

LEASE

This Lease is entered into this _____ day of _____ 2020, by and between **MESC, LLC**, a Wisconsin limited liability company (“Lessor”) and the **City of Madison**, a municipal corporation, located in Dane County, Wisconsin (“City”).

WITNESSETH:

WHEREAS, the Lessor is the owner of the commercial building located at 2705-2707 East Washington Avenue, Madison, Dane County, Wisconsin ("Building"), which Building is located on real property owned by the Lessor and described in attached Exhibit A and depicted on attached Exhibit B ("Property"); and

WHEREAS, the Lessor and the City are parties to a certain lease dated September 3, 1999, pertaining to the Building and the Property, as memorialized by a Memorandum of Lease dated September 3, 1999, and recorded September 8, 1999 with the Dane County Register of Deeds as Document No. 3153462; as amended by First Notice of Lease Renewal dated September 1, 2010, and recorded September 13, 2010 with the Dane County Register of Deeds as Document No. 4690888; as amended by an unrecorded Assignment and Assumption of Leases dated April 15, 2014; as amended by Second Notice of Lease Renewal dated October 16, 2015, and recorded October 21, 2015 with the Dane County Register of Deeds as Document No. 5192484 (collectively, “1999 Lease”).

WHEREAS, the final 5-year renewal term of the 1999 Lease is scheduled to expire on December 31, 2020; and

WHEREAS, the City and the Lessor desire to enter into a new lease for the same premises leased under the 1999 Lease to allow for the City’s continued use of such premises.

NOW, THEREFORE, it is mutually agreed as follows:

1. Termination of 1999 Lease. The 1999 Lease shall terminate at midnight on December 31, 2020, 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 (“Lease”).
2. Leased Premises. The Lessor hereby leases to the City approximately 10,955 gross leasable square feet of first floor space in the Building, being the portion of the Building generally addressed as 2707 East Washington Avenue, Madison, Wisconsin, and depicted on attached Exhibit C (“Leased Premises”); together with the nonexclusive use in common with others entitled thereto of the “Common Areas” (as defined in Section 10).
3. Property. The Building and Common Areas are located upon the Property more specifically described in attached Exhibit A and depicted on attached Exhibit B.

RETURN TO: City of Madison
Economic Development Division
Office of Real Estate Services
P.O. Box 2983
Madison, WI 53701-2983

Tax Parcel No.: 251-0710-061-2936-8
251-0710-052-3206-3

4. **Loading Area.** The City shall be permitted to use the area on the eastern side of the Building, depicted as “Loading Area” on Exhibit B, for loading/unloading activities. The Lessor nor any other tenant, except for Public Health Madison and Dane County for purposes of serving their leased premises in the Building, shall not block the Loading Area at any time.
5. **Term.** The initial term (“Initial Term”) of the Lease shall be for a period commencing on January 1, 2021 (“Effective Date”) and ending on December 31, 2030, unless extended by the City as hereinafter provided. The Initial Term and any Renewal Terms exercised by the City is collectively defined as the “Term”.
6. **Base Rent.** The City shall pay to the Lessor rent for the Leased Premises in the amount specified in the Rent Table below (“Base Rent”). Base Rent during Lease Year 1 shall be Four Thousand Three Hundred Eighteen Dollars and Ten cents (\$4,318.10) per month, payable in advance on the first day of each calendar month throughout the Initial Term of this Lease. For Lease Year 2 and each year thereafter of the Initial Term and any “Renewal Terms” of the Lease (as defined in Section 8), an annual escalator of 3.0% of Base Rent shall be added to the rent amount. The Base Rent amount for the Initial Term of the Lease shall be as follows:

