

**CITY OF ST. FRANCIS AND  
THE RUM RIVER FIRE DISTRICT  
SHARED SPACE USER AGREEMENT**

THIS SHARED SPACE USER AGREEMENT (“Agreement”) is entered into as of December \_\_\_\_\_, 2025, by and between the City of St. Francis (“City”), a Minnesota Municipal Corporation and the Rum River Fire District (“District”), a Joint Powers Entity created pursuant to Minn. Stat. Sec. 471.59.

**RECITALS**

**WHEREAS**, the City of St. Francis and the City of Bethel have formed a consolidated fire department pursuant to a September 15, 2025 Joint Powers Agreement (“JPA”) as authorized by Minnesota Statute, Section 471.59, named the Rum River Fire District; and

**WHEREAS**, Article XIII of the JPA provides the following:

Subdivision 1. St. Francis owns a fire station and land upon which it sits located at 3750 Bridge Street NW, St. Francis (the “St. Francis Fire Station”), which prior to the establishment of the Rum River Fire District was used by the City of St. Francis Fire Department.

Subdivision 3. St. Francis shall donate the use of the St. Francis Fire Station and the real property upon which it is located (the “St. Francis Station”) to the Rum River Fire District, effective as of the Fire Services Commencement Date, for the purpose of supporting the operations and services of the Rum River Fire District. The joint facility will be subject to a lease agreement from the City of St. Francis to the Rum River Fire District. The Rum River Fire District shall be responsible for the financial costs and management of any maintenance, alterations, or improvements.

; and

**WHEREAS**, this Agreement will serve as the lease agreement contemplated by Article XIII, Subdivision 3 of the JPA; and

**WHEREAS**, the real property used for the fire department (“Property”) is legally described in Exhibit A; and

**WHEREAS**, effective January 1, 2026 the property will be used jointly by the City and the District.

## **AGREEMENT**

NOW, THEREFORE, in consideration of the promises and the covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties, intending to be legally bound by the terms and conditions of this Agreement, agree as follows:

### **ARTICLE ONE - PREMISES**

- 1.1. Premises Defined. Exhibit B attached hereto and incorporated herein depicts the building and other improvements on the Property that are used exclusively for District purposes, exclusively for City purposes and jointly. The areas designated as the District may hereinafter be referred to as the District premises.
- 1.2. Common Area. District also has the right to use jointly with the City the areas depicted in Exhibit B for joint use "Common Area" along with sidewalks. Parking on the East side of the building shall be dedicated for the fire department.
- 1.3. As-Is. The City is providing the Premises and Common Area in as-is condition for the Districts' use. The City makes no representation regarding the condition of the Premise and Common area or improvements located on the same.

### **ARTICLE TWO - USE**

- 2.1 Permitted Use. The District shall use the Premises and Common Area for a fire station and administrative purposes (the "Permitted Use") and for no other purpose unrelated to the management and operation of a regional fire authority.
- 2.2 Restrictions on Use. The District shall not cause or permit any damage to the Property or Premises. The District shall not overload, damage or deface the Premises or use plumbing for any purpose other than that for which constructed, or make or permit any noise or odor objectionable to the public or the City, or create or permit a nuisance on the District Premises, or do any act which may make void or voidable any insurance on the District or City Premises or the Facility or which may render an increased or extra premium payable for insurance. The District will not permit the District Premises to be used for temporary or ongoing residential or private commercial or business purposes.
- 2.3 Rules and Regulations. The District shall use the District Premises and the common areas of the Facility in accordance with the terms of this Agreement and such additional rules and regulations as may from time to time be reasonably made by the City for the general safety, comfort and convenience of the City, appointed individuals, employees and the public while in the facility and premises. The District shall use its best efforts to cause District appointed individuals, employees and invitees to abide by such rules and regulations

