

USE AGREEMENT BETWEEN CITY OF SAINT PAUL AND THE NEIGHBORHOOD HOUSE

AGREEMENT #: 2026.UA3

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This Use Agreement (this “Agreement”) is entered into _____, 2026 by and between the City of Saint Paul, a Minnesota municipal corporation (“CITY”), and the Neighborhood House, a Minnesota non-profit organization (“PARTNER”).

WHEREAS, the CITY is the owner of certain real property encompassing the Paul and Sheila Wellstone Center, the adjacent recreation fields and open parkland, located at 179 East Robie St, Saint Paul, MN 55107; and

WHEREAS, PARTNER is a non-profit corporation whose mission is to help people gain the skills, knowledge and confidence to thrive in diverse communities; and

WHEREAS, PARTNER and CITY entered into a LEASE AGREEMENT on July 8, 2004 to provide a variety of health, recreation, social and community services to the residents of Saint Paul; PARTNER and CITY wish to mutually agree to terminate that LEASE AGREEMENT, pursuant to Section 36 of that LEASE AGREEMENT and enter into this AGREEMENT to allow PARTNER to continue to manage the property in return for financial investments in the Premises and continued operation of recreational programming; and

WHEREAS, under the provisions of the Minnesota Constitution Article XII, Sec. 3–4, Saint Paul City Charter § 1.03, and Minnesota Statutes §§ 412.491 and 410.33, inter alia (collectively, the “**Statutory Authority**”), and specific language contained in Laws 2003, 1st Special Session, Chapter 20, Article 1, Section 4, Subdivision 3 (the “**2003 State Program Enabling Legislation**”), the State of Minnesota allocated General Obligation Bond proceeds to the CITY for the construction of the Wellstone Center; the Wellstone Center opened to the public in 2006 and CITY has maintained a continuing obligation to operate the 2003 Government Program (as defined below) at the Premises since that time; and

WHEREAS, pursuant to the Statutory Authority and specific language contained in Laws 2023, Chapter 71, Article 1, Section 14, Subdivision 104 (the “**2023 State Program Enabling Legislation**”), the State of Minnesota has allocated \$2,150,000 in the aggregate (the “**Grant Funds**”) to Neighborhood House to renovate the Wellstone Center in the City of Saint Paul in support of the 2023 Government Program (as defined below); and

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth, parties agree as follows:

1. Definitions.

- a. “**Parties**” means, collectively, the City of Saint Paul and the PARTNER, and “**Party**” means either one of them individually.
- b. “**PARTNER**” means Neighborhood House, a Minnesota non-profit organization, including its permitted successors and assigns, that has entered into this Agreement with the CITY to manage and operate Premises in accordance with the terms herein.
- c. “**CITY**” means the City of Saint Paul, a Minnesota municipal corporation, including its Department of Parks and Recreation and any authorized officers, employees,

agents, or representatives acting within the scope of their authority under this Agreement.

- d. **"Premises"** means the real property, facilities, utilities, and equipment owned by the CITY and commonly known as Wellstone Center, as depicted in *Exhibit A*, together with any appurtenant areas made available to the PARTNER under this Agreement.
- e. **"Default"** means the occurrence of any event or condition that constitutes a material breach of this Agreement by a Party, as specifically defined in Section 17 (Termination) and Section 18 (Default Remedies), including failure to perform any material obligation within the applicable notice and cure period.
- f. **"Persistent breach"** is one that is not cured within the allotted time.
- g. **"2003 Government Program"** means recreational, educational, youth development, community engagement, and related public park and recreation services authorized under Minnesota Statutes §§ 471.15 and 471.16, operated for a public purpose at the Premises pursuant to the 2003 State Program Enabling Legislation and the 2003 Grant Agreement.
- h. **"2003 Grant Agreement"** means the grant agreement between the State of Minnesota and the CITY, executed in connection with the 2003 State Program Enabling Legislation, governing the use of the General Obligation Bond proceeds allocated for construction of the Wellstone Center.
- i. **"2023 Government Program"** means recreational, educational, youth development, community engagement, and related public park and recreation services authorized under Minnesota Statutes §§ 471.15 and 471.16, operated for a public purpose at the Premises in connection with the renovation funded by the Grant Funds pursuant to the 2023 State Program Enabling Legislation and the 2023 Grant Agreement.
- j. **"2023 Grant Agreement"** means the grant agreement between the State of Minnesota and PARTNER governing the use of the Grant Funds and the requirements associated with the 2023 State Program Enabling Legislation.
- k. **"Government Program"** means, collectively, the 2003 Government Program and the 2023 Government Program, as applicable.
- l. **"Grant Funds"** means the \$2,150,000 in General Obligation Bond proceeds allocated to PARTNER pursuant to the 2023 State Program Enabling Legislation, to be used for renovation of the Premises in accordance with the 2023 Grant Agreement.
- m. **"Repeated breach"** is multiple or successive violations of a single obligation within this Agreement, regardless of being cured.