BASE RENT TABLE			
Lease Year (January 1 – December 31)	Base Rent per SF	Monthly Base Rent	Annual Base Rent
Lease Year 1 (2021)	\$4.73	\$4,318.10	\$51,817.15
Lease Year 2 (2022)	\$4.87	\$4,447.64	\$53,371.66
Lease Year 3 (2023)	\$5.02	\$4,581.07	\$54,972.81
Lease Year 4 (2024)	\$5.17	\$4,718.50	\$56,622.00
Lease Year 5 (2025)	\$5.32	\$4,860.05	\$58,320.66
Lease Year 6 (2026)	\$5.48	\$5,005.86	\$60,070.28
Lease Year 7 (2027)	\$5.65	\$5,156.03	\$61,872.39
Lease Year 8 (2028)	\$5.82	\$5,310.71	\$63,728.56
Lease Year 9 (2029)	\$5.99	\$5,470.03	\$65,640.42
Lease Year 10 (2030)	\$6.17	\$5,634.14	\$67,609.63

All Base Rent payments shall be made payable to “MESC, LLC” and sent or personally delivered to the address specified in Section 26.

7. **Additional Rent:** The City shall also pay to the Lessor the following additional charges collectively defined as “Additional Rent”:
 - a. **Real Estate Tax Charge.** The Lessor shall pay in a timely manner all real estate taxes which are levied or assessed by the lawful taxing authorities against the entire Property. Throughout the Term of the Lease, the City shall pay to the Lessor a monthly share of such real estate taxes (“Real Estate Tax Charge”) at the rate of seventy cents (\$0.70) per square foot multiplied by the gross leasable area of the Leased Premises per year, calculated as follows:

$$\text{Real Estate Tax Charge} = \$0.70 \times 10,955 \text{ square feet} = \$7,669 \text{ (rounded)} \div 12 = \underline{\$639.08 \text{ per month}}$$

Beginning on January 1, 2022, and continuing on each anniversary thereafter through the

Term of the Lease, the Real Estate Tax Charge shall be subject to a three percent (3%) increase.

- b. Special Assessments Charge. The Lessor shall pay in a timely manner all special assessment charges, which are levied or assessed by the lawful taxing authorities against the Property (“Property Special Assessment”). The City shall pay to the Lessor the City’s proportionate share of a Property Special Assessment that is billed and payable during the Term, if any equal to the product of the Property Special Assessment multiplied by the City’s Prorated Share as defined below (“Special Assessments Charge”).

The City’s prorated share is defined as follows (“Prorated Share”):

$$\text{City's Prorated Share} = 10,955 \text{ square feet} \div 86,028 \text{ leasable square feet on the Property} = \underline{12.73\%}$$

The City shall pay to the Lessor, on a monthly basis, an amount equal to one-twelfth (1/12) of the Special Assessments Charge.

- c. Common Area Charge. The City shall pay the City’s Prorated Share, as defined in Section 7.b. above, of all operating costs and expenses for the Property listed below that are paid or incurred by the Lessor in operating and maintaining the “Common Areas”, as defined in Section 10 of this Lease, of the Property (“Common Area Charge”).

Common Area Charges shall be limited to the following items:

- i. Parking lot, driveway, and sidewalk maintenance and repair
- ii. Exterior lighting electric charges and bulbs
- iii. Snow and ice removal
- iv. Lawn and grounds maintenance/cleaning
- v. Water and sewer charges
- vi. Utility maintenance, repair, and service
- vii. Trash and recycling service
- viii. Commercial General Liability Insurance
- ix. Exterior security cameras; video footage shall be stored by Lessor for a minimum of 30 days and available for viewing by the City upon the City’s request.

Common Area Charges shall not include the following: administrative fees; management fees or other similar fees; charges attributable to the adjacent parcel owned by Lessor (Lot 1 of CSM 14618) or the costs of any capital improvements made to the Property, Building, or Leased Premises.

The Lessor shall be solely responsible for any and all fees, charges and/or penalties incurred related to the late or delinquent payment of real estate taxes, special assessments, or Common Area Charges.

Base Rent plus Additional Rent equals City’s ledger account (collectively “City’s Account”).

The City’s Prorated Share of Common Area Charges shall be paid in monthly installments on the first day of each month in an amount to be estimated by the Lessor in the calendar operating budget for the Property. By December 15th of each year during the Term, the Lessor shall provide the City

with a copy of Lessor's estimated operating budget for the total Common Area Charges for the subsequent calendar year and the City's Prorated Share.

