

LEASE AGREEMENT

THIS AGREEMENT is made and entered into this **1st day of January, 2023** by and between the City of Marshall, Minnesota, (hereinafter referred to as City) and Lutheran Social Services, (hereinafter referred to as LSS).

WHEREAS, the City is the owner of the building located in the City of Marshall and referred to herein as the Adult Community Center;

WHEREAS, LSS is organized and exists for the purpose of providing meals for qualifying individuals;

WHEREAS, LSS agrees to lease and use a portion of the Adult Community Center for the purpose of installing equipment for the provision of meals and for the preparation and consumption of meals.

NOW THEREFORE, in consideration of the mutual obligations and agreements of the parties herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. City hereby leases to, and LSS hereby accepts, space within the Adult Community Center, as set forth in Paragraph 4 of this agreement for the following purposes:
 - a. The location and installation of food preparation and storage equipment for storage and preparation of food in the nutrition program.
 - b. Serving area and consumption area for the patrons of the nutrition program
 - c. Preparation area to provide meals to be delivered off site.
2. This lease shall run from **January 1 of 2023** and terminating on **December 31 of 2023**.
3. LSS will pay to the City as and for rental for said premises for the period from **January 1, 2023**, to **December 31, 2023**, the sum of **21** cents for every meal prepared on site and for any partial meal prepared on site of which sum shall include the cost to the City for utility services (gas, water, sewer, garbage, local phone service and electricity). Said amount shall be payable monthly on or before the first day of the month. The rental amount provided for in this paragraph may be adjusted upwards by the City upon sixty days notice to LSS such adjustments to be based on increases in the use of utility services.
4. LSS shall be allowed the use of the kitchen located at the Adult Community Center from the hours of 8:00 a.m. to 1:00 p.m. and shall be allowed the use of the dining room in the Adult Community Center from the hours of 9:00 a.m. to 12:30 p.m., Monday through Friday. Any other hours of use of the Adult Community Center by LSS shall require prior approval of the Adult Community Center. Adult Community Center maintains their right to utilize the kitchen and dining area or permit use to others during the above-mentioned timeframes with advance communication to both the user and LSS.
5. LSS will provide liability insurance for personal injury and property damage in at least the minimum amount of \$500,000. LSS shall list City as "additional insured" on said Policy and shall provide the City with proof of such coverage. LSS shall hold the City harmless from all liability for injury or damage to any persons or property arising out of LSS use of City's premises. LSS will insure all equipment belonging to them in amounts and under terms sufficient so as to hold the City harmless from any liability loss to said equipment. A complete inventory of equipment provided and used by LSS at the Adult Community Center will be provided to the City at the beginning of the contract period, and any changes thereto will be promptly reported in writing to the City. LSS shall provide any and all worker's compensation insurance required by law for the coverage of its employees, agents and servants. It is specifically understood by and between the parties that all times under this agreement and all employees, agents and servants of LSS who participate in the meals program or in any other way authorized by this agreement shall be deemed to be employees of LSS and not of the City of Marshall, for the purpose of determining worker's compensation liability.
6. LSS shall make its equipment available to the City for use by it or other such persons or organizations as it may designate upon reasonable notice and at such times and under such conditions as the parties may agree to and the circumstances may warrant.
7. LSS shall at all times be responsible for the maintenance, repair and replacement of equipment belonging to LSS or belonging to the City and used by LSS, in a safe and sanitary condition and shall be responsible for custodial activity associated with and resulting from their meals program. The entire used rental area that is used must be cleaned on a daily basis. The City shall be responsible for and provide all other

necessary and reasonable maintenance and custodial services in and around the Adult Community Center. Per agreement made on January 1, 1998 the following equipment is owned by the City of Marshall and is to be maintained and/or replaced as needed. City owned equipment includes the following: Hobart Dishwasher, McCall 2 section freezer 4045F, Convection oven, Stainless steel worktable, Hobart mixer A200, Hot food table E-303-25P6, Refrigerator COR155d, and Vulcan 6 burner oven

8. LSS may not assign any right, privilege or license conferred by this agreement; nor may it sublet or encumber any portion of the lease premises without first obtaining written consent of the City.
9. Notwithstanding any other provision hereof, the parties hereto may by mutual consent and in writing agree to modifications and additions hereto.
10. This agreement may be terminated prior to expiration of the term hereof as follows:
 - a. By Mutual written agreement of the Parties; or
 - b. By either Party (the Aggrieved Party), upon material breach of the agreement by the other party (the Breaching Party), which breach is not cured to the Aggrieved Party's reasonable satisfaction within sixty (60) days after the aggrieved Party provides the Breaching Party with written notice of the breach. In the event either Party gives written notice of breach, the Aggrieved Party alleging the breach may be required by the Breaching Party to specify in writing the exact nature of the alleged breach, specific incidents that support the claim of the alleged breach, and the specific actions that the Aggrieved party alleging the breach deems reasonable and appropriate to cure the alleged breach or:
 - c. By providing a minimum written notice of at least 180 days prior to the effective date of termination.
11. Address for any notifications required by this agreement shall be as follows, unless and until written notice of a new address is given by one party to the other:

For City:
Adult Community Center Coordinator
SCC
107 South 4th Street
Marshall, MN 56258
(507) 537-6120

For LSS
LSS
Attn: Carrie Clemens
3101 South Frontage Road Suite 100
Moorhead, MN 56560
(218) 233-7521

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and date first written above.

CITY OF MARSHALL, MINNESOTA

By _____
Authorized Official City of Marshall

By _____
SCC Chairperson

LSS (Lutheran Social Services)

By: _____
Title: