

LEASE AGREEMENT

This Lease Agreement (“Lease”) is made as of _____, 2020, and is by and between HealthEast Care System, a Minnesota non-profit corporation (“Landlord”), a wholly owned subsidiary of Fairview Health Services, and the County of Ramsey, a political subdivision of the State of Minnesota (“Tenant” or “Ramsey County”).

RECITALS

A. Landlord is the fee owner of certain real property located in the City of Saint Paul, Ramsey County, Minnesota, located at 559 North Capitol Boulevard, Saint Paul, Minnesota 55103, commonly known as “Bethesda Hospital” (the “Real Property”);

B. As a result of the state of emergency in Ramsey County and beyond related to the global pandemic associated with the virus commonly known as COVID-19, Ramsey County requires the use of additional space to be used for individuals or families as determined by Ramsey County who are experiencing homelessness and are in need of assistance; and

C. Landlord is willing to allow Ramsey County to use the Premises, as defined below, for this purpose and will transition the hospital and other clinical services provided at the Premises to a different location for purposes of assisting Ramsey County in its support of those individuals and families experiencing homelessness.

NOW THEREFORE, for and in consideration of the rents and covenants hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord hereby leases to Tenant, and Tenant hereby accepts and leases the Premises from Landlord, upon the following terms and conditions:

TERMS

SECTION 1 - PREMISES AND TERM

1.1. Premises. Landlord hereby leases to Tenant and Tenant hereby takes from Landlord, subject to the terms and conditions of this Lease and for the Term set forth herein, the Premises (the “Premises”) located on the Real Property, consisting of approximately 109,969 square feet of space within the hospital building. The Premises is as depicted on the attached **Exhibit A**. Tenant’s employees and agents shall have the non-exclusive use of building corridors, elevators and stairwells for access to the loading docks and delivery areas within the Premises and the surface parking lot, on a first-come, first-served basis. Tenant’s employees and agents shall have the non-exclusive right to park in the parking ramp located on the Real Property, on a first-come, first-served basis, for the same charge as Landlord charges its own employees who work at the Real Property. Tenant’s employees and agents, and the Residents (as defined below) shall have the non-exclusive use of the adjacent grounds. The surface parking lot, parking ramp and adjacent grounds are not included in the Premises.

1.2 Term. The term (the “Term”) of this Lease shall be for a period of eighteen (18) months, commencing on December 1, 2020 (the “Commencement Date”) and expiring on May 31, 2022 (the “Expiration Date”), except if this Lease is sooner terminated as provided in this Lease.

1.3 Termination. Either party may terminate this Lease for any or no reason upon three (3) months’ prior written notice to the other party.

SECTION 2 – POSSESSION

2.1. Acceptance of the Premises. Tenant takes and accepts the Premises in their “AS IS” condition, and Tenant acknowledges that it has inspected the Premises and accepts them in their present condition as suitable for the purposes for which they are leased. Tenant further acknowledges that no representations as to the repair of the Premises, nor promises to alter, remodel or improve the Premises have been made by Landlord. The taking of possession of the Premises by Tenant shall be conclusive evidence that the Premises were at that time in good and satisfactory condition. Landlord may install security barriers and/or gates, as Landlord and Tenant deem necessary, suitable to Tenant’s Use, to prevent access by Tenant and the Residents (as defined below) to indoor areas of the Real Property other than the Premises, at Tenant’s expense. Tenant shall reimburse Landlord for any expenses incurred by Landlord in connection with such installations, within thirty-five (35) days after Landlord provides Tenant with evidence of such expenses.

2.2 Delivery of Possession. Landlord shall deliver possession of the Premises “AS IS” on or before the Commencement Date. Delivery of possession prior to such Commencement Date shall not affect the Expiration Date of this Lease. Failure of Landlord to deliver possession of the Premises by the Commencement Date due to any cause beyond Landlord’s control, or force majeure (as provided in Section 23.7 below of this Lease) shall automatically postpone the date of commencement of the Term and shall extend the Expiration Date by periods equal to those which shall have elapsed between and including the Commencement Date and the date on which possession of the Premises is delivered to Tenant.

2.3 Early Access. Landlord will allow Tenant access to the Premises upon the effective date of this Lease to enable Tenant to install data and telecommunications lines and equipment, provided, however that Tenant shall not interfere with the Landlord’s on-going activities, and shall promptly repair any damages to the Premises by Tenant, or its contractors or agents. Any such early access to the Premises by Tenant will in no event constitute Tenant’s taking possession of the Premises or in any way cause the Commencement Date to occur. Notwithstanding the foregoing, Tenant shall deliver to Landlord the certificates of insurance required by Section 10.3 before entering the Premises.

SECTION 3 – RENT AND SECURITY DEPOSIT

3.1. Rent. In consideration of the leasing of the Premises, Tenant agrees to pay to Landlord without setoff, deduction, or demand, unless specifically provided for herein, at the address set forth herein, or at such other place as Landlord from time to time may designate in writing, base rent in the amount of \$1.00 per square foot of the Premises per year, and estimated

Tenant's share of the Operating Expenses, as defined below, in the amount of \$6.00 per square foot of the Premises per year, in equal monthly installments of \$64,149.00 per month ("Gross Rent"), on December 1, 2020 ("the Rent Commencement Date") and continuing on the first day of each and every month thereafter for the next succeeding months during the balance of the Term. If the Rent Commencement Date is not on the first day of a month, Gross Rent for that month shall be prorated accordingly. For purposes of this Lease, "Operating Expenses" means all expenses incurred by Landlord during the Term (i) to repair and maintain the Real Property, including snow removal and landscaping, (ii) to furnish utilities to the Real Property and (iii) to provide other services to Tenant not separately reimbursed, to the extent provided in this Lease. Landlord estimates the Operating Expenses for the Real Property to be \$6.00 per square foot per year. Landlord shall, approximately every six months during the Term, calculate the actual Operating Expenses for the previous six-month period. If Tenant's share of the actual Operating Expenses incurred by Landlord during such six-month period are less than the amount paid by Tenant for such six-month period, Landlord will either provide Tenant with a credit against the Gross Rent in an amount equal to such overcharge, or if this Lease has ended, Landlord shall promptly reimburse such overcharge to Tenant. If Tenant's share of the actual Operating Expenses incurred by Landlord during such six-month period are greater than the amount paid by Tenant for such six-month period, Tenant shall promptly pay to Landlord the amount of the undercharge. Landlord shall provide Tenant with a semi-annual statement of the actual Operating Expenses for the Real Property, which statement shall include a calculation of Tenant's share thereof, and a calculation of the amount of any undercharge or overcharge by Landlord. For purposes of this Lease, Tenant's share shall be a fraction, the numerator of which is the square footage of the heated and cooled portions of the Premises, and the denominator of which is the total square footage of the heated and cooled portions of all of the buildings located on the Real Property (after excluding the square footage of the heated and cooled portions shared by Landlord and Tenant).

3.2 Security Deposit. Concurrent with Tenant's execution of this Lease, Tenant shall deposit with Landlord a security deposit (the "Security Deposit") in the amount equal to three months' Rent. The Security Deposit shall be held by Landlord as security for the faithful performance by Tenant of all the terms, covenants, and conditions of this Lease to be kept and performed by Tenant during the Lease Term. If Tenant defaults with respect to any provisions of this Lease, including, but not limited to, the provisions relating to the payment of Rent, Landlord may, but shall not be required to, use, apply or retain all or any part of the Security Deposit for the payment of any Rent or any other sum in default, or for the payment of any amount that Landlord may spend or become obligated to spend by reason of Tenant's default, or to compensate Landlord for any other loss or damage that Landlord may suffer by reason of Tenant's default. If any portion of the Security Deposit is so used or applied, Tenant shall, within ten (10) business days after written demand therefor, deposit cash with Landlord in an amount sufficient to restore the Security Deposit to its original amount, and Tenant's failure to do so shall be a default under this Lease. If Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, the Security Deposit, or any balance thereof, shall be returned to Tenant, within thirty (30) days following the expiration of the Lease Term or any Extended Term. Tenant shall not be entitled to any interest on the Security Deposit.

3.3 Late Payments. Tenant recognizes that late payment of the Rent when due or of any other sum due under this Lease will result in administrative expense to Landlord which will

be extremely difficult and impractical to ascertain and agrees that if any such amount is not paid within five (5) days when due and payable pursuant to this Lease, a late charge shall be imposed in the amount of \$150.00 and shall be reassessed with respect to each such amount due that is not paid within five (5) days of the due date. The provisions of this Section 3.2 shall not relieve Tenant of the obligation to timely pay Rent or any amount due on or before the date due, nor any of Landlord's remedies under this Lease, including but not limited to, as provided in Section 15 below.

SECTION 4 - TAXES

4.1 Property Taxes. It is understood that the Premises is currently exempt from Property Taxes as a Minnesota nonprofit corporation and hospital, and that Tenant as a political subdivision of the State of Minnesota is exempt from property taxes. In the event any real property taxes are levied against the Real Property during the Term of this Lease, Tenant shall pay all real property taxes on any of the Real Property, including the Premises and Tenant's improvements, to the extent such real property taxes are due to Tenant's status, use, acts or omissions. With respect to special assessments, Tenant shall pay Tenant's share of any special assessments levied against the Real Property.