Within 30 days after each calendar year the Lease is in effect, the Lessor shall reconcile estimated Common Area Charges against actual expenses paid in the previous calendar year. Lessor shall provide City with all supporting documentation related to actual Common Area Charges including the general ledger. In the event the Lessor does not provide the City with any requested supporting documentation within thirty (30) days of a notice sent by the City, then the City can suspend its Common Area Charges until the City receives the requested supporting documentation.

Within 45 days following the delivery of the Lessor's reconciliation statement, the City shall pay to the Lessor, or the Lessor credit to the City, the balance due or owed for the previous calendar year of the Term. If the City has requested supporting documentation for Common Area Charges and the Lessor has not provided said documentation to the City within the 45 day period, then the City does not need to make a reconciliation payment, if any, until the Lessor delivers said documents to City.

8. Options to Renew: If, at the end of the Initial Term of the Lease, the City is not in default under the terms and conditions of the Lease, then the City shall have two (2) options to renew this Lease for an additional term of five (5) years each (individually "Renewal Term 1", and "Renewal Term 2"; collectively the "Renewal Terms"), under the same terms and conditions provided in the Initial Term of this Lease.

If the City desires to exercise any Renewal Terms, the City must give notice in writing to the Lessor a minimum of one hundred eighty (180) days prior to the expiration of the Initial Term or Renewal Term 1.

In the event that the City exercises Renewal Term 1, the Lessor shall grant the City an improvement allowance to cover the cost of replacing flooring, vinyl base, and painting interior walls ("Improvement Allowance"). The Improvement Allowance to the City shall be \$54,775. The Improvement Allowance shall be applied as a credit to City's Account within thirty (30) days after the City provides notice to Lessor that it is exercising its Renewal Term 1 option.

All notices under this paragraph shall be given as specified in Section 26.

9. Use. The City will occupy and use the Leased Premises for the operation of a public library and all activities related thereto, and for no other purposes without the prior written consent of the Lessor, which consent shall not be unreasonably withheld, delayed or conditioned. The City shall have the right to access the Leased Premises 24 hours per day, 7 days per week.
10. 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" is defined as the exterior parking area, sidewalks, driveway and all other areas or improvements, which may be provided by the Lessor for the common use or benefit of occupants of the Property. 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. The Lessor shall be responsible for cleaning, maintaining, securing, lighting, insuring and repairing the Common Areas.

The Lessor shall maintain all Common Areas in good order and condition at all times, and pay operating and maintenance expenses relating thereto. The Lessor shall bill back to the City their Prorated Share of Common Area Charges as defined in Section 7.c.

11. Signs. The City shall be permitted to install and maintain signage directly outside of the Leased Premises and/or on the Building directory and/or monument sign. Plans and specifications for any such signage shall be subject to the Lessor's consent, which consent shall not be unreasonably withheld, conditioned or delayed.
12. Assignment and 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. Notwithstanding the foregoing, the City may assign this Lease or sublet the Leased Premises without the Lessor's consent to another governmental agency or entity or to another similar service agency.
13. Lessor's Responsibilities.
 - a. The Lessor shall at all times keep and maintain in good order and replace at its cost, including any required inspections, the exterior of the Leased Premises, Building and all portions of the Property, including portions not leased to the City, including but not limited to the roof; foundation; concrete subsurface floor; the sanitary sewer and other below-grade plumbing components; any water damage caused by other tenants of the Property; structural members of the Building; the elevator; fire alarm systems; signs; exterior doors, door frames and locks; exterior finishes; façade wall and elements, and exterior glass, windows and window frames of the Building.