2. Premises.

The Wellstone Center property is located at 179 Robie St, St. Paul, MN 55107 which will be referred to herein as the "Premises", which is shown on the attached Exhibit A. CITY enters into this Agreement pursuant to authority granted by Minn. Stat. § 471.16, subd. 1, Minn. Stat. § 412.211, and Minn. Stat. § 4121.221, subd. 2.

3. Term of Agreement.

This Agreement will take effect on September 1, 2026 and continue until December 31, 2040, unless earlier terminated pursuant to paragraph 19.

4. Renewal.

By mutual consent of CITY and PARTNER, this Agreement may be renewed for one additional fifteen (15) year term, contingent on PARTNER satisfying ONE of the following:

- A. Average Performance Metrics (as outlined in Exhibit B) of 90 or more through Term.
- B. Average Performance Metrics of 80 or more through Term, triggering renewal option at City's discretion.
- C. Average Performance Metrics of 70 or more through Term, triggering renewal option at City's discretion with corrective action plan from PARTNER.
- D. Average Performance Metrics of 70 or more through Term, approval by City of a Capitol Campaign, and exclusively private investment into the premises totaling no less than \$3,000,000 through Term. Inclusion of any public funding would instead trigger an amendment to this agreement consistent with the grant requirements.

Notwithstanding anything to the contrary herein, CITY is not required to renew this Agreement and may, in its sole option and discretion, allow the Agreement to expire at the end of the original Term and thereafter directly operate the Government Program or contract another party to operate the Government Program at the Premises.

5. Use of Premises.

PARTNER will have full use of the Premises during the Term of this Agreement subject to the terms and conditions hereof.

All use of the Premises by PARTNER must be for the Government Program. Any alterations, physical changes, or modifications to change the intended use made to the Wellstone Center will be subject to prior written approval from the Director of the Saint Paul Parks and Recreation Department and should be developed with community input.

6. Maintenance and Repairs.

The parties have identified certain categories of maintenance and repairs that may from time-to-time need to be addressed and have agreed to the following terms regarding such categories:

- a. **Routine Maintenance and Minor Repairs** –PARTNER shall be responsible for the replacement of consumables (light bulbs, cleaning supplies, etc.), regular cleaning (floors, fixtures, walls, windows, etc.) and minor repair (carpet cleaning, unclogging fixtures, replace air filters, etc.) and damages resulting from facility use (worn flooring, drywall scratches, broken appliances, etc.). PARTNER may hire a licensed contractor or other professional to complete the work if CITY trades staff are not available on request.
- b. **Capital and Deferred Maintenance** – CITY and PARTNER shall work together in good faith to identify fundings sources for significant repairs, upgrades, or replacement of major facility systems or infrastructure including but not limited to building envelope, rough-in plumbing and electrical, parking lots, and sidewalks.
- c. **Elective Alterations** –PARTNER shall be responsible for any elective alterations not required for building code compliance or overall function of parkland (equipment installation, unique signage, unique painting, etc.).

- d. **Groundskeeping** –PARTNER shall be responsible for all groundskeeping in the zone between the building and the perimeter sidewalks, including all ornamental beds alongside the building. CITY shall be responsible for groundskeeping of ball fields and all other green and park spaces on the Premises beyond that zone, as further described in Exhibit C.
- e. **Tree Maintenance** –CITY will be responsible for tree maintenance and regularly assess trees with storm damage, disease, and potentially damaging limbs and trim, treat or remove from Premises as appropriate and necessary.
- f. **Repairs and Inspections** – Repairs and inspections not expressly categorized as Capital and Deferred Maintenance shall be the responsibility of PARTNER. Such work may include, but is not limited to, broken windows, replacement locks, graffiti removal, fire extinguisher testing, emergency lighting testing, fire sprinkler inspections, and fire alarm inspections. If PARTNER fails to complete such work in a timely manner, or if CITY determines that immediate action is necessary to protect public safety or the integrity of the Premises, CITY may, but is not obligated to, perform or procure such work. In such cases, CITY shall be entitled to reimbursement for all associated costs, which shall be invoiced to PARTNER on a quarterly basis as described in Section 6.
- n. **Snow and Ice maintenance** – When snow accumulation dictates, consistent with Park and Recreation service standards, CITY will maintain perimeter walking paths , as outlined in Exhibit C. All other snow and ice maintenance is at the discretion and responsibility of PARTNER.

7. City Cost Recovery.

PARNTER will operate the Premises at no cost to the CITY, except as provided for within this Agreement. The CITY will incur no new financial obligations related to PARNTERS 's operation.

CITY shall invoice PARTNER on a quarterly basis for any costs incurred by CITY in performing or procuring maintenance, repairs, or inspections that are the responsibility of PARTNER under this Agreement. Each quarterly invoice shall be accompanied by a report summarizing the work completed, the contractors or City staff who performed the work, and the costs incurred. PARTNER shall remit full payment to CITY within 30 days of the invoice date. The CITY shall charge interest of 1.5% per month on any unpaid invoices beyond the due date. PARTNER's obligation to reimburse CITY under this Section survives termination or expiration of this Agreement with respect to costs incurred prior to such termination or expiration.

