

## ROOM BLOCK AGREEMENT

THIS ROOM BLOCK AGREEMENT (the “**Agreement**”) entered into on this day of \_\_\_\_\_, 20\_\_\_\_ (the “**Effective Date**”) by and between, MDI JUDGE DOYLE SQUARE HOTEL, LLC, a Minnesota limited liability company (“**Owner**”), 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 originally between the City and Beitler Real Estate Services LLC (“**Developer**”) attached hereto as Exhibit A (the “**Development Agreement**”), provides for the 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, on or about the date hereof, Owner (i) purchased from the City the land referred to in the Development Agreement as the Block 105 Hotel, and (ii) succeeded to Developer’s rights and obligations under the Development Agreement with respect to the Block 105 Hotel pursuant to that certain [*Assignment and Assumption Agreement*] between Developer and Owner; and

WHEREAS, Owner and City desire to enter into this Agreement pursuant to the terms of the Development Agreement.

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 Owner and the City to realize their full potential with respect to the Hotel Development, the two entities need to establish an appropriate working relationship as outlined below:

- A. For City requests for room blocks (“**Room Block Request**”) (i) 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: (a) one hundred eighty five (185) rooms, or (b) the amount of rooms that remain available at the time of the Room Block Request; or (ii) made between eighteen (18) and 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: (y) one hundred fifty (150) rooms, or (z) 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 Owner 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 or eighteen (18) months, as applicable, prior to the date of the event (as applicable to the requisite number of rooms, the “**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. Room rates and booking terms and conditions shall be determined by Owner in its sole discretion, provided that such room rates shall not be set so exorbitantly high that the clear purpose of such price is to preclude the end user from entering into Room Booking Agreements under this Agreement.
- C. Except where Room Booking Agreements exist, from and after the date of the Room Block Request through the Room Block Deadline, if Owner receives a request by a third-party to book all or a portion of the rooms contained within the Room Block, at a room rate acceptable to Owner, which request is not related to this Agreement or originated through the City’s efforts (“**Requested Rooms**”), Owner shall provide notice to the City of such Requested Rooms (the “**Requested Rooms Notice**”). Within fourteen 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 clause (i) above and the Requested Rooms shall no longer be a part of the Room Block. For the avoidance of doubt, any rooms not reserved through the Room Block by the Room Block Deadline shall be released from any obligations under this Agreement.
- 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 Owner, 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. Owner has the right to refuse groups based on clearly documented evidence of poor payment history or a history of damage to property.

- F. Owner will respond to a Room Block Request from the City within the timeframe required by the event organizer's request for proposals (which may not be sooner than seven (7) business days, but in no event shall the response be greater than fourteen (14) business days from such request).
- G. Owner 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.

Owner 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. **Incorporation by Reference.** The following provisions of the Development Agreement shall remain unchanged and, insofar as they are applicable to the City's obligations thereunder and, with respect to Owner, the Block 105 Hotel, are incorporated herein by reference:

Article X, Sections 9.1, 11.1, 11.3, 11.5, 11.6, 11.9 and 11.10

Notwithstanding the foregoing, 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. City and Owner hereby acknowledge and agree that the incorporation of the Development Agreement by reference is expressly limited to defining terms that are otherwise undefined herein pursuant to Section II.A above and incorporating those sections of the Development Agreement that are expressly enumerated in Section II.B above and for no other purpose. If the Development Agreement expires by its terms, the provisions expressly incorporated herein by reference will survive as between Owner and City as provided herein.

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 Owner, 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 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 Owner, 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 Effective Date, (ii) the termination or expiration of Owner's applicable hotel franchise agreement or (iii) the Convention Center ceases operations for a continuous period of three (3) months unless such cessation is caused by a Force Majeure event as defined below; unless otherwise agreed to by the Parties.

E. Force Majeure. For the purpose of this Agreement, Force Majeure means any strikes, casualty events, acts of God, shortages of labor or materials, war, terrorist acts, explosion, floods, earthquakes, civil disturbances or other causes beyond the reasonable control of the performing party, including without limitation, (i) a lockout, work stoppage, labor dispute or failure of utility services, and (ii) unusual delay in transportation, pandemics or epidemics, or adverse weather conditions not reasonably anticipated, governmental action or inaction not reasonably anticipated.

F. 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

Owner: MDI Judge Doyle Square Hotel, LLC  
c/o Mortenson Development, Inc.  
700 Meadow Lane North  
Minneapolis, Minnesota 55422  
Attention: Nate Gundrum

with copy to: MDI Judge Doyle Square Hotel, LLC  
c/o Mortenson Development, Inc.  
700 Meadow Lane North  
Minneapolis, Minnesota 55422  
Attention: Stacey Braybrook

F. Binding Effect. All provisions of this Agreement, including the benefits and burdens, run with the land and are binding upon and shall inure to the benefit of the assigns and successors of the parties to this Agreement.

H. Entire Agreement; Modification. This Agreement embodies the entire agreement and understanding between Owner and the City, and supersedes any prior oral or written agreements, relating to this transaction. This Agreement may not be amended, modified or supplemented except in a writing executed by both Owner and the City. No

term of this Agreement shall be waived unless done so in writing by the party benefited by such term.

I. Governing Law. This Agreement shall be construed under and governed by the laws of the State of Wisconsin.

J. Severability. If any term of this Agreement or any application thereof shall be invalid or unenforceable, the remainder of this Agreement and any other application of such term shall not be affected thereby.

K. 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.

L. 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.

M. Assignment and Transfer. Hotel Owner may assign or transfer its rights under this Agreement to a subsequent owner of the Hotel without the consent of the City, provided that the new Owner agrees to give written notice of such transfer or assignment to the City. In addition, Owner may assign its rights under this Agreement without consent of the City to the lender/trustee in any financing of the Hotel, for collateral purposes, provided that Owner shall provide prior written notice to the City of any proposed assignments or transfers made in connection with such financing for collateral purposes.

*[SIGNATURES APPEAR ON THE FOLLOWING PAGES]*

**IN WITNESS WHEREOF**, the undersigned have duly executed this Agreement as of the day of \_\_\_\_\_, 202\_\_\_\_.

OWNER:

**MDI JUDGE DOYLE SQUARE HOTEL, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

State of \_\_\_\_\_ )  
                                                  ) ss.  
County of \_\_\_\_\_ )

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 202\_\_\_\_, the above named \_\_\_\_\_ of MDI Judge Doyle Square Hotel, LLC, 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. \_\_\_\_\_



**EXHIBIT A**  
**Development Agreement**

[See attached]