

**EXHIBIT I**  
**LEASE**

This Lease, entered into, effective, and delivered by City to Lessor the \_\_\_ day of \_\_\_\_, 2024 (the “Effective Date”), by and between **Sherman Plaza, Inc.**, a Wisconsin corporation (the “Lessor”) and the **City of Madison**, a municipal corporation, located in Dane County, Wisconsin (the “City”).

WITNESSETH:

WHEREAS, the Lessor and the City are parties to a certain lease dated October 4, 2002, and recorded November 14, 2002 with the Dane County Register of Deeds as Document No. 3590299 (the “2002 Lease”); and

WHEREAS, the final 5-year renewal term of the 2002 Lease expired on September 30, 2023, and the 2002 Lease has continued on a month-to-month basis; and

WHEREAS, the City and the Lessor desire to enter into a new lease (the “Lease”) for the same premises leased under the 2002 Lease to allow for the City’s continued use of such space per the terms and conditions listed below.

NOW, THEREFORE, it is mutually agreed as follows:

- 1) Termination of 2002 Lease. The 2002 Lease shall terminate on the Effective Date and shall be of no further force or effect, and the terms and conditions of this new Lease shall be in full force and effect.

The parties will sign a “Termination Agreement” of the 2002 Lease at the same time they sign this Lease. The Termination Agreement will also state that the parties agreed on the following economic terms:

- a) The City’s Common Area Charge payments for fiscal years 2019, 2020, 2021, 2022 are sufficient, and no reconciliation will be billed for said time periods. In addition, no credit is due to the City for unallowable expenses for these time periods.
- b) There will be no reconciliation of the CAM Expenses for the: (i) fiscal year ending on June 30, 2023; and (ii) the period of July 1, 2023 until the Effective Date; the parties agree that the City’s Common Area Charge payments of \$1,500 per month will continue until the Effective Date.
- c) Lessor and City will execute the following commercially reasonable documents to be recorded with the Dane County Register of Deeds on the same day the City delivers the executed Lease to Lessor: (i) the Termination Agreement and release of the 2002 Lease (and any prior leases); and (ii) a Memorandum of this Lease which is attached as Exhibit E. The City will pay to record these two documents and shall provide copies of the recorded documents to Lessor within ten (10) days of receipt.
- d) In order for the City to sign the Lease, Termination Agreement and the Memorandum of Lease, the Lessor needs to execute these documents and send to

the City along with a certificate of insurance. After the City signs these documents, it will deliver the documents to Lessor and record said documents on the same day in this order: the Termination Agreement and the Memorandum of this Lease.

- 2) Leased Premises. The Lessor hereby leases to the City the premises (the “Leased Premises” or “Premises”) described as follows: The space within a commercial “Building” known as the Sherman Plaza Shopping Center (the “Shopping Center”) located at 2845 North Sherman Avenue, Madison, Wisconsin, consisting of approximately 9,335 square feet (the “Gross Leasable Area” ), and the adjacent garden enclosure as shown crosshatched on the Site Plan attached as Exhibit A, together with the nonexclusive use in common with others entitled thereto of the “Common Areas” set forth in Paragraph 9. The Leased Premises are located on one of the three lots owned by the Lessor, which collectively is defined as (the “Property”) as fully described on attached Exhibit B.
- 3) Term. The initial term (the “Initial Term”) of this Lease shall commence on the Effective Date and shall expire on December 31, 2030, unless terminated sooner or extended as provided herein. The Initial Term and any Renewal Terms (defined below) exercised by the City is collectively defined as the “Term”.
- 4) Option to Renew. If, at the end of the Initial Term of this Lease or at the end of the previous Renewal Term, if applicable, the City is not in default under the terms and conditions of this Lease, then the City shall have four (4) successive options to extend this Lease for additional terms of three (3) years each, under the same terms and conditions provided in the Initial Term of this Lease, except that annual “Base Rent” during the option periods shall be calculated and payable as provided in Paragraph 5. If the City desires to renew this Lease, the City must give notice in writing to the Lessor a minimum of one hundred (180) days prior to the expiration of the Initial Term or any Renewal Term, by the mailing of a notice to the Lessor at the address specified in Paragraph 23.
- 5) Base Rent.
  - a) The City shall pay to the Lessor rent for the Leased Premises in the amount specified in the Base Rent Table below (“Base Rent”) for the Initial Term, and any exercised Renewal Terms by the City.

See next page

LAKEVIEW BASE RENT TABLE	Calendar Months		Rent/GLA	Annual Rent	Monthly Base Rent
	BEGINNING	ENDING	sf		
<b>INITIAL TERM</b>	<b>*EFFECTIVE</b>				
Fiscal Lease Year 1	DATE=1	1		\$ -	\$8,479
	2	12	\$ 10.90	\$ 101,752	\$8,479
Fiscal Lease Year 2	13	24	\$ 11.23	\$ 104,804	\$8,734
Fiscal Lease Year 3	25	36	\$ 11.56	\$ 107,948	\$8,996
Fiscal Lease Year 4	37	48	\$ 11.91	\$ 111,187	\$9,266
Fiscal Lease Year 5	49	60	\$ 12.27	\$ 114,522	\$9,544
Fiscal Lease Year 6	61	72	\$ 12.27	\$ 114,522	\$9,544
Fiscal Lease Year 7	73	12.31.2030	\$ 12.27	\$ 114,522	\$9,544

