

Exhibit A - Lease

Office of Financial Services/Real Estate Lease No: PD/32

DATE: October 12, 2016

LESSOR: MINNESOTA STATE AGRICULTURAL SOCIETY, hereinafter "Society"

LESSEE: CITY OF SAINT PAUL POLICE DEPARTMENT, hereinafter "City of Saint Paul"

THIS LEASE AGREEMENT is made the 5th day of October, 2016 by and between the Minnesota State Agricultural Society (hereinafter "Society"), and the City of Saint Paul Police Department (hereinafter "City of Saint Paul").

- 1) **Leased Premises:** Society, in consideration of the payment of basic lease and additional payments hereinafter specified to be paid by City of Saint Paul and the covenants and agreements herein contained, does hereby lease to the City of Saint Paul the property and land owned by the Society as shown in the attached Exhibit "A", hereinafter referred to as the "Leased Premises", and specifically described as follows:
 - A. Mutually agreed upon portions of the Minnesota State Fairgrounds known as Block 54.
 - B. Mutually agreed upon portions of an office facility (lobby, two offices, dispatch area and restrooms) on the ground floor of Building #542 in Block 54.
 - C. A mutually agreed upon thirty-nine foot (39') by twenty-one foot (21') portion of the garage on the ground floor at the northeast corner of Building #542 in Block 54 for use as a public waiting area during snow emergencies only.
 - D. Parking lot in Blocks 53 on the Minnesota State Fairgrounds for overflow parking as available and arranged in advance with the Society's Events Department. Use of the parking lot in Blocks 53 is not included in the basic lease payment.

- 2) **Term of Lease:** This Lease shall commence and end on the dates indicated below, unless terminated earlier as provided herein.
 - A. **Original Lease Term:**

Commencing date: October 15, 2016
Ending Date: April 15, 2017

 - B. **Lease Renewal Terms:** The City of Saint Paul, at its option, provided that it is in compliance with the terms of this Lease, may renew this Lease Agreement for the following separate renewal terms:

<u>Commencing Date</u>	<u>Ending Date</u>
October 15, 2017	April 15, 2018

To exercise the preceding renewal options, the City of Saint Paul must deliver written notice to the Society prior to July 1 in the calendar year the renewal term begins.

3) **Use of Premises:** The City of Saint Paul shall use and occupy the Leased Premises only for the winter storage of motor vehicles impounded by the City of Saint Paul’s Police Department for violation of parking ordinances. The Leased Premises shall be used for no other purpose without the prior written consent of the Society.

4) **Lease Payments:**

A. The City of Saint Paul shall pay basic lease payments each year hereunder as follow:
 1. Twenty-five thousand two hundred dollars (\$25,200.00) from October 15, 2016 through April 15, 2017.
 2. Twenty-five thousand two hundred dollars (\$25,200.00) from October 15, 2017 through April 15, 2018, if renewed.

B. In addition to the basic lease payments referenced above, (Paragraph 4, Section A.1. and A.2.) the City of Saint Paul shall pay the Society ten dollars (\$10.00) for each vehicle impounded on the premises during each term of this agreement (not to exceed forty thousand dollars [\$40,000.00] per term). The City of Saint Paul shall keep accurate records of the number of vehicles impounded and provide such information to the Society on or before May 1st of each year, for each preceding lease term, along with the appropriate payment.

5) **Basic Lease Payment Schedule:** Lease payments are to be made in advance, on or before the dates listed below.

<u>October, 2016 – April, 2017 Payment Dates</u>	<u>AMOUNT</u>
October 14, 2016	\$2,100.00
November 1, 2016	\$4,200.00
December 1, 2016	\$4,200.00
January 1, 2017	\$4,200.00
February 1, 2017	\$4,200.00
March 1, 2017	\$4,200.00
April 1, 2017	\$2,100.00

<u>October, 2017 – April, 2018 Payment Dates</u>	<u>AMOUNT</u>
October 14, 2017	\$2,100.00
November 1, 2017	\$4,200.00
December 1, 2017	\$4,200.00
January 1, 2018	\$4,200.00
February 1, 2018	\$4,200.00
March 1, 2018	\$4,200.00
April 1, 2018	\$2,100.00

- 6) **Utilities:** The City of Saint Paul shall be responsible for any/all utility charges such as gas and electric used and consumed while occupying the Leased Premises. On a monthly basis, Society will invoice the City of Saint Paul for actual utility charges at the rate Society is charged by utility companies.
- 7) **Payments:** The City of Saint Paul shall make all payments to the Society at the following address:
Minnesota State Agricultural Society
Attn: Events Department
1265 Snelling Avenue North
Saint Paul, MN 55108-3099
- 8) **Right of Entry:** At all times during the term of this Lease, Society shall have the right by itself, its agents and employees, to enter into and upon the Leased Premises during reasonable business hours to examine and inspect same, provided that such entry does not interfere with the conduct of the official business of the City of Saint Paul or compromise their security of the Leased Premises.
- 9) **Insurance:** The City of Saint Paul is self-insured under the laws of the State of Minnesota for the purposes of tort claims against the City of Saint Paul.