8. City's Pro Rata Share of Operating Costs.

Notwithstanding the foregoing, CITY acknowledges that it occupies and uses defined areas of the Premises for City programs and that PARTNER, as manager of the Premises, administers and pays operational costs on behalf of the facility as a whole. CITY shall pay to PARTNER a pro rata share (38.8%) of shared operating costs ("Operating Costs") attributable to the City's use of the Premises. Operating Costs include utilities (water, gas, heat, light, power, and telecommunications), property insurance maintained by PARTNER, janitorial costs, security

costs, trash removal, and reasonable maintenance reserves for shared building systems and common areas, but exclude costs of programs separately operated by either Party and any costs attributable solely to the Neighborhood House Area. PARTNER shall invoice CITY on a quarterly basis, no later than the last day of January, April, July, and October of each calendar year. Each invoice shall be accompanied by a summary of Operating Costs incurred for the preceding quarter. CITY shall remit payment to PARTNER within thirty (30) days of receipt of each invoice.

Wellstone Center Space Usage by Square Footage		Percent of Whole	City Responsibility	NH Responsibility
Common Area and Parking Facility	106,204	66.0%	38.8%	61.0%
Neighborhood House Space	33,539	20.8%	0.0%	100.0%
City Parks and Recreation Space	21,235	13.2%	100.0%	0.0%
Total	160,978			
City Pro Rata Share of Operating Costs	38.8%			
(Common Responsibility x Common Area %, + City Space)/Whole				

9. Government Program.

- a. PARTNER agrees, upon direction from the State of Minnesota, Commissioner of Minnesota Management and Budget (“Commissioner”), to take such action and furnish such documents as the Commissioner determines to be necessary to ensure that interest paid on the General Obligation Bonds, used to purchase the property of which the Premises are a part, is exempt from federal taxation.
- b. PARTNER shall not, without the prior written consent of CITY and the Commissioner of MMB, create or allow any voluntary lien or encumbrance or involuntary lien or encumbrance that can be satisfied by the payment of monies and which is not being actively contested against the Premises, CITY’s ownership interest in the Premises, or PARTNER’s interest in the Agreement.
- c. PARTNER will provide CITY with an initial program evaluation report identifying the Government Programs which are operated at the Site within two weeks of execution of this Agreement. Thereafter, PARTNER will annually provide an updated report to the CITY which will identify all recreational programming and include budgets showing revenue and expenses for the programs which can be satisfied by an annual report, audited financial reports and Form 990. Such reporting shall address PARTNER's performance under both the 2003 Government Program and the 2023 Government Program as applicable.
- d. Notwithstanding any other provisions of this Agreement to the contrary, if the Governmental Program is terminated or changed in response to changes in state law in such a manner as to cause this Agreement and the operation of the Premises to be inconsistent with the changed Governmental Program, then this Agreement shall be

terminated by 120 days written notice to PARTNER, provided however that CITY agrees that it will not terminate or change the Governmental Program unless required to do so by applicable State law.

10. Covenants and Undertakings.

The Parties covenant, agree and acknowledge the following:

- a. PARTNER is permitted to have access to the Premises outside of public hours, for security purposes. For this purpose, PARTNER is granted full access to the Premises at all times, except as specifically stated otherwise herein.
- b. PARTNER may employ subcontractors or other professional service providers on the Premises to satisfy PARTNER obligations within this Agreement. PARTNER will provide to CITY a copy of all agreements or contracts between PARTNER and any party who will assist PARTNER in carrying out the terms of this Agreement. No subcontract related to this Agreement can be initiated without the approval of the CITY.
- c. PARTNER may sublease a portion of the Premises to a third party to assist in carrying out PARTNER's obligations under this Agreement, provided that no sublease shall be effective without the prior written approval of CITY. PARTNER shall provide CITY a copy of any proposed sublease agreement for CITY's review and approval before execution. No sublease shall relieve PARTNER of any obligation under this Agreement, and PARTNER shall remain fully responsible for the performance of any subtenant as if such performance were PARTNER's own. No sublease shall be construed to grant the subtenant any greater rights in the Premises than PARTNER holds under this Agreement.
- d. PARTNER may provide security coverage for the Premises at its own expense.
- e. PARTNER may contract with CITY for the CITY to provide services such as trash hauling or trades work at an agreed upon service level and rate, which will not discount the CITY's cost for providing such service.
- f. This Agreement does not exempt PARTNER or PARTNER'S patrons from park rules and regulations, unless specifically provided in this Agreement.
- g. In cases of emergency or disaster such as flood or other natural acts, PARTNER will vacate Premises, if requested to do so, and will otherwise cooperate with directives from the CITY's Director of Parks and Recreation, Fire Chief Police Chief or other City official delegated such power due to the emergency. PARTNER will make no claim against the CITY for lost revenues or added expenses due to such event.
- h. PARTNER specifically covenants and agree as follows:
 - i. PARTNER is responsible for ensuring that the public has access to the Premises and to its recreational programs.

