit, for injuries to persons, including death, and for damage to the property including loss of use thereof.

V.
TENANT'S COVENANTS

Tenant covenants and agrees with **Landlord**:

1. **PAYMENTS BY TENANT.** To pay all Rent and sums provided to be paid to **Landlord** hereunder at the times and in the manner herein provided.
2. **UTILITIES.** To pay for all telephone and computer service supplied to the Premises.
3. **LOCK SYSTEM:** To pay for all expenses related to the installation, maintenance and repair of the Lock System and all expenses incurred by the Landlord in connection to the Lock System, including, without limitation, any costs or expenses for repairing or servicing the Lock System.
4. **WINDOW COVERINGS.** To install any window coverings used on all interior and or exterior windows within the Premises, at **Tenant's** cost, which must be of a type and color as specified by **Landlord**.
5. **REPAIRS BY TENANT.** At the **Tenant's** own cost and expense and to the extent not covered by insurance, to repair or replace any damage or injury done to the Building, or any part thereof, caused by **Tenant** or **Tenant's** agents, employees, invitees or visitors; provided, however, if **Tenant** fails to make such repairs or replacements promptly, **Landlord** may, at its option, make such repairs or replacements, and **Tenant** shall repay the cost thereof to the **Landlord** on demand, except for normal wear and tear.
6. **CARE OF THE PREMISES.** Not to commit or allow any waste or damage to be committed on any portion of the Premises, will not allow any noise or odor to leave its Premises that may annoy or be offensive to other **Tenant's**, and at the termination of this Lease, by lapse of time or otherwise, to deliver said Premises to **Landlord** in as good condition as the Premises existed at the date of possession by **Tenant**, ordinary wear and tear excepted. Upon such termination of this Lease, **Landlord** shall have the right to re-enter and resume possession of the Premises. Upon such termination, all personal property belonging to **Tenant** or others, and all **Tenant** fixtures must be removed from the Premises at **Tenant's** sole cost and expense and any damage caused to the Premises in connection with such removal must be repaired at **Tenant's** expense. If **Tenant** does not remove the personal property or **Tenant** fixtures, such property will be considered abandoned and **Landlord** will have the right, at **Tenant's** expense, to remove such personal property, store such personal property and or sell such personal property with any proceeds becoming the property of **Landlord**. If **Landlord** is required to clean the Premises upon such termination, the costs of such cleaning must be paid by **Tenant**. All costs referred to herein shall be considered Additional Rent under this Lease.
7. **ASSIGNMENT OR SUBLEASE.** Not to, voluntarily or by operation of law, assign or transfer this Lease, or sublease the whole or any part of the Premises, without the written consent of **Landlord**, which consent shall not be unreasonably withheld.

Any assignment made by **Tenant** pursuant to this **Section 6** shall not become effective until the assignee, in writing, shall assume this Lease and agree to perform and be bound by all of the obligations of **Tenant** accruing under this Lease from and after the date of such assignment. In no event shall any assignment by **Tenant** of this Lease operate to release **Tenant**, or any guarantor of **Tenant**, of its obligation for performance under this Lease.

The **Landlord's** right to assign this Lease is, and shall remain, absolute and unqualified. In the event of an assignment of the Premises, **Landlord** shall be, and hereby is, relieved of all of the covenants and obligations created hereby, and such assignment shall result automatically in the assignee assuming and agreeing to carry out all of the covenants and obligations of **Landlord** herein.

