(TMS/17)

Revised 7/1/15

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

LEASE NO. TMS/17

DATE: July 1, 2015

LESSOR: CITY OF SAINT PAUL

Office of Financial Services – Real Estate Section

25 West Fourth Street, Saint Paul, Minnesota, 55102

LESSEE: Ramsey County – Ramsey County Sheriff's Office

25 W. 4th St., Ste, 150, Saint Paul, Minnesota, 55102

CITY OF SAINT PAUL
LEASE
AGREEMENT

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

Approximately 5,700 square feet of office space located on the 1st floor of the City Hall Annex, (Rm. 150), 25 West Fourth Street, Saint Paul, Minnesota.

See Exhibit "A" depiction of the Leased Premises, which is incorporated herein by this reference.

2) **Term of Lease.** This Lease shall be in effect for a term commencing and ending on the dates indicated below, unless terminated earlier by LESSOR as provided herein.

Term (Months/Years)	Commencing Date	Ending Date
5 years	July 1, 2015	June 30, 2020

Renewal: Subject to prior written approval by LESSOR, the Lease may be renewed for one additional 5-year term. The lease rate (rent/square foot) and annual rent escalator will be renegotiated at that time. If LESSOR chooses not to approve another 5-year term, LESSOR will notify LESSEE at least one (1) year prior to expiration of the Lease.

3) **Use of Leased Premises.**

Office Space

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

4) **Rent.** Rent shall consist of Basic Rent and such Additional Rent as may apply. LESSEE shall pay all rent in advance, on the first day of the term of the lease and on the first day of each payment period thereafter as indicated in the Payment Schedule below:

a) Basic Rent (5,700 SF)

Year	Basic Annual Rent	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	Rent/Sq Ft
2015 (6 months)	$39,900.00			$19,950.00	$19,950.00	$14.00
2016	$81,396.00	$20,349.00	$20,349.00	$20,349.00	$20,349.00	$14.28
2017	$83,023.92	$20,755.98	$20,755.98	$20,755.98	$20,755.98	$14.57
2018	$84,684.40	$21,171.10	$21,171.10	$21,171.10	$21,171.10	$14.86
2019	$86,378.09	$21,594.52	$21,594.52	$21,594.52	$21,594.53	$15.15
2020	$44,052.83	$22,026.41	$22,026.41			$15.46

Total Rent	$419,435.24

Annual Rent Escalator	2.0%

b) Additional Rent. Costs that LESSEE shall pay as Additional Rent shall include, but not be limited to, construction or demolition of private office walls, painting, doors and hardware due to installation of fixed partitions or office reconfigurations, major modifications of HVAC, electrical, lighting or other special leasehold improvements or services, and additional janitorial services, if any, above typical office space cleaning.

LESSEE shall make payments of Basic Rent and Additional Rent to LESSOR at the following address:

Office of Financial Services/Real Estate, 25 W. 4th St., Rm. 1000, St. Paul, MN 55102

The applicable account number for City Finance Accounting Code is:

to be determined by LESSOR

5) **Right of Entry.** At all times during the term of this Lease, LESSOR (Office of Financial Services – Real Estate Section) shall have the right, by itself, its agents and employees, to enter into and upon the Leased Premises during reasonable business hours or, in the event of an emergency, at any time for any legitimate purpose.

6) **LESSOR'S and LESSEE'S Insurance.** LESSOR and LESSEE shall acquire during the term of this Lease the following coverage:

a) COMPREHENSIVE GENERAL LIABILITY INSURANCE

i. LESSOR is self-insured for comprehensive general liability, pursuant to State Statute 466.
ii. LESSEE is self-insured for comprehensive general liability, pursuant to State Statute 466.

b) WORKERS' COMPENSATION INSURANCE with not less than statutory minimum limits; and EMPLOYERS' LIABILITY INSURANCE with minimum limits of at least $500,000 per accident and with an all states endorsement.

i. LESSOR is self-funded for such coverage
ii. LESSEE is self-funded for such coverage

c) The limits cited under each insurance requirement above establish minimums, and it is the sole responsibility of LESSOR and LESSEE to purchase and maintain additional insurance that may be necessary in relation to this Lease.

d) Nothing in this Lease shall constitute a waiver by LESSOR or LESSEE of any statutory limits or exceptions on liability.