SECTION 5 - USE

5.1 Use. The Premises may be used as a residence for individuals and/or families as determined by Ramsey County who are experiencing homelessness ("Residents"), and for related programs serving the needs of Residents or other individuals and/or families who are experiencing homelessness ("Tenant's Use"). No other use for any other purpose is allowed. Tenant agrees to occupy the Premises upon the Commencement Date of the Term and thereafter to continuously operate the entire Premises for Tenant's Use during the Term of this Lease unless prevented from doing so by damage to the Premises, or other similar cause beyond Tenant's control, and to conduct its business at all times in good faith, in a reputable manner consistent with similar businesses in the Minneapolis-Saint Paul Metropolitan Area. Tenant: (i) shall promptly comply with all laws, ordinances, and regulations affecting the Premises or Tenant's Use therein, plus insurance company requirements affecting the cleanliness, safety, use, and occupation of the Premises, and including compliance with the ADA as set forth in Section 8.3 below; and (ii) shall promptly comply with all laws, ordinances, and regulations pertaining to the generation, use, storage, removal, and disposal of hazardous substances.

5.2 Prohibited Uses. Except ordinary operations of Tenant's use, which shall be subject to the reasonable rules and regulation of Landlord, Tenant shall not abuse the Premises or any of the fixtures or personal property of the Premises. Tenant recognizes that the buildings located on the Real Property were financed, in part, with qualified 501(c)(3) tax-exempt bonds. Tenant covenants not to use the Premises in a manner that would constitute a private business use under Section 141 of the Internal Revenue Code of 1986, as amended (the "Code"), including by subleasing or licensing space in the Premises to a private business user or by entering into a management or service contract with a private business user with respect to the Premises that does not meet the private business use safe harbor under Revenue Procedure 2017-13. For these purposes, a private business user is any person using the Premises in a trade or business, other than

a state or local governmental unit or an organization described in Section 501(c)(3) of the Code using the Premises in a manner that does not constitute an unrelated trade or business under Section 513(a) of the Code.

5.3 Exclusive Use. Tenant shall have exclusive use of the Premises 24 hours per day, seven days per week. Landlord may have access to the Premises as set forth in Section 14.

SECTION 6 – UTILITIES AND SERVICES

6.1 Tenant's Obligations. Landlord represents and warrants that sanitary sewer, water, gas, and electricity services are or will be available to Tenant. Tenant shall not install any additional utility services in the Premises and may only connect to electrical or other services provided in the Premises upon the approval of Landlord at Landlord's sole discretion. Tenant will provide for pick-up from the outdoor waste collection site for the Premises by Tenant's service provider, at Tenant's sole expense.

6.2 Landlord's Services. Landlord will provide sanitary sewer, water and electric services, including emergency generator power as currently provided without any modification, to the Premises for Tenant's Use commencing upon the Commencement Date and continuing thereafter until the expiration of the Term of this Lease. Landlord will maintain all systems serving the Premises including mechanical, electrical, and vertical circulation. Landlord also agrees to furnish, at Landlord's expense, heat during the usual heating season (**68 to 72 degrees**) and air conditioning (**72 to 76 degrees**) during the usual air conditioning season. Landlord will provide all landscaping and snow removal for the Real Property, including sidewalks, driveways, and parking, in a manner generally consistent with past practices of Landlord. Landlord will provide pest control service for the foundation and structure the Premises. Any additional required pest control would be at Tenant's expense. Landlord's Services provided to the Real Property under this Section 6.2 shall be initially at Landlord's expense, but shall be included in the determination of Tenant's share of the Operating Expenses. Landlord reserves the right to charge Tenant for special work order requests and replacement of security access cards and keys.

6.3 No Liability of Landlord. Landlord shall not be liable in damages or otherwise if the furnishing by Landlord or by any other supplier of any utility or other service to the Premises shall be interrupted or impaired by fire, repairs, accident, or by any causes beyond Landlord's reasonable control, including force majeure (as provided in Section 23.7 below of this Lease).

6.4 Security Services Agreement. Landlord and Tenant shall enter into a separate Security Services Agreement in substantially the form set forth in **Exhibit C**.

SECTION 7 – REPAIRS

7.1 Landlord Repairs. Landlord, at its expense, shall keep the foundations and structure of the Premises in good repair, and if necessary or required by proper governmental authority, make modifications or replacements thereof, except that Landlord shall not be required to make any such repairs, modifications or replacements which become necessary or desirable by reason of the negligence, gross negligence, or willful misconduct of Tenant, its officials, agents, or

employees or the misuse or abuse of the Premises by Tenant, its officials, agents, or employees, or by Residents, all of which such repairs, modifications or replacements shall be made by Tenant, at Tenant's sole expense. To the extent Landlord is required to make any modifications to the existing buildings located on the Real Property, including, without limitation, the Premises, in order to comply with laws, codes, or governmental regulations or orders, as a result of Tenant's use or occupancy of the Premises, Tenant shall reimburse Landlord within 35 days after receipt of Landlord's invoice to Tenant, for the actual costs incurred by Landlord in connection therewith.

7.2. Facilities Serving the Premises. Landlord shall keep and maintain in good repair the heating, ventilating and air conditioning system (HVAC), plumbing, and electrical system serving the Premises at Landlord's expense, but such expense shall be included in the determination of Tenant's share of the Operating Expenses. Tenant shall pay the costs and expenses necessary to maintain, repair and replace all data and telecommunication lines exclusively serving the Premises, including all data and telecommunications lines serving and within the Premises. Tenant shall not alter any of the HVAC, plumbing or electrical system within the Premises without Landlord's prior written consent.

7.3 Tenant's Duty of Repair. Tenant shall, during the Term of this Lease, at Tenant's expense, keep the Premises in as good order, condition and repair as they were at the time Tenant took possession of the same, reasonable wear and tear and damage from fire and other casualties excepted, and except for Landlord's obligations as provided in Section 7.1 above. Tenant shall keep the Premises in a neat and sanitary condition and shall not commit any nuisance or waste on the Premises, throw foreign substances in the plumbing facilities, or waste any of the utilities furnished by the Landlord. Subject to Section 11, all damage or injury to the Premises caused by Tenant moving furniture, fixtures, equipment, or other devices in or out of the Premises, or by installation or removal of furniture, fixtures, equipment, devices or other property of Tenant, its agents, contractors, or employees, or by Tenant's use or occupancy of the Premises, in any case due to carelessness, omission, neglect, improper conduct, or other cause of Tenant, its employees, agents, visitors, or licensees, shall be repaired, restored and replaced promptly by Tenant at its sole cost and expense to the satisfaction of Landlord. All repairs, restorations and replacements shall be in quality and class equal to the original work. Except as provided in Sections 7.1 and 7.2 of this Lease, Landlord shall have the right at Tenant's cost and expense, but shall not be obligated, to make repairs to the Premises, or any equipment, facilities or fixtures therein contained, or other equipment serving only the Premises even if located outside the Premises. If Landlord exercises its rights pursuant to this Section 7.3, Tenant shall reimburse Landlord for costs and expenses incurred hereunder within 35 days after Tenant's receipt of an invoice from Landlord evidencing such costs and expenses. Tenant shall permit no waste, damage, or injury to the Premises.

7.4 Exterior of the Premises. Tenant shall not alter the exterior of the Premises in any manner.

SECTION 8 – FURNITURE, FIXTURES, AND EQUIPMENT; ALTERATIONS; SIGNS; NAME

8.1. Furniture, Fixtures, and Equipment. Tenant, at its own expense shall purchase, install and maintain in good condition its office fixtures and shall, except as initially provided by Landlord upon delivery of the Premises to Tenant, be solely responsible for interior painting and

decorating. Landlord shall make available for Tenant's use during the Term, for no additional rent, certain furniture, fixtures, and equipment currently existing on the Premises, including but not limited to the listed on the attached **Exhibit B** (the "FF&E"). Tenant shall maintain, repair and replace (with equal or better quality items) and keep in good and serviceable condition all of the FF&E, ordinary wear and tear and damage by casualty excepted, and leave all such items in the Premises upon Tenant's vacation of the Premises. Landlord and Tenant anticipate that Tenant will use the kitchen located within the Real Property during the Term. Landlord and Tenant will work together to establish an inventory of the FF&E as soon as reasonably possible after the date hereof, and will document such inventory and terms of use of the kitchen in an addendum or amendment to this Lease.

8.2. Alterations. Tenant may make any improvements, alterations, or installations in or to the Premises necessary to the Tenant's Use with Landlord's prior written consent, which consent shall not be unreasonably withheld. Before the commencement of any such work (the "Work") and before the commencement of or delivery to the Premises of any materials to be used in the Work, Tenant shall furnish Landlord with plans and specifications, names and addresses of contractors, copies of contracts, and necessary permits and licenses, and an indemnification in such form and amount as may be reasonably satisfactory to Landlord. Landlord shall consent to or reject such items furnished by Tenant within fifteen (15) days' after receipt by Landlord. Tenant agrees to defend and hold Landlord harmless from any and all claims and liabilities of any kind and description that may arise out of or be connected in any way with any such Work to the Premises by Tenant. All Work done by Tenant, its agents, employees, or contractors shall be done in such a manner as to avoid labor disputes. Tenant shall pay the cost of all such Work, and also the cost of painting, restoring, or repairing the Premises occasioned by such Work. Upon completion of the Work, Tenant shall furnish Landlord with contractor's sworn affidavits and full and final waivers of liens, or receipted bills covering all labor and materials expended and used. The Work shall comply with all insurance requirements and all laws, ordinances, rules and regulations of all governmental authorities and shall be constructed in a good and workmanlike manner. Tenant shall permit Landlord to inspect construction operations in connection with the Work. Tenant shall promptly pay all contractors and materialmen so as to avoid the possibility of a lien attaching to the Premises. In the event any such lien is filed or notice thereof given to Tenant, Tenant shall, within twenty-four (24) hours of filing of notice, receipt of the lien or notice thereof, give Landlord notice of such lien and Tenant shall, within ten (10) days after the earlier of receiving notice of the lien or the filing of the lien, discharge such lien by payment of the amount due or by providing security guarantying payment of the amount due the claimant and in such form and amount as Landlord determines is sufficient in Landlord's sole discretion. Landlord may, at its option, require Tenant to demonstrate its ability to pay for the Work, or require Tenant to furnish such bonds or other security satisfaction of such Work free and clear of all mechanic's and materialmen's liens. Nothing in this Lease shall be construed as consent on the part of the Landlord so as to subject the Landlord's estate in the Premises to any lien or liability under the lien laws of the State of Minnesota.