Except as provided in Section 13.b., the City shall give the Lessor written notice of the necessity for repairs or replacements coming to the attention of the City, following which the Lessor shall have seven (7) calendar days to complete such repairs or 60 days to make any replacements (except in the case of any emergency). If the Lessor does not complete repairs within seven days of the City's notice, then the City shall have the right to complete the needed repairs and the cost of such repairs shall be reimbursed to the City as a credit to City's Account, and the City may off-set said repair credit from the following calendar month payment due to Lessor regardless of whether the Lessor has commenced such repairs. If repairs by their nature take more than seven days, then the Lessor shall have a reasonable time to complete the repairs if written notice of such delay is given to the City within the seven day to repair timeframe.

If the Lessor does not complete any replacements within 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 payment due to Lessor or the City can consider this a default by the Lessor and terminate the Lease per Section 22.b. below, regardless of whether the Lessor has commenced such replacement. If the replacement by its nature take more than 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.

For the purposes of so maintaining the Leased Premises, the Lessor reserves the right, upon a minimum of twenty-four (24) hours' notice and at times reasonable for the City, to enter and inspect the Leased Premises and to make any necessary repairs or replacements thereto, or at any time in the event of an emergency, provided that in all instances the Lessor must be accompanied by an employee or agent of 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 on the Building, Property, or within the Leased Premises.
- c. The Lessor shall, at Lessor's sole cost, be responsible for any damage resulting from the negligence of the Lessor or its officers, officials, members, agents, employees, assigns, guests, invitees, sublessees or subcontractors. Notwithstanding the foregoing, the City shall be responsible for the cost of insuring its contents and for the cost of damage to the City's contents in the Leased Premises which would be covered by properly maintained insurance, and for the cost of repairs/replacements to the Building or Leased Premises or Common Areas caused by the sole negligence of the City or its employees.
- d. Prior to the Effective Date, the Lessor shall, at the Lessor's sole cost and as a condition of the Lease, cause all the following repairs, maintenance, and /or replacements to the Leased Premises, Building, and Property, at its cost (collectively "Lessor's Work"):
 - i. Correct the drainage issue along the west side of the Building near the door to the Library's large meeting room; and
 - ii. Extend the downspout at southeast corner of the Building to a sufficient length as to direct water into the adjacent lawn sod and ensure downspout runoff does not flow onto the driveway or cause ice build-up on driveway; and
 - iii. Repair all potholes in the parking lot and re-stripe the parking spaces; and
 - iv. Repair/replace damaged sections of concrete within the sidewalk areas that serve the Leases Premises; and
 - v. Install "No Parking" signs along the curb to the north and west of the Building; and
 - vi. Install a painted crosswalk area with related stop signs for pedestrians crossing from the Building to the parking area; and
 - vii. Install a monument sign near E. Washington Avenue and have City listed thereon; sign installation is subject to approval by the City of Madison; and

In the event the above Lessor's Work is not completed by January 1, 2021, then the City shall not be charged Base Rent for each day the Lessor's Work is not complete in its entirety.

- e. In addition to completing the Lessor's Work detailed in Section 13.d. the Lessor shall grant the City a credit to cover the cost of replacing flooring, vinyl base, and painting interior walls ("Improvement Credit"). The Improvement Credit to the City shall be One Hundred Nine Thousand Five Hundred and Nine Dollars (\$109,509). The Improvement Credit shall be applied as a credit to the City's Account immediately after the City sends Lessor a copy of the executed contract for said improvement work.

14. 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. The City shall be responsible for the cleaning, maintaining and repairing of any personal property installed within the Leased Premises.
- c. The City shall at all times keep and maintain the interior of the Leased Premises in good order and condition, including all interior partitions; interior doors; locks; closers; door operating devices; interior glass; floor coverings; fixtures; heating, air conditioning, above-grade plumbing and plumbing fixtures, and interior electrical and lighting equipment and appurtenances whether installed or owned by the Lessor or the City, except 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

The City shall pay the cost to replace any mechanical, heating and air conditioning equipment (if not repairable) installed by the City in the Leased Premises, except the City will not be responsible for any repairs or replacements related to negligence or damage by the Lessor, its employees, agents, contractors or other tenants of the Property.

