

LEASE

THIS AGREEMENT, to be effective the 1<sup>st</sup> day of September, 2016, by and between the County of Pennington, a municipal corporation, hereinafter referred to as "Lessor" and Thief River Falls Area Hockey Association, hereinafter referred to as "Lessee", WITNESSETH:

1. **PREMISES.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor a portion of the building situated on real property located in the County of Pennington and State of Minnesota, described as follows:

The portions of the building leased or available to Lessee are the rink area, bleacher area, lobby and basement of the old arena located on Lots 13 through 24 of Block 56 of Town site of Thief River Falls (hereinafter "Premises").

2. **TERM.** The term of this Lease shall be for five (5) years commencing the 1<sup>st</sup> day of September, 2016, and terminating the 1<sup>st</sup> day of September, 2021, unless sooner terminated.

2.1 **Early Termination.** The Lessee may terminate this Lease upon thirty (30) days written notice, with or without cause.

2.2 **Other Termination provisions** are located throughout this lease agreement.

3. **RENT.** Rent shall be in the following sums:

a. \$250.00 payable each year on October 1<sup>st</sup> of each year of this agreement.

4. **UTILITIES.** Lessee shall pay for all charges for utilities, including heat. Lessee shall be responsible for the installation and cost of any phones it desires. Lessee shall have the right to use an existing phone line with the written permission of Lessor. All phone charges shall be in the name of Lessee.

5. **REPAIR.** Should the roof, outside walls, mains, and conduits presently existing to supply water, gas, electricity and sanitary sewage to the building located on the premises need repair, Lessee shall have the right to make the repairs with the written permission of the Lessor. The Lessor has no obligation to make any repairs to the premises. If either party elects not to make the repairs this Lease shall immediately terminate. Any lease payments paid shall be returned to the Lessee on a pro-rated basis.

**Lessee shall be responsible for all other repairs. Lessee shall keep and maintain the premises in a clean, safe, and sanitary condition. Lessee shall be responsible for removal of snow from the sidewalks.**

**6. SIGNS. Any signs to be erected and used by the Lessee shall be subject to the prior written approval of the Lessor and compliance with state law and local ordinances. Lessee shall furnish Lessor with written plans and specifications for any such signs in order to obtain Lessor's approval. Lessor has the right to deny use of any signs.**

**7. ALTERATIONS. Lessee shall not make any alterations or additions to the premises without giving the Lessor thirty (30) days written notice of all alterations or additions intended. Should Lessor not object by written notice within 60 days after service of notice, Lessee shall be free to make said alterations and additions at Lessee's own cost. All alterations or additions shall belong to Lessor without compensation at the termination of this Lease. However, Lessor, at its option, may require Lessee to remove any or all such alterations or additions and to return the premises to its prior condition. Lessee shall not allow any liens or other encumbrances to attach to the premises as a result of said alterations or additions.**

**8. POSSESSION. Lessee shall take possession of the premises in its present condition, without any liability or obligation on the part of Lessor to make any alterations, improvements, or repairs of any kind.**

**9. USE. Lessee shall only use the premises for the purposes of TRFAHA business. If the Lessee allows someone to use the premises for TRFAHA purposes, they shall maintain insurance coverage to protect the parties using the premises. Any additional use of the premises shall require the written approval of Lessor. All uses are subject to the Zoning Ordinance of the City of Thief River Falls and/or Pennington County and Lessor makes no representations as to the permitted uses hereunder.**

**10. ACCESS. Lessee shall permit Lessor and Lessor's agents to have access to and to enter the premises at all reasonable and necessary times to inspect the premises for any purpose connected with the repair, improvement, care and management of the premises or for any other purpose reasonably connected with Lessor's interest in the premises and to perform any work or other act found necessary on such inspection.**

**11. CONDEMNATION. If the building on the premises, or such part thereof as would render the remainder unsuitable for Lessee's use, or if the building on the premises should be appropriated or condemned by public authority or taken by proceedings in eminent domain, Lessee may, at its option, terminate this Lease on thirty (30) day written notice to the Lessor, and any rent paid shall be returned to the Lessee on a pro-rated basis. In the event of partial appropriation, Lessee may**

elect to continue in possession of the remaining part of the premises and in such case the Lessee shall be granted an equitable reduction in the rent payable hereunder.

**12. DAMAGE OR DESTRUCTION.** If the premises shall be damaged other than by Lessee's negligence or willful act or that of its employees, agents, or visitors, to the extent that Lessor shall decide not to rebuild or repair the building, this Lease shall end and the any lease payment shall be returned to the Lessee on a pro-rated basis.