\*the first calendar month shall be pro-rated based on the Effective Date

RENEWAL TERM 1						
Fiscal Lease Year 8	1.1.2031	to	12.31.2031	\$ 12.64	\$ 117,958	\$9,830
Fiscal Lease Year 9	1.1.2032	to	12.31.2032	\$ 13.02	\$ 121,497	\$10,125
Fiscal Lease Year 10	1.1.2033	to	12.31.2033	\$ 13.41	\$ 125,142	\$10,428

RENEWAL TERM 2						
Fiscal Lease Year 11	1.1.2034	to	12.31.2034	\$ 13.81	\$ 128,896	\$10,741
Fiscal Lease Year 12	1.1.2035	to	12.31.2035	\$ 14.22	\$ 132,763	\$11,064
Fiscal Lease Year 13	1.1.2036	to	12.31.2036	\$ 14.65	\$ 136,746	\$11,396

RENEWAL TERM 3						
Fiscal Lease Year 14	1.1.2037	to	12.31.2037	\$ 15.09	\$ 140,848	\$11,737
Fiscal Lease Year 15	1.1.2038	to	12.31.2038	\$ 15.54	\$ 145,073	\$12,089
Fiscal Lease Year 16	1.1.2039	to	12.31.2039	\$ 16.01	\$ 149,426	\$12,452

RENEWAL TERM 4						
Fiscal Lease Year 17	1.1.2040	to	12.31.2040	\$ 16.49	\$ 153,908	\$12,826
Fiscal Lease Year 18	1.1.2041	to	12.31.2041	\$ 16.98	\$ 158,526	\$13,210
Fiscal Lease Year 19	1.1.2042	to	12.31.2042	\$ 17.49	\$ 163,281	\$13,607

- b) Base Rent shall be payable in equal monthly installments on the first day of each calendar month. All payments are to be made payable to the Lessor and sent or personally delivered to the Lessor at the address specified in Paragraph 23.
- 6) Real Estate Taxes and Assessments. The Lessor shall pay in a timely manner all real estate taxes and assessments, both general and special, which may be levied or assessed by the lawful taxing authorities against the Property and the Shopping Center. It is understood that the Property is comprised of three (3) separate tax parcels. The tax parcel on which the Leased Premises are located shall hereinafter be referred to as the "Subject Tax Parcel", which has a City Parcel Number of: 251-0810-303-0216-1.

The portion of the Lessor's tax payment that is due and payable during the Term that is attributable to the Subject Tax Parcel, multiplied by a fraction of which the numerator shall

be the gross leasable area of the Leased Premises, and the denominator of which shall be the gross leasable area of the building on the Subject Tax Parcel at the time such taxes were levied or assessed, shall be the "City's Proportionate Share of Taxes."

For purposes of calculating the City's Proportionate Share of Taxes of the Subject Tax Parcel, the parties agree as follows:

- i. The gross leasable area of the Leased Premises is estimated to be 9,335 square feet; and
- ii. The gross leasable area of the Building located on the Subject Tax Parcel is estimated to be 61,620 square feet.
- iii. The City's Proportionate Share of Taxes is .15149 or (15.149 percent).

The City shall pay to the Lessor the City's Proportionate Share of taxes for the Subject Tax Parcel within thirty (30) days following its receipt of the Lessor's statement therefor, which statement shall include a copy of the tax bill for the Subject Tax Parcel. Any late charges paid by the Lessor to the City Assessor's office cannot be included in the tax bill sent to the City. Copies of the tax bills submitted by the Lessor to the City shall be conclusive evidence of the amount of such real estate taxes and assessments levied or assessed. Lessor shall pay all leasehold improvement taxes that are assessed on personal property located in the Common Areas or in the Building.

- 7) Utilities. The City shall be solely responsible for, and promptly pay all separately metered charges for water, gas, heat, electricity, sewer and any other utility used upon or furnished to the Leased Premises.
- 8) Use. The City's use of the Leased Premises shall be limited to the operation of a public library and all activities related thereto (which may include the sale of books, videos, tapes and compact discs and any other City promotions and events) and for no other purposes without the prior written consent of the Lessor, which consent shall not be unreasonably withheld. The Lessor acknowledges that the City's use of the Leased Premises does not conflict with the exclusive use provisions currently in effect for other tenants located in the Shopping Center, as listed on attached Exhibit C. The City acknowledges and agrees to abide by such use restrictions.
- 9) Common Areas. The Lessor grants to the City and the City's employees, agents, customers, invitees, vendors, licensees, and contractors the right to use, in common with all others to whom the Lessor has or may hereafter grant rights to use the same, the "Common Areas" located on the Property. The term "Common Areas" shall mean the parking lot area, sidewalks, driveways, grounds, and other areas or improvements provided by the Lessor for the common use of the occupants of the Shopping Center. The Lessor shall be responsible for snow removal, ice removal, cleaning, landscaping, managing, securing, lighting, insuring, maintaining, repairing and replacing any improvements in or serving the Common Areas at its cost. In addition, Lessor shall pay for all lighting, utility and sewer, storm, urban forestry and water charges serving the Common Areas. The Lessor reserves the right to control and manage the Common Areas in its sole discretion and to establish rules and regulations for the use thereof.
- 10) Assignment or Subletting. The City shall not assign, mortgage, pledge, sell, or in any

manner transfer this Lease or any estate or interest hereunder and shall not sublet the Leased Premises or any part or parts thereof, without the prior written approval of the Lessor. The City may assign this Lease or sublet the Leased Premises to another governmental agency or entity or to another similar service agency subject to the prior written consent of the Lessor, which consent shall not be unreasonably withheld, delayed or conditioned. Lessor's right to assign this Lease is and shall remain absolute and unqualified.

