

AGREEMENT

THIS AGREEMENT, is made and entered into this 31ST day of AUGUST, 1981, by and between the City of Minneapolis, a Minnesota Municipal Corporation (hereinafter referred to as "City"), and James L. Koch and Kathleen A. Koch, husband and wife residing in the City of Forest Lake, County of Washington, State of Minnesota (hereinafter referred to jointly as "Koch").

WITNESSETH:

WHEREAS, James L. Koch and Kathleen A. Koch are the owners of that tract or parcel of land situated in the City of Minneapolis, County of Hennepin, Minnesota, described as:

The northwesterly 52 feet of the southeasterly 60 feet of the northeasterly 85 feet of Lot 3, Block 38, St. Anthony Falls, according to the plot on file and of record with the office of the Register of Deeds, Hennepin County.

(said tract or parcel hereinafter referred to as the "Koch Parcel"); and

WHEREAS, Koch is also the owner of certain additional lands within said Block 38, St. Anthony Falls, together with a certain commercial building thereon known as the former Pillsbury Library, located at 100 University Av. SE; and

WHEREAS, the City is the owner of that tract or parcel of land situated in the City of Minneapolis, County of Hennepin, Minnesota, described as:

The northwesterly 49 feet of the southeasterly 56 feet of the southwesterly 80 feet of Lot 3, Block 38, St. Anthony Falls, according to the plot on file and of records in the office of the Register of Deeds, Hennepin County.

(said tract or parcel hereinafter referred to as the "City Parcel"); and

WHEREAS, the City is also the owner of certain additional lands within said Block 38, St. Anthony Falls, upon which is located the St. Anthony Municipal Parking Facility; and

WHEREAS, the City desires to obtain certain rights as to the Koch Parcel which the City deems necessary in connection with its municipal parking facility; and

WHEREAS, Koch desires to obtain certain rights as to the City Parcel for use in connection with the former Pillsbury Library Building, and

WHEREAS, the City Parcel was acquired by the City for future expansion of the parking facility but is not presently needed for such use.

NOW, THEREFORE, in consideration of the foregoing premises and the mutual covenants herein contained, the Parties hereto hereby agree as follows:

EASEMENT IN KOCH PARCEL

Koch does hereby grant and convey unto City, its successors and assigns a right and easement to enter upon and to utilize the Koch Parcel as necessary for the purpose of removing snow from the top level and roof of the St. Anthony Municipal Parking Facility, and for the purpose of performing repairs and maintenance to the parking facility structure, upon and subject to the terms, covenants and conditions set forth herein. The easement should include the right of ingress and egress in, over, through and across the Koch Parcel by persons, vehicles and equipment to and from the parking facility as necessary and desirable for the aforesaid purposes.

II. LEASE OF CITY PARCEL

City does hereby lease and let unto Koch, and Koch does hereby hire and take from the City the City Parcel, upon and subject to the terms, covenants and conditions set forth herein.

Reserving however, unto the City the right to enter upon and to utilize the City Parcel as necessary for the purposes of removing snow from the top level and roof of the St. Anthony Municipal Parking Facility and for the purposes of performing repairs and maintenance to the parking facility structure, as provided herein, and further reserving unto the City the right of ingress and egress in, over, through, and across the City Parcel by persons, vehicles and equipment to and from the parking facility as necessary and desirable for the aforesaid purposes.

III. USE OF CITY PARCEL BY KOCH

It is expressly agreed by Koch that the use of the City Parcel shall be restricted solely to motor vehicle parking by tenants and customers of tenants of the said Pillsbury Library building, and that Koch shall comply with the applicable ordinances of the City of Minneapolis, including Chapter 319 of the Minneapolis Code Of Ordinances relating to "Open Air Motor Vehicle Parking Lots".

All maintenance of the parcel shall be performed by Koch at their own expense.

Koch agrees that no foundation or structure of any kind is to be placed upon the City Parcel without the prior approval of the City, except the City agrees that Koch, at their own cost and expense may landscape the premises, may blacktop the premises, may erect fencing and guardrails on the premises, and may erect a lighting system upon the premises acceptable to the City Engineer of the City of Minneapolis.

USE OF PARCELS BY CITY

The City agrees that to the extent practical its use of the City Parcel and Koch Parcel for removing snow from the parking facility will be confined to such periods of time that will be less apt to interfere with the use of the Parcels for parking by Koch provided however, the City's rights hereunder shall be predominate in the event the City deems it necessary to disrupt other uses of the Parcels.

