

**LEASE FOR PART OF
COMMERCIAL BUILDING
LOCATED AT 6701 HIGHWAY 10 NW
RAMSEY, MINNESOTA**

THIS LEASE AGREEMENT (this "Lease"), made and entered into this ___ day of February, 2007, by and between the CITY OF RAMSEY, a Minnesota Municipal corporation, 7550 Sunwood Drive, Ramsey, Minnesota 55303, First Party, ("LESSOR") and COUNTY OF ANOKA, a political subdivision of the State of Minnesota, 2100 Third Avenue, Anoka, Minnesota 55303, Second Party, ("LESSEE"),

RECITALS

1. **Purpose.** LESSOR is the fee owner of the Premises described in paragraph 2 below, LESSEE desires to provide space (the Premises) for that non-profit organization known as Youth First Community of Promise of Andover, Anoka, Ramsey, ("Youth First"). LESSOR is willing to Lease the Premises to LESSEE pursuant to the terms and conditions of this Lease.

2. **Premises.** LESSOR does hereby demise, Lease and let to LESSEE the Southerly 4,820 square feet of the building located at 6701 Highway 10 NW, Ramsey, Minnesota and which building is located on the following legally described property:

Lot 3, Block 1, DEAL INDUSTRIAL PARK, Anoka County, Minnesota, (the "Premises").

The Premises also include the nonexclusive use of the paved parking areas adjacent to the building located on the real property described above, excluding the fenced in area. LESSEE'S employees and invitees shall not be permitted to the use of those parking areas which interfere with the reasonable use of other tenants located within the building.

3. **Term.** The Lease Term shall commence on the first day of March, 2007, (the "Commencement Date") and end on the 31st day of August, 2007, at midnight, unless extended or sooner terminated as hereinafter provided (the "Lease Term").

4. **Use.** The Premises shall be used by LESSEE as a commercial use for educational and outreach purpose programs as directed by Youth First. LESSEE will not make or suffer any unlawful or offensive use of the premises or any use or occupancy thereof contrary to any law of the state or any ordinance of the city now or subsequently hereto made. LESSEE will not conduct or permit to be conducted any activity, or place any equipment in or about the premises, which will in any way increase the rate of fire insurance or other insurance on the project; and if any increase in the rate of fire insurance or other insurance is stated by any insurance company or by the applicable Insurance Rating Bureau to be due to activity or equipment of LESSEE in or about the Premises, such statement shall be conclusive evidence that such increase in such rate is due to such activity or equipment and, as a result thereof, LESSEE shall be liable for such increase and shall reimburse LESSOR therefore and, further, shall discontinue or cause the discontinuance of such conduct or shall remove such equipment upon LESSOR'S demand made at any time thereafter.

5. **Rent.** The LESSEE covenants and agrees to pay to the LESSOR at the LESSOR'S office without demand, a fixed rent of One Dollar (\$1.00) for the entire Lease Term, payable in advance.

6. **Additional Rent.** In addition to the fixed rent, the LESSEE covenants and agrees to pay as additional rent all monies required to be paid by the LESSEE as set forth in the balance of this Lease. Specifically, but not by way of limitation, the reasonable value of any action taken or materials used by the LESSOR to correct or mitigate any violations of this Lease by the LESSEE shall be deemed additional rent and charged to the LESSEE, payable with the fixed rent payment.

7. **Utilities.** LESSEE shall pay water use for the premises and all bills for gas, electricity, fuel, light, heat or power for the premises or used by LESSEE in connection therewith.

8. **Real Estate Taxes and Special Assessments.** LESSOR shall be responsible for the payment of real estate taxes and special assessments during the term of the Lease.

9. **Repair and Maintenance.** LESSEE shall keep in good order and repair all glass, including plate glass, and the interior of the Premises, and, also, heating, sprinkler, water and electric fixtures in and upon the Premises, ordinary wear and tear excepted. LESSEE shall protect such

systems against freezing and damage due to neglect of LESSEE, and LESSEE shall keep the abutting sidewalks and parking areas free of ice and snow. LESSEE shall pay all costs and expenses necessary to maintain the plumbing, heating, air conditioning and electrical systems in and upon the Premises in good order and repair. LESSOR shall have the plumbing, heating, air conditioning, and electrical systems in working order on the commencement date of this Lease. LESSEE shall arrange for all necessary maintenance, including snow removal, of all of the green areas and parking areas, and LESSEE shall pay 100% of all costs and expenses for such maintenance. This is a net, net, net Lease, and LESSEE shall be solely and exclusively responsible for any and all costs and expenses of any nature or kind whatsoever attributable to the Premises except as herein specifically otherwise provided. LESSEE agrees to and shall maintain and keep the interior and exterior areas of the Premises in the same high degree of maintenance and upkeep as in when the LESSEE takes possession. Provided, however, that LESSOR shall be responsible for repair of the foundation, the exterior walls excluding glass and doors, the roof and any defect that is pre-existing as of the date hereof.

