

## LEASE

This Lease is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, by and between the City of Minneapolis, a Minnesota municipal corporation ("CITY"), and \_\_\_\_\_, a corporation/partnership of the State of \_\_\_\_\_ ("TENANT").

In consideration of the covenants by and between the parties, IT IS AGREED AS FOLLOWS:

### 1. PREMISES

CITY hereby leases to TENANT the Premises described below:

*[insert building address and room number, if applicable]*

Containing approximately \_\_\_\_\_ square feet of land area or floor space.

Upon occupying the Premises, TENANT accepts the Premises "as is," with no warranty or representation by CITY as to quality, condition or suitability of use. TENANT shall occupy the Premises just as they are, without any liability or obligation on the part of CITY to make any alterations, improvements or repairs of any kind on or about the Premises, unless described herein. Tenant shall use the Premises solely for \_\_\_\_\_.

### 2. LEASE TERM

The Lease Term shall be for a period commencing on \_\_\_\_\_ ("Commencement Date") and terminating on the earlier of \_\_\_\_\_ or earlier termination as provided in Sections 7 or 8 of the Lease ("Termination Date") (*Not to Exceed 1 Year*). As of the Termination Date, TENANT will quit and deliver-up the Premises to CITY peaceably and quietly, in as good order and condition and state of repair, reasonable use and wear excepted, as the same now are or may be put to use.

**3. RENT**

- A. TENANT shall pay Gross Rent for the Premises as listed below. In the event the Lease Term commences or terminates at any time other than the first day of the month, the Gross Rent payment shall be prorated for that month.

Total Gross Rent per day shall be: \$\_\_\_\_\_, due and payable on or before the first day of occupancy, and thereafter \_\_\_\_\_. Gross Rent, together with any additional rent required hereunder, shall be collectively referred to as Rent. If CITY has not received the full monthly Rent payment on or before 10 days after the date it is due as described above, CITY will charge TENANT a late charge of \$\_\_\_\_\_. If the 10<sup>th</sup> day is a Saturday, Sunday or legal holiday, CITY will not charge a late charge if the Rent payment is received in full on the next day that is not a Saturday, Sunday or legal holiday. Gross Rent includes all TENANT'S share of operating costs as defined in Section 3(c) of this Lease.

- B. Rent payments must be mailed to:

City of Minneapolis

\_\_\_\_\_  
\_\_\_\_\_  
Minneapolis, MN 55401

- C. The term "operating costs" means all expenses and costs incurred and normally required with respect to the repair, maintenance and operation of the building and equipment, improvements, sidewalks, driveways and parking facilities, except the following specific costs that will be separately billed to and paid by TENANT: \_\_\_\_\_ [e.g., *City water, electricity, heat, sewage, or storm sewer charge, or any other utility service*].
- D. Simultaneously with the execution of this Lease, TENANT shall give City a check in the amount of \$\_\_\_\_\_ as a refundable security deposit. Provided TENANT is not in default of the Lease, the security deposit will be returned to TENANT, without interest, unless interest is required to be paid on the security deposit pursuant to Minnesota Statutes Section 504.20 for residential rental property, promptly after the Termination Date and the vacation of the Premises as provided in Section 17 herein. If TENANT defaults hereunder, CITY may apply all or any portion of the security deposit to cure such default, in which event TENANT will be obligated to promptly deposit with CITY the amount necessary to restore the security deposit to its full amount.
- E. CITY has provided \_\_\_\_ door/entry keys to the Premises to TENANT. TENANT is prohibited from changing or making additional keys to the door/entry locks to the Premises. TENANT, at TENANT'S sole cost and expense, may request the CITY to change the door/entry locks or make additional keys to the Premises.

On the date TENANT vacates the Premises, TENANT will return all keys to the CITY. Failure to return all keys will result in the forfeiture of the security deposit.