- d. The City will maintain, at their sole cost, janitorial services, window cleaning and trash service for the Leased Premises.
- e. The City shall be responsible to pay all utility charges for water, sewer, gas, heat, air conditioning and electricity used upon the Leased Premises.

15. Construction. No construction, modification, improvement, alteration, redecoration, or remodeling of the Leased Premises shall be undertaken without prior written approval of the Lessor, and any plans for any of the same are subject to written approval of the Lessor. Any such construction, modification, improvement, alteration, redecoration, or remodeling shall remain for the benefit of the Lessor, unless otherwise provided in such written approval.

16. 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

17. Taxes and Assessments. The Lessor shall be responsible for promptly paying all property taxes, assessments and special assessments that accrue to the Leased Premises and Property. The City shall pay its proportionate share of taxes and assessments as Additional Rent, further defined in Sections 7.a. and 7.b. of this Lease. City shall be responsible for any personal property taxes levied against its personal property located in the Leased Premises.

18. Insurance by Lessor. Beginning on the Effective Date and continuing throughout the Initial Term and Renewal Terms, if exercised, of the Lease, the Lessor shall maintain at its costs the following insurance coverages: a policy of comprehensive fire, extended coverage, vandalism, malicious mischief and other endorsements deemed advisable by the Lessor insuring 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 such a deductible not to exceed \$10,000.

Additionally, the Lessor shall carry commercial general liability insurance including, but not limited to, bodily injury, 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 on a form approved by the City, and, if requested by the City 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) business days before the expiration of the policy.

19. Insurance by the City. The City shall maintain, at its sole cost, throughout the Initial Term and any Renewal Terms thereof personal property insurance in an amount to cover any and all loss or damage to the City's personal property located within the Leased Premises.
20. Indemnification by Lessor. 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 there from, 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, or subcontractors, in the performance of the Lease, whether caused by or contributed to by the negligent acts of the City, its officers, officials, agents, and employees. This paragraph shall survive termination of this Lease.
21. Compliance. The Lessor shall observe and promptly and effectively comply with all applicable statutes, rules, orders, ordinances, requirements and regulations of the City, the County of Dane, the State of Wisconsin, the federal government and any other governmental authority having jurisdiction over the Leased Premises. 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. The Lessor agrees that any such contest shall be prosecuted to a final conclusion as soon as possible and that it will hold the City harmless with respect to any actions taken by any lawful governmental authority with respect thereto.
22. Termination.
 - a. The Lessor may terminate this Lease with thirty (30) days written notice if City is in default of any of the terms or conditions of this Lease, including but not limited to the timely

payment of rent, and does not correct the default within thirty (30) days of receiving written notice.

In the event of a default under this Lease which requires more than the payment of money to cure and which cannot, because of the nature of such 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 proceeds thereafter continuously with due diligence to cure the default within a period of time which, under all prevailing circumstances, shall be reasonable.

- b. The City may terminate this Lease with thirty (30) days written notice to the Lessor if the Lessor is in default of any term or condition of this Lease and has not corrected said default prior to the expiration of said thirty (30) day period. In the event of a default which cannot, because of the nature of such default, be cured within said thirty (30) days, 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 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 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.

- 23. Rights Upon Expiration or Termination. Upon the expiration or termination of this Lease for any cause outlined in Section 22, the City's rights in the Leased Premises shall cease, and the City shall immediately surrender the Leased Premises, subject to the provisions of Section 24.
- 24. 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 in the Leased Premises, the Lessor shall have the right to dispose of said property, without liability, thirty (30) days after the City surrenders the Leased Premises.
- 25. Authorized Agent. The City's Economic Development Director or the Director's designee is hereby designated as the official representative of the City for the enforcement of all provisions of this Lease, with authority to administer this Lease lawfully on behalf of the City.