10. **Improvements, Alterations and Remodeling.** The LESSEE shall be permitted to perform improvements, alterations or remodeling on or to the Premises consistent with its intended use thereof; provided, however, that such improvements shall be done at the sole expense of the LESSEE and provided that any single improvement reasonably expected to exceed \$2,500 in cost may be done only with the LESSOR'S prior written consent. Any other improvements, alterations or remodeling shall be performed only with the written consent of the LESSOR.

11. **Hazard Insurance.** It shall be the responsibility of the LESSOR to keep the Premises and its interest therein covered by hazard insurance against loss or damage by fire and other perils. The LESSEE covenants and agrees to pay to the LESSOR, as additional rent, 100% of the premiums for such insurance during the term of this Lease and any renewal thereof; such portion of said premiums shall be paid by the LESSEE to the LESSOR within ten (10) days of receipt of written notice thereof from the LESSOR. The LESSOR shall provide to LESSEE copies of such insurance policies upon reasonable request of LESSEE.

12. **Operating Expenses.** LESSEE'S share of the operating expenses for the Premises shall be \$250.00 per month which amount shall be paid to LESSOR on the first day of each month during the Lease Term. Said monthly operating expense shall be deemed additional rent as defined in paragraph 4 above.

13. **Assignment.** LESSEE will not assign, transfer, mortgage or encumber this Lease or sublet or rent or permit occupancy or use of the Premises, or any part thereof by any third party; no assignment or transfer of this Lease shall be effectuated by operation of law or otherwise, (any of the foregoing being hereinafter referred to as an "Assignment").

14. **Destruction of Premises.** If Premises are totally destroyed (or so substantially damaged as to be wholly untenable) by storm, fire, earthquake or other casualty, this Lease shall terminate as of the date of such destruction or damage, and rent shall be accounted for as between LESSOR and LESSEE as of that date. If Premises are damaged but not rendered wholly untenable and the damage can be fully repaired in ninety days, rent shall abate in proportion as the Premises have been damaged, and LESSOR shall restore within said time limit, whereupon rent in full shall recommence. Should LESSOR fail or refuse to fully repair the Premises within said ninety days, LESSEE may terminate this Lease agreement.

15. **Removal of Fixtures.** LESSEE, prior to the expiration of this Lease or renewal thereof, may remove all fixtures and equipment, which it has placed in Premises. LESSEE shall repair all damage caused by removal of fixtures or equipment.

16. **Entry by LESSOR.** LESSOR may at all reasonable times enter to view the Premises, to make repairs or show the premises to persons who may wish to Lease or buy the same.

17. **Default.** If the LESSEE defaults for ten days after written notice from the LESSOR in paying any rent or if the LESSEE shall be declared bankrupt or insolvent according to law or shall make an assignment for the benefit of its creditors or if the LESSEE shall violate or default in any of the other covenants, agreements, stipulations or conditions herein and such violation or default shall continue for ten days after written notice from the LESSOR of such violation or default, then and in such case the LESSOR lawfully may immediately, or at any time thereafter, and without notice or

demand, enter into and upon the Premises, or any part thereof, in the name of the whole, and repossess the same and expel the LESSEE and those claiming under it and remove their effects, forcibly if necessary, without being taken or deemed to be guilty of any manner of trespass, and prejudice, and the LESSOR shall have all remedies and recourse which might otherwise be used by the LESSOR for arrears of rent or any breach of covenants herein contained.

18. **Quiet Possession.** LESSOR further covenants and warrants that if the LESSEE shall discharge the obligations herein set forth, the LESSEE shall have and enjoy, during the term hereof, quiet and undisturbed possession of the Premises.

19. **Hold Harmless and Liability Insurance.** Except in the case of the negligence of the LESSOR, its agents or its employees, the LESSEE agrees to save, hold harmless and defend the LESSOR for any liability for damages to any person or property in or about the Premises. The LESSOR shall not be liable to the LESSEE, its agents, employees, representatives, customers or invitees for any personal injury, death or damage to property caused by theft, burglary, water, gas, electricity, fire or for any other cause occurring on or about the premises. All property kept, stored or maintained in the Premises shall be so kept, stored or maintained at the sole risk of the LESSEE. During the term hereof and during renewal LESSEE shall at all times have in full force and effect a policy of general public liability insurance in the amount of at least Two Million and no/100 Dollars (\$2,000,000.00) per occurrence, or such greater amount as the parties may agree to from time to time, which insurance shall insure LESSOR as landlord and LESSEE as tenant against liability for acts of LESSOR and LESSEE.

