

**MEMORANDUM OF  
LEASE  
Silver Spring Neighborhood Center,  
Inc.**

Document No.

Document Name

**Drafted by:**

Thomas O. Gartner  
Michael Best & Friedrich LLP  
100 East Wisconsin Avenue, Suite 3300  
Milwaukee, WI 53202

Recording Area

Return to:

Thomas O. Gartner  
Michael Best & Friedrich, LLP  
100 E. Wisconsin Ave., Suite 3300  
Milwaukee, WI 53202

**189-0891-000**

Tax Key Number

**THIS MEMORANDUM OF LEASE** (“Memorandum”), effective as of \_\_\_\_\_, 2018, by and between the Housing Authority of the City of Milwaukee, a public body corporate and politic created and existing under the laws of the State of Wisconsin (“HACM”) and the Silver Spring Neighborhood Center, Inc., a non-profit Wisconsin corporation (“SSNC”).

**WITNESSETH**

**WHEREAS**, HACM and SSNC have entered into a Lease (“Lease”) dated October 1, 2008; and

**WHEREAS**, the Lease, a copy of which is attached as Exhibit A is applicable to the premises described in Section 1.1 of the Lease which are further legally described on Exhibit B; and

**WHEREAS**, the Lease sets forth the respective rights and obligations of HACM and SSNC with respect to real property located at 5460 North 64<sup>th</sup> Street, Milwaukee, WI commonly known as the Silver Spring Neighborhood Center; and

**WHEREAS**, the parties desire to enter this Memorandum for the purpose of recording the same in order to give notice to the public of the Lease and the respective rights and obligations of the parties.

*09/26/2018 TOG*

**NOW, THEREFORE,** in consideration of the premises, the mutual promises and covenants contained herein and in the Lease, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed by and between the parties hereto, each being legally bound hereby, as follows:

1. Memorandum of Lease. This Memorandum has been executed for the purpose of public recording to give public notice of the Lease and for no other purpose. The provisions of this Memorandum do not in any way change, alter, or affect the terms, covenants or conditions of the Lease, the terms, covenants and conditions of which shall remain in full force and effect.

[SIGNATURE PAGES FOLLOW.]

**IN WITNESS WHEREOF**, the parties hereto have caused this Memorandum to be duly executed, under seal, and delivered in City of Milwaukee, Wisconsin as of the day and date set forth above.

SILVER SPRING NEIGHBORHOOD  
CENTER, INC.

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

Title: \_\_\_\_\_

STATE OF WISCONSIN )  
 ) ss:  
MILWAUKEE COUNTY )

Personally came before me this \_\_\_\_\_ day of \_\_\_\_\_, 2018, \_\_\_\_\_, the \_\_\_\_\_ of SSNC, to me known to be the person who executed the foregoing instrument.

[SEAL]

\_\_\_\_\_

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

Notary Public

My commission: \_\_\_\_\_

HOUSING AUTHORITY OF THE CITY OF  
MILWAUKEE

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

Antonio M. Perez,  
Secretary, Executive Director

**HACM NOTARY**

State of Wisconsin )  
 ) ss.  
Milwaukee County)

Personally came before me on \_\_\_\_\_, 2018, the above named person on behalf of HACM to me known to be such person who signed this document in the capacity shown and acknowledged that he/she signed in such capacity.

Notary signature: \_\_\_\_\_

Notary Public, State of Wisconsin

My commission: \_\_\_\_\_

[NOTARY SEAL]

**EXHIBIT A**

**Lease dated October 1, 2008**

**ORIGINAL  
LEASE**

Contract No. 06-053 (HA)

**SILVER SPRING NEIGHBORHOOD CENTER, INC.**

This indenture (the "Lease") is entered into this 1<sup>st</sup> day of October, 2008, but effective as of September 1, 2006, by and between the Housing Authority of the City of Milwaukee, a public body, corporate and politic, (hereafter referred to as the "LESSOR"), and Silver Spring Neighborhood Center, Inc., a non-profit Wisconsin corporation, (hereafter referred to as the "LESSEE").

WHEREAS, LESSEE is a private, non-profit organization serving the residents of the Westlawn Housing Development and the surrounding community and has been providing comprehensive on-site services for children, youth, adults, families and the elderly at Westlawn for over 45 years at a building owned by LESSOR located at 5460 North 64<sup>th</sup> Street, Milwaukee (the "Building"); and

WHEREAS, the parties have entered into previous long-term leases, most recently Contract No. 91-220(HA) on February 27, 1992, as amended, and believe it to be both necessary and in their best interests to continue their relationship under the terms and conditions set forth herein; and

WHEREAS, on December 19, 2001, LESSOR adopted Resolution No. 11622, authorizing the submission of a demolition/disposition application to the United States Department of Housing and Urban Development ("HUD") proposing disposition of the Building and 1.26 acres of land at the Westlawn Housing Development by entering into a 25-year ground lease with LESSEE, which application was approved by HUD in its Memorandum of October 26, 2005; and

WHEREAS, on September 1, 2004, the parties entered into a Loan Agreement (the "Loan Agreement") in which LESSEE gave LESSOR a Promissory Note, a copy of which is attached hereto as Exhibit A (the "Promissory Note"), to repay a two-million dollar (\$2,000,000) loan over twenty four (24) years for the cost of extensive renovations and remodeling to the Building financed by LESSOR, all under Contract No. 04-091(HA); and

