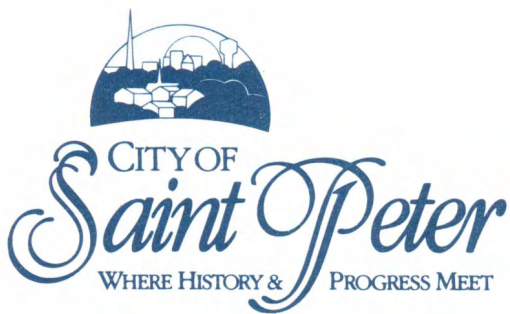


**CITY OF SAINT PETER, MINNESOTA
AGENDA AND NOTICE OF MEETING**

Special City Council Meeting of Monday, August 6, 2018
Community Center Governors' Room - 3:00 p.m.

- I. **CALL TO ORDER**
- II. **CITY/HOSPITAL MEDICAL OFFICE BUILDING LEASE**
- X. **ADJOURNMENT**

Office of the City Administrator
Todd Prafke



Memorandum

TO: Honorable Mayor Zieman
Members of the City Council

DATE: 7/31/2018

FROM: Todd Prafke
City Administrator

RE: City/Hospital Medical Office Building Lease

ACTION/RECOMMENDATION

Approve the attached resolution authorizing the Mayor and City Administrator to enter into a lease for the Medical Office Building located and Rivers Edge Hospital campus.

BACKGROUND

This item is placed on an agenda of a Special Meeting because of the desire of all parties to close on the debt service placements on August 10th. For that timeline to be met a special meeting is needed so that approval can be considered by the Council or a change in closing date arranged which would likely mean an increase in rates.

As members may remember or may know, staff, including you financial advisor, Bond Counsel and your City Attorney has been working through a number of issues related to the temporary "construction loan" and private placement of debt for the Hospital Expansion Project.

One of the last boxes to check off relates to an appraisal standard that directs the review of a lease if a financial transaction is taking place, which then impacts the value of the property because income and expenses can impact appraised value.

Of the last 10 plus years since the Medical Office Building (MOB) has been in place, we have not had a lease agreement as the Hospital is a subdivision of the City and it would be unusual to lease property to yourself. The Appraiser, based on their standards and the Bank's based on their need to check off the proper boxes before closing, have asked for a lease to be put in place that memorializes the method and issues that have been the basis for the funding of the MOB and, therefore, paying the debt service through the City to the City's Economic Development Authority.

The goal of this action is for you to approve a lease that was drafted by City Attorney Brandt which memorializes our 10+ year practice and meets the needs of the Appraiser and the Bank. This lease does that and has been agreed to by the Hospital Commission. Again, the lease memorializes the practice. The most significant provisions of the lease and the practice are:

- The Hospital pays all debt service, utilities, maintenance and taxes on the MOB

- The Hospital pays for insurance for the MOB
- The Hospital manages the day-in/day-out operations of the MOB
- The Hospital manages any sub-leases for the facility.

FISCAL IMPACT:

There is no fiscal impact to this action.

ALTERNATIVES/VARIATIONS

Do not act. Staff will wait for further direction; however, a delay is likely to impact the closing date on the "construction loan" debt placement and could then impact overall cost of project due to interest rates.

Negative Vote. Staff will inform all the parties of your decision and will work to overcome the concerns that will come forward from the Appraisal firm and the banks that are involved in the transaction.

Modification of the Resolution. This is always an option of the City Council.

Please feel free to contact me if you have any questions on this agenda item.

TP/bal

BUILDING LEASE

THIS LEASE AGREEMENT entered into this ____ day of _____, 2018, between City of Saint Peter, Minnesota, a municipal corporation and political subdivision of the State of Minnesota (the “lessor”), and River’s Edge Hospital and Clinic, an enterprise operation of the Lessor (the lessee), witnesseth as follows:

1. **DEMISE AND DESCRIPTION OF PREMISES.** In consideration of the mutual promises and covenants contained herein, the lessor hereby leases to the lessee and the lessee hereby hires from the lessor that certain parcel of real property described in Exhibit A subject to the terms of that certain Ground Lease with Immanuel St. Joseph’s Mayo Health Care System dated July 1, 2008.

2. **TERM.** The initial term of this lease shall be for thirty-five (35) years from August 1, 2018 to July 31, 2053. As used herein the expression “term hereof” refers to such initial term and to any renewal thereof as hereinafter provided.