The City of Saint Paul hereby certifies that it is a duly authorized self-insured entity in accordance with Minnesota state law for purposes of general liability, property damage and workers compensation claims; and furthermore, hereby affirms and maintains its entitlement to all available immunities, defenses and protections to the fullest extent permitted by law.

(9.A) City of Saint Paul agrees to provide Society with thirty (30) days written notice of any material change in its insurance program.

(9.B) Nothing in this Lease shall constitute a waiver by the City of Saint Paul of any statutory limits or exceptions with respect to liability.

(9.C) The City of Saint Paul shall be responsible for the self-insurance of or acquisition of Commercial Property insurance on its personal property, improvements and attachments on the Leased Premises.

(9.D) The City of Saint Paul is responsible for any and all claims arising out of bodily injury or property damage to impounded property in the care, custody and/or control of the City of Saint Paul.

- 10) **Indemnification:** Each party hereto agrees to be responsible for any damage or injury incurred by any person or property, including the parties hereto, from claims, suits or judgments of any character arising directly or indirectly from its acts, errors or omissions in performance of activities under this Lease to the extent authorized by law. Each party hereto shall not be responsible for the acts, errors or omissions of the other party and the

results thereof. The liability of the City of Saint Paul shall be governed by provisions of the Minnesota Torts Claim Act and other applicable law. The preceding defense and indemnification does not cover injuries or damages which arise from conditions on the grounds or property of the Society of which the Society had actual or constructive notice.

- 11) **Notice:** All notices to be given as provided herein, or that may be given by either party to the other hereto, shall be deemed to have been fully given when served personally on Society or City of Saint Paul, or when made in writing and deposited in the United States Mail, certified and postage prepaid, addressed to the Society at the Events Department, 1265 Snelling Avenue North, Saint Paul, Minnesota 55108 or to the City of Saint Paul at the Financial Services/Real Estate Section, 25 W 4th Street, Saint Paul, MN 55102. The address to which notice shall be mailed may change by written notice given by either party to the other. Nothing herein shall preclude the giving of such address change notice by personal service.
- 12) **Assignment and Subletting:** City of Saint Paul shall not assign or sublet this Lease without the written consent of the Society, which consent must be obtained prior to the execution of any agreement to assign or sublease the premises.
- 13) **Maintenance and Security:** City of Saint Paul shall maintain the Leased Premises in good order, condition and repair during the City of Saint Paul's use periods and surrender said premises in the same condition as existed at the commencement of this Lease, excepting normal wear and tear. City of Saint Paul shall, at its own cost and expense, be responsible for the maintenance and security of the Leased Premises as mutually agreed with Society including, but not be limited to, the following: (a) keeping the Leased Premises in a clean and orderly condition at all times during each lease term; (b) removal of snow, trash, glass, car parts and all debris during the City's use periods; and (c) damming all storm sewer catch basins as approved by Society along the west boundary of Blocks 53.

The City of Saint Paul will not allow any condition to exist that would create a nuisance or hazard, or that would increase the rate of insurance on the Leased Premises, nor in any manner, deface, injure or permit defacing or injury of said Leased Premises or any part thereof. The City of Saint Paul shall, at its own expense, repair any injury to the Leased Premises, other than ordinary wear and tear, that occurs during the term of this Lease.

- 14) **Surrender of Premises:** The City of Saint Paul, at the expiration of each lease term, or upon termination of this Lease, shall peacefully surrender possession of said land, property and its appurtenances to Society, and clean, repair and restore the Leased Premises to Society's satisfaction such that it is in the same order and condition as existed when said property was delivered to the City of Saint Paul; i.e. remove all signs, vehicles, equipment, materials, debris, etc. City of Saint Paul's cleaning, repair and restoration of the Leased Premises to Society's satisfaction must be completed by April 15th of each year hereunder. Should City of Saint Paul fail to clean, repair and restore the Leased Premises to Society's satisfaction by April 15th of each lease period hereunder, Society will undertake said cleaning, repair and restoration, and charge City of Saint Paul for same.