WHEREAS, also on September 1, 2004, the parties entered into Amendment No. 2 to Contract No. 91-220(HA) modifying its terms to reduce LESSEE's rent to one dollar (\$1.00) annually in exchange for LESSEE becoming solely responsible for the cost of utilities at the Building, as well as incorporating into the lease a number of certifications;

NOW, THEREFORE, the parties hereto do mutually agree as follows:

**ARTICLE 1**

**PREMISES AND TERM**

- 1.1 LESSOR does hereby lease to the LESSEE the following described premises (the "Premises") in the City of Milwaukee, County of Milwaukee, and State of Wisconsin, to wit:

That part of Block 6 of Westlawn, a Subdivision of part of the Northeast quarter (1/4) of the Northeast quarter (1/4) of Section 34, Township 8 North, Range 21 East; and lands adjacent to the South right-of-way line of Sheridan Avenue and the East right-of-way line of 64th Street, in the City of Milwaukee, County of Milwaukee, State of Wisconsin, described as: Commencing at the Northeast corner of the Northeast quarter of Section 34, thence South 89 degrees 52 minutes 59 seconds West, along the North line of said Northeast quarter, 1,313.23 feet; thence South 0 degrees 7 minutes 1 second East, 380.12 feet; thence North 89 degrees 52 minutes 59 seconds East, 30.00 feet to the intersection of the East line of North 64th Street and the South line of West Sheridan Avenue, and to the point of Beginning; thence North 89 degrees 52 minutes 59 seconds East, 287.13 feet along said South line; thence South 0 degrees 7 minutes 1 second East, 193.17 feet; thence South 89 degrees 52 minutes 59 seconds West, 10.00 feet; thence South 1 degree 1 minute 31 seconds East, 92.38 feet; thence South 90 degrees 0 minutes 0 seconds West, 269.49 feet to the East line of North 64th Street; thence North 1 degree 53 minutes 57 seconds West, 285.13 feet along said East line to the Point of Beginning. Said parcel contains 79,789 square feet or 1.83 acres of land, more or less.

The entire community building at 5460 N. 64<sup>th</sup> Street, and other leased areas identified in the "Use Agreement Concerning the Leased Premises and SSNC Premises, Exhibit E to Ground Lease Agreement between LESSOR and the Milwaukee Board of School Directors" dated August 1, 2003 (Use Agreement), pursuant to Articles 3, 4, and 5 in the Use Agreement (the "Facility").

- 1.2 The term of this Lease is twenty-five (25) years, from September 1, 2006 through August 31, 2031; provided, however, that the term may be extended as set forth in Article 2 below.

**ARTICLE 2**

**EXTENSION**

- 2.1 LESSOR and LESSEE, by written agreement, may extend this Lease for one additional twenty five (25) year period under the same terms and conditions as that of the original term, with the exception of rent, which shall be mutually agreed upon by LESSOR and LESSEE.

**ARTICLE 3**

**RENT**

- 3.1 Rent shall be One Dollar (\$1.00) annually during the original term of the Lease.
- 3.2 In the event the parties extend the term of the Lease, the parties shall negotiate rent in good faith, and with full consideration of the terms and conditions of the Promissory Note.

**ARTICLE 4**

**PURPOSE**

- 4.1 The LESSEE shall use the Premises exclusively for child day care, educational and recreational, health related counseling services, group activities, and incidental activities related thereto, between the hours of 6:00 a.m. and 10:00 p.m., except for special activities which may run later, PROVIDED, LESSOR has received, not less than ten (10) days prior to the special activity, written notification to its resident liaison with reasonable detail, and FURTHER PROVIDED, LESSOR has not, within forty-eight (48) hours after such notification, delivered to LESSEE written objection to the activity.
- 4.2 LESSEE hereby covenants and agrees to use the Premises exclusively for the purpose stated and only during the permitted hours of operation, except as otherwise permitted in this Lease. In the event the LESSEE occasionally requires use of additional area in the Facility for the above mentioned purposes, the LESSEE must obtain permission from the LESSOR for use thereof not less than twenty-four (24) hours in advance of the anticipated period of use, and abide by any conditions as consideration for such use as stipulated by the LESSOR. In the event LESSEE has requested permission in accordance with the terms of this paragraph 4.2 and LESSOR does not object to such request prior to such use, LESSOR shall be deemed to have granted unconditional permission for the requested use of the additional area of the Facility.

**ARTICLE 5**

**TERMINATION**

- 5.1 This Lease may be terminated by LESSOR if required by order of HUD or resolution of LESSOR'S Board of Commissioners. In the event such termination has been required, LESSOR shall provide LESSEE with written verification or a copy of any order, resolution, or other binding documentation of the basis for LESSOR's action.
- 5.2 All subleases, if any, shall automatically terminate upon termination of the Lease. LESSOR shall have the option to enter into new leases with any sub-lessees.
- 5.3 Upon termination, the LESSEE shall deliver up the Premises in good order, condition and repair, consistent with LESSEE'S repair obligations as set forth in this Lease, normal use and wear and damage by Casualty (as defined in Article 17 below) excepted.

**ARTICLE 6**

**ASSIGNMENT OR SUBLETTING**

- 6.1 The LESSEE shall not assign this Lease, nor sublet the Premises or any part thereof, without the prior written consent of the LESSOR, which consent shall not be construed to impose any additional liability on LESSOR, nor be unreasonably withheld, conditioned or delayed. Any such consent does not waive or release the LESSEE from any obligations or responsibilities stated in this Lease.
- 6.2 All sublessees and subleases must be approved in writing by the LESSOR. LESSEE shall notify LESSOR at least thirty (30) days in advance of any proposed subletting and shall provide LESSOR at such time with a brief description of the intended sublessee, its intended use of the Premises and the terms of the proposed sublease.