3. **RENT.** The basic rent to be paid to the lessor on the 1st of every month by the lessee, in addition to all other expenditures required to be made by the lessee pursuant to this lease, shall be \$13,469.91.

4. **PAYMENT OF TAXES AND ASSESSMENTS.**

(a) **Taxes as additional rental:** As additional rental hereunder, the lessee shall pay and discharge as they become due, promptly and before delinquency one hundred percent (100%) of all real estate taxes and special assessments against the leased premises, subject to the reimbursement by Immanuel St. Joseph’s Mayo Health Care System for its share of the real estate taxes, as required under its lease.

(b) **Lessor's right to pay taxes on behalf of lessee.** In the event the lessee shall fail to comply with the preceding terms of this section, the lessor may, but shall not be obligated to, pay any such taxes or assessments and charge it, plus an amount equal to ten percent (10%) of any such tax or assessment, as rent immediately due and payable.

5. **PAYMENT OF UTILITIES.** As additional rent, the lessee shall fully and promptly pay for all utilities of every kind furnished to the premises throughout the term hereof and the lessor shall have no responsibility of any kind for any thereof, subject to the reimbursement by Immanuel St. Joseph's Mayo Health Care System for its share of the utilities, as required under its lease.

6. **WARRANTIES OF TITLE AND QUIET POSSESSION.** The lessor covenants that the lessor is seized of the premises in fee simple and has full right to make this lease subject to the terms hereof, and the lessee shall have quiet and peaceable possession of the premises during the term hereof as against the acts of all parties claiming title to or a right to the possession of the premises, with the exception, however, of the following:

- (a) Conditions, restrictions and limitations, if any, now appearing of record;
- (b) Reservation of any minerals or mineral rights reserved to the State of Minnesota;
- (c) Building and zoning laws, ordinances, state and federal regulations, provided they do not adversely affect the present use of the premises;
- (d) Any defects which may be disclosed by an accurate survey; and
- (e) The proper performance by the lessee of all of the terms and conditions contained in this lease.

7. **MAINTENANCE.** The lessee shall be responsible for all maintenance of the structure, parking lot and snow removal, subject to the reimbursement by Immanuel St. Joseph's Mayo Health Care System for its share of the real estate taxes, as required under its lease.

8. **USE OF PREMISES.** Subject to the other terms and provisions contained herein, the lessee shall be permitted to use the premises for any lawful purpose and in any lawful manner; provided, however, no use shall be made or shall be permitted to be made of the premises or no acts shall be done which will cause a cancellation of any insurance policy covering any building located on the premises, or any part thereof, nor shall the lessee sell or permit to be kept, used, or sold in or about the premises any article which may be prohibited by the standard form of fire insurance policies. The lessee shall, at its sole cost, comply with all requirements pertaining to the premises of any insurance organization or company necessary for the maintenance of insurance, as herein provided, covering any building and appurtenances at any time located on the premises.

Furthermore, during the term of this lease, the lessee shall comply with all applicable laws affecting the premises, the breach of which might result in any penalty on the lessor or the forfeiture of the lessor's title to the premises. The lessee shall not commit or allow to be committed any waste of or nuisance on the premises.

9. **ABANDONMENT OF PREMISES.** The lessee shall not be deemed to have vacated or abandoned the premises at any time during the term hereof unless the lessee first obtains the express written permission of the lessor. If the lessee shall so abandon, vacate or surrender the premises or shall be dispossessed by any process of law or otherwise, any personal property belonging to the lessee and left on the premises shall be deemed to be abandoned, at the option of the lessor, except such property as may be encumbered to the lessor.

10. **LESSOR'S RIGHT OF ENTRY.** The lessee shall permit the lessor and the agents and employees of the lessor to enter into and on the premises at all reasonable times for the purpose of inspecting them or for the purpose of posting notices of non-responsibility for

alterations, additions or repairs, without any rebate of rent and without any liability to the lessee for any loss of occupation or quiet enjoyment of the premises thereby occasioned.

11. **ENCUMBRANCE OF LESSOR'S FEE INTEREST.** The lessor may encumber by mortgage or other proper instrument its fee interest in the premises, together with all buildings and improvements placed by the lessee thereon, as security for any indebtedness of the lessor incurred in the construction of financing or permanent financing of the improvements and buildings referred to in Section 14 hereof. No such encumbrance, foreclosure, conveyance or exercise of right shall relieve the lessee from its liability under this lease.

The lessee may encumber its leasehold interest or improvements in the buildings upon the written consent of the lessor.

