

PARKING LOT LEASE AGREEMENT

THIS LEASE AGREEMENT, entered into this ____ day of October, 2021, by and between **ARZA INDUSTRIAL, LLC**, a Wisconsin limited liability company (hereinafter referred to as "Lessor"), and **CITY OF RACINE**, Racine, Wisconsin (hereinafter referred to as "Lessee").

WITNESSETH

Lessor, for and in consideration of the covenants hereinafter set forth to be kept and performed by Lessee, agrees to demise and lease unto the Lessee, and, the Lessee does hereby rent from the Lessor the Leased Premises hereinafter described for the period, at such agreed upon rental, and upon the terms and conditions hereinafter specifically set forth.

1. **Description of Leased Premises.** Attached as **Exhibit "A"** and incorporated herein by reference is the depiction of the Leased Premises. This parking lot is in general located on 1021 – 6th Street, Racine, WI which contains forty-four (44) parking spaces.

2. **Term of Lease.**

A. **Initial Term.** The term of this Lease Agreement shall be a period of twelve (12) months commencing on the 1st day of November, 2021 and ending at midnight on the last day of October, 2022.

B. **Extended Term.** This Lease Agreement will automatically renew for additional twelve (12) month terms unless either Lessor or Lessee notifies the other party no less than ninety (90) days prior to the then current term of its election to terminate this Lease Agreement. Said election must be in writing and delivered pursuant to paragraph 11D below.

3. **Rent.** Lessee hereby covenants and agrees to pay Lessor as base rent for the subject Leased Premises during the initial term hereunder, the sum of Nine Thousand Sixty and 00/100 (\$9,060.00) Dollar per Lease Year, commencing on the date of execution hereof, and, the first day of each succeeding Lease Year during the term of this Lease Agreement. Payment shall be in lawful currency of the United States.

4. **Place and Payment of Rent.** All rentals to be paid by Lessee to Lessor pursuant to this Lease Agreement shall be paid by the Lessee to Lessor at Arza Industrial, 7418 Washington Avenue, Racine, WI 53406 or such other place the Lessor shall designate in writing to Lessee from time to time.

5. **Definition of Lease Year.** The term "Lease Year" shall mean the twelve (12) full calendar month period commencing November 1st and ending on the last day of October. All succeeding Lease Years shall be for a similar period of time.

6. **Use of Leased Premises.** The Leased Premises shall be used by Lessee for parking and related uses compatible and incidental thereto and for no other purposes without Lessor's prior written consent.

7. **Obligations of Lessor.**

A. **Quite Enjoyment.** During the term of this Lease Agreement, the Lessor covenants that Lessee, upon paying the rent required herein and performing all covenants and agreements herein contained on the part of Lessee, may quietly enjoy the Leased Premises, except as otherwise herein provided and subject, however, to the terms of the Lease Agreement to Lessor, during the term of this Lease Agreement or any renewal thereof.

B. **Maintenance of Lot.** Lessor will be responsible for the general maintenance of the Lot, including topping striping and pothole filling. Lessee will be responsible for snow and ice removal as outlined below.

C. **Hold Harmless.** Lessor shall indemnify and save and hold Lessee harmless against all liability, claims, penalties, damages, expenses, judgments, and attorneys fees and costs and expenses of litigation, arising out of any injury or claim of injury to persons or property, of any nature whatsoever, arising out of the use, the occupancy or control of the Leased Premises by the Lessor at any time during the term of this Lease Agreement. Lessor is hereby subrogated to any rights of the Lessee against any other parties whomever in connection therewith. The Lessee shall promptly notify Lessor of any claim asserted against the Lessee on account of any such injury or claimed injury to persons or property and shall promptly deliver to the Lessor the original or a true copy of any summons or other process, pleading or notice issued in any suit or other proceeding or relating to any claim to assert or enforce any such claim.

8. **Obligations of Lessee.**

A. **Snow and Ice Removal.** Lessee shall also be solely responsible for all necessary snow and ice removal from the Leased Premises.

B. **Limitation on Improvements.** Lessee shall not make any changes, alterations, or improvements to the Leased Premises without the prior written consent of Lessor.

C. Compliance with Applicable Laws. Lessee shall comply with all applicable state and federal laws and ordinances of the City and County of Racine, Wisconsin as to sanitary, health and safety conditions and as to the use of the Leased Premises by Lessee.

D. Mechanic Liens. Lessee agrees that it will promptly pay for any and all work done in or about the Leased Premises and will not permit or suffer any mechanic's, materialman's liens or construction liens to attach to the Leased Premises and shall promptly cause any claim for any such lien to be released, or, provide such security as the Lessor may demand to its satisfaction in the event the Lessee desires to contest or dispute any such claim.

