

**Authority (C.F. or A.O.)**

**LEASE NO. PR/**

FINANCE DEPT. LEASE NO.

**DATE**

January 1, 2013

**LESSOR**

Department of Parks and Recreation

**LESSEE**

Thomas/Dale District 7 Planning Council

**ADDRESS:** 685 West Minnehaha Ave, Saint Paul, MN 55104

(1) **Leased Premises.** The LESSOR, in consideration of payment of the Basic Rent and Additional Rent hereinafter specified to be paid by the LESSEE, and the covenants and agreements herein contained, does hereby lease, demise and let unto LESSEE the following premises, which are hereinafter referred to as the "Leased Premises":

Community Council Office in West Minnehaha Recreation Center, Approximately 351 square feet.

Whose Street Address is: 685 West Minnehaha Avenue,  
Saint Paul, MN 55104

LESSEE shall have separate key.

(2) **Term of Lease.** This lease shall be in effect for a term commencing and ending on the dates indicated below, unless terminated by the LESSOR as provided herein. LESSOR will provide LESSEE with written notice of the LESSOR'S intent to renew the Lease Agreement at least 90 days prior to the ending date of this agreement. LESSEE will provide LESSOR with written notice the LESSEE'S intent to renew the Lease Agreement at least 90 days prior to the ending date of this agreement. If both parties agree to renew, a new agreement will be written at new year rates.

<b>Term (Months/Years)</b>	<b>Commencing Date</b>	<b>Ending Date</b>
<b>3 year</b>	<b>January 2013</b>	<b>December 31, 2015</b>

(3) **Use of Premises.** The premises shall be used and occupied by LESSEE for the following purpose:

Thomas/Dale District 7 Planning Council Office,

and for no other purpose without the prior written consent of LESSOR.

(4) **Basic Rent.** Rent shall be paid by the LESSEE in advance, on the first day of each and every payment period thereafter as indicated by the Payment Schedule below:

Total Basic Rent \$8.53/Sq.ft. Payment Schedule first of each month

During Year 1 of Lease Term - \$2,994.03/year, \$249.50/month;

There will be a 1.5% increase in Year 2, 2014 and a 1.5% increase in Year 3, 2015.

LESSEE shall make all payments of Basic rent and Additional Rent to LESSOR( City of Saint Paul) at the following address:

Manager of Recreation Services, 400 City Hall Annex, 25 W. 4th St., St. Paul, MN 55102

The applicable account number for city Finance Accounting Code is: 23182 -33050

(5) **Additional Rent.** The LESSEE shall pay all Additional Rent as billed. Additional Rent means all amounts, other than Basic Rent provided for in paragraph 4 above, which LESSEE is or may become obligated to pay under this paragraph or other provisions of this Lease. Additional Rent includes, but is not limited to, the following fees, costs and expenses: (a) telephone (b) costs for the repairs, improvements or alterations required to be made by the LESSEE in paragraph 12 of this Lease; (c) cost for use of any other space in West Minnehaha Recreation Center during non-programming hours. Charges would be in class II of the Policy for use of Recreation Facilities, and permits must be secured.

(6) **Use of Additional Space Beyond Lease Space.** This lease entitles LESSEE to use of Community Council Office as office space. No other space is included for exclusive use. LESSEE may also have access to kitchen during normal programming hours when classes are not in session in kitchen

LESSEE may schedule use of meeting room with Director. Use of meeting room will be at no charge during normal programming hours. Availability of meeting room will depend upon recreation needs being met first and taking priority.

(7) **Right of Entry.** At all times during the term of this lease, the LESSOR shall have the right, by itself, its agents and employees, to enter into and upon the Leased Premises during reasonable business hours for the purpose of examining and inspecting the same.