#### **4. CITY'S RESPONSIBILITIES**

CITY'S responsibilities will include the following:

- A. Complete any Leasehold Improvements as agreed between CITY and TENANT and more fully described in the attached Exhibit A by the Commencement Date. TENANT is required to pay \$\_\_\_\_\_ for the Leasehold Improvements and TENANT will pay CITY this amount for the Leasehold Improvements as described in Exhibit A prior to the Commencement Date.
- B. Maintain the exterior of the building in a good and useable condition and make any structural repairs or modifications or replacements as CITY deems necessary or convenient.
- C. In the event the Premises shall be or become, by casualty or otherwise, in such damage, condition, need or state of disrepair that TENANT cannot continue to occupy and use the Premises as permitted hereunder, CITY shall have no obligation to make, or liability for not undertaking to make, any alterations, improvements or repairs of any kind to the Premises or building necessary to continue TENANT'S use and occupancy of the Premises during the Lease Term, and that upon such an event TENANT will cease its use and occupancy of the Premises and this Lease and all rights of TENANT hereunder will terminate and become null and void.

#### **5. TENANT'S RESPONSIBILITIES**

- A. TENANT agrees to permit CITY, its officers, agents, employees and contractors to enter the Premises at all reasonable times to view the Premises or to make repairs, alterations or improvements to the Premises, provided that CITY gives at least one (1) working day's notice to TENANT, emergency repairs excepted.
- B. TENANT shall, at its sole cost and expense, procure any and all necessary permits, certificates, licenses, or other authorizations required for use of the Premises by TENANT.
- C. TENANT shall not use or occupy the Premises or permit the Premises to be used contrary to any law, statute, ordinance, or regulation applicable thereto; nor permit, create, or tolerate any public or private nuisance upon said Premises, including illegal discrimination, zoning use, pornography, gambling or drug related activities.
- D. TENANT shall not use or permit others to use the Premises for political activities, sectarian, religious, or anti-religious activities, lobbying, political patronage, unionization or anti-unionization activities.

- E. In the use of the Premises as provided herein, TENANT will not, nor cause to be, nor allow any other person to, deposit, store, dispose of, place or otherwise locate or allow to be located on or within the Premises, any hazardous substances, hazardous wastes, pollutants, contaminants or petroleum based products as those terms are defined and/or regulated under any Federal, State of Minnesota or local statute, ordinance, code or regulation, except TENANT may use such substances described above as may be required in the necessary or customary operation of TENANT'S business on the Premises, provided such use is in accordance with all applicable laws and regulations, and in the event any such substances are found on or within the Premises, TENANT will be responsible for any and all liabilities from such substances on or within the Premises and the removal and/or remediation of such substances and TENANT hereby indemnifies the CITY for the same, as provided in Section 12 herein.
- F. TENANT will not make, or cause to be made, any improvements or alterations or modifications to the Premises, unless such improvements or alterations or modifications are completed in compliance with all applicable laws, ordinances, codes, rules, regulations, and/or orders, and with the prior written approval of CITY. All improvements or alterations or modifications undertaken by TENANT shall be performed and completed in a good, workmanlike manner at the sole cost and expense of TENANT. All such improvements or alterations or modifications made by TENANT to the Premises during the Lease Term shall, at the termination of this Lease, without any cost to CITY, right of recoupment or right of set-off against any unpaid rents, become the sole property of CITY.
- G. TENANT may, at TENANT'S own risk and sole expense, and with the prior written approval of CITY, place or erect signs identifying TENANT'S business. If CITY approves signs, TENANT will place or erect such approved signs in conformance with the City's zoning regulations and will obtain all required permits. TENANT will maintain its signs in good repair and promptly repair any damage to its signs. TENANT will remove its signs prior to vacating the Premises at the end of the Lease Term and repair any damage to the Premises caused by such removal. CITY may remove any unapproved sign at TENANT'S expense.
- H. TENANT shall not permit the Premises to become subject to any lien, except for liens imposed as the result of activities of CITY, and if any lien attaches to the Premises or any portion thereof, CITY may pay and discharge such lien, and the amount of the lien, together with costs and reasonable attorneys' fees, shall become additional rent due immediately hereunder.
- I. TENANT shall operate, maintain and repair the Premises during the Lease Term.
- J. TENANT shall pay and be responsible for the payment of any property taxes (personal or real estate) or ad valorem taxes and assessments which may be imposed by Hennepin County or other taxing authorities upon TENANT or the Premises during the Lease Term or thereafter as a result of TENANT'S

## **6. ASSIGNING AND SUBLETTING**

TENANT will not assign or sublet the Premises or any part thereof without the prior written consent of CITY. If the Premises are sublet or occupied by anybody other than TENANT, or this Lease is assigned by TENANT with the prior written consent of the City, then CITY may collect rent pursuant to Section 10 herein from the assignee, tenant or occupant, and apply the net amount collected to the Rent herein reserved; but no such collection shall be deemed a waiver of the covenant herein against assignment and subletting or the acceptance of such assignee, sub-tenant, or occupant as TENANT, or a release of TENANT from further performance of the covenants herein contained and TENANT shall remain liable under the Lease.

