

## RENTAL AGREEMENT

This Agreement is made and executed this 6<sup>th</sup> day of October, 2021, by and between the City of Grand Rapids ("City"), a municipal corporation, and the Grand Rapids Amateur Hockey Association ("GRAHA"), collectively referred to herein as "Parties."

**WHEREAS**, City is the owner of premises known as the IRA Civic Center located at 1401 NW Third Avenue in the City of Grand Rapids; and

**WHEREAS**, City and GRAHA desire to enter into a rental agreement whereby GRAHA would rent the premises from City for purposes of hockey practices and games; and

**WHEREAS**, the Parties have heretofore operated under informal verbal agreements; and

**WHEREAS**, it is the desire of the parties to formalize their agreement in writing;

**NOW, THEREFORE**, the Parties agree as follows:

1. **History:** GRAHA has previously rented the IRA Civic Center from the years 2013-2019 under the following rental amounts:
  - 2013-14 Ice Season – 1,349 hrs. @ \$184,019 (\$66,078 tournaments), Average of \$136.41/hr.
  - 2014-15 Ice Season – 1,321 hrs. @ \$185,395 (\$63,655 tournaments), Average of \$140.34/hr.
  - 2015-16 Ice Season – 1,345 hrs. @ \$196,356 (\$77,190 Tournaments), Average of \$145.99/hr.
  - 2016-17 Ice Season – 1,356 hrs. @ \$198,999 (\$71,965 tournaments), Average of \$146.75/hr. (Miner's Pavilion Opened in February 2017. GRAHA's 4-year average prior to the opening of Miner's Pavilion was 1,342 hours/season. An informal 'Governance of the Multi-Use Pavilion' was developed which stated GRAHA agrees to sustain 1320 hours of indoor ice rental.)
  - 2017-18 Ice Season – 1,301 hrs. @ \$212,402 (\$84,933 tournaments), Average of \$163.26/hr. (During this time an electrical charge error discovered, and the Civic Center electricity billing went from \$61,000 in 2016 to \$133,000 in 2017, which explains the 11% hourly ice rental increase.)
  - 2018-19 Ice Season – 1,284 hrs. @ \$209,385 (\$53,273 tournaments), Average of \$163.07/hr. (During this time the 'Tournament Rate' was eliminated, and City went with a flat rate, giving GRAHA a 0% increase for the 2018-19 ice season.)
  
2. **Rent:** During the hockey season beginning October 1<sup>st</sup> every year and continuing until the following March 1<sup>st</sup>, or upon the completion of the Minnesota Youth State Hockey Tournament, the Parties have agreed to the following rental amounts going forward:
  - (a) For the 2020-2021 ice season GRAHA will be billed by City at an hourly rate of \$173/hr. up to a maximum per ice season of \$218,760. Upon reaching the maximum GRAHA will pay nothing further for use of the premises.
  - (b) For the 2021-2022 ice season GRAHA will be billed by City at an hourly rate of \$178/hr. (a 3% increase from the prior year) up to the same maximum of \$218,760, with no further rate charged after reaching the maximum.

- (c) For the 2022-2023 ice season GRAHA will be billed by City at an hourly rate of \$183/hr. (a 3% increase from the prior year) up to the same maximum of \$218,760, with no further rate charged upon reaching the maximum.
- (d) Rates charged to GRAHA include all district and regional tournament play. However, state tournaments are not included in this agreement and will be billed separately to GRAHA at the appropriate hourly rate for that term.
- (e) City maintains the right to negotiate the fees described above if unexpected expenses are incurred.

3. **Usage:** GRAHA may use the premises only for the purposes described in this Agreement and shall not sublet or otherwise rent the ice to the public or any other outside group.

4. **Rules:** GRAHA shall comply with all rules adopted by City concerning the use of the IRA Civic Center.

5. **Alcohol Usage:** Alcohol is prohibited in and around the IRA Civic Center.

6. **Extensions:** This Agreement may be extended for additional terms upon the agreement of City and GRAHA. Any such renewed term shall be subject to adjustment of the rent provided for in paragraph 2 of this Agreement.

7. **Responsibilities of GRAHA:**

- a. GRAHA shall be responsible for the supervision and cleaning of the Warming Shack, Mondays through Fridays from 4:00 p.m. to 9:00 p.m. during the outdoor skating season.
- b. Should the Civic Center indoor ice arena be booked, GRAHA shall have priority scheduling in the Miner's Pavilion at no charge.
- c. GRAHA shall not do or permit to be done anything which will invalidate or increase the cost of any fire and extended coverage insurance policy covering the premises and will not allow the premises to be used for any immoral, unlawful or objectionable purpose.
- d. GRAHA coaches will be responsible for opening the facility for early bird practice (6:30 a.m.) throughout the season. Designated coaches will be given keys to open the facility and for turning on lights. Coaches agree to only use assigned keys for their scheduled early bird practices and for no other time to enter the facility. It is understood that there will not be City staff present at this time.

**Responsibilities of City:**

- a. City shall perform all maintenance and make all repairs required to keep the building in good order, condition and repair, unless the need for such maintenance, repair or replacement is caused by the fault or negligence of GRAHA.

8. **Indemnification:** GRAHA agrees to indemnify, defend and hold harmless the City and its officers, agents, officials and employees for any and all third party claims, actions, causes of action, judgments and liens to the extent they arise out of any negligent or wrongful act or omission by GRAHA. Such indemnity shall include attorney's fees and all costs and other expenses arising therefrom or incurred in connection therewith and shall not be limited by reason of the enumeration of any insurance coverage required herein. The City shall not provide such indemnification to GRAHA, provided, however, that GRAHA shall be relieved of its indemnification obligation to the extent any injury, damage, death or loss is attributable to the acts or omission of the City. This section shall survive termination of this Agreement.

9. **Termination:** Either party may terminate this Lease without cause by giving the other party thirty (30) days' written notice.

10. **Designated Representative:** Correspondence and/or other communications regarding this Lease shall be addressed to the following individuals, sent by U.S. Mail, postage prepaid, to:

City: Dale Anderson	GRAHA:
City of Grand Rapids	Attn: David Kuschel
420	No. Pokegama
Ave	
Grand	Rapids, MN
55744	

11. **General Provisions:**

- a. No promises, agreements, representations, or warranties shall be binding upon either party unless the same is evidenced by a signed writing and made part of this Lease agreement.
- b. This agreement shall be interpreted in accordance with the laws of the State of Minnesota.

**CITY OF GRAND RAPIDS:**

**GRAHA:**

By: \_\_\_\_\_

Dale Christy, Mayor



David Kuschel

By: \_\_\_\_\_

Tom Pagel, City Administrator