- 11) Liens. The City shall not suffer or permit any construction lien to be filed, or if filed, to remain uncontested, against the fee of the Leased Premises, nor against the City's leasehold interest in the Leased Premises, by reason of work, labor services or materials supplied or claimed to have been supplied to the City or anyone holding the Leased Premises or any part thereof through or under the City; and nothing contained herein shall be deemed or construed in any way as constituting the consent or request of the Lessor, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer or supplier for the performance of any labor or the furnishing of any materials for any specific improvement, alteration or repair of or to the Leased Premises or any part thereof, nor as giving the City any right, power or authority to contract for or permit the rendering of any services or the furnishing of any materials that would give rise to the filing of any construction lien against the fee of the Leased Premises. If any such lien is filed, the City shall immediately cause the same to be discharged or released or shall upon request provide adequate and acceptable security or bond to protect the Lessor's interest.

12) Lessor's Responsibilities

- a) The Lessor at its cost shall at all times keep in good condition and repair, including any required inspections, the following in or serving the Leased Premises and the Building: foundations; roof, gutters and heat tape; interior and exterior lighting of the Building outside the Leased Premises; electrical, plumbing and sewer systems to the point of distribution within the Leased Premises; fire alarm system and devices of the Building outside the Leased Premises; all utility lines, appurtenances, meters and meter boxes to the point of distribution in the Leased Premises; concrete floors; structural portions of the walls; exterior walls; exterior window frames and glass; exterior door and frame; and all other structural members, both interior and exterior; the heating venting and air conditioning units/systems and controls over \$500; ventilating equipment over \$500; and exterior painting of Building, in good order, condition and repair, and shall make any repairs/replacements thereto. The term "repairs" shall include replacements or renewals when necessary and all such "repairs" shall be equal in quality and class to the original work. Notwithstanding the foregoing, the City shall be responsible for the cost and expenses of repairs/replacements required by reason of acts or omissions of the City, the City's employees, agents, invitees, vendors, licensees or contractors. The Lessor shall further be responsible for repairs, maintenance and replacement as set forth in Exhibit D attached hereto.

The City shall give the Lessor written notice of the necessity for maintenance, repairs, or replacements coming to the attention of the City, following which the Lessor shall have seven (7) calendar days to complete such maintenance/ repairs or 60 days to make any replacements (except in the case of any emergency, which includes but is not limited to the loss of any power, heating or cooling, or any condition in the Leased Premises that must be remedied in fewer than three (3) days in order for the City to

use the Leased Premises as intended under this Lease). If the Lessor does not complete maintenance/repairs within fourteen (14) days of the City's notice, then the City shall have the right to complete the needed maintenance/repairs and the cost of such maintenance/repairs shall be reimbursed to the City as a credit to City's account, and the City may off-set said maintenance/repair credit from the following calendar month's Base Rent payment due to Lessor regardless of whether the Lessor has commenced such maintenance/repairs. If maintenance/repairs by their nature take more than fourteen (14) days, then the Lessor shall have a reasonable time to complete the maintenance/repairs if written notice of such delay is given to the City within the fourteen (14) day to maintenance/repair timeframe.

If the Lessor does not complete any replacements within sixty (60) days of the City's notice, the City shall have the right to cure the default by completing the needed replacement and the cost of such replacement shall be reimbursed to the City as a credit to the City's account, and the City may off-set said replacement credit from the following calendar month's Base Rent payment due to Lessor or the City can consider this a default by the Lessor and terminate the Lease per Section 17.b. below, regardless of whether the Lessor has commenced such replacement. If the replacement by its nature takes more than sixty (60) days to complete, then the Lessor shall have a reasonable time to complete the replacement if written notice of such delay is given to the City. The option to cure a default herein is intended for the City's protection and its existence shall not release the Lessor from the obligation to perform the terms and covenants herein provided to be performed by the Lessor or deprive the City of any legal rights which may arise by reason of any default.

If the Leased Premises is not able to be occupied after 72 hours from the City's notice, then the Base Rent shall be abated for the period of time thereafter until the Leased Premises is habitable by the City.

- b) Lessor shall provide the City with five (5) days written notice for any non-emergency maintenance, repair or other work that is to be completed within the Leased Premises.
- c) Lessor shall use commercially reasonable efforts in performing any maintenance, making any repairs, alterations, improvements to the Leased Premises, Common Areas or the Building to keep the disruption of City's business to a minimum.

13) City's Responsibilities.

- a) The City shall pay for the installation, use and maintenance of all data, computer and telephone services and any other specialized equipment in the Leased Premises.
- b) Except as may be covered by the Lessor's insurance policy for the Shopping Center, the City shall keep and maintain the interior of the Leased Premises in good order and condition, including all partitions; interior-doors, door locks, door closers, door operating devices; interior glass; floor coverings; above-grade plumbing and plumbing fixtures; and shall do such periodic maintenance of the Leased Premises, including such periodic painting, touch-up painting, decorating and cleaning of the interior of the Leased Premises as may be required. The City shall also be responsible for washing all interior windows, fire extinguishers, its trash removal, cleaning of the Leased Premises and maintenance and repair of any personal property installed in the Leased Premises. The City will not be responsible for any repairs caused by other

tenants of the Property or related to negligence or damage by the Lessor, its employees, agents, contractors or other tenants of the Property.