8.3 ADA. Tenant hereby acknowledges and agrees that it is aware of the requirements set forth in the Americans with Disabilities Act, 42 U.S.C. Secs. 12101-12213 (the "ADA") and warrants that all construction done by Tenant in connection with the terms and conditions of this Lease, both in the first instance and subsequently throughout the Term of this Lease, shall be in

compliance with the requirements of the ADA as may be amended from time to time. If the Landlord grants its consent to proposed changes to be made by the Tenant in the Premises, the granting of such consent by the Landlord will not mean that Tenant's proposed changes necessarily comply with the ADA; the question of compliance is Tenant's responsibility. Tenant shall hold Landlord harmless and shall protect and defend Landlord in any cause of action brought against Landlord or to which Landlord is a defendant, arising out of alleged violations of the ADA, wherein, by the provisions of this Lease, Tenant was obligated to and failed to comply with any provision of the ADA. Landlord hereby acknowledges and agrees that it is aware of the requirements set forth in the ADA and warrants that all construction done by Landlord in connection with the terms and conditions of this Lease, both in the first instance and subsequently throughout the Term of this Lease, shall be in compliance with the requirements of the ADA as may be amended from time to time, and that if the Premises otherwise requires modification or alteration in order to be in compliance with ADA or similar laws, the cost and expense shall be the responsibility of Tenant and not Landlord, if such modification or alteration is required due to Tenant's use or occupancy of the Real Property. Landlord shall hold Tenant harmless and shall protect and defend Tenant in any cause of action brought against Tenant or to which Tenant is a defendant, arising out of alleged violations of the ADA, wherein, by the provisions of this Lease, Landlord was obligated to and failed to comply with any provision of the ADA, except as provided in the preceding sentence.

8.4 Signs. Landlord and Tenant shall work together to coordinate Tenant's signage that is necessary or desirable to accommodate Tenant's Use. In furtherance of the preceding sentence, Tenant shall have the right to install public-facing signage on exterior and interior doors, walls, and other customary locations for the purpose of communicating (a) building identification; (b) services provided; (c) security information; (d) building rules; (e) way finding; and (f) any other information reasonable or necessary to the efficient, safe and welcoming operation of the Tenant's Use and the delivery of the services therein, subject to approval by Landlord of all public-facing signage visible from outside the Premises, which approval shall not be unreasonably withheld. For the avoidance of doubt, Landlord may retain its existing signage at the Real Property, and add to or replace any such signage, as determined by Landlord, in connection with Landlord's ownership of and continuing operations at the Real Property.

SECTION 9 - INDEMNIFICATION

9.1 Mutual Indemnification. Each of Landlord and Tenant agrees to indemnify, defend, and hold the other party harmless from any and all claims, demands, liabilities, losses, expenses, and damages (including reasonable attorneys' fees, costs, and expert witnesses' fees) arising out of or in connection with any negligence or willful misconduct of Landlord or Tenant, as applicable.

SECTION 10 – INSURANCE

10.1 Landlord's Casualty Insurance. Landlord shall keep the Premises insured for the benefit of Landlord in an amount equivalent to the full insurable value thereof (excluding foundation, grading and excavation costs) against (a) loss or damage by fire; and (b) such other risk or risks of a similar or dissimilar nature as are now, or may in the future be, customarily covered with respect to buildings and improvements similar in construction, general location, use,

occupancy and design to the Premises including, but without limiting, the generality of the foregoing, windstorms, hail, explosions, vandalism, theft, malicious mischief, civil commotion, law and ordinance, and such other coverage as may be deemed necessary by Landlord, provided such additional coverage is obtainable and provided such additional coverage is such as is customarily carried with respect to buildings and improvements similar in construction, general location, use, occupancy and design to the Premises.

10.2 Landlord's Liability Insurance. Landlord shall maintain for its benefit and the benefit of its agent and lender, if any, general liability insurance against claims for personal injury, death or property damage occurring upon, in or about the Premises.

10.3 Tenant's Insurance. Tenant shall purchase and maintain such insurance as will protect Tenant from claims which may arise out of, or result from, Tenant's operations under this Lease, whether such operations are by Tenant or by any subcontractor, or by anyone directly employed by them, or by anyone for whose acts or omissions any one of them may be liable. Tenant shall secure the following coverages and comply with all provisions noted below. Certificates of insurance shall be issued evidencing such coverage to Landlord throughout the Term of this Lease, before Tenant enters the Premises:

- a. Broad Form Property Insurance.
 - i. Coverage shall be written on a replacement cost basis for any personal property and/or improvements or betterments of Tenant at the Premises.
 - ii. Tenant hereby waives and releases Landlord, its employees, agents, officials, and officers from all claims, liability and causes of action for loss, damage to or destruction of Tenant's property resulting from fire or other perils covered in the standard property insurance coverage. Tenant agrees that it will look to its own property insurance for reimbursement for any loss and shall have no rights of subrogation against Landlord.
- b. Tenant is self-funded for tort liability under the provisions of Minnesota Statutes Chapter 466. The coverage afforded under this self-funded program extends to County employees for activities arising out of the course and scope of their employment as defined under Section 466.07. Coverage is subject to the statutory limits of \$500,000 per claimant / \$1,500,000 for any number of claims arising out of a single occurrence for the liability of Tenant for any claim within the scope of sections 466.01 to 466.15.
- c. In the event Tenant has in effect at any time during the Term of this Lease any general liability or auto liability coverage or insurance to complement or augment its self-funded tort liability program, such as for claims adjudicated within the federal court system that may not be subject to the tort liability limits or immunities prescribed by Minnesota Statutes Chapter 466, Tenant shall have

Landlord named as an additional insured on such general liability or auto liability coverage or insurance.

- d. Tenant is self-funded for Workers' Compensation and Employer's Liability under the provisions of Minnesota Statutes Chapter 466.
- e. All certificates of insurance shall provide that the insurance company gives Landlord thirty (30) days prior written notice of cancellation, non-renewal or any material changes in the policy.
- f. Certificates of insurance must indicate if the policies are issued pursuant to these requirements. Tenant shall not occupy the Premises or enter the Premises to perform any work until Tenant has obtained the required insurance and filed (an) acceptable Certificates of insurance with Landlord. Tenant will provide evidence of its self-insurance program on Tenant's letterhead.
- g. Nothing in this Lease shall constitute a waiver by Tenant of any statutory or common law immunities, limits, or exceptions on liability.
- h. Certificates shall specifically indicate if policy is written with an admitted or non-admitted carrier. Bests' Rating for the insurer shall be noted on the Certificate, and shall not be less than an A.

SECTION 11 – FIRE OR OTHER CASUALTY

11.1 Total Destruction. If the Premises is totally destroyed by any fire or other casualty and Landlord elects not to repair or restore the Premises, or if Landlord elects not to repair or restore the Premises in such manner as to be suitable for use as the Tenant's Use, this Lease shall terminate and Landlord and Tenant shall have no obligations to each other effective as of the date of the damage or destruction. Landlord shall provide Tenant with notice of its election hereunder within 180 days of the date of the damage or destruction. In the event that Landlord elects to repair or restore the Premises in such manner as to be suitable for use as the Tenant's Use, the repair or restoration shall include the Premises, or such space as is reasonably equivalent in all material respects for Tenant's Use, at the expense of Landlord, and the Rent shall abate until the Premises or equivalent space is delivered to Tenant in such condition that Tenant may resume its business at the Premises, except that if the damage or destruction occurs when the remaining length of the Term is six (6) months or less, this Lease shall automatically terminate.

11.2 Partial Damage to the Premises. If the Premises are substantially destroyed or rendered wholly untenable for Tenant's Use, Landlord is not required to restore the Premises and may terminate this Lease. If the Premises are partially damaged or destroyed and the remainder is tenantable for the Tenant's Use, unless Landlord terminates this Lease pursuant to Section 1.4 above, Landlord shall promptly repair the damage and restore the Premises to the condition existing immediately before the damage or destruction and Rent shall abate proportionately with the area of the Premises that is rendered untenable. In no event in the case of any such damage or destruction under Section 11 shall Landlord be required to repair or replace

leasehold improvements installed by Tenant, or fixtures, furniture, furnishings, or floor coverings and equipment of Tenant or installed by Tenant. In the event the Premises are repaired or restored as provided in this Section 11, Tenant covenants to make such repairs and replacements of all such items which are not the responsibility of Landlord as provided in this Section 11.2 and to furnish Landlord, on demand, evidence of insurance assuring its ability to do so.

SECTION 12 - EMINENT DOMAIN

Landlord represents and warrants that it has no knowledge of any plans by any agency with eminent domain authority to acquire the Premises by use of eminent domain.

12.1 Total Taking. If the whole of the Premises shall be taken under the power of eminent domain or purchased in lieu of condemnation thereof, then the Term of this Lease shall terminate as of the day possession shall be taken and the Rent shall be paid up to that date.