- 2.4 If the District fails to comply with all or any of the restrictions on the use of the premises set out in this Agreement, the City shall notify the District and provide the District a reasonable time to take all steps necessary to remedy the failure. If the District fails to do so in a timely manner, then the City may take any steps necessary to remedy the failure. Upon demand by the City, the District shall pay all costs of the remedial action.
- 2.5 In the event of activation of the Emergency Operation Center (EOC), facility coordination will be done through the Fire Chief or Chief's designated representative in coordination with the City Administrator and the Police Chief
- During a bona fide emergency event that requires activation of the EOC, the District shall have priority for use of common space areas until the emergency has stabilized. District responsibility includes coordinated repairs or maintenance, ensures equipment and systems are properly secured and not accessed by unauthorized personnel and that facility and systems are returned to normal operating conditions.
- The District shall make every effort to accommodate space for regularly scheduled public business.
- 2.6 Laws. The District agrees and will promptly and strictly observe all federal, state and municipal laws, rules and regulations and ordinances affecting the District premises.

### **ARTICLE THREE - TERM**

The term of this Agreement shall commence on January 1, 2026 and shall continue in effect for a period of 99 years from the date of commencement, unless modified or terminated earlier by mutual agreement of the City and District. Unless earlier modified or terminated, the Termination Date shall be December 31, 2125.

### **ARTICLE FOUR - PAYMENT**

- 4.1 Monthly Fee. The initial consideration for this Agreement will be four thousand dollars (\$4,000) per month. This amount will increase by two percent (2%) over the prior year monthly fee every subsequent year. The amount will be paid by the District to the City for the space hereinabove referred to and other items herein agreed to be furnished by City, shall be paid monthly without notice, setoff or demand on or before the first day of each calendar month during the Term of the Agreement or any extension or renewal thereof. All payments shall be in lawful money of the United States to the City at the office of the City of St. Francis, City Hall, St. Francis, Minnesota, or at such other place or places and to such other party or parties as Landlord may hereafter designate.
- 4.2 The monthly fee noted in Section 4.1 will include the costs for the following:
- 4.2.1 Janitorial services of ten (10) hours per week,
  - 4.2.2 Contribution of property insurance,

- 4.2.3 Garbage services, not including any hazardous materials or items requiring special handling,
- 4.2.4 Camera and Security Systems,
- 4.2.5 Fiber and Internet,
- 4.2.6 Snow Removal,
- 4.2.7 Building Reception staffing.

## **ARTICLE FIVE - UTILITIES AND OTHER EXPENSES**

- 5.1 Electric and Gas. The monthly costs of these Utilities shall be paid 63% by the District and 37% by the City. The City shall invoice the District on a quarterly basis for the prior quarters based on the actual utility expenses in the prior quarter. The parties agree to evaluate the percentages on an annual basis and may agree to modify the percentage to allocate costs based on any significant changes to the property use. The City may at its option and expense install separate meters for the District Premises and in such event, the District shall cause individually metered utilities serving the District Premises to be placed in the name of the District and shall pay the actual costs of the metered utilities used in the District Premises.
- 5.2 Water and Sewer. The annual cost of water will be five hundred dollars (\$500) and sewer utilities shall be zero.
- 5.3 Bulk Water Use. All water used from a location not tracked in regular utility building services, including fire hydrants and fill station, will be tracked and reported to Public Works for Minnesota State required tracking.

## **ARTICLE SIX - MAINTENANCE AND REPAIR**

- 6.1 Routine Maintenance. Routine maintenance includes all regular maintenance that does not meet the threshold of Major Repairs and Maintenance set for the in Section
- 6.2 Maintenance. The District shall, at its sole cost and expense, keep and maintain the Premises and all improvements (regardless of ownership) in good order and in clean, and safe condition.
- 6.3 The City shall, at its sole cost and expense, keep and maintain in good order, and in clean, attractive and safe condition all portions of the Property other than the Premise.
- 6.4 The City and the District shall each pay 50% of the cost and expenses to maintain in good order, and in clean, attractive and safe condition the Common area and all its improvements. This includes:
  - 6.4.1 Building structures including; roof, structural elements, exterior walls, doors and windows, HVAC system, electric power panels and distribution circuits and plumbing not on the Premises (excluding fixtures)
  - 6.4.2 Property parking lot, sidewalks and grounds

