

(File Name: _____)

Revised

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

LEASE NO. _____

DATE: January 1, 2017

LESSOR: City of Saint Paul

Department of Parks and Recreation

LESSEE

District 16 Community Council

Summit- Hill Association

- 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,” whose address is 860 St Clair Ave, St Paul, MN 55105, and which is located within the property legally described as:

Linwood Community Recreation Center

The Leased Premises is an interior space within the Linwood Community Recreation Center consisting of approximately 251 Square Feet.

- 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 the LESSOR as provided herein.

Term (Months/Years)	Commencing Date	Ending Date
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<u>3 years</u>	<u>January 1, 2017</u>	<u>December 21, 2019</u>
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- 3) **Use of Premises.** LESSEE shall use and occupy the Leased Premises for the following purposes:

District 16 Community Council Office, Summit Hill Association

LESSEE may use the Leased Premises for these purposes 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**

2017 Total Basic Rent \$8.91/Sq. ft. - Payment schedule first of each month.

During Lease Term

\$2,236.84/year, \$186.40/Month

2018 Total Basic Rent \$9.04 Sq. ft. - Payment schedule first of each month.

During Lease Term

\$2,269.89 /year, \$189.20/Month

2019 Total Basic Rent \$9.17/Sq. ft. - Payment schedule first of each month.

During Lease Term

\$2,302.95year, \$192.04/Month

- b) **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-a) above, which LESSEE is or may become obligated to pay under this paragraph or other provisions of this Lease. Additional rent shall include, but is not limited to, the following fees, costs and expenses: (a) costs for the repairs, improvement or alterations required to be made by the LESSEE in paragraph 11 of this lease.

In the event that LESSEE does not make such payments, LESSOR may make the payments at its option, and the payments so paid become Additional Rent. Additional Rent means all amounts, other than Basic Rent provided for in Paragraph 4 (a) above that LESSEE shall be obligated to pay under this paragraph or other provisions of this Lease. Any payments required to be paid as Additional Rent are due and payable by LESSEE to LESSOR at the same time the Basic Rent is next required to be deposited, following written notice of same to the LESSEE by LESSOR.

LESSEE shall make all payments of Additional Rent to LESSOR at the following address:
Department of Parks and Recreation, 25 W. 4th St., Rm 400, Saint Paul, MN 55102

The applicable account number for City Finance Accounting Code is:
26041501 - 4126022023

All Basic and Additional Rent shall be payable on the date certain provided herein, or if no date certain is provided, within 30 days of the billing date. The LESSOR shall charge interest of 1.5% per month on any Basic or Additional Rent remaining unpaid beyond the due date as here provided.

- 5) **Right of Entry.** At all times during the term of this Lease, LESSOR 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) **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:

- i) WORKERS' COMPENSATION INSURANCE with not less than statutory minimum limits; and EMPLOYERS' LIABILITY INSURANCE with minimum limits of not less than:

\$100,000 per disease
\$100,000 per person
\$100,000 per accident

- ii) COMPREHENSIVE GENERAL LIABILITY insurance including blanket contractual liability coverage and personal liability coverage with a combine 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; and (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.

- iii) **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. 221 square feet of leased space at .08 cents per square foot results in an annual payment of \$17.68 by LESSEE to LESSOR to be made with first monthly rent payment.
- iv) The insurance shall be placed with responsible insurance companies authorized and licensed to do business in the State of Minnesota and approved 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 of insurance 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.

- 7) **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 30 days in advance of the date of such termination. Any unearned rent paid by the LESSEE shall be returned to LESSEE without interest.

LESSEE may terminate this lease at any time provided LESSEE first gives LESSOR at least 90 days notice. No rent or other amount shall be owed to the LESSOR by the LESSEE following the last scheduled monthly payment due during the notice period.

- 8) **Notice.** All notices herein provided to be given, or that 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 LESSEE at the address stated on Page 1 and to LESSOR at the Department of Parks and Recreation, 400 City Hall Annex, 25 W. Fourth Street, Saint Paul, Minnesota 55102.
- 9) **Assignment and Subletting.** LESSEE shall not assign or sublet this Lease without the written consent of LESSOR, which consent must be obtained prior to the execution of any

agreement to sublease the Leased Premises.

- 10) **Maintenance and Repairs.** LESSEE shall, at its own cost and expense, be responsible for all repairs, maintenance and upkeep of the Leased Premises that are due to LESSEE'S intentional or negligent acts. LESSOR will perform or conduct basic and routine maintenance and repair to keep all portions of the Linwood Community Recreation Center in good repair, safe and in compliance with applicable fire, health, building and other life safety codes. Heating and cooling systems shall be maintained so that the Leased Premises is within reasonably acceptable temperatures for staff working within the Leased Premises.
- 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.** 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.
- 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 Lease of the herein described Leased Premises by LESSOR to LESSEE, or the use or condition of the Leased Premises or as a result of the operations or business activities taking place on the Leased Premises. It is fully understood and agreed that LESSEE is aware of the conditions of the Leased Premises and leases the same "as is."
- 14) **Holdover.** Any holdover after the expiration of the term of this Lease shall be allowed only after receiving the written consent of the 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 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..

16) Destruction. In the event of damage to or destruction of the Leased Premises or in the event the 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 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; or
- c) may direct that LESSEE promptly restore the Leased 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 cost thereof, LESSEE agrees to pay as Additional Rent, a lump sum payment (or in a form agreed upon by 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 percentage of loss and impairment of the use of the Leased Premises as determined by the LESSOR, times the number of days of loss or impairment.

17) 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 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 or Additional Rent as required by this Lease;
- f) 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
- g) 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 XX 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 XX of this Lease.

- 18) **Compliance with Laws.** The property described herein may be used for only the purposes stated herein. It is the sole and exclusive responsibility of LESSEE 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 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.
- 19) **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.
- 20) **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; provided that if LESSEE shall first notify

LESSOR of its intention to do so and shall deposit in escrow with LESSOR a sum of money or a bond or irrevocable letter of credit acceptable to 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 LESSOR, the nonpayment of any such items subjects the Leased Premises to any loss or forfeiture, LESSOR may require LESSEE to use the escrow account to promptly pay all such unpaid items and if LESSEE fails to pay from the escrow account, LESSOR may pay and charge the LESSEE as Additional Rent.

- 21) **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.
- 22) **Default Remedies.** In the event an Event of Default occurs under Paragraph 20 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 ease 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 Leased 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 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 LESSEE under this Lease.

- g) 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.
- h) No remedy herein conferred upon or reserved to LESSOR is intended to be exclusive of any other available remedy or remedies, but each 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 such 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 LESSOR to exercise any remedy reserved to it in this Provision, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

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

LESSOR:

Director – Office of Financial
Services

Director of Parks and Recreation

City Clerk

City Attorney (Form Approval)

**LESSEE: District 16
Community Council**

Signature

Print Name

Title