- ii. PARTNER agrees to post hours of operation, including gym and activity schedules.
- iii. PARTNER is responsible for scheduling both interior and exterior spaces at the Premises. Permits or use after scheduled hours must be reviewed and approved by the Parks and Recreation Director. Fees charged for use of the Premises must be consistent with the fees charged by the City of Saint Paul Department of Parks and Recreation.
- iv. When the interior space is unscheduled, it will be available first to the CITY and then to the public for general use. PARTNER agrees to make Premises available as a polling place during elections, if requested by Ramsey County.
- v. PARTNER is responsible for providing general supervision on the outdoor grounds during its hours of operation. This includes general monitoring of outside activities to help ensure a safe environment for youth and families visiting the site.
- vi. Will maintain Premises in a safe, clean, and orderly condition. If PARTNER fails to maintain the Premises at a standard reasonably acceptable to CITY, CITY may elect to perform such maintenance and bill PARTNER for the costs.
- vii. Will keep Premises free of litter and accumulated trash. Cleanup of the site must be done on a twice-weekly basis.
- viii. Will provide an adequate number of trash, recycling and compost receptacles.
- ix. Will store all PARTNER's equipment and other materials present at the Premises in an orderly manner so that the appearance of the facility is clean and organized.
- x. Will conform to City, State and Federal safety, health, accessibility, and environmental laws and to cooperate with the appropriate agencies to achieve such objectives.
- xi. Will comply with State and Federal and Local laws and regulations prohibiting discrimination.

i. The CITY specifically covenants and agrees:

- i. The CITY will periodically inspect the Premises and inform PARTNER in writing of any conditions which must be remedied, and the date by which the repairs must be completed, all subject to the Parties obligations for maintenance and repairs as set forth in Section 9 hereof.
- ii. The CITY will provide PARTNER with the CITY 's participant accident report forms. These forms must be completed by PARTNER representatives in instances where accidents on the Premises property are reported to or witnessed by PARTNER representatives. PARTNER shall deliver completed reports to the CITY within 48 hours following an accident on or near the Premises property.
- iii. To provide PARTNER with the use of existing Premises equipment, in “as

is" condition.

11. Taxes.

PARTNER will be responsible for and pay all taxes and assessments against the Premises, except that it may at its own expense contest and challenge the imposition or amount of any such tax or assessment as allowed by law. In the event this Agreement is terminated by either party, CITY may at its option require PARTNER to pay such contested taxes pending appeal, to place in escrow a sum sufficient to pay said taxes, or take other action that will remove said contested taxes as an encumbrance to title or as an exception to the transferability of marketable title to the Premises.

12. Alterations.

PARTNER will not make any alterations ("Alterations") to the Premises without the written consent of the CITY, such consent not to be unreasonably withheld. If the PARTNER desires to make any such Alterations, an accurate description shall first be submitted to and approved by the CITY and such Alterations shall be done by the PARTNER at its own expense. All such Alteration work shall be performed under the CITY'S supervision and any improvements made to the Premises at the PARTNER'S expense shall become the property of the CITY at the end of the Agreement period. PARTNER agrees that all Alterations will be done in a workmanlike manner and in conformance with applicable building codes, that the structural integrity and building systems of the building will not be impaired, and that no liens will attach to the Premises by reason thereof.

CITY retains ownership of Premises in its entirety, and may make any City-led alterations to the Premises it deems appropriate and necessary. When City-led alterations will impact PARTNER operations, parties will work together in good faith to coordinate efforts and minimize disruptions to the Government Program.

13. Notices.

Any notice, statements, bills, or other communications required to be given under this Agreement will be deemed to be duly delivered if in writing and delivered to the other Party personally, sent by facsimile with confirmed delivery sheet, sent by electronic mail with confirmation of receipt, or sent by certified or registered mail addressed to the other return-receipt postage prepaid or sent via overnight express mail as follows:

AS TO CITY:

Tyler McKean, Partnership Agreements Manager

City of Saint Paul

400 City Hall Annex 25 W. 4th Street

Saint Paul, MN 55102

Email: tyler.mckean@ci.stpaul.mn.us Phone: 651-266-6396

AS TO PARTNER:

Shad D. Klukas, Chief Facilities and Hospitality Officer
Neighborhood House
179 Robie Street East
Saint Paul, MN 55107
Email: sklukas@neighborhoodhousemn.org Phone: 651.789.2577

or to such other subsequent address as the respective parties shall designate in writing. When notices from the CITY require a response from PARTNER, such response shall be received by CITY within five business days from receipt, or such other time as may be expressly set forth in this Agreement, for compliance.

14. Reporting

- a. Annually, by February 28, supply to City an annual report including community impacts of operations, program metrics, financials, and stewardship.
- b. The CITY has a right to inspect all books and records pertaining to the operation of Premises by PARTNER. The CITY will be granted inspection of said books and records by providing PARTNER with written notice, upon which PARTNER will have fifteen (15) days to provide access to those books and records to the CITY or its agents.
- c. PARTNER shall maintain all books, documents, and accounting records for inspection or audit by the City, State Auditor, or other duly authorized representative for a period of six (6) years following termination of the Agreement.