26. Damage and Destruction. In the event the Leased Premises are 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. In the event: (a) the Leased Premises are damaged to the extent of twenty-five percent (25%) or more of the cost of replacement of the Leased Premises; or (b) the Building 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 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.
27. Leased Premises Acquired by Eminent Domain. In the event of any condemnation or inverse condemnation of the Property or any part thereof, the entire compensation award therefor, including, but not limited to, all damages and compensation for diminution of value of the leasehold, reversion and fee, shall belong to the Lessor without any deduction therefrom for any present or future estate of the City, and the City hereby assigns to the Lessor all of its right, title and interest to any such award. However, the City shall have the right to recover from the condemning authority such compensation as may be separately awarded to the City for moving and relocation expenses.

In the event only a part of the Leased Premises and/or the Common Areas is taken or condemned and the City, in its sole discretion, determines that the part of the Leased Premises and/or Common Areas remaining is not suitable for the same purpose and with substantially the same utility to the City as immediately prior to such taking, the City may terminate this Lease by giving the Lessor written notice of termination a minimum of thirty (30) days prior to the delivery of possession of the Leased Premises to the condemning authority.

In the event of a taking of any portion of the Leased Premises not resulting in a termination of this Lease, the Lessor shall use so much of the proceeds of the Lessor's award for the Leased Premises as is required therefor to restore the Leased Premises to a complete architectural unit, and this Lease shall continue in effect with respect to the balance of the Leased Premises, with a reduction of Rent in proportion to the portion of the Leased Premises taken, if any.

28. 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 Lessor: Executive Management, Inc
Attn: John Brigham
2701 International Lane, Suite 100
Madison, WI 53704

Email: john@emi-mgmt.com

For City: City of Madison
Economic Development Division
Office of Real Estate Services
Attn: Manager
P. O. Box 2983
Madison, WI 53701-2983

Email: acmiller@cityofmadison.com and
ores@cityofmadison.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 shown above to which notice shall be given.

29. Non-Discrimination. In the performance of its obligations under this Lease, the Lessor agrees not to discriminate because of race, religion, marital status, age, color, sex, disability, 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.
30. 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.
31. 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.
32. Accessibility. The Leased Premises and Common Areas shall conform where applicable to Chapter Section SPS 361.05 of the Wisconsin Administrative Code, Madison General Ordinance 39.05, and the Americans with Disabilities Act, regarding accessibility. The Lessor shall be responsible for all costs of compliance for the Leased Premises and the Common Areas.
33. Hold Over. In the event the City shall continue to occupy or use the Leased Premises after the expiration of this Lease or any renewal thereof (unless terminated by either party per Section 22), such holding over shall be deemed to constitute a tenancy from month to month, upon the same terms and conditions as herein provided, and in no event shall the tenancy be deemed to be from one (1) year to one (1) year.
34. Entire Agreement. All terms and conditions with respect to this Lease are expressly contained herein, and the parties agree that neither the Lessor nor the City has made any representations or promises with respect to this Lease not expressly contained herein.
35. Severability. If any term or provision of this Lease or the application thereof to the Lessor or the City 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 Lessor or the City 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 this Lease shall be valid and be enforceable to the fullest extent permitted by law.

36. 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.
37. Public Record. This Lease will be recorded at the office of the Dane County Register of Deeds.
38. 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.
39. Brokerage Costs. The City is not responsible for any brokerage costs in connection with the Lease.
40. Jointly-held Right of First Offer on Adjacent Space: The City and, under a separate lease agreement with the Lessor, should such lease exist, Board of Health for Madison and Dane County on behalf of Public Health—Madison Dane County (collectively, “Adjacent Tenants”), shall have a jointly held right-of-first offer to lease any spaces immediately adjacent to the Leased Premises in the Building (“Adjacent Space”). The Lessor shall notify the Adjacent Tenants in writing of any Adjacent Space that will be available to rent (“Offer Notice”). Following receipt of the Offer Notice, if either Adjacent Tenant desires to lease such Adjacent Space, then such Adjacent Tenant shall have forty five (45) days from the receipt of the Offer Notice to send a written acceptance notice to the Lessor (“Acceptance Notice”) stating the Adjacent Tenant’s desire to lease such Adjacent Space on the same terms and conditions of the Lease. The Acceptance Notice is subject to the Adjacent Tenant receiving approval from the appropriate governing body within ninety (90) days of the Acceptance Notice to lease the Adjacent Space with terms and conditions identical to those set forth in their respective lease. In the event Public Health does not have a lease, then this paragraph shall apply to the City solely.