8. **ALTERATIONS, ADDITIONS, IMPROVEMENTS.** Not to permit the Premises to be used for any purpose other than that stated in **Article II, Section 3** hereof, or to make, or allow to be made, any alterations, additions or improvements in or to the Premises, or any part thereof, without first obtaining the written consent of the **Landlord**, save and except minor cosmetic or decorating changes if no damage is done to the Premises as a result of such changes (which may be made without the prior consent of the **Landlord**). Any and all such alterations, additions or improvements made to or in the Premises, including, but not limited to, wall paneling, paneling and built-in cabinet work, but excepting moveable furniture and trade fixtures, shall at once become part of the realty and belong to the **Landlord** and shall be surrendered with the Premises. In the event the **Landlord** consents to making of any alterations, additions or improvements to the Premises by **Tenant**, the same shall be made by **Tenant** with cost and expense to be agreed upon in writing between **Tenant** and **Landlord** in advance. **Landlord** may, at its option, impose a fee of ten percent (10%) of the total cost of any subsequent alterations in the Premises, for oversight and project review which fee is Additional Rent. **Tenant** shall provide **Landlord** with as-built drawings and specifications upon completion of any and all alterations. Upon the expiration or sooner termination of the term of this Lease, **Tenant** shall, at its sole cost and expense, remove its voice and data cabling, interior and exterior signs, all of its furnishings, and all of its moveable trade fixtures and equipment which the **Tenant** has installed or placed on the Premises (all of which are hereinafter referred to as "**Tenant's Property**") from the Premises and repair all damage thereto resulting from such removal and **Tenant** shall thereupon surrender the Premises in the same condition as they were on the Commencement Date, excepting reasonable wear and tear and casualty for which **Tenant** is not liable hereunder. In the event that **Tenant** fails to remove any of **Tenant's Property** as provided herein, **Landlord** may, but is not obligated to, at **Tenant's** expense, remove all of **Tenant's Property** not so removed and repair all damage to the Premises resulting from such removal and may, but is not obligated to, at **Tenant's** expense store the same in any public or private warehouse, and **Landlord** shall have no liability to **Tenant** for any loss or damage to **Tenant's Property** caused by resulting from such removal or otherwise.

A. Signs. Except as per Article IV Section 4, **Tenant** shall not erect, display or affix any sign, shade, awning, fence, antenna, or any device or structure whatsoever, upon or above the exterior of the Premises or upon the Building in which the Premises are situated, nor upon the exterior walls or roof thereof. Any sign erected by **Tenant** shall conform to any and all governmental rules, regulations, ordinances and laws with respect to the same, and shall not be distasteful, defacing, unfit or affect the structural strength of said improvements.

B. Other. Without the prior written consent of **Landlord**, not to mark, paint, drill, deface, injure, waste, damage or alter the exterior of the Premises; conduct business so as to constitute a nuisance to other tenants or occupants; burn trash or garbage; display merchandise on or about the common area of the Premises or other tenants or occupants; overload any floor or facility; make any structural alterations except as provided in this Lease; throw foreign substances in the plumbing facilities or use the same for any purpose other than that for which they were constructed.

9. **LEGAL USE AND VIOLATIONS OF INSURANCE COVERAGE.** Not to occupy, use or permit any portion of the Premises to be occupied or used for any business or purpose which is unlawful, improper, disreputable or deemed to be extra-hazardous, or permit anything to be done which would in any way increase the rate of fire insurance coverage or other insurance on the Building and/or its contents. **Tenant** shall not do or permit anything to be done in or about the Premises, which would in any way obstruct or interfere with the rights of other tenants or occupants of the Building. **Tenant** agrees specifically that no food, soft drink or other vending machines will be installed within the Premises without the consent of the **Landlord**.

10. **LAWS, REGULATIONS AND RULES.** To comply with all laws, ordinances, orders, rules and regulations (state, federal, municipal, or promulgated by other agencies or bodies having any jurisdiction thereof) relating to the use, condition or occupancy of the Premises (exclusive of compliance with laws, ordinances, orders, rules or regulations relating to capital improvements to the Building, which shall be the responsibility of the **Landlord** except as otherwise expressly provided in this Lease). **Tenant** shall use the Premises, the public and Common Areas in the Building and grounds in accordance with such rules, regulations and procedures as may, from time to time, be made by **Landlord** for the general safety, comfort and convenience of the owners and other tenants of the Building and shall cause **Tenant's** employees and invitees to abide by such rules and regulations.