20. **Damage or Loss and Waiver of Subrogation.** LESSOR and LESSEE hereby agree that neither shall be liable to the other for loss arising out of damage to or destruction of the Premises, or the contents thereof, when such loss is caused by any of the perils included within a standard form of fire and extended coverage insurance.

This agreement shall be binding whether or not such damage or destruction is caused by the negligence of either LESSOR or LESSEE, or their agents, servants or employees and further, any and all right of subrogation by any insurance carrier is hereby waived.

21. **Time of the Essence.** Time is of the essence of this Lease.

22. **Relationship of Parties.** This contract shall create the relationship of landlord and tenant between LESSOR and LESSEE and none other.

23. **Holding Over.** If the LESSEE remains in possession after expiration of the term hereof, with LESSOR'S acquiescence and without any distinct agreement of parties, the LESSEE shall be a tenant at will, and there shall be no renewal of this Lease by operation of law.

24. **Surrender of Premises.** At the termination of this Lease, LESSEE shall surrender premises and keys thereof to LESSOR.

25. **Definitions.** "LESSOR" as used in this Lease shall include First Party, its representatives, assigns and successors in title to Premises; "LESSEE", if this Lease shall be validly assigned or sublet, shall include its successors and shall include also LESSEE'S assignees and sublessees. "LESSOR" and "LESSEE" shall include male and female, singular and plural, corporation, partnership or individual as may fit the particular parties.

26. **Eminent Domain.** If the entire Premises are taken by any public authority under the power or threat of eminent domain, then the term of this Lease shall cease as of the day possession shall be taken by such public authority, and the LESSOR shall make a pro rata refund of any rent that may have been paid in advance. In the event that less than the entire Premises is so taken and provided the Premises are not rendered untenable thereby, then this Lease shall terminate only at the option of the LESSOR. In the event that only a part of the Premises is so taken and that this Lease does not so terminate, there shall be a pro rata reduction in rent to the extent such taking interferes in any way with LESSEE'S use of the Premises, and all other terms and provisions hereof shall remain in full force and effect. All damages awarded for such taking shall belong to and be the property of the LESSOR, irrespective of the basis on which they are awarded.

27. **Subordination.** The LESSEE agrees that at the LESSOR'S election this Lease shall be subordinate to any land Lease, or mortgage now on or to be placed in the future on the Premises or building and to any and all advances to be made thereunder and to the interest thereon and to all renewals, replacements and extensions thereof, provided that such subordination shall not materially

affect either party's obligations under this Lease. The LESSEE hereby appoints the LESSOR as its attorney-in-fact to execute such documents as may be required to accomplish such subordination.

28 **Notices.** All communications, demands, notices or objections permitted or required to be given or served under this Lease shall be in writing and shall be deemed to have been duly given or served if delivered in person to the other party or its duly authorized agent or if deposited in the United States mail, postage prepaid, for mailing by certified or registered mail, return receipt requested, or, if telegraphed, by prepaid telegram, and addressed to the other party to this Lease to the address set forth next to that party's signature at the end of this Lease, or if to a person not a party to this Lease, to the address designated by a party to this Lease in the foregoing manner. Any party may change its address by giving notice in writing, stating its new address, to any other party as provided in the foregoing manner. Commencing on the tenth day after the giving of notice, the newly designated address shall be that party's address for the purposes of all communications, demands, notices or objections permitted or required to be given or served under this Lease.

29 **Further Assurances.** In addition to any other information which may reasonably be requested, either party shall without charge, at any time and from time to time hereafter, within ten days after written request, certify by written instrument duly executed and acknowledged to any person, firm or corporation specified in such request:

- (a) Whether this has been supplemented or amended, and, if so, the substance and manner of such supplement or amendment;
- (b) The validity and force and effect of this Lease, in accordance with its tenor as then constituted;
- (c) The existence of any default thereunder;
- (d) The existence of any offsets, counterclaims or defenses thereto on the party of such other party; and
- (e) The commencement and expiration dates of the term of this Lease.

Any such certificate may be relied on by the party who requested it and by any other person, firm or corporation to whom it may be exhibited or delivered, and the contents of such certificate shall be binding on the party executing it.

30 **Minnesota Law.** This Lease shall be construed and enforced in accordance with the laws of the State of Minnesota.

31 **Entire Agreement.** This Lease contains the entire agreement of the parties and no representations, inducements, promises or agreements, oral or otherwise, between the parties not embodied herein shall be of any force or effect.