If the Adjacent Tenant receives their governing body’s approval then an amendment to the Lease(s) (the “Amendment” or “Amendments”) shall be executed by the parties. The gross leasable area of the Leased Premise(s) shall be increased by the gross leasable area of the Adjacent Space and documented in the Amendment(s). Likewise, the Base Rent and Additional Rent shall be adjusted in the Amendment(s) to account for the Adjacent Space. The new gross leasable area shall be multiplied by the per square foot Base Rent amount applicable at the time of the expansion and documented in the Amendment. The numerator in the Adjacent Tenant’s Prorated Share equation in Sub-Section 7.b. of this Lease shall increase by the gross leasable area of the Adjacent Space and documented in the Amendment.

41. 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.

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

MESC, LLC

By: _____

John Brigham

Title: _____

By: _____

Gregory Rice

Title: _____

State of Wisconsin)
)ss.
County of Dane)

Personally came before me this _____ day of _____, 2020, John Brigham, _____ of MESC, LLC, a Wisconsin limited liability company, known to be the person who executed the above foregoing instrument and acknowledged that he executed the foregoing instrument as such _____ as the deed of said limited liability company, by its authority.

Notary Public, State of Wisconsin

(Print or type name)

Commission expires: _____

State of Wisconsin)
)ss.
County of Dane)

Personally came before me this _____ day of _____, 2020, Gregory Rice, _____ of MESC, LLC, a Wisconsin limited liability company, known to be the person who executed the above foregoing instrument and acknowledged that he executed the foregoing instrument as such _____ as the deed of said limited liability company, by its authority.

Notary Public, State of Wisconsin

(Print or type name)

Commission expires: _____

CITY OF MADISON

By: _____
Satya Rhodes-Conway, Mayor

By: _____
Maribeth Witzel-Behl, City Clerk

AUTHENTICATION

The signatures of Satya Rhodes-Conway, Mayor, and Maribeth Witzel-Behl, Clerk, on behalf of the City of Madison, are authenticated on this ____ day of _____, 2020.

Kevin Ramakrishna, Assistant City Attorney
Member of the Wisconsin Bar

Signatures continue on following page.

Approved:

David Schmiedicke,
Finance Director

Date

Approved:

Eric Veum,
Risk Manager

Date

Approved as to form:

Michael Haas,
City Attorney

Date

Execution of this Lease is authorized by Resolution Enactment No. RES-00_____, File ID No. _____, and adopted by the Common Council of the City of Madison on _____, 2020.

Drafted by the City of Madison Office of Real Estate Services

Project No. 11929

EXHIBIT A

Legal Description of the Property

Real property in the City of Madison, County of Dane, State of Wisconsin, described as follows:

Lot 2 of Certified Survey Map No. 14618, as recorded in Dane County Register of Deeds in Volume 101, Page 155 of Certified Surveys.

AND

Lots 1 to 8 inclusive, Block 3, Reuter Subdivision, in the City of Madison, Dane County, Wisconsin, except that part conveyed to the City of Madison for street purposes described as follows:

Beginning at the Northeast corner of Lot 8, Block 3, Reuter's Subdivision to the City of Madison, Dane County, Wisconsin; thence Northwesterly to a point on the West line of Lot 3 in said Block 3, last mentioned point being 60 feet South of the Southwest corner of Lot 14, Block 2, Reuter's Subdivision; thence Southwesterly on a curve convex to the Northwest of 70 feet radius to the West line of said Block 3; thence North along said West line of Block 3 to the North line of said Block 3; thence Southeasterly along said North line of Block 3 to the point of beginning .

TOGETHER WITH AND SUBJECT TO a Cross-Easement Agreement dated May 10, 1994 and recorded June 1, 1994 in Volume 27570 of Records, Page 67, as Document No. 2605525.

