

ROOM BLOCK AGREEMENT

THIS ROOM BLOCK AGREEMENT (the "Agreement") entered into on this ___ day of _____, 2018 by and between _____, a(n) _____ ("Tenant"), as franchisee for the proposed BLOCK 105 HOTEL, located at 215 S. Pinckney Street, Madison, Wisconsin ("Hotel") and the CITY OF MADISON, a Wisconsin municipal corporation (the "City").

WITNESSETH:

WHEREAS, that certain Development Agreement between the City and Beitler Real Estate Services LLC ("Developer"), dated July 12, 2016 (the "Development Agreement"), provides for the real estate lease and development of a hotel on Block 105 in the City of Madison ("Hotel Development") to support the Monona Terrace Community and Convention Center; and

WHEREAS, Section 5.3(b)(2) of the Development Agreement provides for a room block agreement between the Developer and the City; and

WHEREAS, Section 2.2 and Exhibit B of the Development Agreement permits the Developer to establish and form "Tenant" as the Holding Company and this Room Block Agreement is incorporated into that certain Ground Lease of the Block 105 Hotel portion of the Block 105 Development Parcel (the "Ground Lease") as an exhibit thereto.

NOW, THEREFORE, in consideration of the promises and mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

I. ROOM BOOKING BY AND BETWEEN THE PARTIES.

The parties agree that, in order for both the Tenant and the City to realize their full potential with respect to the Block 105 Hotel, the two entities need to establish an appropriate working relationship. The basic tenets of this relationship are outlined below.

- A. For City requests for room blocks ("Room Block Request") made more than twenty-four (24) months prior to the date of the event referenced in the Room Block Request, the City is guaranteed a minimum room block of the lesser of: (i) two hundred ten (210) rooms, or (ii) the amount of rooms that remain available at the time of the Room Block Request (the "Room Block") subject to the terms and conditions hereof. In exchange for and in consideration of the Room Block, the City shall encourage and actively work with end users to enter into Room Booking Agreements (as defined herein) with the Tenant prior to the date that is twenty-four (24) months before the event date.
- B. Subject to Section I.C. below, the Room Block shall remain in effect from and after the date of the Room Block Request through the date that is

twenty-four (24) months prior to the date of the event (“Room Block Deadline”) and all bookings made pursuant to this Agreement (“Room Booking Agreements”) may be made through and with the end user of the Monona Terrace Community and Convention Center and shall be based upon such booking terms and conditions (including room rates) as determined by Tenant taking into account market trends, seasonal considerations and market predictions for the Greater Madison area (except with respect to a Requested Rooms booking as contemplated in Section I.C. below).

- C. Except where Room Booking Agreements exist, from and after the date of the Room Block Request through the Room Block Deadline, if Tenant receives a request by a third-party to book all or a portion of the rooms contained within the Room Block (“Requested Rooms”), Tenant shall provide notice to the City of such Requested Rooms (the “Requested Rooms Notice”). Within fourteen (14) business days after receipt of such Requested Rooms Notice (the “Requested Rooms Notice Deadline”), the City shall either, (i) release the Requested Rooms from the Room Block or alternatively, (ii) book such Requested Rooms upon the same terms and conditions as detailed in the Requested Rooms Notice. In the event that the City does not respond by the Requested Rooms Notice Deadline, the City shall be deemed to have chosen subsection (i) above and the Requested Rooms shall no longer be a part of the Room Block.
- D. The City stipulates and agrees that in order for a group to qualify for the Room Block, the group must be holding a minimum of seventy-five percent (75%) of its programmed events, as reasonably demonstrated by the City, for the designated convention, conference, meeting or show at the Monona Terrace Community and Convention Center (“Event Threshold”) (provided, however, promptly upon request by Tenant, the City shall provide reasonable documentation evidencing that the Event Threshold has been met), and the Room Block Request must contain (i) the date(s) of the event, and (ii) the name and description of the group.
- E. Tenant has the right to refuse groups based on clearly documented evidence of poor payment history or a history of damage to property.
- F. Tenant will respond to a Room Block Request from the City within fourteen (14) business days from such request.
- G. Tenant is allowed the proportional adjustment of the required Room Block size during periodic renovations of the hotel which reduce the number of available guest rooms.

