GIRI CORPORATION DBA STONE CREEK COFFEE

LEASE AGREEMENT

City of Milwaukee Milwaukee, Wisconsin

This Lease Agreement (hereinafter referred to as "Lease") made as of the 1st day of, June, 2018, by and between **Giri Corporation DBA Stone Creek Coffee**, a for profit corporation, ("Lessee"), and the City of Milwaukee, a Wisconsin municipal corporation, ("Lessor").

RECITALS

- A. The Lessor is the owner of vacant land at 2270 South Kinnickinnic Avenue, Milwaukee, Wisconsin, Tax Key No.466-0336-000, and more particularly described in Exhibit A (Property).
- B. On May 2, 2003, the Lessee and Lessor entered into a lease agreement whereby the Lessee leased from the Lessor the Property for outdoor customer seating and public area accessory to adjacent coffee house use, provided legally permissible.
- C. Such lease agreement had a three year term with option to extend for three successive periods, the first of which was for two years and the next two were for five years each,
- D. The term, including the three extensions, of such lease agreement expired May 31, 2018 and the parties wish to enter into a new lease agreement.

AGREEMENT

The recitals above are hereby accepted and agreed to.

1. <u>Demise and Term.</u> The Lessor hereby leases, demises and lets unto Lessee the Property. The term shall commence, June 1,2018 and terminate on March 31, 2021 unless extended or sooner terminated in accordance with this Lease.

2. <u>Extension</u>. This Lease may be extended by the Lessor upon written request of the Lessee provided that, a) the Lessor is satisfied the coffee house business is and remains a viable enterprise at this location, and b) the Lessee is not in default of any provision under this Lease. Such extension shall be for an additional three (3) year term, upon 90 day prior written notice. Such renewal and extension shall be on like covenants, agreements, terms, provisions, and conditions as are contained herein (unless changed or modified by mutual consent).

- 3. <u>Rent.</u> Annual rent is due on the following schedule:
 - June 1, 2018 to December 31, 2018 Paid
 - January 1, 2019 to December 31, 2019 \$612.50¹
 - January 1, 2020 to December 31, 2020 \$1,100.00
 - January 1, 2021 to March 31, 2021 \$287.50²

¹Rent for 2019 is prorated. Rent paid for June 1, 2018 to May 31, 2019 on July 5, 2018 (check number 12159).

² Rent prorated to reflect lease termination date of March 31, 2021.

During the Term rent shall be payable in advance on or before the first day of January each year during the term, addressed to the City of Milwaukee, 809 North Broadway, P. 0. Box 324, Milwaukee, Wisconsin, 53201, ATTN: Property Manager. If extended, the rent for each successive term shall be based upon prevailing neighborhood rents for similar commercial purposes. The tent shall take into consideration the Lessee's expense to maintain that land area not dedicated to business and customer use.

4. <u>Use of the Property.</u> Lessee shall use the Property for exclusively outdoor seating and public area accessory to coffee house use at the adjoining property at 2266 South Kinnickinnic Avenue.

5. <u>Occupancy Subject to Existing Easements/Restrictions and Future Conveyance</u> <u>of Easements.</u> Lessee occupancy of the Property is subject to any recorded easements and restrictions of record.

6. Termination and Vacation.

a. Lessee shall vacate the Property on or before the expiration of this Lease. The Lessee shall return the Property to the Lessor in substantially the same condition in which it was received. In the event the Lessee fails to vacate the Property in a timely fashion, Lessor shall have the option to cause the Property to be vacated, and to assess the actual costs of such vacation against the Lessee.

b. Lessee shall vacate the property free and clear of all materials and equipment. In the event that Lessee fails to vacate the Property in the prescribed state of clearance, as determined by the Lessor, after thirty (30) days' written notice to Lessee, the Lessor may have such clearance and clean-up conducted as in its reasonable judgment is necessary in order to bring the Property to the prescribed state of clearance and to assess the costs of such action against Lessee. Improvements, i.e., buildings, may with the Lessor's consent, be moved or otherwise become the Lessor's property at its election under Section 15, below.

7. <u>Termination by Lessor or Lessee Without Cause</u>. Lessor may in its sole discretion and without cause, terminate this Lease by providing Lessee with 6 months prior written notice thereof. Lessee may terminate this Lease by providing the Lessor with 60 days prior written notice thereof.