(8) **LESSEE'S Insurance.** LESSEE shall maintain during the term of this lease and upon the leased premises certain insurance coverage which is described as follows:

- (a) WORKERS COMPENSATION INSURANCE with coverage not less than the statutory limits and EMPLOYERS LIABILITY INSURANCE with limits of not less than:
- \$100,000 per disease
  - \$100,000 per person
  - \$100,000 per accident

- (b) COMPREHENSIVE GENERAL LIABILITY insurance including blanket contractual liability coverage and personal liability coverage with a combined single limit of not less than:

\$350,000 per incident/\$1,000,000 PER OCCURRENCE

Such insurance shall (1) name the City of Saint Paul, its elected and appointed officers, employees and agents as additional insureds; (2) be primary with respect to LESSOR'S insurance or self-insurance program; (3) contain a standard cross liability endorsement, (4) not exclude explosion, collapse and underground property damage; (5) be written on an "Occurrence" Form policy basis; and (6) The policies required in this section shall contain a clause that the insurer cannot cancel or change the insurance without first giving the LESSOR 30 days' prior written notice.

- (c) PROPERTY INSURANCE including fire, extended coverage and all-risk insurance covering the demised premises and all property located therein belonging to LESSOR will be provided by LESSOR and LESSEE will pay LESSOR at the rate of .08 cents per square foot of leased space for above insurance coverage. **351 square feet of leased space at .08 cents per square foot results in an annual payment of \$20.08 by LESSEE to LESSOR to be made with the first monthly rent payment.**

- (d) The insurance shall be placed with responsible insurance companies authorized and licensed to do business in the State of Minnesota and approved by LESSOR and certificates of insurance showing proof of insurance shall be delivered to LESSOR on the date of LESSOR'S execution of this agreement. The policies shall not be invalid due to any act or omission on the part of the LESSOR. If such certificate is not delivered to the LESSOR as provided, the LESSOR may at its option terminate the Lease or place the insurance itself and bill the LESSEE for the cost of coverage as Additional Rent.

If for any reason any of the insurance is void, the LESSEE is responsible to the LESSOR for the total amount of the uninsured loss.

(9) **Cancellation or Termination.** This lease shall be subject to cancellation and termination by LESSOR in the event the LESSEE materially violates the terms of this agreement and the LESSOR gives the LESSEE notice in writing at least 60 days in advance of the date of

such termination. Any unearned rental paid by the LESSEE shall be returned to LESSEE without interest.

The LESSEE agrees to give the LESSOR at least 60 days notice in advance of the date of termination for any reason of the lease.

**(10) Notice.** All notices herein provided to be given, or which may be given by either party to the other, shall be deemed to have been fully given when served personally on LESSOR or LESSEE, or when made in writing and deposited in the United States Mail, certified and postage prepaid, and addressed to the LESSEE at the address stated on page 1 and to the LESSOR, at the Division of Parks and Recreation, 400 City Hall Annex, Saint Paul, Minnesota 55104. The address to which the notice shall be mailed may be changed by written notice given by either party to the other. Nothing herein shall preclude the giving of such address change notice by personal service.

**(11) Assignment and Subletting.** LESSEE shall not assign nor sublet this lease without the written consent of the LESSOR, which consent must be obtained prior to the execution of any agreement to assign or sublease the Lease Premises.

**(12) Maintenance and Repairs.** LESSEE shall, at its own cost and expense, be responsible for all repairs, maintenance and upkeep of the Leased Premises, including but not limited to emergency repairs of any kind that are due to LESSEE'S intentional or negligent acts. LESSEE will perform or conduct basic and routine maintenance and repair to keep the Leased Premises in good repair, safe and in compliance with applicable fire, health, building and other life safety codes.

**(13) Payments in Case of Default.** LESSEE shall pay LESSOR all costs and expenses, including reasonable attorney's fees in any action brought by LESSOR to recover any rent due and unpaid hereunder, or for the breach or default of any of the covenants or agreements contained in this lease, or to recover possession of said property, whether such action progresses to judgment or not.

**(14) Surrender of Premises.** The LESSEE, at the expiration of said term, or any sooner termination of this lease, shall quit peacefully and surrender possession of said property and its appurtenances to LESSOR in as good order and condition as the property was delivered to the LESSEE.

