

**LEASE AGREEMENT BETWEEN
THE CITY OF SAINT PAUL
and
THE SANNEH FOUNDATION**

THIS AGREEMENT, dated this ___ day of October, 2013, by and between the City of Saint Paul, Minnesota, a municipal corporation organized and existing under the laws of the State of Minnesota, hereinafter referred to as "CITY", and the Sanneh Foundation a 501 (c) 3 organization, hereinafter referred to as "SANNEH".

WHEREAS, the CITY is the owner of certain real property known as Conway Recreation Center, ("Conway") located at 2090 Conway Street, Saint Paul, MN 55119; and

WHEREAS, SANNEH is committed to improving the lives of Saint Paul residents by encouraging physical activity, teaching life skills, stimulating community engagement, promoting soccer skills development, and;

WHEREAS, SANNEH is committed to providing a variety of youth and adult programs in a safe, healthy environment, and;

WHEREAS, both parties wish to enter into an agreement for the management of programming for the spaces at Conway which will provide benefits to the community in the form of continued learning and recreational opportunities.

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth, parties agree as follows:

1. TERM

A. The term of this agreement shall be for three (3) years, commencing upon the date of execution of this Agreement and ending on the date three (3) years thereafter. Parties may agree to two (2) one year extensions by mutual agreement. In order to exercise the extensions, parties must meet and agree to any new terms with respect to the costs and obligations no later than thirty days prior to the expiration of the initial term and the first renewal term.

2. USE OF SITE.

- A. SANNEH shall manage the facility located at 2090 Conway Street, Saint Paul, MN 55119, known as Conway Recreation Center, during the term of this Agreement, and shall staff the programs it offers at this facility. All use of the facility by SANNEH shall be for programs and services which include a recreational component.
- B. SANNEH shall have access to and full use of all portions of the building.
- C. SANNEH shall be responsible for ensuring that the public has access to the facility and to its recreational programs. A plan for public access shall be developed by SANNEH and provided to the CITY. At a minimum, such plan will include plans for working to provide maximum access to the community by facilitating use of the site by community groups. Beginning in October 2013, the parties agree to meet quarterly and in good faith negotiate the facility and field use plan for the upcoming year. The goal shall be to meet community needs by making the best use of available recreational space.

- D. SANNEH agrees to post hours of operation, including gym and activity schedules. SANNEH will be responsible for scheduling both interior and exterior spaces at the Conway Recreation Center. When unscheduled by SANNEH, the fields will be available first to the CITY and then to the public for general use. When the interior space is unscheduled, it will be available first to the CITY and then to the public for general use. SANNEH agrees to make Conway available as a polling place during election years if requested by Ramsey County.
- E. CITY recreation programs, or programs by other recreation providers, may be provided at this site as agreed upon by both parties. The CITY shall be responsible for staffing all programs managed by the CITY. An outside provider, such as the YMCA or Community Education, shall be responsible for staffing all programs managed by their respective agencies.
- F. SANNEH is responsible for providing general supervision on the outdoor grounds during its hours of operation. This includes general monitoring of outside activities to help ensure a safe environment for youth and families visiting the site.
- G. Provided that funds are available through DEED from the State of Minnesota, Parks and Recreation will provide one YJC worker at the Conway site for up to 10hrs/week year-round.
- H. From 10/19/2013 through 12/31/2014, Parks and Recreation will provide the equivalent of a recreation worker for 80 hrs/week at the Conway site. This programming support will be at the general level of a Recreation Leader earning \$11/hr. For this period, at least one worker (20 hrs/week) will be a current CITY employee. SANNEH may recruit and select the other employee(s) to fill the remaining 60 hrs/week of program support. These employees will be considered temporary employees and will be paid by the CITY per this provision in the contract. SANNEH will have input as to the CITY employee assignment.
- I. During the temporary closure of the Sun Ray branch of the Saint Paul Public Library SANNEH will work with the library to provide options for public access to library materials and/or services. If library programs are one of the options agreed upon by both parties, the library will be responsible for providing its own staff to support library programs.

3. PAYMENT.

A. SANNEH shall be responsible for the cost of gas and electric utilities, interior facility maintenance, and shall at its own cost, staff the building during its operating hours for programs and services provided by SANNEH. During calendar year 2014, the City agrees to cap utility costs at \$26,000.