15. Operational Coordination.

The Parties recognize that the shared use and coordinated management of the Premises requires ongoing communication and proactive coordination. The following provisions establish standing mechanisms for operational coordination between CITY and PARTNER.

a. Designated Points of Contact for Space Reservations and Scheduling. Each Party shall designate, in writing, a primary point of contact responsible for receiving and processing space reservation requests and coordinating scheduling for spaces under that Party's control. Either Party's designated contact may be updated by providing written notice to the other Party pursuant to Section 12. The Parties shall respond to reservation requests in a timely manner and shall make reasonable efforts to accommodate each other's scheduling needs consistent with the terms of this Agreement and the Government Program.

b. Monthly Operational Meetings. Representatives of CITY and PARTNER shall meet in person at the Premises on a monthly basis to coordinate operations and address current or emerging issues. Each Party shall designate at least one representative with operational authority to attend these meetings. Meetings shall address, at minimum, the following topics: upcoming events and programming, registration and scheduling, security matters (including any active banning orders or trespass actions), facility and equipment needs, vehicle access and use, and any other matters either Party identifies as requiring coordinated attention.

c. Annual Joint Planning Meeting. In addition to the monthly meetings described above, CITY and PARTNER shall hold an annual in-person meeting at the Premises, to be completed no later than December 31 of each calendar year, for the purpose of planning and aligning

operations for the coming year. The annual meeting shall address, at minimum, the following topics: registration processes and calendar, key dates and closures (including holidays), upcoming events and programming, staff cross-training opportunities, shared space use and allocation, contact protocols and escalation procedures, emergency planning and response coordination, and vehicle access and use.

16. Right of Entry.

At all times during the Term of this Agreement, CITY shall have the right, by itself, its agents and employees, to enter into and upon the Premises during reasonable business hours or, in the event of an emergency, at any time for any legitimate purpose.

PARTNER shall manage access to the Premises, including control of physical keys, key fobs, keypad codes, and any electronic access systems serving the building. PARTNER shall provide CITY with access credentials, including keys, key fobs, or keypad codes as applicable, sufficient for CITY staff, agents, and authorized representatives to access all areas of the Premises designated for CITY use or shared use under this Agreement. PARTNER shall not revoke or restrict CITY's access credentials without prior written notice to CITY and shall not condition CITY's access to its designated areas on PARTNER's operational schedule except as otherwise agreed in writing by the Parties.

17. Insurance.

PARTNER shall acquire during the Term of this Agreement the following coverage:

- a. PARTNER shall be responsible for insuring, securing and maintaining all of its own personal property that is brought into the Premises. It is recommended that the PARTNER secure insurance that provides coverage for its property for all losses. CITY shall not be responsible for any damage, including from fire, theft, water and or vandalism to the PARTNER's property.
- b. COMPREHENSIVE GENERAL LIABILITY INSURANCE including blanket contractual liability coverage and broad form property damage liability endorsement with a combined single limit of not less than \$1,500,000 per occurrence and \$2,000,000 aggregate shall be purchased by the PARTNER. Such insurance shall: (a) name the City of Saint Paul as additional insured; (b) be primary with respect to CITY's insurance or self-insurance; (c) not exclude explosion, collapse and underground property damage. Such insurance limits shall remain equal to or greater than the Municipal Maximum Tort Liability Limits as provided under Minnesota Statutes Chapter 466.04, which may be amended from time to time, and upon amendment may require PARTNER to purchase and provide evidence of additional insurance.
- c. WORKER'S COMPENSATION INSURANCE with not less than statutory minimum limits; and EMPLOYERS' LIABILITY INSURANCE with minimum limits of at least \$500,000 per accident, \$500,000 per policy, \$500,000 per disease policy limits and with an all states endorsement.
- d. AUTOMOTIVE LIABILITY INSURANCE with minimum limits of \$1,000,000 combined single limit, and \$2,000,000 aggregate covering hired, non-owned and owned automobiles.

- e. The PARTNER shall supply to CITY current insurance certificates for policies required in this paragraph. The said certificates shall certify whether or not the agent has errors and omissions insurance coverage.
- f. The limits cited under each insurance requirement above establish minimums; and it is the sole responsibility of the PARTNER to purchase and maintain additional insurance that may be necessary in relation to this Agreement.
- g. Nothing in this contract shall constitute a waiver by the CITY of any statutory limits or exceptions on liability.
- h. PARTNER shall place the insurance with responsible insurance companies authorized and licensed to do business in the State of Minnesota and shall deliver copies of the declaration page (at a minimum) to the CITY of PARTNER'S execution of this Agreement. The policies required shall be endorsed to indicate that the insurer cannot cancel or change the insurance without first giving the CITY a 30-day written notice.

18. Indemnification.

PARTNER agrees to indemnify, defend, save, and hold harmless the City of Saint Paul and any agents, officers and employees thereof from all claims, demands, actions, or causes of action of whatsoever nature or character, arising out of or by reason of the Agreement of the herein described Premises by CITY to PARTNER, or the use or condition of the Premises or as a result of operations or business activities taking place on the Premises. It is fully understood and agreed that PARTNER is aware of the conditions of the Premises and Agreements the same "as is."