12.2 Partial Taking. If any of the Premises shall be taken under the power of eminent domain, then Landlord or Tenant shall have the right either to terminate this Lease, or, subject, in the case of Tenant, to Landlord's rights of termination as set forth in this Section 12.2, to continue in possession of the remainder of the Premises upon notice in writing to the other party hereto within thirty (30) days after such taking of possession. In the event this Lease is not terminated pursuant to Section 11.2 of this Lease, all of the terms herein provided shall continue in effect except that the Rent shall be equitably abated as to any portion of the Premises so taken and Landlord shall make all necessary repairs or alterations to the extent provided in this Section 12.2.

12.3 Award. The entire award for the taking of the fee and leasehold shall belong to Landlord, but Landlord shall not be entitled to any award made to Tenant for Tenant's trade fixtures or for relocation and moving expenses.

SECTION 13 - ASSIGNMENT AND SUBLETTING

13.1 Limitation on Assignment/Subletting. Tenant shall not assign, sublease, mortgage, pledge or in any manner transfer this Lease or any interest therein, or the Premises or any part or parts thereof, nor permit occupancy by anyone for any reason.

SECTION 14 - ACCESS TO PREMISES

14.1 Landlord Access. Landlord shall have the right to enter onto the Premises for the purpose of inspecting and maintaining the same in accordance with Section 6.2 or for making repairs, additions, or alterations thereto. Due to the nature of the Tenant's Use, Landlord shall notify Tenant of its need to access the property as soon as practicable, preferably not less than 24 hours prior to the needed access to individual rooms occupied by Residents and to any data rooms or data closets serving Tenant's Use. Tenant shall take all reasonable measures to provide safe access for Landlord. Tenant acknowledges and agrees that Landlord has on-site maintenance workers who need full access to the buildings located on the Real Property, including the Premises, in order to maintain the physical plant in a manner deemed appropriate by Landlord.

14.2 Landlord Emergency Access. Landlord shall have the right to enter upon the Premises immediately in the event of emergency and during all operating hours for the purpose of inspecting the same or of making repairs, additions or alterations thereto. At any time 6 months or less before the expiration of the Term, Landlord may install and maintain a sign in the Premises that advertises the Premises as being available for lease. Landlord shall not be liable to Tenant in any manner for any expense, loss, or damage by reason thereof, nor shall exercise of such rights be deemed an eviction or disturbance of Tenant's use or possession of the Premises. Landlord shall have the right to install, maintain, use, repair and replace pipes, ducts, conduits, and wires leading through the Premises and serving other parts of the Premises in locations which will not materially interfere with Tenant's use of the Premises. Landlord or its employees or agents shall have the right to enter the Premises at any reasonable time or times for the purpose of inspection, cleaning, repairs, altering, or improving the same but nothing contained herein shall be construed as imposing any obligation on Landlord to make any repairs, alterations, or improvements that are the obligation of Tenant. Landlord shall use commercially reasonable efforts not to interrupt Tenant's business operations in the Premises during such periods of entry permitted pursuant to this Section 14.

SECTION 15 – DEFAULT OF TENANT AND REMEDIES

15.1 Events of Default. Any one of the following events shall constitute an "Event of Default":

- a. Tenant shall fail to pay any monthly installment of Rent, or timely pay any Rent or any monies due from Tenant to Landlord, and such default shall continue for a period of ten (10) days after the due date;
- b. Tenant shall violate or fail to perform any of the other conditions, covenants, or agreements herein made by Tenant, and such default shall continue for thirty (30) days after Tenant receives written notice from Landlord, except that if such default cannot with due diligence be cured within a period of thirty (30) days, if Tenant fails to proceed promptly after said notice and with all due diligence to commence to cure the same and thereafter to prosecute the curing of such default with all due diligence, it being intended that in connection with a default not susceptible of being cured with diligence within thirty (30) days, the time within which Tenant is to cure the same shall be extended for such period as may be reasonably necessary to complete the same with all due diligence but not to exceed ninety (90) days.
- c. Tenant shall have vacated the Premises for 60 consecutive days.

15.2 Right of Landlord to Terminate the Lease. If an Event of Default shall have occurred and be continuing, Landlord may, at its sole option, by written notice to Tenant, terminate this Lease. Neither the passage of time after the occurrence of the Event of Default nor exercise by Landlord of any other remedy with regard to such Event of Default shall limit Landlord's rights under this Section 15.2.

15.3 Repossession. If an Event of Default shall have occurred and be continuing, whether or not Landlord elects to terminate this Lease, Landlord may enter upon and repossess the Premises (said repossession being hereinafter referred to as "Repossession"), by summary proceedings, ejectment, or otherwise, and may remove Tenant and all other persons and property from the Premises at Tenant's sole cost and expense.

15.4 Obligations of Tenant. No termination of this Lease pursuant to Section 11 and no Repossession of the Premises pursuant to Section 15.3 or otherwise shall relieve Tenant of its liabilities and obligations under this Lease, all of which shall survive any such termination or Repossession. In the event of any such termination or Repossession, whether or not the Premises shall have been re-let, Tenant shall pay to Landlord the Rent, and other sums and charges to be paid by Tenant up to the time of such termination or Repossession, including interest, late fees, and thereafter, until the end of what would have been the Lease Term in the absence of such termination or Repossession, Tenant shall pay to Landlord, as and for liquidated and agreed current damages for Tenant's default, the equivalent of the amount of the Rent and such other sums and charges which would be payable under this Lease by Tenant if this Lease were still in effect, less the net proceeds, if any, of any reletting effected pursuant to the provisions of Section 15.4 after deducting all of Landlord's expenses in connection with such reletting, including, without limitation, all repossession costs, brokerage and management commissions, operating expenses, legal expenses, attorneys' fees, alteration costs, and expenses of preparation for such reletting. Tenant shall pay such current damages to Landlord monthly on the days on which the Rent would have been payable under this Lease if this Lease were still in effect, and Landlord shall be entitled to recover the same from Tenant on each such day.

15.6 Legal and Other Expenses. In addition to all other remedies of Landlord, Landlord shall be entitled to reimbursement upon demand of all reasonable attorneys' fees incurred by Landlord in connection with any Event of Default.

15.7 Right of Landlord to Cure Default by Tenant. In the event of any breach hereunder by Tenant, Landlord may immediately or at any time thereafter, without notice, cure such breach for the account and at the expense of Tenant. If Landlord at any time by reason of such breach, is compelled to pay, or elects to pay, any sum of money or do any act which will require the payment of any sum of money, or is compelled to incur any expense, including reasonable attorneys' fees, the sum or sums so paid by Landlord, with interest thereon at the rate of eighteen percent (18%) per annum or the highest rate permitted by law, whichever is less, from the date of payment thereof, shall be deemed to be due from Tenant to Landlord on the first day of the month following the payment of such respective sums or expenses.

15.8 Setoff. Notwithstanding any provision of this Lease to the contrary, Tenant shall not be relieved of liability to Landlord for damages sustained by the Landlord by virtue of any breach of this Lease by Tenant. Landlord may withhold any payment to Tenant for the purpose of setoff until such time as the exact amount of damages due the Landlord from Tenant is determined.

15.9 Landlord's Default. The failure of Landlord to observe, perform, or comply with any term or condition of this Lease within thirty (30) days after written notice from Tenant to

Landlord shall constitute a default and breach of the Lease by Landlord (“Landlord’s Default”); provided that in the event the cure of such failure reasonably requires more than thirty (30) days to complete, then there is no Landlord’s Default if Landlord promptly commences the cure of such failure within the thirty (30) day period and, thereafter, diligently pursues the cure to completion. In the event Landlord discontinues Landlord’s pursuit of a cure of the default, and thereafter fails to cure the default within sixty (60) days after written notice from Tenant to Landlord notifying Landlord that Landlord has discontinued Landlord’s pursuit of a cure, then such failure shall constitute a Landlord’s Default. In the event of a Landlord’s Default, Tenant shall be entitled to any remedies available at law or in equity.

SECTION 16 - SURRENDER OF POSSESSION

16.1 Surrender. At the expiration of the Term, whether by lapse of time or otherwise, Tenant shall surrender the Premises in good condition and repair, reasonable wear and tear and loss by fire or unavoidable insured casualty excepted. If the Premises are not surrendered at the end of the Term or the sooner termination thereof, Tenant shall indemnify Landlord against loss or liability resulting from delay by Tenant in so surrendering the Premises, and shall pay to Landlord holdover Gross Rent at a rate equal to 125% of the Gross Rent specified in this Lease, for any period of holdover. Tenant shall promptly surrender all keys for the Premises to Landlord at the place then fixed for payment of Rent.

16.2 Removal of Alterations. Upon the expiration of the Lease Term, whether by lapse of time or otherwise, if Landlord so requires in writing, Tenant shall promptly remove any alterations, additions, improvements and fixtures, including, without limitation, the Work, including trade fixtures placed in the Premises by Tenant, designated in said request, and repair any damage occasioned by such removals at Tenant’s expense, and in default thereof, Landlord may effect such removals and repairs, and Tenant shall pay Landlord the cost thereof, with interest at the rate of twelve percent (12%) per annum, or the highest rate permitted by law, whichever is less, from the date of payment by Landlord.

SECTION 17 – SUBORDINATION

17.1 Subordination. Tenant agrees that this Lease shall be subordinate to any mortgages that may are now or hereafter be placed upon the Premises, and to any and all advances to be made thereunder, and to the interest thereon, and all renewals, replacements, and extensions thereof if the mortgagee thereunder shall agree to recognize Tenant’s rights hereunder as long as Tenant is not in default beyond the period allowed for cure hereunder. Tenant further agrees that upon notification by Landlord to Tenant, this Lease shall be or become prior to any mortgages that may heretofore or hereafter be placed on the Premises. Tenant shall execute and deliver whatever instruments and financial statements as requested by the mortgagee as may be required for the above purposes, and failing to do so within ten (10) days after demand in writing, does hereby make, constitute, and irrevocably appoint Landlord as its attorney-in-fact and in its name, place, and stead so to do.