E. Insurance. Lessee shall, at its own expense, during the term hereof, maintain and deliver to Lessor public liability and property damage policies with respect to the Leased Premises, in which both Lessor and Lessee shall be named as insureds, with limits of at least Five Hundred Thousand (\$500,000) Dollars for injury or death to any one person and One Million (\$1,000,000) Dollars aggregate for any one occurrence, and Two Hundred Fifty Thousand (\$250,000) Dollars with respect to damaged property. Such policy or policies shall be in such form and with such insurance companies as shall be reasonably satisfactory to Lessor with provision for at least twenty (20) days notice to Lessor of cancellation.

F. Assignment and Subletting. Lessee may not assign or sublet the Leased Premises in whole or in part.

G. Hold Harmless. Lessee shall indemnify and save and hold Lessor harmless against all liability, claims, penalties, damages, expenses, judgments, and attorneys fees and costs and expenses of litigation, arising out of any injury or claim of injury to persons or property, of any nature whatsoever, arising out of the use, the occupancy or control of the Leased Premises by the Lessee at any time during the term of this Lease Agreement. Lessee is hereby subrogated to any rights of the Lessor against any other parties whomever in connection therewith. The Lessor shall promptly notify Lessee of any claim asserted against the Lessor on account of any such injury or claimed injury to persons or property and shall promptly deliver to the Lessee the original or a true copy of any summons or other process, pleading or notice issued in any suit or other proceeding or relating to any claim to assert or enforce any such claim.

9. Default.

A. Occurrence of Default. The occurrence of any one or more of the following events shall constitute a default and breach of this Lease Agreement by Lessee:

1. The failure by Lessee to make any payment of rent or any other payment required to be made by Lessee hereunder, and when due, where such failure continues for a period of fifteen (15) days, after Lessor provides written notice of such default to Lessee.

2. The failure on the part of on the part of Lessee to observe or perform any of the covenants, conditions or provisions of this Lease Agreement to be observed or performed by Lessee, other than the payment of monies due Lessor under this Lease Agreement, where such failure shall continue for a period of thirty (30) days after written notice thereof by Lessor to Lessee; provided however, that if the nature of Lessee's default is such that more than thirty (30) days are reasonably required to cure said default, then Lessee shall not be deemed to be in default if Lessee commences such cure of default within said thirty (30) day period and completes curing the default in any event within sixty (60) days after notice by Lessor.

B. Lessor Default. The Lessor shall not be deemed in default of this Lease Agreement unless the Lessor fails to perform obligations required of the Lessor in a reasonable time after notice of any breach or default in writing from Lessee; provided however, any alleged default of Lessor shall be cured within thirty (30) days after written notice by the Lessee to Lessor specifying wherein the Lessor has failed to perform its obligations. If the nature of Lessor's obligation is such that more than thirty (30) days are required for the performance or cure thereof, then in such event the Lessor shall not be in default if the Lessor commences performance within such thirty (30) day period and thereafter pursues the same with due diligence to completion.

C. Lessee Non-Monetary Default. In the event any event of a default, other than the payment of monies due Lessor under this Lease Agreement, by Lessee continues for a period in excess of that set forth in paragraph 9.A.2. above, Lessor may terminate this Lease Agreement by giving written notice to Lessee of its election to do so, and, upon mailing of such notice, this Lease Agreement shall forthwith terminate and upon such termination it shall be lawful for the Lessor to re-enter the Leased Premises, either with or without process of law, and to expel and put out the Lessee or any person or persons occupying the Leased Premises and to repossess and enjoy the Leased Premises with the same effect as if the term of this Lease Agreement had expired. Notwithstanding any provision of this Lease Agreement to the contrary, if the Lessor terminates this Lease Agreement on account of any event of default by Lessee or occurrence of any other event provided as grounds for termination in this Lease Agreement, neither such termination or re-entry and retaking of the Leased Premises, whether by unlawful detainer proceedings, eviction proceedings, or otherwise, shall operate to discharge or relieve the Lessee of its liability to pay the rent and perform and observe all the other terms, provisions, obligations and covenants of this Lease Agreement during the balance of the term for which the Lease Agreement would have continued had it not been so

terminated. Lessor agrees to use its reasonable efforts to relet the Leased Premises or portions thereof for the account of the Lessee or otherwise to mitigate Lessee's liability hereunder.

10. Subordination to Existing and Future Mortgages.

This Lease Agreement is subject and subordinate at all times to the lien of existing and future mortgages on the Leased Premises. Although no instrument or act on the part of Lessee shall be necessary to effectuate such subordination, the Lessee will, upon demand, execute and deliver such further instruments as may reasonably be required by Lessor's mortgagee subordinating this Lease Agreement to the lien of all such mortgages. Lessee hereby appoints Lessor its attorney-in-face, irrevocably, to execute and deliver any such instrument for the Lessee.