## **7. BREACH AND RIGHT OF RE-ENTRY**

If the Rent payments, or any of them, including any additional rent owed by TENANT, whether the same be demanded or not, are not paid when they become due and such nonpayment continues after ten (10) days' written notice to TENANT; or if any part of the Premises shall be sublet or this Lease be assigned without the consent of CITY as required herein; or if any term, condition, covenant, or obligation on the part of TENANT to be kept or performed by TENANT, shall be violated or neglected, and which continues after thirty (30) days' written notice to TENANT, then and in any of said cases TENANT does hereby authorize and fully empower CITY or CITY'S agent to use all lawful means available to cancel and annul this Lease, and to re-enter and take possession of the Premises, and remove all persons and their property therefrom so as to recover at once full and exclusive possession of all the Premises, whether in possession of TENANT or of third persons or vacant; or CITY'S agent may, at their option at any time after such default or violation of condition or covenant, re-enter and take possession of the Premises, without such re-entering working a forfeiture of the rents to be paid and the covenants to be kept by TENANT for the full term of this Lease.

## **8. TERMINATION OF LEASE**

At any time, either CITY or TENANT may terminate this Lease, with or without cause, by giving the CITY or TENANT, as the case may be, 30 days prior written notice of Lease termination. If TENANT fails to vacate the Premises after the Termination Date, the provisions of Section 10 herein shall apply.

## **9. NO RELOCATION BENEFITS**

TENANT acknowledges that TENANT is not a “holdover tenant” entitled to any relocation benefits and is occupying the Premises on an interim basis. Upon termination of the Lease, TENANT acknowledges that it is not entitled to receive any relocation benefits or assistance under federal and state relocation laws and regulations and shall make no claim for such relocation benefits.

## **10. HOLDING OVER**

In the event TENANT remains in possession of the Premises after the expiration of the Lease Term or termination of this Lease without the execution of a new lease, TENANT shall be deemed to be occupying the Premises as a tenant from month to month under the provisions of this Lease at a monthly rent of three times the amount of the Rent under the Lease, with a thirty (30) day notice requirement for termination without cause or rent increase. This Article shall not constitute a waiver of CITY’S right of re-entry or any other right hereunder, and it is understood TENANT shall also be liable for any other additional rent and/or charges normally accruing to said TENANT’S account at twice the then current rates therefor.

## **11. CITY CONTRACTING REQUIREMENTS**

TENANT in the construction, repair or maintenance of any improvements comprising the Premises shall comply with applicable CITY contracting policies, which may include Affirmative Action, Small and Underutilized Business Program, Prevailing Wage and Apprenticeship Programs.

## **12. TENANT LIABILITY, INDEMNIFICATION AND INSURANCE**

- A. TENANT shall indemnify and hold harmless CITY, its officers and employees from and against liability, loss, damage, costs, and expenses, including reasonable attorney’s fees, which CITY or its employees or agents may hereafter sustain, incur, or be required to pay, arising out of or resulting from the performance of this Lease, provided that any claim, damage, loss, or expense is (1) attributable to personal or bodily injury, sickness, disease, or death or to injury to or destruction of tangible personal property and is (2) caused by negligent acts or omissions of TENANT or anyone directly or indirectly employed by TENANT or anyone for whose acts TENANT may be liable; but excluding any claim, damage, loss or expense attributable to any criminal acts.
- B. TENANT agrees at all times during the term of this Lease, and beyond such term when so required, to have and keep in force commercial general liability insurance with per occurrence and general aggregate limits of not less than One Million Dollars (\$1,000,000). Prior to the effective date of this Lease, TENANT

will furnish CITY with a properly executed certificate of insurance that clearly evidences the required insurance coverages. The certificate shall name CITY as the certificate holder and as an additional insured.

- C. Tenant shall carry personal property/contents renters insurance on TENANT'S trade fixtures, equipment and personal property on the Premises.