**ARTICLE 7**

**ENTRY ON PROPERTY**

- 7.1 LESSOR may, at all reasonable times during business hours enter the Premises to examine the same and to make repairs as the LESSOR may deem necessary.

**ARTICLE 8**

**ABANDONMENT**

- 8.1 If the LESSEE shall leave any property on the Premises, LESSOR shall have the right to dispose of said property without liability thirty (30) days after the LESSEE vacates, or abandons, the Premises.

**ARTICLE 9**

**MAINTENANCE AND REPAIRS**

- 9.1 LESSEE shall keep the Premises in as good repair as same are in at the commencement of said term, consistent with LESSEE'S repair obligations as set forth in this Lease, normal use and wear, and damage by Casualty excepted.
- 9.2 LESSEE shall be liable for maintenance, including pest control services, and minor repairs to the Premises, excluding vandalism; except such vandalism as caused by the LESSEE, its employees or invitees. A repair shall be considered minor if its cost does not exceed Five Hundred and 00/100 Dollars (\$500.00). Subject to Paragraph 15.5 below, if the Premises are damaged by the negligence or improper use of the Premises by the LESSEE, its employees or invitees, the LESSEE shall repair the damage and restore the appearance of the Premises. If any repairs which are the responsibility of the LESSEE are made by the LESSOR, the LESSEE agrees to pay as rent on the first day of the next month, the reasonable cost of the repairs as billed by the LESSOR or be considered delinquent in rent payments.

- 9.3 LESSOR agrees to keep the Premises and all utility equipment in a state of repair necessary to the normal occupancy of the LESSEE. LESSOR shall perform all repairs exceeding Five Hundred and 00/100 Dollars (\$500.00) unless necessitated by negligence or improper use of the facility by the LESSEE, its employees or its invitees and subject to Paragraph 15.5 below. If the LESSEE makes any repairs which are the responsibility of the LESSOR, the LESSEE, after notice to LESSOR, may deduct reasonable and itemized costs of such repairs from the following month's rent.
- 9.4 With respect to any work caused to be performed by such party, that party shall keep the Premises free from any and all liens arising out of any work performed, materials furnished or obligations incurred by or for that party.
- 9.5 LESSEE, at LESSEE's sole expense, shall install and maintain fire extinguishers and other fire protection devices as may be required from time to time by any governmental entity having jurisdiction thereof or any insurance underwriters insuring the Premises.
- 9.6 LESSEE, at LESSEE's sole expense, shall install and maintain security systems and retain security personnel as it deems necessary to protect its interests and as may be agreed upon in writing with LESSOR. Any security system or security personnel sought by LESSOR in addition to that provided by LESSEE shall be at LESSOR's expense.
- 9.7 LESSEE, at LESSEE's sole expense, shall install and maintain entry systems, card scanners and other access control equipment and retain personnel necessary for operation of the Premises, as LESSEE in its sole judgment deems necessary.
- 9.8 LESSEE, at LESSEE's sole expense, shall install and maintain all other furniture, fixtures and equipment which LESSEE, in its sole judgment deems necessary, for the operation of its business at the Premises, contingent upon such installations not violating any building, zoning, safety, or health code provisions.

**ARTICLE 10**

**UTILITIES**

- 10.1 The LESSEE shall be solely responsible for the cost of gas and electricity for the Premises. The LESSEE shall have these utilities put in its own name and shall be directly billed by the utility company(ies). LESSEE shall be responsible for all telephone bills and services.

**ARTICLE 11**

**INTERESTS**

- 11.1 The LESSEE agrees and covenants that LESSEE has no other interest in and to the Premises above described except as LESSEE for the terms of this Lease.



**ARTICLE 12**

**TRADE FIXTURES AND PERSONAL PROPERTY**

- 12.1 Subject to the terms hereof, LESSEE may install and affix to the Premises such trade fixtures, moveable equipment and personal property as LESSEE may deem desirable, which shall remain LESSEE's sole property, and which shall always be deemed LESSEE's personal property (herein called "Personal Property"). LESSEE shall have the right at any time during the Term of this Lease, to remove or change, at LESSEE's sole expense, any of its Personal Property, providing, however, that (with the exception of temporary repairs, maintenance, upgrades and replacements) LESSEE shall not remove any such item that would compromise the structure or utility at, constituting, or serving the Facility or the Premises (including, but not limited to, any HVAC, plumbing or electrical system), and providing further that, in all cases, LESSEE shall, at its expense, promptly repair any damage caused by or attributable to any removal or change by LESSEE of any of its Personal Property.

**ARTICLE 13**

**ALTERATIONS**

- 13.1 LESSEE shall make no alterations in or to the Premises without the consent of the LESSOR first had and obtained in writing, which consent shall not be unreasonably withheld, conditioned or delayed. All alterations to the Premises shall remain for the benefit of the LESSOR, unless otherwise provided in said consent.