11. **ENTRY FOR REPAIRS AND INSPECTION.** To permit **Landlord** or its agents or representatives to enter into and upon any part of the Premises at all reasonable hours to inspect same, clean, make repairs, alterations and

additions thereto or exhibit the Premises to prospective tenants, purchasers or others, or for other reasonable purposes as **Landlord** may deem necessary or desirable, and **Tenant** shall not be entitled to any abatement or reduction of Rent, or any other sums due and **Tenant** waives any claim for damages or for any injury or inconvenience or for interference with **Tenant's** business, and any other loss occasioned thereby. **Landlord** shall make every effort to notify **Tenant** in advance of such entry and to keep any disruption to a minimum.

12. NUISANCE. Not to conduct its business and control its agents, employees, invitees and visitors in such a manner as to create waste, odors, nuisance, or interfere with, annoy or disturb any other tenant of **Landlord** in its operation of the Building or the Premises.

13. SUBORDINATION AND MASTER LEASE PROVISIONS.

A. SUBORDINATION. This Lease, including the covenant of quiet enjoyment, is subject and subordinate to all ground or underlying leases now or hereafter entered into and to all present mortgages affecting the real estate on which the Building is located or the Building, to all renewals including the Master Lease and extensions thereof, and to any mortgage or deed of trust which may hereafter be executed affecting the real estate upon which the Building is located or the Building. The **Tenant** hereby agrees to execute, if the same is required or requested, any and all instruments in writing to subordinate the **Tenant's** rights acquired by this Lease to the lien of any such mortgage, lease, or deed of trust. Notwithstanding the foregoing, the **Tenant** agrees to attorn to any purchaser at foreclosure sale, to any grantee or transferee designated to any deed given in lieu of foreclosure, or to any mortgage in possession, provided that this Lease shall thereafter continue in full force and effect.

B. MASTER LEASE. **Tenant** agrees and acknowledges that its rights under this Lease are subject to the Master Lease in all respects. **Tenant** also agrees that it will take no actions that violate the terms and conditions of the Master Lease or the Federal Grants or State Grant as those documents are defined in the Master Lease. **Tenant** specifically acknowledges that this Lease will terminate immediately, whether or not **Tenant** is in default hereunder if the Master Lease terminates for any reason. In the event of a conflict between this language and the other language in this Lease, the provisions of this Section 12.B. shall prevail.

14. TENANT'S LIABILITY INSURANCE. To obtain at **Tenant's** expense and keep in force during the term of this Lease a policy of comprehensive general liability insurance protecting the **Tenant** from and against any and all claims for damages to person or property or for loss of life or property occurring on, in, or about the Premises. Such insurance to afford protection of not less than \$1,000,000 combined single limit, for injuries to person, including death, and damage to property, including loss of use thereof. **Tenant** shall furnish **Landlord** with certificates naming Neighborhood House and the City as Additional Insured's evidencing that such insurance is in effect with a provision requiring thirty (30) days written notice to **Landlord** before cancellation of the policy can be effected.

If the **Tenant** shall fail to procure and maintain such insurance, **Landlord** may, but shall not be required to, procure and maintain the same, but at the expense of the **Tenant**, which expense shall become Additional Rent hereunder. **Tenant** shall deliver to **Landlord**, prior to occupancy, copies of policies of liability insurance required herein or certificates evidencing the existence and amounts of such insurance. **Tenant** may use blanket insurance coverage to satisfy the requirement.

15. TENANT'S PROPERTY INSURANCE- Not applicable.

16. HOLD HARMLESS AGREEMENT. The **Tenant** shall indemnify and hold the **Landlord** harmless from any and all claims, demands, and damages arising from the **Tenant's** use or occupancy of the Premises or arising from any act, omission, or negligence of the **Tenant**, or any officer, agent, employee, guest, invitee of the **Tenant**, and from all costs, attorney's fees, expenses, and liabilities incurred with respect to any such claim or action. The **Tenant** hereby assumes all risk of damage to property in, upon, or about the Premises, from any cause other than the **Landlord's** gross negligence, and the **Tenant** hereby waives all claims in respect thereof against **Landlord** and acknowledges that it will look to its own insurance for recovery.