12. **SUBLETTING AND ASSIGNMENTS.** The lessee shall not sublet the premises in whole or in part without the lessor's written consent, but the lessor shall not unreasonably withhold said consent. The making of any such sublease shall not release the lessee from or otherwise affect in any manner any of the lessee's obligations hereunder.

13. **NOTICES.** All communications, demands, notices or objections permitted or required to be given or served under this lease shall be in writing and shall be deemed to have been duly given or served if delivered in person to the other party or its authorized agent or if deposited in the United States mail, postage prepaid, for mailing by certified or registered mail, return receipt requested, or by email and addressed to the other party to this lease, to the address set forth next to such party's signature at the of this lease or if to a person not a party to this lease, to the address designated by a party to this lease in the foregoing manner. Any party may change its address by giving notice in writing, stating its new address, to any other party as provided in the foregoing manner. Commencing on the tenth (10th) day after the giving of such

notice, such newly designated address shall be such party's address for the purposes of all communications, demands, notices, or objections permitted or required to be given or served under this lease.

14. **DESTRUCTION OF IMPROVEMENTS.**

(a) **Destruction of Leased Premises.** If the building on the leased premises is damaged or partially destroyed by fire or other casualty to the extent of less than fifty percent (50%) of the then cost of replacement thereof above foundation, the same shall be repaired as quickly as practicable by lessor, and such repair shall be completed not more than ninety (90) days after the event, except that the obligation of lessor to rebuild shall be limited to repairing or rebuilding of lessor's property.

(b) **Rebuilding by Lessor.** If lessor shall undertake to restore or replace the leased premises, it shall initiate and pursue the necessary work with all reasonable dispatch, in a manner consistent with sound construction methods.

(c) **Abatement of Rent upon Destruction of Premises.** If such damage or partial destruction renders the building wholly untenable, all fixed and additional rent shall abate until the leased premises have been restored and rendered tenantable. If such damage or partial destruction renders the premises untenable only in part, the fixed and additional rent shall abate proportionately as to the portion of the premises rendered untenable.

(d) **Lessee Responsible for Insuring Its Own Contents and Fixtures.** Lessee shall be responsible for obtaining such insurance as lessee may deem advisable for all contents and merchandise located in the leased premises together with coverage for any fixtures, equipment or work done by lessee, and it is understood that the insurance carried by lessor does not cover risk of loss or damage to lessee's property, equipment or fixtures.

15. **MECHANIC'S LIENS.** The lessee hereby covenants and agrees that the lessee will not permit or allow any mechanic's or materialman's liens to be placed on the lessor's interest in the premises during the term hereof. Notwithstanding the previous sentence, however, in the event any such lien shall be so placed on the lessor's interest, the lessee shall take all steps necessary to see that it is removed within thirty (30) days of its being filed; provided, however, that the lessee may contest any such lien provided the lessee first posts a surety bond, in favor of and insuring the lessor, in an amount equal to 125% of the amount of any such lien, including any claim for attorneys' fees.

16. **INDEMNIFICATION OF LESSOR.** The lessor shall not be liable, and the lessee shall indemnify, save, hold harmless, and defend the lessor, for any loss, injury, death, or damage to persons or property which at any time may be suffered or sustained by the lessee or by any person whatsoever may at any time be using or occupying or visiting the premises, or be in, on or about the premises, whether such loss, injury, death or damage shall be caused by or in any way result from or arise out of any act, omission, negligence, or intentional misconduct of the lessee or of any occupant, subtenant, visitor or user of any portion of the premises or shall result from or be caused by any other matter or thing whether of the same kind as or of a different kind than the matters or things above set forth, and the lessee shall indemnify the lessor against all claims, liability, loss or damage whatsoever on account of any such loss, injury, death or damage. The lessee hereby waives all claims against the lessor for damages to any building and improvements which are now on or hereafter placed or built on the premises and to the property of the lessee in, on or about the premises and for injuries to persons or property in or about the premises, from any cause arising at any time.

The two preceding sentences shall not apply to loss, injury, death or damage arising by reason of the negligence or misconduct of the lessor, its agents or its employees, including any injury or damage that results from any of the following work being done by or for the landlord, to-wit: demolition work, structural building changes or new construction work.