The City agrees to give notice to Koch prior to any use of the Parcels for repairs or maintenance of the parking facility. The City will use its best efforts to accomplish such repair or maintenance work in a reasonably expeditious manner but its failure to do so shall not give rise to any pecuniary liability nor shall the City be liable for any inconvenience or interruption of use of the Parcels by Koch or others claiming use of the Parcels through Koch.

If the repairs or maintenance of the parking facility by the City shall prohibit the use of any portion of the Parcels being used for parking purposes for more than a period of one week, the City will provide substitute parking in the St. Anthony Parking Facility to the extent of the parking spaces disrupted.

V. INDEMNITY AND INSURANCE

Koch agrees to protect, indemnify and hold the City, its officers and employees harmless from any and all claims, actions, liability, costs and expenses of any kind or nature for loss or damages arising out of the use, possession or occupancy by Koch of the City Parcel hereunder during the terms hereof.

Koch shall procure and maintain continuously in effect during the term of this agreement a policy of insurance covering liability arising from the use and condition of the City Parcels, with limits of at least \$100,000 for any one claimant and \$300,000 for any number of claims arising out of a single occurrence, with a responsible insuring company licensed to transact business in the State of Minnesota, and wherein the City is an additional insured. A certificate of insurance evincing the coverage required hereunder shall be furnished to the City.

VI. ASSIGNABILITY

Koch agrees and covenants not to assign their leasehold interest hereunder nor to sublet all or any part of the City Parcel without written consent of the City which consent the City agrees shall not be unreasonably withheld if the assignee is also the purchaser from Koch of the fee interest in the former Pillsbury Library building property and the Koch Parcel and assumes the obligations and covenants of Koch under this Agreement.

Koch shall not mortgage or encumber their interest hereunder in the City Parcel without the consent of the City.

Koch shall not create or permit any lien to be established or to remain against the City Parcel or their interest therein.

VII. MISCELLANEOUS

(A) Non-Discrimination

Koch agrees to comply with the applicable provisions of Minnesota Statutes, Section 181.59 and of Chapter 139 of the Minneapolis Code of Ordinances which relate to civil rights and discrimination.

(B) Notices

Any notice or other communication required hereunder shall be deemed given if and when sent by registered or certified mail addressed to the party as indicated herein unless the party shall designate by written notice a different address.

If to City:

City Engineer
City of Minneapolis
203 City Hall
Minneapolis, Minnesota 55415

If to Koch:

James L. Koch &
Kathleen A. Koch
21620 Fondant Avenue North
Forest Lake, Minnesota 55025

VIII. DURATION AND TERMINATION

A. Terms

The term of this Agreement shall be for the period of Twenty (20) years beginning on the 1ST day of September, 1981 and shall continue for such date of beginning and extend through the 31ST day of AUGUST, 2001, unless otherwise terminated, revoked, or cancelled, as hereinafter provided.

B. Termination

This Agreement and the rights of the parties hereto under this Agreement may be cancelled and terminated as hereafter provided by giving written notice to the other party not less than thirty (30) days before the effective date of such cancellation and termination. Any termination or cancellation of this Agreement or the rights of one party hereunder shall be a cancellation and termination of the rights of the other party hereunder.

1. Termination for Default

If either party shall fail to observe and perform any covenant, condition or obligation on its part under this agreement and written notice by the other party specifying the default has been given and the default has not been remedied, the party aggrieved giving the notice may cancel and terminate this Agreement.

Upon such termination, the City may lawfully enter upon the City Parcel and repossess the same with or without process of law, and expell the lessor (Koch) and those claiming under the lease or through the lessee (Koch) without being deemed guilty of a manner of trespass and without liability for damages by reason thereof.

2. Other Termination

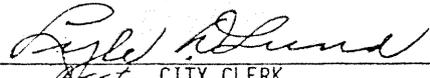
(a) It is specifically agreed that Koch, at their sole option, may cancel and terminate this Agreement in the event they shall comply with Chapter 319 of the Minneapolis Code of Ordinances and the City shall refuse to grant the necessary parking lot permit.