**ARTICLE 14**

**INDEMNIFICATION**

- 14.1 In addition to any liability LESSEE may have to LESSOR as a result of LESSEE's breach of any of its duties hereunder, the LESSEE hereby indemnifies the LESSOR and the city of Milwaukee and agrees to save them harmless from and against any and all losses, claims, actions, damages, liability and expense, including reasonable attorneys fees, arising from any negligent or intentional act or omission of LESSEE, or any sub-lessees or invitee at the Premises, in connection with the loss of life and/or personal injury arising from or out of any occurrence in, upon, or at the Premises. In the event that the LESSOR shall be made a party to any litigation relating to such a claim commenced against the LESSEE, then LESSEE shall protect and hold the LESSOR harmless and shall pay all costs, expenses and reasonable attorney fees incurred or paid by the LESSOR in connection with such litigation, provided however, that LESSOR shall tender the defense of any claim or action at law or in equity to the LESSEE or its insurer and, upon such tender, it shall be the duty of the LESSEE and its insurer to defend such claim without cost or expense to the LESSOR.

**ARTICLE 15**

**INSURANCE**

15.1 The LESSEE shall be solely responsible, at its expense, to obtain and maintain in place, all insurance as detailed below, during the term of this Lease or any extension thereof. A Certificate of Insurance shall be provided to the LESSOR as evidence thereof, endorsed to protect LESSOR and the City of Milwaukee as an additional named insured as its interests may appear, and providing for a thirty (30) day notice to the LESSOR prior to any change, termination or cancellation. The insurance coverage shall be as follows:

<u>Policies</u>	<u>Limits</u>
Comprehensive General Liability including Bodily Injury and Property Damage	\$1,000,000 \$1,000,000 per occurrence \$2,000,000 aggregate
Workers' Compensation	Statutory

15.2 LESSEE shall, at its expense and during the term hereof, carry insurance against fire, vandalism, malicious mischief and such other perils as are from time to time included in a standard extended coverage endorsement, insuring LESSEE's furnishings, equipment and all other personal property of LESSEE located on or within the premises, in an amount deemed sufficient by LESSEE.

15.3 LESSOR shall, at its expense and during the term hereof, carry insurance against fire, vandalism, malicious mischief and such other perils, insuring the Premises in an amount it deems necessary which insurance shall name LESSEE as an additional insured. Notwithstanding the foregoing, LESSOR will endeavor to obtain an amount equal to the full replacement value of the Premises.

15.4 Notwithstanding anything to the contrary contained in this Lease, each party hereby expressly releases the other, from liability it may have on account of any loss to the Premises or Facility or contents of either due to fire, Casualty or any other peril included in the coverage of any applicable fire or casualty insurance, however caused, including such losses as may be due to the negligence of the other party, its agents or employees, provided that such release of liability and waiver of the right of subrogation shall not be operative in any case where the effect thereof is to invalidate such insurance coverage under applicable state law (or increase the cost thereof, unless, after written request from the insured, the other party reimburses the insured for any cost increase). If either party fails to maintain in force any insurance required by this Lease to be carried by it, then for purposes of this paragraph that party shall be deemed to have been fully insured and to have recovered the entire amount of its loss.

15.5 If the Premises or any part thereof are damaged by negligent or intentional act or omission, of LESSEE, or anyone claiming by through or under LESSEE (including LESSEE's agents, employees, officers, directors, volunteers or contractors, LESSEE's

sub-lessees invitees) to the extent repair, expense, or cost associated with such damage is not covered by the insurance required to be maintained by LESSOR or LESSEE hereunder (or by any insurance that LESSEE may require any of its sub-lessees to carry), LESSEE shall be fully responsible for repair or restoration at LESSEE's cost and expense. If the Premises or any part thereof are damaged by negligent or intentional act or omission, of LESSOR, or anyone claiming by through or under LESSOR (including LESSOR's agents, employees, officers, directors, volunteers or contractors, LESSOR's sub-lessees invitees) to the extent repair, expense, or cost associated with such damage is not covered by the insurance required to be maintained by LESSOR or LESSEE hereunder (or by any insurance that LESSEE may require any of its sub-lessees to carry), LESSOR shall be fully responsible for repair or restoration at LESSOR's cost and expense.

## **ARTICLE 16**

### **DEFAULTS AND REMEDIES**

16.1 LESSEE shall be in default hereunder:

- (a) if LESSEE fails to perform any of its covenants or duties under this Lease and such failure is not cured by LESSEE (i) with all due dispatch after written notice from LESSOR to LESSEE if the failure jeopardizes health, safety or welfare and poses a substantial immediate threat of danger or injury; and (ii) in all other cases, within thirty (30) days after written notice from LESSOR to LESSEE (or if such failure is not of a type that can reasonably be corrected within thirty (30) days, then if LESSEE fails to commence promptly and proceed with due diligence to correct such failure);
- (b) if LESSEE is adjudged bankrupt, or if LESSEE files a petition or answer seeking bankruptcy, insolvency status, or reorganization of LESSEE under federal or state bankruptcy law or insolvency law, or if LESSEE consents to the appointment of a receiver to administer LESSEE or its affairs;
- (c) if LESSEE attempts to make any assignment, transfer, hypothecation, conveyance, or other disposition of any interest in the Premises other than as specifically permitted in this Lease;
- (d) if LESSEE dissolves or institutes any proceeding for dissolution;
- (e) if LESSEE merges into another entity, or permits one or more other entities to consolidate or merge into it without LESSOR's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed.