17. **INSURANCE.**

(a) **Insurance Coverage of Leased Premises.** The lessor shall at all times during the term of this lease keep the building and all adjacent improvements insured against loss or damage by fire and other perils as required by the Minnesota Standard Fire Insurance Policy and the extended coverage endorsements for one hundred percent (100%) of the full replacement value of such improvements, with loss payable to the lessor and the lessee as their respective interests may appear. Any loss adjustment shall require the written consent of both the lessor and the lessee. For its part, the lessee shall pay one hundred percent (100%) of the total premises cost of such Fire and Extended Coverage insurance which is purchased and maintained by the lessor covering the entire premises, including the building and adjacent buildings.

(b) **Personal Injury Liability Insurance.** The lessee shall maintain in effect throughout the term of this lease personal injury liability insurance covering the premises and its appurtenances and the sidewalks fronting thereon in the amount of one million five hundred thousand dollars (\$1,500,000.00) for injury to or death of any one person, one million five hundred thousand dollars (\$1,500,000.00) for injury to or death of any number of persons on one occurrence and property damage liability insurance in the amount of one million five hundred thousand dollars (\$1,500,000.00). Such insurance shall specifically insure the lessee against all liability assumed by it hereunder, as well as liability imposed by law. Lessor shall be named as an additional insured on each such insurance policy.

(c) **Lessor's Right to Pay Premium on Behalf of Lessee.** All of the policies of insurance referred to in this section shall be written with an insurance company rated "A" or better by the A.M. Best Rating Service. The lessee shall deliver such policies, or certificates of insurance, to the lessor. In the event of the failure of the lessee, either to effect such insurance in the names herein called for or to pay the premiums therefor or to deliver such policies or certificates thereof to the lessor, the lessor shall be entitled, but shall have no obligation, to effect such insurance and pay the premiums therefor. Such premiums shall be repayable to the lessor with the next installment of the basic rent, and failure to repay the premiums shall carry with it the same consequences as failure to pay any installment of basic rent.

Each insurer mentioned in this section shall agree, by endorsement on the policy or policies issued by it, or by independent instrument furnished to the lessor, that it will give to the lessor thirty (30) days' written notice before the policy or policies in question shall be altered or canceled. The lessor agrees that it will not unreasonably withhold or delay its approval of the form or of the insurance companies selected by the lessee.

(d) **Adjustment of Coverage.** In the event that either party shall at any time deem the limits of the personal injury, property damage, or public liability insurance then carried to be either excessive or insufficient, the parties shall endeavor to agree on the proper and reasonable limits for such insurance then to be carried, and such insurance shall thereafter be carried with the limits thus agree on until further change pursuant to the provisions of this section. In the event that the parties shall be unable to agree thereon, the matter shall be decided by the majority vote of a panel of three (3) arbitrators, one of whom shall be chosen by the lessor, one of whom shall be chosen by the lessee, and the third of whom shall be chosen by the first two arbitrators.

All expenses relative to the arbitrator chosen by a party shall be borne by that party and all expenses relative to the third arbitrator shall be shared equally by the parties.

(e) **Blanket Insurance Policies.** Notwithstanding anything to the contrary contained in this section, the lessee's obligations to carry the insurance provided for herein may be brought within the coverage of a so-called blanket policy or policies of insurance carried and maintained by the lessee; provided, however, that the coverage afforded the lessor will not be reduced or diminished or otherwise be different from that which would exist under a separate policy meeting all other requirements of this lease by reason of the use of such blanket policy of insurance and provided further that the requirements of the foregoing paragraph (d) of this section are otherwise satisfied.

(f) **Cost of Insurance Deemed Additional Rental.** The cost of insurance required to be carried by the lessee in this section shall be deemed to be additional rental hereunder.

18. **NOTICE OF DEFAULT.** Except as to the insurance provisions of Section 17 hereof, the lessee shall not be deemed to be in default hereunder in the payment of rent or the payment of any other monies as herein required or in the furnishing of any bond or insurance policy when required herein unless the lessor shall first give to the lessee seven (7) days' written notice of such default and the lessee fails to cure such default within such seven (7) days.

Except as to the provisions or events referred to in the preceding sentence of this section, the lessee shall not be deemed to be in default hereunder unless the lessor shall first give to the lessee seven (7) days' written notice of such default and the lessee fails to cure such default within such seven-day period, or if the default is of such a nature that it cannot be cured within seven (7) days, the lessee fails to commence to cure such default with such period of seven (7) days or fails thereafter to proceed to the curing of such default with all possible diligence.