7) **Cancellation or Termination.** This lease shall be subject to cancellation and termination by either party at any time during the term hereof by giving the opposite party notice in writing at one hundred eighty (180) days, or ninety (90) days if a month-to-month tenancy, prior to the date when such termination shall become effective. In the event of such termination, and on the effective date of such termination, LESSOR shall return any unearned rental paid by the LESSEE without interest.

8) **Notice.** All notices herein provided to be given shall be addressed to LESSEE at the address stated on Page (1) with a copy to Ramsey County Property Management, 121 Seventh Place East, Suite 2200, Saint Paul, Minnesota, 55101; and to LESSOR also at its address stated on Page 1.

9) **Assignment and Subletting.** LESSEE shall not assign this Lease or sublet the Leased Premises without the prior written consent of LESSOR.

10) **Maintenance and Repairs.** LESSOR agrees to furnish such heat, electricity, water, sewer, air conditioning, elevator service and janitorial service to the Leased Premises as are reasonably necessary for the comfortable use and occupancy of the Leased Premises during LESSEE'S normal business hours.

LESSOR shall keep the building in which the Leased Premises are situated in good order and the exterior of said building free from all refuse; shall keep the sidewalks free from snow, ice and all obstructions; and shall promptly and reasonably remove all garbage and refuse of any kind from the premises during the term of this Lease.

LESSOR shall furnish elevator service and other access to the Leased Premises during

normal business hours, 6:30 a.m. to 5:30 p.m., Monday through Friday.

LESSOR shall maintain, repair or replace all structural members, walls, footings, roofs, floors, doorways, mechanical systems, electrical systems, heating, ventilating and air conditioning systems, elevators, utility metering equipment, wall surfaces, floor coverings, ceilings, light bulbs and lighting fixtures on the Leased Premises. All maintenance, repairs, and replacements shall be made promptly and in good and workmanlike manner so that defective components are put to good, workable and sanitary conditions.

LESSOR shall acquire and maintain property insurance coverage for the Leased Premises and contents therein.

11) **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.

12) **Surrender of Premises.** 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 tenant build outs and trade fixtures to LESSOR in as good order and condition as the property was delivered to LESSEE, ordinary wear and tear and casualty loss excepted..

13) **Indemnity.** 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 LESSEE's performance or failure to perform under the terms of the Lease, or the use by LESSEE of the Leased Premises under this agreement. It is fully understood and agreed that LESSEE is aware of the conditions of the Leased Premises and leases the same "as is."

LESSOR agrees to indemnify, defend, save and hold harmless the County of Ramsey 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 LESSEE's performance or failure to perform under the terms of the Lease, or the use by LESSEE of the Leased Premises under this agreement.

14) **Holdover.** Any holdover after the expiration of the term of this Lease shall be allowed only after receiving the written consent of LESSOR. Said tenancy shall be deemed to be a tenancy only from month-to-month. All other terms and conditions of this lease shall be applicable.

15) **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 contaminants and the disposal of refuse, solid

wastes or liquid wastes.

LESSEE shall, in the use and occupancy of this lease, bear all costs and expenses 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 from the failure by LESSEE to comply with such ordinances, laws, rules or regulations. LESSOR has the right to perform cleanup and charge LESSEE as Additional Rent for such costs should LESSEE fail to comply.

LESSOR shall bear all its costs and expenses of complying, or arising from failure by LESSOR to comply, with said ordinances, laws, rules, or regulations and shall indemnify, defend, save and hold harmless LESSEE from all liability, including without limitation, fines, forfeitures, and penalties arising from the failure by LESSOR to comply with such ordinances, laws, rules or regulations.

16) **Controlling Lease.** In the event there is any prior existing lease or rental agreement between LESSEE and LESSOR (or its predecessor in interest) covering the subject property, it is agreed and understood that this Lease shall cancel and terminate any prior leases or rental agreements as of the effective date of this Lease.