In the event of any default by LESSEE hereunder, LESSEE hereby authorizes and empowers LESSOR to exercise any right or remedy available to LESSOR under Wisconsin law, or in equity, including, without limitation: (i) the right to terminate this Lease or take possession of the Premises without terminating this Lease, (ii) the right to

terminate any right of LESSEE (or anyone claiming by, through, or under LESSEE, including, but not limited to, any sub-lessee) to use, enter or occupy the Premises or any part thereof, (iii) the right, if LESSOR removes LESSEE (or anyone claiming by, through, or under LESSEE) from the Premises, to store personal property of LESSEE (or anyone claiming by, through, or under LESSEE) in a public warehouse at the sole cost of LESSEE.

**ARTICLE 17**

**CONDEMNATION OR DAMAGE OF PREMISES**

- 17.1 If all or substantially all of the Premises, at any time during the term of this Lease, or any extension thereof, get condemned by any public authority with the power of eminent domain (or are voluntarily transferred in lieu of, or under threat of, condemnation), this Lease shall terminate as of the date possession shall be transferred to the acquiring authority. If any material part of the Premises or the Facility is sold or taken, LESSOR or LESSEE shall have the right to terminate this Lease as of the date possession is transferred to the acquiring authority, upon giving written notice thereof to the other party. If the Lease is not so terminated, LESSOR shall restore and rebuild the Premises remaining to as near its former condition as circumstances will permit; provided, however, that LESSOR's obligation to restore shall be limited to the amount of available condemnation award. If the award is insufficient to restore the Premises, LESSOR shall notify LESSEE thereof within thirty (30) days of such condemnation (which notification shall also include the amount of the award available, if any, and the estimated cost of restoration) and within thirty (30) days of receipt of such notice, LESSEE shall either (a) agree to provide the funds necessary to restore the Premises to a condition satisfactory to LESSOR and LESSEE (which funds shall be in addition to available Award, if any), in which event LESSOR shall promptly repair and restore the Premises and this Lease shall continue or (b) terminate this Lease. In any event, LESSOR shall be entitled to the entire amount of the proceeds from any condemnation award (except to the extent such proceeds relate to amounts owed by LESSEE under the Promissory Note and except as such amount is an award for Lessee's moving or relocation expenses), providing, however, that LESSEE shall be entitled to any award directly relating to LESSEE's personal property (including LESSEE's trade fixtures and moveable equipment). LESSEE expressly waives any claim for damage or compensation from LESSOR.
- 17.2 Subject to the provisions of Paragraph 15.5 above, if the Premises are damaged by fire, vandalism, malicious mischief or any other casualty (each a "Casualty"), LESSOR shall (unless this Lease shall be terminated as herein provided) endeavor to make all the repairs necessary to restore the Premises to the condition in which they existed immediately prior to such damage or destruction; provided, however, that LESSOR's obligation to restore shall be limited to the amount of available insurance proceeds for such Casualty. If such insurance proceeds are insufficient to restore the Premises or the Premises are damaged by a Casualty for which insurance is not required pursuant to this Lease, LESSOR shall notify LESSEE thereof within thirty (30) days of such Casualty (which notification shall also include the amount of insurance proceeds available, if any, and the estimated cost of restoration) and within thirty (30) days of receipt of such notice, LESSEE shall either (a)

agree to provide the funds necessary to restore the Premises to a condition satisfactory to LESSOR and LESSEE (which funds shall be in addition to available insurance proceeds, if any), in which event LESSOR shall promptly repair and restore the Premises and this Lease shall continue or (b) terminate this Lease.

**ARTICLE 18**

**BENEFIT TO LESSOR'S RESIDENTS**

- 18.1 It is understood by the parties hereto that HUD is desirous of LESSEE's services, those being beneficial to residents, and particularly those of low-income, whenever federal funds are utilized in providing services or developing a project; and grantees of such funds are expected, if not required, to direct LESSEE's activities in such manner as to be beneficial to said persons; and therefore the LESSEE, for and in consideration of the LESSOR leasing the Premises to the LESSEE for a de minimus rent, the LESSEE hereby agrees, as a condition being of the essence of this Lease, to give primary consideration to the residents of the Housing Authority of the City of Milwaukee (LESSOR) in notification of, solicitation for, and in employment of qualified persons in the LESSEE's organization whenever feasible, and to extend the highest of priorities in the use of the subject premises and services to said residents.
- 18.2 It is further understood by the parties hereto that the LESSEE shall give primary consideration to the residents of the Housing Authority of the City of Milwaukee (LESSOR) in enrollment, placement, and solicitation for participation in any and all programs offered by the LESSEE.
- 18.3 The LESSEE shall ensure that said primary considerations are offered to Housing Authority of the City of Milwaukee residents. The LESSEE further acknowledges that failure to comply with the above requirements, to the reasonable satisfaction of the LESSOR, will constitute a breach of this Lease and cause for termination.
- 18.4 The LESSOR shall have the right, upon reasonable notice, to inspect and review all pertinent data of the LESSEE and any sub-lessee to verify adherence to the provisions herein; said data includes access to any and all of LESSEE's books and records; or at the LESSOR's option, LESSEE shall provide annual reports specifying in detail compliance with the provisions herein.
- 18.5 The LESSEE shall submit to the LESSOR quarterly written reports about the number of residents employed and number of residents served by type of program.