- 6.5 The City agrees to inform the District of planned capital improvements and repairs on an annual basis, no later than May 1<sup>st</sup> of each year for the following year, to allow the District to properly budget for such improvements and repairs.
- 6.6 Major Repairs and Maintenance. Major Repairs and Maintenance shall be defined as repairs or maintenance items with a per occurrence costs in excess of \$2,500.00 excluding the District (for example, if a water pipe breaks and damages the flooring, the \$2,500.00 cost limit applies to all repair and maintenance costs associated with repairing the pipe, the floor and any associated damage) The City shall be responsible for all Major Repairs and Maintenance including capital improvements that exceed \$2,500 with the exception that the District shall be responsible for all Major Repairs and Maintenance which are caused by the intentional or negligent acts of the District employees, agenda or licensee's.
- 6.7 Repairs/Replacements to Premises. The District shall at its sole cost and expense make any additional repairs, alternation, maintenance, replacement or changes to the Premises or any improvement on the Premises that may be desired by the District or required by any public authority. All additional, repairs, alternations, replacements or changes to the Premises shall be made in accordance with Section 7.

#### **ARTICLE SEVEN - TENANT IMPROVEMENTS**

- 7.1 Construction. Prior to any construction, alterations, replacement, removal or major repair or any improvement on the Premise, the District shall submit to the City plans and specifications which describe the proposed activity. Construction shall not commence until the City has approved the plans and specifications in writing. The City shall have forty-five (45) days in which to review the proposed plans and specifications.
- 7.2 Unauthorized Improvements. Improvements made on the premise without the City's prior consent pursuant to subsection 7.1 or which are not in conformance with the plans submitted to and approved by the City ("Unauthorized Improvements") shall immediately become the property of the City, unless the City elects otherwise. Regarding the ownership of Unauthorized Improvements, the City may, in its option require the District to sever, remove and dispose of them. If the District fails to remove an Unauthorized Improvement upon request, the City may remove it and charge the District for the cost of removal and disposal.

#### **ARTICLE EIGHT - INDEMNIFICATION**

- 8.1 The District agrees that it will protect, save, defend, hold harmless and indemnify the City, its officials, employees and agents from any and all demands, claims, judgments, or liability for loss or damage arising as a result of accidents, injuries or other occurrences on the Premises or on City's property, occasioned by either the negligent, reckless and/or willful conduct of the District, its agents or any person or entity holding under the District or any person or entity on the Premises or on the City's property as a result of the District's activity, regardless of who the injured party may be. Notwithstanding the foregoing, the City shall, to the extent permitted by law, indemnify and hold the District harmless for any and all demands,

claims, judgements or liability for loss or damage arising from the City's negligent, reckless and/or willful acts (including those of City employees or commissioners).

8.2 The District shall indemnify, defend and the City harmless from any and all claims, demands, judgement, order or damages resulting from hazardous substances on the Premise caused in whole or in part by the activity of the District, its agenda, subtenants or any other person or entity on the Premises during any period of time that the District has occupied all or a portion of the Property during the term of the Lease. The City shall, to the extent permitted by law, indemnify and hold the District harmless from any and all claims, demands, judgments, orders or damages resulting from hazardous substances on the Property by the City.

