

COMMUNITY DEVELOPMENT AUTHORITY
OF THE CITY OF MADISON, WISCONSIN

Resolution No. 4304

Authorizing the execution of a first amendment to the lease with Villager Sports Town Corporation for retail space at the Village on Park.

Presented	December 13, 2018
Referred	
Reported Back	
Adopted	December 13, 2018
Placed on File	
Moved By	Allen Arntsen
Seconded By	Dean Brasser
Yeas	5
Nays	0
Absent	1
Rules Suspended	
Legistar File Number	54043

RESOLUTION

WHEREAS, the Community Development Authority of the City of Madison (the "Landlord") is the owner of certain real property located at 2300 South Park Street, Madison, Wisconsin (the "Property"), more particularly described in the attached Exhibit B; and

WHEREAS, the Property is improved with a commercial building known as The Village on Park (the "Building"); and

WHEREAS, Villager Sports Town Corporation, a Wisconsin corporation d/b/a Uncle Joe's Shoes and Sportswear (the "Tenant"), and the Landlord currently have a lease for space in the Building recorded with the Dane County Register of Deeds as document No. 5053596 on February 12, 2014 (the "Lease"); and

WHEREAS, the Lease is set to expire on January 31, 2019; and

WHEREAS, the parties agree extend the current Lease by five (5) years until January 31, 2024, on substantially similar terms and conditions as the Lease, as modified by this Resolution.

NOW THEREFORE BE IT RESOLVED that the Community Development Authority of the City of Madison hereby authorizes the execution of a first amendment to lease (the "First Amendment") with the Tenant for the following changes to the Lease on substantially the following terms and conditions:

1. Section 1.2 of the Lease is amended to provide that the term of the Lease shall be extended by five (5) years, such that the new expiration shall be January 31, 2024.
2. Section 1.3 of the Lease is deleted in its entirety and replaced with the following:

"The Tenant shall have no further options to renew or extend the term of the Lease."
3. The Section 3.1 of the Lease is deleted in its entirety and replaced with the following:

SECTION 3.1 BASE RENT.

(a) Base Rent. Tenant shall, beginning on the Commencement Date and for the entire remaining term of this Lease, pay to Landlord, at such place as Landlord may from time to time in writing designate, an annual Base Rent (the "Base Rent") in equal monthly installments, payable in advance on the first day of each calendar month, without any setoff, counterclaim or deduction whatsoever or any prior demand, as follows:

Lease Year	Annual Base Rent	Monthly Base Rent	Annual Base Rental Rate Per Rentable Square Foot
1 st	\$91,553.67	\$7,629.47	\$22.61
2 nd	\$94,300.28	\$7,858.35	\$23.28
3 rd	\$97,129.29	\$8,094.10	\$23.98
4 th	\$100,043.17	\$8,336.93	\$24.70
5 th	\$103,044.46	\$8,587.03	\$25.44

Base Rent for any period during the term of this Lease which is less than one (1) month shall be a pro rata portion of the monthly installment.

(b) Calculation of Base Rent. The initial Base Rent set forth in Section 3.1(a) has been calculated based upon the Premises containing four thousand fifty (4,050) square feet of rentable area, and an initial annual Base Rent rate of Twenty-two and 61/100 Dollars (\$22.61) per rentable square foot per annum.

4. Section 6.3 of the Lease is amended and replaced to read as follows:

SECTION 6.3. SECURITY. Landlord shall charge Tenant for additional security resulting from Tenant's use of Common Areas outside of Tenant's normal business hours, which hours may be adjusted from time to time. The current Building security hours are as follows: Monday-Friday 7:30 a.m.-9:45 p.m. Saturday, 8:00 a.m.-4:45 p.m.; Sunday-none.

5. Section 7.8(b) of the Lease is amended and replaced to read as follows:

(b) Accessibility. Without limiting the generality of Section 7.8(a) above, the Premises shall conform where applicable to SPS 361.05 of the Wisconsin Administrative Code, Madison General Ordinance 39.05, and the Americans with Disabilities Act, regarding accessibility, with all costs of compliance to be paid by Tenant, excluding obligations that are those of Landlord as provided under Section 7.8(c) below.