**ARTICLE 19**

**NOTICES**

- 19.1 Notices of demands that are required herein to be in writing may be delivered personally or sent by certified mail, return receipt requested, addressed to the respective parties as follows:

LESSOR:

Housing Authority of the City of Milwaukee  
Post Office Box 324  
Milwaukee, Wisconsin 53201  
Attention: Executive Director

LESSEE:

Silver Spring Neighborhood Center, Inc.  
5460 North 64th Street  
Milwaukee, Wisconsin 53218  
Attention: Executive Director

**ARTICLE 20**

**FEES**

- 20.1 LESSEE agrees to pay all reasonable costs, attorneys' fees and expenses that shall be paid or incurred by the LESSOR in enforcing this Lease.

**ARTICLE 21**

**RIGHTS CUMULATIVE**

- 21.1 The rights and remedies of the LESSOR under this Lease shall be cumulative and the exercise of any of them shall not be exclusive of any other right or remedy provided by this Lease or allowed by law, and the waiver by the LESSOR of any breach or any covenant of this Lease shall be limited to such particular instance and shall not operate or be deemed to be a waiver of any future breach of the same or any other covenant on the same or any other occasion.

**ARTICLE 22**

**SEVERABILITY OF PROVISIONS**

- 22.1 It is agreed that in the event one of the terms and provisions contained herein shall be declared to be invalid or unenforceable by a court of competent jurisdiction, the remaining provisions and conditions of this Lease or the application of such to persons or circumstances other than those to which it is declared invalid or unenforceable shall not be affected thereby, and shall remain in full force and effect and shall be valid and enforceable to the fullest extent permitted by law.

**ARTICLE 23**

**CAPTIONS**

- 23.1 The captions in this Lease are inserted only as matters of convenience and for reference and in no way define nor limit the scope or intent of the various provisions, terms or conditions hereof.

**ARTICLE 24**

**BINDING EFFECT**

- 24.1 The terms and conditions of this Lease shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and assigns (provided that this clause shall not permit any assignments contrary to the provisions of 6.1).

**ARTICLE 25**

**ENTIRE AGREEMENT**

- 25.1 The parties hereto agree this Lease contains the entire agreement between the parties and shall not be modified in any manner except by an instrument in writing executed by the parties or their successors in interest.

**ARTICLE 26**

**OTHER PROVISIONS**

- 26.1 The terms LESSOR and LESSEE when used herein shall be taken to mean either single or plural, masculine, feminine, or neuter, as the case may be, and the provision of this instrument shall bind the parties and their heirs, personal representatives, successors and assigns.

**ARTICLE 27**

**CERTIFICATIONS**

The LESSEE makes and incorporates into the Lease the following certifications, made to the best of LESSEE's knowledge. For purposes of this Lease, "LESSEE'S knowledge means the actual factual knowledge as of the date of this Lease of James Bartos, Executive Director of LESSEE. The following certifications shall be interpreted in a manner reasonably consistent with the terms of the Lease as the context requires:

27.1 CERTIFICATION REGARDING DEBARMENT AND SUSPENSION

LESSEE certifies to the best of its knowledge and belief, that the LESSEE, defined as the primary participant in accordance with 45 CFR Part 76, and its principals:

- (a) is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Department or agency;
- (b) has not within a 3-year period preceding the date of this Lease been convicted of or had a civil judgment rendered against it for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) is not presently indicted or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
- (d) has not within a 3-year period preceding the date of this Lease had one or more public transactions (Federal, State, or local) terminated for cause or default.

27.2 CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The LESSEE certifies that the LESSEE will, or will continue to, provide a drug-free workplace in accordance with 45 CFR Part 76 by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the LESSEE's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing an ongoing drug-free awareness program to inform employees about:
  - (1) The dangers of drug abuse in the workplace;
  - (2) The LESSEE's policy of maintaining a drug-free workplace;
  - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
  - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
- (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a) above;
- (d) Notifying the employee in the statement required by paragraph (a), above, that, as a condition of employment under the grant, the employee will:
  - (1) Abide by the terms of the statement; and



- (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.
- (e) Notifying the agency in writing within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the recipient of such notices. Notice shall include the identification number(s) of each affected grant;
- (f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted:
  - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
  - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency.
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

For purposes of paragraph (e) regarding agency notification of criminal drug convictions, the DHHS has designated the following central point for receipt of such notices:

Office of Grants and Acquisition Management  
Office of Grants Management  
Office of the Assistant Secretary for Management and Budget  
Department of Health and Human Services  
200 Independence Avenue, S.W., Room 517-D  
Washington D.C. 20201

### 27.3 CERTIFICATION REGARDING LOBBYING

Title 31, United States Code, Section 1352, entitled "Limitation on use of appropriated funds to influence certain Federal contracting and financial transactions," generally prohibits recipients of Federal grants and cooperative agreements from using Federal (appropriated) funds for lobbying the Executive or Legislative Branches of the Federal Government in connection with a SPECIFIC grant or cooperative agreement. Section 1352 also requires that each person who requests or receives a Federal grant or cooperative agreement must disclose lobbying undertaken with non-Federal

(nonappropriated) funds. These requirements apply to grants and cooperative agreement EXCEEDING \$100,000 in total costs (45 CFR Part 93).

The LESSEE certifies, to the best of its knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. (If needed, Standard Form-LLL, "Disclosure of Lobbying Activities," its instructions, and continuation sheet are available upon request from LESSOR).