**13. INSURANCE.**

**13.1** Lessor shall be responsible for insuring the building structure. Lessee shall be responsible for insuring Lessee personal property within the building.

**13.2** Lessee shall during the terms of this Lease, at its expense, maintain a policy or policies of liability insurance with respect to the activities of the Lessee. The coverage amounts shall be \$1.5 million per occurrence and a \$3 million annual aggregate.<sup>1</sup>

**13.3** The insurance which Lessee is required to procure and maintain shall be insured by an insurance company or companies licensed to do business in the State of Minnesota and acceptable to Lessor. The insurance policy shall provide for not less than thirty (30) days written notice to the Lessor before cancellation, non-renewal, termination, or change in coverage. The Lessee shall deliver to Lessor a duplicate original or certificate of such insurance policy or policies prior to January 1 of each year of this lease. The policy shall name Pennington County as an additional insured party. Failure to provide the duplicate original or certificate of insurance shall be deemed a breach of this lease which shall immediately void and terminate this lease with no notice to the Lessee as otherwise set out in this lease.

**13.4** Lessee shall not carry a stock of goods or do anything in or about the premises which will in any way impair or invalidate the obligation of the insurer under the above policy or policies of insurance.

**13.5** Lessee hereby waives and releases any claims, liabilities and causes of action against Lessor, its agents and employees, for loss or damage to, or destruction of, any of the improvements, fixtures, equipment, supplies, merchandise, or other property, whether that of Lessee or others in, upon, or about the premises resulting from fire, explosion, or other perils, whether included or not included in

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<sup>1</sup> This coverage can extend to all TRFAHA business conducted at both the Arena and Auditorium as long as the liability insurance coverage is for both buildings.

standard extended coverage insurance, whether caused by the negligence of any of said persons or otherwise.

**14. DEFAULT.** Unless otherwise provided in this lease if Lessee shall fail to perform any of the terms, conditions, or covenants of this Lease the Lessor shall give notice thereof to Lessee and if Lessee fails to cure such default within 30 days after the date said notice is sent, then it shall be the option of the Lessor to declare this Lease terminated. The Lessor can then re-enter said premises, with or without process of law, using such force as may be necessary to remove all persons or chattels there from, and Lessor shall not be liable for damages by reason of such re-entry or forfeiture.

**15. HOLD HARMLESS:** Lessor shall not be liable and the Lessee shall hold harmless the Lessor for any damage, loss, or theft of the property of Lessee or of others located on the premises. Lessor shall not be liable and the Lessee shall hold harmless the Lessor for any injury to any persons resulting from the activities of the Lessee. This includes loss or injury resulting from fire, explosion, falling plaster, steam, gas, electricity, water, rain or snow or leaks from any part of the premises or from the pipes, appliances or plumbing works or from the roof, streets, or subsurface or from any other place or by dampness or by any other cause of whatsoever nature.

**16. ASSIGNMENT OR SUBLETTING.** The Lessee shall not assign this Lease or sublet all or any portion of the premises without first securing the written approval of Lessor. No assignment or sublease shall relieve Lessee of the obligations imposed upon it by the terms of this Lease.

**17. SURRENDER.** On the expiration date or upon the termination hereof, Lessee shall peaceably surrender the premises in good order, condition and repair, reasonable wear and tear only accepted. Any property of Lessee not removed prior to the expiration date or sooner termination, shall be deemed to have been abandoned. Any damage caused in removal of property by Lessee shall be repaired by Lessee at its expense. Lessee shall promptly surrender all keys for the premises to Lessor upon expiration of this Lease.

**18. HOLDING OVER.** In the event Lessee remains in possession of the premises after the expiration of this Lease and without the execution of a new Lease, it shall be deemed to be occupying the premises as a Lessee from month to month, subject to all the conditions, provisions, and obligations of this Lease.

**19. NOTICES.** All notices and other communications required herein shall be in writing, mailed by certified mail, return receipt requested, to the last known address of each party, to be effective on date of mailing. The address of each party, unless otherwise notified as required herein, is as follows:

**Lessor:**  
Pennington County Auditor's Office  
P.O. Box 616  
Thief River Falls, MN 56701

**Lessee:**  
Thief River Falls Area Hockey Association  
P.O. Box 6  
Thief River Falls, MN 56701

**20. SUCCESSORS AND ASSIGNS.** The terms, covenants, and conditions hereof shall be binding upon and inure to the heirs, personal representatives, successors and assigns of the parties hereto, unless otherwise specified herein.