32. **Attachment.** The Exhibit A attached is incorporated herein as if fully set forth at this point. Exhibit A is titled: Property Rules and Regulations.

IN WITNESS WHEREOF the parties hereto have executed these presents in quadruplicate, this day and year first above written.

LESSOR'S ADDRESS:

City Administrator
7550 Sunwood Drive
Ramsey, Minnesota 55303

CITY OF RAMSEY

By: _____
Its: Mayor

By: _____
Its: Interim City Administrator

Approved at to Form:

William K. Goodrich, City Attorney

LESSEE'S ADDRESS:

County Administrator
Anoka County Government Center
2100 Third Avenue

COUNTY OF ANOKA

By: _____

**FIRST AMENDMENT TO LEASE FOR PART OF COMMERCIAL BUILDING
LOCATED AT 6701 HIGHWAY 10 NW, RAMSEY, MN**

This First Amendment dated as of the _____ day of February, 2010, is by and between the City of Ramsey, a Minnesota Municipal Corporation, 7550 Sunwood Drive, Ramsey, MN 55303, Second Party, ("LESSOR") and NORTHWEST ANOKA COUNTY COMMUNITY CONSORTIUM, a joint powers board organization pursuant to Minnesota Statutes, section 471.59, 2829 Verndale Avenue, Suite 2, Anoka, Minnesota 55303, Second Party ("LESSEE").

WITNESSETH:

WHEREAS, LESSOR and LESSEE are parties to that certain Lease Agreement dated as of February, 2007 (the "Lease") for that property known as the southerly 4,820 square feet of the building located at 6701 Highway 10 NW, Ramsey, Minnesota (the "Building"). The Building is located on the following legally described property:

Lot 3, Block 1, DEAL INDUSTRIAL PARK, Anoka County, Minnesota,

WHEREAS, LESSOR and LESSEE desire to amend the Lease as set forth herein.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the parties agree as follows:

1. Paragraph 2. **Premises** is deleted and replaced with the following section:

2. **Premises**. LESSOR does hereby demise, Lease and let to LESSEE the easterly 4,820 square feet.

The Premises also include the nonexclusive use of the paved parking areas adjacent to the Building, excluding the fenced in area. LESSEE'S employees and invitees shall not be permitted to the use of those parking areas which interfere with the reasonable use of other tenants located within the Building.

2. Paragraph 3. **Term** is deleted and replaced with the following section:

3. **Term**. The Lease Term shall commence on the first day of March, 2007, (the "Commencement Date") and expire on the 31st day of December, 2010, at midnight, unless extended or sooner terminated as hereinafter provided (the "Lease Term"). Notwithstanding the stated expiration date herein, the LESSOR may upon 30 day prior written notice to LESSEE, terminate the Lease and require LESSEE to vacate the Premises.

3. Paragraph 7. **Utilities** is deleted and replaced with the following section:

7 **Utilities.** LESSEE shall pay for all utilities required by it for its use of the Premises, except that LESSEE and LESSOR will share the natural gas heating expense such that LESSOR shall pay 40% of said expense and LESSEE will pay 60% of said utility expense.

4. Paragraph 9. **Repair and Maintenance** of the Lease is amended by the addition of the following sentence:

LESSOR shall be responsible for all costs and expenses necessary to maintain the plumbing, heating, air conditioning, and electrical systems installed in the Premises, in working order.

5. Paragraph 11. of the Lease is deleted and replaced with the following:

11. **Hazard Insurance.** It shall be the responsibility of LESSOR to keep the Premises insured for hazard insurance against loss or damage by fire and other perils.

6. Paragraph 19. **Hold Harmless and Liability Insurance** is amended as follows:

19. **Hold Harmless and Liability Insurance** of the Lease is amended by reducing the general public liability insurance requirement from Two Million and no/100 Dollars (\$2,000,000.00) per occurrence to One Million and no/100 Dollars (\$1,000,000.00) per occurrence.

Except as set forth above, all other terms and conditions of the Lease shall remain in full force and effect in accordance with their original terms.

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date first above written.

LESSOR:

LESSEE:

CITY OF RAMSEY

**NORTHWEST ANOKA COUNTY
COMMUNITY CONSORTIUM**

By: _____
Its: Mayor

By: _____
Its: Board Chair

By: _____
Its: City Administrator

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IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date first above written.

LESSOR:

LESSEE:

CITY OF RAMSEY

NORTHWEST ANOKA COUNTY
COMMUNITY CONSORTIUM

By: _____
Its: Mayor

By: _____
Its: Board Chair

By: _____
Its: City Administrator