8. <u>Default.</u> The occurrence of one or more of the following events shall be considered events of default under the terms of this Lease:

a. Lessee shall be adjudged a bankrupt, or a decree or order shall be entered approving as properly filed a petition or answer asking reorganization of Lessee under Federal Bankruptcy Laws, as now or hereafter amended, or under the laws of this State, and any such decree, judgment or order shall not have been vacated, stayed, or set aside within sixty (60) days from the date of the entry or granting thereof; or

b. Lessee shall file or admit the jurisdiction of the court and the material allegations contained in any petition in bankruptcy or any petition or purporting to be pursuant to the Federal Bankruptcy Laws as now or hereafter amended, or Lessee shall institute any proceedings or shall give its consent to the institution of any proceedings for any relief of Lessee under any federal or state bankruptcy or insolvency laws or any laws relating to the relief of debtors, readjustment or indebtedness, or reorganization; or

c. Lessee shall make as assignment for the benefit of creditors or shall apply for or consent to the appointment of a receiver for Lessee; or

d. Lessee shall fail to pay rent when due, and the failure is not cured within ten (10) days of the rent's due date ; or

e. Lessee shall fail to perform any other terms or conditions of the Lease which are the responsibility of Lessee, and if such failure is not cured within thirty (30) days after written notice by Lessor (or such longer period as is reasonably necessary to cure such default). If the failure is caused by events beyond Lessee's reasonable control, Lessee shall inform Lessor and shall use due diligence to cure the default as soon as feasible and shall not be considered in default; or

f. Lessee vacates or abandons the Property in excess of thirty (30) days without previously notifying the Lessor in writing; except that a temporary closing for remodeling or repairs, or for a business holiday shall not be deemed vacation or abandonment; or

g. Lessee shall make any changes in use, or additional use of, the Property; or

h. Lessee shall make any assignment, transfer, conveyance or other disposition of its interest in the Property, including subletting, without the express written consent of Lessor'; or

i. Lessee's lease for adjoining property at 2266 South Kinnickinnic Avenue expires or is terminated.

9. <u>Lessor Remedies for Lessee Default.</u> In the event of default in Section 8.d) above, Lessee agrees that a late fee of \$25 will be assessed on all rental payments post marked after January 10th and for each additional month rent continues to remain unpaid. In the event of any default in any of the foregoing, and with written notice sent by Lessor to Lessee and at least thirty (30) days prior to taking action, with the exception of Section 8. d) above, during which time Lessee may cure the default, Lessor may take the following actions:

a. Lessor may elect to terminate this Lease and re-enter the Property (as permitted by law), remove all persons, and store such personal property in a public warehouse at the sole cost of the Lessee, without becoming libel for any loss or damage, except for loss of damage resulting from willful or negligent acts of Lessor or its employees.

b. Lessor may elect to re-enter the Property, from time to time without terminating this Lease, and make alterations for the purpose of re-letting the Property upon terms or conditions the Lessor deems advisable. Upon such re-letting, this Lease shall terminate and Lessor and Lessee shall be released from any rights and liabilities hereunder.

c. In the event that the Lessee has failed to perform any of the terms and conditions of the Lease other than paying rent, the Lessor may perform the covenant, term or condition of Lessee, which is in default after the expiration of any notice and grace periods permitted herein. Lessor's performance of such covenant shall not subject Lessor to liability for any loss,

inconvenience or damage to Lessee except for loss or damage from willful or negligent acts of Lessor, its employees or agents. Lessor's performance of any such covenant shall not be construed as a waiver of Lessee's default or of any other right of Lessor in respect to such default, or as a waiver of any covenant, term or condition of this Lease. Lessor shall be entitled

to reimbursement from Lessee as additional rent, including reimbursement for reasonable attorney's fees, for any reasonable sums expended under the provisions of this section. In addition to any other rights and remedies in the event of non-payment of the sums due under this section as in the case of default by Lessee in the payment of rent.

10. <u>Maintenance and Orderliness of Property.</u> Routine maintenance of Property, including snow and ice removal from public right of way areas, landscaping, fencing, parking and pedestrian areas, and litter-free appearance of Property shall be the responsibility of Lessee. Lessor retains the right to have any of its officers, agents, or employees inspect the Property at all reasonable times and Lessee shall be required to grant full access to the property at such times.