19. **DEFAULT.** In the event of any default of this lease by the lessee, the lessor, in addition to the other rights or remedies it may have, shall have the immediate right of reentry and may remove all persons and property otherwise from the premises; such property may be removed and stored in a public warehouse or elsewhere at the cost of and for the account of the lessee. Should the lessor elect to reenter, as herein provided, or should it take possession pursuant to legal proceedings or pursuant to any notice provided by law, the lessor may either terminate this lease or it may from time to time, without terminating this lease, relet the premises or any part thereof for such term or terms (which may be for a term extending beyond the term of this lease) and at such rental or rentals and on such other terms and conditions as the lessor in the sole discretion of the lessor may deem advisable with the right to make alterations and repairs to the premises. On each such reletting (a) the lessee shall be immediately liable to pay the lessor, in addition to any indebtedness other than rent due hereunder, the expenses of such reletting and of such alterations and repairs incurred by the lessor and the amount, if any, by which the rent reserved in this lease for the period of such reletting (up to but not beyond the term of this lease) exceed the amount agreed to be paid as rent for the premises for such period on such reletting, or (b) at the option of the lessor, rents received by such lessor from such reletting shall be applied first to the payment of any indebtedness, other than rent due hereunder from the lessee to the lessor; second, to the payment of any expenses of such reletting and of such alterations and repairs; third, to the payment of rent due and unpaid hereunder, and the residue, if any, shall be held by the lessor and applied in payment of future rent as it may become due and payable hereunder. If the lessee has been credited with any rent to be received by such reletting under option (a) hereof and if such rent shall not be promptly paid to the lessor by the new tenant or if such rentals received from such reletting under option (b) hereof during any month is less than

that to be paid during that month by the lessee hereunder, the lessee shall pay any such deficiency to the lessor. Such deficiency shall be calculated and paid monthly.

No such reentry or taking possession of the premises by the lessor shall be construed as an election on the part of the lessor to terminate this lease unless a written notice of such intention is given to the lessee or unless the termination thereof is decreed by a court of competent jurisdiction. Notwithstanding any such reletting without termination, the lessor may at any time thereafter elect to terminate this lease for such previous breach. Should the lessor at any time terminate this lease for any breach, in addition to any other remedy it may have, the lessor may recover from the lessee all damages incurred by reason of such breach, including the cost of recovering the premises, and including the worth at the time of such termination of the excess, if any, of the amount of rent and charges equivalent to rent reserved in this lease for the remainder of the stated term over the then reasonable rental value of the premises for the remainder of the stated term, all of which amounts shall be immediately due and payable from the lessee to the lessor.

20. **LESSOR'S RIGHT TO PERFORM.** In addition to any other provision contained herein, in the event that the lessee shall be in default hereunder by failing or neglecting to do or perform any act or thing herein provided by it to be done or performed, and such failure shall continue for a period of ten (10) days after written notice from the lessor thereof, the lessor may at the lessor's option do or perform, or cause to be done or performed, such act or thing, and the lessor shall not be liable, or be held liable or in any way responsible for any loss, inconvenience, annoyance, or damage resulting to the lessee on account thereof. The lessee shall repay to the lessor on demand the entire expense thereof, including compensation to the agents and employees of the lessor.

The lessor shall be permitted to enter the premises while exercising any right given to it by the terms of this section. Any act or thing done by the lessor pursuant to the provisions of this section shall not be or be construed to be a waiver of any such default by the lessee, or as a waiver of any covenant, term, or condition herein contained or the performance thereof, or of any right or remedy of the lessor, hereunder otherwise.

21. **SURRENDER OF LEASE; EFFECT ON SUBLEASES.** The voluntary or other surrender of this lease by the lessee, or a mutual cancellation thereof, shall not work a merger and shall at the option of the lessor terminate any or all existing subleases or subtenancies or may at the option of the lessor operate as an assignment to it of any or all such subleases or subtenancies. The terms of this section shall be included in all such subleases.

22. **AMENDMENT, MODIFICATION AND WAIVER.** No amendment, modification or waiver of any condition, provision or term of this lease shall be valid or of any effect unless made in writing, signed by the party or parties to be bound or its duly authorized representative and specifying with particularity the extent and nature of such amendment, modification or waiver. Any waiver by any party of any default of another party shall not affect or impair any right arising from any subsequent default.

23. **PARTIES BOUND.** This lease shall be binding on and inure to the benefit of the parties hereto and their respective successors, assigns, executors, heirs and personal representatives.

24. **TIME OF ESSENCE.** Time is of the essence of this lease, and of each and every covenant, term, condition and provision hereof.