**(15) Indemnity.** The LESSEE agrees to indemnify, defend, save and hold harmless the City of Saint Paul and any agents, officers and employees thereof from all claims, demands, actions or causes of action of whatsoever nature or character, arising out of or by reason of the lease of the herein described premises by the LESSOR to the LESSEE, or the use or condition of the premises or as a result of the operations or business activities taking place on the premises. It is fully understood and agreed that LESSEE is aware of the conditions of the leased premises and leases the same "as is". This indemnification does not extend to claims arising out of the lessor's duty to maintain exterior and/or interior common areas of the building housing the leased premises.

**(16) Pollution and Contaminants.** LESSEE agrees to comply with all ordinances, laws, rules and regulations enacted by any governmental body or agency relating to the control, abatement or emission of air and water contaminates and/or the disposal of refuse, solid wastes or liquid wastes.

LESSEE shall bear all costs and expense arising from compliance with said ordinances, laws, rules, or regulations and shall indemnify, defend, save and hold harmless LESSOR from all liability, including without limitation, fines, forfeitures, and penalties arising in connection with the failure by LESSEE to comply with such ordinances, laws, rules or regulations. LESSOR has the right to perform cleanup and charge the LESSEE for such costs should the LESSEE fail to comply.

**(17) Destruction.** In the event of damage to or destruction of the Leased Premises or in the event the premises become untenable or unfit for occupancy due to such damage during the term of this Lease, LESSOR may at its option: terminate the lease upon fifteen (15) days written notice to LESSEE; or within fifteen (15) days agree to restore the premises within a specified time period following the casualty, charging the costs in excess of the insurance proceeds, if any, to the LESSEE as Additional Rent; or may direct that LESSEE promptly restore the Lease Premises to substantially the condition existing immediately prior to such damage or destruction, and for that purpose, if such damage or destruction was caused by perils insured against the LESSOR shall make available to LESSEE pro rata, as work progresses, the net proceeds of such insurance. If such proceeds are insufficient to pay the entire costs thereof, LESSEE agrees to pay as Additional Rent, a lump sum payment (or in a form agreed upon by the LESSOR) equal to the remainder of such cost. The Basic Rents to be paid during the restoration period shall be abated in proportion to the percentages of loss and impairment of the use of the Lease Premises as determined by the LESSOR, times the number of days of loss or impairment.

**(18) Events of Default.** Any of the following events occurring during the term of this lease shall constitute an event of default by the LESSEE:

- (a) the filing of a petition to have LESSEE adjudicated bankrupt or a petition for reorganization or arrangement under any laws of the United States relating to bankruptcy filed by LESSEE;
- (b) in the event a petition to have LESSEE adjudicated bankrupt is filed against LESSEE, the failure to dismiss such petition within ninety (90) days from the date of such filing;
- (c) the assets of LESSEE or of the business conducted by LESSEE on the Leased Premises be assumed by any trustee or other person pursuant to any judicial proceedings;
- (d) LESSEE makes any assignment for the benefit of creditors;

- (e) the failure by LESSEE to timely pay Basic Rent of Additional rent as required by this Lease;
- (f) the material failure by LESSEE to observe and perform any covenant, condition or agreement on its part to be observed or performed as required by this Lease; or
- (g) the failure by LESSEE or its surety to discharge, satisfy or release any lien or lien statement filed or recorded against the Lease Premises within 60 days after the date of such filing or recording, whichever date is earlier.

It is an express covenant and agreement of LESSOR and LESSEE that LESSOR may, at its election, terminate this Lease in the event of the occurrence of any of the events described in this paragraph or in paragraph 23 relating to liens by giving not less than ten (10) days' written notice to LESSEE; and when so terminated, LESSOR may reenter the Leased Premises. This Lease and its Leased Premises shall not be treated as an asset of LESSEE'S estate. It is further expressly understood and agreed that LESSOR shall be entitled upon such reentry, notwithstanding any other provision of this Lease, to exercise such rights and remedies as are provided in Default Remedies Section of the Lease.

**(19) Compliance with Laws.** The property described herein may be used for only the purposes stated herein. It is the sole and exclusive responsibility of the LESSEE in the use of the property to comply with any and all laws, rules, regulations or ordinances imposed by any jurisdiction affecting the use to which the property is proposed to be put. Inability or failure on the part of the LESSEE to comply with any of said laws, rules, regulations or ordinances will not relieve the LESSEE of the obligation to pay the rental provided herein.

