

COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF MADISON, WISCONSIN

Resolution No. 4496

Authorizing the execution of a listing agreement between Kent Yan of Plato Commercial Real Estate LLC and the CDA to lease space at The Village on Park.

Presented May 12, 2022
Referred _____
Reported Back _____
Adopted _____
Placed on File _____
Moved By _____
Seconded By _____
Yeas _____ Nays _____ Absent _____
Rules Suspended _____
Legistar File Number _____

WHEREAS, Plato Commercial Real Estate LLC (the "Broker") and the CDA seek to engage in an exclusive listing arrangement (the "Agreement") whereby the Broker will rent certain commercial space at The Village on Park, which is located at 2300 S. Park Street in Madison (the "Property"); and

NOW THEREFORE BE IT RESOLVED, that the CDA Board authorizes the CDA to enter into a contract for exclusive listing with the Broker on substantially the following terms that will be tailored into the Wisconsin Realtors Association form:

1. Eligible Space to Lease: Vacant space at the Property that is not encumbered with an expansion option or subject to the below Exclusions:
 - a. Founders 3 Real Estate Services, LLC (the "Property Manager") has the authority to lease on behalf of the CDA all renewal leases of existing tenants at the Property only when there are no fixed renewal or expansion options remaining in said lease. In addition, if an existing tenant does not have a fixed expansion option in its lease, then Property Manager can help negotiate an expansion of a tenant's existing space if requested by CDA.
 - b. Any lease with the City of Madison, Public Health of Dane County, Dane County and the University of Wisconsin are all excluded from the Agreement.
2. Term: The term of the Agreement shall be for two (2) years, commencing on May 13, 2022 and expiring on May 12, 2024 (the "Term"). The Agreement can be terminated at any time by either party with 90 days prior written notice.
3. Marketing Rental Rate: The Broker shall present to the asset manager handling the Property for the CDA (the "Asset Manager") what they believe is the market rate for the vacant space. The market rate to be used in marketing materials shall be approved by the Asset Manager, and then by the CDA for any lease.
4. Compensation: The CDA shall pay Broker the following "Commission" if earned during the Term of the Agreement for an approved lease by the CDA at the Property that is entered into with a tenant procured by Broker or assigned by the CDA.

The Commission shall be six percent (6%) of the total sum of the base rent paid to the CDA during the lease term. Should another broker procure a tenant that enters into a lease that is approved by the CDA then the Commission would be split 50%/50%.

- a. The Commission shall be paid to the Broker after the tenant pays its first month's base rent.
- b. For any tenant procured by Broker, if should said tenant renew/extend their lease after the initial term, the CDA will pay Broker a three percent (3%) commission on the lease renewals/extensions of said tenant only if the tenant has fixed renewals in the original lease.

In regards to the commission, if the lease is a NNN lease, the commission will be based on the base rent. Should the lease be a gross lease, the commission will be calculated on the gross rent over the lease term.

- c. Multiple Representation: The CDA consents to multiple representation relationships by Broker.

BE IT STILL FURTHER RESOLVED that the Chair and Executive Director of the CDA are hereby authorized to execute the Agreement and deliver any and all documents as is necessary to carry out the terms set forth in this resolution and a form that is approved by the City Attorney's office.