

**COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF MADISON, WISCONSIN**

Resolution No. 4190

Authorizing the CDA to enter into a month-to-month lease with Workers' Rights Center, Inc. for office space at The Village on Park.

Presented June 9, 2016  
Referred \_\_\_\_\_  
Reported Back \_\_\_\_\_  
Adopted June 9, 2016  
Placed on File \_\_\_\_\_  
Moved By Sariah Daine  
Seconded By Daniel Guerra  
Yeas 5 Nays 0 Absent 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 2300 South Park Street; and

WHEREAS, the CDA and Workers' Rights Center, Inc. are parties to that certain Lease dated August 5, 2009 and recorded August 13, 2009 with the Dane County Register of Deeds as Document No. 4585846, as amended by that certain Notice of Lease Renewal dated September 1, 2011 and recorded September 6, 2011 with the Dane County Register of Deeds as Document No. 4789160; and as further amended by that certain First Amendment to Lease dated September 13, 2013 and recorded September 13, 2013 with the Dane County Register of Deeds as Document No. 5024431; and further amended by that certain Second Amendment to Lease dated June 10, 2015 and recorded June 11, 2015 with Dane County Register of Deeds as Document No. 5158944 (collectively, the "Main Lease"); and

WHEREAS, Workers' Rights Center, Inc. currently has some short term space needs that the CDA is willing to accommodate them with by leasing them space on a month-to-month basis via a separate agreement from the Main Lease; and

WHEREAS, the CDA and Workers' Rights Center, Inc. have negotiated the below terms and conditions to a new lease (the "Lease") which provides for office space located in Suite 109 at The Village on Park.

NOW, THEREFORE, BE IT RESOLVED that the CDA hereby authorizes the execution of the Lease between the CDA and Workers' Rights Center, Inc. on the following general terms and conditions:

1. Leased Premises: 2300 South Park Street, Suite 109, consisting of approximately 647 square feet of rentable square feet, as shown in the attached Exhibit A.
2. Building: The Village on Park mall in its entirety as legally described in Exhibit B.
3. Landlord: CDA
4. Tenant: Workers' Rights Center, Inc., a Wisconsin non-stock corporation ("Lessee").
5. Use: Lessee shall be permitted to use the Leased Premises for general office purposes. The Lessee can use the CDA's three cubicle

furniture as shown in the attached Exhibit A during its term defined below. At the end of the term, the furniture shall be returned in the same condition as it was delivered.

6. Term: Month-to-month lease that can be terminated by either the Lessee or CDA with 30 days written notice ("Term"). Lessee agrees that it shall vacate the Leased Premises before the 31<sup>st</sup> day from delivery date of the written notice.
7. Delivery Date: The expected Delivery Date of the Leased Premises to the Lessee is upon the execution of the Lease by both the CDA and Lessee, which is estimated to be June 15, 2016. Base rent as defined below shall be pro-rated for the number of days in this month and any partial month during the term.
8. Rental Rate: "Base Rent" shall be two hundred dollars per month (\$200.00) during the Term. This Base Rent shall be pro-rated during the Term for any partial month period. The Base Rent is due and payable on the Delivery Date and the first day of each calendar month during the Term.
9. Operating Expenses: The Lease shall be a gross lease. The CDA shall be responsible for paying prorated real estate taxes, common area maintenance charges, Building's insurance premiums and all utilities for the Leased Premises.  
  
The Lessee shall be responsible for paying all telephone, internet and data charges, in-suite janitorial and any other services associated with the Leased Premises.
10. Assignment and Subletting: Lessee shall neither sublease the Leased Premises, or any portion thereof, nor assign its interest in the Lease without the CDA's prior written consent, which consent the CDA may withhold in its sole discretion.
11. Repairs & Maintenance: The CDA shall be responsible for the maintenance and repair of the roof, exterior walls and foundation of the Building during the Term. The CDA shall also be responsible for the repairs, maintenance and replacement of the Leased Premise's HVAC unit, ceiling tile, light fixtures and light bulbs.
12. Tenant Improvements: Lessee accepts the space as-is. Tenant may install furniture, fixtures, and equipment in the Leased Premises with the CDA's written approval. Lessee shall also remove the approved tenant improvements and personal property upon expiration or termination of the Lease.