11. <u>Utilities.</u> Lessee shall be solely responsible for the installation and purchase of all utility services required by Lessee during the term of this lease.

12. <u>Indemnification</u>. Lessee hereby agrees to indemnify and save harmless Lessor from and against all liabilities, claims, demands, judgments, losses and all suits at law or in equity, costs and expenses, including reasonable attorney's fees, for injury to and/or damage to the Property of any person, firm or corporation whomsoever, including both parties hereto and their employees, arising from the construction, maintenance or operation of Lessee's improvements and equipment, or in the carrying on of its business as hereinbefore set forth, except when such liability claim, demand, judgment or loss arises from a negligent act of the Lessor, their contractors or employees.

13. <u>Insurance</u>. Lessee will furnish a Certificate of Insurance showing insurance written by a company licensed in the State of Wisconsin approved by the Lessor and covering any and all liability or obligations which may result from the operations by Lessee's employees, agents, contractors, subcontractors as aforesaid in this Lease; such Certificate of Insurance will name both the Lessor as additional insured. The Certificate shall provide that the company will furnish Lessor with a thirty (30) day written notice of cancellation, nonrenewable or material change. Said insurance shall be written in comprehensive form and shall protect Lessee and Lessor against all claims arising from injuries to members of the public or damage to property of others arising out of any act or omission of Lessee's employees, agents, contractors, or subcontractors in accordance with Exhibit B.

Lessor shall determine the limits and adequacy of said insurance and the Lessor shall also approve the form and proof of insurance. Failure of the Lessee to maintain adequate coverage shall not relieve it of any contractual responsibility or obligation under this Lease. The Lessor shall have the right to review policies providing the required coverage.

The attorney in fact or agent of any insurance company furnishing any policy or insurance shall sign and furnish an affidavit setting forth that Lessor or employee has any interest, direct or indirect, or is receiving any premium, commission, fee or other thing of value on account of furnishing said policy of insurance. 14. <u>Taxes</u>. Lessee shall pay and discharge when due all taxes, if any, assessments, levies and other charges, general and special, that are or may be during the term hereof levied, assessed, imposed or charged on the Property or the improvements thereon or hereafter placed thereon.

15. <u>Status of Improvements.</u> Lessee shall make no substantial improvements upon the Property without the prior consent of the Lessor. Lessee shall provide the Lessor with plans and specifications when seeking the Lessor's consent for intended improvements. Consent to improvements by Lessor does not relieve Lessee of obtaining any and all permits and licenses to construct on the site or to operate the coffee house enterprise.

Upon termination of this Lease, Lessee shall, upon notice from the Lessor, be required and obligated to remove from the Property at any time within thirty (30) days after the termination of this Lease, or any renewal or extension thereof, however affected, all buildings, or other improvements and any and all appurtenances thereto brought or placed upon said Property by Lessee. In the event such removals are not completed within said thirty (30) days, the Lessor shall have the right to collect damages from Lessee; provided however, that the Lessor may in lieu of removal require Lessee to convey title to such improvements to the Lessor, free and clear of all liens and encumbrances. Any such election shall be made in writing and communicated to Lessee. No such option with respect to election of either to remove or not to remove shall rest with the Lessee shall have the obligation and responsibility to perform that which the Lessor shall direct.

16. <u>Conveyance to City/Eminent Domain/Distribution of Awards.</u> In the event the Property or any part thereof is taken as a result of any eminent domain proceeding, or is voluntarily transferred in lieu of, or under threat of condemnation to any authority either the power of eminent domain, the interest of Lessor and Lessee in the award, including attorney's fees and interest, shall be provided by law. Provided, that the Lessee shall not have, nor maintain, any claim or interest in real estate, severance damages, relocation benefits, or any other claim under Chapter 32 Wisconsin Stats.

a. <u>Total Taking</u>. In the event of a total taking of the Property, this Lease shall cease on the date title of the Property vests in the condemning authority and Lessee's obligation to pay rent shall terminate on that date. Upon such termination, Lessor and Lessee shall be relieved of any further rights and obligations under this Lease and Lessee shall remove all its personal property as provided under Section 15, above.

b. <u>Partial Taking</u>. In the event of a partial taking which leaves the Property in such shape or size that the remaining portion can, in Lessee's opinion, continue to be used for operating Lessee's business, the Lease concerning the condemned portion shall terminate on the date title to that portion vests in the condemning authority. Lessee shall remove its personal property and vacate the condemned portion as provided under Section 15, above. The Lease for the portion not taken shall remain in effect, but the rent shall abate for the remainder of the term of the Lease, in proportion to the amount taken by condemnation, for that portion, taken. Beginning with that date, the rent required to be paid by the Lessee shall be reduced on a basis pro-rata to the reduction in value of the Property so taken.