17.2 Attornment. Tenant shall, upon demand, in the event any proceedings are brought for the foreclosure of, or in the event of an exercise of a power of sale under any mortgage, or

other financing instrument made by Landlord covering the Premises, in writing to the purchaser upon any such foreclosure or sale and recognize such purchaser as the Landlord under this Lease provided that such purchaser shall agree to recognize Tenant's rights hereunder as long as Tenant is not in default beyond the period allowed for cure hereunder.

SECTION 18 - NOTICES

Whenever under this Lease, provision is made for notice of any kind, such notice shall be in writing and shall be deemed sufficient to Tenant if actually delivered to Tenant or sent by registered or certified mail, return receipt requested, postage prepaid, to the last Post Office address of Tenant furnished to Landlord for such purpose, and to Landlord if actually delivered to Landlord or if sent by registered or certified mail, return receipt requested, postage prepaid, to the Landlord at the address furnished for such purpose or to the place then fixed for the payment of Rent. Notice shall be deemed effective upon receipt by either party when actually delivered to the party and if delivered by registered or certified mail upon deposit in the U.S. mail (and if more than one method is used, the earlier of the two).

SECTION 19 - ESTOPPEL STATEMENTS

Within ten (10) days after request therefore by Landlord, Tenant shall provide an estoppel statement in recordable form to any proposed mortgagee or purchaser of the Premises or any part thereof, or to Landlord, certifying (if such be the case) that this Lease is in full force and effect and there are no defenses or offsets thereto, or stating those claimed by Tenant and certifying to such other matters as such party shall reasonably require. Landlord's mortgage lenders and purchasers shall be entitled to rely upon any statement so executed pursuant to this Section 19.

SECTION 20 - QUIET ENJOYMENT

Landlord covenants that it has full right and authority to enter into this Lease for the full Term hereof. Landlord further covenants that Tenant, upon performing the covenants and agreements of this Lease to be performed by Tenant, will have, hold and enjoy quiet possession of the Premises. Landlord warrants that there are no easements, restrictive covenants or rights granted to parties other than Tenant that limit Tenant's use of the Premises for Tenant's Use as long as Tenant uses the Premises in accordance with the terms and conditions of this Lease.

SECTION 21 – RELATIONSHIP OF THE PARTIES

It is agreed that nothing contained in this Lease is intended or should be construed as creating the relationship of agents, partners, joint venturers, or associates between the parties hereto or as constituting Tenant as the agent or employee of Landlord for any purpose or in any manner whatsoever. Tenant, its employees, agents, and its representatives are not employees of Landlord.

SECTION 22 – DATA PRACTICES.

22.1 Data Practices. All data collected, created, received, maintained or disseminated for any purpose in the course of Tenant’s performance of this Lease is governed by the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, and any other applicable state statutes, any state rules adopted to implement the Act and statutes, as well as federal statutes and regulations on data privacy.

SECTION 23 – OTHER GENERAL

23.1 Equal Employment Opportunity. Tenant agrees to comply with all federal, state and local laws, resolutions, ordinances, rules, regulations and executive orders pertaining to unlawful discrimination on account of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, sexual orientation, disability, or age.

23.2 Prevailing Wage. With respect to any Alteration to the Premises or any service to maintain the Premises obtained or contracted by Tenant, Tenant and its contractors and subcontractors shall conform to the labor laws of the State of Minnesota, and all other laws, ordinances, and legal requirements affecting the work in Ramsey County and Minnesota, including but not limited to Prevailing Wage.

23.3 Respectful Workplace and Violence Prevention. Tenant shall make all reasonable efforts to ensure that the Tenant’s employees, officials, contractors and subcontractors do not engage in violence while performing under this Lease. Violence, as defined in the Ramsey County Respectful Workplace and Violence Prevention Policy, means words and actions that hurt or attempt to threaten or hurt people; it is any action involving the use of physical force, harassment, intimidation, disrespect, or misuse of power and authority where the impact is to cause pain, fear or injury.

23.4 Cumulative Remedies and Non-Waiver. The various rights and remedies contained in this Lease shall not be considered as exclusive of any other right or remedy, but shall be construed as cumulative and shall be in addition to every other remedy now or hereafter existing at law, in equity, or by statute. No delay or omission of the right to exercise any power by either party shall impair any such right or power, or shall be construed as a waiver of any default or as acquiescence therein. One or more waivers of any covenant, term or condition of this Lease by either party shall not be construed by the other party as a waiver of a subsequent breach of the same covenant, term or condition. The consent or approval by either party to or of any act by the other party of a nature requiring consent or approval shall not be deemed to waive or render unnecessary consent to approval of any subsequent similar act. The acceptance by the Landlord of any non-conforming performance or fulfillment of conditions or obligations under the terms of this Lease or the foregoing by the Landlord of any of the rights or remedies arising under the terms of this Lease shall not constitute a waiver of Landlord’s right to conforming performance or fulfillment of conditions or obligations or any rights and/or remedies in respect to any subsequent breach or default of the terms of this Lease. The rights and remedies of the Landlord and Tenant provided or referred to under the terms of this Lease are cumulative and not mutually exclusive.

23.5 Headings. The headings of the several sections contained herein are for convenience only and do not define, limit or construe the contents of such sections.

23.6 Binding Effect of Lease. The covenants, agreements contained in this Lease, shall bind and inure to the benefit of Landlord, its successors and assigns, and Tenant and its successors and assigns. Landlord, at any time and from time to time, may make an assignment of its interest in this Lease, and, in the event of such assignment and the assumption by the assignee of the covenants and agreements to be performed by Landlord herein, Landlord and its successors and assigns (other than the assignee of this Lease) shall be released from any and all liability hereunder.

23.7 Force Majeure. Whenever a period of time is herein provided for either party to do or perform any act or thing, that party shall not be liable or responsible for any delays, and applicable periods for performance shall be extended accordingly, due to strikes, lockouts, riots, acts of God, shortages of labor or materials, national emergency, pandemic, acts of a public enemy, governmental restrictions, laws, regulations or orders, or any other cause or causes, whether similar or dissimilar to those enumerated, beyond its reasonable control. The provisions of this Section 24.7 shall not operate to excuse Tenant from prompt payment of Rent or other monetary payments required by the terms of this Lease for any reason, including any of the reasons enumerated in this Section 24.7.

23.8 Acceptance of Payment. No payment by Tenant or receipt by Landlord of a lesser amount than the amount then due under this Lease shall be deemed to be other than on account of the earliest portion thereof due, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance due or pursue any other remedy provided in this Lease.

23.9 Brokerage. Each of the parties represents and warrants that there are no claims for brokerage commissions or finder's fees in connection with the execution of this Lease.

23.10 Unenforceability. Unenforceability of any provision contained in this Lease shall not affect or impair the validity of any other provision of this Lease.

23.11 Compliance with Law. Tenant agrees to comply with all federal, state and local laws or ordinances, and all applicable rules, regulations, and standards established by any agency of such governmental units, which are now or hereafter promulgated insofar as they relate to Tenant's performance of the provisions of this Lease or occupancy of the Premises. It shall be the obligation of Tenant to apply for, pay for and obtain all permits and/or licenses required by any governmental agency for Tenant to be able to occupy the Premises or operate its business or provide any services to be provided by Tenant.

23.12 No Breach of Other Agreements. Tenant hereby covenants, warrants and represents that by executing this Lease and by the operation of the Premises under this Lease, it is not violating, has not violated and will not be violating any restrictive covenant or agreement contained in any other Lease or contract affecting Tenant or any affiliate, associate or any other person or

entity with whom or with which Tenant is related or connected financially or otherwise. Tenant hereby covenants and agrees to indemnify and save harmless Landlord, any future owner of the fee or any part thereof of the Premises, and any mortgagee thereof against and from all liabilities, obligations, damages, penalties, claims, costs and expenses, including attorneys' fees, paid, suffered or incurred by them or any of them as a result of any breach of the foregoing covenant. Tenant's liability under this covenant extends to the acts and omissions of any subtenant, and any agent, employee, or licensee of any subtenant of Tenant.

23.13 Interpretation of Agreement; Venue. This Agreement shall be interpreted and construed according to the laws of the State of Minnesota. All litigation regarding this Lease shall be venued in the appropriate state or federal district court in Ramsey County, Minnesota.

23.14 Execution of Lease by Landlord and Entire Agreement. The submission of this document for examination and negotiation does not constitute an offer to Lease, or a reservation of, or option for, the Premises and this document becomes effective and binding only upon the execution and delivery hereof by Landlord and Tenant. This Lease constitutes the entire agreement between the parties and supersedes all prior oral and written agreements regarding the subject matter hereof, and this Lease may be modified or altered only by an agreement in writing between Landlord and Tenant and no act or omission of any employee or agent of Landlord, if any, shall alter, change or modify any of the provisions of this Lease unless an alteration, variation, modification or waiver of or provisions of this Lease is reduced to writing and duly signed by both parties.

23.15 Incorporation of Recitals and Exhibits. The Recitals and Exhibit are incorporated herein.

23.16 Counterparts and Email Signatures. This Lease may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts of this Lease taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of this Lease by email of a PDF file shall be equally as effective as delivery of an original executed counterpart of this Lease.

(Remainder of page left blank intentionally. Signature page follows.)