### **13. NOTICES**

Any notice or demand, which may or must be given under the Lease terms or any statute or ordinance, shall be in writing and shall be sent by personal delivery or by first class mail to the other party addressed as follows:

TO CITY/LANDLORD: Send to address marked under Section 4. Rent, Paragraph B above.

TO TENANT: \_\_\_\_\_

### **14. EQUAL OPPORTUNITY/AFFIRMATIVE ACTION POLICY**

- A. TENANT agrees to comply with the provisions of all applicable federal, state and City of Minneapolis statutes, ordinances and regulations pertaining to civil rights and nondiscrimination including, without limitation, Minnesota Statutes, Section 181.59 and Chapter 363, and Minneapolis Code of Ordinances, Chapter 139, incorporated herein by reference.
- B. TENANT will not discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, sex, national origin, affectional preference, disability, age, marital status or status with regard to public assistance. Such prohibition against discrimination shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship.
- C. TENANT agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by CITY, setting forth this nondiscrimination clause. In addition, TENANT shall, in all solicitations or advertisements for employees placed by or on behalf of TENANT, state that all qualified applicants will receive consideration for employment without regard to race, color, creed, religion, ancestry, sex, national origin, affectional preference, disability, age, marital status or status with regard to public assistance, and comply in all other aspects with the requirements of Minneapolis Code of Ordinances, Chapter 139.

## **15. BROKERS**

CITY and TENANT each represent and warrant to the other that, except as specifically set forth herein, neither of them has employed any broker or agent to assist them in negotiating this Lease. In the event any broker or agent makes a claim for a fee under this Lease for representing either CITY or TENANT, the party whom the broker or agent claims to represent, hereby agrees to indemnify and hold the other party harmless from and against any claims for brokerage fees or other commissions arising from or out of such claimed broker or agent representation.

## **16. MISCELLANEOUS**

- A. This Lease shall be binding upon and inure to the benefit of CITY and TENANT, and each party's successors and permitted assigns.
- B. This Lease is declared to be a Minnesota contract, and all of the terms hereof shall be governed by and construed according to the laws of the State of Minnesota.
- C. TENANT agrees to be bound by the CITY'S Code of Ethics, Minneapolis Code of Ordinances, Chapter 15. TENANT certifies that to the best of its knowledge all CITY employees and officers participating in this Lease have also complied with that Ordinance. It is agreed by the parties that any violation of the Code of Ethics constitutes grounds for the CITY to void the Lease. All questions relative to this section shall be referred to the CITY'S ethics officer.
- D. This Lease contains the entire agreement of the parties hereto on the matters covered herein. No other agreement, statement, amendment, modification or promise made by any party or by any employee, officer, or agent of any party shall be binding, unless it is in writing and signed by all the parties to this Lease.
- E. Time is of the essence in the performance of this Lease.
- F. Should any term or provision of this Lease be held to be invalid or unenforceable then the remainder of this Lease shall not be affected thereby and each term and provision shall be valid and enforceable to the fullest extent permitted by law.
- G. This Lease may be executed in any number of counterparts, all of which shall constitute a single agreement, any one of which bearing signatures of all parties shall be deemed an original.

## **17. SURRENDER OF POSSESSION**

TENANT shall on the last day of occupancy, or on the earlier termination as provided in this Lease, peaceably and quietly surrender and deliver the Premises, and

every part thereof, to CITY. Any trade fixtures, equipment or personal property used in connection with the use and operation of the Premises that are not removed at the termination of this Lease shall be deemed abandoned and become the property of CITY without any payment or offset therefor. Upon expiration of the Lease Term, or earlier termination of this Lease, TENANT shall be entitled to remove all of its trade fixtures, equipment and personal property provided that TENANT repairs any damage resulting from such removal.

CITY and TENANT, having duly approved and signed this Lease, agree to be bound by the provisions set forth herein.

**FOR THE CITY OF MINNEAPOLIS, LANDLORD**

\_\_\_\_\_ Date: \_\_\_\_\_  
\_\_\_\_ CPED Director or Designee  
\_\_\_\_ Finance Officer or Designee

**FOR THE TENANT**

\_\_\_\_\_  
Name of Corporation or Partnership, if applicable

By \_\_\_\_\_  
Its \_\_\_\_\_

By \_\_\_\_\_  
Its \_\_\_\_\_