- c) The City shall perform a maintenance inspection of each roof top HVAC unit not less than two times a year with the Merv 10 filter changes for each unit in accordance with the manufacturer's specifications. Maintenance will include cleaning the condensate drain and coils, lubrication, straightening the coils, checking the wiring and verifying the economizer is properly functioning. City shall be responsible for all minor repairs of the HVAC units as part of the maintenance program. If the cost of any single repair exceeds \$500.00, then Lessor shall be responsible for the excess amount. City shall provide Lessor with advance notice of the performance of any repair in excess of \$500.00. The Lessee shall then perform the repair work and submit a request for reimbursement to Lessor for the repair cost amount in excess of \$500.00 after the repair or maintenance work is complete. If Lessor does not reimburse Lessee within 60 days of receipt of the request for reimbursement, then Lessee shall be entitled to a credit against the next rent payment due in an amount equal to the repair cost in excess of \$500.00.
- d) The City shall maintain the following equipment in the Leased Premises: fire alarm panel, provide hardwire, install and maintain smoke/heat detectors with local fire alarm pull stations, all connected to strobe and audible alarms meeting ADA guidelines, and any other detectors and enunciators if required by any government codes and regulations. City will coordinate the annual inspection test and be responsible for any fire alarm monitoring.
- e) The City shall be responsible for the repairs and maintenance as set forth in Exhibit D attached hereto.

14) Indemnification.

- a) The Lessor shall be liable to and hereby agrees to indemnify, defend and hold harmless the City, and its officers, officials, agents, and employees, against all loss or expense (including liability costs and attorney's fees) by reason of any claim or suit, or of liability imposed by law upon the City or its officials, officers, agents or employees for damages because of bodily injury, including death at any time resulting therefrom, sustained by any person or persons or on account of damages to property, including loss of use thereof, arising from, in connection with, caused by or resulting from the acts or omissions of the Lessor and/or its officials, officers, agents, employees, assigns, guests, invitees, lessees or subcontractors, in the performance of this Lease, whether caused by or contributed to by the negligent acts of the Lessee, its officers, officials, agents, and employees. This paragraph shall survive termination of this Lease.

15) Insurance.

- a) The Lessor shall maintain throughout the Term of the Lease the following insurance coverages: A policy of comprehensive fire, extended coverage, vandalism, malicious mischief and other endorsements deemed advisable by the Lessor insuring the Shopping Center, including the Leased Premises and all appurtenances thereto (excluding the City's inventory, trade fixtures, furniture, furnishings, equipment and personal property) for the full insurable replacement value thereof, with a

commercially reasonable deductible and a waiver of subrogation in favor of the City. The City shall be solely responsible for carrying personal property insurance sufficient to cover the loss or damage to the City's personal property.

Additionally, the Lessor shall carry commercial general liability insurance, including but not limited to, bodily injury, death, property damage and personal injury products covering as insured the Lessor and naming the City, its officers, officials, agents and employees as additional insureds, with a minimum limit of \$1,000,000 per occurrence. This policy shall also be endorsed for contractual liability in the same amount, apply on a primary and noncontributory basis.

The above-required insurance shall provide the City with thirty (30) days advance written notice of cancellation, non-renewal or material changes to the policy during the Term of this Lease and is to be placed with insurers who have an A.M. Best rating of no less than A- (A minus) and a Financial Category rating of no less than VII. As evidence of this above insurance coverage, the Lessor shall furnish the City with a certificate of insurance, and, if requested by City's Risk Manager, the Lessor shall provide copies of additional insured endorsements or policy. If the coverage required above expires while this Lease is in effect, the Lessor shall provide a renewal certificate to the City for approval ten (10) days before the expiration of the policy.

- b) City shall maintain throughout the Term of the Lease the following insurance coverages: A policy or policies of commercial general liability insurance with respect to the Premises and the business operated by City for which the combined single limit of liability shall be not less than \$3,000,000.

The above-required insurance shall provide the Lessor with thirty (30) days advance written notice of cancellation, non-renewal or material changes to the policy during the Term of this Lease. As evidence of this above insurance coverage, the City shall furnish the Lessor with a certificate of insurance. If the coverage required above expires while this Lease is in effect, the City shall provide a renewal certificate to the Lessor not less than ten (10) business days before the expiration of the policy.

- 16) Compliance. Lessor and the City shall each observe and promptly and effectively comply with all applicable statutes, rules, orders, ordinances, requirements and regulations of the City of Madison, the County of Dane, the State of Wisconsin, the federal government and any other governmental authority having jurisdiction over the Leased Premises. The Lessor may, if in good faith and on reasonable grounds, dispute the validity of any charge, complaint or action taken pursuant to or under color of any statute, rule, order, ordinance, requirement or regulation, defend against the same, and in good faith diligently conduct any necessary proceedings to prevent and avoid any adverse consequence of the same.

- 17) Termination.