8.3 Hazardous Substances means any substance which now or in the future becomes regulated or defined as Hazardous Substance or Hazardous Waste under any federal, state or local statute, ordinance, rule, regulation or other law relating to human health, environmental protection, contamination or cleanup, including but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980

8.4 The provisions of Section 8 shall survive the expiration or termination of this Agreement.

#### **ARTICLE NINE - ASSIGNMENT OR SUBLETTING**

The District shall not sell, convey, mortgage, assign, pledge, sublet or otherwise transfer or encumber all or any part of Districts interest in this Agreement or the Premises without the City's prior written consent which may not be unreasonably withheld by the City. In the event of such consent, each permitted transferee shall assume all obligations under this Agreement. No assignment, sublet or transfer shall release, discharge or otherwise affect the liability of the District. A dissolution of the District shall be deemed to be a termination of this Agreement. The City shall gain full control of all areas within the Premise and Common areas. A new District or agency shall reestablish a Agreement with the City.

#### **ARTICLE TEN - INSURANCE**

10.1 Insurance of city-owned buildings used by the fire department will be the responsibility of the City, and the cost of said insurance will be paid by the City as provided in this Article.

10.2 Insurance for property within the District premises will be the responsibility of the District as provided in this Article. Insurance for personal property within the City or common areas will be the responsibility of the City. Insurance for jointly owned equipment and workers compensation will be paid for out of the District fund.

10.3 The District and their personnel shall be covered by a policy or policies of general liability insurance in amounts of coverage not less than the limitations of liability under Minnesota Statute, Section 466.04, as it may be amended from time to time, or a successor statute.

10.4 During the term of the Agreement and any extension thereof, the City shall maintain an insurance policy on the Property in the amount of the replacement cost, for damage from fire, earthquake, and other perils. Said insurance policy shall also insure the replacement value of the equipment owned by the City pursuant to this Agreement.

10.5 In the event of any damage caused by one party or its representatives, that party will be responsible for any deductible associated with the applicable insurance policy. Any proceeds on a claim against said insurance policy for damage shall be used to repair damage to the building so insured and to repair or replace any damaged personal property provided by the City.

10.6 The District shall be responsible for maintaining its own fire and hazard insurance on District owned personal property and Agreement hold improvements placed within the Property by the District.

10.7 The District shall procure and maintain insurance against claims for injuries to persons or damage to property which may arise from or in connection with this Agreement by the District, its agents, representatives, employees or subcontractors at all times during the terms of this Agreement.

## **ARTICLE ELEVEN - DAMAGE OR DESTRUCTION**

11.1 Extraordinary Casualty. The parties recognize that some or all use of the Property or Premises may be interfered with or prevented because of fire, earthquake, flood, storm, landslide, act of war, vandalism, theft or other extraordinary casualty ("Casualty")

11.2 Material Damage. If the Premise or Common areas are damaged or destroyed by fire or any Casualty which cannot, despite diligent, good faith efforts be repaired or restored within one hundred and twenty (120) days following the date on which such damage occurs, the District may elect to terminate the Agreement effective as of the date of such damage or destruction. Within forty-five (45) days after the date of such damage, the parties shall determine whether the damage can be repaired or restored within one hundred twenty (120) days. After that determination has been made, the District shall have a period of thirty days (30) to terminate the Agreement by giving written notice to the City.

11.3 Repair after Damage. If the District does not give notice of the Districts election to terminate as provided is subsection 11.2, then the City shall, subject to the provisions of this Section, immediately commence and diligently pursue the completion of the repair of such damage so that the Premises and Common area is restored to a condition of similar quality, character and utility for the Districts purposes. The District shall have no claim against the City for any direct, incidental or consequential damages arising from the City's failure or inability to complete any repairs to the Premises or Common area. In no event shall the City be obligated to spend more money on the repair than is provided by insurance proceeds in section 10.1

- 11.4 Uninsured Damage. If damage or destruction is caused by a peril not required to be insurance against hereunder and for which insurance proceeds are not available, either the City or District may terminate this Agreement by forty-five (45) days written notice to the other of its election so to do so and the Agreement shall be deemed to have terminated as of such date unless the other party agrees in writing to pay for such repairs or restorations.
- 11.5 Subrogation. Both the City and the District waive all subrogation rights of their respective insurance carriers to demand or collect any loss paid or sustained by such carriers from the other party, and they each shall furnish releases by their respective insurance companies of all rights of subrogation against the other. The foregoing mutual waivers are given in consideration of each other, and the termination of one shall with like effect, terminate the other.