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

in such written approval. In all cases, the Lessee is responsible for following all applicable ordinances, codes, statutes, and laws, and obtaining all permits required for any construction activity.

13. Maintenance:

The Lessee shall, at the Lessee's cost, keep and maintain the Leased Premises in a presentable condition consistent with good business practice and in a manner consistent with the preservation and protection of the general appearance and value of other premises in the immediate vicinity. Lessee's maintenance responsibilities include, but shall not be limited to, any required general repairs, cleaning, and removal of garbage and debris.

If the Lessee does not comply with any part of this section as determined solely by the CDA, upon written notice the Lessee shall have fourteen (14) days to cure the default. Thereafter, the CDA, at its option, shall have the right to extend the time to cure, have the default corrected at the Lessee's expense or terminate pursuant to paragraph 18.

14. Right of Entry:

The CDA or its representatives shall have the right to enter upon the Leased Premises at any reasonable time for the following purposes:

a. To make any inspection it may deem expedient to the proper enforcement of any term or condition of this Lease or in the exercise of its municipal powers.

b. For the purpose of performing work related to any public improvement provided that the CDA or its representatives restore the Leased Premises to a condition equivalent to that which existed on the date the CDA initiated the installation of the public improvement. The Lessee agrees to waive any loss of access and to hold the CDA harmless for any damages resulting from loss of parking or parking revenue which may occur during the period of installation of the public improvement.

15. Indemnification:

The Lessee shall be liable to and agrees to indemnify, defend and hold harmless the CDA, the City of Madison, and their 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 CDA, the City of Madison, or their officers, officials, 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 Lessee or its officers, officials, agents, employees, assigns, guests, invitees, sublessees or subcontractors, in the performance of this Lease, whether caused by or contributed to by the negligence of the CDA, the City of Madison, or their officers, officials, agents, or employees.

16. Insurance:

The Lessee shall carry commercial general liability insurance covering as insured the Lessee and naming the CDA and the City of Madison, their officers, officials, agents and employees as additional insureds, with a minimum limit of \$1,000,000 per occurrence as may be adjusted, from time to time, by the City of Madison's Risk Manager. This policy shall also be endorsed for contractual liability in the same amount, apply on a primary and noncontributory basis, and provide the CDA 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 coverage, the Lessee shall furnish the CDA with a certificate of insurance on a form approved by the City of Madison as of the Effective Date. If requested by the City of Madison Risk Manager, Lessee shall also provide copies of additional insured endorsements or policy. If the coverage required above expires while this Lease is in effect, Lessee shall provide a renewal certificate to the CDA for approval.

17. Hazardous Substances; Indemnification:

The Lessee represents and warrants that its use of the Leased Premises will not generate any hazardous substance, and it will not store or dispose on the Leased Premises nor transport to or over the Leased Premises any hazardous substance in violation of any applicable federal, state or local law, regulation or rule. The Lessee further agrees to hold the CDA and the City of Madison harmless from and indemnify the CDA and the City of Madison against any release of such hazardous substance and any damage, loss, or expense or liability resulting from such release including all attorneys' fees, costs and penalties incurred as a result thereof except any release caused by the sole negligence or intentional acts of the CDA, the City of Madison, their employees or agents. "Hazardous substance" shall be interpreted broadly to mean any substance or material defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic radioactive substance, or other similar term by any federal, state or local environmental law, regulation or rule presently in effect or promulgated in the future, as such laws, regulations or rules may be amended from time to time; and it shall be interpreted to include, but not be limited to, any substance which after release into the environment will or may reasonably be anticipated to cause sickness, death or disease or damage to or loss of use of real or personal property.