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

27.4 CERTIFICATION REGARDING PROGRAM FRAUD CIVIL REMEDIES ACT (PFCRA)

- (a) The LESSEE certifies that the statements herein are true, complete, and accurate to the best of its knowledge, and that it is aware that any false, fictitious, or fraudulent statements or claims may subject it to criminal, civil, or administrative penalties. The undersigned agrees that the applicant organization will comply with the Public Health Service terms and conditions of award if a grant is awarded to it.

27.5 CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are

constructed, operated, or maintained with such Federal funds. The law does not apply to children's services provided in private residence, portions of facilities used for inpatient drug or alcohol treatment, service providers whose sole source of applicable Federal funds is Medicare or Medicaid, or facilities where WIC coupons are redeemed.

Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity.

By signing the certification, the undersigned certifies that the applicant organization will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act.

The applicant organization agrees that it will require that the language of this certification be included in any subawards which contain provisions for children's services and that all subrecipients shall certify accordingly.

The Public Health Services strongly encourages all grant recipients to provide a smoke-free workplace and promote the non-use of tobacco products. This is consistent with the PHS mission to protect and advance the physical and mental health of the American people.

#### **ARTICLE 28**

##### **OPEN RECORDS**

This Lease and certain documents relating thereto are, or may be, subject to Wisconsin's Open Records Law (see Wis. Stat. Ch. 19, Subch. II). LESSEE shall keep accurate, full and complete records, books and accounts with respect to: this Lease; LESSEE's duties hereunder; and the Premises. Each of LESSEE's such records, books and accounts (herein called "LESSEE's Books") shall be retained for seven years from the date of their original creation. LESSEE's expense and account data relating to the Premises shall be maintained in accordance with generally accepted accounting principles consistently applied. LESSEE agrees to cooperate with LESSOR in the event LESSOR receives a request under Wisconsin's Open Records Law for this Lease or for any record relating to, or produced or collected under, this Lease.

#### **ARTICLE 29**

##### **QUIET ENJOYMENT**

Provided LESSEE has performed all of the terms and conditions of this Lease to be performed by LESSEE, LESSEE shall peaceably and quietly hold and enjoy the Premises for the Lease term, without hindrance from LESSOR or any other party, subject to the terms and conditions of this Lease.

IN WITNESS WHEREOF, the parties hereunto have set their hands and seals the day and year first above written.

SILVER SPRING NEIGHBORHOOD  
CENTER, INC.  
5460 North 64th Street  
Milwaukee, Wisconsin 53218

Witness:  
By: [Signature]

By: James M. Bartos  
Title: Executive Director

**CERTIFICATION:**

On this day, before me, the undersigned Notary Public, personally appeared the LESSEE, known to me to be JAMES BARTOS of SSNC, the LESSEE described in the foregoing instrument, and he/she acknowledged to me that he/she signed the same on behalf of said SSNC by authority of its bylaws or its Board of Directors, as the free and voluntary act and deed of said SSNC, for the uses and purposes therein set forth.

Laurie K. Schneiderwent  
Notary Public



WITNESS my hand and official seal this 17 day of SEPTEMBER, 2008.  
Notary Public In and For WISCONSIN My commission Expires 03/2012

Affix Corporate Seal  
(Signature) \_\_\_\_\_

Attest:  
By: [Signature]  
Antonio M. Perez  
Secretary-Executive Director

HOUSING AUTHORITY OF THE  
CITY OF MILWAUKEE  
809 North Broadway  
Milwaukee, Wisconsin 53202  
By: [Signature]  
Alderman Willie Hines, Jr.  
Chair

CITY ATTORNEY'S OFFICE  
Approved as to Form and Content  
Dated 9.22, 2008  
By: [Signature]  
JOHN J. HEINEN  
Assistant City Attorney

CITY ATTORNEY'S OFFICE  
Approved as to Form and Execution  
Dated 10.2, 2008  
By: [Signature]  
JOHN J. HEINEN  
Assistant City Attorney

1050-2006-1572: #107881

EXHIBIT A

PROMISSORY NOTE

[DOCUMENT FOLLOWS THIS COVER PAGE]

**EXHIBIT "A"****PROMISSORY NOTE**

\$ 2,000,000

April \_\_\_\_, 2004

PLACE: Milwaukee, Wisconsin

FOR VALUE RECEIVED, AND CONTINGENT UPON THE EXISTENCE OF THAT CERTAIN LEASE BETWEEN THE PARTIES HERETO, AS DEFINED HEREIN, the SILVER SPRING NEIGHBORHOOD CENTER, a Wisconsin non profit corporation ("Borrower" and Lessee), promises to pay to the order of the HOUSING AUTHORITY OF THE CITY OF MILWAUKEE, a public body, corporate and politic existing under the laws of the State of Wisconsin (herein called the "Authority") ("Lender" and Lessor), or its successors or assigns, the sum of TWO MILLION DOLLARS (\$2,000,000.00). The principal on this Note is payable in the installments due on the respective dates set forth in the table below.