Neither the **Landlord** nor its agents, contractors, or subcontractors shall be liable for any damage or loss by theft to property entrusted to employees of the Building with the **Landlords** consent or otherwise, nor for any injury to or damage to persons or property resulting in fire, explosion, falling plaster, steam, gas, electricity, water, or rain which may leak for any reason from any part of the Building or from the pipes, appliances, or plumbing works therein or from the roof, street, or sub-surface or from any other place unless due to the negligence of the **Landlord**, its agents, servants, or employees. The **Landlord** shall not in any event be liable for loss of business of the **Tenant** or for salaries paid to the **Tenant's** employees, agents, or contractors, nor for any latent defect in the Premises or in the Building. The **Tenant** shall give prompt notice to the **Landlord** in case of theft, fire, or accidents in the Premises or in the Building or of defects therein or in the fixtures or equipment.

17. **HAZARDOUS WASTE/WASTE REMOVAL.** In the event any Hazardous Material (hereinafter defined) is brought or caused to be brought into or onto the Demised Premises, the Building or the Premises by **Tenant**, **Tenant** shall handle any such material in compliance with all applicable federal, state and/or local regulations. For purposes of this Article, "Hazardous Material" means and includes any hazardous, toxic or dangerous waste, substance or material defined as such in (or for the purposes of) the Comprehensive Environmental Response, Compensation, and Liability Act, any so-called "Superfund" or "Superlien" law, or any federal, state or local statute, law, ordinance, code, rule, regulations, order or decrees regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect. **Tenant** shall submit to **Landlord** on an annual basis copies of its approved hazardous materials communication plan, OSHA monitoring plan, and permits required by the Resource Recovery and Conservation Act of 1976, if **Tenant** is required to prepare, file or obtain any such plans or permits. **Tenant** will indemnify and hold harmless **Landlord** from any losses, liabilities, damages, costs or expenses (including reasonable attorney's fees) which **Landlord** may suffer or incur as a result of **Tenant's** introduction into or onto the Demised Premises, Building or Premises of any Hazardous Material. **Tenant** is responsible for the appropriate collection and disposal of all medical waste and recyclables. All such disposal will be arranged for and directly paid for by **Tenant**. This Article shall survive the expiration or sooner termination of this lease.

18. **AUTHORITY.** **Tenant** warrants and represents to **Landlord** that **Tenant** and the persons signing on behalf of **Tenant** have full authority to execute this Lease.

19. **MECHANIC LIENS.** **Tenant** shall keep the Premises, and the property in which the Premises are situated, free from liens arising out of any work performed, material furnished or obligations incurred by or on behalf of **Tenant**.

VI. MUTUAL COVENANTS

Landlord and **Tenant** mutually covenant and agree as follows:

1. **CONDEMNATION.** If the Premises shall be taken or condemned for any public purpose to such an extent as to render the Premises untenable, this Lease shall, at the option of either party, forthwith cease and terminate. All proceeds from any taking or condemnation of the Premises shall belong to and be paid to **Landlord**, and **Tenant** shall have no claim against **Landlord** for the value of any unexpired term of this Lease.

2. **HOLDOVER.** If **Tenant** remains in possession of the Premises after the expiration of the lease term with the express written consent of **Landlord**, **Tenant** shall be deemed to be occupying the Premises as a **Tenant** from month-to-month, subject to all the conditions, provisions and obligation of this Lease insofar as the same can be applicable to a month-to-month tenancy; provided, however, that the Base Rent required to be paid by **Tenant** during any holdover period shall be a minimum of 1.5 times the Base Rent which **Tenant** was obligated to pay for the month immediately preceding the end of the term of this Lease, for each month or any part thereof, of any such holdover period. In the event of holding over by **Tenant** after expiration or termination of this Lease without the written consent of **Landlord**, **Tenant** shall be in breach of this Lease and **Landlord** shall be entitled to all of its rights and remedies under this Lease, in law, or in equity. No holding over by **Tenant** after the term of this Lease shall operate to extend the lease term; in the event of any unauthorized holding over, **Tenant** shall indemnify

Landlord against all claims for damages by any other tenant to whom **Landlord** may have leased all or any part of the Premises covered hereby effective upon the termination of this Lease.

