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Memorandum

To: Mayor Danielowski
City Council Members

From: Clay Wilfahrt, City Administrator

Date: December 14, 2016

Re: Ground Lease Agreement – Ice Skating Rinks

Attached for your review is a copy of the proposed Ground Lease Agreement between the City of Big Lake and Mary of the Visitation Catholic Church for the period of January 1, 2017 through December 31, 2017 with an option for the City to extend the agreement for four months at a pro-rated rate. This lease is for the land where the ice skating rinks are located behind City Hall. The annual lease amount is $1,900 (this amount has not changed since 2004).

By approving this item on the Consent Agenda, Council would be approving the Lease Agreement between the City of Big Lake and Mary of the Visitation Catholic Church for the period of January 1, 2017 through December 31, 2017 with an option for the City to extend the agreement for four months at a pro-rated rate for the use of property for ice skating rinks at a cost not to exceed $1,900.00.

GROUND LEASE

GROUND LEASE dated December 14, 2016, by and between the CITY OF BIG LAKE, a Minnesota municipal corporation, (hereinafter called "City"), and MARY OF THE VISITATION CATHOLIC CHURCH, (hereinafter called "Church").

1. **Grant of Lease**. In consideration of the mutual covenants and agreements hereinafter set forth, the Church does hereby lease to the City and the City does hereby rent from the Church the land described as follows ("Subject Property"):

   Starting at the Southwest corner of Lot 9, Block 1, Brown's Addition, City of Big Lake, Sherburne County, Minnesota, then proceeding easterly along the south lot line to a point 332.07 feet east; thence northerly a distance of 200 feet; thence westerly a distance of 332.15 feet; thence southerly a distance of 200 feet to the point of beginning. (Approximately 66,422 square feet or 1.52 acres).

2. **Term**. This Lease shall commence on the 1st day of January, 2017 and terminate on the 31st day of December, 2017. The City has the right to extend the lease for an additional four (4) months and pay on a pro-rated monthly basis.

3. **Rent**. Rent in the amount of **Nineteen Hundred Dollars ($1, 900.00)** to be paid by the City of Big Lake.

4. **Use**. The Subject Property shall only be used for an ice-skating rink, an annual Holiday Tree Lighting Ceremony sponsored by the Big Lake Legacy Foundation, and uses incidental to those uses. The City agrees it will not construct any permanent buildings on the Subject Property.

5. **Assignment and Subletting**. The City may not, without the consent of the Church, assign this Lease or any interest herein, or sublease all or any part of the Subject Property.

6. **Insurance**. The City agrees to protect and save the Church from any claims from injuries to property or person, or death, resulting from accident or other happening on the Subject Property to the extent of the liability limits set forth in Minnesota Statutes Chapter 466, and to carry public liability insurance provided through the League of Minnesota Cities Insurance Trust (LMCIT). If permitted by LMCIT, the City will name the Church as an additional insured on the policy.

7. **Compliance with Laws**. The City shall not use or occupy the Subject Property in any manner which would cause any violation of any laws and ordinances affecting the Subject Property.

8. **Maintenance**. The City shall put, keep and maintain all portions of the Subject Property and all streets, alleys, sidewalks, curbs, passageways and spaces adjacent thereto in a clean and orderly condition, free of dirt, rubbish and unlawful obstructions. The City shall be responsible for all snow removal in connection with the ice-skating rink and, during the summer, will regularly mow the entire portion of the property that is located to the south of the alley. The City shall be responsible for snow removal on sidewalks on the land adjacent to the hockey rinks as long as this Lease is in place.

9. **Restoration of Subject Property**. At the termination of the final Lease, the City will restore the Subject Property to its condition prior to the initial lease agreement.

10. **Termination and Amendment of Lease by Church**. The Church may terminate this Lease at its discretion upon expiration of the Initial Term, by giving the City thirty (30) days written notice.

11. **Notices**. All notices and other communications to be given by all parties shall be in writing and shall be mailed, postage prepaid, by first class, certified, or registered mail, return receipt requested, to the other (and the date of any notice by certified or registered mail shall be deemed to be of the date of certification or registration thereof), delivered or addressed to the parties as follows:

AS TO CITY:
City of Big Lake
160 Lake Street North
Big Lake, MN 55309
ATTN: City Administrator

AS TO CHURCH:
Mary of the Visitation Catholic Church
440 Lake Street North
Big Lake, MN 55309
ATTN: Fr. Michael Kellogg
Pastor

or at such other address as either party may designate to the other by written notice in the manner provided above.

12. **Changes**. Neither this Lease nor any term or provision hereof may be changed, waived, discharged, or terminated orally, but only by an instrument in writing signed by the party against which the enforcement of the change, waiver, discharge or termination is sought.

13. **Successors and Assigns**. The terms, covenants and conditions of this Lease shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns.

14. **Paragraph Headings**. The paragraph headings contained herein are inserted only for convenience of reference and are in no way to be construed as a part of this Lease or as a limitation of the scope of the particular paragraphs to which they refer.

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

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

LANDLORD:

MARY OF THE VISITATION

By: _____
Fr. Michael Kellogg

Its: Pastor

TENANT:

CITY OF BIG LAKE

By: _____
Mayor Raeanne Danielowski

By: _____
Clay Wilfahrt, City Administrator

STATE OF MINNESOTA)
} SS.
COUNTY OF SHERBURNE)

The foregoing instrument was acknowledged before me this _____ day of _____, 2016, by Fr. Michael Kellogg, Pastor of MARY OF THE VISITATION CATHOLIC CHURCH, on behalf of the church.

_____
Notary Public

STATE OF MINNESOTA)
} SS.
COUNTY OF SHERBURNE)

The foregoing instrument was acknowledged before me this _____ day of _____, 2016, by Raeanne Danielowski and Clay Wilfahrt, the Mayor and City Administrator of the City of Big Lake, a Minnesota municipal corporation on behalf of the corporation and pursuant to the authority granted by its City Council.

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Notary Public