6. Section 13.11 of the Lease is amended to replace "Siegel-Gallagher ONCOR International" with "Founders 3 Real Estate Services".
7. Section 13.27 of the Lease is deleted in its entirety.
8. Exhibit A is hereby replaced with modified Exhibit A

9. Exhibit C "Rules and Regulations" is hereby replaced with the modified Exhibit C, attached hereto.
10. All other terms and conditions of the Lease shall remain in full force and effect.

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

EXHIBIT A-Premises

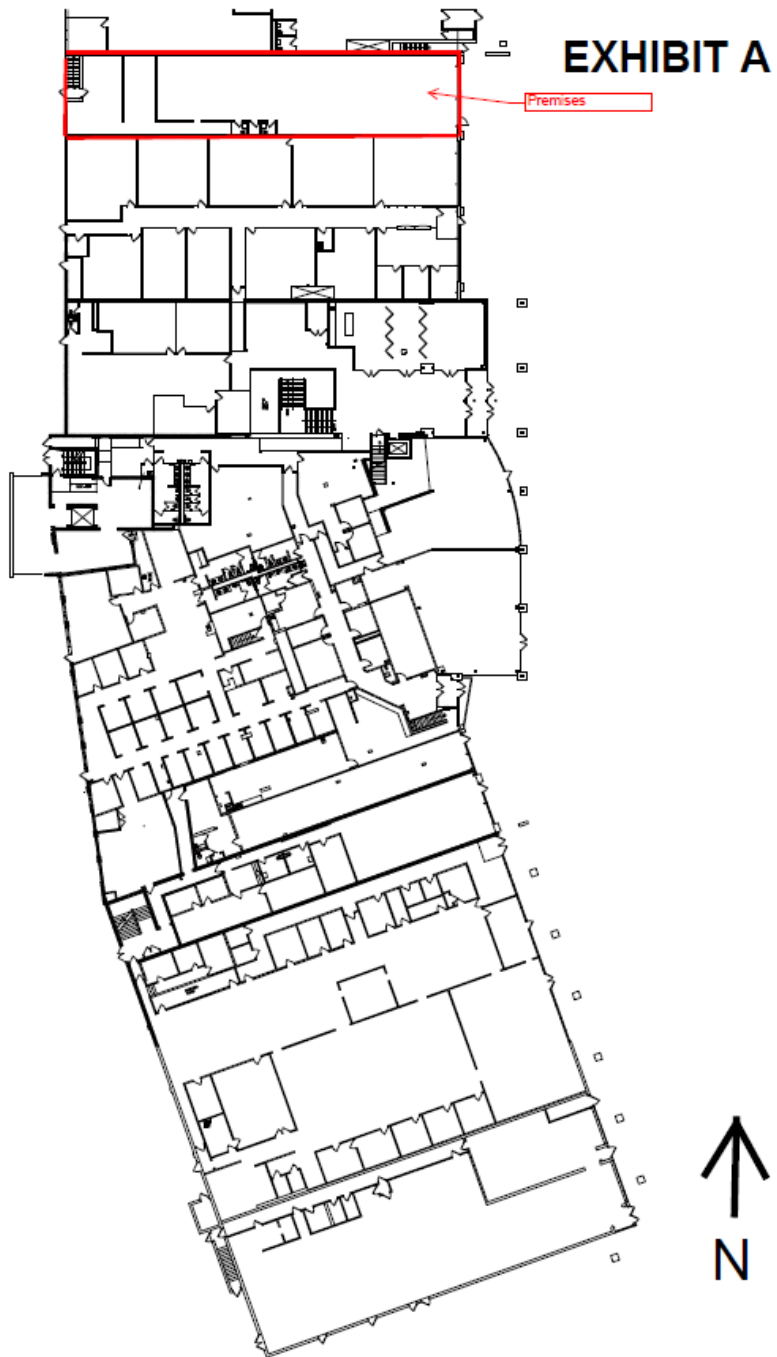


EXHIBIT B

Legal Description of the Property

Lot 2, Certified Survey Map No. 13468, City of Madison, Dane County, Wisconsin.