11. Miscellaneous Provisions.

A. Cumulative Rights. All rights and remedies of the Lessor and Lessee herein enumerated shall be cumulative and none shall exclude any other right or remedy allowed by law, and, said rights and remedies may be exercised and enforced concurrently and whenever and as often as occasion therefore arises.

B. Waiver of Breach. Waiver by the Lessor or Lessee of any single breach of any term, covenant or condition herein contained shall only be deemed to be a waiver of such term, covenant or condition but not of any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by the Lessor shall not be deemed to be waiver of any preceding breach by the Lessee of any term, covenant or condition of this Lease Agreement other than the failure of the Lessee to pay the particular rent so accepted, regardless of the Lessor's knowledge of such preceding breach at the time of acceptance of such rent. No covenant, term or condition of this Lease Agreement shall be deemed to have been waived by the Lessor, unless such waiver is in writing and subscribed to by the Lessor. The consent or approval of the Lessor to or of any act of the Lessee requiring the Lessor's consent or approval shall not be deemed to waiver or render unnecessary the Lessor's consent or approval to or of any subsequent similar act by the Lessee or its successors or assigns.

C. No Relationships. No provision of this Lease Agreement shall be construed to create any relationship between the parties hereto other than that of Lessor and Lessee, and the Lessor shall not in any way or for any purpose, become the partner of the Lessee in the conduct of its business or otherwise, or a member of joint venture or enterprise with the Lessee.

D. Notices. Any notices which Lessor may desire or be required to serve upon Lessee shall be served upon deposit in the United States

mails, certified mail with return receipt requested, postage prepaid, addressed to Lessee as follows:

ATTN: Micheal D. Bannon
Arza Industrial, LLC
7418 Washington Avenue
Racine, WI 53406

And, any notices which Lessee may desire or be required to serve upon Lessor shall be served upon deposit in the United States mails, certified mail with return receipt requested, postage prepaid, addressed to Lessor as follows:

John Rooney P.E.
Commissioner of Public Works
730 Washington Avenue
Racine, WI 53403

E. Controlling Law. This Lease Agreement shall be construed and interpreted in accordance with the laws of the State of Wisconsin. If there is more than one Lessee, the word "Lessee" as used herein shall be construed to be in the plural. If the Lessee is an individual rather than a corporation, the "Lessee" as used herein and all pronouns referring thereto shall be as describing the individual Lessee or Lessees.

F. Paragraph Headings. All paragraph headings in this Lease Agreement are for the convenience of the parties only and shall not be deemed definitive of any of the contents contained therein.

G. Successors and Assigns. All of the terms, agreements, covenants and conditions of this Lease Agreement shall inure to the benefit of and shall bind not only the parties hereto, but their respective successors and assigns.

H. Execution of Lease Agreement. This Lease Agreement may be signed and executed by the parties hereto in one or more counterparts, each of which shall be deemed an original document.

I. Entire Agreement. This Lease Agreement and the attached schedules, if any, set forth all covenants, promises, agreement, conditions and understandings between the Lessor and Lessee concerning the Leased Premises and replace and supersede all previous agreements, if any, and there are no covenants, promises, agreements or conditions, or understandings, either oral or written, other than those set forth herein. Except as herein otherwise provided, no subsequent alteration, amendment, change, addition or deletion to

or of this Lease Agreement shall be binding upon the Lessor or the Lessee, unless the same is reduced to writing and signed by the parties.

J. Severability of Provisions. The provisions of this Lease Agreement shall be deemed separable, and if any term or provision of this Lease Agreement or the application thereof to any person or circumstance shall to any extent be invalid or enforceable, the remainder of this Lease Agreement, or the application of such term or provision to persons or circumstances other than those to which it is invalid or enforceable, shall not be effected thereby, and each term, covenant, provision or condition of this Lease Agreement shall be valid and be enforced to the fullest extent permitted by law.

K. Lease Review. Submission of this Lease Agreement for examination does not constitute a reservation of or an option for the Leased Premises and this Lease Agreement shall become effective as a lease only upon execution and delivery thereof by the Lessor and the Lessee.

L. Recovery of Attorney Fees. If an action or proceeding shall be brought on account of any breach or to enforce or interpret any of the terms, provisions, covenants or conditions of this Lease Agreement, or for the recovery of possession of the Leased Premises, the prevailing party shall be entitled to recover, as part of its damages, reasonable actual attorneys fees as well as the actual costs and expenses incurred in connection with any such action, claim or proceeding.

IN WITNESS WHEREOF, the parties have duly executed this Lease Agreement and affixed their respective seals hereunto on the day and year first above written.

LESSOR:

ARZA INDUSTRIAL, LLC

By: _____
Micheal D. Bannon, Member

LESSEE:

CITY OF RACINE

By: _____