- a) Should the City be in default under the terms of this Lease, the City shall have thirty (30) days in which to cure the same after written notice by the Lessor to the City of such default (but only ten (10) business days in the event of a monetary breach). In the event the City fails to cure such default within thirty (30) days after said notice (but only ten (10) business days for any monetary breach), this Lease shall, at the Lessor's written election, terminate. Notwithstanding the foregoing, if such default is not a health or safety violation and cannot, because of the nature of the default, be cured

within said thirty (30) days, then the City shall be deemed to be complying with such notice if, promptly upon receipt of such notice, the City immediately takes steps to cure the default as soon as reasonably possible and proceed thereafter continuously with due diligence to cure the default within a period of time which, under all prevailing circumstances, shall be reasonable.

- b) Should the Lessor be in default under the terms of this Lease, the Lessor shall have thirty (30) days in which to cure the same after written notice by the City to the Lessor of such default. In the event the Lessor fails to cure such default within thirty (30) days after said notice, this Lease shall, at the City's written election, terminate. Notwithstanding the foregoing, if such default is not a health or safety violation and cannot, because of the nature of the default, be cured within said thirty (30) days, then the Lessor shall be deemed to be complying with such notice if, promptly upon receipt of such notice, the Lessor immediately takes steps to cure the default as soon as reasonably possible and proceeds thereafter continuously with due diligence to cure the default within a period of time which, under all prevailing circumstances, shall be reasonable.
- c) In the event of any default under the terms of this Lease by either party, and in lieu of terminating this Lease as herein provided, the Lessor or the City may immediately or at any time thereafter, after having given the other party the requisite written notice to correct the same and the time for such correction having elapsed (or without notice in case of an emergency or a hazardous condition or in case any fine, penalty, interest or cost may otherwise be imposed or incurred), cure such breach for the account and at the expense of the other party.

If the Lessor or the City at any time, by reason of such default, is compelled to or elects to correct such default, the reasonable sum paid or incurred by such party to correct such default shall, if paid or incurred by the Lessor, be deemed to be additional rent hereunder and shall be due to the Lessor on the first day of the month following payment of such respective sum, and, if paid or incurred by the City, shall be deducted from the City's next payment(s) of Base Rent. The option herein given to the parties is intended for their protection and its existence shall not release the parties from the obligation to perform the terms and covenants herein provided to be performed by the respective parties or deprive either party of any legal rights, which may arise by reason of any default.

- d) This Lease may be terminated by mutual written consent of the Lessor and the City.
- 18) No Waiver. Failure or delay on the part of either party to enforce any of the terms, covenants, conditions or agreements hereof shall not operate as a waiver thereof nor void or affect the right of the party to enforce the same upon any subsequent default or breach. Except as otherwise provided in this Lease, the rights and remedies herein granted are cumulative and are in addition to any given by statutes, rules of law or otherwise and the use of one remedy shall not be taken to exclude or waive the right to the use of another.
  - 19) Rights upon Expiration or Termination. Upon the expiration or termination of this Lease for any cause, the City's rights in the Leased Premises shall cease, and the City shall immediately surrender the Leased Premises in good condition and repair, ordinary wear, tear and casualty damage excepted and broom clean, subject to the provisions of Paragraph 20. All modifications, improvements, alterations, additions, and fixtures, other

than City's trade fixtures and equipment, shall remain the property of Lessor and shall be surrendered with the Premises. City shall surrender all keys to the Premises to Lessor and shall inform Lessor of any combinations or codes.

- 20) Removal and Disposal of Personal Property. Upon the expiration or termination of this Lease, the City shall remove all personal property from the Leased Premises. If the City leaves any personal property on the Leased Premises, the Lessor shall have the right to dispose of said property, without liability, thirty (30) days after the City vacates or abandons the Leased Premises.
- 21) Hold Over. In the event the City shall continue to occupy or use the Leased Premises after the expiration of this Lease or any extension thereof, such holding over shall be deemed to constitute a tenancy from month to month, upon the same terms and conditions as herein provided except that Base Rent equal to one hundred three percent (103%) of the last annual Base Rent, and shall be paid monthly in advance, and in no event shall the tenancy be deemed to be year to year.
- 22) Definition of Lessor and City. The terms "Lessor" and "City" when used herein shall mean either singular or plural, as the case may be, and the provisions of this Lease shall bind the parties mutually, their heirs, personal representatives, successors and assigns.
- 23) Notices. All notices to be given under the terms of this Lease shall be signed by the person sending the same, and shall be sent by certified mail, return receipt requested and postage prepaid, to the address of the parties specified below. Electronic mail may be sent to the email address provided below with an active read receipt and shall include a statement that the electronic mail constitutes notice under the terms of this Lease.

For the City: City of Madison Public Library  
Attention: Library Director  
201 West Mifflin Street  
Madison, WI 53703

Kristine Wick-Interim Library Director  
[kwick@madisonpubliclibrary.org](mailto:kwick@madisonpubliclibrary.org)

With a courtesy copy to:  
(which shall not constitute notice)

City of Madison  
Community and Economic Development Unit  
Real Estate Section  
Attn.: Real Estate Services Manager  
215 Martin Luther King, Jr. Blvd., Suite 300  
P. O. Box 2983  
Madison, WI 53701-2983

Jenny Frese Real Estate Services Manager  
[jfrese@cityofmadison.com](mailto:jfrese@cityofmadison.com); and  
[ores@cityofmadison.com](mailto:ores@cityofmadison.com)

For the Lessor: Sherman Plaza, Inc.  
Attention: President  
1865 Northport Drive, Suite B