Tax Parcel No.: 251-0709-352-0406-9

EXHIBIT C

PROPERTY RULES AND REGULATIONS

Landlord is defined herein to be either the CDA and/or its agent Founders3 (the "Landlord")

1. Tenants, vendors and contractors are to abide by all Property Rules & Regulations, including certificate of insurance requirements. Certificates of Insurance are to be kept current on file in the Founders 3 Real Estate Office. Certificates of Insurance must have these requirements prior to commencing work on the property.
2. Tenant shall not obstruct any sidewalks, halls, passages, exits entrances, elevators, or stairways of the Building. The Landlord shall in all cases retain the right to control and prevent access thereto of all persons whose presence in the judgment of Landlord would be prejudicial to the safety, character, reputation and interests of the Building and its tenants; provided that nothing herein contained shall be construed to prevent such access to persons with whom any Tenant normally deals in the ordinary course of its business, unless such persons are engaged in illegal activities. Subject to the provisions of the Lease, no Tenant and no employee or invitee of any Tenant is permitted to use the roof, vacant spaces, or other areas marked "Do Not Enter" without Landlord's consent.
3. Tenant shall not use or keep in the Premises any kerosene, gasoline, or inflammable or combustible fluid or material other than those limited quantities necessary for the operation or maintenance of office equipment. Tenant shall not use or permit to be used in the Premises any foul or noxious gas or substance, do or permit anything to be done in the Premises which materially obstructs, materially interferes, or materially injures Landlord or other tenants, nor shall Tenant bring into or keep in or about the Premises any birds or animals, except seeing eye dogs or certified service animals when accompanied by their masters.
4. Except as specified in Tenant's Plans or the Lease, Tenant shall not use any method of heating or air conditioning other than that supplied or approved by Landlord.
5. Tenant shall not waste electricity, water or air conditioning and agrees to cooperate fully with Landlord to assure the most effective operation of the Building's cooling system by complying with any reasonable governmental energy saving rules, laws or regulation of which Tenant has actual notice and which does not adversely affect the conduct of Tenant's business. The Landlord may set back suite thermostats in a manner to reduce energy during times when the premises is not occupied. Please contact Founders 3 Real Estate regarding hours relating to the setback schedule for your thermostat.
6. Landlord reserves the right to exclude from the Building between the hours of 9:00pm to 7:00am (Monday - Friday); 4:00pm to 9:00am (Saturday, Sunday and legal holidays), any person unless that person has a pass and/or furnishes proper identification to Landlord's security personnel. Landlord reserves the right to prevent access to the Building in case of invasion, riot, earthquake or other emergency by closing the doors or by other appropriate action.
7. All water faucets or other water apparatus, and all electricity switches (except with regard to Tenant's computers and other equipment, which require utilities on a twenty-four hour basis), should be shut off before Tenant and its employees leave the Premises.

8. The toilet rooms, toilets, urinals, washbowls and other plumbing apparatus shall not be used for any purpose other than that for which they were constructed and no foreign substance of any kind shall be thrown therein.
9. Landlord reserves the right to exclude or expel from the Property any person who, in Landlord's judgment is intoxicated or under the influence of liquor or drugs or who is in violation of any of the Property Rules and Regulations.
10. Tenant shall not place in any trash receptacle any material, which cannot be disposed of in the ordinary and customary manner of trash and garbage disposal. All refuse disposal by Tenant shall be made in accordance with directions issued by Landlord.
11. Tenant shall comply with all safety, fire protection and evacuation procedures and regulations reasonably established by Landlord that are consistent with the Lease or any governmental agency.
12. Landlord shall enforce the Property Rules and Regulations in a non-discriminatory manner. If Landlord agrees to less burdensome or more favorable rules and regulations for the benefit of any other tenant, these Rules and Regulations shall be automatically amended to include any such less burdensome or more favorable rules and regulations.
13. The Property Rules and Regulations are in addition to the terms, covenants and conditions of the Lease for use of Premises in the Building. In the event the Property Rules and Regulations conflict with any provision of the Lease, the Lease shall control.
14. Smoking is prohibited throughout the interior and exterior of the Property. Violators will be ticketed and/or removed from the Property.
15. Landlord reserves the right to make reasonable additions and modification to the Property Rules and Regulations.