

**CITY OF RAPID CITY
LEASE AGREEMENT WITH
RAPID CITY MIDGET FOOTBALL**

For and in consideration of the terms and conditions hereinafter set forth and the rental payments due hereunder, the City of Rapid City, hereinafter called "City" or "Lessor", and Rapid City Midget Football League, hereinafter referred to as "Lessee", do and hereby enter into this Lease Agreement.

1. Term. The term of this lease shall be for a period of five (5) years commencing January 1, 2013, and terminating on December 31, 2017.

2. Premises. The premises covered by this lease agreement are described as follows:

The Midget Football Building at Star of the West Softball Complex, including all lands within 25 feet of said building that are immediately adjacent thereto lying west of Sedviy Lane, all located in the Lot 4 of Dairyland Subdivision, Rapid City, Pennington County, South Dakota.

As attached in Exhibit A.

3. Rent. The Lessee agrees to pay to the City for the use and occupancy of the above-described premises for the term of this lease, an amount not less than One Dollar (\$1.00) per year during the term of this lease, with the first payment by August 1, 2007. Such rental shall be paid at the Office of the City Finance Officer by August 1st of each year.

It is specifically agreed that failure to pay the rental when due shall constitute a breach of this agreement and shall be considered grounds for termination of the agreement by the City.

4. Extension of Term. The Lessee shall have the option of renewing this lease agreement for one five (5) year period by giving written notice of intention to renew to the Lessor on or before October 1, 2017; provided, however, the terms and conditions shall be subject to renegotiation by the parties. If agreement cannot be reached on the renegotiation by the parties

on or before December 1, 2012, then and in that event this lease shall be terminated and the Lessee shall have no further rights under this lease.

5. Use of the Premises. The Lessee shall use the premises for storage and repair of sporting equipment only. Lessee further covenants that they will abide by and comply with all statutes, ordinances, and municipal regulations relating to the conduct of such events. The Lessee shall not conduct an unlawful business on the premises.

6. Quiet Enjoyment. The Lessee, upon paying the rental and observing the term hereof, shall lawfully, peaceably, and quietly hold, occupy, and enjoy said premises during the term hereof without hindrance, eviction, or molestation by the Lessor or by any person or persons lawfully claiming under the Lessor.

7. Utilities. The Lessee shall pay for all utilities relative to the building.

8. Use of Premises. Lessee shall provide sporting equipment and events to the general public without discrimination as to race, color, sex, creed, religion, ancestry, national origin, or disability and will not permit discrimination against any person or group of persons, in any manner prohibited by local, state, or federal laws. Lessee agrees that in the operation and use of the premises, it will not on the grounds of race, color, sex, creed, religion, ancestry, national origin, or disability, discriminate or permit discrimination against any person or group of persons in any manner.

At no time shall Lessee sell or give away any alcoholic beverages, or allow any alcoholic beverages to be consumed on the premises.

Lessee shall not allow any person to make their residence on the premises, nor shall it permit persons to remain or loiter within the demised premises during the hours of operation.

Lessee shall not use or permit the premises to be used for any other purpose, or for any unlawful immoral or indecent activity. Lessee shall confine its activities to the area rented by it under the terms of this agreement.

9. Alterations, Repairs, or Improvements. Lessee shall not make any alterations, repairs, or improvements to the building or to the area immediately surrounding said building, without obtaining the prior written consent of the Director of Parks & Recreation. Requests to make any alterations, repairs, or improvements shall be made at the expense of Lessee and shall become the property of the City.

Lessee shall not post any signs without obtaining the prior written consent of the Director of Parks and Recreation.

10. Inspection by the City. City shall have the right to make inspections at any reasonable time to ensure compliance with this agreement.

12. Destruction of the Premises. In case the building shall be at any time, wholly or partially, destroyed by fire or other unavoidable casualty so that the leased premises shall be unfit for occupation or use; or in the event this building is wholly or partially, destroyed by any cause whatsoever, excepting the negligence or willful misconduct of the Lessee, rental payments shall be suspended and prorated until such time as the structure is repaired or rebuilt. If the building is damaged, the City shall have no obligation to rebuild or repair.

13. Maintenance of Premises. The Lessee shall be responsible for all interior maintenance of the premises, including all interior surfaces, and all filters and other routine maintenance items. The City shall be responsible for all structural and exterior maintenance, including maintenance of all mechanical and plumbing systems and the electrical supply system. The parties shall coordinate the complete draining of all water lines, toilet bowls, and tanks when the building is closed for the winter so that no damage will be caused by the elements.

14. Equipment. Concessionaire shall furnish and install at his own expense, any equipment, materials, furniture, supplies, etc., required by it for the proper operation of the league. Lessee's equipment shall be placed and installed only upon the written approval of the Director of Parks and Recreation.