**(20) Non-Discrimination.** The LESSEE for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that (1) no person, on the ground of race, sex, color, sexual preference or orientation, familial status, creed, religion, age, disability, marital status, status with respect to public assistance, or national origin or ancestry shall be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in connection with the construction of any improvements on said lands and the furnishing of services thereon, no discrimination shall be practiced in the selection of employees and contractors, by contractors in the selection and retention of first-tier subcontractors, and by first-tier subcontractors in the selection and retention of second-tier subcontractors, (3) that such discrimination shall not be practiced against the public in their access to and use of the facilities and services provided for as public accommodations (such as eating, sleeping, rest, and recreation) constructed or operated on the Leased Premises, and (4) that the LESSEE shall use the premises in compliance with all other requirements imposed pursuant to the St. Paul Legislative Code Chapter 183.

**(21) Liens.** The LESSEE shall not permit mechanic's liens or other liens to be filed or established or to remain 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, provided that if the LESSEE shall first notify the LESSOR of its intention to do so and shall deposit in escrow with the LESSOR a sum of money or a bond or irrevocable letter of credit acceptable to the LESSOR equal to the amount of the claim of lien, LESSEE may in good faith contest any such claims or mechanic's or other liens filed or established and in such event may permit the items contested to remain undischarged and unsatisfied during the period of such contest. If, in the opinion of the LESSOR, the nonpayment of any such items subjects the Leased Premises to any loss or forfeiture, the LESSOR may require the LESSEE to use the escrow account to promptly pay all such unpaid items and if LESSEE fails to pay from the escrow account, the LESSOR may pay the charge and bill the LESSEE as Additional Rent.

**(22) Eminent Domain.** In the event the entire Leased Premises are taken by eminent domain, or such portion thereof is so taken that in LESSEE'S reasonable judgement it is uneconomic thereafter to restore the Leased Premises and proceed under the terms and provisions of this Lease, LESSEE may terminate this Lease by giving to LESSOR thirty (30) days' written notice of termination, effective as of the date on which the condemning authority acquires legal title or physical possession of the Leased Premises. LESSEE hereby waives and releases any claim to or share in the Award of Compensation for taking, notwithstanding any other provision of law, this Lease or another agreement. LESSEE may to the extent otherwise permitted in the eminent domain proceeding, remove its own trade fixtures at its own expense.

**(23) Default Remedies.** In the event an Event of Default occurs under paragraph 18 of this Lease, LESSOR may exercise any one or more of the following remedies:

- (a) reenter and take possession of the Premises without termination of this Lease, and use its best efforts to lease the Premises to, or enter into an agreement with, another person for the account of LESSEE;
- (b) terminate this lease, exclude LESSEE from possession of the Premises, and use its best efforts to lease the Premises to, or enter into an agreement with another in accordance with applicable law;
- (c) exclude LESSEE from possession of the Premises, with or without terminating this lease and operate the Premises itself;
- (d) terminate the Lease, exclude LESSEE from possession of the Premises, sell all or any part of the Premises at the best price obtainable (provided such sale is permitted by applicable law), such sale to be on such terms and conditions as the LESSOR, in its sole discretion, shall determine and apply the proceeds of such sale less any expenses thereof for the account of LESSEE.
- (e) exercise any remedies available to it under the Minnesota Uniform Commercial Code;

- (f) take whatever action at law or in equity may appear necessary or appropriate to collect the Basic rent and Additional Rent then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the LESSEE under this Lease.
- (g) in exercising any of its remedies set forth in this Section, the LESSOR may, whether or not the Lease is then in effect, hold the LESSEE liable for the difference between the payments and other costs for which the LESSEE is responsible under this Lease.
- (h) no remedy herein conferred upon or reserved to LESSOR is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this lease or now or thereafter existing at law or in equity by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the LESSOR to exercise any remedy reserved to it on this Provision, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

(24) **Amended.** Anything herein contained to the contrary notwithstanding, this lease may be terminated, and the provisions of this lease may be, in writing, amended by mutual consent of the parties herein.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year in this Lease first above written.