19. Termination; Default.

- a. **Termination by mutual consent.** This Agreement may be terminated at any time by mutual written consent of the Parties.
- b. **Termination by CITY.** This Agreement may be terminated without cause by the CITY by providing PARTNER with one hundred eighty (180) days' notice.
- c. **Termination for material breach.** A party claiming a material breach by the other party may elect to terminate this Agreement by providing notice of such intent to terminate to the other party, stating the date upon which the termination will be effective. Other than the notice required in this section, no written notice is required for a party to terminate this Agreement for a claimed material breach unless failure to cure after notice is specifically listed as a component of the claimed material breach.
- d. **Material breach by PARTNER defined.**
The following events will be deemed to be material breaches by PARTNER:
 - i. **Failure by PARTNER to maintain a Government Program as set forth in § 7.** PARTNER fails to perform any material obligation under the Development Agreement, and such failure (a) results in delay or failure of the construction of required improvements, (b) jeopardizes the funding or compliance requirements of the Grant Agreement, or (c) prevents or materially impairs the delivery of the Government Program. PARTNER shall have sixty (60) days to cure following written notice
 - ii. **Failure to pay.** In the event that PARTNER fails to make any payment due CITY as required under this Agreement and the failure continues for a period

- of more than thirty (30) days after receipt of written notice of such non-payment.
- iii. **Lapse in insurance.** In the event PARTNER fails to continuously maintain proper insurance as required by the Agreement and the lapse continues for a period of five (5) days after receipt of written notice of such failure.
 - iv. **Failure to obtain or maintain license.** In the event that PARTNER fails to obtain any permit or license required to perform under this Agreement, or such permits or licenses are suspended or revoked, or allowed to expire and such failure continues for a period of fifteen (15) days after receipt of written notice of such failure.
 - v. **Breach without cure.** PARTNER breaches any obligation under this Agreement and such breach continues for a period of forty five (45) days or more after receipt of written notice of such breach.
 - a. **Persistent or repeated breaches.** PARTNER has a pattern of persistent and repeated breaches, whether or not such breaches have been cured.
 - vi. **Bankruptcy.** In the event that PARTNER files a voluntary petition in bankruptcy, insolvency or a petition for reorganization, or a receiver is appointed for a substantial portion of PARTNER's property, or an order or decree of bankruptcy, insolvency, or reorganization is issued.
 - e. **Material breach by CITY defined.**

The following events will be deemed to be material breaches by CITY:

 - i. **Breach without cure.** In the event CITY breaches any obligation under this Agreement and such breach continues for a period of 45 days or more after receipt of written notice of such failure.
 - ii. **Persistent or repeated breaches.** City has a pattern of persistent and repeated breaches, whether or not such breaches have been cured.
 - f. **No waiver implied.** In the event any provision contained in this Agreement should be breached by either party and said breach thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.
 - g. **Remedies cumulative.** No remedy herein conferred upon or reserved to either party under this Agreement is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.
 - h. **Minnesota law; severability; venue.** This Agreement shall be construed under the laws of the State of Minnesota; and if any provision or portion thereof, or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and

each provision of this Agreement shall be valid and enforceable to the fullest extent provided by law. Any litigation arising out of or relating to this Agreement will be venued in the State of Minnesota Second Judicial District Court, Ramsey County.

20. Default Remedies.

In the event PARTNER is in default under Paragraph 19 of this Agreement and such default remains uncured beyond the applicable notice and cure period, CITY may exercise any one or more of the following remedies:

- a. terminate this Agreement, exclude PARTNER from possession of the Premises,;
- b. exclude PARTNER from possession of the Premises, with or without terminating this Agreement and operate the Premises itself;
- c. terminate the Agreement, exclude PARTNER from possession of the Premises, sell all or any part of the Premises at the best price obtainable (provided such sale is permitted by applicable law,) such sale to be on such terms and conditions as CITY, in its sole discretion, shall determine and apply the proceeds of such sale less any expenses thereof for the account of PARTNER.
- d. Perform PARTNER's obligations under this Agreement and recover from PARTNER, the reasonable costs and expenses incurred by CITY in performing such obligations on PARTNER's behalf.
- e. exercise any remedies available to it under the Minnesota Uniform Commercial Code;
- f. take whatever action at law or in equity may appear necessary or appropriate to collect any payment then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of PARTNER under this Agreement.
- g. in exercising any of its remedies set forth in this Section, CITY may, whether or not the Agreement is then in effect, hold PARTNER liable for the difference between the payments and other costs for which PARTNER is responsible under this Agreement.

No remedy herein conferred upon or reserved to CITY is intended to be exclusive of any other available remedy or remedies, but each such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or thereafter existing at law or in equity by statute. No delay or omission to exercise any such right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle CITY to exercise any remedy reserved to it in this Provision, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

21. Payments in Case of Default.

In the event of a default by PARTNER under this Agreement, PARTNER shall pay CITY all costs and expenses, including reasonable attorney's fees in any action brought by CITY to recover any payment due and unpaid hereunder, or for the breach or default of any of the covenants or agreements contained in this Agreement, or to recover possession of the Premises, whether such action progresses to judgment or not.