EXHIBIT B
Property, Building, and Loading Area

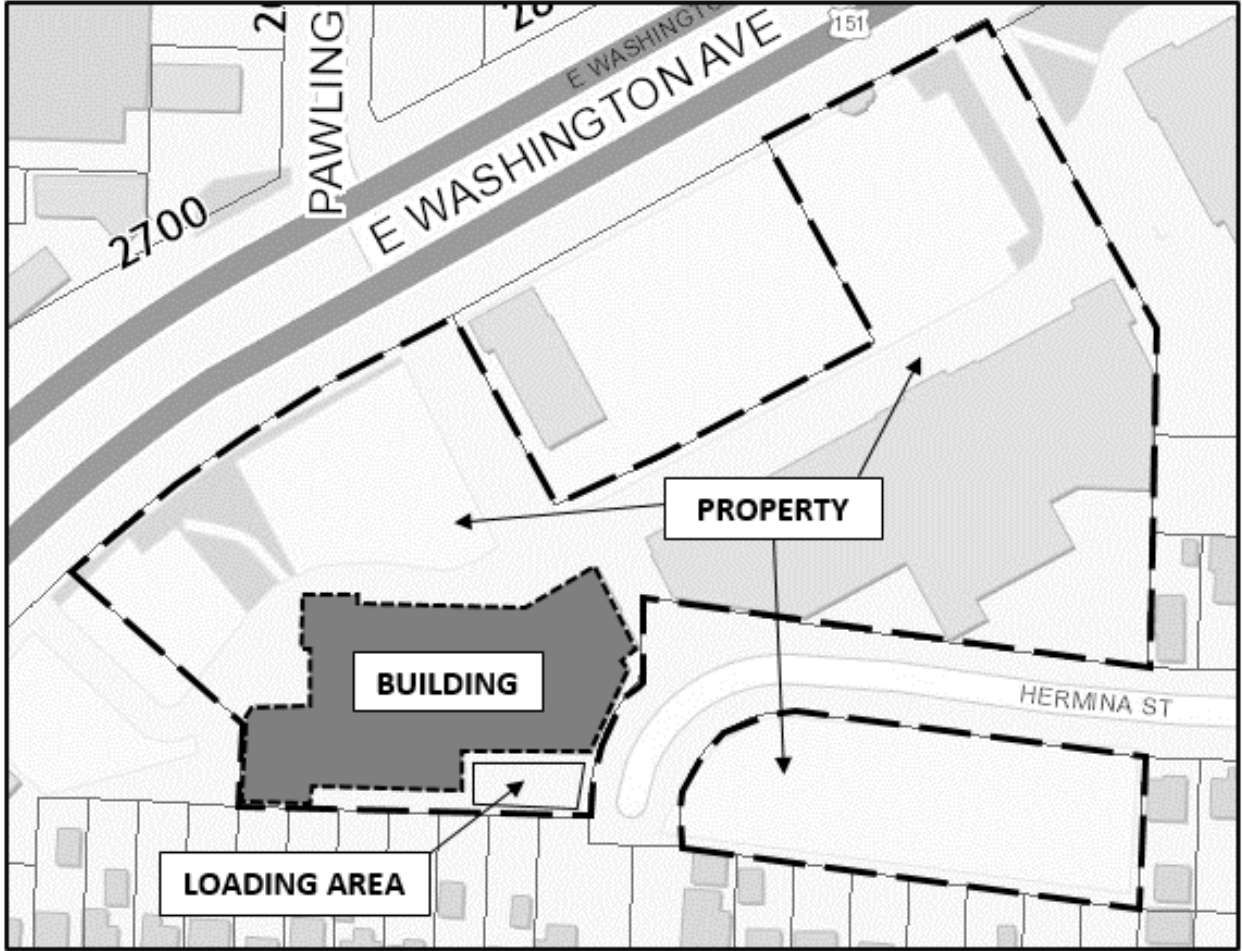


EXHIBIT C
Leased Premises