15. Liability. Lessee agrees that the City shall be held harmless from any and all liability arising from any operation or use under this lease of the described premises by it or its agents or employees or any other person using the premises. Lessee further agrees to defend the City against any and all claims arising from the operation or use under this lease of the described premises by it or its agents or employees or any other person using the premises. Lessee agrees to purchase and maintain bodily injury and property damage insurance for each occurrence of injury or damage in the minimum amount of One Million Dollars (\$1,000,000) with participant's injury liability of at least Five Hundred Thousand Dollars (\$500,000). The City shall be named an additional insured in said policy or policies and the Lessee shall furnish to the City evidence of insurance by a certificate of insurance of required coverage.

16. Assignment or Subletting. This lease shall not be assigned, nor the premises sublet, by Lessee except on written consent and approval of the City.

17. Concession, Advertising, and Naming Rights. Lessee shall have the right to operate concessions for the sale of beverages, food, programs, and other items usually sold in the public parks. Lessee shall have the right to sell advertising space on the inside of the fences enclosing the playing fields and all revenue derived from concessions and advertising shall belong to Lessee. Lessee also agrees to be responsible for cleaning and maintaining the concession area.

The City retains all naming rights for the facilities and premises; the concessions and advertising rights granted herein to Lessee shall not abrogate the City's authority to sell naming

rights to the facilities and premises which are the subject of this Lease, and to retain all revenues therefrom.

18. City Authority. All matters pertaining to the terms of this lease shall be subject to the powers of the City Council and its designated authorized agents consistent with the laws of the State of South Dakota.

19. Change of Contacts and Officers. Lessee agrees to notify the Director of Parks and Recreation of any changes in the officers of Lessee within thirty (30) days after said change. Attached to and incorporated by reference into the terms of this agreement are the names and addresses of the current office holders of Lessee.

20. Non-Discrimination. Lessee shall not on the grounds of race, color, sex, creed, religion, ancestry, national origin or disability discriminate or permit discrimination against any person or group of persons in any manner prohibited by local, state, or federal laws. Lessee further agrees to comply with any requirements made to enforce the foregoing which may be required of or by the City.

21. Relationship Between the Parties. Lessee is an independent contractor of the City. This Agreement does not create an employment relationship between the City of Rapid City and Lessee or its agents or employees. Nothing contained in this Agreement is intended to create a partnership or joint venture between Lessee and the City of Rapid City. No agent of Lessee shall be the agent of the City, and Lessee covenants that it will not take any action in the name of, or by holding itself out as the agent of, the City of Rapid City.

22. Time of Essence. Time is of the essence of this Agreement.

23. Waivers. The failure by one party to require performance of any provision herein shall not affect that party's right to require performance at any time thereafter, nor shall a waiver

of any breach or default of this Agreement constitute a waiver of any subsequent breach or default or a waiver of the provision itself.

24. Amendments. This Agreement may only be amended by a written document duly executed by all parties.

25. Entire Agreement. This Agreement, along with any attachments constitutes the entire agreement between the parties, and supersedes all prior negotiations, agreements and understandings, whether oral or written.

26. Counterparts. This Agreement may be executed in counterparts; each such counterpart shall be deemed an original and when taken together with other signed counterparts, shall constitute one Agreement.

27. Severability. If any provision of this Agreement is held unenforceable by a court of competent jurisdiction, such holding shall not affect the remaining provisions of this Agreement, which shall remain in full force and effect.

28. Headings. The headings and numbering of the different paragraphs of this Agreement are inserted for convenience only and are not to control or affect the meaning, construction or effect of each provision.

29. Construction and Venue. This Agreement shall be interpreted under the laws of the State of South Dakota. Any litigation under this Agreement shall be resolved in the circuit

Dated this ____ day of _____, 2013.

CITY OF RAPID CITY

Mayor

ATTEST:

Finance Officer
(SEAL)

State of South Dakota)

ss.

County of Pennington)

On this the ____ day of _____, 2013, before me, the undersigned officer, personally appeared Sam Kooiker and Pauline Sumption, who acknowledged themselves to be the Mayor and Finance Officer, respectively, of the City of Rapid City, a municipal corporation, and that they as such Mayor and Finance Officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the City of Rapid City by themselves as Mayor and Finance Officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public, South Dakota

My Commission Expires:
(SEAL)

Rapid City Midget Football

State of South Dakota)

ss.

County of Pennington)

On this the ____ day of _____, 2013, before me, the undersigned officer, personally appeared _____, who acknowledged himself to be the _____ of Rapid City Midget Football, and that he/she, as such _____, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as _____.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public, South Dakota

My Commission Expires:
(SEAL)