PRINCIPAL OF LOAN: \$ 2,000,000  
 INTEREST: 0% Annually  
 TERM OF LOAN: 24 Years  
 BORROWER: SILVER SPRING NEIGHBORHOOD CENTER  
 ADDRESS: 5460 N. 64<sup>th</sup> Street  
 Milwaukee, WI 53218

<u>PAYMENT NO.</u>	<u>DUE DATE</u>	<u>AMOUNT</u>	<u>BALANCE</u>
1	12/31/2003	\$250,000	\$1,750,000
2	12/31/2006	\$ 83,000	\$1,667,000
3	12/31/2007	\$ 83,000	\$1,584,000
4	12/31/2008	\$ 83,000	\$1,501,000
5	12/31/2009	\$ 83,000	\$1,418,000
6	12/31/2010	\$ 83,000	\$1,335,000
7	12/31/2011	\$ 83,000	\$1,252,000
8	12/31/2012	\$ 83,000	\$1,169,000
9	12/31/2013	\$ 83,000	\$1,086,000
10	12/31/2014	\$ 83,000	\$1,003,000
11	12/31/2015	\$ 83,000	\$ 920,000
12	12/31/2016	\$ 83,000	\$ 837,000
13	12/31/2017	\$ 83,000	\$ 754,000
14	12/31/2018	\$ 83,000	\$ 671,000
15	12/31/2019	\$ 83,000	\$ 588,000
16	12/31/2020	\$ 83,000	\$ 505,000
17	12/31/2021	\$ 83,000	\$ 422,000

18	12/31/2022	\$ 83,000	\$ 339,000
19	12/31/2023	\$ 83,000	\$ 256,000
20	12/31/2024	\$ 83,000	\$ 173,000
21	12/31/2025	\$ 83,000	\$ 90,000
22	12/31/2026	\$ 90,000	- 0 -

SSNC's obligations under this Note are wholly contingent upon that lease for certain real property located at 5460 N. 64<sup>th</sup> Street, Milwaukee, Wisconsin, dated February 27, 1992, also known as Contract No. 91-220 (HA) (the "Lease") being extended for a term of at least twenty-one (21) years beyond May 31, 2006. In the event the Lease is terminated by the HACM prior to May 31, 2006, or in the event the Lease is not, for any reason, extended for a term of at least twenty-one (21) years beyond May 31, 2006, SSNC's obligations under this Note shall terminate and thereupon SSNC shall have no further liability hereunder. The parties acknowledge that HACM's ability to extend or enter into a new lease with SSNC is dependent upon receiving approval from U.S. Department of Housing and Urban Development.

IN THE EVENT the Borrower shall fail to pay the principal amount of this Note when due, or if the Authority deems itself insecure, the unpaid principal amount of this Note shall become due and payable at the option of the Authority, with notice to the Borrower. The unpaid principal amount of this Note shall automatically mature and become immediately payable in the event Borrower becomes the subject of bankruptcy or other insolvency proceedings. Failure of the Authority to exercise such option(s) shall not constitute a waiver of any default on this note. If the principal payments under this Note are not paid by the 30<sup>th</sup> day after the due date, which includes the due date, the Borrower shall pay to the Authority a late charge of 12% per annum, or a fraction thereof, on the amount past due and remaining unpaid. If this Note be reduced to judgment, such judgment shall bear the statutory interest rate on judgments.

If suit is instituted by the Authority to recover on this Note, the Borrower agrees to pay all costs of such collection, including reasonable attorney's fees and court costs.


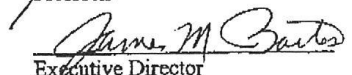
The principal payments and any costs associated with this Note are payable at the main office of the Authority, 809 North Broadway Street, Milwaukee, Wisconsin 53202.

THIS NOTE MAY BE PREPAID IN WHOLE OR IN PART AT ANY TIME WITHOUT PENALTY.

IN WITNESS WHEREOF, this Note has been duly executed by the Borrower as of its date.

ACKNOWLEDGEMENT BY:

SILVER SPRING NEIGHBORHOOD CENTER

By:   
\_\_\_\_\_  
President  
  
\_\_\_\_\_  
Executive Director

Date: 9/1/04

Date: 9/1/04

76123



**EXHIBIT B**

**LEGAL DESCRIPTION**

That part of Block 6 of Westlawn, a Subdivision of part of the Northeast quarter (1/4) of the Northeast quarter (1/4) of Section 34, Township 8 North, Range 21 East; and lands adjacent to the South right-of-way line of Sheridan Avenue and the East right-of-way line of 64th Street, in the City of Milwaukee, County of Milwaukee, State of Wisconsin, described as: Commencing at the Northeast corner of the Northeast quarter of Section 34, thence South 89 degrees 52 minutes 59 seconds West, along the North line of said Northeast quarter, 1,313.23 feet; thence South 0 degrees 7 minutes 1 second East, 380.12 feet; thence North 89 degrees 52 minutes 59 seconds East, 30.00 feet to the intersection of the East line of North 64th Street and the South line of West Sheridan Avenue, and to the point of Beginning; thence North 89 degrees 52 minutes 59 seconds East, 287.13 feet along said South line; thence South 0 degrees 7 minutes 1 second East, 193.17 feet; thence South 89 degrees 52 minutes 59 seconds West, 10.00 feet; thence South 1 degree 1 minute 31 seconds East, 92.38 feet; thence South 90 degrees 0 minutes 0 seconds West, 269.49 feet to the East line of North 64th Street; thence North 1 degree 53 minutes 57 seconds West, 285.13 feet along said East line to the Point of Beginning. Said parcel contains 79,789 square feet or 1.83 acres of land, more or less.

The entire community building at 5460 N. 64<sup>th</sup> Street, and other leased areas identified in the "Use Agreement Concerning the Leased Premises and SSNC Premises, Exhibit E to Ground Lease Agreement between LESSOR and the Milwaukee Board of School Directors" dated August 1, 2003 (Use Agreement), pursuant to Articles 3, 4, and 5 in the Use Agreement (the "Facility").