17) **Destruction.** In the event of damage to or destruction of the Leased Premises or in the event the Leased Premises becomes untenable or unfit for occupancy due to such damage during the term of this Lease, LESSOR may at its option:

a) terminate the lease upon fifteen (15) days' written notice to LESSEE; or

b) within fifteen (15) days agree to restore the Leased Premises within a reasonable time period following the casualty, charging the costs in excess of the insurance proceeds, if any, to LESSEE as Additional Rent.

The pro-rata share of expenses to be paid during the restoration period shall be abated in proportion to the percentage of loss and impairment of the use of the Leased Premises, as determined by LESSOR, for the duration of loss or impairment.

18) **Events of Default.** The occurrence of any of the following events during the term of this Lease shall constitute an event of default by LESSEE:

a) the failure by LESSEE to timely pay Basic Rent or Additional Rent as required by this Lease;

b) the 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

c) the failure by LESSEE or its surety to discharge, satisfy or release any lien or lien statement filed or recorded against the Leased Premises within sixty 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 24 relating to liens by giving not less than ten 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 Paragraph 20 of this Lease.

19) **Default Remedies.** In the event an Event of Default occurs under Paragraph 19 of this Lease, LESSOR may exercise any one or more of the following remedies:

a) reenter and take possession of the Leased Premises without termination of this lease, and use its best efforts to lease the Leased 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 Leased Premises, and use its best efforts to lease the Leased Premises to or enter into an agreement with another in accordance with applicable law;

c) 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 LESSEE under this lease.

In exercising any of its remedies set forth in this Section, LESSOR may, whether or not the Lease is then in effect, hold LESSEE liable for the difference between the payments and other costs for which LESSEE is responsible under this Lease.

20) **Default of Payment.** LESSEE agrees that, should it default on any payment owing and due to be paid to LESSOR as provided in this agreement, including but not limited to Basic Rent and Additional Rent, then the remaining unpaid balance shall, at the option of LESSOR, immediately become due.

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

22) **Non-Discrimination.** LESSEE for itself, its 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:

a) no person, on the ground of race, sex, color, creed, religion, age, disability, marital status, familial status, status with respect to public assistance, national

origin, sexual or affectional orientation or ancestry shall be excluded from participating in, be denied the benefits of or be otherwise subjected to discrimination in the use of said facilities; sexual or affectional orientation;

b) 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;

c) that such discrimination shall not be practiced against the public in its access in and use of the facilities and services provided for public accommodations (such as eating, sleeping, rest and recreation) constructed or operated on the Leased Premises; and

d) that LESSEE shall use the premises in compliance with all other requirements imposed pursuant to the Saint Paul Legislative Code Chapter 183.

23) **Liens.** 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.

24) **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 judgment 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 the taking, notwithstanding any other provision of law, this Lease or any other agreement. LESSEE may to the extent otherwise permitted in the eminent domain proceeding, remove its own trade fixtures at its own expense.

25) **Alterations.** LESSEE will not make any alterations to the Leased Premises without the written consent of LESSOR, such consent shall not be unreasonably withheld. If LESSEE desires to make any such alterations, an accurate description shall first be submitted to and approved by LESSOR and such alterations shall be done by LESSEE at its own expense. All such work shall be performed under LESSOR'S supervision and any improvements made to the Leased Premises at LESSEE'S expense shall become the property of LESSOR at the end of the lease term. LESSEE agrees that all alterations will be done in a workmanlike manner and in conformance with applicable building codes, that the structural integrity and building systems of the building will not be impaired, and that no liens will attach to the premises by reason thereof.

26) **Amended.** This Lease may be amended only by mutual written consent of the parties hereto.

27) **Litigation Costs.** If LESSOR initiates action or litigation to enforce the provisions of this Lease against LESSEE, LESSOR is entitled to reimbursement from LESSEE of all reasonable costs and expenses, including reasonable attorney's fees paid or incurred by LESSOR in connection with such action or litigation.

28) **Entire Agreement; Governing Law; Venue.** This instrument contains the entire agreement of the parties as to its subject matter. This Lease shall be subject to and governed by the laws of the State of Minnesota, and all actions shall be venued in Ramsey County District Court.

[The remainder of this page is left intentionally blank.]