Madison, WI 53704

David Bruns, President  
[coachbruns@gmail.com](mailto:coachbruns@gmail.com); and  
[rockwoodrealtygroup@yahoo.com](mailto:rockwoodrealtygroup@yahoo.com)

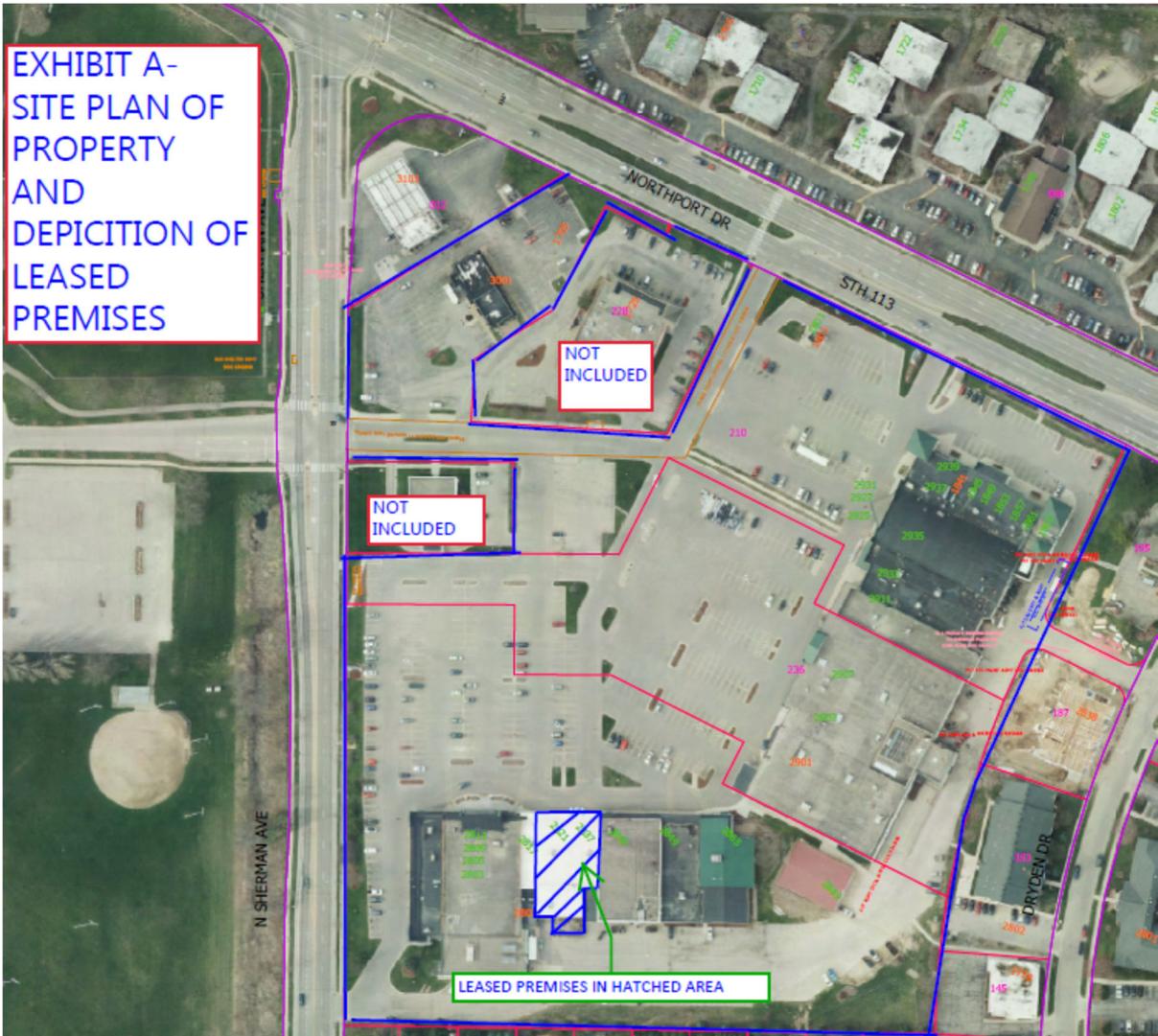
Any party hereto may, by giving five (5) days written notice to the other party in the manner herein stated, designate any other address in substitution of the address shown above to which notices shall be given.

