

**LEASE AGREEMENT BETWEEN THE CITY OF RAPID CITY
AND RAPID CITY CLUB FOR BOYS, INC.**

For and in consideration of the mutual promises and agreements contained herein, the City of Rapid City, 515 W. Boulevard, Rapid City, South Dakota 57701, a municipal corporation (“City”), agrees to lease to Rapid City Club for Boys, Inc., of 320 N. 4th Street, Rapid City, South Dakota 57701, a non-profit corporation organized under the laws of the State of South Dakota (“Lessee”), a specified area to operate programming for boys in Rapid City, subject to the following terms and conditions:

1. Consideration. The City hereby leases to Lessee the below described premises for the sum of One Dollar (\$1.00) per year and other good and valuable consideration, including but not limited to, maintenance of general grounds, construction of incidental improvements, administration of youth program open to the citizens of the City, responsibility for mowing and maintaining grass and landscaping, and responsibility for all electrical bills. Said sum is payable to the City of Rapid City on or before the first day of January of each succeeding year.

2. Term. The term of this agreement is from the date of execution to December 31, 2025. At the end of the initial term, the Agreement shall automatically renew for a period of 10 years, to expire December 31, 2035, unless a party delivers written notice of cancellation to the other on or before October 1, 2025. At the end of this renewal term, the Agreement shall automatically renew for a period of 5 years, to expire December 31, 2040, unless a party delivers written notice of cancellation to the other on or before October 1, 2035. At the end of this renewal term, the Agreement shall automatically renew for a period of 5 years, to expire December 31, 2045, unless a party delivers written notice of cancellation to the other on or before October 1, 2040.

This Agreement may be terminated by Lessee giving notice of its intent to terminate said Agreement on or before October 15 of any year, which termination will be effective as of December 31 immediately following unless otherwise stated. City may terminate this Agreement for good cause by giving notice of its intent to terminate said Agreement on or before October 15 of any year, which termination will be effective as of December 31 immediately following unless otherwise stated.

3. Premises. The premises leased by the City to Lessee are described on Exhibit "A" attached hereto and incorporated herein by reference.

4. Surrender of Premises. Lessee agrees to surrender the premises, or a part thereof, in the event it is necessary for expansion or utilization of public park facilities or for any other purpose which City believes is necessary or important, and it further agrees to abandon the premises, or a part thereof, in the event the demand is made by the United States government. Lessee further agrees to abandon the premises, or a part thereof, whenever ordered to do so by a court of law, whenever the City is ordered to terminate said Agreement by an order of any court, and whenever either party terminates the Agreement pursuant to Section 2.

5. Use. Lessee shall have priority use of the premises during the lease period, subject to the terms of this Agreement, for the purpose of operating a youth program. Lessee agrees that the City may use the premises when the same is not required for use by Lessee, and such use by the City shall be consistent with the normal usage of said premises.

6. Use by Others. Lessee agrees to allow other persons or organizations to use the premises, subject to reasonable terms and conditions. City and Lessee agree that Lessee will have the opportunity to review proposals for activities at the facility at least one year in advance. If other persons or organizations use the premises, Lessee may be compensated for use of the

facility and/or offered the opportunity to work on the event and earn compensation for their program. Both parties agree that Lessee or its designee shall participate in review and consideration of any proposals for use of the facilities by others.

7. Maintenance. Lessee agrees to maintain said premises under the authority of the Parks and Recreation Director or his/her designee. Lessee agrees to repair or replace any property damaged by its members or invitees which occurs while the premises are in use by Lessee. Lessee agrees to be responsible for policing the premises and to pick up and make ready for City collection of all trash, recyclables, debris, and waste material of every nature (including mowing of weeds), resulting from the use of the premises by itself or any spectators in attendance at such premises. Lessee agrees to provide trash and recycling receptacles for use at the premises. Lessee also agrees to place all collected trash, recyclables, debris, and waste in a designated location for removal by the City of Rapid City. Lessee agrees to promote and encourage recycling throughout the premises.