IN WITNESS WHEREOF, Landlord and Tenant have signed this Lease as of the date first written above.

LANDLORD:

HealthEast Care System

By: _____

James Hereford
President and Chief Executive Officer

TENANT:

Ramsey County

By: _____

Toni Carter, Chair
Ramsey County Board of Commissioners

By: _____

Janet Guthrie, Chief Clerk
Ramsey County Board of Commissioners

Approval Recommended:

Jean Krueger
Director of Property Management

Approved as to Form and Insurance:

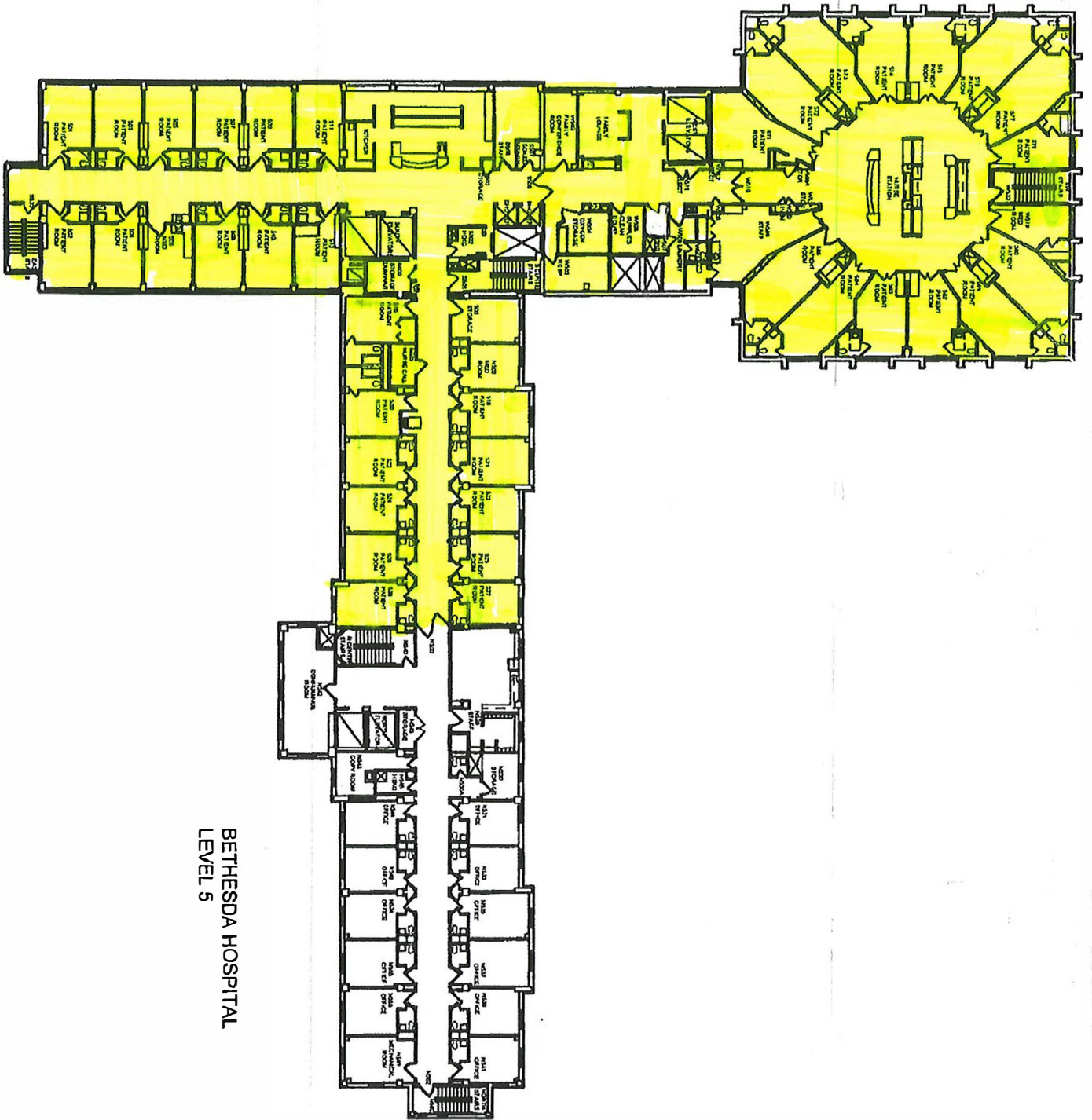
Amy K. L. Schmidt
Assistant County Attorney

Exhibit A

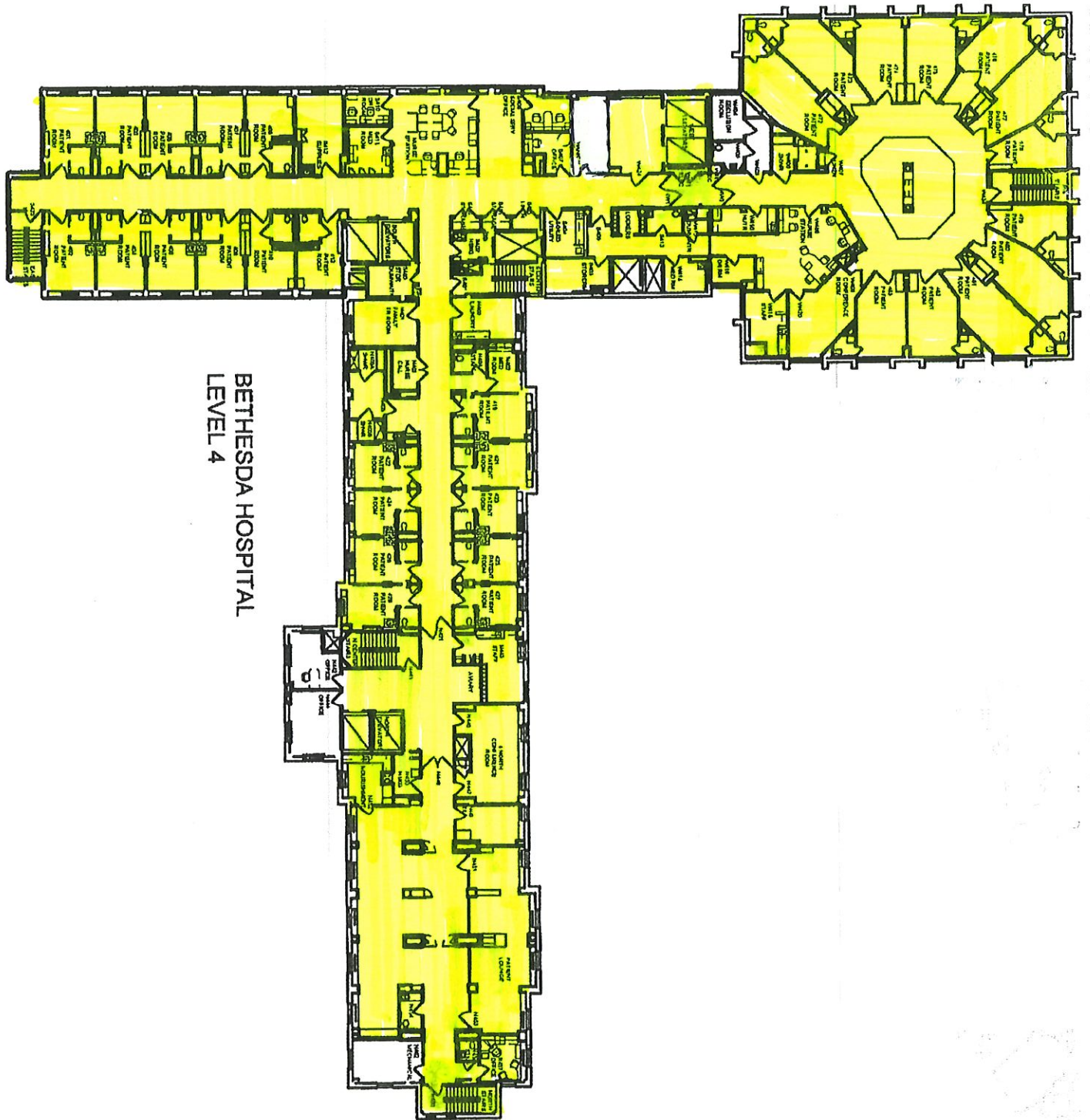
Depiction of the Premises
as shown shaded in yellow
on Exhibit pages A-1 through A-8