B. SANNEH shall make the following annual payments to the City to offset field maintenance and plowing costs:

Year 1:	\$0 (zero) annual payment
Year 2:	\$4000 (1/1/15 – 8/31/15)
Year 3:	\$5000 (9/1/15 – 8/31/16)

4. MAINTENANCE & REPAIR

A. SANNEH shall be responsible for all daily maintenance and housekeeping for the interior of the Conway Recreation Center, including daily cleaning, and routine repairs. SANNEH will provide staff and supplies for all operational needs, routine and daily maintenance, and shall arrange at its own initial cost, staff to provide annual maintenance services. Maintenance and cleaning shall be at a standard acceptable to the City. In the event the parties mutually agree that the City will be responsible for daily maintenance and housekeeping, the annual payment to the City (noted in section 3B) shall be increased commensurate with the cost of the added service. The City will share in costs for annual maintenance items such as: gym floor cleaning and poly coat commensurate with the City's use of the gym for scheduled activities, such costs to be based on a percentage of use based on hours. The City will reflect this cost sharing (if any) as a reduction in utility bills during the month(s) of November and/or December.

C. SANNEH will be responsible for the first \$2999 of general repairs annually (beginning with the full execution of the agreement) at the Conway Recreation site. These repairs include but are not limited to: plugged toilets, broken door handles, torn carpet and loose tiles. Repair costs in excess of \$2999, totaling \$3000 - \$7500, shall be shared equally by the CITY and SANNEH. The CITY shall be responsible for all repair costs once they have exceeded \$7500. Notification and documentation of repair costs exceeding \$2999 shall be provided to the CITY as soon as possible once knowledge of the repair cost is known, and prior to any additional repair work being performed. Notwithstanding the foregoing, repairs beyond ordinary wear and tear which are caused by SANNEH, its agents, employees or invitees, shall be solely the responsibility of SANNEH, regardless of the amount. The cost of any upgrades to the building required by health, life and safety codes shall be split equally between both parties.

D. All grounds maintenance will be the responsibility of the CITY. Fields will be maintained at the same level as other City facilities. SANNEH will be responsible for putting trash in the dumpster provided by the CITY. The CITY will be responsible for emptying the dumpster on a routine schedule. SANNEH will be required to participate in the CITY'S recycling program. The CITY will provide the recycling containers and include SANNEH and the Conway Recreation Center site on the pick-up schedule.

E. Other than the walk from east building door to the parking lot and from the building door to the driveway on the north side of the building, the CITY shall be responsible for all snow and ice removal on perimeter walkways and in parking lots. Snow removal by the CITY shall take place after each accumulation of more than two (2) inches of snow. SANNEH shall be responsible for snow and ice removal on walkways when accumulation is less than two (2) inches. Regardless of the snowfall amount, the CITY will be responsible for plowing/sweeping the perimeter sidewalk surrounding the property as required by ordinance. In the event the parties mutually agree that the City will be responsible for clearing and shoveling the walk from the building to the parking lot the annual payment to the City (noted in section 3B) shall be increased commensurate with the cost of the added service.

5. ALTERATIONS. SANNEH will not make any alterations to the premises without the written consent of the CITY, and such consent will not to be unreasonably withheld. If SANNEH desires to make any such alterations, an accurate description of the project shall first be submitted to the CITY in writing and such alterations shall be done at the expense of SANNEH. All such work shall be done under the CITY'S supervision and any improvements shall become the property of the CITY and the end of the agreement term. SANNEH agrees that any alterations shall be done in a workmanlike manner and in conformance with all applicable laws, regulations and building codes, that the structural integrity of any and all building systems will not be impaired and that no liens will be attached to the premises by reason thereof. No work shall proceed without a written agreement in place between the City and SANNEH specific to that project.

6. REPRESENTATIVES. The CITY'S representative for this agreement will be the Recreation Services Manager or his/her designee. The SANNEH representative for the purposes of this agreement will be the Executive Director, or his/her designee. Correspondence regarding the Agreement should be sent to:

Saint Paul Parks and Recreation
25 W 4th Street Room 400
Saint Paul, MN 55102
Attn: Paul Prior, Contract Administrator

Sanneh Foundation
c/o Conway Recreation Center
2090 Conway Street
Saint Paul, MN 55119
Attn: Tony Sanneh

7. INDEMNIFICATION. The CITY shall be liable for managing any and all claims which arise during activities provided and managed by the CITY. SANNEH agrees to indemnify, defend, save and hold harmless, the CITY and all its agents, officers and employees thereof from all claims, demands, actions, judgments, suits or causes of action of any nature or character, arising out of SANNEH'S use of the premises except to the extent that such claims arise out of the CITY'S failure to maintain the premises in accordance with this agreement. SANNEH shall provide the CITY with notice of any injuries, claims, or suits submitted to them within thirty (30) days of receipt of such notice, claim or suit. SANNEH shall also copy the City on all incidents or injuries that occur at the site.