18. Termination:

The CDA shall have the right, at its sole option, to declare this Lease void, terminate the same, reenter and take possession of the Leased Premises by giving the Lessee thirty (30) days written notice upon or after any one of the following events, which are considered a default hereunder:

- a. The filing by the Lessee of a voluntary petition in bankruptcy.

- b. The institution of proceedings in bankruptcy against the Lessee and the adjudication of the Lessee as a bankrupt pursuant to such proceedings.
- c. The taking by a court of competent jurisdiction of the Lessee's assets pursuant to proceedings brought under the provisions of any federal or state reorganization act.
- d. The appointment of a receiver of the Lessee's assets.
- e. The divestiture of the Lessee's estate herein by other operation of law.
- f. The abandonment by the Lessee of the Leased Premises.
- g. The use of the Leased Premises for an illegal purpose.
- h. Upon lapse or failure of any insurance coverage required by this Lease.
- i. In the event the Lessee defaults in the performance of any other term or condition of this Lease.

The termination shall not be effective if, within such thirty (30) day period the event giving rise to the CDA's right to terminate ceases to exist. In the event of a breach of a term, covenant or condition of 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 Lessee shall be deemed to be complying with such notice if, promptly upon receipt of such notice, the Lessee 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.

Notwithstanding the foregoing, and without prejudice to any other right or remedy, upon lapse or failure of any insurance coverage required by this Lease the CDA may, at its option, purchase or pay for any insurance coverage required by this Lease and charge the Lessee the cost of same as additional rent. Any amount paid by the CDA hereunder shall be repaid by the Lessee to the CDA upon demand, together with interest thereon at the rate of twelve percent (12%) per annum.

Failure of the CDA to declare this Lease terminated upon the breach or default of the Lessee for any reason set forth in this Paragraph 18 shall not operate to bar or destroy any right of the CDA to terminate this Lease for any subsequent breach or default of any term or condition of this Lease.

19. Rights Upon Expiration or Termination:

Upon the expiration or termination of this Lease, due to an uncured default, the Lessee's rights in the Leased Premises shall cease, and the Lessee shall immediately surrender the Leased Premises, subject to the provisions of Paragraphs 20 and 21.

20. Removal and Disposal of Personal Property:

Upon the expiration or termination of this Lease for any cause, the Lessee, at the Lessee's cost, shall remove Lessee's personal property from the Leased Premises. If the Lessee leaves any personal property on the Leased Premises, the CDA shall have the right to dispose of said property without liability thirty (30) days after the Lessee vacates or abandons the Leased Premises.

21. Restoration of Leased Premises:

Upon the termination of this Lease for any cause during the Term the Lessee, at the Lessee's cost, shall restore the Leased Premises to a condition equivalent to that which existed on the Delivery Date, with the exception of reasonable wear and tear within the Leased Premises.

22. Lessee Waivers:

a. In the event of the Lessee's vacation of the Leased Premises, or any portion thereof, or if the CDA terminates this Lease pursuant to the provisions of this Lease, the Lessee hereby waives any rights against the CDA that may be construed to accrue to the Lessee, its successors and assigns, by provisions of Section 32.19 of the Wisconsin Statutes, as amended.

b. In the event the City of Madison condemns the Lessee's interest in the Leased Premises, or any portion thereof, the Lessee agrees that the award, including damages, for all of its interests shall be Zero Dollars (\$0), and further waives all relocation benefits of every kind and nature.

c. In the event the Leased Premises or any part thereof shall be needed either permanently or temporarily for any public or quasi-public use or purpose by any authority in appropriation proceedings or by any right of eminent domain, 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 CDA without any deduction therefrom for any present or future estate of the Lessee, and the Lessee hereby assigns to the CDA all of its right, title and interest to any such award. However, the Lessee shall have the right to recover from the condemning authority such compensation as may be separately awarded to the Lessee on account of interruption of the Lessee's business and for moving and relocation expenses.