Square Feet by Floor

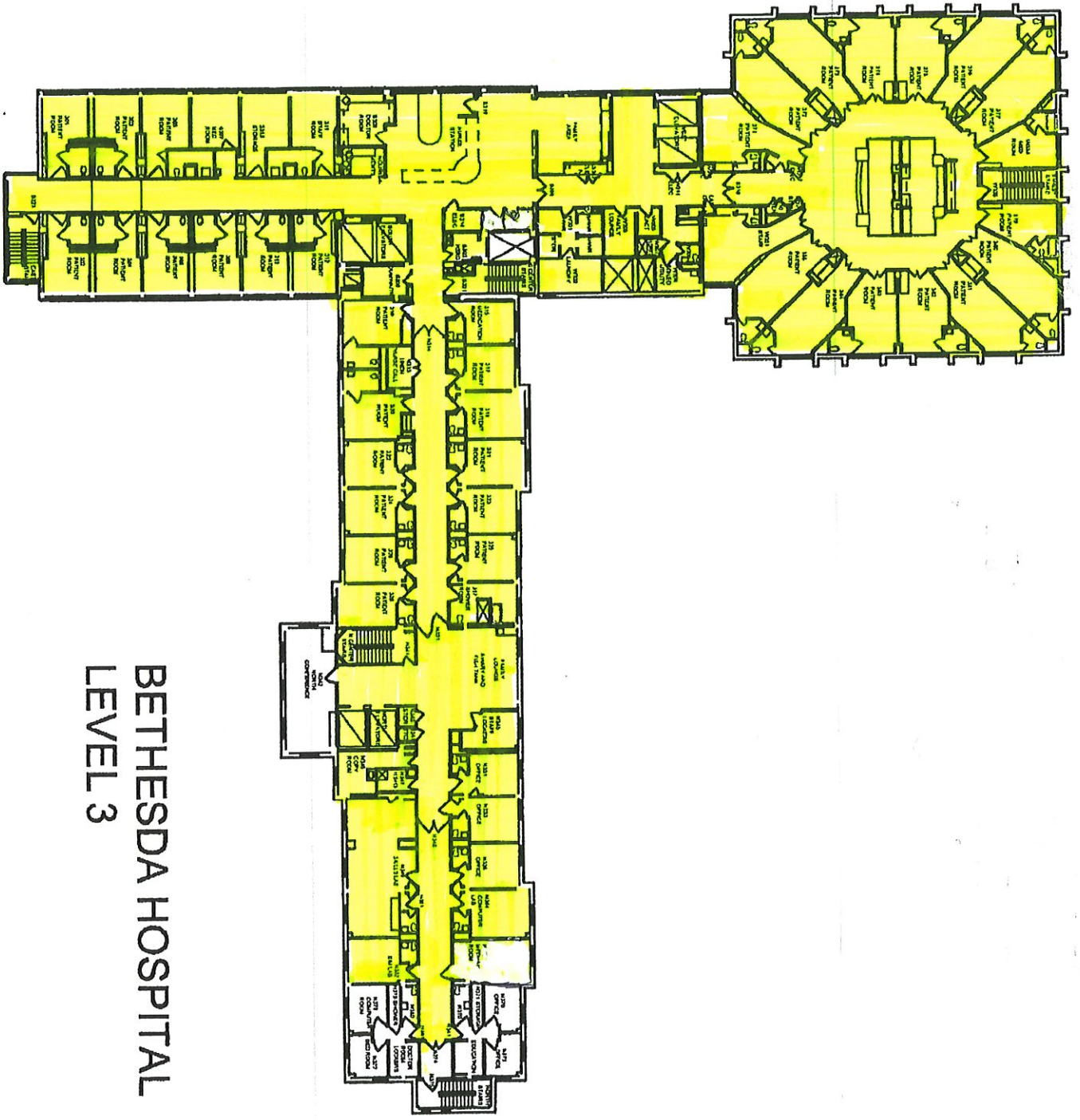
Floor	Square Feet
Total:	109,969
5	17,322
4	22,113
3	21,444
2	27,510
1	5,033
C	14,000
B	1,466
A	1,081