- 15) **Holdover:** Any holdover after the expiration of a term of this Lease shall be allowed only upon receipt of written consent from Society, and shall be deemed to be a tenancy only from month-to-month. All other terms and conditions of this Lease shall remain in full force and effect.
- 16) **Compliance with Laws:** The property described herein may be used for the purposes stated herein only and for no other purpose. It is the sole and exclusive responsibility of the City of Saint Paul in its use of the subject property to comply with all laws, rules, regulations or ordinances imposed by any jurisdiction affecting the use to which the property is to be put under and during the term(s) of this Lease.
- 17) **Pollution and Contaminants:** City of Saint Paul agrees to comply with all ordinances, laws, rules and regulations enacted by any governmental body or agency in relation to control, monitoring, inspection, remediation and/or abatement of emissions of air and/or water contaminants and the release or disposal of refuse, solid waste or liquid waste as a result of City of Saint Paul's use of the Leased Premises. City of Saint Paul shall bear all costs and expenses arising from environmental compliance and remedial actions that may be required by said ordinances, laws, rules or regulations and shall indemnify, defend, save and hold harmless Society from all liability, including, without limitation, fines, forfeitures and penalties arising from the failure by City of Saint Paul to comply with such ordinances, laws, rules or regulations as result of the City of Saint Paul's use of the Leased Premises during its term(s) of occupancy of said Leased Premises.
- 18) **Controlling Lease:** In the event there is any prior existing lease or rental agreement between the City of Saint Paul and Society covering the subject property, it is agreed and understood that this Lease shall cancel and terminate any prior lease or rental agreement as of the effective date of this Lease.
- 19) **Liens:** The City of Saint Paul shall not permit mechanic's liens or other liens to be filed or established against the Leased Premises for labor, materials or services furnished in connection with any additions, modifications, improvements, repairs, renewals or replacements made to the Leased Premises, or for any other reason.
- 20) **Alterations, Repairs and Capital Improvements:** The City of Saint Paul may, at its own expense, install such temporary fencing as may be approved by the Society, to be removed by April 15th of each term hereunder. City of Saint Paul shall not make other alterations to the Leased Premises without the prior written consent of the Society. Society agrees that such consent shall not be unreasonably withheld. If the City of Saint Paul desires to make such alterations, an accurate description shall first be submitted to Society and, if approved by the Society, such alterations shall be done by City of Saint Paul at its own expense. All such work shall be performed under Society's supervision and to Society's satisfaction, and any improvements made to the Leased Premises by the City of Saint Paul shall become the property of the Society at the end of the lease period. City of Saint Paul agrees that all alterations will be done in a workmanlike manner and in conformance with applicable building codes, and that no liens will attach to the premises for reason(s) thereof. City of Saint Paul shall be responsible for the costs of repair and correction of all damage to the

Leased Premises caused as a result of the City of Saint Paul's use of the Leased Premises during its use periods. City of Saint Paul and Society shall share in the costs of mutually agreed upon capital improvements based on the days of use each enjoys. For purposes of this Lease, "capital improvements" may include, but not be limited to, resurfacing/paving, reconstruction and/or replacing carpet and tile, etc.

- 21) **City of Saint Paul's signage:** City of Saint Paul may, at its own cost and expense, provide and install signage to identify the site, provided, however, that the size, design, location and manner of installation and placement of said signage shall be subject to the approval of Society. Said signage shall be removed by April 15th of each term hereunder.
- 22) **City of Saint Paul's Personal Property:** Society shall have no obligation to repair or maintain any personal property or equipment brought onto or into the Leased Premises or installed thereon or therein by the City of Saint Paul for its use and purposes. City of Saint Paul shall be permitted to remove said personal property upon termination of this Lease. City of Saint Paul shall, at its own expense, repair any damage to the Leased Premises caused or created by the installation or removal of said personal property.
- 23) **Amendment:** This Lease may be terminated, or the provisions of this Lease may be amended, in writing only and by mutual consent of the parties hereto.
- 24) **Eminent Domain:** If the entire Leased Premises are taken by eminent domain, this Lease shall automatically terminate as of the date of taking. If a material portion of the Leased Premises are taken by eminent domain rendering the Leased Premises unsuitable for City of Saint Paul's intended purposes hereunder, City of Saint Paul shall have the right to terminate this Lease as of the date of taking by giving written notice to Society.

IN WITNESS WHEREOF, the parties hereto have set their hands with the intent of being legally bound hereby on the dates indicated below.

LESSEE:
City of Saint Paul

LESSOR:
Minnesota State Agricultural Society

BY: _____
Kathleen A. Wuorinen

BY: _____
Emily Diedrick

Its: Assistant Chief of Police

Its: Event & Group Hospitality Supervisor

DATE: _____

DATE: _____

BY: _____

Attachment – Exhibit A

Its: Director, of Financial Services

DATE: _____

BY: _____

Its: City Clerk

DATE: _____

BY: _____

Its: Mayor or Designee

DATE: _____

BY: _____

Its: City Attorney (Form Approval)

DATE: _____