Tenant may act through its designated hotel operator, and the City may act through the Monona Terrace Community Convention Center Board (“Convention Center”) or the Greater Madison Convention and Visitors Bureau (“GMCVB”).

II. GENERAL AND SPECIAL PROVISIONS.

A. Definitions. Unless otherwise defined herein or if the context clearly indicates to the contrary, all capitalized terms in this Agreement and the recitals hereto shall have the meaning set forth for such terms in the Development Agreement.

B. General Provisions. All of the general terms and provisions of the Development Agreement, including, but not limited to, rights and remedies, employee relations, amendments, successors, governing law, captions, notices and severability, shall remain unchanged and, insofar as they are applicable, are incorporated herein by reference; provided, however, in the event of a conflict between the terms and conditions of this Agreement and the terms and conditions of the Development Agreement, the terms and conditions of this Agreement shall govern and control.

C. Meet and Confer. Whenever, during the term of this Agreement, any disagreement or dispute arises between the parties as to the interpretation of this Agreement, or any rights or obligations arising hereunder, such matters shall be resolved, whenever possible, by meeting and conferring. The City, including the Convention Center, and GMCVB, and Tenant, including the designated hotel operator, shall produce, at the other party’s reasonable request, documents reasonably considered necessary to assist in resolving disagreements, including, but not limited to, documents related to bookings at the Block 105 Hotel. Any party may request such a meeting by giving notice to the other; in which case such other party shall make itself available within seven (7) business days thereafter. If such matters cannot be so resolved within no more than ten (10) business days after the giving of such notice to confer, either party may proceed under any applicable remedy at law or in equity. It is further agreed that the GMCVB or Convention Center shall have no rights to enforce this Agreement in the event of any alleged default on the part of Tenant, and shall act through the City in raising any dispute under the terms of the Agreement.

D. Term of Agreement. The term of this Agreement shall be the earlier of (i) twenty (20) years from the date first noted above, (ii) the termination or expiration of Tenant’s applicable hotel franchise agreement, (iii) the Convention Center ceases operations for a continuous period of three (3) months, or (iv) if the City has terminated, transferred or otherwise assigned all or a portion of its interest in the Ground Lease; unless otherwise agreed to by the Parties.

E. Additional Notices and Demands. The following entities shall be notified under this Agreement:

City:

Monona Terrace Community

and Convention Center
One John Nolen Drive Madison, WI 53703
Attention: Monona Terrace Director

Tenant:

c/o Beitler Real Estate Services LLC
980 North Michigan Avenue
Suite 1225
Chicago, IL 60611
Attn: Manager

F. Counterparts. For convenience, this Agreement may be executed with facsimile signatures (or PDF or similar) and/or in any number of counterparts, each of which shall be deemed an original and all of such counterparts when taken together shall constitute but one and the same document which shall be sufficiently evidenced by such executed counterparts.

G. Further Assurances. The parties each agree to promptly execute such other documents and instruments and/or take such actions as may be reasonably required, necessary and/or appropriate to effectuate the agreement of the parties pursuant to this Agreement.

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as of the ___ day of _____, 2018.

TENANT:

By: _____

Name: _____

Its: _____

State of _____)
) ss.
County of _____)

Personally came before me this ___ day of _____, 2018, the above named _____ of _____, and acting in said capacity by its authority and known to me to be the person who executed the foregoing instrument and acknowledged the same.

Notary Public, State of _____
My commission exp. _____

CITY OF MADISON, WISCONSIN
a Wisconsin municipal corporation

By: _____
Name: _____
Its: _____

State of _____)
) ss.
County of _____)

Personally came before me this ___ day of _____, 2018, the above named _____ of the City of Madison, and acting in said capacity by its authority and known to me to be the person who executed the foregoing instrument and acknowledged the same.

Notary Public, State of _____
My commission exp. _____

By: _____
Name: _____
Its: _____

State of _____)
) ss.
County of _____)

Personally came before me this ___ day of _____, 2018, the above named _____ of the City of Madison, and acting in said capacity by its authority and known to me to be the person who executed the foregoing instrument and acknowledged the same.

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