## **ARTICLE TWELVE - DEFAULT AND REMEDIES**

- 12.1 Acts Constituting Default. District shall be in default of this Agreement on the occurrence of any of the following:
- 12.1.1 Failure to pay any and all amounts when due;
  - 12.1.2 Failure to comply with any law, regulation, policy or order of any lawful government authority;
  - 12.1.3 failure to comply with any other provisions of this Agreement;
  - 12.1.4 failure to cure a default pursuant to Section 12.2;
  - 12.1.5 Proceedings are commenced by or against the District under any bankruptcy act or for the appointment of a trustee receiver or the Districts Premise; or
  - 12.1.6 The District vacates or abandons the Premise
- 12.2 Failure to Cure. A default shall become an event of default ("Event of Default") if the District fails to cure, or take positive steps to cure, the default within thirty (30) days after the City provides the District with written notice of default, which specifies the nature of the default.
- 12.3 City Remedies Upon Default. Upon an Event of Default, City may terminate this Agreement and Remove District by summary proceedings or otherwise. City's reentry or repossession of the Property under this subsection shall not be construed as an election to terminate this Agreement or cause a forfeiture of rents or other charges to be paid during the balance of the Term, unless the City gives a written notice of termination to the District or termination is decreed by legal proceedings.
- 12.4 The City shall have all additional remedies as provided by law or equity.

## **ARTICLE THIRTEEN - ENTRY BY THE CITY.**

The City shall have the right to enter the Premises at any reasonable hour to inspect for compliance with terms and conditions of this Agreement upon twenty-four (24) hours' notice.



The City and/or City's agents shall comply with all of the District's work safety rules and restrictions.

#### **ARTICLE FOURTEEN - NOTICE**

Any notices required or permitted under this Agreement may be personally delivered, delivered by email, or mailed by certified mail, return receipt requested, to the address listed on the signature page or to such other places as the parties may direct in writing from time to time. A notice shall be deemed given and delivered upon personal delivery, or three (3) days after being mailed as set forth above, whichever is applicable. A notice may be sent by email shall be deemed to have been received at the time shown in a delivery confirmation report generated by the sender's email system.

To the City of St. Francis:

City of St. Francis  
Attn: City Administrator  
3750 Bridge Street NW  
St. Francis, MN 55070

To the Rum River Fire District

Rum River Fire District  
Attn: Fire Chief  
3750 Bridge Street NW  
St. Francis, MN 55070

#### **ARTICLE FIFTEEN – GENERAL PROVISIONS**

15.1 Authority. The City and District represent that each person signing this Agreement on its behalf is authorized to do so.

15.2 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties, their successors, and assigns.

15.3 Headings. The headings used in this Agreement are for convenience only and in no way define, limit, or extend the scope of this Agreement or the intent of any provision.

15.4 Entire Agreement. This Agreement, including the exhibits and addenda, if any, contains the entire agreement of the parties. All prior and contemporaneous agreements, promises, representations and statements relating to this transaction or to the Premise, if any are merged into this Agreement.

15.5 Waiver. The waiver by the City of any breach or default of any term, covenant, or condition of this Agreement shall not be deemed to be a waiver of such term, covenant, or condition of any subsequent breach or default of the same; or of any other term, covenant, or condition of this Agreement. The City's acceptance of a monthly payment shall not be construed to be a waiver of any proceeding or existing breach other than the failure to pay the particular rental payment that was accepted.

15.6Cumulative Remedies. The rights and remedies of the City under this Agreement are cumulative and in addition to all other rights and remedies afforded to the City by law or equity or otherwise.

15.7Time is of the essence. Time is of the essence as to each and every provision of this Agreement.

15.8Invalidity. If any provision of this Agreement shall prove to be invalid, void, or illegal, it shall in no way affect, impair or invalidate any other provision of this Agreement.