- 24) Non-Discrimination. In the performance of the services under this Lease, the Lessor agrees not to discriminate any employee or applicant because of race, religion, marital status, age, color, sex, handicap, national origin or ancestry, income level or source of income, arrest record or conviction record, less than honorable discharge, physical appearance, sexual orientation, gender identity, political beliefs or student status. The Lessor further agrees not to discriminate against any contractor, subcontractor or person who offers to contract or subcontract for services under this Lease because of race, religion, color, age, disability, sex, sexual orientation, gender identity or national origin.
- 25) Accessibility. The Leased Premises, Building and Common Areas shall conform where applicable to Chapter SPS 361.05 of the Wisconsin Administrative Code, Madison General Ordinance Section 39.05, and the Americans with Disabilities Act, regarding accessibility. The Lessor shall be responsible for all costs of compliance for the Common Areas and the Building other than the Leased Premises, which the Lessee shall be responsible compliance within the Leased Premises and all costs associated therewith.
- 26) Severability. If any term or provision of this Lease or the application thereof to the City or the Lessor or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such terms or provisions to the City or the Lessor or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of the Lease shall be valid and be enforceable to the fullest extent permitted by law.
- 27) Entire Agreement. All terms and conditions and all negotiations, representations and promises with respect to this Lease are merged into this Lease. No alteration, amendment, change, or addition to this Lease shall be binding upon the parties unless in writing and signed by them.
- 28) Damage and Destruction. In the event the Leased Premises is damaged by any peril covered by standard policies of fire and extended coverage insurance to an extent which is less than twenty-five percent (25%) of the cost of replacement of the Leased Premises, the damage shall, except as hereinafter provided, promptly be repaired by the Lessor, at the Lessor's expense, but in no event shall the Lessor be required to repair or replace the City's inventory, trade fixtures, furniture, furnishings, equipment or personal property. In the event: (a) the Leased Premises is damaged to the extent of twenty-five percent (25%) or more of the cost of replacement of the Leased Premises; or (b) the Shopping Center is damaged to the extent of fifty percent (50%) or more of the cost of replacement, the Lessor may elect either to repair or rebuild the Leased Premises, as the case may be, or to terminate this Lease upon giving notice of such election in writing to the City within ninety (90) days after the event causing the damage. If the casualty, repairing or rebuilding shall render the Leased Premises untenable, in whole or in part, a proportionate abatement

of Base Rent shall be allowed until the date the Lessor completes the repairs or rebuilding, and the Lease Term shall be extended for a period equal to the period of repair.

- 29) Lessor's Access. After receiving a minimum of 24 hours' prior notice thereof, the City shall allow the Lessor or its agents or employees access to the Leased Premises, at all times reasonable for the City, for the purpose of inspecting the Leased Premises or to make necessary repairs or alterations of the Leased Premises, or at any time in the event of an emergency.
- 30) Quiet Enjoyment. The Lessor hereby covenants and agrees that if the City shall perform all of the covenants and agreements herein to be performed on the City's part, the City shall, at all times during the continuance hereof, have the peaceable and quiet enjoyment and possession of the Leased Premises without any manner of hindrance from the Lessor or any person lawfully claiming the Leased Premises.
- 31) Definition of Lessor and City. The terms "Lessor" and "City" when used herein shall mean either singular or plural, as the case may be, and the provisions of this Lease shall bind the parties mutually, their successors, and assigns.
- 32) Choice of Law. This Agreement shall be governed by and construed, interpreted and enforced in accordance with the laws of the State of Wisconsin. The parties agree, for any claim or suit or other dispute relating to this Lease that cannot be mutually resolved, the venue shall be a court of competent jurisdiction within the State of Wisconsin and the parties agree to submit themselves to the jurisdiction of said court, to the exclusion of any other judicial district that may have jurisdiction over such a dispute according to any law.
- 33) Brokerage Costs. The City is not responsible for any brokerage costs in connection with the Lease and has not engaged a broker to assist with this Lease.
- 34) Counterparts, Electronic Signature and Delivery. This Lease may be signed in counterparts, each of which shall be taken together as a whole to comprise a single document. Signatures on this Lease may be exchanged between the parties by facsimile, electronic scanned copy (.pdf) or similar technology and shall be as valid as original; and this Lease may be converted into electronic format and signed or given effect with one or more electronic signature(s) if the electronic signature(s) meets all requirements of Wis. Stat. ch. 137 or other applicable Wisconsin or Federal law. Executed copies or counterparts of this Lease may be delivered by facsimile or email and upon receipt will be deemed original and binding upon the parties hereto, whether or not a hard copy is also delivered. Copies of this Lease, fully executed, shall be as valid as an original.

**EXHIBIT A**



## **EXHIBIT B**

### **The Property**

Lots 1, 2 and 3, Certified Survey Map No. 10560, recorded in Dane County Register of Deeds in Volume 62 of Certified Survey Maps on Pages 259-264, as Document No. 3567250

## EXHIBIT C

### EXCLUSIVE USE RESTRICTIONS SHERMAN PLAZA SHOPPING CENTER

Cool Bikes	Lessor shall not lease space within Shopping Center to any other tenant whose primary business is a bicycle shop or provides bicycle repair services.
Harpers Hair	Lessor shall not lease space within Shopping Center to any other tenant whose primary business is providing beauty salon or massage services.
Kingdom Restaurant	Lessor shall not lease space within Shopping Center to any other tenant whose primary business is a restaurant that serves primarily African food.
Moka Coffee	Lessor shall not lease space within Shopping Center to any other drive-up or drive-through business which sells gourmet coffee, food and services, wholesale or retail (including, but not limited to, Starbucks, Caribou Coffee, Scooters, or Dunkin').
Subway	Lessor shall not lease space within Shopping Center to any other tenant whose primary business is the preparation and sale of submarine sandwiches.
Walgreens	Lessor shall not lease space within Shopping Center to any other tenant whose primary business is the sale of health and beauty aids, a pharmacy, or a photo development operation.
Willy Street Co-op	Lessor shall not enter into any new lease, or modify any existing lease with other tenants, which expands current tenants' rights to sell alcoholic beverages, or creates new rights to sell alcoholic beverages for off-site consumption.

## EXHIBIT D

### MAINTENANCE, REPAIR AND REPLACEMENT RESPONSIBILITIES

#### 1. **Building Painting and Cleaning:**

- a) Lessor shall paint exterior of the Leased Premises every ten years and touch up in between when damaged or graffiti.
- b) Lessor shall clean the exterior surface of Leased Premises, including power washing and removing stains and bug residue not less than one time a year. Lessor shall make all reasonable attempts to conduct the exterior surface cleaning in late spring or early summer of each year.