In the event of a partial taking, which leaves the Property in such shape or size, that the remaining portion cannot, in Lessee's opinion, continue to be used for operating Lessee's business, this Lease shall terminate as of the date of the taking.

17. Estoppel Certificate. At any time within fifteen (15) days after written request by either party, the other party shall execute and deliver to the requesting party, a statement certifying that this Lease is unmodified and in force or, if there have been modifications, that it is in force as modified in the manner specified, and that there are not existing defaults, or if there are existing defaults, a description thereof. The statement shall also state the date to which the rent has been paid in advance. The Statement shall be such that it can be relied on by any auditor, creditor, banker if either party or by any prospective purchaser or encumbrance of the Property, or of either Lessee's or Lessor's interest herein.

At the option of the Lessor, failure to deliver the certificate within fifteen (15) days after written notice shall constitute a default under this Lease and the Lessor thereafter may immediately pursue its rights under Section 8, above.

18. <u>Hazardous Activities.</u> Lessee agrees it will not do or suffer to be done, anything in, upon, under or about the Property which will adversely affect any of the Lessor's policies insuring the Property, or which would prevent procuring such policies.

19. Environmental Condition of Property. Lessee is leasing the Property in "as is" condition and the Lessor makes no representations as to its environmental condition. Lessee shall hold the Lessor harmless from any claims it may have for the existing environmental condition of the Property. Should Lessee wish to perform any environmental testing on the Property, Lessee must get the Lessor's prior written approval. Lessee agrees that it will not cause or suffer to come onto, under, or migrate from the Property any hazardous substance (s) as defined in any law, order, rule or regulation currently existing or as may hereinafter be enacted, amended or promulgated, of any federal, state, municipal county or governmental or quasi-governmental authority, department or agency. Lessee further agrees to dispose of any such hazardous substance (s) in compliance with all such governmental laws, order, rules or regulations. Lessee shall promptly give notice to the Lessor of any forms, submissions, notices, reports or other communication relating to any hazardous substance (s) in, under, or about the Property. Lessee shall indemnify and hold Lessor harmless from any and all demands, claims, causes of action, costs and reasonable attorney fees as a result of Lessee's violation of any such law, order, rule, or regulation or any adverse effect which occurs as a result of Lessee's violation by Lessee or Lessee's agents, employees, guests, invitees, or contractors.

20. <u>Compliance with Laws and Orders.</u> Lessee agrees to observe fully and to comply with any lawful rule, regulation or directive, which shall emanate from any state, federal or local departments or agencies having jurisdiction.

21. <u>Time is of the Essence</u>. It is expressly understood and agreed to by the parties hereto that time is of the essence for each term and provision of the Lease.

22. <u>Waiver</u>. One or more waiver by the Lessor of any covenant or condition of this Lease shall not be construed as a waiver of a subsequent breach of the same or of any other covenant or condition. The consent or approval given the Lessor with respect to any act by Lessee requiring such consent or approval shall not be deemed to waive or render unnecessary further consent or approval of any subsequent similar act by Lessee.

23. <u>Sole Agreement and Amendment</u>. This Lease and the attached to which reference is made herein contain all the agreements and covenants made between the parties hereto, shall be

binding upon the parties hereto and their respective successor's and assigns, and may not be modified orally or in any other manner than by agreement, in writing, signed by each of the parties of this Lease.