3. **FIRE, LOSS OR DAMAGE.** In case the Premises shall become untenable or unfit for occupancy in whole or in part by the total or partial destruction of said Building by fire or other casualty and said **Landlord** shall fail or refuse within sixty (60) days thereafter to agree in writing to restore the same within one hundred and eight (180) days from the date of **Landlord's** written notice, this Lease may be terminated by either **Landlord** or **Tenant** with notice in writing; and in case **Landlord** shall agree in writing to restore the same within said time, the Rent to be paid hereunder pending such restoration shall be abated in proportion to the loss and impairment of the use of the Premises.

4. **ATTORNEY'S FEES.** In the event either party places the enforcement of this Lease, or any part hereof, or the collection of any Rent due, or to become due hereunder, or recovery or possession of the Premises, in the hands of an attorney, or files suit upon the same, the non-prevailing (or defaulting) party shall pay the other party's reasonable attorney fees and court costs.

5. **TENANT'S DEFAULT.** The occurrence of any one or more of the following events shall constitute a default and breach of this Lease by **Tenant**:

A. **Failure to Make Payments.** The failure by **Tenant** to make any payment of Rent required to be made by **Tenant** hereunder, as and when due, where such failure shall continue for a period of five (5) days after written notice thereof by **Landlord** to **Tenant**.

B. **Failure to Observe or Perform.** The failure by **Tenant** to observe or perform any of the covenants, conditions, or provisions of this Lease to be observed or performed by **Tenant**, other than the obligation to pay Rent, but including a violation of the Master Lease, the Federal Grants or State Grant, where such failure shall continue for a period of thirty (30) days after written notice thereof by **Landlord** to **Tenant**; provided, however, that if the nature of **Tenant's** default is such that more than thirty (30) days are reasonably required for its cure, then **Tenant** shall not be deemed to be in default if **Tenant** commences such cure within said thirty (30) day period and thereafter diligently prosecutes such cure to completion.

C. **Financial Impairment.** The filing by or against **Tenant** of a petition to have **Tenant** adjudged bankrupt, or a petition or reorganization arrangement under any law relating to bankruptcy (unless, in the case of petition filed against **Tenant**, the same is dismissed within sixty (60) days); or the appointment of a trustee or a receiver to take possession of substantially all of **Tenant's** assets located at the Premises or of **Tenant's** interest in this Lease, where such seizure is not discharged within thirty (30) days.

6. **REMEDIES IN DEFAULT.** In the event of any such default or breach by **Tenant**, **Landlord** may at any time thereafter, in its sole discretion, with notice or demand and without limiting **Landlord** in the exercise of a right or remedy, which **Landlord** may have by reason of such default or breach:

A. **Termination of Tenant's Right to Possession.** Terminate **Tenant's** right to possession of the Premises by any lawful means, in which case this Lease shall terminate and **Tenant** shall surrender possession of the Premises to **Landlord**. In such event, **Landlord** shall be entitled to recover from **Tenant** all such damages incurred by **Landlord** by reason of **Tenant's** default including, but not limited to, the cost of recovering possession of the Premises; expenses of reletting; reasonable attorney fees; the worth at the time as determined by the court having jurisdiction thereof of the amount of the unpaid Rent and other charges and adjustments called for herein for the balance of the term. **Landlord** shall be required to mitigate its damages by using commercially reasonable efforts to re-lease the Premises, and the value of any such re-leasing shall be subtracted from the total balance for the remainder of the term in calculating **Landlord's** damages. Unpaid installments of the Rent or other sums shall bear interest from the date due at the lesser of 8% or the maximum rate permitted by law.

B. **Maintenance of Tenant's Right to Possession.** Maintain **Tenant's** right to possession, in which case this Lease shall continue in effect whether or not **Tenant** shall have abandoned the Premises. In such event **Landlord** shall be entitled to enforce all of **Landlord's** right and remedies under this Lease, including the right to

recover the Rent and any other charges and adjustments as may become due hereunder. Except that in the event **Tenant** abandons the Premises, **Landlord** will mitigate its losses by actively seeking other tenants.