#### 2. **Three Roof top units:**

- a) If any HVAC units that service the Leased Premises fail, the Lessor, at Lessor's cost, will install a "high-efficiency" type (ie. variable speed, modulation for burners, etc.); gas-fired heating unit.
- b) The three roof top units are roughly 20 years old. The Lessor shall replace one of the roof top units each year as follows: one in 2024; one in 2026; one in 2028 or if a unit fails prior to its scheduled replacement if it cannot be reasonably repaired. The replacement unit shall be a high-efficiency system/unit that also has a fully ducted supply and return with even conditioning space within the Leased Premises.

#### 3. **HVAC Controls:** When a roof top HVAC unit is replaced, Lessor will update the controls for the unit to satisfy the following:

- a) Provide automatic temperature adjustment capability for unoccupied modes.
- b) All rooms shall have sufficient air movement to meet the Wisconsin code for air exchanges and CFM for office space and have adequate zoning to meet:

Seasonal set points shall be as follows:

Summer: 70 Degrees (+/- 2 degrees)

Winter: 72 Degrees (+/- 2 degrees)

- c) When an RTU is replaced, the unit should have: the capability to adjust RTU set points on-site manually; the ability to remotely access/optimize the RTUs; and the ability to increase overall efficiency in unusual occupancy circumstances.

#### 4. **Ventilating Equipment:** City shall be responsible for maintaining the ventilation equipment in the Leased Premises including:

- a) Inspect belts and replace them annually. Check bearings and grease if needed.

- b) If any single ventilation equipment repair or maintenance item shall cost in excess of \$500.00, Lessor shall be responsible for such excess repair or maintenance cost. City shall provide Lessor with advance notice of any repair or maintenance item that will exceed \$500.00. The Lessee shall then perform the repair work and submit a request for reimbursement to Lessor for the repair cost amount in excess of \$500.00 after the repair or maintenance work is complete. If Lessor does not reimburse Lessee within 60 days of receipt of the request for reimbursement, then Lessee shall be entitled to a credit against the next rent payment due in an amount equal to the repair cost in excess of \$500.00.
- c) The Lessor shall replace the ventilating equipment if needed.

**5. Roof and Gutters:**

Lessor is responsible for all repair and maintenance of the roof and any gutters. Lessor shall replace the roof if the roof is at the end of its useful life.

**6. Lighting:**

- a) City shall be responsible for the repair, maintenance, and replacement of all interior light fixtures in the Leased Premises.
- b) Lessor shall be responsible for the repair, maintenance, and replacement of all the exterior lighting on the Building and in the Common Areas.

**7. Fire Alarm System.** Lessee shall be responsible for all repair, maintenance and replacement of all parts of the fire alarm system within the Leased Premises.

EXHIBIT E

**MEMORANDUM OF LEASE**

(This document pertains to a lease of less than 99 years and not a conveyance subject to Transfer Return and fee per Sec. 77.21(1) Wis. Stats.)

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This Memorandum of Lease is made and entered into this \_\_\_ day of \_\_\_, 2024 (the "Effective Date"), by and between **Sherman Plaza, Inc.**, a Wisconsin corporation (the "Lessor"), and the **City of Madison**, a municipal corporation, located in Dane County, Wisconsin (the "Lessee").

RECITALS:

Lessor and Lessee acknowledge the following:

A. Lessor and Lessee have executed that certain Lease dated as of the Effective Date (the "Lease") for the property more particularly described on Exhibit A attached hereto (the "Property").

B. Lessor and Lessee wish to record this Memorandum in order to give constructive notice of the Lease and of Lessor's and Lessee's interests and rights under the Lease.

AGREEMENTS:

In consideration of the Recitals and the mutual agreements which follow, Lessor and Lessee agree as follows:

1. Property Leased. The Lessor, in consideration of rents, covenants, agreements and conditions contained in that certain Lease between the same parties dated as of the same date hereof (the "Lease"), has leased to, and the Lessee has leased from the Lessor, the premises (the "Leased Premises") described as follows: within a Building known as Sherman Plaza Shopping Center located at 2845 North Sherman Avenue, Madison, Wisconsin consisting of approximately 9,335 square feet and the adjacent garden enclosure, together with the nonexclusive use in common with others entitled thereto of the "Common Areas" described in Paragraph 9 of the Lease. The Building is located upon real estate more specifically described on attached Exhibit A (the "Property").
2. Term. The Lease shall be for an initial term commencing on the Effective Date and shall expire on December 31, 2030, unless terminated sooner or extended as provided in the Lease.

3. Options to Renew. The Lessee has the right, subject to certain terms and conditions set forth in the Lease, to renew the term of the Lease for four (4) additional term of three (3) years each.
4. The purpose of this Memorandum of Lease is to state, as a matter of public record, the Lessee's interest in and to the Leased Premises.
5. This Memorandum of Lease is not a complete summary of the Lease, and the provisions of this Memorandum of Lease shall not be used in interpreting the Lease. In the event of a conflict between this Memorandum of Lease and the Lease, the terms and provision of the Lease shall control.
6. This Memorandum of the Lease may be executed in one or more counterparts, all of which taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties have entered into this Memorandum of Lease as of the date first set forth above.