8. INSURANCE. The CITY shall insure the CITY'S building for fire and comprehensive property damage coverage. SANNEH will provide the following insurance during the term of the agreement:

- a) SANNEH shall be responsible for the self-insurance of, or for the acquisition of Commercial Property insurance on, its own personal property and the property of anyone using the facility.
- b) Comprehensive general liability insurance including blanket contractual liability coverage and personal injury liability coverage with a combined single limit of not less than \$2,000,000 aggregate, or \$1,500,000 per occurrence shall be purchased by SANNEH. Such insurance shall 1) Name the City of Saint Paul as "additional insured" 2) be primary with respect to the CITY'S liability insurance or self-insurance and 3) not exclude explosion, collapse, or underground property damage.
- c) Worker's Compensation insurance with not less than the statutory minimum limits, and

- employer's liability insurance with minimum limits of at least \$300,000 per accident.
- d) SANNEH shall supply to the CITY current insurance certificates for policies required in this agreement. The certificates shall certify whether or not SANNEH has errors and omissions insurance coverage.
 - e) Nothing in this agreement shall constitute a waiver by the CITY of any statutory limits or exceptions on liability.
 - f) SANNEH shall place insurance with responsible insurance companies authorized and licensed to do business in the State of Minnesota and approved by the CITY, and shall deliver copies of the policies to the CITY on or before the date of the full execution of this agreement if required. The CITY shall be given notice in accordance with the policy language of any cancellation or changes.
 - g) Waiver of Subrogation. The CITY waives its right of subrogation for damage to the premises, contents therein, loss of income, up to the amount of insurance proceeds collected. SANNEH waives its right of subrogation for damage to the premises, contents therein, loss of income, up to the amount of respective insurance proceeds collected. The parties shall notify their respective insurance companies, in writing, of the provisions of this paragraph, and if either cannot waive its subrogation rights, shall immediately notify the other party, in writing.
 - h) Should SANNEH fail to purchase or maintain the insurance required herein, the CITY may at its option purchase said insurance in the commercial market and SANNEH shall reimburse the CITY for all premiums and costs whatsoever for said insurance.

9. **NON-DISCRIMINATION:** SANNEH will not discriminate against any employee or participant wishing to participate in its programs or any person wishing to use the recreation center or its fields because of race, creed, religion, color, gender, sexual or affectional orientation, national origin, ancestry, familial status, age, disability, marital status, or status with regard to public assistance and will take affirmative steps to ensure that participants are treated without the same during their participation in programs or use of the facility.

10. **RIGHT OF ENTRY** At all times during the term of this management agreement, the CITY retains ownership of the premises and shall have the right, by itself, its agents and employees, to enter into and upon the premises during reasonable business hours or, in the event of an emergency, at any time for any legitimate purpose.

11. **COMPLIANCE WITH LAWS** The property described herein may be used for only the purposes stated herein. It is the sole and exclusive responsibility of SANNEH in the use of the property to comply with 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 by SANNEH to comply with any said laws, rules, regulations or ordinances will not relieve SANNEH of the obligation to make annual payments outlined herein.

12. **TERMINATION.**

- A. In the event of breach of this agreement, the non-breaching party may terminate this agreement by giving written notice of default to the other party, provided, however, that the party receiving the notice shall have thirty (30) days in which to cure such default, or if such default is not capable of cure within said 30 days, such time as is reasonably needed to cure such default so long as the cure is commenced within the 30 day period and the party is diligently pursuing the cure, in which case this agreement shall not be terminated. Any notice of default and include a statement of the basis for believing the other party to be in default and the steps needed to cure such default.

B. At the termination of this agreement the premises shall be surrendered peacefully and returned to the CITY in the same condition as received, reasonable wear and tear notwithstanding.

13. AMENDMENTS. No amendments to this Agreement shall be effective without being reduced to writing and executed by both parties.

14. ASSIGNMENT. The CITY and SANNEH each binds itself and its successors, legal representatives, and assigns of such other party, with respect to all covenants of this Agreement; and neither the CITY nor SANNEH will assign or transfer their interest in this Agreement without the written consent of the other.

15. WAIVER. Any fault of a party to assert any right under this Agreement shall not constitute a waiver or a termination of that right, this Agreement, or any of this Agreement's provisions.

16. ENTIRE AGREEMENT. It is understood and agreed that this entire Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matters herein.

17. JURISDICTION. This agreement shall be construed under the laws of the State of Minnesota and any dispute regarding the interpretation or enforcement shall be venued in the Ramsey County District Court.

IN WITNESS WHEREOF, the parties have set their hands the date first written above.

For the CITY of SAINT PAUL:

For the SANNEH FOUNDATION:

Mayor

Executive Director

City Clerk

Board Chair

Director of Financial Services

Parks and Recreation Director

APPROVED AS TO FORM:

Assistant City Attorney