

COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF MADISON, WISCONSIN

Resolution No. 4014

Replacing Resolution No. 4006 authorizing the execution of a lease with Lane's Bakery for retail space at The Village on Park and authorizing expenditure of funds for landlord work

Presented December 13, 2012
 Referred _____
 Reported Back _____
 Adopted December 13, 2012
 Placed on File _____
 Moved By Timothy Bruer
 Seconded By Stuart Levitan
 Yeas 6 Nays 0 Recused 1
 Rules Suspended _____

WHEREAS, the Community Development Authority of the City of Madison (the "CDA") is the owner of The Village on Park, located at 2200 South Park Street; and

WHEREAS, the CDA and Lanes Bakery ("Tenant") negotiated terms and conditions of lease for retail space at The Village on Park and the CDA approved Resolution No. 4006 authorizing the execution of a lease with the Tenant at its meeting on November 8, 2012.

WHEREAS, Tenant desired to change the terms of the lease. Revised terms have been negotiated, agreed upon and set forth in a non-binding letter of intent dated November 28, 2012.

NOW THEREFORE BE IT RESOLVED that the CDA ("Landlord") hereby authorizes the execution of the Agreement between the CDA and Tenant for retail space within The Village on Park on the following terms and conditions:

- Premises:** 3,774 rentable square feet (subject to final measurement) as shown on the attached Exhibit
- Landlord:** CDA
- Tenant:** Lanes Bakery with a personal guaranty from Chuck Lane
- Use:** Bakery café to include the sale of sandwiches, soups, and salads.
- Term** Ten (10) year lease term beginning upon execution of the Agreement

Landlord shall provide two consecutive lease renewal options of five (5) years each. Renewal terms to include annual rent increases of two and one-quarter percent (2%).
- Rent:** \$15.80 per square foot annually.

Rent is modified gross. Tenant shall be responsible for cost of gas and electric for the Premises and in suite janitorial.

Rent payment for first six (6) months following substantial completion of Landlord Work, shall be abated. Tenant to pay gas and electric costs for Premises from substantial completion of Landlord Work

Rent shall increase by 2.% annually on the anniversary of the execution of the Agreement
- Landlord Finish** Landlord to prepare the space to "white box" condition the cost of which shall not exceed \$150,000.

Tenant Improvement Allowance

Landlord shall provide an allowance of \$135,000 for tenant improvements to be used by Tenant for its cost of interior structural improvements over and above the Landlord's white box finish.

Parking

Landlord to provide 20 parking places in front of the restaurant with some limiting parking to 15 minutes and several limiting parking to 1-hour. Landlord shall provide, as part of the Lease, a site plan showing the location of the parking stalls, and Tenant shall approve said location. Landlord shall use reasonable efforts to enforce regulations and hours through its on-site security staff.

Commission

Landlord shall be responsible for all leasing commissions payable to the procuring brokers, Gail Selk, The Selk Company, LLC and, The Rifken Group Ltd. which shall total 3% of the total rent for the primary term of the lease.

BE IT RESOLVED that the Secretary is hereby authorized to execute and deliver the Agreement and to take such other actions as shall be necessary or desirable to accomplish the purposes of this resolution including but not limited to the funding of the Landlord Finish, Tenant Improvement Allowance and Commissions as set forth above.

BE IT FURTHER RESOLVED that subject to the following conditions, the Secretary is authorized to execute a construction contract for the Landlord Finish. The cost of work covered by the construction contract shall not exceed \$150,000. The Secretary shall solicit a minimum of two estimates from qualified contractors for the Landlord Finish and the construction contract shall be awarded to the qualified contractor with the lowest cost of work.