25. **CAPTIONS.** All captions, headings, or titles in the paragraphs or sections of this lease are inserted for convenience of reference only and shall not constitute a part of this lease as a limitation of the scope of the particular paragraphs or sections to which they apply.

26. **CUMULATIVE RIGHTS.** Except as otherwise expressly stated herein, no right or remedy herein conferred on or reserved to the lessee or the lessor is intended to be exclusive of any other right or remedy hereof provided by law, but each shall be cumulative in, and in addition to, every other right or remedy given herein or not or hereafter existing at law, in equity or by statute.

27. **REASONABLE CONSENT.** Whenever the lessor's or the lessee's consent shall be required herein, such approval or consent shall not be arbitrarily or unreasonably delayed or withheld and shall be deemed to have been given, unless within twenty (20) days of request therefor, the lessor or the lessee as appropriate sends written notice to the requesting party that the lessor or the lessee as appropriate is denying such approval or consent, stating in such notice the reasonable grounds therefor.

28. **SEVERABLE PROVISIONS.** Each provision, section, sentence, clause, phrase, and word of this lease is intended to be severable. If any provision, section, sentence, clause, phrase and word hereof is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the legality or validity of the remainder of this lease.

29. **ENTIRE AGREEMENT.** This lease contains the entire understanding of the parties hereto with respect to the transactions contemplated hereby and supersedes all prior agreements and understandings between the parties with respect to such subject matter. No representations, warranties, undertakings, or promises, whether oral, implied, written or otherwise, have been made by either party hereto to the other unless expressly stated in this lease

or unless mutually agreed to in writing between the parties hereto after the date hereof, and neither party has relied on any verbal representations, agreements or understandings not expressly set forth herein.

30. **MINNESOTA LAW.** This lease shall be construed and enforced in accordance with the laws of the State of Minnesota.

31. **SIGNAGE.** Lessee may not place signage on the exterior structure without the written consent of the lessor, which consent shall not be unreasonably withheld.

32. **REMODEL.** Lessee shall be allowed to remodel and modify the premises upon the advanced written consent of the Lessor. Prior to requesting the written consent, Lessee must provide the Lessor with the following documents:

- (a) Building plans;
- (b) Application for Building Permit with the City of St. Peter;
- (c) Proposed Lien Waivers by general contractor and subcontractors.

The Lessor shall have the exclusive option to approve, disapprove or require modification of the building plans. All costs of the remodel and modification shall be borne by Lessee.

In witness whereof, the parties hereto have executed this lease the day and year first above written.

Lessor: CITY OF SAINT PETER

By: _____
Charles Zieman
Its Mayor

By: _____
Todd Prafke
Its City Administrator

STATE OF MINNESOTA)
) ss
COUNTY OF NICOLLET)

The foregoing instrument was acknowledged before me this ____ day of _____, 2018,
by _____ and
_____, the _____ and
_____ of River's Edge Hospital, a Minnesota corporation.

Notary Public

Drafted by:
James W. Brandt
Brandt Law Office, P.A.
219 W. Nassau, P.O. Box 57
St. Peter, MN 56082
507-931-6940

EXHIBIT A

LEGAL DESCRIPTION

Tract A, Registered Land Survey No. 73, Nicollet County, Minnesota

CITY OF SAINT PETER, MINNESOTA

RESOLUTION NO. 2018 -

**STATE OF MINNESOTA)
COUNTY OF NICOLLET)
CITY OF SAINT PETER)**

**RESOLUTION APPROVING LEASE OF MEDICAL OFFICE BUILDING TO RIVER'S EDGE
HOSPITAL AND CLINIC**

WHEREAS, the City owns a medical office building located on the campus of River's Edge Hospital and Clinic; and

WHEREAS, to provide clarity regarding the ownership of the building and tenancy and operation of the building through River's Edge Hospital and Clinic, execution of a lease document is recommended by the Appraiser and the bank providing financing for the 2018 River's Edge Hospital Expansion Project; and

WHEREAS, the City Attorney has drafted the recommended lease.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAINT PETER, NICOLLET COUNTY, MINNESOTA, THAT:

1. The Building Lease between the City of Saint Peter and River's Edge Hospital and Clinic for the City's medical office building at 1900 North Sunrise Drive is hereby approved.
2. The term of the lease shall be thirty-five (35) years from April 1, 2018 to July 31, 2053.

Adopted by the City Council of the City of Saint Peter, Nicollet County, Minnesota, this 6th day of August, 2018.

Charles Zieman
Mayor

ATTEST:

Todd Prafke
City Administrator