C. Other Remedies. Pursue any other remedies now or hereafter available to **Landlord** or **Tenant** under the laws or judicial decisions of the State of Minnesota.

D. Waiver. Failure of **Landlord** to declare any default immediately upon occurrence thereof, or delay in taking any action in connection therewith, shall not waive such default, but **Landlord** shall have the right to declare any such default at any time thereafter.

E. Recurring Defaults. If **Tenant** fails more than twice within any twelve (12) month period to observe or perform any covenant, condition, rule, regulation or agreement of this Lease (including without limitation the payment of Rent), regardless of whether such defaults have been cured by **Tenant**, the third (3rd) default shall at the election of **Landlord**, in its sole and absolute discretion, be deemed a noncurable Default.

7. **AMENDMENTS.** This Lease may not be altered, changed or amended, except by an instrument in writing, signed by both parties hereto.

8. **ASSIGNMENTS.** **Landlord** shall have the right to transfer and assign, in whole or in part, all its rights and obligations under this Lease and in the Building and property referred to herein, and in such event and upon its transferee's assumption of **Landlord's** obligations hereunder, no further liability or obligations shall thereafter accrue against **Landlord** hereunder, providing that, at time of transfer, **Landlord** has met all of its obligations herein.

9. **SEVERABILITY.** If any term or provision of this Lease or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such provisions to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each provision of this Lease shall be valid and shall be enforceable to the extent permitted by law.

10. **NOTICES.** All notices or demands which may or are to be required or permitted to be given by either party to the other hereunder shall be in writing. All notices and demands by the **Landlord** to the **Tenant** shall be sent by United States mail, postage prepaid, addressed to the **Tenant** at the Premises, and to the address specified in this Lease, or to such other place as **Tenant** may from time to time designate in a notice to the **Landlord**. All notices and demands to the **Landlord** shall be sent by United States mail, postage prepaid, addressed to the **Landlord** at the address set forth herein, and to such other person or place as the **Landlord** may from time to time designate in a notice to the **Tenant**.

11. **BINDING EFFECT.** This Lease shall be binding upon and inure to the benefit of the **Landlord**, its successors and assigns, and shall be binding upon and inure to the benefit of **Tenant**, its successors, and, to the extent assignment may be approved by **Landlord** hereunder, **Tenant's** assigns. All rights and remedies of **Landlord** and **Tenant** under this Lease are declared to be a Minnesota contract, and all of the terms hereof shall be construed according to the laws of the State of Minnesota.

12. **WAIVER OF SUBROGATION.** **Landlord** and **Tenant** hereby release each other from, and covenant that neither shall be liable to the other, the other's insurance carrier or carriers, or anyone claiming under or through the other, for all liability for loss or damage whatsoever occasioned to property owned by said parties which is caused by, or might be incident to, or may be the result of, fire, or any other casualty against loss for which either party is covered by fire, extended coverage, or other insurance policies, to the extent of such coverage, regardless of the cause of, or origin of, such loss or damage, specifically including the negligence of the other party, the other's agents, employees, invitees, or guests. Provided, however, that this Waiver of Subrogation shall not be applied, nor bar recovery, by either party hereto from its own insurance carrier or carriers of any benefits which would otherwise be payable under any such policy of insurance.

13. **RELOCATION.** **Landlord** hereby reserves the right to relocate **Tenant** to comparable space within the Building during the lease term so long as the number and value of those improvements so substituted equals or exceeds the number and value of those in the Premises. **Landlord** will provide **Tenant** with sixty (60) days written notice of such relocation. **Landlord** to pay all reasonable costs and expenses incurred as a result of the relocation.

14. **BROKERS.** Each of the parties represents and warrants that there are no claims for brokerage commission or finder's fees in connection with the execution of this Lease, and agrees to indemnify the other against, and hold it harmless from, all liabilities, arising from any such claim including, without limitation, reasonable attorney's fees.

VII. GENERAL PROVISIONS

1. **SAVING CLAUSE.** The invalidity or un-enforceability of any provision hereof shall not affect or impair the validity or enforceability of any other provision.