23. Liens:

a. The Lessee shall not suffer or permit any construction or mechanics' liens to be filed, or if filed, to remain uncontested, against the fee of the Leased Premises, nor against the Lessee's leasehold interest in the Leased Premises, by reason of work, labor services or materials supplied or claimed to have been supplied to the Lessee or anyone holding the Leased Premises or any part thereof through or under the Lessee; and nothing contained herein shall be deemed or construed in any way as constituting the consent or request of the CDA, express or implied, by inference or otherwise, to any contractor, subcontractor, laborer or materialman 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 Lessee 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 mechanics' or construction liens against the fee of the Leased Premises. If any such lien is filed, the Lessee shall immediately cause the same to be discharged or released or shall upon request provide adequate and acceptable security or bond to protect the CDA's interest.

b. If any such construction or mechanics' lien shall at any time be filed against the Leased Premises, the Lessee covenants that it will promptly take and diligently prosecute appropriate action to have the same discharged by payment, bonding or otherwise, and that it will hold the CDA free and harmless of and from any and all liability to any contractor, subcontractor, materialman, laborer or any other person relating to or arising because of any improvements or alterations on or to the Leased Premises, and that it will also defend on behalf of the CDA, at the Lessee's sole cost and expense, any action, suit or proceeding which may be brought for the enforcement of any such lien, and that it will pay any damages and discharge any judgments entered therein. Upon the Lessee's failure to do any of the foregoing things, the CDA may take such action as may be reasonably necessary to protect the CDA's interest, in addition to any other right or remedy which it may have; and any amount paid by the CDA in connection with such action shall be repaid by the Lessee to the CDA upon demand, together with interest thereon at the rate of five percent (5%) per annum.

24. Security Deposit:

The Lessee shall pay to the CDA a security deposit (the "Security Deposit") in the amount of Two Hundred Dollars (\$200.00) upon execution of the Lease, which Security Deposit shall be held by the CDA, without liability for interest, unless required by law, as security for the Lessee's full performance of all the terms, covenants, and conditions of this Lease. The CDA shall not be required to hold the Security Deposit as a separate fund and may commingle it with other funds. If the Lessee fails to perform any of the terms, covenants and conditions of this Lease beyond any applicable notice and cure period, the CDA may, at its option and without waiving any other rights, apply the entire Security Deposit, or any portion thereof, toward amounts due the CDA under this

Lease. If the entire Security Deposit, or any portion thereof, shall be applied by the CDA for the payment of amounts due to the CDA by the Lessee, then the Lessee shall, upon written demand of the CDA, immediately remit to the CDA a sufficient amount of cash to restore the Security Deposit to its original amount, and the Lessee's failure to do so within five (5) days after receipt of the demand shall of itself constitute a breach of this Lease, which is considered a default hereunder. The balance remaining in the Security Deposit shall be returned to the Lessee within thirty (30) days following the expiration or termination of this Lease and after the removal of the Lessee and surrender of possession of the Leased Premises to the CDA in the condition required by this Lease, provided that the Lessee has theretofore complied with all terms, covenants and conditions of this Lease and promptly paid all rents and other sums as due. The CDA's delivery of the Security Deposit to a purchaser of the CDA's interest in the Leased Premises, or to any successor to the Lessee's interest in the Leased Premises, shall discharge the CDA from liability for the Security Deposit.

25. Leasing Commission:

Siegel Gallagher shall be due a leasing commission in the amount of five dollars (\$5) for each month during the Term. If there is a partial month payment of Base Rent, then Siegel Gallagher is due 2.5% of this pro-rated amount. This will be paid on a monthly basis as long as the Lessee occupies the Leased Premises.

BE IT RESOLVED that the Chair, Vice Chair and Secretary of the CDA are hereby authorized to execute, deliver and record the Lease, and to take such other actions as shall be necessary or desirable to accomplish the purposes of this Resolution in a form approved by the City Attorney.