(b) It specifically understood and agreed that the City may have a need and use for the City Parcel prior to the expiration of the terms of this Agreement and that in the event the City in its sole discretion shall determine at any time prior to the expiration of this Agreement that it needs the City Parcel for expansion of the St. Anthony Municipal Parking Facility the City may cancel and terminate this Agreement and upon notice thereof as provided herein. Koch agrees to quietly surrender the City Parcel to the City and sign and deliver any document of release of their rights hereunder as requested by the City.

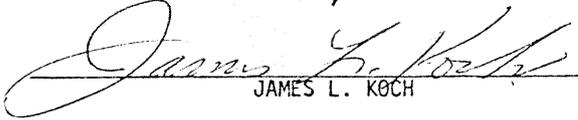
IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed as of the date first above written.

CITY OF MINNEAPOLIS

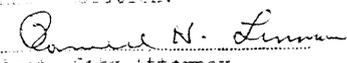
BY: - 
MAYOR

ATTEST: 
Asst. CITY CLERK

COUNTERSIGNED: 
Asst. COMPTROLLER-TREASURER


JAMES L. KOCH


KATHLEEN A. KOCH

Witnessed on the 2nd day of
April 1968.

Asst. City Attorney

aford

NAME AND ADDRESS OF AGENCY

Forest Lake Insurance Agency
 232 South Lake Street
 P. O. Box 188
 Forest Lake, MN 55025

COMPANIES AFFORDING COVERAGES

COMPANY LETTER **A** Home Insurance Company

COMPANY LETTER **B**

COMPANY LETTER **C**

COMPANY LETTER **D**

COMPANY LETTER **E**

NAME AND ADDRESS OF INSURED

James L. Koch and Kathleen A. Koch

100 University Avenue SE
 Minneapolis, MN 55414

This is to certify that policies of insurance listed below have been issued to the insured named above and are in force at this time. Notwithstanding any requirement, term or condition of any contract or other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the policies described herein is subject to all the terms, exclusions and conditions of such policies.

COMPANY LETTER	TYPE OF INSURANCE	POLICY NUMBER	POLICY EXPIRATION DATE	Limits of Liability in Thousands (000)		
					EACH OCCURRENCE	AGGREGATE
A	GENERAL LIABILITY	BOP 8 81 23 57	12/31/82	BODILY INJURY	\$	\$
	<input checked="" type="checkbox"/> COMPREHENSIVE FORM			PROPERTY DAMAGE	\$	\$
	<input type="checkbox"/> PREMISES—OPERATIONS			BODILY INJURY AND PROPERTY DAMAGE COMBINED	\$ 500,	500,
	<input type="checkbox"/> EXPLOSION AND COLLAPSE HAZARD			PERSONAL INJURY	\$	
	<input type="checkbox"/> UNDERGROUND HAZARD					
	AUTOMOBILE LIABILITY			BODILY INJURY (EACH PERSON)	\$	
	<input type="checkbox"/> COMPREHENSIVE FORM			BODILY INJURY (EACH ACCIDENT)	\$	
	<input type="checkbox"/> OWNED			PROPERTY DAMAGE	\$	
	<input type="checkbox"/> HIRED			BODILY INJURY AND PROPERTY DAMAGE COMBINED	\$	
	<input type="checkbox"/> NON-OWNED					
	EXCESS LIABILITY			BODILY INJURY AND PROPERTY DAMAGE COMBINED	\$	\$
	<input type="checkbox"/> UMBRELLA FORM					
	<input type="checkbox"/> OTHER THAN UMBRELLA FORM					
	WORKERS' COMPENSATION and EMPLOYERS' LIABILITY			STATUTORY	\$	(EACH ACCIDENT)
	OTHER					

DESCRIPTION OF OPERATIONS, LOCATIONS, VEHICLES

Northwesterly 49 feet of the Southeast 56 feet of the Southwest 80 feet of lot 3, Block 38, St. Anthony Falls, according to Plat on file and of records required of Deeds, Hennepin County, a City Parcel.

Cancellation: Should any of the above described policies be cancelled before the expiration date thereof, the issuing company will endeavor to mail 10 days written notice to the below named certificate holder, but failure to mail such notice shall impose no obligation or liability of any kind upon the company.

NAME AND ADDRESS OF CERTIFICATE HOLDER:

City of Minneapolis
 Attention: Mr. David R. Koski
 Director of Traffic Engineering
 Minneapolis City Hall
 Minneapolis, MN 55414

DATE ISSUED: August 19, 1981 ba

AUTHORIZED REPRESENTATIVE