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

LESSOR: City of Saint Paul

Its Mayor

Its City Clerk

Its Director – Office of Financial Services

Assistant City Attorney
(Form Approval)

LESSEE: County of Ramsey

Its Chair, Board of County Commissioners

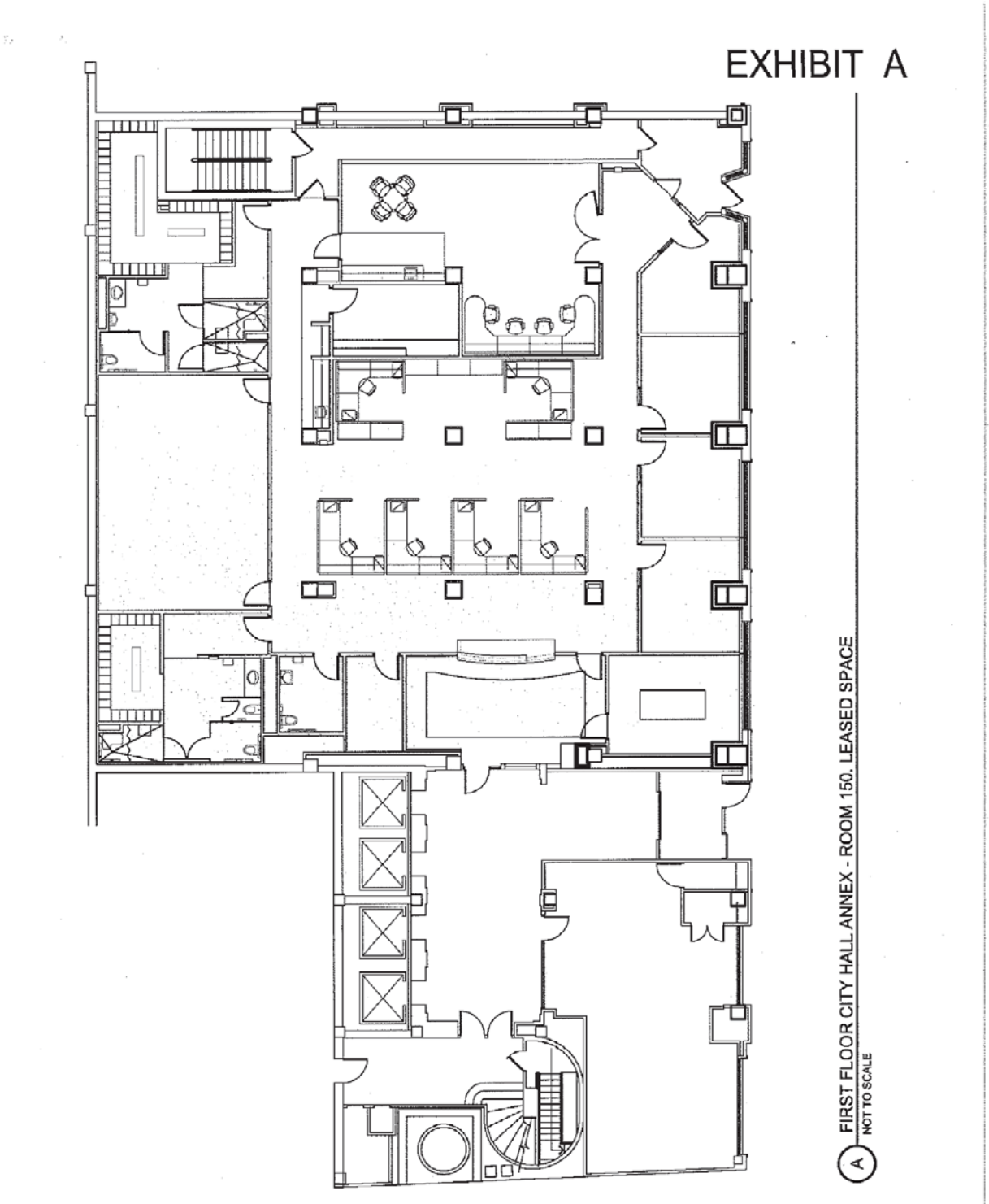
Its Chief Clerk, Board of County Commissioners

Its Ramsey County Sheriff

Its Director, Department of Property Management

Its Assistant County Attorney

Its Budgeting and Accounting Staff

EXHIBIT A

Depiction of Leased Premises