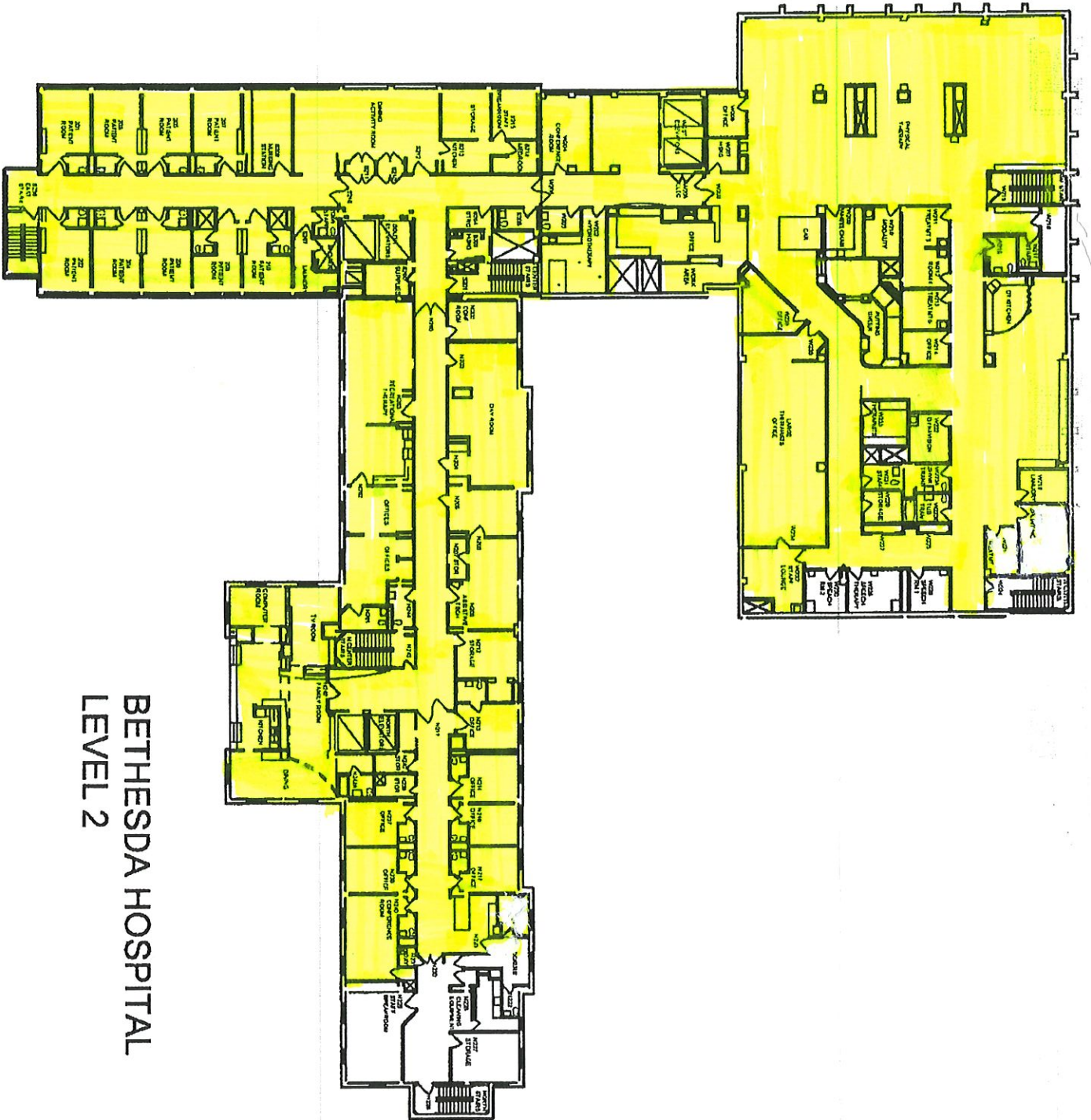
BETHESDA HOSPITAL
LEVEL 5



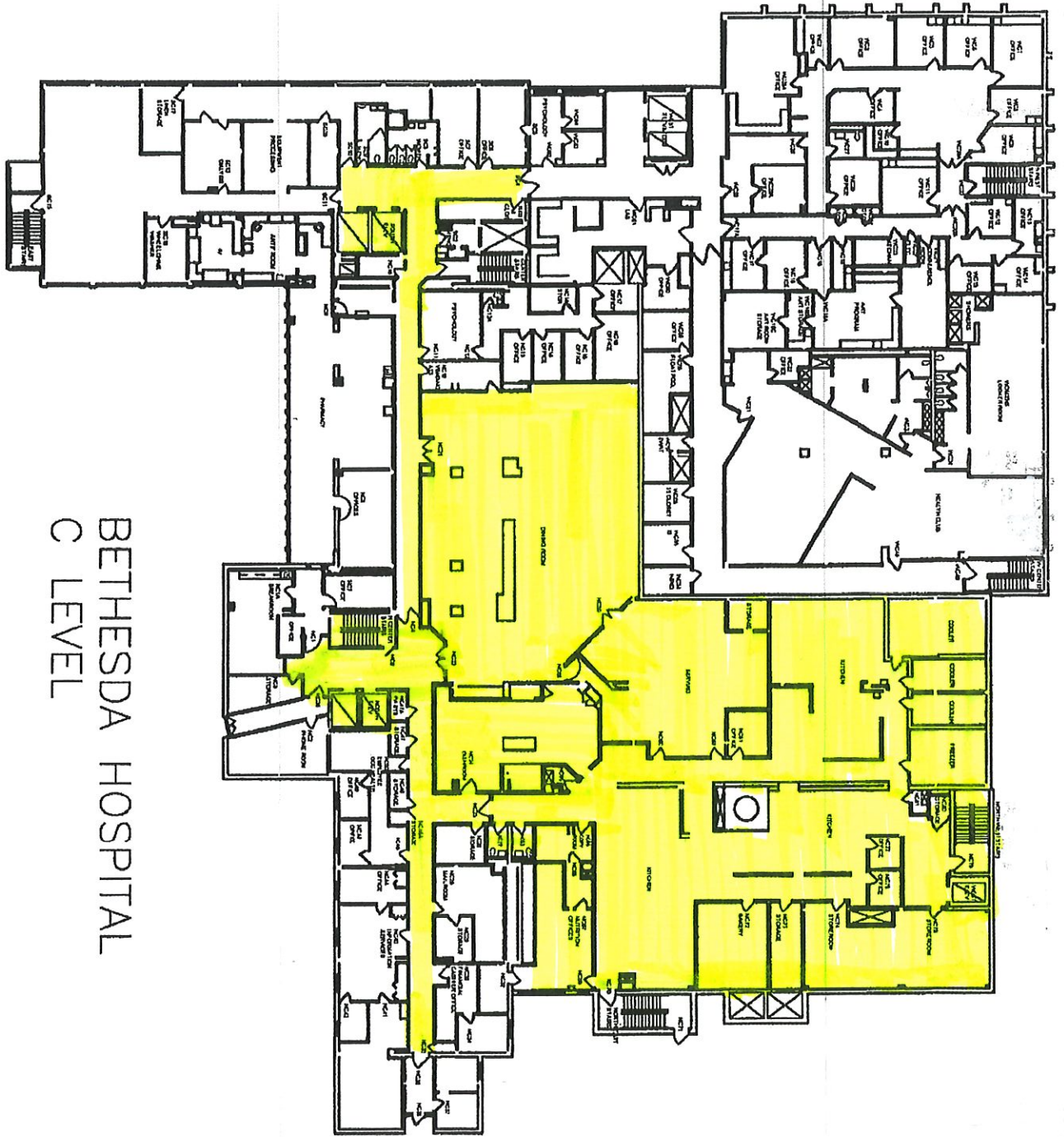
BETHESDA HOSPITAL
LEVEL 4



BETHESDA HOSPITAL
LEVEL 3



BETHESDA HOSPITAL
LEVEL 2



BETHESDA HOSPITAL
C LEVEL

Exhibit B

Furniture, Fixtures, and Equipment

Asset Description	Number of Assets
Coffee Maker	3
Dishwashers	1
Exhaust Hoods	7
Food Processor	3
Freezers, General	3
Garbage Disposals	2
Microwave	2
Ovens	8
Refrigerators, General	2
Slicers	2
Steam Kettles	8
Toaster	2
Walk-In Coolers	3
Walk-In Freezers	1
Warmer	6

EXHIBIT C

Form of Security Services Agreement

(4 pages follow)

SECURITY SERVICES AGREEMENT

This **Security Services Agreement** (“Agreement”) is made as of _____, 2020, and is by and between HealthEast Care System, a Minnesota non-profit corporation (“Landlord”), a wholly owned subsidiary of Fairview Health Services, and the County of Ramsey, a political subdivision of the State of Minnesota (“Tenant” or “Ramsey County”).

RECITALS

D. Landlord is the fee owner of certain real property located in the City of Saint Paul, Ramsey County, Minnesota, located at 559 North Capitol Boulevard, Saint Paul, Minnesota 55103, commonly known as “Bethesda Hospital” (the “Real Property”);

E. Concurrent with this Agreement, Landlord and Tenant have entered into that certain Lease Agreement on _____, 2020 (the “Lease Agreement”), whereby Tenant leases from Landlord that portion of the Real Property defined in the Lease Agreement as the “Premises” consisting of approximately 109,969 square feet of space within the hospital building that is located at the Real Property. The Premises is further defined and depicted in **Exhibit A** of the Lease Agreement.

F. Pursuant to Section 1.1 of the Lease Agreement, Tenant and its employees and agents are granted non-exclusive use of (i) the building corridors, elevators and stairwells for access to the loading docks and delivery areas within the Premises; (ii) the surface parking lot; and (iii) the parking ramp adjacent to the Premises. Tenant’s employees and agents, and the Residents (as defined in the Lease Agreement) are granted non-exclusive use of the adjacent grounds, which grounds exclude the areas described in items (i), (ii) and (iii) of the preceding sentence.

G. All of the areas within the Real Property that are not a part of the Premises, as described in Recital C, shall remain in the full control of Landlord.

H. To enhance safety and security to the Premises, Real Property, and immediate surrounding area, Landlord and Tenant agree that additional security services are desirable, and have agreed to provide such additional services as set forth herein.

NOW THEREFORE, Landlord and Tenant have agreed to the following terms and conditions:

1. Term. This Agreement shall commence, terminate, and be extended concurrent with the Lease Agreement. This Agreement may be terminated as provided in the Lease Agreement.

2. Tenant’s Obligation. Tenant shall provide, through its own staff or contracted agent (“Security Staff”), security services for the Premises. “Security Services” shall include Security Staff inside the Premises associated with Tenant’s Use (as defined in the Lease Agreement), and “Non-Premises Security Services” consisting of periodic patrols of the Real Property outside the Premises (excluding those portions of the building outside the Premises that Landlord has under

lock and key), limited to the perimeter of the building and the adjacent grounds (the “Patrolled Area”); initial incident response within the Premises and the Patrolled Area; notification of Landlord related to incident response and building issues; and engagement of law enforcement, as appropriate, in Tenant and/or Security Staff’s sole discretion and judgment. Security Staff shall record and document time spent on Non-Premises Security Services. Tenant shall prepare and deliver to Landlord a monthly invoice for Landlord’s share of the Non-Premises Security Services as provided in Section 3 below.

3. Landlord’s Cost Share for Non-Premises Security Services. Landlord’s share of the cost of the Non-Premises Security Services shall be fifty percent (50%) of the full cost, based on the recorded actual time spent by Tenant’s Security Staff engaged in performance of the Non-Premises Security Services. Landlord shall pay the invoice within 35 days of receipt from Tenant. Landlord shall not be responsible for the cost of Non-Premises Security Services in excess of twenty (20) hours of per week.

4. Right of Entry. In addition to the non-exclusive right of access granted in Section 1.1 of the Lease Agreement, Landlord grants Tenant and Security Staff the right to enter onto the Patrolled Area outside of the Premises for the purpose of performing the Non-Premises Security Services.

5. No Assumption of Liability by Tenant. Tenant shall assume no premises liability for any portion of the Real Property beyond the Premises. Nothing in this Section 5 shall diminish Tenant’s obligations under Section 9 of the Lease Agreement or Section 10 of this Agreement.

6. Meet and Confer. Landlord and Tenant shall meet quarterly, or more frequently as circumstances dictate, to discuss the Non-Premises Security Services and make any necessary adjustments.

7. Contact Information. Upon execution of this Agreement, Landlord shall provide Tenant and Security Staff with contact information for Landlord property management staff to which Security Staff may report property damage or other information related to the Real Property. Any subsequent change in Landlord’s contact information shall be immediately reported to Tenant and Security Staff.

8. Relationship of the Parties. Nothing contained in this Agreement is intended or should be construed as creating the relationship of agents, partners, joint venturers, or associates between the parties hereto or as constituting Tenant as the agent or employee of Landlord for any purpose or in any manner whatsoever. Tenant, its employees, its agents, including Security Staff, and its representatives are not employees of Landlord.

9. Discretion of Tenant. In performance of the Non-Premises Security Services, Tenant and Security Staff shall exercise their professionally reasonable judgment and industry best practices in responding to incidents on the Premises and the Patrolled Area. Tenant and Security Staff may engage law enforcement, including the issuance of individual trespass notices, in their sole discretion and judgment.

10. Mutual Indemnification. Each of Landlord and Tenant agrees to indemnify, defend, and hold the other party harmless from any and all claims, demands, liabilities, losses, expenses, and damages (including reasonable attorneys' fees, costs, and expert witnesses' fees) arising out of or in connection with any negligence or willful misconduct of Landlord or Tenant, as applicable, related to the performance of the Non-Premises Security Services. In addition, Tenant agrees to indemnify, defend, and hold Landlord harmless from any and all claims, demands, liabilities, losses, expenses, and damages (including reasonable attorneys' fees, costs, and expert witnesses' fees) arising out of or in connection with any acts or omissions of Tenant's Security Staff.

11. Data Practices. All data collected, created, received, maintained or disseminated for any purpose in the course of Tenant's performance of this Agreement is governed by the Minnesota Government Data Practices Act, Minnesota Statutes, Chapter 13, and any other applicable state statutes, any state rules adopted to implement the Act and statutes, as well as federal statutes and regulations on data privacy.

12. Unenforceability. Unenforceability of any provision contained in this Agreement shall not affect or impair the validity of any other provision of this Agreement.

13. Notices. Whenever under this Agreement, provision is made for notice of any kind, such notice shall be in writing and shall be deemed sufficient to Tenant if actually delivered to Tenant or sent by registered or certified mail, return receipt requested, postage prepaid, to the last Post Office address of Tenant furnished to Landlord for such purpose, and to Landlord if actually delivered to Landlord or if sent by registered or certified mail, return receipt requested, postage prepaid, to the Landlord at the address furnished for such purpose or to the place then fixed for the payment of Rent. Notice shall be deemed effective upon receipt by either party when actually delivered to the party and if delivered by registered or certified mail upon deposit in the U.S. mail (and if more than one method is used, the earlier of the two).

14. Interpretation of Agreement; Venue. This Agreement shall be interpreted and construed according to the laws of the State of Minnesota. All litigation regarding this Agreement shall be venued in the appropriate state or federal district court in Ramsey County, Minnesota.

15. Incorporation of Recitals. The Recitals are true and correct, and are incorporated herein.

16. Counterparts and Email Signatures. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts of this Agreement taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of this Agreement by email of a PDF file shall be equally as effective as delivery of an original executed counterpart of this Agreement.

(Remainder of page left blank intentionally. Signature page follows.)

IN WITNESS WHEREOF, Landlord and Tenant have signed this Agreement as of the date first written above.

LANDLORD:

HealthEast Care System

By: EXHIBIT COPY
James Hereford
President and Chief Executive Officer

TENANT:

Ramsey County

By: EXHIBIT COPY
Toni Carter, Chair
Ramsey County Board of Commissioners

By: EXHIBIT COPY
Janet Guthrie, Chief Clerk
Ramsey County Board of Commissioners

Approval Recommended:

EXHIBIT COPY
Jean Krueger
Director of Property Management

Approved as to Form and Insurance:

EXHIBIT COPY
Amy K. L. Schmidt
Assistant County Attorney