8. Mowing and Snow Removal. Lessee shall mow the grass on a regular basis. The Parks Division Manager can mow the grass and charge Lessee at the rate of twenty-five dollars (\$25.00) per hour for each person and machine used, provided that the Parks Division Manager: (1) determines the need for mowing; (2) gives Lessee three days notice of his intent to do so if Lessee fails to mow; and (3) determines he has the available manpower and equipment. Should the Parks Division Manager not have the available manpower and equipment, he can arrange for a private contractor to mow at the expense of Lessee.

Lessee shall be responsible for all sidewalk snow removal immediately adjacent to the leased premises and will do so in a timely manner and in accordance with City ordinance. The

parties agree that if Lessee fails to do so, the City may perform the work and charge Lessee for the costs of that work, and that Lessee will pay those costs.

9. Construction. Lessee shall have the right to construct accessory and customarily incidental improvements with prior approval of the plans by the Director of Parks and Recreation or his/her designee. This includes construction of paved parking on some or all of the leased premises. Construction and other improvements located in the flood plain shall be in conformity with the regulatory codes of the City and subject to the prior written approval of the Director of Parks and Recreation or his designee. Any permanent improvements or fixtures constructed by Lessee at the Premises become the property of the City.

10. Expense. The City of Rapid City shall assume no expenses as a result of this Agreement or any of the operations of Lessee. Lessee agrees to pay its own administration expenses, including but not limited to, lights and electricity, grounds crew, office supplies, miscellaneous equipment, and secretarial fees. Lessee agrees that the electric utilities will be metered in the name of and billed directly to Lessee and that all expenses incurred by it shall be paid within thirty (30) days of due date.

11. Termination. If Lessee shall dissolve or abandon the use of the premises for three months, this Agreement shall be terminated and Lessee shall have no further rights hereunder.

12. Hold Harmless and Indemnity. Lessee agrees that the City shall be held harmless from any and all liability arising from any operation or use under this Agreement of the premises by it or its agents or employees or any other person using the premises. Lessee further agrees to indemnify and 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.

13. Insurance. Lessee agrees to purchase and maintain bodily injury and property damage insurance in amounts required by the City. City shall timely notify Lessee of any change in requirements for insurance coverage, and Lessee shall provide verification of such coverage within 60 days of receipt of City notice. 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. At the time this Agreement is signed, Lessee shall purchase and maintain bodily injury and property damage insurance coverage of at least One Million Dollars (\$1,000,000) for each occurrence of injury or damage.

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

15. 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 premises, and all revenue derived from concessions and advertising shall belong to Lessee.

16. City Authority. All matters pertaining to the terms of this Agreement 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.

17. Change of Contacts and Officers. Lessee designates its Executive Director as its primary contact and consents to City's communication with the Executive Director, and not the officers, concerning the contents of this Agreement after its execution. Lessee agrees that its Executive Director will, at City's request, make available the contact information for Lessee's

officers. Attached to and incorporated by reference into the terms of this agreement are the names and addresses of the current office holders of Lessee.

18. 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.

19. 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.

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

21. 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.

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

23. 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.

24. 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.

25. 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.

26. 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 court of Pennington County, State of South Dakota.

Dated this _____ day of _____, 2015.

CITY OF RAPID CITY

Mayor

ATTEST:

Finance Officer
(SEAL)

State of South Dakota)

ss

County of Pennington)

On this the ____ day of _____, 2015, before me, the undersigned officer, personally appeared _____ 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 CLUB FOR BOYS, INC.

By _____
Its _____

State of South Dakota)

ss.

County of Pennington)

On this the ____ day of _____, 2015, before me, the undersigned officer, personally appeared _____, who acknowledged himself to be the _____ of Rapid City Club for Boys, Inc., and that he, as such _____, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing his name as President.

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

Notary Public, South Dakota

My Commission Expires:
(SEAL)