22. Assignment.

This Agreement may not be assigned without the consent of the other party and any attempt to assign without such consent will render the Agreement void.

23. Surrender of Premises.

The PARTNER, at the expiration of said Term, or any sooner termination of this Agreement, shall quit peacefully and surrender possession of the Premises and its build outs and trade fixtures to CITY in as good order and condition as the property was delivered to the PARTNER. CITY reserves the right to accept build outs and trade fixtures, or PARTNER must remove them.

24. Compliance with Laws.

The Premises described herein may be used for only the purposes stated herein. It is the sole and exclusive responsibility of PARTNER in the use of the Premises to comply with all laws, rules, regulations, or ordinances imposed by any jurisdiction affecting the use to which the property is proposed to be put. Inability or failure by PARTNER to comply with any of said laws, rules, regulations or ordinances will not relieve PARTNER of the obligation to pay the rental provided herein.

25. Non-Discrimination.

PARTNER for itself, its personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that

- a. no person, on the ground of race, sex, color, creed, religion, age, disability, marital status, familial status, status with respect to public assistance, national origin, sexual or affectional orientation or ancestry shall be excluded from participating in, be denied the benefits of or be otherwise subjected to discrimination in the use of said facilities; sexual or affectional orientation;
- b. that in connection with the construction of any improvements on said lands and the furnishing of services thereon, no discrimination shall be practiced in the selection of employees and contractors, by contractors in the selection and retention of first tier subcontractors, and by first-tier subcontractors in the selection and retention of second-tier subcontractors;
- c. that such discrimination shall not be practiced against the public in its access in and use of the facilities and services provided for public accommodations (such as eating, sleeping, rest and recreation) constructed or operated on the Premises; and

- d. that PARTNER shall use the Premises in compliance with all other requirements imposed pursuant to the Saint Paul Legislative Code Chapter 183.

26. Controlling Agreement.

In the event there is any prior existing Agreement or rental agreement between PARTNER and CITY (or its predecessor in interest) covering the subject property, including but not limited to the LEASE AND OPERATING AGREEMENT dated July 8, 2004 it is agreed and understood that this Agreement shall cancel and terminate any prior Agreements or rental agreements as of the effective date of this Agreement.

27. Destruction.

In the event of damage to or destruction of the Premises, or in the event the Premises become untenable or unfit for occupancy due to such damage during the Term of this Agreement, CITY may at its option:

- a. terminate this Agreement upon fifteen (15) days' written notice to PARTNER; or
- b. within fifteen (15) days agree to restore the Premises within a reasonable time period following the casualty, at CITY's expense except as provided in subparagraph (c) below; or
- c. direct that PARTNER restore the Premises to substantially the condition existing immediately prior to such damage or destruction, provided that CITY may only exercise this option where the damage or destruction was caused, in whole or in material part, by the negligence or intentional misconduct of PARTNER, its employees, agents, contractors, or invitees. In such event, CITY shall make available to PARTNER, pro-rata as work progresses, the net proceeds of any insurance attributable to such damage. If such proceeds are insufficient to pay the entire cost of restoration, PARTNER shall be responsible only for that portion of the remaining cost that is proportionate to PARTNER's fault, as reasonably determined by CITY. Payments during the restoration period shall be abated in proportion to the percentage of loss and impairment of the use of the Premises as determined by CITY.

Nothing in this section shall be construed to create a leasehold interest or convey any property right in the Premises to PARTNER.

28. Records, Dissemination Of Information.

Until the expiration of six years after the furnishing of goods, supplies or services pursuant to this Agreement, upon written request from CITY, PARTNER shall make available the books, documents, records, and accounting procedures at its offices at all reasonable times for inspection or audit by City, the State Auditor, or other duly authorized representative. PARTNER agrees to abide strictly by the statutes, rules and regulations of the Minnesota Government Data Practices Act, Statute Ch. 13, as well as any other applicable state or federal statutes, rules or regulations.

29. Amendments.

No amendments to this Agreement shall be effective without being reduced to writing and executed by both parties and agreed to by the Commissioner of Minnesota Management and Budget or his/her designee.

30. Captions And Headings.

The captions and headings used herein are intended only for the convenience of the reader and are not to be used in construing this Agreement.

31. Exhibits.

All Exhibits attached hereto are incorporated into and made a part of this Agreement. Exhibits may be updated from time to time by mutual written consent, such as to reflect final as-built conditions of Premises.

32. Entire Agreement.

This Agreement constitutes the full and complete agreement between the parties and supersedes any prior negotiations or agreements.

33. Counterparts.

The parties may sign this Agreement in counterparts, each of which constitutes an original, but all of which together constitute one instrument.

34. Electronic Signatures.

The parties agree that the electronic signatures of a party to this Agreement shall be valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties further agree that any document (including this Agreement and any attachments or exhibits to this Agreement) containing, or to which there is affixed, an electronic signature shall be record established and maintained in the ordinary course of business and an original written when printed from electronic files. For purpose also means a manually signed original signature that is then transmitted by any electronic means, including without limitation a faxed version of an original signature or an electronically scanned and transmitted version (e.g., via PDF) of an original signature shall not affect the enforceability of this Agreement.