15.9Applicable Law and Venue. This Agreement shall be interpreted and constructed in accordance with the laws of the State of Minnesota. Any reference to a statute shall mean that statute as presently enacted or hereafter amended or suspended. Venue for any action arising out of or in connection with this Agreement shall be in the Anoka County, Minnesota jurisdiction.

15.10 Modifications. Any modification of this Agreement must be in writing and signed by the parties. The City shall not be bound by any oral representations or statements.

15.11 Quite enjoyment. The City covenants and agrees that the District, upon performing the terms and conditions of the Agreement, may peacefully hold and enjoy the Premises during said term without any interruption by the City.

Rum River Fire District

City of St. Francis

\_\_\_\_\_  
Board Chair

\_\_\_\_\_  
Mark Vogel, Mayor

\_\_\_\_\_  
David Schmidt, Fire Chief

\_\_\_\_\_  
Kate Thunstrom, City Administrator

4813700.1


## **Exhibit A**

### Legal Description

Property location of 3750 Bridge Street NW, St. Francis MN

## Exhibit B

### Property Descriptions and Premise Identification

	Space	Sq footage				
						
CH	lobby	634				
CH	CH Service area	365				
CH	ch work room	248				
CH	large meeting	374				
CH	small meeting	239				
CH	sm kitchen	122				
CH	council chambers	1774				
CH	data it	117				
CH	break room	259				
CH	small offices x 10	1500				
CH	offices x3	600				
CH	CH election and record storage	684				
CH	Bathrooms 1st floor	290				
CH	Storage	275				
			7481	24%	11789	37%
Fire	fire scba room	523				
Fire	hose tower	194				
Fire	tools and tornado shelter	315				
Fire	lockers and laundry	352				
Fire	turnout, extractor area	525				
Fire	radio room	215				
Fire	apparatus bay	8310				
Fire	training room & av storage	1611				
Fire	offices x4	900				
Fire	bunk rooms x6	800				
Fire	dayroom	733				
Fire	Bathrooms 2nd floor	520				
Fire	storage	405				
			15403	49%	19711	63%
Shared	fitness room	370				
Shared	mothers room	116				
Shared	stairs, janitor, mech, elevator, vest	4597				
shared	unfinished	3533				
			8616	27%	4308	
	building total	31500				
	total square	31500				

## **Exhibit C**

### **Joint Management Intent and Responsibility in the Operations of the City Hall / Fire Station Facility**

It is the intent of the city and district to operate in partnership. The goals include:

1. Budgeting responsibilities for common areas, responsibilities for coordinating scheduling of jointly used facilities, and records keeping of documentation of the facility
2. The district with financial responsibility is responsible for normal operating budget control (budget preparation and administration), which includes maintenance and repair as well as the preparation and submission of capital budget requests for the premises and grounds for the following year.
3. The following items will be budgeted by the Parties for every budget cycle.
  - a. Personnel
  - b. Office Supplies
  - c. Computer purchases, maintenance for other than joint use equipment
  - d. Unique supplies related to each Party
  - e. Supplies currently identified within a Parties budge
4. Items budgeted through joint facility use;
  - a. Cost of maintenance of building and common equipment
    - i. Fixed or jointly acquired audio/visual equipment
    - ii. Copy and scanning machines
    - iii. Replacement of appliances and furnishings
    - iv. Improvements to fixed equipment
    - v. Exercise equipment
    - vi. Heating, ventilation, air conditioning plumbing systems
    - vii. Remodel or facility improvements
    - viii. Preventative maintenance and janitorial services
    - ix. Painting
    - x. Utilities
    - xi. Toilet paper, paper stock, towels and similar supplies
    - xii. Cleaning, dish, hand soap and similar supplies
5. Scheduling. A single system for scheduling rooms shall be developed and maintained in a common visual and accessible place for all Parties. The Parties will attempt to schedule one month ahead in room reservations and rooms scheduled that far in advance will have priority.