24. <u>Notice</u>. Any notice provided herein or given pursuant to this Lease, shall be deemed in compliance herewith if in writing and sent by United States certified or registered mail, postage pre-paid, return receipt requested, or by receipted personal delivery to the parties as follows:

To The City of Milwaukee:To the Lessee:809 North BroadwayGiri Corporation DBA StoneP.O. Box 324Creek CoffeeMilwaukee, Wisconsin 53202422 North 5th StreetMilwaukee, Wisconsin 53203Milwaukee, Wisconsin 53203

25. <u>Governing Law:</u> The laws of the State of Wisconsin shall govern This Lease. If any term or provision of this Lease or any exhibits hereto, or the application thereof to any person or circumstance, shall to any extent be declared invalid or unenforceable, then the remainder of this Lease and exhibits, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Lease shall be valid and be enforced to the fullest extent permitted by applicable law.

26. <u>Nondiscrimination</u>. Lessee hereby agrees that in its use of the Property and in its activities undertaken pursuant hereto it shall not discriminate, permit discrimination or restriction on the basis of sex, race, religion, color, national origin or ancestry, age, disability, lawful source of income, marital status, sexual orientation, gender identity or expression, victimhood of domestic abuse or sexual assault, past or present membership in the military service, HIV status, domestic partnership, genetic identity, homelessness, familial status, or based upon affiliation with, or perceived affiliation with any of these protected categories in the lease or rental, or in the use or occupancy of the Property or any improvements located or to be erected thereon, or any part thereof.

27. <u>Lessor's Authority</u>. Any matters not herein expressly provided for shall be handled and disposed of in the discretion of the Lessor. Any discretion herein granted to the Lessor may be exercised through the Commissioner of the Department of City Development and/or his designee(s).

28. <u>Assignment, Subletting, and Mortgages.</u> Lessee shall not assign this Lease, nor sublet the Property or any part thereof, nor grant a mortgage on the Lessee's leasehold interest, nor in any way convey or transfer the Property without prior written consent to the Lessor. Consent of the Lessor to one or more assignment, sublease or mortgage shall not operate to exhaust the Lessor's rights under this section. Lessee shall in no way be released from any part of its obligations under this Lease in the event, with or without the previous consent of the Lessor, the Lessee assigns or in any manner transfers this Lease or any estate or interest therein.

In the event that the Lessee requests Lessor's consent in any assignment, subletting or other transfer of Lessee's interest in this Lease, then Lessee shall reimburse Lessor, as additional rent, for any costs and expenses, including attorney fees and expenses, incurred by Lessor in connection with any such proposed assignment, subletting or other transfer in question.

29. <u>Counterparts.</u> This Lease may be executed in any number of counterparts, each of which shall constitute an original and all of which shall constitute one and the same Lease.

30. <u>Approval.</u> IT IS FURTHER AGREED AND UNDERSTOOD that this Lease must be submitted to the City for its approval and such approval is a condition precedent to the Lease taking effect.

31. A memorandum of this Lease may be recorded in the Register of Deeds.

IN WITNESS WHEREOF, the parties hereto by their duly authorized officers executed this Lease Agreement under seal as of the day and year first above written.

Lessor:

Name:	Name:	
Its: Manager	Its:	
C		
Date:	Date:	

This Agreement Drafted by the Department of City Development

1050-2018-1247:250162v2

Lessee:



EXHIBIT B

Insurance Requirements

Insurance certificates must be sent for inspection and approval to: Department of City Development, City of Milwaukee, 809 North Broadway, Milwaukee, WI 53202-3617 or by facsimile to (414) 286-0395.

TYPE OF INSURANCE

<u>LIMITS</u>

Worker's Compensation

Employers Liability

Bodily Injury by Accident Bodily Injury by Disease Each Accident: \$1,000,000 Each Employee: \$1,000,000

Statutory limits

Public Liability

A Comprehensive General or Commercial General Policy Insuring Tenant's Use of the Premises that provides:

- Premises/Operations Protection
- Products/Completed Operations Protection
- Independent Contractor Protection (owners, contractors protective coverage)
- Contractual Liability Coverage
- Non-owned Automobile Liability Coverage
- Bodily Injury/Property Damage

Each Occurrence:\$1,000,000General Aggregate:\$2,000,000Products/Comp. Operationsaggregate:\$2,000,000

NOTE: If claims made coverage is provided, the policy must be amended so all protected occurrences are covered regardless of when the claim is made.

THE CITY OF MILWAUKEE MUST BE NAMED AS ADDITIONAL INSURED PARTY ON LESSEE'S POLICY AND ANY CONTRACTOR OR SUBCONTRACTOR POLICIES OF INSURANCE.