**21. GENERAL.**

**21.1** The Lease does not create the relationship of principal and agent or of partnership or of joint venture or of any association between Lessor and Lessee. The sole relationship between the parties is that of Lessor and Lessee.

**21.2** No waiver of any covenant of this Lease or a breach of such covenant shall constitute a waiver of any other covenant or the continued breach of said covenant. No waiver of any default of Lessee hereunder shall be implied from any omission by Lessor to take any action on account of such default if such default persists or is repeated.

**21.3** If any term, covenant, or condition of this Lease or the application thereof to any person or circumstances shall be invalid or unenforceable, the remainder of this Lease, shall be valid and enforceable

**21.4** The captions are inserted only as a matter of convenience and for reference, and in no way define, limit, or describe the scope of this Lease nor the intent of any provision thereof.

**21.5** Lessee shall observe and comply with the rules and regulations set forth and with such further reasonable rules and regulations as Lessor may

prescribe, on written notice to Lessee, for the safety, care, cleanliness and use of the building.

## **22. MINNESOTA DEPARTMENT OF HEALTH REQUIREMENTS**

**22.1** The Lessee shall comply with the Minnesota Department of Health Indoor Air Unit's requirements. Acceptable air quality conditions must be maintained throughout the arena building when open to the public.

**22.2** The Lessee must apply for MDH certification for the arena annually. The Lessee shall provide a copy of the certification to the Lessor before the first day of January of each year of this lease.

**22.3** At least one trained responsible person must be available in the arena building when open to the public. This responsible person must be trained annually in accordance with Minnesota Department of Health (MDH) requirements.

**22.4** Measurements of carbon monoxide and nitrogen dioxide levels need to be taken at least twice (2) per week when fuel-powered ice resurfacers are used. One of the two (2) sets of required measurements for resurfacers must be on Saturday or Sunday.


**22.5** Air quality measurements must be taken at least once per week following maximum use of fuel-burning edgers. If the arena is open to the public, testing is required 20 minutes after completion of edging. If edging is completed when the arena is closed to the public, testing can be done any time prior to opening the arena to the public.

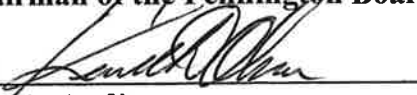
**22.6** If carbon monoxide or nitrogen dioxide levels are above the limits set by MDH, the Lessee shall comply with all MDH requirements for ventilation and or evacuation of the arena.

**22.7** The Lessee must comply with all records keeping requirements set out by MDH. The log must be kept in the arena building. All recordkeeping showing compliance must be made available for MDH or public view at all times. These records must be retained for three years.

**LESSOR:**

**COUNTY OF PENNINGTON**

BY:   
Chairman of the Pennington Board

By:   
County Auditor

**LESSEE:**

**THIEF RIVER FALLS AREA  
HOCKEY ASSOCIATION**

BY:   
Lessee's Authorize Agent



## ADDENDUM TO LEASE

**THIS AGREEMENT**, effective the 1st day of December, 2017, by and between the County of Pennington, a Municipal Corporation, hereinafter referred to as "Lessor", and the Thief River Falls Hockey Association, hereinafter referred to as "Lessee". The parties agree as follows:

1. The parties have previously entered into a five (5) year lease wherein the "Lessee" is renting the arena from the "Lessor".
2. The five (5) year lease does not expire until September 21, 2021.
3. The parties have agreed to add a paragraph to the general section of the lease. The new paragraph will be number "21.6."
4. Paragraph "21.6" shall provide as follows:

"21.6" "Lessee", upon termination of this lease, shall be entitled to remove the following from the "Lessor's" property:

1. The water heater in the Zamboni compressor room;
2. The unit heater in the Zamboni compressor room;



3. Furnace in the basement;

4. Ice block compressors.


If the "Lessee" wants to remove other fixtures from the "Lessors" property, that can only be done by agreement of the parties in writing prior to the removal of the fixture.

The remaining portions of the lease previously entered into by the parties shall remain in full force and effect.

LESSOR:

COUNTY OF PENNINGTON

By:   
Chairman of the Pennington Board

By:   
County Auditor

LESSEE:

THIEF RIVER FALLS AREA  
HOCKEY ASSOCIATION

BY:   
Lessee's Authorizing Agent

Charles Lundgren  
Treasurer