35. Recitals.

The recitals on page 3 of this Agreement are hereby incorporated into this Agreement,

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year in this Agreement first above-written.

CITY OF SAINT PAUL

The Neighborhood House

X

Andy Rodriguez
Director, Parks and Recreation

X

Janet Garcia
President and CEO

X

Joe Harney
Director, Office of Financial Services

X

President, Board of Directors

X

Erica Schumacher
Deputy Mayor

X

Nicole Tillander
City Clerk

Approved as to Form:

X

Sarah Sullivan
Assistant City Attorney

Exhibit A - Premises



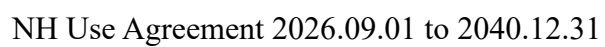


Exhibit B - Annual Performance Metrics & Renewal Scoring

The Neighborhood House – Wellstone Center Management Agreement

- Total Possible Score: 100 Points
- Minimum Score Required for Renewal Eligibility: 70 Points average over Term

Category 1 – Contract Compliance (25 Points)

PARTNER shall demonstrate consistent and timely compliance with all material contractual obligations.

Metric	Standard	Points
Timely Financial Reporting	100% of required reports submitted on time (≤ 1 late per 24 months allowed)	8
Timely Deliverables	No late reports or other contract deliverables	7
Insurance & Required Filings	No lapses; all required submissions timely	5
Defaults & Breaches	No persistent breach; ≤ 1 repeated breach in 24 months	5

Scoring Guidance:

- Full compliance = full metric points
- Minor deviation (corrected quickly) = 50% of metric points
- Pattern of noncompliance = 0 for metric

Category 2 – Delivery of Government Program (45 Points)

PARTNER shall actively engage program users and the public to drive attendance, improve services, and enhance customer satisfaction. Annual metric results will be reported to the Park and Recreation Commission each March with proposed metrics for the coming year.

Metric	Standard	Points
Program Impact	Neighborhood House will annually provide services and supports to 30,000 individuals/9,000 families or more through core programming including food support, eviction prevention, adult education, basic need items and youth programs.	13
Public Engagement and Feedback	Neighborhood House will engage community voices through a dedicated West Side participant advisory council and through ongoing community focus groups. Data and insight gained from both will be shared with the City. Additionally, quarterly community engagement events will be held to welcome neighbors and community members to explore the facility and learn about the programs and activities available onsite.	12

Demonstrated Coordination with Parks	Neighborhood House will continue to provide space and support for City meetings, trainings, convenings and community events (average of 300 events annually)	12
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Scoring Guidance:

- **Program Impact**
 - 13 points awarded for serving 30,000 individuals/9,000 families or more
 - 11 points awarded for serving 25,000 individuals/8,000 families
 - 9 points awarded for serving 20,000 individuals/7,000 families
 - 7 points awarded for serving 15,000 individuals/6,000 families
 - 5 points awarded for serving 10,000 individuals/4,000 families
 - 3 points awarded for serving 5,000 individuals/1,000 families
- **Public Engagement and Feedback**
 - 1 point for each community event held per year (up to 4 possible)
 - 1 point for each focus group held per year (up to 4 possible)
 - 1 point for each Participant Advisory Committee quarterly activity (up to 4 possible)
- **Demonstrated Coordination with Parks**
 - 2 points for on time reporting and documentation.
 - 2 points for Annual Partner planning and review meeting execution
 - 1 point for every 50 events executed (up to 6 possible)
 - 2 points for consistent monthly partner meetings.

Category 3 – Stewardship & Maintenance of Public Asset (30 Points)

PARTNER shall demonstrate consistent and proactive care of Premises as a public asset.

Metric	Standard	Points
Routine Maintenance Compliance	No pattern of deficiency notices	10
Facility Care & Cleanliness	Meets park standards; no repeated written warnings	10
Safety & Environmental Compliance	No violations; no repeat safety citations	10

Scoring Guidance:

- 1–2 minor written deficiency notices corrected timely = 75% of metric
- Repeated unresolved deficiencies = 0

Minimum Renewal Thresholds

Regardless of total score, renewal eligibility requires:

- Minimum 18/25 in Contract Compliance
- Minimum 22/30 in Stewardship
- No uncured material breach

- Failure to meet either minimum category threshold = Not Eligible for Renewal

FINAL SCORE CALCULATION

Item Score

Category 1 ____ / 25

Category 2 ____ / 45

Category 3 ____ / 30

Total Score: ____ / 100

RENEWAL ELIGIBILITY DETERMINATION (Averaged across Term)

Final Score Renewal Status

- 90–100 Eligible for Renewal
- 80–89 Eligible for Renewal (CITY discretion)
- 70–79 Conditional Renewal Only (Corrective Plan or Investment required, see paragraph 4.B.)
- Below 70 Not Eligible for Renewal

Exhibit C – Park Maintenance Responsibilities

City Snow Removal



City Turf Maintenance