APPROVED AS TO FORM

---



Assistant City Attorney

LESSEE – Thomas/Dale District 7  
Planning Council



Executive Director  
Thomas/Dale District 7 Planning Council

LESSOR - CITY OF SAINT PAUL

\_\_\_\_\_  
DIRECTOR OF FINANCIAL SERVICES

\_\_\_\_\_  
DIRECTOR OF PARKS & RECREATION

**City of Saint Paul Financial Analysis**

1	<u>File ID Number:</u>	RES 13-174		
2				
3	<u>Budget Affected:</u>	Operating Budget	Parks and Recreation	Special Fund
4				
5	<u>Total Amount of Transaction:</u>	\$9,117.49		
6				
7	<u>Funding Source:</u>	Other	Please Specify:	
8			Rent Revenue per Lease Agreement	
9	<u>Charter Citation:</u>	10.7.1		

10  
11  
12

Fiscal Analysis

13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26

Resolution authorizing Parks & Recreation to enter a three year lease agreement with Thomas/Dale District 7 Planning Council for office space at West Minnehaha Recreation Center. The terms specify a total rent amount of \$9,117.49 to be paid to the City over the lease period of 1/1/2013 - 12/31/2015. This revenue is included in the existing Recreation Special Fund Budget.

27

Detail Accounting Codes:

28  
29  
30  
31

Company	Accounting Unit	Account	Description	CURRENT BUDGET	CHANGES	AMENDED BUDGET
<b>Spending Changes</b>						
<i>(Action Accomplished)</i>						
XXXX	XXXXXXXX	XXXXX	(Item description)	-	-	-
XXXX	XXXXXXXX	XXXXX	(Item description)	-	-	-
				TOTAL:	-	-
<b>Financing Changes</b>						
<i>(Action Accomplished)</i>						
XXXX	XXXXXXXX	XXXXX	(Item description)	-	-	-
XXXX	XXXXXXXX	XXXXX	(Item description)	-	-	-
				TOTAL:	-	-

32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49

**RESOLUTION # 13-01**  
**District Council Lease Agreement Renewals**

WHEREAS, District Councils 7 (Thomas / Dale Planning Council), 12 (Saint Anthony Park Community Council), 14 (Macalester-Groveland Community Council), 15 (Highland Area Community Council), and 16 (Summit-Hill Association) wish to renew their office space lease agreements between the City of Saint Paul Department of Parks and Recreation at the following locations:

Thomas / Dale Planning Council:	West Minnehaha Recreation Center 685 West Minnehaha Avenue; Saint Paul, MN
Saint Anthony Park Community Council:	South Saint Anthony Recreation Center 690 Cromwell Avenue; Saint Paul, MN
Macalester-Groveland Community Council:	Edgumbe Recreation Center 320 Griggs Street South; Saint Paul, MN
Highland Area Community Council:	Hillcrest Recreation Center 1978 Ford Parkway; Saint Paul, MN
Summit-Hill Association:	Linwood Recreation Center 860 Saint Clair Avenue; Saint Paul, MN; and

WHEREAS, the District Councils strive to promote citizen participation in government and community decisions, foster the well being of Saint Paul neighborhoods, and enhance the quality of life in the City of Saint Paul; and

WHEREAS, the District Councils have leased office space at the above locations; and

WHEREAS, the Department of Parks and Recreation believes lease of office space at the recreation centers is an acceptable use of the space, has a public purpose, and does not detract from the delivery of recreation services; and

NOW, THEREFORE, BE IT RESOLVED, that the Saint Paul Parks and Recreation Commission recommends the continuation of the lease agreements with the District Councils.

Adopted by the Saint Paul Parks and Recreation Commission on:

Approved:	Yeas	<u>7</u>
	Nays	<u>0</u>
	Absent:	<u>2</u>

Resolution #13-01

Attested to by:

  
 Staff to the Parks and Recreation Commission