2. **HEADINGS AND CAPTIONS.** The Article, Section and Paragraph titles herein are for convenience only, and do not define, limit or construe the contents of such Articles, Sections, or Paragraphs.

3. **EXECUTION AND COPIES.** This Lease shall not be binding upon the parties hereto until duly executed by an authorized person or persons on behalf of both parties and delivered to the other party. This Lease may be executed in multiple counterparts, each of which shall be deemed an original; and it shall be necessary, in making proof of this Lease, to produce or account for more than one such counterpart.

4. **TENANT DEFINED, USE OF PRONOUN.** The word, "**Tenant**", shall be deemed and taken to mean each and every person or party mentioned as a tenant herein, be the same one or more; and if there shall be more than one tenant, any notice required or permitted by the terms of this Lease may be given by or to any one thereof. The use of the neuter singular pronoun to refer to **Landlord** or **Tenant** shall be deemed a proper and necessary grammatical change, required to make the provisions thereof apply in the plural sense where there is more than one **Landlord** or **Tenant** to either corporations, associations, partnerships, or individuals, males or females, shall in all instances be assumed as though in each case fully expressed.

5. **PREPAYMENT OF RENT.** **Tenant** shall contemporaneously, with the execution of this Lease, pay to **Landlord** one month's Base Rent and Security Deposit. Said prepayment of Base Rent shall be applied to the first month when rental payments commence. After that time, **Tenant** shall pay Rent in accordance with **Article III. Rent** herein. Failure of **Tenant** to prepay said Rent shall be considered an anticipatory breach of the terms of this Lease, and shall operate to terminate **Tenant's** rights under this Lease, including possession of the Premises.

6. **SUBMISSION.** The submission of this document for examination does not constitute an option or offer to lease space or to grant a reservation of space. This document shall have no binding effect on the parties unless executed by the **Landlord** and the **Tenant** and a fully executed copy is delivered to the **Tenant**. The **Tenant** is solely at risk for any business decisions, purchases made, or contracts entered into, in relation to the presentation of this lease document.

7. **GUARANTY.** This Lease

☐ is guaranteed pursuant to the terms of a Guaranty as described in **Exhibit "D"**.

X is not guaranteed by a third party.

VIII.
SPECIAL PROVISIONS

(Add terms and conditions that are negotiated for this Lease only)

(Remainder of Page Intentionally Left Blank)

IN WITNESS WHEREOF, the parties hereto have executed this Lease the day and year first above written.

LANDLORD:

By: _____

Its _____

Date: _____

(Separate Signature Page to Lease)

TENANT:

By: _____

Its _____

Date: _____

(Separate Signature Page to Lease)

CONSENT

CITY:

CITY OF SAINT PAUL, MINNESOTA

By _____

Its _____

Date: _____

EXHIBIT "A"

LEGAL DESCRIPTION OF BUILDING

Parcel 1:

The East forty (E. 40) feet of Lot Seven (7) in Block Fifteen (15), Bell's Addition to West St. Paul, according to the recorded plat thereof on file and of record in the office of the Register of Deeds in and for said County.

(Torrens Certificate No. 232778)

(PIN NO. 082822210070)

Parcel 2:

All that part of Lot 8, Block 15, Bell's Addition to West St. Paul that is encompassed by the following described line:

Beginning at the Southwesterly corner of said Lot 8; thence South 64° 44' East along the Southerly line of said Lot 8 for 50.0 feet to the Easterly line of said Lot; thence North 26° 08' East along said Easterly lot line for 91.02 feet; thence North 64° 44' 26" West for 50.0 feet to the Westerly line of said Lot 8; thence South 26° 08' West along said Westerly lot line for 91.01 feet to the point of beginning.

(Abstract)

(PIN NO. 082822210071)

Parcel 3:

The South 2/3 of Lots 9 and 10, Block 15, Bell's Addition to West St. Paul, according to the recorded plat thereof on file and of record in the office of the Register of Deeds, Ramsey County, Minnesota.

(Abstract)

(PIN NO. 082822210072)

EXHIBIT "B"

SCHEMATIC PLAN FOR PREMISES

